SARDA GLOBAL VENTURE PTE. LTD.

DIRECTORS' STATEMENT

The directors are pleased to present their statement to the members together with the audited financial statements of **SARDA GLOBAL VENTURE PTE. LTD.** (the "company") for the financial year ended 31 March 2016.

1. OPINION OF THE DIRECTORS

In the opinion of the directors,

(a) the financial statements of the company are drawn up so as to give a true and fair view of the financial position of the company as at 31 March 2016 and the financial performance, changes in equity and cash flows of the company for the year then ended; and

(b) at the date of this statement, there are reasonable grounds to believe that the company will be able to pay its debts when they fall due.

2. DIRECTORS

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

Mundra Ghanshyam Das
Lahoti Dinesh Kumar

3. ARRANGEMENTS TO ENABLE DIRECTORS TO ACQUIRE SHARES AND DEBENTURES

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

4. DIRECTORS' INTERESTS IN SHARES OR DEBENTURES

The directors who held office at the end of the financial year had an interest in the share capital of the company and its related corporation as recorded in the register of directors' shareholdings required to be kept by the company under Section 164 of the Singapore Companies Act, Chapter 50 as stated below:

	Direct Interest		Deemed Interest	
Name of directors and companies in which interests are held	At beginning of year/date of appointment	At end of year	At beginning of year/date of appointment	At end of year
Sarda Energy & Minerals Ltd (Ultimate holding company)				
Mundra Ghanshyam Das	-	-	10,487	15,154
Lahoti Dinesh Kumar	700	-	6,789	-

SARDA GLOBAL VENTURE PTE. LTD.

DIRECTORS' STATEMENT – cont'd

5. **SHARE OPTIONS**

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

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

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

6. **AUDITOR**

Prudential Public Accounting Corporation has expressed its willingness to accept re-appointment as auditor.

....	....
Mundra Ghanshyam Das	Dinesh Kumar Lahoti
Director	Director

Date: 18 May 2016

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SARDA GLOBAL VENTURE PTE. LTD.

Report on the financial statements

We have audited the accompanying financial statements of **SARDA GLOBAL VENTURE PTE. LTD.**, (the “company”) which comprises the statement of financial position as at 31 March 2016, statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended and a summary of significant accounting policies and other explanatory information.

Management’s responsibility for 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, Chapter 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 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 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 and presentation of the financial statements 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 directors, 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.

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SARDA GLOBAL VENTURE PTE. LTD. – cont'd

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 31 March 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 provisions of the Act.

PRUDENTIAL PUBLIC ACCOUNTING CORPORATION
PUBLIC ACCOUNTANTS AND
CHARTERED ACCOUNTANTS
SINGAPORE

Date: 18 May 2016

SARDA GLOBAL VENTURE PTE. LTD.

STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2016

	Note	2016 US$	2015 US$
ASSETS			
Non-current assets:			
Plant and equipment	(8)	**-**	307
Total non-current assets		**-**	307
Current assets:			
Quoted securities	(9)	**1,294,298**	899,300
Other receivables	(10)	**3,378,404**	3,322,283
Other current asset	(11)	**8,395**	8,354
Cash and cash equivalents	(12)	**6,417**	12,093
Total current assets		**4,687,514**	4,242,030
Total assets		**4,687,514**	4,242,337
EQUITY AND LIABILITIES			
Equity:			
Share capital	(13)	**1,085,100**	1,010,000
Accumulated losses		**(619,256)**	(494,361)
Fair value reserve	(14)	**-**	(700)
Total equity		**465,844**	514,939
Current liabilities:			
Other payables	(15)	**3,721,670**	3,727,398
Bank borrowing	(16)	**500,000**	-
Total liabilities		**4,221,670**	3,727,398
Total equity and liabilities		**4,687,514**	4,242,337

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

SARDA GLOBAL VENTURE PTE. LTD.

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 MARCH 2016

	Note	2016 US$	2015 US$
Revenue		**-**	1,400
Other income	(17)	**28,154**	3,752
Gross Profit		**28,154**	5,152
Administrative expenses		**(145,792)**	(109,161)
Other expenses		**(7,257)**	(164)
Loss before income tax		**(124,895)**	(104,173)
Income tax expense	(18)	**-**	-
Loss for the year		**(124,895)**	(104,173)
Other comprehensive income			
- Prior year's fair value loss on quoted securities transferred to profit or loss		**700**	-
- fair value loss on quoted securities		**-**	(700)
Total comprehensive loss for the year		**(124,195)**	(104,873)

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

SARDA GLOBAL VENTURE PTE. LTD.

