

Company Registration No. 201309096C

Tata Power International Pte. Limited

Annual Financial Statements
31 March 2019

Tata Power International Pte. Limited

Directors' statement

The directors are pleased to present their statement to the member together with the audited financial statements of Tata Power International Pte. Limited (the "Company") for the financial year ended 31 March 2019.

Opinion of the directors

In the opinion of the directors,

- (i) the financial statements of the Company are drawn up so as to give a true and fair view of the financial position of the Company as at 31 March 2019 and of the financial performance, changes in equity and cash flows of the Company for the year ended on that date; and
- (ii) at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due as the ultimate holding company has agreed to provide continuing financial support to the Company to enable it to meet its liabilities as and when they fall due.

Directors

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

Kottamasu Venkateswara Rao
DSouza Randolph Joseph Francis
Ramesh Narayanswamy Subramanyam

Arrangements to enable directors to acquire shares and debentures

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

Directors' interests in shares and debentures

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

Share options

During the financial year, there were:

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

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

Tata Power International Pte. Limited

Directors' statement

Auditor

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

On behalf of the board of directors,

Kottamasu Venkateswara Rao
Director

DSouza Randolph Joseph Francis
Director

Singapore
_____2019

Tata Power International Pte. Limited**Statement of comprehensive income
For the financial year ended 31 March 2019**

	Note	2019 US\$	2018 US\$
Service fees income from consultancy service rendered		20,628,038	25,766,916
Service fee expense		(7,297,404)	(19,110,014)
Other income	4	18,887,337	6,863,001
Foreign exchange (loss)/gain		(53,581)	(88,875)
Staff and related costs		(991,153)	(1,102,152)
Operating expenses	5	(2,144,591)	(5,875,872)
Impairment loss on investments	11	-	(86,448,965)
Provision for foreseeable losses	3.2(a)	-	(15,000,000)
Depreciation expenses		(6,908)	(6,715)
Finance costs	6	(2,855,803)	(397,116)
Profit/(loss) before income tax	7	26,165,935	(95,399,792)
Income tax expense	8	(4,124,787)	(1,080,675)
Profit/(loss) for the year, representing total comprehensive income for the year attributable to the owner of the Company		22,041,148	(96,480,467)

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

Tata Power International Pte. Limited

**Balance sheet
As at 31 March 2019**

	Note	2019 US\$	2018 US\$
Assets			
Non-current assets			
Plant and equipment	10	7,237	13,009
Investment in subsidiary		171	171
Investment in joint ventures	11	104,031,944	102,884,644
Other receivables and prepayments	14	99,829	99,829
		104,139,181	102,997,653
Current assets			
Trade receivables	13	12,823,163	3,552,663
Other receivables and prepayments	14	20,086,734	10,016,145
Other financial asset at fair value through profit or loss	15	–	–
Cash and cash equivalents	16	1,324,593	1,928,962
		34,234,490	15,497,770
Assets classified as held for sale	12	171,094	338,600
Total assets		138,544,765	118,834,023
Equity and liabilities			
Current liabilities			
Loan and borrowings	17	87,538,450	–
Trade payables	18	15,935,084	16,419,542
Other payables	19	28,243,736	123,710,908
Income tax payable		1,540,000	313,000
Total liabilities		133,257,270	140,443,450
Net current liabilities		(99,022,780)	(124,945,680)
Net assets/(liabilities)		5,287,495	(21,609,427)
Equity attributable to the owner of the Company			
Share capital	20	85,940,000	85,940,000
Capital reserve	21	10,103,780	5,248,006
Accumulated losses		(90,756,285)	(112,797,433)
Total equity		5,287,495	(21,609,427)
Total equity and liabilities		138,544,765	118,834,023

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

Tata Power International Pte. Limited

**Statement of changes in equity
For the financial year ended 31 March 2019**

	Share capital US\$	Capital reserve US\$	Accumulated losses US\$	Total equity US\$
Balance at 1 April 2017	85,940,000	5,248,006	(16,316,966)	74,871,040
Loss for the year, representing total comprehensive income for the year	–	–	(96,480,467)	(96,480,467)
Balance at 31 March 2018 and 1 April 2018	85,940,000	5,248,006	(112,797,433)	(21,609,427)
Profit for the year, representing total comprehensive income for the year	–	–	22,041,148	22,041,148
Fair value adjustment arising from interest free loan	–	4,855,774	–	4,855,774
Balance at 31 March 2019	85,940,000	10,103,780	(90,756,285)	5,287,495

