

# **Deloitte.**

**TRUST ENERGY RESOURCES PTE. LTD.**  
**(Company Registration No. 200802690C)**

**FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED MARCH 31, 2015**

**TRUST ENERGY RESOURCES PTE. LTD.**

**FINANCIAL STATEMENTS  
FOR THE YEAR ENDED MARCH 31, 2015**

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## **TRUST ENERGY RESOURCES PTE. LTD.**

### **REPORT OF THE DIRECTORS**

The directors present their report together with the audited financial statements of the Company for the financial year ended March 31, 2015.

#### **DIRECTORS**

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

Ramabadran Gopalakrishnan  
Kottamasu Venkateswara Rao  
Ramesh Narayanswamy Subramanyam  
Shubh Shrivastava  
Minesh Shri Krishna Dave  
Sanjay Dube

#### **ARRANGEMENTS TO ENABLE DIRECTORS TO ACQUIRE BENEFITS BY MEANS OF THE ACQUISITION OF SHARES AND DEBENTURES**

Neither at the end of the financial year nor at any time during the financial year did there subsist any arrangement whose object is to enable the directors of the Company to acquire benefits by means of the acquisition of shares or debentures in the Company or any other body corporate.

#### **DIRECTORS' INTERESTS IN SHARES AND DEBENTURES**

The directors holding office at the end of the financial period had no interests in the share capital or debentures of the Company and related corporations as recorded in the register of directors' shareholdings kept by the Company under Section 164 of the Singapore Companies Act.

#### **DIRECTORS' RECEIPT AND ENTITLEMENT TO CONTRACTUAL BENEFITS**

Since the beginning of the financial year, no director has received or become entitled to receive a benefit which is required to be disclosed under Section 201(8) of the Singapore Companies Act, by reason of a contract made by the Company or a related corporation with the director or with a firm of which he is a member, or with a company in which he has a substantial financial interest except for salaries, bonuses and other benefits as disclosed in the financial statements. Certain directors received remuneration from related corporations in their capacity as directors and/or executives of those related corporations.

**TRUST ENERGY RESOURCES PTE. LTD.**

**STATEMENT OF DIRECTORS**

In the opinion of the directors, the financial statements as set out on pages 6 to 53 are drawn up so as to give a true and fair view of the state of affairs of the Company as at March 31, 2015 and of the results, changes in equity and cash flows for the financial year then ended and at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts when they fall due.

ON BEHALF OF THE DIRECTORS



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Minesh Shri Krishna Dave



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Kottamasu Venkateswara Rao

May 10, 2015

**TRUST ENERGY RESOURCES PTE. LTD.**

**REPORT OF THE DIRECTORS**

**SHARE OPTIONS**

**(a) Options to take up unissued shares**

During the financial year, no option to take up unissued shares of the Company was granted.

**(b) Options exercised**

During the financial year, there were no shares of the Company issued by virtue of the exercise of an option to take up unissued shares.

**(c) Unissued shares under option**

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

**AUDITORS**

The auditors, Deloitte & Touche LLP, have expressed their willingness to accept re-appointment.

**ON BEHALF OF THE DIRECTORS**

  
\_\_\_\_\_  
Minessh Shri Krishna Dave

  
\_\_\_\_\_  
Kottamasu Venkateswara Rao

May 10, 2015

## **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF TRUST ENERGY RESOURCES PTE. LTD.**

### **Report on the Financial Statements**

We have audited the accompanying financial statements of Trust Energy Resources Pte. Ltd. (the "Company") which comprise the statement of financial position of the Company as at March 31, 2015, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows of the Company for the year then ended, and a summary of significant accounting policies and other explanatory information, as set out on pages 6 to 53.

### **Management's Responsibility 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 Singapore Companies Act (the "Act") and Singapore Financial Reporting Standards, 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 profit and loss account and balance sheet and to maintain accountability of assets.

### **Auditors' 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 from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, 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 of financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by 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.

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF  
TRUST ENERGY RESOURCES PTE. LTD.**

**Opinion**

In our opinion the financial statements of the Company 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 March 31, 2015 and of the results, changes in equity and cash flows of the Company for the year ended on that date.

**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 provisions of the Act.

*Deloitte & Touche LLP*

Public Accountants and  
Chartered Accountants  
Singapore

May 10, 2015

**TRUST ENERGY RESOURCES PTE. LTD.****STATEMENT OF FINANCIAL POSITION  
MARCH 31, 2015**

	<u>Note</u>	<u>2015</u> US\$	<u>2014</u> US\$
<b><u>ASSETS</u></b>			
<b>Current assets</b>			
Cash and cash equivalents	7	5,377,680	13,550,425
Trade receivables	8	29,698,903	27,834,951
Other receivables and prepayments	9	<u>33,052,746</u>	<u>9,016,845</u>
		68,129,329	50,402,221
Non-current assets held for sale	10	<u>789,065</u>	<u>23,146,941</u>
Total current assets		<u>68,918,394</u>	<u>73,549,162</u>
<b>Non-current assets</b>			
Investment in subsidiary	11	-	-
Investments in joint venture	12	-	-
Restricted cash	13	2,005,750	2,019,236
Available-for-sale financial assets	14	-	-
Property, plant and equipment	15	159,089,352	167,443,923
Prepayment for vessel	16	<u>15,937,988</u>	-
Total non-current assets		<u>177,033,090</u>	<u>169,463,159</u>
<b>TOTAL ASSETS</b>		<u>245,951,484</u>	<u>243,012,321</u>
<b><u>LIABILITIES AND EQUITY</u></b>			
<b>Current liabilities</b>			
Trade payables	17	649,974	334,188
Other payables	18	8,517,847	8,062,728
Current portion of bank loans	19	23,829,723	11,849,599
Income tax payable		<u>86,647</u>	<u>1,405,079</u>
Total current liabilities		<u>33,084,191</u>	<u>21,651,594</u>
<b>Non-current liabilities</b>			
Derivative financial instruments	19	2,850,657	3,481,313
Non-current portion of bank loans	19	<u>76,396,665</u>	<u>93,246,264</u>
Total non-current liabilities		<u>79,247,322</u>	<u>96,727,577</u>
<b>Capital and reserves</b>			
Share capital	20	129,153,344	129,153,344
Accumulated profits (losses)		<u>4,466,627</u>	<u>(4,520,194)</u>
Net equity		<u>133,619,971</u>	<u>124,633,150</u>
<b>TOTAL LIABILITIES AND EQUITY</b>		<u>245,951,484</u>	<u>243,012,321</u>

*See accompany notes to financial statements*

**TRUST ENERGY RESOURCES PTE. LTD.**

**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME  
FOR THE YEAR ENDED MARCH 31, 2015**

	<u>Note</u>	<u>2015</u> US\$	<u>2014</u> US\$
<b>Continuing operations</b>			
Income from sale of goods		2,852,799	24,897,450
Freight income		15,328,772	13,741,925
Other vessels operating income		27,044,458	27,586,092
Other operating income	21	2,467,305	10,255,667
Exchange gain		4,179	73,661
Purchases		(2,793,461)	(24,230,783)
Freight expenses		(14,977,535)	(13,458,653)
Vessel running costs		(4,204,264)	(4,106,772)
Staff and related costs		(2,152,127)	(1,936,728)
Operating expenses	22	(1,108,006)	(897,363)
Depreciation expenses	15	(8,425,170)	(8,421,744)
Finance costs	23	(5,006,512)	(4,197,241)
<b>Profit before income tax</b>	24	<u>9,030,438</u>	<u>19,305,511</u>
Income tax expense	25	<u>(6,359)</u>	<u>(1,377,637)</u>
<b>Profit for the year from continuing operations</b>		<u>9,024,079</u>	<u>17,927,874</u>
<b>Discontinued operations</b>			
Loss for the year from discontinued operations	10	<u>(37,258)</u>	<u>(146,161)</u>
<b>Total profit for the year, representing total comprehensive income for the year</b>		<u>8,986,821</u>	<u>17,781,713</u>

*See accompany notes to financial statements*

**TRUST ENERGY RESOURCES PTE. LTD.**

**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED MARCH 31, 2015**

	<u>Note</u>	<u>Share capital US\$</u>	<u>Accumulated (losses)/ profits US\$</u>	<u>Total US\$</u>
Balance as at April 1, 2013		129,153,344	(22,301,907)	106,851,437
Profit for the year, representing total comprehensive income for the year		<u>-</u>	<u>17,781,713</u>	<u>17,781,713</u>
Balance as at March 31, 2014		129,153,344	(4,520,194)	124,633,150
Profit for the year, representing total comprehensive income for the year		<u>-</u>	<u>8,986,821</u>	<u>8,986,821</u>
Balance as at March 31, 2015		<u>129,153,344</u>	<u>4,466,627</u>	<u>133,619,971</u>

*See accompany notes to financial statements*

**TRUST ENERGY RESOURCES PTE. LTD.**

**STATEMENT OF CASH FLOWS  
YEAR ENDED MARCH 31, 2015**

	<u>Note</u>	<u>2015</u> US\$	<u>2014</u> US\$
<b>Operating activities</b>			
Loss before tax:			
Discontinued operations		(37,258)	(146,161)
Continuing operations		<u>9,030,438</u>	<u>19,305,511</u>
		8,993,180	19,159,350
Adjustments for:			
Depreciation expense	15	8,425,170	8,421,744
Interest expense	23	5,665,419	6,184,056
Interest income	21	(385,726)	(383,389)
Fair value gain on interest cap	23	<u>(630,656)</u>	<u>(1,835,116)</u>
<b>Cash flows before changes in working capital</b>		<u>22,067,387</u>	<u>31,546,645</u>
Trade receivables		(1,777,077)	3,822,682
Other receivables and prepayments		(1,691,934)	90,357
Trade payables		315,787	17,845
Trade financing		-	(4,719,538)
Other payables		<u>149,415</u>	<u>(640,858)</u>
<b>Cash generated from operations</b>		<u>19,063,578</u>	<u>30,117,133</u>
Interest received		307,755	579,659
Interest paid		(5,434,822)	(5,929,849)
Income taxes paid		<u>(1,324,791)</u>	<u>(1,511,185)</u>
<b>Net cash from operating activities</b>		<u>12,611,720</u>	<u>23,255,758</u>
<b>Investing activities</b>			
Purchase of property, plant and equipment	15	(70,599)	(39,096)
Payment towards construction of vessels	16	<u>(15,622,500)</u>	-
<b>Net cash used in investing activities</b>		<u>(15,693,099)</u>	<u>(39,096)</u>
<b>Financing activities</b>			
Proceeds from borrowings from bank		16,980,124	-
Repayment of borrowings from bank		(22,071,490)	(12,071,489)
Restricted cash (Note 13)		-	471,954
<b>Net cash used in financing activities</b>		<u>(5,091,366)</u>	<u>(11,599,535)</u>
<b>Net (decrease) increase in cash and cash equivalents</b>		<u>(8,172,745)</u>	<u>11,617,127</u>
<b>Cash and cash equivalents at the beginning of the year</b>		<u>13,550,425</u>	<u>1,933,298</u>
<b>Cash and cash equivalents at the end of the year</b>	7	<u>5,377,680</u>	<u>13,550,425</u>

*See accompany notes to financial statements*

## **TRUST ENERGY RESOURCES PTE. LTD.**

### **NOTES TO FINANCIAL STATEMENTS MARCH 31, 2015**

#### **1. GENERAL INFORMATION**

The Company (Registration No: 200802690C) is incorporated in Singapore with its principal place of business and registered office at 143 Cecil Street, #25-01, GB Building, Singapore 069542. The financial statements are expressed in United States dollars.

