

**INTRASOFT VENTURES PTE. LTD.**  
(Incorporated in the Republic of Singapore)  
(Company Registration No: 200706172G)

AUDITED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31ST MARCH 2021

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**JACHIN PUBLIC ACCOUNTING CORPORATION**  
PUBLIC ACCOUNTANTS AND CHARTERED ACCOUNTANTS, SINGAPORE

**INTRASOFT VENTURES PTE. LTD.**

(Incorporated in the Republic of Singapore)  
(Company Registration No: 200706172G)

**DIRECTORS' STATEMENT**

The directors are pleased to present their statement to the members together with the audited financial statements of the Company for the financial year ended 31st March 2021.

1. OPINION OF THE DIRECTORS

In the opinion of the directors,

- (a) the financial statements set out on pages 6 to 22 are drawn up so as to give a true and fair view of the financial position of the Company as at 31st March 2021 and of the financial performance, changes in equity and cash flows of the Company for the year ended on that date in accordance with the provisions of the Singapore Companies Act, Cap. 50 and Singapore Financial Reporting Standards; and
- (b) at the date of this statement there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

2. DIRECTORS

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

KAJARIA ARVIND  
BHALOTIA VISHNU  
TALGERI RAMCHANDRA RANGANATHRAO

3. ARRANGEMENTS TO ENABLE DIRECTORS TO ACQUIRE SHARES OR DEBENTURES

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

## 4. DIRECTORS' INTERESTS IN SHARES OR DEBENTURES

The directors holding office at the end of the financial year and their interests in the share capital or debentures of the Company and related corporations as recorded in the register of directors' shareholdings kept by the Company under Section 164 of the Companies Act, Chapter 50 were as follows:-

Name of Directors and Companies in which Interests are held	Number of Shares	
	As at 01/04/2020	As at 31/03/2021
The Company <u>INTRASOFT VENTURES PTE. LTD.</u>		
KAJARIA ARVIND	-	-
BHALOTIA VISHNU	-	-
TALGERI RAMCHANDRA RANGANATHRAO	-	-
Holding Company <u>INTRASOFT TECHNOLOGIES LIMITED</u>		
KAJARIA ARVIND	2,811,797	2,811,797
BHALOTIA VISHNU	-	-
TALGERI RAMCHANDRA RANGANATHRAO	-	-

By virtue of Section 7 of the Singapore Companies Act, Mr Kajaria Arvind is deemed to have an interest in the shares of the Company and its subsidiary.

## 5. SHARE OPTIONS

During the year, no option to take up unissued shares of the Company has been granted, and there were no shares issued by virtue of the exercise of options. As at 31st March 2021, there were no unissued shares under option outstanding.

## 6. INDEPENDENT AUDITORS

The independent auditors, JACHIN PUBLIC ACCOUNTING CORPORATION, have expressed their willingness to accept re-appointment.

On behalf of the Board



BHALOTIA VISHNU  
Director



TALGERI RAMCHANDRA RANGANATHRAO  
Director

SINGAPORE  
22ND JUNE 2021

**JACHIN PUBLIC ACCOUNTING CORPORATION**

PUBLIC ACCOUNTANTS AND CHARTERED ACCOUNTANTS, SINGAPORE

(Company Registration No: 201200048H)

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3 Shenton Way #12-06 Shenton House Singapore 068805 Tel: (65) 62227275 Fax: (65) 62226926**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF  
INTRASOFT VENTURES PTE. LTD.**(Incorporated in the Republic of Singapore)  
(Company Registration No: 200706172G)**Report on the Audit of the Financial Statements****Opinion**

We have audited the financial statements of INTRASOFT VENTURES PTE. LTD., which comprise the statement of financial position as at 31st March 2021, 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 31st March 2021 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 Auditor's 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 Statement by Directors but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not and will 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 identified above 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.

**JACHIN PUBLIC ACCOUNTING CORPORATION**

PUBLIC ACCOUNTANTS AND CHARTERED ACCOUNTANTS, SINGAPORE

(Company Registration No: 201200048H)

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INTRASOFT VENTURES PTE. LTD.**(Incorporated in the Republic of Singapore)  
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(2)

**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.

**Auditor's 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 auditor's 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.

**JACHIN PUBLIC ACCOUNTING CORPORATION**

PUBLIC ACCOUNTANTS AND CHARTERED ACCOUNTANTS, SINGAPORE

(Company Registration No: 201200048H)

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**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF  
INTRASOFT VENTURES PTE. LTD.**

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(3)

- 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.



