

**AUDITED FINANCIAL STATEMENTS**

**TATA PRECISION INDUSTRIES PRIVATE LIMITED**  
(Registration No. 197100574C)

**31 MARCH 2020**

# AUDITED FINANCIAL STATEMENTS

TATA PRECISION INDUSTRIES PRIVATE LIMITED

31 MARCH 2020

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# **TATA PRECISION INDUSTRIES PRIVATE LIMITED**

## **DIRECTORS' STATEMENT**

### **FOR THE FINANCIAL YEAR ENDED 31 MARCH 2020**

The directors present their report to the members together with the audited financial statements of Tata Precision Industries Private Limited (the "company") for the financial year ended 31 March 2020.

In the opinion of the directors,

- (a) the financial statements of the company together with the notes thereon are drawn up so as to give a true and fair view of the financial position of the company as at 31 March 2020 and the financial performance, changes in equity and cash flows of the company for the financial year ended 31 March 2020.
- (b) at the date of this statement, with continuing financial support from holding company, there are reasonable grounds to believe that the company will be able to pay its debts as and when they fall due.

## **DIRECTORS**

The directors of the company in office at the date of this report are as follows:

Hoshang Keki Sethna

Gn Jong Yuh Gwendolyn (Appointed on 9 December 2019)

## **ARRANGEMENT FOR 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 was 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.

## **DIRECTORS' INTEREST IN SHARES**

According to the register kept by the company for the purposes of section 164 of the Singapore Companies Act, chapter 50, none of the directors holding office at the end of the financial year had any interest in the shares or debentures or share options of the company or its related corporations.

## **SHARE OPTIONS**

During the financial year, no options to take up unissued shares of the company were granted and no shares were issued by virtue of the exercise of options 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.

**TATA PRECISION INDUSTRIES PRIVATE LIMITED**  
**DIRECTORS' STATEMENT**  
**FOR THE FINANCIAL YEAR ENDED 31 MARCH 2020**

**INDEPENDENT AUDITORS**

The independent auditors, H. Wee & Co, have expressed their willingness to accept re-appointment as auditors of the company.



Gn Jong Yuh Gwendolyn  
Director



Hoshang Keki Sethna  
Director

Singapore, 5 May 2020

**TATA PRECISION INDUSTRIES PRIVATE LIMITED  
INDEPENDENT AUDITORS' REPORT  
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2020**

**Report on the Audit of the Financial Statements**

**Opinion**

We have audited the financial statements of Tata Precision Industries Private Limited (the company), which comprise the statement of financial position as at 31 March 2020 and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements are properly drawn up in accordance with the provisions of the Companies Act, Chapter 50 (the Act) and Financial Reporting Standards in Singapore (FRSs) so as to give a true and fair view of the financial position of the company as at 31 March 2020 and of the financial performance, changes in equity and cash flows of the company for the year ended on that date.

**Basis for Opinion**

We conducted our audit in accordance with Singapore Standards on Auditing (SSAs). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the company in accordance with the Accounting and Corporate Regulatory Authority (ACRA) Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities (ACRA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Other Information**

Management is responsible for the other information. The other information comprises the Directors' Statement set out on pages 1 to 2.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

**Responsibilities of Management and Directors 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 Act and FRSs, 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.

In preparing the financial statements, management is responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

The directors' responsibilities include overseeing the company's financial reporting process.

**TATA PRECISION INDUSTRIES PRIVATE LIMITED  
INDEPENDENT AUDITORS' REPORT (CONTINUED)  
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2020**

**Auditors' Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

**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.

*H. Wee & Co.*

**H. Wee & Co.**

Public Accountants and Chartered Accountants

Singapore, 5 May 2020

# TATA PRECISION INDUSTRIES PRIVATE LIMITED

## STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2020

	NOTE	2020 S\$	2019 S\$
SHARE CAPITAL	4	21,020,000	21,020,000
ACCUMULATED LOSSES		(20,348,624)	(21,060,050)
		<u>671,376</u>	<u>(40,050)</u>
<b>CURRENT ASSETS</b>			
Assets-held-for-sale	5	740,000	1
Other debtors	6	15,000	15,000
Bank and cash balances		35,541	63,253
		<u>790,541</u>	<u>78,254</u>
<b>Less: CURRENT LIABILITIES</b>			
Accruals	7	19,165	18,304
Amount due to holding company	8	100,000	100,000
		<u>119,165</u>	<u>118,304</u>
<b>NET CURRENT LIABILITIES</b>		<u>671,376</u>	<u>(40,050)</u>
		<u>671,376</u>	<u>(40,050)</u>