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 MARCH 2016

	Share capital	Accumulated losses	Fair value reserve	Total
	US$	US$	US$	US$
Balance as at 1 April 2014	1,010,000	(390,188)	-	619,812
Total comprehensive loss for the year	-	(104,173)	(700)	(104,873)
Balance as at 31 March 2015	1,010,000	(494,361)	(700)	514,939
Issue of shares	75,100	-	-	75,100
Total comprehensive loss for the year	-	(124,895)	700	(124,195)
Balance as at 31 March 2016	1,085,100	(619,256)	-	465,844

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

SARDA GLOBAL VENTURE PTE. LTD.

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2016

	2016 US$	2015 US$
Cash flow from operating activities:		
Loss before income tax	**(124,895)**	(104,173)
Adjustment for:		
Dividend income	**(21,747)**	(3,752)
Interest on bond	**(1,628)**	-
Depreciation of plant and equipment	**307**	164
Gain on FVTPL	**6,927**	-
Operating loss before working capital changes	**(141,036)**	(107,761)
Other receivables	**(51,584)**	4,417
Other payables	**(5,728)**	1,013,711
Other current assets	**(41)**	(8,354)
Net cash from/(used in) operating activities	**(198,389)**	902,013
Investing activities:		
Acquisition of quoted securities	**(401,225)**	(900,000)
Dividend received	**21,747**	3,752
Interest received on bond	**(2,909)**	-
Purchase of plant and equipment	**-**	(471)
Net cash used in investing activities	**(382,387)**	(896,719)
Financing activities:		
Proceeds from issue of shares	**75,100**	-
Proceeds from bank borrowing	**500,000**	-
Net cash from financing activities	**575,100**	-
Net (decrease)/increase in bank balances	**(5,676)**	5,294
Cash and cash equivalents at beginning of the year	**12,093**	6,799
Cash and cash equivalents at end of year	**6,417**	12,093

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

SARDA GLOBAL VENTURE PTE. LTD.

NOTES TO THE FINANCIAL STATEMENTS - 31 MARCH 2016

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

1. GENERAL

a) Corporate Information

The company (Registration number: 200811580R) is a limited private company incorporated and domiciled in the Republic of Singapore with its registered office at:

17 Phillip Street
#05-01 Grand Building
Singapore 048695

The principal activities of the company are to invest in joint ventures in the business of mining, exploration and marketing of commodities.

b) Authorisation of financial statements

The financial statements of the company for the financial year ended 31 March 2016 were authorised for issue in accordance with the directors' resolution dated 18 May 2016.

2. SIGNIFICANT ACCOUNTING POLICIES

2.1. <u>Basis of Accounting</u>

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

Historical cost is generally based on the fair value of the consideration given in the 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.

SARDA GLOBAL VENTURE PTE. LTD.

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

2. SIGNIFICANT ACCOUNTING POLICIES - cont'd

2.1. Basis of Accounting – cont'd

The fair value of financial assets and liabilities are disclosed in Note 5.

The preparation of financial statements in conformity with FRS requires management to exercise its judgement in the process of applying the company's accounting policies. It also requires the use of accounting estimates and assumptions. The areas involving a higher degree of judgement or complexity or areas when assumption and estimates are significant to the financial statements as disclosed in Note 4.

2.2. Changes in Accounting Policies

a) Adoption of new and revised FRSs and INT FRS

In the current financial year, the company has adopted the new and revised FRSs and INT FRSs issued by the ASC that are relevant to its operations and effective for annual year beginning on 1 April 2015. The adoption of these new/revised FRSs and INT FRSs does not result in changes to the company's accounting policies and has no material effect on the financial statements.

b) Standards issued but not yet effective

At the date of authorisation of financial statements, the following FRSs that are relevant to the company were issued but not effective are as follows:

Reference	Description	Effective of annual period beginning on or after
FRS 1	Amendments to FRS 1: Disclosure Initiative	1 January 2016
FRS 19	Employee Benefits	1 January 2016
FRS 27	Separate Financial Statements	1 January 2016
FRS 32	Amendments to FRS 32: Offsetting of Financial Assets and Financial Liabilities	1 January 2016
FRS 36	Amendments to FRS 36: Recoverable Amount Disclosures for Non-Current Assets	1 January 2016
FRS 39	Amendments to FRS 39: Novation of Derivatives and Continuation of Hedge Accounting	1 January 2016

The company expects that the adoption of the standards and interpretations above will have no material impact on the financial statements in the period of initial application.

