UPET HOLDINGS LIMITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2017

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FOR THE YEAR ENDED 31 MARCH 2017

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UPET HOLDINGS LIMITED
CORPORATE INFORMATION
FOR THE YEAR ENDED 31 MARCH 2017

		Date appointed	*Date resigned*
DIRECTORS:	Mr Ajay Krishna	17-Sep-08	-
	Mr Rakesh Malhotra	14-Jul-09	30-Sep-16
	Mr Sandeep Fakun	23-Jul-10	-
	Mr Praveen Beeharry	12-Aug-11	-

ADMINISTRATOR & SECRETARY:
Cim Corporate Services Ltd
Les Cascades Building
Edith Cavell Street, Port Louis
Republic of Mauritius

REGISTERED OFFICE:
Les Cascades Building
Edith Cavell Street, Port Louis
Republic of Mauritius

BANK:
Bank Of Baroda
Offshore Banking Unit
Port Louis
Republic of Mauritius

AUDITORS:
McMillan Woods
Accountants and Business advisers
Level 2 Ng Tower
Cybercity, Ebene
Republic of Mauritius

UPET HOLDINGS LIMITED
COMMENTARY OF THE DIRECTORS
FOR THE YEAR ENDED 31 MARCH 2017

The directors present the audited financial statements of **UPET HOLDINGS LIMITED** (the "Company") for the year ended 31 March 2017.

PRINCIPAL ACTIVITY

The principal activity of the Company is investment holdings.

RESULTS

The results for the year are shown in the statement of profit or loss and other comprehensive income and related notes.

DIRECTORS

The present membership of the Board is set out on page 2.

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE FINANCIAL

The company law requires the directors to prepare financial statements for each financial year, which present fairly the financial position, financial performance and cash flows of the Company. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the will continue in business.

The directors have confirmed that they have complied with the above requirements in preparing the financial statements. The directors are responsible for the preparation and presentation of the financial statements in accordance with the requirements of the Mauritius Companies Act applicable to a company holding a Category 1 Global Business Licence, as described in note 2(a) to the financial statements, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

The directors have made an assessment of the Company's ability to continue as a going concern and have no reason to believe the business will not be a going concern in the year ahead.

AUDITORS

The auditors, McMillan Woods, have indicated their willingness to continue in office.

UPET HOLDINGS LIMITED
CERTIFICATE FROM THE SECRETARY
FOR THE YEAR ENDED 31 MARCH 2017

We certify to the best of our knowledge and belief that we have filed with the Registrar of Companies all such returns as are required of **UPET HOLDINGS LIMITED** under Section 166 (d) of the Companies Act 2001 during the financial year ended 31 March 2017.

....

for **CIM Corporate Services Ltd**
Company secretary

CORPORATE SECRETARY
Les Cascades Building
Edith Cavell Street, Port Louis
Republic of Mauritius

Date: 09 MAY 2017

McMillanWoods
Accountants and Business Advisers

Suite 205, Level 2, NG Tower, Ebène, Mauritius
Tel: +230 465 4777 Fax: +230 468 1452
E-mail: info@mcmillanwoods-mu.com
BRN : F15000158

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF UPET HOLDINGS LIMITED

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of **UPET HOLDINGS LIMITED** (the 'Company') set out on pages 8 to 28 which comprise the statement of financial position as at March 31, 2017, the statement of profit or loss and other comprehensive income, statement of changes in equity, and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion the financial statements give a true and fair view of the financial position of **UPET HOLDINGS LIMITED** as at March 31, 2017, its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Basis for Opinion

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing (ISAs). 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 ethical requirements that are relevant to our audit of the financial statements in Mauritius, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Matter

This report is made solely to the members of **UPET HOLDINGS LIMITED** as a body, in accordance with Section 205 of the Companies Act 2001. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. We do not accept or assume responsibility to anyone other than the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF UPET HOLDINGS LIMITED (CONTINUED)

Responsibilities of the Directors for the Financial Statements

The directors are responsible for the preparation and fair presentation of these financial statements in accordance with IFRSs, and in compliance with the requirements of the Companies Act 2001. They are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatements, whether due to fraud or error.

In preparing the financial statements, the directors are 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 the directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not guarantee that an audit conducted in accordance with ISAs 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 ISAs, 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 the directors.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF UPET HOLDINGS LIMITED (CONTINUED)

Auditor's Responsibilities for the Audit of the Financial Statements (continued)

- Conclude on the appropriateness of the director'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 auditors' 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 represents the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entity or business activity to express an opinion on the financial statements.

