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IIML FUND MANAGERS (SINGAPORE) PTE. LTD.
(Registration No. 201135429E)

DIRECTORS' STATEMENT AND FINANCIAL STATEMENTS

FINANCIAL YEAR ENDED MARCH 31, 2016

IIML FUND MANAGERS (SINGAPORE) PTE. LTD.

DIRECTORS' STATEMENT AND FINANCIAL STATEMENTS

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IIML FUND MANAGERS (SINGAPORE) PTE. LTD.

DIRECTORS' STATEMENT

The directors present their statement together with the audited financial statements of the Company for the financial year ended March 31, 2016.

In the opinion of the directors, the financial statements of the Company set out on pages 6 to 23 are drawn up so as to give a true and fair view of the financial position of the Company as at March 31, 2016 and the financial performance, changes in equity and cash flows of the Company for the financial year then ended and at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts when they fall due.

1 DIRECTORS

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

Manoj Yeshwant Borkar
Nitin Gupta

2 ARRANGEMENTS TO ENABLE DIRECTORS TO ACQUIRE BENEFITS BY MEANS OF ACQUISITION OF SHARES AND DEBENTURES

Neither at the end of the financial year nor at any time during the financial year did there subsist any arrangement whose object is to enable the directors of the Company to acquire benefits by means of the acquisition of shares or debentures in the Company or any other body corporate, except for the options mentioned in paragraph 3 of the Directors' Statement.

3 DIRECTORS' INTERESTS IN SHARES AND DEBENTURES

The directors of the Company holding office at the end of the financial year had no interests in the share capital and debentures of the Company and related corporations as recorded in the register of directors' shareholdings kept by the Company under Section 164 of the Singapore Companies Act, except as follows:

Name of directors and company in which interests are held	Shareholdings registered in the name of the director: At beginning of year	Shareholdings registered in the name of the director: At end of year
Parent company - IL&FS Investment Managers Limited	Shares of INR2 each	
Manoj Yeshwant Borkar	946,995	946,995

4 SHARE OPTIONS

(a) Options to take up unissued shares

During the financial year, no options to take up unissued shares of the Company was granted.

(b) Options exercised

During the financial year, there were no shares of the Company issued by virtue of the exercise of an option to take up unissued shares.

(c) Unissued shares under option

At the end of the financial year, there were no unissued shares of the Company under options.

IIML FUND MANAGERS (SINGAPORE) PTE. LTD.

DIRECTORS' STATEMENT

5 AUDITORS

The auditors, Deloitte & Touche LLP, have expressed their willingness to accept re-appointment.

Nitin Gupta

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Nitin Gupta

M Borkar.

....
Manoj Yeshwant Borkar

Date: 21 APR 2016

Deloitte.

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INDEPENDENT AUDITORS' REPORT TO THE MEMBER OF

IIML FUND MANAGERS (SINGAPORE) PTE. LTD.

Report on the Financial Statements

We have audited the accompanying financial statements of IIML Fund Managers (Singapore) Pte. Ltd. (the "Company") which comprise the statement of financial position of the Company as at March 31, 2016, and 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 a summary of significant accounting policies and other explanatory information as set out on pages 6 to 23.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Deloitte.

INDEPENDENT AUDITORS' REPORT TO THE MEMBER OF

IIML FUND MANAGERS (SINGAPORE) PTE. LTD.

Opinion

In our opinion, the financial statements are properly drawn up in accordance with the provisions of the Act and Singapore Financial Reporting Standards so as to give a true and fair view of the financial position of the Company as at March 31, 2016 and the financial performance, changes in equity and cash flows of the Company for the year ended on that date.

Report on Other Legal and Regulatory Requirements

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

Deloitte & Touche LLP

Public Accountants and
Chartered Accountants
Singapore

April 21, 2016

IIML FUND MANAGERS (SINGAPORE) PTE. LTD.

