Global Financial Services Pte Ltd

IL&FS GLOBAL FINANCIAL SERVICES PTE LTD
(Registration No. 200816203E)

DIRECTORS' STATEMENT AND FINANCIAL STATEMENTS

YEAR ENDED MARCH 31, 2016

Global Financial Services Pte Ltd

Incorporated in the Republic of Singapore
Company No : 200816203E

IL&FS GLOBAL FINANCIAL SERVICES PTE LTD

DIRECTORS' STATEMENT AND FINANCIAL STATEMENTS

CONTENTS

	PAGE
Directors' statement	1 - 4
Independent auditors' report	5 - 6
Statement of financial position	7
Statement of profit or loss and other comprehensive income	8
Statement of changes in equity	9
Statement of cash flows	10
Notes to financial statements	11 - 29

FSI-MGR/3017752-4051750-FS/VKS/TDX/EDB/WSI

IL&FS Global Financial Services Pte Ltd

Incorporated in the Republic of Singapore
Company No : 200816203E

IL&FS GLOBAL FINANCIAL SERVICES PTE LTD

DIRECTORS' STATEMENT

The directors present their statement together with the audited financial statements of IL&FS Global Financial Services Pte Ltd (the "Company") for the financial year ended March 31, 2016.

In the opinion of the directors, the financial statements as set out on pages 7 to 29 are drawn up so as to give a true and fair view of the financial position of the Company as at March 31, 2016, and the financial performance, changes in equity and cash flows of the Company for the financial year then ended and at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts when they fall due.

1 DIRECTORS

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

Mr. Ravi Parthasarathy	
Mr. Ramesh C Bawa	
Mr. Milind N Patel	
Mr. Rajesh Kotian	
Mr. Arunesh Chopra	*(Appointed effective January 13, 2016)*
Ms. Preeti Yardi	
Mr. Carl Gordon	*(Resigned effective January 8, 2016)*

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

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

3 DIRECTORS' INTERESTS IN SHARES AND DEBENTURES

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

3 DIRECTORS' INTERESTS IN SHARES AND DEBENTURES (cont'd)

Name of directors and companies in which interests are held	Shareholdings registered in name of directors		Shareholdings in which directors are deemed to have an interest	
	At beginning of year	At end of year	At beginning of year	At end of year
Infrastructure Leasing and Financial Services Limited ("IL&FS") [a]				
(Ordinary shares)				
Mr. Ravi Parthasarathy	81,825	81,825	-	-
Mr. Ramesh C Bawa	45,366	45,366	-	-
Mr. Milind N Patel	3,027	3,027	-	-
Mr. Rajesh Kotian	2,800	2,800	-	-
(Options)				
Ms. Preeti Yardi	-	16,250	-	-

[a] IL&FS is the ultimate holding company of the Company.

Name of directors and companies in which interests are held	At beginning of year	At end of year	At beginning of year	At end of year
IL&FS Investment Managers Limited ("IIML") [b]				
(Ordinary shares)				
Mr. Ravi Parthasarathy	1,350,000	1,350,000	-	-
Mr. Milind N Patel	112,500	112,500	-	-
IL&FS Transportation Networks Limited ("ITNL") [b]				
(Ordinary shares)				
Mr. Ravi Parthasarathy	399,796	533,061	-	-
Mr. Ramesh C Bawa	579,796	579,796	-	-
Mr. Milind N Patel	49,911	49,911	-	-
Mr. Rajesh Kotian	2,500	2,500	-	-
Noida Toll Bridge Company Limited [b]				
(Ordinary shares)				
Mr. Ravi Parthasarathy	35,000	35,000	-	-
Mr. Ramesh C Bawa	130,000	130,000	-	-

3 DIRECTORS' INTERESTS IN SHARES AND DEBENTURES (cont'd)

Name of directors and companies in which interests are held	Shareholdings registered in name of directors		Shareholdings in which directors are deemed to have an interest	
	At beginning of year	At end of year	At beginning of year	At end of year
IL&FS Technologies Limited [b] (Ordinary shares)				
Mr. Ravi Parthasarathy	20,000	20,000	-	-

[b] These are related companies of IL&FS.

