

SAKUMA EXPORTS PTE.LTD.
(Incorporated in the Republic of Singapore)
Reg. No: 201302691Z

FINANCIAL STATEMENTS - 31 MARCH 2017

CONTENTS	PAGE
DIRECTORS' STATEMENT	2-3
INDEPENDENT AUDITOR'S REPORT	4-5
STATEMENT OF FINANCIAL POSITION	6
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME	7
STATEMENT OF CHANGES IN EQUITY	8
STATEMENT OF CASH FLOWS	9
NOTES TO THE FINANCIAL STATEMENTS	10-28

SAKUMA EXPORTS PTE.LTD.
(Incorporated in the Republic of Singapore)

**DIRECTORS' STATEMENT
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2017**

The directors are pleased to present their statement to the member together with the audited financial statements of Sakuma Exports Pte.Ltd. (the Company) for financial the year ended 31 March 2017.

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 2017 and the financial performance, changes in equity and cash flows of the Company for the financial 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.

Directors:

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

Malhotra Saurabh
Grover Karuna Vishal
Meeshal Agarwal

Arrangements to enable directors to acquire shares or 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.

Directors' interest in shares or debentures:

According to the register of directors' shareholdings kept by the Company under section 164 of the Singapore Companies Act, Chapter 50 (the "Act"), the directors of the Company who held office at the end of the financial year had no interests in the shares or debentures of the Company and its related corporations except as stated below:

	Direct interest		Deemed interest	
	At the beginning of financial year	At the end of financial year	At the beginning of financial year	At the end of financial year
Name of directors				
Shares in ultimate holding company				
Sakuma Exports Limited, India Shares Rs:10 each				
Malhotra Saurabh	3,020,000	3,228,341	10,000	10,000
Chander Mohan	1,388,965	1,533,119	3,310,000	3,110,000

SAKUMA EXPORTS PTE.LTD.
(Incorporated in the Republic of Singapore)

**DIRECTORS' STATEMENT
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2017**

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 options 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

Auditors

MGI N Rajan Associates has expressed its willingness to accept re-appointment as auditor.

On behalf of the Board of Directors,



Meeshal Agarwal
Director



Grover Karuna Vishal
Director

Date: **26 MAY 2017**



MGI N RAJAN ASSOCIATES
PUBLIC ACCOUNTANTS AND
CHARTERED ACCOUNTANTS SINGAPORE

INDEPENDENT AUDITOR'S REPORT
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2017

INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF SAKUMA EXPORTS PTE.LTD.

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Sakuma Exports Pte.Ltd. (the "Company"), which comprise the statement of financial position of the Company as at 31 March 2017, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows of the Company for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements are properly drawn up in accordance with the provisions of the Companies Act, Chapter 50 (the Act) and Financial Reporting Standards in Singapore (FRSs) so as to give a true and fair view of the financial position of the Company as at 31 March 2017 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 2 to 3].

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

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

Responsibilities of Management and 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.

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

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Each member firm undertakes no responsibility for the activities, work, opinions or service of the other member firms.

**INDEPENDENT AUDITOR'S REPORT (CONTINUED)
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2017**

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:

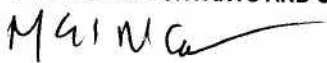
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Report on Other Legal and Regulatory Requirements

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

**MGI N RAJAN ASSOCIATES
PUBLIC ACCOUNTANTS AND CHARTERED ACCOUNTANTS**



Singapore
Date:

26 MAY 2017

SAKUMA EXPORTS PTE.LTD.
(Incorporated in the Republic of Singapore)

STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2017

	Note	2017 US\$	2016 US\$
ASSETS			
Non current assets			
Property, plant and equipment	9	-	-
Advance for investment	10	1,500	1,500
		1,500	1,500
Current assets			
Cash and cash equivalents	11	99,202	64,304
Trade and other receivables	12	25,792,942	45,338,540
		25,892,144	45,402,844
Total assets		25,893,644	45,404,344
LIABILITIES			
Current liabilities			
Trade and other payables	13	24,427,890	14,928,597
Interest bearing loans and borrowings	14	-	29,738,603
Provision for taxation	8	108,341	58,591
Total current liabilities		24,536,231	44,725,791
NET ASSETS		1,357,413	678,553
EQUITY			
Share capital	15	165,000	165,000
Retained earnings		1,192,413	513,553
Equity attributable to owners of the Company		1,357,413	678,553

