

KNOWLEDGE DYNAMICS PTE LTD
(Incorporated in the Republic of Singapore)
Reg No: 199703952N

FINANCIAL STATEMENTS - 31 MARCH 2009

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MGI N RAJAN ASSOCIATES
CERTIFIED PUBLIC ACCOUNTANTS

DIRECTORS' REPORT

The Directors submit their report together with the audited financial statements of the company for the year ended 31 MARCH 2009.

Directors:

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

KIRAN NARAYANA RAO CAVALE
 ROHIT GANDHI
 ATUL KANWAR

Arrangements to enable directors to acquire shares or debentures:

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

Directors' Interest in Shares or Debentures:

The following directors, who held office at the end of the financial year, had, according to the register of directors' shareholdings required to be kept under section 164 of the Companies Act, Cap.50 are as follows:

Names of the Director Shares in Holding Company- Computer Services Limited, India	Number of Share/ADRs	
	At the beginning Of the year	At the end of the year
VIJAYAPRASAD BODDUPALLI (Resigned on 14-Sep-09)	146,614	96,614
VIRENDER AGGARWAL (Resigned on 14-Sep-09)	111,194	115,872
KIRAN NARAYANA RAO CAVALE	12,800	9,678

No director who held office at the end of the financial year had interests in share options, warrants or debentures of the Company, or related corporations, either at the beginning of the financial year or at the end of the financial year except for the following.

Names of the Director Stock options in Holding Company- Computer Services Limited, India	Number of Options	
	At the beginning Of the year	At the end of the year
VIJAYAPRASAD BODDUPALLI (Resigned on 14-Sep-09)	15,000	185,284
VIRENDER AGGARWAL (Resigned on 14-Sep-09)	78,472	41,394
KIRAN NARAYANA RAO CAVALE	83,092	56,914

Directors' contractual benefits:

During the year, no director has received or become entitled to receive a benefit by reason of a contract made by the company or by 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 than those disclosed in the financial statements.

KNOWLEDGE DYNAMICS PTE LTD
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DIRECTORS' REPORT

Options granted:

During the year, there were no options to take up unissued shares of the Company.

Options exercised:

During the year, no shares have been issued by virtue of the exercise of options granted.

Options outstanding:

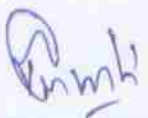
There were no shares options outstanding as at 31 MARCH 2009.

Auditors:

The Auditors, M/S MGI N Rajan Associates have expressed their willingness to accept re-appointment.


ROHIT GANDHI



KUNWAR ATUL


KIRAN NARAYANA RAO CAVALE

Date: 26-Oct-2009

STATEMENT BY DIRECTORS

In the opinion of the directors, the accompanying balance sheet, income statement, statement of changes in equity and cash flow statement together with the notes thereon, are drawn up in accordance with and comply with the 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 2009 and of the results of the business, changes in equity and cash flows of the company for the financial year ended on that date and 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.



ROHIT GANDHI



KUNWAR ATUL



KIRAN NARAYANA RAO CAVALE

Date: 26-Oct-2009



MGI N RAJAN ASSOCIATES
CERTIFIED PUBLIC ACCOUNTANTS

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
KNOWLEDGE DYNAMICS PTE LTD
(Incorporated in the Republic of Singapore)**

We have audited the accompanying financial statements of the company, which comprise the balance sheet of the Company as at 31 March 2009, the income statement, statement of changes in equity and cash flow statement 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 Singapore Companies Act, Chapter 50 (the "Act") and Singapore Financial Reporting Standards. This responsibility includes:

- (a) devising and maintaining a system of internal accounting controls sufficient to provide reasonable assurance that assets are safeguarded against loss from unauthorized use or disposition; and transactions are properly authorized and they are recorded as necessary to permit the preparation of true and fair view of profit and loss accounts and balance sheets and maintain accountability of assets;
- (b) selecting and applying appropriate accounting policies;
- (c) making accounting estimates that are reasonable in the circumstances.

Auditor's 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 about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedure selected depends 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.

Opinion

In our opinion:-

- (a) the 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 2009 and of the results, changes in equity of the company 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.