4 SHARE OPTIONS

(a) *Options to take up unissued shares*

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

(b) *Options exercised*

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

(c) *Unissued shares under option*

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

IL&FS Global Financial Services Pte Ltd

5 AUDITORS

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

ON BEHALF OF THE DIRECTORS

....
Mr. Ramesh C Bawa
Director

....
Mr. Milind N Patel
Director

....
Ms. Preeti Yardi
Director

Singapore
April 29, 2016

Incorporated in the Republic of Singapore Company No: 200816203E
Reg office: IL&FS Global Financial Services Pte Ltd 80 Raffles Place, #38-02, UOB Plaza 1, Singapore 048624
Tel: + 65 6880 2260 Fax: + 65 6225 3839

Deloitte.

Deloitte & Touche LLP
Unique Entity No. T08LL0721A
6 Shenton Way, OUE Downtown 2
#33-00
Singapore 068809

Tel: +65 6224 8288
Fax: +65 6538 6166
www.deloitte.com/sg

INDEPENDENT AUDITORS' REPORT TO THE MEMBER OF

IL&FS GLOBAL FINANCIAL SERVICES PTE LTD

Report on the Financial Statements

We have audited the accompanying financial statements of IL&FS Global Financial Services Pte Ltd (the "Company") which comprise the statement of financial position of the Company as at March 31, 2016, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows of the Company for the year then ended, and a summary of significant accounting policies and other explanatory information, as set out on pages 7 to 29.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

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

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

Deloitte.

INDEPENDENT AUDITORS' REPORT TO THE MEMBER OF

IL&FS GLOBAL FINANCIAL SERVICES PTE LTD

Opinion

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

Report on Other Legal and Regulatory Requirements

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

Deloitte & Touche LLP

Public Accountants and
Chartered Accountants
Singapore

April 29, 2016

IL&FS GLOBAL FINANCIAL SERVICES PTE LTD

STATEMENT OF FINANCIAL POSITION
March 31, 2016

	Note	2016 $	2015 $
ASSETS			
Current assets			
Cash and bank balances	6	4,249,864	2,013,640
Trade receivables	7	1,117,298	1,842,760
Other receivables	8	215,156	191,269
Total current assets		5,582,318	4,047,669
Non-current asset			
Property, plant and equipment	9	41,529	35,894
Total assets		5,623,847	4,083,563
LIABILITIES AND EQUITY			
Current liabilities			
Other payables	10	855,595	274,937
Income tax payable		97,661	-
Total current liabilities		953,256	274,937
Capital and reserves			
Share capital	11	3,050,001	3,050,001
Retained earnings		1,620,590	758,625
Total equity		4,670,591	3,808,626
Total liabilities and equity		5,623,847	4,083,563

See accompanying notes to financial statements.

Registered Office : 80 Raffles Place, #38-02 UOB Plaza 1, Singapore 048624. ● T +65 6880 2260 ● F +65 6220 3839 ● W www.ilfsifin.com

IL&FS GLOBAL FINANCIAL SERVICES PTE LTD

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

	Note	2016 $	2015 $
Revenue	12	3,220,770	1,854,011
Other operating income		11,275	5,060
Employee costs		(861,414)	(921,097)
Administrative expenses	13	(1,219,146)	(565,249)
Doubtful debt expense		(186,474)	-
Finance costs		(22,385)	(21,598)
Profit before income tax	14	942,626	351,127
Income tax (expense) credit	15	(80,661)	19,818
Profit for the year, representing total comprehensive income for the year		861,965	370,945

See accompanying notes to financial statements.

