

Sembawang (Malaysia) Sdn. Bhd.
(Company No. 88767-V)
(Incorporated in Malaysia)
and its subsidiary

**Financial statements for the
year ended 31 March 2016**

Sembawang (Malaysia) Sdn. Bhd.

(Company No. 88767-V)

(Incorporated in Malaysia)

and its subsidiary

Directors' report for the year ended 31 March 2016

The Directors have pleasure in submitting their report and the audited financial statements of the Group and of the Company for the financial year ended 31 March 2016.

Principal activities

The principal activities of the Company consist of engineering, construction and investment holding. The principal activities of its subsidiary are disclosed in Note 2 to the financial statements. There have been no significant changes in the nature of these activities during the financial year.

Results

	Group RM	Company RM
Profit/(Loss) for the year	<u>2,366,285</u>	<u>(38,098)</u>

Reserves and provisions

There were no material transfers to or from reserves and provisions during the financial year under review.

Dividends

There is no retained profit available for distribution as dividend for the financial year under review.

Directors of the Company

Directors who served since the date of the last report are:

Mr. Selvaraj a/l M K Ganasan

Ms. Maraghatham Lydlia M K Ganesan

Mr. Atul Punj

Mr. Ajay Khajanchi

Mr. Sandeep Srivastava (resigned on 24 July 2016)

Company No. 88767-V

Directors' interests in shares

The interests and deemed interests in the shares of the Company and of its related corporations of those who were Directors at financial year end as recorded in the Register of Directors' Shareholdings are as follows:

Name of Director	Interest	Number of ordinary shares of RM1.00 each			At 31 March 2016
		At 1 April 2015	Bought	Sold	
Ultimate holding company					
- Punj Lloyd Limited					
Mr. Atul Punj	Direct	1,431,360	--	--	1,431,360
	Deemed	97,839,775	--	--	97,839,775

None of the other Directors holding office at 31 March 2016 had any interest in the ordinary shares of the Company and of its related corporations during the financial year.

Directors' benefits

Since the end of the previous financial year, no Director of the Company has received nor become entitled to receive any benefit (other than a benefit included in the aggregate amount of emoluments received or due and receivable by Directors as shown in the financial statements) by reason of a contract made by the Company or a related corporation with the Director or with a firm of which the Director is a member, or with a company in which the Director has a substantial financial interest.

There were no arrangements during and at the end of the financial year which had the object of enabling Directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

Issue of shares

There were no changes in the authorised, issued and paid-up capital of the Company during the financial year.

Options granted over unissued shares

No options were granted to any person to take up unissued shares of the Company during the financial year.

Other statutory information

Before the balance sheets and income statements of the Group and of the Company were made out, the Directors took reasonable steps to ascertain that:

- i) all known bad debts have been written off and adequate provision has been made for doubtful debts, and
- ii) any current assets which were unlikely to be realised in the ordinary course of business have been written down to an amount which they might be expected so to realise.

Company No. 88767-V

At the date of this report, the Directors are not aware of any circumstances:

- i) that would render the amount written off for bad debts or the amount of the provision for doubtful debts in the Group and in the Company inadequate to any substantial extent, or
- ii) that would render the value attributed to the current assets in the financial statements of the Group and of the Company misleading, or
- iii) which have arisen which render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate, or
- iv) not otherwise dealt with in this report or the financial statements, that would render any amount stated in the financial statements of the Group and of the Company misleading.

At the date of this report, there does not exist:

- i) any charge on the assets of the Group or of the Company that has arisen since the financial end of the financial year and which secures the liabilities of any other person, or
- ii) any contingent liability in respect of the Group or of the Company that has arisen since the end of the financial year.

No contingent liability or other liability of any company in the Group has become enforceable, or is likely to become enforceable within the period of twelve months after the end of the financial year which, in the opinion of the Directors, will or may substantially affect the ability of the Group and of the Company to meet their obligations as and when they fall due.

In the opinion of the Directors, other than the waiver of debts from related companies, the results of the operations of the Group and of the Company for the financial year ended 31 March 2016 have not been substantially affected by any item, transaction or event of a material and unusual nature nor has any such item, transaction or event occurred in the interval between the end of that financial year and the date of this report.