The principal activities of the Company are those of providing shipping, coal handling, and cargo services, investment holding, and trading in energy related commodities.

In 2013, the Company resolved to sell/transfer its investments at an aggregate price not less than their carrying values to a new related company. The transaction has not been completed as at the end of reporting period, and consequently, the Company's investments have been reclassified as non-current assets held for sale (Note 10).

The financial statements of the Company for the financial year ended March 31, 2015 were authorised for issue by the board of directors on May 10, 2015.

#### **2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**BASIS OF ACCOUNTING** -The financial statements have been prepared in accordance with the historical cost basis, except as disclosed in the accounting policies below, and are drawn up in accordance with the provisions of the Singapore Companies Act and Singapore Financial Reporting Standards ("FRS").

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability which market participants would take into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of FRS 102 *Share-based Payments*, leasing transactions that are within the scope of FRS 17 *Leases*, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in FRS 2 *Inventories* or value in use in FRS 36 *Impairment of Assets*.

**TRUST ENERGY RESOURCES PTE. LTD.**

**NOTES TO FINANCIAL STATEMENTS  
MARCH 31, 2015**

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)**

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

**ADOPTION OF NEW AND REVISED STANDARDS** - On April 1, 2014, the Company adopted all the new and revised FRSs and Interpretations of FRS ("INT FRS") that are effective from that date and are relevant to its operations. The adoption of these new/revised FRSs and INT FRSs does not result in changes to the Company's accounting policies and has no material effect on the amounts reported for the current or prior years.

At the date of authorisation of these financial statements, the following new/revised FRSs, INT FRSs and amendments to FRS that are relevant to the Company were issued but not effective:

- FRS 109 *Financial Instruments*<sup>4</sup>
- FRS 115 *Revenue from Contracts with Customers*<sup>3</sup>
- Amendments to FRS 1 *Presentation of Financial Statements: Disclosure Initiative*<sup>2</sup>
- Improvements to Financial Reporting Standards (January 2014)<sup>1</sup>
- Improvements to Financial Reporting Standards (February 2014)<sup>1</sup>
- Improvements to Financial Reporting Standards (November 2014)<sup>2</sup>

<sup>1</sup> Applies to annual periods beginning on or after July 1, 2014, with early application permitted.

<sup>2</sup> Applies to annual periods beginning on or after January 1, 2016, with early application permitted.

<sup>3</sup> Applies to annual periods beginning on or after January 1, 2017, with early application permitted.

<sup>4</sup> Applies to annual periods beginning on or after January 1, 2018, with early application permitted.

## TRUST ENERGY RESOURCES PTE. LTD.

### NOTES TO FINANCIAL STATEMENTS MARCH 31, 2015

#### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Consequential amendments were also made to various standards as a result of these new/revised standards.

Management anticipates that the adoption of the new/revised FRSs, INT FRSs and amendments to FRS that are issued as at the date of authorisation of these issued financial statements but effective only in future periods will not have a material impact on the financial statements of the Company in the period of their initial adoption except for the following:

##### FRS 109 *Financial Instruments*

FRS 109 was issued in December 2014 to replace FRS 39 *Financial Instruments: Recognition and Measurement* and introduced new requirements for (i) the classification and measurement of financial assets and financial liabilities (ii) derecognition (iii) general hedge accounting (iv) impairment requirements for financial assets.

Key requirements of FRS 109:

- All recognised financial assets that are within the scope of FRS 39 are now required to be subsequently measured at amortised cost or fair value through profit or loss (FVTPL). Specifically, debt investments that are held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are solely payments of principal and interest on the principal outstanding are generally measured at amortised cost at the end of subsequent accounting periods. Debt instruments that are held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets, and that have contractual terms that give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding, are measured at fair value through other comprehensive income (FVTOCI). All other debt investments and equity investments are measured at FVTPL at the end of subsequent accounting periods. In addition, under FRS 109, entities may make an irrevocable election, at initial recognition, to measure an equity investment (that is not held for trading) at FVTOCI, with only dividend income generally recognised in profit or loss.
- With some exceptions, financial liabilities are generally subsequently measured at amortised cost. With regard to the measurement of financial liabilities designated as at FVTPL, FRS 109 requires that the amount of change in fair value of the financial liability that is attributable to changes in the credit risk of that liability is presented in other comprehensive income, unless the recognition of the effects of changes in the liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch to profit or loss. Changes in fair value attributable to a financial liability's credit risk are not subsequently reclassified to profit or loss. Under FRS 39, the entire amount of the change in the fair value of the financial liability designated as at FVTPL is presented in profit or loss.

**TRUST ENERGY RESOURCES PTE. LTD.**

**NOTES TO FINANCIAL STATEMENTS  
MARCH 31, 2015**

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)**

- In relation to the impairment of financial assets, FRS 109 requires an expected credit loss model, as opposed to an incurred credit loss model under FRS 39. The expected credit loss model requires an entity to account for expected credit losses and changes in those expected credit losses at each reporting date to reflect changes in credit risk since initial recognition. In other words, it is no longer necessary for a credit event to have occurred before credit losses are recognised.
- The new general hedge accounting requirements retain the three types of hedge accounting mechanisms currently available in FRS 39. Under FRS 109, greater flexibility has been introduced to the types of transactions eligible for hedge accounting, specifically broadening the types of instruments that qualify for hedging instruments and the types of risk components of non-financial items that are eligible for hedge accounting. In addition, the effectiveness test has been overhauled and replaced with the principle of an 'economic relationship'. Retrospective assessment of hedge effectiveness is also no longer required. Enhanced disclosure requirements about an entity's risk management activities have also been introduced.

Management is currently evaluating the potential impact of the application of FRS 109 on the financial statements of the company in the period of application.

FRS 115 Revenue from Contracts with Customers

In November 2014, FRS 115 was issued which establishes a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers. FRS 115 will supersede the current revenue recognition guidance including FRS 18 *Revenue*, FRS 11 *Construction Contracts* and the related Interpretations when it becomes effective.

The core principle of FRS 115 is that an entity should recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Specifically, the Standard introduces a 5-step approach to revenue recognition :

- Step 1: Identify the contract(s) with a customer.
- Step 2: Identify the performance obligations in the contract.
- Step 3: Determine the transaction price.
- Step 4: Allocate the transaction price to the performance obligations in the contract.
- Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation.

**TRUST ENERGY RESOURCES PTE. LTD.**

**NOTES TO FINANCIAL STATEMENTS  
MARCH 31, 2015**

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)**

Under FRS 115, an entity recognises revenue when (or as) a performance obligation is satisfied, i.e. when “control” of the goods or services underlying the particular performance obligation is transferred to the customer. Far more prescriptive guidance has been added in FRS 115 to deal with specific scenarios. Furthermore, extensive disclosures are required by FRS 115.

Management is currently evaluating the potential impact of the application of FRS 115 on the financial statements of the Company in the period of application.

Amendments to FRS 1 *Presentation of Financial Statements: Disclosure Initiative*

The amendments have been made to the following:

- **Materiality and aggregation** - An entity shall not obscure useful information by aggregating or disaggregating information and materiality considerations apply to the primary statements, notes and any specific disclosure requirements in FRSSs.
- **Statement of financial position and statement of profit or loss and other comprehensive income** - The list of line items to be presented in these statements can be aggregated or disaggregated as relevant. Guidance on subtotals in these statements has also been included.
- **Presentation of items of other comprehensive income (“OCI”) arising from equity-accounted investments** - An entity’s share of OCI of equity-accounted associates and joint ventures should be presented in aggregate as single items based on whether or not it will subsequently be reclassified to profit or loss.
- **Notes** - Entities have flexibility when designing the structure of the notes and guidance is introduced on how to determine a systematic order of the notes. In addition, unhelpful guidance and examples with regard to the identification of significant accounting policies are removed.

Management is currently evaluating the potential impact of the application of FRS 1 on the financial statements of the Company in the period of application.

**TRUST ENERGY RESOURCES PTE. LTD.**

**NOTES TO THE FINANCIAL STATEMENTS  
MARCH 31, 2015**

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)**

**CONSOLIDATION** - Consolidated financial statements have not been prepared as the Company is a wholly-owned subsidiary of the ultimate holding company, The Tata Power Company Ltd, incorporated in India, who prepares consolidated financial statements. Such financial statements are publicly available. The registered office of The Tata Power Company Ltd is located at Bombay House, 24, HomiMody Street, Mumbai 400001, India.

**SUBSIDIARY** - A subsidiary is an entity which the Company has control. Control is achieved when the Company:

- Has power over the investee;
- Is exposed, or has rights, to variable returns from its involvement with the investee; and
- Has the ability to use its power to affect its returns.

The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

Investment in subsidiary is carried at cost less any impairment in net recoverable value that has been recognised in profit or loss.

**INTERESTS IN JOINT VENTURE** - A joint venture is a contractual arrangement whereby the Company and other parties undertake an economic activity that is subject to joint control, that is when the strategic financial and operating policy decisions relating to the activities require the unanimous consent of the parties sharing control.

Where the Company undertakes its activities under joint venture arrangements directly, the Company's share of jointly controlled assets and any liabilities incurred jointly with other venturers are recognised in the financial statements of the Company and classified according to their nature. Liabilities and expenses incurred directly in respect of interests in jointly controlled assets are accounted for on an accrual basis. Income from the sale or use of the Company's share of the output of jointly controlled assets, and its share of joint venture expenses, are recognised when it is probable that the economic benefits associated with the transactions will flow to/from the Company and their amount can be measured reliably.

**TRUST ENERGY RESOURCES PTE. LTD.**

**NOTES TO FINANCIAL STATEMENTS  
MARCH 31, 2015**

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)**

**FINANCIAL INSTRUMENT** - Financial assets and financial liabilities are recognised on the Company's statement of financial position when the Company becomes a party to the contractual provisions of the instrument.

Effective Interest Method

The effective interest method is a method of calculating the amortised cost of a financial instrument and of allocating interest income or expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts or payments (including all fees paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial instrument, or where appropriate, a shorter period. Income and expense is recognised on an effective interest basis for debt instruments.

**Financial assets**

All financial assets are recognised and de-recognised on a trade date basis where the purchase or sale of an investment is under a contract whose terms require delivery of the investment within the timeframe established by the market concerned, and are initially measured at fair value plus transaction costs, except for those financial assets classified as at fair value through profit or loss which are initially measured at fair value.