**MGI N RAJAN ASSOCIATES
CERTIFIED PUBLIC ACCOUNTANTS,
SINGAPORE**

DATE: 26 OCT 2009

10, JALAN BESAR #10-12, SIM LIM TOWER SINGAPORE 208787.
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G. Natarajan, S. Somasekharan

KNOWLEDGE DYNAMICS PTE LTD
(Incorporated in the Republic of Singapore)

BALANCE SHEET

	Notes	31.3.2009 S\$	31.03.2008 S\$
ASSETS			
Non-Current Assets			
Property, plant and equipment	5	-	-
Subsidiaries	6	-	-
		-	-
Current Assets			
Cash and cash equivalents	7	377,308	406,507
Other receivables	8	100	100
		377,408	406,607
Total assets		377,408	406,607
EQUITY AND LIABILITIES			
Current Liabilities			
Other payables	9	180,654	175,478
Accrued expenses		2,000	3,700
		182,654	179,178
Capital and reserves			
Issued capital	10	100,000	100,000
Retained profits		94,754	127,429
		194,754	227,429
Total equity and liabilities		377,408	406,607

(The annexed notes form an integral part of and should be read in conjunction with these financial statements)

KNOWLEDGE DYNAMICS PTE LTD
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INCOME STATEMENT FOR YEAR ENDED 31 MARCH 2009

	NOTE	2009 S\$	2008 S\$
REVENUE			
Other operating income	3	-	27,867
		-	27,867
Less: expenses			
Administrative expenses		-	2,197
Sales and Distribution costs		-	25
Other operating expenses		7,705	7,836
Total expenses		7,705	10,058
(loss)/Profit from operations		(7,705)	17,809
Less: Impairment losses on investments		-	(4,446)
(loss)/profit before tax	4	(7,705)	13,363
Less: Tax expense	11	(24,970)	-
(loss)/profit for the year		(32,675)	13,363

The notes form an integral part of and should be read in conjunction with the accompanying financial statements.

KNOWLEDGE DYNAMICS PTE LTD
(Incorporated in the Republic of Singapore)

STATEMENTS OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2009

	Issued Capital S\$	Retained profits S\$	Total S\$
Balance as at 31 March 2007	100,000	114,066	214,066
Issuance of ordinary shares	-	-	-
Profit for the year	-	13,363	13,363
Balance as at 31 March 2008	100,000	127,429	227,429
(loss) for the year	-	(32,675)	(32,675)
Balance as at 31 March 2009	100,000	94,754	194,754

The notes form an integral part of and should be read in conjunction with the accompanying financial statements.

CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2009

	NOTE	2009 S\$	2008 S\$
Cash flows from operating activities			
Net (loss)/profit for the year before tax		(7,705)	13,362
Adjustment for:			
Provision written back		-	(27,867)
Impairment losses		4,000	4,446
Operating profit / (loss) before reinvestment of capital		<u>(3,705)</u>	<u>(10,059)</u>
(Increase)/Decrease in other debtors		(4,000)	203,007
Increase/(Decrease) in trade payables		-	(105,494)
Increase/(Decrease) in other creditors and accruals		3,476	(6,349)
Cash generated from / (used in) operations		<u>(4,229)</u>	<u>81,105</u>
Tax (paid)		(24,970)	-
Net cash flows from operating activities		<u>(29,199)</u>	<u>81,105</u>
Cash Flow from Investing Activities			
Acquisition of property, plant and equipment		-	-
Capital repayment from subsidiary		-	37,257
Net cash flows from/ (used in) investing activities		<u>-</u>	<u>37,257</u>
Net Increase/(decrease) in cash & cash equivalents		(29,199)	118,362
Cash and cash equivalents at the beginning of the year		406,507	288,145
Cash and cash equivalents at the end of the year		<u>377,308</u>	<u>406,507</u>

(The annexed notes form an integral part of and should be read in conjunction with these financial statements)

1. GENERAL INFORMATION

The financial statements of the company for the year ended 31 MARCH 2009 were authorised for issue in accordance with a resolution of the directors on the date of the Statement By Directors.

The company is incorporated as a limited liability company and domiciled in the Republic of Singapore.

The principal activities of the company are to carry on the business of software consultancy and other service activities. However the company has not transacted any business during the year.

The company's registered office & principal place of business address is located at 01 Changi Business Park, Avenue 1, #04-02, Ultro Building, Singapore 486058

The company's Holding and ultimate Holding company is Satyam Computer Services Limited, India.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation

The financial statements are prepared in accordance with Singapore Financial Reporting Standards ("FRS"). The financial statements have been prepared under the historical cost convention, except as disclosed in the accounting policies below.

