FABINDIA INTERNATIONAL PTE. LTD.

Company Registration No:201209608M
(Incorporated in the Republic of Singapore)

FINANCIAL STATEMENTS

31 MARCH 2021

FABINDIA INTERNATIONAL PTE. LTD.

Company Registration No:201209608M
(Incorporated in the Republic of Singapore)

DIRECTORS' STATEMENT

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

1. DIRECTORS

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

Prakash Parthasarathy
Low Yow Onn Damian
Mukesh Kumar Chauhan

2. DIRECTORS' INTEREST IN SHARES OR DEBENTURES

The directors holding office at the end of the financial year and their interest in the share capital of the company as recorded in the register of directors' shareholdings kept by the company under Section 164 of the Companies Act, Cap. 50 were as follows:

	Number of shares fully paid	
Name of director and company in which interests are held	**At beginning of year**	**At end of year**
Fabindia Overseas Private Limited		
Mukesh Kumar Chauhan	17,820	22,536

3. ARRANGEMENTS TO ENABLE DIRECTORS TO ACQUIRE BENEFITS BY MEANS OF ACQUISITION OF SHARES AND DEBENTURES

Neither at the end of the financial year nor at any time during that year, did there subsist any arrangement whose object is to enable the directors to acquire benefits by means of the acquisition of shares or debentures in the company or any other body corporate.

4. DIRECTORS' RECEIPT AND ENTITLEMENT TO CONTRACTUAL BENEFITS

Since the end of the previous financial year, no director has received or become entitled to receive a benefit (other than a benefit included in the aggregate amount of emoluments received or due and receivable by the directors shown in the financial statements in accordance with the Financial Reporting Standards or the fixed salary of a full time employee of the company) which is required to be disclosed under Section 201 (8) of the Companies Act, Cap. 50 by reason of a contract made by the company with the director or with a firm of which he is a member or with a company in which he has substantial financial interest.

5. OPTIONS

(a) Options to take up unissued shares

During the financial year, no option to take up unissued shares of the company has been granted.

(b) Options exercised

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

(c) Unissued shares under option

As at the end of the year, there was no option to take up unissued shares of the company.

6. AUDITORS

Messrs. Fides Pac has expressed its willingness to accept re-appointment as auditors.

7. DIRECTORS' OPINION

In the opinion of the directors, the accompanying financial statements are drawn up so as to give a true and fair view of the financial position of the company as at 31 March 2021 and the financial performance, changes in equity and cash flows of the company for the 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 as and when they fall due.

8. DIRECTORS' AUTHORISATION

The directors, who have the ability to amend the financial statements after their issue, hereby authorise the financial statements for issue on the date stated below.

On behalf of the directors

Director:

Director:

Singapore

Dated: 10 JUL 2021

FIDES PAC

Public Accountants and Chartered Accountants
UEN: 201406389Z
336 Smith Street #06-307 New Bridge Centre Singapore 050336
Tel: (65) 6226 2466 (6 Lines) Fax: (65) 6226 3860
E-mail: gns@gns.com.sg

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF FABINDIA INTERNATIONAL PTE. LTD.

Company Registration No:201209608M
(Incorporated in the Republic of Singapore)

Report on the Audit of the Financial Statements

Qualified Opinion

We have audited the financial statements of FABINDIA INTERNATIONAL PTE. LTD. (the "Company"), which comprise the statement of financial position of the Company as at 31 March 2021, the statement of comprehensive income, statement of changes in equity and statement of cash flows of the Company for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, except for the possible effects of the matter described in the *Basis for Qualified Opinion* section of our report, 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 2021 and of the financial performance, changes in equity and cash flows of the Company for the year ended on that date.

Basis for Qualified Opinion

1. We were unable to satisfy ourselves of the realisation of investment in subsidiary amounting to $1,312,100 (2020: $1,312,100) as at the end of the reporting year.

2. We were unable to satisfy ourselves of the realisation of investment in associate company amounting to $171,892 (2020: $157,468) as at end of the reporting year.

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 qualified opinion.

Other Information

Management is responsible for the other information. The other information comprises the Directors' Statement.

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.

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 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, except for the matters referred to in the Basis for Qualified Opinion paragraph, 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.

