

VISHNU HONG KONG LIMITED
REPORTS AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2018

徐成基會計師事務所
S. K. CHUI & CO.
Certified Public Accountants

VISHNU HONG KONG LIMITED
REPORTS AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2018

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VISHNU HONG KONG LIMITED

REPORT OF A DIRECTOR

The director presents herewith his annual report and the audited financial statements for the year ended 31st March 2018.

PRINCIPAL ACTIVITIES

The Company was dormant during the year.

RESULTS AND APPROPRIATIONS

The results of the Company for the year ended 31st March 2018 are set out in the annexed financial statements.

The director does not recommend the payment of a dividend.

SHARE ISSUED IN THE YEAR

Details of share capital of the Company are set out in note 8 to the financial statements. There were no movements during the year.

DIRECTOR

The director who held office during the year and up to the date of this report was:

Cherukuri Siddartha

There being no provision in the Articles of Association regarding the retirement of director, all the director remain in office in the ensuing year.

AUDITORS

The financial statements have been audited by Messrs. S. K. Chui & Co. who retire and being eligible, offer himself for re-appointment.

On behalf of the Board

Cherukuri Siddartha
Chairman

Hong Kong, 28th May 2018

S. K. CHUI & CO.

Certified Public Accountants

6th Floor, Mau Lam Commercial Building, 16-18 Mau Lam Street, Jordan, Kowloon, Hong Kong

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF VISHNU HONG KONG LIMITED (incorporated in Hong Kong with limited liability)

Opinion

We have audited the financial statements of Vishnu Hong Kong Limited (the "Company") set out on pages 5 to 10, which comprise the statement of financial position as at 31st March 2018, the income statement and the statement of changes in equity for the year then ended and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements of the Company are prepared, in all material respects, in accordance with the Small and Medium-sized Entity Financial Reporting Standard ("SME-FRS") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and have been properly prepared in compliance with the Hong Kong Companies Ordinance.

Basis for opinion

We conducted our audit in accordance with Hong Kong Standards on Auditing ("HKSA") and with reference to Practice Note 900 (Revised), Audit of Financial Statements Prepared in Accordance with the Small and Medium-sized Entity Financial Reporting Standard issued by the HKICPA. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of financial statements section of our report. We are independent of the Company in accordance with the HKICPA's Code of ethics for professional accountants ("the Code"), and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of matter

In forming our opinion, we have considered the adequacy of disclosures made in the financial statements concerning the Company's capital deficiency of HK\$100,000 approximately at the end of the reporting period. The financial statements have been prepared on a going concern basis, the validity of which depends upon future profitable operations and/or continued financial support from its member. The financial statements do not include any adjustments that would result from a failure to obtain such financial support. Details of the circumstances relating to the fundamental uncertainty are described in note 3a to the financial statements. We consider that appropriate disclosures have been made and our opinion is not qualified in this respect.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF
VISHNU HONG KONG LIMITED**
(incorporated in Hong Kong with limited liability)
(continued)

Information other than the financial statement and auditor's report thereon

The director is responsible for the other information. The other information comprises the information included in the director's report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of director and those charged with governance for the financial statements

The director is responsible for the preparation of financial statements in accordance with the SME-FRS issued by the HKICPA and the Hong Kong Companies Ordinance, and for such internal control as the director determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the director is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the director either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud and error, and to issue an auditor's report that includes our opinion. This report is made solely to you, as a body, in accordance with Section 405 of the Hong Kong Companies Ordinance, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSAAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF
VISHNU HONG KONG LIMITED**
(incorporated in Hong Kong with limited liability)
(continued)

Auditor's responsibilities for the audit of the financial statements (Continued)

As part of an audit in accordance with HKSAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the director.
- Conclude on the appropriateness of the director's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern . If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

We communicate with the director regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

S. K. Chui & Co.
Certified Public Accountants
Hong Kong, 28th May 2018

VISHNU HONG KONG LIMITED

INCOME STATEMENT

FOR THE YEAR ENDED 31ST MARCH 2018

	Notes	2018 HK\$	2017 HK\$
ADMINISTRATIVE EXPENSES		<u>(72,771)</u>	<u>(447,827)</u>
(LOSS) FROM OPERATIONS		(72,771)	(447,827)
FINANCE COSTS	4	<u>(2,436)</u>	<u>(5,376)</u>
(LOSS) BEFORE TAXATION	5	(75,207)	(453,203)
TAXATION	6	<u>(3,016)</u>	<u>-</u>
NET (LOSS) FOR THE YEAR		<u><u>(78,223)</u></u>	<u><u>(453,203)</u></u>