The preparation of the financial statements in conformity with Singapore Financial Reporting Standards requires using of 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 reported amounts of revenues and expenses during the financial period. The company has assessed that there are no estimates or judgments used that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

New Accounting Standards and FRS Interpretations

Certain new accounting standards, amendments and interpretations to existing standards have been published that are mandatory for accounting periods beginning on or after 1 January 2008. The Company's assessment of the impact of adopting these standards, amendments and interpretations that are relevant to the Company are set out below:

The Company has adopted FRS 107, Financial instruments: Disclosures and Amendments to FRS 1 presentation of Financial Statements – Capital Disclosures on 1 January 2008.

FRS 107 introduces new disclosures to improve the information about financial instruments. It requires the disclosure of qualitative and quantitative information about exposure to risks arising from financial instruments, including minimum disclosures about credit risk, liquidity risk and market risk (including sensitivity analysis to market risk). It replaces disclosure requirements in FRS 32: Financial instruments: Disclosure and Presentation. The amendment to FRS 1 introduces disclosure about the level of and entity's capital and how it manages capital.

The Company has assessed the impact of FRS 107 and the amendments to FRS 1 and concluded that the main additional disclosures will be the credit risk disclosures requires by FRS 107, as well as the capital disclosures requires by the amendment to FRS 1.

2.1 BASIS OF PREPARATION (Cont'd)

New Accounting Standards and FRS Interpretations not yet adopted

Reference	Description	Effective for annual periods beginning on or after
FRS 1	Presentation of Financial Statements - Revised Presentation	1 January 2009
FRS 23	Borrowing costs	1 January 2009

2.2 Property, plant & equipment & depreciation

All items of property, plant and equipment are recorded at cost less accumulated depreciation and impairment losses if any.

Depreciation is calculated on the straight-line method to write off the cost of the assets over their estimated useful lives. The annual rates have been taken as follows:

Office equipment	3 years
Furniture and Fittings	3 years
Computers	1 year

Full depreciation is provided in the year of the purchase and no depreciation is provided in the year of disposal.

2.3 Impairment of non financial assets

Intangible Asset

Property, plant and equipment

The carrying amounts of the assets are reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) of the asset is estimated to determine the amount of impairment loss.

For the purpose of impairment testing of these assets, recoverable amount is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. If this is the case, recoverable amount is determined for the CGU to which the asset belongs

If the recoverable amount of the asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount.

The impairment loss is recognised in the income statement unless the asset is carried at revalued amount, in which case, such impairment loss is treated as a revaluation decrease.

An impairment loss for an asset other than goodwill is reversed if and only if, there has been a change in the estimate used to determine the asset's recoverable amount since the last impairment loss was recognised. The carrying amount of an asset other than goodwill is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of amortisation or depreciation) had no impairment loss been recognised for the asset in prior years. A reversal of impairment loss for an asset other than goodwill is recognised in the income statement, unless the asset is carried at revalued amount, in which case, such reversal is treated as a revaluation increase. However, to the extent that an impairment loss on the same revalued asset was previously recognised in the income statement, a reversal of that impairment is also recognised in the income statement.

2.4 Revenue recognition

Revenue from sale of goods are recognised upon delivery and acceptance of goods. Revenue from provision of consultancy services are recognized upon rendering services. Revenue from project income is recognized on percentage of completion of method. Interest income is recognised on a time proportion basis, taking account of the principal outstanding and the effective rate over the year of maturity, when its determined such income will accrue to the company.

2.5 Income taxes

The liability method of tax effect accounting is adopted by the company. Current taxation is provided at the current taxation rate based on the tax payable on the income for the financial year that is chargeable to tax. Deferred taxation is provided at the current taxation rate on all temporary differences existing at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts in the financial statements.

2.5 Income taxes (cont'd)

Deferred tax liabilities are recognised for all taxable temporary differences (unless the deferred tax liability arises from goodwill or the initial recognition of an asset or liability in a transaction that is not a business combination and at the time of the transaction, affects neither the accounting profit nor taxable profit or loss).

Deferred tax assets are recognised for all deductible temporary differences to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences can be utilised (unless the deferred tax asset arises from goodwill or the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss). The statutory tax rates enacted at the balance sheet date are used to determine deferred income tax.

2.6 Financial Assets

Classification

The Company classifies its financial assets as loans and receivables. The classification depends on the purpose for which the assets were acquired. Management determines the classification of its financial assets at initial recognition and re-evaluates this designation at every reporting date.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or payments that are not quoted in an active market. They are included in current assets, except those maturing later than 12 months after the balance sheet date which are classified as non-current assets. Loans and receivables are classified within "trade and other receivables" and "cash and cash equivalents" on the balance sheet.