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

Tata Power International Pte. Limited

Statement of cash flows
For the financial year ended 31 March 2019

	Note	2019 US\$	2018 US\$
Operating activities			
Profit/(Loss) before income tax		26,165,935	(95,399,792)
Adjustments for:			
Depreciation of plant and equipment	10	6,908	6,715
Interest expense	6	2,847,851	386,165
Interest income	4	(632,138)	(355,227)
Dividend income	4	(17,940,000)	(6,500,000)
Impairment loss on investments	7	1,046,399	105,950,795
Total adjustments		(14,670,980)	99,488,448
Operating cash flows before changes in working capital		11,494,955	4,088,656
Changes in working capital:			
(Increase)/Decrease in trade receivables		(9,875,229)	13,647,291
Decrease/(increase) in other receivables and prepayments		427,110	(169,775)
(Decrease) in trade payables		(484,458)	(8,359,558)
(Increase)/Decrease in other payables		(97,256,284)	39,304
Total changes in working capital		(107,188,861)	5,157,262
Cash flows from/(used in) operations		(95,693,906)	9,245,918
Interest received		48,055	56,236
Interest paid		(302,965)	(210,839)
Income taxes paid		(2,293,058)	(1,801,249)
Net cash flows generated (used)/from in operating activities		(98,241,874)	7,290,066
Investing activities			
Purchase of plant and equipment		(1,136)	(1,550)
Prepaid expenses for investments	A	(792,509)	(1,092,146)
Investment in subsidiary		-	(171)
Loan to subsidiary		-	(7,899,980)
Investment in joint ventures	B	(1,147,300)	(16,355,900)
Loan to joint ventures		(10,000,000)	-
Dividends received		17,940,000	15,599,998
Net cash flows generated/(used in) from investing activities		5,999,055	(9,749,749)
Financing activity			
Proceeds from borrowings		91,638,450	-
Net cash flows generated from financing activity		91,638,450	-
Net (decrease)/increase in cash and cash equivalents		(604,369)	(2,459,683)
Cash and cash equivalents at beginning of the year		1,928,962	4,388,645
Cash and cash equivalents at end of the year	16	1,324,593	1,928,962

Note

During the financial year, the Company has the following non-cash transactions:

- A. An amount of US\$ Nil (2018: US\$1,748) remains unpaid in other payables for prepaid expenses for investments.
- B. Investment in joint venture of US\$ 99,058,015 (2018: US\$99,058,015) was acquired from a fellow subsidiary of the holding company on 21 March 2016. The total consideration of US\$99,058,015 has been paid and is disclosed as other payables (Note 18).

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

Tata Power International Pte. Limited

Notes to the financial statements For the financial year ended 31 March 2019

1. Corporation information

Tata Power International Pte. Limited (the "Company") is a private limited company incorporated and domiciled in Singapore. The ultimate holding company is The Tata Power Company Ltd, incorporated in India.

The registered office and principal place of business of the Company is located at 78 Shenton Way, #17-01 Singapore 079120.

The principal activities of the Company are those of investment holding and rendering of business and management consultancy services.

The principal activities of the joint ventures are disclosed in Note 11 to the financial statements.

2. Summary of significant accounting policies

2.1 *Basis of preparation*

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

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

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

Going concern uncertainty

The Company is in a net current liability position of US\$ 101,484,330 (2018: \$124,945,680) and net asset position of US\$ 2,825,945 (2018: US\$21,609,427 net liability). The financial statements have been prepared on a going concern basis as the ultimate holding company has agreed to provide continuing financial support to the Company to enable it to meet its liabilities as and when they fall due.

2.2 *Changes in accounting policies*

The accounting policies adopted are consistent with those of the previous financial year except that in the current financial year, the Company has adopted all the new and revised standards which are effective for annual financial periods beginning on or after 1 April 2018. The adoption of these standards did not have any effect on the financial performance or position of the Company.

2. Summary of significant accounting policies (cont'd)

2.3 Standards issued but not yet effective

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

Description	Effective for annual periods beginning on or after
FRS 116 <i>Leases</i>	1 January 2019
Amendments to FRS 110 and FRS 28 <i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i>	Date to be determined

Except for FRS 116, the directors expect that the adoption of the other standards above will have no material impact on the financial statements in the period of initial application. The nature of the impending changes in accounting policy on adoption of FRS 116 are described below.

2. Summary of significant accounting policies (cont'd)

2.3 Standards issued but not yet effective (cont'd)

FRS 116 *Leases*

FRS 116 requires lessees to recognise most leases on balance sheets to reflect the rights to use the leased assets and the associated obligations for lease payments as well as the corresponding interest expense and depreciation charges. The standard includes two recognition exemption for lessees – leases of 'low value' assets and short-term leases. The new standard is effective for annual periods beginning on or after 1 January 2019.

The Company is currently in the process of analysing the transitional approaches and practical expedients to be elected on transition to FRS 116 and assessing the possible impact of adoption.

2.4 Foreign currency

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

Transactions and balances

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

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

2.5 Consolidation

In accordance with Singapore Financial Reporting Standard No. 110 and Section 201(3BA) of the Companies Act, Chapter 50, the Company need not prepare consolidated financial statements. The financial statements of the subsidiary and joint ventures have not been consolidated or equity accounted with the Company's financial statements as the Company itself is a wholly-owned subsidiary of another company. Consolidated financial statements are prepared by the ultimate holding company, The Tata Power Company Ltd, incorporated in India, on a worldwide basis and such financial statements are publicly available. The registered address of The Tata Power Company Ltd is located at Bombay House, 24 Homi Mody Street, Mumbai 400001, India.

2.6 Plant and equipment

All items of plant and equipment are initially recorded at cost. Subsequent to recognition, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses. The cost includes the cost of replacing part of the plant and equipment that are directly attributable to the acquisition, construction or production of a qualifying plant and equipment. The cost of an item of plant and equipment is recognised as an asset if, and only if, it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.