FIDES PAC
Public Accountants and Chartered Accountants

Singapore

Dated: 10 JUL 2021

MF/SANDY/bh/FF044/FYE 31.03.2021

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
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FABINDIA INTERNATIONAL PTE. LTD.
Company Registration No. 201209608M
(Incorporated in the Republic of Singapore)

STATEMENT OF COMPREHENSIVE INCOME
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021

	Note	2021 US$	2020 US$
Other Items of Expenses		(2,758)	(10,403)
Employee Benefit Expense	5	(2,758)	(10,403)
Impairment (Losses) Reversals	6	-	655,292
Other Expenses	7	(31,366)	(15,628)
Share of profit (Loss) From equity - Accounted Associate		45,415	58,152
Profit (Loss) before Tax from Continuing Operations		11,291	687,413
Income Tax Benefit (Expense)	8	-	-
Profit (Loss) from Continuing Operations, Net of Tax		11,291	687,413
Profit (Loss), Net of Tax		11,291	687,413
Other Comprehensive Income			
Other Comprehensive Income, Total		-	-
Total Comprehensive Income for the Year		11,291	687,413

See accompanying notes to financial statements

FABINDIA INTERNATIONAL PTE. LTD.
Company Registration No. 201209608M
(Incorporated in the Republic of Singapore)

STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2021

	Note	2021 US$	2020 US$
ASSETS			
Non-Current Assets			
Investment in Subsidiaries	9	1,312,100	1,312,100
Investment in Associate	10	341,165	295,750
Total Non-Current Assets		1,653,265	1,607,850
Current Assets			
Trade and Other Receivables, Current		324	4,619
Trade Receivables, Current	11	324	4,619
Cash and Cash Equivalents	14	712,702	742,252
Total Current Assets		713,026	746,871
TOTAL ASSETS		2,366,291	2,354,721
EQUITY AND LIABILITIES			
Equity			
Share Capital	12	31,916,360	31,916,360
Retained Earnings (Accumulated Losses)		(29,555,058)	(29,566,349)
Total Equity		2,361,302	2,350,011
Current Liabilities			
Trade and Other Payables, Current		4,989	4,710
Other Payables, Current	13	4,989	4,710
Total Current Liabilities		4,989	4,710
TOTAL LIABILITIES		4,989	4,710
TOTAL EQUITY AND LIABILITIES		2,366,291	2,354,721

See accompanying notes to financial statements

FABINDIA INTERNATIONAL PTE. LTD.

Company Registration No. 201209608M

(Incorporated in the Republic of Singapore)

STATEMENT OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021

	Total Equity	Equity Attributable to Owners of the Company, Total	Share Capital	Retained Earnings (Accumulated Losses)
	US$	US$	US$	US$
Opening Balance as at 01/04/2019	1,662,598	1,662,598	31,916,360	(30,253,762)
Total Comprehensive Income for the Year	687,413	687,413	-	687,413
Closing Balance as at 31/03/2020	2,350,011	2,350,011	31,916,360	(29,566,349)
Total Comprehensive Income for the Year	11,291	11,291	-	11,291
Closing Balance as at 31/03/2021	2,361,302	2,361,302	31,916,360	(29,555,058)

See accompanying notes to financial statements

FABINDIA INTERNATIONAL PTE. LTD.
Company Registration No. 201209608M
(Incorporated in the Republic of Singapore)

STATEMENT OF CASH FLOW
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021

	Note	2021 US$	2020 US$
CASH FLOW FROM OPERATING ACTIVITIES			
Profit/(Loss) before Tax		11,291	687,413
Total Adjustments		(45,415)	(58,152)
Share of profit (Loss) From equity - Accounted Associate		(45,415)	(58,152)
Operating Cash Flows before Changes in Working Capital		(34,124)	629,261
Total Changes in Working Capital		4,574	(5,769)
Trade and Other Receivables		4,295	(4,619)
Trade and Other Payables		279	(1,150)
Cash Flow From (Used In) Operations		(29,550)	623,492
Income Tax (Paid)/Refund		-	-
Net Cash Flow From (Used In) Operating Activities		(29,550)	623,492
CASH FLOW FROM INVESTING ACTIVITIES			
Loan to Subsidiary and Associate		-	-
Net Cash Flow From (Used In) Investing Activities		-	-
CASH FLOW FROM FINANCING ACTIVITIES			
Interest Expense		-	-
Net Cash Flow From (Used In) Financing Activities		-	-
Net Increase (Decrease) in Cash and Cash Equivalents		(29,550)	623,492
Cash and Cash Equivalents, Cash Flow Statement, Beginning Balance		742,252	118,760
Cash and Cash Equivalents, Cash Flow Statement, Ending Balance	14	712,702	742,252

See accompanying notes to financial statements

FABINDIA INTERNATIONAL PTE. LTD.
Company Registration No:201209608M
(Incorporated in the Republic of Singapore)

NOTES TO THE FINANCIAL STATEMENTS: 31 MARCH 2021

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

1. GENERAL

a) The company is a private limited company incorporated and domiciled in the Republic of Singapore. The address of its registered office is 336 Smith Street #06-307 New Bridge Centre, Singapore 050336.

b) The principal activities of the company are for general wholesale trade and as an investment holdings company.

The principles activities of the subsidiaries are stated in note 11.