Financial assets are classified as "available-for-sale" financial assets and "loans and receivables". The classification depends on the nature and purpose of financial assets and is determined at the time of initial recognition.

Loans and Receivables

Trade and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as "loans and receivables". Loans and receivables are measured at amortised cost using the effective interest method less impairment. Interest is recognised by applying the effective interest method, except for short-term receivables when the effect of discounting is immaterial.

**TRUST ENERGY RESOURCES PTE. LTD.**

**NOTES TO FINANCIAL STATEMENTS  
MARCH 31, 2015**

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)**

Available-for-Sale Financial Assets

Certain shares held by the Company are classified as being available-for-sale. Quoted shares classified as available-for-sales are stated at fair value and unquoted shares classified as available-for-sale are stated at cost. Fair value is determined in the manner described in Note 4. Gains and losses arising from changes in fair value are recognised in other comprehensive income with the exception of impairment losses, interest calculated using the effective interest method and foreign exchange gains and losses on monetary assets which are recognised directly in profit or loss. Where the investment is disposed of or is determined to be impaired, the cumulative gain or loss previously recognised in other comprehensive income and accumulated in revaluation reserve is reclassified to profit or loss.

Dividends on available-for-sale equity instruments are recognised in profit or loss when the Company's right to receive payments is established. The fair value of available-for-sale monetary assets denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at end of the reporting period. The change in fair value attributable to translation differences that result from a change in amortised cost of the asset is recognised in profit or loss, and other changes are recognised in other comprehensive income.

Impairment of Financial Assets

Financial assets are assessed for indicators of impairment at the end of each reporting period. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the financial asset have been impacted.

For available-for-sale equity instruments, a significant or prolonged decline in the fair value of the investment below its cost is considered to be objective evidence of impairment.

**TRUST ENERGY RESOURCES PTE. LTD.**

**NOTES TO FINANCIAL STATEMENTS  
MARCH 31, 2015**

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)**

For all other financial assets, objective evidence of impairment could include:

- significant financial difficulty of the issuer or counterparty; or
- default or delinquency in interest or principal payments; or
- it becoming probable that the borrower will enter bankruptcy or financial re-organisation.

For certain categories of financial asset, such as trade receivables, assets that are assessed not to be impaired individually are, in addition, assessed for impairment on a collective basis. Objective evidence of impairment for a portfolio of receivables could include the Company's past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the average credit period of 30 days, as well as observable changes in national or local economic conditions that correlate with default on receivables.

For financial assets carried at amortised cost, the amount of the impairment 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 carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade and other receivables where the carrying amount is reduced through the use of an allowance account. When a trade or other receivable is uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognised in profit or loss.

When an available-for-sale financial asset is considered to be impaired, cumulative gains or losses previously recognised in other comprehensive income are reclassified to profit or loss. Impairment losses previously recognised in profit or loss are not reversed through profit or loss. Any subsequent increase in fair value after an impairment loss is recognised in other comprehensive income.

Derecognition of Financial Assets

The Company derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

**TRUST ENERGY RESOURCES PTE. LTD.**

**NOTES TO FINANCIAL STATEMENTS  
MARCH 31, 2015**

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)**

**Financial liabilities and equity instruments**

Classification as debt or equity

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

Equity Instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments are recorded at the proceeds received, net of direct issue costs.

Financial liabilities

Trade and other payables are initially measured at fair value, net of transaction costs, and are subsequently measured at amortised cost, using the effective interest method, with interest expense recognised on an effective yield basis, except for short-term payables when recognition of interest would be immaterial.

Interest-bearing bank loans are initially measured at fair value, and are subsequently measured at amortised cost, using the effective interest method. Any difference between the proceeds (net of transaction costs) and the settlement or redemption of borrowings is recognised over the term of the borrowings in accordance with the Company's accounting policy for borrowing costs (see below).

Derecognition of Financial Liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or they expire.

Derivative financial instruments and hedge accounting

The Company enters into a variety of derivative financial instruments to manage its exposure to interest rate risk, including interest rate cap contracts.

**TRUST ENERGY RESOURCES PTE. LTD.**

**NOTES TO FINANCIAL STATEMENTS  
MARCH 31, 2015**

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)**

Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship.

A derivative is presented as a non-current asset or a non-current liability if the remaining maturity of the instrument is more than 12 months and it is not expected to be realised or settled within 12 months. Other derivatives are presented as current assets or current liabilities.

**LEASES** - Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Rentals payable under operating leases are charged to profit or loss on a straight-line basis over the term of the relevant lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed. Contingent rentals arising under operating leases are recognised as an expense in the period in which they are incurred.

In the event that lease incentives are received to enter into operating leases, such incentives are recognised as a liability. The aggregate benefit of incentives is recognised as a reduction of rental expense on a straight-line basis, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

**NON-CURRENT ASSETS HELD FOR SALE** - Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the asset is available for immediate sale in its present condition. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

Non-current assets classified as held for sale are measured at the lower of their previous carrying amount and fair value less costs to sell.

**TRUST ENERGY RESOURCES PTE. LTD.**

**NOTES TO FINANCIAL STATEMENTS  
MARCH 31, 2015**

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)**

**PROPERTY, PLANT AND EQUIPMENT** - Property, plant and equipment are carried at cost less accumulated depreciation and any accumulated impairment losses.

Depreciation is charged so as to write off the cost less residual value over their estimated useful lives, using the straight-line method, on the following bases:

<b>Asset Category</b>	<b>Economic Useful Life</b>
Leasehold improvements	3 years
IT & Electronic Devices (or "Tools and Equipment")	3 years
Furniture and Fixtures	3 years
Vessels	20 years
Dry-docking	5 years

Fully depreciated assets still in use are retained in the financial statements.

The estimated useful lives, residual values and depreciation method are reviewed at each year end, with the effect of any changes in estimate accounted for on a prospective basis.

The gain or loss arising on disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amounts of the asset and is recognised in the profit or loss.

**IMPAIRMENT OF TANGIBLE ASSETS-** At the end of each reporting period, the Company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less cost to sell and value in use. In assessing value in use, the estimated future cash flows 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.

**TRUST ENERGY RESOURCES PTE. LTD.**

**NOTES TO FINANCIAL STATEMENTS  
MARCH 31, 2015**

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)**

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

**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 the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

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

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

**REVENUE RECOGNITION** - Revenue is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods provided and services rendered in the normal course of business, net of discounts and sales related taxes.

Sale of goods

Revenue from the sale of goods is recognised when all the following conditions are satisfied:

- the Company has transferred to the buyer the significant risks and rewards of ownership of the goods;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;

**TRUST ENERGY RESOURCES PTE. LTD.**

**NOTES TO FINANCIAL STATEMENTS  
MARCH 31, 2015**

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)**

- it is probable that the economic benefits associated with the transaction will flow to the Company; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Vessel operating income

Vessel operating income (consisting of hire income from time charter, freight income from voyage charter and compensation) is recognised on an accrual basis.

Compensation relates to reimbursement of the loss of profit due to the counter-party's non-honouring of the terms of contract of affreightment and is governed by the contract of affreightment. Compensation is recognised on an accrual basis.

Commission income

Commission income is recognised when services are rendered.

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 receipts through the expected life of the financial asset to that asset's net carrying amount.

**BORROWING COSTS** - Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

**TRUST ENERGY RESOURCES PTE. LTD.**

**NOTES TO FINANCIAL STATEMENTS  
MARCH 31, 2015**

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)**

**RETIREMENT BENEFIT COSTS** - Payments to defined contribution retirement benefit plans are charged as an expense when employees have rendered the services entitling them to the contributions. Payments made to state-managed retirement benefit schemes, such as the Singapore Central Provident Fund, are dealt with as payments to defined contribution plans where the Company's obligations under the plans are equivalent to those arising in a defined contribution retirement benefit plan.

**EMPLOYEE LEAVE ENTITLEMENT** - Employee entitlements to annual leave are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave as a result of services rendered by employees up to the end of the reporting period.

**INCOME TAX** - Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the statement of profit or loss and other comprehensive income because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are not taxable or tax deductible. The Company's liability for current tax is calculated using tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

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 profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset realised based on the tax rates (and tax laws) that have been enacted or substantially enacted by the end of the reporting period.

**TRUST ENERGY RESOURCES PTE. LTD.**

**NOTES TO FINANCIAL STATEMENTS  
MARCH 31, 2015**

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)**

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

Current and deferred tax are recognised as an expense or income in profit or loss.

**FOREIGN CURRENCY TRANSACTIONS** - The financial statements of the Company are measured and presented in the currency of the primary economic environment in which the Company operates (its functional currency). The financial statements of the Company are presented in United States dollars, which is the functional currency of the Company and the presentation currency for the financial statements.

In preparing the financial statements of the Company, transactions in currencies other than the Company's functional currency are recorded at the rate of exchange prevailing on the date of the transaction. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing on the end of the reporting period. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on the settlement of monetary items, and on retranslation of monetary items are included in profit or loss for the period. Exchange differences arising on the retranslation of non-monetary items carried at fair value are included in profit or loss for the period except for differences arising on the retranslation of non-monetary items in respect of which gains and losses are recognised in other comprehensive income. For such non-monetary items, any exchange component of that gain or loss is also recognised in other comprehensive income.

**CASH AND CASH EQUIVALENTS IN THE STATEMENT OF CASH FLOWS** - Cash and cash equivalents in the statement of cash flows comprise cash on hand and demand deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

**TRUST ENERGY RESOURCES PTE. LTD.**

**NOTES TO FINANCIAL STATEMENTS  
MARCH 31, 2015**

**3. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES  
OF ESTIMATION UNCERTAINTY**

In the application of the Company's accounting policies, which are described in Note 2, management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

a) Critical judgements in applying the Company's accounting policies

In the application of the Company's accounting policies, which are described in Note 2, management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The management is of the opinion that any instances of application of judgements are not expected to have a significant effect on the amounts recognised in the financial statements.

b) Key sources of estimation uncertainty

The key assumptions concerning the future, and the other key sources of estimation at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year, are discussed below.

**TRUST ENERGY RESOURCES PTE. LTD.**

**NOTES TO FINANCIAL STATEMENTS  
MARCH 31, 2015**

**3. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (cont'd)**

Allowance for doubtful debts

The policy for allowance for doubtful debts of the Company is based on the evaluation of collectibility of debts, ageing analysis of accounts and on management's estimate. A considerable amount of judgement is required in assessing the ultimate realisation of these receivables, including the current creditworthiness, the past collection history of each customer, the extent of credit insurance coverage and on-going dealings with these parties. If the financial conditions of the customers were to deteriorate, resulting in an impairment of their ability to make payments, additional allowance may be required. The carrying amount of trade receivables is disclosed in Note 8 to the financial statements.