SARDA GLOBAL VENTURE PTE. LTD.

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

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

2.2. Changes in Accounting Policies – cont'd

c) Improvements to FRSs issued in 2016

Improvements to FRSs issued in 2016 will become effective for the annual period beginning on or after 1 April 2015. The improvement contains amendments to numerous accounting standards that result in accounting changes for presentation, recognition or measurement purposes and terminology or editorial amendments. The improvements to FRS that are relevant to the company are as follows:

Reference	Description	Effective of annual period beginning on or after
FRS 24	Key management personnel	1 July 2015
FRS 103	Scope exceptions for joint ventures	1 July 2015
FRS 113	Scope of paragraph 52 (portfolio exception)	1 July 2015

The directors expect that the adoption of the improvements to FRSs above will have no material impact on the financial statements in the period of initial application.

2.3. Foreign Currencies and Functional Currency

a) Functional and presentation currency

The management has determined that the currency of the primary economic environment in which the company operates ("the functional currency") is the United States dollars. The financial statements of the company are presented in United States dollars.

b) Foreign currency transactions

Transactions in foreign currencies are translated into United States dollars at the foreign exchange rates ruling at the date of transactions. Monetary assets and liabilities in foreign currencies at the end of the reporting period have been converted to United States dollar at the rates of exchange approximating those ruling at the end of the reporting period**.** Translation differences resulting from the settlement of such transactions and from the conversion of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of comprehensive income. Non-monetary assets and liabilities measured at cost in foreign currencies are translated to United States dollar using the foreign exchange rate at the dates of the transactions.

SARDA GLOBAL VENTURE PTE. LTD.

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - cont'd

2.4. Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivable for services rendered and is recognised when the services are completed.

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

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable.

2.5. Impairment of Non-financial Assets

At the end of each reporting period, the company reviews the carrying amounts of its tangible 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. 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.

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 (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless relevant asset is carried at a revalued amount, in which are the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or 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, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

2.6. Income Tax

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

SARDA GLOBAL VENTURE PTE. LTD.

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - cont'd

2.6. Income Tax – cont'd

a) Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the statement of comprehensive income because it excludes items of income or expense that are taxable or deductible in other 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 at the end of the reporting period.

b) Deferred tax

Deferred tax liabilities are the amounts of income taxes payable in future periods in respect of taxable temporary differences. Deferred tax is provided, using the liability method on all temporary differences at the end of the reporting period between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

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

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

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

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to 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 the reporting period.

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

SARDA GLOBAL VENTURE PTE. LTD.

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

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

2.7. Related Party

A related party is a person or an entity related to the company and is further 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 control 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 a parent of the company.

b) An entity is related to the company if any of the following condition applies:

i) the entity and the company are members of the same group 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 or an associate or joint venture of a member of a group of which the other entity is a member;
iii) both entities are joint ventures of the same third party;
iv) one entity is a joint venture of a third entity and the other entity is an associate of the third entity;
v) the entity is a post-employment benefit plan for the benefit of employees of either the company 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 jointly controlled by a person identified in (a);
vii) 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; or
viii) the entity, or any member of a group of which it is a part, provides key management personnel services to the company or to the parent of the company.

Close members of the family of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity and include:

(a) that person's children and spouse or domestic partner;
(b) children of that person's spouse or domestic partner; and
(c) dependants of that person or that person's spouse or domestic partner.

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director of the entity.

Related party transactions and outstanding balances disclosed in the financial statement are in accordance with the above definition as per FRS24.

SARDA GLOBAL VENTURE PTE. LTD.

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

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

2.8 Operating Lease

Where the company has the use of assets under operating leases, payments made under the leases are recognised in profit or loss on a straight-line basis over the term of the lease. Lease incentives received are recognised in profit or loss as an integral part of the total lease payments made. Contingent rentals are charged to profit or loss in the accounting period in which they are incurred.