*The accompanying notes are an integral part of the financial statements.*

**TATA PRECISION INDUSTRIES PRIVATE LIMITED**

**STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 MARCH 2020**

	<u>NOTE</u>	<u>2020</u> S\$	<u>2019</u> S\$
<b>REVENUE</b>			
Sales		-	-
Reversal of impairment loss on investment		739,999	-
Total revenues		739,999	-
<b>COSTS AND EXPENSES</b>			
Director's fee		6,250	-
Professional/Consultation fees		13,327	11,572
Other operating expenses		3,040	3,048
Total costs and expenses		22,617	14,620
<b>OPERATING PROFIT/( LOSS)</b>		717,382	(14,620)
<b>FINANCE COST</b>			
Short term loan interest		(5,956)	(4,332)
Total finance cost		(5,956)	(4,332)
<b>OPERATING PROFIT/(LOSS) BEFORE TAXATION</b>		711,426	(18,952)
Taxation	3	-	-
<b>TOTAL COMPREHENSIVE INCOME/(LOSS) FOR THE YEAR</b>		711,426	(18,952)

*The accompanying notes are an integral part of the financial statements.*



# TATA PRECISION INDUSTRIES PRIVATE LIMITED

## STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2020

	SHARE CAPITAL S\$	ACCUMULATED LOSSES S\$	TOTAL EQUITY S\$
Balance at 31 March 2018	21,020,000	(21,041,098)	(21,098)
Total comprehensive loss for the year	-	(18,952)	(18,952)
Balance at 31 March 2019	21,020,000	(21,060,050)	(40,050)
Total comprehensive income for the year	-	711,426	711,426
Balance at 31 March 2020	21,020,000	(20,348,624)	671,376

*The accompanying notes are an integral part of the financial statements.*

# TATA PRECISION INDUSTRIES PRIVATE LIMITED

## STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2020

	<u>2020</u>	<u>2019</u>
	S\$	S\$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Net profit/(loss) before taxation	711,426	(18,952)
Adjustment:		
Short term loan interest	5,956	4,332
Reversal of impairment loss on investment	(739,999)	-
Operating loss before working capital changes	(22,617)	(14,620)
Changes in working capital:		
Increase in other debtors	-	(15,000)
Increase/(decrease) in accruals	614	(9,771)
Cash used in operations	(22,003)	(39,391)
Tax paid	-	-
Net cash used in operating activities	(22,003)	(39,391)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Amount due to holding company	-	100,000
Interest paid	(5,709)	-
Net cash (used in)/from financing activities	(5,709)	100,000
<b>NET CHANGE IN CASH AND CASH EQUIVALENTS</b>	(27,712)	60,609
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR</b>	63,253	2,644
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>	35,541	63,253

*The accompanying notes are an integral part of the financial statements.*

# TATA PRECISION INDUSTRIES PRIVATE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2020

### 1. GENERAL INFORMATION

Tata Precision Industries Private Limited (the "company") is a limited liability company domiciled and incorporated in Singapore. The company's registered office and principal place of business is at 1 Robinson Road, #17-00, AIA Towers, Singapore 048542.

The principal activities of the company are that of manufacturing high precision tools and plastic and metallic components. However, the company has ceased its principal business operations since December 2010 and intends to close down in the near future.

The company's immediate and ultimate holding company is Tata Motors Limited, a company registered in India. Related companies in these financial statements refer to members of the holding company.

The financial statements for the year ended 31 March 2020 were authorised for issue in accordance with a resolution of the Board of Directors on 5 May 2020.

