

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

FINANCIAL STATEMENTS -31 MARCH 2014

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

DIRECTORS' REPORT
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2014

The directors present their report to the member together with the audited financial statements of the Company for the year ended 31 March 2014.

1. Directors:

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

NARAYANASWAMY ULAGANATHAN
VENKATARAMAIYER SIVARAMAKRISHNAN (resigned on 12/7/2013)
SHIV RAJ KAPUR (appointed on 12/7/2013)
ANANTHANARAYANAN JANAKIRAMAN (appointed on 12/7/2013)

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 kept by the company under Section 164 of the Companies Act, Cap.50, 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.

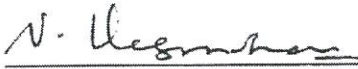
TARDERIV INTERNATIONAL PTE LTD
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DIRECTORS' REPORT
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2014

6. Independent Auditor:

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

On behalf of the Board,


NARAYANASWAMY ULAGANATHAN
DIRECTOR


SHIV RAJ KAPUR
DIRECTOR

Singapore/Malaysia
Date: 25 APR 2014

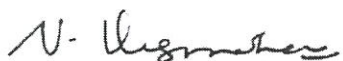
TARDERIV INTERNATIONAL PTE LTD
(Incorporated in the Republic of Singapore)

STATEMENT BY DIRECTORS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2014

In the opinion of the directors,

- 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 as at 31 March 2014 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.

On behalf of the Board,



NARAYANASWAMY ULAGANATHAN
DIRECTOR



SHIV RAJ KAPUR
DIRECTOR

Singapore/Malaysia
Date: **25 APR 2014**



MGI N RAJAN ASSOCIATES
PUBLIC ACCOUNTANTS AND
CHARTERED ACCOUNTANTS SINGAPORE

**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 2014, and the 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

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Singapore Companies Act, Cap.50 (the "Act") and 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 profit and loss accounts and balance sheets 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 depend 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 of financial statements that give a true and fair view 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 2014 and the results, changes in equity and the cash flows of the company for the year on that date.

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 **25 APR 2014**
Singapore


MGI N RAJAN ASSOCIATES
PUBLIC ACCOUNTANTS AND
CHARTERED ACCOUNTANTS

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

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

BALANCE SHEET- 31 MARCH 2014

	Note	2014 US\$	2013 US\$
ASSETS			
Non-current assets			
Subsidiary	5	6,733,916	8,000,000
Current assets			
Cash and cash equivalents	6	613	566
Amount due from subsidiary	7	2,112,067	628,005
Deposits		3,926	-
		<u>2,116,606</u>	<u>628,571</u>
Total assets		8,850,522	8,628,571
LIABILITIES			
Current liabilities			
Other payables	8	297,389	239,759
Loan from immediate holding company	10	666,667	-
Provision for taxation	4	9,686	11,887
		<u>973,742</u>	<u>251,646</u>
Non-current liabilities			
Non-cumulative non-convertible preference shares	9	5,500,000	5,500,000
Loan from immediate holding company	10	1,333,333	2,000,000
		<u>6,833,333</u>	<u>7,500,000</u>
Total liabilities		7,807,075	7,751,646
NET ASSETS		1,043,447	876,925
EQUITY			
Share capital	11	500,000	500,000
Retained profits		543,447	376,925
Total equity		<u>1,043,447</u>	<u>876,925</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 2014

	Note	2014 US\$	2013 US\$
Revenue			
Interest income		303,860	303,860
Gain on exchange		35	-
Operating expenses		(9,711)	(14,658)
Finance costs-interest on loan		(127,435)	(132,854)
Profit before tax	3	166,749	156,348
Tax expense	4	(227)	(8,216)
Profit after tax		166,522	148,132
Other comprehensive income		-	-
Total comprehensive income		166,522	148,132

(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 2014

	Share capital US\$	Retained profits US\$	Total US\$
Balance as at 31 March 2012	500,000	228,793	728,793
Total comprehensive income	-	148,132	148,132
Balance as at 31 March 2013	500,000	376,925	876,925
Total comprehensive income	-	166,522	166,522
Balance as at 31 March 2014	500,000	543,447	1,043,447

