

JITF SHIPPING & LOGISTICS (SINGAPORE) PTE LTD
(Incorporated in the Republic of Singapore)
ACRA Registration Number: 201112207D

**REPORTS AND FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31st MARCH 2016**

JITF SHIPPING & LOGISTICS (SINGAPORE) PTE LTD

DIRECTORS' STATEMENT

FOR THE FINANCIAL YEAR ENDED 31st MARCH 2016

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

We, the directors of JITF Shipping & Logistics (Singapore) Pte Ltd, hereby state that:

- a) the accompanying financial statements set out on pages 4 to 22 are drawn up so as to give a true and fair view of the state of affairs of the Company as at 31st March 2016 and of the results of the business, 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.
- c) Management is responsible for the preparation of financial statements that gives a true and fair view in accordance with the provision of the Singapore Companies Act Cap 50 (the "Act") and Singapore Financial Reporting Standards, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair statement of comprehensive income accounts and statement of financial position and to maintain accountability of assets.

DIRECTORS

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

Sanjay Varma (resigned on 27th June 2016)

Megha Gupta (appointed on 27th June 2016)

Kalyanasundaram Maran

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 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.

DIRECTORS' INTEREST IN SHARES AND DEBENTURES

According to the register kept by the Company for the purposes of Section 164 of the Companies Act, Chapter. 50 (the "Act"), particulars of interests of directors who held office at the beginning and end of the financial year in shares of the Company and related corporations are as follows: -

No. of Ordinary Shares	Holdings registered in name of director or nominee		Holdings in which a director is deemed to have an interest	
	At 31.03.2016	At 1.4.2015 or date of appointment if later	At 31.03.2016	At 1.4.2015 or date of appointment if later
Sanjay Varma (resigned on 27th June 2016)	-	-	-	-
Megha Gupta (appointed on 27th June 2016)	-	-	-	-
Kalyanasundaram Maran	-	-	-	-
<u>Immediate Holding Company</u>				
JITF Waterways Limited	-	10,904,001	-	-
<u>Directors having interest in the immediate holding company</u>				
Sanjay Varma (resigned on 27th June 2016)	-	-	-	-
Megha Gupta (appointed on 27th June 2016)	-	-	-	-
Kalyanasundaram Maran	-	-	-	-
<u>Immediate & ultimate Holding Company</u>				
Jindal Saw Limited	10,904,001	-	-	-
<u>Directors having interest in the ultimate holding company</u>				
Sanjay Varma (resigned on 27th June 2016)	-	-	-	-
Megha Gupta (appointed on 27th June 2016)	-	-	-	-
Kalyanasundaram Maran	-	-	-	-

DIRECTORS' STATEMENT

FOR THE FINANCIAL YEAR ENDED 31st MARCH 2016

DIRECTORS' INTEREST IN SHARES AND DEBENTURES (CONT'D)

The immediate & ultimate holding company of the Company is 'Jindal Saw Limited', a Company incorporated in India. Except as disclosed in this report, no director who held office at the end of the financial year had interests in shares, debentures, warrants or share options of the Company or of related corporations either at the beginning of the financial year, or date of appointment, if later, or at the end of the financial year.

Except as disclosed in the accompanying financial statements, since the end of previous financial year, no director of the Company has received or become entitled to receive a benefit by reason of a contract made by the Company or a related corporation with the director, or with a firm of which the director is a member, or with a Company in which the director has a substantial financial interest.


SHARE OPTIONS

During the financial year, there were no shares of the Company issued by virtue of the exercise of an option to take up un-issued shares. Further at the end of financial year, there were no un-issued shares of the Company under option.


INDEPENDENT AUDITORS

The Independent Auditors, Stamford Associates LLP, Chartered Accountants of Singapore, have expressed their willingness to accept re-appointment.

