

**TARDERIV INTERNATIONAL PTE LTD**  
**(Incorporated in the Republic of Singapore)**  
**Reg No: 201025959N**

**FINANCIAL STATEMENTS -31 MARCH 2013**

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**TARDERIV INTERNATIONAL PTE LTD**  
**(Incorporated in the Republic of Singapore)**

**DIRECTORS' REPORT**  
**FOR THE FINANCIAL YEAR ENDED 31 MARCH 2013**

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The directors present their report to the member together with the audited financial statements of the Company for the year ended 31 March 2013.

**1. Directors:**

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

**NARAYANASWAMY ULAGANATHAN**  
**VENKATARAMAIYER SIVARAMAKRISHNAN**

**2. Arrangements to enable the director to acquire shares or debentures**

Neither at the end of nor at any time during the 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 of the Company or any other body Corporate.

**3. Directors' interest in shares or debentures**

According to the register of directors' shareholdings, none of the directors holding office at the end of the financial year had any interest in the shares in or debentures of the Company or any related corporation.

**4. Directors' contractual benefits**

During the financial year, the directors did not receive or become entitled to receive a benefit by reason of a contract made by the Company or by a related corporation with the directors or with a firm of which he/she is a member or with a Company in which he/she has a substantial financial interest other than those disclosed in the financial statements.

**5. Share options**

No options were granted during the financial year to take up the unissued shares of the Company.

No shares were issued during the financial year by virtue of the exercise of options.

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

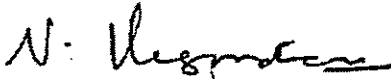
**TARDERIV INTERNATIONAL PTE LTD**  
**(Incorporated in the Republic of Singapore)**

**DIRECTORS' REPORT**  
**FOR THE FINANCIAL YEAR ENDED 31 MARCH 2013**

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**6. Independent Auditor:**

The independent auditor M/S MGI N Rajan Associates, has expressed its willingness to accept re - appointment.



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**NARAYANASWAMY ULAGANATHAN**  
**DIRECTOR**



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**VENKATARAMAIYER SIVARAMAKRISHNAN**  
**DIRECTOR**

Malaysia / USA  
Date: 17 MAY 2013

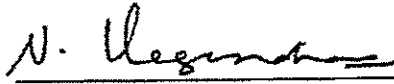
**TARDERIV INTERNATIONAL PTE LTD**  
**(Incorporated in the Republic of Singapore)**

**STATEMENT BY DIRECTORS**  
**FOR THE FINANCIAL YEAR ENDED 31 MARCH 2013**

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In our opinion,

- a) the accompanying balance sheet, statement of comprehensive income, statement of changes in equity and statement of cash flows together with notes thereon, are drawn up so as to give a true and fair view of the state of affairs of the Company at 31 March 2013 and of the results of the business, changes in equity and cash flows of the Company for the year then ended; and
- b) at the date of this statement there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.



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**NARAYANASWAMY ULAGANATHAN**  
**DIRECTOR**



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**VENKATARAMAIYER SIVARAMAKRISHNAN**  
**DIRECTOR**

Malaysia/USA  
Date: 17 MAY 2013



## MGI N RAJAN ASSOCIATES

### CERTIFIED PUBLIC ACCOUNTANTS

#### INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF TARDERIV INTERNATIONAL PTE LTD (Incorporated in the Republic of Singapore)

##### Report on the Financial Statements

We have audited the accompanying financial statements of Tarderiv International Pte Ltd ("The Company"), which comprise the balance sheet as at 31 March 2013, statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended and a summary of significant accounting policies and other explanatory notes.

##### *Management's Responsibility for the Financial Statements*

The Management is responsible for the preparation and fair presentation of these financial statements in accordance with the provisions of the Singapore Companies Act, Cap.50 (the "Act") and the Singapore Financial Reporting Standards, 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 statement of comprehensive income and balance sheet and to maintain accountability of assets.

##### *Auditor's Responsibility*

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Singapore Standards on Auditing. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedure selected depends on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

##### **Opinion**

In our opinion, the financial statements are properly drawn up in accordance with the provisions of the Act and Singapore Financial Reporting Standards so as to give a true and fair view of the state of affairs of the company as at 31 March 2013 and the results, changes in equity and the cash flows of the company for the year then ended.

