

**UNAUDITED FINANCIAL STATEMENTS**

**TESTING CLIENT 123  
(4304994)**

**31 MARCH 2018**

**UNAUDITED FINANCIAL STATEMENTS****TESTING CLIENT 123****31 MARCH 2018****C O N T E N T S**

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**TESTING CLIENT 123****DIRECTOR'S/S' STATEMENT****FOR THE FINANCIAL YEAR ENDED 31 MARCH 2018**

The director/directors are pleased to present this/their statement to the members together with the audited financial statements of TESTING CLIENT 123 (the "Company") for the financial year ended 31 MARCH 2018.

**1. OPINION OF THE DIRECTOR/DIRECTORS**

In the opinion of the directors,

(a) the financial statements of the Company are drawn up so as to give a true and fair view of the financial position of the Company as at 31 MARCH 2018 and the financial performance, changes in equity and cash flows of the Company for the financial year then ended; and

(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. ; as the directors have agreed to provide continuing financial support to the Company.

**2. DIRECTORS**

The director/directors of the Company in office at the date of this statement is/are:

Director

<Director2>

<Director3>

<Director4>

**3. ARRANGEMENTS TO ENABLE DIRECTOR/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 director/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.

**4. DIRECTOR'S/S' INTERESTS IN SHARES OR DEBENTURES**

According to the register of director's/s' shareholdings kept by the Company under section 164 of the Singapore Companies Act, Chapter 50 (the "Act"), the director/directors of the Company who held office at the end of the financial year had no interests in the shares or debentures of the Company and its related corporations, except as stated below:

Name of director/s	Direct interest		Deemed interest	
	At the beginning of financial year or date of appointment <u>if later</u>	At the end of financial year	At the beginning of financial year or date of appointment <u>if later</u>	At the end of financial year
Ordinary shares of the Company				
Director				
<Director2>				
<Director3>				
<Director4>				

**5. SHARE OPTIONS**

There were no share options granted during the financial year to subscribe for unissued shares of the Company.

There were no shares 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.

## 6. AUDITOR

HardSimple has expressed its willingness to accept re-appointment as auditor.

On behalf of the Board of Directors/The Board of Directors/ The Sole Director,

-----  
**Director**  
**Director**

-----  
**<Director2>**  
**Director**

**Singapore**

**Date of report**

**PRACTITIONER'S COMPILATION REPORT****For the Financial Year ended 31 MARCH 2018****TO THE MEMBERS OF TESTING CLIENT 123****Report on the Audit of the Financial Statements***Opinion*

We have audited the financial statements of TESTING CLIENT 123 (the "Company"), which comprise the statement of financial position of the Company as at 31 MARCH 2018, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows of the Company for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

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

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

*Other Information*

Management is responsible for the other information. The other information comprises the Directors' Statement [set out on pages xx to xx].

Our opinion on the financial statements does not cover the other information and we do 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 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, 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.

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 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.

**HardSimple**

Public Accountants and  
Chartered Accountants

Singapore

[Date]

**TESTING CLIENT 123**  
**STATEMENT OF FINANCIAL POSITION**  
**FOR THE FINANCIAL YEAR ENDED 31 MARCH 2018**

	<b>Current Year (BOB)</b>	<b>Previous Year (BOB)</b>
<b>NON CURRENT ASSETS</b>		
Property, plant and equipment	162	-
<b>Accumulated Depreciation</b>	-	-
<b>Other receivables - non current</b>	1,175	-
Available for sale financial asset - non current	34,085	-
<b>Total</b>	35,422	-
<b>CURRENT ASSETS</b>		
Trade receivables	34,728	-
Cash and cash equivalents	50,289	-
Due from holding company	312	-
<b>Total</b>	85,329	-
<b>TOTAL ASSETS</b>	120,751	-
<b>EQUITY</b>		
Share capital	238,996	-
Profit & loss account	(374,398)	-
<b>TOTAL EQUITY</b>	(135,402)	-
<b>CURRENT LIABILITIES</b>		
Other payables	257,433	-
<b>TOTAL LIABILITIES</b>	257,433	-
<b>NET ASSETS</b>	(136,682)	-

**TESTING CLIENT 123**  
**STATEMENT OF COMPREHENSIVE INCOME**  
**AS AT 31 MARCH 2018**

	Notes	Current Year (BOB)	Previous Year (BOB)
<b>REVENUE</b>			
<b>GROSS PROFIT</b>		13	-
Sales / Income		13	-
<b>OTHER ITEMS OF INCOME</b>			
Other income		3,285	-
<b>EXPENSES</b>			
Other operating expenses		282,949	-
<b>Staff and other costs</b>		94,747	-
Total		377,696	-
<b>PROFIT BEFORE TAX</b>		(374,398)	-
<b>PROFIT FROM CONTINUING OPERATIONS</b>		(374,398)	-
<b>PROFIT FOR THE YEAR</b>		(374,398)	-
<b>TOTAL COMPREHENSIVE INCOME</b>		(374,398)	-
<b>TRANSFER TO RESERVES &amp; SURPLUS</b>		(374,398)	-



**TESTING CLIENT 123**  
**STATEMENT OF CHANGES IN EQUITY**  
**FOR THE FINANCIAL YEAR ENDED 31 MARCH 2018**

**Statement of Change in Equity**

	Share Capital (INR)	Retained Earnings (INR)	Revaluation Surplus (INR)	Total (INR)
<b>Balance at 1 April 2016</b>	-	-	-	-
Changes in accounting policy	-	-	-	-
Correction of prior period error	-	-	-	-
<b>Restated balance</b>	-	-	-	-
<b>Changes in equity for the year</b>				
Issue of share capital		-	-	-
Income for the year	-	-	-	-
Revaluation gain	-	-	-	-
Dividends	-	-	-	-
<b>Balance at 31 March 2017</b>	-	-	-	-
<b>Changes in equity for the year</b>				
Issue of share capital	238,996	-	-	238,996
Income for the year	-	(157,241)	-	(157,241)
Revaluation gain	-	-	-	-
Dividends	-	-	-	-
<b>Balance at 31 March 2018</b>	238,996	(157,241)	-	81,755

**TESTING CLIENT 123**  
**STATEMENT OF CASH FLOWS**  
**FOR THE FINANCIAL YEAR ENDED 31 MARCH 2018**

	<b>Current Year (USD)</b>	<b>Previous Year (USD)</b>
<b>Operating Activities</b>		
Profit before Tax	(50,500)	-
Income Before Taxation	<b>(50,500)</b>	-
Depreciation	1,000	-
<b>Adjustments for</b>		
One more	1234	1234
Provisions	(1,500)	-
<b>Operating cash flow before working capital changes</b>	<b>(51,000)</b>	-
<b>Changes in working capital</b>		
Trade receivables	4,000	-
Other receivables	100	-
Inventories, at cost	10,000	-
Trade payables	3,000	-
Other payables	25,000	-
<b>Total changes in working capital</b>	<b>42100</b>	
<b>Cash generated from operations</b>	<b>(8,900)</b>	-
<b>Net (decrease)/increase in cash and cash equivalents</b>	<b>(8,900)</b>	-
<b>Cash and cash equivalents at the at the end of the year</b>	<b>5,900</b>	-

# NOTES TO THE FINANCIAL STATEMENTS

## FOR THE FINANCIAL YEAR ENDED 31 MARCH 2018

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

### 1. Corporate Information

The Company is incorporated and domiciled in Singapore with its registered office and principal place of business at <Client address>.

The principal activities of the Company are those of <Principal Activity of the business>.

The immediate and ultimate holding company is <Holding Company Name>, which is incorporated in <Country>.

*With effect from (effective date), the name of the Company was changed from (former name) to (current name).*

The financial statements for the year ended 31 MARCH 2018 were authorised for issue in accordance with a resolution of the Board of Directors on dd month year.

### 2. Summary of significant accounting policies

#### 2.1 BASIS OF PREPARATION

The financial statements of the Company have been drawn up in accordance with Singapore Financial Reporting Standards ("FRS"). The financial statements have been prepared on the historical cost basis except as disclosed in the accounting policies below.

The financial statements are presented in INR, which is the Company's functional currency.

