

**FACOR MINERALS (NETHERLANDS) B.V.**

**SCHIPOL BOULEVARD 231  
1118 BH SCHIPOL AMSTERDAM  
THE NETHERLANDS**

**FINANCIAL STATEMENTS 2016-2017**

## **FACOR MINERALS (NETHERLANDS) B.V.**

### **DIRECTORS' REPORT**

We have pleasure in submitting the consolidated as well as standalone financial statements of Facor Minerals (Netherlands) B.V. (the Company) for the period commencing from 01 April 2016 and ending at 31 March 2017.

#### **1. GENERAL**

##### **Activities**

The main activity of the Company is mine exploration in Turkey and in particular to trade products like Lumpy Chrome Ore, Chrome Ore Concentrate, Minerals, Metals, Rare Earth Metals and investment in Mining Companies.

##### **Investments**

The Company holds 51% of the Issued and Fully Paid Up Capital in Facor Turkkrom Mining (Netherlands) B.V. (formerly Dillenberg Bergen Realty B.V.), a Company registered in Alkmaar, The Netherlands. Facor Turkkrom Mining (Netherlands) B.V. in turn owns 100% Issued Share Capital of Cati Madencilik Ithalat ve Ihracat A.S., a Company incorporated and having registered office in Istanbul, Turkey which owns Chrome Ore Mining Licences. Aforementioned Company's financial data is consolidated in these financial statements and are referred to in these financial statements as the "Company" or "Group".

##### **Legal Structure**

The Company is a 93.5 % owned subsidiary of Facor Alloys Ltd., a Company incorporated in India and having its registered office at Shreeramnagar – 535101, Garividi, District – Vizianagram in the State of Andhra Pradesh in India. The remaining 6.5 % is owned by Rai Bahadur Shreeram & Co. Pvt. Ltd., which is also a Company incorporated in India.

#### **2. FINANCIAL AND OPERATIONAL INFORMATION**

##### **Results for the period**

During the financial year the Company incurred a net loss of USD 1,190,776. As on 31 March 2017 the Company had accumulated losses of USD 6,549,302.

##### **Human Resources**

The average number of employees of the Group for the financial year ended on 31 March 2017 is 3 (31 March 2016 : 3).

### 3. FUTURE OUTLOOK

Despite the current negative shareholders' equity, we are convinced that our shareholders, creditors and related parties will continue to provide adequate facilities and funding and other ongoing support to the Company. We expect the future mining operations in Turkey will benefit the Company's current financial position.

On behalf of the Board,



ASHIM SARAF  
Director

ROHIT SARAF  
Director

## FACOR MINERALS (NETHERLANDS) B.V.

### STATEMENT BY DIRECTORS

In the opinion of the directors : -

- i. The accompanying financial statements together with the notes thereto are drawn up so as to give a true and fair view of the state of affairs of the company as at 31 March 2017 and the results of the business, changes in equity and cash flows of the company for the year ended on that date; and
- ii. At the date of this statement, there are reasonable grounds to believe that the company will be able to pay its debts as and when they fall due.

The Board of Directors has, on the date of this statement authorised these financial statements for issue.

On behalf of the Board,



ASHIM SARAF  
Director

ROHIT SARAF  
Director

**FACOR MINERALS (NETHERLANDS) B.V.**

**STANDALONE  
FINANCIAL STATEMENTS  
2016 – 2017**

## FACOR MINERALS (NETHERLANDS) B.V. (STANDALONE).

### BALANCE SHEET AS ON MARCH 31, 2017.

<u>Particulars</u>		<u>As On</u> <u>March 31, 2017</u>	<u>As On</u> <u>March 31, 2016</u>
	<u>Note</u>	<u>USD</u>	<u>USD</u>
<b><u>ASSETS</u></b>			
<b><i>FIXED ASSETS</i></b>			
<b><i>INTANGIBLE FIXED ASSETS</i></b>			
Goodwill	1	<u>5,863,688</u>	<u>6,854,734</u>
<b><i>FINANCIAL FIXED ASSETS</i></b>			
Investment in Participations	2	<u>(437,996)</u>	<u>(15,565)</u>
<b><i>CURRENT ASSETS</i></b>			
<b><i>TRADE &amp; OTHER RECEIVABLES</i></b>			
Receivables from Participations	3	1,113,800	1,113,800
Other Receivables	4	<u>31,437</u>	<u>31,437</u>
		<u>1,145,237</u>	<u>1,145,237</u>
<b><i>CASH AT BANK</i></b>			
Cash and Cash Equivalents	5	<u>2,568</u>	<u>2,568</u>
<b><u>TOTAL ASSETS</u></b>		<u><u>6,573,496</u></u>	<u><u>7,986,974</u></u>