Impairment of investment in subsidiary

Determining whether the investment in subsidiary is impaired requires an estimation of the recoverable amount of the investment. The recoverable amount requires the Company to estimate the fair value less cost to sell and future cash flows expected from these investments and a suitable discount rate in order to calculate its present value. Management has evaluated the recoverability of this investment based on the subsidiary's net assets. This represents management's best estimate of its fair value less cost to sell as the subsidiary is dormant and management estimates that the net assets approximates the fair value less cost to sell for the subsidiary.

The carrying amount of investment in subsidiary is disclosed in Note 11 to the financial statements.

Impairment of vessels

Determining whether vessels are impaired requires an estimation of the vessels' value in use. The value in use calculation requires the Company to estimate the future cash flows expected to arise from the charter of vessels and a suitable discount rate in order to calculate the present value of such cash flows. The carrying amount of vessels at the end of the reporting period was US\$159,053,235 (2014 : US\$167,411,674).

**TRUST ENERGY RESOURCES PTE. LTD.**

**NOTES TO FINANCIAL STATEMENTS  
MARCH 31, 2015**

**3. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (cont'd)**

The Company had engaged an independent valuer to carry out the valuation of the vessels. The fair value of the vessels was assessed at US\$166,000,000 (2014 : US\$174,000,000). This valuation was assessed using the discounted cash flow approach based on the expected cash flows including compensation under the 20 year contract of affreightment for the vessels which the Company has entered into with a fellow subsidiary. This valuation has been carried out by applying a weighted average cost of capital of 11% (2014 : 11%) per annum, which is a level 3 input in terms of FRS 113 *Fair Value Measurement*.

Useful lives of property, plant and equipment and residual value

As described in Note 2, the Company reviews the estimated useful lives and the residual value of property, plant and equipment at the end of each annual reporting period.

During the current financial year, the management had engaged an independent valuer to ascertain the residual value of vessels. This estimation was based on the estimated prices of scrap at the end of the useful lives of the vessels discounted to current date and the amount of scrap from the vessels.

**4. FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL RISKS MANAGEMENT**

a) Categories of financial instruments

The following table sets out the financial instruments as at the end of the reporting period:

	<u>2015</u> US\$	<u>2014</u> US\$
<b>Financial assets</b>		
Cash and cash equivalent	5,377,680	13,550,425
Loan and receivables	62,430,419	36,517,794
Restricted cash	2,005,750	2,019,236
Available-for-sale financial assets	<u>-</u>	<u>-</u>
<b>Financial liabilities</b>		
Amortised cost	109,000,843	113,390,157
Derivative financial liability at fair value through profit or loss	<u>2,850,657</u>	<u>3,481,313</u>

There are no financial assets and liabilities that are subject to offsetting.

**TRUST ENERGY RESOURCES PTE. LTD.**

**NOTES TO FINANCIAL STATEMENTS  
MARCH 31, 2015**

**4. FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL RISKS MANAGEMENT  
(cont'd)**

b) Financial risk management policies and objectives

The Company is exposed to various financial risks arising in the normal course of business. It has adopted risk management policies and utilises a variety of techniques to manage its exposure to these risks.

There has been no change to the Company's exposure to these financial risks or the manners in which it manages and measures the risk. Market risk exposures are measured using sensitivity analysis indicated below.

i) Credit risk management

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company deals mainly with related companies and reputable companies. All customers of the Company are evaluated by the holding company, who in turn will advise the credit terms to be granted. Where appropriate, letters of credit are requested.

The Company's principal financial assets are cash and cash equivalent, trade and other receivables.

Cash and cash equivalent is deposited with reputed financial institutions.

Significant concentration of credit risk

Concentration of credit risk exists when changes in economic, industry or geographical factors similarly affect group of counterparties whose aggregate credit exposure is significant in relation to the Company's total credit exposure.

As at March 31, 2015, nine (2014 : six) customers represented the entire balance of the Company's trade and other receivables balance.

Further details of credit risks on trade and other receivables is disclosed in Note 8 and 9 respectively.

**TRUST ENERGY RESOURCES PTE. LTD.**

**NOTES TO FINANCIAL STATEMENTS  
MARCH 31, 2015**

**4. FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL RISKS MANAGEMENT  
(cont'd)**

ii) Interest rate risk management

Interest rate risk arises from the potential change in interest rates that may have an adverse effect on the Company in the currency reporting period or in future years.

*Interest rate sensitivity*

The sensitivity analyses below have been determined based on the exposure to interest rates for both derivatives and non-derivative instruments at the end of the reporting period and the stipulated change taking place at the beginning of the financial year and held constant throughout the reporting period in the case of instruments that have floating rates.

The Company had entered into a derivative agreement to protect against the effect of volatility in interest rates arising on variable interest rate financial liabilities. The notional amount of the derivative agreement is US\$100,226,389 (2014 : US\$105,095,863). Further details on the derivative agreement are disclosed in Note 19 to the financial statements.

If interest rates had been 50 basis points higher or lower and all other variables were held constant, the Company's profit for the year ended March 31, 2015 would decrease/increase (2014 : decrease/increase) by US\$426,069 (2014 : US\$435,119). This is mainly attributable to the company's exposure to interest rates on its variable rate borrowings and trade financing.

**TRUST ENERGY RESOURCES PTE. LTD.**

**NOTES TO FINANCIAL STATEMENTS  
MARCH 31, 2015**

**4. FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL RISKS MANAGEMENT  
(cont'd)**

iii) Foreign currency risk management

The Company is exposed to changes in foreign exchange rates primarily with respect to the Singapore dollar, Australian dollar and Indonesian rupiah.

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

	<u>Liabilities</u>		<u>Assets</u>	
	<u>2015</u> US\$	<u>2014</u> US\$	<u>2015</u> US\$	<u>2014</u> US\$
Singapore dollar	490,007	304,844	885,708	492,822
Australian dollar	-	-	19,685	24,590
Indonesian rupiah	-	-	38,395	44,927
	<u>490,007</u>	<u>304,844</u>	<u>943,788</u>	<u>562,339</u>

*Foreign currency sensitivity*

The sensitivity rate used when reporting foreign currency risk to key management personnel is 10%, which is the change in foreign exchange rate that management deems reasonably possible which will affect outstanding foreign currency denominated monetary items at period end.

If the relevant foreign currencies weaken by 10% against the functional currency of the Company, the profit for the year will increase(decrease) by:

	<u>Singapore dollar impact</u>		<u>Australian dollar impact</u>		<u>Indonesian rupiah impact</u>	
	<u>2015</u> \$'000	<u>2014</u> \$'000	<u>2015</u> \$'000	<u>2014</u> \$'000	<u>2015</u> \$'000	<u>2014</u> \$'000
Profit for the year	<u>(40)</u>	<u>(19)</u>	<u>(2)</u>	<u>(2)</u>	<u>(4)</u>	<u>(4)</u>

The impact would be vice versa if the relevant foreign currencies strengthen by 10% against the functional currency of the Company.

**TRUST ENERGY RESOURCES PTE. LTD.**

**NOTES TO FINANCIAL STATEMENTS  
MARCH 31, 2015**

**4. FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL RISKS MANAGEMENT  
(cont'd)**

iv) Capital risk management policies and objective

The Company reviews its capital structure at least annually to ensure that the Company will be able to continue as a going concern. The capital structure of the Company comprises only of issued capital and accumulated profits. The Company's overall strategy remains unchanged from 2014.

v) Liquidity risk management

The Company has sufficient funds to finance its working capital.

*Liquidity risk analysis*

Non-derivative financial liabilities

The following table details the remaining contractual maturity for financial liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can 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.

**TRUST ENERGY RESOURCES PTE. LTD.**

**NOTES TO FINANCIAL STATEMENTS  
MARCH 31, 2015**

**4. FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL RISKS MANAGEMENT  
(cont'd)**

	Average effective interest rate %	On demand or within 1 year US\$	Within 2 to 5 years US\$	After 5 years US\$	Adjustment US\$	Total US\$
<u>2015</u>						
Non-interest bearing	-	8,774,455	-	-	-	8,774,455
Variable interest rate instruments	3.56 1.61 2.26	15,331,395 1,980,124 <u>10,000,000</u>	57,044,948 - -	33,139,915 - -	(17,269,994) - -	88,246,264 1,980,124 <u>10,000,000</u>
		<u>36,085,974</u>	<u>57,044,948</u>	<u>33,139,915</u>	<u>(17,269,994)</u>	<u>109,000,843</u>
<u>2014</u>						
Non-interest bearing	-	8,294,294	-	-	-	8,294,294
Variable interest rate instruments	3.53	15,738,348 <u>24,032,642</u>	58,639,440 <u>58,639,440</u>	50,228,193 <u>50,228,193</u>	(19,510,118) <u>(19,510,118)</u>	105,095,863 <u>113,390,157</u>

Non-derivative financial assets

The following table details the expected maturity or liquidity of the financial assets. The inclusion of information on financial assets is necessary in order to understand the Company's liquidity risk management as the Company's liquidity risk is managed on a net asset and liability basis. The tables below have been drawn up based on the undiscounted contractual maturities of the financial assets including interest that will be earned on those assets except where the Company anticipates that the cash flow will occur in a different period. The adjustment column represents the possible future cash flows attributable to the instrument included in the maturity analysis which are not included in the carrying amount of the financial asset on the statement of financial position.

**TRUST ENERGY RESOURCES PTE. LTD.**

**NOTES TO FINANCIAL STATEMENTS  
MARCH 31, 2015**

**4. FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL RISKS MANAGEMENT  
(cont'd)**

	Average effective interest rate %	On demand or within 1 year US\$	Within 2 to 5 years US\$	After 5 years US\$	Adjustment US\$	Total US\$
<u>2015</u>						
Non-interest bearing	-	48,783,944	-	-	-	48,783,944
Variable interest rate instruments	1.98	15,087,064	-	-	(74,525)	15,012,539
Fixed interest rate instruments	0.46	<u>6,028,913</u> <u>69,899,921</u>	<u>-</u> <u>-</u>	<u>-</u> <u>-</u>	<u>(11,547)</u> <u>(86,072)</u>	<u>6,017,366</u> <u>69,813,849</u>
<u>2014</u>						
Non-interest bearing	-	20,167,967	-	-	-	20,167,967
Variable interest rate instruments	1.90	18,152,239	-	-	(80,214)	18,072,025
Fixed interest rate instruments	0.76	<u>13,878,205</u> <u>52,198,411</u>	<u>-</u> <u>-</u>	<u>-</u> <u>-</u>	<u>(30,742)</u> <u>(110,956)</u>	<u>13,847,463</u> <u>52,087,455</u>

Derivative financial instruments

The following table details the liquidity analysis for derivative financial instruments. The table has been drawn up based on the undiscounted net cash outflows on the derivative instrument that settle on a net basis and the undiscounted gross outflows on those derivatives that require gross settlement. When the amount payable or receivable is not fixed, the amount disclosed has been determined by reference to the projected interest rates as illustrated by the yield curves existing at the end of the reporting period.

