

Company No.: 807569-H

**20 MICRONS SDN. BHD.**  
*(Incorporated in Malaysia)*

**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
*31 MARCH 2016*

**K. S. HO & CO. (AF 1243)**  
*Chartered Accountants*

**20 MICRONS SDN. BHD.**  
(Incorporated in Malaysia)

**REPORTS AND FINANCIAL STATEMENTS**  
**31 MARCH 2016**

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Company No.: 807569-H

**20 MICRONS SDN. BHD.**  
(Incorporated in Malaysia)

**CORPORATE INFORMATION**

**DIRECTORS**

Atil Chandresh Parikh  
Krishnaji Rao Vengoba Rao  
Rajesh Chandreshbhai Parikh

**SECRETARY**

Ng Soo Kuan (MIA 16927)

**REGISTERED OFFICE**

No.6, Jalan Chew Sin On  
31650 Ipoh  
Perak Darul Ridzuan

**PRINCIPAL PLACE OF BUSINESS**

No.26, Persiaran Sepakat 4  
Taman Indah Jaya  
31350 Ipoh  
Perak Darul Ridzuan

**AUDITORS**

K.S. Ho & Co. (AF1243)  
Chartered Accountants

## **20 MICRONS SDN. BHD.**

(Incorporated in Malaysia)

### **DIRECTORS' REPORT**

The Directors are pleased to submit their report together with the audited financial statements of the Company for the financial year ended 31 March 2016.

### **PRINCIPAL ACTIVITIES**

The Company is principally engaged in the trading of calcium carbonate.

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

### **FINANCIAL RESULTS**

The results for the financial year ended 31 March 2016 are summarised as follows:

	RM
Profit before taxation	462,393
Tax expense	(86,266)
Profit after taxation	<u>376,127</u>

### **DIVIDENDS**

In respect of the financial year ending 31 March 2016, the Company had paid a single-tier interim dividend of RM1 per ordinary share amounting to RM360,002 on 10 August 2015.

### **RESERVES AND PROVISIONS**

There were no material transfers to or from reserves or provisions during the financial year other than as disclosed in the financial statements.

### **ISSUE OF SHARES AND DEBENTURES**

The Company did not issue any new shares or debentures during the financial year.

### **SHARE OPTIONS**

There were no share options granted during the financial year or unissued shares under option at the end of the financial year in respect of shares in the Company.

## DIRECTORS

The Directors who have held office since the date of the last report are:

Atil Chandresh Parikh  
 Krishnaji Rao Vengoba Rao  
 Rajesh Chandreshbhai Parikh

## DIRECTORS' INTERESTS IN SHARES

The Directors holding office at the end of the financial year and their interests in the share capitals of the Company and its immediate and ultimate holding company, 20 Microns Limited during the financial year as recorded in the register of Directors' shareholdings were as follows:

	Number of ordinary shares of RM1 each			
	As at	<u>Acquired</u>	<u>Disposed</u>	As at
	<u>1-Apr-15</u>			<u>31-Mar-16</u>
<u>The Company</u>				
<b>Direct interest</b>				
Atil Chandresh Parikh	-	-	-	-
Krishnaji Rao Vengoba Rao	1	-	-	1
Rajesh Chandreshbhai Parikh	1	-	-	1

	Number of ordinary shares of IR10 each			
	As at	<u>Acquired</u>	<u>Disposed</u>	As at
	<u>1-Apr-15</u>			<u>31-Mar-16</u>
<u>20 Microns Limited</u>				
<b>Direct interest</b>				
Atil Chandresh Parikh	279,978	-	-	279,978
Krishnaji Rao Vengoba Rao	-	-	-	-
Rajesh Chandreshbhai Parikh	279,978	-	-	279,978

## DIRECTORS' BENEFITS

During and at the end of the financial year, no arrangements subsisted to which the Company is a party, being arrangements with the object or objects of enabling Directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

Since the end of the previous financial year, no Director has received or become entitled to receive any benefits (other than a benefit included in the aggregate amount of emoluments received or due and receivable by the Directors shown in the financial statements or the fixed salary of a full time employee of the Company) 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.

## **OTHER STATUTORY INFORMATION**

Before the income statement and balance sheet of the Company were made out, the Directors took reasonable steps:

(a) to ascertain that proper action had been taken in relation to the writing off of bad debts and the making of allowance for doubtful debts and satisfied themselves that there were no known bad debts and no allowance for doubtful debts was necessary; and

(b) to ensure that any current assets which were unlikely to realise their values as shown in the accounting records in the ordinary course of business had been written down to an amount which they might be expected so to realise.