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

VISHNU HONG KONG LIMITED
STATEMENT OF FINANCIAL POSITION
AT 31ST MARCH 2018

	Notes	2018 HK\$	2017 HK\$
CURRENT ASSETS			
Prepayment		39,773	39,773
Cash at bank		64,337	105,853
		<u>104,110</u>	<u>145,626</u>
CURRENT LIABILITIES			
Trade payables		64,844	64,844
Accrued charges		16,834	11,584
Amount due to a holding company	7	125,163	86,413
Provision for taxation	6	-	7,293
		<u>206,841</u>	<u>170,134</u>
NET (LIABILITIES)		<u><u>(102,731)</u></u>	<u><u>(24,508)</u></u>
CAPITAL AND RESERVES			
Share capital	8	283,000	283,000
(Accumulated losses)		<u>(385,731)</u>	<u>(307,508)</u>
TOTAL EQUITY		<u><u>(102,731)</u></u>	<u><u>(24,508)</u></u>

Approved by the sole director on 28th May 2018

Cherukuri Siddartha
Director

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

VISHNU HONG KONG LIMITED

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31ST MARCH 2018

	Share <u>capital</u> HK\$	(Accumulated <u>losses</u>) HK\$	<u>Total</u> HK\$
BALANCE AT 31ST MARCH 2016	283,000	145,695	428,695
Net (loss) for the year	<u>-</u>	<u>(453,203)</u>	<u>(453,203)</u>
BALANCE AT 31ST MARCH 2017	283,000	(307,508)	(24,508)
Net (loss) for the year	-	(78,223)	(78,223)
BALANCE AT 31ST MARCH 2018	<u><u>283,000</u></u>	<u><u>(385,731)</u></u>	<u><u>(102,731)</u></u>

VISHNU HONG KONG LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2018

1. REPORTING ENTITY

Vishnu Hong Kong Limited is a company incorporated in Hong Kong with limited liability. The Company's registered office is located at Unit V, 1st Floor, Mau Lam Commercial Building, 16-18 Mau Lam Street, Jordan, Kowloon, Hong Kong.

The Company was dormant during the year.

2. BASIS OF PREPARATION

The Company qualifies for the reporting exemption as a small private company under Section 359(1)(a) of the Hong Kong Companies Ordinance (Cap. 622) and is therefore entitled to prepare and present its financial statements in accordance with the Small and Medium-sized Entity Financial Reporting Standard (SME-FRS) issued by the Hong Kong Institute of Certified Public Accountants.

These financial statements comply with the SME-FRS and have been prepared under the accrual basis of accounting and on the basis that the Company is a going concern.

The measurement base adopted is the historical cost convention.

3. PRINCIPAL ACCOUNTING POLICIES

The followings are the specific accounting policies that are necessary for a proper understanding of the financial statements.

a. Going concern

Notwithstanding that the capital deficiency sustained by the Company at the end of the reporting period, the financial statements have been prepared on a going concern basis, as the Company has obtained an assurance from its member that continuous financial support will be given to the Company to maintain its status as a going concern.

b. Taxation

Income tax expense represents current tax expense. The income tax payable represents the amount expected to be paid to the taxation authority, using tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is not provided.

c. Foreign exchange

The reporting currency of the Company is Hong Kong Dollars, which is the currency of the primary economic environment in which the Company operates.

Foreign currency transactions are converted at the exchange rate applicable at the transaction date. Foreign currency monetary items are translated into Hong Kong Dollars using exchange rates applicable at the end of the reporting period. Gains and losses on foreign exchange are recognised in the income statement.

VISHNU HONG KONG LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2018

3. PRINCIPAL ACCOUNTING POLICIES (continued)

d. Borrowing costs

Borrowing costs are recognised as an expense in the period in which they are incurred.

4. FINANCE COSTS

	2018	2017
	HK\$	HK\$
Bank charges and interest	2,436	5,376
	2,436	5,376
	2,436	5,376

5. (LOSS) BEFORE TAXATION

(Loss) before taxation is stated after charging the followings:-

	2018	2017
	HK\$	HK\$
Audit fees	6,000	9,000
Loss on exchange, net	6	494
	6	494
	6	494

6. TAXATION

No Hong Kong profits tax has been provided for in the financial statements as the Company has no assessable profits for the year (2017 : Nil).

The amount of taxation charged to the income statement represents:

	2018	2017
	HK\$	HK\$
Hong Kong profits tax		
Provision for the year	-	-
Less: Special tax relief for the year	-	-
Add Underprovision made during previous years	3,016	-
Tax charge for the year	3,016	-
	3,016	-

7. AMOUNT DUE TO HOLDING COMPANY

The amount was unsecured, interest free and has no fixed terms of repayments.

