ANNUAL REPORTS

&

FINANCIAL STATEMENTS OF SUBSIDIARY AND STEP DOWN SUBSIDIARY COMPANIES

OF

TAMILNADU PETROPRODUCTS LIMITED

FOR

FY 2018-19

- **Certus Investment & Trading Limited, Mauritius, WOS**
- **Certus Investment and Trading (S) Private Limited, Singapore, SDS**
- **Proteus Petrochemicals Private Limited, Singapore, SDS**

CERTUS INVESTMENT & TRADING LIMITED
AND ITS SUBSIDIARIES

FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31 MARCH 2019

CERTUS INVESTMENT & TRADING LIMITED AND ITS SUBSIDIARIES

FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019

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CERTUS INVESTMENT & TRADING LIMITED

CORPORATE DATA

		Date of appointment	Date of resignation
DIRECTORS	: Ashwin Chidambaram Muthiah	05 November 2001	-
	Zakir Hussein Niamut	19 December 2011	22 March 2019
	Sashikala Srikanth	22 March 2019	-
	Pravesh Beeharry	18 September 2017	-

REGISTERED OFFICE : IFS Court, Bank Street
TwentyEight
Cybercity
Ebene 72201
Mauritius

ADMINISTRATOR SECRETARY AND MAURITIAN TAX AGENT : SANNE Mauritius
IFS Court, Bank Street
TwentyEight
Cybercity
Ebene 72201
Mauritius

AUDITORS : Nexia Baker & Arenson
Chartered Accountants
5th Floor, C&R Court
49, Labourdonnais Street
Port Louis
Mauritius

BANKER : AfrAsia Bank Limited
Nexteracom Tower III
18 Cybercity
Ebene
Mauritius

CERTUS INVESTMENT & TRADING LIMITED AND ITS SUBSIDIARIES

COMMENTARY OF THE DIRECTORS
FOR THE YEAR ENDED 31 MARCH 2019

The directors present the audited financial statements of **CERTUS INVESTMENT & TRADING LIMITED** (the "Company") and that of its subsidiaries for the year ended 31 March 2019.

PRINCIPAL ACTIVITY

The principal activity of the Company is to act as an investment holding company and that of its subsidiary, Certus Investment and Trading (S) Private Limited, incorporated in the Republic of Singapore is to carry out the business of sales of industrial chemical. The Company has another wholly owned subsidiary, Proteus Petrochemicals Private Limited, a company incorporated in the Republic of Singapore. This subsidiary company is engaged in the manufacture of Normal Paraffin (Petrochemical) products. The Company together with its two wholly owned subsidiaries, (the "Subsidiaries"), are referred to as (the "Group").

RESULTS AND DIVIDEND

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

No dividend has been paid or declared for the year under review (2018: USD Nil).

DIRECTORS

The present membership of the Board is set out on page 2. All directors served office during the financial year under review.

DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE FINANCIAL STATEMENTS

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 Group and 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 Group and the Company 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 keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Group and the Company and to enable them to ensure that the financial statements comply with the Mauritius Companies Act 2001. They are also responsible for safeguarding the assets of the Group and the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

AUDITORS

The auditors, **Nexia Baker & Arenson**, have indicated their willingness to continue in office until the next Annual Meeting.

CERTIFICATE FROM THE SECRETARY UNDER SECTION 166 (d) OF THE MAURITIUS COMPANIES ACT 2001

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 **CERTUS INVESTMENT & TRADING LIMITED** under the Mauritius Companies Act 2001 during the financial year ended 31 March 2019.

For SANNE Mauritius
Secretary

Registered office:

IFS Court, Bank Street
TwentyEight
Cybercity
Ebene 72201
Mauritius

Date:26 April 2019

INDEPENDENT AUDITORS' REPORT

TO THE MEMBER OF CERTUS INVESTMENT & TRADING LIMITED AND ITS SUBSIDIARIES

Report on the Financial Statements

Opinion

We have audited the financial statements of **CERTUS INVESTMENT & TRADING LIMITED (the "Company") and its subsidiaries together referred to as (the "Group")**, set out on pages 8 to 32 which comprise the statement of financial position as at 31 March 2019, and the statement of profit or loss and other comprehensive income, statements of changes in equity and 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 the Group and the Company as at 31 March 2019, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) and comply with the Mauritius Companies Act 2001.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with International Ethics Standards Board for Accountants (IESBA Code), Code of Ethics for Professional Accountants, and we have fulfilled our other ethical responsibilities in accordance with IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

The directors are responsible for the other information. The other information comprises the Commentary of the Directors and the Certificate from the Secretary. The other information does not include the financial statements and our auditors' report thereon.

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.

Directors' Responsibilities 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 Mauritius Companies Act 2001, and for such internal control as the directors determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

INDEPENDENT AUDITORS' REPORT

TO THE MEMBER OF CERTUS INVESTMENT & TRADING LIMITED AND ITS SUBSIDIARIES

Report on the Financial Statements (continued)

Directors' Responsibilities for the financial statements (continued)

In preparing the financial statements, the directors are responsible for assessing the Group and 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 Group and the Company or to cease operations, or has no realistic alternative but to do so.

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

- 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 Group's and 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 auditors' 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 Group's and Company's to cease to continue as a going concern.

INDEPENDENT AUDITORS' REPORT

TO THE MEMBER OF CERTUS INVESTMENT & TRADING LIMITED AND ITS SUBSIDIARIES

Report on the Financial Statements (continued)

Auditors' Responsibilities for the Audit of the Financial Statements (continued)

- 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.

Other Matter

This report is made solely to the Company's member, as a body, in accordance with Section 205 of the Mauritius Companies Act. Our audit work has been undertaken so that we might state to the Company's member, as a body, those matters that we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's member, as a body, for our audit work, for this report, or for the opinions we have formed.

Report on Other Legal and Regulatory Requirements

Mauritius Companies Act 2001

We have no relationship with or interests in the Company and its subsidiaries other than in our capacity as auditors.

We have obtained all 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.

Nexia Baker & Arenson	**Nitin Kumar Sobnack FCCA**
Chartered Accountants	**Licensed by FRC**

Date: 26 APR 2019

CERTUS INVESTMENT & TRADING LIMITED AND ITS SUBSIDIARIES

STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2019

	Notes	The Group		The Company	
		2019	2018	2019	2018
		USD	USD	USD	USD
ASSETS					
Non-current asset					
Investments in subsidiary companies	6	-	-	**1,875,340**	1,875,340
Current assets					
Advances and prepayments	7	**25,103**	23,957	**2,188**	47,015
Cash and cash equivalents		**16,354,946**	15,960,063	**14,318,799**	13,921,683
		16,380,049	15,984,020	**14,320,987**	13,968,698
Total assets		**16,380,049**	15,984,020	**16,196,327**	15,844,038
EQUITY AND LIABILITIES					
Capital and reserves					
Stated capital	8	**20,419,000**	20,419,000	**20,419,000**	20,419,000
Revenue deficit		**(4,078,085)**	(4,472,688)	**(4,250,385)**	(4,600,410)
		16,340,915	15,946,312	**16,168,615**	15,818,590
Current liabilities					
Payable and accruals	9	**28,308**	30,339	**16,886**	18,142
Tax liability	5	**10,826**	7,369	**10,826**	7,306
		39,134	37,708	**27,712**	25,448
Total equity and liabilities		**16,380,049**	15,984,020	**16,196,327**	15,844,038

Approved by the Board for issue on 26 April 2019 and signed on its behalf by:

Director **Director**

CERTUS INVESTMENT & TRADING LIMITED AND ITS SUBSIDIARIES

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

	Notes	The Group		The Company	
		2019	2018	2019	2018
		USD	USD	USD	USD
Income					
Interest	10 (i)	449,858	312,818	385,104	264,931
Other credits		4,457	-	-	-
		454,315	312,818	385,104	264,931
Expenses					
Administration expenses		24,696	28,224	-	-
Licence fees		2,500	2,500	2,500	2,500
Audit fees		2,890	3,500	2,890	3,500
Bank charges		665	569	665	568
Professional fees		18,198	14,822	18,198	14,822
		48,949	49,615	24,253	21,390
Operating profit for the year		405,366	263,203	360,851	243,541
Net exchange loss		-	(438)	-	-
Profit before taxation		405,366	262,765	360,851	243,541
Taxation	5	(10,763)	(13,147)	(10,826)	(7,306)
Profit for the year		394,603	249,618	350,025	236,235
Other comprehensive income					
Items that will not be reclassified subsequently to profit or loss		-	-	-	-
Items that may be classified subsequently to profit or loss		-	-	-	-
Total comprehensive income for the year		394,603	249,618	350,025	236,235

The notes on pages 13 to 32 form an integral part of these financial statements.

CERTUS INVESTMENT & TRADING LIMITED AND ITS SUBSIDIARIES

STATEMENTS OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2019

The Group

	Stated capital	Revenue deficit	Total
	USD	USD	USD
At 1 April 2017	20,419,000	(4,722,306)	15,696,694
Total comprehensive income for the year	-	249,618	249,618
At 31 March 2018	20,419,000	(4,472,688)	15,946,312
Total comprehensive income for the year	-	394,603	394,603
At 31 March 2019	**20,419,000**	**(4,078,085)**	**16,340,915**

The notes on pages 13 to 32 form an integral part of these financial statements.

