GCL GLOBAL RESOURCES SGP PTE. LIMITED
Company Registration No. 200914347E
(Incorporated in Singapore)

DIRECTORS' STATEMENT AND FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED TO 31 MARCH 2017

MAZARS LLP
Public Accountants and
Chartered Accountants
Singapore

GCL GLOBAL RESOURCES SGP PTE. LIMITED

DIRECTORS' STATEMENT AND FINANCIAL STATEMENTS
FINANCIAL YEAR ENDED 31 MARCH 2017

TABLE OF CONTENTS **PAGE**

The directors are pleased to present their statement to the member together with the audited financial statements of GCL Global Resources SGP Pte. Limited (the "Company") for the financial year ended 31 March 2017.

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 2017 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.

2. Directors

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

Shrinivas Vassudeva Sinai Dempo
Jagmohan Jagdishlal Chhabra
Geraldine Norris

3. Arrangements to enable directors to acquire shares or debentures

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

4. Directors' interests in shares or debentures

According to the register kept by the Company for the purposes of Section 164 of the Singapore Companies Act, Chapter 50 (the "Act"), the directors of the Company holding office at the end of the financial year had no interest in the shares or debentures of the Company and its related corporation except as stated below:

Name of director and corporation in which interests are held	Holdings at beginning of financial year	Holdings at end of financial year
	(No. of ordinary shares)	
Ultimate holding company:		
Goa Carbon Ltd.		
Shrinivas Vassudeva Sinai Dempo	395,939	395,939

5. Share options

There were no options granted by the Company during the financial year.

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. Auditors

Mazars LLP have expressed their willingness to accept re-appointment as auditors.

On behalf of the directors

....	....
Shrinivas Vassudeva Sinai Dempo	**Jagmohan Jagdishlal Chhabra**
Director	Director

10 April 2017

Report on the Financial Statements

Opinion

We have audited the accompanying financial statements of GCL Global Resources SGP Pte. Limited (the "Company"), which comprise the statement of financial position as at 31 March 2017, 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 of the Company are properly drawn up in accordance with the provisions of the Companies Act, Chapter 50 (the "Act") and Financial Reporting Standards in Singapore ("FRSs") so as to give a true and fair view of the financial position of the Company as at 31 March 2017 and of the financial performance, changes in equity and cash flows of the Company for the financial 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 *Auditors' 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* (the "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 page 1 to 2.

Our opinion on the financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified 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 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.

135 Cecil Street, #10-01 MYP Plaza, Singapore 069536
Tel: (65) 6224 4022 - Fax: (65) 6225 3974 - www.mazars.sg

Mazars LLP
玛泽有限责任合伙会计师事务所
Chartered Accountants of Singapore

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.

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

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

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

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

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

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

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

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

Emphasis of Matter

Without qualifying our opinion, we draw attention to Note 2.1 to the financial statements. The management intends to voluntary wind up the Company within the next 12 months subsequent to the financial year end. As a result, the Company changed its basis of accounting from the going concern basis to the realisation basis for the financial year ended 31 March 2017. Accordingly, the carrying value of the assets as at 31 March 2017 are measured at the lower of carrying amount and fair value less cost to sell and all liabilities are measured at the estimated settlement amounts.

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.

Mazars LLP

MAZARS LLP
Public Accountants and
Chartered Accountants

Singapore

10 April 2017

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR ENDED 31 MARCH 2017

	Note	2017 S$	2016 S$
Other Income	4	107,588	265,867
Administrative expenses		(17,151)	(51,137)
Profit before income tax	5	90,437	214,730
Income tax expense	6	-	-
Profit for the year, representing total comprehensive income for the financial year		90,437	214,730

The accompanying notes form an integral part of these financial statements.

GCL GLOBAL RESOURCES SGP PTE. LIMITED

STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2017

	Note	2017 S$	2016 S$
ASSETS			
Non-current assets			
Investment in a subsidiary	7	-	-
Total non-current assets		-	-
Current assets			
Other receivables	8	11,762	11,808
Cash and cash equivalents	9	2,781,849	2,695,366
Total current assets		2,793,611	2,707,174
Total assets		2,793,611	2,707,174
EQUITY AND LIABILITIES			
Equity			
Share capital	10	4,304,851	4,304,851
Accumulated losses		(1,907,482)	(1,997,919)
Total equity		2,397,369	2,306,932
Current liabilities			
Amount owing to ultimate holding company	11	388,242	388,242
Other payables	12	8,000	12,000
Total current liabilities		396,242	400,242
Total liabilities		396,242	400,242
Total equity and liabilities		2,793,611	2,707,174

The accompanying notes form an integral part of these financial statements.

STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2017

	Share capital S$	Accumulated losses S$	Total S$
At 1 April 2015	4,304,851	(2,212,649)	2,092,202
Total comprehensive income for the financial year	-	214,730	214,730
At 31 March 2016	4,304,851	(1,997,919)	2,306,932
At 1 April 2016	4,304,851	(1,997,919)	2,306,932
Total comprehensive income for the financial year	-	90,437	90,437
At 31 March 2017	4,304,851	(1,907,482)	2,397,369

The accompanying notes form an integral part of these financial statements.

STATEMENT OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2017

	Note	2017 S$	2016 S$
Operating activities			
Profit before income tax		90,437	214,730
Adjustments for:			
Gain on liquidation of subsidiary		-	(260,220)
Interest income		(11,075)	(5,647)
Unrealised foreign exchange loss		31,404	29,931
Operating cash flow before changes in working capital		110,766	(21,206)
Changes in working capital			
Decrease in other receivables		46	38,831
Decrease in other payables		(4,000)	-
Net cash flows generated from operating activities		106,812	17,625
Investing activities			
Interest received		11,075	-
Proceeds from liquidation of subsidiary		-	2,297,996
Net cash generated from investing activities		11,075	2,297,996
Financing activity			
Advance from ultimate holding company		-	454,859
Net cash flows generated from financing activity		-	454,859
Net increase in cash and cash equivalents		117,887	2,770,480
Cash and cash equivalents at the beginning of the financial year		2,695,366	21,434
Net effect of exchange rate attributable to cash and cash equivalents		(31,404)	(96,548)
Cash and cash equivalents at the end of financial year	**9**	2,781,849	2,695,366

The accompanying notes form an integral part of these financial statements.

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

1. General

GCL Global Resources SGP Pte. Limited (the “Company”) (Registration Number 200914347E) is incorporated and domiciled in Singapore with its registered office at 133 Cecil Street, #16-01 Keck Seng Tower, Singapore 069535.

The principal activities of the Company are investment holding company and general wholesale trading. The principal activity of the subsidiary is disclosed in Note 7 to the financial statements.

The Company’s immediate and ultimate holding company is Goa Carbon Limited, a company incorporated in India.

The financial statements of the Company for the financial year ended 31 March 2017 were authorised for issue by the Board of Directors on 10 April 2017.

2. Summary of significant accounting policies

2.1 Basis of preparation

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

During the year, the management has expressed its intention to voluntary wind up the Company within the next 12 months subsequent to the financial year end. As a result, the Company changed its basis of accounting from the going concern basis to the realisation basis for the financial year ended 31 March 2017. Accordingly, the carrying value of the assets as at 31 March 2017 are measured at the lower of carrying amount and fair value less cost to sell and all liabilities are measured at the estimated settlement amounts.

The financial statements of the Company are presented in Singapore dollars (“S$”), which is the functional currency.

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 April 2016. The adoption of these standards did not have any material effect on the financial statements.

2. Summary of significant accounting policies (Continued)

2.1 Basis of preparation (Continued)

FRS and INT FRS issued but not yet effective

At the date of authorisation of these statements, the following FRS and INT FRS that are relevant to the Company were issued but not yet effective:

		Effective date (annual periods beginning on or after)
FRS 7	Amendments to FRS 7: Disclosure Initiative	1 January 2017
RS 12	Amendments to FRS 12: Recognition of Deferred Tax Assets for Unrealised Losses	1 January 2017
FRS 40	Amendments to FRS 40: Transfers of Investment Property	1 January 2018
FRS 102	Amendments to FRS 102: Classification and Measurement of Share-based Payment Transactions	1 January 2018
FRS 104	Amendments top FRS 104: Applying FRS 109 Financial Instruments with FRS 104 Insurance Contracts	1 January 2018
FRS 109	Financial Instruments	1 January 2018
FRS 110, FRS 28	Amendments to FRS 110 and FRS 28: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	To be determined
FRS 115	Revenue from Contracts with Customers	1 January 2018
FRS 115	Amendments to FRS 115: Effective Date of FRS 115	1 January 2018
FRS 115	Amendments to FRS 115: Clarifications to FRS 115 Revenue from Contracts with Customers	1 January 2018
FRS 116	Leases	1 January 2019
Various	Improvements to FRSs (December 2016)	Various
INT FRS 122	Foreign Currency Transactions and Advance Consideration	1 January 2018

Consequential amendments were also made to various standards as a result of these new/ revised standards.

