RSM Chio Lim

JKM GLOBAL PTE. LIMITED

(Registration No: 200510987D)

Directors' Report and Financial Statements

Year Ended 31 March 2010

JKM GLOBAL PTE. LIMITED **(Registration No: 200510987D)**

Directors' Report and Financial Statements

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Directors' Report

The directors of the company are pleased to present their report together with the audited financial statements of the company for the financial year ended 31 March 2010.

1. Directors at Date of Report

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

Rao Sunder Vasudeva
Udayant Malhoutra
Lim Tiong Beng

2. Arrangements to Enable Directors to Acquire Benefits by Means of The Acquisition of Shares and Debentures

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

3. Directors' Interests In Shares and Debentures

The directors of the company holding office at the end of the financial year had no interests in the share capital 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, Cap. 50, except as follows:

Name of directors and companies in which interests are held	At beginning of year	At end of year
	Number of share of Rupee 10 each	
Ultimate parent company - Dynamatic Technologies Limited		
Udayant Malhoutra	945,447	936,707

By virtue of section 7 of the Companies Act, Cap. 50, the above director with shareholding is deemed to have an interest in the company and in all the related corporations of the company.

4. Contractual Benefits of Directors

Since the beginning of the financial year, no director of the company has received or become entitled to receive a benefit 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 or a related corporation with the director or with a firm of which he is a member, or with a company in which he has a substantial financial interest. Certain directors of the company received remuneration from related corporations in their capacity as directors and or executives of those related corporations.

5. Options to Take Up Unissued Shares

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

6. Options Exercised

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

7. Unissued Shares Under Option

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

8. Independent Auditors

The independent auditors, RSM Chio Lim LLP, have expressed their willingness to accept re-appointment.

On Behalf of The Directors

....

Rao Sunder Vasudeva
Director

....

Udayant Malhoutra
Director

22 July 2010

Statement by Directors

In the opinion of the directors,

(a) the accompanying statement of comprehensive income, statement of financial position, statement of changes in equity, statement of cash flows, and notes thereto are drawn up so as to give a true and fair view of the state of affairs of the company as at 31 March 2010 and of the results, changes in equity and cash flows of the company for the financial year then ended; 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.

The board of directors approved and authorised these financial statements for issue on 22 July 2010.

On Behalf of The Directors

....
Rao Sunder Vasudeva
Director

....
Udayant Malhoutra
Director

22 July 2010

RSM Chio Lim LLP
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Independent Auditors' Report to the Member of
JKM GLOBAL PTE. LIMITED **(Registration No: 200510987D)**

We have audited the accompanying financial statements of JKM Global Pte. Limited, which comprise the statement of financial position as at 31 March 2010, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory notes.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the provisions of the Singapore Companies Act, Cap. 50 ("the Act") and Singapore Financial Reporting Standards. This responsibility includes:

(a) 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 statement of comprehensive income and statement of financial position and to maintain accountability of assets;

(b) selecting and applying appropriate accounting policies; and

(c) making accounting estimates that are reasonable in the circumstances.

Independent Auditors' Responsibility

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

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

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

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Independent Auditors' Report to the Member of
JKM GLOBAL PTE. LIMITED **(Registration No: 200510987D)**

Opinion

In our opinion,

(a) the accompanying financial statements are properly drawn up in accordance with the provisions of the Act and Singapore Financial Reporting Standards so as to give a true and fair view of the state of affairs of the company as at 31 March 2010 and the results, changes in equity and cash flows of the company for the year ended on that date; and

(b) 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.

Without qualifying our opinion, we draw attention to note 15 to the financial statements. As at 31 March 2010, the company's current liabilities exceeded current assets by $1,255,010.The financial statements have been prepared on a going concern basis as the ultimate parent company has committed to give continuing financial support to the company to meet its financial liabilities as and when they fall due.

RSM Chio Lim LLP

RSM Chio Lim LLP
Public Accountants and
Certified Public Accountants
Singapore

22 July 2010

Partner in charge of audit: Goh Swee Hong

Statement of Comprehensive Income
Year Ended 31 March 2010

	Notes	2010 $	2009 $
Other Items of Income			
Interest Income	4	117,224	382,951
Dividend Income	5	528,676	–
Other Credits	6	610,028	–
Other Items of Expense			
Administrative Expenses		(44,083)	(117,727)
Finance Costs	7	(340,541)	(461,342)
Other Charges	6	–	(941,480)
Profit (Loss) Before Tax From Continuing Operations		871,304	(1,137,598)
Income Tax Expense	9	–	–
Total Comprehensive Income (Loss)		871,304	(1,137,598)

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

Statement of Financial Position
As at 31 March 2010

	Notes	2010 $	2009 $
ASSETS			
Non-Current Assets			
Investment in Subsidiaries	10	18,672,117	18,672,117
Other Receivables, Non-Current	11	310,453	1,179,937
Total Current Assets		18,982,570	19,852,054
Current Assets			
Other Receivables, Current	11	920,398	887,212
Other Assets, Current	12	4,551	4,551
Cash and Cash Equivalents	13	195,658	557,520
Total Current Assets		1,120,607	1,449,283
Total Assets		20,103,177	21,301,337
EQUITY AND LIABILITIES			
Equity			
Share Capital	14	14,571,451	14,571,451
Accumulated Losses		(356,650)	(1,227,954)
Total Equity		14,214,801	13,343,497
Non-Current Liabilities			
Other Financial Liabilities, Non-Current	16	3,512,759	4,422,218
Total Non-Current Liabilities		3,512,759	4,422,218
Current Liabilities			
Trade and Other Payables, Current	17	129,525	482,071
Other Financial Liabilities, Current	16	2,246,092	3,053,551
Total Current Liabilities		2,375,617	3,535,622
Total Liabilities		5,888,376	7,957,840
Total Equity and Liabilities		20,103,177	21,301,337

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

Statement of Changes In Equity
Year Ended 31 March 2010

	Total Equity $	Share Capital $	Accumulated Losses $
Current Year:			
Opening Balance at 1 April 2009	13,343,497	14,571,451	(1,227,954)
Movements in Equity:			
Total Comprehensive Income for the Year	871,304	–	871,304
Closing Balance At 31 March 2010	14,214,801	14,571,451	(356,650)
Previous Year:			
Opening Balance at 1 April 2008	2,342,409	2,432,765	(90,356)
Movements in Equity:			
Total Comprehensive Loss for the Year	(1,137,598)	–	(1,137,598)
Issue of Share Capital (Note 14)	12,138,686	12,138,686	–
Closing Balance At 31 March 2009	13,343,497	14,571,451	(1,227,954)

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

Statement of Cash Flows
Year Ended 31 March 2010

	2010	2009
	$	$
Cash Flows From Operating Activities		
Profit (Loss) before Tax	871,304	(1,137,598)
Adjustments for:		
Interest Income	(117,224)	(382,951)
Interest Expense	340,542	461,342
Translation adjustments	(618,790)	1,239,907
Operating Cash Flows before Changes in Working Capital	475,832	180,700
Other Receivables	(15,928)	85,707
Trade and Other Payables, Current	(352,546)	194,392
Net Cash Flows From Operating Activities	107,358	460,799
Cash Flows From Investing Activities		
Acquisition of Subsidiaries	–	(14,868,054)
Decrease in Loan to Subsidiaries	887,480	3,839,945
Interest received	117,224	382,951
Net Cash Flows From (Used in) Investing Activities	1,004,704	(10,645,158)
Cash Flows From Financing Activities		
Issue of Shares	–	12,138,686
Decrease in Other Financial Liabilities, Non-Current	(1,133,382)	(1,104,331)
Interest Paid	(340,542)	(461,342)
Net Cash Flows (Used in) From Financing Activities	(1,473,924)	10,573,013
Net (Decrease) Increase in Cash and Cash Equivalents	(361,862)	388,654
Cash and Cash Equivalents, Statement of Cash Flows, Beginning Balance	557,520	168,866
Cash and Cash Equivalents, Statement of Cash Flows, Ending Balance (Note 13)	195,658	557,520

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

Notes to the Financial Statements
31 March 2010

1. General

The company is incorporated in Singapore with limited liability. The financial statements are presented in Singapore dollars.

The board of directors approved and authorised these financial statements for issue on 22 July 2010.

The company's principal operations are those of investment holding and to buy, sell and deal in goods or services from Indian companies and other associated companies, in different parts of the world.

The registered office is: 8 Temasek Boulevard, #35-03 Suntec Tower 3, Singapore 038988. The company is domiciled in Singapore.

2. Summary of Significant Accounting Policies

Accounting Convention

The financial statements have been prepared in accordance with the Singapore Financial Reporting Standards ("FRS") and the related Interpretations to FRS ("INT FRS") as issued by the Singapore Accounting Standards Council and the Companies Act, Cap 50. The financial statements are prepared on a going concern basis under the historical cost convention except where an FRS requires an alternative treatment (such as fair values) as disclosed where appropriate in these financial statements.

Basis of Presentation

Consolidated financial statements have not been presented as the company is a wholly owned subsidiary of Dynamatic Technologies Limited, incorporated in India, which is also the company's ultimate parent company. The address of the ultimate parent company presenting the group financial statements is: Dynamatic Park Peenya Bangalore, 560058, India.

Basis of Preparation of the Financial Statements

The preparation of financial statements in conformity with generally accepted accounting principles requires the management to make 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 reporting year. Actual results could differ from those estimates. The estimates and assumptions are reviewed on an ongoing basis. Apart from those involving estimations, management has made judgements in the process of applying the entity's accounting policies. The areas requiring management's most difficult, subjective or complex judgements, or areas where assumptions and estimates are significant to the financial statements, are disclosed at the end of this footnote, where applicable.

2 Summary of Significant Accounting Policies (Cont'd)

Revenue Recognition

The revenue amount is the fair value of the consideration received or receivable from the gross inflow of economic benefits during the year arising from the course of the activities of the entity and it is shown net of any related sales taxes, estimated returns and rebates. Interest is recognised using the effective interest method. Dividend from equity instruments is recognised as income when the entity's right to receive payment is established.

Employee Benefits

Contributions to defined contribution retirement benefit plans are recorded as an expense as they fall due. The entity's legal or constructive obligation is limited to the amount that it agrees to contribute to an independently administered fund which is the Central Provident Fund in Singapore (a government managed retirement benefit plan). For employee leave entitlement the expected cost of short-term employee benefits in the form of compensated absences is recognised in the case of accumulating compensated absences, when the employees render service that increases their entitlement to future compensated absences; and in the case of non-accumulating compensated absences, when the absences occur. A liability for bonuses is recognised where the entity is contractually obliged or where there is constructive obligation based on past practice.