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

(a) which would render it necessary to write off any debt or to make an allowance for doubtful debts in respect of the financial statements; or

(b) which would render the values attributed to current assets in the financial statements of the Company misleading; or

(c) which have arisen which render adherence to the existing method of valuation of assets or liabilities of the Company misleading or inappropriate; or

(d) not otherwise dealt with in this report or financial statements of the Company which would render any amount stated in the financial statements misleading.

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

(a) any charge on the assets of the Company which has arisen since the end of the financial year which secures the liabilities of any other person; or

(b) any contingent liability in respect of the Company which has arisen since the end of the financial year.

In the opinion of the Directors:

(a) no contingent liability or other liability has become enforceable or is likely to become enforceable within the period of twelve months after the end of the financial year which will or may substantially affect the ability of the Company to meet its obligations as and when they fall due; and

(b) the results of the operations of the Company for the financial year ended 31 March 2016 have not been substantially affected by any item, transaction or event of a material and unusual nature nor has any such item, transaction or event occurred in the interval between the end of the financial year and the date of this report.

## **ULTIMATE HOLDING COMPANY**

The immediate and ultimate holding company is 20 Microns Limited, a company incorporated in India and listed on the Bombay Stock Exchange and National Stock Exchange, which holds 99.99% of the Company's issued equities.


**AUDITORS**

The auditors, Messrs K.S. Ho & Co., have expressed their willingness to continue in office.

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



KRISHNAJI RAO VENGOBA RAO  
DIRECTOR



RAJESH CHANDRESHBHAI PARIKH  
DIRECTOR

Ipoh, Perak Darul Ridzuan


13 May 2016


**20 MICRONS SDN. BHD.**  
(Incorporated in Malaysia)

**STATEMENT BY THE DIRECTORS**

We, KRISHNAJI RAO VENGOBA RAO and RAJESH CHANDRESHBHAI PARIKH, being two of the Directors of 20 MICRONS SDN. BHD., state that in the opinion of the Directors, the accompanying balance sheet and related statements of income, cash flows and changes in equity are drawn up in accordance with the provisions of the Companies Act, 1965 and applicable Private Entity Reporting Standards in Malaysia so as to give a true and fair view of the state of affairs of the Company as at 31 March 2016 and of the results of its operations and cash flows for the year then ended on that date.

Signed on behalf of the Board in accordance with a resolution of the Directors dated 13 May 2016.

  
KRISHNAJI RAO VENGOBA RAO  
DIRECTOR

  
RAJESH CHANDRESHBHAI PARIKH  
DIRECTOR

Ipoh, Perak Darul Ridzuan

**STATUTORY DECLARATION**

I, KRISHNAJI RAO VENGOBA RAO (Passport No. : Z1763607), being the Director primarily responsible for the financial management of 20 MICRONS SDN. BHD., do solemnly and sincerely declare that the accompanying balance sheet and the related statements of income, cash flows and changes in equity are in my opinion correct and I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act, 1960.

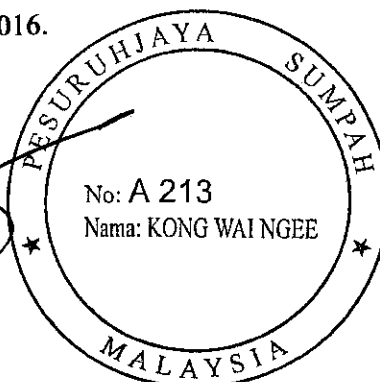
  
KRISHNAJI RAO VENGOBA RAO  
DIRECTOR

Subscribed and solemnly declared by the abovenamed KRISHNAJI RAO VENGOBA RAO at Ipoh in the State of Perak Darul Ridzuan on 13 May 2016.

Before me,

  
COMMISSIONER FOR OATHS

Ipoh, Perak Darul Ridzuan





**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF  
20 MICRONS SDN. BHD.**  
(Incorporated in Malaysia)

**Report on the Financial Statements**

We have audited the financial statements of 20 MICRONS SDN. BHD., which comprise the balance sheet as at 31 March 2016 of the Company, and the income statement, statement of changes in equity and cash flow statement of the Company for the year then ended, and a summary of significant accounting policies and other explanatory notes set out on pages 9 to 20.