**TRUST ENERGY RESOURCES PTE. LTD.**

**NOTES TO FINANCIAL STATEMENTS  
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**4. FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL RISKS MANAGEMENT  
(cont'd)**

	Average Effective interest rate %	On demand or within 1 year US\$	Within 2 to 5 years US\$	After 5 years US\$	Total US\$
<u>2015</u>					
Non-interest bearing	-	-	2,850,657	-	2,850,657
<u>2014</u>					
Non-interest bearing	-	-	3,481,313	-	3,481,313

vi) Fair value of financial assets and financial liabilities

The carrying amounts of cash and bank balances, trade receivables and payables and other receivables and payables, approximate their respective fair values due to the relatively short-term maturity of these financial instruments. The fair value of other classes of financial assets and liabilities are disclosed in the respective notes to financial statements.

The fair values of financial assets and financial liabilities are determined as follows:

- the fair value of financial assets and financial liabilities with standard terms and conditions and traded on active liquid markets are determined with reference to quoted market prices; and
- the fair value of other financial assets and financial liabilities are determined in accordance with generally accepted pricing models based on discounted cash flow analysis using prices from observable current market transactions and dealer quotes for similar instruments.

The Company classifies fair value measurements using a fair value hierarchy that reflects the significant of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- a. quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1);

**TRUST ENERGY RESOURCES PTE. LTD.**

**NOTES TO FINANCIAL STATEMENTS  
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**4. FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL RISKS MANAGEMENT  
(cont'd)**

- b. inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices) (Level 2); and
- c. inputs for the asset or liability that are not based on observable market data (unobservable inputs) (Level 3).

*Assets measured at fair value*

*Available-for sale financial assets*

	<u>2015</u> US\$	<u>2014</u> US\$
Level 1	-	2,266,249
Disposed	-	(2,266,249)
At March 31	<u>-</u>	<u>-</u>

*Assets measured at fair value based on Level 3*

*Available-for sale financial assets*

	<u>2015</u> US\$	<u>2014</u> US\$
Opening balance	-	5,326,388
Disposed	-	(5,326,388)
At March 31	<u>-</u>	<u>-</u>

*Liabilities measured at fair value*

	<u>2015</u> US\$	<u>2014</u> US\$
Level 2	<u>2,850,657</u>	<u>3,481,313</u>

**TRUST ENERGY RESOURCES PTE. LTD.**

**NOTES TO FINANCIAL STATEMENTS  
MARCH 31, 2015**

**4. FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL RISKS MANAGEMENT  
(cont'd)**

The fair value of Level 2 derivative instruments were estimated based on discounted cash flows. Future cash flows are estimated based on the contracted premium payables and interest rate cap compared to the market interest rates, discounted at a rate that reflects the credit risk of the various counterparties. There were no significant transfers between Level 1 and Level 2 of the fair value hierarchy in the period.

**5. HOLDING COMPANY AND RELATED COMPANIES**

The Company is a subsidiary of Khopoli Investments Ltd, incorporated in Mauritius. The ultimate holding company is The Tata Power Company Limited, incorporated in India. The Company is effectively a wholly-owned subsidiary of its ultimate holding company as the ultimate holding company owns 100% equity interest in its other shareholder. Related companies in these financial statements refer to members of the ultimate holding company's group of companies.

Many of the Company's transactions and arrangements are between members of the group and the effect of these on the basis determined between the parties is reflected in these financial statements.

The intercompany balances are unsecured, interest-free and repayable on demand unless otherwise stated.

Significant intercompany transactions:

	<u>2015</u> US\$	<u>2014</u> US\$
<u>Holding Company</u>		
Sale of goods	2,852,799	24,897,449
Commission income	-	361,534
Financial guarantee expense	<u>(303,694)</u>	<u>(240,477)</u>
<u>Fellow subsidiaries</u>		
Consultancy fee expense	-	(332,500)
Freight income	15,328,772	13,741,925
Compensation income	16,089,956	16,686,746
Interest income	327,934	282,623
Management fee income	1,559,411	989,788
Miscellaneous income	<u>26,279</u>	<u>30,910</u>

**TRUST ENERGY RESOURCES PTE. LTD.**

**NOTES TO FINANCIAL STATEMENTS  
MARCH 31, 2015**

**6. OTHER RELATED PARTY TRANSACTIONS**

Some of the Company's transactions and arrangements are with related parties and the effect of these on the basis determined between the parties is reflected in these financial statements. The balances are unsecured, interest-free and repayable on demand unless otherwise stated.

	<u>2015</u> US\$	<u>2014</u> US\$
<u>Associates of the Holding Company</u>		
Purchase of goods	(2,793,461)	(24,230,783)
Commission income	<u>-</u>	<u>8,424,897</u>
<u>Joint venture</u>		
Management fee income	<u>-</u>	<u>18,000</u>

***Compensation of directors and key management personnel***

The remuneration of directors during the year was as follows:

	<u>2015</u> US\$	<u>2014</u> US\$
Short-term benefits	632,874	562,502
Post-employment benefits	<u>8,960</u>	<u>8,723</u>
	<u>641,834</u>	<u>571,225</u>

There are no key management personnel apart from the Company's directors.

**7. CASH AND CASH EQUIVALENTS**

	<u>2015</u> US\$	<u>2014</u> US\$
Cash in hand	478	1,179
Cash at bank	1,375,637	1,721,019
Fixed deposits	<u>4,001,565</u>	<u>11,828,227</u>
Cash and cash equivalents	<u>5,377,680</u>	<u>13,550,425</u>

**TRUST ENERGY RESOURCES PTE. LTD.**

**NOTES TO FINANCIAL STATEMENTS  
MARCH 31, 2015**

**7. CASH AND CASH EQUIVALENTS (cont'd)**

Fixed deposits comprise principally of interest-bearing time deposits held in banks with maturity dates of more than one day but less than three months. The average interest rate for the time deposits ranges from 0.05% to 0.44% (2014 : 0.05% to 1.2%) per annum.

The Company has executed a Deed of Release with the Singapore Branch of the Austrian Bank-Raiffeisen Bank International AG to extinguish the bank's right, title, benefit, interest in the goods financed and terminate the banking, credit and other facilities taken up with the bank.

**8. TRADE RECEIVABLES**

	<u>Note</u>	<u>2015</u> US\$	<u>2014</u> US\$
Holding company	5	126,077	80,231
Fellow subsidiary	5	20,430,746	18,326,632
Other related party	6	8,803,366	9,353,366
Outside parties		338,714	74,722
		<u>29,698,903</u>	<u>27,834,951</u>

The carrying amount of trade receivables approximates its fair values and is denominated in United States dollars.

The average credit period is 30 days (2014 : 30 days). Interest is charged on the trade receivables at 1.979% per annum (2014 : 1.904% per annum) plus applicable variable interest to the fellow subsidiary on trade receivables for the first 180 days beyond the credit period of 3 days from the date of invoice. The outstanding balance with fellow subsidiary is unsecured. There is no allowance for doubtful debt arising from the outstanding balance.

Before accepting any new customer, the Company will assess the potential customer's credit quality. Limits are monitored periodically by management. At the end of the reporting period, the Company's trade receivables were due from seven (2014 : six) customers.

All of the trade receivables which are not past due and not impaired has been assessed by management to be recoverable.

**TRUST ENERGY RESOURCES PTE. LTD.**

**NOTES TO FINANCIAL STATEMENTS  
MARCH 31, 2015**

**8. TRADE RECEIVABLES (cont'd)**

Included in the trade receivables balance is an amount due from a related party amounting US\$9,310,072 (2014 : US\$8,646,586) which is past due at the end of the reporting period. The Company does not hold any collateral over these balances. The average age of these receivables are between 366 days to 730 days (2014 : 33 to 353 days). The Company has not recognised an allowance for doubtful receivables as there has not been a significant change in credit quality and the amounts are still considered recoverable.

In determining the recoverability of a trade receivable the Company considers any change in the credit quality of the trade receivable from the date credit was initially granted up to the reporting date. Accordingly, management believes that there is no allowances required.

**9. OTHER RECEIVABLES AND PREPAYMENTS**

	<u>Note</u>	<u>2015</u> <u>US\$</u>	<u>2014</u> <u>US\$</u>
Deposits		61,453	61,509
Fellow subsidiaries	5	32,203,006	8,613,334
Joint Venture	6	-	8,000
Prepayments		321,195	334,002
Others		<u>467,092</u>	<u>-</u>
		<u>33,052,746</u>	<u>9,016,845</u>

Of the other receivables balance at the end of the year, US\$103,675 (2014 : US\$8,000) is past due but not impaired as there has not been a significant change in the credit quality of these receivables and amounts are still considered recoverable. There is no allowance for doubtful debt arising from the outstanding balance.

The Company's other receivables and prepayments are non-trade in nature, unsecured, and interest-free.

**TRUST ENERGY RESOURCES PTE. LTD.**

**NOTES TO FINANCIAL STATEMENTS  
MARCH 31, 2015**

**10. NON-CURRENT ASSETS HELD FOR SALE**

In 2013, the management resolved to dispose of the Company's investment division to a newly incorporated subsidiary of the holding company. The subsidiary was incorporated by the holding company subsequent to the end of the reporting period. The investments held by the investment division, which were expected to be sold within 12 months, have been classified as non-current assets held for sale and are presented separately in the statement of financial position.

In 2014 and 2015, there are circumstances which are beyond the Company's control which caused the delay in the completion of the disposals. The Company remains committed to disposing the remaining investments within the 12 months and accordingly, these investments continue to be classified as non-current assets held for sale.

The assets and liabilities comprising the discontinued operation classified as held for sale are as follows:

	<u>Note</u>	<u>2015</u> US\$	<u>2014</u> US\$
Investment in subsidiary	11	-	-
Investments in joint ventures	12	789,065	23,146,941
Total assets classified as held for sale		<u>789,065</u>	<u>23,146,941</u>

The proceeds of the sale are expected to approximate the net carrying amount of the investments and accordingly, no gain or loss has been recognised on the classification of these investments held for sale.

The results of investment division for the reporting period are as follows:

	<u>2015</u> US\$	<u>2014</u> US\$
Other operating income	16	20,964
Exchange gain	-	32,640
Other operating expenses	(9,023)	(48,066)
Finance costs	<u>(28,251)</u>	<u>(151,699)</u>
Loss before tax	(37,258)	(146,161)
Income tax benefit (expense)	-	-
Loss for the year	<u>(37,258)</u>	<u>(146,161)</u>

**TRUST ENERGY RESOURCES PTE. LTD.**

**NOTES TO FINANCIAL STATEMENTS  
MARCH 31, 2015**

**10. NON-CURRENT ASSETS HELD FOR SALE (cont'd)**

During the year, the investment division contributed cash outflow of US\$37,258 (2014 : cash outflow of US\$191,280) to the Company's net operating cash flows. Consistent with prior year, there were no contribution to the Company's net financing cash flows or cash paid in respect of investing activities.