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

We have no relationship with or interests in the Company other than in our capacity as auditors and dealings in the ordinary course of business.

We have obtained all the information and explanations we have required.

In our opinion, proper accounting records have been kept by the Company as far as it appears from our examination of those records.

McMillan Woods

McMillan Woods
Suite 205, NG Tower,
Ebène, Mauritius.

Date: 09 MAY 2017

VICKY RAMDANE FCCA
Licenced by FRC

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

	Note	2017	2016
		USD	USD
Income			
Interest income		95	107
Expenses			
Administration fees		4,600	3,400
Management fees		4,000	4,000
License fees		2,041	2,895
Audit fees		1,150	1,410
Other expenses		250	450
Bank charges		20	160
Provision for impairment of other receivables		-	2,044
Accounting and tax fees		-	2,000
Total expenses		(12,061)	(16,359)
Loss before taxation		(11,966)	(16,252)
Taxation	7	-	-
Loss for the year		(11,966)	(16,252)
Other comprehensive income		-	-
Total comprehensive loss for the year		(11,966)	(16,252)

The notes on pages 12 to 28 form an integral part of these financial statements.
Auditors' report on page 5, 6 and 7.

UPET HOLDINGS LIMITED
STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2017

	Note	2017	2016
		USD	USD
ASSETS			
Non-current asset			
Investments in subsidiary	8	38,181,821	38,181,821
Total non-current assets		38,181,821	38,181,821
Current assets			
Other receivables	9	637	6,678
Cash and cash equivalents	10	93,889	93,814
Total current assets		94,526	100,492
Total assets		38,276,347	38,282,313
EQUITY AND LIABILITIES			
Capital and reserves			
Stated capital	11	38,400,001	38,400,001
Revenue deficit		(130,804)	(118,838)
Total equity		38,269,197	38,281,163
Current liabilities			
Other payables	12	7,150	1,150
Total equity and liabilities		38,276,347	38,282,313

These financial statements have been approved for issue by the Board of Directors on 9 May 2017 and signed by:

Director **Director**

The notes on pages 12 to 28 form an integral part of these financial statements.

Auditors' report on page 5, 6 and 7.

UPET HOLDINGS LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2017

	Stated capital	Revenue deficit	Total
	USD	USD	USD
Year ended 31 March 2017			
At 1 April 2016	38,400,001	(118,838)	38,281,163
Total comprehensive loss for the year	-	(11,966)	(11,966)
At 31 March 2017	**38,400,001**	**(130,804)**	**38,269,197**
Year ended 31 March 2016			
At 1 April 2015	38,400,001	(102,586)	38,297,415
Total comprehensive loss for the year	-	(16,252)	(16,252)
At 31 March 2016	38,400,001	(118,838)	38,281,163

The notes on pages 12 to 28 form an integral part of these financial statements.
Auditors' report on page 5, 6 and 7.

UPET HOLDINGS LIMITED
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2017

	Note	2017 USD	2016 USD
Cash flows from operating activities			
Loss before taxation		**(11,966)**	(16,252)
Changes in working capital			
Decrease in other receivables		**6,041**	3,224
Increase/(decrease) in other payables		**6,000**	(460)
Net cash generated from operating activities		**12,041**	2,764
Net increase/ (decrease) in cash and cash equivalents		**75**	(13,488)
Cash and cash equivalents at beginning of the year		**93,814**	107,302
Cash and cash equivalents at end of the year	10	**93,889**	93,814

The notes on pages 12 to 28 form an integral part of these financial statements.
Auditors' report on page 5, 6 and 7.

UPET HOLDINGS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017

1. GENERAL

UPET HOLDINGS LIMITED (the "Company") was incorporated in Mauritius on 10th April 2008 as a private company with liability limited by shares. The Company's registered office is at CIM Corporate Services Ltd, Les Cascades Building, Edith Cavell Street, Port Louis, Republic of Mauritius. The principal activity of the Company is investments holdings.

The Company is the holder of a Category 1 Global Business Licence under the Companies Act and the Financial Services Act 2007 is required to carry on its business in a currency other than the Mauritian Rupee. Since the Company operates in an international environment and conducts most of its transactions in foreign currencies, the Company has chosen to retain the US Dollar ('USD') as its reporting currency.