2.9. Provisions

Provisions are recognised when the company has a present obligation as a result of a past event, and it is probable that the company will be required to settle that obligation. Provisions are measured at the directors’ best estimate of the expenditure required to settle the obligation at the end of the reporting period, and are discounted to present value where the effect is material.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-taxation rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense.

2.10. Contingent liabilities and contingent assets

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

A contingent liability is not recognised but is disclosed in the notes to the financial statements. When a change in the probability of an outflow occur so that the outflow is probable, it will then be recognised as a provision.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain events not wholly within the control of the company.

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

2.11. Events after the reporting period

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

3. FINANCIAL INSTRUMENTS

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

3.1. Effective interest method

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

3.2. Financial Assets

Financial assets within the scope of FRS 39 – Recognition and Measurement, are recognised on the statement of financial position when, and only when the company becomes a party to the contractual provisions of the financial instruments. The classification of financial assets depends on the purpose of which the assets were acquired. Management determines the classification of its financial assets at initial recognition and re-evaluates this designation at every reporting date.

a) Loan and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Trade and other receivables and cash and cash equivalents are classified as loans and receivables in the statement of financial position.

i) Other receivables

Other receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less allowance for impairment. An allowance for impairment of other receivables is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables. The amount of the allowance 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 amount of the allowance is recognised in profit or loss.

ii) Cash and cash equivalents

Cash and cash equivalents comprise cash balances and deposits placed with financial institutions and are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

SARDA GLOBAL VENTURE PTE. LTD.

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

3. **FINANCIAL INSTRUMENTS – cont'd**

3.2. Financial Assets – cont'd

b) Financial assets at fair value through profit or loss (FVTPL)

Financial assets are classified as FVTPL where the financial asset is either held for trading or it is designated as at FVTPL.

A financial asset is classified as held for trading if it has been acquired principally for the purpose of selling in the near future; or on initial recognition, it is part of an identified portfolio of financial instruments that the company manages together and has a recent actual pattern of short-term profit-taking; or it is a derivative that is not designated and effective as a hedging instrument.

A financial asset other than a financial asset held for trading may be designated as at FVTPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise; or the financial asset forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the company's documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or it forms part of a contract containing one or more embedded derivatives, and FRS 39 Financial Instruments : Recognition and Measurement permits the entire combined contract (asset or liability) to be designated as at FVTPL.

Financial assets at fair value through profit or loss are stated at fair value, with any resultant gain or loss recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any dividend or interest earned on the financial asset and is included in 'other gains and losses' line in the statement of comprehensive income. Fair value is determined in the manner described in Note 5.

c) Impairment of financial assets

Financial assets, other than those designated at fair value through profit or loss upon initial recognition 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 asset, the estimated future cash flows of the financial assets have been impacted.

For all other financial assets, objective evidence of impairment could include significant financial difficulty of the issuer or counter party; or default or delinquency in interest or principal payments; or it becoming probable that the borrower will enter bankruptcy or financial re-organisation.

SARDA GLOBAL VENTURE PTE. LTD.

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

3. **FINANCIAL INSTRUMENTS – cont'd**

3.2. Financial Assets – cont'd

c) Impairment of financial assets – cont'd

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.

For financial assets that are carried at cost, the amount of the impairment loss is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment loss will not be reversed in subsequent periods.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of other receivables where the carrying amount is reduced through the use of an allowance account. When the amount is uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance accounts. 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.

d) Derecognition of financial assets

A financial asset is derecognised where the contractual rights to receive cash flows from the asset have expired or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity.

On derecognition of a financial asset in its entirety, the difference between the carrying amount and the sum of (a) the consideration received and (b) any cumulative gain or loss that has been recognised directly in equity is recognised in in the statement of comprehensive income.

3.3. Equity and Financial Liabilities

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

SARDA GLOBAL VENTURE PTE. LTD.

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

3. **FINANCIAL INSTRUMENTS – cont'd**

3.3. Equity and Financial Liabilities – cont'd

a) Equity instruments

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

b) Financial liabilities

(i) Other payables

Other payables are initially measured at fair value, and are subsequently measured at amortised cost, using the effective interest rate method.

(ii) Bank borrowings

Bank 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.