**11. INVESTMENT IN SUBSIDIARY**

	<u>2015</u> US\$	<u>2014</u> US\$
Quoted equity investment – at cost	3,586,698	3,586,698
Less: Impairment loss on investment in subsidiary	<u>(3,586,698)</u>	<u>(3,586,698)</u>
	<u>-</u>	<u>-</u>

Quoted investment represents investment in the share capital in PT Sumber Energi Andalan Tbk (SEA) (formerly known as PT Itamaraya Tbk), a company listed in Indonesia.

The Company owns a total of 32,167,900 (March 31, 2014 : 32,167,900) common shares representing 94.61% (2014 : 94.61%) of the paid up equity shares of SEA as at the end of the period. Since the Company is a majority shareholder, it has the power to appoint the President Director, the Directors, President Commissioner, and the Commissioners. Accordingly, SEA is controlled by the Company and its accounts are consolidated in the holding company's financial statements.

The investment has been fully impaired. The table below depicts the movement in impairment losses:

	<u>2015</u> US\$	<u>2014</u> US\$
Balance at beginning and end of the year	<u>(3,586,698)</u>	<u>(3,586,698)</u>

In March 2013, the Company resolved to sell the investment to a subsidiary of the holding company. Accordingly, the carrying amount of the investment as at March 31, 2013 was classified as "Non-current assets held for sale" in Note 10 to the financial statements.

In 2015, there are circumstances which are beyond the Company's control which caused the delay in the completion of the disposals. The Company remains committed to disposing the remaining investments within the 12 months and accordingly, these investments continue to be classified as non-current assets held for sale.

**TRUST ENERGY RESOURCES PTE. LTD.**

**NOTES TO FINANCIAL STATEMENTS**

**MARCH 31, 2015**

**12. INVESTMENTS IN JOINT VENTURES**

	<u>2015</u> US\$	<u>2014</u> US\$
Investments in joint ventures – at cost	789,065	23,146,941
Reclassified as non-current assets held for sale (Note 10)	<u>(789,065)</u>	<u>(23,146,941)</u>
	<u>-</u>	<u>-</u>

In 2013, the Company resolved to sell the investments to a subsidiary of the holding company. Accordingly, the carrying amounts of the investment as at March 31, 2013 was classified as “Non-current assets held for sale” in Note 10 to the financial statements.

In 2014 and 2015, there are circumstances which are beyond the Company’s control which caused the delay in the completion of the disposals. The Company remains committed to disposing the remaining investments within the 12 months and accordingly, these investments continue to be classified as non-current assets held for sale.

The Company has the following significant interests in joint ventures:

- a. Interest in 7,500 (2014 : 7,500) common shares representing 30% equity shareholding with equivalent voting power, in PT Kalimantan Prima Power, a joint venture established in Indonesia. Although the Company holds less than 50% of the voting power in PT Kalimantan Prima Power, the Company exercises joint control over the entity by virtual of the provisions of the joint venture agreement entered into with the counterparty joint venturer. The investment amounts to US\$750,000 (2014 : US\$750,000).
- b. Interest in 750 (2014 : 750) common shares representing 3% direct equity shareholding with equivalent voting power, in PT Citra Prima Buana, established in Indonesia. The Company also has an indirect shareholding of 27% in PT Citra Prima Buana via its joint venture PT Kalimantan Prima Power, resulting in a 30% total shareholding interest in PT Citra Prima Buana. Although the Company holds less than 50% of the voting power in PT Citra Prima Buana, the Company exercises joint control over the entity by virtual of the provisions of the joint venture agreement entered into with the counterparty joint venturer. The investment is carried at cost at US\$7,813 (March 31, 2014 : US\$7,813).
- c. Interest in 3,000 (2014 : 3,000) common shares representing 3% direct equity shareholding with equivalent voting power, in PT Guruh Agung, established in Indonesia. The Company also has an indirect shareholding of 27% in PT Guruh Agung via its joint venture PT Kalimantan Prima Power, resulting in a 30% total shareholding interest in PT Guruh Agung, an associate. Although the Company holds less than 50% of the voting power in PT Guruh Agung, the Company exercises joint control over the entity by virtual of the provisions of the joint venture agreement entered into with the counterparty joint venturer. The investment is carried at cost at US\$31,252 (March 31, 2014 : US\$31,252).

**TRUST ENERGY RESOURCES PTE. LTD.**

**NOTES TO FINANCIAL STATEMENTS  
MARCH 31, 2015**

**12. INVESTMENTS IN JOINT VENTURES (CON'T)**

- d. In 2014, 22,357,876 common shares representing 37.07% of the paid up equity shares of OTP Geothermal Pte Ltd, a joint venture established in Singapore was sold to a related company for its carrying amount of US\$22,357,876. The consideration of US\$22,357,876 (2014 : US\$Nil) remained unpaid and is disclosed as "Other receivables and prepayments" (Note 9).

**13. RESTRICTED CASH**

	<u>2015</u> US\$	<u>2014</u> US\$
Fixed deposits with banks	<u>2,005,750</u>	<u>2,019,236</u>

Restricted cash represents fixed deposit of US\$2,005,750 (2014 : US\$2,019,236) pledged with Industrial Credit and Investment Corporation of India (ICICI) Bank and placed on August 25, 2011 for the Company's term loan. The deposit bears an interest rate of 0.5% (2014 : 1.6%) per annum and matures on September 7, 2015 (2014 : August 26, 2014).

The restricted cash balance is denominated in United States dollars.

**14. AVAILABLE-FOR-SALE FINANCIAL ASSETS**

	<u>2015</u> US\$	<u>2014</u> US\$
Quoted equity investment – at cost	-	35,751,870
Unquoted equity investments – at cost	-	<u>9,569,388</u>
	-	45,321,258
Less: Impairment on available-for-sale financial assets	-	(37,728,621)
Less: Disposed during the period	-	<u>(7,592,637)</u>
	<u>-</u>	<u>-</u>

All available-for-sale financial assets are disposed during the year ended March 31, 2014 to a subsidiary of the holding company. The consideration of US\$7,592,637 (2014 : US\$7,592,637) remained unpaid and is disclosed as "Other receivables and prepayments from fellow subsidiaries." (Note 9).

**TRUST ENERGY RESOURCES PTE. LTD.**

**NOTES TO FINANCIAL STATEMENTS  
MARCH 31, 2015**

**15. PROPERTY, PLANT AND EQUIPMENT**

	Leasehold improvements	Furniture and fixtures	Tools and equipment	Vessels <sup>(1)</sup>	Dry docking	Total
	US\$	US\$	US\$	US\$	US\$	US\$
<b>Cost:</b>						
As at April 1, 2013	28,839	10,021	61,228	188,901,676	2,200,000	191,201,764
Additions	-	-	6,558	-	32,538	39,096
Disposals	-	(3,238)	(15,972)	-	-	(19,210)
As at March 31, 2014	28,839	6,783	51,814	188,901,676	2,232,538	191,221,650
Write-off	(28,839)	(5,539)	(25,108)	-	-	(59,486)
Additions	-	-	34,380	-	36,219	70,599
As at March 31, 2015	-	1,244	61,086	188,901,676	2,268,757	191,232,763
<b>Accumulated depreciation:</b>						
As at April 1, 2013	12,047	5,498	26,076	14,526,940	804,632	15,375,193
Depreciation for the year	9,695	2,343	18,738	7,945,084	445,884	8,421,744
Disposals	-	(3,238)	(15,972)	-	-	(19,210)
As at March 31, 2014	21,742	4,603	28,842	22,472,024	1,250,516	23,777,727
Write-off	(28,839)	(5,539)	(25,108)	-	-	(59,486)
Depreciation for the year	7,097	2,000	21,415	7,945,083	449,575	8,425,170
As at March 31, 2015	-	1,064	25,149	30,417,107	1,700,091	32,143,411
<b>Carrying amount:</b>						
As at March 31, 2015	-	180	35,937	158,484,569	568,666	159,089,352
As at March 31, 2014	7,097	2,180	22,972	166,429,652	982,022	167,443,923

<sup>(1)</sup> Pledged against ICICI bank loan.

**16. PREPAYMENT FOR VESSEL**

Prepayment for vessel represents the direct and related costs incurred towards construction and acquisition of vessels. The construction and acquisition is still in progress. Vessel construction is scheduled to be completed before financial year ending March 31, 2017.

The borrowing costs and other costs capitalised in costs of construction in progress during the year was US\$208,330 (2014 : US\$Nil) and US\$107,158 (2014 : US\$Nil) respectively. 30% advance payment amounting to US\$15,622,500 (2014 : US\$Nil) has been made during the year. Commitment towards balance of payment for vessel construction costs to be incurred over the next two years is US\$36,452,500 (2014 : US\$Nil).

**TRUST ENERGY RESOURCES PTE. LTD.**

**NOTES TO FINANCIAL STATEMENTS  
MARCH 31, 2015**

**17. TRADE PAYABLES**

	<u>Note</u>	<u>2015</u> US\$	<u>2014</u> US\$
Holding company	5	-	10,124
Fellow subsidiary	5	162,150	24,128
Other related party	6	13,427	13,427
Outside parties		<u>474,397</u>	<u>286,509</u>
		<u>649,974</u>	<u>334,188</u>

The average credit period on purchases of goods is 3 days (2014 : 3 days). No interest is charged on trade payables.

**18. OTHER PAYABLES**

	<u>Note</u>	<u>2015</u> US\$	<u>2014</u> US\$
Holding company	5	96,970	59,323
Fellow subsidiary	5	7,000,000	7,000,000
Subsidiary	5	-	82,500
Accrued expenses		1,027,511	818,283
Deferred revenue		<u>393,366</u>	<u>102,622</u>
		<u>8,517,847</u>	<u>8,062,728</u>

The Company's other payables are non-trade in nature, unsecured, interest-free and are repayable within the next twelve months.

In 2013, the Company entered into a loan agreement with a related company for a loan of US\$7,000,000 (2014 : US\$7,000,000) in relation to the Company's investments. The loan does not bear interest and is repayable on demand. Under the loan agreement, the related company has the option to convert the outstanding amount of loan into equity shares of the Company. The related company has agreed, effectively from the commencement of the loan that the convertible option will not be exercised and accordingly, the loan drawn down has been fully recorded as other payables due to a related company.

**TRUST ENERGY RESOURCES PTE. LTD.**

**NOTES TO FINANCIAL STATEMENTS  
MARCH 31, 2015**

**19. BANK LOANS**

	<u>2015</u> US\$	<u>2014</u> US\$
Secured bank loan - at amortised cost	100,226,388	105,095,863
Less: Amount due for settlement within 12 months (disclosed under current liabilities)	<u>(23,829,723)</u>	<u>(11,849,599)</u>
Amount due for settlement after 12 months	<u>76,396,665</u>	<u>93,246,264</u>

The carrying amount of bank loan approximates its fair value based on management's best estimate.