JACHIN PUBLIC ACCOUNTING CORPORATION  
PUBLIC ACCOUNTANTS AND CHARTERED ACCOUNTANTS

SINGAPORE  
22ND JUNE 2021

**INTRASOFT VENTURES PTE. LTD.**

(Incorporated in the Republic of Singapore)  
 (Company Registration No: 200706172G)

**STATEMENT OF FINANCIAL POSITION AS AT 31ST MARCH 2021**

	NOTE	2021 S\$	2020 S\$
<b>NON-CURRENT ASSETS</b>			
Investment in subsidiary	4	1,352,570	1,352,570
<b>CURRENT ASSETS</b>			
Trade and other receivables	5	16,079	-
Cash and cash equivalents	6	8,214	21,376
		24,293	21,376
<b>LESS: CURRENT LIABILITIES</b>			
Trade and other payables	7	4,500	4,500
Taxation	10	122	-
		4,622	4,500
<b>NET CURRENT ASSETS</b>		19,671	16,876
		<u>1,372,241</u>	<u>1,369,446</u>
<b>REPRESENTING:</b>			
<b>EQUITY</b>			
Share capital	8	1,450,000	1,450,000
Accumulated loss		(77,759)	(80,554)
		<u>1,372,241</u>	<u>1,369,446</u>

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

**INTRASOFT VENTURES PTE. LTD.**

(Incorporated in the Republic of Singapore)  
 (Company Registration No: 200706172G)

**STATEMENT OF COMPREHENSIVE INCOME  
 FOR THE YEAR ENDED 31ST MARCH 2021**

	NOTE	2021 S\$	2020 S\$
<b>REVENUE</b>		-	-
Other income		16,079	-
Administrative expenses		(13,162)	(13,147)
<b>PROFIT/(LOSS) BEFORE TAX</b>	9	2,917	(13,147)
Income tax	10	(122)	-
<b>PROFIT/(LOSS) FOR THE YEAR</b>		2,795	(13,147)
Other comprehensive income/(loss) for the year, net of tax		-	-
<b>TOTAL COMPREHENSIVE INCOME/(LOSS) FOR THE YEAR</b>		2,795	(13,147)

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

**INTRASOFT VENTURES PTE. LTD.**

(Incorporated in the Republic of Singapore)

(Company Registration No: 200706172G)

**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31ST MARCH 2021**

	SHARE CAPITAL S\$	ACCUMULATED LOSS S\$	TOTAL S\$
<u>2021</u>			
<b>BALANCE AS AT 1ST APRIL 2020</b>	1,450,000	(80,554)	1,369,446
<u>Total comprehensive income</u>			
Net profit for the year	-	2,795	2,795
Other comprehensive income for the year, net of tax	-	-	-
<b>Total comprehensive income for the year</b>	-	2,795	2,795
<u>Contributions by and distributions to owners</u>			
<b>Total transactions with owners</b>	-	-	-
<b>BALANCE AS AT 31ST MARCH 2021</b>	<u>1,450,000</u>	<u>(77,759)</u>	<u>1,372,241</u>
<u>2020</u>			
<b>BALANCE AS AT 1ST APRIL 2019</b>	1,450,000	(67,407)	1,382,593
<u>Total comprehensive loss</u>			
Net loss for the year	-	(13,147)	(13,147)
Other comprehensive loss for the year, net of tax	-	-	-
<b>Total comprehensive loss for the year</b>	-	(13,147)	(13,147)
<u>Contributions by and distributions to owners</u>			
<b>Total transactions with owners</b>	-	-	-
<b>BALANCE AS AT 31ST MARCH 2020</b>	<u>1,450,000</u>	<u>(80,554)</u>	<u>1,369,446</u>

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

**INTRASOFT VENTURES PTE. LTD.**

(Incorporated in the Republic of Singapore)  
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**STATEMENT OF CASH FLOWS  
 FOR THE YEAR ENDED 31ST MARCH 2021**

