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**RUCHI INDUSTRIES PTE. LTD.**

(Registration number: 200923577N)

**DIRECTORS' STATEMENT AND AUDITED FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2018**

# **RUCHI INDUSTRIES PTE. LTD.**

## **DIRECTORS' STATEMENT AND AUDITED FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2018**

<b>CONTENTS</b>	<b>PAGE</b>
DIRECTORS' STATEMENT	1 - 2
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS	3 - 4
STATEMENT OF FINANCIAL POSITION	5
STATEMENT OF COMPREHENSIVE INCOME	6
STATEMENT OF CHANGES IN EQUITY	7
STATEMENT OF CASH FLOWS	8
NOTES TO THE FINANCIAL STATEMENTS	9 - 28
DETAILED PROFIT AND LOSS STATEMENT	29

# RUCHI INDUSTRIES PTE. LTD.

## DIRECTORS' STATEMENT

The directors are pleased to present their statement to the members together with the audited financial statements of **RUCHI INDUSTRIES PTE. LTD.** (the "company") for the financial year ended 31 March 2018.

### 1. OPINION OF THE 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 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.

### 2. DIRECTORS

The directors of the company in office at the date of this statement are:

Vijay Kumar Jain  
RM Muthaiah

### 3. ARRANGEMENTS TO ENABLE DIRECTORS TO ACQUIRE SHARES AND DEBENTURES

Neither at the end of nor at any time during the financial year was the company a party to any arrangement whose objects are, or one of whose objects is, to enable the directors of the company to acquire benefits by means of the acquisition of shares in, or debentures of, the company or any other body corporate.

### 4. DIRECTORS' INTERESTS IN SHARES AND DEBENTURES

The following director who held office at the end of the financial year, had an interest in the share capital of the company and its related corporations as recorded in the register of directors' shareholdings required to be kept by the company under Section 164 of the Singapore Companies Act, Chapter 50 as stated below:

<u>Name of directors and corporations in which interests are held</u>	<u>Number of equity shares of par value Rs2.00 per share</u>	
	<u>At beginning of year or date of appointment, if later</u>	<u>At end of year or date of appointment, if later</u>
<u>Ruchi Soya Industries Limited (Ultimate holding company)</u>		
Vijay Kumar Jain	141	141

## RUCHI INDUSTRIES PTE. LTD.

### DIRECTORS' STATEMENT – cont'd

#### 5. SHARE OPTIONS

During the financial year, no share options were granted to subscribe for unissued shares of the company.

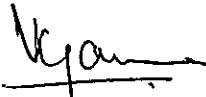
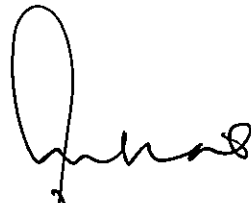
No shares were issued during the financial year by virtue of the exercise of options to take up unissued of the company.

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

#### 6. INDEPENDENT AUDITOR

The independent auditor, Rama & Co., Public Accountants and Chartered Accountants, has expressed its willingness to accept re-appointment.

On behalf of the Board

  
.....  
Vijay Kumar Jain  
Director  
.....  
RM Muthaiah  
Director

Date: 14 September 2018



**Rama & Co**  
**Public Accountants &**  
**Chartered Accountants**  
**Singapore**

17 Phillip Street  
#05-02 Grand Building  
Singapore 048695  
Tel : 6538 7777  
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email : rahul@ramaco.com.sg

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF  
RUCHI INDUSTRIES PTE. LTD.**

**Report on the Audit of the Financial Statements**

*Disclaimer of Opinion*

We were engaged to audit the financial statements of **RUCHI INDUSTRIES PTE. LTD.** (the "company"), which comprise the statement of financial position as at 31 March 2018, and statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to financial statements, including a summary of significant accounting policies.

We do not express an opinion on the accompanying financial statements of the company. Because of the significance of the matters described in the Basis for Disclaimer of Opinion section of our report, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these financial statements.

**Basis for Disclaimer of Opinion**

We draw the attention to Note 1(b) to the financial statements which indicates that the company incurred a net loss of **US\$7,465,258** during the financial year ended 31 March 2018. There exists a material uncertainty about the ability of the company to continue as a going concern and the company is dependent on the financial support from its holding company. However, the holding company is currently undergoing Insolvency Resolution Process under the Insolvency and Bankruptcy Code 2016. Given the uncertainty surrounding the outcome of the Insolvency proceedings as at the date of our report, we are unable to satisfy ourselves as to the appropriateness of the going concern assumption in the preparation of these financial statements of the company. In the event that there is no such financial support from holding company, the going concern basis would be invalid and provision would have to be made for any loss on realisation of the Company's assets and further costs which might arise.

*Other Information*

Management is responsible for the other information. The other information comprises the Directors' Statement set out on pages 1 and 2.

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.

...2/-



**INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF  
RUCHI INDUSTRIES PTE. LTD. – cont'd**

**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 responsibility is to conduct an audit of the company's financial statements in accordance with Singapore Standards on Auditing and to issue an auditor's report. However, because of the matters described in the Basis for Disclaimer of Opinion section of our report, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these financial statements.

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.