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

SAKUMA EXPORTS PTE.LTD.
(Incorporated in the Republic of Singapore)

**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2017**

	Note	2017 US\$	2016 US\$
Revenue	4	132,108,355	53,371,537
Cost of sales	5	(130,513,969)	(52,432,013)
Gross profit		1,594,386	939,524
Other income	6	139	649
		1,594,525	940,173
Expenses			
Administrative and other operating expenses		(807,850)	(400,714)
Profit before tax	7	786,675	539,459
Income tax expense	8	(107,815)	(58,381)
Profit for the year, representing total comprehensive income for the year		678,860	481,078

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

SAKUMA EXPORTS PTE.LTD.
(Incorporated in the Republic of Singapore)

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

	Share capital US\$	Retained earnings US\$	Total US\$
At 1 April 2015	165,000	32,475	197,475
Profit for the year, representing total comprehensive income for the year	-	481,078	481,078
At 31 March 2016 and 1 April 2016	165,000	513,553	678,553
Profit for the year, representing total comprehensive income for the year	-	678,860	678,860
At 31 March 2017	165,000	1,192,413	1,357,413

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

SAKUMA EXPORTS PTE.LTD.
(Incorporated in the Republic of Singapore)

STATEMENT OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2017

	Note	2017 US\$	2016 US\$
Cash flows from operating activities			
Profit before tax		786,675	539,459
Adjustment for			
Depreciation of property, plant and equipment		-	201
Exchange difference on tax		1,788	-
		788,463	539,660
Changes in working capital			
Trade and other receivables		19,545,598	(45,307,123)
Trade and other payables		9,499,293	14,916,597
Advance paid to suppliers		-	147,328
Cash generated from/(used in) operations		29,833,354	(29,703,538)
Income tax paid		(59,853)	-
Net cash generated from/used in operating activities		29,773,501	(29,703,538)
Cash flows from investing activities			
Acquisition of property, plant and equipment		-	(201)
Net cash (used in) investing activities		-	(201)
Cash flows from financing activities			
Loans and borrowings		(29,738,603)	29,738,603
Net cash (used in)/generated from financing activities		(29,738,603)	29,738,603
Net increase in cash and cash equivalents		34,898	34,864
Cash and cash equivalents at beginning of the year		64,304	29,440
Cash and cash equivalents at end of the year	11	99,202	64,304

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

SAKUMA EXPORTS PTE.LTD.
(Incorporated in the Republic of Singapore)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2017**

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

1. GENERAL INFORMATION

Sakuma Exports Pte. Ltd.(the "Company") is incorporated and domiciled in Singapore with its registered office at 10 Jalan Besar, #10-12 Sim Lim Tower, Singapore 208787.

The principal activities of the Company are to carry on the business of general wholesale trade. The Company is trading in maize, sugar, edible oil and other agricultural commodities

The immediate and ultimate holding Company is Sakuma Exports Limited, which is incorporated in India.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation

The financial statements of the Company have been drawn up in accordance with Singapore Financial Reporting Standards ("FRS"). The financial statements have been prepared on the historical cost basis except as disclosed in the accounting policies below.

The financial statements are presented in United States Dollars (US\$), which is the Company's functional currency.

2.2 Adoption of new and revised standards

In the current financial year, the Company has adopted all the new and revised FRS and Interpretations of FRS ("INT FRS") that are relevant to its operations and effective for annual periods beginning on or after April 1, 2016. The adoption of these new / revised FRS and INT FRS does not result in changes to the Company's accounting policies and has no material effect on the amounts reported for the current or prior years.

2.3 Standards issued but not yet effective

A number of new standards, amendments to standards and interpretations are issued but effective for annual periods beginning after 1 April 2016, and have not been applied in preparing these financial statements. The Company does not plan to early adopt these standards.

