

Company Registration No. 201826600N

Bhira Investments Pte. Ltd.

Annual Financial Statements
31 March 2025



Bhira Investments Pte. Ltd.

Index

	Page
Directors' statement	1
Independent auditor's report	3
Statement of comprehensive income	6
Balance sheet	7
Statement of changes in equity	8
Statement of cash flows	9
Notes to the financial statements	10

Bhira Investments Pte. Ltd.

Directors' statement

The directors present their statement to the member together with the audited financial statements of Bhira Investments Pte. Ltd. (the "Company") for the financial year ended 31 March 2025.

Opinion of the directors

In the opinion of the directors,

- (i) the financial statements of the Company are drawn up so as to give a true and fair view of the financial position of the Company as at 31 March 2025 and of the financial performance, changes in equity and cash flows of the Company for the year ended on that date; and
- (ii) at the date of this statement, with its related parties' undertaking not to demand payment for amounts owing to them unless the Company's cash flow permits, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

Directors

The directors of the Company in office at the date of this statement are:

Dsouza Randolph Joseph Francis
Jinendra Vardhaman Patil
Arun Viswanathan

Arrangements to enable directors to acquire shares and debentures

Neither at the end of nor at any time during the financial year was the Company a party to any arrangement whose objects are, or one of 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' interests in shares and debentures

According to the register of directors' shareholdings required to be kept under section 164 of the Singapore Companies Act 1967, no director who held office at the end of the financial year had interests in shares, share options, warrants or debentures of the Company, or of related corporations, either at the beginning of the financial year, or at the end of the financial year.

Share options

During the financial year, there were:

- (i) no options granted by the Company to any person to take up unissued shares in the Company; and
- (ii) no shares issued by virtue of any exercise of option to take up unissued shares of the Company.

As at the end of the financial year, there were no unissued shares of the Company under option.

Bhira Investments Pte. Ltd.

Directors' statement

Auditor

Ernst and Young LLP have expressed their willingness to accept re-appointment as auditor.

On behalf of the board of directors,



Arun Viswanathan
Director



Dsouza Randolph Joseph Francis
Director

Singapore

30 May 2025

Bhira Investments Pte. Ltd.

**Independent Auditor's Report
For the financial year ended 31 March 2025**

Independent auditor's report to the member of Bhira Investments Pte. Ltd.

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Bhira Investments Pte. Ltd. (the "Company"), which comprise the balance sheet as at 31 March 2025, the statement of comprehensive income, statement of changes in equity and statement of cash flows of the Company for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements are properly drawn up in accordance with the provisions of the Companies Act 1967 (the "Act") and Financial Reporting Standards in Singapore ("FRSs") so as to give a true and fair view of the financial position of the Company as at 31 March 2025 and the financial performance, changes in equity and cash flows of the Company for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with Singapore Standards on Auditing ("SSAs"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Accounting and Corporate Regulatory Authority ("ACRA") Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities ("ACRA Code") together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

Management is responsible for other information. The other information comprises the directors' statement set out on pages 1 to 2.

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.

Bhira Investments Pte. Ltd.

**Independent Auditor's Report
For the financial year ended 31 March 2025**

Independent auditor's report to the member of Bhira Investments Pte. Ltd.

Responsibilities of management and directors for the financial statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Act and FRSs, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

In preparing the financial statements, management 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 management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The directors' responsibilities include 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 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 SSAs 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 part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism 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 management.
- 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 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.

Bhira Investments Pte. Ltd.

**Independent Auditor's Report
For the financial year ended 31 March 2025**

Independent auditor's report to the member of Bhira Investments Pte. Ltd.

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

- 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 the directors 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.

Report on other legal and regulatory requirements

In our opinion, the accounting and other records required by the Act to be kept by the Company have been properly kept in accordance with the provision of the Act.

Ernst & Young LLP

Ernst & Young LLP
Public Accountants and
Chartered Accountants
Singapore
30 May 2025

Bhira Investments Pte. Ltd.**Statement of comprehensive income
For the financial year ended 31 March 2025**

	Note	2025 US\$	2024 US\$
Operating income		159,183	149,567
Dividend income		78,482,901	141,108,411
Other income	4	–	96,594,483
		<hr/> 78,642,084	<hr/> 237,852,461
Operating expenses	7	<hr/> (861,818)	<hr/> (854,930)
Operating profit		77,780,266	236,997,531
Finance income	5	792,523	2,722,007
Finance costs	6	(18,850,989)	(21,790,858)
Profit before income tax		<hr/> 59,721,800	<hr/> 217,928,680
Income tax expense	8	<hr/> (8,436,819)	<hr/> (26,390,282)
Profit for the year, representing total comprehensive income for the year		<hr/> <hr/> 51,284,981	<hr/> <hr/> 191,538,398

The accompanying accounting policies and explanatory information form an integral part of the financial statements.

Bhira Investments Pte. Ltd.**Balance sheet
As at 31 March 2025**

	Note	2025 US\$	2024 US\$
Assets			
Non-current assets			
Investment in joint ventures	10	567,590,341	567,590,341
		567,590,341	567,590,341
Current assets			
Other current financial assets	12	15,608,976	47,284,420
Cash and cash equivalents	13	6,954,989	33,236,938
		22,563,965	80,521,358
		590,154,306	648,111,699
Total assets			
Equity and liabilities			
Current liabilities			
Other payables	14	7,935,867	8,650,422
Interest-bearing loans and borrowings	16	194,800,828	–
Other current financial liabilities	17	49,140,000	80,940,000
Income tax payable		65,680	284,644
		251,942,375	89,875,066
		(229,378,410)	(9,353,708)
Net current liabilities			
Non-current liabilities			
Interest-bearing loans and borrowings	16	–	194,309,683
		251,942,375	284,184,749
Total liabilities			
		338,211,931	363,926,950
Net assets			
Equity attributable to the owner of the Company			
Share capital	15	1,000,000	1,000,000
Retained earnings		337,211,931	362,926,950
		338,211,931	363,926,950
Total equity			
		590,154,306	648,111,699
Total equity and liabilities			

The accompanying accounting policies and explanatory information form an integral part of the financial statements.

Bhira Investments Pte. Ltd.**Statement of changes in equity
For the financial year ended 31 March 2025**

	Share capital (Note 15)	Retained earnings	Total equity
	US\$	US\$	US\$
Balance at 1 April 2023	1,000,000	221,388,552	222,388,552
Profit for the year, representing total comprehensive income for the year	–	191,538,398	191,538,398
Dividend paid, representing transactions with owner recognised directly in equity (Note 18)	–	(50,000,000)	(50,000,000)
Balance at 31 March 2024 and 1 April 2024	1,000,000	362,926,950	363,926,950
Profit for the year, representing total comprehensive income for the year	–	51,284,981	51,284,981
Dividend paid, representing transactions with owner recognised directly in equity (Note 18)	–	(77,000,000)	(77,000,000)
Balance at 31 March 2025	1,000,000	337,211,931	338,211,931

The accompanying accounting policies and explanatory information form an integral part of the financial statements.

