ARVIND WORLDWIDE INC.

FINANCIAL STATEMENTS

For the year ended March 31, 2016

ARVIND WORLDWIDE INC.

For the year ended March 31, 2016

Contents

PRAJAPATI ASSOCIATES LLP
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INDEPENDENT ACCOUNTANTS' REVIEW REPORT

To the Board of Directors and Stockholder of
Arvind Worldwide Inc.:

We have reviewed the accompanying financial statements of Arvind Worldwide Inc., which comprise the balance sheet as of March 31, 2016, and the related statements of income and retained earnings and cash flows for the year then ended, and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of company management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

Management's Responsibility for the Financial Statements
Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the financial statements that are free from material misstatement whether due to fraud or error.

Accountants' Responsibility
Our responsibility is to conduct the review engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

Accountants' Conclusion
Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in conformity with accounting principles generally accepted in the United States of America.

Supplementary Information
The information included in the accompanying supplementary information is presented for purposes of additional analysis and is not a required part of the basic financial statements. The information is the representation of management. We have performed a compilation engagement on the supplementary information in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We have not audited or reviewed the supplementary information and, accordingly, do not express an opinion, a conclusion, nor provide any form of assurance on such supplementary information.

Prajapati Associates LLP

April 21, 2016

ARVIND WORLDWIDE INC.

BALANCE SHEET

March 31, 2016

ASSETS

Current assets		
Cash	$141,212	
Accounts receivable	762,830	
Prepaid expenses and taxes	17,550	
Loans receivable	13,975	
Deferred income taxes	13,000	
Other current assets	1,681	
		$ 950,248
Property and equipment, net of accumulated depreciation of $429,524		3,826
Other assets		
Deposits	111,539	
Deferred income taxes	106,000	
		217,539
		$1,171,613

LIABILITIES AND STOCKHOLDER'S EQUITY

Current liabilities		
Accrued expenses	$ 43,851	
Loans payable	450,000	
		$ 493,851
Stockholder's equity		
Common stock, no par value; 1,500 shares authorized, 500 shares issued and outstanding	500,000	
Retained earnings	177,762	
		677,762
		$1,171,613

See accountants' review report and notes to financial statements.

ARVIND WORLDWIDE INC.

STATEMENT OF INCOME AND RETAINED EARNINGS

For the year ended March 31, 2016

Marketing support services income	$1,297,831
Operating expenses	1,194,174
Income from operations	103,657
Interest expense	18,752
Income before provision for income taxes	84,905
Provision for income taxes	34,185
Net income	50,720
Retained earnings – beginning	127,042
Retained earnings – end	$ 177,762

See accountants' review report and notes to financial statements.

ARVIND WORLDWIDE INC.

STATEMENT OF CASH FLOWS

For the year ended March 31, 2016

Cash flows from operating activities		
Net income		$ 50,720
Adjustments to reconcile net income to net cash provided by operating activities		
Depreciation	$ 1,532	
Deferred income taxes	(4,000)	
Changes in assets and liabilities		
Accounts receivable	82,470	
Prepaid expenses and taxes	(900)	
Other current assets	1,417	
Accrued expenses	(30,914)	
		49,605
Net cash provided by operating activities		100,325
Cash flows from investing activities		-
Cash flows from financing activities		-
Net change in cash		100,325
Cash at beginning		40,887
Cash at end		$141,212

Supplemental disclosure of cash flows information	
Cash paid for interest	$ -
Cash paid for income taxes	$ 37,599

See accountants' review report and notes to financial statements.

ARVIND WORLDWIDE INC.

NOTES TO FINANCIAL STATEMENTS

March 31, 2016

Note 1 **Description of company's business**

Arvind Worldwide Inc. (the "Company") is a wholly owned subsidiary of Arvind Limited (the "Parent"). The Company was incorporated on February 24, 1993 in Delaware. The Company provides marketing support services to customers located in the United States of America on behalf of the Parent.

Note 2 **Summary of significant accounting policies**

Basis of accounting
The Company's accounting policies are in accordance with accounting principles generally accepted in the United States of America. Outlined below are those policies considered particularly significant.

Use of estimates
The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make certain estimates and assumptions that could affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from these estimates.

Concentration of credit risk
Financial instruments, which potentially subject the Company to significant concentrations of credit risk, include cash and accounts receivable. The Company holds no collateral for these financial instruments. The Company maintains cash in financial institutions that are insured by the Federal Deposit Insurance Corporation up to a specified amount. Such cash balances at times may exceed these limits. To minimize its credit risk with respect to accounts receivable, management monitors the creditworthiness of the customers and reviews the outstanding receivables at period end, as well as establishes an allowance for doubtful accounts as deemed necessary. At March 31, 2016, the entire accounts receivable balance of $762,830 represented amounts due from the Parent.

Note 2 Summary of significant accounting policies (continued)

Accounts receivable

Accounts receivable are stated at original amount less an allowance for doubtful accounts. The allowance for doubtful accounts is determined through an analysis of the aging of accounts receivable at the date of the financial statements, assessments of collectability based on an evaluation of historic and anticipated trends, the financial condition of the Company's customers, and an evaluation of the impact of economic conditions. At March 31, 2016, the management has determined that an allowance for doubtful accounts is not required.

Property, plant and equipment

Property, plant and equipment are reflected at cost. Depreciation is provided using the straight-line or an accelerated method over the estimated useful lives of the assets. Repairs and maintenance are expensed when incurred.