	NOTE	2021 S\$	2020 S\$
<b><u>CASH FLOWS FROM OPERATING ACTIVITIES</u></b>			
<b>PROFIT/(LOSS) BEFORE TAX</b>		2,917	(13,147)
<b>OPERATING PROFIT/(LOSS) BEFORE WORKING CAPITAL CHANGES</b>		2,917	(13,147)
Trade receivables		(16,079)	-
<b>NET CASH USED IN OPERATIONS</b>		(13,162)	(13,147)
Tax paid		-	-
<b>NET CASH OUTFLOW FROM OPERATING ACTIVITIES</b>		<u>(13,162)</u>	<u>(13,147)</u>
<b>NET DECREASE IN CASH AND EQUIVALENTS</b>		(13,162)	(13,147)
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR</b>		21,376	34,523
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>	6	<u>8,214</u>	<u>21,376</u>

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

**INTRASOFT VENTURES PTE. LTD.**

(Incorporated in the Republic of Singapore)  
(Company Registration No: 200706172G)

**NOTES ON THE FINANCIAL STATEMENTS – 31ST MARCH 2021**

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

1. GENERAL

The Company is incorporated in Singapore with its registered office address and principal place of business located at 24 Sin Ming Lane, #05-104 Midview City, Singapore 573970.

The principal activities of the Company are those of provision of advisory services and investment holding.

The principal activities of the subsidiary are disclosed in Note 4 to the financial statements.

The immediate and ultimate holding company is Intrasoft Technologies Limited, incorporated in India.

The financial statements of the Company for the year ended 31st March 2021 were authorised for issue by the directors on 22nd June 2021.

2. SIGNIFICANT ACCOUNTING POLICIES

The following are the significant accounting policies adopted in the preparation of these financial statements:-

(a) BASIS OF PREPARATION

These financial statements are prepared in accordance with Singapore Financial Reporting Standards (FRS) as required by the Companies Act.

The financial statements are presented in Singapore Dollar, which is the functional currency of the Company.

The financial statements have been prepared on a historical cost basis except as disclosed in the accounting policies below.

The preparation of financial statements in conformity with FRS requires management to exercise its judgement in the process of applying the Company's accounting policies. It also requires the use of certain critical accounting estimates and assumptions. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in Note 3.

In the current financial year, the Company had adopted all the new and revised FRSs and Interpretations of FRSs ("INT FRSs") that are relevant to its operations and effective in the current financial year. The adoption of these new/revised FRSs has no material effect on the amounts reported for the current financial year.

## 2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

### (a) BASIS OF PREPARATION (CONT'D)

#### **New or Revised Accounting Standards and Interpretations**

The directors do not anticipate that the adoption in future periods of FRSs, INT FRSs and amendment to FRSs that were issued at the date of authorisation of these financial statements but not yet effective, to have a significant impact on these financial statements in the period of their initial adoption.

### (b) BASIS OF CONSOLIDATION

The financial statements of the subsidiary have not been consolidated with the Company's financial statements as the Company itself is a wholly-owned subsidiary of Intrasoft Technologies Limited, incorporated India, which prepares consolidated financial statements which are available and kept at its business address at 502A, Prathamesh, Raghuvanshi Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai 400013.

### (c) SUBSIDIARY

A subsidiary is an investee that is controlled by the Company. The Company controls an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Investments in subsidiary in the financial statements of the Company are carried at cost, less impairment in net recoverable value that has been recognised in profit or loss, if any.

### (d) FINANCIAL ASSETS

#### (i) CLASSIFICATION AND MEASUREMENT

The Company classifies its financial assets namely, trade and other receivables, if any, and cash and cash equivalents at amortised cost.

The classification depends on the Company's business model for managing the financial assets as well as the contractual terms of the cash flows of the financial asset.

The Company reclassifies financial assets when and only when its business model for managing those assets changes.

#### (ii) AT INITIAL RECOGNITION

At initial recognition, the Company measures a financial asset at its fair value and transaction costs that are directly attributable to the acquisition of the financial asset.

## 2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

## (d) FINANCIAL ASSETS (CONT'D)

## (iii) AT SUBSEQUENT MEASUREMENT

The subsequent measurement depends on the Company's business model for managing the asset and the cash flow characteristics of the asset:

- Amortised cost: Financial assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a financial asset that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in interest income using the effective interest rate method.

## (iv) IMPAIRMENT

The Company assesses on a forward-looking basis the expected credit loss associated with its financial assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade and other receivables, if any, the Company applies the simplified approach permitted by the FRS 109, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

## (v) RECOGNITION AND DERECOGNITION

Regular way purchases and sales of financial assets are recognised on trade date - the date on which the Company commits to purchase or sell the asset.

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Company has transferred substantially all risks and rewards of ownership.