Recognition and derecognition

Financial assets are derecognized when the rights to receive cash flows from the financial assets have expired or have been transferred and the Company has transferred substantially all risks and rewards of ownership.

Financial Assets (Cont'd)

Measurement

Financial assets are initially recognised at fair value plus transaction costs. Loans and receivables are subsequently carried at amortised cost using the effective interest method.

Impairment

Loans and receivables

An allowance for impairment of loans and receivables, including trade and other receivables, is recognised when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of the receivables. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganization, and default or delinquency in payments are considered indicators that the receivable is impaired. The amount of allowance is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. The amount of the allowance for impairment is recognised in the income statement.

2.7 Financial liabilities

Financial liabilities include trade payables and other payables. Financial liabilities are recognised on the balance sheet when, and only when, the company becomes a party to the contractual provisions of the financial instrument. Financial liabilities are initially recognised at fair value of the consideration received less directly attributable transaction costs and subsequently measured at amortised cost using the effective interest rate method.

2.8 Subsidiaries

A subsidiary is a company, in which the company, directly or indirectly, holds more than half of the issued share capital, or controls more than half of the voting power, or controls the composition of the board of directors.

Investments in the subsidiaries are stated in the financial statements of the Company at cost less impairment losses. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount.

The subsidiaries results have not been consolidated as the company is itself wholly-owned subsidiary of another company. The registered address of the holding and ultimate holding company, Satyam Computer Services Limited, which publishes consolidated financial statements, is,

Satyam Infocity, Unit — 12, Plot No. 35/36, Hi-tech City layout, Survey No. 64, Madhapur,
Hyderabad — 500 081, Andhra Pradesh, India.

2.9 Foreign currency transactions

1. Measurement currency

Items included in the financial statements are measured using the currency that best reflects the economic substance of the underlying events and circumstances relevant to the company ("the functional currency"). The financial statements are prepared in Singapore Dollars, which is the measurement currency of the Company.

2. Transactions and balances

Monetary assets and liabilities in foreign currencies are translated into Singapore dollars at rates of exchange closely approximating those ruling at balance sheet date. Transactions in foreign currencies are converted at rates closely approximating those ruling at transaction dates. Exchange differences arising from such transactions are recorded in the profit and loss account in the year in which they arise. However, where a foreign currency transaction is to be settled at a contracted rate or is covered by a related or matching forward exchange contract, the rate of exchange specified in the contract will be used and any corresponding monetary assets or liabilities will not be retranslated.

2.10 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 control or significant influence. Related parties may be individuals or other entities.

2.11 Cash and cash equivalents

Cash and cash equivalents are stated in the balance sheet at cost. For the purpose of cash flow statement, cash and cash equivalents comprise cash on hand, deposits held at call with banks and overdrafts

2.12 Employee benefits

(i) Defined contribution plans

The company contributes to the Central Provident Fund ("CPF"), a defined contribution plan employees. The company's contributions to CPF are charged to the profit and loss account in the year to which the contributions relate.

(ii) Employee leave entitlements

Employee entitlements to annual leave are recognised when they accrue to employee. A provision is made for the estimated liability for annual leave as a result of services rendered up to the balance sheet date.

2.13 Share Capital

Incremental external costs directly attributable to the issue of new shares, other than on a business combination, are shown in equity as a deduction, net of tax, from the proceeds. Share issue costs incurred directly in connection with a business combination are included in the cost of acquisition.

KNOWLEDGE DYNAMICS PTE LTD
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NOTES TO THE FINANCIAL STATEMENTS - 31 MARCH 2009

3. OTHER OPERATING INCOME

	Year ended 31.03.2009	Year ended 31.03.2008
	S\$	S\$
Excess provision written back	-	27,867

4. (LOSS)/PROFIT BEFORE TAX

This is arrived after charging and crediting:

	Year ended 31.03.2009	Year ended 31.03.2008
	S\$	S\$
After charging:		
Provision for doubtful debts-Subsidiary -Non trade	4,000	6,000
Exchange loss	-	1,377
And crediting		
Excess provision written back	-	27,867

5. PROPERTY, PLANT & EQUIPMENT

	Computer	Furniture & Fittings	Office Equipment	Total
	S\$	S\$	S\$	S\$
Cost				
Beginning of year	132,440	9,041	8,274	149,755
Addition	-	-	-	-
End of year	132,440	9,041	8,274	149,755
Acc Depreciation				
Beginning year	132,440	9,041	8,274	149,755
Addition	-	-	-	-
End of year	132,440	9,041	8,274	149,755
Charge for 2008	3,982	1,997	993	6,973
Net Book Value				
End of year	-	-	-	-
Beginning of year	-	-	-	-

There are no movements in previous year.