#### Going concern

The financial statements of the Company have been prepared on a going concern basis notwithstanding the net capital deficiency of approximately \$\_\_\_\_\_ and \$\_\_\_\_\_ as at 31 December 2016 and 31 December 2015 respectively. These factors indicate the existence of a material uncertainty which may cast significant doubt over the Company's ability to continue as a going concern.

The ability of the Company to continue as a going concern is dependent on the undertaking of its holding company, XX Limited, to provide continuing financial support to enable the Company to meet its liabilities as and when they fall due.

If the Company were unable to continue in operational existence for the foreseeable future, the Company may be unable to discharge its liabilities in the normal course of business and adjustments may have to be made to reflect the situation that the assets may need to be realised other than in the normal course of business and at amounts which could differ significantly from the amounts at which they are currently recorded in the statement of financial position. In addition, the Company may have to reclassify non-current assets and liabilities as current assets and liabilities. No such adjustments have been made to these financial statements.

#### 2.1 ADOPTION OF NEW AND REVISED STANDARDS

The accounting policies adopted are consistent with those of the previous financial year except in the current financial year the Company has adopted all the new and revised standards which are relevant to the Company and are effective for annual financial periods beginning on or after 1 January 2016. The adoption of these standards did not have any material effect on

the financial statements.

## 2.2 STANDARDS ISSUED BUT NOT YET EFFECTIVE

A number of new standards, amendments to standards and interpretations are issued but not yet effective for annual periods beginning 1 January 2016, and have not been applied in preparing these financial statements. The Company does not plan to early adopt these standards.

<u>Description</u>	<u>Effective for annual periods beginning on or after</u>
FRS 109 Financial instruments	1 Jan 2018
FRS 116 Leases	1 Jan 2019
FRS 115 Revenue from Contracts with Customers	1 Jan 2018
Amendments to FRS 115: Clarifications to FRS 115 Revenue from Contracts with Customers	1 Jan 2018

Except for FRS 115, the directors expect that the adoption of the other standards above will have no material impact on the financial statements in the period of initial application. The nature of the impending changes in accounting policy on adoption of FRS 115 is described below.

### FRS 115 Revenue from Contracts with Customers

FRS 115 establishes a five-step model that will apply to revenue arising from contracts with customers. Under FRS 115 revenue is recognised at an amount that reflects the consideration which an entity expects to be entitled in exchange for transferring goods or services to a customer.

Key issues for the Company include identifying performance obligations, accounting for contract modifications, applying the constraint to variable consideration, evaluating significant financing components, measuring progress toward satisfaction of a performance obligation, recognising contract cost assets and addressing disclosure requirements.

The new standard will supersede all current revenue recognition requirements under FRS. Either a full or modified retrospective application is required for annual periods beginning on or after 1 January 2018 with early adoption permitted.

## 2.1 FOREIGN CURRENCY TRANSACTIONS AND BALANCES

Transactions in foreign currencies are measured in the functional currency of the Company and are recorded on initial recognition in the functional currency at exchange rates approximating those ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured.

Exchange differences arising on the settlement of monetary items or on translating monetary items at the reporting period are recognised in profit or loss.

## 2.2 PROPERTY, PLANT AND EQUIPMENT

All items of property, plant and equipment are initially recorded at cost. Subsequent to recognition, property, plant and equipment are stated at cost less accumulated depreciation and any accumulated impairment losses. The cost of property plant and equipment includes its purchase price and any costs 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. Dismantlement, removal or restoration costs are included as part of the cost of property, plant and equipment if the obligation for dismantlement, removal or restoration is incurred as a consequence of acquiring or using the property, plant and equipment.

Depreciation is calculated using the straight-line method to allocate depreciable amounts over their estimated useful lives. The estimated useful lives are as follows:

	<u>Years</u>
Leasehold property	50
Office equipment	5
Furniture and fittings	3 to 5
Machinery	5 to 10
Motor vehicles	10
Others	1 to 5

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

The useful lives, residual values and depreciation method are reviewed at the end of each reporting period, and adjusted prospectively, if appropriate.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on de-recognition of the asset is included in profit or loss in the year the asset is derecognised.

## 2.6 INVESTMENT PROPERTIES (IF USING FAIR VALUE METHOD)

Investment properties are properties that are either owned by the Company or leased under a finance lease that are held to earn rentals or for capital appreciation, or both, rather than for use in the production or supply of goods or services, or for administrative purposes, or in the ordinary course of business. Investment properties comprise completed investment properties and properties that are being constructed or developed for future use as investment properties. Properties held under operating leases are classified as investment properties when the definition of an investment property is met.

Investment properties are initially recognised at cost.

Subsequent to initial recognition, investment properties are measured at fair value. Gains or losses arising from changes in the fair values of investment properties are included in profit or loss in the year in which they arise.

Investment properties are subject to renovations or improvements at regular intervals. The cost of major renovations and improvements is capitalised and the carrying amounts of the replaced components are recognised in profit or loss. The cost of maintenance, repairs and minor improvements is recognised in profit or loss when incurred.

Investment properties are derecognised when either they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit is expected from its disposal. Any gains or losses on the retirement or disposal of an investment property are recognised in profit or loss in the year of retirement or disposal.

## 2.6 INVESTMENT PROPERTIES (IF USING COST METHOD)

Investment properties include those portions of office buildings that are held for long-term rental yields and/or for capital appreciation and land under operating leases that is held for long-term capital appreciation or for a currently indeterminate use. Investment properties include properties that are being constructed or developed for future use as investment properties.

Investment properties are initially recognised at cost and subsequently carried at cost less accumulated depreciation and accumulated impairment losses. Depreciation is calculated using a straight-line method to allocate the depreciable amounts over the estimated useful lives of 25 years. The residual values, useful lives and depreciation method of investment properties are reviewed, and adjusted as appropriate, at the end of each reporting period. The effects of any revision are included in profit or loss when the changes arise.

Investment properties are subject to renovations or improvements at regular intervals. The cost of major renovations and improvements is capitalised and the carrying amounts of the replaced components are recognised in profit or loss. The cost of maintenance, repairs and minor improvements is recognised in profit or loss when incurred.

On disposal of an investment property, the difference between the disposal proceeds and the carrying amount is recognised in profit or loss.

## 2.7 INTANGIBLE ASSETS

Intangible assets acquired separately are measured initially at cost. Following initial acquisition, intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses. Internally generated intangible assets excluding capitalised development costs, are not capitalised and expenditure is reflected in profit or loss in the year in which the expenditure is incurred.

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite useful lives are amortised over the estimated useful lives and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method are reviewed at least at each financial year-end. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset is accounted for by changing the amortisation period or method, as appropriate, and are treated as changes in accounting estimates.

Intangible assets with indefinite useful lives or not yet available for use are tested for impairment annually, or more frequently if the events and circumstances indicate that the carrying value may be impaired either individually or at the cash-generating unit level. Such intangible assets are not amortised. The useful life of an intangible asset with an indefinite useful life is reviewed annually to determine whether the useful life assessment continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in profit or loss when the asset is derecognised.

### *a) Brands*

The brands were acquired in business combinations. The useful lives of the brands are estimated to be indefinite because based on the current market share of the brands, management believes there is no foreseeable limit to the period over which the brands are expected to generate net cash inflows for the Group.

*b) Research and development costs*

Research costs are expensed as incurred. Deferred development costs arising from development expenditures on an individual project are recognised as an intangible asset when the Group can demonstrate the technical feasibility of completing the intangible asset so that it will be available for use or sale, its intention to complete and its ability to use or sell the asset, how the asset will generate future economic benefits, the availability of resources to complete and the ability to measure reliably the expenditures during the development.

Following initial recognition of the deferred development costs as an intangible asset, it is carried at cost less accumulated amortisation and any accumulated impairment losses. Amortisation of the intangible asset begins when development is complete and the asset is available for use. Deferred development costs have a finite useful life and are amortised over the period of expected sales from the related project (ranging from 4 to 8 years) on a straight line basis.

*c) Club membership*

Club membership was acquired separately and is amortised on a straight line basis over its finite useful life of 10 years.

**2.8 SUBSIDIARIES**

A subsidiary is an investee that is controlled by the Group. The Group controls an investee when it is exposed, or has rights to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

In the Company's separate financial statements, investments in subsidiaries are accounted for at cost less impairment losses

**2.9 JOINT VENTURES AND ASSOCIATES**

An associate is an entity over which the Company has the power to participate in the financial and operating policy decisions of the investee but does not have control or joint control of those policies.