2. BASIS OF PREPARATION

(a) Basis of preparation of the financial statements

The Company is the holder of a Category 1 Glóbal Business Licence and has one subsidiary. In accordance with the Fourteenth Schedule of the Mauritius Companies Act, Section 12, the Company may not prepare group financial statements as it is a wholly owned subsidiary and, in accordance with Section 211 of the Mauritius Companies Act, Content and form of financial statements, these financial statements present fairly the financial position, financial performance and cash flow of the Company. The basis of preparation of these financial statements complies with International Financial Reporting Standards (IFRS) and interpretations adopted by the International Accounting Standards Board (IASB), except for accounting for acquisitions of interests in Joint Operations (IFRS 11) and Equity Method in Separate Financial Statements (IAS 27).

(b) Basis of measurement

The financial statements have been prepared under the historical cost basis, except for certain financial instruments that are measured at revalued amounts or fair values, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for assets.

Where necessary, comparative figures have been amended to conform with change in presentation in the current year.

(c) Functional and presentation currency

The Company's financial statements are presented in (USD), United States Dollar which is the Company's functional currency and presentation currency.

(d) Use of estimates and judgments

The preparation of financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of income and expenses during the reporting period. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

The impairment loss on investment in subsidiary was calculated on the net asset value of the subsidiary.

3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies set out below have been applied consistently to all periods presented in the financial statements.

Expense recognition

All expenses are accounted for in the statement of profit or loss and other comprehensive income on the accrual basis.

Investment in subsidiary

Investment in subsidiary is carried at cost. The carrying amount is reduced to recognize any impairment in the value of individual investment. Upon disposal of the investment, the difference between the net disposal proceeds and the carrying amount is charged or credited to the profit or loss.

A subsidiary is an entity in which the Company has an interest of more than one half of the voting rights or otherwise has power to govern the financial and operating policies. The existence and effect of potential voting rights that are presently exercisable or presently convertible are considered when assessing whether the Company controls another entity.

Consolidated financial statements

IFRS 10 requires a parent entity to present consolidated financial statements. However, paragraph 4 of IFRS 10 provides an exemption that a parent need not present consolidated financial statements if the entity meets the criteria in paragraph 4(a) of IFRS 10. One of the criteria is "its ultimate or any intermediate parent produces consolidated financial statements that are available for public use and comply with IFRS".

The Company owns more than 50% of the issued share capital of its subsidiaries which is considered to be subsidiaries undertakings. The Company has taken advantage of the exemption provided by the Mauritian Companies Act allowing a wholly owned or virtually owned parent company holding a Category 1 Global Business Licence not to present consolidated financial statements which contain financial information of the Company as an individual company and do not contain consolidated financial information as the parent of the group, as explained in note 2. These financial statements are the Company's unconsolidated financial statements.

Foreign currencies

The financial statements are presented in USD which is also the currency of the primary economic environment in which the Company operates ("functional currency").

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Foreign currencies (Continued)

Transactions in foreign currencies are translated to the respective functional currency of the Company at exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are retranslated to the functional currency at the exchange rate at that date. The foreign currency gain or loss on monetary items is the difference between amortised cost in the functional currency at the beginning of the year, adjusted for effective interest and payments during the year, and the amortised cost in foreign currency translated at the exchange rate at the end of the year.

Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are retranslated to the functional currency at the exchange rate at the date that the fair value was determined. Non-monetary items in a foreign currency that are measured in terms of historical cost are translated using the exchange rate at the date of the transaction. Foreign currency differences arising on retranslation are recognised in profit or loss, except for differences arising on the retranslation of available-for-sale equity investments, a financial liability designated as a hedge of the net investment in a foreign operation that is effective, or qualifying cash flow hedges, which are recognised in other comprehensive income.

Other receivables

Other receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for impairment of receivables is established when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of the receivables. The amount of the provision 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 amount of provision is recognised in statement of profit or loss and other comprehensive income.

Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short term highly liquid investments with original maturities of 3 months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the statement of financial position.

Stated capital

Stated capital are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as deduction, net of tax, from proceeds.

Other payables

Other payables are stated at their fair value and subsequently measured at amortised cost using the effective interest method.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Income tax

Income tax expense comprises current and deferred tax. Current tax and deferred tax are recognised in profit or loss except to the extent that it relates to items recognised directly in equity or in other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of prior years.

Deferred tax

Deferred tax is provided using the balance sheet method, for all temporary differences arising between the tax bases of assets and liabilities and their carrying values for financial reporting purposes. Currently enacted tax rates are used to determine deferred tax.