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NOTES TO THE FINANCIAL STATEMENTS - 31 MARCH 2009

6. INVESTMENT IN SUBSIDIARIES

	31.03.2009	31.03.2008
	S\$	S\$
Unquoted shares in subsidiaries, at cost	119,806	119,806
Amount owing by subsidiary	10,000	6,000
Less: Impairment losses and provisions	(129,806)	(125,824)
	<u>-</u>	<u>-</u>

The company had the following subsidiary as at 31 MARCH 2009

Name of subsidiary	Principal activities	Country of incorporation & place of business	Effective percentage of equity held by the Group	Cost of investment S\$
Knowledge Dynamics Private Ltd., India	Consultants in Information technology, software and hardware systems design.	INDIA, Bangalore	100%	119,806

Notes - The accounts of the above subsidiary have not been audited by M/s MGI N. Rajan Associates.

The directors of the company are in the midst of undertaking the necessary actions to wind-up the subsidiary company.

7. CASH AND CASH EQUIVALENTS

	Year ended 31.3.2009	Year ended 31.3.2008
	S\$	S\$
Cash at bank	377,308	406,507

8. OTHER RECEIVABLES

	Year ended 31.3.2009	Year ended 31.3.2008
	S\$	S\$
Holding company – non trade	100	100
This is unsecured, interest free and no fixed repayment terms.		

9. OTHER PAYABLES

	Year ended 31.3.2009	Year ended 31.3.2008
	S\$	S\$
Other creditors	5,176	-
Advances received	175,478	175,478
	<u>180,654</u>	<u>175,478</u>

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NOTES TO THE FINANCIAL STATEMENTS - 31 MARCH 2009

10. SHARE CAPITAL

	Year ended 31.3.2009	Year ended 31.3.2008
	S\$	S\$
Issued & fully paid up		
Ordinary shares (10,000,000)	100,000	100,000

Ordinary shares have no par value, entitle for dividend as and declared and carry one vote per share.

11. TAXATION

CURRENT TAX

	Year Ended 31-03-2009	Year Ended 31-03-2008
	S\$	S\$
Under provision in prior years	24,970	-
	<u>24,970</u>	<u>-</u>

No provision has been made in the accounts since the company did not transact any business during the year.

12. FINANCIAL RISK MANAGEMENT

The company does not have any written financial risk management policies and guidelines. The company does not hold or issue derivative financial instruments for trading purposes or to hedge against fluctuations, if any, in interest rates and foreign exchange. The company's exposure to financial risks associated with financial instruments held in the ordinary course of business include:

a) Price risk

i) Currency risk

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. The company has become dormant and the company is not exposed to foreign currency risk.

(ii) Interest rate risk

Interest rate risk is the risk that the value of a financial instrument will fluctuate due to changes in market interest rates.

The company has no interest-bearing financial instruments, hence, is not exposed to any movements in market interest rates.

(iii) Market risk

Market risk is the risk that the value of a financial instrument will fluctuate due to changes in market prices whether those changes are caused by factors specific to the individual security or its issuer or factors affecting all securities traded in the market.

The company does not hold any quoted or marketable financial instrument, hence, is not exposed to any movements in market prices.

b) Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss.

The company has no significant concentrations of credit risk.

Cash is held with financial institutions of good standing/ established financial institutions/ reputable financial institutions.

(c) Liquidity risk

Liquidity or funding risk is the risk that an enterprise will encounter difficulty in raising funds to meet commitments associated with financial instruments. Liquidity risk may result from an inability to sell a financial asset quickly at close to its fair value. The company ensures that there are adequate funds to meet all its obligations in a timely and cost-effective manner.

(d) Cash flow risk

Cash flow risk is the risk that future cash flows associated with a monetary financial instrument will fluctuate in amount.

The company is not exposed to any cash flows risk as it does not have any monetary financial instruments with variable interest rates.

13. FINANCIAL INSTRUMENTS

Fair value

The carrying amounts of the financial assets and financial liabilities as reflected in the balance sheet approximate to their fair value. Information on the fair values of borrowing, interest rate and foreign currency exchange is included in Note 12.