When significant parts of plant and equipment are required to be replaced in intervals, the Company recognises such parts as individual assets with specific useful lives and depreciation, respectively. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred.

Depreciation is computed on a straight-line basis over the estimated useful lives of the assets as follows:

Tools and equipment	3 years
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The carrying values of plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

The useful life and depreciation method are reviewed at each financial year-end, and adjusted prospectively, if appropriate.

An item of plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on de-recognition of the asset is included in profit or loss in the year the asset is derecognised.

2. Summary of significant accounting policies (cont'd)

2.7 *Impairment of non-financial assets*

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

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

2. Summary of significant accounting policies (cont'd)

2.7 Impairment of non-financial assets (cont'd)

The Company bases its impairment calculation on detailed budgets and forecast calculations which are prepared separately for each of the Company's cash-generating units to which the individual assets are allocated. These budgets and forecast calculations are generally covering a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year.

Impairment losses are recognised in profit or loss.

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

2.8 Subsidiaries

A subsidiary is an investee that is controlled by the Company. The Company controls an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

In the Company's financial statements, investment in subsidiary is accounted for at cost less impairment losses.

2.9 Joint venture

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

In the Company's financial statements, investment in joint ventures are accounted for at cost less impairment losses.

2.10 Financial instruments

(a) Financial assets

Initial recognition and measurement

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

When financial assets are recognised initially, they are measured at fair value, plus, in the case of financial assets not at fair value through profit or loss, directly attributable transaction costs.

2. Summary of significant accounting policies (cont'd)

2.10 Financial instruments (cont'd)

(a) Financial assets (cont'd)

Subsequent measurement

The subsequent measurement of financial assets depends on their classification as follows:

(i) Loan and receivables

Non-derivative financial assets with fixed or determinable payments that are not quoted in an active market are classified as loans and receivables. Subsequent to initial recognition, loans and receivables are measured at amortised cost using the effective interest method, less impairment. Gains and losses are recognised in profit or loss when the loans and receivables are derecognised or impaired, and through the amortisation process.

(ii) Available-for-sale financial assets

Available-for-sale financial assets include equity and debt securities. Equity investments classified as available-for-sale are those, which are neither classified as held for trading nor designated at fair value through profit or loss. Debt securities in this category are those which are intended to be held for an indefinite period of time and which may be sold in response to needs for liquidity or in response to changes in the market conditions.

After initial recognition, available-for-sale financial assets are subsequently measured at fair value. Any gains or losses from changes in fair value of the financial assets are recognised in other comprehensive income, except that impairment losses, foreign exchange gains and losses on monetary instruments and interest calculated using the effective interest method are recognised in profit or loss. The cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss as a reclassification adjustment when the financial asset is de-recognised.

Investments in equity instruments whose fair value cannot be reliably measured are measured at cost less impairment loss.

(iii) *Financial assets at fair value through profit or loss*

Financial assets at fair value through profit or loss include financial assets held for trading. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. This category includes derivative financial instruments entered into by the Company. Derivatives, including separated embedded derivatives are also classified as held for trading.

Subsequent to initial recognition, financial assets at fair value through profit or loss are measured at fair value. Any gains or losses arising from changes in fair value of the financial assets are recognised in profit or loss. Net gains or net losses on financial assets at fair value through profit or loss include exchange differences, interest and dividend income.

2. Summary of significant accounting policies (cont'd)

2.10 Financial instruments (cont'd)

(a) Financial assets (cont'd)

(iii) Financial assets at fair value through profit or loss (cont'd)

Derivatives embedded in host contracts are accounted for as separate derivatives and recorded at fair value if their economic characteristics and risks are not closely related to those of the host contracts and the host contracts are not measured at fair value with changes in fair value recognised in profit or loss. These embedded derivatives are measured at fair value with changes in fair value recognised in profit or loss. Reassessment only occurs if there is a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required.

De-recognition

A financial asset is de-recognised where the contractual right to receive cash flows from the asset has expired. On de-recognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received and any cumulative gain or loss that has been recognised directly in other comprehensive income is recognised in profit or loss.

(b) Financial liabilities

Initial recognition and measurement

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

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

Subsequent measurement

Financial liabilities at amortised cost

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

De-recognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a de-recognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in profit or loss.

2. Summary of significant accounting policies (cont'd)

2.11 Impairment of financial assets

The Company assesses at each reporting date whether there is any objective evidence that a financial asset is impaired.

(a) Financial assets carried at amortised cost

For financial assets carried at amortised cost, the Company first assesses whether objective evidence of impairment exists individually for financial assets that are individually significant, or collectively for financial assets that are not individually significant. If the Company determines that no objective evidence of impairment exists for an individually assessed financial asset, whether significant or not, it includes the asset in a group of financial assets with similar credit risk characteristics and collectively assesses them for impairment. Assets that are individually assessed for impairment and for which an impairment loss is, or continues to be recognised are not included in a collective assessment of impairment.

If there is objective evidence that an impairment loss on financial assets carried at amortised cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate. If a loan has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate. The carrying amount of the asset is reduced through the use of an allowance account. The impairment loss is recognised in profit or loss.