The following standards that have been issued but not yet effective are as follows:

SAKUMA EXPORTS PTE.LTD.
(Incorporated in the Republic of Singapore)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2017

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES CONT'D....

2.3 Standards issued but not yet effective cont'd...

Description	Effective for annual periods beginning on or after
FRS 115 Revenue from Contracts with Customers	01-Jan-18
Amendments to FRS 110 and FRS 28: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Date to be determined
FRS 109 Financial Instruments	1 Jan 2018
Amendments to FRS 7: Disclosure Initiative	01-Jan-17
Amendments to FRS 12: Recognition of Deferred Tax Assets for Unrealised Losses	01-Jan-17
Amendments to FRS 115: Clarifications to FRS 115 Revenue from Contracts with Customers	01-Jan-18
FRS 116 Leases 1 Jan 2019	01-Jan-19
Amendments to FRS 102: Classification and Measurement of Share-Based Payment Transactions	01-Jan-18

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

2.4 Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is made. Revenue is measured at the fair value of consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duty.

Sale of goods

Revenue from sale of goods is recognized upon the transfer of significant risks and rewards of ownership of the goods to the customer. Revenue is not recognized to the extent where there are significant uncertainties regarding recovery of the consideration due, associated costs of the possible return of goods.

2.5 Property, plant and equipment

All items of property, plant and equipment are initially recorded at cost. Subsequent to recognition, property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses. The cost of property, plant and equipment includes its purchase price and any costs 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. Dismantlement, removal or restoration costs are included as part of the cost of property, plant and equipment if the obligation for dismantlement, removal or restoration is incurred as a consequence of acquiring or using the property, plant and equipment.

SAKUMA EXPORTS PTE.LTD.
(Incorporated in the Republic of Singapore)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2017

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES CONT'D....

2.5 Property, plant and equipment cont'd...

Depreciation is calculated using the straight-line method to allocate depreciable amounts over their estimated useful lives. The estimated useful lives are as follows:

Computers, printer and accessories	1 year
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Depreciation for whole year is provided in the year of the purchase and no depreciation is provided in the year of disposal.

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

The useful lives, residual values and depreciation method are reviewed at the end of each reporting period, and adjusted prospectively, if appropriate.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on de-recognition of the asset is included in profit or loss in the year the asset is derecognised.

2.6 Impairment of non financial assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when an annual impairment testing for an asset is required, the Company makes an estimate of the asset's recoverable amount.

An asset's recoverable amount is the higher of an asset's or cash-generating unit's fair value less costs of disposal and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other asset or group of assets. Where the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

Impairment losses are recognized in profit or loss

A previously recognized impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognized. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increase cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized previously. Such reversal is recognized in profit or loss.

2.7 Financial assets

Initial recognition and measurement

Financial assets 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 assets at initial recognition.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2017

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES CONT'D....

2.7 Financial assets cont'd...

When financial assets are recognised initially, they are measured at fair value, plus, in the case of financial assets not at fair value through profit or loss, directly attributable transaction costs.

Subsequent measurement

Loans and receivables

Non-derivative financial assets with fixed or determinable payments that are not quoted in an active market are classified as loans and receivables. Subsequent to initial recognition, loans and receivables are measured at amortised cost using the effective interest method, less impairment. Gains and losses are recognised in profit or loss when the loans and receivables are derecognised or impaired, and through the amortisation process.

Loans and receivables comprise trade and other receivables, trade dues from holding company and cash and cash equivalents.

Cash and cash equivalents comprise cash at banks.

De-recognition

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

2.8 Financial liabilities

Initial recognition and measurement

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

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

Subsequent measurement

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

Such financial liabilities comprise due to a related party and trade and other payables.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2017

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES CONT'D....

2.8 Financial liabilities cont'd...

De-recognition

A financial liability is de-recognised when the obligation under the liability is discharged, cancelled or expires. When an existing financial liability is replaced by another from 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 de-recognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in profit or loss.

2.9 Impairment of financial assets

The Company assesses at each reporting date whether there is any objective evidence that a financial asset is impaired.