The Company accounts for its investments in associates and joint ventures using the equity method from the date on which it becomes an associate or joint venture.

On acquisition of the investment, any excess of the cost of the investment over the Company's share of the net fair value of the investee's identifiable assets and liabilities is accounted as goodwill and is included in the carrying amount of the investment. Any excess of the Company's share of the net fair value of the investee's identifiable assets and liabilities over the cost of the investment is included as income in the determination of the entity's share of the associate or joint venture's profit or loss in the period in which the investment is acquired.

Under the equity method, the investment in associates or joint ventures are carried in the balance sheet at cost plus post acquisition changes in the Company's share of net assets of the associates or joint ventures. The profit or loss reflects the share of results of the operations of the associates or joint ventures. Distributions received from joint ventures or associates reduce the carrying amount of the investment. Where there has been a change recognised in other comprehensive income by the associates or joint venture, the Company recognises its share of such changes in other comprehensive income. Unrealised gains and losses resulting from transactions between the Company and associate or joint venture are eliminated to the extent of the interest in the associates or joint ventures.

When the Company's share of losses in an associate or joint venture equals or exceeds its interest in the associate or joint venture, the Company does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate or joint venture

After application of the equity method, the Company determines whether it is necessary to recognise an additional impairment loss on the Company's investment in associate or joint ventures. The Company determines at the end of each reporting period whether there is any objective evidence that the investment in the associate or joint venture is impaired. If this is the case, the Company calculates the amount of impairment as the difference between the recoverable amount of the associate or joint venture and its carrying value and recognises the amount in profit or loss.

The financial statements of the associates and joint ventures are prepared as the same reporting date as the Company. Where necessary, adjustments are made to bring the accounting policies in line with those of the Company.

## 2.10 DEVELOPMENT PROPERTIES HELD FOR SALE

Development properties held for sale is measured at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business less the estimated cost of completion and the estimated costs necessary to make the sale.

Cost of development properties held for sale is determined on the basis of specific determination of their individual costs.

When properties under development are sold, income is recognised when the properties are completed and the relevant occupation permit is issued by the relevant government authorities.

## 2.11 IMPAIRMENT OF NON-FINANCIAL ASSETS

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, or when annual impairment assessment for an asset is required, the Company makes an estimate of the asset's recoverable amount.

An asset's recoverable amount is the higher of an asset's or cash-generating unit's fair value less costs of disposal and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. Where the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

Impairment losses are recognised in profit or loss.

A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increase cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised previously. Such reversal is recognised in profit or loss.

## 2.12 FINANCIAL INSTRUMENTS

### Financial assets

#### *(i). Initial recognition and measurement*



Financial assets are recognised when, and only when, the Company becomes a party to the contractual provisions of the financial instrument. The Company determines the classification of its financial assets at initial recognition.

When financial assets are recognised initially, they are measured at fair value, plus, in the case of financial assets not at fair value through profit or loss, directly attributable transaction costs.

The Company has the following non-derivative financial assets: “loans and receivables”, “available-for-sale”, “financial assets at fair value through profit or loss” and “held-to-maturity”.

*(ii). Subsequent measurement*

*(a). Loans and receivables*

Non-derivative financial assets with fixed or determinable payments that are not quoted in an active market are classified as loans and receivables.

Subsequent to initial recognition, loans and receivables are measured at amortised cost using the effective interest method less impairment. Gains and losses are recognised in profit or loss when the loans and receivables are derecognised or impaired, and through the amortisation process.

Loans and receivables comprise trade and other receivables, and cash and cash equivalents.

Cash and cash equivalents comprise cash on hand, unpledged deposits with financial institutions which are subject to an insignificant risk of change in value, net of bank overdrafts.

*(b). Available-for-sale financial assets*

Available-for-sale financial assets are those, which are neither classified as held for trading nor designated at fair value through profit or loss.

After initial recognition, available-for-sale financial assets are subsequently measured at fair value. Any gains or losses from changes in fair value of the financial assets are recognised in other comprehensive income, except that impairment losses, foreign exchange gains and losses on monetary instruments and interest calculated using the effective interest method are recognised in profit or loss. The cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss as a reclassification adjustment when the financial asset is de-recognised.

Investments in equity instruments whose fair value cannot be reliably measured are measured at cost less impairment loss. They are presented as non-current assets unless management intends to dispose of the assets within 12 months after the end of the reporting period.

*(c). Financial assets at fair value through profit or loss (FVTPL)*

A financial asset is classified as FVTPL if the financial asset is either held for trading or is designated as such upon initial recognition.

A financial asset is classified as held-for-trading if it has been acquired principally for the purpose of selling in the short term or if it is part of an identified portfolio of financial instruments with a recent actual pattern of short-term profit-taking and which is managed by the Company; or if it is a derivative that is not designated and effective as a hedging instrument or a financial guarantee contract.

A financial asset which is not classified as held-for-trading may be designated as FVTPL upon initial recognition if the financial asset is managed as part of a group of financial instruments, with its performance being evaluated on a fair value basis, in accordance with the Company's documented risk management or investment strategy, and information about the grouping is provided internally on that basis.

Gains or losses arising from changes in the fair value are recognised in profit or loss. The net gain or loss incorporates any dividend or interest earned on the financial asset.

(d). Held-to-maturity investments

Bonds with fixed or determinable payments and fixed maturity dates where the Company has a positive intent and ability to hold to maturity are classified as held-to-maturity investments. Held-to-maturity investments are recorded at amortised cost using the effective interest method less impairment, with revenue recognised on an effective yield basis.

(ii) *De-recognition*

A financial asset is derecognised when the contractual right to receive cash flows from the asset has expired. On de-recognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received and any cumulative gain or loss that has been recognised in other comprehensive income is recognised in profit or loss.

(i) *Initial recognition and measurement*

Financial liabilities are recognised when, and only when, the Company becomes a party to the contractual provisions of the financial instrument. The Company determines the classification of its financial liabilities at initial recognition.

All financial liabilities are recognised initially at fair value plus in the case of financial liabilities not at fair value through profit or loss, directly attributable transaction costs.

(ii) *Subsequent measurement*

After initial recognition, financial liabilities that are not carried at fair value through profit or loss are subsequently measured at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the liabilities are derecognised, and through the amortisation process.

Such financial liabilities comprise trade and other payables, and bank borrowings.

(iii) *De-recognition*

A financial liability is de-recognised when the obligation under the liability is discharged, cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a de-recognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in profit or loss.

Financial assets and liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Company has a legal right to offset the amounts recognised and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

## 2.13 IMPAIRMENT OF FINANCIAL ASSETS

The Company assesses at each reporting date whether there is any objective evidence that a financial asset is impaired.

### Financial assets carried at amortised cost

For financial assets carried at amortised cost, the Company first assesses whether objective evidence of impairment exists individually for financial assets that are individually significant, or collectively for financial assets that are not individually significant. If the Company determines that no objective evidence of impairment exists for an individually assessed financial asset, whether significant or not, it includes the asset in a group of financial assets with similar credit risk characteristics and collectively assesses them for impairment. Assets that are individually assessed for impairment and for which an impairment loss is, or continues to be recognised are not included in a collective assessment of impairment.

If there is objective evidence that an impairment loss on financial assets carried at amortised cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate. If a loan has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate. The carrying amount of the asset is reduced through the use of an allowance account. The impairment loss is recognised in profit or loss.

When the asset becomes uncollectible, the carrying amount of impaired financial asset is reduced directly or if an amount was charged to the allowance account, the amounts charged to the allowance account are written off against the carrying amount of the financial asset.

To determine whether there is objective evidence that an impairment loss on financial assets has been incurred, the Company considers factors such as the probability of insolvency or significant financial difficulties of the debtor and default or significant delay in payments.

If in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed to the extent that the carrying amount of the asset does not exceed its amortised cost at the reversal date. The amount of reversal is recognised in profit or loss.

## 2.14 INVENTORIES

Inventories are stated at the lower of cost or net realisable value. Cost is calculated using the first-in, first-out method/weighted average and includes expenditures incurred in acquiring the inventory and other costs incurred in bringing them to their existing location and condition. Cost comprises direct components and, where applicable, direct labour costs and other direct costs. The cost of finished goods and work-in-progress comprise raw materials, direct labour and other direct costs. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs necessary to make the sale.