There have been no significant changes in the nature of these activities during the year.

c) The immediate and ultimate holding company is Fabindia Overseas Private Limited, incorporated in the Republic Of India.

d) The company is exempted from preparing consolidated financial statements as the company itself is a partially owned subsidiary of another entity and all other owners , have been informed about ,and do not object to, the company not presenting consolidated financial statement .The company's debt and equity instruments are not traded in a public market, the company did not file, nor is it in the process of filing its financial statement with a securities commission or other regulatory organization for the purpose of issuing any class of instruments in a public market, and the immediate holding company of the company produces consolidated financial statements available for public use at the Ministry of Corporate Affairs' of Republic of India . The company has used this exemption and thus does not prepare consolidated financial statements. The financial statements presented herein are financial statements with equity accounting. The investment in subsidiary is carried at cost, less impairment loss if any in the financial statements of the company. The holding company of the company that publishes consolidated financial statements is Fabindia Overseas Private Limited registered office of which is 14, N Block Market. Greater Kailash – Part 1, New Delhi – 110048.

e) The financial statements were authorized for issue, on the date stated in the Directors' Statement, by the Board of Directors who has the ability to amend the financial statements after the issue.

2. SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of preparation

The financial statements, expressed in United State dollars, which is the functional currency of the company are prepared under the historical cost convention except as disclosed in the accounting policies below.

The financial statements are prepared in accordance with Singapore Financial Reporting Standards ("FRS"), including related Interpretations promulgated by the Accounting Standards Council (ASC).

The company has complied with Financial Reporting Standards and Interpretations of Financial Reporting Standards, effective for the financial year in the preparation of the financial statements.

The preparation of financial statements in conformity with FRS requires management to exercise its judgement in the process of applying the company's accounting policies. It also requires the use of accounting estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the financial year. Although these estimates are based on management's best knowledge of current events and actions, actual results may ultimately differ from those estimates. Critical accounting estimates and assumptions used that are significant to the financial statements, and areas involving a higher degree of judgement or complexity, are disclosed in note 4.

In current financial year, the company has adopted all the new and revised FRSs and Interpretations of FRS (INT FRS) issued by the Accounting Standards Council that are relevant to its operations and effective for current financial year.

The adoption of these new and revised FRS and INT FRS did not result in substantial changes to the company's accounting policies and had no material effect on the amounts reported for the current or prior financial years except for the item, if any, stated in note 3.

The company has not applied all the new FRS and INT FRS that have been issued by ASC but are not yet effective. The impact that application of the new FRS or INT FRS will have on the company's financial statements in the period of initial application is not reasonably estimable.

(b) Employee benefits

i. Defined contribution plans

Defined contribution plans are post-employment benefit plans under which the company pays fixed contributions into separate entities such as the Central Provident Fund, and will have no legal or constructive obligation to pay further contributions if any of the funds do not hold sufficient assets to pay all employee benefits relating to employee services in the current and preceding financial years. The company's contribution to defined contribution plans are recognised in profit or loss for the financial year to which they relate.

ii. Employee leave entitlement

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

iii. Termination benefits

Termination benefits are payable when employment is terminated before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits. The company recognises termination benefits when it is demonstrably committed to either: terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal; or providing termination benefits as a result of an offer made to encourage voluntary redundancy. Benefits falling due more than 12 months after end of reporting period are discounted to present value.

(c) Income taxes

The charge for current tax is based on the results for the year as adjusted for items, which are non-assessable or disallowed. It is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date.

Deferred income tax is provided in full, using the balance sheet liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, if the deferred income tax arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss, it is not accounted for. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred income tax is provided on temporary differences arising on investments in subsidiaries, associated companies and joint ventures, except where the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

At the end of each reporting period, the company re-assesses unrecognised deferred tax assets and the carrying amount of deferred tax assets. The company recognises a previously unrecognised deferred tax asset to the extent that it has become probable that the future taxable profit will allow the deferred tax asset to be recovered. The company conversely reduces the carrying amount of a deferred tax asset to the extent that it is no longer probable that sufficient taxable profit will be available to allow the benefit of part or all of the deferred tax asset to be utilised.

(d) Impairment of assets

i. Investments in subsidiaries and associate

Investments in subsidiaries and associate are reviewed for impairment whenever there is any indication that these assets may be impaired. If any such indication exists, the recoverable amount (i.e. the higher of the fair value less cost to sell and value in use) of the asset is estimated to determine the amount of impairment loss.

For the purpose of impairment testing of these assets, recoverable amount is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. If this is the case, recoverable amount is determined for the CGU to which the asset belongs to.

If the recoverable amount of the asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. The impairment loss is recognised in the profit or loss unless the asset is carried at revalued amount, in which case, such impairment loss is treated as a revaluation decrease.

An impairment loss for an asset other than goodwill is reversed if, and only if, there has been a change in the estimates used to determine the assets' recoverable amount since the last impairment loss was recognised. The carrying amount of an asset other than goodwill is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of amortisation or depreciation) had no impairment loss been recognised for the asset in prior years. A reversal of impairment loss for an asset other than goodwill is recognised in the profit or loss, unless the asset is carried at revalued amount, in which case, such reversal is treated as a revaluation increase.

