

**UPET (SINGAPORE) PTE. LTD.**  
**(Incorporated in the Republic of Singapore)**  
**(Reg No: 200810598Z)**

**FINANCIAL STATEMENTS - 31 MARCH 2017**

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**UPET (SINGAPORE) PTE. LTD.**  
(Incorporated in the Republic of Singapore)

**DIRECTORS' STATEMENT  
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2017**

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The directors are pleased to present their statement to the members together with the audited financial statements of Upet (Singapore) Pte.Ltd. (the Company) for the year ended 31 March 2017.

**Opinion of the directors**

In our opinion,

- (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 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.

**Directors**

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

**Ajay Krishna  
Dinesh Pandey**

**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 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

**Directors' Interest in Shares or Debentures:**

According to the register of directors' shareholdings kept by the Company under section 164 of the Singapore Companies Act, Chapter 50 (the "Act"), none of the directors holding office at the end of the financial year had any interests in the shares or debentures of the Company and its related corporations.

**Share options:**

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

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

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

UPET (SINGAPORE) PTE. LTD.  
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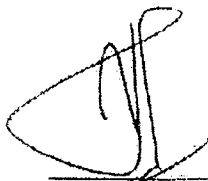
**DIRECTORS' STATEMENT  
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2017**

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**Auditors**

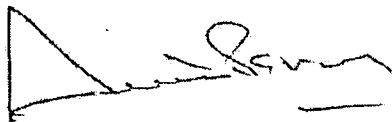
MGI N Rajan Associates has expressed its willingness to accept re-appointment as auditor.

The Board of Directors,



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**Ajay Krishna  
Director**



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**Dinesh Pandey  
Director**

Date 8<sup>th</sup> May, 2017



**MGI N RAJAN ASSOCIATES**  
**PUBLIC ACCOUNTANTS AND**  
**CHARTERED ACCOUNTANTS SINGAPORE**

**INDEPENDENT AUDITOR'S REPORT**  
**FOR THE FINANCIAL YEAR ENDED 31 MARCH 2017**

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF UPET (SINGAPORE) PTE.LTD.

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

*Opinion*

We have audited the financial statements of Upet (Singapore) Pte Ltd. (the "Company"), which comprise the statement of financial position of the Company 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 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 year ended on that date.

*Basis for Opinion*

We conducted our audit in accordance with Singapore Standards on Auditing (SSAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Accounting and Corporate Regulatory Authority (ACRA) Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities (ACRA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

*Other Information*

Management is responsible for the other information. The other information comprises the Directors' Statement [set out on pages 2 to 3].

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

*Responsibilities of Management and Directors for the Financial Statements*

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

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

The directors' responsibilities include overseeing the Company's financial reporting process.

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G. Natarajan, P.S. Somasekharan, D. Govindaraj



**MGI N RAJAN ASSOCIATES**  
PUBLIC ACCOUNTANTS AND  
CHARTERED ACCOUNTANTS SINGAPORE

**INDEPENDENT AUDITOR'S REPORT (CONTINUED)**  
**FOR THE FINANCIAL YEAR ENDED 31 MARCH 2017**

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*Auditor's Responsibilities for the Audit of the Financial Statements.*

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

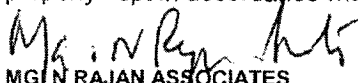
As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

*Report on Other Legal and Regulatory Requirements*

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

  
MGI N RAJAN ASSOCIATES  
PUBLIC ACCOUNTANTS AND CHARTERED ACCOUNTANTS

**08 MAY 2017**

Singapore

Date:

10, JALAN BESAR #10-12, SIM LIM TOWER, SINGAPORE 208787.

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G. Natarajan, P.S. Somasekharan, D. Govindaraj

**UPET (SINGAPORE) PTE. LTD.**  
(Incorporated in the Republic of Singapore)

**STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 MARCH 2017**

	Note	2017 US\$	2016 US\$
<b>ASSETS</b>			
<b>Non-current assets</b>			
Investment in subsidiary	5	38,047,847	38,047,847
		<u>38,047,847</u>	<u>38,047,847</u>
<b>Current assets</b>			
Cash and cash equivalents	6	117,181	122,146
		<u>117,181</u>	<u>122,146</u>
<b>Total assets</b>		<u>38,165,028</u>	<u>38,169,993</u>
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Amount due to holding company	7	-	2,044
Accrued liabilities		4,684	4,846
<b>Total liabilities</b>		<u>4,684</u>	<u>6,890</u>
<b>NET ASSETS</b>		<u>38,160,344</u>	<u>38,163,103</u>
<b>EQUITY</b>			
Share capital	8	38,200,073	38,200,073
Reserves		(39,729)	(36,970)
<b>Total equity</b>		<u>38,160,344</u>	<u>38,163,103</u>

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

UPET (SINGAPORE) PTE. LTD.  
(Incorporated in the Republic of Singapore)

