DHAMPUR INTERNATIONAL PTE. LTD.

DIRECTORS' STATEMENT

The directors are pleased to present their statement to the member together with the audited financial statements of **DHAMPUR INTERNATIONAL PTE. LTD.** (the "company") for the financial year ended 31 March 2020.

1. OPINION OF THE DIRECTORS

In the opinion of the directors,

(a) the financial statements of the company are drawn up so as to give a true and fair view of the financial position of the company as at 31 March 2020 and the financial performance, 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.

2. DIRECTORS

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

Gaurav Goel
Gautam Goel
Siti Dayana Binte Muhammad Zalmisham

3. ARRANGEMENTS TO ENABLE DIRECTORS TO ACQUIRE SHARES AND DEBENTURES

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

4. DIRECTORS' INTERESTS IN SHARES AND DEBENTURES

The following directors who held office at the end of the financial year, had interests in the shares of the company and related corporations as recorded in the register of directors' shareholdings required to be kept by the company under Section 164 of the Singapore Companies Act, Chapter 50 as stated below: -

	Number of ordinary shares with no par value	
Name of directors	At beginning of year	At end of year
The holding company Dhampur Sugar Mills Limited		
Gaurav Goel	4,211,379	4,211,379
Gautam Goel	4,242,339	4,242,339

DHAMPUR INTERNATIONAL PTE. LTD.

DIRECTORS' STATEMENT – cont'd

5. **SHARE OPTIONS**

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

There were no shares issued during the financial year by virtue of the exercise of an option to take up unissued shares of the company.

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

6. **AUDITOR**

Rama & Co. has expressed its willingness to accept re-appointment as auditor.

On behalf of the Directors

....	....
Gautam Goel	Siti Dayana Binte Muhammad Zalmisham
Director	Director

Date: 29 May 2020

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF DHAMPUR INTERNATIONAL PTE. LTD.

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of **DHAMPUR INTERNATIONAL PTE. LTD.** (the "Company"), which comprise the statement of financial position of the Company as at 31 March 2020, and statement of comprehensive income, statement of changes in equity and statement of cash flows of the Company for the year then ended, and notes to financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements of the Company are properly drawn up in accordance with the provisions of the Companies Act, Chapter 50 (the Act) and Financial Reporting Standards in Singapore (FRSs) so as to give a true and fair view of the financial position of the Company as at 31 March 2020 and of the financial performance, changes in equity and cash flows of the Company for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with Singapore Standards on Auditing (SSAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Accounting and Corporate Regulatory Authority (ACRA) Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities (ACRA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

Management is responsible for the other information. The other information comprises the Directors' Statement set out on pages 1 and 2.

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

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

…2/-

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF DHAMPUR INTERNATIONAL PTE. LTD. – cont'd

Responsibilities of Management and Directors for the Financial Statements

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high-level assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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

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

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

…3/-

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
DHAMPUR INTERNATIONAL PTE. LTD. – cont'd

Auditor's Responsibilities for the Audit of the Financial Statements – cont'd

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

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

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

Report on Other Legal and Regulatory Requirement

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.

RAMA & CO.
PUBLIC ACCOUNTANTS AND
CHARTERED ACCOUNTANTS
SINGAPORE

Date: 29 May 2020

DHAMPUR INTERNATIONAL PTE. LTD.

STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2020

	Note	2020 US$	2019 US$
ASSETS			
Non-current assets:			
Property, plant and equipment	(7)	**288,974**	318,331
Financial assets at fair value through other comprehensive income	(8)	**186,812**	1,463,539
Total non-current assets		**475,786**	1,781,870
Current assets:			
Cash and bank balances	(9)	**934,504**	1,502,910
Trade and other receivables	(10)	**5,815,609**	12,214,629
Other current assets	(11)	**27,200**	93,154
Total current assets		**6,777,313**	13,810,693
Total assets		**7,253,099**	15,592,563
EQUITY AND LIABILITIES			
Capital and reserves:			
Share capital	(12a)	**6,007,609**	6,007,609
Share application money	(12b)	**-**	-
Fair value reserves	(8)	**(113,127)**	(93,068)
Accumulated losses		**(3,862,067)**	(3,339,101)
Total equity		**2,032,415**	2,575,440
Non-current liabilities:			
Lease liabilities	(13)	**32,606**	23,278
Current liabilities:			
Current portion of lease liabilities	(13)	**39,562**	30,115
Trade and other payables	(14)	**5,148,516**	12,963,730
Total current liabilities		**5,188,078**	12,993,845
Total liabilities		**5,220,684**	13,017,123
Total equity and liabilities		**7,253,099**	15,592,563

The accompanying accounting policies and explanatory notes form an integral part of these financial statements.

DHAMPUR INTERNATIONAL PTE. LTD.

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 MARCH 2020

	Note	2020 US$	2019 US$
Revenue	(15)	**21,522,448**	29,915,991
Cost of goods sold		**(21,125,086)**	(28,824,395)
Gross profit		**397,362**	1,091,596
Other income	(16)	**338,082**	366,254
Marketing and distribution expenses		**(28,339)**	(60,658)
Administrative expenses		**(1,033,925)**	(1,449,448)
Finance costs	(17)	**(7,068)**	(2,853)
Other expenses		**(189,078)**	(171,352)
Loss before income tax		**(522,966)**	(226,461)
Income tax expense	(18)	**-**	-
Loss for the year	(19)	**(522,966)**	(226,461)
Other comprehensive income			
Items that may be reclassified subsequently to profit or loss:			
Financial assets, at FVOCI			
- fair value loss on debt instrument		**-**	(47,176)
Items that will not be reclassified to profit or loss:			
Fair value loss on equity investments		**(20,059)**	(45,892)
Other comprehensive loss for the year		**(20,059)**	(93,068)
Total comprehensive loss for the year		**(543,025)**	(319,529)

The accompanying accounting policies and explanatory notes form an integral part of these financial statements.

DHAMPUR INTERNATIONAL PTE. LTD.

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 MARCH 2020

	Share Capital	Share Application Money	Fair value Reserve	Accumulated Losses	Total
	US$	US$	US$	US$	US$
Balance as at 1 April 2018	2,007,609	4,000,000	-	(3,112,640)	2,894,969
Total comprehensive loss for the year	-	-	-	(226,461)	(226,461)
Transaction with owners directly recognised in equity:					
- Issuance of new shares (Note 12(a))	4,000,000	(4,000,000)	-	-	-
Fair value loss on investment in FVOCI	-	-	(93,068)	-	(93,068)
Balance as at 31 March 2019	6,007,609	-	(93,068)	(3,339,101)	2,575,440
Total comprehensive loss for the year	-	-	-	(522,966)	(522,966)
Fair value loss on investment in FVOCI	-	-	(20,059)	-	(20,059)
Balance as at 31 March 2020	6,007,609	-	(113,127)	(3,862,067)	2,032,415

The accompanying accounting policies and explanatory notes form an integral part of these financial statements.

DHAMPUR INTERNATIONAL PTE. LTD.

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2020

	2020 US$	2019 US$
Cash flows from operating activities:		
Loss before income tax	**(522,966)**	(226,461)
Adjustment for:		
Depreciation of plant and equipment	**122,859**	162,060
Profit on disposal of motor vehicle	**(123,480)**	(60,165)
Loss on disposal of financial assets at FVOCI	**40,311**	-
Dividends received	**(15,223)**	(8,429)
Interest income	**(137,758)**	(295,216)
Foreign currency exchange adjustment gain	**(2,175)**	(1,024)
Finance cost	**7,068**	2,853
Operating loss before working capital changes	**(631,364)**	(426,382)
Trade receivables	**6,686,335**	(6,768,014)
Other current assets	**65,954**	(82,542)
Trade payables	**(7,825,112)**	5,140,068
Net cash used in operating activities	**(1,704,187)**	(2,136,870)
Investing activities:		
Acquisition of financial assets at FVOCI	**(249,789)**	(1,556,607)
Proceeds from disposal of financial assets at FVOCI	**1,466,146**	-
Other receivables	**(287,315)**	(423,410)
Acquisition of plant and equipment	**(4,790)**	(350,847)
Proceeds from disposal of motor vehicle	**123,480**	464,138
Dividends received	**15,223**	8,429
Interest income	**137,758**	295,216
Net cash from/(used in) investing activities	**1,200,713**	(1,563,081)
Financing activities:		
Interest expenses	**(7,068)**	(2,853)
Other creditors	**9,898**	(27,004)
Repayment of finance lease	**(67,762)**	(335,496)
Net cash used in financing activities	**(64,932)**	(365,353)
Net decrease in cash and bank balances	**(568,406)**	(4,065,304)
Cash and bank balances at beginning of year	**1,502,910**	5,568,214
Cash and bank balances at end of year	**934,504**	1,502,910

The accompanying accounting policies and explanatory notes form an integral part of these financial statements.

DHAMPUR INTERNATIONAL PTE. LTD.

NOTES TO THE FINANCIAL STATEMENTS – 31 MARCH 2020

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

1. GENERAL

a) Corporate information

Dhampur International Pte. Ltd. ("the company") (Registration number: 200912388N) is a private limited company incorporated and domiciled in the Republic of Singapore with its registered office at:

91 Tanglin Road
Unit #04-05, Tanglin Place
Singapore 247918

The principal activities of the company are to carry on business of importers, exporters of white crystal sugar, ethyl acetate, ethyl alcohol and yellow soybeans.

b) Authorisation of financial statements for issue

The financial statements of the company for the financial year ended 31 March 2020 were authorised for issue by the Board of Directors on 29 May 2020.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1. Basis of Preparation

The financial statements are prepared in accordance with the historical cost convention, except as disclosed in the accounting policies below, and are drawn up in accordance with the provisions of the Singapore Companies Act and Singapore Financial Reporting Standards ("FRS") including related interpretations of FRS ("INT FRS") promulgated by the Accounting Standards Council ("ASC").

The preparation of financial statements in conformity with FRS requires management to exercise its judgement in the process of applying the company's accounting policies. It also requires the use of accounting estimates and assumption that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenses during the financial period. Although these estimates are based on management's best knowledge of current events and actions, actual results may ultimately differ from those estimates. Critical accounting judgements estimates and assumptions used that are significant to the financial statements are areas involving a higher degree of judgements or complexity are disclosed in Note 4.

DHAMPUR INTERNATIONAL PTE. LTD.

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

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

2.2. Changes in Accounting Policies

a) Adoption of new revised FRSs and INT FRSs

In the current financial year, 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 1 April 2019. The adoption of these new/revised FRSs and INT FRSs does not result in changes to the company's accounting policies and has no material effect on the financial statements, except as discussed below:

(i) FRS 116 Leases

FRS 116 replaces FRS 17 Leases, INT FRS 104 Determining whether an Arrangement Contains a Lease, INT FRS – 15 Operating Leases – Incentives and INT FRS – 27 Evaluating the Substance of Transactions Involving the Legal Form of a Lease.

FRS 116 requires a lessee to recognise leases on the statement of financial position but provides exemptions for leases of low-value assets and short-term leases. At the commencement date of a lease, a lessee will recognise a liability to make lease payments ("lease liability") and an asset representing the right to use the underlying asset during the lease term ("right-of-use asset"). The lessee will be required to separately recognise the interest expense on the lease liability and the depreciation expense on the right-of-use asset.

The main effect of the implementation of the standard is the removal of the existing requirement of lessees to classify a lease as an operating (off-balance sheet) or a financial lease and to present a uniform model for lessees for the accounting treatment of all leases in a manner similar to that of financial leases in accordance with the previous standard. Until the date of implementation of the standard, the company classified most of the leases in which it is the lessee as operating leases, as it did not bear substantially all the risks and rewards of the assets.