##### **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.

Date **17 MAY 2013**  
Singapore

  
MGI N RAJAN ASSOCIATES  
PUBLIC ACCOUNTANTS AND  
CERTIFIED PUBLIC ACCOUNTANTS

10, JALAN BESAR #10-12, SIM LIM TOWER, SINGAPORE 208787.  
TEL: (065) 6293 8089 / 6293 8370 / 6293 8047 / 6293 0732 FAX: (065) 6293 5756 Email: soma@nra.com.sg Web: www.nra.com.sg

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

**TARDERIV INTERNATIONAL PTE LTD**  
**(Incorporated in the Republic of Singapore)**

**BALANCE SHEET**  
**AS AT 31 MARCH 2013**

	Note	2013 US\$	2012 US\$
<b>ASSETS</b>			
<b>Non-current assets</b>			
Subsidiary	5	8,000,000	8,000,000
		<u>8,000,000</u>	<u>8,000,000</u>
<b>Current assets</b>			
Cash and cash equivalents	6	566	646
Amount due from subsidiary	7	628,005	351,460
		<u>628,571</u>	<u>352,106</u>
<b>Total assets</b>		<u>8,628,571</u>	<u>8,352,106</u>
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Other payables	8	239,759	97,421
Provision for taxation	4b	11,887	25,892
		<u>251,646</u>	<u>123,313</u>
<b>Non-current liabilities</b>			
Non-cumulative non-convertible preference shares	9	5,500,000	5,500,000
Loan from immediate holding company	10	2,000,000	2,000,000
		<u>7,500,000</u>	<u>7,500,000</u>
<b>Total liabilities</b>		<u>7,751,646</u>	<u>7,623,313</u>
<b>NET ASSETS</b>		<u>876,925</u>	<u>728,793</u>
<b>EQUITY</b>			
Share capital	12	500,000	500,000
Retained profits		376,925	228,793
<b>Total equity</b>		<u>876,925</u>	<u>728,793</u>

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

**TARDERIV INTERNATIONAL PTE LTD**  
**(Incorporated in the Republic of Singapore)**

**STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE FINANCIAL YEAR ENDED 31 MARCH 2013**

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	Note	2013 US\$	2012 US\$
<b>Revenue</b>			
Interest income		303,860	303,860
Operating expenses		(14,658)	(10,441)
Finance costs-interest on loan		(132,854)	(79,333)
<b>Profit before tax</b>	3	156,348	214,086
Tax expense	4	(8,216)	(17,800)
<b>Profit after tax</b>		148,132	196,286
Other comprehensive income		-	-
<b>Total comprehensive income</b>		148,132	196,286

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

**TARDERIV INTERNATIONAL PTE LTD**  
**(Incorporated in the Republic of Singapore)**

**STATEMENT OF CHANGES IN EQUITY**  
**FOR THE FINANCIAL YEAR ENDED 31 MARCH 2013**

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	Share capital US\$	Retained profits US\$	Total US\$
<b>Balance as at 31 March 2011</b>	500,000	32,507	532,507
Total comprehensive income for the year	-	196,286	196,286
<b>Balance as at 31 March 2012</b>	500,000	228,793	728,793
Total comprehensive income for the year	-	148,132	148,132
<b>Balance as at 31 March 2013</b>	500,000	376,925	876,925

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



**TARDERIV INTERNATIONAL PTE LTD**  
**(Incorporated in the Republic of Singapore)**

**STATEMENT OF CASH FLOWS**  
**FOR THE FINANCIAL YEAR ENDED 31 MARCH 2013**

	Note	2013 US\$	2012 US\$
<b>Cash flows from operating activities</b>			
Net profit for the year/period before tax		156,348	214,086
<b>Operating profit before reinvestment of capital</b>		<u>156,348</u>	<u>214,086</u>
Increase in other payables		142,338	89,685
<b>Cash generated from operations</b>		<u>298,686</u>	<u>303,771</u>
Tax paid		(22,221)	-
<b>Net cash (used in)/generated from operating activities</b>		<u>276,465</u>	<u>303,771</u>
<b>Cash flows from investing activities</b>			
(Increase) in amount due by subsidiary		(276,545)	(303,860)
Subsidiary		-	(3,000,000)
<b>Net cash (used in) investing activities</b>		<u>(276,545)</u>	<u>(3,303,860)</u>
<b>Cash flows from financing activities</b>			
Non-cumulative non-convertible preference shares		-	1,000,000
Due to holding company		-	2,000,000
<b>Net cash flows from financing activities</b>		<u>-</u>	<u>3,000,000</u>
Net increase in cash and cash equivalents		(80)	(89)
Cash and cash equivalents at beginning of the year/period		646	735
<b>Cash and cash equivalents at end of the year/period</b>	6	<u>566</u>	<u>646</u>