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

	Note	2017 US\$	2016 US\$
Revenue		-	-
Other income: Write back off credit folios		2,044	-
		<u>2,044</u>	
<b>Expenses</b>			
Audit fee		(2,756)	(2,851)
Professional fee		(1,928)	(1,995)
Other expenses		(119)	(128)
<b>(Loss) for the year before tax</b>		<u>(2,759)</u>	<u>(4,974)</u>
Tax expense	4	-	-
<b>(Loss) for the year after tax</b>		<u>(2,759)</u>	<u>(4,974)</u>
Other comprehensive income		-	-
<b>Total comprehensive income</b>		<u>(2,759)</u>	<u>(4,974)</u>

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

UPET (SINGAPORE) PTE. LTD.  
(Incorporated in the Republic of Singapore)

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

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	Share capital	Accumulated	Total
	US\$	(losses)	US\$
	US\$	US\$	US\$
Balance as at 31 March 2015	38,200,073	(31,996)	38,168,077
Total comprehensive income for the year	-	(4,974)	(4,974)
Balance as at 31 March 2016 & 01 April 2016	38,200,073	(36,970)	38,163,103
Total comprehensive income for the year	-	(2,759)	(2,759)
Balance as at 31 March 2017	38,200,073	(39,729)	38,160,344

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



UPET (SINGAPORE) PTE. LTD.  
(Incorporated in the Republic of Singapore)

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

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	Note	2017 US\$	2016 US\$
<b>Cash flows from operating activities</b>			
(Loss) for the year before taxation		(2,759)	(4,974)
Adjustment for: Credit folios write back		(2,044)	-
		<u>(4,803)</u>	<u>(4,974)</u>
Changes in working capital			
Accrued liabilities		(162)	90
<b>Net cash used in operating activities</b>		<u>(4,965)</u>	<u>(4,884)</u>
Net (decrease) in cash and cash equivalents		(4,965)	(4,881)
Cash and cash equivalents at beginning of the year		<u>122,146</u>	<u>127,030</u>
<b>Cash and cash equivalents at end of the year</b>	6	<u>117,181</u>	<u>122,146</u>

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

**UPET (SINGAPORE) PTE. LTD.**  
**(Incorporated in the Republic of Singapore)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE FINANCIAL YEAR ENDED 31 MARCH 2017**

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

**1 GENERAL INFORMATION**

Upet (Singapore) Pte. Ltd. (the "Company") is incorporated and domiciled in Singapore with its registered office at 10 Jalan Besar, #10-12 Sim Lim Tower, Singapore 208787.

The principal activity of the Company is that of holding investments. However the Company has not earned any income during the financial year.

The Company's immediate holding company is Upet Holdings Limited incorporated in Mauritius and ultimate holding company is Uflex Limited incorporated in India.

The financial statements of the Company are presented in United States dollar.

**2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**2.1 Basis of preparation**

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

The financial statements are presented in United States Dollars (US\$), which is the Company's functional currency.

The preparation of the financial statements in conformity with Singapore Financial Reporting Standards requires using of estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the financial period. The company has assured that there are no estimates or judgements used that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year

**2.2 Adoption of new and revised standards**

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

**2.3 Standards issued but not yet effective**

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

The following standards that have been issued but not yet effective are as follows:

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2017

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES Contd....

2.3 Standards issued but not yet effective cont'd...

Description	Effective for annual periods beginning on or after
FRS 115 Revenue from Contracts with Customers	01-Jan-18
Amendments to FRS 110 and FRS 28: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Date to be determined
FRS 109 Financial Instruments	1 Jan 2018
Amendments to FRS 7: Disclosure Initiative	01-Jan-17
Amendments to FRS 12: Recognition of Deferred Tax Assets for Unrealised Losses	01-Jan-17
Amendments to FRS 115: Clarifications to FRS 115 Revenue from Contracts with Customers	01-Jan-18
FRS 116 Leases 1 Jan 2019	01-Jan-19
Amendments to FRS 102: Classification and Measurement of Share-Based Payment Transactions	01-Jan-18

2.4 Subsidiaries

Subsidiaries are entities over which the Company has power to govern the financial and economic policies generally accompanying a shareholding of more than one half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Company controls another entity.

Investments in the subsidiaries are stated in the financial statements of the Company at cost less impairments losses. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount.

The subsidiaries' results have not been consolidated as the Company is itself a wholly owned subsidiary of another Company UPET HOLDINGS LIMITED, MARUTIUS and the ultimate holding company UFLEX LTD, INDIA which publishes the consolidated financial statements and the registered address 305, Bhanot Cornor, Pamposh Enclave, Greater Kailash I, New Delhi 110 048 India

2.5 Impairment of non financial assets

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

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

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2017

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES Contd....

2.5 Impairment of non financial assets cont'd...

Impairment losses are recognized in profit or loss

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

2.6 Financial instruments

a) Financial assets

**Initial recognition and measurement**

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

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

**Subsequent measurement**

*Loans and receivables*

Non-derivative financial assets with fixed or determinable payments that are not quoted in an active market are classified as loans and receivables. Subsequent to initial recognition, loans and receivables are measured at amortised cost using the effective interest method, less impairment. Gains and losses are recognised in profit or loss when the loans and receivables are derecognised or impaired, and through the amortisation process.

