BALASORE METALS PTE. LTD.
(ACRA REGISTRATION NO. 201134074Z)

(Incorporated in The Republic of Singapore)

FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2018

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FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2018

CONTENTS

	Page
Directors' Statement	1 - 2
Independent Auditors' Report	3 - 4
Statement of Financial Position	5
Statement of Comprehensive Income	6
Statement of Changes in Equity	7
Statement of Cash Flows	8
Notes to the Financial Statements	9 - 21

DIRECTORS' STATEMENT

The directors present their report to the members together with the audited financial statements of the Company for the financial year ended 31st March 2018.

We, the directors of BALASORE METALS PTE. LTD., hereby state that:

(a) the accompanying statement of financial position, statement of comprehensive income, statement of changes in equity and statement of cash flows together with the notes thereto as set out on pages 5 to 21 are drawn up so as to give a true and fair view of the financial position of the Company as at 31st March 2018 and the financial performance, changes in equity and cash flows of the Company for the financial year then ended;

(b) 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; and

(c) management is responsible for the preparation of financial statements that gives a true and fair view in accordance with the provision of the Singapore Companies Act Cap 50 (the "Act") and Singapore Financial Reporting Standards, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorized use or disposition; and transactions are properly authorized and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. The directors' responsibilities include overseeing the Company's financial reporting process.

DIRECTORS

The directors of the Company in office at the date of this report are as follows:

Rupam Poddar
Rajib Das
Ashok Kumar Sinha (Resigned on 31/01/2018)
Kalyanasundaram Maran

ARRANGEMENTS TO ENABLE DIRECTORS TO ACQUIRE SHARES AND DEBENTURES

Neither at the end of nor at any time during the financial year was the Company a party to any arrangement whose object was to enable the directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate, other than as disclosed under "Share options" in this statement.

DIRECTORS' INTERESTS IN SHARES OR DEBENTURES

a) According to the register of directors' shareholdings, none of the directors holding office at the end of the financial year had any interest in the shares or debentures of the Company or its related corporations, except as follows:

(No. of ordinary shares)	Holdings registered in name of director or nominee		Holdings in which director is deemed to have an interest	
	At 31st March 2018	At 1st April 2017 or date of appointment if later	At 31st March 2018	At 1st April 2017 or date of appointment if later
Company				
Rupam Poddar	-	-	-	-
Rajib Das	-	-	-	-
Kalyanasundaram Maran	-	-	-	-
Immediate and Ultimate Holding Company				
Balasore Alloys Limited, India	1	1	1	1
Directors having interest in above holding company				
Rupam Poddar	-	-	-	-
Rajib Das	-	-	-	-
Kalyanasundaram Maran	-	-	-	-

DIRECTORS' STATEMENT (CONT'D)

DIRECTORS' INTERESTS IN SHARES OR DEBENTURES (CONT'D)

The immediate and ultimate holding company of the Company is 'Balasore Alloys Limited, India', a company incorporated in The Republic of India.

Except as disclosed in this report, no director who held office at the end of financial year had interests in shares, debentures, warrants or share options of the Company or of related corporations either at the beginning of the financial year, or date of appointment, if later, or at the end of the financial year.

(b) The directors' interest in the ordinary shares of the Company as at 12 SEP 2018 were the same as those as at 31st March 2018.

SHARE OPTIONS

No options were granted during the financial year to subscribe for unissued shares of the Company.

No shares were issued during the financial year by virtue of the exercise of options to take up unissued shares of the Company.

There were no unissued shares of the Company under option at the end of the financial year.

INDEPENDENT AUDITORS

The Independent auditors, Stamford Associates LLP, Chartered Accountants of Singapore, have expressed their willingness to accept re-appointment.

On behalf of the Board

Rupam Poddar
Director

Rajib Das
Director

Singapore.

Date: 12 SEP 2018

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF BALASORE METALS PTE. LTD.
(REGISTRATION NO. 201134074Z)
FOR THE FINANCIAL YEAR ENDED 31st MARCH 2018

Our Opinion

In our opinion, the accompanying financial statements of BALASORE METALS PTE. LTD. ("the Company") are properly drawn up in accordance with the provisions of the Companies Act, Chapter 50 ("the Act") and Financial Reporting Standards in Singapore ("FRSs") so as to give a true and fair view of the financial position of the Company as at 31st March 2018 and of the financial performance, changes in equity and cash flows of the Company for the financial year ended on that date.

What we have audited

The financial statements of the Company comprise:

- the statement of financial position as at 31st March 2018;
- the statement of comprehensive income for the year then ended;
- the statement of changes in equity for the year then ended;
- the statement of cash flows for the year then ended; and
- the notes to the financial statements, including a summary of significant accounting policies.