### 2. SIGNIFICANT ACCOUNTING POLICIES

#### BASIS OF PREPARATION

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

The preparation of financial statements in conformity with FRS requires management to exercise its judgement in the process of applying the company's accounting policies. It also requires the use of certain critical accounting estimates and assumptions. There were no significant critical accounting estimates and assumptions used, or critical judgment applied.

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

#### FRS AND INT FRS NOT YET EFFECTIVE

The company has not adopted the following standards that have been issued but not yet effective:

Description	Effective for annual periods beginning on or after
Amendments to References to the Conceptual Framework in FRS Standards	1 January 2020
Amendments to FRS 1 and FRS 8 <i>Definition of Material</i>	1 January 2020
Amendments to FRS 110 and FRS 28: <i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i>	Date to be determined

The company has assessed those standards and interpretations issued. The initial application of these standards and interpretations are not expected to have material impact on the company's financial statements.

## NOTES TO THE FINANCIAL STATEMENTS

### 2. SIGNIFICANT ACCOUNTING POLICIES – (CONTINUED)

#### FUNCTIONAL AND PRESENTATION CURRENCY

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 are presented in Singapore dollar, which is the functional and presentation currency of the company.

#### FINANCIAL INSTRUMENTS

##### Financial assets

##### Initial recognition and measurement

Financial assets are recognised when, and only when the entity becomes party to the contractual provisions of the instruments.

At initial recognition, the company measures a financial asset at its fair value plus, in the case of a financial asset not carried at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

##### Subsequent measurement

##### *Investments in debt instruments*

Subsequent measurement of debt instruments depends on the company's business model for managing the asset and the contractual cash flow characteristics of the asset. The three measurement categories for classification of debt instruments are amortised cost, FVOCI and FVPL. The company only has debt instruments at amortised cost.

##### *Amortised cost*

Financial assets that are held for the collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Financial assets are measured at amortised cost using the effective interest method, less impairment. Gains and losses are recognised in profit or loss when the assets are derecognised or impaired, and through amortisation process.

##### De-recognition

A financial asset is derecognised where the contractual right to receive cash flows from the asset has expired. On derecognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received and any cumulative gain or loss that had been recognised in other comprehensive income for debt instruments is recognised in profit or loss.

## NOTES TO THE FINANCIAL STATEMENTS

### 2. SIGNIFICANT ACCOUNTING POLICIES – (CONTINUED)

#### FINANCIAL INSTRUMENTS – (CONTINUED)

##### Financial Liabilities

##### Initial recognition and measurement

Financial liabilities are recognised 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 in the case of financial liabilities not at fair value through profit or loss, directly attributable transaction costs.

##### Subsequent measurement

After initial recognition, financial liabilities that are not carried at fair value through profit or loss 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.

##### De-recognition

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires. On derecognition, the difference between the carrying amounts and the consideration paid is recognised in profit or loss.

#### SHARE CAPITAL

Proceeds from issuance of ordinary shares are classified as share capital in equity. Incremental costs directly attributable to the issuance of new ordinary shares are deducted against share capital.

#### 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 resources embodying economic benefits 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.

## NOTES TO THE FINANCIAL STATEMENTS

### 2. SIGNIFICANT ACCOUNTING POLICIES – (CONTINUED)

#### CASH AND CASH EQUIVALENTS

Cash and cash equivalents include cash on hand, deposits with financial institutions which are subject to an insignificant risk of change in value.

#### INCOME TAX

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

Current income tax for current and prior periods is recognised at the amount expected to be paid to or recovered from the tax authorities, using tax rates and tax laws that have been substantively enacted by the balance sheet date in the country where the company operates and generates taxable income. Current income taxes are recognised in profit or loss except to the extent that the tax relates to items recognised outside profit or loss, either in other comprehensive income or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

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, is accounted for using the balance sheet liability method. 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 each balance sheet date 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 utilised. Unrecognised deferred tax assets are reassessed at each balance sheet date and are recognised to the extent that it has become probable that future taxable profit will allow deferred tax assets to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset realised, based on tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is charged or credited to profit or loss, except when it relates to items charged or credited directly to other comprehensive income or equity, in which case the deferred tax is also dealt with in other comprehensive income or equity.