On behalf of the Board,



MEGHA GUPTA
DIRECTOR



KALYANASUNDARAM MARAN
DIRECTOR

Singapore

Date: 26 JUL 2016



INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF : JITF SHIPPING & LOGISTICS (SINGAPORE) PTE LTD
ACRA Registration Number: 201112207D

Report on the Financial Statements

We were engaged to audit the accompanying financial statements of JITF Shipping & Logistics (Singapore) Pte Ltd, which comprise the statement of financial position as at 31st March 2016 and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the financial year then ended, and a summary of significant accounting policies and other explanatory information as set out on pages 4 to 22.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of financial statements that gives a true and fair view in accordance with the provision of the Singapore Companies Act Cap 50 (the "Act") and Singapore Financial Reporting Standards, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair statement of comprehensive income accounts and statement of financial position and to maintain accountability of assets.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Singapore Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance 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 judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 disclaimer of opinion.

Basis for disclaimer of opinion

We are unable to verify the existence, completeness and valuation of the balances of trade & other receivables amounting to US\$1,025,443/- (Note 10 & 11) and trade & other payables amounting to the extent of US\$314,526/- (Note 12 & 13) as stated in the Statement of Financial Position. We are also unable to verify the occurrence, accuracy, completeness, cut-off and classification of classes of transactions stated in the Statement of Comprehensive Income.

Further, we are unable to apply any alternate audit procedures to assess the existence, completeness, valuation, occurrence, accuracy, cut-off and classification of the said balances and transactions. We therefore are unable to assess the overall effects of the above in these Financial Statements prepared for the year ended 31st March 2016.

Disclaimer Opinion

Because of the significance of the matters discussed in the Basis for Disclaimer of Opinion paragraph, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion. Accordingly, we are not in a position to, and do not express an opinion on whether the financial statements and statement of financial position of the Company are properly drawn up in accordance with the provision of the Act and Singapore Financial Reporting Standards so as to give a true and fair view of the state of affairs of the Company as at 31st March 2016, the results, changes in equity and cash flows of the Company for the financial year then ended on that date.

Emphasis of Matter

The accompanying financial statements have been prepared assuming that the Company will continue as a going concern. The Company's total liabilities exceeded its total assets as at 31st March 2016 by US\$8,046,304/- (2015: US\$7,987,743/-). The Company has suffered losses from operations and shows a net capital deficiency, this raises substantial concern about the entity's ability to continue as a going concern if financial support is not forthcoming and as a result, the Company is unable to continue in operational existence for the foreseeable future, adjustments would have to be made to reflect the situation that the assets may need to be realized other than in the normal course of business and at amounts which could differ significantly from the amounts stated in the Statement of Financial Position. In addition, the Company may have to provide for future liabilities which may arise. Please see note 2.21 also.

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.

Singapore

Date: 26 JUL 2016

[Handwritten Signature]
STAMFORD ASSOCIATES LLP
Public Accountants & Chartered Accountants



accredited training organisation



JITF SHIPPING & LOGISTICS (SINGAPORE) PTE LTD**STATEMENT OF COMPREHENSIVE INCOME
FOR THE FINANCIAL YEAR ENDED 31st MARCH 2016**

	Note	<u>2016</u> US\$	<u>2015</u> US\$
Revenue	3	-	3,238,921
Cost of Sales	4	<u>(86,136)</u>	<u>(5,086,830)</u>
Gross Profit/(Loss)		(86,136)	(1,847,909)
Other income	5	94,637	111,602
Other gains & (losses)	5a	<u>-</u>	<u>(4,888,284)</u>
		8,501	(6,624,591)
Administrative Expenses		(67,063)	(52,327)
Other operating expenses		<u>-</u>	<u>(1,054,727)</u>
(Loss) from operations	6	(58,562)	(7,731,645)
Finance Costs	7	<u>-</u>	<u>(560,047)</u>
(Loss) before income tax		(58,562)	(8,291,692)
Income tax expense	9	-	-
Deferred tax	8	-	553,422
(Loss) from continuing operations		<u>(58,562)</u>	<u>(7,738,270)</u>
Other comprehensive income/(loss)		-	-
Total comprehensive (loss)		<u><u>(58,562)</u></u>	<u><u>(7,738,270)</u></u>

The accompanying notes form an integral part of these financial statements

JITF SHIPPING & LOGISTICS (SINGAPORE) PTE LTD**STATEMENT OF CHANGES IN EQUITY**FOR THE FINANCIAL YEAR ENDED 31st MARCH 2016