8. SHARE CAPITAL

	2018	2017
	HK\$	HK\$
Issued and fully paid		
283,000 ordinary shares	283,000	283,000
	283,000	283,000
	283,000	283,000

VISHNU HONG KONG LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2018

9. DIRECTOR'S REMUNERATION, LOANS AND OTHER MATERIAL INTERESTS

- a. No payments for emoluments, retirement benefits, termination of office or services as a director were made to or receivable by the director or any parties pursuant to section 383(1) of the Hong Kong Companies Ordinance and Part 2 of the Companies (Disclosure of Information about Benefits of Directors) Regulation in respect of the year.
- b. No loans, quasi-loans and other dealings in favour of the director (including shadow director) of the Company or entities connected with the director pursuant to section 383(1)(d) of the Hong Kong Companies Ordinance and Part 3 of the Companies (Disclosure of Information about Benefits of Directors) Regulation were made or entered into by the Company during the year or subsisted at the end of the year.
- c. The Company has not entered into any transactions, arrangements or contracts during the year, in which the director of the company has material interests pursuant to section 383(1)(e) of the Hong Kong Companies Ordinance and Part 4 of the Companies (Disclosure of Information about Benefits of Directors) Regulation.

10. IMMEDIATE PARENT AND ULTIMATE CONTROLLING COMPANY

At 31st March 2018, the director considers the immediate parent and ultimate controlling party of the Company to be Vishnu Chemicals Limited, which is incorporated in India.

VISHNU HONG KONG LIMITED

DETAILED INCOME STATEMENT

**FOR THE YEAR ENDED 31ST MARCH 2018
(FOR MANAGEMENT INFORMATION ONLY)**

	<u>SCHEDULE</u>	2018 HK\$	2017 HK\$
ADMINISTRATIVE EXPENSES	2	<u>(72,771)</u>	<u>(447,827)</u>
(LOSS) FROM OPERATIONS		(72,771)	(447,827)
FINANCE COSTS	1	<u>(2,436)</u>	<u>(5,376)</u>
(LOSS) BEFORE TAXATION		<u><u>(75,207)</u></u>	<u><u>(453,203)</u></u>

VISHNU HONG KONG LIMITED

DETAILED INCOME STATEMENT

FOR THE YEAR ENDED 31ST MARCH 2018
(FOR MANAGEMENT INFORMATION ONLY)

	2018	2017
	HK\$	HK\$
<u>SCHEDULE 1</u>		
FINANCE COSTS		
Bank charges and interest	2,436	5,376
	<u>2,436</u>	<u>5,376</u>
<u>SCHEDULE 2</u>		
ADMINISTRATIVE EXPENSES		
Audit fees	6,000	9,000
Business registration fees	2,250	250
Commission paid	57,350	-
Consultancy fees	-	387,500
Exchange loss	6	494
Printing and stationery	695	695
Registered office rent	3,500	3,500
Secretarial fees	2,000	2,000
Sundry expenses	970	415
Travelling expenses	-	43,973
	<u>72,771</u>	<u>447,827</u>

VISHNU HONG KONG LIMITED

PROFITS TAX COMPUTATION

YEAR OF ASSESSMENT 2017/2018

BASIS PERIOD: YEAR ENDED 31ST MARCH 2018

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1	Commission paid	2

We have reviewed and agreed to submit this
Profits Tax Computation
to Inland Revenue Department

Director
For and on behalf of
VISHNU HONG KONG LIMITED

VISHNU HONG KONG LIMITED

PROFITS TAX COMPUTATION

YEAR OF ASSESSMENT 2017/2018

BASIS PERIOD: YEAR ENDED 31ST MARCH 2018

(Loss) per Income Statement	HK\$	HK\$
		(75,207)
Add : Penalty included in sundry expenses	300	
Surcharges included in sundry expenses	<u>565</u>	
		<u>865</u>
Adjusted (loss) c/fd		<u>(74,342)</u>
<u>Statement of loss</u>		HK\$
(Loss) b/fd		(453,203)
Add: (Loss) during the year		(74,342)
(Loss) c/fd		<u>(527,545)</u>

VISHNU HONG KONG LIMITED

PROFITS TAX COMPUTATION

YEAR OF ASSESSMENT 2017/2018

BASIS PERIOD: YEAR ENDED 31ST MARCH 2018

SCHEDULE 1 - COMMISSION PAID

HK\$

Paid to : Shanghai Yisheng Trading Co Ltd.,
{Room 712, Caifu Times Building, No. 137,
Changshou Road, Putuo, Shanghai, China.}

57,350