Bank borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently carried stated at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the statement of comprehensive income profit or loss over the period of the borrowings using the effective interest method.

c) Derecognition of financial liabilities

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

3.4. Offsetting of Financial instruments

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

SARDA GLOBAL VENTURE PTE. LTD.

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

4.1. Critical Judgement in applying the Company's Accounting Policies

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

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

Determination of functional currency

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

4.2. Key sources of estimation uncertainties

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

ii) Impairment of financial assets

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

When there is objective evidence of impairment, the amount and timing of future cash flow are estimated based on historical loss experience for assets with similar credit risk characteristics. The carrying amount of the financial assets at the end of the reporting period is disclosed in various notes to the financial statements.

5. FINANCIAL INSTRUMENTS, FINANCIAL RISKS MANAGEMENT, OBJECTIVES, POLICIES AND CAPITAL RISKS MANAGEMENT

5.1 Categories of Financial Assets and Financial Liabilities

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

	2016 US$	2015 US$
Financial assets		
Quoted securities	**1,294,298**	899,300
Loan and receivables:		
- Other receivables	**3,378,404**	3,322,283
- Other current asset	**8,395**	8,354
- Cash and cash equivalents	**6,417**	12,093
	4,687,514	4,242,030
Financial liabilities:		
At amortised cost:		
- Other payables	**3,721,670**	3,727,398
- Bank borrowing	**500,000**	-
	4,221,670	3,727,398

5.2. Financial Risk Management Policies and Objectives

The company's overall risk management policy seeks to minimise potential adverse effects on the financial performance of the company. The company, however, does not have any written risk management policies and guidelines. The management meets periodically to analyse, formulate and monitor the following risk management of the company believe that the financial risks associated with these financial instruments are minimal. The company adopts a systematic approach towards risk assessment and management. This is carried out in three phases, i.e. identification and assessment of risks, formulation and implementation of risk treatment, monitoring and reporting of risk profile.

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

a) Credit risk

Credit risk refers to risk that counterparty will default on its contractual obligations to repay amounts owing to company resulting in a loss to the company. The company's primary exposure to credit risk arises through bank balances and loans given to third parties.

SARDA GLOBAL VENTURE PTE. LTD.

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

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

5.2. Financial Risk Management Policies and Objectives – cont'd

a) Credit risk – cont'd

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. Other receivables are companies with good credit ratings with the holding company.

Financial assets that are past due and/or impaired

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

b) Interest rate risk

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

Interest rate sensitivity

The company's statement of comprehensive income and equity are not affected by the changes in interest rates as the interest bearing instruments either carry fixed interest and are measured at amortised cost or carry variable interest rate are held for short-term. Accordingly, management is of the view that the impact of any interest rate fluctuation will not be material. No interest rate sensitivity analysis has been prepared.

c) Price risk

The company is exposed to price risk arising from the quoted securities classified as held for trading.

Sensitivity Analysis

The sensitivity analysis below summarises the impact of 10% increase/decrease of quoted securities on the company's profit/loss for the financial year. The analysis is based on the assumption that if price of the quoted securities has increased/decreased by 10% with all other variables held constant, the company's loss for the year ended 31 March 2016 would decrease/ increase by **US$129,430** (2015: US$89,930).

SARDA GLOBAL VENTURE PTE. LTD.

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

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

5.2. Financial Risk Management Policies and Objectives – cont'd

d) Foreign currency exchange rate risk

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

The company's operation is not significantly exposed to foreign currency exchange rate risk as its operations are almost entirely in United States dollars.

No foreign currency sensitivity analysis is prepared as the management are of the view that the impact of changes in balances denominated in foreign currencies is immaterial.

e) Liquidity risk

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

In the management of the liquidity risk, the company monitors and maintains a level of bank balances deemed adequate by the management to finance the company's operations and mitigate the effects of fluctuations in cash flows.

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

2016	**Effective Interest rate (%)**	**Undiscounted contractual cash flows**	**Carrying Amount**
		US$	**US$**
Financial liabilities			
Other payables	-	**3,721,170**	**3,721,170**
Bank borrowing	1.63%p.a.	**500,000**	**500,000**
		4,221,140	**4,221,170**

2015	**Effective interest rate (%)**	**Undiscounted contractual cash flows**	**Carrying Amount**
		US$	**US$**
Financial liabilities			
Other payables		3,727,398	3,727,398

SARDA GLOBAL VENTURE PTE. LTD.