(e) Investment in subsidiaries

Investments in subsidiaries are stated at cost less accumulated impairment losses in the Company's statement of financial position. On disposal of investments in subsidiaries, the difference between net disposal proceeds and the carrying amount of the investment is taken to the profit or loss.

(f) Investments in associates

Associated companies are entities over which the Company has significant influence, but not control, generally accompanied by a shareholding giving rise to voting rights of 20% and above but not exceeding 50%. Investments in associated companies are accounted for in the financial statements using the equity method of accounting less impairment losses, if any.

Investments in associated companies are initially recognised at cost. The cost of an acquisition is measured at the fair value of the assets given, equity instruments issued or liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the acquisition. Goodwill on associated companies represents the excess of the cost of acquisition of the associate over the Company's share of the fair value of the identifiable net assets of the associate and is included in the carrying amount of the investments.

In applying the equity method of accounting, the Company's share of its associated companies' post-acquisition profits or losses are recognised in profit or loss and its share of post-acquisition other comprehensive income is recognised in other comprehensive income. These post-acquisition movements and distributions received from the associated companies are adjusted against the carrying amount of the investment. When the Company's share of losses in an associated company equals or exceeds its interest in the associated company, including any other unsecured non-current receivables, the Company does not recognise further losses, unless it has obligations or has made payments on behalf of the associated company. Unrealised gains on transactions between the Company and its associated companies are eliminated to the extent of the Company's interest in the associated companies. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. The accounting policies of associated companies have been changed where necessary to ensure consistency with the accounting policies adopted by the Company. Gains and losses arising from partial disposals or dilutions in investments in associated companies are recognised in profit or loss. Investments in associated companies are derecognised when the Company loses significant influence. Any retained interest in the entity is remeasured at its fair value. The difference between the carrying amount of the retained Investment at the date when significant influence is lost and its fair value is recognised in profit or loss.

(g) Financial assets

The Company classifies its financial assets into the following categories: Amortised cost; Fair value through other comprehensive income (FVOCI); and Fair value through profit or loss (FVPL).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.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

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

At initial recognition

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not 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.

At subsequent measurement

(i) Debt instruments

Debt instruments mainly comprise of cash and cash equivalents, trade and other receivables, listed and unlisted debt securities.

There are three subsequent measurement categories, depending on the Company's business model for managing the asset and the cash flow characteristics of the asset:

Amortised cost: Debt instruments 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 debt instrument 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.

FVOCI: Debt instruments that are held for collection of contractual cash flows and for sale, and where the assets' cash flows represent solely payments of principal and interest, are classified as FVOCI. Movements in fair values are recognised in Other Comprehensive Income (OCI) and accumulated in fair value reserve, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses, which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and presented in "other gains and losses". Interest income from these financial assets is recognised using the effective interest rate method and presented in "interest income".

FVPL: Debt instruments that are held for trading as well as those that do not meet the criteria for classification as amortised cost or FVOCI are classified as FVPL. Movement in fair values and interest income is recognised in profit or loss in the period in which it arises and presented in "other gains and losses".

(ii) Equity investments

The Company subsequently measures all its equity investments at their fair values. Equity investments are classified as FVPL with movements in their fair values recognised in profit or loss in the period in which the changes arise and presented in "other gains and losses", except for those equity securities which are not held for trading. The Company has elected to recognise changes in fair value of equity securities not held for trading in other comprehensive income as these are strategic investments and the Company considers this to be more relevant. Movements in fair values of investments classified as FVOCI are presented as "fair value gains / losses" in Other Comprehensive Income. Dividends from equity investments are recognised in profit or loss as "dividend income".

Impairment loss

The Company recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at FVPL. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is recognised for credit losses expected over the remaining life of the exposure, irrespective of timing of the default (a lifetime ECL).

For trade receivables, the Company applies a simplified approach in calculating ECLs. Therefore, the Company does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Company has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment which could affect debtors' ability to pay.

The Company considers a financial asset in default when contractual payments are 60 days past due. However, in certain cases, the Company may also consider a financial asset to be in default when internal or external information indicates that the Company is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Company. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

(h) Financial liabilities

The company classifies its financial liabilities in the following two categories: financial liabilities at fair value through profit or loss, financial liabilities at amortised cost. The classification depends on the purpose for which the liabilities were incurred.

A financial liability is recognised when the obligation specified in the contract is assumed. A financial liability is derecognised when it is extinguished – i.e. when the obligation specified in the contract is discharged or cancelled or expired.

Below are the financial liabilities carried by the company.

a. Financial liabilities at amortised cost

These are non-derivative financial liabilities with fixed or determinable payments that are not quoted in an active market. They arise when the company borrows money, acquires goods or services directly from a creditor with no intention of trading the payables. They are included in current liabilities, except those maturing more than 12 months after the reporting period which are classified as non-current liabilities.