**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.

*RAMA & CO*

**RAMA & CO.  
PUBLIC ACCOUNTANTS AND  
CHARTERED ACCOUNTANTS  
SINGAPORE**

Date: 14 September 2018



## RUCHI INDUSTRIES PTE. LTD.

### STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2018

	<u>Note</u>	<u>2018</u> <u>US\$</u>	<u>2017</u> <u>US\$</u>
<b>EQUITY AND LIABILITIES</b>			
<b>Capital and reserves:</b>			
Share capital	(7)	6,000,000	6,000,000
(Accumulated losses)/Retained earnings		<u>(5,942,273)</u>	<u>1,522,985</u>
Total equity		<u>57,727</u>	<u>7,522,985</u>
<b>Non-current liability:</b>			
Other payables and accruals	(8)	<u>710,064</u>	<u>670,801</u>
Total non-current liability		<u>710,064</u>	<u>670,801</u>
<b>Current liability:</b>			
Other payables and accruals	(8)	<u>2,250</u>	<u>2,003</u>
Total current liability		<u>2,250</u>	<u>2,003</u>
<b>Total liabilities</b>		<u>712,314</u>	<u>672,804</u>
<b>Total equity and liabilities</b>		<u>770,041</u>	<u>8,195,789</u>
<b>ASSETS</b>			
<b>Non-current asset:</b>			
Investment in subsidiaries	(9)	<u>768,648</u>	<u>4,527,660</u>
Total non-current assets		<u>768,648</u>	<u>4,527,660</u>
<b>Current assets:</b>			
Other receivables	(10)	-	3,668,100
Cash and cash equivalents	(11)	<u>1,393</u>	<u>29</u>
Total current assets		<u>1,393</u>	<u>3,668,129</u>
<b>Total assets</b>		<u>770,041</u>	<u>8,195,789</u>

The accompanying accounting policies and explanatory notes form an integral part of these financial statements.

## RUCHI INDUSTRIES PTE. LTD.

### STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDER 31 MARCH 2018

	<u>Note</u>	<u>2018</u> <u>US\$</u>	<u>2017</u> <u>US\$</u>
Revenue		-	-
Other income	(12)	<u>4</u>	<u>16,397</u>
Total revenue		4	16,397
Cost and expenses			
Other expenses		<u>(7,465,262)</u>	<u>(35,434)</u>
Loss before income tax		(7,465,258)	(19,037)
Income tax expense	(13)	<u>-</u>	<u>-</u>
Loss for the year		(7,465,258)	(19,037)
Other comprehensive income		<u>-</u>	<u>-</u>
Total comprehensive loss the year		<u>(7,465,258)</u>	<u>(19,037)</u>

The accompanying accounting policies and explanatory notes form an integral part of these financial statements.



## RUCHI INDUSTRIES PTE. LTD.

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

	Share Capital US\$	Retained earnings/ (Accumulated losses) US\$	Total US\$
Balance as at 1 April 2016	6,000,000	1,542,022	7,542,022
Total comprehensive loss for the year	-	(19,037)	(19,037)
Balance as at 31 March 2017	6,000,000	1,522,985	7,522,985
Total comprehensive loss for the year	-	(7,465,258)	(7,465,258)
Balance as at 31 March 2018	6,000,000	(5,942,273)	57,727

The accompanying accounting policies and explanatory notes form an integral part of these financial statements.

## RUCHI INDUSTRIES PTE. LTD.

### STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2018

	<u>Note</u>	<u>2018</u> US\$	<u>2017</u> US\$
<b>Cash flows from operating activities:</b>			
Loss before income tax		(7,465,258)	(19,037)
Adjustment for:			
Impairment of investment in subsidiaries	(9)	3,759,012	-
Other receivables written off	(15)	2,860,798	-
Provision of doubtful debt	(15)	839,502	-
		(5,946)	(19,037)
Loss before working capital changes		(5,946)	(19,037)
Other receivables		-	(10,231)
Other payables and accruals		247	(4,431)
		(5,699)	(33,699)
<b>Net cash used in operating activities</b>			
<b>Cash flows from financing activities:</b>			
Advances to related party	(15)	(32,200)	-
Advances from subsidiary	(15)	39,263	-
		7,063	-
<b>Net cash from financing activities</b>			
Net increase/(decrease) in cash and cash equivalents		1,364	(33,699)
Cash and cash equivalents at beginning of year		29	33,728
<b>Cash and cash equivalents at end of year</b>		<b>1,393</b>	<b>29</b>

The accompanying accounting policies and explanatory notes form an integral part of these financial statements.

# RUCHI INDUSTRIES PTE. LTD.

## NOTES TO THE FINANCIAL STATEMENTS – 31 MARCH 2018

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

### 1. GENERAL

#### a) Corporate information

Ruchi Industries Pte. Ltd. (the “company”) (Registration number: 200923577N) is a private limited company incorporated and domiciled in the Republic of Singapore with its registered office at:

22 North Canal Road, #01-00  
Singapore 048834

The principal activities of the company are that of an investment holding company and general wholesale imports and exports.

#### b) Going concern assumption

The Company incurred a loss of **US\$7,465,258** for the financial year ended 31 March 2018. This condition indicate the existence of a material uncertainty which may cast significant doubt about the company’s ability to continue as going concern.

