FACOR MINERALS PTE. LTD., SINGAPORE.
(UEN : 201130812M)
(Incorporated in the Republic of Singapore)

FINANCIAL STATEMENTS AND OTHER FINANCIAL INFORMATION FOR THE YEAR ENDED 31 MARCH 2018

FACOR MINERALS PTE. LTD., SINGAPORE.

DIRECTORS' REPORT

The directors submit this annual report to the members together with the financial statements of the company for the financial year ended 31 March 2018.

1. DIRECTORS

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

ASHIM SARAF
ROHIT SARAF
DEV INDER BHALLA

2. ARRANGEMENTS TO ACQUIRE SHARES OR DEBENTURES

During and at the end of the financial year, the company was not a party to any arrangement the object of which was to enable the directors to acquire benefits through the acquisition of shares in or debentures of the company or any other body corporate.

3. DIRECTORS' INTEREST IN SHARES OR DEBENTURES

According to the register required to be kept under Section 164 of the Singapore Companies ct, Cap. 50, none of the directors who held office at the end of the financial year had interest in the shares or debentures of the company and related corporations.

4. DIRECTORS CONTRACTUAL BENEFITS

Since the end of the previous financial year, no director of the company has received or has 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 he is a member, or with a company in which he has a substantial financial interest except for those disclosed in the financial statements.

5. SHARE OPTIONS GRANTED

During the financial year, no options were granted to take up unissued shares of the company.

6. **SHARE OPTIONS EXERCISED**

During the financial year, no shares of the company were issued by virtue of the exercise of options granted.

7. **UNISSUED SHARES UNDER OPTION**

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

On behalf of the Board,

ASHIM SARAF
Director

FACOR MINERALS PTE. LTD., SINGAPORE.

STATEMENT BY DIRECTORS

In the opinion of the directors : -

i. The accompanying financial statements together with the notes thereto are drawn up so as to give a true and fair view of the state of affairs of the company as at 31 March 2018 and the results of the business, changes in equity and cash flows of the company for the year ended on that date; and

ii. 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.

The Board of Directors has, on the date of this statement authorised these financial statements for issue.

On behalf of the Board,

ASHIM SARAF
Director

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

1. GENERAL

The principal activities of the company which is incorporated and domiciled in the Republic of Singapore are those of trade in chrome ore and other ores and investment holding.

The company is a wholly owned subsidiary of Facor Alloys Limited, a company incorporated in India, which is also its ultimate holding company.

The registered office of the company is located at 6 Temasek Boulevard #09-05, Suntec Tower Four, Singapore 038986.

The financial statements of the company are expressed in United Stated dollar.

2. SIGNIFICANT ACCOUNTING POLICIES

a) Basis of Preparation

The financial statements of the company have been prepared in accordance with the historical cost convention, except as disclosed in the accounting policies below, and are drawn up in accordance with the Singapore Financial Reporting Standards ("FRS") including its related Interpretations.

In the current financial year, the company has adopted all the new and revised FRS and Interpretations of FRS ("INT FRS") that are relevant to its operations and effective for annual periods beginning on or after 1 April 2017. The adoption of these new/revised FRSs and INT FRSs has no material effect on the financial statements.

b) Significant Accounting Estimates and Judgements

The preparation of the financial statements in conformity with FRS requires the use of judgements, estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the financial year. Although these estimates are based on management's best knowledge of current events and actions, the management is of the opinion that there are no critical judgements involved that have a significant effect on the amounts recognised in the financial statements.

c) Impairment of Non- Financial Assets

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

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

c) Impairment of Non- Financial Assets (Continued)

An asset's recoverable amount is the higher of an asset's or cash-generating unit's fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets. In assessing value in use, the estimated future cash flows expected to be generated by the asset 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. In determining fair value less costs to sell, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded subsidiaries or other available fair value indicators. When the carrying amount of an asset exceeds its recoverable amount, the asset is written down to its recoverable amount. Impairment losses are recognised in the profit or loss except for assets that are previously revalued where the revaluation was taken to other comprehensive income. In this case, the impairment is also recognised in other comprehensive income up to the amount of any previous revaluation.

An assessment is made at end of each reporting period as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case, the carrying amount of asset is increased to its recoverable amount. That increase cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised previously. Such reversal is recognised in the profit or loss unless the asset is measured at revalued amount, in which case the reversal is treated as a revaluation increase.

d) Financial Assets

Initial recognition and measurement

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

When financial assets are recognised initially, they are measured at fair value, plus, directly attributable transaction costs.

Subsequent measurement

<u>Loans and Receivables</u>

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

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

d) Financial Assets (Continued)

Derecognition

All financial assets are recognised on their 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 assets have expired or have been transferred and the company has transferred substantially all risks and rewards of ownership.

e) 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.

