Company Registration No.: 200104404H

TIL OVERSEAS PTE LTD
(Incorporated in Singapore)

FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2019

TIL OVERSEAS PTE LTD
(Incorporated in Singapore)

FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2019

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TIL OVERSEAS PTE LTD
(Incorporated in Singapore)

GENERAL INFORMATION

Directors

Aloke Banerjee
Sumit Mazumder
Seow Yoke Chan

Company Secretary

Chek Chooi Ling

Registered Office

137 Telok Ayer Street
#05-04
Singapore 068602

Independent Auditor

JBS Practice PAC

TIL OVERSEAS PTE LTD
(Incorporated in Singapore)

DIRECTORS' STATEMENT

The directors are pleasured to present their statement to the member together with the audited financial statements of TIL OVERSEAS PTE LTD (the "Company") for the financial year ended 31 March 2019.

OPINION OF THE DIRECTORS

In the opinion of the directors,

(a) the accompanying financial statements of the Company together with the notes thereto, are drawn up so as to give a true and fair view of the financial position of the Company as at 31 March 2019 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.

DIRECTORS

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

Aloke Banerjee
Sumit Mazumder
Seow Yoke Chan

ARRANGEMENTS TO ENABLE DIRECTORS TO ACQUIRE SHARES AND DEBENTURES

Neither at the end of nor at any time during the financial year was the Company a party to any arrangement whose object 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 AND DEBENTURES

According to the register of directors' shareholdings kept by the Company under the 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 no interests in shares or debentures of the Company and its related corporations, except as follows:

	Holdings registered in the name of director	
	At 01.04.2018	At 31.03.2019
Immediate and ultimate holding company		
TIL Limited		
Ordinary shares of 10 Rupees each fully paid		
Sumit Mazumder	86,360	767,447

TIL OVERSEAS PTE LTD
(Incorporated in Singapore)

DIRECTORS' STATEMENT (...CONT'D)

SHARE OPTIONS

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

No shares have been 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.

INDEPENDENT AUDITOR

The independent auditor, Messrs JBS Practice PAC, Public Accountants and Chartered Accountants, Singapore, has expressed its willingness to accept re-appointment.

On behalf of the Board of Directors

Sumit Mazumder
Director

Aloke Banerjee
Director

18 May 2019

INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF TIL OVERSEAS PTE LTD

(Incorporated in Singapore)

Report on the Audit of Financial Statements

We have audited the accompanying financial statements of TIL OVERSEAS PTE LTD (the "Company") as set out on pages 7 to 45, which comprise the statement of financial position as at 31 March 2019, 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 Singapore 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 2019 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 General Information set out on page 1, the Directors' Statement set out on pages 2 to 3, and the accompanying Schedule of Other Operating Expenses.

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.

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Company Registration No.: 201409251H

INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF TIL OVERSEAS PTE LTD (...CONT'D)
(Incorporated in Singapore)

Report on the Audit of Financial Statements (...cont'd)

Responsibilities of Management and Directors for the Financial Statements

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our 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:

(a) 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.

(b) 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.

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Company Registration No.: 201409251H

INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF TIL OVERSEAS PTE LTD (...CONT'D)
(Incorporated in Singapore)

Report on the Audit of Financial Statements (...cont'd)

Auditor's Responsibilities for the Audit of the Financial Statements (...cont'd)

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

(d) 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.

(e) 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.

JBS Practice PAC

JBS PRACTICE PAC
PUBLIC ACCOUNTANTS AND
CHARTERED ACCOUNTANTS

Singapore

18 May 2019

TIL OVERSEAS PTE LTD
(Incorporated in Singapore)

STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2019

	Note	2019 US$	2018 US$
ASSETS			
Current assets			
Cash and cash equivalents	4	1,195,732	2,796,013
Trade receivables	5	-	4,502
Other receivables	6	162,818	4,299,118
Inventories	7	11,380,835	7,225,038
		12,739,385	14,324,671
Non-current assets			
Financial assets, available-for-sale	8 (a)	-	549,908
Financial assets, at FVOCI	8 (b)	1,937,788	-
Property, plant and equipment	9	-	-
Deferred income tax asset	10	13,941	27,902
		1,951,729	577,810
Total assets		14,691,114	14,902,481
LIABILITIES			
Current liabilities			
Other payables	11	1,990,619	1,890,036
Contract liabilities	14	9,407,104	9,740,604
Total liabilities		11,397,723	11,630,640
NET ASSETS		3,293,391	3,271,841
SHAREHOLDER'S EQUITY			
Share capital	12	708,012	708,012
Reserves	13	2,585,379	2,563,829
TOTAL EQUITY		3,293,391	3,271,841

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

TIL OVERSEAS PTE LTD
(Incorporated in Singapore)

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR ENDED 31 MARCH 2019

	Note	2019 US$	2018 US$
REVENUE			
Sale of goods	14	750,583	-
Other income	15	444,498	137,808
		1,195,081	137,808
COSTS AND EXPENSES			
Purchases consumed	16	(714,838)	-
Carriage inward		(64,811)	(11,611)
Employee benefits expense	17	(26,944)	(27,457)
Other operating expenses	18	(344,489)	(26,637)
		(1,151,082)	(65,705)
Profit before income tax		43,999	72,103
Income tax expense	19	(13,961)	(166,133)
Net profit/(loss) for the year		30,038	(94,030)
Other comprehensive (loss)/income:			
Items that may be reclassified subsequently to profit or loss:			
Net changes in fair value of financial assets, available-for-sale – debt investments	13	-	12,217
Net changes in fair value of financial assets, at FVOCI – debt investment	13	(3,328)	-
Item that will not be reclassified subsequently to profit or loss:			
Net changes in fair value of financial assets, at FVOCI – equity investment		(5,160)	-
Other comprehensive (loss)/income for the year, net of tax		(8,488)	12,217
Total comprehensive income/(loss) for the year		21,550	(81,813)