The company is dependent on the financial support of the holding company to carry out its business activities. However, the holding company is currently undergoing Corporate Insolvency Resolution Process under the Insolvency and Bankruptcy Code 2016, the outcome of which will be known after the process is completed.

The directors are of the view that it is appropriate to prepare these financial statements on a going concern basis on the assumption that the company will receive continuing financial support from the holding company after completion of Corporate Insolvency Resolution Process.

If the company is unable to continue in operational existence for the foreseeable future, the company may be unable discharge its liabilities in the normal course of business and adjustments may have to be made to reflect the situation that assets may need to be realised other than in the normal course of business and at amounts which could differ from the amounts at which they are currently recorded in the statement of financial position.

#### c) Authorisation of financial statements for issue

The financial statements of the company for the year ended 31 March 2018 were authorised for issue by the Board of the Directors on 14 September 2018.

# RUCHI INDUSTRIES PTE. LTD.

## NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### 2.1. Basis of Preparation

The financial statements are prepared in accordance with the historical cost convention, except as disclosed in the accounting policies below, and are drawn up in accordance with the provisions of the Singapore Companies Act and Singapore Financial Reporting Standards ("FRS").

Historical cost is generally based on the fair value of the consideration given in the exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the company takes into account the characteristics of the asset or liability which market participants would take into account when pricing the asset or liability at the measurement date.

In addition, for financial reporting purpose, fair value measurements are described in Note 5.

The preparation of financial statements in conformity with FRS requires management to exercise its judgement in the process of applying the Company's accounting policies. It also requires the use of accounting estimates and assumptions. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 4.

#### 2.2. Changes in Accounting Policies

##### a) Adoption of new revised FRSs and INT FRSs

In the current financial year, the company has adopted all the new and revised FRSs and Interpretations of FRS ("INT FRS") that are relevant to its operations and effective for annual periods beginning on or after 1 April 2017.

##### FRS 7: Statement of Cash Flows: Disclosure Initiative (Amendments)

FRS 7 requires an entity to provide additional disclosures that enable users of financial statements to evaluate changes in liabilities arising from financial activities, including both changes arising from cash flows and non-cash changes.

The company's liabilities arising from financial activities and a reconciliation between the opening and closing balances of these liabilities are set out in Note 15 to the financial statements. Consistent with the transition provisions of the amendments to the standard, the company has not disclosed comparative information for the prior period.

## RUCHI INDUSTRIES PTE. LTD.

### NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

#### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - cont'd

##### 2.2. Changes in Accounting Policies – cont'd

##### b) Standards issued but not yet effective

At the date of authorisation of financial statements, the following FRSs that are relevant to the company were issued but not effective are as follows:

<u>Reference</u>	<u>Description</u>	<u>Effective of annual period beginning on or after</u>
FRS 109	Financial Instruments	1 January 2018
FRS 115	Revenue from Contracts with Customers	1 January 2018
Improvements to FRSs (December 2016)		1 January 2018
INT FRS 122	Foreign Currency Transactions and Advance Consideration	1 January 2018
INT FRS 123	Uncertainty over Income Tax Treatment	1 January 2019

The directors expect that the adoption of the standards above will have no material impact on the financial statements in the period of initial application.

##### 2.3. Functional and Foreign Currency

##### a) Functional and presentation currency

The management has determined the currency of the primary economic environment in which the company operates to be United States dollars. The financial statements of the company are presented in United States dollars.

##### b) Foreign Currency Transactions

Transactions in foreign currencies have been converted into United States dollars at the average monthly exchange rates. Monetary assets and liabilities in foreign currencies at the end of the reporting period have been converted into United States dollars at the rates of exchange approximating to those ruling at that date. Exchange differences are dealt with in the statement of comprehensive income.

##### 2.4. Subsidiaries

Subsidiaries are entities controlled by the company. Control exists when the company has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing control, potential voting rights that presently are exercisable are taken into account.

In the company's financial statements, investments in the subsidiaries are accounted for cost less any impairment losses.

## RUCHI INDUSTRIES PTE. LTD.

### NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

#### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - cont'd

##### 2.4. Subsidiaries – cont'd

These financial statements are separate financial statements of Ruchi Industries Pte. Ltd. One set of consolidated financial statements of the company and its subsidiaries is not prepared as the company itself is a wholly-owned subsidiary of another corporation, which prepares consolidated financial statements available for public use. The registered office of the ultimate holding company, Ruchi Soya Industries Limited preparing the consolidated financial statements, is Ruchi House, Royal Palms, Survey No. 169, Aarey Milk Colony, Near Mayur Nagar, Goregaon (East), Mumbai – 400 065, Maharashtra, India.

##### 2.5. Impairment of Non-financial Assets

At the end of each reporting period, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the statement of comprehensive income, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset (cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior periods.

A reversal of an impairment loss is recognised immediately in the statement of comprehensive income, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

##### 2.6. Income taxes

Income tax expense represents the sum of the tax currently payable and deferred tax.

###### a) Current tax

The tax currently payable is based on taxable profit for the period. Taxable profit differs from profit as reported in the statement of comprehensive income because it excludes items of income or expense that are taxable or deductible in other periods and it further excludes items that are not taxable or tax deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted at the reporting date.