The Company has not early adopted any of the above new/revised standard, interpretations and amendments to the existing standard in the financial year ended 31 March 2017. Management anticipates that the adoption of the aforementioned revised/ new standards will not have a material impact on the financial statements of the Company in the period of their initial adoption.

2.2 Basis of consolidation

These financial statements are the separate financial statements of GCL Global Resources SGP Pte. Limited. In previous financial year, Goa Carbon (Cangzhou) Co., Ltd, a fully owned subsidiary of the Company's was liquidated. The Company loses control over the only subsidiary subsequent to the liquidation. No consolidated financial statements were prepared thereafter.

Investment in subsidiary is carried at cost less any impairment loss that has been recognised in profit or loss in the Company's separate financial statements.

When the Company loses control over a subsidiary, the profit or loss is calculated as the difference between (i) the aggregate of the fair value of the consideration received and (ii) the cost of the investment less any impairment loss.

2. Summary of significant accounting policies (Continued)

2.3 Income tax

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

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported profit or loss because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are not taxable or tax deductible. The Company's liability for current tax is calculated using tax rates (and tax laws) that have been enacted or substantively enacted in countries where the Company operates by the end of the financial year.

Deferred tax is recognised on the differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and are accounted for using the liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at the end of each financial year and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset realised based on the tax rates (and tax laws) that have been enacted or substantively enacted by the end of the financial year and based on the tax consequence that will follow from the manner in which the Group expects, at the end of the financial year, to recover or settle the carrying amounts of its assets and liabilities. Deferred tax is charged or credited to profit or loss, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

Current and deferred tax are recognised as an expense or income in profit or loss, except when they relate to items credited or debited directly to equity, in which case the tax is also recognised directly in equity.

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

- when the sales tax that is incurred on purchases is not recoverable from the tax authorities, in which case the sales tax is recognised as part of cost of acquisition of the asset or as part of the expense item as applicable; and
- Receivables and payables that are stated with the amount of sales tax included.

2. Summary of significant accounting policies (Continued)

2.4 Foreign currency transactions and translation

Foreign currency transactions are translated into the individual entities' respective functional currencies at the exchange rates prevailing on the date of the transaction. At the end of each financial year, monetary items denominated in foreign currencies are retranslated at the rates prevailing as of the end of the financial year. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on the settlement of monetary items, and on retranslation of monetary items are included in profit or loss for the year. Exchange differences arising on the retranslation of non-monetary items carried at fair value are included in profit or loss for the year except for differences arising on the retranslation of non-monetary items in respect of which gains and losses are recognised directly in equity. For such non-monetary items, any exchange component of that gain or loss is also recognised directly in equity.

2.5 Impairment of intangible assets

The Company reviews the carrying amounts of its intangible assets as at each reporting date to assess for any indication of 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.

Irrespective of whether there is any indication of impairment, the Company also tests its intangible assets with indefinite useful lives and intangible assets not yet available for use for impairment annually by comparing their respective carrying amounts with their corresponding recoverable amounts.

The recoverable amount of an asset or cash-generating unit is the higher of its fair value less costs to sell and its 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.

An impairment loss for the amount by which the asset's carrying amount exceeds the recoverable amount is recognised immediately in profit or loss, 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 (cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, 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. Summary of significant accounting policies (Continued)

2.6 Financial instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial instrument and allocating the interest income or expense over the relevant period. The effective interest rate is the rate exactly discounts estimated future cash receipts or payments (including all fees on points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial instrument, or where appropriate, a shorter period, to the net carrying amount of the financial instrument. Income and expense are recognised on an effective interest basis for debt instruments other than those financial instruments at fair value through profit or loss.

Financial assets

All financial assets are recognised on a trade date - the date on which the Company commits to purchase or sell the asset. They are initially measured at fair value, plus transaction costs, except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value.

Financial assets are classified as loans and receivables. The classification depends on the nature and purpose for which these financial assets were acquired and is determined at the time of initial recognition.

Loans and receivables

The Company’s loans and receivables comprise other receivables and cash and cash equivalents.

Such loans and receivables are non-derivatives with fixed or determinable payments that are not quoted in an active market. They are measured at amortised cost, using the effective interest method less impairment. Interest is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial.

Impairment of financial assets

Financial assets are assessed for indicators of impairment at the end of each financial year. 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 amounts of all financial assets are reduced by the impairment loss directly with the exception of trade receivables where the carrying amount is reduced through the use of an allowance account. Changes in the carrying amount of the allowance account are recognised in profit or loss.