***Directors' Responsibility for the Financial Statements***

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

***Auditors' Responsibility***

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

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

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

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF  
20 MICRONS SDN. BHD. (Cont'd)**  
(Incorporated in Malaysia)

***Opinion***

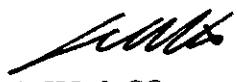
In our opinion, the financial statements give a true and fair view of the financial position of the Company as of 31 March 2016 and of its financial performance and cash flows for the year then ended in accordance with Private Entity Reporting Standards and the requirements of the Companies Act, 1965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

**Reporting on Other Legal and Regulatory Requirements**


In accordance with the requirements of the Companies Act, 1965 in Malaysia, we also report that in our opinion, the accounting and other records and the registers required by the Act to be kept by the Company have been properly kept in accordance with the provision of the Act.

**Other Matters**

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



K.S. HO & CO.  
[AF: 1243]  
Chartered Accountants



HO KAH SING  
[2010/02/18(J)]  
Chartered Accountant

Ipoh, Perak Darul Ridzuan

13 May 2016

## 20 MICRONS SDN. BHD.

(Incorporated in Malaysia)

### BALANCE SHEET AS AT 31 MARCH 2016

	Note	2016 RM	2015 RM
<b>NON-CURRENT ASSETS</b>			
Plant and equipment	4	60,120	1,802
<b>CURRENT ASSETS</b>			
Trade receivables	5	450,066	538,943
Other receivables, deposits and prepayment	6	414,037	378,340
Cash and bank balances	7	316,379	182,498
		1,180,482	1,099,781
<b>CURRENT LIABILITIES</b>			
Trade payables	8	138,051	95,979
Other payables and accruals	9	135,438	113,993
Hire purchase payables	10	9,253	-
Taxation		12,574	61
		295,316	210,033
<b>NET CURRENT ASSETS</b>		885,166	889,748
		945,286	891,550
<b>CAPITAL AND RESERVES</b>			
Share capital	11	360,002	360,002
Retained earnings		547,352	531,227
		907,354	891,229
<b>NON-CURRENT LIABILITIES</b>			
Hire purchase payables	10	37,357	-
Deferred taxation	12	575	321
		37,932	321
		945,286	891,550

**20 MICRONS SDN. BHD.**

(Incorporated in Malaysia)

**INCOME STATEMENT  
FOR THE YEAR ENDED 31 MARCH 2016**

	<u>Note</u>	<u>2016</u> RM	<u>2015</u> RM
<b>REVENUE</b>	13	2,202,111	2,290,001
<b>COST OF SALES</b>	14	<u>(1,526,922)</u>	<u>(1,732,867)</u>
<b>GROSS PROFIT</b>		675,189	557,134
<b>OTHER OPERATING INCOME</b>	15	101,031	111,441
<b>OPERATING EXPENSES</b>		<u>(312,313)</u>	<u>(230,110)</u>
<b>PROFIT FROM OPERATIONS</b>	16	463,907	438,465
<b>FINANCE COSTS</b>	18	<u>(1,514)</u>	-
<b>PROFIT BEFORE TAXATION</b>		462,393	438,465
<b>TAX EXPENSE</b>	19	<u>(86,266)</u>	<u>(73,421)</u>
<b>PROFIT AFTER TAXATION</b>		<u><u>376,127</u></u>	<u><u>365,044</u></u>

## 20 MICRONS SDN. BHD.

(Incorporated in Malaysia)

### STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2016

	Share capital RM	Retained earnings RM	Total RM
At 1 April 2014	360,002	166,183	526,185
Net profit for the financial year	-	365,044	365,044
At 31 March 2015	360,002	531,227	891,229
Net profit for the financial year	-	376,127	376,127
Dividend paid	-	(360,002)	(360,002)
At 31 March 2016	360,002	547,352	907,354

## 20 MICRONS SDN. BHD.

(Incorporated in Malaysia)

### CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2016

	<u>2016</u>	<u>2015</u>
<u>Note</u>	<u>RM</u>	<u>RM</u>
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit before taxation	462,393	438,465
Adjustments for :		
Depreciation of plant and equipment	7,131	523
Gain on disposal of plant and equipment	(4,498)	-
	<u>465,026</u>	<u>438,988</u>
Net movement in working capital:		
Receivables	53,180	(476,949)
Payables	63,517	(101,131)
Cash generated from / (used in) operating activities	<u>581,723</u>	<u>(139,092)</u>
Income tax refund	3,001	-
Taxation paid	(76,500)	(147,270)
Net operating cash flow	<u>508,224</u>	<u>(286,362)</u>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of plant and equipment	(14,451)	-
Proceeds from disposal of plant and equipment	4,500	-
Net investing cash flow	<u>(9,951)</u>	<u>-</u>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Repayment from a Director	-	3,958
Payment of hire purchase payable	(4,390)	-
Dividend paid	(360,002)	-
Net financing cash flow	<u>(364,392)</u>	<u>3,958</u>
Net movement in cash and cash equivalents	133,881	(282,404)
Cash and cash equivalents brought forward	182,498	464,902
Cash and cash equivalents carried forward	<u>7</u> <u>316,379</u>	<u>182,498</u>

**20 MICRONS SDN. BHD.**  
(Incorporated in Malaysia)

**NOTES TO THE FINANCIAL STATEMENTS - 31 MARCH 2016**

**1. GENERAL INFORMATION**

The Company is principally engaged in trading of calcium carbonate.

The number of staff employed (including Directors) by the Company at the financial year end was 3 (2015 : 3).

The Company is a private limited liability company, incorporated and domiciled in Malaysia.

The registered office of the Company is located at No.6, Jalan Chew Sin On, 31650 Ipoh, Perak Darul Ridzuan.

The principal place of business of the Company is located at No.26, Persiaran Sepakat 4, Taman Indah Jaya, 31350 Ipoh, Perak Darul Ridzuan.

The financial statements of the Company have been approved by the Board of Directors for issuance on 13 May 2016.

**2. BASIS OF PREPARATION**

The financial statements have been prepared under the historical cost convention and in compliance with the provisions of the Companies Act, 1965 and applicable Private Entity Reporting Standards in Malaysia unless otherwise indicated in the significant accounting policies.

**3. SIGNIFICANT ACCOUNTING POLICIES**

The following accounting policies have been used consistently in dealing with items which are considered material in relation to the financial statements.

**(a) Plant and equipment**

Plant and equipment are stated at cost less accumulated depreciation and impairment losses. The policy for recognition and measurement of impairment losses is in accordance with Note 3(b).

All plant and equipment are depreciated on a straight-line basis to write off the cost of the assets to their residual values over their estimated useful lives at the following annual rates:

Computer	20%
Motor vehicle	20%
Office equipment	10%

Surplus arising on revaluation are credited to revaluation reserve. Any deficit arising from revaluation is charged against the revaluation reserve to the extent of a previous surplus held in the revaluation reserve for the same asset. In all other cases, a decrease in carrying amount is charged to income statement.

Gains or losses on disposals are determined by comparing proceeds with carrying amount and are included in profit / (loss) from operations. On disposal of revalued assets, amounts in revaluation reserve relating to those assets are transferred to retained earnings.

Plant and equipment are written down to recoverable amount if the recoverable amount is less than their carrying value. Recoverable amount is the higher of an asset's net selling price and its value in use.

**(b) Impairment of assets**

Plant and equipment and other non-current assets are reviewed for impairment losses whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. Impairment loss is recognised for the amount by which the carrying amount to the asset exceeds its recoverable amount. The recoverable amount is the higher of an asset's net selling price and value in use. For the purpose of assessing impairment, assets are grouped at the lowest level of which there is separately identified cash flows.

An impairment loss is charged to the income statement unless it reverses a previous revaluation in which case it is charged to the revaluation surplus. Any subsequent increase in recoverable amount is recognised in the income statement unless it reverses an impairment loss on a revalued amount in which case it is taken to revaluation surplus.

**(c) Receivables**

Receivables are carried at their nominal value less an allowance for doubtful debts. Bad debts are written off in the financial year in which they are identified. An estimate is made for doubtful debtors based on review of all outstanding amounts at the financial year end.

**(d) Cash and cash equivalents**

Cash and cash equivalents for the purpose of the cash flow statement represent cash and bank balances, deposit at call, short term highly liquid investments which have an insignificant risk of changes in value, reduced by outstanding bank overdrafts, if any. The statement of cash flows is prepared using the indirect method.