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

TIL OVERSEAS PTE LTD
(Incorporated in Singapore)

STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2019

		Reserves		
	Share capital US$	Fair value reserve US$	Retained earnings US$	Total US$
2019				
Balance at 1 April 2018	708,012	229,217	2,334,612	3,271,841
Net profit for the year	-	-	30,038	30,038
Other comprehensive loss, net of tax	-	(8,488)	-	(8,488)
Total comprehensive income for the year	-	(8,488)	30,038	21,550
Balance at 31 March 2019	708,012	220,729	2,364,650	3,293,391
2018				
Balance at 1 April 2017	708,012	217,000	2,428,642	3,353,654
Net loss for the year	-	-	(94,030)	(94,030)
Other comprehensive income, net of tax	-	12,217	-	12,217
Total comprehensive loss for the year	-	12,217	(94,030)	(81,813)
Balance at 31 March 2018	708,012	229,217	2,334,612	3,271,841

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

TIL OVERSEAS PTE LTD
(Incorporated in Singapore)

STATEMENT OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2019

	Note	2019 US$	2018 US$
Operating activities:			
Profit before income tax		43,999	72,103
Adjustments for:			
Interest income	15	(110,938)	(117,359)
Operating cash flows before changes in working capital		(66,939)	(45,256)
Changes in working capital:			
Trade and other receivables		4,140,802	118,500
Advances to suppliers		-	7,225,039
Inventories		(4,155,797)	(7,225,038)
Other payables		100,583	(456,184)
Contract liabilities		(333,500)	-
Cash used in operations		(314,851)	(382,939)
Interest received		110,938	117,359
Net cash used in operating activities		(203,913)	(265,580)
Investing activities			
Purchase of financial assets, available-for-sale	8(a)	-	(2,795,691)
Purchase of financial assets, at FVOCI	8(b)	(1,396,368)	-
Redemption of financial assets, available-for-sale	8(a)	-	5,000,000
Net cash (used in)/generated from investing activities		(1,396,368)	2,204,309
Net (decrease)/increase in cash and cash equivalents		(1,600,281)	1,938,729
Cash and cash equivalents at the beginning of the financial year		2,796,013	857,284
Cash and cash equivalents at the end of the financial year	4	1,195,732	2,796,013

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

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

1. GENERAL INFORMATION

TIL Overseas Pte Ltd (the "Company") (Registration No. 200104404H) is incorporated and domiciled in Singapore. The Company's registered office and principal place of business are at 137 Telok Ayer Street, #05-04, Singapore 068602.

The principal activities of the Company are to carry on the business of importers and exporters of equipment and machinery parts in relation to the construction industry. There have been no significant changes in the nature of these activities during the financial year.

The financial statements of the Company for the financial year ended 31 March 2019 were authorised and approved by the directors for issuance on 18 May 2019.

2. SIGNIFICANT ACCOUNTING POLICIES

a) Basis of preparation

The financial statements have been prepared in accordance with Singapore Financial Reporting Standards ("FRS"). The financial statements which are expressed in United States dollars are prepared in accordance with the historical cost convention, except as disclosed in the accounting policies below.

In the current financial year, the Company has adopted all the new and revised FRSs and Interpretations of FRS ("INT FRS") that are mandatory for application beginning on or after 1 April 2018. The adoption of these new and revised FRSs and INT FRSs have no material effect on the financial statements.

Interpretations and amendments to published standards effective in 2018

The adoption of these new or amended FRS and INT FRS did not result in substantial changes to the Company's accounting policies and had no material effect on the amounts reported for the current or prior financial years except for the following:

2. SIGNIFICANT ACCOUNTING POLICIES (...CONT'D)

a) Basis of preparation (…cont'd)

Interpretations and amendments to published standards effective in 2018 (…cont'd)

i) *Adoption of FRS 109 Financial Instruments*

The Company has adopted the new standard retrospectively from 1 April 2018, in line with the transition provision permitted under the standards. Comparatives for financial year ended 2018 are not restated and the Company has recognised any difference between the carrying amounts at 31 March 2018 and 1 April 2018 in the opening retained earnings.

The accounting policies for financial instruments under FRS 109 are disclosed in Note 2.c.

The effects on adoption of FRS 109 are as follows:

	Note	Financial assets, available -for-sale (AFS) US$	Financial assets, at FVOCI (FVOCI) US$
Balances at 31 March 2018 before adoption of FRS 109		549,908	-
Reclassifying investment from AFS to FVOCI	(a)	(549,908)	549,908
Balances at 1 April 2018 after adoption of FRS 109		-	549,908

(a) Debt instruments reclassified from AFS to FVOCI

The Company has elected to recognise changes in fair values of all its debt instruments not held for trading and previously classified as AFS, in other comprehensive income. As a result, "Financial assets, available-for-sale" of S$549,908 were reclassified to "Financial assets, at FVOCI" on 1 April 2018.

2. SIGNIFICANT ACCOUNTING POLICIES (...CONT'D)

b) Currency translation

The financial statements of the Company are measured and presented in the currency of the primary economic environment in which the entity operates (its functional currency). The financial statements of the Company are presented in United States dollars, which is the functional currency of the Company.

In preparing the financial statements of the Company, monetary assets and liabilities in foreign currencies are translated into United States dollars at rates of exchange closely approximating to those ruling at the end of the reporting period and transactions in foreign currencies during the financial year are translated at rates ruling on transaction dates. 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. Exchange differences arising on the retranslation of non-monetary items carried at fair value are included in profit or loss except for differences arising on the retranslation of non-monetary items in respect of which gains and losses are recognised directly in other comprehensive income. For such non-monetary items, any exchange component of that gain or loss is also recognised directly in other comprehensive income.

c) Financial assets

The accounting for financial assets before 1 April 2018 are as follows:

(i) Classification

Financial assets are classified into the following specified categories: financial assets "at fair value through profit or loss", "loans and receivables", "held to maturity investments" and "available-for-sale" financial assets. The classification depends on the nature of the asset and the purpose for which the assets were acquired. Management determines the classification of its financial assets at initial recognition.