Income Tax

The income taxes are accounted using the asset and liability method that requires the recognition of taxes payable or refundable for the current year and deferred tax liabilities and assets for the future tax consequence of events that have been recognised in the financial statements or tax returns. The measurements of current and deferred tax liabilities and assets are based on provisions of the enacted or substantially enacted tax laws; the effects of future changes in tax laws or rates are not anticipated. Income tax expense represents the sum of the tax currently payable and deferred tax. Current and deferred income taxes are recognised as income or as an expense in profit or loss unless the tax relates to items that are recognised in the same or a different period outside profit or loss. For such items recognised outside profit or loss the current tax and deferred tax are recognised (a) in other comprehensive income if the tax is related to an item recognised in other comprehensive income and (b) directly in equity if the tax is related to an item recognised directly in equity. Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same income tax authority. The carrying amount of deferred tax assets is reviewed at each end of the reporting year and is reduced, if necessary, by the amount of any tax benefits that, based on available evidence, are not expected to be realised. A deferred tax amount is recognised for all temporary differences, unless the deferred tax amount arises from the initial recognition of an asset or liability in a transaction which (i) is not a business combination; and (ii) at the time of the transaction, affects neither accounting profit nor taxable profit (tax loss).

Foreign Currency Transactions

The functional currency is the Singapore dollar as it reflects the primary economic environment in which the entity operates. Transactions in foreign currencies are recorded in the functional currency at the rates ruling at the dates of the transactions. At each end of the reporting year, recorded monetary balances and balances measured at fair value that are denominated in non-functional currencies are reported at the rates ruling at the end of the reporting year and fair value dates respectively. All realised and unrealised exchange adjustment gains and losses are dealt with in profit or loss except when recognised in other comprehensive income and if applicable deferred in equity such as for qualifying cash flow hedges. The presentation is in the functional currency.

2. Summary of Significant Accounting Policies (Cont'd)

Borrowing Costs

All borrowing costs that are interest and other costs incurred in connection with the borrowing of funds that are directly attributable to the acquisition, construction or production of a qualifying asset that necessarily take a substantial period of time to get ready for their intended use or sale are capitalised as part of the cost of that asset until substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are complete. Other borrowing costs are recognised as an expense in the period in which they are incurred. The interest expense is calculated using the effective interest rate method.

Subsidiaries

A subsidiary is an entity including unincorporated and special purpose entity that is controlled by the group. Control is the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities accompanying a shareholding of more than one half of the voting rights or the ability to appoint or remove the majority of the members of the board of directors or to cast the majority of votes at meetings of the board of directors. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the group controls another entity. An investment in a subsidiary is stated at cost less any allowance for impairment in value. Impairment loss recognised in profit or loss for a subsidiary is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. The net book value of a subsidiary is not necessarily indicative of the amount that would be realised in a current market exchange.

Impairment of Non-Financial Assets

Irrespective of whether there is any indication of impairment, an annual impairment test is performed at the same time every year on an intangible asset with an indefinite useful life or an intangible asset not yet available for use. The carrying amount of other non-financial assets is reviewed at each end of the reporting year for indications of impairment and where an asset is impaired, it is written down through profit or loss to its estimated recoverable amount. The impairment loss is the excess of the carrying amount over the recoverable amount and is recognised in profit or loss. The recoverable amount of an asset or a cash-generating unit is the higher of its fair value less costs to sell and its value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). At each end of the reporting year, non-financial assets other than goodwill with impairment loss recognised in prior periods are assessed for possible reversal of the impairment. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

2. Summary of Significant Accounting Policies (Cont'd)

Financial Assets

Initial recognition and measurement and derecognition of financial assets:

A financial asset is recognised on the statement of financial position when, and only when, the entity becomes a party to the contractual provisions of the instrument. The initial recognition of financial assets is at fair value normally represented by the transaction price. The transaction price for financial asset not classified at fair value through profit or loss includes the transaction costs that are directly attributable to the acquisition or issue of the financial asset. Transaction costs incurred on the acquisition or issue of financial assets classified at fair value through profit or loss are expensed immediately. The transactions are recorded at the trade date.

Irrespective of the legal form of the transactions performed, financial assets are derecognised when they pass the "substance over form" based derecognition test prescribed by FRS 39 relating to the transfer of risks and rewards of ownership and the transfer of control.

Subsequent measurement:

Subsequent measurement based on the classification of the financial assets in one of the following four categories under FRS 39 is as follows:

1. Financial assets at fair value through profit or loss: As at end of the reporting year date there were no financial assets classified in this category.

2. Loans and receivables: Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Assets that are for sale immediately or in the near term are not classified in this category. These assets are carried at amortised costs using the effective interest method (except that short-duration receivables with no stated interest rate are normally measured at original invoice amount unless the effect of imputing interest would be significant) minus any reduction (directly or through the use of an allowance account) for impairment or uncollectibility. Impairment charges are provided only when there is objective evidence that an impairment loss has been incurred as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated. The methodology ensures that an impairment loss is not recognised on the initial recognition of an asset. Losses expected as a result of future events, no matter how likely, are not recognised. For impairment, the carrying amount of the asset is reduced through use of an allowance account. The amount of the loss is recognised in profit or loss. An impairment loss is reversed if the reversal can be related objectively to an event occurring after the impairment loss was recognised. Typically, the trade and other receivables are classified in this category.

3. Held-to-maturity financial assets: As at end of the reporting year date there were no financial assets classified in this category.

4. Available for sale financial assets: As at end of the reporting year date there were no financial assets classified in this category.

2. Summary of Significant Accounting Policies (Cont'd)

Cash and Cash Equivalents

Cash and cash equivalents include bank and cash balances, on demand deposits and any highly liquid debt instruments purchased with an original maturity of three months or less. For the statement of cash flows the item includes cash and cash equivalents less cash subject to restriction and bank overdrafts payable on demand that form an integral part of cash management.

Financial Liabilities

Initial recognition and measurement:

A financial liability is recognised on the statement of financial position when, and only when, the entity becomes a party to the contractual provisions of the instrument. The initial recognition of financial liability is at fair value normally represented by the transaction price. The transaction price for financial liability not classified at fair value through profit or loss includes the transaction costs that are directly attributable to the acquisition or issue of the financial liability. Transaction costs incurred on the acquisition or issue of financial liability classified at fair value through profit are expensed immediately. The transactions are recorded at the trade date. Financial liabilities including bank and other borrowings are classified as current liabilities unless there is an unconditional right to defer settlement of the liability for at least 12 months after the end of the reporting year.

Subsequent measurement:

Subsequent measurement based on the classification of the financial liabilities in one of the following two categories under FRS 39 is as follows:

1. Financial liabilities at fair value through profit or loss: As at end of the reporting year date there were no financial liabilities classified in this category.

2. Other financial liabilities: All liabilities, which have not been classified as in the previous category fall into this residual category. These liabilities are carried at amortised cost using the effective interest method. Trade and other payables and borrowings are usually classified in this category. Items classified within current trade and other payables are not usually re-measured, as the obligation is usually known with a high degree of certainty and settlement is short-term.

2. Summary of Significant Accounting Policies (Cont'd)

Fair Value of Financial Instruments

The carrying values of current financial instruments approximate their fair values due to the short-term maturity of these instruments. Disclosures of fair value are not made when the carrying amount of current financial instruments is a reasonable approximation of fair value. The fair values of non-current financial instruments may not be disclosed separately unless there are significant differences at the end of the reporting year and in the event the fair values are disclosed in the relevant notes. The maximum exposure to credit risk is the fair value of the financial instruments at the end of the reporting year. The fair value of a financial instrument is derived from an active market or by using an acceptable valuation technique. The appropriate quoted market price for an asset held or liability to be issued is usually the current bid price without any deduction for transaction costs that may be incurred on sale or other disposal and, for an asset to be acquired or for liability held, the asking price. If there is no market, or the markets available are not active, the fair value is established by using an acceptable valuation technique. The fair value measurements are classified using a fair value hierarchy of 3 levels that reflects the significance of the inputs used in making the measurements, that is, Level 1 for the use of quoted prices (unadjusted) in active markets for identical assets or liabilities; Level 2 for the use of inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and Level 3 for the use of inputs for the asset or liability that are not based on observable market data (unobservable inputs). The level is determined on the basis of the lowest level input that is significant to the fair value measurement in its entirety. Where observable inputs that require significant adjustment based on unobservable inputs, that measurement is a Level 3 measurement.

Equity

Equity instruments are contracts that give a residual interest in the net assets of the company. Ordinary shares are classified as equity. Equity instruments are recognised at the amount of proceeds received net of incremental costs directly attributable to the transaction. Dividends on equity are recognised as liabilities when they are declared. Interim dividends are recognised when declared by the directors.

Provisions

A liability or provision is recognised when there is a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are made using best estimates of the amount required in settlement and where the effect of the time value of money is material, the amount recognised is the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense. Changes in estimates are reflected in profit or loss in the period they occur.

2. Summary of Significant Accounting Policies (Cont'd)

Critical Judgements, Assumptions and Estimation Uncertainties

The critical judgements made in the process of applying the accounting policies that have the most significant effect on the amounts recognised in the financial statements and the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting year, 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. These estimates and assumptions are periodically monitored to ensure they incorporate all relevant information available at the date when financial statements are prepared. However, this does not prevent actual figures differing from estimates.

Estimated impairment of subsidiary:
When a subsidiary is in net equity deficit and has suffered operating losses a test is made whether the investment in the investee has suffered any impairment, in accordance with the stated accounting policy. This determination requires significant judgement. As estimate is made of the future profitability of the investee, and the financial health of and near-term business outlook for the investee, including factors such as industry and sector performance, and operational and financing cash flow. The amount of the relevant investment is $18,672,117 at the end of the reporting year. It is impracticable to disclose the extent of the possible effects. It is reasonably possible, based on existing knowledge, that outcomes within the next financial year that are different from assumptions could require a material adjustment to the carrying amount of the asset affected. The carrying amount of the specific asset at the end of the reporting year affected by the assumption is $18,672,117.

3. Related Party Transactions

FRS 24 defines a related party as an entity or person that directly or indirectly through one or more intermediaries controls, is controlled by, or is under common or joint control with, the entity in governing the financial and operating policies, or that has an interest in the entity that gives it significant influence over the entity in financial and operating decisions. It also includes members of the key management personnel or close members of the family of any individual referred to herein and others who have the ability to control, jointly control or significantly influence by or for which significant voting power in such entity resides with, directly or indirectly, any such individual. The definition includes parents, subsidiaries, fellow subsidiaries, associates, joint ventures and post-employment benefit plans, if any.

3.1 Related companies:

The company is a wholly-owned subsidiary of Dynamatic Technologies Limited, incorporated in India, which is also the company's ultimate parent company. Related companies in these financial statements refer to members of the ultimate parent company's group of companies.

There are transactions and arrangements between the company and members of the group and the effects of these on the basis determined between the parties are reflected in these financial statements. The current intercompany balances are unsecured without fixed repayment terms and interest unless stated otherwise. For non-current balances, if significant an interest is imputed unless stated otherwise based on the prevailing market interest rate for similar debt less the interest rate if any provided in the agreement for the balance.

3. Related Party Transactions (Cont'd)

3.1 Related companies (Cont'd):

Significant related company transaction:

In addition to the transactions and balances disclosed elsewhere in the notes to the financial statements, this item includes the following:

	Ultimate parent company	
	2010	2009
	$	$
Interest expense	240,028	271,953

	Subsidiary	
	2010	2009
	$	$
Interest income	117,224	382,951

3.2 Key management compensation:

Key management personnel are the directors and those persons having authority and responsibility for planning, directing and controlling the activities of the company, directly or indirectly. The directors do not receive remuneration from the company during the year. Certain key management personnel and directors of the company received compensation from related corporations in their capacity as directors and or executives of those related corporations.