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

**TARDERIV INTERNATIONAL PTE LTD**  
**(Incorporated in the Republic of Singapore)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE FINANCIAL YEAR ENDED 31 MARCH 2013**

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

**1. CORPORATE INFORMATION**

The Company was incorporated as a limited private Company and domiciled in the Republic of Singapore.

The financial statements of the Company for the year ended 31 March 2013 were authorised for issue in accordance with a resolution of the directors on the date of the Statement by directors.

The principal activities of the Company are that of investment holdings.

There have been no significant changes in the nature of these activities.

The principal place of business is at:-

101 Cecil Street,  
#11-06 Tong Eng Building,  
Singapore 069533

The Company's registered office is at:-

10 Jalan Besar,  
#10-12 Sim Lim Tower,  
Singapore 208787.

The Company's holding & Ultimate holding Company is Thirumalai Chemicals Limited, a Company incorporated in India.

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**2.1 Basis of preparation**

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

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

On 1 April 2012, the company has adopted the new or amended FRS and Interpretations to FRS ("INT FRS") that are mandatory for application for the financial year beginning from 1 January 2012. Changes to the company's accounting policies have been made as required, in accordance with the transitional provisions in the respective FRS and INT FRS.

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

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, cont'd**

**2.2 Financial Assets**

*Loans and receivables*

Loans and receivables include other receivables and loan to related party in the balance sheet.

These financial assets are initially recognised at fair value plus transaction cost and subsequently carried at amortised cost using the effective interest method. They are presented as current assets except for those maturing later than 12 months after the balance sheet date which are presented as non-current assets.

The Company assesses at each balance sheet date whether there is objective evidence that these financial assets are impaired and recognises an allowance for impairment when such evidence exists. Allowance for impairment is calculated as the difference between the carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate.

**2.3 Financial liabilities**

*Initial recognition and measurement*

Financial liabilities are recognised on the balance sheet 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 and in the case of other financial liabilities, plus directly attributable transaction costs.

*Subsequent measurement*

The measurement of financial liabilities depends on their classification as follows:

*Other financial liabilities*

After initial recognition, other financial liabilities are subsequently measured at amortised cost using the effective interest rate method. Gains and losses are recognised in profit or loss when the liabilities are derecognised, and through amortisation process.

*Derecognition*

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

**2.4 Fair value estimation of financial assets and liabilities**

The fair values of current financial assets and liabilities carried at amortised cost approximate their carrying amounts.

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE FINANCIAL YEAR ENDED 31 MARCH 2013**

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**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, cont'd**

**2.5 Cash and cash equivalents**

Cash and cash equivalents comprise balances with bank in current account.

**2.6 Currency translation**

*Functional currency*

Items included in the financial statements are measured using the currency that best reflects the economic substance of the underlying events and circumstances relevant to the company ("the functional currency"). The financial statements are prepared in United States dollar which is the functional currency of the Company.

*Transactions and balances*

Monetary assets and liabilities in foreign currencies are translated into United States dollar at rates of exchange closely approximating those ruling at balance sheet date. Transactions in foreign currencies are converted at rates closely approximating those ruling at transaction dates. Exchange differences arising from such transactions are recorded in the profit and loss account in the period in which they arise. However, where a foreign currency transaction is to be settled at a contracted rate or is covered by a related or matching forward exchange contract, the rate of exchange specified in the contract will be used and any corresponding monetary assets or liabilities will not be retranslated.

**2.7 Income Taxes**

Current income tax liabilities for current and prior periods are recognised at the amounts expected to be paid to the tax authorities, using the tax rates (and tax laws) that have been enacted or substantially enacted by the balance sheet date.

Deferred income tax assets/ liabilities are recognised for all deductible / taxable temporary differences arising between the tax bases of assets and liabilities and tax assets/liabilities and their carrying amounts in the financial statements except when the deferred income tax assets /liabilities arise from the initial recognition of an asset or liability in a transaction that is not a business combination and at the time of the transaction, affects neither accounting not taxable profit or loss.