For and on behalf of the Board

ASHIM SARAF  
DIRECTOR

ROHIT SARAF  
DIRECTOR

## FACOR MINERALS (NETHERLANDS) B.V. (STANDALONE).

### BALANCE SHEET AS ON MARCH 31, 2017.

<u>Particulars</u>		<u>As On</u> <u>March 31, 2017</u>	<u>As On</u> <u>March 31, 2016</u>
	<u>Note</u>	<u>USD</u>	<u>USD</u>
<b><u>EQUITY AND LIABILITIES</u></b>			
<b><u>SHAREHOLDERS EQUITY</u></b>			
Issued Share Capital	6	2,301,605	2,301,605
Share Premium Reserve	7	1	1
Translation Reserve	8	(1,343,145)	(833,653)
Other Reserves	9	<u>(6,549,301)</u>	<u>(5,577,926)</u>
		<b>(5,590,841)</b>	<b>(4,109,973)</b>
<b><u>LONG TERM LIABILITIES</u></b>			
Debts to Related Parties	10	<b>11,129,810</b>	<b>11,129,810</b>
<b><u>CURRENT LIABILITIES</u></b>			
Trade and Other Creditors	11	34,841	34,841
Debts to Related Parties	12	500,000	500,000
Debts to Shareholders	13	305,000	305,000
Other Debts	14	<u>194,686</u>	<u>127,296</u>
		<b>1,034,527</b>	<b>967,137</b>
<b><u>TOTAL EQUITY AND LIABILITIES</u></b>		<b><u>6,573,496</u></b>	<b><u>7,986,974</u></b>

For and on behalf of the Board

  
ASHIM SARAF  
DIRECTOR

ROHIT SARAF  
DIRECTOR

## FACOR MINERALS (NETHERLANDS) B.V. (STANDALONE).

### PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDING ON MARCH 31, 2017.

<u>Particulars</u>	<u>Note</u>	<u>Year Ended</u>	<u>Year Ended</u>
		<u>March 31, 2017</u>	<u>March 31, 2016</u>
		<u>USD</u>	<u>USD</u>
Amortisation - Intangible Fixed Assets	15	(991,046)	(991,046)
General Expenses	16	(12,890)	(23,699)
<b>OPERATING RESULT</b>		<b>(1,003,936)</b>	<b>(1,014,745)</b>
Interest Expenses & Similar Costs	17	(54,500)	(233,798)
<b>SUM OF FINANCIAL INCOME &amp; EXPENSES</b>		<b>(54,500)</b>	<b>(233,798)</b>
Result on Ordinary Activities		(1,058,436)	(1,248,543)
Participants Share in Results		(132,340)	(111,900)
<b>RESULT</b>		<b>(1,190,776)</b>	<b>(1,360,443)</b>

For and on behalf of the Board



ASHIM SARAF  
DIRECTOR

ROHIT SARAF  
DIRECTOR



## FACOR MINERALS (NETHERLANDS) B.V. (STANDALONE).

### NOTES TO THE STANDALONE BALANCE SHEET AS ON MARCH 31, 2017.

These Notes form an integral part of and should be read in conjunction with the accompanying financial statements.

#### ASSETS

##### FIXED ASSETS

##### 1 INTANGIBLE FIXED ASSETS

A summary of the movements of intangible fixed assets - goodwill is given below :

	<u>GOODWILL</u>
	US\$
Acquisition Value	9,910,458
Current Year Amortisation (2012-13)	(82,587)
<b>Book Value as on 31 March 2013</b>	<b><u>9,827,871</u></b>
Current Year Amortisation (2013-14)	(991,046)
Accumulated Depreciation as on 31 March 2014	(1,073,633)
<b>Book Value as on 31 March 2014</b>	<b><u>8,836,825</u></b>
Current Year Amortisation (2014-15)	(991,046)
Accumulated Depreciation as on 31 March 2015	(2,064,679)
<b>Book Value as on 31 March 2015</b>	<b><u>7,845,779</u></b>
Current Year Amortisation (2015-16)	(991,046)
Accumulated Depreciation as on 31 March 2016	(3,055,724)
<b>Book Value as on 31 March 2016</b>	<b><u>6,854,734</u></b>
Current Year Amortisation (2016-17)	(991,046)
Accumulated Depreciation as on 31 March 2017	(4,046,770)
<b>Book Value as on 31 March 2017</b>	<b><u>5,863,688</u></b>

##### FINANCIAL FIXED ASSETS

##### 2 INVESTMENT IN PARTICIPATION

The participations of the Company in Group Company have been divided as follows :