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.

## NOTES TO THE FINANCIAL STATEMENTS

### 2. SIGNIFICANT ACCOUNTING POLICIES – (CONTINUED)

#### INVESTMENTS

Investments held by the company are carried at cost less accumulated impairment losses in the company's balance sheet. On disposal of investments, the difference between disposal proceeds and the carrying amounts of the investments are recognised in profit or loss.

#### RELATED PARTIES

A party is considered to be related to the company if:

- i) The party, directly or indirectly through one or more intermediaries,
  - controls, is controlled by, or is under common control with the company;
  - has an interest in the company that gives it significant influence over the company; or
  - has joint control over the company;
- ii) The party is an associate;
- iii) The party is a jointly-controlled entity;
- iv) The party is a member of the key management personnel of the company;
- v) The party is a close member of the family of any individual referred to in (i) or (iv); or
- vi) The party is an entity that is controlled, jointly controlled or significantly influenced by or for which significant voting power in such entity resides with, directly or indirectly, any individual referred to in (iv) or (v).

#### CRITICAL ACCOUNTING ESTIMATES, ASSUMPTIONS AND JUDGEMENTS

Estimates, assumptions and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

##### i. Critical accounting estimates and assumptions

The company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

##### ii. Critical judgements in applying the entity's accounting policies

The management is of the opinion that any instances of judgements (other than those arising from estimates described above) are not expected to have significant effect on the amounts recognised in the financial statements.

## NOTES TO THE FINANCIAL STATEMENTS

### 3. TAXATION

The reconciliation of the tax expense and the product of accounting profit/(loss) multiplied by the applicable tax rates is as follows:

	<u>2020</u> S\$	<u>2019</u> S\$
Profit/(loss) before income tax	711,426	(18,952)
Tax at the applicable tax rate of 17%	120,943	(3,222)
Tax effect on:		
- Income not subject to tax	(125,800)	-
- expenses not deductible	4,857	3,222
	<u>-</u>	<u>-</u>

#### Unrecognised tax losses, unabsorbed capital allowances and investment allowance

Subject to the agreement of the Comptroller of Income Tax and the compliances with relevant provisions of the Income Tax Act, the company has unrecognised tax losses, unabsorbed capital allowance and investment allowance carry forward available for offsetting against future taxable income as follows:

	<u>2020</u> S\$	<u>2019</u> S\$
Tax losses:		
Balance at beginning and end of year	5,116,119	5,116,119
Capital allowances:		
Balance at beginning and end of year	2,370,931	2,370,931
Investment allowances:		
Balance at beginning and end of year	197,400	197,400
Unrecorded deferred tax asset on above	1,306,357	1,306,357

Deferred tax benefit from tax losses, capital allowance and investment allowance are not recorded as an asset in view of the uncertainties over future income stream against which the benefit can be realised.

### 4. SHARE CAPITAL

	<u>2020</u> S\$	<u>2019</u> S\$
Issued and fully paid – 23,420,000 ordinary shares	21,020,000	21,020,000

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



## NOTES TO THE FINANCIAL STATEMENTS

### 5. ASSETS-HELD-FOR-SALE

	<u>2020</u> S\$	<u>2019</u> S\$
Equity investment in corporations at cost, unquoted	740,000	740,000
Less:		
Impairment loss on diminution in value	-	739,999
	<u>740,000</u>	<u>1</u>
Total	<u>740,000</u>	<u>1</u>

This investment will be sold to holding company at a fair price of Rs6.1 crores (about S\$1.1 million) as stated in directors' resolution on 12 February 2020.

### 6. OTHER DEBTORS

	<u>2020</u> S\$	<u>2019</u> S\$
Prepayment	<u>15,000</u>	<u>15,000</u>

### 7. ACCRUALS

	<u>2020</u> S\$	<u>2019</u> S\$
Accrued operating expenses	<u>19,165</u>	<u>18,304</u>

### 8. AMOUNT DUE TO HOLDING COMPANY

	<u>2020</u> S\$	<u>2019</u> S\$
Loan from holding company	<u>100,000</u>	<u>100,000</u>

Loan from holding company is interest bearing at 5.85% - 6.10% (2019: 5.70%) per annum, unsecured and repayable in six months from 27 December 2019.