3.3 Other receivables from and other payables to related parties:

The movements in other receivables from and other payables to related parties are as follows:

	Ultimate parent company	
	2010	2009
	$	$
Other payables:		
Balance at beginning of the year – net credit	(4,110,120)	(3,543,892)
Amounts paid in and settlement of liabilities on behalf of the company	565,172	(675,006)
Interest expense	(240,028)	(271,953)
Foreign currency translation adjustment	293,674	380,731
Balance at end of the year – net credit	(3,491,302)	(4,110,120)

3. Related Party Transactions (Cont'd)

3.3 Other receivables from and other payables to related parties (Cont'd):

	Subsidiaries	
	2010	2009
	$	$
Other receivables:		
Balance at beginning of the year – net debit	2,067,149	6,546,883
Amounts paid out and settlement of liabilities on behalf of the company	(1,230,037)	(4,308,296)
Interest income	117,224	382,951
Dividend income	241,261	–
Foreign currency translation adjustment	35,254	(554,389)
Balance at end of the year – net debit	1,230,851	2,067,149

4. Interest Income

	2010	2009
	$	$
Interest from a subsidiary	117,224	382,951

5. Dividend Income

	2010	2009
	$	$
Dividend income from a subsidiary	528,676	–

6. Other Credits and (Other Charges)

	2010	2009
	$	$
Foreign exchange transaction gains (losses)	610,028	(941,480)
Presented in the profit or loss as:		
Other Credits	610,028	–
Other Charges	–	(941,480)
	610,028	(941,480)

7. Finance Costs

	2010	2009
	$	$
Interest on loan from ultimate parent company	240,028	271,953
Interest on loan from banks	100,513	189,389
	340,541	461,342

8. Employee Benefits Expense

	2010 $	2009 $
Other benefits	–	8,851

9. Income Tax

Components of tax expense recognised in profit or loss include:

The income tax in profit or loss varied from the amount of income tax expense (benefit) determined by applying the Singapore income tax rate of 17% (2009: 17%) to profit (loss) before income tax as a result of the following differences:

	2010 $	2009 $
Profit (Loss) before tax	871,304	(1,137,598)
Income tax expense (benefit) at the above rate	148,122	(204,768)
Not deductible items	(148,122)	204,768
Total income tax expense	–	–

There is no income tax consequence of dividends to owners of the company.

In 2009, the government enacted a change in the national income tax rate from 18% to 17%.

10. Investment in Subsidiaries

	2010 $	2009 $
Movements during the year:		
At beginning of the year	18,672,117	3,804,063
Additions	–	14,868,054
Total at cost	18,672,117	18,672,117
Net book value of subsidiaries	10,217,630	10,850,732

Analysis of above amount denominated in non-functional currency:

Sterling pound	18,672,117	18,672,117

10. Investment In Subsidiaries (Cont'd)

The subsidiaries held by the company are listed below:

Name of Subsidiaries, Country of Incorporation, Place of Operations and Principal Activities	Cost in books of Company		Effective Percentage of Equity Held	
	2010	2009	2010	2009
	$	$	%	%
Held by the Company:				
Dynamatic Limited (a) United Kingdom Design, development and manufacture of gear pumps valves and integrated hydraulic packages, incorporated gear pumps, piston pumps, valves, filter heads and service/measurement ports and to buy, sell and deal in goods/services from Indian companies and other associated Companies, in different parts of the world	6,559,063	6,559,063	100	100
DM 38 Limited (a) United Kingdom Investment holding and to buy, sell and deal in goods/services from Indian companies and other associated Companies, in different parts of the world	12,113,054	12,113,054	100	100
Held by DM 38 Limited:				
YewTree Investments Limited (a) United Kingdom Investment holding and to buy, sell and deal in goods/services from Indian companies and other associated Companies, in different parts of the world	–	–	100	100
Held by YewTree Investments Limited:				
Oldland Aerospace Limited (a) United Kingdom Design, development and manufacture of tooling and components and components for the aeronautical industries and to buy, sell and deal in goods/services from Indian companies and other associated Companies, in different parts of the world	–	–	100	100

(a) Other independent auditor. Audited by firms of accountants other than member firms of RSM International of which RSM Chio Lim LLP in Singapore is a member.

11. Other Receivables

	2010 $	2009 $
Non-current		
Loan receivable from a subsidiary (Note 3)	310,453	1,179,937
Current		
Subsidiaries (Note 3)	27,655	11,727
Loan receivable from a subsidiary (Notes 3 and 11)	892,743	875,485
Subtotal	920,398	887,212
Total	1,230,851	2,067,149

The loan receivable from subsidiary is unsecured, bears interest rate at 7.25% (2009: 7.25%) per annum and is repayable by equal quarterly instalments over 3 years from October 2008.

12. Other Assets, Current

	2010 $	2009 $
Deposits	4,551	4,551

13. Cash and Cash Equivalents

	2010 $	2009 $
Not restricted in use	195,658	557,520

The interest earning balances are not significant.

14. Share Capital

	Number of shares issued	Share capital $
Ordinary shares of no par value:		
Balance at 1 April 2008	2,432,765	2,432,765
Issue of shares at $1.00 each during year 2008	12,138,686	12,138,686
Balance at end of year 31 March 2009 and 31 March 2010	14,571,451	14,571,451

The ordinary shares of no par value which are fully paid carry no right to fixed income. The company is not subject to any externally imposed capital requirements.

14. Share Capital (Cont'd)

Capital management:

The objectives when managing capital are: to safeguard the entity's ability to continue as a going concern, so that it can continue to provide returns for owners and benefits for other stakeholders, and to provide an adequate return to owners by pricing the sales commensurately with the level of risk. The management sets the amount of capital to meet its requirements and the risk taken. There were no changes in the approach to capital management during the year. The management manages the capital structure and makes adjustments to it where necessary or possible in the light of changes in conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the management may adjust the amount of dividends paid to owners, return capital to owners, issue new shares, or sell assets to reduce debt.

The management monitors the capital on the basis of the debt-to-adjusted capital ratio. This ratio is calculated as net debt / adjusted capital (as shown below). Net debt is calculated as total borrowings less cash and cash equivalents. Adjusted capital comprises all components of equity (i.e. share capital, and retained earnings).

	2010 $	2009 $
Net debt:		
All current and non-current borrowings including finance leases	5,758,851	7,475,769
Less cash and cash equivalents	(195,658)	(557,520)
Net debt	5,563,193	6,918,249
Adjusted capital:		
Equity	14,214,801	13,343,497
Adjusted capital	14,214,801	13,343,497
Debt-to-adjusted capital ratio	39%	52%

There are significant borrowings but these are secured by specific assets. The debt-to-adjusted capital ratio may not provide meaningful indicator of the risk for borrowings.

The company's shares have been pledged by the ultimate parent company to secure credit facilities for the company (Note 16) and a subsidiary.

15. Going Concern

As at 31 March 2010, the company's current liabilities exceeded current assets by $1,255,010. The financial statements have been prepared on a going concern basis as the ultimate parent company has committed to give continuing financial support to the company to meet its financial liabilities as and when they fall due.

16. Other Financial Liabilities

	2010 $	2009 $
Non-current		
Bank loans (secured) (16A)	1,259,262	2,585,258
Loan payable to ultimate parent company (16B)	2,253,497	1,836,960
Non-current, total	3,512,759	4,422,218
Current		
Bank loans (secured) (16A)	1,119,344	1,216,592
Loan payable to ultimate parent company (16B)	1,126,748	1,836,959
Current, total	2,246,092	3,053,551
Total	5,758,851	7,475,769

The range of floating interest rates paid were as follows:

Bank loans (secured)	2.79% to 3.91%	3.93% to 4.97%
Ultimate parent company loans payables	7%	7%

16A. Bank Loans (Secured)

The bank agreements for certain of the bank loans and other credit facilities provide among other matters for the following:

1. Corporate guarantee from the ultimate parent company and pledges on the company and a subsidiary's shares.

The bank loan bear interest at floating rates linked to interest rate in the countries concerned. The effective interest rate is 4.73% per annum during the year. The bank loan is repayable by equal quarterly instalments over 4 years from October 2008.

16B. Loan Payable to Ultimate Parent Company

Loan payable to ultimate parent company is unsecured and bear interest at 7% per annum. The loan is payable by equal quarterly instalments over 3 years from October 2008. The carrying value of the loans approximates the fair value.

17. Trade and Other Payables, Current

	2010 $	2009 $
Trade payables:		
Accrued liabilities	18,468	45,870
Other payables:		
Ultimate parent company (Note 3)	111,057	436,201
Total trade and other payables	129,525	482,071

18. Financial Instruments: Information on Financial Risks

18A. Classification of Financial Assets and Liabilities

The following table summarises the carrying amount of financial assets and liabilities recorded at the end of the reporting year by FRS 39 categories:

	2010	2009
	$	$
Financial assets:		
Cash and cash equivalents	195,658	557,520
Loans and receivables	1,230,851	2,067,149
At end of the year	1,426,509	2,624,669
Financial liabilities:		
Borrowings at amortised cost	5,758,851	7,475,769
Trade and other payables at amortised cost	129,525	482,071
At end of the year	5,888,376	7,957,840

Further quantitative disclosures are included throughout these financial statements.

18B. Financial Risk Management

The main purpose for holding or issuing financial instruments is to raise and manage the finances for the entity's operating, investing and financing activities. There are exposures to the financial risks on the financial instruments such as credit risk, liquidity risk and market risk comprising interest rate, currency risk and price risk exposures. The management has certain practices for the management of financial risks and action to be taken in order to manage the financial risks. However, these are not formally documented in written form. The guidelines include the following:

1. Minimise interest rate, currency, credit and market risks for all kinds of transactions.
2. Maximise the use of "natural hedge": favouring as much as possible the natural off-setting of sales and costs and payables and receivables denominated in the same currency and therefore put in place hedging strategies only for the excess balance. The same strategy is pursued with regard to interest rate risk.
3. All financial risk management activities are carried out and monitored by senior management staff.
4. All financial risk management activities are carried out following good market practices.

The company is exposed to interest rate risk. There are no arrangements to reduce such risk exposures through derivatives and other hedging instruments.

18C. Fair Values of Financial Instruments

The financial assets and financial liabilities at amortised cost are at a carrying amount that is a reasonable approximation of fair value.

18. Financial Instruments: Information on Financial Risks (Cont'd)

18D. Credit risk on financial assets

Financial assets that are potentially subject to concentrations of credit risk and failures by counterparties to discharge their obligations in full or in a timely manner consist principally of cash balances with banks, cash equivalents and receivables. The maximum exposure to credit risk is: the total of the fair value of the financial instruments; the maximum amount the entity could have to pay if the guarantee is called on; and the full amount of any loan payable commitment at the end of the reporting year. Credit risk on cash balances with banks and any derivative financial instruments is limited because the counter-parties are entities with acceptable credit ratings. Credit risk on other financial assets is limited because the other parties are entities with acceptable credit ratings.

Note 13 discloses the maturity of the cash and cash equivalents balances.