2. SIGNIFICANT ACCOUNTING POLICIES (...CONT'D)

c) Financial assets (...cont'd)

(i) Classification (...cont'd)

(a) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are presented as current assets, except for those maturing later than 12 months after the end of reporting date which are presented as non-current assets. Loans and receivables are presented as "cash and cash equivalents" and "trade receivables" on the statement of financial position.

(b) Financial assets, available-for-sale

Financial assets, available-for-sale are non-derivatives that are either designated in this category or not classified in any of the other categories. They are presented as non-current assets unless the investment matures or management intends to dispose of the assets within 12 months after the end of the reporting period.

(ii) Effective interest method

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

2. SIGNIFICANT ACCOUNTING POLICIES (...CONT'D)

c) Financial assets (...cont'd)

(iii) Recognition and derecognition

Regular way purchases and sales of financial assets are recognised on trade date – the date on which the Company commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Company has transferred substantially all risks and rewards of ownership. On disposal of a financial asset, the difference between the carrying amount and the sale proceeds is recognised in profit or loss.

(iv) Initial measurement

Loans and receivables are initially recognised at fair value plus transaction costs.

(v) Subsequent measurement

Loans and receivables are subsequently measured at amortised cost using the effective interest rate method less allowance for impairment.

(vi) Impairment

The Company assesses at the end of each reporting period whether there is objective evidence that a financial asset or a group of financial assets is impaired and recognises an allowance for impairment when such evidence arises.

Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy, and default or significant delay in payments are objective evidence that these financial assets are impaired.

The carrying amount of these assets is reduced through the use of an impairment allowance account which is calculated as the difference between the carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. When the asset becomes uncollectible, it is written-off against the allowance account. Subsequent recoveries of amounts previously written-off are recognised against the same line item in profit or loss.

2. SIGNIFICANT ACCOUNTING POLICIES (...CONT'D)

c) Financial assets (...cont'd)

(vi) Impairment (...cont'd)

The allowance for impairment loss account is reduced through profit or loss in a subsequent period when the amount of impairment loss decreases and the related decrease can be objectively measured. The carrying amount of the asset previously impaired is increased to the extent that the new carrying amount does not exceed the amortised cost had no impairment been recognised in prior periods.

The accounting for financial assets from 1 April 2018 under FRS 109 are as follows:

(vii) Classification and measurement

The Company classifies its financial assets in the following measurement categories:

- Amortised cost;
- Fair value through other comprehensive income (FVOCI); and
- Fair value through profit or loss (FVPL).

The classification depends on the Company's business model for managing the financial assets as well as the contractual terms of the cash flows of the financial asset.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

The Company reclassifies debt instruments when and only when its business model for managing those assets changes.

At initial recognition

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

2. SIGNIFICANT ACCOUNTING POLICIES (...CONT'D)

c) Financial assets (...cont'd)

(vii) Classification and measurement (...cont'd)

At subsequent measurement

(a) Debt instruments

Debt instruments mainly comprise of cash and cash equivalents and trade receivables.

There are three subsequent measurement categories, depending on the Company's business model for managing the asset and the cash flow characteristics of the asset:

• Amortised cost: Debt instruments that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt instrument that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in interest income using the effective interest rate method.

• FVOCI: Debt instruments that are held for collection of contractual cash flows and for sale, and where the assets' cash flows represent solely payments of principal and interest, are classified as FVOCI. Movements in fair values are recognised in Other Comprehensive Income (OCI) and accumulated in fair value reserve, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses, which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and presented in "other gains and losses". Interest income from these financial assets is recognised using the effective interest rate method and presented in "interest income".

• FVPL: Debt instruments that are held for trading as well as those that do not meet the criteria for classification as amortised cost or FVOCI are classified as FVPL. Movement in fair values and interest income is recognised in profit or loss in the period in which it arises and presented in "other gains and losses".

2. SIGNIFICANT ACCOUNTING POLICIES (...CONT'D)

c) Financial assets (...cont'd)

(vii) Classification and measurement (...cont'd)

At subsequent measurement (...cont'd)

(b) Equity investments

The Company subsequently measures all its equity investments at their fair values. Equity investments are classified as FVPL with movements in their fair values recognised in profit or loss in the period in which the changes arise and presented in "other gains and losses", except for those equity securities which are not held for trading. The Company has elected to recognise changes in fair value of equity securities not held for trading in other comprehensive income as these are strategic investments and the Company considers this to be more relevant. Movements in fair values of investments classified as FVOCI are presented as "fair value gains/losses" in Other Comprehensive Income. Dividends from equity investments are recognised in profit or loss as "dividend income".

(viii) Impairment

The Company assesses on a forward looking basis the expected credit losses associated with its debt financial assets carried at amortised cost and FVOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 22 details how the Company determines whether there has been a significant increase in credit risk.

For trade receivables, the Company applies the simplified approach permitted by the FRS 109, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

(ix) Recognition and derecognition

Regular way purchases and sales of financial assets are recognised on trade date – the date on which the Company commits to purchase or sell the asset.

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Company has transferred substantially all risks and rewards of ownership.

2. SIGNIFICANT ACCOUNTING POLICIES (...CONT'D)

c) Financial assets (…cont'd)

(ix) Recognition and derecognition (...cont'd)

On disposal of a debt instrument, the difference between the carrying amount and the sale proceeds is recognised in profit or loss. Any amount previously recognised in other comprehensive income relating to that asset is reclassified to profit or loss.

On disposal of an equity investment, the difference between the carrying amount and sales proceed is recognised in profit or loss if there was no election made to recognise fair value changes in other comprehensive income. If there was an election made, any difference between the carrying amount and sales proceed amount would be recognised in other comprehensive income and transferred to retained profits along with the amount previously recognised in other comprehensive income relating to that asset.