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

5. FINANCIAL RISKS AND MANAGEMENT – cont'd

5.2 Financial Risk Management Policies and Objectives – cont'd

f) Fair value of financial assets and financial liabilities- cont'd

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

(i) Financial assets and liabilities

Management has determined that the carrying amounts of bank balances, other receivables, other payables and interest bearing borrowings, based on their notional amounts, reasonably approximate their fair values because these are mostly short-term in nature.

(ii) Fair value of the company's financial assets that are measured that fair value on recurring basis

Some of the company's financial assets are measured at fair value at the end of each reporting period. The following table gives information about how the fair values of these financial assets are determined.

The difference levels have been defined as follow:

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).

During the financial year ended 31 March 2016, there was no transfer between instruments in Level 1, Level 2 and Level 3, or vice versa.

The company does not anticipate that the carrying amounts recorded at end of the reporting period would significantly be different from the values that would eventually be received or settled.

SARDA GLOBAL VENTURE PTE. LTD.

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

5. **FINANCIAL RISKS AND MANAGEMENT – cont'd**

5.2 Financial Risk Management Policies and Objectives – cont'd

f) Fair value of financial assets and financial liabilities

Financial assets/ Financial liabilities	Fair Value (US$)				Fair value Hierarchy	Valuation technique(s) and key input(s)	Significant unobservable Input(s)	Relationship of unobservable Inputs to fair value
	2016		2015					
	Assets	Liabilities	Assets	Liabilities				
Derivative financial instruments								
Quoted Securities	**1,294,298**	**-**	899,300	-	Level 1	Quoted bid prices in an active Market	N/A	N/A

5.3 Capital Risk Management Policies and Objectives

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

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

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

	2016 **US$**	**2015** **US$**
Bank borrowings	**500,000**	-
Other payables	**3,721,670**	3,727,398
Less: cash and cash equivalents	**(6,417)**	(12,093)
Net debt	**4,215,253**	3,715,305
Total equity	**465,844**	514,939
Total capital	**4,681,097**	4,230,244
Gearing ratio	**90%**	88%

The company is not subject to externally imposed capital requirements.

SARDA GLOBAL VENTURE PTE. LTD.

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

6. HOLDING COMPANY

The company is a wholly-owned subsidiary of Sarda Energy & Minerals Ltd, incorporated in India, which is also the company's ultimate holding company.

7. RELATED PARTY TRANSACTIONS

Related parties are entities with common direct or indirect shareholders and/or directors as that of the company. Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial and operating decisions.

Some of the group's transactions and arrangements are with related parties and the effect of these on the basis determined between the parties are reflected in these financial statements.

Key Management Personnel Compensation

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

	2016	**2015**
	S$	**S$**
Short-term benefits paid to a director	**93,851**	77,235

8. PLANT AND EQUIPMENT

	Office Equipment	**Total**
	US$	**US$**
Cost		
At 31.03.2015 and 1.4.2015	471	471
Additions	-	-
At 31.3.2016	**471**	**471**
Accumulated depreciation		
At 31.03.2015 and 1.4.2015	164	164
Charge for the year	307	307
At 31.3.2016	**471**	**471**
Carrying amount		
At 31.3.2016	**-**	**-**
At 31.3.2015	307	307

As at the reporting date, the management carried out a review of the recoverable amount of all property, plant and equipment and determined that no allowances for impairment or revisions to the useful lives was required for its plant and equipment.

SARDA GLOBAL VENTURE PTE. LTD.

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

9. QUOTED SECURITIES

	2016 US$	2015 US$
Held for trading		
Quoted bond funds	**875,123**	899,300
Quoted corporate bond	**419,175**	-
	1,294,298	899,300

	2016 US$	2015 US$
At the beginning of the year	**899,300**	900,000
Addition	**401,225**	-
Fair value	**(6,227)**	(700)
	1,294,298	899,300

At the reporting date, the quoted corporate bond has a nominal value of US$ 450,000 (2014: Nil) with a coupon rate of 5.95% (2014: Nil) per annum and will mature in 31 July 2024.

Quoted securities are pledged to a bank for banking loan facilities (Note 16)

Quoted securities are denominated in United States dollars.