Financial liabilities at amortised cost are initially recognised at fair value plus transaction costs and subsequently carried at amortised cost using the effective interest method.

(i) Other receivables

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

Receivables from related parties are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method less impairment losses on any uncollectible amounts.

(j) Related parties

For the purposes of these financial statements, parties are considered to be related to the company if the company has the ability, directly or indirectly, to control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the company and the party are subject to common control or common significant influence. Related parties may be individuals or other entities.

(k) Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits with financial institutions and bank overdrafts.

For the purposes of the statement of cash flows, cash and cash equivalents are shown net of outstanding bank overdrafts, which are repayable on demand and which form an integral part of the company's cash management.

(l) Other payables

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

(m) Currency translation

i. Functional and presentation currency

Items included in the financial statements of each entity in the company are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The financial statements are presented in United State dollars, which is the Company's functional and presentation currency.

ii. Transactions and balances

Transactions in a currency other than the functional currency ("foreign currency") are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign currency monetary items are translated at closing rate. Currency translation gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the profit or loss, except for currency translation differences on net investment in foreign entities and borrowings and other currency instruments qualifying as net investment hedges for foreign operations in the financial statements. Non-monetary item denominated in foreign currency are translated at historical rate and non-monetary item at fair value, are translated at revaluation date.

Currency translation differences on non-monetary items, such as equity investments held at fair value through profit or loss, are reported as part of the fair value gain or loss. Currency translation differences on non-monetary items, such as equity investments classified as available-for-sale financial assets, are included in the fair value reserve within equity.

(n) Share capital

Ordinary shares are classified as equity.

(o) Fair value estimation

The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques. The company uses a variety of methods and makes assumptions that are based on market conditions existing at the end of each reporting period. Quoted market prices or dealer quotes for similar instruments are used for long-term debt. Other techniques, such as estimated discounted cash flows, are used to determine fair value for the remaining financial instruments.

The carrying amount of current receivables and payables are assumed to approximate their fair values. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the company for similar financial instruments.

3. EFFECTS ON FINANCIAL STATEMENTS ON ADOPTION OF NEW OR REVISED FRS

There is no material effect on the financial statements of the current financial year on adoption of the new or revised FRS and INT FRS in the current financial year.

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Estimates 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.

(a) 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 are discussed below.

(i) Income taxes

The company is subject to income taxes in Singapore. Significant judgement is required in determining the capital allowances and deductibility of certain expenses during the estimation of the provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The company recognises liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred income tax provisions in the period in which such determination is made.

If the actual final outcome (on the judgement areas) differs from management's estimates, the company would need to:

- increase the income tax liability and the deferred income tax liability, if unfavourable; or

- decrease the income tax liability and the deferred income tax liability if favourable.

(ii) Exchange rates

The company uses published exchange rates from different sources and its bankers' rates to estimate exchange rate for recording transactions. These estimated rate thus arrived at differs from the actual exchange rate.

(b) Critical judgements in applying the entity's accounting policies

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. The judgements management has made in the process of applying the company's accounting policies that have most significant effect on the amounts recognised in the financial statements are discussed below.

(i) Capital or revenue expenditure

The company makes judgement whether assets are trading assets or capital assets and consequently whether gains/losses on their disposal are taxable/deductible trading gains/losses or non-taxable/deductible capital gains/losses.

5. EMPLOYEE BENEFITS EXPENSE

	2021	2020
	US$	US$
a) Employee benefits expense include, among others, the following items:		
Employer's contribution to defined contribution plans (including Central Provident Fund)	-	-
Director's fee	2,758	10,403

b) Compensation for key management personnel are as follow:

Short-term employment benefits	2,758	10,403
Total	2,758	10,403

6. IMPAIRMENT LOSSES(REVERSALS)

	2021	2020
	US$	US$
Allowance for impairment no longer required written back	-	(655,292)
	-	(655,292)

7. OTHER EXPENSES

	2021	2020
	US$	US$
Other expenses include, among others, the following items:		
Bank charges	117	179
Legal and professional fee	25,036	5,482
Travel - fare	-	5,064

8. INCOME TAX BENEFIT (EXPENSE)

a) Tax (expense)

	2021	2020
	US$	US$
Current tax (expense)	-	-
Tax (expenses)	-	-

Tax (expense) is reconciled to the product of accounting profit multiplied by the applicable tax rate as follow:

	2021	2020
	US$	US$
Accounting profit	11,291	687,413
Tax at the applicable tax rate of 17%	(1,919)	(116,860)
Tax effect of expenses that are not deductible in determining taxable profit	-	-
Other item	-	5,460
Income not subject to tax	1,919	111,400
Tax (expenses)	-	-

The applicable tax rate is enacted by the Government of Singapore.

b) Subject to agreement with the Comptroller of Income Tax, the company has unused tax loss available for offsetting against future taxable income as follows:

	2021	2020
	US$	US$
Balance at beginning of year	331,832	331,832
Balance at end of year	331,832	331,832
Deferred tax asset on unused tax loss at 17%	56,411	56,411
Less:		
Deferred tax asset recognised	-	-
Deferred tax asset not recognised	56,411	56,411

The realisation of the future income tax benefits from the unused tax loss is available for an unlimited future period subject to there being no substantial change in the shareholders, as required by provisions of the Income Tax Act.