Trade receivables that are factored out to banks and other financial institutions with recourse to the Company are not derecognised until the recourse period has expired and the risks and rewards of the receivables have been fully transferred. The corresponding cash received from the financial institutions is recorded as borrowings.

d) Offsetting of financial instruments

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

e) Cash and cash equivalents

Cash and cash equivalents comprise cash at bank that are readily convertible to known amount of cash and which are subject to an insignificant risk of change in value.

f) Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined using the weighted average method. The cost of inventories comprises all costs of purchase and other costs incurred in bringing the inventories to their present location and condition. Net realisable value is the price at which the inventories can be realised in the normal course of business after allowing for the costs of realisation.

2. SIGNIFICANT ACCOUNTING POLICIES (...CONT'D)

g) Property, plant and equipment

(i) Measurement

Property, plant and equipment are initially recognised at cost and subsequently carried at cost less accumulated depreciation and accumulated impairment losses.

(ii) Components of costs

The cost of an item of property, plant and equipment initially recognised includes its purchase price and any cost that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

(iii) Depreciation

Depreciation on property, plant and equipment is calculated using the straight-line method to allocate their depreciable amounts over their estimated useful lives. The annual rates of depreciation are as follows:

Computers	25%
Furniture and fittings	20%
Office equipment	25%

The residual values, estimated useful lives and depreciation method of property, plant and equipment are reviewed, and adjusted as appropriate, at the end of each reporting period. The effects of any revision are recognised in profit or loss when the changes arise. Full depreciated property, plant and equipment are retained in the financial statements until they are no longer in use.

(iv) Subsequent expenditure

Subsequent expenditure relating to property, plant and equipment that has already been recognised is added to the carrying amount of the asset only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repair and maintenance expenses are recognised in profit or loss when incurred.

2. SIGNIFICANT ACCOUNTING POLICIES (...CONT'D)

g) Property, plant and equipment (...cont'd)

(v) Disposal

On disposal of an item of property, plant and equipment, the difference between the disposal proceeds and its carrying amount is recognised in profit or loss. Any revaluation measures relating to the asset are transferred to other comprehensive income.

h) Impairment of non-financial asset

Property, plant and equipment

Property, plant and equipment is tested for impairment whenever there is any objective evidence or indication that this asset may be impaired.

For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash inflows that are largely independent of those from other assets. If this is the case, the recoverable amount is determined for the cash generating unit ("CGU") to which the asset belongs

If the recoverable amount of the asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount.

The difference between the carrying amount and recoverable amount is recognised as an impairment loss in profit or loss. An impairment loss for an asset is reversed if, and only if, there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. The carrying amount of an asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortisation or depreciation) had no impairment loss been recognised for the asset in prior years.

A reversal of impairment loss for an asset is recognised in profit or loss.

2. SIGNIFICANT ACCOUNTING POLICIES (...CONT'D)

i) Financial liabilities

Financial liabilities comprise of other payables.

Financial liabilities are initially measured at fair value net of transaction costs and subsequently measured at amortised cost, using the effective interest method.

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled and expired. The difference between the carrying amount and the consideration paid is recognised in profit or loss.

j) Provisions

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, and it is more likely than not that an outflow of resources will be required to settle the obligation and the amount has been reliably estimated.

k) Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issuance of new ordinary shares are deducted against the share capital account.

l) Revenue recognition

These accounting policies are applied before the initial application date of FRS 115, 1 April 2018:

Revenue comprises the fair value of the consideration received or receivable for the sale of goods and rendering of services in the ordinary course of the Company's activities. Revenue is presented, net of goods and services tax, rebates and discounts.

The following specific recognition criteria must also be met before revenue are recognised:

i) Revenue from the sale of goods is recognised upon passage of title to the customer, which generally coincides with their delivery and acceptance of the goods sold.

ii) Interest income is recognised using the effective interest method.

2. SIGNIFICANT ACCOUNTING POLICIES (...CONT'D)

l) Revenue recognition (…cont'd)

These accounting policies are applied on and after the initial application date of FRS 115, 1 January 2018:

Revenue is measured based on the consideration to which the Company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

Revenue is recognised when the Company satisfies a performance obligation by transferring a promised goods or service to the customer, which is when the customer obtains control of the goods or service. A performance obligation may be satisfied at a point in time or over time.

The following specific recognition criteria must also be met before revenue are recognised:

i) Sales are recognised when the goods are delivered to and accepted by the customer. Upon accepting delivery, the customer has full control over the goods, and these is no unfulfilled obligation on the part of the Company. The risks of the obsolescence and loss have been transferred to the customer upon his acceptance of the goods. No element of financing is deemed present at the sales are made within the credit term, which is consistent with the market practice.

   Income from the sale of goods is recognised at point in time when the goods are delivered to customers and the performance obligation has been satisfied.

ii) Interest income is recognised using the effective interest method.

m) Income tax

Current income tax for current and prior periods is recognised at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.

Deferred income tax is recognised for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements except when it affects neither the taxable profit nor the accounting profit at the time of the transaction.

2. SIGNIFICANT ACCOUNTING POLICIES (...CONT'D)

m) Income tax (...cont'd)

A deferred income tax liability is recognised for all taxable temporary differences arising o property, plant and equipment, except where the Company is able to control the timing of the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

A deferred income tax asset is recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilised.

Deferred income tax is measured:

(i) at the tax rates that are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled, based on the tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period; and

(ii) based on the tax consequence that will follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amounts of its assets and liabilities.

Current and deferred income taxes are recognised as income or expense in profit or loss except when they relate to items credited or debited outside profit or loss (either in other comprehensive income or directly in equity), in which case the tax is also recognised outside profit or loss (either in other comprehensive income or directly in equity, respectively).

n) Employee benefits

Employee benefits are recognised as an expense.