**(e) Payables**

Payables are stated at their nominal values which are the fair values of the consideration to be paid in the future for goods and services received.

**(f) Foreign currency conversion**

Foreign currency assets and liabilities at the balance sheet date have been converted into Ringgit Malaysia at the rate of exchange ruling at the balance sheet date.

Foreign currency transactions during the year have been converted into Ringgit Malaysia at the rates of exchange ruling at the dates of the transactions.

Gains or losses on exchange are included in the income statement.



## (g) Income taxes

Current tax expense includes all taxes based upon the taxable profits for the year and represents income tax at current rate.

Deferred tax is recognised in full, using the liability method, on temporary differences arising between the amounts attributed to assets and liabilities for tax purposes and their carrying amounts in the financial statements.

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

## (h) Provisions

Provisions for liabilities are recognised when the Company has a present obligation as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and when a reliable estimate of the amount can be made.

## (i) Assets acquired under hire purchase agreements

Asset acquired under hire purchase are included in equipment and the capital element of hire purchase instalments are shown as hire purchase payables. The hire purchase instalments are treated as consisting of capital and interest elements. The capital element is applied to reduce the outstanding obligations and the interest element is charged to income statement over the period of the hire purchase agreements so as to give a constant periodic rate of interest on the outstanding obligations at the end of each accounting period. Plant and equipment held under hire purchase are depreciated over the useful lives of equivalent owned assets.

## (j) Revenue recognition

Revenue is recognised upon delivery of goods and performance of services.

## 4. PLANT AND EQUIPMENT

	Balance 1-Apr-15	Additions	(Disposal)	Balance 31-Mar-16
	RM	RM	RM	RM
<b>2016</b>				
<b>Cost:</b>				
Computer	1,399	-	-	1,399
Motor vehicle	17,706	64,331	(17,706)	64,331
Office equipment	2,435	1,120	-	3,555
	<u>21,540</u>	<u>65,451</u>	<u>(17,706)</u>	<u>69,285</u>
	Balance 1-Apr-15	Additions	(Disposal)	Balance 31-Mar-16
	RM	RM	RM	RM
<b>2016</b>				
<b>Accumulated depreciation and impairment loss:</b>				
Computer	560	280	-	840
Motor vehicle	17,704	6,521	(17,704)	6,521
Office equipment	1,474	330	-	1,804
	<u>19,738</u>	<u>7,131</u>	<u>(17,704)</u>	<u>9,165</u>

**4. PLANT AND EQUIPMENT (Cont'd)**

	<u>2016</u>	<u>2015</u>
	RM	RM
<i>Net book value:</i>		
Computer	559	839
Motor vehicle	57,810	2
Office equipment	1,751	961
	<u>60,120</u>	<u>1,802</u>

At the balance sheet date, the net book value of motor vehicle acquired under hire purchase instalment plans amounted to RM 57,810 (2015 : RM Nil).

**5. TRADE RECEIVABLES**

The normal trade credit terms ranged from 30 to 90 days. Other credit terms are assessed and approved on a case by case basis.

The Company had no significant concentration of credit risk that may arise from exposures to a single receivable or to groups of receivables.

The Currency exposure profile of trade receivables is as follows:

	<u>2016</u>	<u>2015</u>
	RM	RM
Ringgit Malaysia	4,139	3,817
US Dollar	445,927	535,126
	<u>450,066</u>	<u>538,943</u>

**6. OTHER RECEIVABLES, DEPOSITS AND PREPAYMENT**

	<u>2016</u>	<u>2015</u>
	RM	RM
Other receivables	394,817	376,090
Deposits	2,250	2,250
Prepayment	16,970	-
	<u>414,037</u>	<u>378,340</u>

The Currency exposure profile of other receivables is as follows:

	<u>2016</u>	<u>2015</u>
	RM	RM
Ringgit Malaysia	392,817	376,090
US Dollar	2,000	-
	<u>394,817</u>	<u>376,090</u>

**7. CASH AND CASH EQUIVALENTS**

	<u>2016</u>	<u>2015</u>
	RM	RM
Cash in hand	2,120	1,655
Cash at banks	314,259	180,843
	<u>316,379</u>	<u>182,498</u>

## 7. CASH AND CASH EQUIVALENTS (Cont'd)

The cash at bank balance of the Company are deposits placed in the current accounts of licensed banks in Malaysia.