Bhira Investments Pte. Ltd.**Statement of cash flows
For the financial year ended 31 March 2025**

	Note	2025 US\$	2024 US\$
Cash flow from operating activities			
Profit before income tax		59,721,800	217,928,680
Adjustments for:			
Bank interest income	5	(530,261)	(2,210,024)
Interest income on loan to related parties	5	(262,262)	(511,983)
Interest expense on loan from related parties	6	5,184,512	7,377,552
Interest expense on loan from banks	6	12,716,095	13,461,643
Profit on sale of assets (Net)	4	–	(96,391,907)
Dividend income		(78,482,901)	(141,108,411)
Operating cash flows before changes in working capital		(1,653,017)	(1,454,450)
Changes in working capital:			
Decrease in other payables		76,263	(46,754,632)
		76,263	(46,754,632)
Cash flows used in operations		(1,576,754)	(48,209,082)
Tax paid		(8,808,693)	(15,756,404)
Net cash flows used in operating activities		(10,385,447)	(63,965,486)
Investing activities			
Bank interest received		508,967	2,209,943
Interest received on loan to related party		–	585,263
Loan given to related party		(8,541,000)	(9,030,000)
Loan repaid by related party		42,000,000	50,160,000
Advance received for sale of investment in joint venture		–	28,834,871
Dividend received		76,982,901	141,686,779
Net cash flows generated from investing activities		110,950,868	214,446,856
Financing activities			
Dividend paid		(77,000,000)	(100,000,000)
Interest paid on loan from bank		(12,240,902)	(12,698,991)
Interest paid on loan from related party		(5,806,468)	(8,293,939)
Loan received from related party		19,200,000	44,925,000
Loan repaid to related parties		(51,000,000)	(102,525,000)
Net cash flows generated used in financing activities		(126,847,370)	(178,592,930)
Net decrease in cash and cash equivalents		(26,281,949)	(28,111,560)
Cash and cash equivalents at beginning of the year		33,236,938	61,348,498
Cash and cash equivalents at end of the year	13	6,954,989	33,236,938

The accompanying accounting policies and explanatory information form an integral part of the financial statements.

Bhira Investments Pte. Ltd.**Notes to the financial statements
For the financial year ended 31 March 2025**

1. Corporation information

Bhira Investments Limited (the "Company") was incorporated in Mauritius under the Mauritius Companies Act 2001 on 27 April 2007 as a domestic and private company with limited liability by shares and changed its legal regime to a Category 1 Global Business Company on 22 June 2007. The immediate and ultimate holding company is The Tata Power Company Ltd, incorporated in India. The Tata Power Company Limited is incorporated in India and listed on BSE Limited and National Stock Exchange of India Limited.

On 3 August 2018, the Company was re-domiciled and registered in Singapore as a private limited company named as Bhira Investments Pte. Ltd.

The registered office and principal place of business of the Company is located at 78 Shenton Way, #08-02 Singapore 079120.

The principal activity of the Company is that of investment holding and ancillary services of collecting accounts receivable of its related parties, provision of loan to related parties and management support services to related parties. The principal activities of the joint ventures are disclosed in Note 10 to the financial statements.

2. Material accounting policy information**2.1 Basis of preparation**

The financial statements of the Company have been prepared in accordance with Singapore Financial Reporting Standards ("FRS").

The financial statements have been prepared on the historical cost basis except as disclosed in the accounting policies below.

The financial statements are presented in United States Dollars ("US\$"), which is the functional currency of the Company.

Going concern uncertainty

The Company is in a net current liability position of US\$229,378,410 (2024: US\$9,353,708). The financial statements have been prepared on a going concern basis as the ultimate holding company has agreed to provide continuing financial support to the Company to enable it to meet its liabilities as and when they fall due.

2.2 Changes in accounting policies

The accounting policies adopted are consistent with those of the previous financial year except that in the current financial year, the Company has adopted all the new and revised standards which are effective for annual financial periods beginning on or after 1 April 2024. The adoption of these did not have any material effect on the financial performance or position of the Company.

Bhira Investments Pte. Ltd.

**Notes to the financial statements
For the financial year ended 31 March 2025**

2. Material accounting policy information (cont'd)

2.3 Standards issued but not yet effective

The Company has not adopted the following standards applicable to the Company that have been issued but not yet effective:

Description	Effective for annual periods beginning on or after
Amendments to FRS 21 <i>The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability</i>	1 January 2025
Amendments to FRS 109 <i>Financial Instruments</i> and FRS 107 <i>Financial Instruments: Disclosures: Amendments to the Classification and Measurement of Financial Instruments</i>	1 January 2026
Annual Improvement to FRSs Volume 11	1 January 2026
FRS 118 <i>Presentation and Disclosure in Financial Statements</i>	1 January 2027
FRS 119 <i>Subsidiaries without Public Accountability Disclosures</i>	1 January 2027
Amendments to FRS 110 <i>Consolidated Financial Statements</i> and FRS 28 <i>Investment in Associates and Joint Ventures: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i>	Date to be determined

Except for FRS 118 *Presentation and Disclosure in Financial Statements*, the directors expect that the adoption of the other standards and interpretations above will have no material impact on the financial statements in the period of initial application. The nature of the impending changes in accounting policy on adoption of FRS 118 *Presentation and Disclosure in Financial Statements* is as described below.

FRS 118 *Presentation and Disclosure in Financial Statements* introduces new requirements for presentation within the statement of profit or loss, including specified totals and subtotals. Furthermore, entities are required to classify all income and expenses within the statement of profit or loss into one of the five categories: operating, investing, financing, income taxes and discontinued operations, whereof the first three are new.

It also requires disclosure of newly defined management-defined performance measures, subtotals of income and expenses and includes new requirements for aggregation and disaggregation of financial information based on the identified "roles" of the primary financial statements and the notes.

In addition, narrow-scope amendments have been made to FRS 7 *Statement of Cash Flows*, which include changing the starting point for determining cash flows from operations under the indirect method, from 'profit or loss' to 'operating profit or loss' and removing the optionality around classification of cash flows from dividends and interest. In addition, there are consequential amendments to several other standards. FRS 118, and the amendments to the other standards, is effective for reporting periods beginning on or after 1 January 2027, but earlier application is permitted and must be disclosed. FRS 118 will apply retrospectively.

The Company is currently working to identify all impacts the amendments will have on the primary financial statements and notes to the financial statements.

Bhira Investments Pte. Ltd.**Notes to the financial statements
For the financial year ended 31 March 2025**

2. Material accounting policy information (cont'd)**2.4 Foreign currency**

The Company's financial statements are presented in United States Dollars ("US\$"), which is also the Company's functional currency.

Transactions and balances

Transactions in foreign currencies are measured in the functional currency of the Company and are recorded on initial recognition in the functional currency at exchange rates approximating those ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the end of the reporting period. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

Exchange differences arising on the settlement of monetary items or on translating monetary items at the end of the reporting period are recognised in profit or loss.

2.5 Consolidation

In accordance with Singapore Financial Reporting Standard No. 110 and Section 201(3BA) of the Companies Act 1967, the Company need not prepare consolidated financial statements. The financial statements of the joint ventures have not been consolidated or equity accounted with the Company's financial statements as the Company itself is a wholly-owned subsidiary of another company. Consolidated financial statements are prepared by the ultimate holding company, The Tata Power Company Ltd, incorporated in India, on a worldwide basis and such financial statements are publicly available. The registered address of The Tata Power Company Ltd is located at Bombay House, 24 Homi Mody Street, Mumbai 400001, India.