IL&FS GLOBAL FINANCIAL SERVICES PTE LTD

STATEMENT OF CHANGES IN EQUITY
Year ended March 31, 2016

	Share capital $	Retained earnings $	Total $
Balance at April 1, 2014	3,050,001	387,680	3,437,681
Total comprehensive income for the year	-	370,945	370,945
Balance at March 31, 2015	3,050,001	758,625	3,808,626
Total comprehensive income for the year	-	861,965	861,965
Balance at March 31, 2016	3,050,001	1,620,590	4,670,591

See accompanying notes to financial statements.

Registered Office : 80 Raffles Place, #38-02 UOB Plaza 1, Singapore 048624. ● T +65 6880 2260 ● F +65 6220 3839 ● W www.ilfsifin.com

IL&FS Global Financial Services Pte Ltd

Incorporated in the Republic of Singapore
Company No : 200816203E

IL&FS GLOBAL FINANCIAL SERVICES PTE LTD

STATEMENT OF CASH FLOWS
Year ended March 31, 2016

	Note	2016 $	2015 $
Cash flows from operating activities			
Profit before income tax		942,626	351,127
Adjustments for:			
Doubtful debt expense		186,474	-
Depreciation	9	12,215	10,315
Operating cash flows before movements in working capital		1,141,315	361,442
Trade receivables		538,988	(985,638)
Other receivables		(23,887)	(2,802)
Other payables		580,658	128,696
Cash generated from (used in) operations		2,237,074	(498,302)
Income tax refunded		17,000	19,818
Net cash from (used in) operating activities		2,254,074	(478,484)
Cash flows from investing activity			
Purchase of property and equipment, representing net cash used in investing activity	9	(17,850)	(1,150)
Net increase (decrease) in cash and cash equivalents		2,236,224	(479,634)
Cash and cash equivalents at beginning of year		2,013,640	2,493,274
Cash and cash equivalents at end of the year	6	4,249,864	2,013,640

See accompanying notes to financial statements.

Registered Office : 80 Raffles Place, #38-02 UOB Plaza 1, Singapore 048624. ● T +65 6880 2260 ● F +65 6220 3839 ● W www.ilfsifin.com

IL&FS GLOBAL FINANCIAL SERVICES PTE LTD

NOTES TO FINANCIAL STATEMENTS
March 31, 2016

1 GENERAL

The Company (Registration No. 200816203E) is incorporated in Singapore, with its registered office and principal place of business at 80 Raffles Place, #38-02, UOB Plaza 1, Singapore 048624. The financial statements are expressed in Singapore dollars, which is also the functional currency of the Company.

The principal activities of the company are those of conducting regulated financial services activities of Dealing in Securities and Advising on Corporate Finance. The Company also arranges pure vanilla loans.

The financial statements of the Company for the year ended March 31, 2016 were authorised for issue by the Board of Directors on April 29, 2016.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

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

ADOPTION OF NEW AND REVISED STANDARDS – On April 1, 2015, the Company has adopted all the new and revised FRSs and Interpretations of FRS ("INT FRS") that are effective from that date and are relevant to its operations. The adoption of these new/revised FRSs and INT FRSs does not result in changes to the Company's accounting policies and has no material effect on the amounts reported for the current or prior years.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

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

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

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

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

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

FRS 115 *Revenue from Contracts with Customers*

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

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

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

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

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

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

Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial instrument and of allocating interest income or expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts or payments (including all fees on points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial instrument, or where appropriate, a shorter period. Income and expense is recognised on an effective interest basis for debt instruments.

Financial assets

Financial assets include cash and bank balances and trade and other receivables.

Cash and bank balances

Cash and cash equivalents comprise cash at bank that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

Trade and other receivables

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

Impairment of financial assets

Financial assets are assessed for indicators of impairment at the end of each reporting period. Financial assets are considered to be impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the financial asset have been impacted.