Other matters

The Board of Directors has on 24 March 2016 resolved to liquidate the Company.

Auditors

The auditors, Messrs KPMG, have indicated their willingness to accept re-appointment.

Signed on behalf of the Board of Directors in accordance with a resolution of the Directors:


.....
Atul Punj


.....
Ajay Khajanchi

Date: **17 AUG 2016**

Sembawang (Malaysia) Sdn. Bhd.

(Company No. 88767-V)

(Incorporated in Malaysia)

and its subsidiary

Balance sheets

At 31 March 2016

	Note	Group		Company	
		2016 RM	2015 RM	2016 RM	2015 RM
Investment in a subsidiary	2	--	--	--	1
Current assets					
Other receivables		1	8,116	2	7,846
Due from a subsidiary	3	--	--	--	--
Due from related companies	3	--	15,679	--	15,679
Due from immediate holding company	3	--	6,286	--	6,286
Cash and cash equivalents		10,074	10,226	10,074	10,226
		10,075	40,307	10,076	40,037
Current liabilities					
Trade and other payables	4	48,475	21,439	24,755	16,619
Due to a related company	3	--	2,423,553	--	--
		48,475	2,444,992	24,755	16,619
Net current (liabilities)/assets		(38,400)	(2,404,685)	(14,679)	23,418
		(38,400)	(2,404,685)	(14,679)	23,419
Financed by:-					
Capital and reserves					
Share capital	5	1,000,000	1,000,000	1,000,000	1,000,000
Accumulated losses		(1,038,400)	(3,404,685)	(1,014,679)	(976,581)
		(38,400)	(2,404,685)	(14,679)	23,419

The accompanying notes form an integral part of the financial statements.

Sembawang (Malaysia) Sdn. Bhd.

(Company No. 88767-V)

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Income statements

For the year ended 31 March 2016

	Note	Group		Company	
		2016 RM	2015 RM	2016 RM	2015 RM
Revenue					
Goods sold		--	--	--	--
Cost of goods sold		<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
Gross profit		--	--	--	--
Other income		2,433,218	5,214	--	5,214
Administrative expenses		(66,933)	(97,026)	(38,098)	(97,056)
Other expenses		<u>--</u>	<u>(82,681)</u>	<u>--</u>	<u>--</u>
Profit/(Loss) for the year	6	<u>2,366,285</u>	<u>(174,493)</u>	<u>(38,098)</u>	<u>(91,842)</u>

The accompanying notes form an integral part of the financial statements.

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Statement of changes in equity For the year ended 31 March 2016

	Note	Share capital RM	Accumulated losses RM	Total RM
Group				
<i>At 1 April 2014</i>		750,000	(3,230,192)	(2,480,192)
Loss for the year		--	(174,493)	(174,493)
Shares issued	5	<u>250,000</u>	<u>--</u>	<u>250,000</u>
<i>At 31 March 2015</i>		1,000,000	(3,404,685)	(2,404,685)
Profit for the year		<u>--</u>	<u>2,366,285</u>	<u>2,366,285</u>
<i>At 31 March 2016</i>		<u><u>1,000,000</u></u>	<u><u>(1,038,400)</u></u>	<u><u>(38,400)</u></u>
Company				
<i>At 1 April 2014</i>		750,000	(884,739)	(134,739)
Loss for the year		--	(91,842)	(91,842)
Shares issued	5	<u>250,000</u>	<u>--</u>	<u>250,000</u>
<i>At 31 March 2015</i>		1,000,000	(976,581)	23,419
Loss for the year		<u>--</u>	<u>(38,098)</u>	<u>(38,098)</u>
<i>At 31 March 2016</i>		<u><u>1,000,000</u></u>	<u><u>(1,014,679)</u></u>	<u><u>(14,679)</u></u>

The accompanying notes form an integral part of the financial statements.