Deferred tax asset is recognised to the extent that is probable that future taxable profit will be available against which the temporary differences can be utilised. Current and deferred income taxes are recognised as income or expenses in the income statement for the period, except to the extent that the tax arises from a transaction which is recognised directly to equity.

**2.8 Related Party**

A party is considered to be related to the Company if:-

- a) The party directly or indirectly through one or more intermediaries,
  - i) controls, is controlled by, or is under common control with, the Company;
  - ii) has an interest in the Company that gives it significant influence over the Company; or
  - iii) has joint control over the Company;
- b) The party is an associate;
- c) The party is a jointly-controlled entity;
- d) The party is a member of the key management personnel of the Company or its parent;

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE FINANCIAL YEAR ENDED 31 MARCH 2013**

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**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, cont'd**

**2.8 Related Party cont'd...**

- e) The party is a close member of the family of any individual referred to in a) or d); or
- f) The party is an entity that is controlled, jointly controlled or significantly influenced by or for which significant voting power in such entity resides with, directly or indirectly referred to in d) or e); or
- g) The party is a post-employment benefit plan for the benefit of the employees of the Company, or of any entity that is a related party of the Company

**2.9 Provisions**

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

Provisions are measured at the present value of the expenditure expected to be required to settle the obligation using a pre-tax discount rate that reflects the current market assessment of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised in the income statement as interest expense.

**2.10 Share capital**

Incremental external costs directly attributable to the issue of new shares, other than on a business combination, are shown in equity as a deduction, net of tax, from the proceeds. Share issue costs incurred directly in connection with a business combination are included in the cost of acquisition

**2.11 Non-cumulative Non-Convertible redeemable preference shares**

The component of non-convertible preference shares that exhibits characteristics of a liability is recognised as a financial liability on the balance sheet, net of transaction costs. The dividends on those shares are recognised as interest expense in profit or loss using the effective interest rate method. On issuance of the non-convertible redeemable preference shares, the fair value of the liability component is determined using a market rate for an equivalent non-convertible debt and this amount is carried as a financial liability in accordance with the accounting policy set out in Note 2.3.

The residual amount, after deducting fair value of the liability component, is recognized and included in shareholder's equity, net of transaction costs.

Transaction costs are apportioned between the liability and equity components of the convertible redeemable preference shares based on the allocation of proceeds to the liability and equity components when the instruments were first recognized.

**2.12 Subsidiary**

A subsidiary is an entity over which the Group has the power to govern the financial and operating policies so as to obtain benefits from its activities.

Investment in subsidiary is accounted for at cost less impairment losses.

Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount.

**TARDERIV INTERNATIONAL PTE LTD**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE FINANCIAL YEAR ENDED 31 MARCH 2013**

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, cont'd**

**2.12 Subsidiary cont'd...**

The subsidiary results have not been consolidated as the company is itself a wholly owned subsidiary of another company Thirumalai Chemicals Limited, a company incorporated in India, which publishes consolidated financial statements.

**2.13 Revenue Recognition**

Interest income is recognized using the effective interest method.

**3. PROFIT BEFORE TAX**

	2013 US\$	2012 US\$
These are arrived after charging:-		
Professional fees	10,546	7,318
Exchange loss	451	648
Interest paid to holding & ultimate holding company	132,854	79,333

**4. TAX EXPENSE**

	2013 US\$	2012 US\$
<b>Current tax</b>		
Current year provision	12,947	17,800
Overprovision of tax in prior year	(4,731)	-
	<u>8,216</u>	<u>17,800</u>

The tax expense on the results of the financial year varies from the amount of income tax determined by applying the Singapore statutory rate of income tax on company's profit as a result of the following:-

	2013 US\$	2012 US\$
Profit before taxation	<u>156,348</u>	<u>214,086</u>
Tax at statutory rate of 17% (2012:17%)	26,579	36,395
Singapore stepped tax exemption	(13,632)	(18,595)
Overprovision of tax in prior year	(4,731)	-
	<u>8,216</u>	<u>17,800</u>

**b. Movement in taxation**

	2013 US\$	2012 US\$
Beginning of financial year	25,892	-
Reclassified from deferred taxation	-	8,092
Tax paid	(22,221)	-
Overprovision of tax in prior year	(4,731)	-
Current tax	12,947	17,800
<b>End of financial year</b>	<u>11,887</u>	<u>25,892</u>

**TARDERIV INTERNATIONAL PTE LTD**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE FINANCIAL YEAR ENDED 31 MARCH 2013**

**5. SUBSIDIARY**

	2013 US\$	2012 US\$
Unquoted shares stated at cost	403,497	403,497
Loan to Subsidiary	7,596,503	7,596,503
	8,000,000	8,000,000

Loan to subsidiary is unsecured, carries interest of 4 % per annum (2012:4%) and is due within six years from April 2014.