When necessary, allowance is provided for damaged, obsolete and slow moving items to adjust the carrying value of inventories to the lower of cost and net realisable value.

## 2.15 DERIVATIVE FINANCIAL INSTRUMENTS AND HEDGING ACTIVITIES

A derivative financial instrument is initially recognised at its fair value on the date the contract is entered into and is subsequently carried at its fair value. The method of recognising the resulting gain or loss depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged.

The Company documents at the inception of the transaction the relationship between the hedging instruments and hedged items, as well as its risk management objective and strategies for undertaking various hedge transactions. The Company also documents its assessment, both at hedge inception and on an ongoing basis, on whether the derivatives designated as hedging instruments are highly effective in offsetting changes in fair value or cash flows of the hedged items.

The Company designates each hedge as either: (a) fair value hedge; (b) cash flow hedge; or (c) net investment hedge. Fair value changes on derivatives that are not designated or do not qualify for hedge accounting are recognised in the profit or loss when the changes arise.

The Company does not have the following hedges: fair value hedge and net investment hedge.

### Cash flow hedge

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges are recognised in equity. The gain or loss relating to the ineffective portion is recognised immediately in the profit or loss within other income/expenses.

Amount accumulated in equity is recycled in the profit or loss in the periods when the hedged item affects profit or loss.

When a hedging instrument expires or is sold, or when a hedge no longer meets the criteria for hedge accounting, or a forecasted transaction is no longer expected to occur, any cumulative gain or loss existing in equity at that time remains in equity and is recognised when the forecast transaction is ultimately recognised in profit or loss. When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was reported in equity is immediately transferred to the profit or loss within other income/expenses.

*Derivatives at fair value through profit or loss and accounted for at fair value through profit or loss*

Derivative instruments which do not qualified for hedge accounting are accounted for at fair value through profit or loss. Changes in the fair value of these derivative instruments that do not qualify for hedge accounting are recognised immediately in profit or loss within other income/expense.

## 2.16 SHARE CAPITAL

Issued ordinary shares are recognised as share capital in equity. Incremental costs directly attributable to the issuance of ordinary shares are deducted against share capital.

## 2.17 DIVIDENDS

Dividends to the Company's shareholders are recognised when dividends are approved for payments.

## 2.18 LONG-TERM CONTRACT / CONSTRUCTION CONTRACT

When the outcome of a long term contract / construction contract can be estimated reliably, contract revenue and contract costs are recognised as revenue and expenses respectively by reference to the stage of completion of the contract activity at the end of the reporting period ("percentage-of-completion method"). When the outcome of a long term contract / construction contract cannot be estimated reliably, contract revenue is recognised to the extent of contract costs incurred that are likely to be recoverable. When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised as an expense immediately.

Contract revenue comprises the initial amount of revenue agreed in the contract and variations in the contract work and claims that can be measured reliably. A variation or a claim is recognised as contract revenue when it is probable that the customer will approve the variation or negotiations have reached an advanced stage such that it is probable that the customer will accept the claim.

The stage of completion is measured by reference to the ratio of contract costs incurred to date to the estimated total costs for the contract. Costs incurred during the financial year in connection with future activity on a contract are excluded from the costs incurred to date when determining the stage of completion of a contract. Such costs are shown as construction contract work-in-progress on the statement of financial position unless it is not probable that such contract costs are recoverable from the customers, in which case, such costs are recognised as an expense immediately.

At the end of the reporting period, the cumulative costs incurred plus recognised profit (less recognised loss) on each contract is compared against the progress billings. Where the cumulative costs incurred plus the recognised profits (less recognised losses) exceed progress billings, the balance is presented as due from customers within "trade and other receivables". Where progress billings exceed the cumulative costs incurred plus recognised profits (less recognised losses), the balance is presented as due to customers within "trade and other payables".

Progress billings not yet paid by customers and retentions by customers are included within "trade and other receivables". Advances received are included within "trade and other payables".

## 2.19 BORROWINGS

Borrowings are presented as current liabilities unless the Company has an unconditional right to defer settlement for at least 12 months after the end of the reporting period.

Borrowings are initially recognised at fair value (net of transaction costs) and subsequently carried at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption value is recognised in profit or loss over the period of the borrowings using the effective interest method.

Borrowings are derecognised when the obligation is discharged or cancelled or expired. The difference between the carrying amount and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

All borrowing costs are recognised in profit or loss in the period in which they are incurred.

## 2.20 PROVISIONS

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and the amount of the obligation can be estimated reliably.

Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provision is reversed. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

## 2.21 LEASES

### As lessee

Finance leases which transfer to the Group substantially all the risks and rewards incidental to ownership of the leased item, are capitalised at the inception of the lease at the fair value of the leased asset or, if lower, at the present value of the minimum lease payments. Any initial direct costs are also added to the amount capitalised. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged to profit or loss. Contingent rents, if any, are charged as expenses in the periods in which they are incurred.

Capitalised leased assets are depreciated over the shorter of the estimated useful life of the asset and the lease term, if there is no reasonable certainty that the Group will obtain ownership by the end of the lease term.

Operating lease payments are recognised as an expense in profit or loss on a straight-line basis over the lease term. The aggregate benefit of incentives provided by the lessor is recognised as a reduction of rental expense over the lease term on a straight-line basis.

### As lessor

Leases in which the Group does not transfer substantially all the risks and rewards of ownership of the asset are classified as operating leases. Initial direct costs incurred in negotiating an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same bases as rental income. The accounting policy for rental income is set out in Note 2.29(c). Contingent rents are recognised as revenue in the period in which they are earned.

## 2.22 GOVERNMENT GRANTS

Government grants are recognised when there is reasonable assurance that the grant will be received and all attaching conditions will be complied with. Where the grant relates to an asset, the fair value is recognised as deferred capital grant in the statement of financial position and is amortised to profit or loss over the expected useful life of the relevant asset by equal annual instalments.

Where loans or similar assistance are provided by governments or related institutions with an interest rate below the current applicable market rate, the effect of this favourable interest is regarded as additional government grant

## 2.23 REVENUE RECOGNITION

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is made. Revenue is measured at the fair value of consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duty.

### *(i). Sale of goods*

Revenue from sale of goods is recognised upon the transfer of significant risks and rewards of ownership of the goods to the customer. Revenue is not recognised to the extent where there are significant uncertainties regarding recovery of the consideration due, associated costs or the possible return of goods.

### *(ii). Rendering of services and handling fees*

Revenue from rendering of services and handling fees is recognised when the services have been performed and rendered.  
(iii). *Interest income*

Interest income is recognised on a time proportion basis using the effective interest method.

(iv). *Rental income*

Rental income is recognised on a time proportion basis over the lease terms.

(v). *Management fee income*

Management fee income is recognised when management service have been rendered.

(vi). *Dividend income*

Dividend income from investments is recognised when the shareholders' rights to receive payment have been established.

## 2.24 EMPLOYEE BENEFITS EXPENSE

### Defined contribution plans

The Company makes contributions to the Central Provident Fund scheme in Singapore, a defined contribution pension scheme. Contributions to defined contribution pension schemes are recognised as an expense in the period in which the related service is performed.

### Employee leave entitlements

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the obligation can be estimated reliably.

## 2.25 TAXES

### Current income tax

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authority. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date.

Current income taxes are recognised in profit or loss except to the extent that the tax relate to items recognised outside profit or loss, either in other comprehensive income or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

### Deferred tax

Deferred tax is provided using the liability method on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at the end of each reporting period and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the end of each reporting period.

#### Deferred tax (Continued)

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current income tax assets against current income tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

#### Sales tax

Revenues, expenses and assets are recognised net of the amount of sales tax except:

(i). Where the sales tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case the sales tax is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and

(ii). Receivables and payables that are stated with the amount of sales tax included.

The net amount of sales tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position

## 2.26 RELATED PARTY

An entity or individual is considered a related party of the Company for the purposes of the financial statements if:

(i) it possesses the ability (directly or indirectly) to control or exercise significant influence over the operating and financial decisions of the Company or vice versa; or

ii) it is subject to common control or common significant influence.