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Cash flow statements

For the year ended 31 March 2016

	Group		Company	
	2016 RM	2015 RM	2016 RM	2015 RM
Cash flows from operating activities				
Profit/(Loss) for the year	2,366,285	(174,493)	(38,098)	(91,842)
Adjustments for:				
Allowance for doubtful debts	7,789	--	7,789	15,680
Unrealised loss on foreign exchange	--	82,681	--	--
Waiver of debts to/(from):				
- related companies	(2,415,419)	--	15,128	--
- holding company	(15,652)	--	(12,981)	--
Operating loss before changes in working capital	(56,997)	(91,812)	(28,162)	(76,162)
Changes in working capital:				
Other receivables	326	(7,876)	113	(7,846)
Trade and other payables	27,036	2,651	8,079	2,651
Due from a subsidiary	--	--	--	(15,680)
Due from/(to) related companies	7,545	(8,051)	551	(8,051)
Due from/(to) immediate holding company	21,938	(317,607)	19,267	(317,607)
Net cash used in operating activities	(152)	(422,695)	(152)	(422,695)
Cash flows from financing activity				
Proceeds from issuance of share capital/				
Net cash from financing activity	--	250,000	--	250,000
Net decrease in cash and cash equivalents	(152)	(172,695)	(152)	(172,695)
Cash and cash equivalents at 1 April	10,226	182,921	10,226	182,921
Cash and cash equivalents at 31 March	10,074	10,226	10,074	10,226
Cash and cash equivalents included in the cash flow statements comprise the following balance sheets amounts:				
Cash and bank balances	10,074	10,226	10,074	10,226

The accompanying notes form an integral part of the financial statements.

Sembawang (Malaysia) Sdn. Bhd.

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Notes to the financial statements

Sembawang (Malaysia) Sdn. Bhd. is a private company, incorporated and domiciled in Malaysia. The addresses of the principal place of business and registered office of the Company are as follows:

Principal place of business

Suite 1006, 10th Floor
Menara Amcorp
Jalan Persiaran Barat
46200 Petaling Jaya
Selangor Darul Ehsan
Malaysia

Registered office

8A, 8th Floor, Pearl Court
61, Jalan Thamby Abdullah
Brickfields
50470 Kuala Lumpur
Malaysia

The principal activities of the Company consist of engineering, construction and investment holding. The principal activities of its subsidiary are disclosed in Note 2.

The immediate holding and the ultimate holding companies are Sembawang Engineers and Constructors Pte Limited, a company incorporated in the Republic of Singapore and Punj Lloyd Limited, a company incorporated in the India, respectively.

The financial statements were approved by the Board of Directors on 17 AUG 2016.

1. Significant accounting policies

Other than the changes arising from the preparation of the financial statements on a realisation basis (previously historical cost basis), the following accounting policies are adopted by the Group and the Company and are consistent with those adopted in previous years.

(a) Basis of accounting

The financial statements of the Company are prepared on the realisation basis and in compliance with Private Entity Reporting Standards and the requirements of the Companies Act, 1965 in Malaysia.

Accordingly, adjustments have been made to the value of all assets so as to reduce their carrying value to their estimated realisable amounts and to provide for any further estimated liabilities which will arise.

(b) Basis of consolidation*Subsidiaries*

Subsidiaries are entities, including unincorporated entities, controlled by the Group. Control exists when the Group has the ability to exercise its power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing control, potential voting rights that presently are exercisable are taken into account. Subsidiaries are consolidated using the purchase method of accounting.

Under the purchase method of accounting, the financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

Investment in a subsidiary is stated in the Company's balance sheet at cost less any impairment losses.

(c) Receivables

Receivables are initially recognised at their cost when the contractual right to receive cash or another financial asset from another entity is established.

Subsequent to initial recognition, receivables are stated at cost less allowance for doubtful debts.

(d) Cash and cash equivalents

Cash and cash equivalents consist of cash on hand, balances and deposits with banks and highly liquid investments which have an insignificant risk of changes in value. For the purpose of the cash flow statement, cash and cash equivalents are presented net of bank overdrafts and pledged deposits, if any.

(e) Payables

Payables are measured initially and subsequently at cost. Payables are recognised when there is a contractual obligation to deliver cash or another financial asset to another entity.

(f) Foreign currency transactions

Transactions in foreign currencies are translated to Ringgit Malaysia at rates of exchange ruling at the date of the transactions. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated to Ringgit Malaysia at the foreign exchange rates ruling at that date. Foreign exchange differences arising on translation are recognised in the income statement. Non-monetary assets and liabilities denominated in foreign currencies, which are stated at historical cost, are translated to Ringgit Malaysia at the foreign exchange rates ruling at the date of the transactions.

