PARSVNATH DEVELOPERS PTE. LTD.

BALANCE SHEET
AS AT 31 MARCH 2017

	Note	2017 $	2016 $
Non-current assets			
Investment property under development	4	745,819	-
Current assets			
Other receivables	5	600,000	1,390,679
Cash at bank		589,764	79,801
		1,189,764	1,470,480
Total assets		1,935,583	1,470,480
Equity			
Share capital	6	1,456,920	1,456,920
(Accumulated losses)/Retained earnings		(50,277)	8,417
Total equity		1,406,643	1,465,337
Current liabilities			
Other payables	7	528,940	5,143
Total liabilities		528,940	5,143
Total equity and liabilities		1,935,583	1,470,480

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

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2017

	Note	2017 $	2016 $
Revenue		-	-
Other income – sundry income		1,351	-
Administrative expenses		(34,488)	(13,297)
Other expenses		(25,317)	-
Results from operating activities		(58,454)	(13,297)
Finance costs – bank charges		(240)	(90)
Loss before tax		(58,694)	(13,387)
Tax expense	9	-	-
Loss for the year	8	(58,694)	(13,387)
Other comprehensive income		-	-
Other comprehensive income for the year, net of tax		-	-
Total comprehensive income for the year		(58,694)	(13,387)

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

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

	Share capital $	Retained earnings/ (Accumulated losses) $	Total $
At 1 April 2015	1,456,920	21,804	1,478,724
Loss for the year	-	(13,387)	(13,387)
Other comprehensive income	-	-	-
Total comprehensive income for the year	-	(13,387)	(13,387)
At 31 March 2016	1,456,920	8,417	1,465,337
Loss for the year	-	(58,694)	(58,694)
Other comprehensive income	-	-	-
Total comprehensive income for the year	-	(58,694)	(58,694)
At 31 March 2017	1,456,920	(50,277)	1,406,643

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

CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2017

	2017 $	2016 $
Operating activities		
Loss for the year/ Operating cash flows before changes in working capital	(58,694)	(13,387)
Changes in working capital:		
Other receivables	625,000	34,321
Other payables	26,761	2,143
Net cash flows generated from operating activities	593,067	23,077
Investing activities		
Purchase of investment property under development (Note A)	(83,104)	-
Cash flows used in investing activities	(83,104)	-
Net increase in cash at bank	509,963	23,077
Cash at bank at 1 April	79,801	56,724
Cash at bank at 31 March	589,764	79,801

NOTE A:
As at 31 March 2017, an amount of $497,036 (2016: $Nil) for the purchase of investment property remained unsettled and is included in other payables.

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

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

1. Domicile and activities

Parsvnath Developers Pte. Ltd. (the "Company") is a company incorporated in the Republic of Singapore. The address of the Company's registered office is 77 High Street #07-12/13 High Street Plaza Singapore 179433.

The principal activities of the Company are those relating to the development, construction and marketing of real estate projects and investment holding.

The immediate and ultimate holding company during the financial year is Parsvnath Developers Limited, a company incorporated in the Republic of India.

2. Going concern

The financial statements of the Company have been prepared on a going concern basis. The validity of the going concern assumption on which the financial statements of the Company are prepared depends on whether the management is able to formulate a viable plan to fulfill its obligations to the developer for the purchase of investment properties and on the continuing financial support from its immediate and ultimate holding company. In the event that the Company are unable to fulfill its obligations to the developer and in the absence of continuing financial support from its immediate and ultimate holding company, the Company will no longer be able to continue as a going concern and may not be able to realise its assets and discharge its liabilities in the normal course of business. The financial statements of the Company do not take into account any adjustments to the financial statements that would have to be made to reflect the situation that assets may need to be realised other than in the normal course of business and at amounts which could differ significantly from the amounts at which they are currently recorded in the balance sheet. In addition, the Company may have to provide for further liabilities which may arise, and to reclassify non-current assets and non-current liabilities as current assets and current liabilities.