Basis for Opinion

We conducted our audit in accordance with Singapore Standards on Auditing("SSAs"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

We refer to Note 2.21 in the notes to the financial statement. The accompanying financial statements have been prepared assuming that the Company will continue as a going concern. The Company incurred a net loss of US$106,007/- (2017: US$2,537/-) during the year and as on statement of financial position date the Company's total liabilities exceeded its total assets by US$148,226/- (2017: US$42,219/-). If the financial support is not forthcoming and as a result, the Company is unable to continue in operational existence for the foreseeable future, adjustments would have to be made to reflect the situation that the assets may need to be realized other than in the normal course of business and at amounts which could differ significantly from the amounts stated in the statement of financial position. In addition, the Company may have to provide for future liabilities which may arise.

Independence

We are independent of the Company in accordance with the Accounting and Corporate Regulatory Authority ("ACRA") Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities ("ACRA Code") together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA code.

Our Audit Approach

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the accompanying financial statements. In particular, we considered where management made subjective judgments; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of management override of internal controls, including among other matters consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

Other Information

Management is responsible for the other information. The other information comprises the Directors' Statement included in pages 1 to 2 but does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Directors for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Act and FRSs, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

INDEPENDENT AUDITORS' REPORT (CONT'D)

Responsibilities of Management and Directors for the Financial Statements (cont'd)

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. The directors' responsibilities include overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on Other Legal and Regulatory Requirements

In our opinion, the accounting and other records required by the Act to be kept by the Company have been properly kept in accordance with the provisions of the Act.

The engagement partner on the audit resulting in this independent auditor's report is Mr. Sanjay P. Mohnot.

STAMFORD ASSOCIATES LLP — SINGAPORE — T07LL0683E — CA (Singapore)

Stamford Associates LLP

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STAMFORD ASSOCIATES LLP
Public Accountants and
Chartered Accountants, Singapore.

Place : Singapore
Date : 12 SEP 2018

STATEMENT OF FINANCIAL POSITION
AS AT 31ST MARCH 2018

	Note	2018 US$	2017 US$
ASSETS			
Non - Current assets		-	-
		-	-
Current assets			
Cash and Cash Equivalents	5	1,207	3,334
Trade and other receivables	7	243,559	-
Inventory	9	280,800	-
Total Current Assets		525,566	3,334
Total Assets		**525,566**	**3,334**
LIABILITIES			
Non - Current liabilities			
Deferred tax liability	14	-	-
Total Non - Current Liabilities		-	-
Current liabilities			
Amount due to related party	6	(31,377)	(22,377)
Trade and other payables	8	(642,415)	(23,176)
Provision for taxation	15	-	-
Total Current Liabilities		(673,792)	(45,553)
Total Liabilities		**(673,792)**	**(45,553)**
NET LIABILITIES		(148,226)	(42,219)
EQUITY & RESERVES			
Capital and reserves attributable to equity holders of the Company			
Share Capital	4	1	1
Accumulated (losses)		(148,227)	(42,220)
TOTAL EQUITY & RESERVES		(148,226)	(42,219)

(The annexed notes form an integral part of and should be read in conjunction with these financial statements.)

STATEMENT OF COMPREHENSIVE INCOME
FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2018

	Note	2018 US$	2017 US$
Revenue	10	-	-
Cost of Revenue		-	-
Gross profit		-	-
Other income	11	16,245	10,000
		16,245	10,000
Less:			
Key Personnel & Staff Cost	13	-	(1,250)
Administrative & Other Operating expenses		(122,252)	(11,287)
		(122,252)	(12,537)
Loss from operations	12	(106,007)	(2,537)
Less:			
Finance costs		-	-
Loss before tax		(106,007)	(2,537)
Income tax benefit / (Expense)	15	-	-
Deferred Tax	14	-	-
Loss from continuing operations		(106,007)	(2,537)
Profit / (loss) from discontinued operations		-	-
Total Loss		(106,007)	(2,537)
Other comprehensive income:			
Items that may be reclassified subsequently to profit or loss		-	-
Items that will not be reclassified subsequently to profit or loss		-	-
Other comprehensive income, net of tax		-	-
Total Comprehensive Loss		(106,007)	(2,537)

(The annexed notes form an integral part of and should be read in conjunction with these financial statements.)

STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2018

	Attributable to equity holders of the Company		
	Share Capital US$	**Accumulated Profit / (Loss)** US$	**Total Equity** US$
Balance as at 1st April 2016	**1**	**(39,683)**	**(39,682)**
Total comprehensive loss	-	(2,537)	(2,537)
Balance as at 31st March 2017	1	**(42,220)**	**(42,219)**
Total comprehensive loss	-	(106,007)	(106,007)
Balance as at 31st March 2018	**1**	**(148,227)**	**(148,226)**

(The annexed notes form an integral part of and should be read in conjunction with these financial statements.)