Registered Office : 80 Raffles Place, #38-02 UOB Plaza 1, Singapore 048624. ● T +65 6880 2260 ● F +65 6220 3839 ● W www.ilfsifin.com

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Objective evidence of impairment could include:

- significant financial difficulty of the issuer or counterparty; or
- default or delinquency in interest or principal payments; or
- it becomes probable that the borrower will enter bankruptcy or financial reorganisation.

For financial assets carried at amortised cost, the amount of the impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate.

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

If in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after impairment loss was recognised, the previously recognised impairment loss is reversed through profit or loss to the extent the carrying amount of the financial asset at the date of the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

Derecognition of financial assets

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

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Financial liabilities and equity instruments

Classification as debt or equity

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

Equity instruments

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

Other payables

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

Derecognition of financial liabilities

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

LEASES - Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Rentals payable under operating leases are charged to profit or loss on a straight-line basis over the term of the relevant lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed. Contingent rentals arising under operating leases are recognised as an expense in the period in which they are incurred.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

In the event that lease incentives are received to enter into operating leases, such incentives are recognised as a liability. The aggregate benefit of incentives is recognised as a reduction of rental expense on a straight-line basis, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

PROPERTY, PLANT AND EQUIPMENT – Property, plant and equipment are stated at cost less accumulated depreciation and any accumulated impairment losses.

Depreciation is charged so as to write off the cost or valuation of assets, over their estimated useful lives, using the straight-line method, on the following bases:

Leasehold improvements	-	Over the lease period
Computer and equipment	-	Four years
Software license	-	Five years

Depreciation on Furniture and fixtures, and Office equipment are provided on the Written down Value Method as below:

Office equipment	-	13.91%
Furniture and fixtures	-	18.10%

The estimated useful lives, residual values and depreciation method are reviewed at each year end, with the effect of any changes in estimate accounted for on a prospective basis.

The gain or loss arising on disposal or retirement of an item of an asset is determined as the difference between the sales proceeds and the carrying amounts of the asset and is recognised in profit or loss.

Fully depreciated assets still in use are retained in the financial statements.

Registered Office : 80 Raffles Place, #38-02 UOB Plaza 1, Singapore 048624. ● T +65 6880 2260 ● F +65 6220 3839 ● W www.ilfsifin.com

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

IMPAIRMENT OF NON-FINANCIAL ASSETS - At the end of each reporting period, the Company reviews the carrying amounts of its non-financial assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

Where an impairment loss subsequently reverses, the carrying amount of the asset 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 in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

PROVISIONS - Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

EMPLOYEE LEAVE ENTITLEMENT - Employee entitlements to annual leave are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave as a result of services rendered by employees up to the end of the reporting period.

Registered Office : 80 Raffles Place, #38-02 UOB Plaza 1, Singapore 048624. ● T +65 6880 2260 ● F +65 6220 3839 ● W www.ilfsifin.com

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

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

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

Fee income for services rendered to the holding company, related companies and third parties is recognised when the services have been rendered. Fee income associated with the Company's role in arranging finance is recognised when the Company has fulfilled its obligations in relation to the mandate received from its clients.

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

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

Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised.

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

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset realised based on the tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. Current and deferred tax are recognised as an expense or income in profit or loss, except when they relate to items credited or debited outside profit or loss (either in other comprehensive income or directly in equity) in which case the tax is also recognised outside profit or loss (either in other comprehensive income or directly in equity respectively).

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

FOREIGN CURRENCY TRANSACTIONS AND TRANSLATION - The financial statements of the company are presented in the currency of the primary economic environment in which the Company operates (its functional currency). The financial statements of the company are presented in Singapore dollars, which is the functional currency of the Company.

Transactions in currencies other than the company's functional currency are recorded at the rates of exchange prevailing on the date of the transaction. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at the end of the reporting period. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on the settlement of monetary items, and on retranslation of monetary items are included in profit or loss for the period.

3 CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

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

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

i) Critical judgements in applying the company's accounting policies

Management is of the opinion that there are no critical judgement made in the process of applying the company's accounting policies that have the most significant effect on the amounts recognised in the financial statements, except for judgements relating to accounting estimates as discussed below.