2.6 Impairment of non-financial assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, or when an annual impairment testing for an asset is required, the Company makes an estimate of the asset's recoverable amount.

An asset's recoverable amount is the higher of an asset's or cash-generating unit's fair value less costs of disposal and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. Where the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows expected to be generated by the asset are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less cost of disposal, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation method is used.

The Company bases its impairment calculation on detailed budgets and forecast calculations which are prepared separately for each of the Company's cash-generating units to which the individual assets are allocated.

Bhira Investments Pte. Ltd.**Notes to the financial statements
For the financial year ended 31 March 2025**

2. Material accounting policy information (cont'd)**2.6 Impairment of non-financial assets (cont'd)**

Impairment losses are recognised in profit or loss.

An assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses recognised for an asset may no longer exist or may have decreased. If such indication exists, the Company estimates the asset's or cash-generating unit's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increase cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised previously. Such reversal is recognised in profit or loss.

2.7 Joint venture

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control. In the Company's financial statements, investment in joint ventures are accounted for at cost less impairment losses.

2.8 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

(a) Financial assets**Initial recognition and measurement**

Financial assets are recognised when, and only when the entity becomes party to the contractual provisions of the instruments.

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Trade receivables are measured at the amount of consideration to which the Company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third party, if the trade receivables do not contain a significant financing component at initial recognition.

Bhira Investments Pte. Ltd.**Notes to the financial statements
For the financial year ended 31 March 2025**

2. Material accounting policy information (cont'd)**2.8 Financial instruments (cont'd)****(a) Financial assets (cont'd)**Subsequent measurement

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the contractual cash flow characteristics of the asset. The three measurement categories for classification of debt instruments are amortised cost, fair value through OCI and fair value through profit or loss.

*Investment in debt instruments***(i) Amortised cost**

Financial assets that are held for the collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Financial assets at amortised cost are measured using the effective interest (EIR) method, less impairment. Gains and losses are recognised in profit or loss when the assets are derecognised or impaired, and through the amortisation process.

(ii) Fair value through other comprehensive income (FVOCI)

Financial assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Financial assets at FVOCI are subsequently measured at fair value. Any gains or losses from changes in fair value of financial assets are recognised in OCI, except for impairment losses, foreign exchange gains and losses and interest calculated using the effective interest method are recognised in profit or loss. The cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss as a reclassification adjustment when the financial asset is de-recognised.

(iii) Fair value through profit or loss (FVTPL)

Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt instrument that is subsequently measured at fair value through profit or loss in the period in which it arises.

Investment in equity instruments

On initial recognition of an investment in equity instrument that is not held for trading, the Company may irrevocably elect to present subsequent changes in fair value in other comprehensive income which will not be reclassified subsequently to profit or loss. Dividends from such investments are to be recognised in profit or loss when the Company's right to receive payments is established. For investments in equity instruments which the Company has not elected to present subsequent changes in fair value in other comprehensive income, changes in fair value are recognised in profit or loss.

Bhira Investments Pte. Ltd.**Notes to the financial statements
For the financial year ended 31 March 2025**

2. Material accounting policy information (cont'd)**2.9 Financial instruments (cont'd)****(a) Financial assets (cont'd)**De-recognition

A financial asset is derecognised when the contractual right to receive cash flows from the asset have expired. On derecognition of a financial asset, in its entirety, the difference between the carrying amount and the sum of the consideration received and any cumulative gain or loss that had been recognised in other comprehensive income for debt instruments is recognised in profit or loss.

(b) Financial liabilitiesInitial recognition and measurement

Financial liabilities are recognised when, and only when, the Company becomes a party to the contractual provisions of the financial instrument. The Company determines the classification of its financial liabilities at initial recognition.

All financial liabilities are recognised initially at fair value plus, in the case of financial liabilities not at fair value through profit or loss, directly attributable transaction costs.

Subsequent measurement

After initial recognition, financial liabilities that are not carried at fair value through profit or loss are subsequently measured at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the liabilities are derecognised, and through the amortisation process.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires. On derecognition, the difference between the carrying amount and the consideration paid is recognised in the profit or loss.

(c) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet when, and only when the Company currently has a legally enforceable right to offset the recognised amounts, and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

Bhira Investments Pte. Ltd.**Notes to the financial statements
For the financial year ended 31 March 2025**

2. Material accounting policy information (cont'd)**2.10 Impairment of financial assets**

The Company recognised an allowance for expected credit losses (ECL) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL).

For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is recognised for credit losses expected over the remaining life of the exposure, irrespective of timing of the default (a lifetime ECL).

For trade receivables, the Company applies a simplified approach in calculating ECLs. Therefore, the Company does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

The Company considers a financial asset in default when internal or external information indicates that the Company is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Company. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

2.11 Cash and cash equivalents

Cash and cash equivalents comprise cash at bank, cash on hand and fixed deposits that are readily convertible to known amount of cash and which are subject to an insignificant risk of changes in value.

2.12 Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and the amount of the obligation can be estimated reliably.

Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provision is reversed. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Bhira Investments Pte. Ltd.**Notes to the financial statements
For the financial year ended 31 March 2025**

2. Material accounting policy information (cont'd)**2.13 Borrowing costs**

Borrowing costs are capitalised as part of the cost of a qualifying asset if they are directly attributable to the acquisition, construction or production of that asset. Capitalisation of borrowing costs commences when the activities to prepare the asset for its intended use or sale are in progress and the expenditures and borrowing costs are incurred. Borrowing costs are capitalised until the assets are substantially completed for their intended use or sale. All other borrowing costs are expensed in the period they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

2.14 Financial guarantee

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the terms of a debt instrument.

Financial guarantees are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequent to initial recognition, financial guarantees are measured at the higher of the amount of expected credit loss determined in accordance with the policy set out in Note 2.9 and the amount initially recognised less, when appropriate, the cumulative amount of income recognised over the period of the guarantee.

2.15 Non-current assets held for sale

Non-current assets classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell. Non-current assets are classified as held for sale if their carrying amounts will be recovered principally through a sale transaction rather than through continuing use. A component of the Company is classified as a 'discontinued operation' when the criteria to be classified as held for sale have been met or it has been disposed of and such a component represents a separate major line of business or geographical area of operations or is part of a single coordinated plan to dispose of a separate major line of business or geographical area of operations.

2.16 Revenue

Revenue is measured based on the consideration to which the Company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

Revenue is recognised when the Company satisfies a performance obligation by transferring a promised good or service to the customer, which is when the customer obtains control of the good or service. A performance obligation may be satisfied at a point in time or over time.

The amount of revenue recognised is the amount allocated to the satisfied performance obligation.

(a) Interest income

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the asset's net carrying amount on initial recognition.

Bhira Investments Pte. Ltd.**Notes to the financial statements
For the financial year ended 31 March 2025**

2. Material accounting policy information (cont'd)**2.16 Revenue (cont'd)***(b) Service fee, management fee and other fee income*

Service fee, management fee and other fee income are recognised when it is probable that the economic benefits will flow to the Company and the amount of revenue can be measured reliably. They are also accounted on accrual basis in the financial statements.