STATEMENT OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2018

	Note	2018 US$	2017 US$
Cash flows from operating activities			
Profit / (Loss) before tax		(106,007)	(2,537)
Adjustments for:			
Depreciation		-	-
Cash Flows Before Changes in Working Capital		(106,007)	(2,537)
Change in working capital:			
Trade and Other Receivables	7	(243,559)	3,642
Inventory	9	(280,800)	-
Trade and Other Payables	8	619,239	(1,150)
Amount due to related companies	6	9,000	-
		103,880	2,492
Cash (used in) operations		(2,127)	(45)
Income tax paid	15	-	-
Net cash (used in) operating activities		(2,127)	(45)
Cash flows from investing activities		-	-
Net cash (used in) / generated from investing activities		-	-
		(2,127)	(45)
Cash flows from financing activities		-	-
Net cash generated from / (used in) financing activities		-	-
Net (decrease) in cash and cash equivalents		(2,127)	(45)
Cash and cash equivalents at beginning of the financial year		3,334	3,379
Cash and cash equivalents at the financial year end	5	1,207	3,334

(The annexed notes form an integral part of and should be read in conjunction with these financial statements.)

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

1. General information

BALASORE METALS PTE. LTD. (the "Company") is a company incorporated and domiciled in Singapore. The registered office and principal place of business is at 7500A Beach Road, #04-327 The Plaza, Singapore 199591.

The principal activities of the Company are relating to the wholesale of metals and metal ores such as steel trading, trading in ferro alloys materials. There have been no significant changes in the nature of these activities during the financial year.

The immediate and ultimate holding company of the Company is Balasore Alloys Limited, a company incorporated in the Republic of India.

2. Significant Accounting Policies

2.1 Basis of preparation

These financial statements are prepared in accordance with Singapore Financial Reporting Standards ("FRS") under the historical cost convention, except as disclosed in the accounting policies below.

The preparation of financial statements in conformity with FRS requires management to exercise its judgement in the process of applying the Company's accounting policies. It also requires the use of certain critical accounting estimates and assumptions. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 3.

Interpretations and amendments to published standards effective in 2017

On 1st April 2017, the Company adopted the new or amended FRS and Interpretations of FRS ("INT FRS") that are mandatory for application for the financial year. Changes to the Company's accounting policies have been made as required, in accordance with the transitional provisions in the respective FRS and INT FRS.

The adoption of these new or amended FRS and INT FRS did not result in substantial changes to the accounting policies of the Company had no material effect on the amounts reported for the current or prior financial years except for the following:

FRS 7 Statement of cash flows

The amendments to FRS 7 Statement of Cash Flows (Disclosure initiative) sets out required disclosures that enables users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes.

2.2 Revenue recognition

Revenue comprise the fair value of the consideration received or receivable for rendering of services in the ordinary course of the Company's activities. Revenue is presented, net of goods and services tax, rebates and discounts. The Company assesses its role as an agent or principal for each transaction and in an agency arrangement the amounts collected on behalf of the principal are excluded from revenue.

The Company recognises revenue when the amount of revenue and related cost can be reliably measured, it is probable that the collectability of the related receivables is reasonably assured and when the specific criteria for each of the Company's activities are met.

2.3 Government grants

Grants from the government are recognized as a receivable at their fair value when there is reasonable assurance that the grant will be received and the Company will comply with all the attached conditions.

Government grants receivable are recognized as income over the periods necessary to match them with the related costs which they are intended to compensate, on a systematic basis. Government grants relating to expenses are shown separately as other income.

Government grants relating to assets are deducted against the carrying amount of the assets.

2. Significant Accounting Policies (Continued)

2.4 Property, plant and equipment

(a) Measurement

(i) Property, plant and equipment

Property, plant and equipment are initially recognised at cost and subsequently carried at cost less accumulated depreciation and accumulated impairment losses.

(ii) Component of costs

The cost of an item of plant and equipment initially recognized includes its purchase price and any cost that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Cost also includes borrowing costs and any fair value gains or losses on qualifying cash flow hedges of property, plant and equipment that are transferred from the hedging reserve that are directly attributable to the acquisition.

(b) Depreciation

Depreciation of plant and equipment is calculated using the straight-line method to allocate their depreciable amounts over their estimated useful lives. The residual values, estimated useful lives and depreciation method of plant and equipment are reviewed, and adjusted as appropriate, at each statement of financial position date. The effects of any revision are recognized in profit or loss when the changes arise.

(c) Subsequent expenditure

Subsequent expenditure relating to property, plant and equipment that has already been recognised is added to the carrying amount of the asset only when it is probable that future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably. All other repair and maintenance expenses are recognised in profit or loss when incurred.

(d) Disposal

On disposal of an item of property, plant and equipment, the difference between the disposal proceeds and its carrying amount is recognized in profit or loss within "Other gains/losses – net". Any amount in revaluation reserve relating to that item is transferred to retained profits directly.

2.5 Financial assets

(a) Classification

The Company classifies its financial assets in the following categories: at fair value through profit or loss, loans and receivables, held-to-maturity and available-for sale. The classification depends on the nature of the asset and the purpose for which the assets were acquired. Management determines the classification of its financial assets at initial recognition and in the case of assets classified as held-to-maturity, re-evaluates this designation at each statement of financial position date.