## RUCHI INDUSTRIES PTE. LTD.

### NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

#### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - cont'd

##### 2.6. Income taxes – cont'd

###### b) Deferred tax

Deferred income tax is provided, using the liability method, at the end of the reporting period between the tax bases of their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all temporary differences. A deferred tax liability arises from the initial recognition of a transaction that is not a business combination and, at the time it affects neither accounting profit nor taxable profit or loss.

Deferred income tax assets are recognised for all deductible temporary differences, carry-forward of unused tax assets and unused tax loss carry-forward, except where the deferred tax asset relating to the deductible temporary differences arises from the initial recognition of an asset or liability in a transaction that affects neither the accounting profit nor taxable profit or loss.

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

Deferred income tax assets and liabilities are measured at the tax rates expected to apply to the period 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 reporting period.

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

##### 2.7. Related Party Disclosure

A related party is defined as follows:

- a) A person or a close member of that person's family is related to the company if that person:
  - (i) has control or joint control over the company;
  - (ii) has significant influence over the company; or
  - (iii) is a member of the key management personnel of the company.

## RUCHI INDUSTRIES PTE. LTD.

### NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

#### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – cont'd

##### 2.7. Related Party Disclosure – cont'd

- b) An entity is related to a company if any of the following conditions applies:
- (i) the entity and the company are members of the same group which means that each parent, subsidiary and fellow subsidiary is related to the others;
  - (ii) one entity is an associate or joint venture of the other entity or an associate or joint venture of a member of a group of which the other entity is a member;
  - (iii) both entities are joint ventures of the same third party;
  - (iv) one entity is a joint venture of a third entity and the other entity is an associate of the third entity;
  - (v) the entity is a post-employment benefit plan for the benefit of employees of either the company or an entity related to the company. If the company is itself such a plan, the sponsoring employers are also related to the company;
  - (vi) the entity is controlled or jointly controlled by a person identified in (a); or
  - (vii) a person identified in (a) (i) has significant influence over the entity or is a member of the key management personnel of the entity or of a parent of the entity; or
  - (viii) the entity, or any member of a group of which it is a part, provides key management personnel services to the company or to the parent of the company.

Close members of the family of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity and include:

- (a) that person's children and spouse or domestic partner;
- (b) children of that person's spouse or domestic partner; and
- (c) dependants of that person or that person's spouse or domestic partner.

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of that entity.

Related party transactions and outstanding balances disclosed in the financial statement are in accordance with the above definition as per FRS 24 - Related Party Disclosures.

##### 2.8. Provisions

Provisions are recognised when the company has present obligations (legal or constructive) as a result of a past event, it is probable that the company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.



## RUCHI INDUSTRIES PTE. LTD.

### NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

#### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – cont'd

##### 2.9. Contingent liabilities and contingent assets

A contingent liability is a possible obligation that arises from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the company. It can also be a present obligation arising from past events that is not recognized because it is not probable that outflow of economic resources will be required or the amount of obligation cannot be measured reliably.

A contingent liability is not recognized but is disclosed in the notes to the financial statements. When a change in the probability of an outflow occur so that the outflow is probable, it will then be recognised as a provision. A contingent asset is a possible asset that arises from past events and whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain events not wholly within the control of the company.

Contingent assets are not recognised but are disclosed in the notes to the financial statements when an inflow of economic benefits is probable. When inflow is virtually certain, an asset is recognised.

##### 2.10. Events after the reporting period

Events after the reporting period that provide additional information about the company's position at the end of reporting period or those that indicate the going concern assumption is not appropriate are adjusting events and are reflected in the financial statements. Events after the reporting period that are not adjusting events are disclosed in the notes the financial statements when material.

#### 3. FINANCIAL INSTRUMENTS

Financial assets and financial liabilities are recognised on the company statement of financial position when the company becomes a party to the contractual provisions of the instrument.

##### 3.1. Effective Interest Method

The effective interest method is a method of calculating the amortised cost of a financial instrument and of allocating interest income or expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts or payments through the expected life of the financial instrument, or where appropriate, a shorter period.

##### 3.2. Financial Assets

Financial assets in these financial statements are classified into loans and receivables. The classification depends on the nature and purpose of financial assets and determined at the time of initial recognition.

## RUCHI INDUSTRIES PTE. LTD.

### NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

#### 3. FINANCIAL INSTRUMENTS – cont'd

##### 3.2. Financial Assets – cont'd

###### a) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Other receivables and cash and cash equivalents are classified within loans and receivables on the statement of financial position.

###### i) Other receivables

Other receivables are measured at initial recognition at fair value, and are subsequently measured at amortised cost using the effective interest rate method less impairment. Other receivables are due from related parties and are non-interest bearable and repayable on demand.

###### ii) Cash and cash equivalents

Cash and cash equivalents comprise cash at bank placed with financial institutions and are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

###### b) Impairment of financial assets

Financial assets are assessed for indicators of impairment at end of each reporting period. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been impacted. For financial assets carried at amortised cost, the amount of the impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade and other receivables where the carrying amount is reduced through the use of an allowance account. When a trade and other receivable is uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited to profit or loss. Changes in the carrying amount of the allowance account are recognised in profit or loss.