Financial assets carried at amortised cost

For financial assets carried at amortised cost, the Company first assesses whether objective evidence of impairment exists individually for financial assets that are individually significant, or collectively for financial assets that are not individually significant. If the Company determines that no objective evidence of impairment exists for an individually assessed financial asset, whether significant or not, it includes the asset in a group of financial assets with similar credit risk characteristics and collectively assesses them for impairment. Assets that are individually assessed for impairment and for which an impairment loss is, or continues to be recognized are not included in a collective assessment of impairment.

If there is objective evidence that an impairment loss on financial assets carried at amortised cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate. If a loan has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate. The carrying amount of the asset is reduced through the use of an allowance account. The impairment loss is recognized in profit or loss.

When the asset becomes uncollectible, the carrying amount of impaired financial asset is reduced directly or if an amount was charged to the allowance account, the amounts charged to the allowance account are written off against the carrying amount of the financial asset.

To determine whether there is objective evidence that an impairment loss on financial assets has been incurred, the Company considers factors such as the probability of insolvency of significant financial difficulties of the debtor and default or significant delay in payments.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognized, the previously recognized impairment loss is reversed to the extent that the carrying amount of the asset does not exceed its amortized cost at the reversal date. The amount of reversal is recognized in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2017

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES CONT'D....

2.10 Provisions

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

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

2.11 Cash and cash equivalents

Cash and cash equivalents comprise cash at banks is subject to an insignificant risk of changes in value.

2.12 Currency translation

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 reporting date. 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 measured.

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

2.13 Taxes

a) Current income tax

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

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

SAKUMA EXPORTS PTE.LTD.
(Incorporated in the Republic of Singapore)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2017

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES CONT'D....

2.13 Taxes cont'd

b) Deferred tax

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

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

Deferred tax asset is not recognised for temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss.

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

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

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

C) Sales tax

Revenues, expenses and assets are recognized net of the amount of sales tax except:

-where the sales tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case the sales tax is recognized as part of the cost of acquisition of the asset or as part of the expense item as applicable, and

-Receivables and payables that are stated with the amount of sales tax included.

2.14 Employee benefits

(a) Defined contribution plans

The company contributes to the Central Provident Fund ("CPF"), a defined contribution plan regulated and managed by the Government of Singapore, which applies to the majority of the employees. The company's contributions to CPF are charged to the profit and loss account in the period to which the contributions relate.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2017**

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES CONT'D....

2.14 Employee benefits cont'd...

(a) Employee leave entitlements

Employee entitlements to annual leave are recognized when they accrue to employees. A provision is made for the estimated liability for annual leave as a result of services rendered by employees up to the reporting date.

2.15 Related party

A related party is defined as follows:

A} A person or a close member of that person's family is related to the Company if that person;

- (i) Has control or joint over the Company;
- (ii) Has significant influence over the Company; or
- (iii) Is a member of the key management personnel of the Company or of parent of the Company.

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

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

2.16 Share capital

Proceeds from issuance of ordinary shares are recognised as share capital in equity. Incremental costs directly attributable to the issuance of ordinary shares are deducted against share capital.

2.17 Leases

Finance leases which transfer to the Company substantially all the risks and rewards incidental to ownership of the leased item, are capitalised at the inception of the lease at the fair value of the leased asset or, if lower, at the present value of the minimum lease payments. Any initial direct costs are also added to the amount capitalised. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged to profit or loss. Contingent rents, if any, are charged as expenses in the periods in which they are incurred.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2017

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES CONT'D....

2.17 Leases cont'd...

Capitalised leased assets are depreciated over the shorter of the estimated useful life of the asset and the lease term, if there is no reasonable certainty that the Company will obtain ownership by the end of the lease term.

Operating lease payments are recognised as an expense in profit or loss on a straight-line basis over the lease term. The aggregate benefit of incentives provided by the lessor is recognised as a reduction of rental expense over the lease term on a straight-line basis.

2.18 Borrowing costs

All borrowings costs are recognized in profit or loss in the period in which they are incurred.