The Currency exposure profile of cash at banks is as follows:

	<u>2016</u>	<u>2015</u>
	RM	RM
Ringgit Malaysia	38,663	48,773
US Dollar	275,596	132,070
	<u>314,259</u>	<u>180,843</u>

## 8. TRADE PAYABLES

The normal trade credit terms granted to the Company ranges from 30 to 90 days.

The Currency exposure profile of trade payables is as follows:

	<u>2016</u>	<u>2015</u>
	RM	RM
Ringgit Malaysia	133,615	91,543
US Dollar	4,436	4,436
	<u>138,051</u>	<u>95,979</u>

## 9. OTHER PAYABLES AND ACCRUALS

	<u>2016</u>	<u>2015</u>
	RM	RM
Other payables	115,100	92,072
Accruals	20,338	21,921
	<u>135,438</u>	<u>113,993</u>

The Currency exposure profile of other payables is as follows:

Ringgit Malaysia	96,902	91,762
US Dollar	18,198	310
	<u>115,100</u>	<u>92,072</u>

## 10. HIRE PURCHASE PAYABLES

	<u>2016</u>	<u>2015</u>
	RM	RM
Minimum hire purchase payments		
-payable within 1 year	11,808	-
-payable between 1 and 5 years	41,321	-
	<u>53,129</u>	<u>-</u>
Less: Future finance charges	(6,519)	-
	<u>46,610</u>	<u>-</u>

**10. HIRE PURCHASE PAYABLES (Cont'd)**

	<u>2016</u> RM	<u>2015</u> RM
Present value of hire purchase liabilities:		
<u>Current:</u>		
-payable within 1 year	9,253	-
<u>Non-current:</u>		
-payable between 1 and 5 years	37,357	-
	<u>46,610</u>	<u>-</u>

Interest rate on the hire purchase for the year was charged at 3.15% (2015 : Nil) per annum.

**11. SHARE CAPITAL**

	<u>2016</u> No. of shares	<u>2015</u> No. of shares	<u>2016</u> RM	<u>2015</u> RM
<u>Authorised</u>				
Ordinary shares of RM1 each	5,000,000	5,000,000	5,000,000	5,000,000
<u>Issued and fully paid</u>				
Ordinary shares of RM1 each	360,002	360,002	360,002	360,002

**12. DEFERRED TAXATION**

	<u>2016</u> RM	<u>2015</u> RM
At 1 April	321	400
Recognised in / (reversal from) income statement	254	(79)
At 31 March	<u>575</u>	<u>321</u>
Represented by:		
Plant and equipment-capital allowances	<u>575</u>	<u>321</u>

**13. REVENUE**

Revenue represents the net invoiced value of goods sold less discounts and return.

**14. COST OF SALES**

	<u>2016</u> RM	<u>2015</u> RM
Freight charges	756,983	871,359
Purchases	769,939	861,508
	<u>1,526,922</u>	<u>1,732,867</u>

# **15. OTHER OPERATING INCOME**

	<u>2016</u>	<u>2015</u>
	RM	RM
Bank interest income	107	-
Gain on disposal of plant and equipment	4,498	-
Gain on foreign exchange	56,955	37,235
- Realised	38,049	74,206
- Unrealised	1,112	-
Refund of insurance	310	-
Waiver of debts	<u>101,031</u>	<u>111,441</u>

# **16. PROFIT FROM OPERATIONS**

	<u>2016</u>	<u>2015</u>
	RM	RM
This is stated after charging:		
Auditors' remuneration	7,000	8,500
Depreciation of plant and equipment	7,131	523
Rental of guest house	9,000	9,000
Staff costs (Note 17)	<u>151,974</u>	<u>136,303</u>

# **17. STAFF COSTS**

	<u>2016</u>	<u>2015</u>
	RM	RM
Directors' fees	-	-
Directors' salaries and other benefits	<u>151,974</u>	<u>136,303</u>
	<u>151,974</u>	<u>136,303</u>

# **18. FINANCE COSTS**

	<u>2016</u>	<u>2015</u>
	RM	RM
Hire purchase interest	<u>1,514</u>	<u>-</u>

# **19. TAX EXPENSE**

	<u>2016</u>	<u>2015</u>
	RM	RM
Malaysia income tax:		
Provision for the year	86,012	73,500
Deferred taxation:		
Originating and reversal of temporary differences (Note 12)	<u>254</u>	<u>(79)</u>
	<u>86,266</u>	<u>73,421</u>

The income tax rate for the Company is 20% on chargeable income up to RM500,000 and 25% (2015 : 25%) on the remaining income of the financial year.