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 loss was recognised, the previously recognised impairment loss is reversed through profit or loss to the extent the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

## RUCHI INDUSTRIES PTE. LTD.

### NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

#### 3. FINANCIAL INSTRUMENTS – cont'd

##### 3.2. Financial Assets – cont'd

###### c) Derecognition of financial assets

The company derecognises a financial asset only when the contractual rights to the cash flows from the asset expire.

On derecognition of a financial asset in its entirety, the difference between the carrying amount and the sum of (a) the consideration received and (b) any cumulative gain or loss that has been recognised directly in equity is recognised in profit or loss.

##### 3.3. Equity Instruments and Financial Liabilities

Equity instruments issued by the company and financial liabilities are classified according to the substance of the contractual arrangements entered into and the definition of an equity instrument and a financial liability.

###### a) Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities. Equity instruments issued by the company are recorded at the proceeds received, net of direct issue cost

Ordinary share capital is classified as equity.

###### b) Financial liabilities

Financial liabilities consist of other payables and accruals. Other payables and accruals are initially measured at fair value, and are subsequently measured at amortised cost, using the effective interest rate method.

###### c) Derecognition of financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expired.

#### 4. CRITICAL ACCOUNTING JUDGEMENTS, ASSUMPTIONS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

##### 4.1. Critical judgement in applying the company's accounting policies

In the application of the company's accounting policies, which are described in Note 2 to the financial statements, management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

## RUCHI INDUSTRIES PTE. LTD.

### NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

#### 4. CRITICAL ACCOUNTING JUDGEMENTS, ASSUMPTIONS AND KEY SOURCES OF ESTIMATION UNCERTAINTY – cont'd

##### 4.1. Critical judgement in applying the company's accounting policies – cont'd

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

##### a) Determination of functional currency

The company measures foreign currency transactions in the respective functional currencies of the company. In determining the functional currencies of the entities in the company, judgement is required to determine the currency that mainly influences sales prices for goods and services and of the country whose competitive forces and regulations mainly determines the sales prices of its goods and services. The functional currencies of the entities in the company are determined based on management's assessment of the economic environment in which the entities operate and the entities' process of determining sales prices.

##### 4.2. Key sources of estimation uncertainty

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

##### a) Impairment of investment in subsidiaries

The company follows the guidance of FRS 36 in determining the recoverability of its investment in subsidiaries. This requires assessment as to whether the carrying values of its investment can be supported by the net present values of future cash flows derived from such investment using cash flow projections which have been discounted at an appropriate rate. This determination requires significant judgement. The company determines forecasts of future cash flows based on its estimates of future revenues and operating expenses using historical and industry trends, general market conditions, forecasts and other available information. The carrying amount of investment in subsidiaries is disclosed in Note 9 to the financial statements.

##### b) Impairment assessment of loans and receivables

The policy for impairment assessment of trade receivables of the company is based on the evaluation of collectability and aging analysis of trade receivables and on management's estimation. A considerable amount of estimation is required in assessing the ultimate realisation of these receivables, including the current creditworthiness and the past collection history of each debtor. If the financial conditions of debtors are to deteriorate, resulting in an impairment of their ability to make payments, allowances may be required. The carrying amount of loans and receivables is disclosed in Note 10 to the financial statements.

## RUCHI INDUSTRIES PTE. LTD.

### NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

#### 5. FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL RISKS MANAGEMENT POLICIES AND OBJECTIVE

##### 5.1. Categories of Financial Assets and Liabilities

The carrying amount of financial assets and financial liabilities included in the statement of financial position, the categories and the headings in which they are included are as follows:

	<u>2018</u> US\$	<u>2017</u> US\$
<b>Financial assets</b>		
<u>Loans and receivables</u>		
- Other receivables	-	3,668,100
- Cash and cash equivalents	<u>1,393</u>	<u>29</u>
	<u>1,393</u>	<u>3,668,129</u>
<b>Financial liabilities</b>		
<u>At amortised costs</u>		
- Other payables and accruals	<u>712,314</u>	<u>672,804</u>

Further quantitative disclosures are included throughout these financial statements.

##### 5.2 Financial Risk Management Policies and Objectives

The company's overall risk management policy seeks to minimise potential adverse effects on the financial performance of the company. The company, however, does not have any written risk management policies and guidelines. The management meet periodically to analyse, formulate and monitor the following risk management of the company and believe that the financial risks associated with these financial instruments are minimal.

The company adopts systematic approach towards risk assessment and management. This is carried out in three phases, i.e. Identification and assessment of risks, formulation and implementation of risk treatment, and monitoring and reporting of risk profile.

##### a) Credit Risk

Credit risk refers to risk that counterparty will default on their obligations to repay amounts owing to company resulting in a loss to the company. The company's primary exposure to credit risk arises through its other receivables and cash and cash equivalents. The company is exposed to credit risk with other receivables, as stated in Note 10 to the financial statements. No formal credit limits are imposed for amount due from related parties and the credit risk is managed through regular monitoring of conducts of accounts.

As the company does not hold any collateral, the maximum exposure to credit risk for each class of financial instruments is the carrying amount of that class of financial instruments presented on the statement of financial position.