### 9. FINANCIAL ASSETS AND LIABILITIES

The carrying amount of the different categories of financial instruments as at 31 March is as follows:

	<u>2020</u> \$	<u>2019</u> \$
Financial assets at amortised cost	35,541	63,253
Financial liabilities at amortised cost	<u>119,165</u>	<u>118,304</u>

## NOTES TO THE FINANCIAL STATEMENTS

### 10. FINANCIAL RISK MANAGEMENT

#### Financial risk management objectives and policies

The company does not have written risk management policies and guidelines which set out its tolerance for risk and its general risk management philosophy but management may use natural hedges or closely monitor the company's business risk exposures in connection with its financial assets and liabilities and adopts the appropriate measures including the use of other financial instruments when considered necessary to reduce any potential financial risk exposures of losses.

#### Foreign exchange risk

The company has transactional currency exposures arising mainly from cash and bank balances that are denominated in currencies other than the Singapore dollar ("SGD"), primarily United States dollar ("USD").

	SGD	USD	Total
	\$	\$	\$
<b>2020</b>			
<u>Financial assets</u>			
Cash and bank balances	34,391	1,150	35,541
	<u>34,391</u>	<u>1,150</u>	<u>35,541</u>
<u>Financial liabilities</u>			
Amount due to holding company	100,000	-	100,000
Accruals	19,165	-	19,165
	<u>119,165</u>	<u>-</u>	<u>119,165</u>
Net financial (liabilities)/assets	(84,774)	1,150	(83,624)
Less: Net financial liabilities denominated in the company's functional currency	<u>84,774</u>	<u>-</u>	<u>84,774</u>
Foreign currency exposure	<u>-</u>	<u>1,150</u>	<u>1,150</u>

## NOTES TO THE FINANCIAL STATEMENTS

### 10. FINANCIAL RISK MANAGEMENT (CONTINUED)

#### Foreign exchange risk (Continued)

	SGD	USD	Total
	\$	\$	\$
<b>2019</b>			
<u>Financial assets</u>			
Cash and bank balances	62,103	1,150	63,253
	<u>62,103</u>	<u>1,150</u>	<u>63,253</u>
<u>Financial liabilities</u>			
Amount due to holding company	100,000	-	100,000
Accruals	18,304	-	18,304
	<u>118,304</u>	<u>-</u>	<u>118,304</u>
Net financial (liabilities)/assets	(56,201)	1,150	(55,051)
Less: Net financial liabilities denominated in the company's functional currency	<u>56,201</u>	<u>-</u>	<u>56,201</u>
Foreign currency exposure	<u>-</u>	<u>1,150</u>	<u>1,150</u>

#### Foreign exchange risk sensitivity

The company has no significant exposure to foreign currency exchange rate risk at the end of the reporting period.

### 11. FAIR VALUES OF FINANCIAL INSTRUMENTS

The carrying amounts of bank and cash balances, accruals and amount due to holding company approximate their fair value due to their short-term nature.

**TATA PRECISION INDUSTRIES PRIVATE LIMITED****DETAILED STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 MARCH 2020**

	<u>2020</u> S\$	<u>2019</u> S\$
<b>REVENUE</b>		
Reversal of impairment loss on investment	739,999	-
	<u>739,999</u>	<u>-</u>
<b>Less : EXPENSES</b>		
Amount due from holding company written off		-
Audit fee	3,000	3,008
Bank charges	40	40
Director's sitting fee	6,250	-
Short term loan interest	5,956	4,332
Professional/Consultation fees	13,327	11,572
	<u>28,573</u>	<u>18,952</u>
<b>NET PROFIT/(LOSS) FOR THE YEAR</b>	<u>711,426</u>	<u>(18,952)</u>

*This schedule does not form an integral part of the audited statutory accounts*