3. SIGNIFICANT ACCOUNTING JUDGMENTS AND ESTIMATES

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

3.1 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 are discussed below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

Impairment of loans and receivables

The impairment of trade and other receivables is based on the ageing analysis and management's continuous evaluation of the recoverability of the outstanding receivables. In assessing the ultimate realisation of these receivables, management considers, among other factors, the creditworthiness and the past collection history of each customer. If the financial conditions of these customers were to deteriorate, resulting in an impairment of their ability to make payments, additional allowances may be required. The carrying amounts of the Company's trade and other receivables, as at 31 March 2017 were US\$ 25,792,942 (2016: US\$ 45,338,540) respectively.

4. REVENUE

	2017 US\$	2016 US\$
Sale of goods	132,108,355	53,371,537
	<u>132,108,355</u>	<u>53,371,537</u>

SAKUMA EXPORTS PTE.LTD.
(Incorporated in the Republic of Singapore)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2017

5. COST OF SALES

	2017 US\$	2016 US\$
Purchase of goods	129,898,589	52,432,013
Freight and demurrage charges	615,380	-
	<u>130,513,969</u>	<u>52,432,013</u>

6. OTHER INCOME

	2017 US\$	2016 US\$
Exchange gain	-	649
Sundry balances written off	139	-
	<u>139</u>	<u>649</u>

7. PROFIT BEFORE TAX

The profit is arrived at after charging/crediting the following items:

	2017 US\$	2016 US\$
Bank charges	642,116	277,306
Professional fees	6,507	1,430
Director fees	8,000	8,000
Depreciation	-	201
Discount	43,900	-
Rent	29,601	10,799
Staff salaries	62,454	4,380
Stamp duty charges	136	86

8. TAX EXPENSE

The major components of income tax expense recognized in profit or loss for the years ended 31 March 2017 and 2016 were:

	2017 US\$	2016 US\$
Current tax	108,341	58,789
(Over) provision of tax in prior years	(526)	(408)
Income tax expense recognized in profit or loss	<u>107,815</u>	<u>58,381</u>

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

SAKUMA EXPORTS PTE.LTD.
(Incorporated in the Republic of Singapore)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2017

8. TAX EXPENSE CONT'D...

	2017 US\$	2016 US\$
Profit before taxation	786,675	539,459
Singapore statutory rate of 17% (2016:17%)	133,735	91,708
Tax effect on non-deductibles	304	190
Partial tax exemption	(18,544)	(18,690)
Tax rebate	(7,154)	(14,419)
(Over) provision of tax in prior years	(526)	(408)
	107,815	58,381

MOVEMENT IN TAXATION

	2017 US\$	2016 US\$
Beginning of financial year	58,591	210
(Over) provision of tax in prior year	(526)	(408)
Tax paid	(59,853)	-
Current year provision	108,341	58,789
Exchange difference	1,788	-
End of financial year	108,341	58,591

9. PROPERTY, PLANT AND EQUIPMENT

2017 At Cost	Printer US\$
Beginning of financial year	211
End of financial year	211
Accumulated Depreciation	
Beginning of financial year	211
End of financial year	211
Net Book value as at 31.03.2017	-

SAKUMA EXPORTS PTE.LTD.
(Incorporated in the Republic of Singapore)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2017

9. . PROPERTY, PLANT AND EQUIPMENT CONT'D...

2016	Printer
At Cost	US\$
Beginning of financial year	-
Additions during the year	211
End of financial year	211
Accumulated Depreciation	
Beginning of financial year	-
Charges during the year	211
End of financial year	211
Net Book value as at 31.03.2016	-

10. ADVANCE FOR INVESTMENT

The Company has paid US\$ 1,500 to Sakuma Exports Tanzania Pvt Ltd towards share application money. The Shares has not yet been allotted and the commitment towards the shares subscribed has given in Note 17.

