

F.M. Hämmerle Verwaltungs-GmbH

Financial statement
as per 31st of March 2019

Prepared in accordance with submitted documents
and provided information.

BALANCE SHEET

as per 31st of March 2019

BALANCE SHEET AS OF 31. 3. 2019

ASSETS	2018/19 (EUR)	2017/18 (EUR/1000)	EQUITY AND LIABILITIES	2018/19 (EUR)	2017/18 (EUR/1000)
FIXED ASSETS					
<i>Intangible fixed assets</i>			<i>Nominal capital</i>		
industrial property rights and similar rights and benefits			Share capital	35.000,00	35,0
CURRENT ASSETS			<i>Capital reserves</i>		
<i>Receivables and other assets</i>			unappropriated	3.325,00	3,3
Receivables from affiliated companies	110.232,34	90,5	<i>Cumulative loss</i>		
Other receivables and assets	1.073,23	1,3	st. sep. earnings/losses brought forward		
			-387.290,57 / last year -391.510,46	-387.214,89	-387,3
<i>Cash on hand, Cash in bank</i>			ACCRUALS		
			Other accruals	2.400,00	2,4
			LIABILITIES		
			Payable to affiliated companies	500.999,46	501,0
			Other liabilities	10.492,36	4,1
			stating separately to tax authorities		
			396,00 / last year 0,00	511.491,82	505,1
			stating separat. within social security		
			0,00 / last year 23,50		
TOTAL ASSETS	165.001,93	158,6	TOTAL EQUITY AND LIABILITIES	165.001,93	158,6

ASSETS IN DETAIL

	2018/19 EUR	2017/18 EUR
FIXED ASSETS		
<i>Intangible fixed assets</i>		
industrial property rights and similar rights and benefits		
Marken, Warenzeichen, Lizenzrechte	53.333,32	66.666,65
	<u>53.333,32</u>	<u>66.666,65</u>
CURRENT ASSETS		
<i>Receivables and other assets</i>		
Receivables from affiliated companies		
Verr. Kto. Oswal FM Hämmerle Text. Ltd.	110.232,34	90.486,74
	<u>110.232,34</u>	<u>90.486,74</u>
Other receivables and assets		
Finanzamt Feldkirch, St. Nr. 113/8118	0,00	303,00
Verbindlichkeiten Gebietskrankenkasse	82,60	0,00
Forderungen sonstige	990,63	978,63
	<u>1.073,23</u>	<u>1.281,63</u>
<i>Cash on hand, Cash in bank</i>		
BAWAG 71210-049-759	363,04	139,82
	<u>363,04</u>	<u>139,82</u>

EQUITY AND LIABILITIES IN DETAIL

	2018/19 EUR	2017/18 EUR
NEGATIVE SHAREHOLDERS' EQUITY		
<i>Nominal capital</i>		
Share capital		
Stammkapital	35.000,00	35.000,00
	<u>35.000,00</u>	<u>35.000,00</u>
<i>Capital reserves</i>		
unappropriated		
Kapitalrücklagen	3.325,00	3.325,00
	<u>3.325,00</u>	<u>3.325,00</u>
<i>Cumulative loss</i>		
Gewinn-/Verlustvortrag	-387.290,57	-391.510,46
Jahresgewinn / Jahresverlust	75,68	4.219,89
	<u>-387.214,89</u>	<u>-387.290,57</u>
ACCRUALS		
Other accruals		
Rückstellungen für Rechts- u.Beratungsk.	2.400,00	2.400,00
	<u>2.400,00</u>	<u>2.400,00</u>
LIABILITIES		
Payable to affiliated companies		
Verr. Kto. Oswal FM Hämmerle Text.Ltd.	160.000,00	160.000,00
Verr. Kto. Vardham Polytex Ltd.	340.999,46	340.999,46
	<u>500.999,46</u>	<u>500.999,46</u>

EQUITY AND LIABILITIES IN DETAIL

	2018/19 EUR	2017/18 EUR
Other liabilities		
Finanzamt Feldkirch, St. Nr. 113/8118	396,00	0,00
Verbindlichkeiten Gebietskrankenkasse	0,00	23,50
Verbindlichkeiten Gemeinde	0,00	37,45
Verbindlichkeiten Löhne und Gehälter	10.096,36	4.080,00
	<u>10.492,36</u>	<u>4.140,95</u>