Details of investment in subsidiary as follows:

Subsidiary Company	Principal activities	Cost of investment		Country of incorporation	Equity holding %	
		2013 US\$	2012 US\$		2013	2012
Cheminvest Pte Ltd	Investment holding	403,497	403,497	Singapore	100	100

**6. CASH & CASH EQUIVALENTS**

	2013 US\$	2012 US\$
Cash at bank	566	646
	566	646

**7. AMOUNT DUE BY SUBSIDIARY**

This is unsecured, interest-free with no fixed repayment terms.

**8. OTHER PAYABLES**

	2013 US\$	2012 US\$
Interest payable to holding & ultimate holding company	212,188	79,333
Other payables	16,892	8,384
Accruals	10,679	9,704
	239,759	97,421

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE FINANCIAL YEAR ENDED 31 MARCH 2013**

**9. NON-CUMULATIVE NON-CONVERTIBLE REDEEMABLE PREFERENCE SHARES**

The Preference Shares carry a non-cumulative preferential dividend of 5% per annum. The dividend rights are non-cumulative and the shareholder shall be entitled to participate in the profits/surplus assets of the Company along with the ordinary shareholder. The Company can redeem the preference shares at their convenience.

**10. LOAN FROM ULTIMATE HOLDING COMPANY**

This loan is unsecured, carries interest at Libor +6% (2012:6.8%) per annum and repayable in equal instalments within 3 years, the first instalment falling due on 30<sup>th</sup> June 2014 and the last instalment falling due on 31st March 2017.

**11. DEFEERED TAXATION**

	2013 US\$	2012 US\$
At the beginning of the year/ period	-	8,092
Reclassified to provision for taxation	-	(8,092)
Current year/period	-	-
Balance at the end of year/period	<u>-</u>	<u>-</u>

**12. SHARE CAPITAL**

The Company's share capital comprise of fully paid up 500,000 (2012:500,000) ordinary shares with no par value amounting to a total of US\$ 500,000/- (2012:500,000/-).

The holders of ordinary shares are entitled to receive dividends as and when declared by the Company. All ordinary shares carry one vote per share without restriction.

**13. CAPITAL MANAGEMENT**

The Company's policy is to maintain a strong capital base so as to maintain creditor and market confidence and to sustain future development by issuing or redeeming equity and debts instruments when necessary.

The Board of Directors monitor its capital based on net debt and total capital. Net debt calculated as borrowings plus trade and other payables less cash and bank deposits. Total capital is calculated as equity plus net debt. The Company is not subject to any externally imposed capital requirements.

	2013 US\$	2012 US\$
Net debt	7,739,193	7,596,775
Total equity	876,925	728,793
Total capital	<u>8,616,118</u>	<u>8,325,568</u>



**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE FINANCIAL YEAR ENDED 31 MARCH 2013**

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**14. FINANCIAL RISK MANAGEMENT**

The Company does not have any written financial risk management policies and guidelines.

The Company's exposures to financial risks associated with financial instruments held in the ordinary course of business include:

**a) Price risk**

***i) Currency risk***

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. The company is not exposed to movements in foreign currencies exchange rates. The Company's foreign exchange transactions are insignificant.

***ii) Interest rate risk***

Interest rate risk is the risk that the value of a financial instrument will fluctuate due to changes in market interest rates. The Company is not exposed to any movements in market interest rates except for its borrowing with the holding Company which is at variable rates.

At 31 March 2013, if the interest rate had increased/decreased by 0.5% with all other variables including tax rate being held constant, the profit after tax for the year would have been lower/higher by \$8,300 as a result of higher/lower interest expense on these borrowings.

***iii) Market risk***

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

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

**b) Credit risk**

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

The Company's credit risk is primarily attributable to its intercompany loan. However, the Company has policies in place to ensure that intercompany loan is made to related party with appropriate credit standing.