3 CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (cont'd)

ii) Key sources of estimation uncertainty

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

Provision for doubtful debts

The policy for provision for doubtful debts of the company is based on the evaluation of collectability and on management's judgement. A considerable amount of judgement is required in assessing the ultimate realisation of these receivables, including the current creditworthiness, the past collection history of each customer and on-going dealings with these parties. If the financial conditions of the counterparties were to deteriorate, resulting in an impairment of their ability to make payments, allowances may be required.

The carrying amount of trade receivables is disclosed in Note 7 to the financial statements.

4 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL RISKS MANAGEMENT

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

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

(a) *Categories of financial instruments*

	2016 $	2015 $
Financial assets		
Loans and receivables (including cash and cash equivalents)	5,510,089	4,013,582
Financial liabilities		
Financial liabilities at amortised cost	855,595	274,937

(b) *Financial instruments subject to offsetting, enforceable master netting arrangements and similar agreements*

Registered Office : 80 Raffles Place, #38-02 UOB Plaza 1, Singapore 048624. ● T +65 6880 2260 ● F +65 6220 3839 ● W www.ilfsifin.com

The company does not have any financial instruments which are subject to offsetting, enforceable master netting agreements or similar netting agreements.

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

(c) Financial risk management policies and objectives

(i) Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company.

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

The credit risk on cash and bank balances is limited because they are held with creditworthy institutions. Trade and other receivables pertain to counterparties that the Company has assessed to be creditworthy, based on the credit evaluation process performed by management, and the Company does not foresee any loss arising on such balances.

Of trade receivables balance at the end of reporting period, $1,037,888 (2014 : $1,842,760) is due from two (2014 : two) major customers. Other than those major customers mentioned, there is no other customer which individually represents more than 10% of the total balance of trade receivables.

Further details of credit risk on trade and other receivables are disclosed in Notes 7 and 8 respectively.

(ii) Interest rate risk management

Interest rate risk refers to the risk associated with assets and liabilities on account of movement in market interest rate.

The Company does not have any significant exposure to interest rate risk at the end of the reporting period.

No sensitivity analysis is prepared as the Company does not expect any material effect on the Company's profit or loss and equity arising from the effects of reasonably possible changes to interest rates on interest bearing financial instruments at the end of the reporting period.

Registered Office : 80 Raffles Place, #38-02 UOB Plaza 1, Singapore 048624. ● T +65 6880 2260 ● F +65 6220 3839 ● W www.ilfsifin.com

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

(iii) Foreign currency risk management

There are no significant monetary assets and liabilities which are not denominated in the Company's functional currency. Accordingly, the Company does not have any significant exposure to foreign currency risk at the end of the reporting period.

No sensitivity analysis is prepared as the Company does not expect any material effect on the Company's profit or loss arising from the effects of outstanding foreign currency denominated monetary items as at end of reporting period.

(iv) Liquidity risk management

Liquidity risk is the risk that the Company either does not have sufficient financial resources available to meet all its obligations and commitments as they fall due, or can only access these financial resources at excessive cost.

During the financial year, the Company's operations are financed mainly through revenue generated out of its operations. All financial assets and liabilities in 2015 and 2016 are repayable on demand or due within 1 year from the end of the reporting period.

(v) Fair values of financial assets and financial liabilities

The fair values of financial assets and financial liabilities are determined as follows:

Fair value of the Company's financial assets and financial liabilities that are measured at fair value on a recurring basis.

The Company had no financial assets or liabilities carried at fair value on a recurring basis in 2015 and 2016.

Management considers that the carrying amounts of cash and bank balances, trade and other receivables and other payables that are stated at amortised cost to approximate their respective fair values due to the relatively short-term maturity of these financial instruments.

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

(d) Capital risk management policies and objectives

The Company reviews its capital structure at least annually to ensure that it will be able to continue as a going concern. The capital structure of the Company comprises only of issued capital and retained earnings.