(i) Financial assets at fair value through profit or loss

This category has two sub-categories: financial assets held for trading, and those designated at fair value through profit or loss at inception. A financial asset is classified as held for trading if it is acquired principally for the purpose of selling in the short term. Financial assets designated as at fair value through profit or loss at inception are those that are managed and their performances are evaluated on a fair value basis, in accordance with a documented Company investment strategy. Derivatives are also categorized as held for trading unless they are designated as hedges. Assets in this category are presented as current assets if they are either held for trading or are expected to be realized within 12 months after the Statement of Financial Position date.

(ii) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are presented as current assets, except for those expected to be realized later than 12 months after the statement of financial position date which are presented as non-current assets.

2. **Significant accounting policies (continued)**

2.5 Financial assets (cont'd)

(a) Classification (cont'd)

(ii) Loans and receivables (cont'd)

Loans and receivables are presented as "trade and other receivables" and "cash and cash equivalents" on the statement of financial position.

(iii) Held-to-maturity financial assets

Held-to-maturity financial assets are non-derivative financial assets with fixed or determinable payments and fixed maturities that the Company's management has the positive intention and ability to hold to maturity. If the Company were to sell other than an insignificant amount of held-to-maturity financial assets, the whole category would be tainted and reclassified as available-for-sale. They are presented as non-current assets, except for those maturing within 12 months after the statement of financial position date which are presented as current assets.

(iv) Available-for-sale financial assets

Available-for-sale financial assets are non-derivatives that are either designated in this category or not classified in any of the other categories. They are presented as non-current assets unless the investment matures or management intends to dispose of the assets within 12 months after the statement of financial position date.

(b) Recognition & Derecognition

Regular way purchases and sales of financial assets are recognized on trade date – the date on which the Company commits to purchase or sell the asset. Financial assets are derecognized when the rights to receive cash flows from the financial assets have expired or have been transferred and the Company has transferred substantially all risks and rewards of ownership. On disposal of a financial asset, the difference between the carrying amount and the sale proceeds is recognized in profit or loss. Any amount previously recognized in other comprehensive income relating to that asset is reclassified to profit or loss. Trade receivables that are factored out to banks and other financial institutions with recourse to the Company are not derecognized until the recourse period has expired and the risks and rewards of the receivables have been fully transferred. The corresponding cash received from the financial institutions is recorded as borrowings.

(c) Initial measurement

Financial assets are initially recognized at fair value plus transaction costs except for financial assets at fair value through profit or loss, which are recognized at fair value. Transaction costs for financial assets at fair value through profit or loss are recognized immediately as expenses.

(d) Subsequent measurement

Available-for-sale financial assets and financial assets at fair value through profit or loss are subsequently carried at fair value. Loans and receivables and held to-maturity financial assets are subsequently carried at amortized cost using the effective interest method. Changes in the fair values of financial assets at fair value through profit or loss including the effects of currency translation, interest and dividends, are recognized in profit or loss when the changes arise. Interest and dividend income on available-for-sale financial assets are recognized separately in income. Changes in the fair values of available-for-sale debt securities (i.e. monetary items) denominated in foreign currencies are analyzed into currency translation differences on the amortized cost of the securities and other changes; the currency translation differences are recognized in profit or loss and the other changes are recognized in other comprehensive income and accumulated in the fair value reserve. Changes in the fair values of available-for-sale equity securities (i.e. non-monetary items) are recognized in other comprehensive income and accumulated in the fair value reserve, together with the related currency translation differences.

(e) Impairment

The Company assesses at each statement of financial position date whether there is objective evidence that a financial asset or a Company of financial assets is impaired and recognizes an allowance for impairment when such evidence exists.

2. Significant accounting policies (continued)

2.5 Financial assets (cont'd)

(e) Impairment (cont'd)

(i) Loans and receivables/Held-to-maturity financial assets

Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy and default or significant delay in payments are objective evidence that these financial assets are impaired. The carrying amount of these assets is reduced through the use of an impairment allowance account which is calculated as the difference between the carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. When the asset becomes uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are recognized against the same line item in profit or loss. The impairment allowance is reduced through profit or loss in a subsequent period when the amount of impairment loss decreases and the related decrease can be objectively measured. The carrying amount of the asset previously impaired is increased to the extent that the new carrying amount does not exceed the amortized cost had no impairment been recognized in prior periods.

(ii) Available-for-sale financial assets

In addition to the objective evidence of impairment described in Note 2.5 (e) (i), a significant or prolonged decline in the fair value of an equity security below its cost is considered as an indicator that the available-for-sale financial asset is impaired. If there is objective evidence of impairment exists, the cumulative loss that was previously recognized in other comprehensive income is reclassified from equity to profit or loss. The amount of cumulative loss that is reclassified is measured as the difference between the acquisition cost (net of any principal repayments and amortization) and the current fair value, less any impairment loss on that financial asset previously recognized as an expense in profit or loss. The impairment losses recognized as an expense on equity securities are not reversed through profit or loss in subsequent period.