Other receivables are normally with no fixed terms and therefore there is no maturity.

18E. Liquidity Risks

The following table analyses non-derivative financial liabilities by remaining contractual maturity (contractual and undiscounted cash flows):

	Less than 1 year $	1 – 3 years $	Total $
Non- derivative financial liabilities:			
2010:			
Gross borrowings commitments	2,386,833	3,697,048	6,083,881
Trade and other payables	129,525	–	129,525
At end of the year	2,516,358	3,697,048	6,213,406
Non- derivative financial liabilities:			
2009:			
Gross borrowings commitments	3,332,309	4,642,564	7,974,873
Trade and other payables	482,071	–	482,071
At end of the year	3,814,380	4,642,564	8,456,944

The above amounts disclosed in the maturity analysis are the contractual undiscounted cash flows and such undiscounted cash flows differ from the amount included in the statement of financial position. When the counterparty has a choice of when an amount is paid, the liability is included on the basis of the earliest date on which it can be required to pay.

The liquidity risk is managed on the basis of expected maturity dates of the financial liabilities. The average credit period taken to settle trade payables is about 60 days (2009: 60 days). The other payables are with short-term durations. Apart from the classification of the financial statements in the statement of financial position, no further analysis is deemed necessary.

The liquidity risk refers to the difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. It is expected that all the liabilities will be paid at their contractual maturity. In order to meet such cash commitments, the operating activity is expected to generate sufficient cash inflows. The short term financing are provided by advances from the ultimate parent company. The ultimate parent company has committed to give continuing financial support to the company to meet its liabilities as and when they fall due.

18. Financial Instruments: Information on Financial Risks (Cont'd)

18F. Interest Rate Risks

The interest rate risk exposure is mainly from changes in fixed rate and floating interest rates. The following table analyses the breakdown of the significant financial instruments (excluding derivatives) by type of interest rate:

	2010 $	2009 $
Financial assets:		
Fixed rates	1,203,196	2,055,422
Non-interest bearing	223,313	569,247
Total at end of the year	1,426,509	2,624,669
Financial liabilities:		
Fixed rates	3,380,245	3,673,919
Floating rates	2,378,606	3,801,850
Non-interest bearing	129,525	482,071
Total at end of the year	5,888,376	7,957,840

The floating rate debt obligations are with interest rates that are re-set regularly at one, three or six month intervals. The interest rates are disclosed in the respective notes.

Sensitivity analysis:

	2010 $	2009 $
A hypothetical increase in interest rates by 50 basis points would have a adverse effect on profit or loss before tax of	11,893	19,009
A hypothetical increase in interest rates by 100 basis points would have a adverse effect on profit or loss before tax of	23,786	38,019
A hypothetical increase in interest rates by 150 basis points would have a adverse effect on profit or loss before tax of	35,679	57,028
A hypothetical increase in interest rates by 200 basis points would have a adverse effect on profit or loss before tax of	47,572	76,037

The analysis has been performed separately for fixed interest rate and floating interest rate financial instruments. The impact of a change in interest rates on fixed interest rate financial instruments has been assessed in terms of changing of their fair value. The impact of a change in interest rates on floating interest rate financial instruments has been assessed in terms of changing of their cash flows and therefore in terms of the impact on net expenses. The hypothetical changes in basis points are not based on observable market data (unobservable inputs).

18. Financial Instruments: Information on Financial Risks (Cont'd)

18G. Foreign Currency Risks

Analysis of amounts denominated in non-functional currencies:

Financial assets:	Cash	Receivables	Total
	$	$	$
2010:			
US Dollars	10,679	–	10,679
Great British Pound	175,511	1,230,851	1,406,362
At end of the year	186,190	1,230,851	1,417,041
2009:			
US Dollars	23,638	–	23,638
Great British Pound	473,926	2,067,149	2,541,075
At end of the year	497,564	2,067,149	2,564,713

Financial liabilities:	Borrowings
	$
2010:	
US Dollars	5,758,851
At end of the year	5,758,851
2009:	
US Dollars	7,475,769
At end of the year	7,475,769

There is exposure to foreign currency risk as part of its normal business.

Sensitivity analysis:

	2010	2009
	$	$
A hypothetical 10% increase in the exchange rate of the functional currency S$ against the US$ would have a favourable effect on profit or loss before tax of	574,817	745,213
A hypothetical 10% increase in the exchange rate of the functional currency S$ against the Great Britain Pound would have an adverse effect on profit or loss before tax of	(140,636)	(254,107)

The hypothetical changes in exchange rates are not based on observable market data (unobservable inputs). The sensitivity analysis is disclosed for each currency to which the entity has significant exposure. The analysis above has been carried out on the basis that there are no hedged transactions.

In management's opinion, the above sensitivity analysis is unrepresentative of the foreign currency risks as the historical exposure does not reflect the exposure in future.

19. Contingent Liabilities

	2010 $	2009 $
Corporate guarantee in favour of subsidiaries	7,837,200	8,528,800

20. Changes and Adoption of Financial Reporting Standards

For the year ended 31 March 2010, the following new or revised Singapore Financial Reporting Standards were adopted. The new or revised standards did not require any material modification of the measurement method or the presentation in the financial statements.

FRS No.	Title
FRS 1	Presentation of Financial Statements (Revised)
FRS 18	Revenue (Amendments)
FRS 23	Borrowing Costs (Amendments)
FRS 32	Financial Instruments: Presentation and FRS 1 Presentation of Financial Statements – Puttable Financial Instruments and Obligations Arising on Liquidation (Amendments) (*)
FRS 27	Consolidated and Separate Financial Statements – Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate (Amendments) (*)
FRS 102	Share-based Payment – Vesting Conditions and Cancellations (Amendments) (*)
FRS 103	Business Combinations and consecutive amendments in other FRSs (Revised) (*)
FRS 107	Financial Instruments: Disclosures (Amendments)
FRS 108	Operating Segments (*)
INT FRS 109	Reassessment of Embedded Derivatives and FRS 39 Financial Instruments: Recognition and Measurement – Embedded Derivatives (Amendments) (*)
INT FRS 113	Customer Loyalty Programs (*)
INT FRS 116	Hedges of a Net Investment in a Foreign Operation (*)
INT FRS 117	Distributions of Non-cash Assets to Owners (*)
INT FRS 118	Transfers of Assets from Customers (*)

(*) Not relevant to the entity.

The main objective of revising FRS 1 was to aggregate information in the financial statements on the basis of shared characteristics. All owner changes in equity is presented in the statement of changes in equity, separately from non-owner changes in equity. It does not change the recognition, measurement or disclosure of specific transactions and other events required by other FRSs. It introduces a requirement to include in a complete set of financial statements, a statement of financial position as at the beginning of the earliest comparative period whenever the entity retrospectively applies an accounting policy or makes a retrospective restatement of items in its financial statements, or when it reclassifies items in its financial statements.

21. Future Changes in Accounting Standards

The following new or revised Singapore Financial Reporting Standards that have been issued will be effective in future. The transfer to the new or revised standards from the effective dates are not expected to result in material adjustments to the financial position, results of operations, or cash flows for the following year.

FRS No.	Title	Effective date for periods beginning on or after
FRS 27	Consolidated and Separate Financial Statements (Amendments) (*)	01.07.2009
FRS 38	Intangible Assets (Amendments) (*)	01.07.2009
FRS 39	Financial Instruments: Recognition and Measurement – Eligible Hedged Item (Amendments) (*)	01.07.2009
FRS 102	Share-based Payment (Amendments) (*)	01.07.2009
FRS 103	Business Combinations (Revised) (*)	01.07.2009
FRS 105	Non-current Assets Held for Sale and Discontinued Operations (Amendments) (*)	01.07.2009
INT FRS 109	Reassessment of Embedded Derivatives (Amendments) (*)	01.07.2009
INT FRS 116	Hedges of a Net Investment in a Foreign Operation (Amendments) (*)	01.07.2009
INT FRS 117	Distributions of Non-cash Assets to Owners (*)	01.07.2009
INT FRS 118	Transfers of Assets from Customers (*)	01.07.2009
FRS 1	Presentation of Financial Statements (Amendments)	01.01.2010
FRS 7	Statement of Cash Flows (Amendments)	01.01.2010
FRS 17	Leases (Amendments)	01.01.2010
FRS 36	Impairment of Assets (Amendments)	01.01.2010
FRS 39	Financial Instruments: Recognition and Measurement (Amendments)	01.01.2010
FRS 105	Non-current Assets Held for Sale and Discontinued Operations (Amendments) (*)	01.01.2010
FRS 108	Operating Segments (Amendments) (*)	01.01.2010

(*) Not relevant to the entity.

JKM GLOBAL PTE. LIMITED
(Registration No: 200510987D)

The Accompanying Supplementary Statement of Comprehensive Income

Has Been Prepared For Management Purposes Only

And Does Not Form Part of The Audited Financial Statements

Supplementary Statement of Comprehensive Income
Year Ended 31 March 2010

	Schedules	2010 $	2009 $
Other Items of Income			
Interest Income	A	117,224	382,951
Dividend Income	B	528,676	–
Other Credits	E	610,028	–
Other Items of Expense			
Administrative Expenses	C	(44,083)	(117,727)
Finance Costs	B	(340,541)	(461,342)
Other Charges	E	–	(941,480)
Profit (Loss) Before Tax From Continuing Operations		871,304	(1,137,598)

Not part of audited financial statements

Supplementary Statement of Comprehensive Income
Year Ended 31 March 2010

Schedule A

Interest Income	2010 $	2009 $
Interest from a subsidiary	117,224	382,951

Schedule B

Dividend Income	2010 $	2009 $
Dividend income from a subsidiary	528,676	–

Schedule C

Administrative Expenses	2010 $	2009 $
Auditors' remuneration	6,981	7,726
Bank charges	1,126	745
Conveyance expense	28	1,624
Courier and postage	247	96
General expenses	–	307
Legal and professional fees	17,473	40,980
Printing and stationery	209	330
Penalty and Fines	–	544
Salaries	–	8,851
Subscription fee	–	428
Telephone and telex	33	638
Travelling expenses	–	9,396
Withholding tax expense	17,986	46,062
	44,083	117,727

Schedule D

Finance Costs	2010 $	2009 $
Interest on loan from ultimate parent company	240,028	271,953
Interest on loan from banks	100,513	189,389
	340,541	461,342

Supplementary Statement of Comprehensive Income
Year Ended 31 March 2010

Schedule E

Other Credits and (Other Charges)	2010 $	2009 $
Foreign exchange transaction gains (losses)	610,028	(941,480)
Presented in the profit or loss as:		
Other Credits	610,028	–
Other Charges	–	(941,480)
	610,028	(941,480)