## RUCHI INDUSTRIES PTE. LTD.

### NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

#### 5. FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL RISKS MANAGEMENT POLICIES AND OBJECTIVE – cont'd

##### 5.2. Financial Risk Management Policies and Objective – cont'd

###### a) Credit Risk – cont'd

###### Financial assets that are neither past due nor impaired

Cash and cash equivalents that are neither past due nor impaired are mainly deposits with banks with high credit ratings assigned by international credit-rating agencies.

###### Financial assets that are past due and/or impaired

There is no other class of financial assets that is past due and/or impaired.

###### b) Interest Rate Risk

The company has no interest-bearing assets and liabilities and therefore is not exposed to interest rate risk.

###### c) Foreign Currency Exchange Rate Risk

Foreign currency exchange rate risk arose from the change in foreign exchange rates that may have an adverse effect on the company in the current reporting period and in the future years.

The company transacts mainly in United States dollars and Singapore dollars. Management believes that the foreign exchange rate risk is manageable. Hence, the company does not use derivative financial instruments to mitigate this risk.

The company's exposure to foreign exchange rate risk against Singapore dollars is as follows:

	<u>2018</u> US\$	<u>2017</u> US\$
<b>Financial assets</b>		
Cash and cash equivalents	1,379	15
<b>Financial liabilities</b>		
Other payables and accruals	(2,802)	2,236
<b>Net foreign currency exposure</b>	(1,423)	2,251

## RUCHI INDUSTRIES PTE. LTD.

### NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

#### 5. FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL RISKS MANAGEMENT POLICIES AND OBJECTIVE – cont'd

##### 5.2. Financial Risk Management Policies and Objective – cont'd

##### c) Foreign Currency Exchange Rate Risk – cont'd

###### Sensitivity analysis

The analysis is prepared assuming the amount of liability outstanding at the end of the reporting period was outstanding for the whole period. A 10% increase or decrease is used when reporting foreign exchange rate risk internally to key management personnel and represents management's assessment of the possible change in exchange rates.

A 10% strengthening of United States Dollar against the following currencies with all variables held constant would increase/(decrease) statement of comprehensive income by the amount shown below:

	<u>2018</u> US\$	<u>2017</u> US\$
Net foreign currency impact	(142)	225

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

##### d) Liquidity Risk

Liquidity risk refer to risk that the company will not have sufficient funds to pay its debts as and when they fall due.

Prudent liquidity risk management implies maintaining sufficient cash and cash equivalents to support their business activities on timely basis. The company maintains a balance between continuity of accounts receivable collectibility and flexibility through the use of accounts payables.

The following table summarises the company's remaining contractual maturity for its non-derivative financial liabilities at the end of each reporting period based on undiscounted cash flows of financial liabilities based on the earlier of the contractual date or when the company is expected to pay.

	<u>Effective interest rate (%)</u>	<u>Carrying amount</u> US\$	<u>Contractual undiscounted cash flows</u>		
			<u>Within 1 year or repayable on demand</u> US\$	<u>Within 2 to 5 years</u> US\$	<u>Total</u> US\$
<b>Financial liabilities</b>					
Other payables and accruals	-	712,314	2,250	710,064	712,314

## RUCHI INDUSTRIES PTE. LTD.

### NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

#### 5. FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL RISKS MANAGEMENT POLICIES AND OBJECTIVE – cont'd

##### 5.2. Financial Risk Management Policies and Objective – cont'd

##### d) Liquidity Risk – cont'd

2017	Effective interest rate (%)	Carrying amount US\$	Contractual undiscounted cash flows		
			Within 1 year or repayable on demand US\$	Within 2 to 5 years US\$	Total US\$
<b>Financial liabilities</b>					
Other payables and accruals	-	<u>672,804</u>	<u>2,003</u>	<u>670,801</u>	<u>672,804</u>

##### e) Fair value of financial assets and financial liabilities

The carrying amounts of cash and cash equivalents, other receivables and other payables and accruals approximate their respective fair values due to the relatively short-term maturity of these financial instruments.

The company do not anticipate that the carrying amounts recorded at the end of each reporting period would be significantly different from the values that would eventually be received or settled.

##### 5.3. Capital Risk Management Policies and Objectives

The company manages its share capital to ensure that it is able to continue as a going concern and maintains an optimal capital structure so as to maximize shareholder value.

In order to maintain or achieve an optimal capital structure, the company may adjust the amount of dividend payment to equity holders, return capital to equity holders, issue new shares, obtain new borrowings or redeem borrowings.

The company monitors capital using gearing ratio, which is net debt divided by total capital. Net debt is calculated as other payables and accruals less cash and cash equivalents. Total capital is calculated as equity plus net debt. The company's overall strategy remains unchanged during the period.