<u>Name &amp; Statutory Place of Business &amp; Share in Capital</u>	<u>Equity</u>	<u>Result</u>
	USD	USD
Facor Turkkrom Mining (N) B.V. Alkmaar 51 %	(858,816)	(30,519)
	<u>31-03-2017</u>	<u>31-03-2016</u>
	USD	USD
Facor Turkkrom Mining (Netherlands) B.V.		
Value as of 1 April	(15,565)	(12,194)
Issued Shares	0	0
	(15,565)	(12,194)
Share in result	(132,340)	(111,900)
Exchange Difference	(509,492)	(362,113)
	(657,396)	(486,207)
Net Asset value adjustment	219,400	470,642
Value as of 31 March	<b><u>(437,996)</u></b>	<b><u>(15,565)</u></b>

**NOTES TO THE STANDALONE BALANCE SHEET AS ON MARCH 31, 2017.**

**CURRENT ASSETS**

<b>3 RECEIVABLES FROM PARTICIPATIONS</b>	<b><u>31-03-2017</u></b>	<b><u>31-03-2016</u></b>
	<b>USD</b>	<b>USD</b>
Current Account Cati Madencilik as of 1 April	1,113,800	520,800
Movement during the year	-	593,000
Current Account Cati Madencilik as of 31 March	<b><u>1,113,800</u></b>	<b><u>1,113,800</u></b>
<b>4 OTHER RECEIVABLES</b>	<b><u>31-03-2017</u></b>	<b><u>31-03-2016</u></b>
	<b>USD</b>	<b>USD</b>
Interest receivable from Cati Madencilik Ithalat ve Ihracat A.S.	23,457	23,457
Advance refundable from Facor Turkkrom Mining B.V.	7,980	7,980
	<b><u>31,437</u></b>	<b><u>31,437</u></b>
<b>5 CASH AND CASH EQUIVALENTS</b>	<b><u>31-03-2017</u></b>	<b><u>31-03-2016</u></b>
	<b>USD</b>	<b>USD</b>
ING Bank Euro Account	1,119	1,119
Bank of India, London USD Account	729	729
Bank of India, Jersey USD Account	720	720
	<b><u>2,568</u></b>	<b><u>2,568</u></b>

**EQUITY AND LIABILITIES**

**SHAREHOLDERS' EQUITY**

<b>6 ISSUED SHARE CAPITAL</b>	<b><u>31-03-2017</u></b>	<b><u>31-03-2016</u></b>
	<b>USD</b>	<b>USD</b>
Value as of 1 April	2,301,605	2,301,605
Shares issued the year	-	-
Value as of 31 March	<b><u>2,301,605</u></b>	<b><u>2,301,605</u></b>

The share capital is divided into shares of USD 1 each.  
As per the date of this report 2,301,605 shares have been issued.

**NOTES TO THE STANDALONE BALANCE SHEET AS ON MARCH 31, 2017.**

<b>7 SHARE PREMIUM RESERVE</b>	<b>31-03-2017</b>	<b>31-03-2016</b>
	<b>USD</b>	<b>USD</b>
Value as of 1 April	1	1
Contribution during the year	-	-
Value as of 31 March	<u>1</u>	<u>1</u>
<b>8 RESERVE FOR TRANSLATION DIFFERENCE</b>	<b>31-03-2017</b>	<b>31-03-2016</b>
	<b>USD</b>	<b>USD</b>
Value as of 1 April	(833,653)	(471,540)
Translation difference on Share Capital for the year	(509,492)	(362,113)
Value as of 31 March	<u>(1,343,145)</u>	<u>(833,653)</u>
<b>9 OTHER RESERVES</b>	<b>31-03-2017</b>	<b>31-03-2016</b>
	<b>USD</b>	<b>USD</b>
Value as of 1 April	(5,577,926)	(4,688,125)
From proposed profit appropriation	(1,190,776)	(1,360,443)
Net Asset value adjustment participation	219,400	470,642
Value as of 31 March	<u>(6,549,301)</u>	<u>(5,577,926)</u>
<hr/>		
<b>LONG TERM LIABILITIES</b>		
<b>10 DEBTS TO RELATED PARTIES</b>	<b>31-03-2017</b>	<b>31-03-2016</b>
	<b>USD</b>	<b>USD</b>
Loan Trusta Trading Company Inc., Panama	500,000	500,000
Loan Facor Minerals Pte. Ltd., Singapore	475,000	475,000
Loan Facor Alloy Ltd., India	10,154,810	10,154,810
	<u>11,129,810</u>	<u>11,129,810</u>

The loan from Trusta Trading Co.Inc., bears an interest of 12 Mths.Libor + 4% & is repayable after 5 years.

The loan from Facor Minerals Pte. Ltd., Singapore bears an interest of 6% and is repayable on 5 years.

This loan from BOI, Jersey + interest due, has been declared NPA & debited to a/c. of Facor Alloys Ltd.