PROFIT AND LOSS ACCOUNT

as per 31st of March 2019

INCOME STATEMENT**FOR 1. 4. 2018 - 31. 3. 2019**

	2018 / 19 EUR	2017 / 18 EUR/1000
Revenues	24.140,60	24,2
Other operating income		
Sundry	37,45	4,2
Operating performance	<u>24.178,05</u>	<u>28,4</u>
Personnel expenses		
Wages	0,00	0,8
Salaries	5.852,00	4,9
Expenses for severance payments	89,53	0,1
Expenses for compulsory social security benefits, and taxes and mandatory contributions related to payroll	<u>74,83</u>	<u>0,1</u>
Depreciation and amortization		
<i>of tangible and intangible assets</i>		
Scheduled depreciation	13.333,33	13,3
Other operating expenses		
Sundry	2.664,00	2,7
Subtotal from number 1 to 6 (operating results)	<u>2.164,36</u>	<u>6,5</u>
Interest and similar expenses	338,68	0,5
Subtotal from Number 8 to 8 (financial results)	<u>-338,68</u>	<u>-0,5</u>
Results from ordinary activities	<u>1.825,68</u>	<u>6,0</u>
carry-over	1.825,68	6,0

INCOME STATEMENT**FOR 1. 4. 2018 - 31. 3. 2019**

	2018 / 19 EUR	2017 / 18 EUR/1000
carry-over	1.825,68	6,0
Income taxes	1.750,00	1,8
Net income for the year	<u>75,68</u>	<u>4,2</u>
Unappropriated retained earnings brought forward / Cumulative losses brought forward from the previous year	-387.290,57	-391,5
Cumulative loss	<u>-387.214,89</u>	<u>-387,3</u>

INCOME STATEMENT IN DETAIL

	2018/19 EUR	2017/18 EUR
Revenues		
Marketing Erlöse Konzern	24.140,60	24.195,48
	<u>24.140,60</u>	<u>24.195,48</u>
Other operating income		
Sundry		
Erlöse Inland O%	37,45	4.191,48
	<u>37,45</u>	<u>4.191,48</u>
Operating performance		
	<u>24.178,05</u>	<u>28.386,96</u>
	<u>24.178,05</u>	<u>28.386,96</u>
Personnel expenses		
Wages		
Löhne und Gehälter	0,00	810,00
	<u>0,00</u>	<u>810,00</u>
Salaries		
Gehälter	5.852,00	4.890,00
	<u>5.852,00</u>	<u>4.890,00</u>
Expenses for severance payments		
Beiträge an Mitarb.Vorsorgekassen	89,53	87,23
	<u>89,53</u>	<u>87,23</u>
Expenses for compulsory social security benefits, and taxes and mandatory		

INCOME STATEMENT IN DETAIL

	2018/19 EUR	2017/18 EUR
contributions related to payroll		
Gesetzlicher Sozialaufwand	74,83	74,15
	<u>74,83</u>	<u>74,15</u>
Depreciation and amortization		
<i>of tangible and intangible assets</i>		
Scheduled depreciation		
Abschreibungen immater. Vermögensg.	13.333,33	13.333,33
	<u>13.333,33</u>	<u>13.333,33</u>
Other operating expenses		
Sundry		
Buchhaltungs- u. Beratungskosten	2.460,00	2.400,00
Werbung, Inserate	0,00	93,13
Berufsbeiträge, Grundumlage	204,00	200,00
	<u>2.664,00</u>	<u>2.693,13</u>
Subtotal from number 1 to 6 (operating results)	<u>2.164,36</u>	<u>6.499,12</u>
	<u>2.164,36</u>	<u>6.499,12</u>
Interest and similar expenses		
Zinsen für Bankkredite, Darlehen	0,00	32,44
Bankspesen	338,68	496,79
	<u>338,68</u>	<u>529,23</u>
Subtotal from Number 8 to 8 (financial results)	<u>-338,68</u>	<u>-529,23</u>
	<u>-338,68</u>	<u>-529,23</u>

INCOME STATEMENT IN DETAIL

	2018/19 EUR	2017/18 EUR
Results from ordinary activities	<u>1.825,68</u>	<u>5.969,89</u>
	<u><u>1.825,68</u></u>	<u><u>5.969,89</u></u>
Income taxes		
Körperschaftsteuer	<u>1.750,00</u>	<u>1.750,00</u>
	<u><u>1.750,00</u></u>	<u><u>1.750,00</u></u>
Net income for the year	<u>75,68</u>	<u>4.219,89</u>
	<u><u>75,68</u></u>	<u><u>4.219,89</u></u>
Unappropriated retained earnings brought forward / Cumulative losses brought forward from the previous year		
Gewinn- / Verlustvortrag	<u>-387.290,57</u>	<u>-391.510,46</u>
	<u><u>-387.290,57</u></u>	<u><u>-391.510,46</u></u>
Cumulative loss	<u>-387.214,89</u>	<u>-387.290,57</u>
	<u><u>-387.214,89</u></u>	<u><u>-387.290,57</u></u>

NOTES

as per 31st of March 2019

Notes 2018/2019

I. General principles

The financial statements have been prepared in accordance with the principles of proper bookkeeping and accounting and the objective of presenting a fair and true view of the assets, earnings and financial position of the company.