Financial Statements as at March 31, 2010
Converted to Indian Rupees

JKM GLOBAL PTE LIMITED

Statement of Comprehensive Income
Year ended 31 March 2010

	Notes	2010 SGD	2010 INR	2009 SGD	2009 INR
Other items of Income					
Interest income	**4**	117,224	3,920,892	382,951	12,180,140
Dividend Income	**5**	528,676	17,683,081	-	-
Other Credits	**6**	610,028	20,404,131	-	-
Other items of Expense					
Admisinstrative Expenses		(44,083)	(1,474,482)	(117,727)	(3,744,425)
Finance Costs	**7**	(340,541)	(11,390,368)	(461,342)	(14,673,444)
Other Charges	**6**	-	-	(941,480)	(29,944,713)
Profit(Loss) Before Tax From Continuing Operations		**871,304**	**29,143,254**	**(1,137,598)**	**(36,182,442)**
Income Tax Expense	**9**	-	-	-	-
Total Comprehensive Income (Loss)		**871,304**	**29,143,254**	**(1,137,598)**	**(36,182,442)**

Note: Rates used for conversion	**31-Mar-10**	**31-Mar-09**
Balance Sheet	32.19792	33.35000
Profit & Loss Account	33.44786	31.80600

JKM GLOBAL PTE LIMITED

Statement of Financial Position
As at 31 March 2010

	Notes	2010 SGD	2010 INR	2009 SGD	2009 INR
ASSETS					
Non Current Assets					
Investment in Subsidiaries	**10**	18,672,117	601,202,956	18,672,117	622,715,102
Other Receivables, Non -Current	**11**	310,453	9,995,935	1,179,937	39,350,899
Total Non Current Assets		18,982,570	611,198,891	19,852,054	662,066,001
Current Assets					
Other Receivables, Current	**11**	920,398	29,634,883	887,212	29,588,520
Other Assets, Current	**12**	4,551	146,533	4,551	151,776
Cash and Cash Equivalents	**13**	195,658	6,299,776	557,520	18,593,292
Total Current Assets		1,120,607	36,081,192	1,449,283	48,333,588
TOTAL ASSETS		**20,103,177**	**647,280,083**	**21,301,337**	**710,399,589**
EQUITY AND LIABILITIES					
Equity					
Share Capital	**14**	14,571,451	469,170,122	**14,571,451**	485,957,891
Accumulated Losses		(356,650)	(11,483,381)	**(1,227,954)**	(40,952,266)
Total Equity		**14,214,801**	**457,686,741**	**13,343,497**	**445,005,625**
Non-Current Liabilities					
Other Financial Liabilities, Non -current	**16**	3,512,759	113,103,463	4,422,218	147,480,970
Total Non-Current Liabilities		**3,512,759**	**113,103,463**	**4,422,218**	**147,480,970**
Current Liabilities					
Trade and Other payables, Current	**17**	129,525	4,170,433	482,071	16,077,068
Other Financial Liabilities, Current	**16**	2,246,092	72,319,446	3,053,551	101,835,926
Total Current Liabilities		**2,375,617**	**76,489,879**	**3,535,622**	**117,912,994**
Total Liabilities		**5,888,376**	**189,593,342**	**7,957,840**	**265,393,964**
Total Equity & Liabilities		**20,103,177**	**647,280,083**	**21,301,337**	**710,399,589**

JKM GLOBAL PTE LIMITED

Statement of Changes in Equity
Year Ended 31 March 2010

	Total Equity SGD	Share Capital SGD	Accumulated Loss SGD	Total Equity INR	Share Capital INR	Accumulated Loss INR
Current year:						
Opening Balance at 1 April 2009	13,343,497	14,571,451	(1,227,954)	429,632,582	469,170,122	(39,537,540)
Movements in Equity:						
Total Comprehensive income for the year	871,304	0	871,304	28,054,159	0	28,054,159
Closing Balance At 31 March 2010	**14,214,801**	**14,571,451**	**(356,650)**	**457,686,741**	**469,170,122**	**(11,483,381)**
Previous year:						
Opening Balance at 1 April 2008	2,342,409	2,432,765	(90,356)	78,119,340	81,132,713	(3,013,373)
Movements in Equity:						
Total Comprehensive Loss for the year	(1,137,598)	0	(1,137,598)	(37,938,893)	0	(37,938,893)
Issue of Share capital (Note 14)	12,138,686	12,138,686	0	404,825,178	404,825,178	0
Closing Balance At 31 March 2009	**13,343,497**	**14,571,451**	**(1,227,954)**	**445,005,625**	**485,957,891**	**(40,952,266)**

JKM GLOBAL PTE LIMITED

Statement of Cashflows
Year ended 31 March 2010

	2010 SGD	2010 INR	2009 SGD	2009 INR
Cash Flows from Operating Activities				
Profit (Loss) before Tax	871,304	28,054,159	(1,137,598)	(37,938,893)
Adjustments for:				
Interest income	(117,224)	(3,774,367)	(382,951)	(12,771,416)
Interest Expense	340,542	10,964,737	461,342	15,385,756
Translation Adjustments	(618,790)	(19,923,739)	1,239,907	41,350,898
Operating Cash Flows before Changes in working Capital	475,832	15,320,790	180,700	6,026,345
Other receivables	(15,928)	(512,848)	85,707	2,858,328
Trade and other Payables , Current	(352,546)	(11,351,241)	194,392	6,482,973
Net Cash flows from Operating Activities	107,358	3,456,701	460,799	15,367,646
Cashflows From Investing Activities				
Acquisition of Subsidiaries	-	-	(14,868,054)	(495,849,601)
Decrease in Loan to Subsidiaries	887,480	28,574,992	3,839,945	128,062,166
Interest received	117,224	3,774,367	382,951	12,771,416
Net Cash Flows (used in) from Investing Activities	1,004,704	32,349,359	(10,645,158)	(355,016,019)
Cash Flows from Financing Activities				
Issue of Shares	-	-	12,138,686	404,825,178
Decrease in Other Financial Liabilities, Non -Current	(1,133,382)	(36,492,520)	(1,104,331)	(36,829,438)
Interest paid	(340,542)	(10,964,737)	(461,342)	(15,385,756)
Net Cash Flows from(used in) from Financing Activities	(1,473,924)	(47,457,257)	10,573,013	352,609,984
Net (Decrease)/Increase in Cash and cash Equivalents	(361,862)	(11,651,197)	388,654	12,961,611
Cash and cash Equivalents, Statement of cash flows, Beginning Balance	557,520	17,950,973	168,866	5,631,681
Cash and cash Equivalents, Statement of cash flows Ending balance (Note 13)	195,658	6,299,776	557,520	18,593,292

Notes
(forming part of the financial statements)

1. GENERAL

The Company is incorporated in Singapore with limited liability. The financial statements are presented in Singapore dollars. The board of directors approved and authorised these financial statements for issue on 22nd July 2010.

The Company's principal operations are those of investment holding and to buy, sell and deal in goods or services from indian companies and other associated companies, in different parts of the world.

The registered office is: 8 Temasek Boulevard, # 35-03 Suntec towers 3, Singapore 038988. The company is domiciled in Singapore.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Accounting Convention

The financial statements have been prepared in accordance with the Singapore Financial Reporting Standards("FRS") and the related interpretations to FRS ("INT FRS") as issued by the Singapore Accounting Standard Council and the Companies Act, cap 50.The financials statements are prepared on a going concern basis under the historical cost convention except where an FRS requires an alternative treatment (such as fair values) as disclosed where appropriate in these financial statements.

Basis of Presentation

Consolidated financial statements have not been presented as the company is a wholly owned subsidary of Dynamatic Technologies Limited, incorporated in India, which is also the company's ultimate parent company. The address of the ultimate parent company prsenting the group financial statements is Dynamatic park, Peenya , Bangalore 560 058, India.

Basis of preparation of the Financial statements

The preparation of financial statements in conformity with gnerally accepted accounting principles requires the management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contignent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting year. Actual results could differ from those estimates. The estimates and assumptions are reviewed on an ongoing basis. Apart from those involving estimations, management has made judgements in the process of applying the entity's accounting polices. The areas requiring managements' most difficult , subjective or complex judgements, or areas where assumptions and estimates are significant to the financial statements, are disclosed at the end this footnote, where applicable.

Revenue Recognition

The revenue amount is the fair value of the consideration received or receivable from the gross inflow of exonomic benefits during the year arising from the course of the activities of the entity and it is shown net of any related sales taxes, estimated returns, and rebates. Interest is recognised using the effective interest method. Dividend from equity instruements is recognised as income when the entity's right to receive payment is established.

Employee Benefits

Contributions to defined contribution retirement beneift plans are recorded as an expenses as they fall due. The entity's legal or consturctive obligation is limited to the amount that it agrees to contribute to an independently admisistered fund which is the central provident fund in Singapore (a government managed retirement benefit plan). For employee leave entitlement the expected cost of short term employee benefits in the form of compensated absence is recognised in the case of accumulating compensated absences, when the employees render service that increases their entitlement to future compensated absences; and in the case of non-accumulating compensated absences, when the absences occur. A liability for bonuses is recognised where the entity is contractually obliged or where there is constuctive obligation based on past practice.

Income Tax

The income taxes are accounted using the asset and liabilty method that requires the recognition of taxes payable or refundable for the current year and deferred tax liabilities and assets for the future tax consequences of events that have been recognised in the financial statements or tax returns. The measurements of current and deferred tax liabilities and assets are based on provisions of the enacted or substantially enacted tax laws; the effects of future changes in tax laws or rates are not anticipated. Income tax expenses represents the sum of the tax currently payable and deferred tax. Current and deferred income taxes are recognised as income or as an expense in profit or loss unless the tax relates to items that are recognised in the same or a different period outside profit or loss. For such items recognised outside profit or loss the current tax and deferred tax are recognised (a) in other comprehensive income if the tax is related to an item recognised in other comprehensive income and (b) directly in equity if the tax is related to an item recognised directly in equity. Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same income tax authority. The carrying amount of deferred tax assets is reviewed at each end of the reporting year and is reduced, if necessary, by the amount of any tax benefit that, based on available evidence, are not expected to be realised. A deferred tax amount is recognised for all temporary differences, unless the deferred tax amount arises from the initial recognition of an asset or liabilty in a transaction which (i) is not a business combination and (ii) at the time of the transaction, affects neither accounting profits nor taxable profit (Tax loss).

Foreign Curency Transactions

The functional currency is the Singapore dollar as it reflects the primary economic envoirnment in which the entities operates. Transactions in foreign currencies are recorded in the functional currency at the rates ruling at the date of the transactions. At each the end of the reporting year, recorded monitery balances and balances measured at fair value that are denominated in non-functional currencies are reported at the rates rulling at the end of the reporting year and fair value dates respectively. All realised and unrealised exchange adjustment gains and losses are dealt with in profit or loss except when recognised in other comprehensive income and if applicable deferred in equity such as for qualifying cash flow hedges. The presentation is in the functional currency.

Borrowing costs

All borrowing costs that are interest and other costs incurred in connection with the borrowing of funds that are directly attributable to the acquisition, construction or production of a qualifying asset that necessarily take a substantial period of time to get ready for their intended use or sale are capitalised as part of the cost of that asset until substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are complete. Other borowing costs are recognised as an expense in the period in which they are incurred. The interest expense is caluclated using the effective interest rate method.