## 2.27 CONTINGENCIES

A contingent liability is:

(i). A possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company; or

(ii). A present obligation that arises from past events but is not recognised because:

It is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or

The amount of the obligation cannot be measured with sufficient reliability.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future event not wholly within the control of the Company.

Contingent liabilities and assets are not recognised on the balance sheet of the Company, except for contingent liabilities assumed in a business combination that are present obligations and which the fair values can be reliably determined

### 3. Significant accounting judgments and estimates

The preparation of the Company's financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities at the end of each reporting period. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in the future periods.

#### 3.1 JUDGMENTS MADE IN APPLYING ACCOUNTING POLICIES

In the process of applying the Company's accounting policies, management has made the following judgements which have the most significant effect on the amounts recognised in the consolidated financial statements:

##### *(i). Determination of functional currency*

In determining the functional currency of the Company, judgement is used by the Company to determine the currency of the primary economic environment in which the Company operates.

Consideration factors include the currency that mainly influences sales prices of goods and services and the currency of the country whose competitive forces and regulations mainly determines the sales prices of its goods and services.

##### *(ii). Impairment of available-for-sale equity investments*

The Company records impairment charges on available-for-sale equity investments when there has been a significant or prolonged decline in the fair value below their cost. The determination of what is "significant" or "prolonged" requires judgement. In making this judgement, the Company evaluates, among other factors historical share price movements and the duration and extent to which the fair value of an investment is less than its cost.

#### 3.2 Key sources of estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period are discussed below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

##### *(i). Useful lives of property, plant and equipment*

The useful life of an item of property, plant and equipment is estimated at the time the asset is acquired and is based on historical experience with similar assets and takes into account anticipated technological or other changes. If changes occur more rapidly than anticipated or the asset experiences unexpected level of wear and tear, the useful life will be adjusted accordingly.

##### *(ii) Impairment of investment in subsidiary/ies*

Management exercises their judgement in estimating recoverable amounts of its investment in subsidiary.



The recoverable amounts of the investments are reviewed at each statements of financial position to determine whether there is any indication that those investments have suffered an impairment loss. If any such indication exists, the carrying amounts of the investments are determined on the basis of the net recoverable amounts to determine the extent of the impairment loss.

*(iii) Inventory valuation method*

Inventory write-down is made based on the current market conditions, historical experience and selling goods of similar nature. It could change significantly as a result of changes in market conditions. A review is made periodically on inventories for excess inventories, obsolescence and declines in net realisable value and an allowance is recorded against the inventory balances for any such declines. The realisable value represents the best estimate of the recoverable amount and is based on the most reliable evidence available and inherently involves estimates regarding the future expected realisable value.

*(iv) Impairment of loans and receivables*

The impairment of trade and other receivables and loan to the holding company is based on the ageing analysis and management's continuous evaluation of the recoverability of the outstanding receivables. In assessing the ultimate realisation of these receivables, management considers, among other factors, the creditworthiness and the past collection history of each customer. If the financial conditions of these customers were to deteriorate, resulting in an impairment of their ability to make payments, additional allowances may be required.

*(v) Provision for income taxes*

The Company recognises liabilities of expected tax issues based on their best estimates of the likely taxes 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 positions in the period in which such determination is made.

4. Property Plant and Equipment

	As at 1 April 2017 (INR)	Additions	Disposals/Reclassification	As at 31 March 2018 (INR)
<b>Cost</b>				
Computer Equipment	-	-	-	97
	-	-	-	97
	As at 1 April 2017 (INR)	Charge during the year	Disposals/Reclassification	As at 31 March 2018 (INR)
<b>Accumulated depreciation</b>				
Nil	-	-	-	-
	-	-	-	-
<b>Carrying amounts</b>				
Computer Equipment	-	-	-	97
	-	-	-	97

Assets under construction

The Company's plant and equipment included \_\_\_\_\_ which relate to expenditure for a plant in the course of construction.

Assets held under finance leases

During the financial year, the Company acquired plant and equipment and furniture and fixtures with an aggregate cost of \_\_\_\_\_ by means of finance leases. The cash outflow on acquisition of property, plant and equipment amounted to \_\_\_\_\_.

The carrying amount of plant and equipment and furniture and fixtures held under finance leases at the end of the reporting period were \_\_\_\_\_ and \_\_\_\_\_ respectively.

Leased assets are pledged as security for the related finance lease liabilities.

#### Assets pledged as security

In addition to assets held under finance leases, the Company's freehold land and buildings with a carrying amount of \_\_\_\_\_ are mortgaged to secure the Company's bank loans (Note 30).

#### Impairment of assets

During the financial year, a subsidiary of the Company carried out a review of the recoverable amount of its production equipment because a particular line of specialised electronic component products had been persistently making losses. An impairment loss of \_\_\_\_\_, representing the write-down of these equipment to the recoverable amount was recognised in "Other expenses" (Note 8) line item of profit or loss for the financial year ended 31 MARCH 2018. The recoverable amount of the production equipment was based on its value in use and the pre-tax discount rate used was \_\_\_\_\_%.

#### 5. Intangible Assets

<b>Cost</b>	
PY	-
Additions	-
Disposals/Reclassification	-
CY	-

<b>Accumulated Depreciation</b>	
PY	-
Additions	-
Disposals/Reclassification	-
CY	-

<b>Net</b>	
CY	-
PY	-

#### 6. INVESTMENT PROPERTY/IES

	2018 (INR)	2017 (INR)
	-	-

<b>Cost</b>	
PY	-
Additions	-
Disposals/Reclassification	-
CY	-

<b>Accumulated Depreciation</b>	
PY	-
Additions	-
Disposals/Reclassification	-
CY	-

<b>Net</b>	
CY	-
PY	-

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Valuation of investment properties

Investment properties are stated at fair value, which has been determined based on valuations performed as at 31 MARCH 2018 and . The valuations were performed by HardSimple, an independent valuer with a recognised and relevant professional qualification and with recent experience in the location and category of the properties being valued. Details of valuation techniques and inputs used are disclosed in Note 39.

Properties pledged as security

Certain investment properties amounting to \_\_\_\_\_ are mortgaged to secure bank loans (Note 30).

Transfer to property, plant and equipment

On \_\_\_\_\_, the Company transferred one condominium unit that was held as investment property to owner-occupied property. On that date, the Company has commenced using the condominium unit for employee accommodation purposes. Investment property was leased to non-related party under operating lease (Note \_\_\_\_).

## 7. INVESTMENT IN SUBSIDIARY/IES

	2018 (INR)	2017 (INR)
Unquoted shares, at cost	34	34
Issuance of shares for acquisition of subsidiary		
Impairment losses		
Disposal		
	<u>34</u>	<u>34</u>

The movement of the impairment loss on investment in subsidiaries is as follows:

	2018 (INR)	2017 (INR)
At beginning of the year	34	34
Allowance Made		
Reversal of Allowance		
Exchange Difference		
At end of the year	<u>34</u>	<u>34</u>

Details of the subsidiary/ies is/are as follows:

Name of Company/ies

(place of incorporation and place of business)

Principal activities

Percentage of equity held

2018

2017

%

%

## 8. INVESTMENT IN ASSOCIATE/S

	2018 (INR)	2017 (INR)
Unquoted shares, at cost	343	434
Share of post-acquisition reserve:		
Share of results		
Dividend received		
Impairment losses		
	<u>343</u>	<u>434</u>

The movement of the impairment loss on investment in associates is as follows:

**2018 (INR)****2017 (INR)**

At beginning of the year		
Allowance Made	43	3,434
Allowance written off		
Exchange Differences		
At end of the year	43	3,434

Details of the associate/s is/are as follows:

Name of Company/ies

(place of incorporation and place of business)

Principal activities

Percentage of equity held

2018

2017

%

%

## 9. AVAILABLE-FOR-SALE FINANCIAL ASSETS

**2018  
(INR)**

**2017  
(INR)**

Unquoted investments  
Equity securities, at cost  
Convertible notes receivable

-	-
---	---

**2018 (INR)**

**2017 (INR)**

Quoted shares  
At beginning of the year  
Fair value gain/(loss)  
Additions  
Disposals  
At end of the year

-	-
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Available-for-sale financial assets is comprise of < number of shares > unlisted equity shares in < name of investee Company >, a Company incorporated in < country of investee Company >.

