

Responsive Industries Limited

Abu Dhabi - United Arab Emirates

Auditors' report and financial statements for the year ended March 31, 2020

Table of contents

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**Responsive Industries Limited  
Abu Dhabi - United Arab Emirates**

Director's report

**Auditors' report and financial statements**

Independent auditors' report

**For the year ended March 31, 2020**

Statement of financial position

Statement of comprehensive income

**Private & Confidential**

Statement of changes in shareholders' equity

Statement of cash flows

Notes to the financial statements

**Responsive Industries Limited**

Abu Dhabi - United Arab Emirates

Auditors' report and financial statements for the year ended March 31, 2020

**Table of contents**

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	<b>Pages</b>
The Entity	1
Directors' report	2-3
Independent auditors' report	4-6
Statement of financial position	7
Statement of comprehensive income	8
Statement of changes in shareholders' equity	9
Statement of cash flows	10
Notes to the financial statements	11-17

**Responsive Industries Limited**  
Abu Dhabi - United Arab Emirates

**The Entity**

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Principal office address : 24th, Al Sila Tower  
Abu Dhabi Global Market,  
Al Maryah Island, P.O Box- 128666  
Abu Dhabi-U.A.E

The Director : Name Nationality  
Mr Vijaykumar Jivrambhai Sharma Indian

The Shareholders' : Name Nationality  
Responsive Industries Limited Company Register in  
Hong Kong

The Auditor : M Al Ali Auditing  
P O Box . 171492  
Dubai, United Arab Emirates

The Main Banks : Emirates NBD  
Abu Dhabi Commercial Bank



**Responsive Industries Limited**  
Abu Dhabi - United Arab Emirates

Directors Report

The Directors have pleasure in presenting their report and the audited financial statements for the year ended March 31, 2020.

**Principal activities of the Entity :**

The principal activities of the entity consist of Proprietary Investment.

**Financial review:**

The table below summarized results of 2020 and 2019

	<u>2020</u>	<u>2019</u>
	<u>USD</u>	<u>USD</u>
Net (loss) for the year	<u>(36,922)</u>	<u>(4,754)</u>

**Role of the Directors:**

The Directors are the Entity's principal decision-making forum. Directors have the overall responsibility for leading and supervising the Entity and is accountable to shareholders for delivering sustainable shareholder value through their guidance and supervision of the Entity's business. The Directors sets the strategies and policies of the Entity. They monitor performance of the Entity's business, guides and supervises its management.

**Risk management and internal control systems:**

The Entity is committed to the ongoing process of identifying risk factors, analysing the risks, and deciding upon measures of risk handling and risk control, with a view to achieving sustainability of business operations, employment and surpluses. The Entity's risk management framework identifies, assesses, manages and reports risks on a consistent and reliable basis. The Directors consider primary risk areas to be: credit risk, interest rate risk, foreign exchange and liquidity risk.

The Directors recognised their responsibilities to ensure the existence of the system of internal control and for reviewing its continued effectiveness. In view of the above, the management has in place a management information system that facilitates financial and other information being yearly reported on a transparent basis to the management and that in turn helps in initiating action to mitigate risks to the extent feasible.

**Going concern:**

The attached financial statements have been prepared on a going concern basis. While preparing the financial statements the management has made an assessment of the Entity's ability to continue as a going concern. The management has not come across any evidence that causes the management to believe that material uncertainties related to the events or conditions existed, which may cast significant doubt on the Entity's ability to continue as a going concern.





#### **Events after year end:**

In the opinion of the Directors, no transaction or event of a material and unusual nature, favourable or unfavourable has arisen in the interval between the end of the financial year and the date of this report, that is likely to affect, substantially the result of the operations or the financial position of the Entity.

#### **Auditors:**

M/s. M AL ALI AUDITING, United Arab Emirates is willing to continue in office and a resolution to re-appoint them will be proposed in the Annual General Meeting.

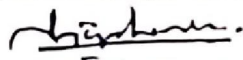
#### **Statement of Directors responsibilities:**

The applicable requirements, requires the Directors to prepare the financial statements for each financial year which presents fairly in all material respects, the financial position of the Entity and its financial performance for the year then ended.