The company has adopted this standard using the modified retrospective approach at the date of initial application, 1 April 2019. The company, as a lessee of office premises, has chosen on a lease-by-lease basis, to measure the right-of-use asset at an amount equal to the lease ability, adjusted by the amount of any prepaid lease payments relating to that lease recognised in the statement of financial position immediately before 1 April 2019.

In addition, the company elected the following practical expedients:

- not to reassess whether a contract is, or contains, a lease at the date of initial application and to apply this standard to all contracts that were previously identified as leases;

- to apply the exemption not to recognise right-of-use asset and lease abilities to leases for which the lease term ends within 12 months from 1 April 2019 and for leases of low-value assets; and

- to apply a single discount rate to a portfolio of leases with reasonably similar characteristics.

DHAMPUR INTERNATIONAL PTE. LTD.

NOTES TO THE FINANCIAL STATEMENTS – CONTINUED

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – cont'd

2.2. Changes in Accounting Policies – cont'd

a) Adoption of new revised FRSs and INT FRSs – cont'd

(i) FRS 116 Leases – cont'd

Accordingly, for leases of directors' and staff accommodation spaces previously classified as operating leases, the company recognised the right-of-uses assets of **US$88,712** classified as right-of-use assets, and total lease liabilities of **US$88,712** No changes were made to the opening retained earnings on 1 April 2019.

Right-of-use assets are presented within "property, plant and equipment"

(ii) INT FRS 123, Uncertainty over Income Tax Treatments

The Interpretation clarifies how to apply the recognition and measurement requirements of FRS 123 when there is uncertainty over income tax treatments. In accordance with the interpretation, in determining taxable income (loss) for tax purposes, tax bases, unused tax losses, unused tax credits and tax rates in the event of uncertainty, the entity should assess whether it is probable that the tax authority will accept the tax treatment it has taken. If it is probable that the tax authority will accept the tax position adopted by the entity, the entity shall recognise tax implications on the financial statements in accordance with the same tax position. On the other hand, if it is not probable that the tax position taken, the entity needs to reflect the uncertainty in the books by using one of the following methods: the most likely outcome or the expected value. The interpretation clarifies that when determining whether it is probable or not probable that the tax authority will accept the tax position adopted by the entity, it should be assumed that the tax authority will review the amounts to which it has a right and that it will have full knowledge of all relevant information in this examination. In addition, in accordance with the interpretation, changes in circumstances or new information which may change this judgement should be taken into account.

The implementation of the Interpretation did not have a material effect on the Financial Statements.

b) Standards issued but not yet effective

As at the date of the authorisation of these financial statements, the Company has not adopted the following FRSs and INT FRSs that have been issued but not yet effective:

Reference	Description	Effective for annual periods beginning on or after
FRS 1 and FRS 8	Definition of Material (Amendments)	1 January 2020
FRS 103	Definition of a Business (Amendments)	1 January 2020
FRS 109, FRS 39 and FRS 107	Amendments to FRS 109, FRS 39 and FRS 107 – Interest Rate Benchmark Reform	1 January 2020

DHAMPUR INTERNATIONAL PTE. LTD.

NOTES TO THE FINANCIAL STATEMENTS – CONTINUED

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

2.2. Changes in Accounting Policies – cont'd

b) Standards issued but not yet effective

The company expect that the adoption of the above standards, interpretations and improvements, if applicable, will have no material impact on the financial statements in the period of initial application, except as described below:

i) FRS 1, Presentation of Financial Statements and FRS 8, Accounting Policies, Changes in Accounting Estimates and Errors, Definition of Material (Amendments)

The amendments refine the definition of material in FRS 1 and align the definitions used in Conceptual Framework for Financial Reporting and other pronouncements. They are intended to improve the understanding of the existing requirements rather than to significantly impact an entity's materiality judgements.

An entity applies those amendments prospectively for annual reporting periods beginning on or after 1 January 2020, with earlier application permitted. The company does not expect any significant impact of adopting these amendments.

ii) FRS 103: Definition of a Business (Amendments)

The amendments to FRS 103 clarify the minimum requirements to be a business, remove the assessment of a market participant's ability to replace missing elements, and narrow the definition of outputs. The amendments also add guidance to assess whether an acquired process is substantive and add illustrative examples. An optional fair value concentration test is introduced which permits a simplified assessment of whether an acquired set of activities and assets is not a business.

An entity applies those amendments prospectively for annual reporting periods beginning on or after 1 January 2020, with earlier application permitted.

These amendments will apply on future business combinations of the Company.

2.3. Property, Plant and Equipment

a) Measurement

All items of plant and equipment are initially recorded at cost. The cost of an item of property, plant and equipment is recognised as an asset if, and only if, it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. Subsequent to recognition, property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses if any.

b) Component of costs

The cost of an item of plant and equipment includes its purchase price and any cost that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. The projected cost of dismantlement, removal or restoration is also included as part of the cost of plant and equipment if the obligation for the dismantlement, removal or restoration is incurred as a consequence of acquiring or using the asset.

DHAMPUR INTERNATIONAL PTE. LTD.

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - cont'd

2.3. Property, Plant and Equipment – cont'd

b) Component of costs – cont'd

Right-of-use assets are recognised at the commencement date of the lease. Right-of-use assets are measured at cost, less any accumulated depreciation and any impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentive received.

c) Depreciation

Depreciation is calculated on the straight line method and to write off the cost of the assets over their estimated useful lives of three years as follows:

	Years
Furniture and fittings	3
Office equipment	3
Motor vehicles	5
Right-To-Use of assets, office premises	3
Renovation	3

Fully depreciated assets are retained in the financial statements until they are no longer in use.

The residual values and useful life property, plant and equipment are reviewed, and adjusted as appropriate, at each end of reporting period. The effects of any revision of the residual values and useful lives are included in the profit and loss statement for the financial period in which the changes arise.

d) Subsequent expenditure

Subsequent expenditure relating to property, plant and equipment that has already been recognised is added to the carrying amount of the asset only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. Other subsequent expenditure is recognised as repair and maintenance expense in the profit and loss statement during the financial period in which it is incurred.

e) Disposal

On disposal of an item of property, plant and equipment, the difference between the net disposal proceeds and its carrying amount is taken to the profit and loss statement. Any amount in revaluation reserve relating to that asset is transferred to retained earnings directly.

2.4. Impairment of Non-Financial Assets

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

DHAMPUR INTERNATIONAL PTE. LTD.

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - cont'd

2.4. Impairment of Non-Financial Assets – cont'd

Recoverable amount is the higher of fair value less costs to sell and value in use. 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.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the profit and loss statement, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset (cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (cash-generating unit) in prior periods. A reversal of an impairment loss is recognised immediately in the profit and loss statement, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

2.5. Income Taxes

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

a) Current tax

The tax currently payable is based on taxable profit for the period. Taxable profit differs from profit as reported in the statement of comprehensive income because it excludes items of income or expense that are taxable or deductible in other periods and it further excludes items that are not taxable or tax deductible. The company’s liability for current tax is calculated using tax rates that have been enacted.

b) Deferred tax

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

Deferred tax liabilities are recognised for all temporary differences except where the deferred tax liability arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at that time of the transaction, affects neither accounting profit nor taxable profit or loss.

Deferred income tax assets are recognised for all deductible temporary differences carry-forward of unused tax assets and unused tax losses to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, carry-forward of unused tax assets and unused tax losses can be utilised except where the deferred tax asset relating to the deductible temporary difference arise from the initial recognition of an asset or liability in a transaction and at the time of transaction affects neither the accounting profit nor taxable profit or loss.

DHAMPUR INTERNATIONAL PTE. LTD.

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

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

2.5. Income Taxes – cont'd

b) Deferred tax – cont'd

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

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

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

2.6. Revenue

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

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

a) Sale of goods

Revenue is recognised when the customer obtains control of the goods upon delivery and acceptance by the customer. Control of the product transfers upon shipment of the product to the customer or when the product is made available to the customer, provided transfer of title to the customer occurs and the company has not retained any significant risks of ownership or future obligations with respect to the product shipped.

b) Interest income from bank deposits

Interest income is recognised using the effective interest method.

c) Dividend income

Dividend income is recognised when the company's right to receive payment is established.

d) Government grant

Cash grants received from government are recognised as income upon receipt.

DHAMPUR INTERNATIONAL PTE. LTD.

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - cont'd

2.6. Revenue Recognition – cont'd

e) Consultancy fee

Revenue from consultancy services are recognised as revenue when the services are rendered.

f) Insurance claim

Revenue from insurance claim is recognised when an offer of settlement received from the insurer and the claim amount is virtually certain.

2.7. Foreign Currency Transactions

a) Functional and presentation currency

The management has determined the currency of the primary economic environment in which the company operates i.e. functional currency, to be United States dollars. Revenue and major operating expenses are primarily influenced by fluctuations in United States dollars. The financial statements of the company are presented in United States dollars, which is the functional currency of the company.

b) Foreign currency transactions

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

Exchange differences arising on the settlement of monetary items or on translating monetary items at the end of reporting period are recognised in the statement of comprehensive income.

2.8. Provisions

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

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

DHAMPUR INTERNATIONAL PTE. LTD.

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - cont'd

2.9. Contingent Liabilities and Contingent Assets

A contingent liability is a possible obligation that arises from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the company. It can also be a present obligation arising from past events that is not recognised because it is not probable that outflow of economic resources will be required or the amount of obligation cannot be measured reliably.

A contingent liability is not recognised but is disclosed in the notes to the financial statements. When a change in the probability of an outflow occurs so that the outflow is probable, it will then be recognised as a provision. A contingent asset is a possible asset that arises from past events and whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain events not wholly within the control of the company.

Contingent assets are not recognised but are disclosed in the notes to the financial statements when an inflow of economic benefits is probable. When inflow is virtually certain, an asset is recognised.

2.10. Leases

a) Policy applicable before 1 April 2019

Leases are classified as finance leases whenever the terms of the lease transfer substantial all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

The company as lessee

Assets held under finance leases are recognised as assets of the company at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the statement of financial position as a finance lease obligation. Lease payments are apportioned between financial charges and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged directly to profit or loss, unless they are directly attributable to qualifying assets, in which case they are capitalised in accordance with the company's general policy on borrowing costs. Contingent rentals are recognised as expenses in the periods in which they are incurred.

Rentals payable under operating leases are charged to profit or loss on a straight-line basis over the term of the relevant lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed. Contingent rentals arising under operating leases are recognised as an expense in the period in which they are incurred.

In the event that lease incentives are received to enter into operating lease, such incentives are recognised as a liability. The aggregate benefit of incentives is recognised as a reduction of rental expense on a straight-line basis, except where another systematic basis is more representative of the time pattern in which economic benefits from the leases asset are consumed.

DHAMPUR INTERNATIONAL PTE. LTD.

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

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

2.10. Leases – cont'd

b) Policy applicable from 1 April 2019

The company as lessee

The company assesses whether a contract is or contains a lease, at inception of the contract. The company recognises a right-of-use asset and a corresponding lease ability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. For these leases, the company recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the company uses the incremental borrowing rate specific to the lessee.

Lease payments included in the measurement of the lease liability comprise:

- fixed lease payments (including in-substance fixed payments), less any lease incentives;

- variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;

- the amount expected to be payable by the lessee under residual value guarantees;

- the exercise price of purchase options, if the lessee is reasonably certain to exercise the options; and

- payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The lease liability is presented as a separate line in the statement of financial position.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

The company measures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

- the lease term has changed or there is a significant event or change in circumstances resulting in a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate;

DHAMPUR INTERNATIONAL PTE. LTD.