STATEMENT OF FINANCIAL POSITION
March 31, 2016

	Note	2016 US$	2015 US$
ASSETS			
Current assets			
Cash and cash equivalents	6	287,254	217,308
Trade and other receivables	7	66,323	313,153
Total current assets		353,577	530,461
Total assets		353,577	530,461
LIABILITY AND EQUITY			
Current liability			
Other payables and accruals	8	53,963	60,361
Capital and reserves			
Share capital	9	1,450,000	1,450,000
Accumulated losses		(1,150,386)	(979,900)
Total equity		299,614	470,100
Total liability and equity		353,577	530,461

See accompanying notes to financial statements

IIML FUND MANAGERS (SINGAPORE) PTE. LTD.

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
Financial year ended March 31, 2016

	Note	2016 US$	2015 US$
Revenue	10	438,408	508,289
Staff costs		(285,971)	(388,994)
Other operating expenses	11	(322,923)	(129,263)
Loss before income tax		(170,486)	(9,968)
Income tax expense	12	-	-
Loss for the year, representing total comprehensive loss for the year		(170,486)	(9,968)

See accompanying notes to financial statements

IIML FUND MANAGERS (SINGAPORE) PTE. LTD.

STATEMENT OF CHANGES IN EQUITY
Financial year ended March 31, 2016

	Share capital US$	Accumulated losses US$	Total US$
Balance as at April 1, 2014	1,450,000	(969,932)	480,068
Total comprehensive loss for the year	-	(9,968)	(9,968)
Balance as at March 31, 2015	1,450,000	(979,900)	470,100
Total comprehensive loss for the year	-	(170,486)	(170,486)
Balance as at March 31, 2016	1,450,000	(1,150,386)	299,614

See accompanying notes to financial statements

IIML FUND MANAGERS (SINGAPORE) PTE. LTD.

STATEMENT OF CASH FLOWS
Financial year ended March 31, 2016

	2016	2015
	US$	US$
Operating activities		
Loss before income tax, representing operating cash flows before movements in working capital	(170,486)	(9,968)
Trade and other receivables	246,830	(215,816)
Accruals and other payables	(6,398)	(6,792)
Net cash from (used in) operating activities	69,946	(232,576)
Net increase (decrease) in cash and cash equivalents	69,946	(232,576)
Cash and cash equivalents at beginning of the year	217,308	449,884
Cash and cash equivalents at end of the year	287,254	217,308

See accompanying notes to financial statements

1 GENERAL

The Company (Registration No. 201135429E) is incorporated in the Republic of Singapore with its registered office and principal place of business at 1 Marina Boulevard, #28-00, Singapore 018989. The financial statements are expressed in United States dollars.

The principal activity of the Company is that of fund management and advisory services.

The financial statements of the Company for the year ended March 31, 2016 were authorised for issue by the Board of Directors on April 21, 2016.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

BASIS OF ACCOUNTING - The financial statements have been prepared in accordance with the historical cost basis, and are drawn up in accordance with the provisions of the Singapore Companies Act and Singapore Financial Reporting Standards ("FRS").

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability which market participants would take into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of FRS 102 *Share-based Payment*, leasing transactions that are within the scope of FRS 17 *Leases*, and measurements that have some similarities to fair value but are not fair value, such as value in use in FRS 36 *Impairment of Assets*.

ADOPTION OF NEW AND REVISED STANDARDS – On April 1, 2015, the Company has adopted all the new and revised FRSs and Interpretations of FRS ("INT FRS") that are effective from that date and are relevant to its operations. 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 amounts reported for the current or prior years.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

At the date of authorisation of these financial statements, certain new/revised FRSs, INT FRSs and amendments to FRS that are relevant to the Company were issued but not effective:

- FRS 109 *Financial Instruments*[1]
- FRS 115 *Revenue from Contracts with Customers*[1]
- FRS 12 *Amendments to FRS 12: Recognition of Deferred Tax Assets for Unrealised Losses*[2]
- FRS 7 *Amendments to FRS 7: Disclosure Initiative*[2]
- Amendments to FRS 1 *Presentation of Financial Statements: Disclosure Initiative*[3]
- Improvements to Financial Reporting Standards (November 2014) [3]

[1] Applies to annual periods beginning on or after January 1, 2018, with early application permitted.
[2] Applies to annual periods beginning on or after January 1, 2017, with early application permitted.
[3] Applies to annual periods beginning on or after January 1, 2016, with early application permitted.