When the asset becomes uncollectible, the carrying amount of impaired financial assets is reduced directly or if an amount was charged to the allowance account, the amounts charged to the allowance account are written off against the carrying value of the financial asset.

To determine whether there is objective evidence that an impairment loss on financial assets has been incurred, the Company considers factors such as the probability of insolvency or significant financial difficulties of the debtor and default or significant delay in payments.

If in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed to the extent that the carrying amount of the asset does not exceed its amortised cost at the reversal date. The amount of reversal is recognised in profit or loss.

(b) Available-for-sale financial assets

In the case of equity investments classified as available-for-sale, objective evidence of impairment include (i) significant financial difficulty of the issuer or obligor, (ii) information about significant changes with an adverse effect that have taken place in the technological, market, economic or legal environment in which the issuer operates, and indicates that the cost of the investment in equity instrument may not be recovered; and (iii) a significant or prolonged decline in the fair value of the investment below its costs.

2. Summary of significant accounting policies (cont'd)

2.11 Impairment of financial assets (cont'd)

(b) Available-for-sale financial assets (cont'd)

If an available-for-sale financial asset is impaired, an amount comprising the difference between its acquisition cost (net of any principal repayment and amortisation) and its current fair value, less any impairment loss previously recognised in profit or loss, is transferred from other comprehensive income and recognised in profit or loss. Reversals of impairment losses in respect of equity instruments are not recognised in profit or loss; increase in their fair value after impairment are recognised directly in other comprehensive income.

In the case of debt instruments classified as available-for-sale, impairment is assessed based on the same criteria as financial assets carried at amortised cost. However, the amount recorded for impairment is the cumulative loss measured as the difference between the amortised cost and the current fair value, less any impairment loss on that investment previously recognised in profit or loss. Future interest income continues to be accrued based on the reduced carrying amount of the asset, using the rate of interest used to discount the future cash flows for the purpose of measuring the impairment loss. The interest income is recorded as part of finance income. If, in a subsequent year, the fair value of a debt instrument increases and the increases can be objectively related to an event occurring after the impairment loss was recognised in profit or loss, the impairment loss is reversed in profit or loss.

2.12 Cash and cash equivalents

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

2.13 Derivative financial instruments and hedge accounting

The Company enters into a variety of derivative financial instruments to manage its exposure to foreign exchange risk, including forward foreign exchange contracts.

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.

2. Summary of significant accounting policies (cont'd)

2.14 Provisions

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

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

2.15 Financial guarantee

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

Financial guarantees are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequent to initial recognition, financial guarantees are recognised as income in profit or loss over the period of the guarantee. If it is probable that the liability will be higher than the amount initially recognised less amortisation, the liability is recorded at the higher amount with the difference charged to profit or loss.

2.16 Borrowing costs

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

2.17 Employee benefits

(a) Defined contribution plan

The Company makes contributions to the Central Provident Fund scheme in Singapore. Contributions to defined contribution pension schemes are recognised as an expense in the period in which the related service is performed.

(b) 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.

2. Summary of significant accounting policies (cont'd)

2.18 Leases

As lessee

Capitalised leased assets are depreciated over the shorter of the estimated useful life of the asset and the lease term, if there is no reasonable certainty that the Company will obtain ownership by the end of the lease term.

2.19 Revenue

IFRS 115 establishes a five-step model to account for revenue arising from contracts with customers and requires that revenue be recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer.

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is made. Revenue is measured at the fair value consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duty.

- (a) Service fees income: Service fees income from consultancy agreements to provide consultancy services is recognised in accordance with the substance of the relevant agreements. Service fee income determined on a time basis are recognised on a straight-line basis over the period of the agreement.
- (b) Interest income: Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable.
- (c) Dividend income: Dividend income from investments is recognised when the shareholders' rights to receive payment has been established.

2.20 Taxes

(a) *Current income tax*

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

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

2. Summary of significant accounting policies (cont'd)

2.20 Taxes (cont'd)

(b) Deferred tax

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

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

- Where the deferred tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

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

- Where the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

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

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

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

2. Summary of significant accounting policies (cont'd)

2.20 Taxes (cont'd)

(c) *Sales tax*

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

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

2.21 Share capital and share issuance expenses

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

2.22 Contingencies

A contingent liability is:

- (a) a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company; or
- (b) a present obligation that arises from past events but is not recognised because:
 - (i) It is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or
 - (ii) The amount of the obligation cannot be measured with sufficient reliability.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company.

Contingent liabilities and assets are not recognised on the balance sheet of the Company.

3. Significant accounting judgements and estimates

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

3.1 Judgements made in applying accounting policies

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

3.2 Key sources of estimation uncertainty

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

(a) Impairment of investment in joint ventures

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

During the year, Management has carried out the impairment assessment for its investment in joint venture i.e. Adjaristsqali Netherlands B.V. ('ABV'). As per the assessment carried out, due to increase in delay and cost overruns coupled with decreasing Turkish merchant tariff, Management is of the view that these events are significant and have resulted in impairment loss.

Accordingly, based on the impairment assessment, the amount of impairment recorded for its investments in ABV by US\$86,448,965 (2018: US\$86,448,965).