The audited financial statements for the year under review, have been prepared in conformity and in compliance with the relevant statutory requirements and other governing laws. The Directors confirms that sufficient care has been taken for the maintenance of proper and adequate accounting records that disclose with reasonable accuracy at any time, the financial position of the Entity and enables them to ensure that the financial statements comply with the requirements of applicable statute. The Directors also confirm that appropriate accounting policies have been selected and applied consistently in order that the financial statements reflect fairly the form and substance of the transactions carried out during the year under review and reasonably present the Entity's financial conditions and results of its operations.

#### **Acknowledgements**

The Directors wishes to place on record their sincere gratitude for the continuous support extended by various government departments, banks, customers, suppliers, employees and all well wishers.



\_\_\_\_\_  
**Director**  
**Responsive Industries Limited**  
**June 4, 2020**



## **Independent Auditor's Report**

**To the Shareholder of Responsive Industries Limited  
Abu Dhabi - United Arab Emirates**

**Report on Audit of the Financial Statements**

### **Opinion**

We have audited the accompanying financial statements of the **Responsive Industries Limited** which comprise the statement of financial position as at March 31, 2020 and the statement of comprehensive income, statement of changes in equity, statement of cash flows for the year then ended and notes to the financial statements including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at **March 31, 2020** its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards.

### **Basis for Opinion**

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statement section of our report.

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

### **Independence**

We are independent of **Responsive Industries Limited** in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants ("IESBA Code") and the ethical requirements that are relevant to our audit of the financial statements in the United Arab Emirates. We have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code.

### **Responsibilities of the management and those charged with governance for the financial statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards and for such internal controls as management determines 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, management is responsible for assessing the Company ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.



## **Independent Auditor's Report (Continued)**

### **Auditors' responsibilities for the audit of the financial statements**

The objectives of our audit are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As a part of Audit in accordance with the ISA's, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

1. 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.
2. 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 Entity's internal control.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on Entity'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 consolidated 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 Entity to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance 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.

## **Independent Auditor's Report (Continued)**

### **Report on other legal and regulatory requirements**

As required by the **U.A.E. Federal Commercial Companies Law No. 2 of 2015**, we further confirm that,

1. We have obtained all the information and explanations necessary for our audit;
2. We are not aware of any contraventions during the year of the above mentioned law or the Entity's Articles of Association; which may have material effect on the financial position of the Entity or the result of its operations for the year.

For **MAL ALI AUDITING**

Reg no. 645

Dubai, United Arab Emirates

June 4, 2020



**Responsive Industries Limited**

Abu Dhabi - United Arab Emirates

Statement of financial position as at March 31, 2020

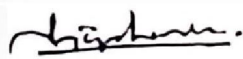
(In United States Dollars)

	Notes	2020	2019
<i>Current assets</i>			
Advances, deposits and other receivables	4	36,699,226	24,742,000
Cash and cash equivalents	5	1,127,848	172,496
<i>Total current assets</i>		<u>37,827,074</u>	<u>24,914,496</u>
<b>Total assets</b>		<u>37,827,074</u>	<u>24,914,496</u>
<b>Equity and liabilities</b>			
<i>Equity</i>			
Share capital	6	10,000	10,000
Accumulated losses	7	(41,676)	(4,754)
<i>Total equity</i>		<u>(31,676)</u>	<u>5,246</u>
Shareholders' current account	8	37,858,750	24,908,750
<i>Total shareholders' fund</i>		<u>37,827,074</u>	<u>24,913,996</u>
<i>Current liabilities</i>			
Trade and other payable	9	-	500
<i>Total liabilities</i>		<u>-</u>	<u>500</u>
<b>Total shareholders' equity and liabilities</b>		<u>37,827,074</u>	<u>24,914,496</u>

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

The report of the auditors is set out on page 4, 5 and 6.