(c) Dividend income

Dividend income from investments is recognised when the shareholders' right to receive payment has been established which is generally when shareholders approve the dividend and is recognised.

2.17 Taxes*(a) Current income tax*

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the end of the reporting period, in the countries where the Company operates and generates taxable income.

Current income taxes are recognised in profit or loss except to the extent that the tax relates to items recognised outside profit or loss, either in other comprehensive income or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

(b) Deferred tax

Deferred tax is provided using the liability method on temporary differences at the end of the reporting period between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all temporary differences, except:

- Where the deferred tax liability arises from the initial recognition of goodwill or 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; and
- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Bhira Investments Pte. Ltd.**Notes to the financial statements
For the financial year ended 31 March 2025**

2. Material accounting policy information (cont'd)**2.17 Taxes (cont'd)****(b) Deferred tax (cont'd)**

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised except:

- Where the deferred tax asset relating to the deductible temporary difference arises from 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; and
- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at the end of each reporting period and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the end of each reporting period.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity and deferred tax arising from a business combination is adjusted against goodwill on acquisition.

(c) Sales tax

Revenues, expenses and assets are recognised net of the amount of sales tax except:

- where the sales tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case the sales tax is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- receivables and payables that are stated with the amount of sales tax included.

2.18 Share capital and share issuance expenses

Proceeds from issuance of ordinary shares are recognised as share capital in equity. Incremental costs directly attributable to the issuance of ordinary shares are deducted against share capital.

Bhira Investments Pte. Ltd.**Notes to the financial statements
For the financial year ended 31 March 2025****3. Significant accounting judgements and estimates**

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities at the end of each reporting period. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in the future periods.

3.1 Judgements made in applying accounting policies

Management is of the opinion that there is no significant judgement made in applying accounting policies and no estimation uncertainty that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial period.

3.2 Key sources of estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period are discussed below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

Impairment of investment in joint ventures

Investment in joint ventures are stated at cost less impairment loss. The Company follows the guidance of FRS 36 *Impairment of Assets*, to determine when its investment in joint ventures are impaired. This determination requires significant judgement. In making this judgement, the Company evaluates, among other factors, the market and economic environment in which the joint venture operate, economic performance of these entities, the duration and extent to which the cost of investments in these entities exceed the higher of their net tangible assets values and value in use of investments.

4. Other income

	2025	2024
	US\$	US\$
Gain on disposal of asset held for sale	–	96,391,907
Write back of other payable	–	202,576
	<hr/>	<hr/>
	–	96,594,483
	<hr/> <hr/>	<hr/> <hr/>

Bhira Investments Pte. Ltd.**Notes to the financial statements
For the financial year ended 31 March 2025****5. Finance income**

	2025	2024
	US\$	US\$
Bank interest income	530,261	2,210,024
Interest income on loan to related parties	262,262	511,983
	<u>792,523</u>	<u>2,722,007</u>

6. Finance costs

	2025	2024
	US\$	US\$
Interest expense on loan from related parties	5,184,512	7,377,552
Interest expense on loan from banks	12,716,095	13,461,643
Guarantee commission	941,850	941,892
Others	8,532	9,771
	<u>18,850,989</u>	<u>21,790,858</u>

Guarantee commission represents fees payable to the Immediate holding company for acting as a guarantor for loan availed to the Company from a consortium of banks.

7. Operating expenses

	2025	2024
	US\$	US\$
Audit fees	228,428	239,919
Professional and legal fees	29,003	210,384
Service fee expenses ^(a)	140,446	123,287
Penalty on withholding tax	–	152,910
Brand equity	329,419	–
Others	134,522	128,430
	<u>861,818</u>	<u>854,930</u>

^(a) Service fee expenses

The Company entered into service agreements with related companies, Tata Power International Pte. Ltd. ("TPIPL"), Trust Energy Resources Pte. Ltd. ("TERPL"), and Tata Sons Limited ("TSL") to provide accounting and corporate consultancy services to the Company.

Bhira Investments Pte. Ltd.**Notes to the financial statements
For the financial year ended 31 March 2025****8. Income tax expense*****Major components of income tax expense***

The major components of income tax expense for the years ended 31 March 2025 and 2024 are as follows:

	2025	2024
	US\$	US\$
<i>Statement of comprehensive income:</i>		
Current income tax	65,680	269,566
(Over)/Under provision in respect of previous years	(698)	14,840
Withholding tax	8,373,334	27,517,830
Withholding tax refund from IRAS pertaining to prior years	–	(1,259,044)
Provision of penalty on withholding tax	–	(152,910)
Cash grant from IRAS	(1,497)	–
	<hr/>	<hr/>
Income tax expense recognised in profit or loss	8,436,819	26,390,282
	<hr/>	<hr/>

Relationship between tax expense and profit before income tax

The reconciliation between tax expense and the product of accounting profit multiplied by the applicable corporate tax rate for the years ended 31 March 2025 and 2024 are as follows:

	2025	2024
	US\$	US\$
<i>Statement of comprehensive income:</i>		
Profit before income tax	59,721,800	217,928,680
	<hr/>	<hr/>
Tax at the applicable tax rate of 17% (2024: 17%)	10,152,706	37,047,876
Adjustments:		
Non-deductible expenses	3,268,045	3,491,202
Income not subject to taxation	(13,342,093)	(40,409,492)
(Over)/Under provision in respect of previous years	(698)	14,840
Withholding tax	8,373,334	27,517,830
Withholding tax refund from IRAS pertaining to prior years	–	(1,259,044)
Effect of partial tax exemption and tax relief	(14,475)	(12,930)
	<hr/>	<hr/>
Income tax expense recognised in profit or loss	8,436,819	26,390,282
	<hr/>	<hr/>

Bhira Investments Pte. Ltd.**Notes to the financial statements
For the financial year ended 31 March 2025****9. Related party transactions*****Sales and purchases of goods and services***

In addition to the related party information disclosed elsewhere in the financial statements, the following significant transactions between the Company and related parties, took place on terms agreed between the parties during the financial year:

	2025	2024
	US\$	US\$
<i>The Tata Power Co Ltd – Holding company</i>		
Guarantee commission	941,850	941,892
<i>Khopoli Investments Limited – Related company</i>		
Consultancy fee income	(51,051)	(48,620)
Interest income	–	–
<i>Tata Power International Pte Ltd – Related company</i>		
Service income	(22,832)	(20,924)
Service fees expense	66,070	72,845
<i>Trust Energy Resources Pte Ltd – Related company</i>		
Service fees expense	74,376	50,442
Service income	(22,832)	(20,924)
<i>Bhivpuri Investments Limited – Related company</i>		
Consultancy fee income	(51,051)	(48,620)
Interest income	(262,262)	(511,983)
<i>PT Dwikarya Prima Abadi - Joint venture</i>		
Dividend income	(18,482,901)	(21,108,411)
<i>PT Kaltim Prima Coal - Joint venture</i>		
Interest expense	5,184,512	7,377,552
Dividend income	(60,000,000)	(120,000,000)
<i>Tata Sons Private Limited – Related company</i>		
Service income	(11,416)	(10,478)
Brand equity	329,419	–