9. INVESTMENT IN SUBSIDIARIES

	2021	2020
	US$	US$
Unquoted equity shares, at cost	1,312,100	11,342,144
Add: Additional during the year	-	-
Less : Impairment Loss	-	-
Less : Disposal	-	(10,030,044)
Balance at end of the year	1,312,100	1,312,100

Details of the subsidiaries are described below:

Name	Principal activities	Date and place of incorporation	% of equity held		Cost of investment	
			2021	2020	2021	2020
			%	%	US$	US$
Indigo Origins Pte Limited	Retail trading of garments and related products	Singapore	100	100	1,312,100	1,312,100

10. INVESTMENT IN ASSOCIATE

	2021	2020
	US$	US$
Unquoted equity shares, at cost	2,344,227	2,344,227
Share of post-acquisition result	196,197	150,782
Less: Impairment loss	(2,199,259)	(2,199,259)
Balance at end of the year	341,165	295,750

The details of the associate are as follows:

Name	Principal activities	Country of incorporation	Percentage of equity held		Cost of investment	
			2021	2020	2021	2020
			%	%	US$	US$
Fabindia S.r.l	Retail trade of garments	Republic of Italy	45	45	75,518	75,518
Weavers India General Trading LLC	Retail trade of garments	Dubai	49	49	69,450	69,450
East Lifestyle Limited	Retail trading of garments and related products	UK	20	20	2,199,259	2,199,259

East Lifestyle Limited is under administrative arrangements as at 31 March 2021. The summary financial information was not available for disclosure as management did not prepare management report as at 31.03.2021.

The summarized financial information of associate is as follows:

2021

	Weavers India US$	Fabindia S.R.L US$
Non-current asset	35,268	103,741
Current asset	491,026	345,922
Non-current liabilities	7,573	197,696
Current liabilities	173,693	80,748
Revenue	618,750	345,247
Profit/(loss) from continuing operation	63,246	32,054
Other income/(expense)	1,248	6
Total income	619,998	345,253

2020

	Weavers India US$	Fabindia S.R.L US$
Non-current asset	50,193	106,096
Current asset	325,073	253,015
Non-current liabilities	8,377	151,998
Current liabilities	85,111	65,860
Revenue	758,770	380,523
Profit/(loss) from continuing operation	84,984	36,689
Other income/(expense)	588	16
Total income	759,358	380,539

Reconciliation of summarized financial information presented to the carrying amount of Group's interest

2021

	Fabindia S.R.L US$	Weavers India US$	Total US$
Net asset at 01.04.2020	157,468	138,282	295,750
Share of (loss)/profit for the year	14,424	30,991	45,415
Carrying amount of interest in associate at end of the year	171,892	169,273	341,165

2020

	Fabindia S.R.L US$	Weavers India US$	Total US$
Net asset at 01.04.2019	140,958	96,640	237,598
Share of (loss)/profit for the year	16,510	41,642	58,152
Carrying amount of interest in associate at end of the year	157,468	138,282	295,750

11. OTHER RECEIVABLES

	2021	2020
	US$	US$
Sundry debtors	-	6,646,716
Less: Sundry debtors written off against allowance	-	(6,642,097)
	-	4,619

The carrying amounts of sundry debtors approximate their fair value.

Sundry debtors are non- trade in nature and is unsecured, interest free and repayable on demand.

Movement in allowance for impairment loss for the year is as follows:

	2021	2020
	US$	US$
Balance at beginning of year	-	7,297,389
Reversal of impairment loss on sundry debtors	-	(655,292)
Sundry debtors written off against allowance	-	(6,642,097)
Balance at end of year	-	-

12. SHARE CAPITAL

	2021		2020	
	US$	Number of shares fully paid	US$	Number of shares fully paid
Issued and fully paid-up:				
Balance at beginning of year	31,916,360	29,143,275	31,916,360	29,143,275
Balance at end of year	31,916,360	29,143,275	31,916,360	29,143,275

All issued ordinary shares are fully paid. There is no par value for these ordinary shares.

The holders of ordinary shares are entitled to receive dividends as and when declared by the company. All ordinary shares carry one vote per share without restriction.

13. OTHER PAYABLES

	2021	2020
	US$	US$
Accruals	4,989	4,710
	4,989	4,710

Other payables include amounts denominated in the following currencies:

	2021	2020
	US$	US$
Singapore dollars	4,989	4,710

Accruals, which are normally settled on short term, are carried at cost.