CERTUS INVESTMENT & TRADING LIMITED AND ITS SUBSIDIARIES

STATEMENTS OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2019 (CONTINUED)

The Company

	Stated capital	Revenue deficit	Total
	USD	USD	USD
At 1 April 2017	20,419,000	(4,836,645)	15,582,355
Total comprehensive income for the year	-	236,235	236,235
At 31 March 2018	20,419,000	(4,600,410)	15,818,590
Total comprehensive income for the year	-	350,025	350,025
At 31 March 2019	**20,419,000**	**(4,250,385)**	**16,168,615**

CERTUS INVESTMENT & TRADING LIMITED AND ITS SUBSIDIARIES

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2019

		The Group		The Company	
	Notes	2019	2018	2019	2018
		USD	USD	USD	USD
Cash flows from operating activities					
Profit before taxation		405,366	262,765	360,851	243,541
Adjustment for:					
Interest income		(449,858)	(312,818)	(385,104)	(264,931)
Operating loss before working capital changes		(44,492)	(50,053)	(24,253)	(21,390)
(Increase)/decrease in advances and prepayments		(1,146)	(5,632)	88	-
(Decrease)/increase in payable and accruals		(2,031)	6,328	(1,256)	202
Cash used in operating activities		(47,669)	(49,357)	(25,421)	(21,188)
Income tax paid	5	(7,306)	(6,046)	(7,306)	(205)
Net cash used in operating activities		(54,975)	(55,403)	(32,727)	(21,393)
Cash flows from investing activities					
Interest received		449,858	312,818	-	-
Loan advanced to subsidiary company	10 (i)	-	-	(13,500,000)	(13,505,000)
Loan repaid by subsidiary company	10 (i)	-	-	13,505,000	13,500,000
Interest repaid by subsidiary company	10 (i)	-	-	424,843	225,191
Net cash from investing activities		449,858	312,818	429,843	220,191
Net increase in cash and cash equivalents		394,883	257,415	397,116	198,798
Cash and cash equivalents at beginning of the year		15,960,063	15,702,648	13,921,683	13,722,885
Cash and cash equivalents at end of the year		16,354,946	15,960,063	14,318,799	13,921,683

The notes on pages 13 to 32 form an integral part of these financial statements.

1. General information

The Company was incorporated in Mauritius on 30 October 2001 under the Companies Act 1984, now replaced by the Companies Act 2001, as a private company with liability limited by shares and holds a Category 1 Global Business Licence issued by the Financial Services Commission. The address of the Company's registered office is at IFS Court, Bank Street, TwentyEight, Cybercity, Ebene 72201, Mauritius

The financial statements comprise of the financial statements of the Company and its subsidiaries. The financial statements of the Group are presented in United States Dollar ("USD"), which is the Group functional and presentation currency.

The principal activity of the Company is to act as an investment holding company. The principal activities of the Subsidiary companies are described on page 3.

2. Basis of preparation

(a) *Statement of compliance*

The financial statements are prepared in accordance with and comply with International Financial Reporting Standards ("IFRS").

(b) *Basis of measurement*

The financial statements have been prepared on a historical cost basis except for financial assets and liabilities which are measured at fair value.

(i) *Functional and presentation currency*

The Group's and the Company's functional and presentation currency is USD and all values are rounded to the nearest Dollar. USD is the currency of the primary economic environment in which the Group and the Company operate and their performance are evaluated and its liquidity is managed in USD.

(ii) *Transactions and balances*

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are retranslated at year-end exchange rates and differences in exchange are accounted for in the statement of profit or loss and other comprehensive income.

2. Basis of preparation (continued)

(c) *Use of estimates and judgment*

The preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the end of the reporting period and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

(d) *Basis of consolidation*

The financial statements incorporate the result of CERTUS INVESTMENT & TRADING LIMITED (the parent company) and that of its subsidiaries, Certus Investment and Trading (S) Private Limited and Proteus Petrochemicals Private Limited, collectively referred to as the "Group". The reporting period of the parent company and the Subsidiaries is 31 March 2019. Subsidiaries are all entities over which the Company has the power to govern the financial and operating policies generally accompanying a shareholding of more than one half of the voting rights. Subsidiaries are from the date on which control is transferred to the Company. They are de-consolidated from the date that control ceases.

3. Accounting policies

(a) Adoption of new and revised International Financial Reporting Standards

Standards, Amendments to published Standards and Interpretations effective in the reporting period

IFRS 9 replaces the provisions of IAS 39 that relate to the recognition, classification and measurement of financial assets and financial liabilities, derecognition of financial instruments, impairment of financial assets and hedge accounting. The adoption of IFRS 9 Financial Instruments from 1 January 2018 resulted in changes in accounting policies, however, no adjustments to the amounts recognised in the financial statements. The Group and the Company have chosen to adopt the simplified expected credit loss model for trade receivables in accordance with IFRS 9 paragraph 5.5.15.

IFRS 15 Revenue from Contracts with Customers is based on the principle that revenue is recognised when control of a good or service transfers to a customer. The Group has adopted IFRS 15 Revenue from Contracts with Customers from 1 January 2018 which resulted in changes in accounting policies and adjustments to the amounts recognised in the financial statements. In accordance with the transition provisions in IFRS 15, the Group and the Company have has not restated comparatives for the 2018 financial year.

3. Accounting policies (continued)

(a) Adoption of new and revised International Financial Reporting Standards (continued)

Standards, Amendments to published Standards and Interpretations effective in the reporting period (continued)

Classification and Measurement of Share-based Payment Transactions (Amendments to IFRS 2)

The amendments clarify the measurement basis for cash-settled share-based payments and the accounting for modifications that change an award from cash-settled to equity-settled. The amendment has no impact on the Group's and the Company's financial statements.

Applying IFRS 9 Financial Instruments with IFRS 4 Insurance Contracts (Amendments to IFRS 4).

The amendment provides two different solutions for insurance companies: a temporary exemption from IFRS 9 for entities that meet specific requirements (applied at the reporting entity level), and the 'overlay approach'. Both approaches are optional. The amendment has no impact on the Group's and the Company's financial statements.

Annual Improvements to IFRSs 2014–2016 Cycle

- IFRS 1 - deleted short-term exemptions covering transition provisions of IFRS 7, IAS 19 and IFRS 10 which are no longer relevant.
- IAS 28 - clarifies that the election by venture capital organisations, mutual funds, unit trusts and similar entities to measure investments in associates or joint ventures at fair value through profit or loss should be made separately for each associate or joint venture at initial recognition. The amendment has no impact on the Group's and the Company's financial statements.

IFRIC 22 Foreign Currency Transactions and Advance Consideration. The interpretation clarifies how to determine the date of transaction for the exchange rate to be used on initial recognition of a related asset, expense or income where an entity pays or receives consideration in advance for foreign currency-denominated contracts. The amendment has no impact on the Group's and the Company's financial statements.

Transfers of Investment Property (Amendments to IAS 40). The amendments clarify that transfers to, or from, investment property can only be made if there has been a change in use that is supported by evidence. A change in use occurs when the property meets, or ceases to meet, the definition of investment property. A change in intention alone is not sufficient to support a transfer. The amendment has no impact on the Group's and the Company's financial statements.

3. Accounting policies (continued)

(a) Adoption of new and revised International Financial Reporting Standards (continued)

Standards, Amendments to published Standards and Interpretations issued but not yet effective

Certain standards, amendments to published standards and interpretations have been issued that are mandatory for accounting periods beginning on or after 1 January 2019 or later periods, but which the Group and the Company have not early adopted.

At the reporting date of these financial statements, the following were in issue but not yet effective:

Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendments to IFRS 10 and IAS 28)
IFRS 16 Leases
IFRS 17 Insurance contracts
IFRIC 23 Uncertainty over Income Tax Treatments
Prepayment Features with negative compensation (Amendments to IFRS 9)
Long- term Interests in Associates and Joint Ventures (Amendments to IAS 28)
Annual Improvements to IFRSs 2015–2017 Cycle
Plan Amendment, Curtailment or Settlement (Amendments to IAS 19)
Definition of a Business (Amendments to IFRS 3)
Definition of Material (Amendments to IAS 1 and IAS 8)

Where relevant, the Group and the Company are still evaluating the effect of these Standards, Amendments to published Standards and Interpretations issued but not yet effective, on the presentation of its financial statements.

(b) IFRS 9 Financial instruments

The Group and the Company adopted IFRS 9 Financial Instruments on its effective date of 1 January 2018. IFRS 9 replaces IAS 39 Financial Instruments: Recognition and Measurement and introduces new requirements for classification and measurement, impairment and hedge accounting. IFRS 9 is not applicable to items that have already been derecognised at 1 April 2018, the date of initial application.

Classification and measurement

The Group and the Company have assessed the classification of financial instruments as at the date of initial application and has applied such classification retrospectively. Based on that assessment:

- All financial assets previously held at fair value continue to be measured at fair value.
- Debt instruments and equity instruments, other than investments in subsidiaries and associates, are acquired for the purpose of generating short-term profit. Therefore, they meet the held-for-trading criteria and are required to be measured at FVTPL.

3. Accounting policies (continued)

(b) IFRS 9 Financial instruments (continued)

- Financial assets previously classified as loans and receivables are held to collect contractual cash flows and give rise to cash flows representing solely payments of principal and interest. Thus, such instruments continue to be measured at amortised cost under IFRS 9.