(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 2014

	Note	2014 US\$	2013 US\$
Cash flows from operating activities			
Net profit for the year before tax		166,749	156,348
Operating profit before reinvestment of capital		<u>166,749</u>	<u>156,348</u>
Increase in other payables		57,630	142,338
Cash generated from operations		<u>224,379</u>	<u>298,686</u>
Tax paid		(8,003)	(22,221)
Tax refund		5,575	-
Net cash generated from operating activities		<u>221,951</u>	<u>276,465</u>
Cash flows from investing activities			
(Increase) in amount due by subsidiary		(221,904)	(276,545)
Net cash (used in) investing activities		<u>(221,904)</u>	<u>(276,545)</u>
Net increase in cash and cash equivalents		47	(80)
Cash and cash equivalents at beginning of the year		566	646
Cash and cash equivalents at end of the year	6	<u>613</u>	<u>566</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 2014

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 2014 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 Company's registered office is at:-

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

The Company's immediate 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 2013, the company has adopted all the new and revised FRSs and Interpretations of FRS ("INT FRS") that are relevant to its operations and effective for annual periods beginning on or after January 1, 2013.

The adoption of these new or revised FRSs and INT FRSs 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 and prior financial years.

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2014

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, cont'd

2.2 Financial Assets

Loans and receivables

Loans and receivables are presented as "trade and other receivables" and "cash and cash equivalents" on 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.

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2014

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;

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2014

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 2014

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.

2.14 Borrowing costs

Borrowing costs are recognised in profit or loss using the effective interest method.

2.15 Borrowings

Borrowings are presented as current liabilities unless the Company has an unconditional right to defer settlement for at least 12 months after the balance sheet date, in which case they are presented as non-current liabilities. Borrowings are initially recognized at fair value (net of transaction costs) and the redemption value is recognized in profit or loss over the period of the borrowings using the effective interest method.

3. PROFIT BEFORE TAX

	2014 US\$	2013 US\$
These are arrived after charging:-		
Professional fees	4,835	10,546
Exchange loss	-	451
Interest paid to holding & ultimate holding company	127,434	132,854

4. TAX EXPENSE

	2014 US\$	2013 US\$
Current tax		
Current year provision	9,686	12,947
Overprovision of tax in prior year	(3,884)	(4,731)
Tax refund	(5,575)	-
	<u>227</u>	<u>8,216</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:-

	2014 US\$	2013 US\$
Profit before taxation	<u>166,749</u>	<u>156,348</u>
Tax at statutory rate of 17% (2013:17%)	28,347	26,579
Singapore stepped tax exemption	(14,511)	(13,632)
Overprovision of tax in prior year	(3,884)	(4,731)
Tax refund	(5,575)	-
Tax rebate	(4,150)	-
	<u>227</u>	<u>8,216</u>

TARDERIV INTERNATIONAL PTE LTD
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2014

4. TAX EXPENSE, cont'd

b. Movement in taxation

	2014 US\$	2013 US\$
Beginning of financial year	11,887	25,892
Tax paid	(8,003)	(22,221)
Overprovision of tax in prior year	(3,884)	(4,731)
Current tax	9,686	12,947
End of financial year	9,686	11,887

5. SUBSIDIARY

	2014 US\$	2013 US\$
Unquoted shares stated at cost	403,497	403,497
Loan due after 12 months	6,330,419	7,596,503
	6,733,916	8,000,000

Loan is unsecured, carries interest of 4 % per annum (2013:4%) 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 %	
		2014 US\$	2013 US\$		2014	2013
Cheminvest Pte Ltd	Investment holding	403,497	403,497	Singapore	100	100

6. CASH & CASH EQUIVALENTS

	2014 US\$	2013 US\$
Cash at bank	613	566
	613	566

7. AMOUNT DUE BY SUBSIDIARY

	2014 US\$	2013 US\$
*Loan due within 12 months	1,266,084	-
**Interest receivable on loan	845,983	628,005
	2,112,067	628,005

*Loan is unsecured, carries interest of 4 % per annum (2013:4%) and is due within six years from April 2014.