Subsidiaries

A subsidiary is an entity including unincorporated and special purpose entity that is controlled by the group. Control is the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities accompanying a shareholding of more than one half of the voting rights or the ability to appoint or remove the majority of the members of the board of directors or to cast majority of votes at meetings of the board of directors. The existance and effect of potential voting rights that are currently excercisable or convertible are considered when assessing whether the group controls another entity. An investment in a subsidiary is staed at cost less any allowance for impairement in value. Impairment loss recognised in profit or loss for a subidiary is reversed only if there has been change in estimates used to determine the assets recoverable amount since the last impairment loss was recognised. The net book value of a subsidiary is not necessarily indicative of the amount that would be realised in a current market exchange.

Impairment of Non- Financial Assets

Irrespective of whether there is any indication of impairment, an annual impairment test is performed at the same time every year on an intangible asset with an indefinite useful life or an intangible asset not yet available for use. The carrying amount of other non-financial asset is reviewed at each end of the reporting year for indications of impairment and where an asset is impaired,it is written down through profit or loss to its estimated recoverable amount. The impairment loss is the excess of the carrying amount over the recoverable amount and is recognised in profit or loss. The recoverable amount of an asset or a cash generating unit is the higher of its fair value less costs to sell and its value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset . For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifible cash flows (cash generating units). At each end of the reporting year, non financial assets other than goodwill with impairment loss recognised in prior perods are assessed or possible reversal of the impairment. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determied , net of depreciation or amortisation, if no impairment loss had been recognised.

Financial Assets

Initial recognistion and measurement and derecognition of financial assets:

A financial asset is recognised on the statement of financial position when, and only when, the entity becomes a party to the contractual provisions of the instruement. The initial recognition of the financial assets is at fair value normally represented by the transcation price. The transaction price for financial asset not classified at fair value through profit or loss includes the transaction costs that are directly attributable to the acquisition or issue of the financial asset. Transacion costs incurred on the acquisition or issue of financial assets classified at fair value through profit or loss are expensed immediately. The transactions are recorded at the trade date.

Irrespective of the legal form of the transactions performed , financial assets are derecognised when they pass the " substance over form" based derecognition test prescribed by FRS 39 relating to the transfer of risks and rewards of ownership and the transfer of control.

Subsequent measurement

Subsequent measurement based on the classification of the financial assets in one of the follwowing four categories under FRS 39 is as follows;

1. Financial assets at fair value through profit or loss: As at the end of reporting year date there were no financial assets classified in this category.

2. Loans and receivables : Loans and receivables are non -derivative financial assets with fixed or determinable payments that are not quoted in an active market. Assets that are for sale immediately or in the near term are not classifed in this category. These assets are carried at amortised costs using effective interest method (except that short-duration receivables with no stated interest rate are normally measured at original invoice amount unless the effect of imputing interest would be significant) minus any reduction (dirrectly or through the use of an allowance account) for impairment or uncollectability. Impairment charges are provided only when there is objective evidence that an impairment loss has been incurred as a result of one or more events that occured after the initial recognition of the asset(a "Loss event") and the loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be releiably estimated. The methodalogy ensures that an impairment loss is not recognised on the initial recognition of the asset. Losses expected as a result of future events,no matter how likely , are not recognised. For impairment , carrying amount of the asset is reduced through use of an allowance account. The amount of the loss is recognised in profit or loss. An impairment loss is reversed if the reversal can be related objectively to an event occuring after the impairment loss was recognised. Typically, the trade and other receivables are classified in this category.

3. Held-to-maturity financial assets : As at the end of reporting year date there were no financial assets classified in this category

4. Available for sale financial assets : As at end of the reporting year date there were no financial assets classified in this category

Cash and cash equivalents:

Cash and cash equivalents include bank and cash balances, on demand depsoits and any highly liquid debt instruements purchased with an original maturity of three months or less. For the statement of cash flows the item includes cash and cash equivalents less cash subject to restriction and bank overdrafts payable on demand that form an integral part of cash management.

Financial Liabilities

Initial recognition and measurement

A financial liability is recognised on the statement of financial position when, and only when, the entity becomes a party to the contractual provisions of the instruement. The initial recognition of financial liabilty is at fair value normally represented by the transaction price. The transaction price for financial liability not classified at fair value through profit or loss includes the transaction costs that are directly attributable to the acquisition or issue of the financial liability. Transaction costs incurred on the acquisition or issue of financial liability classified at fair value through profit are expenses immediately. The transactions are recorded at the trade date. Financial liabilities including bank and other borrowings are classified as current liabilities unless ther is an unconditional right to defer settlement of the liability for at least 12 months after the end of the reporting year.

Subsequent measurement:

Subsequent measurement based on the classification of the financial liabilities in one of the following two categories under FRS 39 is as follows;

1. Financial liabilities at fair value through profit or loss: As at end of the reporting year date there were no financial liabilities classified in this category.

2. Other financial liabilities: All liabilities, which have not been classified as in the previous category fall into this residual category. These liabilities are carried at amortised cost using the effective interest method. Trade and other payables and borrowings are usually classified in this category. Items classified with in current trade and other payables are not usually re-measured, as the obligation is usually known with a hight degree of certainity and settlement is short-term.

Fair value of Financial Instruments

The carrying values of current financial instruments approximate their fair values due to the short-term maturity of these instruements. Disclosure of fair value are not made when the carrying amount of the current financial instruements is a reasonable approximation of fair value. The fair values of non-current financial instruements may not be disclosed separately unless there are significant differences at the end of the reporting year and in the event of fair values are disclosed in the relevant notes. The maximum exposure to credit risk is the fair value of the financial instruements at the end of the reporting year. The fair value of the financial instruement is derived from an active market or by using an acceptable valuation technique. The appropriate quoted market price for an asset held or liablity to be issued is usually the current bid price without any deduction for transaction costs that may be incurred on sale or other disposal and , for an asset to be acquired or for liabilty held, the asking price. If there is no market,or the markets available are not active, the fair value is esatablished by using an acceptable valuation technique. The fair value measurements are classified using a fair value hierachy of 3 levels that reflects significiance of the inputs used in making the measurements , that is, level 1 for the use of quoted prices, (unadjusted) in active markets for identical assets or liabilities; level 2 for the use of inputs other than quoted prices included within level 1 that are observable for the asset or liability , either directly(i.e as prices) or indirectly (i.e derived from prices); and Level 3 for the use of inputs for the asset or liability that are not based on observable market data (unobservable inputs). The level is determined on the basis of the lowest level input that is significant to the fair value measurment in its entirety. Where observable inputs that require significant adjustment based on unobservable inputs, that measurement is a level 3 measurement.

Equity

Equity instruments are contracts that give a residual interest in the net assets of the Company. Ordinary shares are classified as equity. Equity instruements are recognised at the amount of proceeds received net of incremental costs directly attributable to the transaction. Dividends on equity are recognised as liabilities when they are declared. Interim dividends are recognised when declared by directors.

Provisions

A liability or provision is recognised when ther is a present obligation(legal or constructive) as a result of a past event ,it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are made using best estimates of the amount required in settlement and where the effect of the time value of money is material , the amount recognised is the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense. Changes in estimates are reflected in profit or loss in the period they occur.

Critical Judgements, Assumptions and estimation Uncertainties

The critical judgements made in the process of applying the accounting policies that have the most significant effect on the amounts recognised in the financial statements and the key assumptions concerning the future , and other key sources of estimation uncertainly at the end of the reporting year, that have a significant risk of causing a material adjsutments to the carrying amount of assets and liabilities within the next financial year are discussed below. These estimates and asumptions are periodically monitored to ensure they incorporate all relevant information available at the date when financial statements are prepared. However, this does not prevent actual figures differing from estimates.

Estimated impairment of Subsidiary:

When a subsidiary is in net equity deficit and has suffered operating losses a test is made whether the investment in the investee has suffered any imapirment, in accordance with the stated accounting policy. This determination requires significant judgement. As estimate is made of the future profitabuility of the investee, and the financial health of and near term business outlook for the investee, including factors such as industry and sector performance, and operational and financing cash flow. The amount of the relevant investment is $ 18,672,117 at the end of the reporting year. It is impracticable to disclose the extent of the possible effects. It is reasonably possible, based on the existing knowledge, that outcomes within the next financial year that are different from assumptions could require a material adjustment to the carrying amount of the asset affected. The carrying amount of the specific asset at the end of the reporting year affected by the assumption is Sing $ 18,672,117.

Related Party Transactions:

FRS 24 defines a related party as an entity or person that directly or indirectly through one or more intermediaries controls, is controlled by, or is under common or joint control with, the entity in governing the financial and operating polices, or that has an interest in the entity that gives it significant influence over the entity in financial and operating decisions. It also include members of the key management personnel or close members of the family of any individual referred to herein and others who have the ability to control, jointly control or singnificantly influence by or for which significant voting power in such entity resides with, directly or indirectly, any such individual. The definition includes parents, subsidiaries, fellow subsidiaries , associates, joint ventures and post -employment benefit plans, if any.

3.1 Related companies

The company is a wholly -owned subsidiary of Dynamatic Technologies Limited, incorporated in India, which is also the company's ultimate parent company. Related companies in these financial statements refer to members of the ultimate parent company's group of companies.

There are transactions and arrangements between the company and members of the group and the effects of these on the basis determined between the parties are reflected in these financial statements. The current intercompany balances are unsecured without fixed repayment terms and interest unless stated otherwise. For non-current balances, if significant an interest is imputed unless stated otherwise based on the prevailing market interest rate for similiar debt less interest rate if any provided in the agreement for the balance.

3 Related Party Transaction (Cont'd)

3.1 Related Companies (Cont'd)

Singificant related company transaction:

In addition to the transaction and balances disclosed elsewhere in the notes to the financial statements, this item includes the following;

	Ultimate Parent Company			
	2010	2010	2009	2009
	SGD	INR	SGD	INR
Interest expense	240,028	8,028,423	271,953	8,649,737

	Subsidiary			
	2010	2010	2009	2009
	SGD	INR	SGD	INR
Interest income	117,224	3,920,892	382,951	12,180,140

3.2 Key management compensation:

Key management personnel are the directors and those persons having authority and responsibility for planning, directing and controlling the activities of the company, directly or indirectly. The directors do not receive remuneration from the company during the year. Certain key management personnel and directors of the company received compensation from related corporations in their capacity as directors and or executives of those related corporations.