The Company has the following borrowing arrangements:

Long term loan from ICICI Bank:

- a) A committed long term loan facility with ICICI bank for US\$141.84 million for financing the construction of two gearless cape size dry bulk carriers being built by a third party, STX Offshore & Shipbuilding Co. Ltd, in Jinhae, South Korea. The loan represents 80% of the cost of the two ships as per the shipbuilding contract in which the cost of each ship is US\$88.65 million. The loan was drawn in various tranches representing the various milestones during shipbuilding such as steel cutting, keel laying, launching, and delivery. The interest was serviced during the construction period of the ships while the repayment of the principal outstanding commenced only after the delivery of the vessels, in 48 equal instalments, payable every 3 months after the first repayment date. During the current financial year, the Company has repaid US\$21.9 million (2014 : US\$16.2 million) including interest thereon. The interest is computed for the actual number of days at a floating rate of 3 month LIBOR plus 3.3% per annum (basis 360 days). As at March 31, 2015, bank loan amounting to US\$88,246,264 (2014 : US\$105,095,863) comprises outstanding loan principal of US\$90,062,979 (2014 : US\$107,134,468) and prepaid upfront fees of US\$1,816,715 (2014 : US\$2,038,605).
- b) The Company entered into a derivative agreement on January 4, 2011 as this was mandated in the facility agreement. Under the terms of the agreement, the Company had capped the interest at the strike rate of 2.5% with quarterly payment of premium at the rate of 1.21% p.a. This arrangement has been effective from the date the vessels have been delivered. The management has obtained the valuation of this derivative instrument from the ICICI bank and consequently accounted for a gain of US\$630,656 (2014 : US\$1,835,116) in the profit or loss. As at the end of the reporting period, the carrying amount of the derivative instrument is US\$2,850,657 (2014 : US\$3,481,313).

**TRUST ENERGY RESOURCES PTE. LTD.**

**NOTES TO FINANCIAL STATEMENTS  
MARCH 31, 2015**

**19. BANK LOANS (cont'd)**

- c) The holding company has issued a corporate guarantee to ICICI bank for an amount of US\$27.9 million (2014 : US\$27.9 million) as specified in the loan agreement.
- d) The lender has created the following security for granting the loan and subsequent to delivery of the vessels: 1) Mortgage over the vessels; 2) Assignment of all insurances; 3) Assignment of the Ship Management and Crew Management Contract; 4) Assignment of charter contracts/contracts of affreightment.
- e) The Company has satisfied all loan covenants specified in the loan agreement as at March 31, 2015 and 2014.
- f) As at March 31, 2015 and 2014, there were no undrawn committed borrowing facilities in respect of which all condition precedent had been met.

Short term loan from RBS Bank:

- a) A short term loan facility with RBS bank for US\$15 million for financing the construction of one dry bulk carrier which is being built by third parties, Jiangsu Tianyuan Marine Import & Export Co. Ltd, Jiangsu New Yangzi Shipbuilding Co. and Jiangsu Yangzi Xinfu Shipbuilding Co. Ltd, in Jiangsu, China, as Citibank working capital facility cannot be utilised for drawdown of longer tenure period.
- b) US\$15 million drawdown was made to repay Citibank working capital facility for ship financing. During the current financial year, the Company has repaid US\$5.1 million including interest thereon. The interest is computed for the actual number of days at a floating rate of 1 month LIBOR plus 2.1% per annum (basis 360 days). As at March 31, 2015, outstanding bank loan amounts to US\$10,000,000.
- c) The holding company has issued a corporate guarantee to RBS bank for an amount of US\$15.05 million as specified in the loan agreement.

Short term loan from ICICI Working Capital Demand Loan:

- a) A short term working capital facility with ICICI bank for US\$25 million was taken up without any corporate guarantee from holding company.
- b) During the current financial year, US\$1,980,124 million drawdown was made and rolled over as at March 31, 2015. Total interest paid was US\$609. The interest is computed for the actual number of days at a floating rate of 1 month LIBOR plus 1.5% per annum (basis 360 days).

**TRUST ENERGY RESOURCES PTE. LTD.**

**NOTES TO FINANCIAL STATEMENTS  
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**20. SHARE CAPITAL**

	<u>2015</u>	<u>2014</u>
	Number of ordinary shares	
<u>Issued and fully paid:</u>		
At the beginning and end of year	<u>129,153,344</u>	<u>129,153,344</u>
	<u>2015</u>	<u>2014</u>
	US\$	US\$
<u>Issued and fully paid:</u>		
At the beginning and end of year	<u>129,153,344</u>	<u>129,153,344</u>

Fully paid ordinary shares, which have no par value, carry one vote per share and carry a right to dividends as and when declared by the Company.

**21. OTHER OPERATING INCOME**

	<u>Note</u>	<u>2015</u>	<u>2014</u>
		US\$	US\$
<b>Continuing operations</b>			
Commission income		90,466	8,853,118
Interest income		385,710	380,425
Management service fee		1,990,259	989,788
Others		870	32,336
		<u>2,467,305</u>	<u>10,255,667</u>
<b>Discontinued operations</b>			
Interest income		16	2,964
Management service fee		-	18,000
	10	<u>16</u>	<u>20,964</u>
		<u>2,467,321</u>	<u>10,276,631</u>

**TRUST ENERGY RESOURCES PTE. LTD.**

**NOTES TO FINANCIAL STATEMENTS  
MARCH 31, 2015**

**22. OPERATING EXPENSES**

	<u>Note</u>	<u>2015</u> US\$	<u>2014</u> US\$
<b>Continuing operations</b>			
Professional fees		351,081	365,814
Rental expenses		175,356	137,568
Others		<u>581,569</u>	<u>393,981</u>
		<u>1,108,006</u>	<u>897,363</u>
<b>Discontinued operations</b>			
Professional fees		-	38,991
Others		<u>9,023</u>	<u>9,075</u>
	10	<u>9,023</u>	<u>48,066</u>
		<u>1,117,029</u>	<u>945,429</u>

**23. FINANCE COSTS**

	<u>2015</u> US\$	<u>2014</u> US\$
<b>Continuing operations</b>		
Interest on borrowings	5,333,474	5,781,135
Interest on trade financing	-	<u>10,745</u>
Total borrowing costs	<u>5,333,474</u>	5,791,880
Other finance charges	303,694	240,477
Fair value gain on interest cap	<u>(630,656)</u>	<u>(1,835,116)</u>
	<u>5,006,512</u>	<u>4,197,241</u>
<b>Discontinued operations</b>		
Interest on borrowings	326	358
Other finance charges	<u>27,925</u>	<u>151,341</u>
	<u>28,251</u>	<u>151,699</u>
	<u>5,034,763</u>	<u>4,348,940</u>

**TRUST ENERGY RESOURCES PTE. LTD.**

**NOTES TO FINANCIAL STATEMENTS  
MARCH 31, 2015**

**24. PROFIT BEFORE TAX**

Profit (Loss) before tax is arrived after charging:

	<u>2015</u> US\$	<u>2014</u> US\$
<b>Continuing operations</b>		
Staff defined contribution plan	108,420	113,338
Depreciation expense	<u>8,425,170</u>	<u>8,421,744</u>

**25. INCOME TAX EXPENSE**

	<u>Continuing</u> <u>operations</u>		<u>Discontinued</u> <u>operations</u>		<u>Total</u>	
	<u>2015</u> US\$	<u>2014</u> US\$	<u>2015</u> US\$	<u>2014</u> US\$	<u>2015</u> US\$	<u>2014</u> US\$
Tax expense comprises:						
Current tax expense (benefit)	-	1,370,719	-	-	-	1,370,719
Withholding tax	6,359	-	-	-	6,359	-
Adjustment recognised in the current year in relation to current tax of prior year	<u>-</u>	<u>6,918</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>6,918</u>
	<u>6,359</u>	<u>1,377,637</u>	<u>-</u>	<u>-</u>	<u>6,359</u>	<u>1,377,637</u>

Domestic income tax is calculated at 17% (2014 : 17%) of the estimated assessable loss for the financial year.

**TRUST ENERGY RESOURCES PTE. LTD.**

**NOTES TO FINANCIAL STATEMENTS  
MARCH 31, 2015**

**25. INCOME TAX EXPENSE (cont'd)**

The total charge for the year can be reconciled to the accounting profit as follows:

	<u>2015</u> US\$	<u>2014</u> US\$
Profit before tax:		
Continuing operations	9,030,438	19,305,511
Discontinued operations	(37,258)	(146,161)
Profit before tax	<u>8,993,180</u>	<u>19,159,350</u>
Tax expense at the statutory rate	1,528,840	3,257,089
Effect of items that are tax exempt	(1,544,004)	(1,832,959)
Effect of non-deductible items	7,860	22,780
Withholding tax	6,359	-
Others	7,304	(76,191)
Adjustment recognised in the current year in relation to current tax of prior year	-	6,918
	<u>6,359</u>	<u>1,377,637</u>

With effect from August 1, 2011, the Company has been awarded the status of Approved International Shipping Enterprise (AIS) pursuant to the Maritime Sector Incentive Scheme of Maritime and Port Authority of Singapore (MPA) for a period of 10 years. This status entitles the Company to claim tax exemption under section 13F of Singapore Income tax act for all the incomes arising out of qualifying shipping operations.

This approval has been granted subject to satisfaction of certain conditions which are required to be met by the end of 5 years from the date of commencement of exemption period and will be subject to review by MPA at the end of 5<sup>th</sup> year.

The award of the Maritime Sector Incentive – Approved International Shipping Enterprise (MSI-AIS) status to Energy Eastern Pte Ltd is pegged to the MSI-AIS status of Trust Energy Resources Pte Ltd, which ends on July 31, 2021. Once the MSI –AIS status of Trust Energy Resources Pte Ltd is withdrawn, revoked or expires without renewal, the MSI-AIS sister status for Energy Eastern Pte Ltd would also be withdrawn with effect from that same date of expiry, withdrawal or revocation.

**TRUST ENERGY RESOURCES PTE. LTD.**

**NOTES TO FINANCIAL STATEMENTS  
MARCH 31, 2015**

**26. OPERATING LEASE ARRANGEMENTS**

	<u>2015</u> US\$	<u>2014</u> US\$
Minimum lease payments under operating leases recognised as an expense in the year	<u>201,635</u>	<u>137,568</u>

At the end of the reporting period, the Company has outstanding commitments under non-cancellable operating leases, which fall due as follows:

	<u>2015</u> US\$	<u>2014</u> US\$
Within one year	185,874	152,629
In the second to fifth years inclusive	<u>139,406</u>	<u>-</u>

Operating lease payments represent rentals payable by the Company for its office properties. Leases are negotiated for an average term of 2 years (2014 : 3 years) and rentals are fixed for an average of 2 years (2014 : 3 years).