## (e) CASH AND CASH EQUIVALENTS

Cash consists of cash on hand and cash with banks. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and that are subject to an insignificant risk of changes in value.

## (f) FINANCIAL LIABILITIES

## (i) 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.

## 2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

### (f) FINANCIAL LIABILITIES (CONT'D)

#### (ii) 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.

#### (iii) DE-RECOGNITION

A financial liability is de-recognised when the obligation under the liability is discharged, cancelled or expires. 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 de-recognition 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

### (g) TRADE AND OTHER PAYABLES

Trade and other payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

### (h) BORROWINGS

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

Borrowings which are due to be settled within twelve months after the balance sheet date are included in current borrowings in the balance sheet. Other borrowing due to be settled more than twelve months after the balance sheet date are included in non-current borrowings in the balance sheet.

Borrowing costs are recognised in the income statement using the effective interest method.

### (i) REVENUE RECOGNITION

Revenue is measured based on the consideration to which the Company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

Revenue is recognised when the Company satisfies a performance obligation by transferring a promised good or service to the customer, which is when the customer obtains control of the good or service. A performance obligation may be satisfied at a point in time or over time. The amount of revenue recognised is the amount allocated to the satisfied performance obligation.

Advisory fee income is recognised upon the completion of services performed and acceptance by client.

## 2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

## (j) SHARE CAPITAL

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction from proceeds.

## (k) RELATED PARTIES

A related party is a person or entity that is related to the Company.

Parties are considered to be related if (a) a person or a close member of that person's family is related to a reporting entity, if that person (i) has control or joint control over the reporting entity; (ii) has significant influence over the reporting entity; or (iii) is a member of the key management personnel of the reporting entity or of a parent of the reporting entity. (b) An entity is related to a reporting entity if (i) the entity and the reporting entity are members of the same group; (ii) one entity is an associate or joint venture of the other entity; (iii) both entities are joint ventures of the same third party; (iv) one entity is a joint venture of a third entity and the other entity is an associate of the third entity; (v) the entity is a post-employment benefit plan for the benefit of employees of either the reporting entity or an entity related to the reporting entity; (vi) the entity is controlled or jointly controlled by a person identified in (a); (vii) a person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity.

## (l) INCOME TAXES

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

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

Deferred income tax is provided, using the liability method, on all temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts in the financial statements.

Deferred tax liabilities are recognised for all deductible temporary differences. Deferred tax assets are recognised for all deductible temporary differences to the extent that it is probable that taxable profit will be available against which the 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 profit will be available to allow all or part of the deferred tax asset to be utilised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates that have been enacted at the balance sheet date.

## 2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

### (m) IMPAIRMENT OF NON-FINANCIAL ASSETS

At each balance sheet date, the Company reviews the carrying amounts of its non-financial assets so as 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). Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

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

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the profit or loss statement, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset (cash-generating unit) is increased to the revised estimate of its recoverable amount, so that the increase carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (cash-generating unit) in prior years. A reversal of an impairment loss is recognised as income immediately in the profit or loss statement, unless the relevant asset is carried at a revalue amount, in which case the reversal of the impairment loss is treated as revaluation increase.

### (n) FUNCTIONAL AND PRESENTATION CURRENCY

The company's accounting records are maintained in Singapore Dollar. The functional currency of the Company is the Singapore Dollar as it reflects the economic substance of the underlying events and circumstances of the Company's transaction. Transactions in foreign currencies that are not denominated in Singapore Dollar are recorded using the rates ruling at the dates of the transactions. At each balance sheet date, recorded monetary balances and balances carried at fair value that are not denominated in Singapore Dollar are reported at the rates ruling at the balance sheet date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in foreign currency are not retranslated. All realised and unrealised exchange adjustment gains and losses are dealt with in the profit or loss statement.

### 3. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

#### (a) CRITICAL JUDGEMENTS IN APPLYING THE COMPANY'S ACCOUNTING POLICIES

In the process of applying the Company's accounting policies, the management is of the opinion that there is no instance of application of judgements which is expected to have a significant effect on the amounts recognised in the financial statements, apart from those involving estimations described below.

##### Functional Currency

*FRS 21 The Effects of Changes in Foreign Exchange Rates* requires the Company determine its functional currency to prepare the financial statements. When determining its functional currency, the Company considers the primary economic environment in which it operates i.e. the one in which it primarily generates and expends cash. The Company may also consider the funds from financing activities are generated. Management applied its judgement and determined that the functional currency of the Company is Singapore dollar on the basis that its funding is denominated in Singapore dollar and it expects its transactions to be in Singapore dollar.