The carrying amount of accruals approximates their fair value.

14. CASH AND CASH EQUIVALENT

	2021	2020
	US$	US$
Cash at bank	712,702	742,252
	712,702	742,252

Cash at bank include amounts denominated in the following currencies.

	2021	2020
	US$	US$
Singapore dollars	1,552	1,572

The cash at bank has an effective approximate interest rate from 0% to 1%.

The carrying amount of cash and cash equivalent approximates their fair value.

15. DEFERRED TAX LIABILITIES (ASSETS)

The deferred tax liabilities (assets) and expense (credit) are recognised (and not recognised) in respect of the following types of temporary differences and unused tax losses and unabsorbed capital allowances:

	Liabilities (assets) recognised in statement of financial position		Expense (credit) recognised in statement of comprehensive income		(Assets) not recognised in statement of financial position	
	2021	2020	2021	2020	2021	2020
	US$	US$	US$	US$	US$	US$
Unused tax loss	-	-	-	-	(56,411)	(56,411)
Deferred tax liabilities (assets)	-	-			(56,411)	(56,411)
Deferred tax expense (credit)			-	-		

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to set off current income tax assets against current income tax liabilities and when the deferred income taxes relate to the same fiscal authority.

16. FINANCIAL INSTRUMENTS

(a) Classification of financial instruments

Financial assets and liabilities are measured on an ongoing basis either at fair value or at amortised cost. The principal accounting policies in note 2 describe how the classes of financial instruments are measured, and how income and expenses, including fair value gains and losses, are recognised. The following table analyses the financial assets and liabilities in the statement of financial position by the class of financial instrument to which they are assigned, and therefore by the measurement basis:

2021	Financial assets at amortised cost	Financial liabilities at amortised cost
	US$	US$
FINANCIAL ASSETS		
Trade receivables	324	
Cash in hand and at bank	712,702	
FINANCIAL LIABILITIES		
Other payables		4,989

2020	Financial assets at amortised cost	Financial liabilities at amortised cost
	US$	US$
FINANCIAL ASSETS		
Cash in hand and at bank	742,252	
FINANCIAL LIABILITIES		
Other payables		4,710

(b) Income (expense), gains or (losses) from each class of financial instruments

There is no income (expense), gains or (losses) from each class of financial instruments during the year.

17. SIGNIFICANT RELATED PARTY TRANSACTIONS

During the financial year, the company has significant related party transactions with related parties on terms agreed between the parties as follows:

	2021	2020
	US$	US$
Subsidiary		
Transfer of loan to investment	-	-

18. CAPITAL MANAGEMENT

The Company's objectives when managing capital are to safeguard the company's ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders, and to maintain a capital structure to support its business and maximise shareholder value.

To maintain or adjust to capital structure, the Company adjust the amount of dividends paid to shareholders/issue new shares/obtain new borrowings.

The company monitors capital using a gearing ratio, which is total debt divided by equity attributable to the owner of the company. Debts are interest bearing borrowings.

	2021	2020
	US$	US$
Hire purchase creditors	-	-
Total debt	-	-
Equity attributable to owners of the Company	2,361,302	2,350,011
Gearing ratio (times)	-	-

19. FINANCIAL RISKS MANAGEMENT

The company's activities expose it to a variety of financial risks. The company manages its exposure to financial risks using a variety of techniques and instruments to provide a degree of certainty about costs.

(i) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and the availability of funding through an adequate amount of committed credit facilities if applicable.

Maturity analysis for financial liabilities based on contractual undiscounted cash flows

	Carrying amount	Contractual Cash flow	
2021		Total	Within 1 year
	US$	US$	US$
Other payables	4,989	4,989	4,989
	4,989	4,989	4,989

	Carrying amount	Contractual Cash flow	
2020		Total	Within 1 year
	US$	US$	US$
Other payables	4,710	4,710	4,710
	4,710	4,710	4,710

(ii) Credit risk

Credit risk refers to the risk that the counterparty will default on its contractual obligations resulting in a loss to the Company. The Company's exposure to credit risk arises primarily from trade and other receivables and loan to the holding company. For other financial assets (including investment securities and cash), the Company minimises credit risk by dealing exclusively with high credit rating counterparties. The Company has adopted a policy of only dealing with creditworthy counterparties. The Company performs ongoing credit evaluation of its counterparties' financial condition and generally do not require a collateral. The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. The Company has determined the default event on a financial asset to be when internal and/or external information indicates that the financial asset is unlikely to be received, which could include default of contractual payments due for more than 60 days, default of interest due for more than 30 days or there is significant difficulty of the counterparty.