3. 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 the historical cost basis except as disclosed in the accounting policies below.

The financial statements are presented in Singapore Dollars, which is the Company's functional currency.

3. Summary of significant accounting policies (cont'd)

(a) Basis of preparation (cont'd)

The preparation of the financial statements in conformity with FRS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Information about significant areas of estimation uncertainties and critical judgements in applying accounting policies that have the significant effects on the amounts recognised in the financial statements are disclosed in Note 13.

Interpretations and amendments to published standards effective in 2016

On 1 April 2016, the Company adopted the new or amended FRS and Interpretations to FRS ("INT FRS") that are mandatory for application for the financial year. 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.

(b) Financial instruments

Non-derivative financial assets

The Company initially recognises loans and receivables on the date that they are originated. All other financial assets are recognised initially on the trade date, which is the date that the Company becomes a party to the contractual provisions of the instrument.

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred, or it neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control over the transferred asset. Any interest in transferred financial assets that is created or retained by the Company is recognised as a separate asset or liability.

Financial assets and liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company has a legal right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

The Company classifies non-derivative financial assets into the following categories: loans and receivables.

3. Summary of significant accounting policies (cont'd)

(b) Financial instruments (cont'd)

Non-derivative financial assets (cont'd)

Loans and receivables

Loans and receivables are financial assets with fixed or determinable 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 and receivables are measured at amortised cost using the effective interest method, less any impairment losses.

Loans and receivables comprise other receivables and cash at bank.

Non-derivative financial liabilities

Financial liabilities are recognised initially on the trade date, which is the date that the Company becomes a party to the contractual provisions of the instrument.

The Company derecognises a financial liability when its contractual obligations are discharged, cancelled or expire.

Financial assets and liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company currently has a legally enforceable right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

The Company classifies non-derivative financial liabilities into the following categories: other financial liabilities.

Other non-derivative financial liabilities are initially measured at fair value less any directly attributable transaction costs. Subsequent to initial recognition, these financial liabilities are measured at amortised cost using the effective interest method. These financial liabilities comprise other payables.

Share capital

Ordinary shares are classified as equity.

(c) Investment property

Investment property is a property that is owned by the Company to earn rentals or for capital appreciation, or both, rather than for use in the production or supply of goods or services, or for administrative purposes, or in the ordinary course of business. Investment property comprise property that is being constructed or developed for future use as investment property.

Investment property under development is stated at cost less impairment losses and is not subject to depreciation until the completion of the development.

3. Summary of significant accounting policies (cont'd)

(d) Impairment

Non-derivative financial assets

A financial asset not carried at fair value through profit or loss, is assessed at the end of each reporting period to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event(s) has occurred after the initial recognition of the asset, and that the loss event(s) has an impact on the estimated future cash flows of that asset that can be estimated reliably.

Objective evidence that financial assets are impaired can include default or delinquency by a debtor, restructuring of an amount due to the Company on terms that the Company would not consider otherwise, indications that a debtor will enter bankruptcy.

Loans and receivables

The Company considers evidence of impairment for loans and receivables at both a specific asset and collective level. All individually significant loans and receivables are assessed for specific impairment. All individually significant receivables found not to be specifically impaired are then collectively assessed for any impairment that has been incurred but not yet identified. Loans and receivables that are not individually significant are collectively assessed for impairment by grouping together loans and receivables with similar risk characteristics.

In assessing collective impairment, the Company uses historical trends of the probability of default, the timing of recoveries and the amount of loss incurred, adjusted for management's judgement as to whether current economic and credit conditions are such that the actual losses are likely to be greater or less than suggested by historical trends.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows, discounted at the asset's original effective interest rate. Losses are recognised in profit or loss and reflected in an allowance account against loans and receivables. Interest on the impaired asset continues to be recognised. When a subsequent event (e.g. repayment by a debtor) causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through profit or loss.

Non-financial assets

The carrying amounts of the Company's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. An impairment loss is recognised if the carrying amount of an asset or its related cash-generating unit ("CGU") exceeds its estimated recoverable amount.