The closing rates used in the translation of foreign currency monetary assets and liabilities are as follows:

	<u>2016</u>	<u>2015</u>
	RM	RM
1 Singapore Dollar	2.99	2.69

(g) Tax expense

Tax expense comprises current and deferred tax. Tax expense is recognised in the income statements except to the extent that it relates to items recognised directly in 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 substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous financial years.

Deferred tax is recognised using the balance sheet method, providing for temporary differences between the carrying amounts of assets and liabilities for reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for temporary difference arising from the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit (tax loss). Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax liability is recognised for all taxable temporary differences.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which temporary difference can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Company No. 88767-V

2. Investment in a subsidiary

	Company	
	2016 RM	2015 RM
Unquoted shares, at cost	--	65,000
Less: Allowance for diminution in value of investment	--	(64,999)
	<u>--</u>	<u>1</u>

Details of the subsidiary is as follows:

Company Name	Country of incorporation	Principal activities	Effective ownership interest	
			2016 %	2015 %
Jurubina Sembawang (M) Sdn. Bhd.	Malaysia	Dormant	99.99	99.99

3. Due from/(to) a subsidiary/related companies/immediate holding company

	Company	
	2016 RM	2015 RM
Due from a subsidiary	--	320,002
Less: Allowance for doubtful debts	--	(320,002)
	<u>--</u>	<u>--</u>

The amounts due from/(to) a subsidiary/related companies/immediate holding company are unsecured, interest free and have no fixed terms of repayment.

4. Trade and other payables

	Group		Company	
	2016 RM	2015 RM	2016 RM	2015 RM
Trade payables	--	57	--	57
Other payables and accrued expenses	<u>48,475</u>	<u>21,382</u>	<u>24,755</u>	<u>16,562</u>
	<u>48,475</u>	<u>21,439</u>	<u>24,755</u>	<u>16,619</u>

5. Share capital

	Group/Company		Group/Company	
	2016 RM	2015 RM	Number of ordinary shares 2016	2015
Ordinary shares of RM1.00 each:				
Authorised	<u>5,000,000</u>	<u>5,000,000</u>	<u>5,000,000</u>	<u>5,000,000</u>
Issued and fully paid:				
At 1 April	1,000,000	750,000	1,000,000	750,000
Shares issued	<u>--</u>	<u>250,000</u>	<u>--</u>	<u>250,000</u>
At 31 March	<u>1,000,000</u>	<u>1,000,000</u>	<u>1,000,000</u>	<u>1,000,000</u>

6. Profit/(Loss) for the year

	Group		Company	
	2016 RM'000	2015 RM'000	2016 RM'000	2015 RM'000
Profit/(Loss) for the year is arrived at after charging/ (crediting)				
Audit fee	10,000	10,000	8,000	8,000
Allowance for doubtful debts	--	--	--	15,680
Director's fee				
- Current year	20,400	20,400	9,600	9,600
- Over provided in prior year	--	(1,500)	--	(1,500)
Foreign exchange loss/(gain):				
- Unrealised	--	82,681	--	--
- Realised	--	(5,214)	--	(5,214)
Waiver of debts to/(from):				
- related companies	(2,415,419)	--	15,128	--
- immediate holding company	<u>(15,652)</u>	<u>--</u>	<u>(12,981)</u>	<u>--</u>

Employee information

The Group/Company has no staff (other than Directors) at the end of the year.

7. Taxation

	Group		Company	
	2016 RM'000	2015 RM'000	2016 RM'000	2015 RM'000
Reconciliation of effective tax expense				
Profit/(Loss) for the year	<u>2,366</u>	<u>(174)</u>	<u>(38)</u>	<u>(92)</u>
Tax at Malaysian tax rate of 24% (2015: 25%)	567	(44)	(9)	(23)
Non-deductible expenses	19	44	12	23
Non-taxable income	<u>(586)</u>	<u>--</u>	<u>(3)</u>	<u>--</u>
	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>

7. Taxation (continued)

Unrecognised deferred tax assets

Deferred tax assets have not been recognised in respect of the following items:

	Group		Company	
	2016 RM'000	2015 RM'000	2016 RM'000	2015 RM'000
Unutilised tax losses	3,783	6,537	2,430	2,430
Deductible temporary differences	395	395	395	395
	<u>4,178</u>	<u>6,932</u>	<u>2,825</u>	<u>2,825</u>

The unutilised tax losses and deductible temporary differences do not expire under current tax legislation. Deferred tax assets have not been recognised in respect of these items because it is not probable that future taxable profit will be available against which the Group/Company can utilise the benefits there from.