(f) Offsetting of financial instruments

Financial assets and liabilities are offset and the net amount reported in the statement of financial position when there is a legally enforceable right to offset and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously.

2.6 Financial liabilities

Financial liabilities include trade payables, other amounts payable and interest-bearing loans. Financial liabilities are recognized on the statement of financial position when, and only when, the Company becomes a party to the contractual provisions of the financial instrument. Financial liabilities are initially recognized at fair value of consideration received less directly attributable transaction costs and subsequently measured at amortized cost using the effective interest rate method. Financial liabilities represent liabilities for goods and services provided to the Company prior to the end of the financial year which are unpaid. They are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). Otherwise, they are represented as non-current liabilities. Gains and losses are recognized in the income and expenditures statement when the liabilities are derecognized as well as through the amortization process. The liabilities are derecognized when the obligation under the liability is discharges or cancelled or expired.

2.7 Financial guarantees

Financial guarantees are initially recognized at their fair values plus transaction costs in the Company's statement of financial position. Financial guarantees are subsequently amortized to profit or loss over the period of the borrowings, unless it is probable that the Company will reimburse the banks for an amount higher than the unamortized amount. In this case, the financial guarantees shall be carried at the expected amount payable to the banks in the Company's statement of financial position.

2.8 Borrowings

Borrowings are presented as current liabilities unless the Company has an unconditional right to defer settlement for at least 12 months after the statement of financial position date, in which case they are presented as non-current liabilities. Borrowings are initially recognized at fair value (net of transaction costs) and subsequently carried at amortized cost. Any difference between the proceeds (net of transaction costs) and the redemption value is recognized in profit or loss over the period of the borrowings using the effective interest method.

2. Significant accounting policies (continued)

2.9 Leases

(a) When the Company is the lessee:

(i) Lessee – Finance leases

Leases where the Company assumes substantially all risks and rewards incidental to ownership of the leased assets are classified as finance leases. The leased assets and the corresponding lease liabilities (net of finance charges) under finance leases are recognized on the statement of financial position as plant and equipment and borrowings respectively, at the inception of the leases based on the lower of the fair value of the leased assets and the present value of the minimum lease payments. Each lease payment is apportioned between the finance expense and the reduction of the outstanding lease liability. The finance expense is recognized in profit or loss on a basis that reflects a constant periodic rate of interest on the finance lease liability.

(ii) Lessee – Operating leases

Leases where substantially all risks and rewards incidental to ownership are retained by the lessors are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessors) are recognized in profit or loss on a straight-line basis over the period of the lease.

(b) When the Company is the lessor:

(i) Lessor – Finance leases

Leases where the Company has transferred substantially all risks and rewards incidental to ownership of the leased assets to the lessees, are classified as finance leases. The leased asset is derecognized and the present value of the lease receivable (net of initial direct costs for negotiating and arranging the lease) is recognized on the statement of financial position and included in "trade and other receivables". The difference between the gross receivable and the present value of the lease receivable is recognized as unearned finance income. Each lease payment received is applied against the gross investment in the finance lease receivable to reduce both the principal and the unearned finance income. The finance income is recognized in profit or loss on a basis that reflects a constant periodic rate of return on the net investment in the finance lease receivable. Initial direct costs incurred by the Company in negotiating and arranging finance leases are added to finance lease receivables and recognized as an expense in profit or loss over the lease term on the same basis as the lease income.

(i) Lessor – Operating leases

Leases of investment properties where the Company retains substantially all risks and rewards incidental to ownership are classified as operating leases. Rental income from operating leases (net of any incentives given to the lessees) is recognized in profit or loss on a straight-line basis over the lease term. Initial direct costs incurred by the Company in negotiating and arranging operating leases are added to the carrying amount of the leased assets and recognized as an expense in profit or loss over the lease term on the same basis as the lease income. Contingent rents are recognized as income in profit or loss when earned.

2.10 Inventories

Inventories are carried at the lower of cost and net realizable value. Cost is determined using the First In First Out method. Cost comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

However, goods-in-transit due to its very nature is presented at cost. The cost of finished goods and work-in-progress comprises raw materials, direct labor, other direct costs and related production overheads (based on normal operating capacity) but excludes borrowing costs. Cost also includes any gains or losses on qualifying cash flow hedges of foreign currency purchases of inventories. Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and applicable variable selling expenses.

2. **Significant accounting policies (continued)**

2.11 Income taxes

Current income tax for current and prior periods is recognized at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the statement of financial position date. Deferred income tax is recognised for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction. A deferred income tax liability is recognised on temporary differences arising on investments in subsidiaries, associated companies and joint ventures, except where the Company is able to control the timing of the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. A deferred income tax asset is recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilised.