10. Investment in joint ventures

	2025	2024
	US\$	US\$
Unquoted equity shares, at cost	618,382,035	618,382,035
Less: Accumulated impairment	(50,791,694)	(50,791,694)
Carrying amount	<u>567,590,341</u>	<u>567,590,341</u>

Bhira Investments Pte. Ltd.**Notes to the financial statements
For the financial year ended 31 March 2025****10. Investment in joint ventures (cont'd)**

Details of the joint ventures are as follows:

Company (Principal place of business)	Number of shares		Proportion of ownership interest	
	2025	2024	2025 %	2024 %
PT Kaltim Prima Coal (Indonesia) ⁽¹⁾	123,540	123,540	30.0	30.0
PT Indocoal Kaltim Resources (Indonesia) ⁽¹⁾	82,380	82,380	30.0	30.0
Candice Investments Pte Ltd (Singapore) ⁽²⁾	3	3	30.0	30.0
PT Dwikarya Prima Abadi (Indonesia) ⁽¹⁾	4,017	4,017	15.0	15.0
PT Marvel Capital (Indonesia) ⁽³⁾	1,089	1,089	0.99	0.99

⁽¹⁾ Audited by Amir Abadi Jusuf, Aryanti, Mawar & Rekan

⁽²⁾ Audited by ShineWing LLP

⁽³⁾ KAP Y Santosa Dan Rekan

The Company has a 30% shareholding stake in PT Kaltim Prima Coal ("KPC") and PT Indocoal Kaltim Resources ("Kaltim"). Both the entities are engaged in the coal mining sector.

The Company has a 30% shareholding stake in Candice Investments Pte Ltd ("Candice") and an indirect shareholding of 30% in each of its subsidiaries, PT Dwikarya Prima Abadi ("DPA") and PT Marvel Capital Indonesia ("MCI"). These entities are investment holding companies and Candice Investments Pte Ltd is engaged in trading of coal.

Although the Company holds less than 50% of the equity shares in the investments, the Company has joint control over the financial and operating policies of these entities by virtue of the provisions of the joint venture agreements entered into with the joint venture counterparties.

The Company had signed an optional sale agreement for the sale of its 5% stake in KPC. As per the agreement, the consideration to be received for 5% stake of KPC is US\$250 million. However, the Management is not expected to exercise the option based on the estimate of coal price in the near future.

Bhira Investments Pte. Ltd.**Notes to the financial statements
For the financial year ended 31 March 2025****11. Other receivables**

	2025	2024
	US\$	US\$
Other receivables	725,143	725,143
Provision for doubtful debts	(725,143)	(725,143)
	<u>–</u>	<u>–</u>

In 2018, the Directors of the Company made a provision to doubtful debts for the management fee receivable from PT Nusantara Indah of US\$725,143, recognised under other receivables, as there were uncertainty in the recovery of these amounts. There was no further provision made for the year ended 31 March 2025 and 31 March 2024.

12. Other current financial assets

	2025	2024
	US\$	US\$
Loans to Tata Power International Pte. Ltd.	5,282,000	47,282,000
Loans to Bhivpuri Investments Limited	8,541,000	–
Interest receivable on loans to Bhivpuri Investments Limited	262,262	–
Interest receivable on fixed deposits	23,714	2,420
Dividend receivable from PT Kaltim Prima Coal	1,500,000	–
	<u>15,608,976</u>	<u>47,284,420</u>

Loans to Tata Power International Pte. Ltd. are unsecured, non-interest bearing, repayable within the next 12 months and are to be settled with cash.

Loans to Bhivpuri Investment Limited previously was unsecured and bears an interest rate of 1.8% + 1 month SORA till 30 September 2024. During the year ended 31 March 2025, the Company has entered into addendum to the loan agreement to revise the interest terms and extend the termination of the loan until 31 March 2026. Thus, from 1 October 2024, the loan is unsecured and bears an interest rate of 1.8% + 1 month SOFR.

Dividend receivable from PT Kaltim Prima Coal are unsecured, non-interest bearing, repayable on demand and are to be settled with cash.

Bhira Investments Pte. Ltd.**Notes to the financial statements
For the financial year ended 31 March 2025****13. Cash and cash equivalents**

	2025	2024
	US\$	US\$
Cash at bank	4,230	32,201,362
Fixed deposits	6,950,759	1,035,576
Cash and cash equivalents	<u>6,954,989</u>	<u>33,236,938</u>

The interest rate on fixed deposits ranged from 3.1% to 4.3% for the year under review (2024: 3.1% to 3.6%). The fixed deposits have a maturity of less than 3 months.

Cash and cash equivalents that are denominated in the foreign currencies are as follows:

	2025	2024
	US\$	US\$
Singapore Dollars	<u>1,384</u>	<u>24,624</u>

14. Other payables

	2025	2024
	US\$	US\$
Accruals	114,634	154,173
Interest on loan from related parties	7,380,440	8,002,396
Other payables to holding company	232,237	234,176
Interest on loan from bank	90,815	106,767
Other payables	117,741	–
Withholding tax payable	–	152,910
	<u>7,935,867</u>	<u>8,650,422</u>

Terms of loans from related parties are disclosed in Note 17.

As at 31 March 2025, interest payable amount pertaining to the PT Kaltim Prima Coal (“KPC”) loan is US\$838,328 (2024: US\$1,460,284) and the interest payable amount pertaining to the PT Dwikarya Prima Abadi (“DPA”) is US\$6,542,112 (2024: US\$6,542,112).

Other payables to holding company pertains to guarantee commission payable to the Tata Power Company Limited (“TPCL”), the holding company which is not interest bearing and is repayable in cash. The guarantee commission is paid by the company to TPCL for acting as a guarantor for its term loan from bank and is paid within 90 days of the from the preceding quarter-end.

Bhira Investments Pte. Ltd.**Notes to the financial statements
For the financial year ended 31 March 2025****15. Share capital**

	2025	2024
	US\$	US\$
Issued and fully paid ordinary shares:		
At beginning and end of the year		
1,000,000 ordinary shares	1,000,000	1,000,000

The holder of ordinary shares is entitled to receive dividends as and when declared by the Company. All ordinary shares carry one vote per share without restriction. The ordinary shares have no par value.

16. Interest-bearing loans and borrowings

The Company has entered into a Facility Agreement with Sumitomo Mitsui Banking Corporation, Singapore, acting as agent, and a consortium of banks comprising of Sumitomo Mitsui Banking Corporation Singapore Branch, Bank of America, N.A. and Bank of India Singapore Branch for a amount of US\$195 million (2024: US\$195 million). In the prior year, the Company has refinanced the loan for three years period on 29 July 2022. The bank loan bears interest at a floating rate of SOFR plus 1.25% (2024: SOFR plus 1.25%) per annum and is repayable on 31 July 2025 (2024: 31 July 2025).