#### (b) KEY SOURCES OF ESTIMATION UNCERTAINTY

The key assumptions concerning the future and other key sources of estimation uncertainty at the balance sheet date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are as follows:-

##### Investment in Subsidiary

Investment in subsidiary is stated at cost less impairment loss. The Company follows the guidance of *FRS 36 Impairment of Assets* to determine when its investment in subsidiary is impaired. This determination requires significant judgement and estimates. In making this judgement, the Company evaluates, among other factors, the market and economic environment in which the subsidiary operates, and economic performance of this entity.

## 4. INVESTMENT IN SUBSIDIARY

	2021	2020
	S\$	S\$
Unquoted equity shares, at cost	1,352,570	1,352,570
	=====	=====

Details of the Company's subsidiary/sub-subsidiary are as follows:-

<u>Name of subsidiary/ sub-subsidiary</u>	<u>Country of Incorporation and operation</u>	<u>Proportion of ownership interest and voting power held</u>		<u>Principal activity</u>
		2021	2020	
<u>Held by Company</u>				
123Stores, Inc. *	State of Delaware, USA	100%	100%	E-commerce Operations
<u>Held by Subsidiary</u>				
123Stores E-Commerce Private Limited +	India	100%	100%	IT Enabled Services

\* Audited by CPA Jay Maru, USA

+ Audited by J.B.S. & Company, Chartered Accountants, India

## 5. TRADE AND OTHER RECEIVABLES

	2021	2020
	S\$	S\$
Amount due from subsidiary	16,079	-
	=====	=====

The amount due from subsidiary is for advisory fee. It is trade, unsecured and non-interest bearing. It is normally settled on 30 to 120 (2020 : Nil) days credit term.

The amount is denominated in United States dollar.

## 6. CASH AND CASH EQUIVALENTS

Cash and cash equivalents are denominated in Singapore dollar and comprise the following:-

	2021	2020
	S\$	S\$
Cash at bank	8,214	21,376
	=====	=====

## 7. TRADE AND OTHER PAYABLES

	2021	2020
	S\$	S\$
Accruals	4,500	4,500
	=====	=====

Accruals are denominated in Singapore dollar.



## 12. FINANCIAL RISK MANAGEMENT

The Company is exposed to financial risks arising from its operations and the use of financial instruments. The key financial risks include foreign currency risk, interest rate risk, credit risk and liquidity risk. The Board of Directors reviews and agrees policies and procedures for the management of the risks.

## (a) FOREIGN CURRENCY RISK

The Company manages its foreign currency risk arising from cash flows from anticipated transactions denominated in foreign currencies by maintaining adequate foreign currencies balances.

The Company's currency exposure at the financial year end date is as follows:-

	Singapore <u>Dollar</u> S\$	United States <u>Dollar</u> S\$	<u>Total</u> S\$
<u>As at 31st March 2021</u>			
<u>Financial Assets</u>			
Trade and other receivables	-	16,079	16,079
Cash and cash equivalents	8,214	-	8,214
	-----	-----	-----
	8,214	16,079	24,293
<u>Financial Liabilities</u>			
Trade and other payables	4,500	-	4,500
	-----	-----	-----
Currency exposure	3,714	16,079	19,973
	=====	=====	=====

Sensitivity Analysis

A 3% strengthening of the United States dollar against the Singapore dollar at the reporting date would increase equity and profit or loss by S\$482 (2020 : Nil) respectively. This analysis assumes that all other variables, in particular interest rates, remain constant.

A 3% weakening of the United States dollar against the Singapore dollar would have had the equal but opposite effect on the basis that all other variables remain constant

## 12. FINANCIAL RISK MANAGEMENT (CONT'D)

## (b) INTEREST RATE RISK

The Company has no significant exposure to interest rate risk through the impact of interest rates changes on interest-bearing assets and liabilities.

The Company has cash balances placed with creditworthy financial institution as follows:-

	Variables rates		
	Less than 12 months	1 to 5 years	Over 5 years
	S\$	S\$	S\$
<u>At 31st March 2021</u>			
<u>Assets</u>			
Cash and cash equivalents	8,214	-	-
<u>At 31st March 2020</u>			
<u>Assets</u>			
Cash and cash equivalents	21,376	-	-

## (c) CREDIT RISK

The Company has no significant concentrations of credit risk. Cash and bank balance are placed with the reputable institutions. The maximum exposure to credit risk is represented by the carrying amount of each financial asset presented on the balance sheet. The Company adopts the policy of dealing only with high credit quality counterparties.