2. Summary of significant accounting policies (Continued)

2.6 Financial instruments (Continued)

Financial assets (Continued)

Derecognition of financial assets

The Company derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Company neither transfers nor retains substantially all the risks and rewards of ownership of the financial asset and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds receivables.

Financial liabilities and equity instruments

Classification as debt or equity

Financial liabilities and equity instruments issued by Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

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 are recorded at the proceeds received, net of direct issue costs.

Financial liabilities

Financial liabilities are classified other financial liabilities.

Other financial liabilities

Other payables

Other payables and amount owing to ultimate holding company are initially measured at fair value, net of transaction costs, and are subsequently measured at amortised cost, where applicable, using the effective interest method, with interest expense recognised on an effective yield basis.

Derecognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Company’s obligations are discharged, cancelled or they expire.

2.7 Cash and cash equivalents

Cash and cash equivalents comprise cash and bank balances which are readily convertible to known amounts of cash and are subject to insignificant risk of changes in value.

3. Critical accounting judgements and key sources of estimation uncertainty

The Company made judgements, estimates and assumptions about the carrying amounts of assets and liabilities that were not readily apparent from other sources in the application of the Company's accounting policies. Estimates and judgements are continually evaluated and are based on historical experience and other factors that are considered to be reasonable under the circumstances. Actual results may differ from the estimates.

3.1 Critical judgements made in applying the Company's accounting policies

Determination of functional currency

The Company measures foreign currency transactions in the respective functional currency. In determining the functional currencies of the respective entities, judgement is required to determine the currency that mainly influences sales prices of 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 the local management's assessment of the economic environment in which the entities operate and the respective entities' process of determining sales prices.

3.2 Key sources of estimation uncertainty

Management is of the opinion that there are no key sources of estimation uncertainty at the end of the financial year that has a significant effect on the amount of assets and liabilities within the next financial year.

4. Other Income

	2017 S$	2016 S$
Gain on liquidation of subsidiary	-	260,220
Forex exchange gain, net	96,513	-
Interest Income	11,075	5,647
	107,588	265,867

5. Profit before income tax

The following charges/ credits were included in the determination of profit before taxation:

	2017 S$	2016 S$
Professional fees	2,946	2,906
Foreign exchange (gain)/loss, net	(96,513)	29,931

6. Income tax expense

The income tax expenses varied from the amount of income tax expense determined by applying the Singapore income tax rate of 17% (2016: 17%) to profit before income tax as a result of the following differences:

	2017 S$	2016 S$
Profit before income tax	90,437	214,730
Tax at statutory rate of 17%	15,374	36,504
Non-taxable income	(18,290)	(45,197)
Non-deductible expenses	2,916	5,088
Unrecognised deferred tax assets	-	3,605
Tax expense	-	-

7. Investment in a subsidiary

	2017 S$	2016 S$
Unquoted equity, at cost	-	-
Less: Accumulated impairment	-	-
	-	-

Movement in accumulated impairment losses are as follows:

	2017 S$	2016 S$
At 1 April	-	2,068,979
Liquidation of subsidiary	-	(2,068,979)
At 31 March	-	-

7. Investment in a subsidiary (Continued)

Details of the Company's subsidiary are as follows:

Name of subsidiary	Country of incorporation and operation	Principal activities	Effective equity held by the Company 2017 %	Effective equity held by the Company 2016 %
Goa Carbon (Cangzhou) Co., Ltd	People's Republic of China ("PRC")	Manufacture and sales of calcined petroleum coke	-	-

In previous financial year, the subsidiary was liquidated.

Gain on liquidation of subsidiary:

	S$
Net proceeds received from Goa Carbon (Cangzhou) Co., Ltd upon liquidation	2,297,996
Less: Cost of investment in subsidiary less accumulated impairment loss	(2,037,776)
Gain on liquidation (Note 4)	260,220

8. Other receivables

	2017 S$	2016 S$
Accrued interest	787	833
Deposits	7,000	7,000
Prepayments	3,975	3,975
Total other receivables	11,762	11,808

9. Cash and cash equivalents

	2017 S$	2016 S$
Cash and cash equivalents comprise of:		
Cash at bank	58,888	21,961
Fixed deposits with bank	2,722,961	2,673,405
	2,781,849	2,695,366

The fixed deposit earns interest of 0.40% (2016: 0.40%) per annum with tenure of 3 months.