- The classification of financial liabilities under IFRS 9 remains broadly the same as under IAS 39. The main impact on measurement from the classification of liabilities under IFRS 9 relates to the element of gains or losses for financial liabilities designated as at FVTPL attributable to changes in credit risk. IFRS 9 requires that such element be recognised in other comprehensive income (OCI), unless this treatment creates or enlarges an accounting mismatch in profit or loss, in which case, all gains and losses on that liability (including the effects of changes in credit risk) should be presented in profit or loss. The Company has not designated any financial liabilities at FVTPL. Therefore, this requirement has not had an impact on the Group and the Company.

Impairment

IFRS 9 requires the Company to record expected credit losses (ECLs) on all of its debt securities, loans and trade receivables, either on a 12-month or lifetime basis. Given the limited exposure of the Group and the Company to credit risk, this amendment has not had a material impact on the financial statements.

Hedge accounting

The Group and the Company have not applied hedge accounting under IAS 39 nor will it apply hedge accounting under IFRS 9.

Impact of adoption of IFRS 9

The classification and measurement requirements of IFRS 9 have been adopted retrospectively as of the date of initial application on 1 January 2018. However, the Group and Company have chosen to take advantage of the option not to restate comparatives. Therefore, the 2018 figures are presented and measured under IAS 39. The following table shows the original measurement categories in accordance with IAS 39 and the new measurement categories under IFRS 9 for the Group's and the Company's financial assets and financial liabilities as at 1 April 2018.

3. Accounting policies (continued)

(b) IFRS 9 Financial instruments (continued)

Impact of adoption of IFRS 9 (continued)

The Group

Financial assets

	IAS 39 classification	IAS 39 measurement	IFRS 9 classification	IFRS 9 measurement
		USD		USD
Cash and cash equivalents	Loan and receivables	15,960,063	Amortised cost	15,960,063
Advance to ultimate holding company	Loan and receivables	16,050	Amortised cost	16,050

Financial liabilities

	IAS 39 classification	IAS 39 measurement	IFRS 9 classification	IFRS 9 measurement
		USD		USD
Payable to shareholder	Amortised cost	13,831	Amortised cost	13,831
Accruals	Amortised cost	16,508	Amortised cost	16,508

The Company

Financial assets

	IAS 39 classification	IAS 39 measurement	IFRS 9 classification	IFRS 9 measurement
		USD		USD
Cash and cash equivalents	Loan and receivables	13,921,683	Amortised cost	13,921,683

3. Accounting policies (continued)

(b) IFRS 9 Financial instruments (continued)

Impact of adoption of IFRS 9 (continued)

The Company (continued)

Financial liabilities

	IAS 39 classification	IAS 39 measurement	IFRS 9 classification	IFRS 9 measurement
		USD		USD
Payable to shareholder	Amortised cost	13,831	Amortised cost	13,831
Accruals	Amortised cost	4,311	Amortised cost	4,311

In addition, the application of the ECL mode under IFRS 9 has not significantly changed the carrying amounts of the Group's and Company's financial assets.

In line with the characteristics of the Group's and Company's financial instruments as well as its approach to their management, the Group and Company neither revoked nor made any new designations on the date of initial application. IFRS 9 has not resulted in changes in the carrying amount of the Group's and Company's financial instruments due to changes in measurement categories.

Financial assets measured at amortised cost

A debt instrument is measured at amortised cost if it is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. The Group and the Company include in this category advances and cash and cash equivalents.

Financial liabilities measured at amortised cost

This category includes all financial liabilities, other than those measured at fair value through profit or loss. The Group and the Company includes in this category payable and accruals.

3. **Accounting policies (continued)**

(c) Impairment of non-financial assets

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

Recoverable amount is higher of fair value less costs to sell and value in use. If the recoverable amount of an asset (or cash generating unit) is estimated to be less that its carrying amount, the carrying amount of the asset (cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the statement of profit or loss and other comprehensive income.

When an impairment loss subsequently reverses, the carrying amount of the asset (cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the statement of profit or loss and other comprehensive income.

(d) Investments in subsidiary companies

A subsidiary is an entity including unincorporated and special purpose entity that is controlled by the group. Control is the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities accompanying a shareholding of more than one half of the voting rights or the majority of votes at meetings of the board of directors. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the group controls another entity. In the Company's own separate financial statements, the investments in subsidiaries are stated at cost less any provision in impairment in value. Impairment loss recognised in profit and loss for a subsidiary is reversed only if there has been a change in estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. The net book values of the subsidiaries are not necessarily indicative of the amounts that would be realised in a current market exchange.

(e) Cash and cash equivalents

Cash and cash equivalents comprise cash in hand, cash at bank, demand deposits and other short-term highly liquid investments that are readily convertible to known amounts of cash and are subject to an insignificant risk of change in value.

3. Accounting policies (continued)

(f) Related parties

Parties are considered to be related if one party has the ability to control (directly or indirectly) the other party or exercise significant influence over the other party in making financial and operating decisions.

(g) Provisions

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

(h) Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable. Revenue is reduced for estimated customer returns, rebates and other similar allowances.

(i) Sales of goods

Revenue from the sale of goods is recognised when all the following conditions are satisfied:

(i) the Group and the Company have transferred to the buyer the significant risks and rewards of the ownership of the goods;
(ii) the Group and the Company retain neither continuing managerial involvement to the degree usually associated with ownership not effective control over the goods sold;
(iii) the amount of the revenue can be measured reliably;
(iv) it is probable that the economic benefits associated with the transaction will flow to the entities; and
(v) the costs incurred or to be incurred in respect of the transaction can be measured reliably.

(j) Expense recognition

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

(k) Interest income

Interest income is recognised on the accrual basis

(l) Dividend income

Dividend income is recognised when the shareholders' rights to receive payment have been established.

3. Accounting policies (continued)

(m) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or scale. All other borrowing costs are recognised in the statement of profit or loss and other comprehensive income in the period in which they are incurred.

(n) Income tax

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

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

Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computing taxable profit, and are accounted for using the liability method.

Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which those deduction temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit not the accounting profit.

(o) Deferred tax

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset realised based on the tax rates (and tax laws) that have been enacted or substantively enacted by end of each reporting period. Deferred tax is charged or credited to the statement of profit or loss and other comprehensive income, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

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

3. Accounting policies (continued)

(o) Deferred tax (continued)

Current and deferred tax are recognised as an expense statement of profit or loss and other comprehensive income, except when they relate to items credited or debited directly to equity, in which case the tax is also recognised directly in equity, or where they arise from the initial accounting for a business combination. In the case of a business combination, the tax effect is taken into account in calculating goodwill or determining the excess of the acquirer's interest in the net fair value of the acquirer's identifiable assets, liabilities and contingent liabilities over cost.

(p) Functional and foreign currency

Functional currency

Items included in the financial statements of the Group and the Company are measured using the currency that best reflects the economic substance of the underlying events and circumstances relevant to entity. The financial statements of the Group and the Company are presented in United States Dollars, which is the functional currency of the Group and the Company.

Foreign currency transactions

Transactions in foreign currencies are translated to the functional currencies of the respective entities in the Group and the Company at the exchange rates on the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at end of the reporting period are retranslated to the functional currency at the exchange rates on that date. Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are retranslated to the functional currency at the exchange rates on the dates that the fair value was determined.

The monetary assets and liabilities of foreign operations are translated to United States Dollars at the exchange rates at end of the reporting period. Non-monetary assets are translated to United States Dollars at historical rate. The income and expenses of foreign operations are translated to United States Dollars at average exchange rates for the year.

Foreign exchange differences are recognised in the currency translation reserve. When a foreign operation is disposed of, in part or in full, the relevant amount in the currency translation reserve is transferred to the statement of profit or loss and other comprehensive income.

(q) Stated capital

Ordinary shares are classified as equity.

3. Accounting policies (continued)

(r) Payable

Payable is stated at its nominal value.

(s) Loan receivable

Loans receivables are financial assets with fixed or predeterminable payments that are not quoted in an active market. Such assets are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, loans receivables are measured at amortised cost using the effective interest method, less any impairment losses.

4. Critical accounting estimates and judgements

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.

The Group and the Company make estimates and assumptions concerning the future. The future accounting estimates will by definition, seldom equal to the actual results.

Where applicable, the notes to the financial statements set out areas where management has applied a higher degree of judgement that have a significant effect on the amounts recognised in the financial statements, or estimations and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Determination of functional currency

The determination of the functional currency of the Group and the Company is critical since recording transaction and exchange differences arising therefrom are dependent on the functional currency selected. The directors have considered these factors and have determined that the functional currency of the Group and the Company is USD.

Going concern

The Group's and the Company's management has made an assessment of the Group's and the Company's ability to continue as a going concern and is satisfied that the Group and the Company have the resources to continue in business for the foreseeable future. Furthermore, the management is not aware of any material uncertainties that may cast significant doubt upon the Group's and the Company's ability to continue as a going concern. Therefore, the financial statements continue to be prepared on a going concern basis.

5. Taxation

The Company

Income tax

The Company is liable to pay tax in Mauritius on its chargeable income at the rate of 15%. As a holder of a Category 1 Global Business Licence, it is entitled to a credit in respect of foreign tax equivalent to the higher of actual foreign tax suffered or a deemed credit equivalent to 80% of the Mauritius income tax liability on foreign source income. The maximum effective tax rate is 3%.

Gains or profits arising from sale of units or securities are tax-exempt in the hands of the Company in Mauritius. Dividends and redemption proceeds paid by the Company to its shareholders do not attract withholding tax.