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

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

2.10. Leases – cont'd

b) Policy applicable from 1 April 2019 – cont'd

The company as lessee – cont'd

The company measures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever: (cont'd)

- the lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is measured by discounting the revised lease payments using the initial discount rate (unless the lease payments change in due to a change in a floating interest rate, in which case a revised discount rate is used); or

- a lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day, less any lease incentives received and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Wherever the company incurs an obligation for costs to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognised and measured under FRS 37. To the extent that the costs relate to a right-of-use asset, the costs are included in the related right-of-use asset, unless those costs are incurred to produce inventories.

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset. If a lease transfer ownership of the underlying asset or the cost of the right-of-use asset reflects that the company expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

The right-of-use assets are presented as part of property plant and equipment.

The company applies FRS 36 to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss as described in Note 2.4 to the financial statements.

Variable rents that do not depend on an index or rate are not included in the measurement of the lease liability and the right-of-use asset. The related payments are recognised as an expense in the period in which the event or condition that triggers those payments occurs and are included in the line ‘Other operating expenses’ in the statement of profit or loss.

As a practical expedient, FRS 116 permits a lessee not to separate non-lease components, and instead account for any lease and associated non-lease components as a single arrangement. The company has used this practical expedient.

DHAMPUR INTERNATIONAL PTE. LTD.

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - cont'd

2.11. Borrowing Costs

Borrowing costs are generally expensed as incurred. Borrowing costs are capitalised if they are directly attributable to the acquisition, of a qualifying asset. Capitalisation of borrowing cost commences, when the activities to prepare the asset for its intended use and expenditure and borrowing costs are being incurred. Borrowings costs are capitalised until the assets are ready for their intended use.

2.12. Events after the Reporting Period

Events after the reporting period that provide additional information about the company's position at the end of reporting period or those that indicate the going concern assumption is not appropriate are adjusting events and are reflected in the financial statements. Events after the reporting period that are not adjusting events are disclosed in the notes to the financial statements when material.

3. FINANCIAL INSTRUMENTS

Financial assets and financial liabilities are recognised on the company statement of financial position when the company becomes a party to the contractual provisions of the instrument.

Effective Interest Method

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

3.1. Financial Assets

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

a) Classification of financial assets

Financial assets are classified, at initial recognition, as either measured at amortised cost, fair value through other comprehensive income (OCI), or fair value through profit or loss.

The classification of financial assets, at initial recognition depends on the financial asset's contractual cash flow characteristics and the Company's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient, the Company initially measures a financial asset at its fair value plus, in the case of financial asset not at fair value through profit or loss, transaction costs. Trade receivables are measured at the amount of consideration to which the Company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third party if the trade receivables do not contain a significant financing component at initial recognition.

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

3. **FINANCIAL INSTRUMENTS – cont'd**

3.1. Financial Assets – cont'd

a) Classification of financial assets – cont'd

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are "solely payments of principal and interest (SPPI) on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

The Company's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Purchase or sales of financial assets that required delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e. the date that the Company commit to purchase or sell the asset.

For purpose of subsequent measurement, financial assets are classified in four categories:

- Financial assets at amortised cost.
- Financial assets at fair value through OCI with recycling of cumulative gains and losses (debt instruments).
- Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments).
- Financial assets at fair value through profit or loss

The company classifies its financial assets as at amortised cost only if both of the following criteria are met:

- The asset is held within a business model with the objective of collecting the contractual cash flows; and
- The contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal outstanding.

b) Financial assets at amortised cost

Financial assets at amortised cost include trade and other receivables, and other financial assets that held with the objective of collecting contractual cash flows. After initial measurement at fair value, the financial assets are measured at amortised cost using the effective interest rate (EIR) method, less impairment.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the statement of profit or loss. The losses arising from impairment are recognised in the statement of profit or loss in other income.

DHAMPUR INTERNATIONAL PTE. LTD.

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

3. **FINANCIAL INSTRUMENTS – cont'd**

3.1. Financial Assets – cont'd

b) Financial assets at amortised cost – cont'd

The company has balances of trade and other receivables and cash and bank balances that are held within a business model, whose objective is collecting contractual cash flows. Trade and other receivable and cash and bank balances are classified as financial assets at amortised cost under FRS 109.

i) Trade and other receivables

Trade and other receivables are recognised initially at the fair value and subsequently measured at amortised cost using the effective interest method, less allowance for impairment. An allowance for impairment of trade and other receivables is made on the expected credit loss, which are the present value of the cash short falls over the expected life of the trade and other receivables.

ii) Cash and bank balances

Cash and bank balances comprise deposits that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

c) Financial assets at fair value through other comprehensive income (FVOCI)

Debt instruments. A debt financial asset is measured at FVOCI if (i) it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and (ii) its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. These financial assets are initially recognised at fair value plus directly attributable transaction costs and subsequently measured at fair value. Gains and losses arising from changes in fair value are included in other comprehensive income within a separate component of equity. Impairment losses or reversals, interest income and foreign exchange gains and losses are recognised in profit and loss until the financial asset is derecognised. Upon derecognition, the cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss. This reflects the gain or loss that would have been recognised in profit or loss upon derecognition if the financial asset had been measured at amortised cost. Impairment is measured based on the expected credit loss (ECL) model.

d) Equity instruments

The company may also make an irrevocable election to measure at FVOCI on initial recognition investments in equity instruments that are neither held for trading nor contingent consideration recognised in a business combination in accordance with FRS 103. Amount recognized in OCI are not subsequently transferred to profit or loss. However, the company may transfer the cumulative gain or loss within equity. Dividends on such investments are recognised in profit or loss, unless the dividend clearly represents a recovery of part of the cost of the investment.

DHAMPUR INTERNATIONAL PTE. LTD.

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

3. **FINANCIAL INSTRUMENTS – cont'd**

3.1. Financial Assets – cont'd

d) Equity instruments – cont'd

As at 31 March 2020, the company elected to classify irrevocably all equity investments as financial asset at FVOCI.

Other than financial assets at amortised cost and financial assets at fair value through other comprehensive income, the company does not designate any financial assets under any other category under FRS 109.

e) Impairment of financial assets

The Company assesses on a forward looking basis the expected credit losses (ECL) associated with its debt instrument assets carried at amortised cost and FVOCI. ECL are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages.

i) For credit exposures for which there has not been a significant increase in credit risk since initial recognition. ECLs are provided for credit losses that result from default events that are possible within the next 12 months (a 12 months ECL).

ii) For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

For trade receivables and contract assets, the Company measures the loss allowance at an amount equal to the lifetime expected credit losses. Therefore, the Company does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Company has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

For debt instruments at fair value through OCI, the Company applies the low credit risk simplification. At every reporting date, the Company evaluates whether the debt instrument is considered to have low credit risk using all reasonable and supportable information that is available without undue cost or effort. In making that evaluation, the Company reassesses the internal credit rating of the debt instrument. In addition, the Company considers that there has been a significant increase in credit risk when the contractual payments more than 30 days past due.

DHAMPUR INTERNATIONAL PTE. LTD.

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

3. **FINANCIAL INSTRUMENTS – cont'd**

3.1. Financial Assets – cont'd

e) Impairment of financial assets – cont'd

The Company considers a financial asset in default when contractual payments are more than 180 days due. However, in certain cases, the Company also consider a financial asset to be in default when internal or external information indicates that the Company is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancement held by the Company. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

f) Derecognition of financial assets

A financial asset is primary derecognised when:

i) the rights to receive cash flows from the asset have expired or,

ii) the Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a "pass-through" arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

3.2. Financial Liabilities and Equity Instruments

Classification as debt or equity

Financial liabilities are recognised on the statement of financial position when, and only when, the company becomes a party to the contractual provisions of the financial instrument. Financial liabilities and equity instruments issued by the company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements entered into and the definitions of a financial liability and equity instrument.

a) Financial liabilities

Initial recognition and measurement

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

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

DHAMPUR INTERNATIONAL PTE. LTD.

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

3. **FINANCIAL INSTRUMENTS – cont'd**

3.2. Financial Liabilities and Equity Instruments – cont'd

a) Financial liabilities – cont'd

Subsequent measurement

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

Financial liabilities at amortised cost

Financial liabilities are initially recognised at value plus directly attributable costs and 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 the amortisation process. Financial liabilities at amortised cost are classified within "trade and other payables" on the statement of financial position.

Trade and other payables

Financial liabilities include trade and other payables. Trade and other payables are initially measured at fair value, and subsequently measured at amortised cost, using the effective interest method.

b) Derecognition of financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expired.

Where an existing financial liability is replaced by another form the same lender on 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 respectively carrying amounts is recognised in the profit and loss statement.

c) Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities. Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs.

d) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the statement of financial position when there is a legally enforceable right to offset the recognised amounts and there is an obligation to settle on a net basis, or realise the asset and settle the liability simultaneously.

DHAMPUR INTERNATIONAL PTE. LTD.

NOTES TO THE FINANCIAL STATEMENTS – CONTINUED

4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

a) Critical judgement in applying the company's accounting policies

In the application of the company's accounting policies, which are described in Note 2 to the financial statements, management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

i) Deferred tax assets

Deferred tax assets are recognised for all unused tax losses and temporary differences to the extent that it is probable that taxable profit will be available against which the losses and temporary differences can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits together with future tax planning strategies. Further details are contained in Note 18 to the financial statement.

ii) Determination of functional currency

In determining the functional currency of the company, judgement is required to determine the currency that mainly influences sales prices for goods and services and of the country whose competitive forces and regulations mainly determines the sales prices of its goods and services. The functional currency of the company is determined based on management's assessment of the economic environment in which the company operate and process of determining sales prices. The company measures foreign currency transactions in the functional currency of the company.

iii) Revenue – gross presentation

For the sale of ethyl acetate and ethyl alcohol, the company assesses its sales arrangements to determine if it acts as a principal or an agent. In determining whether the company acts as a principal, the company considers factors such as if the company has primary responsibility for providing the goods or services to the customer, bears inventory risks before or after the customer order during shipping or on return, has latitude in establishing prices either directly or indirectly, and bears the customer's credit risks for the amount receivable from the customers.

The company has determined, based on an evaluation of the terms and conditions of the sales arrangements, that the company acts as a principal and so accounts the revenue as gross presentation in the statement of profit or loss and other comprehensive income. The company's revenue from the sale of ethyl acetate and ethyl alcohol is disclosed in Note 15 to the financial statements.

DHAMPUR INTERNATIONAL PTE. LTD.

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

4. **CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY – cont'd**

b) Key sources of estimation uncertainty

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

i) Depreciation of property, plant and equipment

Property, plant and equipment are depreciated on a straight-line basis over the estimated useful lives after taking into account the estimated residual value. The company reviews the estimated useful lives of the assets regularly based on the factors that include asset utilisation, internal technical evaluation, technological changes, environmental and anticipated use of the assets tempered by related industry benchmark information in order to determine the amount of depreciation expense to be recorded during any reporting period. Changes in the expected level of use of the assets and the company's historical experience with similar assets after taking into account anticipated technological changes could impact the economic useful lives and the residual values of the assets, therefore future depreciation charges could be revised. Any changes in the economic useful lives could impact the depreciation charges and consequently affect the company's result. The carrying amount of property, plant and equipment as at 31 March 2020 was **US$288,974** (2019: US$318,331).

ii) Impairment of property, plant and equipment

The company assesses annually whether property, plant and equipment have any indication of impairment in accordance with the accounting policy. The recoverable amounts of property, plant and equipment have been determined based on value-in-use calculations. These calculations require the use of judgement and estimates.

iii) Provision for expected credit losses of trade receivables

The Company uses a provision matrix to calculate ECLs for trade receivables. The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns.