The principal temporary differences arise from tax losses carried forward. Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Provisions

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate of the amount can be made.

Financial instruments

Financial instruments carried on the statement of financial position include investments, deposits, cash and cash equivalents and other payables. The particular recognition methods adopted are disclosed in the individual policy statements associated with each item.

Disclosures about financial instruments to which the Company is a party are provided in note 6.

Related parties

Related parties are individuals and companies where the individual or company has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions.

4. Changes in accounting policy and disclosures

The accounting policies adopted are consistent with those of the previous financial year.

4.1 Accounting Standards and Interpretations Issued but not yet effective

The following standards, amendments to existing standards and interpretations were in issue but not yet effective. They are mandatory for accounting periods beginning on the specified dates, but the Company has not early adopted them:

New or revised standards	**Effective for accounting period beginning on or after**
- IFRS 9 Financial Instruments	January 01, 2018
- IFRS 14 Regulatory Deferral Accounts	January 01, 2016
- IFRS 15 Revenue from Contracts with Customers	January 01, 2018
- IFRS 16 Leases	January 01, 2019
Amendments	
Accounting for acquisitions of interests in Joint Operations (Amendments to IFRS 11)	January 01, 2016
Clarification of Acceptable Methods of Depreciation and Amortisation (Amendments to IAS 16 and IAS 38)	January 01, 2016
Agriculture: Bearer plants (Amendments to IAS 16 and IAS 41)	January 01, 2016
Equity Method in Separate Financial Statements (Amendments to IAS 27)	January 01, 2016
Annual Improvements to IFRSs 2012-2014 Cycle – various standards	January 01, 2016
Disclosure Initiative (Amendments to IAS 1)	January 01, 2016
Recognition of Deferred Tax Assets for Unrealised Losses (Amendments to IAS 12)	January 01, 2017
Disclosure Initiative (Amendments to IAS 7)	January 01, 2017
Clarification and Measurement of Share-based Payment Transactions (Amendments to IFRS 2)	January 01, 2018

4. Changes in accounting policy and disclosures (continued)

4.1 Accounting Standards and Interpretations Issued but not yet effective (continued)

Where the standards and interpretations may have an impact at a future date,they have been discussed below:

New or revised standards

IFRS 9 Financial Instruments - Classification and measurement of financial assets, Accounting for financial liabilities and derecognition - Effective 1 January 2018

In July 2014, the IASB issued the final version of IFRS 9 Financial Instruments which reflects all phases of the financial instruments project and replaces IAS 39 Financial Instruments: Recognition and Measurement and all previous versions of IFRS 9. The standard introduces new requirements for classification and measurement, impairment, and hedge accounting. IFRS 9 is effective for annual periods beginning on or after January 01, 2018, with early application permitted. Except for hedge accounting, retrospective application is required but comparative information is not compulsory. For hedge accounting, the requirements are generally applied prospectively, with some limited exceptions.

IFRS 9 introduces new requirements for classifying and measuring financial assets, as follows:

Classification and measurement of financial assets

All financial assets are measured at fair value on initial recognition, adjusted for transaction costs if the instrument is not accounted for at fair value through profit or loss (FVTPL).

Debt instruments are subsequently measured at FVTPL, amortised cost or fair value through other comprehensive income (FVOCI), on the basis of their contractual cash flows and the business model under which the debt instruments are held. There is a fair value option (FVO) that allows financial assets on initial recognition to be designated as FVTPL if that eliminates or significantly reduces an accounting mismatch. Equity instruments are generally measured at FVTPL. However, entities have an irrevocable option on an instrument-by-instrument basis to present changes in the fair value of non-trading instruments in other comprehensive income (OCI) (without subsequent reclassification to profit or loss).

Classification and measurement of financial liabilities

For financial liabilities designated as FVTPL using the FVO, the amount of change in the fair value of such financial liabilities that is attributable to changes in credit risk must be presented in OCI. The remainder of the change in fair value is presented in profit or loss, unless presentation of the fair value change in respect of the liability's credit risk in OCI would create or enlarge an accounting mismatch in profit or loss. All other IAS 39 Financial Instruments: Recognition and Measurement classification and measurement requirements for financial liabilities have been carried forward into IFRS 9, including the embedded derivatives separation rules and the criteria for using the FVO.