**NOTES TO THE STANDALONE BALANCE SHEET AS ON MARCH 31, 2017.**

**CURRENT LIABILITIES**

<b>11 TRADE AND OTHER CREDITORS</b>	<u>31-03-2017</u>	<u>31-03-2016</u>
	USD	USD
Vistra (Netherlands) B.V.	15,830	15,830
Taxture Global Tax Advice (IIFA Tax Advisors)	16,531	16,531
Liberation Management (Netherlands) N.V.	2,480	2,480
	<u>34,841</u>	<u>34,841</u>
<b>12 DEBTS TO RELATED PARTIES</b>	<u>31-03-2017</u>	<u>31-03-2016</u>
	USD	USD
Current Account Trusta Trading Company Inc., Panama	200,000	200,000
Current Account Grand Trillion Ltd., Singapore	300,000	300,000
	<u>500,000</u>	<u>500,000</u>
<b>13 DEBTS TO SHAREHOLDERS</b>	<u>31-03-2017</u>	<u>31-03-2016</u>
	USD	USD
Debts to Facor Alloy Ltd., India	230,000	230,000
Debts to R.B.Shreeram & Co. Pvt. Ltd., India	75,000	75,000
	<u>305,000</u>	<u>305,000</u>
<b>14 OTHER DEBTS</b>	<u>31-03-2017</u>	<u>31-03-2016</u>
	USD	USD
Management charges	14,701	3,100
Tax advisory charges	2,667	1,378
Interest on loan from Facor Minerals Pte. Ltd., Singapore	106,258	77,758
Interest on loan from Trusta Trading Company Inc., Panama	71,062	45,062
	<u>194,686</u>	<u>127,296</u>

The exchange rate used on balance sheet date is March 31, 2017 : EURO 1 = USD 1.0653

## FACOR MINERALS (NETHERLANDS) B.V. (STANDALONE).

### NOTES TO THE PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDING ON MARCH 31, 2017.

These Notes form an integral part of and should be read in conjunction with the accompanying financial statements.

#### OPERATING EXPENSES

##### 15 AMORTISATION - INTANGIBLE FIXED ASSETS

	<u>31-03-2017</u>	<u>31-03-2016</u>
	USD	USD
Goodwill	<u>991,046</u>	<u>991,046</u>

##### 16 GENERAL EXPENSES

	<u>31-03-2017</u>	<u>31-03-2016</u>
	USD	USD
Administration charges	-	15,830
Tax advisory charges	1,289	1,378
Management charges	11,601	5,579
Notary charges	-	913
	<u>12,890</u>	<u>23,699</u>

#### FINANCIAL INCOME AND EXPENSES

##### 17 INTEREST EXPENSES AND SIMILAR COSTS

	<u>31-03-2017</u>	<u>31-03-2016</u>
	USD	USD
Bank fees and provisions	-	441
Interest on loan from Facor Minerals Pte. Ltd., Singapore	28,500	28,578
Interest on loan from Trusta Trading Company Inc., Panama	26,000	22,828
Interest on loan from Bank of India, Jersey	-	181,950
	<u>54,500</u>	<u>233,798</u>

The exchange rate used on balance sheet date is March 31, 2017 : EURO 1 = USD 1.0653

**FACOR MINERALS (NETHERLANDS) B.V.**

**CONSOLIDATED  
FINANCIAL STATEMENTS  
2016 – 2017**

## FACOR MINERALS (NETHERLANDS) B.V. (CONSOLIDATED).

### BALANCE SHEET AS ON MARCH 31, 2017.

<u>Particulars</u>		<u>As On</u> <u>March 31, 2017</u>	<u>As On</u> <u>March 31, 2016</u>
	<u>Note</u>	<u>USD</u>	<u>USD</u>
<b><u>ASSETS</u></b>			
<b><i>FIXED ASSETS</i></b>			
<b><i>INTANGIBLE FIXED ASSETS</i></b>			
	1		
Concessions, Licences & Intellectual Properties		89,580	115,037
Goodwill		5,863,688	6,854,734
		<u>5,953,268</u>	<u>6,969,771</u>
<b><i>TANGIBLE FIXED ASSETS</i></b>			
	2		
Property, Plant & Equipment		<u>1,871,450</u>	<u>2,498,135</u>
<b><i>FINANCIAL FIXED ASSETS</i></b>			
	3		
Other Non-Current Assets		<u>40,188</u>	<u>51,609</u>
<b><i>CURRENT ASSETS</i></b>			
<b><i>STOCK</i></b>			
	4		
Inventories - Work in Process & Semi-Finished Goods		<u>17,987</u>	<u>23,099</u>
<b><i>RECEIVABLES</i></b>			
Taxes Receivable	5	251,062	316,461
Trade Receivables	6	1,535	1,972
Prepayments & Accrued Income	7	25,443	25,726
		<u>278,040</u>	<u>344,159</u>
<b><i>CASH AT BANK</i></b>			
	8		
Cash and Cash Equivalents		<u>19,951</u>	<u>32,353</u>
<b><u>TOTAL ASSETS</u></b>			
		<u><u>8,180,884</u></u>	<u><u>9,919,126</u></u>