The provision matrix is initially based on the Company's historical observed default rates. The Company will calibrate the matrix to adjust historical credit loss experience with forward-looking information. At every reporting date, historical default rates are updated and changes in the forward-looking estimates are analysed.

The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Company's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future.

DHAMPUR INTERNATIONAL PTE. LTD.

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY – cont'd

b) Key sources of estimation uncertainty – cont'd

iv) Impairment of other current assets

The company's management reviews other current assets on a regular basis to determine if any provision for impairment is necessary. The impairment loss on deposits, advance with staffs and other receivables is established when there is evidence that the company will not be able to collect all amounts due according to the original terms of purchase of goods or to receive the services according to the original terms of contracts. Significant financial difficulties of the deposit holder, probability that the deposit holder will enter in to bankruptcy or financial reorganization, and default or delinquency in payments are considered indicators that the deposits and advance with supplier are impaired. Management reassesses the impairment of deposits and advance with suppliers at each reporting date.

v) Determining the lease term

As explained in Note 2.10, the lease liability is initially recognised at the present value of the lease payments payable over the lease term. In determining the lease term at the commencement date for leases that include renewal options exercisable by the company, the company evaluates the likelihood of exercising the renewal options taking into account all relevant facts and circumstances that create an economic incentive for the company to exercise the option, including favourable terms leasehold improvements undertaken and the importance of that underlying asset to the company's operation. The lease term is reassessed when there is a significant event or significant change in circumstance that is within the company's control. Any increase or decrease in the lease term would affect the amount of lease liabilities and right-of-use assets recognised in future years

(vi) Estimation of incremental borrowing rate

The company cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate to measure lease liabilities. The incremental borrowing rate is the rate of interest that the company would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The incremental borrowing rate therefore reflects what the company "would have paid", which requires estimation when no observable rates are available or when they need to be adjusted to reflect the terms and conditions of the lease. The company estimates the incremental borrowing rate using observable inputs (such as market interest rates) when available and is required to make certain lease period specific estimates.

vii) Classification and measurement of equity instruments as FVOCI

The company intends to hold its unquoted equity instruments for an indefinite period and may sell the investment in response to liquidity needs or in response to changes in the market conditions. Therefore, management has concluded that these equity instruments are not held for trading and has elected to classify and measure these equity instruments at FVOCI.

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

4. **CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY – cont'd**

b) Key sources of estimation uncertainty – cont'd

viii) Provisions

Provisions are recognised in accordance with the accounting policy in Note 2.8. To determine whether it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate of the amount can be made, the company takes into consideration factors such as the existence of legal/contractual agreements, past historical experience, external advisors' assessments and other available information.

ix) Contingent liabilities

Determination of the treatment of contingent liabilities in the financial statements is based on management's view of the expected outcome of the applicable contingency. To determine whether there is objective evidence of contingent liability, the management considers factors such as probability of occurrence or non-occurrence of uncertain future events and also consults a legal counsel of matters related to litigations.

5. **FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL RISKS MANAGEMENT**

5.1. Financial Risks Management Policies and Objectives

The company's overall risk management policy seeks to minimise potential adverse effects on the financial performance of the company. The company, however, does not have any written risk management policies and guidelines. The directors and the shareholders meet periodically to analyses, formulate and monitor the following risk management of the company and believe that the financial risks associated with these financial instruments are as follows:

The Company adopts a systematic approach towards risk assessment and management. Risk management is carried out in three phases, i.e. identification and assessment of risks, formulation and implementation of risk treatment, and monitoring and reporting of risk profile.

There has been no change to the nature of the company's exposure to financial risks or the manner in which it manages and measures the risk. Foreign currency risk and interest rate risk are measured using sensitivity analysis as indicated in respective sections.

DHAMPUR INTERNATIONAL PTE. LTD.

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

5. FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL RISKS MANAGEMENT – cont'd

5.1. Financial Risks Management Policies and Objectives – cont'd

a) Categories of financial assets and liabilities

The categories of financial assets and financial liabilities included in the statement of financial position and the headings in which they are included are as follows:

	2020 US$	2019 US$
Financial assets		
At amortised costs:		
- Trade and other receivables	**5,815,609**	12,214,629
- Cash and bank balances	**934,504**	1,502,910
Financial assets at FVOCI	**186,812**	1,463,539
	6,936,925	15,181,078
Financial liabilities		
At amortised costs:		
- Trade and other payables	**5,148,516**	12,963,730
- Lease liabilities	**72,168**	53,393
	5,220,684	13,017,123

Further quantitative disclosures are included throughout these financial statements.

b) Credit risk

Credit risk refers to risk that counterparty will default on their obligations to repay amounts owing to company resulting in a loss to the company. The company's objective is to seek continual revenue growth while minimising losses incurred due to increase credit risk exposure. Due to the nature of its customer base, the company's concentration of credit risk and exposure are limited to three customers.

i) Trade and other receivables

The company's trade receivable related to sale of commodities to third parties. The company adopts a pro-active approach in its credit evaluation process, credit policies and credit control as well as collection procedures to manage risk arising from the concentration of its credit exposure.

The company applies the FRS 109 simplified approach in measuring expected credit loss using a life time expected credit loss provision for all trade receivables. The expected credit loss rates are based on the company's historical credit losses experienced over the twelve months period prior to the current period end. Management has assessed that there is no requirement for disclosure of provision matrix to calculate expected credit loss on the trade receivables as at end of the reporting date, as there is no probability of insolvency or significant financial difficulties of the debtor or significant delay in payments.

ii) Financial asset at FVOCI

The company limits its exposure to credit risk on investments held by investing with some counterparties that have high credit rating.

DHAMPUR INTERNATIONAL PTE. LTD.

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

5. **FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL RISKS MANAGEMENT – cont'd**

5.1. Financial Risks Management Policies and Objectives – cont'd

b) Credit risk – cont'd

iii) Cash and bank balances

The company's cash and bank balances as detailed in Note 9 to the financial statements are held in major financial institutions, which are regulated and located in Singapore, which the management believes are of high credit quality and have good credit ratings. The main purpose of these financial instruments is to finance the company's operations. All financial transactions with the banks are governed by banking facilities duly accepted with Board of Directors' resolutions, with banking mandates, which define the permitted financial instruments, and facilities limits, all of which are approved by the Board of Directors. All financial transactions require dual signatories.

Impairment on cash and bank balances has been measured on the 12-month expected loss basis and reflects the short maturities of the exposures. The company considers that its cash and bank balances have low credit risk based on the external credit ratings of the counterparties. The amount of the allowance on cash and bank balances is negligible

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

Financial assets that are neither past due nor impaired

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

Financial assets that are past due or impaired

There is no other class of financial assets that is past due and/or impaired.

c) Foreign current exchange rate risk

Foreign currency exchange rate risk arises from the change in foreign exchange rates that may have an adverse effect on the company in the current reporting period and in the future years.

The company trades mainly in the United States dollars, Great Britain Pounds, Hong Kong dollars and Euro dollars. The company also holds cash and bank balances in Singapore dollars for working capital purposes. Foreign currency exchange exposures are naturally hedged as both revenues and corresponding purchases are denominated in the above currencies. This natural hedge reduces significantly the financial impact of movements in the foreign exchange rates. However, exposure to foreign currency risk is monitored on an ongoing basis to ensure that the net exposure is at an acceptable level. Management believes that the foreign exchange risk is manageable.

DHAMPUR INTERNATIONAL PTE. LTD.

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

5. FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL RISKS MANAGEMENT – cont'd

5.1. Financial Risks Management Policies and Objectives – cont'd

c) Foreign current exchange rate risk – cont'd

The following table details the company's exposure at the end of reporting period to foreign currency exchange risk arising from recognised assets or liabilities denominated in a currency other than the functional currency of the entity to which they relate.

2020	**Euro**	**British pounds**	**Singapore dollars**	**Hong Kong dollars**
	US$	**US$**	**US$**	**US$**
Financial assets:				
Trade and other receivables	**18,697**	**86,709**	**13,496**	**-**
Cash and bank balances	**40,230**	**16,564**	**194,599**	**-**
Financial assets at FTVL	**-**	**-**	**-**	**-**
	58,927	**103,273**	**208,095**	**-**
Financial liabilities:				**-**
Lease liabilities	**-**	**-**	**72,168**	
Trade and other payables	**-**	**591,107**	**-**	**-**
	-	**(591,107)**	**(72,168)**	**-**
Net foreign currency exposures	**58,927**	**(487,834)**	**135,927**	**-**

2019	**Euro**	**British pounds**	**Singapore dollars**	**Hong Kong dollars**
	US$	**US$**	**US$**	**US$**
Financial assets:				
Trade and other receivables	123,040	4,311,990	13,433	-
Cash and bank balances	275,525	10,076	167,377	6,459
Financial assets at FTVL	-	46,560	-	206,040
	398,565	4,368,626	180,810	212,499
Financial liabilities:				
Lease liabilities	-	-	53,393	-
Trade and other payables	343,521	5,538,586	-	-
	(343,521)	(5,538,586)	(53,393)	-
Net foreign currency exposures	55,044	(1,169,960)	127,417	212,499

DHAMPUR INTERNATIONAL PTE. LTD.

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

5. **FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL RISKS MANAGEMENT – cont'd**

5.1. Financial Risks Management Policies and Objectives – cont'd

c) Foreign current exchange rate risk – cont'd

Sensitivity analysis

The analysis is prepared assuming the amount of monetary assets and monetary liabilities outstanding at the end of the reporting period was outstanding for the whole year. A 10% increase or decrease is used when reporting foreign exchange rate risk internally to key management personnel and represents management's assessment of the possible change in exchange rates.

A 10% strengthening of United States dollars against the foreign currencies would increase profit or loss by the amount shown below:

2020	**Euro**	**British pounds**	**Singapore dollars**	**Hong Kong Dollars**
	US$	**US$**	**US$**	**US$**
Increase in foreign currency impact	**5,893**	**(48,783)**	**13,593**	**-**

2019	**Euro**	**British pounds**	**Singapore dollars**	**Hong Kong Dollars**
	US$	**US$**	**US$**	**US$**
Increase in foreign currency impact	5,504	(116,996)	12,742	21,250

A 10% weakening of Singapore dollars against the above foreign currencies would have had the equal but opposite effect on the above currencies to the amounts shown above, on the basis that all other variables remain constant.

The sensitivity analysis includes only outstanding foreign currency denominated monetary items. In management's option, the sensitivity analysis is unrepresentative of the inherent foreign exchange risk as the year end exposure does not reflect the exposure during the year.

d) Interest rate risk

Interest rate risk arises from the potential change in interest rate that may have an adverse effect on the company results in the current reporting period and in the future years.

The company is exposed to interest rate risk through the impact of the changes on interest bearing finance leases and demand deposits. The company's policy is to obtain most favourable interest rate available in the market. The interest rates and terms of repayment of lease liabilities are disclosed in Note 13 to the financial statements. Demand deposit earns interest as stated in Note 9 to the financial statements. The risk exposure is not significant as the interest income is not significant source of the company's income. Management believes that the interest rate risk is manageable. Hence, the company does not use derivative financial instruments to mitigate the risk.

DHAMPUR INTERNATIONAL PTE. LTD.