The financial statements on pages 7 to 17 were approved on June 04, 2020 and signed on behalf of the Entity, by:



Director

Responsive Industries Limited



**Responsive Industries Limited**

Abu Dhabi - United Arab Emirates

Statement of comprehensive income for the year ended March 31, 2020

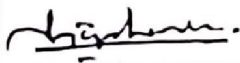
(In United States Dollars)

	Notes	2020	2019
Administrative expenses	10	(36,922)	(4,754)
(Loss) for the year		(36,922)	(4,754)
Other comprehensive income		-	-
Total comprehensive(loss) for the year		(36,922)	(4,754)

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

The report of the auditors is set out on page 4, 5 and 6.

The financial statements on pages 7 to 17 were approved on June 04, 2020 and signed on behalf of the Entity, by:

**Director****Responsive Industries Limited**

**Responsive Industries Limited**

Abu Dhabi - United Arab Emirates

Statement of changes in shareholders' equity for the year ended March 31, 2020

(In United States Dollars)

	Share capital	Retained earnings	Total equity
As at April 01, 2018	10,000	-	10,000
Comprehensive (loss) for the year	-	(4,754)	(4,754)
As at March 31, 2019	10,000	(4,754)	5,246
Comprehensive (loss) for the year	-	(36,922)	(36,922)
As at March 31, 2020	<u>10,000</u>	<u>(41,676)</u>	<u>(31,676)</u>

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

The report of the auditors is set out on page 4, 5 and 6.



**Responsive Industries Limited**

Abu Dhabi - United Arab Emirates

Statement of cash flows for the year ended March 31, 2020

(In United States Dollars)

	2020	2019
<b>Cash flows from operating activities</b>		
Net (loss) for the year	(36,922)	(4,754)
	(36,922)	(4,754)
<i>Increase/(decrease) in current assets</i>		
Advances, deposits and other receivables	(11,957,226)	(24,742,000)
Trade and other payable	(500)	500
<b>Net cash (used in) operating activities</b>	<b>(11,994,648)</b>	<b>(24,746,254)</b>
<b>Cash flows from financing activities</b>		
Capital introduced	-	10,000
Shareholders' current account	12,950,000	24,908,750
<b>Net cash from financing activities</b>	<b>12,950,000</b>	<b>24,918,750</b>
<b>Net increase in cash and cash equivalents</b>	<b>955,352</b>	<b>172,496</b>
Cash and cash equivalents, beginning of the year	172,496	-
<b>Cash and cash equivalents, end of the year</b>	<b>1,127,848</b>	<b>172,496</b>
Represented by:		
Cash in hand & banks	-	-
	<b>1,127,848</b>	<b>172,496</b>

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

The report of the auditors is set out on page 4, 5 and 6.





**Responsive Industries Limited**

**Abu Dhabi - United Arab Emirates**

**Notes to the financial statements for the year ended March 31, 2020**

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**1 Legal status and business activities**

- 1.1 Responsive Industries Limited– Al Maryah Island, Abu Dhabi - United Arab Emirates** (the "Entity") was registered on March 15, 2018 as a private company limited by shares and operates in the United Arab Emirates under a commercial license issued by Abu Dhabi Global Market authority, Government of Abu Dhabi, United Arab Emirates.
- 1.2** The Entity is licensed by the Abu Dhabi Global Market for Proprietary Investment.
- 1.3** The registered office of the Entity is located at P.O Box- 128666, 24, Al Sila Tower, Abu Dhabi Global Market Square, Al Maryah Island, Abu Dhabi, United Arab Emirates.
- 1.4** These financial statements incorporate the operating results of the commercial license no.000001208.

**2 Basis of preparation**

**2.1 Statement of Compliance**

These Financial statements have been prepared in accordance with the International Financial Reporting Standards issued by International Accounting Standards Board(IASB) and applicable requirements of UAE.

**2.2 Functional & Presentation Currency**

The financial statements are presented in United Arab Emirates Dirham (AED) which is also the functional currency of the Company. All financial information is presented in AED has been rounded off to the nearest Dirham.

**2.3 Basis of Measurement and Accounting & Coverage**

The financial statements have been prepared on Historical Cost Convention except in respect of those financial instruments, which are presented at their fair values and properly disclosed elsewhere in the report. These financial statements have been prepared under going concern assumption.