The Company is required to maintain a minimum amount of capital as prescribed under the Securities and Futures Act (Chapter 289) and relevant Regulations. The Company is in compliance with the capital requirements for the year ended March 31, 2016 and March 31, 2015.

There were no changes to the Company's overall strategy during the year.

5 HOLDING COMPANY AND RELATED COMPANY TRANSACTIONS

The Company is a wholly owned subsidiary of IL&FS Financial Services Ltd, incorporated in India. The ultimate holding company is Infrastructure Leasing & Financial Services Limited ("IL&FS"), also incorporated in India.

Related companies in these financial statements refer to members of the ultimate holding company's group of companies.

The intercompany balances are unsecured, interest-free and repayable on demand unless otherwise stated.

Significant transactions between the Company and its holding company and other related companies during the year are as follows:

	2016 $	2015 $
Service fee paid to related company	799,005	186,925
Advisory services to related companies (Note 12)	2,777,344	1,650,408

During the year, the Company provided advisory services to its related companies for a mutually agreed fee.

5 HOLDING COMPANY AND RELATED COMPANY TRANSACTIONS (cont'd)

Compensation of directors and key management personnel

The remuneration of directors who are also the key management during the year was as follows:

	2016 $	2015 $
Short-term benefits	526,575	516,477

6 CASH AND BANK BALANCES

	2016 $	2015 $
Cash and bank balances	4,249,864	2,013,640

7 TRADE RECEIVABLES

	2016 $	2015 $
Amount due from a related company	716,698	1,650,408
Amount due from third parties	587,074	192,352
	1,303,772	1,842,760
Less: Provision for doubtful debts - third parties	(186,474)	-
	1,117,298	1,842,760

The average credit period on services rendered is 24 days (2015 : 28 days). No interest is charged on overdue debts.

7 TRADE RECEIVABLES (cont'd)

The table below is an analysis of trade receivables as at March 31:

	2016 $	2015 $
Neither past due and not impaired	-	1,805,134
Past due but not impaired (i)	1,117,298	37,626
Past due and impaired	186,474	-
	1,303,772	1,842,760

Management believes that trade receivables that are neither past due nor impaired are with creditworthy counterparties.

(i) Aging of receivables that are past due but not impaired:

	2016 $	2015 $
Overdue by:		
Less than 16 days	-	3,052
16 to 61 days	716,698	30,478
>61 days	400,600	4,096
	1,117,298	37,626

Movement in the provision for doubtful debts:

	2016 $	2015 $
Balance at beginning of the year	-	-
Charge to profit or loss	186,474	-
Balance at end of the year	186,474	-

The Company's trade receivables are denominated in its functional currency.

8 OTHER RECEIVABLES

	2016 $	2015 $
Security deposit	138,600	138,600
Prepaid expenses	72,229	34,087
Sundry debtors	4,327	4,291
Customer advances	-	4,317
Advance towards capital expenses	-	9,974
	215,156	191,269

The Company's other receivables are denominated in its functional currency.

9 PROPERTY, PLANT AND EQUIPMENT

	Office equipment	Furniture and fixtures	Computer and equipment	Leasehold improvements	Software license	Total
	$	$	$	$	$	$
Cost:						
At April 1, 2014	7,194	21,660	20,095	152,170	14,821	215,940
Additions	-	-	1,150	-	-	1,150
At March 31, 2015	7,194	21,660	21,245	152,170	14,821	217,090
Additions	1,026	-	6,850	-	9,974	17,850
At March 31, 2016	8,220	21,660	28,095	152,170	24,795	234,940
Accumulated depreciation:						
At April 1, 2014	2,094	6,309	9,021	152,169	1,288	170,881
Depreciation for the year	709	2,293	4,349	-	2,964	10,315
At March 31, 2015	2,803	8,602	13,370	152,169	4,252	181,196
Depreciation for the year	1,636	1,944	3,676	-	4,959	12,215
At March 31, 2016	4,439	10,546	17,046	152,169	9,211	193,411
Carrying value:						
At March 31, 2016	3,781	11,114	11,049	1	15,584	41,529
At March 31, 2015	4,391	13,058	7,875	1	10,569	35,894

10 OTHER PAYABLES

	2016	2015
	$	$
Related companies	797,906	212,698
Other payables	57,689	62,239
	855,595	274,937

The Company's other payables are denominated in its functional currency.