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

5. **FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL RISKS MANAGEMENT – cont'd**

5.1. Financial Risks Management Policies and Objectives – cont'd

d) Interest rate risk – cont'd

The company's exposure to interest rate on financial assets and financial liabilities are detailed in the liquidity risk section of this note.

Interest rate sensitivity

No interest rate sensitivity analysis has been prepared as the amount would be immaterial to the company.

The company's exposure to interest rate on financial assets and financial liabilities are detailed in the liquidity risk section of this note.

e) Liquidity risk

Liquidity risk refer to risk that the company will not have sufficient funds to pay their debts as and when they fall due.

The company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed condition, without incurring unacceptable losses or risking damage to the company's reputation.

The following table summarises the company's remaining contractual maturity for its non-derivative financial instruments at the end of each reporting period based on undiscounted cash flows of financial instruments based on the earlier of the contractual date or when the company is expected to receive or pay.

			Contractual undiscounted cash flows			
2020	**Effective interest rate (%)**	**Carrying amount**	**Within 1 year or repayable on demand**	**Within 2 to 5 years**	**More than 5 years**	**Total**
		US$	**US$**	**US$**	**US$**	**US$**
Financial liabilities						
Trade and other payables	-	**5,148,516**	**5,148,516**	**-**	**-**	**5,148,516**
Lease liabilities	3.855	**72,168**	**41,529**	**34,575**	**-**	**76,104**
Total undiscounted financial liabilities		**5,220,684**	**5,190,045**	**34,575**	**-**	**5,224,620**

			Contractual undiscounted cash flows			
2019	**Effective interest rate (%)**	**Carrying amount**	**Within 1 year or repayable on demand**	**Within 2 to 5 years**	**More than 5 years**	**Total**
		US$	**US$**	**US$**	**US$**	**US$**
Financial liabilities						
Trade and other payables	-	12,963,730	12,963,730	-	-	12,963,730
Finance leases	3.587	53,393	32,716	25,553	-	58,269
Total undiscounted financial liabilities		13,017,123	12,996,446	25,553	-	13,021,999

DHAMPUR INTERNATIONAL PTE. LTD.

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

5. **FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL RISKS MANAGEMENT – cont'd**

5.1. Financial Risks Management Policies and Objectives – cont'd

e) Liquidity risk – cont'd

The management has built an appropriate liquidity risk management framework for the management of the company's short, medium and long-term funding and liquidity management requirements. The company manages liquidity risk by maintaining adequate reserves, banking facilities and other borrowing facilities, by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.

f) Fair value of financial assets and financial liabilities

Fair value is defined as the amount at which the instrument could be exchanged in a current transaction between knowledgeable willing parties in an arm's length transaction, other than in a forced or liquidation sale. Fair values are obtained through discounted cash flow models as appropriate.

Management has determined that the carrying amounts of cash and bank balances, trade and other receivables, trade and other payables, bank borrowings that are repriced at market rate and finance leases, based on their notional amounts; reasonably approximate their fair values because these are mostly short-term in nature.

The table below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices);
- Level 3: Inputs for the asset or liability that is not based on observable market data (unobservable inputs).

	Carrying Amount	Level 1	Level 2	Level 3	Total
	US$	US$	US$	US$	US$
2020					
Financial assets					
Financial asset at FVOCI (Note 8)	**186,812**	**186,812**	**-**	**-**	**186,812**

	Carrying Amount	Level 1	Level 2	Level 3	Total
	US$	US$	US$	US$	US$
2019					
Financial assets					
Financial asset at FVOCI (Note 8)	1,463,539	1,463,539	-	-	1,463,539

DHAMPUR INTERNATIONAL PTE. LTD.

NOTES TO THE FINANCIAL STATEMENTS – CONTINUED

5. FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL RISKS MANAGEMENT – cont'd

5.2. Capital Risk Management Policies and Objectives

The company manages its share capital to ensure that it is able to continue as a going concern and maintains an optimal capital structure so as to maximize shareholder value.

In order to maintain or achieve an optimal capital structure, the company may adjust the amount of dividend payment to equity holders, return capital to equity holders, issue new shares, obtain new borrowings or redeem borrowings.

The company monitors capital using gearing ratio, which is net debt divided by total capital. Net debt is calculated as lease liabilities plus trade and other payables less cash and bank balances. Total capital is calculated as equity plus net debt. The company's overall strategy remains unchanged during the period.

	2020 **US$**	**2019** **US$**
Lease liabilities	**72,168**	53,393
Trade and other payables	**5,148,516**	12,963,730
Cash and bank balances	**(934,504)**	(1,502,910)
Net debt	**4,286,180**	11,514,213
Total equity	**2,032,415**	2,668,508
Total capital	**6,320,226**	14,182,721
Gearing ratio	**68%**	81%

The capital structure of the company's mainly consists of equity and net debts. The company reviews the capital structure from time to time and will continue to monitor economic conditions in which it operates and will make adjustments to its capital structure where necessary.

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

6. HOLDING COMPANY AND RELATED PARTY TRANSACTIONS

The company is a wholly subsidiary of Dhampur Sugar Mills Limited, incorporated in India which is also the company's ultimate holding company.

DHAMPUR INTERNATIONAL PTE. LTD.

NOTES TO THE FINANCIAL STATEMENTS – CONTINUED

6. **RELATED PARTY TRANSACTIONS – cont'd**

Related party relationship

FRS 24 defines a related party as an entity or person that directly or indirectly through one or more intermediaries controls, is controlled by, or is under common or joint control with, the entity in governing the financial and operating policies, or that has an interest in the entity that gives it significant influence over the entity in financial and operating decisions. It also includes members of the key management personnel or close members of the family or any individual referred to herein and others, who have the ability to control, jointly control or significantly influence by or for which significant voting power in such entity resides with, directly or indirectly, any such individual. The definition includes Parent Company, subsidiaries, fellow subsidiaries, associates, joint ventures and post-employment benefit plans, if any.

Some of the company's transactions and arrangements are with its related parties and the effects of these on the basis determined between the parties are reflected in these financial statements. The inter-company balances are unsecured, interest-free and repayable on demand.

a) During the financial year, the company entered into the following transaction with its holding company:-

	2020 US$	2019 US$
Purchases of goods	-	7,957,940
Sales of goods	-	2,860,820

Sales and purchases of goods to/from its holding company are made at prices, which are not materially different to those applicable to third party customers and suppliers.

b) Compensation of key management personnel

Key management personnel are directors, those persons having authority and responsibility for planning, directing and controlling the activities of the company, directly or indirectly.

The remuneration of key management personnel of the company during the financial period is as follows:

	2020 US$	2019 US$
Compensation paid to a director		
- Remunerations	**276,973**	285,128
- CPF	**9,767**	12,804
	286,740	297,932

DHAMPUR INTERNATIONAL PTE. LTD.

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

7. **PROPERTY, PLANT AND EQUIPMENT**

2020	**Furniture & Fittings**	**Office Equipment**	**Motor Vehicle**	**Renovation**	**Office Premises**	**Total**
	US$	**US$**	**US$**	**US$**	**US$**	**US$**
Cost						
Balance as at 1.4.2019	31,161	61,113	687,122	25,452	-	804,848
Transition to FRS 116 right-of-use assets	-	-	-	-	88,712	88,712
Adjusted balance as at 1.4.2019	31,161	61,113	687,122	25,452	88,712	893,560
Additions	-	4,790	-	-	-	4,790
Disposal	(22,203)	(41,237)	(333,733)	-	-	(397,173)
Balance as at 31.3.2020	**8,958**	**24,666**	**353,389**	**25,452**	**88,712**	**501,177**
Accumulated depreciation						
Balance as at 1.4.2019	25,354	52,515	404,408	4,240	-	486,517
Charged for the year	2,392	5,864	70,678	8,440	35,485	122,859
Disposal	(22,203)	(41,237)	(333,733)	-	-	(397,173)
Balance as at 31.3.2020	**5,543**	**17,142**	**141,354**	**12,680**	**35,485**	**212,203**
Carrying amount						
Balance as at 31.3.2020	**3,415**	**7,524**	**212,036**	**12,772**	**53,227**	**288,974**
Balance as at 31.3.2019	5,807	8,598	282,714	21,212	-	318,331

DHAMPUR INTERNATIONAL PTE. LTD.

NOTES TO THE FINANCIAL STATEMENTS – CONTINUED

7. PROPERTY, PLANT AND EQUIPMENT – cont'd

2019	Furniture & Fittings	Office Equipment	Motor Vehicle	Renovation	Total
	US$	US$	US$	US$	US$
Cost					
Balance as at 1.4.2018	24,710	55,077	838,699	-	918,486
Additions	6,451	6,036	353,389	25,452	391,328
Disposal	-	-	(504,966)	-	(504,966)
Balance as at 31.3.2019	**31,161**	**61,113**	**687,122**	**25,452**	**804,848**
Accumulated depreciation					
Balance as at 1.4.2018	23,874	33,595	367,981	-	425,450
Depreciation for the year	1,480	18,920	137,420	4,240	162,060
Disposal	-	-	(100,993)	-	(100,993)
Balance as at 31.3.2019	**25,354**	**52,515**	**404,408**	**4,240**	**486,517**
Carrying amount					
Balance as at 31.3.2019	**5,807**	**8,598**	**282,714**	**21,212**	**318,331**
Balance as at 31.3.2018	836	21,482	470,718	-	493,036

During the financial year, the company acquired plant and equipment with an aggregate cost of **US$4,790** (2019: US$391,328), of which **NIL** (2019: US$40,481) was acquired by means of finance lease. Cash payments of **US$4,790** (2019: US$350,847) were made for purchase of plant and equipment.

The carrying amount of **US$212,036** (2019: US$282,714) worth of assets acquired under finance lease are pledged as security for the associated liabilities under finance lease.

During the financial year, the company carried out a review of the recoverable amount of all plant and equipment. As a result, there were no allowances for impairment or revisions to the useful lives required for plant and equipment.

8. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

	2020	2019
	US$	US$
At cost:		
Fixed income bonds	**-**	1,258,115
Quoted equities	**299,939**	298,492
	299,939	1,556,607
Net fair value changes recognized in other comprehensive income	**(113,127)**	(93,068)
	186,812	1,463,539

DHAMPUR INTERNATIONAL PTE. LTD.

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

8. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME – cont'd

Fixed income bonds are managed for interest and capital appreciation and whose performance is evaluated on a fair value basis, is therefore measured at FVOCI.

Equities investment are categorised as at fair value through other comprehensive income. The company has elected to measure these equity securities at FVOCI due to the company's intention to hold these equity instruments for long-term appreciation. The fair values of the quoted equity securities are based on closing quoted market prices on the last market day of the financial year.

The financial assets at FVCOI are denominated in the following currencies:

	2020 US$	2019 US$
United States dollars	**299,939**	1,304,007
Hong Kong dollars	**-**	206,040
British pounds	**-**	46,560
	299,939	1,556,607

9. CASH AND BANK BALANCES

	2020 US$	2019 US$
Cash at hand	**118,244**	34,400
Bank balances	**816,260**	1,468,510
	934,504	1,502,910

Cash and bank balances comprise cash held by the company and short-term bank deposits which earn interest at floating rates based on daily bank deposit rates. Cash and bank balances carried at the end of the reporting period are classified and accounted for as financial assets at amortised costs under FRS 109.

Cash and bank balances are denominated in the following currencies:

	2020 US$	2019 US$
Singapore dollars	**194,599**	167,377
United States dollars	**683,111**	1,043,473
Euro	**40,230**	275,525
British pounds	**16,564**	10,076
Hong Kong dollars	**-**	6,459
	934,504	1,502,910

DHAMPUR INTERNATIONAL PTE. LTD.