3.3 Other receivables from and other payables to related parties:

The movements in other receivables from and other payables to related parties are as follows;

	Ultimate Parent Company			
	2010	2010	2009	2009
	SGD	INR	SGD	INR
Other Payables:				
Balances at beginning of the year - Net Credit	(4,110,120)	(132,337,233)	(3,543,892)	(118,188,798)
Amounts paid in and settlement of liabilities on behalf of the company	565,172	18,197,352	(675,006)	(22,511,450)
Interest expense	(240,028)	(7,728,398)	(271,953)	(9,069,633)
Foreign curency translation adjustment	293,674	9,455,686	380,731	12,697,379
Balance at the end of the year- net credit	**(3,491,302)**	**(112,412,593)**	**(4,110,120)**	**(137,072,502)**
Other receivables:				
Balances at the beginning of the year - Net debit	2,067,149	66,557,857	6,546,883	218,338,548
Amounts paid out and settlement of liabilities on behalf of the company	(1,230,037)	(39,604,609)	(4,308,296)	(143,681,672)
Interest income	117,224	3,774,367	382,951	12,771,416
Dividend income	241,261	7,768,098	0	0
Foreign curency translation adjustment	35,254	1,135,105	(554,389)	(18,488,873)
Balance at the end of the year- net debit	**1,230,851**	**39,630,818**	**2,067,149**	**68,939,419**

4 **Interest income**	2010	2010	2009	2009
	SGD	INR	SGD	INR
Interest from a subsidiary	117,224	3,920,892	382,951	12,180,140

5 **Dividend income**

	2010 SGD	2010 INR	2009 SGD	2009 INR
Dividend income from a subsidiary	528,676	17,683,081	0	0

6 **Other credits and (Other Charges)**

	2010 SGD	2010 INR	2009 SGD	2009 INR
Foreign exchange transaction gains (losses)	610,028	20,404,131	(941,480)	(29,944,713)
Presented in profit & Loss account as:				
Other credits	610,028	20,404,131		0
Other charges	0	0	(941,480)	(29,944,713)
	610,028	20,404,131	(941,480)	(29,944,713)

7 **Finance Costs**

	2,010 SGD	2,010 INR	2,009 SGD	2,009 INR
Interest on loan from ultimate parent company	240,028	8,028,423	271,953	8,649,737
Interest on loan from banks	100,513	3,361,945	189,389	6,023,707
	340,541	11,390,368	461,342	14,673,444

8 **Employee Benefit Expense**

	2010 SGD	2010 INR	2009 SGD	2009 INR
Other benefits	0	0	8,851	281,515

9 **Income Tax**

Components of tax expense recognised in profit or loss include:

The income tax in profit or loss varied from the amount of income tax expense (benefit) determined by applying the Singapore income tax rate of 17% (2009 : 17%) to Profit(loss) before income tax as a result of the following differences:

	2010 SGD	2010 INR	2009 SGD	2009 INR
Proftit (Loss) before Tax	871,304	29,143,254	(1,137,598)	(36,182,442)
Income tax expense(benefit) at the above rate	148,122	4,954,364	(204,768)	(6,512,851)
Not deductible items	(148,122)	(4,954,364)	204,768	6,512,851
Total income tax expense	0	0	0	0

There is no income tax consequence of divdiends to owners of the company

In 2009, the government enacted a change in the national income tax rate from 18% to 17%

10 **Investment in Subsidiaries:**

	2010 SGD	2010 INR	2009 SGD	2009 INR
Movements during the year:				
At the beginning of the year	18,672,117	601,202,956	3,804,063	126,865,501
Additions	0	0	14,868,054	495,849,601
Total Cost	18,672,117	601,202,956	18,672,117	622,715,102
Net book value of the subsidiaries	10,217,630	328,986,229	10,850,732	361,871,912

Analyis of above amount denominated in non-functional currency:

	2010 SGD	2010 INR	2009 SGD	2009 INR
Sterling pound	18,672,117	601,202,956	18,672,117	622,715,102

The subsidiaries held by the company are listed below:

Name of the subsidiaries, country of incorporation, place of operations and Principal Activities	Cost in books of the Co		Effective % of Equity held		Effective % of Equity held	
	2,010	2,010	2,009	2,009	2,010	2,009
	SGD	INR	SGD	INR	%	%
Held by the Company:						
Dynamatic Limited (a),United Kingdom	6,559,063	211,188,055	6,559,063	218,744,751	100	100
Desingn, development and manufacture of gear pumps, valves, and integrated hydraulic packages, incorporated gear pumps, piston pumps, valves, filter heads and service/measurement ports and to buy, sell and deal in goods/services from Indian companies and other associated Companies, in different parts of the world						
DM 38 Limited (a), United Kingdom	12,113,054	390,014,901	12,113,054	403,970,351	100	100
Investment holding and to buy, sell and deal in goods /services from Indian companies and other associated Companies, in different parts of the world						
Held by DM 38 Limited:						
Yew Tree Investments Limited(a) United Kingdom	0	0	0	0	100	100
Investment holding and to buy, sell and deal in goods/services from Indian companies and other associated Companies, in different parts of the world						
Held by yew Tree Investments Limited:						
Oldland Aerospace Limited(a) United Kingdom	0	0	0	0	100	100
Design, development and manufacture of tooling and components and components for the aeronautical industries and to buy, sell and deal in goods/services from Indian companies and other associated Companies, in different parts of the world						

(a) Other independent auditor, Auditor of firms of accountants other than member firms of RSM International of which RSM Chio Lim LLP in Singapore is a member

11 **Other Receivables**

	2010 SGD	2010 INR	2009 SGD	2009 INR
Non-Current				
Loan receivable from a subsidiary (Note 3)	310,453	9,995,935	1,179,937	39,350,899
Current				
Subsidiaries (Note 3)	27,655	890,433	11,727	391,095
Loan receivable from a subsidiary (Note 3 and 11)	892,743	28,744,450	875,485	29,197,425
Sub Total	920,398	29,634,883	887,212	29,588,520
Total	1,230,851	39,630,818	2,067,149	68,939,419

The loan receivable from a subdidiary is unsecured, bears interest rate at 7.25%(2009: 7.25%) per annum and is repayable by equal quarterly installments over 3 years from October 2008

12 **Other Assets, Current**

	2010 SGD	2010 INR	2009 SGD	2009 INR
Deposits	4,551	146,533	4,551	151,776

13 **Cash and cash Equivalents**

	2010 SGD	2010 INR	2009 SGD	2009 INR
Not restricted in use	195,658	6,299,776	557,520	18,593,292

The interest earning balances are not significant

14 **Share Capital**

	No of shares issued	Share Capital	Share Capital
		SGD	INR
Ordinary shares of no par value:			
Balance at 1 April 2008	2,432,765	2,432,765	78,329,924
Issue of shares @ SGD 1/- each during year 2008	12,138,686	12,138,686	390,840,198
Balance at end of year 31 March 2009 and 31 March 2010	**14,571,451**	**14,571,451**	**469,170,122**

The ordinary shares of no par value which are fully paid carry no right to fixed income. The company is not subject to any externally imposed capital requirements.

Capital management:

The objectives when managing capital are : to safeguard the entity's ability to continue as a going concern, so that it can continue to provide returns for owners and benefits for other stakeholders, and to provide an adequate return to owners by pricing the sales commensurately with the level of risk. The management sets the amount of capital to meet its requirements and the risk taken. There were no changes in the approach to capital management during the year. The management manages the capital structure and makes adjustments to it where necessary or possible in the light of changes in conditions and the risk characterstics of the underlying assets. In order to maintain or adjust the capital structure , the management may adjust the amount of dividends paid to owners, return capital to owners, issue new shares, or sells assets to reduce debt.

The management monitors the capital on the basis of the debt-to -adjusted capital ratio. This ratio is calculated as net debt/ adjusted capital(as shown below). Net debt is calculated as total borrowings less cash and cash equivalents. Adjsuted capital comprises all components of equity. (i.e Share capital, and retained earnings).

	2010 SGD	2010 INR	2009 SGD	2009 INR
Net debt:				
All current and non -current borrowings including finance leases	5,758,851	185,422,909	7,475,769	249,316,896
Less cash and cash equivalents	(195,658)	(6,299,777)	(557,520)	(18,593,292)
Net debt	5,563,193	179,123,132	6,918,249	230,723,604
Adjsuted Capital:				
Equity	14,214,801	457,686,741	13,343,497	445,005,625
Adjusted capital	14,214,801	457,686,741	13,343,497	445,005,625
Debt to adjsuted capital ratio %	39	39	52	52

There are significant borrowings but these are secured by specific assets. The debt to adjusted capital ratio may not provide meaningful indicator of the risk for borrowings.

The company's shares have been pledged by the ultimate parent company to secure credit facilities for the company. (Note 16) and a subsidiary.

15 **Going Concern**

As at 31 March 2010, the company's current liabilities exceeded current assets by $ 1,255,010 (INR 40,408,686). The financial statements have been prepared on a going concern basis as the ultimate parent company has committed to give continuing financial support to the company to meet its financial liabilities as and when they fall due.

16 **Other Financial Liabilities**

	2010 SGD	2010 INR	2009 SGD	2009 INR
Non-Current				
Bank Loans (Secured) (16A)	1,259,262	40,545,592	2,585,258	86,218,354
Loans payable to ultimate parent company (16B)	2,253,497	72,557,871	1,836,960	61,262,616
Non -Current , total	3,512,759	113,103,463	4,422,218	147,480,970
Current				
Bank Loans (Secured) (16A)	1,119,344	36,040,526	1,216,592	40,573,343
Loans payable to ultimate parent company (16B)	1,126,748	36,278,920	1,836,959	61,262,583
Current, total	2,246,092	72,319,446	3,053,551	101,835,926
Total	5,758,851	185,422,909	7,475,769	249,316,896

The range of floating interest rates paid were as follows;

	2010	2009
Bank Loans (Secured)	2.79% to 3.91 %	3.93% to 4.97 %
Ultimate parent company loan payables	7%	7%

16A **Bank Loans (Secured)**

The bank agreements for certain of the bank loans and other credit facilities provide among other matters for the following:

1. Corporate guarantee from the ultimate parent company and pledges on the company and a subsidiary's shares

The bank loan bear interest at floating rates linked to interest rate in the countries concerned. The effective interest rate is 4.73% per annum during the year. The bank loan is repayable by equal quarterly installments over 4years from October 2008.

16B **Loan Payable to Ultimate Parent Company**

Loan payable to ultimate parent company is unsecured and bear interest at 7% per annum. The loan is payable by equal quarterly installments over 3 years from October 2008. The carrying value of the loans approximates the fair value.

17 **Trade and Other Payables, Current**

	2010 SGD	2010 INR	2009 SGD	2009 INR
Trade payables				
Accrued liabilities	18,468	594,631	45,870	1,529,765
Other Payables:				
Ultimate parent company (Note 3)	111,057	3,575,802	436,201	14,547,303
Total Trade and other Payables	129,525	4,170,433	482,071	16,077,068

18 **Financial Instruements : Information on Financial Risks**

18A **Classification of Financial Assets and Liabilities**

The following table summarises the carrying amount of financial assets and liabilities recorded at the end of the reporting year by FRS 39 categories

	2010 SGD	2010 INR	2009 SGD	2009 INR
Financial assets:				
Cash and cash equivalents	195,658	6,299,776	557,520	18,593,292
Loans and receivables	1,230,851	39,630,818	2,067,149	68,939,419
At the end of the year	1,426,509	45,930,594	2,624,669	87,532,711
Financial Liabilities				
Borrowing at amortised cost	5,758,851	185,422,909	7,475,769	249,316,896
Trade and other payables at amortised cost	129,525	4,170,433	482,071	16,077,068
At the end of the year	5,888,376	189,593,342	7,957,840	265,393,964

Further quantitative disclosures are included throughout these financial statements

18B **Financial Risk Management**

The main purpose for holding or issuing financial instruements is to raise and manage the finances for the entity's operating, investing and financing activities. There are exposures to the financial risks on the financial instruements such as credit risk, liquidity risk and market risk comprising interest rate, currency risk and price risk exposures. The management has certain practices for the management of financial risks and action to be taken in order to manage the financial risks. However, these are not formally documented in written form. The guidelines include the following;

1. Minimise interest rate, currency, credit and market risks for all kinds of tranasactions.
2.Maximise the use of "natural hedge" favouring as much as possible the natural off setting of sales and cost and payables and receivables denominated in the same currency and therefore put in place hedging strategies only for the excess balance. The same strategy is pursued with regard to interest rate risk.
3. All financial risk management activities are carried out and monitored by senior management staff
4. All financial risk management activities are carried out following good market practices.