Consequential amendments were also made to various standards as a result of these new/revised standards.

The management anticipates that the adoption of the above FRSs, INT FRSs, amendments and improvements to FRS in future periods will not have a material impact on the financial statements of the Company in the period of their initial adoption except for the following:

FRS 115 *Revenue from Contracts with Customers*

FRS 115 was issued which establishes a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers. FRS 115 will supersede the current revenue recognition guidance including FRS 18 *Revenue*, FRS 11 *Construction Contracts* and the related Interpretations when it becomes effective. The core principle of FRS 115 is that an entity should recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Specifically, the Standard introduces a 5-step approach to revenue recognition:

- Step 1: identify the contract(s) with a customer
- Step 2: Identify the performance obligations in the contract
- Step 3: Determine the transaction price
- Step 4: Allocate the transaction price to the performance obligations in the contract.
- Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation.

Under FRS 115, an entity recognises revenue when (or as) a performance obligation is satisfied, i.e. when "control" of the goods or services underlying the particular performance obligation is transferred to the customer. Far more prescriptive guidance has been added in FRS 115 to deal with specific scenarios. Furthermore, extensive disclosures are required by FRS 115.

The Company is currently assessing the impact of FRS 115 in the period of its initial adoption.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

FINANCIAL INSTRUMENTS - Financial assets and financial liabilities are recognised on the Company's 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 period. The effective interest rate is the rate that exactly discounts estimated future cash receipts or payments (including all fees on points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial instrument, or where appropriate, a shorter period. Income and expense is recognised on an effective interest basis for debt instruments other than those financial instruments "at fair value through profit or loss".

Financial assets

Trade and other receivables

Trade and other receivables are measured at amortised cost using the effective interest method less impairment losses. Interest is recognised by applying the effective interest method, except for short-term balances when the recognition of interest would be immaterial.

Impairment of financial assets

Financial assets are assessed for indicators of impairment at the end of each reporting period. Financial assets are considered to be impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial assets, the estimated future cash flows of the financial assets have been impacted. For financial assets carried at amortised cost, the amount of the impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables where the carrying amount is reduced through the use of an allowance account. When a trade receivable is uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognised in profit or loss.

For financial assets measured at amortised cost, 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 recognised, the previously recognised impairment loss is reversed through profit or loss to the extent that the carrying amount of the financial asset at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Derecognition of financial assets

The Company derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

Financial liabilities and equity instruments

Classification as debt or equity

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

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 are recorded at the proceeds received, net of direct issue costs.

Other payables and accruals

Other payables and accruals are initially measured at fair value, and are subsequently measured at amortised cost, using the effective interest method with interest expense recognised on an effective yield basis.

Derecognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or they expire.

LEASES - Rentals payments 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.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

In the event that lease incentives are received to enter into operating leases, 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 leased asset are consumed.

IMPAIRMENT OF ASSETS - At the end of each reporting period, the Company reviews the carrying amounts of its 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.

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 for which the estimates of future cash flows have not been adjusted.

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 profit or loss.

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 years. A reversal of an impairment loss is recognised immediately in profit or loss.

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 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.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

REVENUE RECOGNITION - Revenue is measured at the fair value of the consideration received or receivable.

Advisory fees

Advisory fees are recognised when the relevant advisory services are rendered and the Company's rights to receive payment has been established.

Fees that are not earned in the financial year are recognised as deferred income.

RETIREMENT BENEFIT COSTS - Payments to defined contribution retirement benefit plans are charged as an expense when employees have rendered the services entitling them to the contributions. Payments made to state-managed retirement benefit schemes, such as the Singapore Central Provident Fund, are dealt with as payments to defined contribution plans where the Company's obligations under the plans are equivalent to those arising in a defined contribution retirement benefit plan.

EMPLOYEE LEAVE ENTITLEMENT - Employee entitlements to annual leave are recognised 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 end of the reporting period.