## 19. TAX EXPENSE (Cont'd)

A reconciliation of tax expense applicable to profit before taxation at the statutory income tax rate to income tax expense at the effective rate is as follows:-

	<u>2016</u> RM	<u>2015</u> RM
Profit before taxation	<u>462,393</u>	<u>438,465</u>
Taxation at applicable tax rate: - at 20%	92,479	87,693
Tax effect in respect of:-		
Expenses not deductible for tax purpose	1,397	569
Unrealised gain on foreign exchange	<u>(7,610)</u>	<u>(14,841)</u>
Tax expense for the year	<u><u>86,266</u></u>	<u><u>73,421</u></u>

## 20. NOTES ON CASH FLOW STATEMENT

### Purchase of plant and equipment

Plant and equipment were acquired by the following means:-

	<u>2016</u> RM	<u>2015</u> RM
Cash	14,451	-
Hire purchase financing	<u>51,000</u>	<u>-</u>
Total cost	<u><u>65,451</u></u>	<u><u>-</u></u>

## 21. RELATED PARTY

Identity of related party:

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

There are no significant transactions with related parties during the year.

Lodged by:  
Perissos Services Sdn. Bhd. (1075239-P)  
6, Jalan Chew Sin On, 31650 Ipoh, Perak.  
Tel. No.: 05-241 1794  
Fax No.: 05-254 4875

**20 MICRONS SDN. BHD.**

(Incorporated in Malaysia)

**DETAILED INCOME STATEMENT  
FOR THE YEAR ENDED 31 MARCH 2016**

	<u>2016</u> RM	<u>2015</u> RM
<b>REVENUE</b>	<u>2,202,111</u>	<u>2,290,001</u>
Less:		
<b>COST OF SALES</b>		
Freight charges	756,983	871,359
Purchases	769,939	861,508
	<u>1,526,922</u>	<u>1,732,867</u>
<b>GROSS PROFIT</b>	<u>675,189</u>	<u>557,134</u>
Add:		
<b>OTHER OPERATING INCOME</b>		
Bank interest income	107	-
Gain on disposal of plant and equipment	4,498	-
Gain on foreign exchange		
- Realised	56,955	37,235
- Unrealised	38,049	74,206
Refund of insurance	1,112	-
Waiver of debts	310	-
	<u>101,031</u>	<u>111,441</u>
	<u>776,220</u>	<u>668,575</u>
Less:		
<b>OPERATING EXPENSES</b>	<u>(312,313)</u>	<u>(230,110)</u>
	<u>463,907</u>	<u>438,465</u>
Less:		
<b>FINANCE COSTS</b>		
Hire purchase interests	(1,514)	-
<b>PROFIT BEFORE TAXATION</b>	<u>462,393</u>	<u>438,465</u>

**20 MICRONS SDN. BHD.**

(Incorporated in Malaysia)

**DETAILED OPERATING EXPENSES  
FOR THE YEAR ENDED 31 MARCH 2016**

	<u>2016</u> RM	<u>2015</u> RM
<b>STAFF COSTS</b>		
Directors' remuneration and other benefits	151,974	136,303
<b>DEPRECIATION</b>	7,131	523
<b>OTHER OPERATING EXPENSES</b>		
Auditors' remuneration	7,000	8,500
Bank charges	24,444	19,464
Bookkeeping fees	6,240	-
Electricity and water charges	1,574	1,266
Filing and attestation fees	150	200
GST input tax non claimable	21	-
Guest house expenses	5,330	4,164
Insurance and road tax	132	356
Petrol and diesel	3,586	3,777
Postage, printing and stationery	11,751	22,972
Loss on foreign exchange		
- Realised	36,334	-
- Unrealised	24,398	-
Rental of guest house	9,000	9,000
Secretarial fees	579	650
Service tax	-	507
Sundry expenses	1,496	-
Taxation services	1,600	1,800
Telephone and internet charges	9,832	8,726
Travelling and accomodation	6,297	8,841
Upkeep of motor vehicle	2,337	2,422
Upkeep of office equipment	1,107	639
	153,208	93,284
<b>TOTAL OPERATING EXPENSES</b>	<u>312,313</u>	<u>230,110</u>