Defined contribution plan

Defined contribution plans are post-employment benefit plans under which the Company pays fixed contributions into separate entities such as the Central Provident Fund ("CPF") on a mandatory, contractual or voluntary basis. The Company has no further payment obligations once the contributions have been paid.

2. SIGNIFICANT ACCOUNTING POLICIES (...CONT'D)

o) Related parties

A related party is defined as follows:

(i) A person or a close member of that person's family is related to the Company if that person:

(a) Has control or joint control over the Company;

(b) Has significant influence over the Company; or

(c) Is a member of the key management personnel of the Company or of a parent of the Company.

(ii) An entity is related to the Company if any of the following conditions applies:

(a) 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);

(b) 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);

(c) Both entities are joint ventures of the same third party;

(d) One entity is a joint venture of a third entity and the other entity is an associate of the third entity;

(e) 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;

(f) The entity is controlled or jointly controlled by a person identified in (i);

(g) A person identified in (i)(a) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity); or

2. SIGNIFICANT ACCOUNTING POLICIES (...CONT'D)

o) Related parties (...cont'd)

(ii) An entity is related to the Company if any of the following conditions applies (...cont'd):

(h) The entity, or any member of a group of which it is a part, provides key management personnel services to the Company or to the parent of the Company.

3. CRITICAL ACCOUNTING ESTIMATES, ASSUMPTIONS AND JUDGEMENTS

The presentation of financial statements in conforming with FRS requires the use of certain critical accounting estimates, assumptions and judgement in applying the accounting policies. These estimates, assumptions and judgement 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. Actual results may differ from these estimates.

The following are the critical accounting estimates, assumptions and judgement for preparation of financial statements:

(a) Critical judgements in applying the entity's accounting policies

In the process of applying the Company's accounting policies which are described in Note 2 above, management is of the opinion that there are no critical judgements involved, apart from those involving estimations that have a significant effect on the amounts recognised in the financial statements.

(b) Key sources of estimation uncertainty

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

3. CRITICAL ACCOUNTING ESTIMATES, ASSUMPTIONS AND JUDGEMENTS (...CONT'D)

(b) Key sources of estimation uncertainty (...cont'd)

(i) Loss allowance for impairment of trade and other receivables

Management determines the expected loss arising from default for trade receivables by categorised them based on its historical loss pattern, historical payment profile as well as credit risk profile of customer.

Notwithstanding the above, the Company evaluates the expected credit loss on customers in financial difficulties separately. There is no customer in financial difficulties during the financial year.

Based on the management's assessment, the Company does not have trade receivables that are subjected to ECLs as at the balance sheet date.

(ii) Impairment of non-financial asset

The carrying amounts of the Company non-financial assets subject to impairment are reviewed at each balance sheet date to determine whether there is any indication of impairment. If such indication exists, the asset's recoverable amount is estimated based on the higher of the value in use and the asset's fair value less cost of disposal. Estimating the value in use requires the Company to make an estimate of the expected future cash flows from the continuing use of the assets and also to choose a suitable discount rate in order to calculate the present value of those cash flows, both of which require significant judgement.

(iii) Income taxes

Significant assumptions are required in determining the deductibility of certain expenses during the estimation of the computation of income tax expense. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Company recognises liabilities for anticipated tax issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recognised, such differences will impact the current income tax and deferred tax computations in the year in which such determination is made.

3. CRITICAL ACCOUNTING ESTIMATES, ASSUMPTIONS AND JUDGEMENTS (...CONT'D)

(b) Key sources of estimation uncertainty (...cont'd)

(iv) Inventory valuation method

Management reviews the Company's inventory levels, ageing and turnover ratio in order to identify the value of the slow-moving and obsolete items in accordance with the Company's policy and to identify the items which have a market price that is lower than its carrying amount. Management then estimates the amount of inventory loss as allowance on inventory. The carrying amounts of the Company's inventories are disclosed in Note 7 to the financial statements.

4. CASH AND CASH EQUIVALENTS

	2019 US$	2018 US$
Cash at banks	1,195,732	2,796,013

Cash and cash equivalents are denominated in the following currencies:

	2019 US$	2018 US$
United States dollars	1,140,474	2,538,680
Singapore dollars	55,258	257,333
	1,195,732	2,796,013

5. TRADE RECEIVABLES

	2019 US$	2018 US$
Trade receivables:		
Trade debtors – third parties	-	4,502

Trade receivables are recognised at their original invoiced amounts which represent their fair values on initial recognition. The trade receivables are considered to be of short duration and are not discounted and the carrying values are assumed to approximate their fair values.

Trade receivables are non-interest bearing. Credit terms are in accordance with the contracts or agreements with the customers.

Trade receivables are denominated in United States dollars.

6. OTHER RECEIVABLES

	2019 US$	2018 US$
Advance to third party	162,818	-
Advance to holding company	-	4,299,118
	162,818	4,299,118

7. INVENTORIES

	2019 US$	2018 US$
Spare parts	11,380,835	7,225,038

The cost of inventories recognised as an expense and included in the "purchases consumed" amounted to US$714,838 (2018: US$Nil) (Note 16).

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2019 (...CONT'D)

8(a) FINANCIAL ASSETS, AVAILABLE-FOR-SALE

	2019 US$	2018 US$
Balance at beginning of the year	549,908	2,742,000
Additions	-	2,795,691
Disposal	-	(5,000,000)
Fair value gain (Note 13)	-	12,217
Reclassification at 1 April 2018 (Note 2.a(i))	(549,908)	-
Balance at end of the year	-	549,908

Financial assets, available for-sale are denominated in United States dollars.

8(b) FINANCIAL ASSETS, AT FVOCI

	2019 US$	2018 US$
Balance at beginning of the year	-	-
Reclassification at 1 April 2018 (Note 2.a(i))	549,908	-
Additions	1,396,368	-
Fair value loss (Note 13)	(8,488)	-
Balance at end of the year	1,937,788	-

The Company has designated its debt investments previously classified as financial assets, available-for-sale in financial year ended 31 March 2018, to be measured as fair value through other comprehensive income ("FVOCI") as at 1 April 2018. The Company intends to hold this investment for long-term for appreciation in value as well as strategic investment purposes.