8. Significant event

The Board of Directors has on 24 March 2016 resolved to liquidate the Company.

Sembawang (Malaysia) Sdn. Bhd.
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**Statement by Directors pursuant to
Section 169(15) of the Companies Act, 1965**

In the opinion of the Directors, the financial statements set out on pages 4 to 13 are drawn up in accordance with Private Entity Reporting Standards and the requirements of the Companies Act, 1965 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as of 31 March 2016 and of their financial performance and cash flows for the financial year then ended.

Signed on behalf of the Board of Directors in accordance with a resolution of the Directors:

.....

.....
Atul Punj

.....

.....
Ajay Khajanchi

Date: **17 AUG 2016**

Sembawang (Malaysia) Sdn. Bhd.
(Company No. 88767-V)
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**Statutory declaration pursuant to
Section 169(16) of the Companies Act, 1965**

I, **Ajay Khajanchi**, the Director primarily responsible for the financial management of SEMBAWANG (MALAYSIA) SDN. BHD., do solemnly and sincerely declare that the financial statements set out on pages 4 to 13 are, to the best of my knowledge and belief, correct and I make this solemn declaration conscientiously believing the same to be true, and by virtue of the provisions of the Oaths and Declaration Act (Cap 211) in Singapore.

Subscribed and solemnly declared by the abovenamed in the Republic of Singapore on

.....17th August, 2016

Khajanchi

.....
Ajay Khajanchi

Gopal Perumal

Before me:





KPMG (Firm No. AF 0758)
Chartered Accountants
Level 14, Menara Ansar
65, Jalan Trus
80000 Johor Bahru, Malaysia

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Independent Auditors' Report to the members of Sembawang (Malaysia) Sdn. Bhd.

(Company No. 88767-V)
(Incorporated in Malaysia)

Report on the Financial Statements

We have audited the financial statements of Sembawang (Malaysia) Sdn. Bhd., which comprise the balance sheets as at 31 March 2016 of the Group and of the Company, and the income statements, statements of changes in equity and cash flow statements of the Group and of the Company for the year then ended, and a summary of significant accounting policies and other explanatory information, as set out on pages 4 to 13.

Directors' Responsibility for the Financial Statements

The Directors of the Company are responsible for the preparation of financial statements so as to give a true and fair view in accordance with Private Entity Reporting Standards and the requirements of the Companies Act, 1965 in Malaysia. The Directors are also responsible for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

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

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

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

Company No. 88767-V

Opinion

As stated in Note 1(a), the financial statements of the Company have been prepared on a realisation basis.

In our opinion, the financial statements give a true and fair view of the financial position of the Group and of the Company as of 31 March 2016 and of their financial performance and cash flows for the year then ended in accordance with Private Entity Reporting Standards and the requirements of the Companies Act, 1965 in Malaysia.

Report on Other Legal and Regulatory Requirements

In accordance with the requirements of the Companies Act, 1965 in Malaysia, we also report the following:

- (a) In our opinion, the accounting and other records and the registers required by the Act to be kept by the Company and its subsidiary have been properly kept in accordance with the provisions of the Act.
- (b) We are satisfied that the accounts of the subsidiary that have been consolidated with the Company's financial statements are in form and content appropriate and proper for the purposes of the preparation of the financial statements of the Group and we have received satisfactory information and explanations required by us for those purposes.
- (c) Our audit reports on the accounts of the subsidiary did not contain any qualification or any adverse comment made under Section 174(3) of the Act.

Other Matters

This report is made solely to the members of the Company, as a body, in accordance with Section 174 of the Companies Act, 1965 in Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.



KPMG
Firm Number: AF 0758
Chartered Accountants



Wee Beng Chuan
Approval Number: 2677/12/16 (J)
Chartered Accountant

Johor Bahru

Date: **17 AUG 2016**