11. CASH AND CASH EQUIVALENTS

	2017	2016
	US\$	US\$
Cash at bank	99,202	64,304
	99,202	64,304

Cash and cash equivalents are denominated in the following currencies

	2017	2016
	US\$	US\$
Singapore dollar	47,614	20,783
United states dollar	51,588	43,521
	99,202	64,304

SAKUMA EXPORTS PTE.LTD.
(Incorporated in the Republic of Singapore)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2017

12. TRADE AND OTHER RECEIVABLES

	2017 US\$	2016 US\$
Trade receivables		
Trade debtors	21,245,840	45,336,824
Due from holding company*	4,544,100	-
	25,789,940	45,336,824
Other receivables		
Rental deposits	3,002	1,716
	3,002	1,716
Total trade and other receivables	25,792,942	45,338,540

Trade and other receivables are denominated in the following currencies

	2017 US\$	2016 US\$
Singapore dollar	3,002	1,716
United states Dollar	25,789,940	45,336,824
	25,792,942	45,338,540

* The amount due from holding company is unsecured and is in trade in nature with interest free terms.

Trade receivables are non-interest bearing and are generally on 30 to 180 days' term. They are recognized at their original invoice amounts which represent their fair values on initial recognition.

Receivables that are past due but not impaired

The Company has trade receivables amounting to US\$ 2,762,600 (2016: US\$ 2,575,050) that are past due at the reporting date but not impaired. These receivables are unsecured and the analysis of their aging at the balance sheet date is as follows:-

Trade receivables past due:

	2017 US\$	2016 US\$
1-30 days	407,600	630,775
31-60 days	-	656,750
61-90 days	865,000	-
Above 90 days	1,490,000	1,287,525
	2,762,600	2,575,050

SAKUMA EXPORTS PTE.LTD.
(Incorporated in the Republic of Singapore)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2017

13. TRADE AND OTHER PAYABLES

	2017 US\$	2016 US\$
Trade payables		
Trade creditors	19,275,105	14,911,882
Other payables		
Due to a related party	5,088,222	-
Due to a director	15,976	12,715
Other creditors	27,500	-
Accruals	21,087	4,000
	24,427,890	14,928,597

Trade payables are non-interest bearing. Trade payables are normally settled on 30- 60 days terms.

The amount due to a related party (including director) are non trade, unsecured, interest free and repayable on demand.

14. INTEREST BEARING LOANS AND BORROWINGS

	2017 US\$	2016 US\$
Bank overdraft	-	170
Bill discounted	-	29,738,433
	-	29,738,603

Loan (2017: Nil and 2016: US\$ 29,738,603) arising from foreign bills discounted which are granted with right of recourses to the banks are recognized as collateral borrowings in the financial statements until the related assets are derecognized. The average maturity of the bills are 90 to 180 days from the letter of credit date and bear interest ranging from 1.5% to 2% including LIBOR. Interest for the period between the date of discounting the bills and the agreed date of payment is recognized on accrual basis.

15. SHARE CAPITAL

	No. of shares		Amount in US\$	
	2017	2016	2017	2016
Issued & fully paid up ordinary shares	165,000	165,000	165,000	165,000
At 01 April and 31 March	165,000	165,000	165,000	165,000

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2017

16. CAPITAL MANAGEMENT

The primary objective of the Company's capital management is to ensure that it maintains a strong credit rating and the net current asset position in order to support its business and maximize shareholder value. The capital structure of the Company comprises issued share capital and retained earnings.

The Company manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company is not subject to any externally imposed capital requirements. No changes were made in the objectives policies or processes during the financial year ended 31 March 2017 and 31 March 2016.

The Company is not subject to any externally imposed capital requirements. The Company's overall strategy remains unchanged from 2016.

	2017 US\$	2016 US\$
Net debt	24,328,688	44,602,896
Total equity	1,357,413	678,553
Total capital	25,686,101	45,281,449
 Gearing ratio	 94%	 98%

17. COMMITMENTS

Capital commitments

The Company has a firm commitment towards subscription of shares in the following companies.

Name of the company	Number of shares subscribed	Value in local currency	Value in US\$
Sakuma Exports (Ghana) Limited	600,000	GHC 600,000	221,648
Sakuma Exports Tanzania Pvt Limited	237	TZS 237,000,000	141,993

18. FINANCIAL RISK MANAGEMENT

The Company's activities expose it to a variety of financial risks from its operation. The key financial risks include credit risk, liquidity risk and market risk (including foreign currency risk and interest rate risk).