3. Summary of significant accounting policies (cont'd)

(d) Impairment (cont'd)

Non-financial assets (cont'd)

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGUs.

Impairment losses are recognised in profit or loss.

Impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

(e) Employee benefits

Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognised as an employee benefit expense in profit or loss in the periods during which related services are rendered by employees.

Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid under short-term cash bonus or profit-sharing plans if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the obligation can be estimated reliably.

(f) Finance costs

Bank charges are recognised in profit or loss in the period in which they are incurred.

3. Summary of significant accounting policies (cont'd)

(g) Tax

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

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes, if any.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

The measurement of deferred taxes reflects the tax consequences that would follow the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to taxes levied by the same tax authority on the same taxable entity.

A deferred tax asset is recognised for unused tax losses, tax credits and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which they can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

In determining the amount of current and deferred tax, the Company takes into account the impact of uncertain tax positions and whether additional taxes and interest may be due. The Company believes that its accruals for tax liabilities are adequate for all open tax years based on its assessment of many factors, including interpretations of tax law and prior experience. This assessment relies on estimates and assumptions and may involve a series of judgements about future events. New information may become available that causes the Company to change its judgement regarding the adequacy of existing tax liabilities; such changes to tax liabilities will impact tax expense in the period that such a determination is made.

(h) New standards and interpretations not adopted

A number of new standards, amendments to standards and interpretations are effective for annual periods beginning after 1 April 2016, and have not been applied in preparing these financial statements. None of these are expected to have a significant effect on the financial statements of the Company.

4. Investment property under development

	2017	2016
	$	$
Cost		
At 1 April	-	-
Transfer from deposits (Note 5)	165,679	-
Additions during the year	580,140	-
At 31 March	745,819	-

5. Other receivables

	2017	2016
	$	$
Deposits	-	165,679
Other receivables	600,000	1,225,000
Total other receivables	600,000	1,390,679
Add:		
Cash at bank	589,764	79,801
Total loans and receivables	1,189,764	1,470,480

In 2016, deposits comprise 5% booking fee paid to purchase two leasehold properties at 320 Serangoon Road #10-07 Centrium Square Singapore 218108 and 320 Serangoon Road #10-08 Centrium Square Singapore 218108. These balances were transferred to investment property under development upon signing of the Sale and Purchase Agreement ("S&P") on 25 April 2016 and 7 June 2016 respectively (Note 4).

As at 31 March 2017, other receivables comprise advances to a third party ("original loan") which is unsecured, non-interest bearing and repayable by 30 September 2017. Subsequent to the reporting date, the Company extended an additional loan of $500,000 to the same third party, with the same terms of security and repayment as the original loan.

As at 31 March 2016, other receivables comprise advances to third parties which are unsecured, non-interest bearing and repayable by 30 September 2014. Pursuant to supplementary agreements signed with the parties, the balance outstanding advances were further extended to 31 December 2016. These advances were fully repaid on 31 March 2017.

6. Share capital

	2017		2016	
	No. of shares	$	No. of shares	$
Fully paid ordinary shares, with no par value:				
At 1 April and at 31 March	856,920	1,456,920	856,920	1,456,920

6. Share capital (cont'd)

All shares rank equally with regard to the Company's residual assets.

All issued shares are fully paid, with no par value.

The holders of ordinary shares are entitled to receive dividends as declared from time to time, and are entitled to one vote per share at meetings of the Company.

Capital management

The Company manages its capital to ensure that the Company will be able to continue as a going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance.

There were no changes in the Company's approach to capital management during the year.

The capital structure of the Company consists of equity attributable to owners of the Company, comprising share capital and (accumulated losses)/retained earnings.

The Company is not subject to externally imposed capital requirements.