**TRUST ENERGY RESOURCES PTE. LTD.**  
**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED 31 MARCH 2015**

	Year ended March, 2015	Exchange Rate	Amount ₹	Year ended March, 2014	Exchange Rate	Amount ₹
<b>Continuing operations</b>						
Income from sale of goods	2,852,799	61.15	174,440,386	24,897,449	60.50	1,506,295,665
Freight income	15,328,772	61.15	937,309,954	13,741,925	60.50	831,386,463
Vessel operating income	27,044,458	61.15	1,653,690,178	27,586,092	60.50	1,668,958,566
Other operating income	2,467,305	61.15	150,868,546	10,255,667	60.50	620,467,854
Exchange gain	4,179	61.15	255,534	73,661	60.50	4,456,491
Purchases	(2,793,461)	61.15	(170,812,039)	(24,230,783)	60.50	(1,465,962,372)
Freight expense	(14,977,535)	61.15	(915,832,830)	(13,458,653)	60.50	(814,248,507)
Vessel operating expense	(4,204,264)	61.15	(257,078,551)	(4,106,772)	60.50	(248,459,706)
Staff and related costs	(2,152,127)	61.15	(131,596,325)	(1,936,728)	60.50	(117,172,044)
Operating expenses	(1,108,006)	61.15	(67,751,354)	(897,363)	60.50	(54,290,462)
Depreciation expenses	(8,425,170)	61.15	(515,174,713)	(8,421,743)	60.50	(509,515,452)
Interest and finance charges	(5,006,512)	61.15	(306,133,690)	(4,197,241)	60.50	(253,933,081)
<b>Profit before income tax</b>	<b>9,030,438</b>	<b>61.15</b>	<b>552,185,096</b>	<b>19,305,511</b>	<b>60.50</b>	<b>1,167,983,415</b>
Taxation	(6,359)	61.15	(388,834)	(1,377,637)	60.50	(83,347,039)
<b>Profit for the year from continuing operations</b>	<b>9,024,079</b>	<b>61.15</b>	<b>551,796,262</b>	<b>17,927,874</b>	<b>60.50</b>	<b>1,084,636,376</b>
<b>Discontinued operations</b>						
Loss for the year from discontinued operations	(37,258)	61.15	(2,278,219.00)	(146,161)	60.50	(8,842,741)
<b>Total Profit for the year, representing total comprehensive income for the year</b>	<b>8,986,821</b>	<b>61.15</b>	<b>549,518,043</b>	<b>17,781,713</b>	<b>60.50</b>	<b>1,075,793,635</b>

**TRUST ENERGY RESOURCES PTE. LTD.**  
**STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2015**

	As at March, 2015 USD	Exchange Rate	Amount ₹	As at March, 2014 USD	Exchange Rate	Amount ₹
<b>ASSETS</b>						
<b>Current assets</b>						
Cash and cash equivalents	5,377,680	62.50	336,091,556	13,550,425	59.89	811,534,953
Trade receivables	29,698,903	62.50	1,856,107,190	27,834,951	59.89	1,667,035,215
Other receivables and prepayments	33,052,746	62.50	2,065,713,993	9,016,845	59.89	540,018,847
	<u>68,129,329</u>	62.50	<u>4,257,912,739</u>	<u>50,402,221</u>	59.89	<u>3,018,589,015</u>
Non-current assets held for sale	789,065	62.50	49,314,590	23,146,941	59.89	1,386,270,296
Total current assets	<u>68,918,394</u>	62.50	<u>4,307,227,329</u>	<u>73,549,162</u>	59.89	<u>4,404,859,311</u>
<b>Non-current assets</b>						
Investment in subsidiary	-	62.50	-	-	59.89	-
Investments in joint ventures	-	62.50	-	-	59.89	-
Restricted cash	2,005,750	62.50	125,354,361	2,019,236	59.89	120,932,044
Available-for-sale financial assets	-	62.50	-	-	59.89	-
Property, plant and equipment	159,089,352	62.50	9,942,686,777	167,443,923	59.89	10,028,216,548
Prepayment for vessel	15,937,988	62.50	996,084,405	-	59.89	-
Total current assets	<u>177,033,090</u>	62.50	<u>11,064,125,543</u>	<u>169,463,159</u>	59.89	<u>10,149,148,592</u>
<b>TOTAL ASSETS</b>	<b><u>245,951,484</u></b>	<b>62.50</b>	<b><u>15,371,352,872</u></b>	<b><u>243,012,321</u></b>	<b>59.89</b>	<b><u>14,554,007,903</u></b>
<b>LIABILITIES AND EQUITY</b>						
<b>Current liabilities</b>						
Trade payables	649,974	62.50	40,621,750	334,188	59.89	20,014,519
Other payables	8,517,847	62.50	532,344,143	8,062,728	59.89	482,876,780
Current portion of bank loans	23,829,723	62.50	1,489,298,113	11,849,599	59.89	709,672,484
Income tax payable	86,647	62.50	5,415,221	1,405,079	59.89	84,150,181
	<u>33,084,191</u>	62.50	<u>2,067,679,227</u>	<u>21,651,594</u>	59.89	<u>1,296,713,964</u>
<b>Non-current liabilities</b>						
Derivative financial instruments	2,850,657	62.50	178,158,936	3,481,313	59.89	208,495,836
Non-current portion of bank loans	76,396,665	62.50	4,774,600,571	93,246,264	59.89	5,584,518,751
	<u>79,247,322</u>	62.50	<u>4,952,759,507</u>	<u>96,727,577</u>	59.89	<u>5,793,014,587</u>
<b>Capital and accumulated losses</b>						
Share capital	129,153,344	46.37	5,989,014,205	129,153,344	46.37	5,989,014,205
Accumulated losses	4,466,627	152.68	681,948,664	(4,520,194)	-29.30	132,430,621
	-		1,679,951,269	-		1,342,834,526
	<u>133,619,971</u>	62.50	<u>8,350,914,138</u>	<u>124,633,150</u>	59.89	<u>7,464,279,352</u>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b><u>245,951,484</u></b>	<b>62.50</b>	<b><u>15,371,352,872</u></b>	<b><u>243,012,321</u></b>	<b>59.89</b>	<b><u>14,554,007,903</u></b>

**TRUST ENERGY RESOURCES PTE. LTD.  
STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 MARCH 2015**

	Stated capital	Exchange Rate	Amount	Accumulated losses	Exchange Rate	Amount	Total	Exchange Rate	Amount
	USD		₹	USD		₹	USD		₹
<b>Balance as at April 1, 2013</b>	129,153,344	46.37	5,989,014,205	(22,301,907)	42.30	(943,363,014)	106,851,437	47.22	5,045,651,191
Profit for the year, representing total comprehensive income for the year	-		-	17,781,713	60.50	1,075,793,635	17,781,713	60.50	1,075,793,635
<b>Balance as at March 31, 2014</b>	<u>129,153,344</u>	<u>46.37</u>	<u>5,989,014,205</u>	<u>(4,520,194)</u>	<u>(29.30)</u>	<u>132,430,621</u>	<u>124,633,150</u>	<u>49.12</u>	<u>6,121,444,826</u>
Profit for the year, representing total comprehensive income for the year				8,986,821	61.15	549,518,043	8,986,821	61.15	549,518,043
<b>Balance as at March 31, 2015</b>	<u>129,153,344</u>	<u>46.37</u>	<u>5,989,014,205</u>	<u>4,466,627</u>	<u>152.68</u>	<u>681,948,664</u>	<u>133,619,971</u>	<u>49.92</u>	<u>6,670,962,869</u>

**TRUST ENERGY RESOURCES PTE. LTD.**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 31 MARCH 2015**

	Year ended March, 2015	Exchange Rate	Amount ₹	Year ended March, 2014	Exchange Rate	Amount ₹
	USD			USD		
<b>Operating activities</b>						
<b>Profit (Loss) before tax</b>						
Discontinuing operations	(37,258)	61.15	(2,278,219)	(146,161)	60.50	(8,842,741)
Continuing operations	9,030,438	61.15	552,185,095	19,305,511	60.50	1,167,983,415
	<u>8,993,180</u>	61.15	<u>549,906,876</u>	<u>19,159,350</u>	60.50	<u>1,159,140,674</u>
Adjustment for:						
Depreciation expense	8,425,170	61.15	515,174,713	8,421,744	60.50	509,515,512
Interest expense	5,665,419	61.15	346,423,942	6,184,056	60.50	374,135,388
Interest income	(385,726)	61.15	(23,586,026)	(383,389)	60.50	(23,195,035)
Fair value gain/loss on interest cap	(630,656)	61.15	(38,562,785)	(1,835,116)	60.50	(111,024,518)
<b>Cash flows before changes in working capital</b>	<u>22,067,387</u>	61.15	<u>1,349,356,720</u>	<u>31,546,645</u>	60.50	<u>1,908,572,021</u>
Trade receivables	(1,777,077)	61.15	(108,663,105)	3,822,682	60.50	231,272,261
Other receivables and prepayments	(1,691,934)	61.15	(103,456,857)	90,357	60.50	5,466,599
Trade payables	315,787	61.15	19,309,459	17,845	60.50	1,079,623
Trade financing		61.15	-	(4,719,538)	60.50	(285,532,049)
Other payables	149,415	61.15	9,136,294	(640,858)	60.50	(38,771,909)
<b>Cash generated from operations</b>	<u>19,063,578</u>	61.15	<u>1,165,682,511</u>	<u>30,117,133</u>	60.50	<u>1,822,086,546</u>
Interest received	307,755	61.15	18,818,326	579,659	60.50	35,069,370
Interest paid	(5,434,822)	61.15	(332,323,604)	(5,929,849)	60.50	(358,755,865)
Income taxes paid	(1,324,791)	61.15	(81,007,128)	(1,511,185)	60.50	(91,426,693)
<b>Net cash from operating activities</b>	<u>12,611,720</u>	61.15	<u>771,170,105</u>	<u>23,255,758</u>	60.50	<u>1,406,973,358</u>
<b>Investing activities</b>						
Purchase of property, plant and equipment	(70,599)	61.15	(4,316,924)	(39,096)	60.50	(2,365,308)
Payment towards construction of vessels	(15,622,500)	61.15	(955,270,570)	-	60.50	-
<b>Net cash used in investing activities</b>	<u>(15,693,099)</u>	61.15	<u>(959,587,494)</u>	<u>(39,096)</u>	60.50	<u>(2,365,308)</u>
<b>Financing activities</b>						
Proceeds from borrowings	16,980,124	61.15	1,038,285,340	-	60.50	-
Repayment of borrowings	(22,071,490)	61.15	(1,349,607,606)	(12,071,489)	60.50	(730,325,085)
Restricted cash	-	61.15	-	471,954	60.50	28,553,217
<b>Net cash used in financing activities</b>	<u>(5,091,366)</u>	61.15	<u>(311,322,266)</u>	<u>(11,599,535)</u>	60.50	<u>(701,771,868)</u>
<b>Net increase / (decrease) in cash and cash equivalents</b>	(8,172,745)	61.15	(499,739,655)	11,617,127	60.50	702,836,182
Cash and cash equivalents at the beginning of the year	13,550,425	59.89	811,534,953	1,933,298	14.77	28,553,217
Effect of exchange fluctuation on cash and cash equivalents	-		24,296,258	-		80,145,554
<b>Cash and cash equivalents at the end of the year</b>	<u>5,377,680</u>	62.50	<u>336,091,556</u>	<u>13,550,425</u>	59.89	<u>811,534,953</u>