The Company follows the accrual basis of accounting, except for the statement of cash flows which is presented on cash basis. Under accrual basis, the transactions and events are recognized as and when they occur and are recorded in financial statements for the period to which they relate to.

The financial statements enclosed covers the year April 01, 2019 to March 31, 2020.

**3 Summary of significant accounting policies:**

The following accounting policies have been consistently applied by the management in preparation of the financial statements, except where stated here under:

**3.1** These instruments are accounted as basic financial instrument :

**a) Cash & Cash equivalents:**

Cash and cash equivalents comprise cash and liquid funds with an original maturity of three months or less which includes balance with bank in current account. Other bank deposits with maturity less than a year are classified as short term bank deposits.

**c) Trade payables:**

Trade payables represents obligations towards vendors in ordinary course of business. Trade payables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method.





### 3 Summary of significant accounting policies (continued)

#### Financial Instruments (continued)

##### d) Other financial assets:

Other financial assets are recognised initially at transaction value and subsequently measured at amortised cost using effective interest method less impairment. However, all other financial assets have a value on realization in the ordinary course of company's business, which is at least equal to the amount at which they are stated in the statement of financial position.

##### e) Other financial liability

Other financial liabilities include borrowings if any, are initially measured at transaction value, net of transaction cost. These are subsequently measured at amortised cost using effective interest method.

#### Derecognition of financial assets & financial liability

Financial assets are derecognised only when the contractual rights to the cash flows expire or substantially all the risks and rewards of ownership are transferred along with the contractual rights to receive cash flows. Financial liabilities are derecognised only when they are extinguished i.e. when the obligations specified in the contract are discharged or cancelled or expire.

### 3 Summary of significant accounting policies (continued)

#### 3.2 Impairment of non- financial assets:

Non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash generating units). Non-financial assets other than goodwill are reviewed at the end of each reporting period for possible reversal of the impairment loss.

#### 3.3 Provisions & Contingencies:

Provisions are recognised when the Entity has a present obligation (legal or constructive) as a result of a past event, it is probable that the Entity will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting year, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognized as an asset if it is certain that reimbursement will be received and the amount of the receivable can be measured reliably.

Contingent liabilities are not recognized but are disclosed in the notes to financial statements. A disclosure of contingent liability is made when there is a possible obligation or present obligation that may, or may not, require an outflow of resources. When likelihood of outflow is remote, no provision or disclosure is made.





### **3.4 IFRS 15, Revenue from Contracts with Customers (effective from 1 January 2018)**

IFRS 15 replaces IAS 18 which covers contracts for sale of goods and rendering of services and IAS 11 which covers construction contracts.

The new standard is based on the principle that revenue is recognised when control of a good or service transfers to a customer – so the notion of control replaces the existing notion of risks and rewards. The standard provides a new five-step model that must be applied to all contracts with customers.

### **IFRS 15, Revenue from Contracts with Customers (effective from 1 January 2018) (continued)**

#### **Time of recognition:**

Sales are recognised when products are delivered to the customer and the customer has full discretion over the channel and price to sell the product and there is no unfulfilled obligation that could affect the acceptance of products. Delivery occurs when the goods are shipped; all the risk and rewards associated are transferred to the customer, i. e customer gains control over the goods. Also either the customer has accepted the products in accordance with the sales contract, the acceptance provisions have lapsed, or the group has objective evidence that all criteria for acceptance have been satisfied.

## **3 Summary of significant accounting policies (continued)**

### **3.5 Expenditure:**

Expenses are accounted for on the accrual basis and provisions are made for all known losses and liabilities. Expenses are presented in the statement of comprehensive income, classified according to the function of expense.

### **3.6 Foreign currency transaction:**

Transaction in foreign currency, if any, are converted into functional currency at prevailing exchange rate on the date such transaction are entered into. Monetary assets and liabilities denominated in foreign currencies, if any, are translated into functional currency at the exchange rates prevailing at the reporting date. The resultant foreign exchange gains and losses are recognized in the Comprehensive Income Statement.