	<u>Share capital</u> US\$	<u>Accumulated (Losses)</u> US\$	<u>Total</u> US\$
Balance at 31st March 2014	10,904,001	(11,153,474)	(249,473)
Total Comprehensive Loss for the financial period	-	(7,738,270)	(7,738,270)
Balance at 31st March 2015	<u>10,904,001</u>	<u>(18,891,744)</u>	<u>(7,987,743)</u>
Total Comprehensive Loss for the financial year	-	(58,562)	(58,562)
Balance at 31st March 2016	<u><u>10,904,001</u></u>	<u><u>(18,950,305)</u></u>	<u><u>(8,046,304)</u></u>

The accompanying notes form an integral part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31st MARCH 2016

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

1. General information

The Company (Registration No.201112207D) is incorporated and domiciled in the Republic of Singapore. The registered office of the Company is at #28-02 One Raffles Place, Singapore 048616.

The principal activity of the Company is to engage in the shipping business as a common carrier feeder operator. There have been no significant changes in the nature of this activity during the financial year.

The Company's immediate and ultimate holding company is 'Jindal Saw Limited', a company incorporated in India.

2. Significant accounting policies

2.1 Basis of preparation

These financial statements have been prepared in accordance with Singapore Financial Reporting Standards ("FRS") under the historical cost convention, except as disclosed in the accounting policies below.

The preparation of financial statements in conformity with FRS requires management to exercise its judgement in the process of applying the Company's accounting policies. It also requires the use of certain critical accounting estimates and assumptions. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in accounting policies and notes.

Interpretations and amendments to published standards effective in 2015

On 1 April 2015, the Company adopted the new or amended FRS and Interpretations of FRS ("INT FRS") that are mandatory for application for the financial year. Changes to the Company's accounting policies have been made as required, in accordance with the transitional provisions in the respective FRS and INT FRS.

The adoption of these new or amended FRS and INT FRS did not result in substantial changes to the accounting policies of the Company and had no material effect on the amounts reported for the current or prior financial years.

The following are the new or amended standards and interpretations effective for annual periods beginning on or after 1 July 2014:

- * Amendments to FRS 19 (R) Employee Benefits (Defined benefit plans: Employee Contributions)
- * FRS 102 Share-Based Payment (Definition of vesting condition)
- * FRS 103 Business Combinations (Accounting for contingent consideration in a business combination)
- * FRS 16 Property, Plant and Equipment and FRS 38 Intangible assets (Revaluation method - proportionate restatement of accumulated depreciation)
- * FRS 24 Related Party Disclosures (Key management personnel)
- * FRS 103 Business Combinations (Scope exceptions for joint ventures)
- * FRS 113 Fair Value Measurement (Scope of portfolio exception)
- * FRS 40 Investment property (Clarifying interrelationship between FRS 103 and FRS 40 when classifying property as investment property or owner-occupied property)

2.2 Revenue recognition

Revenue comprise the fair value of the consideration received or receivable for the rendering of services in the ordinary course of the Company's activities. Revenue is presented, net of goods and services tax, rebates and discounts, and after eliminating sales within the Company.

The Company assesses its role as an agent or principal for each transaction and in an agency arrangement the amounts collected on behalf of the principal are excluded from revenue. The Company recognises revenue when the amount of revenue and related cost can be reliably measured, it is probable that the collectability of the related receivables is reasonably assured and when the specific criteria for each of the Company's activities are met as follows:

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31st MARCH 2016

2. Significant accounting policies (cont'd)

2.4 Property, Plant and Equipment (cont'd)

(d) *Disposal*

On disposal of an item of plant and equipment, the difference between the disposal proceeds and its carrying amount is recognised in profit or loss within 'Other (losses)/gains – net'. Any amount in revaluation reserve relating to that asset is transferred to retained profits directly.

2.5 Financial Assets

(a) *Classification*

The Company classifies its financial assets in the following categories: at fair value through income or loss, loans and receivables, held-to-maturity, and available-for-sale. The classification depends on the purpose for which the assets were acquired. Management determines the classification of its financial assets at initial recognition. The designation of financial assets at fair value through income or loss is irrevocable.