Financial assets, at FVOCI are denominated in United States dollars.

9. PROPERTY, PLANT AND EQUIPMENT

	Computers US$	Furniture and fittings US$	Office equipment US$	Total US$
2019				
Cost				
As at 1 April 2018 and 31 March 2019	4,134	37,719	2,550	44,403
Accumulated depreciation				
As at 1 April 2018 and 31 March 2019	4,134	37,719	2,550	44,403
Carrying amount				
At 31 March 2019	-	-	-	-
2018				
Cost				
As at 1 April 2017 and 31 March 2018	4,134	37,719	2,550	44,403
Accumulated depreciation				
As at 1 April 2017 and 31 March 2018	4,134	37,719	2,550	44,403
Carrying amount				
At 31 March 2018	-	-	-	-

10. DEFERRED INCOME TAX

The following are the deferred income tax asset recognised by the Company, and the movements thereon, during the prior reporting periods:

	2019 US$	2018 US$
Deferred income tax asset		
Taxable losses during the financial year:		
Balance at beginning of the year	27,902	194,035
Transfer to profit or loss (Note 19)	(13,961)	(166,133)
Balance at end of the year	13,941	27,902

11. OTHER PAYABLES

	2019 US$	2018 US$
Accrual expenses	74,637	15,659
Advance to third party	1,874,377	1,874,377
Amount owing to holding company	41,605	-
	1,990,619	1,890,036

Other payables are unsecured, no interest bearing and repayable on demand.

Amount owing to holding company is non-trade in nature, non-interest bearing, unsecured and repayable on demand.

Other payables are denominated in the following currencies.

	2019 US$	2018 US$
United States dollars	1,915,982	1,874,377
Singapore dollars	74,637	15,659
	1,990,619	1,890,036

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2019 (...CONT'D)

12. SHARE CAPITAL

	2019	2018	2019	2018
	Number of ordinary shares		US$	US$
Issued				
At the beginning and end of the financial year	107,577	107,577	708,012	708,012

All issued ordinary shares are fully paid. There is no par value for these ordinary shares.

The holder of ordinary shares are entitled to receive dividend as declared from time to time and are entitled to one vote per share at meetings of the Company. All shares rank equally with regard to the Company's residual assets.

13. RESERVES

	2019	2018
	US$	US$
Retained earnings		
Balance at beginning of the year	2,334,612	2,428,642
Net profit/(loss) for the year	30,038	(94,030)
Balance at end of the year	2,364,650	2,334,612
Fair value reserve		
The movement of the fair value reserve are as follow:		
Balance at beginning of the year	229,217	217,000
Fair value gain on financial assets, available-for-sale (Note 8a)	-	12,217
Fair value loss on financial assets, at FVOCI (Note 8b)	(8,488)	-
Balance at end of the year	220,729	229,217
Total	2,585,379	2,563,829

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2019 (...CONT'D)

14. SALES OF GOODS

The following table provides information about the nature and timing of the satisfaction of performance obligations in contracts with customers, including significant payment terms, and the related revenue recognition policies:

Nature of goods or services	The company generates revenue from trading of importers and exporters of equipment and machinery parts in relation to the construction industry.
When revenue is recognised	Income from the sale of goods is recognised when the goods are delivered to the customer and all criteria for acceptance have been satisfied (i.e. at a point in time).
Significant payment terms	Payment is due within 180 days since the customer purchase the goods.

a) Significant changes in contract liabilities.

	2019 US$	2018 US$
Balance at beginning of year	9,740,604	10,195,784
Other payable written back-non-trade	(333,500)	-
Refund back to customer	-	(455,180)
Balance at end of year	9,407,104	9,740,604

The contract liabilities represent the Company's obligation as part of the contractually sum that is billed in advances for services to be performed which it will be recognised over the period the promised services are transferred to the customer.

15. OTHER INCOME

	2019 US$	2018 US$
Foreign exchange gain	-	20,244
Interest income		
- financial asset, available-for-sale	-	93,917
- Financial assets, at FVOCI	106,257	-
- Others	4,681	23,442
Other payable written back – non-trade	333,500	-
Sundry income	60	205
	444,498	137,808

16. PURCHASES CONSUMED

	2019 US$	2018 US$
Opening inventories	7,225,038	-
Purchases	4,870,635	7,225,038
Closing inventories (Note 7)	(11,380,835)	(7,225,038)
	714,838	-

17. EMPLOYEE BENEFITS EXPENSE

	2019 US$	2018 US$
Salaries	22,446	19,057
CPF contributions	4,129	8,137
Staff welfare	369	263
	26,944	27,457

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2019 (...CONT'D)

18. OTHER OPERATING EXPENSES

	2019 US$	2018 US$
Bad debt written off - trade	4,502	-
Bank charges	4,471	6,273
Loss on disposal of financial assets, FVOCI – debt investment	38,115	-
Loss on foreign exchange	14,468	-
Professional fees	15,630	15,000
Others	7,362	5,364
Warehouse handing and service charges	259,941	-
	344,489	26,637

19. INCOME TAX EXPENSE

	2019 US$	2018 US$
Current year's tax provision	-	-
Deferred tax recognised (Note 10)	(13,961)	(166,133)
	(13,961)	(166,133)

The current year's income tax expense varied from the amount of income tax determined by applying the applicable Singapore statutory income tax rate 17% (2018: 17%) to the profit before income tax as a result of the following differences:

	2019 US$	2018 US$
Profit before income tax	43,999	72,103
Tax calculated at the applicable tax rate	7,479	12,258
Non-deductible items	6,481	-
Utilisation of unabsorbed losses	(13,960)	(12,258)
Over-provision of deferred tax assets in previous years	(13,961)	(166,133)
	(13,961)	(166,133)

The Company has unabsorbed tax losses of approximately US$82,000 (2018: US$164,000) available for offsetting against future taxable income of the Company subject to there being no substantial change in the shareholder of the Company and its shareholding within the meaning of Section 37 of the Singapore Income Tax Act and agreement by the Inland Revenue Authority of Singapore.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2019 (...CONT'D)

20. IMMEDIATE AND ULTIMATE HOLDING COMPANY

The Company's immediate and ultimate holding company is TIL Limited, a company incorporated in the Republic of India.