The currency profile for the Company's cash and cash equivalents are as follows:

	2017 S$	2016 S$
Singapore dollar	7,501	5,370
United States dollar	2,774,348	2,689,996
	2,781,489	2,695,366

10. Share capital

	2017	2016	2017	2016
	Number of ordinary shares with no par value		S$	S$
Issued and fully paid without par value:				
At beginning and end of the year	3,480,000	3,480,000	4,304,851	4,304,851

The holder of ordinary shares are entitle to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company without restriction.

11. Amount owing to ultimate holding company

The amount owing to ultimate holding company is denominated in Indian Rupee, non-trade in nature, unsecured, interest-free and has no fixed terms of repayment.

12. Other payables

	2017 S$	2016 S$
Accrued operating expense	8,000	12,000

13. Related party transactions

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 or of a parent of the Company.

(b) An entity is related to the 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);
- (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).
- (viii) The entity, or any member of a group of which it is a part, provides key management personnel services to the reporting entity or to the parent of the reporting entity.

Key management personnel compensation

The key management personnel comprise the directors of the Company who did not receive any compensation during the financial year.

14. Financial instruments and financial risk

Risk management is integral to the whole business of the Company. The Company has a system of controls in place to create an acceptable balance between the cost of risks occurring and the cost of managing the risks. The management continually monitors the Company's risk management process to ensure that an appropriate balance between risk and control is achieved.

14. Financial instruments and financial risk (Continued)

Category of financial assets and financial liabilities

	2017 S$	2016 S$
Financial assets		
Other receivables (excluding prepayments)	7,787	7,833
Cash and cash equivalents	2,781,849	2,695,366
Loans and receivables	2,789,636	2,703,199
Financial liabilities		
Other payables	8,000	12,000
Amount owing to ultimate holding company	388,242	388,242
Financial liabilities at amortised cost	396,242	400,242

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 does not require collateral.

The Company's major classes of financial assets are bank balances and other receivables.

The maximum credit risk is represented by the carrying amount of each financial asset in the statement of financial position.

Foreign currency risk

The Company is exposed to foreign currency risk on certain expenses, monetary assets and liabilities that are denominated in currencies other than functional currencies of the respective entities in the Company. The currencies giving rise to this risk are primarily the Indian Rupee and United States dollar. The Company does not have any derivative financial instruments to hedge its foreign currency risk. The Company's exposure to foreign currency risk relates mainly to its cash and cash equivalents which are denominated in USD and amount owing to ultimate holding company which is denominated in INR.

As at the reporting date, the carrying amounts of the Company's foreign currency denominated monetary assets and monetary liabilities are as follows:

	2017 S$	2016 S$
Monetary assets		
United States dollar	2,774,348	2,689,996
Monetary liabilities		
Indian Rupee	388,242	388,242

14. Financial instruments and financial risk (Continued)

Foreign currency risk (Continued)

Foreign currency sensitivity analysis

The Company is mainly exposed to Indian Rupee ("INR") and United States Dollar ("USD").

The following table details the Company's sensitivity to a 10% change in INR against the respective functional currencies of the Company. The sensitivity analysis assumes an instantaneous 10% change in the foreign currency exchange rates from the end of the financial year, with all variables held constant. The results of the model are also constrained by the fact that only monetary items, including external loans and loans to foreign operations, which are denominated in United States dollar ("USD") are included in the analysis. Consequentially, reported changes in the values of some of the financial instruments impacting the results of the sensitivity analysis are not matched with the offsetting changes in the values of certain excluded items that those instruments are designed to finance or hedge.

	Increase/(Decrease) Profit/(Loss) before tax	
	2017	2016
	S$	S$
USD		
Strengthens against S$	277,000	269,000
Weakens against S$	(277,000)	(269,000)
INR		
Strengthens against S$	38,824	38,824
Weakens against S$	(38,824)	(38,824)

Liquidity risk

Liquidity risks refer to the risks in which the Company encounters difficulties in meeting its short-term obligations. Liquidity risks are managed by matching the payment and receipt cycle.

Adequate financial support from the ultimate holding company has been obtained to enable the Company to continue its operation and discharge its present obligations as and when they fall due. As a result, management does not foresee the Company is exposed to any significant liquidity risk.

15. Fair value of assets and liabilities

The carrying amount of cash and cash equivalents and other receivables, amount owing to ultimate holding company and payables, approximate these respective fair values due to the relative short term maturity of their financial instruments.

16. Capital management policies and objectives

The Company does not have specific capital policy and objective. The Company's capital requirement is met via advance from the ultimate holding company to meet the Company's operating requirements.

The Company's strategy remains unchanged from 2016.

The Company is not subject to any externally imposed capital requirements for the years ended 31 March 2017 and 2016.