(i) Financial assets, at fair value through profit or loss

This category has two sub-categories: financial assets held for trading, and those designated at fair value through income or loss at inception. A financial asset is classified as held for trading if it is acquired principally for the purpose of selling in the short term. Financial assets designated as at fair value through income or loss at inception are those that are managed and their performances are evaluated on a fair value basis, in accordance with a documented Company investment strategy. Derivatives are also categorised as held for trading unless they are designated as hedges. Assets in this category are presented as current assets if they are either held for trading or are expected to be realised within 12 months after the statement of financial position date.

(ii) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are presented as current assets, except for those maturing later than 12 months after the statement of financial position date which are presented as non-current assets. Loans and receivables are presented as "trade and other receivables" and "cash and cash equivalents" on the statement of financial position.

(iii) Financial assets, available-for-sale

Financial assets, available-for-sale, are non-derivatives that are either designated in this category or not classified in any of the other categories. They are presented as non-current assets unless management intends to dispose of the assets within 12 months after the statement of financial position date.

(iv) Financial assets, held-to-maturity

Financial assets, held-to-maturity, are non-derivative financial assets with fixed or determinable payments and fixed maturities that the Company's management has the positive intention and ability to hold to maturity. If the Company were to sell other than an insignificant amount of held-to-maturity financial assets, the whole category would be tainted and reclassified as available-for-sale. They are presented as non-current assets, except for those maturing within 12 months after the statement of financial position date which are presented as current assets.

(b) *Recognition and derecognition*

Regular way purchases and sales of financial assets are recognised on trade date – the date on which the Company commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Company has transferred substantially all risks and rewards of ownership. On disposal of a financial asset, the difference between the carrying amount and the sale proceeds is recognised in the statement of comprehensive income.

Any amount in the fair value reserve relating to that asset is transferred to the statement of comprehensive income. Trade receivables that are factored out to banks and other financial institutions with recourse to the Company are not derecognised until the recourse period has expired and the risks and rewards of the receivables have been fully transferred. The corresponding cash received from the financial institutions is recorded as borrowings.

(c) *Initial measurement*

Financial assets are initially recognised at fair value plus transaction costs except for financial assets at fair value through income or loss, which are recognised at fair value. Transaction costs for financial assets at fair value through statement of comprehensive income are recognised immediately in the statement of comprehensive income.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31st MARCH 2016

2. Significant accounting policies (cont'd)

2.7 Financial guarantees (cont'd)

Financial guarantees are subsequently amortized to profit or loss over the period of the Company's borrowings, unless it is probable that the Company will reimburse the banks for an amount higher than the unamortized amount. In this case, the financial guarantees shall be carried at the expected amount payable to the banks in the Company's statement of financial position.

2.8 Impairment of non- financial assets

The carrying amounts of the Company's assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated. An impairment loss is recognized in the income and expenditure statement if the carrying amount of an asset or its cash generating unit exceeds its revocable amount. A cash-generating unit is the smallest identifiable asset group that generates cash flows that largely are independent from other assets and groups.

The recoverable amount of an asset or cash-generating unit is the higher of its fair value less costs to sell and its value in use. In assessing the value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or cash-generating unit.

Impairment losses recognized in prior years are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the revocable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation, if no impairment loss has been recognized. Reversal of impairment loss is recorded in income and expenditure statement. After such a reversal, the depreciation charge is adjusted in future periods to allocate the asset's revised carrying amount, less any residual value, on a systematic basis over its remaining useful life.

2.9 Borrowings

Borrowings are presented as current liabilities unless the Company has an unconditional right to defer settlement for at least 12 months after the statement of financial position date, in which case they are presented as non-current liabilities.

(a) Borrowings

Borrowings are initially recognized at fair value (net of transaction costs) and subsequently carried at amortized cost. Any difference between the proceeds (net of transaction costs) and the redemption value is recognized in profit or loss over the period of the borrowings using the effective interest method.

(b) Redeemable preference shares

Preference shares which are mandatorily redeemable on a specific date are classified as liabilities. The dividends on these preference shares are recognized as finance expenses.