4. Changes in accounting policy and disclosures (continued)

4.1 Accounting Standards and Interpretations Issued but not yet Effective (continued)

IFRS 9 Financial Instruments - Classification and measurement of financial assets, Accounting for financial liabilities and derecognition - Effective 1 January 2018 (continued)

Impairment
The impairment requirements are based in an expected credit loss (ECL) model that replaces the IAS 39 incurred loss model. The ECL model applies to: debt instruments accounted for at amortised cost or at FVOCI; most loan commitments; financial guarantee contracts; contracts assets under IFRS 15; and lease receivables under IAS 17 Leases. Entities are generally required to recognise within 12-months' or lifetime ECL, depending on whether there has been a significant increase in credit risk since initial recognition (or when the commitment or guarantee was entered into). For some trade receivables, the simplified approach may be applied whereby the lifetime expected credit losses are always recognised.

Hedge accounting
Hedge effectiveness testing is prospective, without the 80% to 125% bright line test in IAS 39 and depending on the hedge complexity can be qualitative. A risk component of a financial or non-financial instrument may be designated as the hedged item if the risk component is separately identifiable and reliably measurable.

The time value of an option, any forward element of a forward contract and any foreign currency basis spread, can be excluded from the designation as the hedging instrument and accounted for as costs of hedging. More designations of groups or items as the hedge item are possible, including layer designations and some net positions.

The application of IFRS 9 may change the measurement and presentation of many financial instruments, depending on their contractual cash flows and business model under which they are held. The impairment requirements will generally result in earlier recognition of credit losses. The new hedging model may lead to more economic hedging strategies meeting the requirements for hedge accounting.

The impact of the new standard is currently being assessed.

4. Changes in accounting policies and disclosures (continued)

4.1 Accounting Standards and Interpretations Issued but not yet effective (continued)

Amendments

Accounting for Acquisitions of Interests in Joint Operations (Amendments to IFRS 11) – effective 1 January 2016

Amends IFRS 11 Joint Arrangements require an acquirer of an interest in a joint operation in which the activity constitutes a business (as defined in IFRS 3 Business Combinations) to:

- Apply all of the business combinations accounting principles in IFRS 3 and other IFRSs , except for those principles that conflict with the guidance in IFRS 11; and
- Disclose the information required by IFRS 3 and other IFRSs for business combinations.

The amendments apply both to the initial acquisition of an interest in joint operation, and the acquisition of an additional interest in a joint operation (in the latter case, previously held interests are not remeasured).

The amendment will not have an impact since the Company does not have any interests in joint operations.

IFRS 14 Regulatory Deferral Accounts

IFRS 14 is an optional standard that allows an entity, whose activities are subject to rate-regulation, to continue applying most of its existing accounting policies for regulatory deferral account balances upon its first-time adoption of IFRS. Entities that adopt IFRS 14 must present the regulatory deferral accounts as separate line items on the statement of financial position and present movements in these account balances as separate line items in the statement of profit or loss and other comprehensive income. The standard requires disclosures on the nature of, and risks associated with, the entity's rate-regulation and the effects of that rate-regulation on its financial statements. IFRS 14 is effective for annual periods beginning on or after January 01, 2016. Since the Company is an existing IFRS preparer, this standard would not apply.

IFRS 15 Revenue from Contracts with Customers

IFRS 15 was issued in May 2014 and establishes a new five-step model that will apply to revenue arising from contracts with customers. Under IFRS 15 revenue is recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer. The principles in IFRS 15 provide a more structured approach to measuring and recognising revenue.

4. Changes in accounting policy and disclosures (continued)

4.1 Accounting Standards and Interpretations Issued but not yet effective (continued)

IFRS 15 Revenue from Contracts with Customers (continued)
The new revenue standard is applicable to all entities and will supersede all current revenue recognition requirements under IFRS. Either a full or modified retrospective application is required for annual periods beginning on or after January 01, 2018 with early adoption permitted. The Company is currently assessing the impact of IFRS 15 and plans to adopt the new standard on the required effective date.

IFRS 16 Leases
IFRS 16 was published in January 2016. It sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract, ie the customer ('lessee') and the supplier ('lessor'). IFRS 16 replaces the previous leases standard, IAS 17 Leases, and related Interpretations. IFRS 16 has one model for lessees which will result in almost all leases being included on the Statement of Financial position. No significant changes have been included for lessors.

The standard is effective for annual periods beginning on or after January 01, 2019, with early adoption permitted only if the entity also adopts IFRS 15. The transitional requirements are different for lessees and lessors. The Company is assessing the potential impact on the financial statements resulting from the application of IFRS 16.