21. SIGNIFICANT RELATED PARTY TRANSACTIONS

(a) Related party transactions

In addition to the related party information disclosed elsewhere in the financial statements, the Company had transactions with the holding company and related companies on terms agreed between them with respect to the following during the financial year

During the financial year, the Company had transactions with the holding company and related companies on terms agreed between them with respect to the following:

	2019 US$	2018 US$
Sales to holding company	750,583	-
Purchase from holding company	4,870,635	7,225,038

(b) Key management personnel compensation

Key management personnel of the Company are those persons having the authority and responsibility for planning, directing and controlling the activities of the entity. The directors are considered as key management personnel of the Company.

There is no key management apart from the directors.

The directors did not receive any remuneration for the current and previous financial years.

22. FINANCIAL RISK MANAGEMENT

Financial risk factors

The Company's activities expose it to market risk (including foreign currency risk and interest rate risk), credit risk and liquidity risk. The Company's overall risk management strategy seeks to minimise adverse effects from the unpredictability of financial markets on the Company's financial performance.

(a) Market risk

(i) Foreign currency risk

The Company incurs foreign currency risk on transactions that are denominated in currency other than United States dollars such as Singapore dollars. However, the Company does not use any hedging instruments to protect against the volatility associated with foreign currency purchases and other assets and liabilities created in the normal course of business.

The Company's significant currency exposure to Singapore dollars based on the information provided to key management is as follows:

	2019 S$	2018 S$
Financial assets:		
Cash and cash equivalents	55,258	257,333
Financial liabilities		
Other payables	(74,637)	(15,659)
Net currency exposure on Financial (liabilities)/assets	(19,379)	241,674

22. FINANCIAL RISK MANAGEMENT (...CONT'D)

Financial risk factors (...cont'd)

(a) Market risk (...cont'd)

(i) Foreign currency risk (...cont'd)

If the Singapore dollars had strengthened/weakened by 6% (2018: 6%) against United States dollars with all other variables including tax rate being held constant, the Company's net profit for the financial year would have been lower/higher by approximately US$1,163 (2018: US$14,500) as a result of currency translation losses/gains on remaining Singapore dollars denominated financial assets and liabilities.

(ii) Interest rate risk

The Company has no significant exposure to market risk for changes in interest rates.

(b) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. The major classes of financial assets of the Company are bank deposits and trade receivables. For bank balances, deposits are placed with regulated bank which has a credit-ratings assigned by Moody's, a credit-rating agency. For credit exposures to customers, management assesses the credit quality of the customers, taking into account its financial position, past experience and other factors.

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

The significant trade receivables of the Company comprise nil debtor (2018: 1 debtor) that collectively represented nil (2018:100%) of trade receivables.

The carrying amount of cash and cash equivalent represents the Company's maximum exposure to credit risk.

22. FINANCIAL RISK MANAGEMENT (…CONT'D)

Financial risk factors (…cont'd)

(b) *Credit risk (…cont'd)*

The credit risk for trade receivables based on the information provided to key management is as follows:

	2019 US$	2018 US$
By geographical area		
India	-	4,502
By types of customer		
Non-related parties	-	4,502

Cash and cash equivalents and other receivables are subject to immaterial credit loss.

The Company has applied the simplified approach by using the provision matrix to measure lifetime expected credit for trade receivables. Based on assessment of qualitative and quantitative factors that are indicative of the risk of default (including but not limited to external ratings, audited financial statements, management accounts and cash flow projections, and available press information, if available, and applying experienced credit judgement), these exposures are considered to have low risk credit risk. Therefore impairment on these balances has been measured on the 12 months expected credit loss basis, and the amount of the allowance is insignificant.

The Company's credit risk exposure in relation to financial assets under FRS 39 as at 31 March 2018 are set out as follows:

Financial assets that are neither past due nor impaired

Bank deposits that are neither past due nor impaired are mainly deposits with banks with high credit-ratings assigned by international credit-rating agencies. Trade receivables that are neither past due nor impaired are substantially companies with a good collection track record with the Company.

22. FINANCIAL RISK MANAGEMENT (...CONT'D)

Financial risk factors (...cont'd)

(b) *Credit risk (...cont'd)*

Financial assets that are past due but not impaired

The Company has trade receivables amounting to US$nil (2018: US$4,502) that are past due at the end of the reporting period but not impaired. The analysis of their aging at the end of the reporting period is as follows:

	2019 US$	2018 US$
Past due more than 1 year	-	4,502

There are no financial assets that are impaired as at the balance sheet date.

(c) *Liquidity risk*

Prudent liquidity risk management implies maintaining sufficient cash. At the end of the reporting period, assets held by the Company for managing liquidity risk included cash and cash equivalents as disclosed in Note 4.

Management monitors rolling forecasts of the Company's liquidity reserve (comprising amounts owing to a subsidiary and cash and cash equivalents) on the basis of expected cash flow. This is generally carried out at local level of the Company in accordance with practice and limits set by the Company. These limits vary by location to take into account the liquidity of the market in which the entity operates. In addition, the Company's liquidity management policy involves projecting cash flows in major currencies and considering the level of liquid assets necessary to meet these; monitoring liquidity ratios; and maintaining debt financing plans.