In addition to the above impairment provision, Management has made further provision of US\$15 million for its share of contribution to be made for cost overruns i.e. 50% of the total estimated cost of US\$30 million to be incurred by ABV. The same is disclosed as "Provision for foreseeable losses" in the Statement of comprehensive income.

In determining the fair value of the underlying assets, the valuer has used valuation techniques which involve certain estimates and significant unobservable inputs. The key assumptions used to determine the fair value include revenue growth rate and discount rate.

3. Significant accounting judgements and estimates (cont'd)

3.2 Key sources of estimation uncertainty (cont'd)

(b) Impairment of investment in available-for-sale financial assets

Note 2.10 to the financial statements describes that impairment of investments in available-for-sale financial assets requires management to exercise judgement as to whether a significant or prolonged decline in fair value below the cost has occurred. Details of the Company's investment in available-for-sale financial assets are disclosed in Note 12 to the financial statements.

For the quoted equity shares, the management has considered the decline in the fair value of the investment as compared to the original cost of investment and the related trends and has accordingly made the judgement to impair the investment.

For the unquoted equity shares, the management has considered the available information with regards to the investee and any impairment indicators. Accordingly, management has made a judgement to impair certain investments.

(b) Impairment of loans and receivables

The Company assesses at the end of each reporting period whether there is any objective evidence that loans and receivables have been impaired. Impairment loss is calculated based on a review of the current status of existing receivables and historical collections experience. Such allowances are adjusted periodically to reflect the actual and past experiences. The carrying amount of the Company's loans and receivables at the end of the reporting period is disclosed in Note 14 to the financial statements.

4. Other income

	2019	2018
	US\$	US\$
Interest income	632,138	355,227
Dividend income	17,940,000	6,500,000
Others	315,199	7,774
	<u>18,887,337</u>	<u>6,863,001</u>

5. Operating expenses

	2019	2018
	US\$	US\$
Professional fees	118,947	268,568
Administrative expenses	160,245	283,974
Impairment of other financial assets	1,046,399	4,501,830
Others	819,000	821,500
	<u>2,144,591</u>	<u>5,875,872</u>

Tata Power International Pte. Limited**Notes to the financial statements
For the financial year ended 31 March 2019**

6. Finance costs

	2019	2018
	US\$	US\$
Interest on borrowings (Note 9)	2,634,450	177,639
Financial guarantee expenses	213,401	208,526
Other finance charges	7,952	10,951
	<hr/>	<hr/>
	2,855,803	397,116

The Company has a short term loan facility with Standard Chartered Bank of up to US\$10 million (2018: US\$10 million) to assist its working capital requirements. The facility is granted on an uncommitted basis and is secured by a corporate guarantee issued by the holding company for an amount of US\$11 million (2018: US\$11 million) of which the utilised amount is US\$3.11 million as at 31 March 2019 (2018: US\$3.11 million).

7. Profit /(loss) before income tax

The following items have been included in arriving at profit /(loss) before income tax:

	2019	2018
	US\$	US\$
Staff defined contribution plan	9,124	10,228
Other staff cost	982,029	1,091,924
Foreign exchange loss/(gain)	53,581	88,875
	<hr/>	<hr/>
Impairment loss on prepaid expenses for investments	792,509	4,410,947
Impairment loss /(reversal of impairment loss) on available-for-sale financial assets (Note 12)	167,506	(91,393)
Impairment loss on investment in joint venture (Note 11)	–	86,448,965
Impairment loss on other financial asset (Note 15)	86,384	182,276
	<hr/>	<hr/>
Impairment loss on investments	1,046,399	90,950,795

Tata Power International Pte. Limited

**Notes to the financial statements
For the financial year ended 31 March 2019**

8. Income tax expense

Major components of income tax expense

The major components of income tax expense for the years ended 31 March 2019 and 2018 are as follows:

	2019	2018
	US\$	US\$
Statement of comprehensive income:		
Current income tax	1,726,058	256,249
Withholding tax	2,398,729	824,426
Income tax expense recognised in profit or loss	<u>4,124,787</u>	<u>1,080,675</u>

Relationship between tax expense and profit before income tax

The reconciliation between tax expense and the product of accounting profit/(loss) multiplied by the applicable corporate tax rate for the years ended 31 March 2019 and 2018 is as follows:

	2019	2018
	US\$	US\$
Profit/(loss) before income tax	<u>28,560,159</u>	<u>(95,399,792)</u>
Tax at the applicable tax rate of 17% (2018: 17%)	4,448,209	(16,217,965)
Adjustments:		
Non-deductible expenses	1,027,883	18,437,506
Income not subject to taxation	(3,958,393)	(1,888,066)
Effect of different tax rate in other jurisdiction	(5,358)	12,859
Withholding tax	2,398,729	824,426
Others	213,717	(88,085)
Income tax expense recognised in profit or loss	<u>4,124,787</u>	<u>1,080,675</u>

As at 31 March 2019, the Company has foreign sourced income available for remittance of US\$ 160,721 (2018: US\$78,545) that has not been remitted to Singapore. Accordingly this income has not been subject to income tax. As the Company does not have any intention to remit this income to Singapore in the foreseeable future, no deferred tax liability has been recognised.