For and on behalf of the Board

  
ASHIM SARAF  
DIRECTOR

ROHIT SARAF  
DIRECTOR

## FACOR MINERALS (NETHERLANDS) B.V. (CONSOLIDATED).

### BALANCE SHEET AS ON MARCH 31, 2017.

<u>Particulars</u>		<u>As On</u> <u>March 31, 2017</u>	<u>As On</u> <u>March 31, 2016</u>
	<u>Note</u>	<u>USD</u>	<u>USD</u>
<b><u>EQUITY AND LIABILITIES</u></b>			
<b><u>EQUITY</u></b>			
<b><u>SHAREHOLDERS EQUITY</u></b>			
Issued & Paid-up Share Capital	9	2,301,605	2,301,605
Share Premium Reserve	10	1	1
Statutory Reserves	11	(1,343,145)	(833,653)
Other Reserves	12	(6,549,302)	(5,577,926)
		<u>(5,590,841)</u>	<u>(4,109,973)</u>
<b><u>MINORITY INTEREST</u></b>	13	<u>(420,820)</u>	<u>(14,954)</u>
<b><u>LIABILITIES</u></b>			
<b><u>LONG TERM LIABILITIES</u></b>			
Debts to Credit Institutions	14	0	888,401
Debts to Related Parties & Other Companies	15	11,229,810	11,229,810
Other Debts	16	647	466
		<u>11,230,457</u>	<u>12,118,677</u>
<b><u>CURRENT LIABILITIES</u></b>			
Debts to Credit Institutions	17	1,188,401	300,000
Trade and Other Creditors	18	453,368	439,647
Debts to Related Parties	19	500,000	500,000
Debts to Shareholders	20	305,000	305,000
Other Debts	21	515,319	380,729
		<u>2,962,088</u>	<u>1,925,376</u>
<b><u>TOTAL EQUITY AND LIABILITIES</u></b>		<u>8,180,884</u>	<u>9,919,126</u>

For and on behalf of the Board



ASHIM SARAF  
DIRECTOR

ROHIT SARAF  
DIRECTOR



## FACOR MINERALS (NETHERLANDS) B.V. (CONSOLIDATED).

### PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDING ON MARCH 31, 2017.

<u>Particulars</u>	<u>Note</u>	<u>Year Ended</u>	<u>Year Ended</u>
		<u>March 31, 2017</u>	<u>March 31, 2016</u>
		<u>USD</u>	<u>USD</u>
Sales	22	0	0
Cost of Sales	23	0	0
<b>GROSS OPERATING RESULT</b>		<b>0</b>	<b>0</b>
Amortisation - Intangible Fixed Assets	24	991,046	991,046
Marketing & Selling Expenses	25	1,732	10,494
General Expenses	26	92,760	108,717
<b>TOTAL OPERATING COSTS</b>		<b>1,085,538</b>	<b>1,110,257</b>
<b>OPERATING RESULT</b>		<b>(1,085,538)</b>	<b>(1,110,257)</b>
Interest Income & Similar Revenues	27	1,066	16,208
Interest Expenses & Similar Costs	28	(151,571)	(315,094)
<b>SUM OF FINANCIAL INCOME &amp; EXPENSES</b>		<b>(150,505)</b>	<b>(298,886)</b>
<b>RESULT ON ORDINARY ACTIVITIES (BEFORE TAX)</b>		<b>(1,236,043)</b>	<b>(1,409,143)</b>
Taxation	29	0	40,492
Result Minority Interest	30	127,150	107,512
<b>RESULT ON ORDINARY ACTIVITIES (AFTER TAX)</b>		<b>(1,108,893)</b>	<b>(1,261,139)</b>
Non Operating Profits	31	0	0
Non Operating Losses	32	(81,883)	(99,304)
<b>OTHER PROFITS</b>		<b>(81,883)</b>	<b>(99,304)</b>
<b>RESULT AFTER TAXATION</b>		<b>(1,190,776)</b>	<b>(1,360,443)</b>

For and on behalf of the Board



ASHIM SARAF  
DIRECTOR

ROHIT SARAF  
DIRECTOR

## FACOR MINERALS (NETHERLANDS) B.V. (CONSOLIDATED).

### NOTES TO THE CONSOLIDATED BALANCE SHEET AS ON MARCH 31, 2017.

These Notes form an integral part of and should be read in conjunction with the accompanying financial statements.