10. OTHER RECEIVABLES

	2016 US$	2015 US$
Loans to third parties	**3,320,500**	3,320,500
Other debtors	**29,532**	1,783
Accrued interest receivable	**4,537**	-
Receivable from brokers	**3,908**	-
Cash margin with brokers	**19,927**	-
	3,378,404	3,322,283

Loans to third parties are unsecured, interest free and repayable on demand.

Cash margin with brokers are in respect of foreign exchange forward contracts.

Other receivables are denominated in the following currencies:

	2016 US$	2015 US$
United State dollar	**3,374,496**	3,322,283
Indian Rupees	**3,908**	-
	3,378,404	3,322,283

SARDA GLOBAL VENTURE PTE. LTD.

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

11. OTHER CURRENT ASSET

	2016 US$	2015 US$
Deposit	**8,395**	8,354

Other current assets are denominated in Singapore dollars.

12. CASH AND CASH EQUIVALENTS

	2016 US$	2015 US$
Cash in hand	**6,394**	6,676
Cash at bank	**23**	5,417
	6,417	12,093

Cash and cash equivalents are denominated in the following currencies:

	2016 US$	2015 US$
Singapore dollars	**1,794**	2,076
United States dollars	**4,623**	10,017
	6,417	12,093

13. SHARE CAPITAL

	2016 Number of ordinary shares	2015	2016 US$	2015 US$
Issued and paid up:				
At beginning of year	**1,010,000**	1,010,000	**1,010,000**	1,010,000
Issued during the year	**75,100**	-	**75,100**	-
At end of the year	**1,085,100**	1,010,000	**1,085,100**	1,010,000

During the financial year, the company issued 75,100 ordinary shares at US$1 per share to its existing shareholder for the purpose of additional working capital.

The fully paid ordinary shares with no par value carry one vote per share and a right to dividends as and when declared by the company.

14. FAIR VALUE RESERVE

Fair value reserve comprised the cumulative fair value movements changes of available-for-sale financial assets until they are derecognised or impaired.

SARDA GLOBAL VENTURE PTE. LTD.

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

15. OTHER PAYABLES

	2016 US$	2015 US$
Loan from related company (Note 7)	**3,695,750**	3,713,914
Amount due to director	**12,814**	9,984
Accruals	**3,500**	3,500
Bank loan interest payable	**23**	-
Other creditor	**9,583**	-
	3,721,670	3,727,398

The loan from related company and the amount due to director are unsecured, interest-free and repayable on demand.

Other payables are denominated in United States dollars.

16. BANK BORROWING

	2016 US$	2015 US$
Bank loan	**500,000**	-

The bank loan bears interest at an effective rate of 1.63% per annum and is repayable on demand. It is secured by a first legal charge on the company's investments (Note 9).

17. OTHER INCOME

	2016 US$	2015 US$
Dividend income	**21,747**	3,752
Fair value gain from foreign currency forward contract	**4,063**	-
Bond interest	**1,628**	-
Exchange gain	**716**	-
	28,154	3,752

18. INCOME TAX

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

SARDA GLOBAL VENTURE PTE. LTD.

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

18. INCOME TAX – CONT'D

The income tax expense varied from the amount of income tax expense determined by Singapore Income tax rate of 17% (2015: 17%) to loss before income tax as a result of the following differences:

	2016 US$	2015 US$
Loss before income tax	**(124,895)**	(104,173)
Income tax expenses at statutory rate of 17% (2015: 17%)	**(21,232)**	(17,709)
Tax effect of:		
- non-deductible expenses	**52**	28
- utilisation of previously unrecognised tax loss	**21,180**	17,681
	-	-

The company has tax loss carry forward available for offsetting against future taxable income as follows:

	2016 US$	2015 US$
Amount at the beginning of the year	**121,975**	17,966
Amount in current year	**124,588**	104,009
Amount at end of year	**246,563**	121,975
Deferred tax benefit on above unrecorded	**41,915**	20,736

19. LOSS FOR THE YEAR

Loss for the year has been arrived at after charging:

	2016 US$	2015 US$
Change in fair value of quoted securities held for trading	**6,927**	-
Professional fees	**18,936**	4,927
Rental of office	**21,505**	5,588

20. EVENTS AFTER THE REPORTING PERIOD

No items, transactions or events of material and unusual nature has arisen in the interval between the end of the financial year and the date of this report which is likely to affect substantially the results of operations of the company for the succeeding financial year.