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

10. TRADE AND OTHER RECEIVABLES

	2020 US$	2019 US$
Trade receivables:		
- holding company	**-**	1,066,931
- third parties	**4,766,030**	10,385,434
	4,766,030	11,452,365
Other receivables:		
-loan receivables	**1,000,000**	750,000
- external parties	**37,231**	-
- rental deposits	**12,348**	12,264
	5,815,609	12,214,629

i) Trade receivables

Trade receivables are non-interest bearing and generally on 30 to 270 (2019: 30 to 270) days' credit term. They are recognised at their original invoice amounts, which represents their fair values on initial recognition. Based on the historical default rates the company has performed a debt recovery assessment and provided for impairment allowance, as disclosed in these notes.

The aging of trade receivables as at the end of the reporting period is as follows:

	2020 US$	2019 US$
Trade receivables that are neither past due nor impaired		
Less than 30 days	**405,949**	3,632,957
31 to 60 days	**873,883**	1,436,607
61 to 90 days	**2,292,507**	3,495,546
91 to 180 days	**1,193,691**	2,887,255
	4,766,030	11,452,365

Trade receivables that are impaired

For the year ended 31 March 2020, a bad debt of **US$25,696** (2019: Nil) were recognised in profit or loss subsequent to a debt recovery assessment performed on trade receivables as at 31 March 2020.

ii) Loan receivable

The company granted a short-term loan to an external party, secured by a guarantee from an overseas company, which bears interest at the rate of 9% (2019: 9%) per annum and is repayable by 31March 2021 (2019:31 March 2020).

DHAMPUR INTERNATIONAL PTE. LTD.

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

10. TRADE AND OTHER RECEIVABLES – cont'd

ii) Loan receivable – cont'd

The management has indicated that their intention is to not recall the loan for repayment before the maturity dates and continue to roll over the loan will be subject to annual review.

In determining the recoverability of loan receivable, the company considers the financial strength and performance of the borrower. Accordingly, management believes that no allowance for doubtful debts is needed.

iii) Other receivables

In determining the recoverability of other receivables, the company considers any change in the credit quality of the other receivable from the date credit was initially granted up to the reporting date. The majority of credit risk for other receivables for the company relate to amounts due from third parties, which are unsecured, interest-free and repayable on demand.

Management has assessed the credit worthiness of the other debtors considers that no allowances for impairment of other receivables is necessary as there were no recent history of default in respect of these debtors.

iv) Rental deposit

Rental deposit represents the two months rental caution deposit placed with the landlords of the office premises and the director's residence.

Trade and other receivables are denominated in the following currencies:

	2020 US$	2019 US$
Singapore dollars	**13,496**	13,433
United States dollars	**5,696,707**	7,766,166
British pounds	**86,709**	4,311,990
Euros	**18,697**	123,040
	5,815,609	12,214,629

11. OTHER CURRENT ASSETS

	2020 US$	2019 US$
Deposits	**-**	2,411
Advance	**27,200**	81,500
Others	**-**	9,243
	27,200	93,154

Advance refers to amount paid for a frequent flyer programme operated by an airline. The advance amount remains in financial statements of the company until it is utilized.

DHAMPUR INTERNATIONAL PTE. LTD.

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

12. a) **SHARE CAPITAL**

	2020	2019	2020	2019
	Number of ordinary shares		US$	US$
Issued and paid up:				
Balance at beginning of year	**6,010,000**	2,010,000	**6,007,609**	2,007,609
Issuance of shares	**-**	4,000,000	**-**	4,000,000
	6,010,000	6,010,000	**6,007,609**	6,007,609

During the previous financial year, the company issued **4,000,000** ordinary shares at **US$1** per share to its holding company in full satisfaction of share application money received from the holding company.

The holders of ordinary shares are entitled to receive dividends as and when declared by the company. All shares rank equally with regard the company's residual assets. The company has one class of ordinary shares with no par value, which carry no right to fixed income.

b) **SHARE APPLICATION MONEY**

The company received a sum of US$4,000,000 from the holding company as share application money. Accordingly, during the previous financial year, the company issued 4,000,000 ordinary shares at US$1 per share to the holding company.

13. **LEASE LIABILITIES**

	Minimum lease payments		Present value of minimum lease payment	
	2020 US$	2019 US$	2020 US$	2019 US$
Amounts payables under finance leases:				
Within one year	**41,530**	32,716	**39,562**	30,115
In the second to fifth years	**34,575**	25,553	**32,606**	23,278
	76,105	58,269	**72,168**	53,393
Less: Future finance charges	**(3,937)**	(4,876)		
Present value of lease obligations	**72,168**	53,393		
Less: Current portion	**(39,562)**	(30,115)		
Non-current portion	**32,606**	23,278		

The average effective borrowing rate in respect of this finance leases are 3.855% (2019: 3.133%) per annum. The obligation under leases is secured by lessor's title to the motor vehicles (Note 7).

Lease liabilities are recognised at the commencement date of the lease at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentive receivable.

13. **LEASE LIABILITIES – cont'd**

In calculating the present value of lease payments, the company uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in future lease payments arising from a change in the lease term, a change in the in-substance fixed lease payments or a change in assessment to purchase the underlying based on the initial application of asset.

At the end of reporting period, there were no commitments on leases which had not yet commenced .

a) The following table show a reconciliation of total operating lease commitments as at 31 March 2019 to the lease liabilities as at 1 April 2019:

	2019 US$
Operating lease commitments disclosed as at 31 March 2019	**92,227**
Recognition of exemption for leases with remaining lease term of less than 12 months	**-**
Operating lease liabilities before discounting	**92,227**
Effect from discounting at the incremental borrowing rate as at 1 April 2019	**(3,515)**
Lease liabilities recognised based on the initial application of FRS 116 as at 1 April 2019	**88,712**

The incremental borrowing rate applied for lease liabilities at the date of initial adoption was 3% per annum.

b) Amounts recognized in profit or loss

	2020 US$
Interest on lease liabilities	**2,192**
Depreciation charges for the year	**35,485**
	37,677

FRS 116 Leases has been applied using the modified retrospective transition approach. Therefore, no comparative amounts for the year ended 31 March 2020 are presented.

The lease liabilities are denominated in Singapore dollars.

Note to statement of cash flows

	2020 US$	2019 US$
Balance at beginning of year	**53,393**	349,432
Proceeds	**-**	40,481
Adoption of FRS 116	**88,712**	-
Repayment	**(67,762)**	(335,496)
Foreign currency exchange adjustment loss	**(2,175)**	(1,024)
Balance at end of year	**72,168**	53,393

DHAMPUR INTERNATIONAL PTE. LTD.

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

14. TRADE AND OTHER PAYABLES

	2020 US$	2019 US$
Trade payables:		
- holding company (Note 6)	**253,469**	343,521
- related party (Note 6)	**16,723**	16,723
- external parties	**4,854,844**	12,589,904
	5,125,036	12,950,148
Other payables:		
- accrued charges	**21,224**	12,724
- external parties	**2,256**	858
	5,148,516	12,963,730

Trade payables are non-interest bearing and generally up to 180 days' credit term. They are recognised at their original invoice amounts, which represents their fair values on initial recognition.

The amount due to a director is unsecured, interest free and repayable on demand.

Trade and other payables are denominated in the following currencies:

	2020 US$	2019 US$
United States dollars	**4,557,409**	7,081,623
Euros	**-**	343,521
British pounds	**591,107**	5,538,586
	5,148,516	12,963,730

15. REVENUE

Revenue represents net total invoiced value of goods supplied, services rendered, after allowances for returns and trade discounts. The revenue is recognised at a point in time.

16. OTHER INCOME

	2020 US$	2019 US$
Government grant:		
- WCS	**1,499**	1,949
- TEC	**-**	515
Compensation received	**50,000**	-
Dividend income	**15,223**	8,429
Insurance claim	**10,122**	-
Gain on disposal of motor vehicle	**-**	60,145
Gain on disposal of investment	**123,480**	
Interest income	**137,758**	295,216
	338,082	366,254

DHAMPUR INTERNATIONAL PTE. LTD.

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

16. OTHER INCOME – cont'd

Government Grant

i) Wage Credit Scheme

The Wage Credit Scheme ("WCS") was introduced in 2014 as part of a three-year Transition Support Package for Businesses. The objective of the WCS is to help the companies cope with the rising wage costs and encourage companies to fee up resources and to make investment in productivity investments and share the productivity gains with their employees. The Government will co-fund 40% of the wage increase given to Singaporean employees earning a gross monthly wage of S$4,000 and below. WCS is computed based on monthly CPF contribution made by the employer for their employees.

iii) Temporary Employment Credit

The Temporary Employment Credit ("TEC") was introduced as a Budget initiative to help alleviate the rise in business costs due to the increase in Medisave contribution rates in 2015. It also provides additional support to help employers adjust to cost increases associated with the CPF changes which will take effect in 2015. The TEC is calculated based on the CPF contributions paid by the company for the eligible employee(s) from January 2015, subject to an annual cap of S$850 per employee.

17. FINANCE COSTS

	2020 US$	2019 US$
Interest on lease liabilities	**7,068**	2,853

18. INCOME TAX EXPENSE

a) Major component of income tax benefits

The major components of income tax benefits are as follows:

	2020 US$	2019 US$
Current year's income tax	**-**	-

DHAMPUR INTERNATIONAL PTE. LTD.

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

18. **INCOME TAX EXPENSE – cont'd**

b) Relationship between income tax benefit and accounting loss

The reconciliation between tax benefit and the product of accounting loss multiplied by the applicable corporate tax rate for the periods ended 31 March 2020 and 31 March 2019 are as follows:

	2020 US$	2019 US$
Loss before income tax	**(442,970)**	(226,461)
Tax benefit of the domestic income tax rate 17% (2019: 17%)	**(75,305)**	(38,498)
Tax effect of:		
- (allowable)/taxable expenses	**(9,621)**	5,735
- deferred tax assets not recognised	**84,926**	32,763
Total income tax expenses	**-**	-

c) Unrecorded deferred tax benefit

The company has tax loss carry forwards and temporary differences from capital allowances available for offsetting against future taxable income as follows:

	2020 US$	2019 US$
Amount at beginning of year	**2,558,459**	2,365,735
Amount in current year	**499,565**	192,724
Amount at end of year	**3,058,024**	2,558,459
Deferred tax benefit on above unrecorded at 17% (2019: 17%)	**519,864**	434,938

The realisation of the future income tax benefits from tax loss carry forwards is available for an unlimited future period subject to the conditions imposed by law including the retention of majority shareholders as defined.

The deferred tax benefit of the remaining tax loss carried forward and temporary differences from capital allowances have not been recognised in the financial statements because it is not probable to determine that the future taxable profit will be available against which the company can utilised the benefits thereon.

Comparative figures in 2019 for unutilised tax losses have been adjusted based on the last income tax returns.

DHAMPUR INTERNATIONAL PTE. LTD.