#### ASSETS

##### FIXED ASSETS

##### 1 INTANGIBLE FIXED ASSETS

A summary of the movements of intangible fixed assets is given below :

	<u>CNCSNS., LCNCES., &amp; INTLCTL.PRPRTS.</u>	<u>GOODWILL</u>
	<u>US\$</u>	<u>US\$</u>
Acquisition Value	126,792	9,910,458
Amortisation (2012-13)	0	(82,587)
<b>Book Value as on 31 March 2013</b>	<b><u>126,792</u></b>	<b><u>9,827,871</u></b>
Movement (2013-14)	(15,893)	0
Amortisation (2013-14)	(3,458)	(991,046)
Accumulated Depreciation (2013-14)	(3,458)	(1,073,633)
<b>Book Value as on 31 March 2014</b>	<b><u>107,441</u></b>	<b><u>8,836,825</u></b>
Movement (2014-15)	(17,862)	0
Amortisation (2014-15) - Adjustment	89	(991,046)
Accumulated Depreciation (2014-15)	(3,369)	(2,064,679)
<b>Book Value as on 31 March 2015</b>	<b><u>89,668</u></b>	<b><u>7,845,779</u></b>
Movement (2015-16)	26,656	0
Amortisation (2015-16)	(1,287)	(991,046)
Accumulated Depreciation (2015-16)	(4,656)	(3,055,724)
<b>Book Value as on 31 March 2016</b>	<b><u>115,037</u></b>	<b><u>6,854,734</u></b>
Movement (2016-17)	(26,487)	0
Amortisation (2016-17)	1,030	(991,046)
Accumulated Depreciation (2016-17)	(3,626)	(4,046,770)
<b>Book Value as on 31 March 2017</b>	<b><u>89,580</u></b>	<b><u>5,863,688</u></b>

##### 2 TANGIBLE FIXED ASSETS

A summary of the movements of tangible fixed assets is given below :

	<u>PRPRTS., PLANT &amp; EQPMNT.</u>
	<u>US\$</u>
Acquisition Value	635,159
Depreciation (2013-2014)	(28,379)
<b>Book Value as on 31 March 2014</b>	<b><u>606,780</u></b>
Investments (2014-2015)	1,776,664
Movements (2014-2015)	(70,059)
Depreciation (2014-2015)	(98,438)
<b>Book Value as on 31 March 2015</b>	<b><u>2,313,385</u></b>
Investments (2015-2016)	458,561
Movements (2015-2016)	(273,811)
Depreciation (2015-2016)	(83,821)
<b>Book Value as on 31 March 2016</b>	<b><u>2,498,135</u></b>
Investments (2016-2017)	0
Movements (2016-2017)	(626,685)
Depreciation (2016-2017)	(131,969)
<b>Book Value as on 31 March 2017</b>	<b><u>1,871,450</u></b>

**NOTES TO THE CONSOLIDATED BALANCE SHEET AS ON MARCH 31, 2017.**

<b>3 OTHER NON CURRENT ASSETS</b>	<u>31-03-2017</u> USD	<u>31-03-2016</u> USD
Deposits and Guarantees	8,291	10,647
Deferred Tax Assets	31,897	40,962
	<u>40,188</u>	<u>51,609</u>
 <b>CURRENT ASSETS</b>		
<b>4 STOCK</b>	<u>31-03-2017</u> USD	<u>31-03-2016</u> USD
Inventories - Work in Process & Semi-Finished Goods	<u>17,987</u>	<u>23,099</u>
<b>5 TAXES RECEIVABLE</b>	<u>31-03-2017</u> USD	<u>31-03-2016</u> USD
Value Added Tax Carried Forward	<u>251,062</u>	<u>316,461</u>
<b>6 TRADE RECEIVABLES</b>	<u>31-03-2017</u> USD	<u>31-03-2016</u> USD
Trade Receivables	<u>1,535</u>	<u>1,972</u>
<b>7 PREPAYMENTS AND ACCRUED INCOME</b>	<u>31-03-2017</u> USD	<u>31-03-2016</u> USD
Prepaid Expenses Fee	6,131	1,129
Prepaid Taxes	3,872	4,768
Advances	15,440	19,829
	<u>25,443</u>	<u>25,726</u>
<b>8 CASH AND CASH EQUIVALENTS</b>	<u>31-03-2017</u> USD	<u>31-03-2016</u> USD
<b>A) Cash and Bank equivalents</b>		
Cash in hand	4,190	14,022
Bank Balances in Current Account	3,089	3,087
Bank Balances in Fixed Deposit (under 3 months)	12,672	15,244
	<u>19,951</u>	<u>32,353</u>
<b>B) Bank Balances in Fixed Deposit</b>		
Bank Balances in Fixed Deposit (over 12 months)	0	0
	<u>19,951</u>	<u>32,353</u>

NOTES TO THE CONSOLIDATED BALANCE SHEET AS ON MARCH 31, 2017.

EQUITY AND LIABILITIES

SHAREHOLDERS' EQUITY

9 ISSUED SHARE CAPITAL	31-03-2017	31-03-2016
	USD	USD
Value as of 1 April	2,301,605	2,301,605
Shares issued during the year	0	0
Value as of 31 March	<u>2,301,605</u>	<u>2,301,605</u>

The share capital is divided into shares of USD 1 each.  
As per the date of this report 2,301,605 shares have been issued.