9. Related party transactions

(a) *Sale and purchase of goods and services*

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

	2019	2018
	US\$	US\$
<i>Holding company</i>		
- Service fees expenses	(5,097,012)	(5,807,548)
- Financial guarantee expense	(166,713)	(169,662)
- Other expenses	(96,989)	(88,427)
<i>Fellow subsidiaries</i>		
- Interest expense	(2,634,450)	(177,639)
- Management fees expense	(155,391)	(139,371)
- Service fees expense	(312,345)	(11,495,819)
- Service fees income	86,259	78,926
- Interest income	497,699	212,715
<i>Joint ventures</i>		
- Service fees income	8,169,710	8,853,583
- Interest income	86,384	86,276
- Dividend income	17,940,000	6,500,000
Associates of ultimate holding company		
- Service fees income	5,850,093	12,677,260

(b) *Compensation of key management personnel*

	2019	2018
	US\$	US\$
Short-term benefits	-	-

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

Tata Power International Pte. Limited

**Notes to the financial statements
For the financial year ended 31 March 2019**

10. Plant and equipment

	Tools and equipment US\$
Cost	
At 1 April 2017	19,267
Additions	1,550
	<hr/>
At 31 March 2018 and 1 April 2018	20,817
Additions	1,136
	<hr/>
At 31 March 2019	21,953
	<hr/>
Accumulated depreciation	
At 1 April 2017	1,093
Depreciation	6,715
	<hr/>
At 31 March 2018 and 1 April 2018	7,808
Depreciation	6,908
	<hr/>
At 31 March 2019	14,716
	<hr/>
Net carrying amount	
At 31 March 2018	13,009
	<hr/>
At 31 March 2019	7,237
	<hr/>

11. Investment in joint ventures

	2019 US\$	2018 US\$
Unquoted equity shares, at cost	175,592,195	174,444,895
Perpetual securities	14,000,000	14,000,000
Deemed equity contribution	12,999,529	12,999,529
	<hr/>	<hr/>
	202,591,724	201,444,424
Les: Impairment of investment	(98,559,780)	(98,559,780)
	<hr/>	<hr/>
	104,031,944	102,884,644
	<hr/>	<hr/>

Tata Power International Pte. Limited

Notes to the financial statements For the financial year ended 31 March 2019

11. Investment in joint ventures (cont'd)

Details of the joint ventures are as follows:

Company	Country of incorporation	Principal activities	Cost of investment		Proportion of ownership interest	
			2019 US\$	2018 US\$	2019 %	2018 %
Adjaristsqali Netherlands B.V ("ANBV") ⁽¹⁾	Netherlands	Development of hydro power project	85,559,628	85,559,628	40	40
Koromkheti B.V ("KBV") ⁽¹⁾	Netherlands	Development of hydro power project	623	623	40	40
PT Baramulti Suksessarana Tbk ("BST") ⁽²⁾	Indonesia	Coal mining	99,058,015	99,058,015	26	26
Resurgent Power Ventures Pte. Ltd. ("RPV") ⁽³⁾	Singapore	Purpose of investing in thermal and hydro power generation and power transmission assets	4,973,929	3,826,629	26	26

(1) Audited by SBRC & Co LLP

(2) Audited by KAP ARIA KANAKA & REKAN

(3) Audited by PricewaterhouseCoopers LLP

Adjaristsqali Netherlands B.V

The Company has interest in 16,459 (2018: 16,459) common shares representing 40% (2018: 40%) of the paid up equity shares of Adjaristsqali Netherlands B.V., a joint venture established in Netherlands. Investment amounts to US\$86,448,965 (2018: US\$86,448,965) comprising of investment cost of US\$71,559,628 (2018: US\$71,559,628), perpetual securities of US\$14,000,000 (2018: US\$14,000,000) and deemed capital contribution of US\$889,337 (2018: US\$889,337) arising from fair value adjustment on conversion of loan into equity shares. Although the Company holds less than 50% of the equity shares in Adjaristsqali Netherlands B.V., the Company has joint control over the financial and operating policies of the entity by virtue of the provisions of the joint venture agreement entered into with the counterparty joint venturers.

The Company holds investments in Adjaristsqali Netherlands B.V. (ABV) (a joint venture of the Group operating 187 MW hydro power plant in Georgia). ABV was incorporated to setup a hydro power plant in Georgia with an intent to sell power in the open market in Turkey. The continuous fall in power price in the open market in Turkey coupled with continuous devaluation of Turkish Lira indicates a potential impairment of the assets of the Georgia CGU included in Power segment.

11. Investment in joint ventures (cont'd)

Adjaristsqali Netherlands B.V (cont'd)

The Company has performed the impairment assessment and determined the value in use based on estimated cash flow projections over the life of the assets included in the Cash Generating Unit ("CGU"). Projected cash flows include cash flow projections approved by management covering 3 to 5 year period and the cash flows beyond that has been projected based on the long term forecast.

As a result of this analysis, management has recognised an impairment charge of US\$ Nil (2018: US\$86,448,965) in the current year against the carrying value of investments in Adjaristsqali Netherlands B.V.