Amendments to IAS 16 and IAS 38: Clarification of Acceptable Methods of Depreciation and Amortisation
The amendments clarify the principle in IAS 16 and IAS 38 that revenue reflects a pattern of economic benefits that are generated from operating a business (of which the asset is part) rather than the economic benefits that are consumed through use of the asset. As a result, a revenue-based method cannot be used to depreciate property, plant and equipment and may only be used in very limited circumstances to amortise intangible assets. The amendments are effective prospectively for annual periods beginning on or after January 01, 2016, with early adoption permitted. These amendments are not expected to have any impact to the Company given that the Company has not used a revenue-based method to depreciate its non-current assets.

Agriculture: Bearer Plants (Amendments to IAS 16 and IAS 41) - Effective 1 January 2016

Amendments to IAS 16 Property, Plant and Equipment and IAS 41 Agriculture to:

• Include 'bearer plants' within the scope of IAS 16 rather than IAS 41, allowing such assets to be accounted for a property, plant and equipment and measured after initial recognition on a cost or revaluation basis in accordance with IAS 16;

4. Changes in accounting policy and disclosures (continued)

4.1 Accounting Standards and Interpretations Issued but not yet Effective (continued)

Agriculture: Bearer Plants (Amendments to IAS 16 and IAS 41) (continued)

- Introduce a definition of 'bearer plants' as a living plant that is used in the production or supply of agricultural produce, is expected to bear produce or more than one period and has a remote likelihood of being sold as agricultural produce, except for incidental scrap sales; and
- Clarify that produce growing on bearer plants remains within the scope of IAS 41.

The amendment will not have an impact as the Company does not recognise 'bearer plants'.

Amendments to IAS 27: Equity Method in Separate Financial Statements

The amendments will allow entities to use the equity method to account for investments in subsidiaries, joint ventures and associates in their separate financial statements. Entities already applying IFRS and electing to change to the equity method in its separate financial statements will have to apply that change retrospectively. For first-time adopters of IFRS electing to use the equity method in its separate financial statements, they will be required to apply this method from the date of transition to IFRS. The amendments are effective for annual periods beginning on or after January 01, 2016, with early adoption permitted.

Annual Improvements to IFRSs 2012-2014 Cycle – various standards

The IASB's annual improvements provide a streamlined process for dealing efficiently with a collection of non-urgent amendments to IFRS. This new cycle of improvements contains amendments to the following four standards.

• IFRS 5 Non-current Assets Held for Sale and Discontinued Operations
- Changes in method for disposal

• IFRS 7 Financial Instruments: Disclosures
-Continuing involvement' for servicing contracts
-Offsetting disclosures in condensed

• IAS 19 Employee Benefits
-Discount rate in a regional market sharing

• IAS 34 Interim Financial Reporting
-Disclosure of information 'elsewhere in the interim financial report'

Disclosure Initiative (Amendments to IAS 1)

The amendments provide additional guidance on the application of materiality and aggregation when preparing financial statements. The amendments also clarify presentation principles applicable to of the order of notes, OCI of equity accounted investees and subtotals presented in the statement of financial position and statement of profit or loss and other comprehensive income.

4. Changes in accounting policy and disclosures (continued)

4.1 Accounting Standards and Interpretations Issued but not yet Effective (continued)

Disclosure Initiative (Amendments to IAS 1) (continued)

The amendments apply for annual periods beginning on or after January 01, 2016 and early application are permitted.

Recognition of Deferred Tax Assets for Unrealised Losses (Amendments to IAS 12)

Amends IAS 12 Income Taxes to clarify the following aspects:

• Unrealised losses on debt instruments measured at fair value and measured at cost for tax purposes give rise to a deductible temporary difference regardless of whether the debt instrument's holder expects to recover the carrying amount of the debt instrument by sale or by use;

• The carrying amount of an asset does not limit the estimation of probable future taxable profits;

• Estimates for future taxable profits exclude tax deductions resulting from the reversal of deductible temporary ;

• An entity assesses a deferred tax asset in combination with other deferred tax assets. Where tax laws restricts the utilisation of tax losses, an entity would assess a deferred tax asset in combination with other deferred tax assets of the same type;

The Company is still assessing the impact of this new standard, but it is not expected to have a significant effect on financial position of the Company.

Disclosure Initiative (Amendments to IAS 7)

Amends IAS 7 Statement of Cash Flows to clarify that entities shall provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities.