Long-lived assets

The Company periodically evaluates the carrying value of long-lived assets to be held and used whenever events and circumstances indicate that the carrying value of the asset may no longer be recoverable. An impairment loss, measured based on the fair value of the asset, is recognized if expected future undiscounted cash flows are less than the carrying value of the assets.

Revenue recognition

The Company recognizes revenue from services when the services are rendered.

Advertising and promotional expenses

Advertising and promotional expenses are expensed during the year in which they are incurred.

Note 2 **Summary of significant accounting policies (continued)**

Income taxes

The Company provides for income taxes based on differences between the financial statement and tax bases of assets and liabilities at enacted rates in effect in the years in which the differences are expected to reverse. Valuation allowances are established when necessary to reduce deferred tax assets to the amount expected to be realized.

The Company evaluates all significant tax positions. As of March 31, 2016, the Company does not believe it has any uncertain tax positions that would qualify for either recognition or disclosure in the financial statements.

Subsequent events

The Company has evaluated subsequent events through April 21, 2016 which is the date the financial statements were available to be issued.

New authoritative accounting pronouncements

The Company does not anticipate the adoption of other recently issued accounting pronouncements to have a significant impact on the Company's financial statements.

Note 3 **Loans receivable**

At March 31, 2016, the Company had outstanding loans receivable from an unrelated party of $13,975. These loans are due on a demand basis, bearing no interest.

Note 4 **Property and equipment**

At March 31, 2016, property and equipment consisted of the following:

Furniture and fixtures	$ 38,888
Equipment	3,877
Leasehold improvements	390,585
	433,350
Less: accumulated depreciation	429,524
	$ 3,826

Note 5 **Loans payable**

At March 31, 2016, the Company had outstanding loans payable to the Parent of $450,000. These loans are due on a demand basis and bear interest at the prevailing market rate, as determined by management. For the year ended March 31, 2016, interest on these loans amounted of $18,752.

Note 6 **Retirement plan**

The Company has established a defined contribution retirement plan, which provides for contributions to be made by the Company on behalf of each eligible employee. For the year ended March 31, 2016, the Company's contributions to this plan amounted to $24,427.

Note 7 **Income taxes**

The Company files U.S. federal, state and local income tax returns on a fiscal year basis ending on March 31. In the ordinary course of business, the Company is subject to examination by federal, state and local jurisdictions, where applicable. For federal, state and local income tax purposes, the Company remains open for examination by the tax authorities for the tax years from March 31, 2013 onwards under the general statute of limitations.

For the year ended March 31, 2016, the net provision for income taxes of $34,185 consisted of the following:

	Federal	State and local	Total
Current	$19,838	$18,347	$38,185
Deferred	(6,000)	2,000	(4,000)
	$13,838	$20,347	$34,185

At March 31, 2016, the significant component of deferred income taxes were the difference between the book and tax bases of property and equipment and unpaid interest to the Parent.

Note 8 **Related party transactions and balances**

In the ordinary course of business, the Company had the following related party transactions and balances:

(a) For the year ended March 31, 2016, the Company had earned marketing support services income of $1,297,831 from the Parent.

(b) At March 31, 2016, the Company had accounts receivable from the Parent of $762,830.

(c) At March 31, 2016, the Company had outstanding loans payable to the Parent of $450,000. These loans are due on a demand basis and bear interest at the prevailing market rate, as determined by management. For the year ended March 31, 2016, interest on these loans amounted of $18,752.

(d) At March 31, 2016, the Company had interest payable of $36,544 to the Parent. These amounts are included in accrued expenses.

Note 9 **Commitments and contingencies**

Lease

The Company is obligated under a long-term operating lease for the rental of office space through May 31, 2017. For the year ended March 31, 2016, rent expense amounted to $215,530.

At March 31, 2016, the future minimum rental payments were as follows:

March 31, 2017	$221,996
May 31, 2017	37,180
	$259,176

Guarantees

The Company has guaranteed payment for License and Technical Know-How Agreements entered into by the Parent on various dates. These agreements expire on various dates to December 31, 2022 and require payments to be computed at specified percentages of nets sales, as defined.

Note 9 Commitments and contingencies (continued)

For the year ended March 31, 2016, the minimum payments due under these agreements were $2,020,529. The Company is required to make payments under these agreements only in the event of a default by a primary obligor. At March 31, 2016, the Company does not anticipate any exposure on these guarantees.

At March 31, 2016, the future minimum payments required under these agreements were as follows:

March 31, 2017	$ 3,306,580
March 31, 2018	3,484,606
March 31, 2019	2,696,899
March 31, 2020	2,112,004
March 31, 2021	2,183,048
Thereafter	1,525,838
	$15,308,975

SUPPLEMENTARY INFORMATION

ARVIND WORLDWIDE INC.

STATEMENT OF OPERATING EXPENSES

For the year ended March 31, 2016

Operating expenses

Salaries	$ 613,982
Employee benefits	67,256
Payroll taxes	35,046
Pension plan contributions	24,427
Payroll processing charges	5,815
Rent and utilities	225,648
Telephone	11,169
Insurance	14,487
Travel and entertainment	122,167
Office supplies and expenses	10,303
Sampling and designing charges	27,745
Professional fees	18,184
Repairs and maintenance	4,321
Postage and delivery	12,092
Depreciation	1,532
	$1,194,174

See accountants' review report and notes to financial statements.