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

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the statement of profit of loss and other comprehensive income because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are not taxable or tax deductible. The Company's liability for current tax is calculated using tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

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

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

Current and deferred tax are recognised as an expense or income in profit or loss.

FOREIGN CURRENCY TRANSACTIONS - The financial statements of the Company are measured and presented in the currency of the primary economic environment in which the entity operates (its functional currency). The financial statements are presented in United States Dollars, which is the functional currency of the Company and the presentation currency for the financial statements.

In preparing the financial statements of the Company, transactions in currencies other than the entity's functional currency are recorded at the rate of exchange prevailing on the date of the transaction. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at the end of the reporting period. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on the settlement of monetary items, and on translation of monetary items are included in profit or loss for the period. Exchange differences arising on the retranslation of non-monetary items carried at fair value are included in profit or loss for the period except for differences arising on the retranslation of non-monetary items in respect of which gains and losses are recognised in other comprehensive income. For such non-monetary items, any exchange component of that gain or loss is also recognised in other comprehensive income.

CASH AND CASH EQUIVALENTS IN THE STATEMENT OF CASH FLOWS - Cash and cash equivalents in the statement of cash flows comprise cash on hand and demand deposits that are subject to an insignificant risk of changes in value.

3 CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Company's accounting policies, which are described in Note 2, the 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 estimate 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.

Critical judgements in applying the Company's accounting policies

The management is of the opinion that there are no critical judgements involved that have a significant effect on the amounts recognised in the financial statements.

Key sources of estimation uncertainty

The management is of the opinion that there are no 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 year.

4 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL RISK MANAGEMENT

(a) Categories of financial instruments

The following table sets out the financial instruments as at the end of the reporting period:

	2016 US$	2015 US$
Financial assets		
Loans and receivables (including cash and cash equivalents)	344,936	525,871

4 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL RISK MANAGEMENT (cont'd)

(a) Categories of financial instruments (cont'd)

	2016 US$	2015 US$
Financial liabilities		
Amortised cost	53,963	60,361

The Company does not have any financial assets/liabilities that are subject to offsetting or master netting agreements or similar arrangements.

(b) Financial risk management policies and objectives

The main areas of financial risk faced by the Company are foreign currency risk, liquidity risk and credit risk.

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

(i) *Foreign currency risk*

The Company's foreign currency exposures arise mainly from the exchange rate movements of the United States dollar against the Company's assets and liabilities denominated in foreign currencies.

The Company does not expect a material impact on the Company's profit or loss arising from the effects of reasonable possible changes to foreign exchange rates at the end of the reporting period.

(ii) *Liquidity risk*

Liquidity risk refers to the risk that the Company will encounter difficulty in meeting its financial obligations as they fall due.

The Company manages its liquidity by matching and controlled mismatching of the maturities of its financial assets and financial liabilities. The Company is primarily funded by capital injection from its parent company and funds from operations.

All financial assets and financial liabilities in 2015 and 2016 are repayable on demand or due within one year from the end of reporting period.

4 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL RISK MANAGEMENT (cont'd)

(b) Financial risk management policies and objectives (cont'd)

(iii) *Credit risk*

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company has adopted a policy of only dealing with creditworthy counterparties as a means of mitigating the risk of financial loss from defaults.

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

The Company has no significant concentration of credit risk, except for its cash balances which are all maintained with reputable financial institutions and trade related dues from its related company. The Company considers the risk to be acceptable as the counterparties are considered credit worthy.

(iv) *Fair values of financial assets and financial liabilities*

The carrying amounts of cash and cash equivalents, trade and other receivables and other payables that are stated at amortised cost approximate their respective fair values due to the relatively short-term maturity of these financial instruments. The Company does not have financial instruments measured at fair value on a recurring basis.

(c) Capital risk management policies and objectives

The Company reviews its capital structure at least annually to ensure that it will be able to continue as a going concern. The capital structure of the company comprises only of issued share capital net of accumulated losses. The Company's overall strategy remained unchanged from 2015.

The Company is required to maintain a minimum amount of capital as prescribed under the Securities and Futures Act (Chapter 289) and relevant regulations. The Company is in compliance with the capital requirements for the year ended 2016 and 2015.