The foregoing is based on the taxation laws and practices currently in force in Mauritius and may be subject to change.

At 31 March 2019, the Company has a tax liability of **USD10,826** (2018: tax liability of USD7,306).

The Company does not have a deferred tax asset during the year under review (2018: USDNil).

The reconciliation between the actual tax expense and the tax calculated at the applicable rate of 15% for the year under review is as follows:

	2019	2018
	USD	USD
Profit before taxation	**360,851**	243,541
Tax at the rate of 15%	**54,128**	36,531
Tax effect of:		
Non allowable expense	**-**	-
	54,128	36,531
Tax losses brought forward	**-**	-
	54,128	36,531
Tax credit of 80%	**(43,302)**	(29,225)
Tax charge	**10,826**	7,306
Tax liability		
At beginning of the year	**7,306**	205
Charge for the year	**10,826**	7,306
Tax paid during the year	**(7,306)**	(205)
At end of the year	**10,826**	7,306

5. Taxation (continued)

The Subsidiaries

Income tax

	2019	2018
	USD	USD
(Credit)/charge for the year	(63)	5,841

Tax liability

At end of the year	-	63

6. Investments in subsidiary companies

	The Company	
	2019	2018
	USD	USD
At beginning and end of the year	**1,875,340**	1,875,340

The details of the investments held in subsidiary companies are as follows:

Name of subsidiary companies	Country of incorporation	% holding	Cost		Fair values	
			2019	2018	2019	2018
			USD	USD	USD	USD
Certus Investment and Trading (S) Private Limited	Singapore	100	**1,875,339**	1,875,339	**1,875,339**	1,875,339
Proteus Petrochemicals Private Limited	Singapore	100	**300,000**	300,000	**1**	1
			2,175,339	2,175,339	**1,875,340**	1,875,340

The directors are of opinion that there is no impairment on the value of the investment of Certus Investment and Trading (S) Private Limited at 31 March 2019 and that its fair value approximates at least its cost.

The directors have reviewed the financial position and performance of Proteus Petrochemicals Private Limited. They are of the opinion that the fair value of USD1 be maintained.

7. Advances and prepayments

	The Group		The Company	
	2019	2018	**2019**	2018
	USD	USD	**USD**	USD
Prepayments	**9,053**	7,907	**2,188**	2,275
Advance to subsidiary company (see note 10 (i))	**-**	-	**-**	5,000
Advance to ultimate holding company (see note 10 (ii))	**16,050**	16,050	**-**	-
Interest receivable	**-**	-	**-**	39,740
	25,103	23,957	**2,188**	47,015

8. Stated capital

	The Company	
	2019	2018
	USD	USD
Issued and fully paid with no par value		
204,190 ordinary shares of USD100 each	**20,419,000**	20,419,000

The ordinary shares carry:

(a) the right to one vote on a poll at a meeting of the Company on any resolution;
(b) the right to an equal share in dividends authorised by the Board; and
(c) the right to an equal share in the distribution of the surplus assets of the Company.

9. Payable and accruals

	The Group		The Company	
	2019	2018	**2019**	2018
	USD	USD	**USD**	USD
Payable to shareholder (see note 10 (iii))	**13,831**	13,831	**13,831**	13,831
Accruals	**14,477**	16,508	**3,055**	4,311
	28,308	30,339	**16,886**	18,142

10. Related party transactions

(i) Advance to subsidiary company

	The Company	
	2019	2018
	USD	USD
Receivable from Certus Investment and Trading (S) Private Limited		
At beginning of the year	**5,000**	-
Advanced during the year	**13,500,000**	13,505,000
Payment received during the year	**(13,505,000)**	(13,500,000)
At end of the year	**-**	5,000

- The advance to Certus Investment and Trading (S) Pte Ltd amounting to USD 13,500,000 is unsecured, bears interest at the rate of 2.9% per annum and has been repaid in March 2019. Interest income for the year 2019 amounted to USD385,104 (2018: USD 264,931).

- During the year under review, Certus Investment and Trading (S) Pte Ltd had repaid USD424,843 as interest on loan.

- During the year under review, Certus Investment and Trading(S) Pte Ltd repaid the advance from the Company amounting to USD5,000. The loan is unsecured, interest free and receivable on demand.

(ii) Advance to ultimate holding company

	The Group	
	2019	2018
	USD	USD
At beginning and end of the year	**16,050**	16,050

The advance to Tamilnadu Petroproducts Limited is unsecured, interest free and receivable on demand.

(iii) Payable to shareholder

	The Group and Company	
	2019	2018
	USD	USD
At beginning and end of the year	**13,831**	13,831

The payable to shareholder is unsecured, interest free and repayable on demand.

11. Holding and ultimate holding company

The Company is wholly owned by Tamilnadu Petroproducts Limited, a company incorporated in India and regarded by the directors as being its ultimate holding company.

12. Financial instruments and associated risks

(a) Fair values

The carrying amounts of the financial assets and liabilities approximate their fair values.

The following table sets out the fair value of the financial instruments:

2019	**The Group**		**The Company**	
	At amortised cost	**Total carrying amounts**	**At amortised cost**	**Total carrying amounts**
	USD	**USD**	**USD**	**USD**
Financial assets				
Advances	**16,050**	**16,050**	**-**	**-**
Cash and cash equivalents	**16,354,946**	**16,354,946**	**14,318,799**	**14,318,799**
	16,370,996	**16,370,996**	**14,318,799**	**14,318,799**
Financial liabilities				
Payable to shareholder	**13,831**	**13,831**	**13,831**	**13,831**
Accruals	**14,477**	**14,477**	**3,055**	**3,055**
	28,308	**28,308**	**16,886**	**16,886**

2018	The Group		The Company	
	At amortised cost	Total carrying amounts	At amortised cost	Total carrying amounts
	USD	USD	USD	USD
Financial assets				
Advances	16,050	16,050	44,740	44,740
Cash and cash equivalents	15,960,063	15,960,063	13,921,683	13,921,683
	15,976,113	15,976,113	13,966,423	13,966,423
Financial liabilities				
Payable to shareholder	13,831	13,831	13,831	13,831
Accruals	16,508	16,508	4,311	4,311
	30,339	30,339	18,142	18,142

12. Financial instruments and associated risks (continued)

(b) Currency profile

The currency profile of the Group's and the Company's financial assets and liabilities is summarised as follows:

The Group

	2019		2018	
	Financial assets	**Financial liabilities**	Financial assets	Financial liabilities
	USD	**USD**	USD	USD
United States Dollars	**16,370,996**	**28,308**	15,976,113	30,339

The Company

	2018		2017	
	Financial assets	**Financial liabilities**	Financial assets	Financial liabilities
	USD	**USD**	USD	USD
United States Dollars	**14,318,799**	**16,886**	13,966,423	18,142

(c) Foreign currency risk

Foreign currency risk occurs on transactions that are denominated in currencies other than the functional currency of the Group and the Company.

Transactions and balances of the Group and the Company are mainly denominated in United States Dollars. Hence, the Group and the Company do not face any significant exposure to foreign currency risk. The Group and the Company do not use any derivative financial instruments to hedge this risk.

(d) Credit risk

Credit risk is the potential financial loss resulting from the customer defaulting on its contractual obligations to the Group and the Company. Credit risk is managed through the application of credit approvals, credit limits and monitoring procedures. The Group and the Company maintains an allowance for doubtful debts based upon the recoverability of all accounts receivables and the customers' financial conditions. There were no significant concentrations of credit risk.

The Group and the Company places their cash and cash equivalents with creditworthy financial institutions.

The Group's and the Company's maximum exposure to credit risk is represented by the carrying amount of financial assets recorded in the financial statements, net of each allowances of losses.

12. Financial instruments and associated risks (continued)

(e) Interest rate risk

Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Fair value interest rate risk is the risk that the value of a financial instrument will fluctuate because of changes in market interest rates.

The Group and the Company hold fixed interest bearing securities and cash. Interest rate movements may affect the level of income receivable on cash deposits and cash equivalents. Interest income from cash deposits may fluctuate in amount, in particular due to changes in the interest rates. However, the interest rate risk of the Group and the Company would be insignificant on their cash at bank as at 31 March 2019. The interest on the interest bearing income securities is fixed and as a result, the Group and the Company are not subject to the risk due to fluctuation in the prevailing levels of market interest rates. For the reasons set out above, this does not expose the Group and the Company to significant risk.

(f) Liquidity risk

The Group and the Company actively manage their debt maturity profile, operating cash flows and the availability of funding so as to ensure that all financing, repayments and funding needs are met. As part of its overall prudent liquidity management, the Group and the Company maintain sufficient equity funds to finance its operations.

(g) Political, economic and social risks

Political, economic and social factors, changes in countries' laws, regulations and the status of those countries' relations with other countries may adversely affect the value of the Group's and the Company's assets.

(h) Capital risk management

The Group's and the Company's objectives when managing capital are to safeguard the Group's and the Company's ability to continue as a going concern in order to provide returns to its member. In order to maintain or adjust the capital structure, the Group and the Company may adjust the amount of dividends paid to its member, buy back shares or issue new shares.

13. Events after the reporting period

There have been no material events since the end of the reporting period which would require disclosure or adjustment to the financial statements for the year ended 31 March 2019.