Key assumptions used for value in use calculation include power prices in the open market in Turkey, demand of power in Turkey, discount rates and exchange rates. Discount rate represent the current market assessment of the risk specific to CGU taking into consideration the time value of money. The discount rate used in the calculation of value in use is was 12% in 2018.

Koromkheti B.V

The Company has interest in 500 (2018: 500) common shares representing 40% of the paid up equity shares of Koromkheti B.V., a joint venture established in Netherlands. Investment amounts to US\$623 (2018: US\$623). Although the Company holds less than 50% of the equity shares in Koromkheti B.V., the Company has joint control over the financial and operating policies of the entity by virtue of the provisions of the joint venture agreement entered into with the counterparty joint venturers.

The Company has entered into a shareholder agreement with joint venturers to the joint venture, which allows one of the joint venturers ("Put Holder") to exercise a put option to sell its shares in the joint venture to the remaining two joint venturers, upon occurrence of triggering events as defined in the shareholder agreement. The joint venturer which causes the triggering event is obligated to purchase, while the other joint venturer has the right to purchase, from the Put Holder such number of shares computed based on proportion of the remaining two joint venturers' shareholdings in the joint venture. The purchase price will be based on the fair value of the shares when the Put Holder exercises the put option. Accordingly, the fair value of the put option is US\$Nil. As of 31 March 31 2019, there is no such triggering event and the put option is not exercised.

As at 31 March 2019, the Company has assessed the fair value of the investment. Based on the information available to the management, an impairment loss amounting to US\$Nil (2018: US\$ Nil) was recognised in profit and loss.

PT Baramulti Suksessarana Tbk

The Company has interests in 680,290,000 (2018: 680,290,000) common shares amounting to US\$99,058,015 (2018: US\$99,058,015) which represents 26% interests in PT Baramulti Suksessarana Tbk, a listed entity in Indonesia, which was purchased for a consideration of US\$99,058,015 from its fellow subsidiary in March 2016. Although the Company holds less than 50% of the equity shares in PT Baramulti Suksessarana Tbk, the Company has joint control over the financial and operating policies of the entity by virtue of the provisions of the joint venture agreement entered into with the counterparty joint venturers.

Tata Power International Pte. Limited

Notes to the financial statements For the financial year ended 31 March 2019

11. Investment in joint ventures (cont'd)

Resurgent Power Ventures Pte. Ltd

The Company has interest in 49,768 (2018: 38,295) common shares representing 26% of the paid up equity shares of Resurgent Power Ventures Pte. Ltd., a joint venture established in Singapore. Investment amounts to US\$ 4,973,929 (2018: US\$3,826,629). Although the Company holds less than 50% of the equity shares in Resurgent Power Ventures Pte. Ltd., the Company has joint control over the financial and operating policies of the entity by virtue of the provisions of the joint venture agreement entered into with the counterparty joint venturers.

12. Assets classified Held for sale

	2019	2018
	US\$	US\$
Quoted equity investment - at fair value	2,266,249	2,266,249
Unquoted equity investments - at cost	5,385,925	5,385,925
	<hr/>	<hr/>
	7,652,174	7,652,174
Less: Impairment on available-for-sale financial assets	(7,481,080)	(7,313,574)
	<hr/>	<hr/>
	171,094	338,600
	<hr/>	<hr/>

Quoted investment represents investment in equity shares of ReNu Energy Limited (formerly known as Geodynamics Ltd), a company listed in Australia.

The investment in quoted equity security offers the Company the opportunity for return through dividend income and fair value gains. It has no fixed maturity or coupon rate. The fair value of this security is based on the quoted closing market prices on the last market day of the financial year. During the year, an impairment loss of US\$167,506 (2018: valuation gain of US\$91,393) on the investment in quoted equity shares was recorded in profit or loss.

Unquoted investments amounting to US\$Nil (2018: US\$Nil) representing investment in equity shares of Exergen Pty Ltd, a company incorporated in Australia and US\$Nil (2018: US\$Nil) representing investment in equity shares of Sunengy Pty Ltd, a company incorporated in Australia.

The investments in unquoted equity investments represent investments in companies that are engaged in research and development activities and/or the commercial application of this knowledge. The recoverability of these investments is uncertain and dependent on the outcome of these activities, which cannot presently be determined.

Tata Power International Pte. Limited

**Notes to the financial statements
For the financial year ended 31 March 2019**

13. Trade receivables

	2019	2018
	US\$	US\$
Third parties	5,270,972	2,368,896
Related parties	7,552,191	1,183,767
Total trade receivables	<u>12,823,163</u>	<u>3,552,663</u>

Trade receivables

Trade receivables are non-interest bearing and are normally settled on 30 to 90 days' term. They are recognised at their original invoice amounts which represent their fair values on initial recognition.