NOTES TO THE FINANCIAL STATEMENTS – CONTINUED

19. LOSS FOR THE YEAR

Loss for the year has been arrived at after charging:

	2020 US$	2019 US$
Director's emoluments		
- remuneration	**276,973**	285,128
- CPF	**9,767**	12,804
Employee benefit expenses, inclusive of directors' emoluments	**583,427**	641,191
Cost of defined contribution included in employee benefit expense	**30,165**	35,969
Foreign currency exchange adjustment loss	**23,113**	303,624
Inventories recognised as an expense in cost of goods sold	**21,125,086**	28,824,395
Loss on disposal of investments	**40,311**	3,653

20. COMMITMENTS

Operating lease commitments

	2020 US$	2019 US$
Minimum lease payments under operating leases recognised as an expense in the year	**-**	48,463

As at the end of the reporting period, the company has outstanding commitments under non-cancelled operating leases, which fall due as follows:

	2020 US$	2019 US$
Within one year	**-**	36,492
In the second to fifth periods inclusive	**-**	55,735
	-	92,227

As at 31 March 2020 the company leases office premises under non-cancellable operating lease arrangement. With the adoption of FRS 116 – Leases, the company has recognised the lease liabilities representing the present value of the minimum lease payments on the statement of financial position as disclosed in Note 15 to the financial statements.

As at 31 March 2019, the lease commitments relate to office premises. The lease was made for an initial period of two years, with an option to renew the lease terms as at the expiry date based on the mutual agreement between the company and the landlords. There were no restrictions placed upon the lessee by entering into these leases and there was no contingent rental under these leases.

DHAMPUR INTERNATIONAL PTE. LTD.

NOTES TO THE FINANCIAL STATEMENTS – CONTINUED

21. EVENTS AFTER THE REPORTING PERIOD

No items, transactions or events of material and unusual nature have arisen in the interval between the end of the financial period and the date of authorisation for the issue of the financial statements which are likely to affect substantially the results of operations of the company for the succeeding financial year, except. The emergence of coronavirus disease ("COVID-19") since early 2020, the world is experiencing an event that has macroeconomic implications, originating from the spread of the Corona Virus. Many countries around the world, including Singapore, are taking significant steps in an attempt to prevent the spread of the virus, such as restrictions on civilian movement, restrictions on gatherings, closing borders between Countries, and more.

The company will stay alert on the development and situation of the COVID-19, continuing to assess its impact on the financial position and operating results of the company and take necessary action to maintain stability of the business. The company is in the midst of evaluating reliefs as announced under Singapore Budget 2020 as well as the latest Resilience Budget and Solidarity Budget that it can avail .Up to the date of this report, given the dynamic nature of these circumstances, the impact on the company's results of operations, cash flows and financial condition could not be reasonably estimated

Notwithstanding the near-term challenges brought about by the COVID-19 outbreak, the Directors believe that with the cost saving measures being taken, the company's strong vendor and customer relationships, as well as the company's liquidity position and availability of sources of funds, the company will remain as a going concern.

DHAMPUR INTERNATIONAL PTE. LTD.

DETAILED STATEMENT OF PROFIT OR LOSS

FOR THE YEAR ENDED 31 MARCH 2020

	2020 US$	2019 US$
Revenue	**21,522,448**	29,915,991
Less: Cost of goods sold		
Purchases	**(21,125,086)**	(28,824,395)
Gross profit	**397,362**	1,091,596
Add: Other income		
Government grant:		
- WCS	**1,499**	1,949
- TEC	**-**	515
Consultancy fee	**50,000**	-
Dividend income	**15,223**	8,429
Insurance claim	**10,122**	-
Gain on disposal of motor vehicle	**123,480**	60,145
Interest income	**137,758**	295,216
	338,082	366,254
	735,444	1,457,850
Less: Operating expenses		
- Schedule 'A'	**(1,258,410)**	(1,684,311)
Loss before income tax	**(522,966)**	(226,461)

This schedule does not form part of the audited statutory financial statements.

DHAMPUR INTERNATIONAL PTE. LTD.

Schedule ‘A’

OPERATING EXPENSE

FOR THE YEAR ENDED 31 MARCH 2020

	2020 US$	2019 US$
Marketing and distribution expenses		
Business promotion expenses	**1,288**	-
Commission	**-**	6,019
Entertainment expenses	**27,051**	51,863
Gifts and presents	**-**	2,776
Administrative expenses		
Auditors’ remuneration	**7,500**	7,500
Bank charges	**66,322**	74,001
CPF	**20,398**	23,165
Claims paid	**-**	681
Director’s emoluments:		
- remuneration	**276,973**	285,128
- CPF	**9,767**	12,804
Foreign currency exchange adjustment loss	**23,113**	303,624
Insurance	**4,838**	-
Legal and professional fee	**24,053**	93,441
Medical expenses	**847**	1,397
Office maintenance	**4,856**	26,434
Postages and courier	**2,787**	4,909
Printing and stationery expenses	**2,820**	2,269
Rental expenses:	**-**	48,463
Salaries and allowances	**296,687**	320,094
Stamp duty	**-**	433
Subscription & membership charges	**94,741**	51,341
Sponsorship expenses	**-**	41,891
Telephone, fax and internet charges	**31,400**	31,534
Travelling expenses	**129,756**	34,945
Transport	**26,149**	43,176
Upkeep of motor vehicle	**10,918**	39,844
Water and electricity	**-**	2,374
Finance costs		
Interest on finance lease	**7,068**	2,853
Other expenses		
Depreciation of plant and equipment	**122,859**	162,060
Fines and penalties	**212**	5,639
Bad debts written off	**25,696**	-
Loss on sale on investments	**40,311**	3,653
	1,258,410	1,684,311

This schedule does not form part of the audited statutory financial statements.

DHAMPUR INTERNATIONAL PTE. LTD.

DIRECTORS' STATEMENT AND AUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2020

RA.7057

DHAMPUR INTERNATIONAL PTE. LTD.

(Registration number: 200912388N)

DIRECTORS' STATEMENT AND AUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2020

DHAMPUR INTERNATIONAL PTE. LTD.

(Registration number: 200912388N)

DIRECTORS' STATEMENT AND AUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2020

RAMA & CO.
PUBLIC ACCOUNTANTS AND
CHARTERED ACCOUNTANTS
SINGAPORE

DHAMPUR INTERNATIONAL PTE. LTD.

(Registration number: 200912388N)

DIRECTORS' STATEMENT AND AUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2020

DHAMPUR INTERNATIONAL PTE. LTD.

(Unique Entity Identification number: 200912388N)

Date: 29 May 2020

Rama & Co.
17 Phillip Street #05-01
Grand Building
Singapore 048695

Dear Sirs

We are writing to you, at your request, to confirm our understanding that your examination of the financial position of **DHAMPUR INTERNATIONAL** Pte. Ltd. (the “Company”) as at 31 March 2020 and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the financial year then ended 31 March 2020, for the purpose of expressing an opinion as to whether the financial statements give a true and fair view of the financial position, of the Company, and results of operations, changes in equity and cash flows of the Company in accordance with Singapore Financial Reporting Standards and the Singapore Companies Act Chapter 50.

We acknowledge our responsibility for the preparation and fair presentation of the financial statements in accordance with Singapore Financial Reporting Standards and the Singapore Companies Act and we approve the financial statements.

Certain representations in this letter are described as being limited to matters that are material. In accordance with paragraph 5 of FRS 8 *(Revised) Accounting Policies, Changes in Accounting Estimates and Errors*, we understand that omissions and misstatements of items are material if they could individually or collectively, influence the economic decisions of users taken on the basis of the financial statements. Materiality depends on the size and nature of the omission and misstatement judged in the surrounding circumstances. The size and nature of the item, or a combination of both, could be the determining factor.

We confirm the accuracy of the statements made in the notes to the financial statements relating to the impact of standards issued but not yet adopted, judgments, estimates and assumptions made by management that affect the application of policies and reported amounts of assets, liabilities, income and expenses in the financial statements, and that the requirements of the new and revised standards that are effective for annual periods beginning on or after 1 April 2019, have been complied with.

We have made appropriate inquiries of directors and officers of the Company with the relevant knowledge and expertise. Accordingly, we confirm that the following representations made to you during your examination are to the best of our knowledge and belief true and fair bearing in mind the requirements of the Singapore Companies Act and Singapore Financial Reporting Standards:-

1. We have provided to you with:

   (a) Access to all books of account and supporting documentation, financial records and related data which we are aware that is relevant to the preparation of the financial statements
   (b) Additional information that you have requested from us for the purpose of the audit
   (c) Unrestricted access to persons within the company from whom you determined it necessary to obtain audit evidence and
   (d) All minutes of meetings of shareholders, directors and committee of directors, or summaries of action of recent meetings for which minutes have not been prepared as detailed in the representation letter as to minutes.

2. There have been no known:

   (a) Communications from the Accounting and Corporate Regulatory Authority or regulatory bodies concerning non-compliance with, or deficiencies in, financial reporting practices that could have a material effect on the financial statements.
   (b) Violations or possible non-compliance of laws or regulations that could have a material effect on the financial statements in the event of non-compliance, the effects of which should be considered for disclosure in the financial statements or as a basis for recording a loss contingency.

3. We confirm that:

   (a) We understand that the term “fraud” includes misstatements resulting from fraudulent financial reporting and misstatements resulting from misappropriation of assets. Misstatements resulting from fraudulent financial reporting involve intentional misstatements or omissions of amounts or disclosures in financial statements to deceive financial statement users. Misstatements resulting from misappropriation of assets involve the theft of an entity’s assets, often accompanied by false or misleading records or documents in order to conceal the fact that the assets are missing.
   (b) We acknowledge responsibility for the implementation and operations of accounting and internal control systems that are designed to prevent and detect fraud and error;
   (c) There have been no instances of any frauds (including allegations of fraud), suspected frauds or irregularities known to us that may have affected the company involving management or employees who have significant roles in internal control systems or others where the fraud could have a material effect on the financial statements; or affecting the Company’s financial statements communicated by employees, analysts, regulators or others; and

4. To the best of our knowledge and belief:

   (a) All sales transactions are final and there are no side agreements with customers or other terms that allow for the return of merchandise, except for conditions covered by the usual and customary warranties.
   (b) Receivables reported in the financial statements represent valid claims against debtors for sales or other charges arising on or before the end of the reporting period and appropriate provisions have been made for losses that may be sustained on uncollectible receivables.
   (c) There have been no events that have occurred subsequent to the end of the reporting period that would require adjustment to or disclosure in the financial.
   (d) There have been no bank accounts that have not been disclosed to you, for example new accounts opened during the period.

5. There were no provisions relating to:
   (a) Losses to be sustained in the fulfilment of, or from inability to fulfil, any sales commitments;
   (b) Losses to be sustained as a result of purchase commitments for stock quantities in excess of the prevailing market prices;

6. We believe that there were no unrecorded financial statement over-statements or understatements are immaterial, both individually and aggregate, to the financial statements take as a whole.

7. The Company has no plans or intentions that materially affect the carrying value or classification of assets and liabilities reflected in the financial statements. We believe that the carrying amounts of all material assets will be recoverable.

8. The Company has satisfactory title to all owned assets and there are no liens or encumbrances on such assets nor has any asset been pledged except the ordinary course of business wherein the trade receivables has been pledged with lenders financing the transaction.

9. The Company has complied with all aspects of contractual agreements that would have a material effect on the financial statements in the event of non-compliance.

10. There were no:
    (a) Capital stock/shares purchase options or agreements or shares reserved for options, warrants, conversions, or other requirements;
    (b) Arrangements with financial institutions involving restrictions on cash balances, investment accounts and lines of credit or similar arrangements except as disclosed in Note 8 to the financial statements.;
    (c) Arrangements to repurchase assets previously sold and options to purchase property or equipment of material amounts;
    (d) Off-balance sheet activities, including transactions with special purpose entities, non-consolidation and revenue recognition;
    (e) Changes in accounting principles affecting consistency.