To minimise credit risk, the Company has developed and maintained the Company's credit risk gradings to categorise exposures according to their degree of risk of default. The credit rating information is supplied by publicly available financial information and the Company's own trading records to rate its major customers and other debtors. The Company considers available reasonable and supportive forward-looking information which includes the following indicators:

- Internal credit rating
- External credit rating
- Actual or expected significant adverse changes in business, financial or economic conditions that are expected to cause a significant change to the debtor's ability to meet its obligations
- Actual or expected significant changes in the operating results of the debtor
- Significant increases in credit risk on other financial instruments of the same debtor
- Significant changes in the expected performance and behaviour of the debtor, including changes in the payment status of debtors in the group and changes in the operating results of the debtor.

Regardless of the analysis above, a significant increase in credit risk is presumed if a debtor is more than 30 days past due in making contractual payment.

The Company determined that its financial assets are credit-impaired when:

- There is significant difficulty of the debtor
- A breach of contract, such as a default or past due event
- It is becoming probable that the debtor will enter bankruptcy or other financial reorganisation
- There is a disappearance of an active market for that financial asset because of financial difficulty.

The Company categorises a receivable for potential write-off when a debtor fails to make contractual payments more than 120 days past due. Financial assets are written off when there is evidence indicating that the debtor is in severe financial difficulty and the debtor has no realistic prospect of recovery.

The Company's current credit risk grading framework comprises the following categories:

Category	Definition of category	Basis for recognising expected credit loss (ECL)
i	Counterparty has a low risk of default and does not have any past-due amounts.	12-month ECL
ii	Amount is >30 days past due or there has been a significant increase in credit risk since initial recognition.	Lifetime ECL – not credit-impaired
iii	Amount is >60 days past due or there is evidence indicating the asset is credit-impaired (in default).	Lifetime ECL – credit-impaired
iv	There is evidence indicating that the debtor is in severe financial difficulty and the debtor has no realistic prospect of recovery.	Amount is written off

(iii) Foreign currency risk

Foreign exchange risk arises from the change in foreign exchange rates that may have an adverse effect on the company in the current reporting period or in future years. The company is exposed to money market risk from changes in foreign exchange rates primarily with respect to foreign currency arising from trading activities. Exposure to exchange fluctuation is managed through natural hedging of revenue and expenditure in these foreign currencies, to the extent possible and practicable.

Sensitivity analysis of foreign currency risk

The following table demonstrates the sensitivity to a reasonably possible change in the functional currency of the company against all other currencies. If the functional currency changes against the foreign currencies by 5% (2019: 5%) with all other variables including tax rate remain unchanged, the effects arising from the net financial liabilities / asset position will be as follows:

	Positively improve/(Negatively impacted)			
	2021		2020	
	Result before tax US$	Equity US$	Result before tax US$	Equity US$
United State dollars against all other currencies:				
- strengthened	155	155	157	130
- weakened	(155)	(155)	(157)	(130)

(iv) Fair values

The carrying amounts of the financial assets and financial liabilities approximate to their fair value.

FABINDIA INTERNATIONAL PTE. LTD.
Company Registration No. 201209608M
(Incorporated in the Republic of Singapore)

DETAILED INCOME STATEMENT
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021

	2021	2020
	US$	US$
Provision written back	-	655,292
Gain on exchange	638	622
Operating expenses		
Admin and general expenses	811	872
Audit fee	4,628	4,359
Bank charges	117	179
Director fee	2,758	10,403
Exchange fluctuation	-	(58)
Filing fees	-	-
Legal and professional charges	25,036	5,482
Membership subscription	658	-
Tax fee	753	352
Travel fare	-	5,064
	34,761	26,653
Net (loss)/profit for the year	(34,123)	629,261

This schedule contains additional information and does not form part of the audited financial statements.

FABINDIA INTERNATIONAL PTE. LTD.
Company Registration No:201209608M
(Incorporated in the Republic of Singapore)

ADJUSTMENTS – 31 MARCH 2021

		US$	US$
1.	Retained earnings	621,522.00	
	Investment in associate		621,522.00
	Being adjustment to the opening balance of the retained earnings account.		
2.	Investment in associate	506,120.00	
	Retained earnings		506,120.00
	Being adjustment to the opening balance of the retained earnings account.		
3.	Investment in associate	45,415.00	
	Share of profit of associate company		45,415.00
	Being share of profit of associate company.		
4.	Sundry debtors: DUFF + PHELPS LTD	332,280.46	
	Sundry debtors: GEOFFREY PAUL ROWLEY	323,011.18	
	Other income – written back of impairment (East Lifestyle Limited)		636,022.46
	Other income – written back of impairment (East Limited)		19,269.18
	Being adjustment for YA2020.		
5.	Audit fee	4,617.00	
	Tax fee	372.00	
	Accrual		4,989.00
	Being accrued for audit and tax fee for 31/03/2020.		
6.	Provision for impairment loss	1.00	
	Loans and advances (asset)		1.00
	Being adjustment for YA2020.		
7.	Cash at bank HSBC SG$	637.76	
	Exchange fluctuation		637.76
	Being year end currency revaluation.		

Approved by director

