



Ernst & Young Ltd  
Maagplatz 1  
P.O. Box  
CH-8010 Zurich

Phone +41 58 286 31 11  
Fax +41 58 286 30 04  
www.ey.com/ch

To the General Meeting of  
**VM & ST AG, Zurich**

Zurich, 21 April 2017

### **Report of the statutory auditor on the limited statutory examination**

As statutory auditor, we have examined the financial statements (balance sheet, profit and loss account and notes) of VM & ST AG for the year ended 31 March 2017.

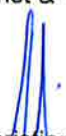
These financial statements are the responsibility of the Board of Directors. Our responsibility is to perform a limited statutory examination on these financial statements. We confirm that we meet the licensing and independence requirements as stipulated by Swiss law.


We conducted our examination in accordance with the Swiss Standard on the limited statutory examination. This standard requires that we plan and perform a limited statutory examination to identify material misstatements in the financial statements. A limited statutory examination consists primarily of inquiries of company personnel and analytical procedures as well as detailed tests of company documents as considered necessary in the circumstances. However, the testing of operational processes and the internal control system, as well as inquiries and further testing procedures to detect fraud or other legal violations, are not within the scope of this examination.

Based on our limited statutory examination, nothing has come to our attention that causes us to believe that the financial statements and the proposed appropriation of available earnings do not comply with Swiss law and the company's articles of incorporation.

Additionally, we point out that the other short-term receivables to participants amounting to CHF 1'033'282, in our opinion, in the absence of unrestricted reserves constitute a repayment of share capital prohibited by article 680 paragraph 2 CO.

Ernst & Young Ltd

  
Christian Krämer  
Licensed audit expert  
(Auditor in charge)

  
Marc Rügsegger  
Licensed audit expert

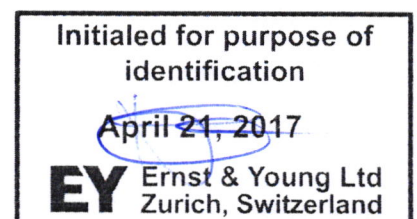
#### **Enclosures**

- ▶ Financial statements (balance sheet, profit and loss account and notes)
- ▶ Proposed appropriation of available earnings

VM & ST AG, ZURICH

BALANCE SHEET AS AT 31 MARCH, 2017

	31.03.2017		31.03.2016	
	CHF	INR Lacs	CHF	INR Lacs
<b>ASSETS</b>				
<b>Current Assets</b>				
Other short-term receivables - Participants	1'033'282	669	1'026'074	701
<b>Total current assets</b>	1'033'282	669	1'026'074	701
<b>TOTAL ASSETS</b>	1'033'282	669	1'026'074	701
<b>EQUITY AND LIABILITIES</b>				
<b>Liabilities</b>				
Accruals	4'522	3	2'970	2
<b>Total liabilities</b>	4'522	3	2'970	2
<b>Equity</b>				
Share capital	1'000'000	647	1'000'000	683
Statutory retained earnings	11'000	7	11'000	8
Cumulative profit				
Profit carried forward from previous year	12'104	8	18'259	12
Loss / Profit for the period	5'656	4	- 6'155	- 4
Cumulative profit	17'760	12	12'104	8
<b>Total equity</b>	1'028'760	666	1'023'104	699
<b>TOTAL EQUITY AND LIABILITIES</b>	1'033'282	669	1'026'074	701



**VM & ST AG, ZURICH**  
**PROFIT AND LOSS ACCOUNT 2016/17**

	01.04.2016 - 31.03.2017		01.04.2015 - 31.03.2016	
	CHF	INR Lacs	CHF	INR Lacs
<b>REVENUE</b>				
Reduction in Earnings				
1) <b>Operating Revenue</b>	11'447	8	0	0
	11'447	8	0	0
<b>EXPENSES</b>				
Administration expenses	2'185	1	9'548	7
Abschreibungen				0
Other operating expenses	8'768	6	1'760	1
<b>Expenses before financial expenses and taxes</b>	10'953	7	11'308	8
<b>Profit before interest and taxes (EBIT)</b>	494	1	- 11'308	- 8
Financial Income	5'162	3	5'153	4
<b>LOSS / PROFIT FOR THE PERIOD</b>	5'656	4	- 6'155	- 4

Initialed for purpose of  
identification  
April 21, 2017  
**EY** Ernst & Young Ltd  
Zurich, Switzerland

VM & ST AG, ZURICH

NOTES TO THE FINANCIAL STATEMENTS AS AT MARCH 31, 2017

**Applicable accounting law**

These financial statements have been prepared in accordance with the provisions on commercial accounting laid down in articles 957 – 963b Swiss Code of Obligations.

**Notes to balance sheet and profit and loss account**

1) The earnings of CHF 11'447 relate to a payment from a receivable already written-off during prior years.

**Number of full-time equivalents on annual average**

In current year (as well as in previous year), the number of full-time equivalents on annual average is zero.

**INR-figures**

The conversion to the INR-figures (balance sheet, profit and loss account, notes and appropriation of cumulative profit) was performed with the following foreign exchange rate:

CHF/INR: 64.71 (prior year 68.36).

All INR-figures are for informational purpose only.

Initialed for purpose of  
identification

April 21, 2017

**EY** Ernst & Young Ltd  
Zurich, Switzerland

VM & ST AG, ZURICH

APPROPRIATION OF CUMULATIVE PROFIT AS AT MARCH 31, 2017  
(Application of the of Bord of Directores)

	31.03.2017		31.03.2016	
	CHF	INR Lacs	CHF	INR Lacs
Profit carried forward from previous year	12'104	8	18'259	12
Loss / Profit for the period	5'656	4	- 6'155	- 4
<b>Cumulative profit</b>	<b>17'760</b>	<b>12</b>	<b>12'104</b>	<b>8</b>
Dividend	0	0	0	0
Allocation to the general legal reserves	283	0	0	0
<b>Profit carried forward for next year</b>	<b>17'477</b>	<b>12</b>	<b>12'104</b>	<b>8</b>

Initialed for purpose of  
identification

April 21, 2017

**EY** Ernst & Young Ltd  
Zurich, Switzerland