The Company is still evaluating the effect of these new or revised standard and interpretations on the presentation of its financial statements.

Classification and Measurement of Share-based Payment Transactions (Amendments to IFRS 2) - effective 1 January 2018

IASB has issued amendments to IFRS 2 Share-based Payment in relation to the classification and measurement of share-based payment transactions. The amendments are intended to eliminate diversity in practice in three main areas:

• The effects of vesting conditions on the measurement of a cash-settled share based payment transaction.

• The classification of a share-based payment transaction with net settlement features for withholding tax obligations.

• The accounting where a modification to the terms and conditions of a share-based payment transaction changes its classification from cash-settled to equity-settled.

The Company is assessing the impact of this new standard.

5. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The Company makes estimates and judgements that affect the reported amounts of assets and liabilities within the next year. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Determination of functional currency

The determination of the functional currency of the Company is critical since recording of transactions and exchange differences arising therefrom are dependent on the functional currency selected. The directors have considered those factors and have determined that the functional currency of the Company is the United States Dollar (USD).

6. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

In its ordinary operations, the Company is exposed to various financial risks. Details of those risks are set out below:

Financial risk factors

The Company's activities expose to a variety of financial risks: market risk (including interest rate risk and currency risk), credit risk and liquidity risk. The Company's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Company's financial performance.

Market risk

Interest rate risk

The Company's income and operating cash flows are to a large extent independent of changes in market interest rates. The Company's interest earning financial assets include cash and cash equivalents. Interest income on cash at bank may fluctuate in amount, in particular due to changes in market interest rates. The amount involved is considered to be insignificant and no sensitivity analysis has been done.

Currency risk

The Company does not transacts in financial assets and liabilities denominated in foreign currencies. Consequently, the Company is not exposed to the risks of foreign exchange rates which may have a material effect on the value of the Company's assets and liabilities denominated in its reporting currency.

6. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

Credit risk

The Company takes on exposure to credit risk, which is the risk that a counterparty will be unable to pay amounts in full when due. The Company's main credit risk concentration is its deposit on investment and cash and cash equivalents.

With respect to credit risk arising from financial assets which comprise of cash and cash equivalents, the Company's exposure to credit risk arises from the default of the counterparty, with a maximum exposure equal to the carrying amount of these financial assets.

The financial assets are neither past due nor impaired at the reporting date.

The cash and cash equivalents are maintained with a reputable bank.

Liquidity risk

The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of related party loans. However liquidity risk, if any, is managed through the financial support of the shareholders.

At the year end, the directors did not consider there to be any significant liquidity risk.

The table below summarises the maturity profile of the Company's financial liabilities at 31 December based on contractual undiscounted payments:

	Within 1	Total	Within 1	Total
	2017	2017	2016	2016
	USD	USD	USD	USD
Other payables	7,150	7,150	1,150	1,150

Fair values of financial instruments

Except where otherwise stated, the fair values of the Company's financial assets and liabilities approximate their carrying amounts.

6.2 Capital risk management

The Company's primary objectives when managing capital are to safeguard the Company's ability to continue as a going concern. The Company's capital stucture is regularly reviewed and managed with due regard to the capital manangement practices of the Company. Adjustments are made to the capital stucture in light of changes in economic conditions affecting the Company, to the extent that these do not conflict with the directors' fiduciary duties towards the Company or the requirements of local regulation.

6.3 Fair value measurement hierarchy

Fair value measurements of financial instruments can be grouped into level 1 to 3 based on the degree to which the fair value is observable, namely:

Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 fair value measurements are those derived from inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset that are not based on observable market data.

7. TAXATION

Under current laws and regulations, the Company is liable to pay income tax on its net income at a rate of 15%. The Company is however entitled to a tax credit equivalent to the higher of actual foreign tax suffered or 80% of Mauritius tax payable in respect of its foreign source income tax thus reducing its maximum effective tax rate to 3%.

In the absence of a permanent establishment in India, the Company should not be subject to capital gains tax in India on the sale or redemption of securities.

For the year under review, the Company had cumulative tax losses carried forward of USD 61,116 (2016: USD 60,757) which can be carried forward to offset against taxable income.