11 SHARE CAPITAL

	2016	2015	2016	2015
	Number of ordinary shares		$	$
Issued and paid up:				
At the beginning and end of the year	3,050,001	3,050,001	3,050,001	3,050,001

The Company has one class of ordinary shares, which have no par value and carry no right to dividends. The liability of the parent entity in the Company is limited to the extent of its share capital held by it.

12 REVENUE

	2016	2015
	$	$
Advisory services to related companies (Note 5)	2,777,344	1,650,408
Advisory services to third parties	443,426	203,603
	3,220,770	1,854,011

13 ADMINISTRATIVE EXPENSES

	2016	2015
	$	$
Office rental expenses	148,482	148,462
Professional fees	853,675	237,273
Sundry expenses	180,784	145,408
Depreciation	12,215	10,315
Telecommunication expenses	23,990	23,791
	1,219,146	565,249

14 PROFIT BEFORE INCOME TAX

Profit before income tax includes the following charges:

	2016	2015
	$	$
Cost of defined contribution plans included in employee benefits expense	16,875	32,279
Bank charges	22,385	21,598

Registered Office : 80 Raffles Place, #38-02 UOB Plaza 1, Singapore 048624. ● T +65 6880 2260 ● F +65 6220 3839 ● W www.ilfsifin.com

15 INCOME TAX EXPENSE (CREDIT)

	2016	2015
	$	$
Current income tax expense	97,661	-
Overprovision of income tax in prior year	(17,000)	(19,818)
	80,661	(19,818)

Domestic income tax is calculated at 17% (2015 : 17%) of the estimated assessable profit for the year.

Numerical reconciliation of income tax expense:

	2016	2015
	$	$
Profit before income tax	942,626	351,127
Income tax expense (benefit) at 17% (2015 : 17%)	160,246	59,692
Effects of:		
- Non-deductible expenses	4,569	2,510
- Exempt income and tax rebate	(68,063)	2,535
- Utilisation of prior years' tax losses carryforward (previously not recognised)	(14,119)	(64,737)
Others	15,028	-
Overprovision of income tax in prior year	(17,000)	(19,818)
Income tax expense (credit)	80,661	(19,818)

In prior year, the Company has unrecognised tax losses of $83,051 available for offsetting against future taxable income subject to confirmation by the tax authorities, and there being no substantial change in shareholders in accordance with the relevant provisions of the Income Tax Act. The Company has not recognised any deferred tax asset in respect of such tax losses which may be available for offsetting against profits as there is no certainty that the tax losses will be realised in the foreseeable future.

Registered Office : 80 Raffles Place, #38-02 UOB Plaza 1, Singapore 048624. ● T +65 6880 2260 ● F +65 6220 3839 ● W www.ilfsifin.com

16 OPERATING LEASE COMMITMENTS

	2016	2015
	$	$
Minimum lease payment under operating leases included in the profit and loss account	148,482	148,482

At the end of the reporting period, the Company has the following outstanding lease commitments with respect to the rental of office premise:

	2016	2015
	$	$
Within one year	111,361	148,482
One to five years	-	111,361
	111,361	259,843

Operating lease payments represent rentals payable by the Company for its office property. The Company will seek to renegotiate its lease terms only upon expiration of its present lease at its principal place of business.

17 GUARANTEE

The Company has a banker's guarantee amounting to $2,000,000 (2015 : $2,000,000) issued by Bank of Baroda in favour of the MAS as a requirement of its CMS licence.