**c) Liquidity risk**

Liquidity or funding risk is the risk that an enterprise will encounter difficulty in raising funds to meet commitments associated with financial instruments. Liquidity risk may result from an inability to sell a financial asset quickly at close to its fair value. The company ensures that there are adequate funds to meet all its obligations in a timely and cost-effective manner.

The Company obtains financial support from its holding Company to meet its operational requirements.

**TARDERIV INTERNATIONAL PTE LTD**  
**(Incorporated in the Republic of Singapore)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE FINANCIAL YEAR ENDED 31 MARCH 2013**

**14. FINANCIAL RISK MANAGEMENT, cont'd**

The table below analyses the maturity profile of the Company's financial liabilities based on contractual undiscounted cash flows:-

	Less than 1 year US\$	Between 1 and 2 years US\$	Between 2 and 5 years US\$	After 5 years US\$	Total US\$
<b>At 31 March 2013</b>					
Other payables	239,759	-	-	-	239,759
Borrowings	-	-	5,500,000	-	5,500,000
Loan from holding company	-	666,667	1,333,333	-	2,000,000
<b>Total</b>	<b>239,759</b>	<b>666,667</b>	<b>6,833,333</b>	<b>-</b>	<b>7,739,759</b>
<b>At 31 March 2012</b>					
Other payables	97,421	-	-	-	97,421
Borrowings	-	-	5,500,000	-	5,500,000
Loan from holding company	-	-	2,000,000	-	2,000,000
<b>Total</b>	<b>97,421</b>	<b>-</b>	<b>7,500,000</b>	<b>-</b>	<b>7,597,421</b>

**15. RELATED PARTY DISCLOSURES**

In addition to those related party information disclosed elsewhere in the financial statements, the following significant transactions between the Company and related parties who are members of the Company took place during the year at terms agreed between the parties.

	2013 US\$	2012 US\$
Interest income from Subsidiary	303,860	303,860
Interest paid to holding & ultimate holding Company	132,854	79,333
Payments made by Subsidiary on behalf of Company	27,315	-

Outstanding balances at 31 March 2013 arising from loans receivables/payables within 12 months and after 12 months from balance sheet date are disclosed in Notes 5,5a,7,9 & 10.

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE FINANCIAL YEAR ENDED 31 MARCH 2013**

**16. STANDARDS ISSUED BUT NOT YET EFFECTIVE**

The Company has not applied the following new/revised FRS or interpretations that have been issued as of the balance sheet date but not yet effective:

<b>Description</b>		<b>Effective for annual periods beginning on or after</b>
Revised FRS 19	Employee Benefits	1 January 2013
Revised FRS 27	Separate Financial Statements	1 January 2014
Revised FRS 28	Investments in Associates and Joint Ventures	1 January 2014
Improvements to FRSs 2012		1 January 2013
- Amendment to FRS 1	Presentation of Financial Statements	1 January 2013
- Amendment to FRS 16	Property, plant and Equipment	1 January 2013
- Amendment to FRS 32	Financial instruments: Presentation	1 January 2013
FRS 110	Consolidated Financial Statements	1 January 2014
FRS 111	Joint Arrangements	1 January 2014
FRS 112	Disclosure of Interests in Other Entities	1 January 2014
FRS 113	Fair Value Measurements	1 January 2013
Amendments to FRS 1	Presentation of Items of Other Comprehensive Income	1 July 2012
Amendments to FRS 32	Offsetting financial Assets and financial Liabilities	1 January 2013
Amendments to FRS 107	Offsetting financial Assets and financial Liabilities	1 January 2013

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

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**TARDERIV INTERNATIONAL PTE LTD**  
**(Incorporated in the Republic of Singapore)**

(This does not part form of the audited financial statements)

**DETAILED INCOME STATEMENT FOR THE FINANCIAL YEAR ENDED 31 MARCH 2013**

	US\$	US\$
<b>Revenue</b>		
Interest income from Subsidiary		<u>303,860</u>
<b>Expenses</b>		
Audit fee	2,808	
Audit fee-underprovision of tax in prior year	627	
Bank charges	81	
Loss on exchange	451	
Interest on loan	132,854	
Printing & stationery	145	
Professional fee	10,546	<u>147,512</u>
<b>Net profit for the year</b>		<u>156,348</u>