The table below analyses the Company's non-derivative financial liabilities into relevant maturity grouping based on the remaining period from the end of each reporting period to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

22. FINANCIAL RISK MANAGEMENT (...CONT'D)

Financial risk factors (...cont'd)

(c) Liquidity risk (...cont'd)

	2019 US$	2018 US$
Less than 1 year or on demand		
Other payables	1,990,619	1,890,036

(d) Fair value measurement

i) Fair value of financial instruments that are carried at fair value

FRS 107 requires disclosure of a three level hierarchy for fair value measurements based upon transparency of inputs to the valuation of a financial asset or liability as of the measurement date. The three levels are defined as follows:

(i) quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1);

(ii) inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (is as prices) or indirectly (i.e. derived from prices) (Level 2); and

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

	2019 US$	2018 US$
Level 1		
Assets		
Financial asset, at FVOCI	1,937,788	549,908

22. FINANCIAL RISK MANAGEMENT (...CONT'D)

Financial risk factors (...cont'd)

(d) Fair value measurement (...cont'd)

i) Fair value of financial instruments that are carried at fair value *(...cont'd)*

The fair value of financial instruments traded in active markets (such as financial assets, at FVOCI) is based on quoted market prices at the end of the reporting period. The quoted market price used for financial assets held by the Company is the current bid price. These instruments are included in Level 1.

There are no financials instruments measured under Level 3.

ii) Fair value of financial instruments by classes that are not carried at fair value and whose carrying amounts are reasonable approximation of fair value.

The carrying amounts of cash and cash equivalents, trade receivables and other payables approximate their fair values due to their short-term nature.

(e) Categories of financial instruments

The carrying amounts of financial assets measured at fair value (financial assets, at FVOCI and AFS) are disclosed on the face of the balance sheet and in Note 8(a) and (b) to the financial statements respectively.

The aggregate carrying amounts of financial instruments at amortised cost are as follows:

	2019 US$
Financial assets, at amortised cost	3,296,338
Financial liabilities, at amortised cost	1,990,619
	2018
Loan and receivables	3,330,423
Financial liabilities, at amortised cost	1,890,036

23. CAPITAL RISK MANAGEMENT

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern and to maintain an optimal capital structure so as to maximise shareholder value. The capital structure of the Company consists of Company issued capital. Keep and retained earnings. In order to maintain or achieve an optimal capital structure, the Company may adjust the amount of dividend payment, return capital to shareholders, issue new shares, buy back issued shares or obtain new borrowings and loans.

The Company is not subject to externally imposed capital requirements and its overall strategy remained unchanged for the financial years ended 31 March 2019 and 2018.

24. STANDARDS ISSUED BUT NOT YET EFFECTIVE

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

Description	Effective for annual periods beginning on or after
FRS 116 Leases	1 April 2019
INT FRS 123 *Uncertainty over Income Tax Treatments*	1 April 2019

The Company has not applied those FRSs and INT FRSs that have been issued but are effective only in next financial year. The Company expects the adoption of the standards will have no material effect on the financial statements in the period of initial application, except for the following:

(a) FRS 116 Leases

FRS 116 replaces FRS 17 Leases and introduces a new single lessee accounting model which eliminate the current distinction between operating and finance leases for lessees.

FRS 116 will result in almost all leases being recognised on the statement of financial position, as the distinction between operating and finance leases is removed. Under the new standard, an asset (the right to use the lease item) and a financial liability to pay rentals are recognised. The only exceptions are short-term and low-value leases. Subsequently, the lease assets will be depreciated and the lease liabilities will be measured at amortised cost. The classification and accounting for lessors will not change significantly.

24. STANDARDS ISSUED BUT NOT YET EFFECTIVE (...CONT'D)

(a) FRS 116 (...cont'd)

Some of the commitments may be covered by the exception for short-term and low-value leases and some commitments may relate to arrangements that will not qualify as lease under FRS 116. The new standard also introduces expanded disclosure requirements and changes in presentation. Management anticipates that the initial application of the new FRS 116 will result in changes to the accounting policies relating to the operating lease. Additional disclosures will also be made with respect of the asset and liability, including any significant judgement and estimation made. The Company have yet to determine to what extent the commitments as at the reporting date will result in the recognition of an asset and a liability for future payments and how this will affect the Company's profit and classification of cash flows.

(b) INT FRS 123 Uncertainty Over Income Tax Treatments

The interpretation explains how to recognise and measure deferred and current income tax assets and liabilities where there is uncertainty over a tax treatment. In particular, it discusses:

i. how to determine the appropriate unit of account, and that each uncertain tax treatment should be considered separately or together as a group, depending on which approach better predicts the resolution of the uncertainty;

ii. that the entity should assume a tax authority will examine the uncertain tax treatments and have full knowledge of all related information, i.e. that detection risk should be ignored;

iii. that the entity should reflect the effect of the uncertainty in its income tax accounting when it is not probable that the tax authorities will accept the treatment;

iv. that the impact of the uncertainty should be measured using either the most likely amount or the expected value method, depending on which method better predicts the resolution of the uncertainty; and

v. that the judgements and estimates made must be reassessed whenever circumstances have changed or there is new information that affects the judgements.

The Company does not expect additional tax liability to be recognised arising from the uncertain tax positions.

TIL OVERSEAS PTE LTD
(Incorporated in Singapore)

THE ACCOMPANYING SCHEDULE OF OTHER OPERATING EXPENSES HAS BEEN PREPARED FOR MANAGEMENT PURPOSES ONLY AND DOES NOT FORM PART OF THE AUDITED FINANCIAL STATEMENTS.

TIL OVERSEAS PTE LTD
(Incorporated in Singapore)

SCHEDULE OF OTHER OPERATING EXPENSES
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2019

	2019 US$	2018 US$
Bad debt written off - trade	4,502	-
Bank charges	4,471	6,273
Loss on disposal of financial assets, FVOCI – debt investment	38,115	-
Loss on foreign exchange	14,468	-
Professional fees	15,630	15,000
Others	7,362	5,364
Warehouse handing and service charges	259,941	-
	344,489	26,637

The above schedule other operating expenses provide additional information and does not form part of the audited financial statements