## 10. LOAN RECEIVABLE FROM HOLDING COMPANY

The loan to the holding Company is unsecured and bears interest at \_\_% (2015: \_\_%) per annum. The effective interest rate was \_\_% (2015: \_\_%) per annum. The first repayment of SGD\_\_ was on \_\_ and the remainder is repayable on \_\_.

## 11. INVENTORIES

**2018  
(INR)**

**2017  
(INR)**

Statement of financial position

Raw materials	23	
Work in progress		23,434
Finished goods		3
	23	23,437

Statement of comprehensive income  
Inventories recognised as an expense in  
cost of sales Inclusive of:

- Reversal of write-down of inventories	5,656	345
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## 12. TRADE RECEIVABLES

	<b>2018</b>	<b>2017</b>
	<b>(INR)</b>	<b>(INR)</b>
Trade Receivables	57,696	
Other Receivables		
- Prepayment	(123)	-
- Other current assets	1,175	-

The Trade receivables are denominated in the following currencies

	<b>2018</b>	<b>2017</b>
The Other receivables are denominated in the following currencies		

	<b>2018</b>	<b>2017</b>
The Prepayment are denominated in the following currencies		

	<b>2018</b>	<b>2017</b>
The Other current assets are denominated in the following currencies		

	<b>2018</b>	<b>2017</b>
--	-------------	-------------

At beginning of the year	-
Allowance made	-
Reversal of allowance	-
At end of the year	-

At beginning of the year	-
Allowance made	-
Reversal of allowance	-
At end of the year	-

<b>Net</b>	
CY	-
PY	-

	<b>2018 (INR)</b>	<b>2017 (INR)</b>
Past due for less than 30 days		
Past due for 30 to 60 days		
Past due for 60 to 90 days		
Past due for more than 90 days		
	-	-

### 13. OTHER RECEIVABLES

	<b>Current Year</b>	<b>Previous Year</b>
	<b>(INR)</b>	<b>(INR)</b>
Deposits Paid-Refundable	-	-
	-	-

### 14. FIXED DEPOSITS

The Cash and cash equivalents are denominated in the following currencies

<b>2018</b>	<b>2017</b>
-------------	-------------

The weighted average effective interest rate is \_\_\_\_% (2018: \_\_\_\_%) per annum with maturity date between \_\_\_\_ to \_\_\_\_ months (2017: \_\_\_\_ to \_\_\_\_ months) from the end of the financial year.

#### 15. CASH AND CASH EQUIVALENTS

	2018 (INR)	2017 (INR)
Cash On Hand	-	-
Cash At Bank	-	-
FD	-	-
	-	-

The Cash and cash equivalents are denominated in the following currencies

	2018	2017
--	------	------

#### 16. SHARE CAPITAL

	<u>2018</u> INR	<u>2017</u> INR
--	--------------------	--------------------

Issued and fully paid – \_\_\_\_ ordinary shares -

The holders of ordinary shares are entitled to receive dividends as and when declared by the Company. All ordinary shares carry one vote per share without restrictions. The ordinary shares have no par value.

#### 17. OTHER RESERVE

	2018 (INR)	2017 (INR)
Capital reserve		
Property, plant and equipment		
At beginning of the year	-	-
Reclassification of capital reserve	-	-
At end of the year	-	-
	2018 (INR)	2017 (INR)
Fair value reserve		
At beginning of the year	-	-
Fair value (loss)/gain on available-for-sale financial assets	-	-
At end of the year	-	-
	2018 (INR)	2017 (INR)
Employee stock option		
At beginning of the year	-	-
Employee share option scheme - value of employee services	-	-
At end of the year	-	-

#### Restricted stock units issued

During the financial year, the Company issued restricted stock units of the Company's common stock under the Stock Plan to eligible employees. The restricted stock unit represents a right to receive one share of the Company's common stock on a specified future date, which generally is the date on which the restricted stock units vests, subject to the award holder's continued service with the Company. The fair value of restricted stock is based on the price of the Company's shares at the date of the grant. There is no exercise price. The employee of the Company will be granted the corporation's common stock once they comply with the restriction requirements. There is no expiry date of the restricted stock units.

The following table summarises RSU activities for the years ended 31 MARCH 2018 and 2015:

<u>2018</u>	<u>2017</u>
-------------	-------------

<u>Weighted average</u>	<u>2018</u>	<u>Restricted stock</u>		<u>Weighted average</u>	<u>2017</u>	<u>Restricted stock</u>
<u>fair value</u>	<u>#</u>	<u>units</u>	<u>#</u>	<u>fair value</u>	<u>#</u>	<u>units</u>
INR		INR		INR		INR
<u>Weighted average</u>		<u>Restricted stock</u>		<u>Weighted average</u>		<u>Restricted stock</u>
<u>fair value</u>	<u>#</u>	<u>units</u>	<u>#</u>	<u>fair value</u>	<u>#</u>	<u>units</u>
INR		INR		INR		INR

Unvested at beginning of the year

Granted during the year

Vested during the year

Cancelled during the year

Unvested at end of the year	-	-	-	-
-----------------------------	---	---	---	---

## 18. LOANS AND BORROWINGS

	<u>2018</u>	<u>2017</u>
	INR	INR
<u>Non- current</u>		
Bank overdrafts		
Loan payable A		
Loan payable B		
Obligations under finance lease (Note 19)	-	-
<u>Current</u>		
Bank loans:		
Loan payable A		
Loan payable B		
Obligations under finance lease (Note 19)	-	-
Total loans and borrowings		
<u>Obligations under finance leases</u>		

These obligations are secured by a charge over the leased assets (Note 13). The average discount rate implicit in the leases is 8.5% p.a. (2015: 8.8% p.a.). These obligations are denominated in the respective functional currencies of the relevant entities in the Company.

### Bank overdrafts

Bank overdrafts are denominated in SGD, bear interest at SIBOR + 3.0% p.a. (2015: SIBOR + 3.0% p.a.) and are secured by a floating charge over certain inventories (Note 25).

### Loan payable A

Loan payable A is unsecured, bears interest of 1.21% per annum and repayable in full on 31 December 2016.

### Loan payable B

Loan payable B is secured by one of the investment properties (Note \_\_), bears interest of 1.31% per annum and repayable in 20 equal monthly instalments ending on 31 December 2016.

The present value of loans and borrowings are analysed as follows:

	<u>2018</u>	<u>2017</u>
	INR	INR
<u>Current liabilities</u>		
Not later than one year		
<u>Non-current liabilities</u>		
Later than one year but not later than five years		
Later than five years	-	-
	-	-

## 19. FINANCE LEASE LIABILITIES

	<u>2018</u>	<u>2017</u>
	INR	INR
Minimum lease payment due		
Not later than one year		
Later than one year but not later than five years		
Later than five years	-	-
	-	-
Less: Future finance charges	-	-
Present value of finance lease liabilities	-	-

Finance lease liabilities are denominated in the following currencies:

The Finance lease obligation - non current are denominated in the following currencies

**2018** **2017**

The present value of finance lease liabilities are analysed as follows:

	<u>2018</u>	<u>2017</u>
	INR	INR
<u>Current liabilities</u>		
Not later than one year	-	-
<u>Non-current liabilities</u>		
Later than one year but not later than five years		
Later than five years	-	-
	-	-

The effective interest rate is \_\_\_\_% (2017: \_\_\_\_%) per annum.

## 20. DEFERRED TAX LIABILITIES



**2018 (INR)****2017 (INR)**

At Beginning of the year	-	
Recognised in profit or loss	-	
At end of the year	-	-

This represents the tax effect on the excess of net book value over tax written value of qualifying property, plant and equipment.

**21. TRADE PAYABLES**

	<b>2018 (INR)</b>	<b>2018 (INR)</b>
Trade Payables	(9,659)	
Other Payables		
- Other payables	(5,104)	-
- GST Payables	(167,378)	-
- Other payables - non current	(80,396)	-

The Trade payables are denominated in the following currencies

**2018                      2017**

The Other payables are denominated in the following currencies

**2018                      2017**

The Due to holding company are denominated in the following currencies

**2018                      2017**

The GST Payables are denominated in the following currencies

**2018                      2017**

The Other payables - non current are denominated in the following currencies

**2018                      2017**

Trade payables are non-interest bearing and are generally settled on 60 days terms.