2.10 Income taxes

Income tax for the year comprises current and deferred tax. Income tax is recognized in the income and expenditure statement except to the extent that it related to its items recognized directly in equity, in which case it is recognized in equity.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the Statement of Financial Position date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognized, using the Statement of Financial Position method, providing for all temporary differences at the Statement of Financial Position date between the tax bases of assets and liabilities and their carrying amount in the financial statements. Deferred tax is not recognized for the initial recognition of assets or liabilities that affect neither accounting nor taxable profit.

Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the tax rates and tax laws that have been enacted or substantively enacted by the Statement of Financial Position date.

A deferred tax asset is recognized to the extent that it is probable that future taxable profit will be available against which temporary differences can be utilized. Deferred tax assets are reviewed at each Statement of Financial Position date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31st MARCH 2016

2. Significant accounting policies (cont'd)

2.17 Leases (cont'd)

(b) Operating leases

Leases of assets in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are taken to the income and expenditure statement on a straight-line basis over the period of the lease.

When an operating lease is terminated before the lease period has expired, any payment required to be made to the lessor by way of penalty is recognised as an expense in the period in which termination takes place.

2.18 Currency translation

(a) Functional and presentation currency

Items included in the financial statements of each entity in the Company are measured using the currency of the primary economic environment in which the entity operates ("functional currency"). The financial statements are presented in United States Dollars, which is the functional currency of the Company.

(b) Transactions and balances

Transactions in a currency other than the functional currency ("foreign currency") are translated into the functional currency using the exchange rates at the dates of the transactions. Currency translation differences resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at the closing rates at the statement of financial position date are recognized in profit or loss.

However, currency translation differences arising from borrowings in foreign currencies and other currency instruments designated and qualifying as net investment hedges and net investment in foreign operations are recognized in other comprehensive income and accumulated in the currency translation reserve.

When a foreign operation is disposed of or any loan forming part of the net investment of the foreign operation is repaid, a proportionate share of the accumulated currency translation differences is reclassified to profit or loss, as part of the gain or loss on disposal.

Foreign exchange gains and losses that relate to borrowings are presented in the income statement within "finance expense". All other foreign exchange gains and losses impacting profit or loss are presented in the income statement within "other losses – net". Non-monetary items measured at fair values in foreign currencies are translated using the exchange rates at the date when the fair values are determined.

2.19 Prepaid Bunker Expenses

Prepaid bunker expenses comprising consumables expenses such as fuel oil and gas oil are valued at cost. It is charged to the income statement as and when consumed in the following Financial year.

2.20 Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issuance of new equity instruments are taken to equity as a deduction, net of tax, from the proceeds.

2.21 Going concern

The Company had net liabilities of US\$8,046,304/- (2015: US\$7,987,743/-) as at 31st March 2016. The financial statements have been prepared under the going concern basis with assumption that the holding company of the company will continue to render financial support to the Company to meet out all its commitments until the end of next financial year.

JITF SHIPPING & LOGISTICS (SINGAPORE) PTE LTD

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31st MARCH 2016

8. Deferred Taxation

	<u>2016</u> US\$	<u>2015</u> US\$
Balance at 1st April	-	553,422
Current year provision	-	-
Under/(Overprovision) of deferred tax	-	(553,422)
Balance at 31st March	<u>-</u>	<u>-</u>

9. Income Tax

The reconciliation of tax expense and the product of accounting profit multiplied by the applicable rate is as follows:

	<u>2016</u> US\$	<u>2015</u> US\$
Comprehensive (loss) before taxation	<u>(58,562)</u>	<u>(8,291,692)</u>
Tax calculated at a tax rate of 17% (2015 :17%)	(9,955)	(1,409,588)
Tax effect of expenses that are not deductible in determining taxable profit	-	1,010,312
Tax exemptions and rebates	-	-
Tax benefit forfeited	9,955	399,276
Tax charge	<u>-</u>	<u>-</u>

Movements in tax payable

	<u>2016</u> US\$	<u>2015</u> US\$
Balance at beginning of the financial year	-	-
Under/Over provision in prior years	-	-
Income tax paid	-	-
Current year's income tax expense	-	-
Balance at end of the financial year	<u>-</u>	<u>-</u>

The above tax provision is subject to the approval of Inland Revenue Authority of Singapore (IRAS).