10 SHARE PREMIUM RESERVE	31-03-2017	31-03-2016
	USD	USD
Value as of 1 April	1	1
Contribution during the year	0	0
Value as of 31 March	<u>1</u>	<u>1</u>

11 STATUTORY RESERVE	31-03-2017	31-03-2016
	USD	USD
Value as of 1 April	(833,653)	(471,540)
Translation difference on Share Capital for the year	(509,492)	(362,113)
Value as of 31 March	<u>(1,343,145)</u>	<u>(833,653)</u>

12 OTHER RESERVES	31-03-2017	31-03-2016
	USD	USD
Value as of 1 April	(5,577,926)	(4,688,125)
From proposed profit appropriation	(1,190,776)	(1,360,443)
Net Asset value adjustment participation	219,400	470,642
Value as of 31 March	<u>(6,549,302)</u>	<u>(5,577,926)</u>

13 MINORITY INTEREST	31-03-2017	31-03-2016
	USD	USD
Third Party Share		
Facor Turkkrom Mining (Netherlands) B.V.	<u>(420,820)</u>	<u>(14,954)</u>

**NOTES TO THE CONSOLIDATED BALANCE SHEET AS ON MARCH 31, 2017.**

**LONG TERM LIABILITIES**

<b>14 DEBTS TO CREDIT INSTITUTIONS</b>	<b><u>31-03-2017</u></b>	<b><u>31-03-2016</u></b>
	<b>USD</b>	<b>USD</b>
Loan Bank of India, London (Long Term Portion)	0	888,401
	<b><u>0</u></b>	<b><u>888,401</u></b>

<b>15 DEBTS TO RELATED PARTIES &amp; OTHER COMPANIES</b>	<b><u>31-03-2017</u></b>	<b><u>31-03-2016</u></b>
	<b>USD</b>	<b>USD</b>
Loan Trusta Trading Company Inc., Panama	500,000	500,000
Loan Facor Minerals Pte. Ltd., Singapore	475,000	475,000
Loan Gcorp. FZE UAE	100,000	100,000
Loan Facor Alloys Ltd., India	10,154,810	10,154,810
	<b><u>11,229,810</u></b>	<b><u>11,229,810</u></b>

The loan from Trusta Trading Co.Inc., bears an interest of 12 Mths.Libor + 4% & is repayable after 5 years.

The loan from Facor Minerals Pte. Ltd., Singapore bears an interest of 6% and is repayable on 5 years.

This loan from BOI, Jersey + interest due, has been declared NPA & debited to a/c. of Facor Alloys Ltd.

<b>16 OTHER DEBTS</b>	<b><u>31-03-2017</u></b>	<b><u>31-03-2016</u></b>
	<b>USD</b>	<b>USD</b>
Finance Lease Liabilities	0	0
Employee Termination Benefits	647	466
	<b><u>647</u></b>	<b><u>466</u></b>

**NOTES TO THE CONSOLIDATED BALANCE SHEET AS ON MARCH 31, 2017.**

**CURRENT LIABILITIES**

<b>17 DEBTS TO CREDIT INSTITUTIONS</b>	<u>31-03-2017</u>	<u>31-03-2016</u>
	USD	USD
A Loan Bank of India, London (Short Term Portion)	1,188,401	300,000
	<u>1,188,401</u>	<u>300,000</u>

<b>18 TRADE AND OTHER CREDITORS</b>	<u>31-03-2017</u>	<u>31-03-2016</u>
	USD	USD
Trade Payables - Turkey	160,705	227,940
Other Payables - Turkey	210,350	141,348
Vistra (Netherlands) B.V.	24,203	24,779
Taxture Global Tax Advice (IIFA Tax Advisors)	33,288	34,439
Liberation Management (Netherlands) N.V.	2,480	2,480
B.K. Corporate International B.V.	21,796	8,077
Orsel Notary	546	584
	<u>453,368</u>	<u>439,647</u>

<b>19 DEBTS TO RELATED PARTIES</b>	<u>31-03-2017</u>	<u>31-03-2016</u>
	USD	USD
Current Account Trusta Trading Company Inc., Panama	200,000	200,000
Current Account Grand Trillion Ltd., Singapore	300,000	300,000
	<u>500,000</u>	<u>500,000</u>

The loan from BOI, Jersey + interest due, has been declared NPA & debited to a/c. of Facor Alloys Ltd.