A reconciliation of liabilities arising from the Company's financing activities are as follows:

	1 April	Cash	Non-cash changes		31 March
	2024	flows	Accretion	Others*	2025
	US\$	US\$	of interests	US\$	US\$
			US\$		
Loans and borrowings					
- current	–	–	–	194,800,828	194,800,828
- non-current	194,309,683	(12,240,902)	12,732,047	(194,800,828)	–

	1 April	Cash	Non-cash changes		31 March
	2023	flows	Accretion	Others*	2024
	US\$	US\$	of interests	US\$	US\$
			US\$		
Loans and borrowings					
- non-current	193,621,027	(12,698,991)	13,387,647	–	194,309,683

* The 'others' column in case of loans and borrowings relates to reclassification between current and non-current due to refinancing of loan or the passage of time.

The immediate holding company has agreed to guarantee the above refinanced loan for the sum of US\$195,000,000, as reduced on each day on which any principal amount the loan is repaid or prepaid or increased at any time on which any principal amount of the loan so repaid or prepaid is reinstated, in each case, to an amount at all times equal to 105% of the principal amount of the loan then outstanding.

Bhira Investments Pte. Ltd.**Notes to the financial statements
For the financial year ended 31 March 2025****17. Other current financial liabilities**

		2025	2024
		US\$	US\$
<i>Current financial liabilities</i>			
Financial liabilities at amortised cost	(a)	49,140,000	80,940,000

(a) Financial liabilities at amortised cost

		2025	2024
		US\$	US\$
<i>Short-term loans and advances</i>			
PT Kaltim Prima Coal	(i)	49,140,000	80,940,000

(i) PT Kaltim Prima Coal ("KPC")

The Company entered into an inter-company loan facility agreement dated 30 September 2011, with KPC having effective date 15 May 2011. Pursuant to the agreement, KPC has granted a loan facility of up to US\$150,000,000 to the Company. During the year ended 31 March 2025, a loan of US\$19,200,000 (2024: US\$44,925,000) was received from KPC.

The loan is unsecured, repayable on demand only out of dividends received by the Company from KPC and carries interest at the rate of 1 month SOFR plus margin of 2% per annum effective from June 2023.

	2025	2024
	US\$	US\$
Opening balance	80,940,000	138,540,000
Loan received	19,200,000	44,925,000
Dividend income (net of withholding tax)	(51,000,000)	(102,525,000)
Closing balance	49,140,000	80,940,000

During the financial year, total dividend income received from KPC is US\$60,000,000 (2024: US\$120,000,000) of which US\$3,000,000 (2024: US\$6,525,000) was not offset against the loan as repayment. The total dividend income was subject to a 10% withholding tax (2024: 10%) and the net dividend income which was used to offset against the loan as repayment amounts to US\$51,000,000 (2024: US\$102,525,000).

Bhira Investments Pte. Ltd.

**Notes to the financial statements
For the financial year ended 31 March 2025**

18. Dividends

	2025	2024
	US\$	US\$
<i>Declared and paid during the financial year:</i>		
<i>Dividends on ordinary shares:</i>		
- Interim dividend, net of tax paid out of retained earnings: US\$77 (2024: US\$50) per ordinary share	77,000,000	50,000,000

19. Fair value of assets and liabilities

(a) ***Fair value hierarchy***

The Company categorises fair value measurements using a fair value hierarchy that is dependent on the valuation inputs used as follows:

Level 1 – Quoted prices (unadjusted) in active market for identical assets or liabilities that the Company can access at the measurement date,

Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly, and

Level 3 – Unobservable inputs for the asset or liability.

Fair value measurements that use inputs of different hierarchy levels are categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

(b) ***Assets and liabilities measured at fair value***

The management has assessed that the fair values of cash and cash equivalents, trade and other receivables, trade and other payables, loans and other financial assets and other financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

Interest-bearing loans and borrowings

The carrying amounts of interest-bearing loans and borrowings approximate their fair values as they are subject to interest rate close to market rate of interests for similar arrangements with financial institutions.

Bhira Investments Pte. Ltd.**Notes to the financial statements
For the financial year ended 31 March 2025**

20. Financial risk management objectives and policies

The Company is exposed to financial risks arising from its operations and the use of financial instruments. The key financial risks include credit risk, liquidity risk, foreign currency risk and interest rate risk. The board of directors reviews and agrees policies and procedures for the management of these risks, which are executed by the management. It is, and has been throughout the current and previous financial year, the Company's policy that no derivatives for speculative purposes shall be undertaken. The Company does not apply hedge accounting.

The following sections provide details regarding the Company's exposure to the above-mentioned financial risks and the objectives, policies and processes for the management of these risks.

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

(a) Credit risk

Credit risk is the risk of loss that may arise on outstanding financial instruments should a counterparty default on its obligations. The Company's exposure to credit risk arises primarily from trade and other receivables. For other financial assets (including cash and cash equivalents), the Company minimises credit risk by dealing exclusively with high credit rating counterparties.

Excessive risk concentration

The Company does not have any outstanding receivables accordingly the credit risk is US\$ Nil.

The credit risk on liquid funds is limited because the counterparties are banks with high credit rating assigned by international credit rating agencies.

The Company takes on exposure to credit risk, which is the risk that counterparty will default on its contractual obligations resulting in financial loss to the Company.

Exposure to credit risk

At the end of the reporting period, the Company's maximum exposure to credit risk is represented by the carrying amount of each class of financial assets recognised in the balance sheet. For the amount due from related company (non-trade), the loss allowance is measured at an amount equal to 12 month expected credit losses (ECL), as the timing of payment is controlled by the Company taking into account cash flow management within the Group and there has been no significant increase in risk of default on the balance since initial recognition, Management has taken into account the financial position of the related company, adjusted for factors that are specific to the related company and general economic conditions of the industry in which the related company operate, in estimating the probability of default as well as the loss upon default.

Financial assets that are neither past due nor impaired

Other receivables that are neither past due nor impaired are with creditworthy debtors with good payment record with the Company. Cash and cash equivalents that are neither past due nor impaired are placed with or entered into with reputable financial institutions or companies with high credit ratings and no history of default.

Bhira Investments Pte. Ltd.**Notes to the financial statements
For the financial year ended 31 March 2025**

20. Financial risk management objectives and policies (cont'd)**(b) *Liquidity risk***

Liquidity risk is the risk that the Company will encounter difficulty in meeting financial obligations due to shortage of funds. The Company's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. As part of its overall liquidity management, the Company monitors and maintains a level of cash and cash equivalents deemed adequate by the management to finance the Company's operations and mitigate the effects of fluctuations in cash flows. Management is of the opinion that liquidity risk is minimal with the undertaking from its related parties not to demand payment for amounts owing to them by the Company unless cash flow of the Company permits.

The following table details the Company's remaining contractual maturity for its financial assets and liabilities. The table has been drawn up based on the undiscounted cash flows of financial assets and liabilities based on the earliest date on which the Company can receive or be required to pay. The table includes both interest and principal cash flows. The adjustment column represents the possible future cash flows attributable to the instrument included in the maturity analysis which is not included in the carrying amount of the financial liability on the statement of financial position.