The company is exposed to interest rate risk. There are no arrangements to reduce such risk exposures through derivatives and other hedging instruements.

18C **Fair Values of financial Instruements**

The financial assets and financial liabilities at amorised cost are at a carrying amount that is a reasonable approximation of fair value.

18D **Credit risk on financial assets**

Financial assets that are potentially subject to concentrations of credit risk and failures by counterparties to discharge their obligations in full or in a timely manner consist principally of cash balances with banks, cash equivalents and receivables. The maximum exposure to credit risk is: the total of the fair value of the financial insruements; the maximum amount the entity could have to pay if the guarantee is called on; and the full amount of any loan payable commitment at the end of the reporting year. Credit risk on cash balances with banks and any derivative financial instruements is limited because the counter-parties are entities with acceptable credit ratings. Credit risk on other financial assets is limited because the other parties are entities with acceptable credit ratings.

Note 13 discloses the maturity of the cash and cash equivalents balances.

Other receivables are normally with no fixed terms and therefore there is no maturity.

18E **Liquidity Risks**

The following table analyses non-derivative financial liabilities by remaining constractual maturity(contractual and undiscounted cash flows)

	Less than 1 year	1- 3 years	Total	Less than 1 year	1- 3 years	Total
	SGD	SGD	SGD	INR	INR	INR
Non derivative financial laibilities:						
2010						
Gross borrowings commitments	2,386,833	3,697,048	6,083,881	76,851,010	119,037,182	195,888,192
Trade and other payables	129,525	0	129,525	4,170,433	0	4,170,433
At the end of the year	2,516,358	3,697,048	6,213,406	81,021,443	119,037,182	200,058,625
Non derivative financial laibilities:						
2009						
Gross borrowings commitments	3,332,309	4,642,564	7,974,873	111,132,505	154,829,509	265,962,015
Trade and other payables	482,071	0	482,071	16,077,068	0	16,077,068
At the end of the year	3,814,380	4,642,564	8,456,944	127,209,573	154,829,509	282,039,083

The above amounts disclosed in the maturity analysis are the contractual undiscounted cash flows and such undiscounted cash flows differ from the amount included in the statemement of financial position. When the counterparty has a choice of when an amount is paid, the liability is included on the basis of the earliest date on which it can be required to pay.

The liquidity risk is managed on the basis of expected maturity dates of the financial liabilities. The average credit period taken to settle trade payables is about 60 days (2009: 60 days). The other payables are with short term durations. Apart from the classification of the financial statements in the statement of financial position, no further analysis is deemed necessary.

The liquidity risk refers to the difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. It is expected that all the liabilities will be paid at their contractual maturity. In order to meet such cash commitments, the operating activity is expected to generat sufficient cash inflows. The short term financing are provided by advances from the ultimate parent company. The ultimate parent company has committed to give continuing financial support to the company to meet its liabilities as and when they fall due

18F **Interest Rate Risks**

The interest rate risk exposure is mainly from changes in fixed rate and floating interest rates. The following table analyses the breakdown of the significant financial instruements (excluding derivatives) by type of interest rates:

	2010	2010	2009	2009
	SGD	INR	SGD	INR
Financial assets:				
Fixed rates	1,203,196	38,740,384	2,055,422	68,548,324
Non-interest bearing	223,313	7,190,210	569,247	18,984,387
Total at the end of the year	1,426,509	45,930,594	2,624,669	87,532,711
Financial liabilities				
Fixed rates	3,380,245	108,836,790	3,673,919	122,525,199
Floating rates	2,378,606	76,586,118	3,801,850	126,791,698
Non-interest bearing	129,525	4,170,433	482,071	16,077,068
Total at the end of the year	5,888,376	189,593,341	7,957,840	265,393,965

The floating rate debt obligations are with interest rates that are re-set regularly at one, three or six month intervels. The interest rates are disclosed in the respective notes

Sensitivity analysis:

	2010	2010	2009	2009
	SGD	INR	SGD	INR
A hypothetical increase in interest rates by 50 base points would have a adverse effect on profit or loss before tax of	11,893	397,795	19,009	604,600
A hypothetical increase in interest rates by 100 base points would have a adverse effect on profit or loss before tax of	23,786	795,591	38,019	1,209,232
A hypothetical increase in interest rates by 150 base points would have a adverse effect on profit or loss before tax of	35,679	1,193,386	57,028	1,813,833
A hypothetical increase in interest rates by 200 base points would have a adverse effect on profit or loss before tax of	47,572	1,591,182	76,037	2,418,433

The analysis has been performed separately for fixed interest rate and floating interest rate financial instruments. The impact of a change in interest rates on fixed interest rate financial instruments has been assessed in terms of changing of their fair value. The impact of a change in interest rates on floating interest rate financial instruments has been assessed in terms of changing of their cash flows and therefore in terms of the impact on net expenses. The hypothetical changes in basis points are not based on observable market data (un absservable inputs)

18G **Foreign Currency Risks**

Analysis of amounts denominated in non-functional currencies:

Financial assets:	**Cash**	**Receivables**	**Total**	**Cash**	**Receivables**	**Total**
	SGD	**SGD**	**SGD**	**INR**	**INR**	**INR**
2010						
US Dollars	10,679		10,679	343,841	0	343,841
Great British Pound	175,511	1,230,851	1,406,362	5,651,086	39,630,817	45,281,903
At the end of the year	186,190	1,230,851	1,417,041	5,994,927	39,630,817	45,625,744
2009						
US Dollars	23,638		23,638	788,327	0	788,327
Great British Pound	473,926	2,067,149	2,541,075	15,805,432	68,939,419	84,744,851
At the end of the year	497,564	2,067,149	2,564,713	16,593,759	68,939,419	85,533,178

Financial liabilities	Borrowings SGD	Borrowings INR
2010		
US Dollars	5,758,851	185,422,909
At the end of the year	5,758,851	185,422,909
2009		
US Dollars	7,475,769	249,316,896
At the end of the year	7,475,769	249,316,896

There is exposure to foreign currency risk as part of its normal business

Sensitivity analysis:

	2010 SGD	2010 INR	2009 SGD	2009 INR
A hypothetical 10% increase in the exchange rate of the funcional currency S$ against the US $ would have a favourable effect on profit or loss before tax of	574,817	18,507,900	745,213	24,852,854
A hypothetical 10% increase in the exchange rate of the funcional currency S$ against the GBP would have a adverse effect on profit or loss before tax of	(140,636)	(4,528,184)	(254,107)	(8,474,468)

The hypothetical changes in exchange rates are not based on observable market data (unobservable inputs). The sensitivity analyis is disclosed for each currency to which the entity has significant exposure. The analyis above has been carried out on the basis that there are no hedged transacions.

In management's opinion, the above sensitivity analysis is unrepresentative of the foreign currency risks as the historical exposure does not reflect the exposure in future.

19 **Contingent Liabilities**

	2010 SGD	2010 INR	2009 SGD	2009 INR
Corporate guarantee in favour of subsidiaries	7,837,200	252,341,382	8,528,800	284,435,480

20 **Changes and Adoption of Financial Reporting Standards**

For the year ended 31 March 2010, the following new or revised Singapore Financial Reporting Standards were adopted. The new or revised standards did not require any material modification of the measurement method or the presentation in the financial statements

FRS No	Title
FRS 1	Presentation of Financial Statements (Revised)
FRS 18	Revenue (Amendments)
FRS 23	Borrowing costs (Amendments)
FRS 32	Financial instruements- Presentation and FRS 1 Presentation of Financial Statements-Puttable Financial Instruements and obligations Arisng on Liquidation (Amendment) (*)
FRS 27	Consolidated and separate Financial statements -cost of an Investment in a subsidiary, jointly controlled Entity or Associate (Amendments)(*)
FRS 102	Share-based payment-vesting conditions and cancellations (Amendments)(*)
FRS 103	Business Combinations and consecutive amendments in others FRSs (Revised)(*)
FRS 107	Financial Instruemnts : Disclosures (Amendments)
FRS 108	Operating Segments (*)
INT FRS 109	Reassessment of embedded Derivatives and FRS 39 Financial Instruements; Recognition and measurement- Embedded Derivatives (Amendments)(*)
INT FRS 113	Customer loyalty Programs (*)
INT FRS 116	Hedges of a net Investment in a Foreign Operation (*)
INT FRS 117	Distributions of Non-cash assets to owners (*)
INT FRS 118	Transfers of Assets from Customers (*)

(*) Not relevant to the entity

The main objective of revising FRS 1 was to aggregate information in the financial statements on the basis of shared characteristics. All owner changes in equity is presented in the statement of changes in equity, separately from non-owner changes in equity. It does not change the recognition , measurement or disclosure of specifiic transactions and other events required by other FRSs. It introduces a requirement to include in a complete set of financial statements ,a statement of financial position as at the beginning of the earliest comparitive period whenever the entity retrospectively applies an accounting policy or makes a retrospective restatement of items in its financial statements, or when it reclassifies items in its financial statements

21 **Future Changes in Accounting Standards**

The following new or revised Singapore Financial reporting Standards that have been issued wil be effective in future. The transfer to the new or revised standards from the effective dates are not expected to result in material adjustments to the financial position, results of operations, or cash flows for the following year.

FRS No	Title	Effective date for periods beginning on or after
FRS 27	Consolidated and Separate Financial Statements (Amendments) (*)	01.07.2009
FRS 38	Intangible Assets (Amendments) (*)	01.07.2009
FRS 39	Financial Instruments: Recognition and measurement- Eligible hedged item (Amendment) (*)	01.07.2009
FRS 102	Share-based Payment(Amendment) (*)	01.07.2009
FRS 103	Business combinations (Revised) (*)	01.07.2009
FRS 105	Non-Current Assets Held for sale and Discontinued operations (Amendment) (*)	01.07.2009
INT FRS 109	Re assessment of Embedded Derivatives (Amendments)(*)	01.07.2009
INT FRS 116	Hedges of a Net Investment in a Foreign Operation (Amendments)(*)	01.07.2009
INT FRS 117	Distributions of Non-cash Assets to owners (*)	01.07.2009
INT FRS 118	Transfers of Assets from Customers (*)	01.07.2009
FRS 1	Presentation of Financial Statements (Amendments)	01.01.2010
FRS 7	Statement of Cash flows (Amendments)	01.01.2010
FRS 17	Leases (Amendments)	01.01.2010
FRS 36	Impairment of Assets (Amendments)	01.01.2010
FRS 39	Financial Instruments: Recognition and measurement- (Amendments)	01.01.2010
FRS 105	Non-Current Assets Held for sale and Discontinued operations (Amendment) (*)	01.01.2010
FRS 108	Operating Segments (Amendments)(*)	01.01.2010

(*) Not relevant to the entity