**22. OTHER PAYABLES**

	<b>Current Year (INR)</b>	<b>Previous Year (INR)</b>
Other Revenue	(5,104)	-
Accrual - Audit Fee	-	-
Accrual - Director Fee	-	-
Accrual - Others	-	-
Accrual - Transport Charges	-	-
	(5,104)	-

The Other payables are denominated in the following currencies

**2018                      2017**

**23. REVENUE**

	<b>2018 (INR)</b>	<b>2017 (INR)</b>
Others	(71)	-
	(71)	-

**24. OTHER OPERATING INCOME****2018 (INR)****2017 (INR)**

**2018 (INR)****2017 (INR)**

Other income	(310)	-
	(310)	-

**25. PURCHASES AND RELATED EXPENSES****2018  
(INR)****2017  
(INR)**

Purchase of inventories	-	-
Processing fee	-	-
Freight charges	-	-
	-	-

**26. EMPLOYEE BENEFITS EXPENSE****2018 (INR)****2017 (INR)**

Salary, bonus and allowance	77,008	-
Employer's contribution to Central Provident Fund	-	-
Other benefits	24,246	-
	101,254	-

**27. OTHER OPERATING EXPENSE****2018 (INR)****2017 (INR)**

Auditor's remuneration	-	-
Exchange loss	-	-
Loss on disposal of property, plant and equipment	-	-
Repairs and maintenance	-	-
Others	-	-
	-	-

**28. FINANCE COSTS****2018 (INR)****2017 (INR)**

Finance Costs	-	-
Trust receipts interest	-	-
Others	-	-
	-	-

**29. INCOME TAX EXPENSE**

The major components of income tax expense are as follows:

	<u>2018</u> INR	<u>2017</u> INR
<u>Current income tax</u>		
- Current tax		
- Under/(over) provision in respect of prior years		
	-	-
<u>Deferred income tax</u>		
- Movements in temporary differences		
Income tax expense recognised in profit or loss	-	-

Relationship between tax expense and accounting profit

A reconciliation between tax expense and the product of accounting profit multiplied by the applicable corporate tax rate for the financial years ended 31 December 2018 and 2017 were as follows:

	<u>2018</u> INR	<u>2017</u> INR
Profit before tax	-	
Income tax (benefit)/expense at statutory rate	-	
Non-allowable items	-	
Non-taxable items		
Unrecorded deferred tax assets		
Under/(Over) provision in respect to prior years		
Income tax rebate	-	
Others	-	
	-	-

The Singapore Government has announced that for Years of Assessment ("YA") 2019 and 2018, all companies will be granted a 50% Corporate Income Tax Rebate that is subject to a cap of \_\_\_\_\_ and \_\_\_\_\_ per YA respectively.

Or

The Singapore Government has announced that for Years of Assessment ("YA") 2018 and 2017, all companies will be granted a 40% and 50% Corporate Income Tax Rebate that is subject to a cap of \_\_\_\_\_ and \_\_\_\_\_ per YA respectively.

Deferred income tax assets are recognised for tax losses and capital allowances carried forward to the extent that realisation of the related tax benefits through future taxable profits is probable. The Company has unrecognised tax losses of SGD[ ] (2017: SGD[ ]) and capital allowances of SGD[ ] (2017: SGD[ ]) at the reporting date which can be carried forward and used to offset against future taxable income subject to meeting certain statutory requirements. The tax losses have no expiry date. The capital allowances will expire between [year] and [year].

*No notes found for 30*

### 31. RELATED PARTY TRANSACTIONS

In addition to the related party information disclosed elsewhere in the financial statements, the following transactions with related parties took place at terms agreed between the parties during the financial year:

	<u>2018</u> INR	<u>2017</u> INR
Sales to:		
Holding company		
Related company/ies		
A company related to a director		
Purchases from related Company/ies		
Other operation expenses charged by holding Company	-	

#### Related companies:

These are subsidiaries and associates of Good Group (International) Ltd, the holding company, and its subsidiaries.

#### Company / firm related to a director:

One of the directors of the Company, through his 25% (2017: 25%) equity interest in Unik-One Pte Ltd (UOPL), has an interest in a contract for the supply of specialised digital components to UOPL. During the financial year, the Group sold specialised digital components of \_\_\_\_\_ to UOPL. No balance with UOPL was outstanding at the end of the reporting period (2016: nil).

#### Compensation of key management personnel

	<u>2018</u> INR	<u>2017</u> INR
Directors' fee	-	-
Wages and salaries	-	-
Employer's contribution to Central Provident Fund	-	-
Other benefits	-	-
	-	-
	2018	2017
	INR	INR
<i>Comprise amount paid to:</i>	-	-
Directors of the Company	-	-
Other key management personnel	-	-
	-	-

## 32. OPERATING LEASE COMMITMENTS

### a) Capital commitments

The Company had commitments of \$ (2016: \$) relating to the purchase of plant and machinery

### b) Operating lease commitments

The Company leases warehouses under non-cancellable operating lease agreements. These leases have an average tenure of between three and six years with an option to renew the lease after that date or contingent rent provision included in the contracts. The future minimum rental payable under non-cancellable operating leases contracted for at the reporting date but not recognised as liabilities, are as follows:

## 32. COMMITMENTS

	<b>2018</b> <b>(INR)</b>	<b>2017</b> <b>(INR)</b>
Not later than one year		
Later than one year but not later than five years		
Later than five years		
	-	-

Minimum lease payments recognised as an expense in profit or loss for the financial year ended 31 MARCH 2018 amounted to \$ (2016: \$).

## 33. FINANCIAL RISK MANAGEMENT

The Company's activities expose it to a variety of financial risks from its operation. The key financial risks include credit risk liquidity risk and market risk (including foreign currency risk and interest rate risk).

The board of directors reviews and agrees policies and procedures for the management of these risks, which are executed by the management team. It is, and has been throughout the current and previous financial year, the Company's policy that no trading in derivatives for speculative purposes shall be undertaken.

The following sections provide details regarding the Company's exposure to the above-mentioned financial risks and the objectives, policies and processes for the management of these risks.

There has been no change to the Company's exposure to these financial risks or the manner in which it manages and measures the risks.

#### Credit risk

Credit risk refers to the risk that the counterparty will default on its contractual obligations resulting in a loss to the Company. The Company has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral where appropriate, as a means of mitigating the risk of financial loss from defaults. The Company performs ongoing credit evaluation of its counterparties' financial condition and generally do not require a collateral.

The maximum exposure to credit risk in the event that the counterparties fail to perform their obligations as at the end of the financial year in relation to each class of recognised financial assets is the carrying amount of those assets as stated in the statement of financial position.

#### *(i) Excessive risk concentration*

Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the Company's performance to developments affecting a particular industry.

#### *(ii) Exposure to credit risk*

The Company has no significant concentration of credit risk other than those balances with related companies comprising \_\_\_\_% (2015: \_\_\_\_%) of trade receivables. The Company has credit policies and procedures in place to minimise and mitigate its credit risk exposure.

#### *(iii) Financial assets that are neither past due nor impaired*

Trade and other receivables that are neither past due nor impaired are with creditworthy debtors with good payment record with the Company. Cash and cash equivalents are placed with or entered into with reputable financial institutions or companies with high credit ratings and no history of default.

#### *(iv) Financial assets that are either past due or impaired*

Information regarding financial assets that are either past due or impaired is disclosed in trade and other receivables.

#### Liquidity risk

Liquidity risk refers to the risk that the Company will encounter difficulties in meeting its short-term obligations due to shortage of funds. The Company's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. It is managed by matching the payment and receipt cycles. The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of stand-by credit facilities, if any. The Company's operations are financed mainly through equity. The directors are satisfied that funds are available to finance the operations of the Company.

#### *Analysis of financial instruments by remaining contractual maturities*

The table below summarises the maturity profile of the Company's financial assets and liabilities of the reporting date based on contractual undiscounted repayment obligations.