Deferred income tax is measured:

(a) at the tax rates that are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted by the Statement of Financial Position date; and

(b) based on the tax consequence that will follow from the manner in which the Company expects, at the balance sheet date, to recover or settle the carrying amounts of its assets and liabilities except for investment properties. Investment property measured at fair value is presumed to be recovered entirely through sale.

Current and deferred income taxes are recognised as income or expense in profit or loss, except to the extent that the tax arises from a business combination or a transaction which is recognised directly in equity. Deferred tax arising from a business combination is adjusted against goodwill on acquisition. The Company accounts for investment tax credits (for example, productivity and innovative credit) similar to accounting for other tax credits where deferred tax asset is recognised for unused tax credits to the extent that it is probable that future taxable profit will be available against which the unused tax credit can be utilised.

2.12 Provisions

Provisions are recognised when the Company has a present obligation as a result of a past event, which is probable of resulting in a future outflow of economic benefits that can be measured reliably.

2.13 Employee Compensation

Employee benefits are recognized as an expense, unless the cost qualifies to be capitalized as an asset.

(a) Defined contribution plans

Defined contribution plans are post-employment benefit plans under which the Company pays fixed contributions into separate entities such as the Central Provident Fund on a mandatory, contractual or voluntary basis. The Company has no further payment obligations once the contributions have been paid.

(b) Termination benefits

Termination benefits are those benefits which are payable when employment is terminated before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits. The Company recognized termination benefits when it is demonstrably committed at the earlier of the following dates:

i) when the Company is terminating the employment of current employees according to a detailed formal plan without possibility of withdrawing the offer of those benefits; and

ii) when the Company recognized costs for a restructuring that is within the scope of FRS 37 and involves the payment of termination benefits.

In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. Benefits falling due more than 12 months after the end of the reporting period are discounted to their present value.

2. **Significant accounting policies (continued)**

2.14 Currency Translation

(a) Functional and presentation currency

Items included in the financial statements of each entity in the Company are measured using the currency of the primary economic environment in which the entity operates ("functional currency"). The financial statements are presented in United States Dollars, which is the functional currency of the Company.

(b) Transactions and balances

Transactions in a currency other than the functional currency ("foreign currency") are translated into the functional currency using the exchange rates at the dates of the transactions. Currency translation differences resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at the closing rates at the statement of financial position date are recognized in profit or loss.

2.15 Related Parties

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial and operating decisions.

2.16 Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents include cash on hand, deposits with financial institutions which are subject to an insignificant risk of change in value. Bank overdrafts are presented as current borrowings on the statement of financial position. For cash subjected to restriction, assessment is made on the economic substance of the restriction and whether they meet the definition of cash and cash equivalents.

2.17 Trade and other receivables

Trade receivables and other receivables are classified and accounted for as loans and receivables under FRS 39 Financial Instruments: Recognition and Measurement (FRS 39). They are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method, less allowance for impairment. An allowance for impairment of trade and other receivables is established when there is evidence that the Company will not able to collect all amounts due to according to the original terms of the receivables. The amount of the allowance is recognized in the income and expenditure statement.

2.18 Trade and other payables

Trade and other payables represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. They are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). Otherwise, they are presented as non-current liabilities. Trade and other payables are initially recognized at fair value, and subsequently carried at amortized cost using the effective interest method.

2.19 Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issuance of new equity instruments are taken to equity as a deduction, net of tax, from the proceeds.

When an entity within the Company purchases the Company's ordinary shares ("treasury shares"), the carrying amount which includes the consideration paid and any directly attributable transaction cost is presented as a component within equity attributable to the Company's equity holders, until they are cancelled, sold or reissued.

2.20 Dividends to the Company's shareholders

Dividends to the Company's shareholders are recognized when the dividends are approved for payment.

2.21 Going Concern

The company has net liabilities of US$148,226/- (2017: US$42,219/-) as at 31st March 2018. The financial statements have been prepared under the going concern basis with assumption that the holding company of the company will continue to render financial support to the Company to meet out all its commitments until the end of next financial year.

3. Critical accounting estimates, assumptions and judgments

The presentation of financial statements in conforming with FRS requires the use of certain critical accounting estimates, assumptions and judgements in applying the accounting policies. These estimates, assumptions and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

3.1 Critical accounting estimates and assumptions & Key Sources of estimation uncertainty

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have known significant risks of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are none.

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

(a) Uncertain tax positions

Significant assumptions are required in determining the deductibility of certain expenses during the estimation of the computation of income tax expense. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Company recognised liabilities for expected tax issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recognised, such differences will impact the income tax and deferred tax provision in the financial year in which such determination is made. At 31st March 2018, the carrying amounts of the Company's income tax payable and deferred tax liability are in the statements of financial position.