11. We confirm the completeness of the information provided to you regarding the identification of related parties and regarding transactions with such parties that are material to the financial statements. The identity of, and balances and transactions with, related parties have been properly recorded and when appropriate, adequately disclosed in the financial statements. We understand that, as defined in Singapore Financial Reporting Standard 24 *(Revised)*, Related Party Disclosures, parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial and operating decisions and related parties also includes: (1) parties with joint control over the entity; (2) joint ventures in which the entity is a venturer; (3) post-employment benefit plans for the benefit of employees of an entity, or of any entity that is a related party to that entity; and (4) member of the key management personnel. Related party transactions are transfers of resources or obligations between related parties, regardless of whether a price is charged.

12. There were no pending or threatened litigation and claims against the Company and we are not aware of any additional claims that have been or are expected to be received.

13. There are no:
    (a) other gain or loss contingencies or other liabilities that are required to be recognised or disclosed in the financial statements, including guarantees that we have given to third parties, liabilities or contingencies arising from environmental matters resulting from illegal or possibly illegal acts, or possible violations of human rights legislation;
    (b) other environmental matters that may have a material impact on the financial statements;
    (c) material transactions that have not been properly recorded in the accounting records underlying the financial statements.

14. Where material assets, liabilities and components of equity are presented and disclosed at fair value in accordance with Singapore Financial Reporting Standards, the amounts disclosed represent our best estimate of fair value of assets and liabilities required to be disclosed by these standards. The measurement methods and significant assumptions used in determining fair value have been applied on a consistent basis, are reasonable and they appropriately reflect our intent and ability to carry out specific courses of action on behalf of the Company where relevant to the fair value measurements or disclosures.

15. There are no significant matters that have arisen that would require a restatement of the corresponding figures.

16. Where you have provided assistance in the review and amendment of the financial statements, it was on the basis that:

    (a) Management has made all decisions such as the accounting policies to be adopted, key underlying assumptions to be used, transactions to be recorded and information to be disclosed in order to comply with the requirements of the Companies Act and Singapore Financial Reporting Standards;
    (b) Management has approved the appropriate adjusting journal entries (attachment A) to be recorded, including those for which your schedules were used as a basis to evaluate what these should be;
    (c) The directors of the Company have reviewed the issue of auditors' independence and are satisfied that the assistance provided clearly would not and did not impair your independence as statutory external auditors.

17. We confirm that we have reviewed going concern considerations and are satisfied that it is appropriate for the financial statements to have been drawn up on the going concern basis. In reaching this opinion we have taken into account all relevant matters of which we are aware and have considered a future period of at least one period from the date on which the financial statements are to be approved.

Yours truly

....	....
Gautam Goel	Siti Dayana Binte Muhammad Zalmisham
Director	Director

DHAMPUR INTERNATIONAL PTE. LTD.

(Unique Entity Identification number: 200912388N)

Date:

Rama & Co.,
17 Phillip Street
#05-02 Grand Building
Singapore 048695

Dear Sirs

FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2020

We have read the letter of representation dated 25 April 2020 addressed to you from **DHAMPUR INTERNATIONAL PTE. LTD.** in connection with your examination of the financial statements of the company for the financial period ended on the above-mentioned date. I recognise that obtaining representations from management concerning the information contained in that letter is a significant procedure in enabling you to form an opinion on the financial statements. Also, we recognise that the primary responsibility for the financial statements rests with management. In connection therewith, we make the following representations which are true to the best of our knowledge and belief.

We have no reason to believe that the information contained in the letter referred to above is incorrect.

No events or transactions have occurred since the end of the reporting period are pending or in prospect, which would have a material effect upon the financial statements at that date or which are of such significance in relation to the company's affairs as to require disclosure in the financial statements.

We know of no event since the end of the reporting period which, although not affecting the financial statements at that date, has caused any material change, adverse or otherwise, in the state of affairs or results or operations of the company.

Very truly yours

....

Gautam Goel
Director

Siti Dayana Binte Muhammad Zalmisham
Director

Private & Confidential

Date: 15 May 2020

To the Board of Directors
Dhampur International Pte. Ltd.
17 Phillip Street
#05-01 Grand Building
Singapore -048695

Dear Sirs,

We refer to our appointment as auditors of your entity and confirm our consent, pursuant to Section 10 of the Companies Act, Chapter 50 to act as statutory auditors of your entity.

You have requested that we audit the financial statements of Dhampur International Pte. Ltd. the "Company"), which comprise the statement of financial position as at 31 March 2020, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies. We are pleased to confirm our acceptance and our understanding of this audit engagement by means of this letter.

The objectives of our audit are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is high level of assurance but is not a guarantee that an audit conducted in accordance with Singapore Standards on Auditing (SSAs) will always detect a material misstatement when it exists. Misstatement can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

We will conduct our audit in accordance with SSAs. Those standards require that we comply with ethical requirements. As part of an audit in accordance with SSA, we exercise professional judgement and maintain professional scepticism throughout the audit. We also,

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

- *Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. However, we will communicate to you in writing concerning any significant deficiencies in internal control relevant to the audit of the financial statements that we have identified during the audit.*

…2/-

- *Examine on a test basis evidence supporting the amounts and disclosures in the financial statements and evaluate the appropriates of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.*

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

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

Because of the test nature and inherent limitations of an audit, together with the inherent limitations of any accounting and internal control system, there is an unavoidable risk that some material misstatement may not be detected, even though the audit is properly planned and performed in accordance with SSAs. Additionally, because of the characteristics of irregularities, particularly there involving forgery and collusion, a property designed and executed audit may not detect such items.

Our audit will be conducted on the basis that management and directors acknowledge and understand that they have responsibility:

(a) For the preparation of financial statements that give a true and fair view in accordance with the provisions of the Singapore Companies Act, Chapter 50 ("the Act") and Singapore Financial Reporting Standards ("SFRS");

(b) For devising, maintaining and implementing a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets;

(c) To provide us with:

  (i) Access to all information of which management and directors is aware that is relevant to the preparation of the financial statements such as records, documentation and other matters;

  (ii) Additional information that we may request from management and directors for the purpose of the audit; and

  (iii) Unrestricted access to persons within the Company from whom we determine it necessary to obtain audit evidence.

(d) To inform us of facts that may affect the financial statements, of which management may become aware during the period from the date of the auditor's report to the date the financial statements are issued.

(e) For assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management and directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

…3/-

In accordance with the requirements of the Code of Professional Conduct and Ethics contained in the Fourth Schedule to the Singapore Accountants (Public Accountants) Rules, we will respect the confidentiality of information acquired in the course of our audit and will not disclose any such information, that is in the public domain, to a third party without your consent except in response to requests under any law, rule or requirement of any regulatory authority with which we are bound to comply.

It is hereby expressly agreed between us that communication or disclosure of any information relating to or as a result of the engagement, whether directly or indirectly, to any personnel of Rama & Co. or its affiliates who are responsible for any ethics or compliance or risk or disciplinary management function, and their legal advisers, shall not constitute a breach of confidentiality, regardless of any undertakings as to who and how such information may be communicated or disclosed.

The Company agrees that Rama & Co., its partners, principles and employees shall not be liable to the Company for any actions, damages and claims, liabilities, costs, or expenses in any way arising out of or relating to services provided under this engagement for an aggregate amount in excess of three times the fees paid by Company to Rama & Co. for the services performed pursuant to this engagement, except for the matters that are finally judicially determined to be caused by Rama & Co.'s intentional misconduct.

In no event shall Rama & Co., its partners, principals, and employees be liable for 1) direct losses in the nature of damages or harm to business, lost revenues, lost profits or opportunity cost; and/or 2) consequently, special, indirect, incidental punitive or exemplary loss, damage, cost or expenses (including, without limitation, lost profits and opportunity costs) relating to this engagement.

As part of our audit process, we will make specific inquiries of the Company's management about the representations embodied in the financial statements. As part of our audit process, we will require management's written confirmation concerning representations made to us in connection with the audit, acknowledging management's responsibility for the preparation of the financial statements and affirming management's belief that the effects of any uncorrected financial statement misstatements aggregated by us during the current audit engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements as a whole.

Because of the importance of management's representation, the Company agrees to release and indemnify Rama & Co. and its personnel from all claims, liabilities, and expenses relating to our services under the engagement letter attributable to any misrepresentation by management.

Should an event requiring the termination or our resignation from the audit engagement arise, you agree that we shall be entitled to a reasonable fee according to our contribution and involvement in this engagement up to the cessation of our services in accordance with this engagement letter.

This letter agreement shall be governed by and construed in accordance with Singapore law. Any disputes arising out of or in connection with this letter agreement, including any question regarding its existence, validity or termination ("Disputes"), which are not amicably settled between the parties within (30) days from the date of a written notice of such Disputes, shall be referred to and finally resolved by arbitration in Singapore in accordance with the Arbitration Rules of the Singapore International Arbitration Centre for the time being in force, which rules are deemed to be incorporation by reference in this letter agreement. The tribunal shall consist of 1 arbitrator and the language of the arbitration shall be English.

We look forward to full co-operation of your staff during our audit.

Our agreed fee for this engagement is USD7,500, based on the estimated time required by the individuals assigned to the engagement and their level of experience and skill. The fee excludes out of pocket expenses incurred in connection with the performance of our services and applicable Goods and Services Tax of 7% which will be included in the final audit bill.

…4/-

Any accounting or other services which we provide from time to time at your request are distinct from our function as auditors.

Please sign and return the attached copy of this letter to indicate your acknowledgement of, and agreement with, the arrangements for our audit of your financial statements including our respective responsibilities.

Yours faithfully

****

We confirm that we have read and understood the contents of this letter and the related terms and conditions and agree that it accurately reflects our fair understanding of the services that we require you to undertake.

....

Gautam Goel
(Director)
For and on behalf of:
Dhampur International Pte. Ltd.

....

Siti Dayana Binte Muhammad Zalmisham
(Director)
For and on behalf of:
Dhampur International Pte. Ltd.

Rama & Co
Public Accountants &
Chartered Accountants
Singapore
17 Phillip Street
#05-02 Grand Building
Singapore 048695
Tel : 6538 7777
Fax : 6533 3227
email : rahul@ramaco.com.sg

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF DHAMPUR INTERNATIONAL PTE. LTD.

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of **DHAMPUR INTERNATIONAL PTE. LTD.** (the "Company"), which comprise the statement of financial position of the Company as at 31 March 2020, and statement of comprehensive income, statement of changes in equity and statement of cash flows of the Company for the year then ended, and notes to financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements of the Company are properly drawn up in accordance with the provisions of the Companies Act, Chapter 50 (the Act) and Financial Reporting Standards in Singapore (FRSs) so as to give a true and fair view of the financial position of the Company as at 31 March 2020 and of the financial performance, changes in equity and cash flows of the Company for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with Singapore Standards on Auditing (SSAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Accounting and Corporate Regulatory Authority (ACRA) Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities (ACRA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

Management is responsible for the other information. The other information comprises the Directors' Statement set out on pages 1 and 2.

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

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

...2/-

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF DHAMPUR INTERNATIONAL PTE. LTD. – cont'd

Responsibilities of Management and Directors for the Financial Statements

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high-level assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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

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

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

...3/-

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF DHAMPUR INTERNATIONAL PTE. LTD. – cont'd

Auditor's Responsibilities for the Audit of the Financial Statements – cont'd

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

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

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

Report on Other Legal and Regulatory Requirement

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.

RAMA & CO.

RAMA & CO.
PUBLIC ACCOUNTANTS AND
CHARTERED ACCOUNTANTS
SINGAPORE

RAMA & CO. PUBLIC ACCOUNTANTS & CHARTERED ACCOUNTANTS SINGAPORE

Date: 29 May 2020