		<u>2018</u>			
		<u>Contractual cash</u>			
<u>Carrying amount</u>	#	<u>flows</u>	#	<u>One year or less</u>	#
INR		INR		INR	
<u>Financial assets</u>					
Loans and receivables	-				

2018Contractual cash

	<u>Carrying amount</u>	#	<u>flows</u>	#	<u>One year or less</u>	#	<u>Two to five years</u>
	INR		INR		INR		INR
Available-for-sale	-						
Financial assets at fair value through profit or loss	-						
Held-to-maturity instruments	-						
Less: Prepayment							
Total undiscounted financial assets	-		-		-		-

Financial liabilities

Trade payables							
Other payables	-						
Less: Goods and services tax payable							
Total undiscounted financial liabilities							
Total net undiscounted financial assets	-		-		-		-

2015Contractual cash

	<u>Carrying amount</u>	#	<u>flows</u>	#	<u>One year or less</u>	#	<u>Two to five years</u>
	INR		INR		INR		INR
<u>Financial assets</u>							
Loans and receivables	-						
Available-for-sale	-						
Financial assets at fair value through profit or loss	-						
Held-to-maturity instruments	-						
Less: Prepayment							
Total undiscounted financial assets	-		-		-		-

Financial liabilities

Trade payables	-						
Less: Goods and services tax payable							

2015

Contractual cash

<u>Carrying amount</u>	#	<u>flows</u>	#	<u>One year or less</u>	#	<u>Two to five years</u>
INR		INR		INR		INR

Total undiscounted

financial liabilities

Total net undiscounted

financial assets

-

-

-

-

Market risk

Market risk is the risk that changes in market prices, such as interest rates and foreign exchange rates will affect the Company's income. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return on risk.

*(i) Interest rate risk*

Interest rate risk is the risk that the fair value or future cash flows of the Company's financial instruments will fluctuate because of changes in market interest rates. The Company's exposure to interest rate risk arises primarily from their loan to holding Company, cash and cash equivalents and bank borrowings.

The Company does not expect any significant effect on the Company's profit or loss arising from the effects of reasonably possible changes to interest rates on interest bearing financial instruments at the end of the financial year.

At the reporting date, if the interest rates had been 50 (2015: 50) basis points higher/lower with all other variables held constant, the Company's profit before tax would have been SGD\_\_\_\_\_ (2015: SGD\_\_\_\_\_) higher/lower, arising mainly as a result of higher/lower interest income/expenses on floating rate cash at bank and floating rate bank borrowings. The assumed movement in basis points for interest rate sensitivity analysis is based on the currently observable market environment.

*(ii) Foreign currency risk*

The Company's foreign exchange risk results mainly from cash flows from transactions denominated in foreign currencies. At present, the Company does not have any formal policy for hedging against currency risk. The Company ensures that the net exposure is kept to an acceptable level by buying or selling foreign currencies at spot rates, where necessary, to address short term imbalances.

The Company has transactional currency exposures arising from purchases that are denominated in a currency other than the functional currency of the Company, primarily United States dollar (USD) and Euro (EUR).

The Company's currency exposures to the USD and EUR at the reporting date were as follows:

	<u>2018</u>		<u>2017</u>	
	INR		INR	
USD		EUR	USD	EUR

Monetary assets

Trade

receivables

-

Other

receivables

Cash and cash

equivalents

-

-

-

-

-

	<u>2018</u>		<u>2017</u>	
	INR		INR	
	USD	EUR	USD	EUR
<u>Monetary liabilities</u>				
Loan payables	-			
Trade payables	-			
Other payables				
	-	-	-	-
Currency exposures	-	-	-	-

A 10% strengthening of Singapore dollar against the foreign currencies denominated balances as at the reporting date would decrease profit or loss by the amounts shown below. This analysis assumes that all other variables remain constant.

	<u>(Loss)/profit after tax</u>	
	<u>2016</u>	<u>2015</u>
	INR	INR
United states dollar		
Euro		

A 10% weakening of Singapore dollar against the above currencies would have had equal but opposite effect on the above currencies to the amounts shown above, on the basis that all other variables remain constant.

#### **34. FAIR VALUES OF FINANCIAL INSTRUMENTS**

The fair value of a financial instrument is the amount at which the instrument could be exchanged or settled between knowledgeable and willing parties in an arm's length transaction.

The following methods and assumptions are used to estimate the fair value of each class of financial instruments for which it is practicable to estimate that value.

##### Cash and cash equivalents, other receivables and other payables

The carrying amounts of these balances approximate their fair values due to the short-term nature of these balances.

##### Trade receivables and trade payables

The carrying amounts of these receivables and payables (including trade balances due from / to holding and related companies, if any) approximate their fair values as they are subject to normal trade credit terms.

##### Loan to holding Company and bank borrowings

The carrying amounts of loan to holding Company and bank borrowings approximate their fair values as they are subject to interest rates close to market rate of interests for similar arrangements with financial institutions.

Or/and

##### Fair value of financial instruments that are carried at fair value

##### *Fair value hierarchy*

The company classifies fair value measurement using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy have the following levels:

Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities



Level 2 – 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), and

Level 3 – Inputs for the asset or liability that are not based on observable market data (unobservable inputs)

There have been no transfers between Level 1 and Level 2 during the financial year ended 31 December 2016 and 2015.

Fair value of financial instruments that are carried at fair value (Continued)

The following table shows an analysis of financial instruments carried at fair value by the level of fair value hierarchy:

	Quoted prices in active markets for identical <u>instruments</u> (Level 1) \$	#	Significant other observable <u>inputs</u> (Level 2) \$	#	Significant unobservable <u>inputs</u> (Level 3) \$	#	<u>Total</u> \$
--	--	---	--	---	---	---	--------------------

**2018**

Financial asset:

Available-for-sale financial  
assets

- -

**2017**

Financial asset:

Available-for-sale financial  
assets

- -

*Determination of fair value*

Quoted equity instruments: Fair value is determined by direct reference to their bid price quotations in an active market at the balance sheet date.

Other equity instruments: These investments are valued using valuation models which use both observable and non-observable data. The non-observable inputs to the models include assumptions regarding the future financial performance of the investee, its risk profile, and economic assumptions regarding the industry and geographical jurisdiction in which the investee operates.

Fair value of other financial instruments

Except as detailed below, management considers the carrying amounts of financial assets and liabilities that are not carried at fair value a reasonable approximation of their fair value.

31 MARCH 2018

1 APRIL 2017

<u>Carrying amount</u>	<u>Fair value</u>	<u>Carrying amount</u>	<u>Fair value</u>
\$	\$	\$	\$

Financial liabilities

(non-current):

Borrowings

**Determination of fair value**

The fair values as disclosed in the table above are estimated by discounting expected future cash flows at market incremental lending rate for similar types of lending, borrowing or leasing arrangements at the balance sheet date.

**Fair value of other financial instruments (Continued)**

The carrying amounts of cash and bank balances, trade and other receivables, trade and other payables and borrowings (current) are reasonable approximation of fair value due to their short term nature.

**35. FINANCIAL INSTRUMENTS BY CATEGORY**

	2018 (INR)	2017 (INR)
<b>Loans and receivables</b>		
Loan receivable from holding company	-	-
Trade receivables	57,696	-
Other receivables	-	-
Cash and cash equivalents	30,625	-
Less: Prepayment	(123)	-
Total loans and receivables	88,444	-
<b>Available-for-sale financial assets</b>	-	-
<b>Financial assets at fair value through profit or loss</b>	-	-
<b>Held-to-maturity instruments</b>		
Loan receivable from holding company	-	-
Total financial assets	88,444	-
<b>Financial liabilities measured at amortised cost</b>		
Loan payables	(34,085)	-
Trade Payables	57,696	-
Other Payables	-	-
Less: Goods and services tax payables	(123)	-
Total financial liabilities measured at amortised cost	(186,699)	-

**36. CAPITAL MANAGEMENT**

The primary objective of the Company's capital management is to ensure that it maintains a strong credit rating and net current asset position in order to support its business and maximise shareholder value. The capital structure of the Company comprises issued share capital and retained earnings.

The Company manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company is not subject to any externally imposed capital requirements. No changes were made in the objectives, policies or processes during the current and previous financial years presented.

The Company is not subject to any externally imposed capital requirements. The Company's overall strategy remains unchanged from the previous financial year.

On dd/mm/yyyy, the Company declared a final exempt (one-tier) dividend of \$x per share amounting to a total of \$xxxxxxx for the financial year ended 31 December 2017. These financial statements do not reflect this dividend, which will be accounted for in the financial year ending 31 December 2018.

Can the nta have the option to disclose PBSE or otherwise, in cases where no PBSE disclosure required. Like a tick if PBSE disclosure is required.