	<u>2018</u> US\$	<u>2017</u> US\$
Other payables and accruals	712,314	672,804
Cash and cash equivalents	<u>(1,393)</u>	<u>(29)</u>
Net debt	<u>710,921</u>	<u>672,775</u>
Total equity	<u>57,727</u>	<u>7,522,985</u>
Total capital	<u>768,648</u>	<u>8,195,760</u>
Gearing ratio	<u>92%</u>	<u>8%</u>



## RUCHI INDUSTRIES PTE. LTD.

### NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

#### 5. FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL RISKS MANAGEMENT POLICIES AND OBJECTIVE – cont'd

##### 5.3. Capital Risk Management Policies and Objectives – cont'd

The capital structure of the company's mainly consists of equity and remains unchanged during the period. The company reviews the capital structure from time to time and will continue to monitor economic conditions in which its operates and will made adjustments to its capital structure where necessary.

The company is not subject to any externally imposed capital requirements.

#### 6. HOLDING COMPANY AND RELATED PARTY TRANSACTIONS

The company is a wholly owned subsidiary of Ruchi Soya Industries Limited, incorporated in India, which is also the company's ultimate holding company.

There are transactions and arrangements between the company and members of the holding company and the effects of these on the basis determined between the parties are reflected in these financial statements. The current intercompany balances are unsecured, repayable on demand and interest free.

#### 7. SHARE CAPITAL

	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>
	<u>Number of</u>		<u>US\$</u>	<u>US\$</u>
	<u>ordinary shares</u>			
Issued and paid up:				
At beginning of year				
and end of year	<u>6,000,000</u>	<u>6,000,000</u>	<u>6,000,000</u>	<u>6,000,000</u>

The holders of ordinary shares are entitled to receive dividends as and when declared by the company. All shares rank equally with regard the company's residual assets. The company has one class of ordinary shares with no par value, which carry no right to fixed income.

#### 8. OTHER PAYABLES AND ACCRUALS

	<u>2018</u>	<u>2017</u>
	<u>US\$</u>	<u>US\$</u>
Advances from subsidiary	710,064	670,801
Accruals	<u>2,250</u>	<u>2,003</u>
	<u>712,314</u>	<u>672,804</u>

## RUCHI INDUSTRIES PTE. LTD.

### NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

#### 8. OTHER PAYABLES AND ACCRUALS – cont'd

	<u>2018</u> US\$	<u>2017</u> US\$
Non-current	710,064	670,801
Current	<u>2,250</u>	<u>2,003</u>
	<u>712,314</u>	<u>672,804</u>

Advances from subsidiary, Ruchi Agritrading Pte. Ltd., is unsecured, interest free and is repayable on demand.

Other payables and accruals are denominated in the following currencies:

	<u>2018</u> US\$	<u>2017</u> US\$
United States dollar	709,512	675,040
Singapore dollar	<u>2,802</u>	<u>(2,236)</u>
	<u>712,314</u>	<u>672,804</u>

#### 9. INVESTMENT IN SUBSIDIARIES

	<u>2018</u> US\$	<u>2017</u> US\$
Unquoted equity shares, at cost	4,527,660	4,527,660
Less: Impairment in investment in subsidiaries	<u>(3,759,012)</u>	<u>-</u>
	<u>768,648</u>	<u>4,527,660</u>

Movement in impairment in investment in subsidiaries is as follows:

	<u>2018</u> US\$	<u>2017</u> US\$
At beginning of year	-	-
Current year	<u>3,759,012</u>	<u>-</u>
At end of year	<u>3,759,012</u>	<u>-</u>

## RUCHI INDUSTRIES PTE. LTD.

### NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

#### 9. INVESTMENT IN SUBSIDIARIES – cont'd

Details of the subsidiaries are as follows:

<u>Name of Subsidiaries</u>	<u>Principal activities</u>	<u>Country of incorporation and operation</u>	<u>Cost of investment</u>		<u>Percentage of holding</u>	
			<u>2018</u> <u>US\$</u>	<u>2017</u> <u>US\$</u>	<u>2018</u> <u>%</u>	<u>2017</u> <u>%</u>
Ruchi Agri Plantations (Cambodia) Pte. Ltd.	Agricultural investments	Cambodia	2,000,000	2,000,000	100	100
Ruchi Agri SARL	General Wholesale Trading (Imports & Exports)	Madagascar	4,849	4,849	100	100
Ruchi Agritrading Pte Ltd	General Wholesale Trading (Imports & Exports)	Singapore	2,000,100	2,000,100	100	100
Palmolein Industries Pte Ltd	General Wholesale Trading (Imports & Exports)	Cambodia	5,000	5,000	100	100
Ruchi Middle East DMCC	General Wholesale Trading (Imports & Exports)	United Arab Emirates	517,711	517,711	100	100

#### a) Impairment test

As at the end of the reporting period, the company carried out a review on the recoverable amount of its investment in subsidiaries. The review revealed full impairment in value is required for all subsidiaries except for Ruchi Agritrading Pte. Ltd because the company has an outstanding amount due to this subsidiary.

#### b) Others

One set of consolidated financial statements of the company and its subsidiaries is not prepared as the company itself is a wholly-owned subsidiary of another corporation, which prepares consolidated financial statements available for public use. The registered office of the ultimate holding company, Ruchi Soya Industries Limited preparing the consolidated financial statements, is Ruchi House, Royal Palms, Survey No. 169, Aarey Milk Colony, Near Mayur Nagar, Goregaon (East), Mumbai – 400 065, Maharashtra, India.