## (d) LIQUIDITY RISK

The Company monitors its liquidity risk and maintains a level of cash & cash equivalents deemed adequate by management to finance the Company's operations and to mitigate the effects of fluctuations in cash flows. Typically, the Company ensures that it has sufficient cash on demand to meet expected operational expenses including the servicing of financial obligations.

## 12. FINANCIAL RISK MANAGEMENT (CONT'D)

## (d) LIQUIDITY RISK (CONT'D)

The analysis of maturity profile of the Company's financial liabilities based on contractual undiscounted cash flows is as follows:-

	Carrying <u>amount</u> S\$	<u>Contracted undiscounted cash flows</u>			
		<u>Total</u> S\$	<u>Less than</u> <u>1 year</u> S\$	<u>Between</u> <u>1 and 5</u> <u>Years</u> S\$	<u>Over</u> <u>5 years</u> S\$
<u>At 31st March 2021</u>					
Trade and other payables	4,500	4,500	4,500	-	-
<u>At 31st March 2020</u>					
Trade and other payables	4,500	4,500	4,500	-	-

## (e) FAIR VALUES

The carrying amount of financial assets and financial liabilities recorded in the financial statements represent their respective net fair values.

## 13. CLASSIFICATION OF FINANCIAL INSTRUMENTS

Comparisons by category of carrying amounts of the Company's financial instruments that are carried in the financial statements are as follows:-

<u>At 31st March 2021</u>	<u>Financial assets</u> <u>at amortised cost</u> S\$
<u>Assets</u>	
Trade and other receivables	16,079
Cash and cash equivalents	8,214
	-----
	24,293
	=====
	<u>Liabilities at</u> <u>amortised cost</u> S\$
<u>Liabilities</u>	
Trade and other payables	4,500
	=====

## 13. CLASSIFICATION OF FINANCIAL INSTRUMENTS (CONT'D)

<u>At 31st March 2020</u>	<u>Financial assets at amortised cost</u> S\$
<u>Assets</u>	
Cash and cash equivalents	21,376
	=====
	<u>Liabilities at amortised cost</u> S\$
<u>Liabilities</u>	
Trade and other payables	4,500
	=====

## 14. CAPITAL MANAGEMENT

The primary objective of the Company's capital management is to ensure that it maintains a strong credit standing and healthy capital ratios in order to support its business and maximize shareholders' value.

The Company manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Company may issue new shares, adjust the dividend payment to shareholders or return capital to shareholders.

The Company is not subject to any externally imposed capital requirements.

## 15. COVID-19 OUTBREAK IMPACT

With the recent coronavirus outbreak, many countries have required entities to limit or suspend business operations and implemented travel restrictions and quarantine measures subsequent to the year ended 31st March 2021. These measures and policies have significantly disrupted the activities of many entities to a certain extent. This may affect the financial performance, ongoing contracts, and carrying value of assets of the Company after the reporting period. As the outbreak continues to progress and evolve, the estimate of the financial impact cannot be reasonably determined at this juncture.

THE FOLLOWING SCHEDULE DOES NOT FORM PART OF  
THE AUDITED STATUTORY FINANCIAL STATEMENTS

**INTRASOFT VENTURES PTE. LTD.**

(Incorporated in the Republic of Singapore)  
(Company Registration No: 200706172G)

**DETAILED PROFIT OR LOSS ACCOUNT  
FOR THE YEAR ENDED 31ST MARCH 2021**

	2021	2020
	S\$	S\$
REVENUE	-	-
ADD: OTHER INCOME		
Advisory fee	16,079	-
LESS: OPERATING EXPENSES		
ADMINISTRATIVE EXPENSES		
Auditors' remuneration	3,500	3,500
Bank charges	400	92
Filing fees	60	60
Legal and professional fees	7,940	8,190
Postage and delivery	156	-
Printing and stationery	106	305
Tax service fee	1,000	1,000
	13,162	13,147
	<hr/>	<hr/>
TOTAL OPERATING EXPENSES	13,162	13,147
	<hr/>	<hr/>
NET PROFIT/(LOSS) BEFORE TAX FOR THE YEAR	2,917	(13,147)