Director's Statement and
Audited Financial Statements

Certus Investment and Trading (S) Private Limited

(Co. Reg. No. 200414622K)

For the year ended 31 March 2019

Certus Investment and Trading (S) Private Limited
(Co. Reg. No. 200414622K)

General Information

Director

Krishnamurthy Sekar

Secretary

Ng Chee Tiong

Independent Auditor

Sashi Kala Devi Associates

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Certus Investment and Trading (S) Private Limited
(Co. Reg. No. 200414622K)

Director's Statement

The director is pleased to present the statement to the member together with the audited financial statements of Certus Investment and Trading (S) Private Limited (the "Company") for the financial year ended 31 March 2019.

1. OPINION OF THE DIRECTOR

In the opinion of the director,

(a) the accompanying financial statements 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 of the financial performance, changes in equity and cash flows of the Company for the year ended on that date; and

(b) at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

2. DIRECTOR

The director of the Company in office at the date of this statement is:

Krishnamurthy Sekar

3. ARRANGEMENTS TO ENABLE DIRECTOR 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 director of the Company to acquire benefits by means of the acquisition of shares or debentures in the Company or any other body corporate.

4. DIRECTOR'S INTERESTS IN SHARES AND DEBENTURES

No director who held office at the end of the financial year had interests in shares, share options, warrants or debentures of the Company, or of its related corporations, either at the beginning of the financial year or end of the financial year.

5. OPTIONS TO TAKE UP UNISSUED SHARES

During the financial year, no option to take up unissued shares of the Company was granted.

6. OPTIONS EXERCISED

During the financial year, there were no shares of the Company issued by virtue of the exercise of options to take up unissued shares.

7. UNISSUED SHARES UNDER OPTION

At the end of the financial year, there were no unissued shares of the Company under option.

8. INDEPENDENT AUDITOR

The independent auditor, Sashi Kala Devi Associates, has expressed its willingness to accept reappointment as auditor.

Krishnamurthy Sekar
Director

Singapore
11 April 2019

Independent Auditor's Report
to the member of Certus Investment and Trading (S) Private Limited
(Co. Reg. No. 200414622K)

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Certus Investment and Trading (S) Private Limited (the "Company"), which comprise the statement of financial position as at 31 March 2019, and the statement of comprehensive income, statement of changes in equity and 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 accompanying financial statements are properly drawn up in accordance with the provisions of the Companies Act, Chapter 50 (the "Act") and Financial Reporting Standards in Singapore (FRSs) so as to give a true and fair view of the financial position of the Company as at 31 March 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 Director's Statement but does not include the financial statements and our auditor's report thereon.

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

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

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

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

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

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

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

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

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

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

We communicate with the director 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.

Sashi Kala Devi Associates

Sashi Kala Devi Associates
Public Accountants and
Chartered Accountants

Singapore
11 April 2019

Certus Investment and Trading (S) Private Limited
(Co. Reg. No. 200414622K)

Statement of Financial Position as at 31 March 2019

	Note	2019 US$	2018 US$
Current assets			
Prepayments		3,448	2,816
Amount due from ultimate holding company	4	16,050	16,050
Cash and cash equivalents	5	1,428,631	1,430,145
		1,448,129	1,449,011
Current liabilities			
Other payables	6	5,740	42,015
Amount due to immediate holding company		–	5,000
Tax payable		–	63
		5,740	47,078
Net current assets		1,442,389	1,401,933
Non-current liability			
Deferred taxation	7	–	–
Net assets		1,442,389	1,401,933
Equity attributable to owner of the Company			
Share capital	8	1,875,340	1,875,340
Accumulated losses		(432,951)	(473,407)
Total equity		1,442,389	1,401,933

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

Certus Investment and Trading (S) Private Limited
(Co. Reg. No. 200414622K)

Statement of Comprehensive Income for the financial year ended 31 March 2019

	Note	2019 US$	2018 US$
Revenue		–	–
Other income	9	439,790	302,868
Administrative expenses		(14,293)	(9,568)
Finance cost	10	(385,104)	(264,932)
Profit before tax		40,393	28,368
Income tax credit/(expense)	11	63	(5,841)
Profit after tax		40,456	22,527
Other comprehensive income		–	–
Total comprehensive income for the year		40,456	22,527

Statement of Changes in Equity for the financial year ended 31 March 2019

	Share capital US$	Accumulated losses US$	Total US$
Balance at 1 April 2017	1,875,340	(495,934)	1,379,406
Total comprehensive income for the year	–	22,527	22,527
Balance at 31 March 2018	1,875,340	(473,407)	1,401,933
Total comprehensive income for the year	–	40,456	40,456
Balance at 31 March 2019	1,875,340	(432,951)	1,442,389

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

Certus Investment and Trading (S) Private Limited
(Co. Reg. No. 200414622K)

Statement of Cash Flows for the financial year ended 31 March 2019

	2019 US$	2018 US$
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	40,393	28,368
Adjustments for:		
Interest income from loan to a third party	(439,790)	(302,868)
Interest expense on loan from immediate holding company	385,104	264,932
Operating loss before working capital changes	(14,293)	(9,568)
Increase in prepayments	(632)	(2,816)
(Decrease)/increase in other payables	(36,275)	39,740
Cash generated (used in)/from operations	(51,200)	27,356
Interest received	439,790	302,868
Interest paid	(385,104)	(264,932)
Tax paid	–	(5,841)
Net cash flows from operating activities	3,486	59,451
CASH FLOWS FROM FINANCING ACTIVITY		
(Decrease)/increase in amount due to immediate holding company	(5,000)	5,000
Net cash flows (used in)/from financing activity	(5,000)	5,000
Net (decrease)/increase in cash and cash equivalents	(1,514)	64,451
Cash and cash equivalents at beginning of year	1,430,145	1,365,694
Cash and cash equivalents at end of year	1,428,631	1,430,145

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

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

1. CORPORATE INFORMATION

The Company is a private company limited by shares, incorporated and domiciled in Singapore. Its immediate holding company is Certus Investment & Trading Limited, a company incorporated in Mauritius. Its ultimate holding company is Tamilnadu Petroproducts Limited, a company incorporated in India.

The registered office of the Company is located at 31 Cantonment Road Singapore 089747. Its principal place of business is located at 8 Temasek Boulevard #17-03 Suntec Tower 3 Singapore 038988.

The principal activities of the Company are carrying on business of sales of industrial chemical. The Company has remained dormant during the financial year.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) *Basis of preparation*

The financial statements have been prepared in accordance with Singapore Financial Reporting Standards (FRS).

The financial statements have been prepared on a historical cost basis except where otherwise described in the accounting policies below.

The financial statements are presented in United States Dollar (USD or US$) and all values are rounded to the nearest one-dollar unless otherwise stated.

The accounting policies adopted are consistent with those used in the previous financial year except in current financial year, the Company has adopted all applicable new and revised standards and Interpretations of FRS ("INT FRS") that are relevant to its operations and effective for the current financial year. The adoption of these standards and INT FRS did not have any material effect on the financial position or performance of the Company except as indicated below.

FRS 109 *Financial Instruments*

FRS 109 Financial Instruments replaces FRS 39 Financial Instruments: Recognition and Measurement for annual periods beginning on or after 1 January 2018, bringing together all three aspects of the accounting for financial instruments: classification and measurement; impairment; and hedge accounting.

<u>*Classification and measurement*</u>

Under FRS 109, debt instruments are subsequently measured at fair value through profit or loss, amortised cost, or fair value through OCI. The classification is based on two criteria: the Company's business model for managing the assets; and whether the instruments' contractual cash flows represent 'solely payments of principal and interest' on the principal amount outstanding.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(a) *Basis of preparation* (continued)

Classification and measurement (continued)

The assessment of the Company's business model was made as of the date of initial application, 1 January 2018, and then applied retrospectively to those financial assets that were not derecognised before 1 January 2018. The assessment of whether contractual cash flows on debt instruments are solely comprised of principal and interest was made based on the facts and circumstances as at the initial recognition of the assets.

The classification and measurement requirements of FRS 109 did not have a significant impact on the Company.

(b) *Functional and foreign currency*

The management has determined the currency of the primary economic environment in which the Company operates i.e. functional currency, to be USD.

Foreign currency transactions

Transactions in foreign currencies are measured in USD and are recorded on initial recognition at exchange rates approximating those ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are re-translated to the functional currency at the rate of exchange ruling at the end of the reporting period. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of initial recognition. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured.

Exchange differences arising on the settlement of monetary items or on translating monetary items at the end of the reporting period are recognised in profit or loss.

(c) *Financial instruments*

(i) *Financial assets*

Initial recognition and measurement

Financial assets are recognised when, and only when the entity becomes party to the contractual provisions of the instruments.

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. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(c) *Financial instruments (continued)*

(i) *Financial assets (continued)*

Subsequent measurement

Investments in debt instruments

Subsequent measurement of debt instruments depends on the business model for managing the asset and the contractual cash flow characteristics of the asset. The three measurement categories for classification of debt instruments are:

- *Amortised cost*

  Financial assets that are held for the collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Financial assets are measured at amortised cost using the effective interest method, less impairment. Gains and losses are recognised in profit or loss when the assets are derecognised or impaired, and through amortisation process.

- *Fair value through other comprehensive income (FVOCI)*

  Financial assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Financial assets measured at FVOCI are subsequently measured at fair value. Any gains or losses from changes in fair value of the financial assets are recognised in other comprehensive income, except for impairment losses, foreign exchange gains and losses and interest calculated using the effective interest method are recognised in profit or loss. The cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss as a reclassification adjustment when the financial asset is de-recognised.