(b) Impairment of loans and receivables

Management reviews its loans and receivables for objective evidence of impairment at least quarterly. Significant financial difficulties of the debtor, the probability that the debtor will enter bankruptcy, and default or significant delay in payments are considered objective evidence that a receivable is impaired. In determining this, management has made judgments as to whether there is observable data indicating that there has been a significant change in the payment ability of the debtor, or whether there have been significant changes with adverse effect in the technological, market, economic or legal environment in which the debtor operates in. Where there is objective evidence of impairment, management has made judgments as to whether an impairment loss should be recorded as an expense. In determining this, management has used estimates based on historical loss experience for assets with similar credit risk characteristics. The methodology and assumptions used for estimating both the amount and timing of future cash flows are reviewed regularly to reduce any differences between the estimated loss and actual loss experience.

4. Share capital

	Issued Share Capital	
As at 31st MARCH 2018	Ordinary shares No.	Amount US$
Beginning of the financial year	1	1
Shares issued	-	-
End of the financial year	1	1
As at 31st MARCH 2017		
Beginning of the financial year	1	1
Shares issued	-	-
End of the financial year	1	1

All issued ordinary shares are fully paid. There is no par value for these ordinary shares. Fully paid ordinary shares carry one vote per share and a right to receive dividends as and when declared by the Company. The Company is not exposed to any externally imposed capital requirements and there are no restrictions to issue shares.

The holder of ordinary shares is entitled to receive dividend as declared from time to time and is entitled to one vote per share at meetings of the Company. All shares rank equally with regard to the Company's residual assets.

5. Cash and Cash Equivalents

	2018 US$	2017 US$
Cash in hand	-	-
Cash at bank	1,207	3,334
Cash and cash equivalents per statement of cash flows	1,207	3,334

The cash and cash equivalents approximate its fair value as on the statement of financial position date and are denominated in the United States dollars.

6. Amount due from / (to) related parties

	2018 US$	2017 US$
Due from related parties	-	-
Due (to) related parties	31,377	22,377
	31,377	22,377

Amount due from/(to) related parties is non-trade in nature, unsecured, interest free and is payable on demand: approximate its fair value as on the statement of financial position date and denominated in the United States dollars.

7. Trade and other receivables

	2018 US$	2017 US$
Trade Receivables	-	-
Other Receivables		
Prepayment	2,204	
Advances	241,355	-
	243,559	-
Total trade and other receivables	243,559	-

Trade receivables credit period is 30 to 180 days.

Trade and Other receivables approximate its fair value as on the statement of financial position date and is denominated in the United States dollars.

8. Trade and other payables

	2018 US$	2017 US$
Trade Payables	-	-
Other Payables		
Accruals for operating expenses	8,787	13,175
Other Creditors	51,640	10,000
Advances from customers	581,988	-
	642,415	23,176
Total trade and other payables	642,415	23,176

The credit period of trade payables is 30-180 days.

Trade and Other payables approximate its fair value as on the statement of financial position date and are denominated in the United States dollars.

9. Inventory

	2018 US$	2017 US$
Goods-in-transit – At Cost	280,800	-
	280,800	-

Inventories are valued at lower of the cost and net realisable value and approximate its fair value as on the date of statement of financial position.

10. Revenue

The company was dormant during the financial year and yet to generate its revenue.

11. Other Income

	2018 US$	2017 US$
Sundry balances written back	16,245	-
Professional Fees Received	-	10,000
	16,245	10,000

12. (Loss) from operations

The (loss) from operations is arrived after charging following major expenses:

	2018 US$	2017 US$
Audit fees	2,500	1,755
Professional fees	6,545	4,392
Service Charges	-	3,970
Bank Charges	945	138
Other Expenses	-	1,032
Custom Charges	107,200	-

13. Employee compensation

	2018 US$	2017 US$
Staff Salaries, bonus and allowances	-	-
Director Salaries, fee, bonus and allowances	-	1,250
Employer's contributions to defined contribution plans	-	-
Employee benefits/welfare	-	-
	-	1,250

14. Deferred taxation

There is neither any movement nor any balance in this account during the year and/or at the date of statement of financial position.

15. Taxation

	2018 US$	2017 US$
Balance at the beginning	-	-
Current year tax expense	-	-
Previous year (over)/ under provision	-	-
Income tax paid	-	-
Balance as at 31st March	-	-

The reconciliation of the tax expense and the product of accounting profit multiplied by the applicable rate are as follows:

	2018 US$	2017 US$
Profit before income tax	(106,007)	(2,537)
Tax calculated at tax rate of 17%	(18,021)	(431)
Effects of:		
- income not subject to tax	-	-
- Tax exemption and rebates	-	-
- Tax benefit forfeited	18,021	431
Tax expense	-	-

The above tax provision is subject to the approval of Inland Revenue Authority of Singapore (IRAS).

16. Significant related party transactions

In addition to the information disclosed elsewhere in the financial statements, the following transactions took place between the Company and related parties at terms agreed between the parties:

(a) Related Party Transactions

	2018 US$	2017 US$
- Sales	-	-
- Purchases	-	-
- Amount due to related parties (non-trade)	31,377	22,377
Key Management Personnel Compensation	-	1,250

(b) Key management personnel compensation

The only key management personnel compensation for the financial year that was incurred was director fee.