5 HOLDING COMPANY AND RELATED COMPANY TRANSACTIONS

The Company is a subsidiary of IL&FS Investment Managers Limited, incorporated in India. The Company's ultimate holding company is Infrastructure Leasing & Financial Services Limited, incorporated in India. Related companies in these financial statements refer to members of the ultimate holding company's group of companies.

Some of the Company's transactions and arrangements are between members of the group and the effect of these on the basis determined between the parties are reflected in these financial statements. The intercompany balances are unsecured, interest-free and repayable on demand unless otherwise stated.

During the period, the Company entered into the following transactions with a related company:

	2016 US$	2015 US$
Advisory fees (Note 10)	378,408	450,000

Compensation of directors and key management personnel

The remuneration of directors and other members of key management during the year were as follows:

	2016 US$	2015 US$
Short-term benefits	218,334	328,124

6 CASH AND CASH EQUIVALENTS

	2016 US$	2015 US$
Cash at bank	287,254	217,308

The Company's cash and bank balances that are not denominated in the functional currency are as follows:

	2016 US$	2015 US$
Singapore dollars	63,072	82,419

7 TRADE AND OTHER RECEIVABLES

	2016 US$	2015 US$
Trade receivables – Third parties	-	58,289
Trade receivables – Related company	49,408	242,000
	49,408	300,289
Prepayments	8,641	4,590
Rent deposits	8,274	8,274
Total	66,323	313,153

The average credit period is 30 days (2015 : 30 days). At reporting date, there were no receivables which were past due. Management is of the view that based on past credit experience, no allowance for doubtful debt is required.

8 OTHER PAYABLES AND ACCRUALS

	2016 US$	2015 US$
Accruals and other payables	53,963	60,361

The Company's other payables and accruals that are not denominated in the functional currency are as follows:

	2016 US$	2015 US$
Singapore dollars	38,667	43,842

9 SHARE CAPITAL

	2016	2015	2016	2015
	Number of ordinary shares		US$	US$
Issued and fully paid:				
At beginning and end of the year	145,000	145,000	1,450,000	1,450,000

Fully paid ordinary shares, which have no par value, carry one vote per share and carry a right to dividends as and when declared by the Company.

10 REVENUE

	2016	2015
	US$	US$
Advisory fees:		
From related company (Note 5)	378,408	450,000
From third parties	60,000	58,289
	438,408	508,289

11 OTHER OPERATING EXPENSES

	2016	2015
	US$	US$
Administrative expenses	12,096	16,675
Fund raising expenses	211,161	-
Professional fees	51,951	59,893
Office rental	40,317	40,596
Travel and accommodation	4,567	4,376
Foreign exchange loss	1,815	6,219
Others	1,016	1,504
Total	322,923	129,263

12 INCOME TAX

	2016	2015
	US$	US$
Current income tax expense	-	-

12 INCOME TAX (cont'd)

Domestic income tax is calculated at 17% (2014 : 17%) of the estimated assessable profit for the year. The total charge for the year can be reconciled to accounting loss as follows:

	2016 US$	2015 US$
Loss before income tax	(170,486)	(9,968)
Income tax benefit calculated at 17%	(28,983)	(1,695)
Effect of deferred tax benefits not recognised	28,983	1,695
Income tax expense recognised in profit or loss	-	-

The Company has tax losses carry forwards available for offsetting against future taxable income as follows:

	2016 US$	2015 US$
Amount at the beginning of year	927,372	917,404
Addition during the year	170,486	9,968
Amount at end the of year	1,097,858	927,372

Deferred tax assets on the tax losses available for offsetting against future taxable income have not been recognised due to the unpredictability of future profit streams.

13 OPERATING LEASE COMMITMENTS

	2016 US$	2015 US$
Minimum lease payment recognised as an expense during the period	40,317	40,596

Future minimum lease payments under operating leases are as follows:

	2016 US$	2015 US$
Within one year	41,417	40,622

Operating lease payments represent rental payable by the Company for its office premises. Leases are negotiated for an average of one year and rentals are fixed for an average of one year.