A numerical reconciliation of the expected tax with the actual tax charge is presented below:

	2017	2016
	USD	USD
Loss for the year	(11,966)	(16,252)
Tax at statutory rate	(1,795)	(2,438)
Effect of deemed tax credit	1,436	1,950
Tax losses for which no deferred tax asset was recognised	359	488
Tax charge	-	-

8. INVESTMENTS IN SUBSIDIARY- AT COST

	2017	2016
	USD	USD
UNQUOTED-UPET (SINGAPORE) PTE LTD		
At 31 March 2017	**38,181,821**	38,181,821

The Company has taken advantage of paragraph 4 of IFRS 10 provides an exemption that a parent need not present consolidated financial statments if the entity meets the criteria in paragraph 4 (a) of IFRS 10. Uflex Limited is the Holding Company and is incorporated in India having registered address 305, 3rd Floor, Bhonot Corner, Pamposh Enclave, Greater Kailash-I, New Delhi-110048.

The inputs used in determining fair value of the investment in subsidiary is categorised into level 3. The investment in subsidiaries are denominated in US Dollar.

Investment consists of unquoted shares in a wholly owned subsidiary in Singapore.

a) **Details of investment in subsidiary are given below:**

	2017/ 2016
Class of Shares	Ordinary
% Holding	100%
Country of incorporation	Singapore
No of shares	38,200,073
Activity	Investment holdings

b) **Summarised financial information in respect of the subsidiary for the year ended 31 March 2017/ 2016 is set out as below:**

(i) Summarised statement of Financial position and statement of profit or loss and other comprehensive income:

Name of Company	Current assets	Non-current assets	Current liabilities	Revenue	Loss for the year	Total comprehensive loss for the year
	USD	USD	USD	USD	USD	USD
2017						
Upet (Singapore) Pte. Ltd.	119,827	38,047,847	9,374	-	(4,803)	(4,803)
2016						
Upet (Singapore) PTE. Ltd.	122,146	38,047,847	6,890	-	(4,974)	(4,974)

UPET (Singapore) Pte Ltd holds 100% ordinary shares in FLEX AMERICAS SA DE CV. The latter has total assets of USD 86,710,167 and total liabilities of USD 45,871,657. The revenue amounts to USD 82,445,829 and profit for the year amounts to USD 4,764,975. UPET Holdings Limited regards UPET (Singapore) Pte Ltd and FLEX AMERICAS SA DE CV as cash generating units (CGUs). Management has made an assessment and have determine that the recoverable amount approximate the carrying amount of the investment in subsidiary. As a result, there is no impairment.

b) Summarised financial information in respect of the subsidiary for the year ended 31 March 2017/ 2016 is set out as below (continued):

(ii) Summarised cash flow information for the year ended 31 March 2017/2016:

	Operating activities USD	Investing activities USD	Financing activities USD	Net decrease in cash and cash equivalents USD
2017				
Upet (Singapore) pte. Ltd.	(4,965)	-	2,646	(2,319)
2016				
Upet (Singapore) pte. Ltd.	(4,884)	-	-	(4,884)

The financial year-end of UPET (Singapore) Pte Ltd is 31 March 2017. Management account as at 31 March 2017 has been used and adjusted for significant transactions.

9. OTHER RECEIVABLES

	2017 USD	2016 USD
Prepayments	637	6,678

Other receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment on other receivbles.

10. CASH AND CASH EQUIVALENTS

	2017 USD	2016 USD
Cash at bank	93,889	93,814

11. STATED CAPITAL

	2017 USD	2016 USD
Issued and fully paid		
38,400,001 Ordinary shares of USD 1 Each	38,400,001	38,400,001

12. OTHER PAYABLES

	2017 USD	2016 USD
Other payables	4,850	-
Accruals	2,300	1,150
	7,150	1,150

Other payables are stated at their fair value and subsequently measured at amortised cost using the effective interest method.

13. HOLDING COMPANY

The directors consider UFLEX Limited, a Company incorporated in India as the holding Company.The shareholding of UFLEX Limited in the Company is 63.1% as at 31 March 2017. The remaining shareholding is 36.9% are held by Flex Middle East FZE as at 31 March 2017.

14. RELATED PARTY TRANSACTIONS

During the year ended 31 March 2017, the Company transacted with related entities at arm's length. The nature, volume of transactions and the balances with the entity is as follows:

Name of entities	Relationship	Details	2017	2016
			USD	USD
Balances				
UPET (SINGAPORE) PTE LTD	Subsidiary	Investments	**38,181,821**	38,181,821

15. EVENTS AFTER THE REPORTING YEAR

There have been no material events after the reporting date which would require disclosure or adjustments to the financial statements for the year ended 31 March 2017.