- *Fair value through profit or loss*

  Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt instruments that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in profit or loss in the period in which it arises.

Derecognition

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

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(c) *Financial instruments (continued)*

(ii) *Financial liabilities*

Initial recognition and measurement

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

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

Subsequent measurement

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

De-recognition

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires. On derecognition, the difference between the carrying amounts and the consideration paid is recognised in profit or loss.

(d) *Impairment of financial assets*

The Company recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss and financial guarantee contracts. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(d) *Impairment of financial assets (continued)*

The Company considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Company may also consider a financial asset to be in default when internal or external information indicates that the Company is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Company. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Credit-impaired financial assets

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired includes observable data about the following events:

(i) significant financial difficulty of the issuer or the borrower;
(ii) a breach of contract, such as a default or past due event;
(iii) the lender(s) of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession(s) that the lender(s) would not otherwise consider;
(iv) it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation; or
(v) the disappearance of an active market for that financial asset because of financial difficulties.

Write-off

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the procedures for recovery of amounts due.

(e) *Cash and cash equivalents*

Cash and cash equivalents comprise cash at bank.

(f) *Other payables*

Other payables are non-interest bearing and have an average term of six months.

(g) *Provisions*

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

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(g) *Provisions (continued)*

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

(h) *Revenue*

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 good or service to the customer, which is when the customer obtains control of the good or service. A performance obligation may be satisfied at a point in time or over time. The amount of revenue recognised is the amount allocated to the satisfied performance obligation.

Interest income

Interest income is recognised using the effective interest method.

(i) *Taxes*

(i) *Current income tax*

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

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

(ii) *Deferred tax*

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

Deferred tax liabilities are recognised for all temporary differences.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(i) *Taxes (continued)*

(ii) *Deferred tax (continued)*

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

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

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

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity.

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

(j) *Related parties*

A related party is defined as follows:

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

(b) An entity is related to the Company if any of the following conditions applies:
  (i) The entity and the Company are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others);
  (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member);
  (iii) Both entities are joint ventures of the same third party;
  (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity;

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(j) ***Related parties (continued)***

(b) An entity is related to the Company if any of the following conditions applies (continued):
- (v) The entity is a post-employment benefit plan for the benefit of employees of either the Company or an entity related to the Company. If the Company is itself such a plan, the sponsoring employers are also related to the Company;
- (vi) The entity is controlled or jointly controlled by a person identified in (a);
- (vii) A person identified in (a) (i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity);
- (viii) The entity or any member of a group of which it is a part, provides key management personnel services to the Company or to the parent of the Company.

3. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS

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

- *Key sources of estimation uncertainty*

  There were no material key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial period.

- *Judgement made in applying accounting policies*

  There were no material judgements made by the management in the process of applying the Company's accounting policies that have the most significant effect on the amounts recognised in the financial statements.

4. AMOUNT DUE FROM ULTIMATE HOLDING COMPANY

The amount due is trade-related, unsecured, interest-free, and repayable upon demand and is to be settled in cash.

5. CASH AND CASH EQUIVALENTS

Cash and cash equivalents denominated in foreign currency as at 31 March are as follows:

	2019 US$	2018 US$
Singapore Dollar	44,465	1,213

6. OTHER PAYABLES

	2019 US$	2018 US$
Accrued liabilities	5,740	2,275
Withholding tax payable	–	39,740
	5,740	42,015

7. DEFERRED TAXATION

	2019 US$	2018 US$
Deferred tax asset:		
Tax losses carried forward	14,554	41,541
Deferred tax asset on temporary differences not recognised	(14,554)	(41,541)
Total deferred tax asset	–	–

The Company has unabsorbed tax losses of approximately US$85,600 (2018: US$244,000) that are available for offset against future taxable profits of the Company in which the losses arose for which no deferred tax asset is recognised due to uncertainty of its recoverability. The use of these tax losses is subject to the agreement with the Income Tax Authority.

8. SHARE CAPITAL

	2019		2018	
	Number of shares	US$	Number of shares	US$
Issued and fully paid:				
Ordinary shares denominated in Singapore Dollar	1,916,642	1,875,340	1,916,642	1,875,340

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

9. OTHER INCOME

	2019 US$	2018 US$
Interest income from loan to a third party	439,790	302,868

10. FINANCE COST

	2019 US$	2018 US$
Interest expense on loan from immediate holding company	385,104	264,932

11. INCOME TAX (CREDIT)/EXPENSE

(i) *Major components of income tax (credit)/expense*

The major components of income tax (credit)/expense for the years ended 31 March 2019 and 2018 are:

	2019 US$	**2018** US$
Statement of comprehensive income:		
Current income tax		
- Current year	–	–
- Over provision in respect of prior years	(63)	–
- Foreign tax	–	5,841
	63	5,841

(ii) *Relationship between tax expense and accounting profit*

A reconciliation between the tax expense and the product of accounting profit multiplied by the applicable tax rate for the years ended 31 March 2019 and 2018 are as follows:

	2019	2018
Profit before tax	40,393	28,368
Tax expense on profit before tax at 17%	6,867	4,823
Adjustments:		
Non-deductible expenses	–	1,627
Tax exemptions	–	(3,549)
Utilisation of deferred tax assets previously not recognised	(6,867)	(2,901)
Over provision in respect of prior years	(63)	–
Withholding tax paid	–	5,841
Total tax (credit)/expense	(63)	5,841

12. RELATED PARTY DISCLOSURES

In additions to related party information disclosed elsewhere in the financial statements, the following significant transactions between the Company and related parties that took place at terms agreed between the parties during the financial year:

Significant related party transactions

	2019	2018
Immediate holding company		
Interest expense on loan from	385,104	264,932
Loan from	13,500,000	13,500,000

13. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company is exposed to financial risks arising from its operations and the use of financial instruments. The key financial risks include interest rate risk, foreign currency risk, credit risk and liquidity risk. The Company's risk management policies focus on the unpredictability of financial markets and seek to, where appropriate, minimise potential adverse effects on the financial performance of the Company. The Company does not have any written financial risk management policies and guidelines and there has been no change to the Company's exposure to these financial risks or the manner in which it manages and measures the risks.

The following sections provide details regarding the Company's exposure to the financial risks associated with financial instruments held in the ordinary course of business and the objectives, policies and processes for the management of these risks.

(i) ***Interest rate risk***

Interest rate risk is the risk that the fair value or future cash flows of the Company and the Company's financial instruments will fluctuate because of changes in market interest rates. The Company's exposure to interest rate risk arises primarily from their loans and borrowings, and advances to a third party.

The Company's policy is to manage its interest cost using a mix of fixed and variable rate debts as well as by rolling over its borrowings on a short-term basis.

No sensitivity analysis is prepared as the Company does not expect any material effect on the Company's profit or loss and equity arising from the effects of reasonably possible changes to interest rates on interest bearing financial instruments at the end of the reporting period.

(ii) ***Foreign currency risk***

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. Currency risk arises when transactions are denominated in foreign currencies.

The Company is exposed to movements in foreign currency exchange rates arising from cash and cash equivalents and payables, primarily with respect to Singapore Dollar (SGD). However, the Company does not use any financial derivatives such as foreign currency forward contracts, foreign currency options or swaps for hedging purposes.

Sensitivity analysis for foreign currency risk

As at 31 March 2019 and 2018, the foreign currencies exposure is not significant and the foreign exchange sensitivity analysis is not prepared.

(iii) ***Credit risk***

Credit risk is the risk of loss that may arise on outstanding financial instruments should a counterparty default on its obligations. The Company's exposure to credit risk arises primarily from amount due from ultimate holding company. For cash and cash equivalents, the Company minimises credit risk by dealing exclusively with high credit rating counterparties.

13. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

(iv) *Liquidity risk*

Liquidity risk is the risk that the Company will encounter difficulty in meeting financial obligations due to shortage of funds. The Company's exposure to liquidity risk arises primarily from possible mismatches of the maturities of financial assets and liabilities. The Company's objective is to maintain a level of cash to meet the obligations and commitments due to ensure cash efficiency whereby maximisation of cash flow position can be achieved.

The maturity profile of the Company's financial assets and liabilities at the end of the reporting period based on contractual undiscounted repayment obligations is within one year.

14. CLASSIFICATION OF FINANCIAL ASSETS AND LIABILITIES

The following table summarises the carrying amount of financial assets and liabilities recorded at the end of the reporting year by FRS 109 categories:

	2019 US$	**2018** US$
Financial assets at amortised cost		
Amount due from ultimate holding company	16,050	16,050
Cash and cash equivalents	1,428,631	1,430,145
	1,444,681	1,446,195
Financial liabilities at amortised cost		
Other payables	5,740	42,015
Amount due to immediate holding company	–	5,000
	5,740	47,015

15. FAIR VALUE OF ASSETS AND LIABILITIES

The fair value of a financial instrument is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The carrying amount of financial assets and liabilities are reasonable approximation of fair values, either due to their short-term nature or that they are floating rate instruments that are re-priced to market interest rates on or near the end of the reporting period.

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

At the end of the reporting period, the Company does not have any other financial instruments carried at fair value.

16. CAPITAL MANAGEMENT

The primary objective of the Company's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximise shareholder value.

The Company manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. No changes were made in the objectives, policies or processes during the years ended 31 March 2019 and 31 March 2018.