10. Trade receivables

	<u>2016</u> US\$	<u>2015</u> US\$
Third parties	876,000	846,979
	<u>876,000</u>	<u>846,979</u>

Trade receivables relate to trade amounts receivables from third parties. The average credit period is 30 to 180 days. Trade receivables approximates its fair value as on the statement of financial position date and are denominated in US Dollars.

11. Other receivables

	<u>2016</u> US\$	<u>2015</u> US\$
Advance payments to suppliers	128,372	543,978
Prepayments	12,697	28,450
Security Deposit	8,374	8,374
	<u>149,443</u>	<u>580,802</u>

Other receivables approximates its fair value as on the statement of financial position date and are denominated in US Dollars.

12. Trade payables

	<u>2016</u> US\$	<u>2015</u> US\$
Third parties	<u>82,673</u>	<u>271,000</u>

The trade payables approximates its fair value as of statement of financial position date. The average credit period of trade payable is 30-180 days. The trade payables are denominated in US Dollars.

JITF SHIPPING & LOGISTICS (SINGAPORE) PTE LTD

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31st MARCH 2016

17. Share capital

	Issued share capital	
	No. of ordinary shares	Amount US\$
2016		
Beginning of the financial year	10,904,001	10,904,001
Shares issued	-	-
End of the financial year	<u>10,904,001</u>	<u>10,904,001</u>
2015		
Beginning of the financial year	10,904,001	10,904,001
Shares issued	-	-
End of the financial year	<u>10,904,001</u>	<u>10,904,001</u>

All issued ordinary shares are fully paid. There is no par value for these ordinary shares. Fully paid ordinary shares carry one vote per share and a right to receive dividends as and when declared by the Company.

The Company is not exposed to any externally imposed capital requirements and there are no restrictions to issue shares.

18. Employee compensation

	<u>2016</u> US\$	<u>2015</u> US\$
Salaries and bonuses	-	-
Employer's contribution to defined contribution - -Plans including Central Provident Fund	-	-
	<u>-</u>	<u>-</u>

Director remuneration (key management personnel compensation) *not* recognised within staff costs is as below:

	<u>2016</u> US\$	<u>2015</u> US\$
Remuneration and other benefits	-	-
Director fee	-	-
Contribution to defined contribution plans	-	-
	<u>-</u>	<u>-</u>

19. Significant Related party transactions

Other than those items disclosed elsewhere in the financial statements, the following are significant transactions between the Company and related parties during the financial year on terms agreed between the parties concerned:

	<u>2016</u> US\$	<u>2015</u> US\$
Charter hire income from related party - Jindal ITF Ltd.	-	169,032
Vessel management expenses paid to related parties	-	-
Amount due to holding company		
- Long term loan (note 14)	8,765,387	8,840,387
Key management personnel compensation	<u>-</u>	<u>-</u>

20 Contingencies & commitments

20.1 Contingent liabilities

Contingent liabilities, of which the probability of settlement is not remote at the statement of financial position date, are none.

20.2 Capital commitments

Capital expenditures contracted for at the statement of financial position date but not recognized in the financial statements, are none.

JITF SHIPPING & LOGISTICS (SINGAPORE) PTE LTD

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31st MARCH 2016

21 Financial risk management (cont'd)

21.1 Market risk (cont'd)

(b) Interest rate risk (cont'd)

A decrease in the basis point in the interest rate would have an equal but opposite effect which is:-

	Financial assets		Financial liabilities	
	2016 US\$	2015 US\$	2016 US\$	2015 US\$
Decrease of 100 basis point				
<u>Net of tax @ 17%</u>				
Fixed rate	-	-	-	-
Floating rate	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

21.2 Credit risk

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the Company. The major classes of financial assets of the Company are bank deposits and trade receivables. For trade receivables, the Company adopts the policy of dealing only with customers of appropriate credit standing and history, and obtaining sufficient collateral or buying credit insurance where appropriate to mitigate credit risk. For other financial assets, the Company adopts the policy of dealing only with high credit quality counterparties.