Non- monetary assets and liabilities denominated in foreign currencies, if any, which are stated at historical cost or fair value , are translated into functional currency at exchange rate prevailing on the date of determination of fair value respectively. The resultant gains and losses are recognized in the statement of comprehensive income, in the year in which such assets are realized or liabilities are discharged.

### **3.7 Offsetting of financial assets and liabilities:**

Financial assets and liabilities are offset and the net amount reported in the statement of financial position only when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy.



**Responsive Industries Limited**

Abu Dhabi - United Arab Emirates

Notes to the financial statements for the year ended March 31, 2020

(In United States Dollars)

in United States Dollars

	2020	2019															
<b>4 Advances, deposits and other receivables</b>																	
Advance for machinery	36,699,226	24,742,000															
	<u>36,699,226</u>	<u>24,742,000</u>															
<b>5 Cash and cash equivalents</b>																	
Cash in hand & banks	1,127,848	172,496															
	<u>1,127,848</u>	<u>172,496</u>															
<b>6 Share capital</b>																	
<p>Authorised, issued and paid up capital of the Entity is USD 10,000 divided into 10000 shares of USD 1 each fully paid up. The details of the shareholding as at reporting date are as follows:</p> <table> <tr> <th>Name</th> <th>Nationality</th> <th>Percentage</th> <th>2020</th> <th>2019</th> </tr> <tr> <td>Responsive Industries Limited</td> <td>Company Register in Hong Kong</td> <td>100%</td> <td>10,000</td> <td>10,000</td> </tr> <tr> <td></td> <td>0%</td> <td>100%</td> <td><u>10,000</u></td> <td><u>10,000</u></td> </tr> </table>			Name	Nationality	Percentage	2020	2019	Responsive Industries Limited	Company Register in Hong Kong	100%	10,000	10,000		0%	100%	<u>10,000</u>	<u>10,000</u>
Name	Nationality	Percentage	2020	2019													
Responsive Industries Limited	Company Register in Hong Kong	100%	10,000	10,000													
	0%	100%	<u>10,000</u>	<u>10,000</u>													
<b>7 Accumulated losses</b>																	
Balance at the beginning of the year	(4,754)	-															
Comprehensive (loss) for the year	(36,922)	(4,754)															
Balance at the end of the year	<u>(41,676)</u>	<u>(4,754)</u>															
<b>8 Shareholders' current account</b>																	
Balance at the beginning of the year	24,908,750	-															
Net movements during the year	12,950,000	24,908,750															
Balance at the end of the year	<u>37,858,750</u>	<u>24,908,750</u>															
<b>9 Trade and other payable</b>																	
Other payable	-	500															
	<u>-</u>	<u>500</u>															
<b>10 Administrative expenses</b>																	
Legal, visa, professional and related expenses	21,731	500															
Preliminary expenses	6,812	-															
Bank charges	7,357	2,112															
Foreign exchange gain / loss	1,022	624															
Misc. expenses	-	1,518															
	<u>36,922</u>	<u>4,754</u>															





**Responsive Industries Limited**

Abu Dhabi - United Arab Emirates

Notes to the financial statements for the year ended March 31, 2020

(In United States Dollars)

**11 Financial instruments****a) Significant accounting policies**

Details of the significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument are disclosed in Note 3 to the financial statements.

**b) Categories of financial instruments***Financial assets*

Other receivables

Cash and cash equivalents

*Financial liabilities at amortised cost*

Trade and other payable

As at March 31,	
2020	2019
36,699,226	24,742,000
1,127,848	172,496
37,827,074	24,914,496
-	500
-	500

**c) Fair values of financial instruments**

Financial instruments comprise of financial assets and financial liabilities.

Financial assets consist of cash and bank balances, trade receivables, investments, due from related parties and certain other assets. Financial liabilities consist of trade payables and accruals, due to related parties, term loans, bank overdrafts and certain other liabilities.

The fair values of financial assets and liabilities are not materially different from their carrying values as at the reporting date.