The Board of Directors reviews and agrees policies and procedures for the management of these risks, which are executed by the management team. It is, and has been throughout the current

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2017**

12. FINANCIAL RISK MANAGEMENT CONT'D...

and previous financial year, the Company's policy that no trading in derivatives for speculative purposes shall be undertaken.

The following sections provide details regarding the Company's exposure to the above-mentioned financial risks and the objectives, policies and processes for the management of these risks.

There has been no change to the Company's exposure to these financial risks or the manner in which it manages and measures the risks.

(a) Market risk

i) Credit risk

Credit risk refers to the risk that the counterparty will default on its contractual obligations resulting in a loss to the Company. The Company has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral where appropriate, as a means of mitigating the risk of financial loss from defaults. The Company performs ongoing credit evaluation of its counterparties' financial condition and generally do not require a collateral.

The maximum exposure to credit risk in the event that the counterparties fail to perform their obligations as at the end of the financial year in relation to each class of recognised financial assets is the carrying amount of those assets as stated in the statement of financial position.

Exposure of credit risk

The Company has no significant concentration of credit risk other than those balances with receivable from one third party comprising US\$ 10,764,733 (2016: US\$ 12,352,442) of trade receivables. The Company has credit policies and procedures in place to minimize and mitigate its credit risk exposure.

Financial assets that are either past due or impaired

Information regarding financial assets that are either past due or impaired is disclosed in Note 12

ii) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of the Company's financial instruments will fluctuate because of changes in market interest rates.

The Company has no interest-bearing financial instruments, hence, is not exposed to any movements in market interest rates.

iii) Foreign currency risk

The Company's foreign exchange risk results mainly from cash flows from transactions denominated in foreign currencies. At present, the Company does not have any formal policy for hedging against currency risk. The Company ensures that the net exposure is kept to an acceptable level by buying or selling foreign currencies at spot rates, where necessary, to address short term imbalances.

SAKUMA EXPORTS PTE.LTD.
(Incorporated in the Republic of Singapore)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2017**

19. FINANCIAL RISK MANAGEMENT CONT'D...

(iii) Foreign currency risk cont'd...

The Company operates and sells its products in United States Dollars and hence its exposure to movements in foreign currencies exchange rate is insignificant.

iv) Liquidity risk

Liquidity risk refers to the risk that the Company will encounter difficulties in meeting its short term obligations due to shortage of funds. The Company's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. It is managed by matching the payment and receipt cycles. The Company's operations are financed mainly through equity. The directors are satisfied that funds are available to finance the operations of the Company.

Analysis of financial instruments by remaining contractual maturities

The table below summarises the maturity profile of the Company's financial assets and liabilities at the reporting date based on contractual undiscounted repayment obligations.

Financial assets	Carrying amount US\$	2017	Two to five years US\$
		One year or less US\$	
Trade receivables	25,789,940	25,789,940	-
Other receivables	3,002	3,002	-
Cash and cash equivalents	99,202	99,202	-
Total undiscounted financial assets	25,892,144	25,892,144	-

Financial liabilities	Carrying amount US\$	2017	Two to five years US\$
		One year or less US\$	
Trade payables	19,275,105	14,911,882	-
Due to a related party	5,088,222	5,088,222	-
Due to a director	15,976	15,976	-
Other payables	48,587	48,587	-
Total undiscounted financial liabilities	24,427,890	24,427,890	-
Total net undiscounted financial assets	1,464,254	1,464,254	-

Financial assets	Carrying amount US\$	2016	Two to five years US\$
		One year or less US\$	
Trade receivables	45,336,824	45,336,824	-
Other receivables	1,716	1,716	-
Cash and cash equivalents	64,304	64,304	-
Total undiscounted financial assets	45,402,844	45,402,844	-

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2017**

19. FINANCIAL RISK MANAGEMENT CONT'D...

Financial liabilities	Carrying amount US\$	2016	Two to five years US\$
		One year or less US\$	
Trade payables	14,911,882	14,911,882	
Other payables	16,715	16,715	-
Interest bearing loans and borrowings	29,738,603	29,738,603	
Total undiscounted financial liabilities	44,667,200	44,667,200	-
 Total net undiscounted financial assets	 735,644	 735,644	 -

v) Fair values

The fair value of a financial instrument is the amount at which the instrument could be exchanged or settled between knowledgeable and willing parties in an arm's length transaction.