## RUCHI INDUSTRIES PTE. LTD.

### NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

#### 10. OTHER RECEIVABLES

	<u>2018</u> US\$	<u>2017</u> US\$
Other receivables:		
- subsidiaries (Note 9)	839,502	3,139,502
less: allowance for doubtful debt	(839,502)	-
- related party	-	528,598
	-	3,668,100

The loan amount due from subsidiaries and related party is unsecured, interest free and is repayable on demand.

Movement in allowance for doubtful debt is as follows:

	<u>2018</u> US\$	<u>2017</u> US\$
At beginning of year	-	-
Current year	839,502	-
At end of year	839,502	-

Other receivables that are individually determined to be impaired at the end of the reporting period relate to debtors that are in significant financial difficulties and have defaulted on payments. These receivables are not secured by any collateral or credit enhancements.

#### 11. CASH AND CASH EQUIVALENTS

	<u>2018</u> US\$	<u>2017</u> US\$
Cash at bank	1,393	29

Cash and cash equivalents are denominated in the following currencies:

	<u>2018</u> US\$	<u>2017</u> US\$
United States dollar	14	14
Singapore dollar	1,379	15
	1,393	29

## RUCHI INDUSTRIES PTE. LTD.

### NOTES TO THE FINANCIAL STATEMENTS – CONTINUED

12. **OTHER INCOME**

	<u>2018</u> US\$	<u>2017</u> US\$
Foreign currency exchange gain	4	-
Interest income	-	16,397
	4	16,397

13. **INCOME TAX EXPENSE**

a) Major component of income tax expense

The major components of income tax expense are as follows:

	<u>2018</u> US\$	<u>2017</u> US\$
Current tax	-	-
	-	-

b) Relationship between income tax expense and accounting loss

The income tax benefit varied from the amount of income tax expense determined by applying the Singapore Income Tax rate at 17% (2017: 17%) to profit before income tax as a result of the following differences:

	<u>2018</u> US\$	<u>2017</u> US\$
Loss before income tax	(7,465,258)	(19,037)
Income tax benefit at statutory rate	(1,269,094)	(3,236)
Tax effect of:		
- statutory stepped income exemption	-	-
Tax loss disregarded	1,269,094	3,236
Income tax expense for the year	-	-

14. **LOSS FOR THE YEAR**

Loss for the year has been arrived at after charging/(crediting):

	<u>2018</u> US\$	<u>2017</u> US\$
Impairment in investment in subsidiaries	3,759,012	-
Other receivables written off	2,860,798	-
Provision of doubtful debt	839,502	-
	839,502	-

## RUCHI INDUSTRIES PTE. LTD.

### NOTES TO THE FINANCIAL STATEMENTS – CONTINUED

15. **RECONCILIATION OF ASSETS AND LIABILITIES ARISING FROM INVESTING AND FINANCING ACTIVITIES**

The table below details change in the company's assets and liabilities arising from financing activities, including both cash and non-cash changes.

Assets and liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in statement of cash flows as cash flows from financing activities.

	<u>Other payables</u> <u>- subsidiary</u> <u>Note 8</u> <u>US\$</u>	
At 1 April 2017	670,801	
<i>Financing cash flows</i>		
Add: advances from subsidiary	39,263	
At 31 March 2018	710,064	

	<u>Other receivables</u> <u>- subsidiaries</u> <u>Note 10</u> <u>US\$</u>	<u>Other receivables</u> <u>- related party</u> <u>Note 10</u> <u>US\$</u>	<u>Total</u> <u>US\$</u>
At 1 April 2017	3,139,502	528,598	3,668,100
<i>Financing cash flows</i>			
Add: advances to	-	32,200	32,200
<i>Non-cash changes</i>			
Amount written off	(2,300,000)	(560,798)	(2,860,798)
Allowance for doubtful debt	(839,502)	-	(839,502)
	-	-	-

16. **EVENTS AFTER THE REPORTING PERIOD**

No items, transactions or events of material and unusual nature have arisen between the end of the reporting period and the date of authorisation for issue of the financial statements which are likely to affect substantially the results of operations of the company for the succeeding financial year.

# RUCHI INDUSTRIES PTE. LTD.

## DETAILED PROFIT AND LOSS STATEMENT

FOR THE YEAR ENDED 31 MARCH 2018

	<u>2018</u> US\$	<u>2017</u> US\$
<b>Revenue</b>	-	-
<b>Other income</b>		
Foreign currency exchange gain	4	-
Interest income	-	16,397
	4	16,397
<b>Cost and Expenses</b>		
<b>Other expenses</b>		
Auditor's remuneration:	(1,500)	(1,560)
Bank charges	-	(963)
Foreign currency exchange loss	-	(319)
General expenses	(150)	(7)
Impairment in investment in subsidiaries	(3,759,012)	-
Legal and professional fee	(3,925)	(3,910)
Other receivables written off	(2,860,798)	-
Allowance for doubtful debt	(839,502)	-
Tax fee	(375)	(375)
Upkeep of computers	-	(28,300)
	<u>(7,465,262)</u>	<u>(35,434)</u>
<b>Loss before income tax</b>	<u>(7,465,258)</u>	<u>(19,037)</u>

This schedule does not form part of the audited statutory financial statements.