Bhira Investments Pte. Ltd.**Notes to the financial statements
For the financial year ended 31 March 2025****20. Financial risk management objectives and policies (cont'd)****(b) Liquidity risk (cont'd)**

	Average effective interest rate %	On demand or within one year US\$	Within 2 to 5 years US\$	More than 5 years US\$	Adjustment US\$	Total US\$
2025						
Financial assets						
Non-interest bearing	–	22,563,965	–	–	–	22,563,965
Financial liabilities						
Non-interest bearing	–	7,935,867	–	–	–	7,935,867
Variable interest rate instruments	6.18%	12,190,102	186,696,419	–	(4,085,693)	194,800,828
	6.82%	52,491,477	–	–	(3,351,477)	49,140,000
		72,617,446	186,696,419	–	(7,437,170)	251,876,695
2024						
Financial assets						
Non-interest bearing	–	80,521,358	–	–	–	80,521,358
Financial liabilities						
Non-interest bearing	–	8,650,422	–	–	–	8,650,422
Variable interest rate instruments	6.46%	12,628,824	198,717,527	–	(17,036,668)	194,309,683
	7.29%	86,837,387	–	–	(5,897,387)	80,940,000
		108,116,633	198,717,527	–	(22,934,055)	283,900,105

Bhira Investments Pte. Ltd.**Notes to the financial statements
For the financial year ended 31 March 2025****20. Financial risk management objectives and policies (cont'd)****(c) Foreign currency risk**

Foreign currency risk refers to the risk that arises from the movements in the foreign currency exchange rate against United States Dollars that will affect the Company's financial results and its cash flows.

At the end of the reporting period, the carrying amounts of monetary assets and monetary liabilities denominated in currencies other than the Company's functional currency are as follows:

	Assets		Liabilities	
	2025 US\$	2025 US\$	2025 US\$	2024 US\$
Singapore Dollars	1,384	1,384	–	–

The Company has invested in joint venture entities incorporated in Indonesia and Singapore. Since the main operations, revenues and bulk of the expenses of the joint venture entities are driven by the global market and the United States Dollar, the Company is not exposed to significant foreign currency risk.

(d) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

All investments are financed by loan from related parties and banks. The Company's financial assets and liabilities, except trade and other receivables, loans to Tata Power International Pte Ltd and other payables, are interest-bearing at floating interest rates. As such, the Company is subject to significant risk due to fluctuations in the prevailing levels of the market interest rates. Interest income from bank deposits may fluctuate in amount, in particular due to changes in the interest rates.

Interest expense on loan from related parties may fluctuate in amount, in particular due to changes in the SOFR Rate. The impact of a 5% fluctuation in the interest rates on loan from related parties would be as follows:

	Increase/(decrease) profit before income tax	
	2025 US\$	2024 US\$
Interest expense on loan		
5% increase	(259,226)	(368,878)
5% decrease	259,226	368,878
Bank interest income		
5% increase	26,513	110,501
5% decrease	(26,513)	(110,501)
Interest income on loan		
5% increase	13,113	25,599
5% decrease	(13,113)	(25,599)

Bhira Investments Pte. Ltd.**Notes to the financial statements
For the financial year ended 31 March 2025****21. Capital management**

Capital includes debt and equity items as disclosed in the table below.

The primary objective of the Company's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximise shareholder value.

The Company manages its capital structure and makes adjustments to it, in light of changes in economic conditions. No changes were made in the objectives, policies or processes during the years ended 31 March 2025 and 31 March 2024.

The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company includes within net debt, trade and other payables, bank loans, financial liabilities and financial assets (excluding derivative assets and liabilities) less cash and cash equivalents. Capital includes equity attributable to the owner of the Company.

	Note	2025	2024
		US\$	US\$
Other payables	14	7,935,867	8,650,422
Interest bearing loans and borrowings	16	194,800,828	194,309,683
Financial liabilities net of financial assets	12,17	33,531,024	33,655,580
Less: Cash and cash equivalents	13	(6,954,989)	(33,236,938)
Net debt		229,312,730	203,378,747
Equity attributable to the owner of the Company		338,211,931	363,926,950
Capital and net debt		567,524,661	567,305,697
Gearing ratio		40.41%	35.85%

22. Authorisation of financial statements for issue

The financial statements for the year ended 31 March 2025 were authorised for issue in accordance with a resolution of the directors on 30 May 2025.

Bhira Investments Pte. Ltd.
Statement of comprehensive income
For the financial year ended 31 March 2025

	Year ended March, 2025	Exchange Rate	Amount	Year ended March, 2024	Exchange Rate	Amount
	USD		₹	USD		₹
Income						
Operating Income	1,59,183	84.57	1,34,62,011	1,49,567	82.79	1,23,83,131
Dividend Income	7,84,82,901	84.57	6,63,72,51,848	14,11,08,411	82.79	11,68,28,16,894
Other Income	-	84.57	-	9,65,94,483	82.79	7,99,73,66,350
	7,86,42,084	84.57	6,65,07,13,859	23,78,52,461	82.79	19,69,25,66,374
Operating Expense	(8,61,818)	84.57	(7,28,83,431)	(8,54,930)	82.79	(7,07,82,390)
Operating Profit	7,77,80,266	84.57	6,57,78,30,427	23,69,97,531	82.79	19,62,17,83,984
Finance Income	7,92,523	84.57	6,70,23,195	27,22,007	82.79	22,53,63,670
Finance Cost	(1,88,50,989)	84.57	(1,59,42,16,829)	(2,17,90,858)	82.79	(1,80,41,34,865)
Profit before Income Tax	5,97,21,800	84.57	5,05,06,36,793	21,79,28,680	82.79	18,04,30,12,789
Income Tax	(84,36,819)	84.57	(71,34,96,721)	(2,63,90,282)	82.79	(2,18,49,35,896)
PROFIT/(LOSS) FOR THE YEAR	5,12,84,981	84.57	4,33,71,40,072	19,15,38,398	82.79	15,85,80,76,893
OTHER COMPREHENSIVE INCOME						
Exchange Differences in translating the financial statements of foreign operations			72,62,86,721			35,79,90,092
TOTAL COMPREHENSIVE INCOME/(LOSS) FOR THE YEAR	5,12,84,981		5,06,34,26,793	19,15,38,398		16,21,60,66,985