<b>20 DEBTS TO SHAREHOLDERS</b>	<u>31-03-2017</u>	<u>31-03-2016</u>
	USD	USD
Debts to Facor Alloy Ltd., India	230,000	230,000
Debts to R.B. Shreeram & Co. Pvt. Ltd., India	75,000	75,000
	<u>305,000</u>	<u>305,000</u>

<b>21 OTHER DEBTS</b>	<u>31-03-2017</u>	<u>31-03-2016</u>
	USD	USD
Advances received - Cevik Madencilik	89,745	89,745
Advances received - Harun Mugaoglu	54,965	70,586
Advances received - DDR	7,089	7,575
Finance Lease liabilities	0	8,979
Interest on loan from Facor Minerals Pte. Ltd., Singapore	106,258	77,758
Interest on loan from Trusta Trading Company Inc., Panama	71,062	45,062
Interest on loan from Gcorp UAE FZE	9,523	5,523
Interest on loan from Bank of India, London	149,606	64,041
Accounting charges	14,701	3,099
Audit charges	1,500	1,500
Tax Advisory chares	5,244	2,755
Taxes and Dues payable	5,626	4,106
	<u>515,319</u>	<u>380,729</u>

The exchange rate used on balance sheet date is March 31, 2017 : EURO 1 = USD 1.0653

## FACOR MINERALS (NETHERLANDS) B.V. (CONSOLIDATED).

### NOTES TO THE CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDING ON MARCH 31, 2017.

These Notes form an integral part of and should be read in conjunction with the accompanying financial statements.

#### OPERATING INCOME AND EXPENSES

<b>22 SALES</b>	<b>31-03-2017</b>	<b>31-03-2016</b>
	<b>USD</b>	<b>USD</b>
Chrome Ore Sales	-	-
<b>23 COST OF SALES</b>	<b>31-03-2017</b>	<b>31-03-2016</b>
	<b>USD</b>	<b>USD</b>
Cost of Goods sold (Mining and Production Costs)	-	-
<b>24 AMORTISATION - INTANGIBLE FIXED ASSETS</b>	<b>31-03-2017</b>	<b>31-03-2016</b>
	<b>USD</b>	<b>USD</b>
Goodwill	991,046	991,046
<b>25 MARKETING AND SELLING EXPENSES</b>	<b>31-03-2017</b>	<b>31-03-2016</b>
	<b>USD</b>	<b>USD</b>
Guest House Expenses	1,732	10,494
<b>26 GENERAL EXPENSES</b>	<b>31-03-2017</b>	<b>31-03-2016</b>
	<b>USD</b>	<b>USD</b>
Mining Area expenses	64,344	67,778
Administration charges	-	15,830
Legal charges	-	552
Management fees	25,838	19,823
Notary charges	-	913
Tax Advisory charges	2,578	3,100
Other General expenses	-	721
	<b>92,760</b>	<b>108,717</b>

**NOTES TO THE CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDING ON MARCH 31, 2017.**

**FINANCIAL INCOME AND EXPENSES**

<b>27 INTEREST INCOME AND SIMILAR REVENUES</b>	<b>31-03-2017</b>	<b>31-03-2016</b>
	<b>USD</b>	<b>USD</b>
Interest Income	<u>1,066</u>	<u>16,208</u>
<b>28 INTEREST EXPENSES AND SIMILAR COSTS</b>	<b>31-03-2017</b>	<b>31-03-2016</b>
	<b>USD</b>	<b>USD</b>
Bank fees and provisions	(2,384)	4,106
Exchange difference	8,720	6,438
Interest on loan from Facor Minerals Pte. Ltd., Singapore	28,500	28,578
Interest on loan from Trusta Trading Company Inc., Panama	26,000	22,828
Interest on loan from GCORP FZE UAE	4,000	4,000
Interest on term deposits from IS Bank	1,170	3,153
Interest on loan from Bank of India, London (CMIVI)	85,565	64,041
Interest on loan from Bank of India, Jersey	-	181,950
	<u>151,571</u>	<u>315,094</u>
<b>29 TAXATION</b>	<b>31-03-2017</b>	<b>31-03-2016</b>
	<b>USD</b>	<b>USD</b>
Deferred Tax Income / Expense, net	<u>-</u>	<u>40,492</u>
<b>30 RESULT MINORITY INTEREST</b>	<b>31-03-2017</b>	<b>31-03-2016</b>
	<b>USD</b>	<b>USD</b>
Facor Turkkrom Mining (Netherlands) B.V.	<u>127,150</u>	<u>107,512</u>
<b>31 NON OPERATING PROFITS</b>	<b>31-03-2017</b>	<b>31-03-2016</b>
	<b>USD</b>	<b>USD</b>
Other Profits	<u>-</u>	<u>-</u>
<b>32 NON OPERATING LOSSES</b>	<b>31-03-2017</b>	<b>31-03-2016</b>
	<b>USD</b>	<b>USD</b>
Other Losses	<u>81,883</u>	<u>99,304</u>

The exchange rate used on balance sheet date is March 31, 2017 : EURO 1 = USD 1.0653