**This is unsecured, interest-free and receivable on demand.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2014

8. OTHER PAYABLES

	2014 US\$	2013 US\$
Interest payable to immediate & ultimate holding company	290,551	212,188
Other payables	-	16,892
Accruals	6,838	10,679
	<u>297,389</u>	<u>239,759</u>

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 IMMEDIATE AND ULTIMATE HOLDING COMPANY

This loan is unsecured, carries interest at Libor +6% (2013:6.8%) per annum and repayable in equal instalments within 3 years, the first instalment falling due on 30th June 2014 and the last instalment falling due on 31st March 2017.

11. SHARE CAPITAL

The Company's share capital comprise of fully paid up 500,000 (2013:500,000) ordinary shares with no par value amounting to a total of US\$ 500,000/- (2013:500,000/-).

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.

12. 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 gearing ratio is computed as net debt divided by total capital.

The Company is not subject to any externally imposed capital requirements.

	2014 US\$	2013 US\$
Net debt	7,796,776	7,739,193
Total equity	1,043,447	876,925
Total capital	<u>8,840,223</u>	<u>8,616,118</u>

Gearing ratio 88.20% 89.82%

TARDERIV INTERNATIONAL PTE LTD
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2014

13. 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 2014, if the interest rate had increased/decreased by 0.5% (2013:0.5%) 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/- (2013:\$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 amounting to US\$ 7,596,503. 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 immediate & ultimate 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 2014

13. FINANCIAL RISK MANAGEMENT, cont'd

c) Liquidity risk, 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\$
At 31 March 2014					
Other payables	297,388	-	-	-	297,388
Borrowings	-	-	5,500,000	-	5,500,000
Loan from holding company	666,667	666,667	666,666	-	2,000,000
Total	932,246	666,667	6,166,666	-	7,765,579

	Less than 1 year US\$	Between 1 and 2 years US\$	Between 2 and 5 years US\$	After 5 years US\$	Total US\$
At 31 March 2013					
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
Total	239,759	666,667	6,833,333	-	7,739,759

d) Fair value instruments by category

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

	2014 US\$	2013 US\$
Loans and receivables	2,116,606	628,571
Financial liabilities at amortised cost	7,797,389	7,739,759

TARDERIV INTERNATIONAL PTE LTD
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2014

14. 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.

	2014	2013
	US\$	US\$
Interest income from Subsidiary	303,860	303,860
Interest paid to immediate holding & ultimate holding Company	127,435	132,854
Payments made by Subsidiary on behalf of Company	91,406	27,315

Outstanding balances at 31 March 2014 arising from loans receivables/payables within 12 months and after 12 months from balance sheet date are disclosed in Notes 5,7,8,9 & 10.

15. STANDARDS ISSUED BUT NOT YET EFFECTIVE

The Company has not adopted the following standards and interpretations that have been issued but not yet effective:

Description	Effective annual periods beginning on or after
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 27 Separate Financial Statements	1 January 2014
FRS 28 Investments in Associates and Joint Ventures	1 January 2014
Amendments to FRS 36: Recoverable Amount Disclosures for Non-Financial Assets	1 January 2014
Amendments to FRS 110, FRS 112 and FRS 27 : Investment Entities	1 January 2014
Amendments to FRS 32 Offsetting financial Assets and financial Liabilities	1 January 2014
INT FRS 121 Levies	1 January 2014

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

DETAILED INCOME STATEMENT FOR THE YEAR ENDED 31 MARCH 2014

	US\$	US\$
Revenue		
Interest income		<u>303,860</u>
		303,860
Add: gain on exchange		<u>35</u>
		303,895
Expenses		
Audit fee	2,777	
Audit fee-underprovision in prior year	201	
Bank charges	3	
Director's fee	976	
Interest on loan from holding & ultimate holding company	127,435	
Printing & stationery	253	
Professional fee	4,835	
Registered office facilities	<u>666</u>	(137,146)
Net profit for the year		<u><u>166,749</u></u>