Financial assets carried at amortised cost

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

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

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

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

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

e) Impairment of Financial Assets (Continued)

Financial assets carried at amortised cost (Continued)

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 to the extent that the carrying amount of the asset does not exceed its amortised cost at the reversal date. The amount of reversal is recognised in profit or loss.

f) Cash and Cash Equivalents

Cash and cash equivalents are defined as cash at bank which is readily convertible to known amounts of cash and which are subject to insignificant risk of changes in value.

g) Share Capital

Proceeds from issuance of ordinary share are recognised as share capital in equity.

h) Financial Liabilities

Initial recognition and measurement

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

All financial liabilities are recognised initially at fair value, plus, directly attributable transaction costs.

Subsequent measurement

After initial recognition, financial liabilities are subsequently measured at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the liabilities are derecognised, and through the amortisation process.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in profit or loss.

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

i) Provisions

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

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

j) Contingencies

A contingent liability is:-

(a) a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the company; or

(b) a present obligation that arises from past events but is not recognised because:

i) It is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or

ii) The amount of the obligation cannot be measured with sufficient reliability.

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

Contingent liabilities and assets are not recognised on the statement of financial position of the company.

k) Currency Translations

Functional and presentation currency

Items included in the financial statements of the company are measured using the currency of the primary economic environment in which the company operates ("functional currency"). The financial statements of the company are presented in United States dollar which is the functional currency of the company.

2. SGNIFICANT ACCOUNTING POLICIES (Continued)

k) Currency Translations (Continued)

Transactions and balances

Transactions in a currency other than United States dollar ("foreign currency") are translated into United States dollar using the exchange rates prevailing at the dates of the transactions. At the end of each reporting period, recorded foreign currency monetary items are adjusted to reflect the rate at end of reporting period. All realised and unrealised differences are taken to the profit or loss.

l) Taxation

Income tax on the profit or loss for the year comprises current and deferred income taxes. Income tax is recognised in the profit or loss except to the extent that it relates to items recognised outside profit or loss, in which case it is recognised in equity or other comprehensive income.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the end of the reporting period and any adjustment to tax payable in respect of previous financial years.

Deferred tax is provided using the liability method for temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rate enacted or substantively enacted at the end of the reporting period.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

FACOR MINERALS PTE. LTD., SINGAPORE.

STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2018.

Particulars	Note	As On 31-Mar-18 USD	As On 31-Mar-17 USD
ASSETS			
CURRENT ASSETS			
Other Receivables, Deposits & Prepayments	1	96,388	1,04,404
Loans to a Related Company	2	4,75,000	4,75,000
Cash and Cash Equivalents	3	2,255	2,188
TOTAL ASSETS		**5,73,643**	**5,81,592**
EQUITY AND LIABILITIES			
SHAREHOLDERS EQUITY			
Share Capital	4	5,43,000	5,43,000
Accumulated Profits / (Losses)		-1,187	12,254
TOTAL EQUITY		**5,41,813**	**5,55,254**
CURRENT LIABILITIES			
Other Payable and Accruals	5	31,830	26,338
TOTAL LIABILITIES		**31,830**	**26,338**
TOTAL EQUITY AND LIABILITIES		**5,73,643**	**5,81,592**
		-	-

For and on behalf of the Board

ASHIM SARAF
DIRECTOR

FACOR MINERALS PTE. LTD., SINGAPORE.

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 MARCH 2018.

Particulars	Note	Year Ended 31-Mar-18 USD	Year Ended 31-Mar-17 USD
OTHER REVENUE			
Interest Income	6	-	28,500
Foreign Exchange Gain	7	-	-
		-	**28,500**
LESS : COST AND EXPENSES			
Nominee Director's Fee	8	4,579	4,297
Other Operating Expenses	9	6,031	3,844
		10,610	**8,141**
PROFIT / (LOSS) BEFORE TAXATION		**-10,610**	**20,359**
TAXATION			
Tax for current year	10	-	713
Tax for earlier years	11	2,831	-
		2,831	**713**
NET PROFIT / (LOSS) & TOTAL COMPREHENSIVE INCOME / (LOSS) FOR THE YEAR		**-13,441**	**19,646**

For and on behalf of the Board

ASHIM SARAF
DIRECTOR

FACOR MINERALS PTE. LTD., SINGAPORE.

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2018.

	Share Capital US$	Accumulated Proifts / (Losses) US$	Total US$
Balance as at 01.04.2016	**5,43,000**	**-7,392**	**5,35,608**
Total comprehensive income for the year	-	19,646	19,646
Balance as at 31.03.2017/01.04.2017	**5,43,000**	**12,254**	**5,55,254**
Total comprehensive income for the year	-	-13,441	-13,441
Balance as at 31.03.2018	**5,43,000**	**-1,187**	**5,41,813**

For and on behalf of the Board

ASHIM SARAF
DIRECTOR

FACOR MINERALS PTE. LTD., SINGAPORE.