17. Contingencies & commitments

17.1 Contingent liabilities

Contingent liabilities, of which the probability of settlement is not remote at the statement of financial position date, are none.

17.2 Capital commitments

Capital expenditures contracted for at the statement of financial position date but not recognized in the financial statements, are none.

17.3 Operating lease commitments – where the Company is a lessee

The future minimum lease payables under non-cancellable operating leases contracted for at the statement of financial position date but not recognized as liabilities, are none.

18. Financial risk management

Financial risk factors

The Company's activities expose it to market risk (including currency risk, interest rate risk, etc.), credit risk and liquidity risk. The Company's overall risk management strategy seeks to minimize any adverse effects from the unpredictability of financial markets on the Company's financial performance. The management continuously monitors the Company's risk management process to ensure that an appropriate balance between risk and control is achieved.

18.1 Market risk

(a) Currency risk

The functional currency of the Company is in United States Dollars (USD).

The currency risk and its sensitivity are not applicable as there is no foreign currency account balances exist as at the date of statement of financial position.

(b) Interest rate risk

The interest rate risk and its sensitivity are not applicable for the Company as there are no interest bearing financial assets and liabilities exist as at the date of statement of financial position.

18.2 Credit risk

The credit risk is not applicable for the Company as there is no trade receivables exist as at the date of statement of financial position and the carrying amount of other receivables represents the Company's maximum exposure to credit risk.

18. Financial risk management (continued)

18.3 Liquidity risk

Prudent liquidity risk management includes maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities, and the ability to close out market positions at a short notice.

The table below analyses non-derivative financial liabilities of the Company into relevant maturity groupings based on the remaining period from the statement of financial position date to the contractual maturity date (contractual and undiscounted cash flows):-

As at 31st March 2018	Maturity < 1 year	Maturity 2 - 5 years	Total	Applicable Interest Rate
Financial Liabilities	US$	US$	US$	
Amount due to related party	31,377	-	31,377	NIL
Trade and other payables	642,415	-	642,415	NIL
Total	673,792	-	673,792	

Management monitors rolling forecasts of the liquidity reserve (comprises undrawn borrowing facility and cash and cash equivalents) of the Company on the basis of expected cash flow. This is generally carried out at local level in the operating companies of the Company in accordance with the practice and limits set by the Company. These limits vary by location to take into account the liquidity of the market in which the entity operates. In addition, the Company's liquidity management policy involves projecting cash flows in major currencies and considering the level of liquid assets necessary to meet these, monitoring liquidity ratios and maintaining debt financing plans.

18.4 Capital risk

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern and to maintain an optimal capital structure so as to maximize shareholder value. In order to maintain or achieve an optimal capital structure, the Company may adjust the amount of dividend payment, return capital to shareholders, issue new shares, buy back issued shares, obtain new borrowings or sell assets to reduce borrowings. Management monitors capital based on a gearing ratio. The gearing ratio is calculated as net debt divided by total capital. Net debt is calculated as borrowings plus trade and other payables less cash and cash equivalents. Total capital is calculated as total equity plus net debt.

	2018	2017
	US$	US$
Net debt	672,585	42,219
Total equity	(148,226)	(42,219)
Total capital	524,359	-
Gearing ratio (%)	128 %	-

The Borrowers leverage ratio is calculated as total liability of the Company divided by tangible net worth of the Company.

	2018	2017
	US$	US$
Total liability	673,792	45,553
Tangible net worth	(148,226)	(42,219)
Leverage ratio (times)	-	-

18.5 Fair value measurements

The following table presents assets and liabilities measured at fair value and classified by level of the following fair value measurement hierarchy:

(a) Quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1);
(b) Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices) (Level 2); and
(c) Inputs for the asset or liability that are not based on observable market data (unobservable inputs) (Level 3).

18. Financial risk management (continued)

18.5 Fair value measurements (continued)

	Financial Assets		Financial Liabilities	
	2018	2017	2018	2017
	US$	US$	US$	US$
Level 1	-	-	-	-
Level 2	-	-	-	-
Level 3	-	-	-	-

The fair value measurements are not applicable as there are no financial assets or liabilities of the type level 1, 2 and 3 above exists for the Company as at the date of statement of financial position.

19. New or revised accounting standards and interpretations

Below are the mandatory standards, amendments and interpretations to existing standards that have been published, and are relevant for the Company's accounting periods beginning on or after 1 April 2018 and which the Company has not early adopted:

FRS 109	Financial Instruments (replaces FRS 39 Financial instruments: Recognition & measurement)
FRS 115	Revenue from Contracts with Customers (replaces FRS 11 and FRS 18)
FRS 116	Leases (effective for annual periods beginning on or after 1st April 2019)

20. Authorisation of financial statements

These financial statements of the Company as at 31st March 2018 and for the financial year then ended were authorized and approved for issuance in accordance with a resolution of the Board of Directors of BALASORE METALS PTE. LTD. on

1 2 SEP 2018