II. Accounting principles

1. Fixed assets

Intangible assets acquired have been valued at cost of acquisition, less scheduled amortization on the basis of their usable life and unscheduled write-offs if necessary. A usable life of 15 years has been assumed.

Tangible assets acquired have been valued at cost of acquisition, less scheduled amortization on the basis of their usable life and unscheduled write-offs if necessary. The usable life of the individual groups of fixed assets is between 4 and 10 years.

Low value assets (acquisition costs less than EUR 400,00) have been fully written off in the year of acquisition.

Depreciation rates have generally been calculated according to the straight-line depreciation method.

2. Current assets

2.1. Accounts receivable and other assets

Accounts receivable and other assets have been valued with lower of nominal value and market value.

Receivables have been valued at a lower value in cases of recognizable individual risks.

All receivables are due within one year.

Receivables in foreign currency have been valued with the transaction value or the lower value at the balance sheet cut-off date.

2.2. Cash, bank deposits

Foreign currency accounts have been valued at the exchange rate of the last day of the business year.

3. Provisions

Provisions have been made to cover projected claims in accordance with the principle of conservatism.

4. Liabilities

Liabilities have been valued at their repayment amounts in accordance with the principle of conservatism. Liabilities in foreign currency have been valued with the transaction value or the higher repayment value at the balance sheet cut-off date.

III. Notes to the balance sheet

1. Negative equity

The balance sheet shows a negative equity of TEUR -349. Despite this over-indebtedness no insolvency situation under insolvency law exists because the parent company VARDHMAN POLYTEX LIMITED has issued a letter of subordination for its intercompany loan to F.M. Hämmerle Verwaltungs-GmbH in the amount of EUR 340.000,00. VARDHMAN POLYTEX LIMITED declares that it will not reclaim the intercompany loan unless the negative equity situation has been solved and that in case of insolvency all other debts are settled first. Also the affiliated company Oswal F.M. Hämmerle Textiles Limited has issued a letter of subordination for its intercompany loan to F.M. Hämmerle Verwaltungs-GmbH in the amount of EUR 160.000,00. Oswal F.M. Hämmerle Textiles Limited declares that it will not reclaim the intercompany loan unless the negative equity situation has been solved and that in case of insolvency all other debts are settled first.

1.1. Registered capital

The registered capital of the company is EUR 35.000 and is fully paid.

2. Liabilities

Subordination letters of related companies exist in the amount of EUR 500.000.

Liabilities ageing report:

Liabilities with a maturity date of more than 1 year: EUR	500.000
Liabilities with a maturity date of more than 5 year: EUR	500.000

IV. Miscellaneous

1. Parent company

F.M.Hämmerle Verwaltungs-GmbH is included in the group accounting of its parent company VARDHMAN POLYTEX LIMITED.

Parent company:	VARDHMAN POLYTEX LIMITED
Seat of the parent company:	LUDHIANA, India
Stake:	100%
Place of disclosure:	India

2nd Staff and board of directors:

In the financial year the average number of employees was 1 (prev. year 1).

Board of Management:

Ashok Oswal, CEO till 15th of November 2018; Adish Oswal, CEO since 16th of November 2018

Dornbirn,

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Adish Oswal (designated CEO)

Beilagen:

Appendix 1 Summary of fixed assets

Nr: 2010 Name: F.M. Hämmerle Verwaltungs GmbH

AFA - VERZEICHNIS

Bruttoausweis (RLG)

01.04.2018 - 31.03.2019

Nr.	Text	Datum	Ansch.Wert	%	AfA kumuliert	Buchwert	Buchwert
	Lieferant		EUR		AfA laufend	01.04.2018	31.03.2019
					EUR	EUR	EUR
Konto 130 Marken							
1	Markenrecht	01.09.2008	200.000,00	6,67	146.666,68 13.333,33	66.666,65	53.333,32
Summe Konto			200.000,00		146.666,68	66.666,65	53.333,32
AfA laufend					13.333,33		

Nr: 2010

Name: F.M. Hämmerle Verwaltungs GmbH

AFA - GESAMT

Bruttoausweis (RLG)

01.04.2018 - 31.03.2019

Nr. Text	Anschaffungs- bzw. Herstellungskosten				Buchwerte			
	01.04.2018	Zugänge Umbuchungen	Abgänge	31.03.2019	31.03.2019	kumulierte AfA Zuschreibungen	31.03.2018	AfA laufend
	EUR	EUR	EUR	EUR	EUR	EUR	EUR	EUR
130 Marken	200.000,00	0,00	0,00	200.000,00	53.333,32	146.666,68	66.666,65	13.333,33
Summe	200.000,00	0,00	0,00	200.000,00	53.333,32	146.666,68	66.666,65	13.333,33