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2018.

	2,018 US$	2,017 US$
Cash flows from operating activities		
Profit/(Loss) before taxation	**-10,610**	**20,359**
Adjustments for:-		
Interest and Dividend Income	-	-28,500
Finance Costs	-	-
Operating cash flows before working capital changes	**-10,610**	**-8,141**
Changes in working capital		
Decreaase in other receivable, deposits and prepayments	8,016	-
Increase in other payables and accruals	5,492	7,874
Net cash used in operating activities	**2,898**	**-267**
Cash generated from operating activities		
Direct Taxes paid / adjusted	(2,831)	-
Net cash used from operating actvities	**(2,831)**	**-**
Net decrease in cash and cash equivalents	**67**	**-267**
Cash and cash equivalents at beginning of year	**2,188**	**2,455**
Cash and cash equivalents at end of year	**2,255**	**2,188**
- Cash at bank		

For and on behalf of the Board

ASHIM SARAF
DIRECTOR

NOTES TO THE FINANCIAL STATEMENTS - 31 MARCH 2018.

These Notes form an integral part of and should be readin conjunction with the accompanying financial statements.

1 OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

	2,018 US$	2,017 US$
Other Receivable	96,388	96,388
Deposits	-	8,016
	96,388	**1,04,404**

Other Receivables represents interest receivable from a related company (FMN BV) of US$ 96,388. (2017 : US$ 96,388).

2 LOANS TO A RELATED COMPANY.

	2,018 US$	2,017 US$
a) Loan of USD 350,000 given to FMN BV on 18/07/2013 @ 6% p.a.	3,50,000	3,50,000
a) Loan of USD 125,000 given to FMN BV on 21/11/2013 @ 6% p.a.	1,25,000	1,25,000
	4,75,000	**4,75,000**

3 CASH AND CASH EQUIVALENTS

	2,018 US$	2,017 US$
Cheques in hand	2,255	-
State Bank of India	-	2,188
	2,255	**2,188**

4 SHARE CAPITAL

	2,018 US$	2,017 US$
Issued and fully paid 543,000 ordinary shares (2015 : 543,000)	5,43,000	5,43,000
	5,43,000	**5,43,000**

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

NOTES TO THE FINANCIAL STATEMENTS - 31 MARCH 2018.

5 OTHER PAYABLES AND ACCRUALS	2,018 US$	2,017 US$
Other Payables		
Nominee Director's Fees	-	1,114
Accounting Fees	7,796	7,796
Secretarial Fess	2,499	2,499
Others	0	-
	10,295	**11,409**
Accruals		
Nominee Director's Fees	5,779	4,297
Accounting Fees (Provision)	11,775	7,731
Secretarial Fees (Provision)	3,981	1,927
Corporate Income Tax (Provision)	-	974
	21,535	**14,929**
Other Payables and Accruals	**31,830**	**26,338**

6 INTEREST INCOME	2,018 US$	2,017 US$
Interest receivable on loan of USD 475,000 given to FMN BV @ 6% p.a.	0	28,500
	0	**28,500**

7 FOREIGN EXCHANGE GAIN	2,018 US$	2,017 US$
Nominee Director's Fee	-	-
Auditor's Fee	-	-
	-	**0**

8 NOMINEE DIRECTOR'S FEE	2,018 US$	2,017 US$
Provision for Fee	4,579	4,297
	4,579	**4,297**

9 OTHER OPERATING EXPENSES	2,018 US$	2,017 US$
Accounting Fees (Provision)	4,044	3,795
Bank Charges	74	182
Foreign Exchange (Gain)/Loss	-141	85
Secretarial Fees (Provision)	2,054	1,927
Provisions no longer required	-	-2,145
	6,031	**3,844**

10 TAXATION (CURRENT YEAR)

	2,018 US$	2,017 US$
Profit / (Loss) before taxation	-	20,359
Profit / (Loss) before taxation (In SG$)	-	28,430
Exemption @ 75% (Till SG$ 10,000)	-	-7,500
Exemption @ 50% (Next SG$ 290,000)	-	-9,215
Chargeable Income after exemption	-	11,715
Tax computation on chargeable income @ 17%	-	1,992
Tax Rebate on tax computed @ 50%	-	996
Revenue not taxable (First 3 years of start up tax free)	N.A.	N.A.
Tax Payable (In SG$)	-	**996**
Tax Payable (In US$)	-	**713**

The tax expense / (benefit) on the results for the financial year varies from the amount of incone tax determined by applying the Singapore profit / (loss) before taxation.

11 TAXATION (PRIOR YEAR)

	2,018 US$	2,017 US$
As per Internal Revenue Authority of Singapore (IRAS)	2,831	-

The exchange rate used on balance sheet date is March 31, 2018 : SGD 1 = USD 0.7631.