Bhira Investments Pte. Ltd.
Balance sheet
As at 31 March 2025

	As at 31 March, 2025 USD	Exchange Rate	Amount ₹	As at 31 March, 2024 USD	Exchange Rate	Amount ₹
ASSETS						
Non current assets						
Financial Assets						
Investment in joint ventures	56,75,90,341	85.46	48,50,76,89,518	56,75,90,341	83.40	47,33,91,34,524
	56,75,90,341	85.46	48,50,76,89,518	56,75,90,341	83.40	47,33,91,34,524
Current assets						
Financial Assets						
Cash and Cash Equivalents	69,54,989	85.46	59,43,90,747	3,32,36,938	83.40	2,77,20,83,606
Other current financial Assets	1,56,08,976	85.46	1,33,39,82,111	4,72,84,420	83.40	3,94,36,95,580
	2,25,63,965	85.46	1,92,83,72,858	8,05,21,358	83.40	6,71,57,79,186
Total assets	59,01,54,306	85.46	50,43,60,62,376	64,81,11,699	83.40	54,05,49,13,710
EQUITY AND LIABILITIES						
Equity						
Equity share capital	10,00,000	41.00	4,10,00,000	10,00,000	41.00	4,10,00,000
Retained earnings	33,72,11,931	69.99	23,60,30,57,885	36,29,26,950	71.03	25,77,77,61,613
Foreign Currency Translation Reserves			5,26,03,79,268			4,53,40,92,547
Total Equity	33,82,11,931		28,90,44,37,153	36,39,26,950		30,35,28,54,160
Non Current liabilities						
Financial Liabilities						
Interest-bearing loans and borrowings	-	85.46	-	19,43,09,683	83.40	16,20,61,46,508
	-	85.46	-	19,43,09,683	83.40	16,20,61,46,508
Current liabilities						
Other Payables	79,35,867	85.46	67,82,19,033	86,50,422	83.40	72,14,77,201
Other Current Financial liabilities	4,91,40,000	85.46	4,19,96,27,250	8,09,40,000	83.40	6,75,06,95,478
Interest-bearing loans and borrowings	19,48,00,828	85.46	16,64,81,65,763	-		-
Income Tax Payables	65,680	85.46	56,13,177	2,84,644	83.40	2,37,40,363
	25,19,42,375	85.46	21,53,16,25,223	8,98,75,066	83.40	7,49,59,13,042
Total equity and liabilities	59,01,54,306	85.46	50,43,60,62,376	64,81,11,699	83.40	54,05,49,13,710

Bhira Investments Pte. Ltd.
Statement of changes in equity
For the financial year ended 31 March 2025

	Equity share capital	Exchange Rate	Amount	Retained Earnings	Exchange Rate	Amount	Foreign Currency Translation Reserves	Amount	Total	Amount
	USD		₹	USD		₹	USD	₹	USD	₹
Balance at 1 April 2023	10,00,000	41.00	4,10,00,000	22,13,88,552	63.51	14,05,93,44,719	-	4,17,61,02,455	22,23,88,552	18,27,64,47,174
Profit/(Loss) for the year and total comprehensive Income				19,15,38,398	82.79	15,85,80,76,893		35,79,90,092	19,15,38,398	16,21,60,66,985
Dividend paid, representing transactions with owner recognised directly in equity				(5,00,00,000)	82.79	(4,13,96,60,000)		-	(5,00,00,000)	(4,13,96,60,000)
At 31st March 2024	10,00,000	41.00	4,10,00,000	36,29,26,950	71.03	25,77,77,61,613		4,53,40,92,547	36,39,26,950	30,35,28,54,160
Profit/(Loss) for the year and total comprehensive Income				5,12,84,981	84.57	4,33,71,40,072		72,62,86,721	5,12,84,981	5,06,34,26,793
Dividend paid, representing transactions with owner recognised directly in equity				(7,70,00,000)	84.57	(6,51,18,43,800)		-	(7,70,00,000)	(6,51,18,43,800)
At 31st March 2025	10,00,000	41.00	4,10,00,000	33,72,11,931	69.99	23,60,30,57,885		5,26,03,79,268	33,82,11,931	28,90,44,37,153

Bhira Investments Pte. Ltd.
Statement of cash flows
For the financial year ended 31 March 2025

	Year ended March, 2025	Exchange Rate	Amount ₹	Year ended March, 2024	Exchange Rate	Amount ₹
	USD			USD		
Cash flows from operating activities						
Profit/Loss before tax	5,97,21,800	84.57	5,05,06,36,793	21,79,28,680	82.79	18,04,30,12,789
Adjustments for:						
Bank interest income	(5,30,261)	84.57	(4,48,43,855)	(22,10,024)	82.79	(18,29,74,959)
Interest income on loan to related parties	(2,62,262)	84.57	(2,21,79,340)	(5,11,983)	82.79	(4,23,88,711)
Interest expense on loan from related parties	51,84,512	84.57	43,84,51,069	73,77,552	82.79	61,08,11,138
Interest expense on loan from banks	1,27,16,095	84.57	1,07,53,92,524	1,34,61,643	82.79	1,11,45,32,501
Profit on sale of assets (Net)	-	84.57	-	(9,63,91,907)	82.79	(7,98,05,94,435)
Dividend income	(7,84,82,901)	84.57	(6,63,72,51,848)	(14,11,08,411)	82.79	(11,68,28,16,894)
Operating Profit before Working Capital Changes	(16,53,017)	84.57	(13,97,94,657)	(14,54,450)	82.79	(12,04,18,571)
Movement in working capital:						
Decrease/(increase) in other payables	76,263	84.57	64,49,516	(4,67,54,632)	82.79	(3,87,09,65,598)
Net cash generated from / (used in) operating activities	(15,76,754)	84.57	(13,33,45,141)	(4,82,09,082)	82.79	(3,99,13,84,169)
Taxation	(88,08,693)	84.57	(74,49,45,882)	(1,57,56,404)	82.79	(1,30,45,23,108)
Net cashflows from/(used in) operating activities	(1,03,85,447)	84.57	(87,82,91,023)	(6,39,65,486)	82.79	(5,29,59,07,277)
Cash flows from investing activities						
Bank interest received	5,08,967	84.57	4,30,43,034	22,09,943	82.79	18,29,68,253
Interest received on loan to related party	0	84.57	-	5,85,263	82.79	4,84,55,797
Loan given to related party	(85,41,000)	84.57	(72,23,07,245)	(90,30,000)	82.79	(74,76,22,596)
Loan repaid by related party	4,20,00,000	84.57	3,55,19,14,800	5,01,60,000	82.79	4,15,29,06,912
Advance received for sale of investment in joint venture	0	84.57	-	2,88,34,871	82.79	2,38,73,31,242
Dividend received	7,69,82,901	84.57	6,51,03,97,748	14,16,86,779	82.79	11,73,07,01,831
Net cash generated from investing activities	11,09,50,868	84.57	9,38,30,48,337	21,44,46,856	82.79	17,75,47,41,439
Cash flows from financing activities						
Dividend paid	(7,70,00,000)	84.57	(6,51,18,43,800)	(10,00,00,000)	82.79	(8,27,93,20,000)
Interest paid on loan from bank	(1,22,40,902)	84.57	(1,03,52,05,738)	(1,26,98,991)	82.79	(1,05,13,90,102)
Interest paid on loan from related party	(58,06,468)	84.57	(49,10,49,515)	(82,93,939)	82.79	(68,66,81,750)
Loan received from related party	1,92,00,000	84.57	1,62,37,32,480	4,49,25,000	82.79	3,71,94,84,510
Loan repaid to related parties	(5,10,00,000)	84.57	(4,31,30,39,400)	(10,25,25,000)	82.79	(8,48,83,72,830)
Net cash generated from financing activities	(12,68,47,370)	84.57	(10,72,74,05,973)	(17,85,92,930)	82.79	(14,78,62,80,172)
Net increase / (decrease) in cash and cash equivalents	(2,62,81,949)	84.57	(2,22,26,48,659)	(2,81,11,560)	82.79	(2,32,74,46,010)
Cash and cash equivalents at beginning of year	3,32,36,938	83.40	2,77,20,83,606	6,13,48,498	82.18	5,04,17,72,937
Effect of exchange fluctuation on cash and cash equivalents			4,49,55,800			5,77,56,679
Cash and cash equivalents at end of year	69,54,989	85.46	59,43,90,747	3,32,36,938	83.40	2,77,20,83,606