The following methods and assumptions are used to estimate the fair value of each class of financial instruments for which it is practicable to estimate that value.

Cash and cash equivalents, other receivables and other payables (including non trade balances due to related party)

The carrying amounts of these balances approximate their fair values due to the short-term nature of these balances.

Trade receivables and payables

The carrying amounts of these receivables and payables (including trade balances due from holding) approximate their fair values as they are subject to normal trade credit terms.

Loan from a related party

The carrying amounts of loan from a related party approximate their fair values as they are subject to interest rates close to market rate of interests for similar arrangements with financial institutions.

vi) Fair value instruments by category

At the reporting date, the aggregate carrying amounts of loans and receivables and financial liabilities at amortized cost were as follows:

	2017	2016
	US\$	US\$
Loans and receivables		
Trade and other receivables (note 12)	25,792,942	45,338,540
Cash and cash equivalents (note 11)	99,202	64,304
Total loans and receivables	25,892,144	45,402,844

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2017**

19. FINANCIAL RISK MANAGEMENT CONT'D...

	2017	2016
	US\$	US\$
Financial liabilities measured at amortised cost		
Trade and other payables (note 13)	24,427,890	14,928,597
Interest bearing loans and borrowings	-	29,738,603
Total financial liabilities measured at amortized cost	24,427,890	44,667,200

20. SIGNIFICANT RELATED PARTY TRANSACTIONS

In addition to the related party information disclosed elsewhere in the financial statements, the following transactions with related parties took place at terms agreed between the parties during the financial year.

Company		Amount of transaction	
Nature of transaction	Nature of Relationship	2017	2016
		US\$	US\$
Revenue	Holding company	4,544,100	-
Receivables	Holding company	4,544,100	-
Payables	Group company	(5,088,222)	-

21. CONTINGET LIABILITIES

	2017	2016
	US\$	US\$
LC discounting	14,718,636	-

This relates to bills discounted on LC basis and are accepted by the issuing bank.

22. OPERATING LEASE COMMITMENTS

The Company leases office and house premises under non-cancellable operating lease agreements. These leases have varying terms, escalation clauses and renewal rights.

The future minimum rental payable under non-cancellable operating leases contracted for at the reporting date but not recognized as liabilities, are as follows:

	2017	2016
	US\$	US\$
Not later than one year	17,929	12,000

Minimum lease payments recognized as an expense in profit or loss for the financial year ended 31 March 2017 amounted to US\$ 29,601 (2016: US\$ 10,799)

SAKUMA EXPORTS PTE.LTD.
(Incorporated in the Republic of Singapore)

(This does not form part of audited financial statements)

**DETAILED COMPREHENSIVE INCOME STATEMENT FOR THE FINANCIAL YEAR ENDED
31 MARCH 2017**

	2017 US\$	2016 US\$
Revenue	132,108,355	53,371,537
	132,108,355	53,371,537
Cost of sales		
Purchase of goods	129,898,589	52,432,013
Freight charges	308,125	-
Demurrage expenses	307,255	-
Total cost of sales	130,513,969	52,432,013
Gross profit	1,594,386	939,524
Other income		
Exchange difference	-	649
Sundry balances written off	139	-
	139	649
	1,594,525	940,173
Expenses		
Audit fee	10,736	4,000
Bank charges	642,116	277,306
Bad debts written off	-	88,727
Commission and brokerage	1,551	915
Conveyance	-	385
Courier charges	-	90
Depreciation	-	201
Discount on trade	43,900	-
Director fees	8,000	8,000
Exchange difference	1,788	-
Electricity charges	-	469
Office expenses	-	2,752
Printing & stationery	-	160
Professional fees	6,507	1,430
Rent	29,601	10,799
Salary	62,454	4,380
Staff welfare	1,061	617
Stamp duty	136	86
Telephone expenses	-	397
Total expenses	807,850	400,714
Profit for the year	786,675	539,459

SAKUMA EXPORTS PTE.LTD.
(Incorporated in the Republic of Singapore)