Credit exposure to an individual counterparty is restricted by credit limits that are based on ongoing credit evaluation. The counterparty's payment pattern and credit exposure are continuously monitored by management.

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

The credit risk for trade receivables based on the information provided to key management is as follows:-

	2016 US\$	2015 US\$
<u>By geographical areas:</u>		
Singapore	-	-
Others	876,000	846,979
	<u>876,000</u>	<u>846,979</u>
<u>By types of customers:</u>		
Related parties	-	-
Non-related parties	876,000	846,979
	<u>876,000</u>	<u>846,979</u>

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

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

(b) The age analysis of trade receivables is as follows:-

	2016 US\$	2015 US\$
Past due < 3 months	-	-
Past due 3 to 6 months	-	49,538
Past due over 6 months (not impaired)	876,000	797,441
	<u>876,000</u>	<u>846,979</u>

The Company's top three customer revenue during the financial year are as follows:-

	2016 US\$	2015 US\$
Top Customer 1	-	-
Top Customer 2	-	-
Top Customer 3	-	-
	<u>-</u>	<u>-</u>

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21 Financial risk management (cont'd)

21.5 Fair value measurements

The following table presents assets and liabilities measured at fair value and classified by level of the following fair value measurement hierarchy:

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

	<u>Level 1</u> US\$	<u>Level 2</u> US\$	<u>Level 3</u> US\$	<u>Total</u> US\$
Financial assets	-	-	-	-
Financial liabilities	-	-	-	-

The fair value of financial instruments traded in active markets (such as trading and available-for-sale securities) is based on quoted market prices at the statement of financial position date. The quoted market price used for financial assets held by the Company is the current bid price. These instruments are included in Level 1.

The fair value of financial instruments that are not traded in an active market (e.g. over-the-counter derivatives) is determined by using valuation techniques. The Company uses a variety of methods and makes assumptions that are based on market conditions existing at each statement of financial position date. Quoted market prices or dealer quotes for similar instruments are used to estimate fair value for long-term debt for disclosure purposes. Other techniques, such as estimated discounted cash flows, are used to determine fair value for the remaining financial instruments. The fair value of interest rate swaps is calculated as the present value of the estimated future cash flows. The fair value of forward foreign exchange contracts is determined using quoted forward currency rates at the statement of financial position date. These investments are classified as Level 2 and comprise debt investments and derivative financial instruments. In infrequent circumstances, where a valuation technique for these instruments is based on significant unobservable inputs, such instruments are classified as Level 3.

The following table presents the changes in Level 3 instruments:

	<u>Financial assets</u>		<u>Financial liabilities</u>	
	<u>2016</u> US\$	<u>2015</u> US\$	<u>2016</u> US\$	<u>2015</u> US\$
Beginning of financial year	-	-	-	-
Transfers / Purchases	-	-	-	-
Fair value gains/ (loss) recognized	-	-	-	-
End of financial year	-	-	-	-

The carrying amount less impairment provision of trade receivables and payables are assumed to approximate their fair values. The fair value of financial liabilities for disclosure purposes is estimated based on quoted market prices or dealer quotes for similar instruments by discounting the future contractual cash flows at the current market interest rate that is available to the Company for similar financial instruments. The fair value of current borrowings approximates their carrying amount.

22. New or revised accounting standards and interpretations

Below are the mandatory standards, amendments and interpretations to existing standards that have been published, and are relevant for the Company's accounting periods beginning on or after 1st April 2016 or later periods and which the Company has not early adopted:

FRS 1	Presentation of financial statements
FRS 16	Property plant and equipment and FRS 38 Intangible assets
FRS 109	Financial instruments
FRS 110	Consolidated financial statements and FRS 28 Investments in associates and joint ventures
FRS 111	Joint Arrangements
FRS 115	Revenue from contracts with customers

23. Authorization of the financial statements

These financial statements were authorized for issue in accordance with a resolution of the Board of Directors of JITF Shipping & Logistics (Singapore) Pte Ltd on

26 JUL 2016