**12 Financial risk management objectives**

The Entity management set out the Entity's overall business strategies and its risk management philosophy. The Entity's overall financial risk management program seeks to minimize potential adverse effects on the financial performance of the Entity. The Entity policies include financial risk management policies covering specific areas, such as market risk (including foreign exchange risk, interest rate risk), liquidity risk and credit risk. Periodic reviews are undertaken to ensure that the Entity's policy guidelines are complied with.

There has been no change to the Entity's exposure to these financial risks or the manner in which it manages and measures the risk.

The Entity is exposed to the following risks related to financial instruments. The Entity has not framed formal risk management policies, however, the risks are monitored by management on a continuous basis. The Entity does not enter into or trade in financial instruments, investment in securities, including derivative financial instruments, for speculative or risk management purposes.

**a) Foreign currency risk management**

The Entity does not have any significant exposure to currency risk, as most of its assets and liabilities are denominated in UAE Dirhams and Dirham to USD conversion is pegged.





**Responsive Industries Limited**

Abu Dhabi - United Arab Emirates

Notes to the financial statements for the year ended March 31, 2020

(In United States Dollars)

**12 Financial risk management objectives (continued)****b) Liquidity risk management**

Ultimate responsibility for liquidity risk management rests with the management which has built an appropriate liquidity risk management framework for the management of the Entity's short, medium and long-term funding and liquidity management requirements. The Entity manages liquidity risk by maintaining adequate reserves, continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.

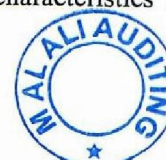
The table below summarises the maturity profile of the Entity's financial assets. The contractual maturities of the financial assets have been determined on the basis of the remaining period at the financial position date to the contractual maturity date. The maturity profile is monitored by management to ensure adequate liquidity were maintained. The maturity profile of the assets and liabilities at the financial position date based on contractual repayment arrangements were also show on the following table.

Particulars	Interest bearing			Non Interest bearing		Total
	Within 1 year	More than 1 year	On demand or less than 3 months	Within 1 year	More than 1 year	
As at March 31, 2020						
Financial assets						
Other receivables	-	-	-	36,699,226	-	36,699,226
Cash and bank balances	-	-	1,127,848	-	-	1,127,848
	-	-	1,127,848	36,699,226	-	37,827,074
As at March 31, 2019						
Financial assets						
Other receivables	-	-	-	24,742,000	-	24,742,000
Cash and bank balances	-	-	172,496	-	-	172,496
	-	-	172,496	24,742,000	-	24,914,496
Financial liabilities						
Trade and other payables	-	-	500	-	-	500
	-	-	500	-	-	500

**12 Financial risk management objectives (continued)****c) Credit risk management**

Credit risk refers to the risk that the counterparty will default on its contractual obligations resulting in financial loss to the Entity. The Entity has adopted a policy of only dealing with creditworthy counterparties. The Entity uses its own trading records to rate its existing customers and increase their credits limits. The Entity's exposure and the credit ratings of its counterparties are continuously monitored and the aggregate value of transactions concluded is spread amongst approved counterparties. Credit exposure is controlled by counterparty limits that are reviewed and approved by the management regularly and the Entity maintains an allowance for doubtful debts based on expected collectability of all trade receivables.

The Entity does not have significant credit risk exposure to a single counterparty or any group of counter parties having similar characteristics. The Entity defines counterparties as having similar characteristics if they are related entities.



**Responsive Industries Limited**

Abu Dhabi - United Arab Emirates

Notes to the financial statements for the year ended March 31, 2020

(In United States Dollars)

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**13 Capital risk management**

The Entity manages its capital to ensure that it will be able to continue as a going concern while maximizing the return to stakeholders through the optimization of the equity balance. The Entity's overall strategy remains unchanged from prior year.

The capital structure of the Entity consists of cash and cash equivalents and equity comprising issued capital, reserves and retained earnings as disclosed in the financial statements.

**14 Comparative amounts**

Certain amounts for the prior year were reclassified to conform to current year presentation, however such reclassification do not have a impact on the previously reported profit or equity.