7. Other payables

	2017 $	2016 $
Other payables	-	343
Accrued operating expenses	6,906	4,800
Amount owing to developer	522,034	-
Total other payables/Total financial liabilities carried at amortised cost	528,940	5,143

The amount owing to developer relates to the balance 15% progressive payment of $497,036 (2016: $Nil) payable within 8 weeks from the date of option. In accordance with clause 6.5 of the S&P, interest on the unpaid amount is payable until receipt of full payment. As at 31 March 2017, late interest accrued amounted to $24,998 (2016: $Nil).

The amount owing to developer remain outstanding as at the date of this report.

8. Loss for the year

	2017 $	2016 $
The following items have been included in arriving at loss for the year:		
Employee benefits expense:		
- salaries, bonuses and other costs	21,645	-
- contributions to defined contribution plans	3,672	-

9. Tax expense

Reconciliation of effective tax rate

	2017 $	2016 $
Loss before tax	(58,694)	(13,387)
Tax calculated using Singapore tax rate of 17% (2016: 17%)	(9,978)	(2,276)
Effect of:		
- tax losses not allowed to be carried forward	9,978	2,276
	-	-

10. Capital commitments

On 25 April 2016 and 7 June 2016, the Company entered into the S&P to acquire two investment properties at 320 Serangoon Road #10-07 Centrium Square Singapore 218108 and 320 Serangoon Road #10-08 Centrium Square Singapore 218108 for a total consideration of $3,313,576. As at 31 March 2017, the investment properties are under development and the Temporary Occupation Permit is expected to be delivered to the Company not later than 31 December 2021.

Capital expenditures contracted for as at the end of the reporting period but not recognised in the financial statements in respect of the purchase of investment properties are $2,650,861 (2016: $3,147,897).

11. Financial risk management

The Company is exposed to financial risks arising from its operations and the use of financial instruments. The key financial risks include credit risk and liquidity risk. The Board of Directors reviews and agrees policies and procedures for the management of these risks. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

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.

(a) 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 other receivables. For other financial assets (including cash at bank), the Company minimises credit risk by dealing exclusively with high credit rating counterparties.

At the end of the reporting period, the Company has significant amount of receivables owing by third parties of $600,000 (2016: $1,225,000). The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the balance sheet.

11. Financial risk management (cont'd)

(a) Credit risk (cont'd)

(i) Financial assets that are neither past due nor impaired

Other receivables that are neither past due nor impaired are with creditworthy debtors with good payment record with the Company. Cash that is neither past due nor impaired is placed with reputable financial institutions with high credit ratings and no history of default.

(ii) Financial assets that are either past due or impaired

Information regarding financial assets that are either past due or impaired is disclosed in Note 5 (Other receivables).

(b) Liquidity risk

Liquidity risk is the risk that the Company is unable to meet its cash flow obligations as and when they fall due.

The Company's underlying liquidity position is dependent on the factors as referred to in Note 2 to the financial statements.

12. Fair value of assets and liabilities

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

Cash at bank and other current financial assets and liabilities

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

13. Critical accounting estimates and judgements

Estimates and judgments 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 selection of critical accounting policies, the judgments and other uncertainties affecting application of those policies and the sensitivity of reported results to changes in condition and assumptions are factors to be considered when reviewing the financial statements. The principal accounting policies are set forth in Note 3. The Company believes the following critical accounting policies involve the most significant judgment and estimate used in the preparation of the financial statements.

13. Critical accounting estimates and judgements (cont'd)

Impairment of loans and receivables

The Company assesses at the end of each reporting period whether there is any objective evidence that a financial asset is impaired. To determine whether there is objective evidence of impairment, the Company considers factors such as the probability of insolvency or significant financial difficulties of the debtor and default or significant delay in payments.

Where there is objective evidence of impairment, the amount and timing of future cash flows are estimated based on historical loss experience for assets with similar credit risk characteristics. The carrying amount of the Company's loans and receivables at the end of each reporting period is disclosed in Note 5 to the financial statements.

14. Authorisation of financial statements

The financial statements were authorised for issue by the Board of Directors on 04 SEP 2017