The Company is not subjected to externally imposed capital requirements.

17. EVENTS OCCURRING AFTER THE REPORTING PERIOD

On 2 April 2019, the Company entered into a loan agreement with a third party, PGP International Pte. Ltd. to lend a sum of US$14,850,000 at interest rate of 4.30% per annum. The loan shall be repaid on or before 31 March 2020.

On 5 April 2019, the Company entered into a loan agreement with its immediate holding company, Certus Investment & Trading Limited to borrow a sum of USD13,500,000 at interest rate of 4.00% per annum. The loan shall be repaid on or before 31 March 2020.

18. AUTHORISATION OF FINANCIAL STATEMENTS

The financial statements for the year ended 31 March 2019 were authorised for issue in accordance with a resolution of the director on 11 April 2019.

The accompanying Supplementary Income Statement has been prepared for management purposes only and does not form part of the audited financial statements.

Certus Investment and Trading (S) Private Limited
(Co. Reg. No. 200414622K)

Supplementary Income Statement for the financial year ended 31 March 2019

	Schedule	2019 US$	2018 US$
Revenue		–	–
Other income	A	439,790	302,868
Administrative expenses	B	(14,293)	(9,568)
Finance cost	C	(385,104)	(264,932)
Profit before tax		40,393	28,368

Schedule A

Other income		
Interest income from loan to a third party	439,790	302,868

Schedule B

Administrative expenses		
Auditor's remuneration	6,325	4,300
Bank charges	478	814
Professional fee	6,020	3,311
Registered office	413	301
Secretarial fee	766	559
Storage charge	291	283
	14,293	9,568

Schedule C

Finance cost		
Interest expense on loan from immediate holding company	385,104	264,932

NOT PART OF THE AUDITED FINANCIAL STATEMENTS.

Directors' Statement and
Audited Financial Statements

Proteus Petrochemicals Private Limited

(Co. Reg. No. 200606866R)

For the year ended 31 March 2019

Proteus Petrochemicals Private Limited
(Co. Reg. No. 200606866R)

General Information

Directors

Krishnamurthy Sekar
Senthikumar Dharmar

Secretary

Ng Chee Tiong

Independent Auditor

Sashi Kala Devi Associates

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Proteus Petrochemicals Private Limited
(Co. Reg. No. 200606866R)

Directors' Statement

The directors are pleased to present their statement to the member together with the audited financial statements of Proteus Petrochemicals Private Limited for the financial year ended 31 March 2019.

1. OPINION OF THE DIRECTORS

In the opinion of the directors,

(a) the accompanying financial statements 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 of the financial performance, changes in equity and cash flows of the Company for the year ended on that date; and

(b) at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

2. DIRECTORS

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

Krishnamurthy Sekar
Senthikumar Dharmar

3. ARRANGEMENTS TO ENABLE DIRECTORS TO ACQUIRE SHARES AND DEBENTURES

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

4. DIRECTORS' INTERESTS IN SHARES AND DEBENTURES

No director who held office at the end of the financial year had interests in shares, share options, warrants of the Company, or of its related corporations, either at the beginning of the financial year or at the end of the financial year.

5. OPTIONS TO TAKE UP UNISSUED SHARES

During the financial year, no option to take up unissued shares of the Company was granted.

6. OPTIONS EXERCISED

During the financial year, there were no shares of the Company issued by virtue of the exercise of options to take up unissued shares.

7. UNISSUED SHARES UNDER OPTION

At the end of the financial year, there were no unissued shares of the Company under option.

8. INDEPENDENT AUDITOR

The independent auditor, Sashi Kala Devi Associates has expressed its willingness to accept re-appointment as auditor.

Krishnamurthy Sekar
Director

Senthikumar Dharmar
Director

10 April 2019

Independent Auditor's Report
to the member of Proteus Petrochemicals Private Limited
(Co. Reg. No. 200606866R)

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Proteus Petrochemicals Private Limited (the "Company"), which comprise the statement of financial position as at 31 March 2019, and the statement of comprehensive income, statement of changes in equity and 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 accompanying financial statements are properly drawn up in accordance with the provisions of the Companies Act, Chapter 50 (the "Act") and Financial Reporting Standards in Singapore (FRSs) so as to give a true and fair view of the financial position of the Company as at 31 March 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 Directors' Statement but does not include the financial statements and our auditor's report thereon.

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

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

Responsibilities of Management and Directors for the Financial Statements

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

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

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

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

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

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

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

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

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

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

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

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

Report on Other Legal and Regulatory Requirements

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

Sashi Kala Devi Associates

Sashi Kala Devi Associates
Public Accountants and
Chartered Accountants

Singapore
10 April 2019

Proteus Petrochemicals Private Limited
(Co. Reg. No. 200606866R)

Statement of Financial Position as at 31 March 2019

	Note	2019 US$	2018 US$
Current assets			
Prepayments		3,417	2,816
Cash and cash equivalents	4	607,516	608,235
		610,933	611,051
Current liability			
Accrued liabilities	5	5,682	9,922
		5,682	9,922
Net current assets		605,251	601,129
Net assets		605,251	601,129
Equity attributable to owner of the Company			
Share capital	6	300,000	300,000
Accumulated profits		305,251	301,129
Total equity		605,251	601,129

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

Proteus Petrochemicals Private Limited
(Co. Reg. No. 200606866R)

Statement of Comprehensive Income for the financial year ended 31 March 2019

	Note	2019 US$	2018 US$
Revenue		–	–
Other income	7	10,068	9,950
Administrative expenses		(10,403)	(18,656)
Other credits/(charges)	8	4,457	(438)
Profit/(loss) before tax		4,122	(9,144)
Income tax expense	9	–	–
Profit/(loss) for the year		4,122	(9,144)
Other comprehensive income		–	–
Total comprehensive income/(loss) for the year		4,122	(9,144)

Statement of Changes in Equity for the financial year ended 31 March 2019

	Share capital US$	Accumulated profits US$	Total US$
Balance at 1 April 2017	300,000	310,273	610,273
Total comprehensive loss for the year	–	(9,144)	(9,144)
Balance at 31 March 2018	300,000	301,129	601,129
Total comprehensive income for the year	–	4,122	4,122
Balance at 31 March 2019	300,000	305,251	605,251

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

Proteus Petrochemicals Private Limited
(Co. Reg. No. 200606866R)

Statement of Cash Flows for the financial year ended 31 March 2019

	2019 US$	2018 US$
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit/(loss) before tax	4,122	(9,144)
Adjustments for:		
Accrued liabilities written back	(4,142)	–
Interest income from loan to a related party	(10,068)	(9,950)
Operating loss before working capital changes	(10,088)	(19,094)
Increase in prepayments	(601)	(2,816)
(Decrease)/increase in accrued liabilities	(98)	6,126
Cash used in operations	(10,787)	(15,784)
Net cash flows used in operating activities	(10,787)	(15,784)
CASH FLOWS FROM INVESTING ACTIVITY		
Interest received	10,068	9,950
Net cash flows from investing activity	10,068	9,950
Net decrease in cash and cash equivalents	(719)	(5,834)
Cash and cash equivalents at beginning of year	608,235	614,069
Cash and cash equivalents at end of year	607,516	608,235

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

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

1. CORPORATE INFORMATION

The Company is a private company limited by shares, incorporated and domiciled in Singapore. Its immediate holding company is Certus Investment & Trading Limted, a company incorporated in the Republic of Mauritius. Its ultimate holding company is Tamilnadu Petroproducts Limited, a company incorporated in India.

The registered office of the Company is located at 31 Cantonment Road Singapore 089747. Its principal place of business is located at 8 Temasek Boulevard #17-02/03 Suntec Tower 3 Singapore 038988.

The principal activities of the Company are those of manufacturing of petrochemical products. The Company has remained dormant during the financial year.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) *Basis of preparation*

The financial statements have been prepared in accordance with Singapore Financial Reporting Standards (FRS).

The financial statements have been prepared on a historical cost basis except where otherwise described in the accounting policies below.

The financial statements are presented in United States Dollar (USD or US$) and all values are rounded to the nearest one-dollar unless otherwise stated.

The accounting policies adopted are consistent with those used in the previous financial year except in current financial year, the Company has adopted all applicable new and revised standards and Interpretations of FRS ("INT FRS") that are relevant to its operations and effective for the current financial year. The adoption of these standards and INT FRS did not have any material effect on the financial position or performance of the Company for the current or prior financial years.

FRS 109 *Financial Instruments*

FRS 109 Financial Instruments replaces FRS 39 Financial Instruments: Recognition and Measurement for annual periods beginning on or after 1 January 2018, bringing together all three aspects of the accounting for financial instruments: classification and measurement; impairment; and hedge accounting.

Classification and measurement

Under FRS 109, debt instruments are subsequently measured at fair value through profit or loss, amortised cost, or fair value through OCI. The classification is based on two criteria: the Company's business model for managing the assets; and whether the instruments' contractual cash flows represent 'solely payments of principal and interest' on the principal amount outstanding.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(a) *Basis of preparation (continued)*

FRS 109 ***Financial Instruments (continued)***

Classification and measurement (continued)

The assessment of the Company's business model was made as of the date of initial application, 1 January 2018, and then applied retrospectively to those financial assets that were not derecognised before 1 January 2018. The assessment of whether contractual cash flows on debt instruments are solely comprised of principal and interest was made based on the facts and circumstances as at the initial recognition of the assets.