Loans and receivables comprise cash and cash equivalents.

Cash and cash equivalents comprise cash at banks and cash in hand.

**De-recognition**

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

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2017

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES Contd....

2.6 Financial instruments cont'd...

b) Financial liabilities

**Initial recognition and measurement**

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

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

**Subsequent measurement**

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

Such financial liabilities comprise other payables.

**De-recognition**

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

2.7 Cash and cash equivalents

Cash and cash equivalents comprise cash at banks and on hand and are subject to an insignificant risk of changes in value..

2.8 Provisions

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

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

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2017**

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**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES Contd....**

**2.9 Taxes**

**a) Current income tax**

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

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

**b) Deferred tax**

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

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

Deferred tax asset is not recognised for temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss.

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

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

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

**2.10 Share capital**

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

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2017**

**3. Significant accounting judgments and estimates**

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

The management is of the opinion that there are no significant judgments made in applying accounting estimates and policies that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

**4. TAX EXPENSE**

No provision for tax is made in the current period, as there was no income for the year.

**5. INVESTMENT IN SUBSIDIARY**

	2017 US\$	2016 US\$
Unquoted shares at cost	38,047,847	38,047,847

Detail of the subsidiary is as follows:

Company	Principal Activities	Country of Incorporation	Effective Percentage of equity held	
			2017	2016
Flex Americas S.A. De C.V.V.	Manufacture and sale of polyester films, BOPP films, PET Films, CPP Films.	Mexico	100	100

**6. CASH AND CASH EQUIVALENTS**

	2017 US\$	2016 US\$
Cash at bank	117,108	122,073
Cash on hand	73	73
	<u>117,181</u>	<u>122,146</u>

**7. AMOUNT DUE TO HOLDING COMPANY**

The Company's immediate & ultimate holding Company is UPET HOLDINGS LIMITED, MAURITIUS and UFLEX LIMITED, INDIA respectively. The amount due to holding company refers to immediate holding company and the amount owing represents non trading advances, unsecured, interest free and no fixed repayment terms.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2017

8. SHARE CAPITAL

	2017 Number of shares	2017 US\$	2016 Number of shares	2016 US\$
Issued & fully paid up Ordinary shares-(Opening & Closing)	38,200,100	38,200,073	38,200,100	38,200,073
	<u>38,200,100</u>	<u>38,200,073</u>	<u>38,200,100</u>	<u>38,200,073</u>

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

9. FINANCIAL RISK MANAGEMENT

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

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

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

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

**a) Price risk**

***i) Currency risk***

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. The Company is exposed to currency risk to the extent of its foreign investment.

***(ii) Interest rate risk***

Interest rate risk is the risk that the value of a financial instrument will fluctuate due to changes in market interest rates.

The Company has no interest-bearing financial instruments, hence, is not exposed to any movements in market interest rates.

***(iii) Market risk***

Market risk is the risk that the value of a financial instrument will fluctuate due to changes in market prices whether those changes are caused by factors specific to the individual security or its issuer or factors affecting all securities traded in the market.



NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2017

9. FINANCIAL RISK MANAGEMENT CONT'D...

The Company does not hold any quoted or marketable financial instrument, hence, is not exposed to any movements in market prices.

**b) Credit risk**

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss.

The Company has no significant concentrations of credit risk.

Cash is held with financial institutions of good standing/ established financial institutions/ reputable financial institutions.

**(c) Liquidity risk**

Liquidity or funding risk is the risk that an enterprise will encounter difficulty in raising funds to meet commitments associated with financial instruments. Liquidity risk may result from an inability to sell a financial asset quickly at close to its fair value.

All payables mature in the next 12 months period.

**d) Fair value instruments by category**

The carrying amount of the different categories of financial instruments is as follows:-

	2017	2016
	US\$	US\$
Loans and receivables	117,181	122,146
Financial liabilities at amortised cost	4,684	6,890

The initial application of these standards and interpretations, where applicable, are not expected to have any material impact on the financial statements of the Company.

10. SIGNIFICANT RELATED PARTY TRANSACTIONS

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

Nature of transaction	Nature of Relationship	Amount of transaction	
		2017	2016
		US\$	US\$
Credit folios write back	Holding company	2,044	-

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UPET (SINGAPORE) PTE. LTD.  
(Incorporated in the Republic of Singapore)

*(This does not form part of the Audited Financial Statements)*

**DETAILED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 MARCH 2017**

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	2017	2016
	US\$	US\$
Revenue	-	-
Other income: Write back off credit folios	2,044	-
	<b>2,044</b>	-
<b>Expenses</b>		
Audit fee	2,756	2,851
Bank charges	225	30
Exchange (gain)/loss- non trade	(106)	98
Professional fee	1,928	1,995
<b>Net (loss) for the year</b>	<b>(2,759)</b>	<b>(4,974)</b>