The classification and measurement requirements of FRS 109 did not have a significant impact on the Company.

(b) *Functional and foreign currency*

The management has determined the currency of the primary economic environment in which the Company operates i.e. functional currency, to be USD.

Foreign currency transactions

Transactions in foreign currencies are measured in USD and are recorded on initial recognition at exchange rates approximating those ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are re-translated to the functional currency at the rate of exchange ruling at the end of the reporting period. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of initial recognition. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured.

Exchange differences arising on the settlement of monetary items or on translating monetary items at the end of the reporting period are recognised in profit or loss.

(c) *Financial instruments*

(i) *Financial assets*

Initial recognition and measurement

Financial assets are recognised when, and only when the entity becomes party to the contractual provisions of the instruments.

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. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(c) *Financial instruments (continued)*

(i) *Financial assets (continued)*

Initial recognition and measurement (continued)

Trade receivables are measured at the amount of 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 party, if the trade receivables do not contain a significant financing component at initial recognition.

Subsequent measurement

<u>*Investments in debt instruments*</u>

Subsequent measurement of debt instruments depends on the business model for managing the asset and the contractual cash flow characteristics of the asset. The three measurement categories for classification of debt instruments are:

- *Amortised cost*

  Financial assets that are held for the collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Financial assets are measured at amortised cost using the effective interest method, less impairment. Gains and losses are recognised in profit or loss when the assets are derecognised or impaired, and through amortisation process.

- *Fair value through other comprehensive income (FVOCI)*

  Financial assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Financial assets measured at FVOCI are subsequently measured at fair value. Any gains or losses from changes in fair value of the financial assets are recognised in other comprehensive income, except for impairment losses, foreign exchange gains and losses and interest calculated using the effective interest method are recognised in profit or loss. The cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss as a reclassification adjustment when the financial asset is de-recognised.

- *Fair value through profit or loss*

  Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt instruments that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in profit or loss in the period in which it arises.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(c) *Financial instruments (continued)*

(i) *Financial assets (continued)*

Derecognition

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

(ii) *Financial liabilities*

Initial recognition and measurement

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

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

Subsequent measurement

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

De-recognition

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires. On derecognition, the difference between the carrying amounts and the consideration paid is recognised in profit or loss.

(d) *Impairment of financial assets*

The Company recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss and financial guarantee contracts. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(d) *Impairment of financial assets (continued)*

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

The Company considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Company may also consider a financial asset to be in default when internal or external information indicates that the Company is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Company. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Credit-impaired financial assets

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired includes observable data about the following events:

(i) significant financial difficulty of the issuer or the borrower;
(ii) a breach of contract, such as a default or past due event;
(iii) the lender(s) of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession(s) that the lender(s) would not otherwise consider;
(iv) it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation; or
(v) the disappearance of an active market for that financial asset because of financial difficulties.

Write-off

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the procedures for recovery of amounts due.

(e) *Cash and cash equivalents*

Cash and cash equivalents comprise cash at bank.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(f) *Provisions*

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

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

(g) *Revenue*

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 good or service to the customer, which is when the customer obtains control of the good or service. A performance obligation may be satisfied at a point in time or over time. The amount of revenue recognised is the amount allocated to the satisfied performance obligation.

Interest income

Interest income is recognised using the effective interest method.

(h) *Taxes*

Current income tax

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

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

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(i) *Related parties*

A related party is defined as follows:

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

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

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

3. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS

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

- *Key sources of estimation uncertainty*

  There were no material key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial period.

- *Judgement made in applying accounting policies*

  There is no material judgements made by the management in the process of applying the Company's accounting policies that have the most significant effect on the amounts recognised in the financial statements.

4. CASH AND CASH EQUIVALENTS

Cash and cash equivalents denominated in foreign currency as at 31 March are as follows:

	2019 US$	2018 US$
Singapore Dollar	17,347	2,346

5. ACCRUED LIABILITIES

Accrued liabilities denominated in foreign currency as at 31 March are as follows:

Singapore Dollar	1,182	5,422

6. SHARE CAPITAL

	2019		2018	
	Number of shares	US$	Number of shares	US$
Issued and fully paid: Ordinary shares denominated in Singapore Dollar	461,800	300,000	461,800	300,000

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

7. OTHER INCOME

	2019 US$	2018 US$
Interest income from loan to a related party	10,068	9,950

8. OTHER CREDITS/(CHARGES)

Accrued liabilities written back	4,142	–
Foreign exchange adjustment, gain/(loss)	315	(438)
	4,457	(438)

9. INCOME TAX EXPENSE

(i) *Major components of income tax expense*

The major components of income tax expense for the years ended 31 March 2019 and 2018 are:

Statement of comprehensive income:

Current tax	–	–

9. INCOME TAX EXPENSE (continued)

(ii) *Relationship between tax expense and accounting profit/(loss)*

The reconciliation between the tax expense and the product of accounting profit/((loss) multiplied by the applicable tax rate for the years ended 31 March are as follows:

	2019 US$	**2018** US$
Profit/(loss) before tax	4,122	(9,144)
Tax expense/(benefit) on profit/(loss) before tax at 17%	701	(1,555)
Adjustments:		
Non-deductible expenses	–	1,555
Non-taxable income	(701)	–
Total tax expense	–	–

10. RELATED PARTY DISCLOSURES

In additions to related party information disclosed elsewhere in the financial statements, the following significant transactions between the Company and its related party that took place at terms agreed between the party during the financial year:

Significant related party transactions

Related party		
Interest income from loan to	10,068	9,950
Loan to	500,000	590,000

11. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company is exposed to financial risks arising from its operations and the use of financial instruments. The key financial risks include foreign currency risk and liquidity risk. The Company's risk management policies focus on the unpredictability of financial markets and seek to, where appropriate, minimise potential adverse effects on the financial performance of the Company. The Company does not have any written financial risk management policies and guidelines and there has been no change to the Company's exposure to these financial risks or the manner in which it manages and measures the risks.

The following sections provide details regarding the Company's exposure to the financial risks associated with financial instruments held in the ordinary course of business and the objectives, policies and processes for the management of these risks.

(i) ***Foreign currency risk***

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. Currency risk arises when transactions are denominated in foreign currencies.

11. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

(i) *Foreign currency risk (continued)*

The Company is exposed to movements in foreign currency exchange rates arising from cash and cash equivalents and payables, primarily with respect to Singapore Dollar (SGD). However, the Company does not use any financial derivatives such as foreign currency forward contracts, foreign currency options or swaps for hedging purposes.

Sensitivity analysis for foreign currency risk

As at 31 March 2019 and 2018, the foreign currencies exposure is not significant and the foreign exchange sensitivity analysis is not prepared.

(ii) *Liquidity risk*

Liquidity risk is the risk that the Company will encounter difficulty in meeting financial obligations due to shortage of funds. The Company's exposure to liquidity risk arises primarily from possible mismatches of the maturities of financial assets and liabilities.

In the management of its liquidity risk, the Company monitors and maintains a level of cash deemed adequate by management to finance the operations and mitigate the effects of fluctuations in cash flow.

The maturity profile of the Company's financial assets and liabilities at the end of the reporting period based on contractual undiscounted repayments obligations is within one year.

12. CLASSIFICATION OF FINANCIAL ASSETS AND LIABILITIES

The following table summarises the carrying amount of financial assets and liabilities recorded at the end of the reporting year by FRS 39 categories:

	2019	**2018**
	US$	US$
Financial assets at amortised cost		
Cash and cash equivalents	607,516	608,235
Financial liabilities at amortised cost		
Accrued liabilities	5,682	9,922

13. FAIR VALUE OF ASSETS AND LIABILITIES

The fair value of a financial instrument is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The carrying amount of financial assets and liabilities are reasonable approximation of fair values due to their short-term nature.

13. FAIR VALUE OF ASSETS AND LIABILITIES (continued)

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

At the end of the reporting period, the Company does not have any other financial instruments carried at fair value.

14. CAPITAL MANAGEMENT

The primary objective of the Company capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximise shareholder value.

The Company manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. No changes were made in the objectives, policies or processes during the years ended 31 March 2019 and 31 March 2018.

The Company is not subjected to externally imposed capital requirements.

15. AUTHORISATION OF FINANCIAL STATEMENTS

The financial statements for the year ended 31 March 2019 were authorised for issue in accordance with a resolution of the directors on 10 April 2019.

The accompanying Supplementary Income Statement has been prepared for management purposes only and does not form part of the audited financial statements.

Proteus Petrochemicals Private Limited
(Co. Reg. No. 200606866R)

Supplementary Income Statement for the financial year ended 31 March 2019

	Schedule	2019 US$	2018 US$
Revenue		–	–
Other income	A	10,068	9,950
Administrative expenses	B	(10,403)	(18,656)
Other credits/(charges)	C	4,457	(438)
Profit/(loss) before tax		4,122	(9,144)

Schedule A

Other income		
Interest income from loan to a related party	10,068	9,950

Schedule B

Administrative expenses		
Auditor's remuneration	4,500	9,270
Bank charges	72	–
Office expense	212	564
Professional fee	5,001	6,842
Secretarial fee	618	1,980
	10,403	18,656

Schedule C

Other credits/(charges)		
Accrued liabilities written back	4,142	–
Foreign exchange adjustment, gain/(loss)	315	(438)
	4,457	(438)