Receivables that are past due but not impaired

Included in the Company's trade receivables balance are debtors with a carrying amount of US\$10,423,200 (2018: US\$2,779,350) which are past due at the end of the reporting period for which 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. The Company does not hold any collateral over these balances. The aging profile of these receivables is as follows:

	2019	2018
	US\$	US\$
<i>Trade receivables past due but not impaired:</i>		
1 to 30 days	6,664,058	359,790
31 to 90 days	1,364,062	1,227,294
More than 90 days	2,395,080	1,192,266
	<u>10,423,200</u>	<u>2,779,350</u>

Trade receivables are denominated in the following currencies as at 31 March:

	2019	2018
	US\$	US\$
United States Dollars	12,780,337	3,550,628
Singapore Dollars	-	2,035
Indian Rupiah	7,657	
South African Rand	35,169	-
	<u>12,823,163</u>	<u>3,552,663</u>

Tata Power International Pte. Limited

**Notes to the financial statements
For the financial year ended 31 March 2019**

14. Other receivables and prepayments

	2019	2018
	US\$	US\$
Non-current		
Advance to subsidiary	99,829	99,829
Current		
Prepayments	18,430	4,135
GST receivables, net	4,215	2,911
Advance to holding company	849,220	1,115,531
Advance to third party	604,475	780,873
Loan to Adjaristsqali Georgia LLC	10,000,000	-
Loan to Far Eastern Natural Resources LLC	8,610,394	8,112,695
	<u>20,086,734</u>	<u>10,016,145</u>
Total other receivables and prepayments	<u>20,186,563</u>	<u>10,115,974</u>
Add:		
Trade receivables (Note 13)	12,823,163	3,552,663
Cash and cash equivalents (Note 16)	1,324,593	1,928,962
Less:		
Prepayments	(18,430)	(4,135)
GST receivables, net	(4,215)	(2,911)
Advances to holding company and third party	(1,453,695)	(1,896,404)
Total loans and other receivables	<u>32,857,979</u>	<u>13,694,149</u>

Other receivables are denominated in the following currency as at 31 March:

	2019	2018
	US\$	US\$
Singapore Dollars	22,645	-
United States Dollars	20,163,918	10,115,974
	<u>20,186,563</u>	<u>10,115,974</u>

14. Other receivables and prepayments (cont'd)

Loan to Far Eastern Natural Resources LLC

The Company had entered into an agreement with its subsidiary to provide a loan facility of US\$7.9 million (2018: US\$7.9 million). As at 31 March 2019, the loan amounting to US\$8,610,394 (2018: US\$8,112,685) comprises outstanding loan principal of US\$7,899,980 (2018: US\$7,899,980) and accrued interest of US\$710,414 (2018: US\$212,715). The loan is unsecured, interest-bearing and is repayable on demand. Interest is computed for the actual number of days at a fixed rate of 6.3% per annum (basis 365 days).

Loan to Adjaristsqali Georgia LLC

The Company had entered into an agreement with its joint venture to provide a bridge loan facility of US\$10 million (2018: US\$ Nil). As at 31 March 2019, the loan amounting to US\$10,000,000 (2018: US\$ Nil) comprises outstanding loan principal of US\$10,000,000 (2018: US\$ Nil) and accrued interest of US\$ Nil (2018: US\$ Nil). The loan is secured, non interest-bearing and is repayable on demand.

15. Other financial asset at fair value through profit or loss

	2019	2018
	US\$	US\$
Loan to Koromkheti B.V	4,608,916	4,522,532
Less: Change of fair value during the year	(4,608,916)	(4,522,532)
	<hr/>	<hr/>
Balance at the end of the year	–	–
	<hr/> <hr/>	<hr/> <hr/>

Loan to Koromkheti B.V

The Company had entered into an agreement with its joint venture to provide a loan facility of US\$8.6m (2018: US\$8.6) million. As at 31 March 2019, the loan amounting to US\$4,608,916 (2018: US\$4,522,532) comprises outstanding loan principal of US\$4,260,000 (2018: US\$4,260,000) and accrued interest of US\$348,916 (2018: US\$262,532). The loan is unsecured, interest-bearing and is repayable on demand. Interest is computed for the actual number of days at a fixed rate of 2% per annum (basis 360 days).

Under the loan agreement, the Company has the option to convert the outstanding amount of loan and accrued interest into equity shares of the joint venture based on a fixed price per share. No part of the loan has been converted into shares as of 31 March 2019 and 2018.

The loan to a joint venture is measured at fair value through profit or loss in accordance with FRS 39 *Financial Instruments: Recognition and Measurement* as it is a hybrid instrument which gives the Company a right to convert the loan to equity shares. Management believes that the loan has a fair value of US\$ Nil as at 31 March 2019 (2018: US\$ Nil) as management does not expect to recover it either through settlement or conversion.

Tata Power International Pte. Limited

**Notes to the financial statements
For the financial year ended 31 March 2019**

16. Cash and cash equivalents

	2019	2018
	US\$	US\$
Cash in hand	289	189
Cash at bank	1,167,568	847,563
Fixed deposits	156,736	1,081,210
	<hr/>	<hr/>
Cash and cash equivalents	1,324,593	1,928,962

The fixed deposits bear an average interest rate of 6% to 6.25% (2018: 1.48% to 6%) per annum and have a tenure of approximately 1 month (2018: approximately 1 month).

Cash and cash equivalents are denominated in the following currencies as at 31 March:

	2019	2018
	US\$	US\$
United States Dollars	967,113	1,660,650
Singapore Dollars	40,416	6,788
South African Rand	316,855	261,308
Indonesian Rupiah	209	216
	<hr/>	<hr/>
	1,324,593	1,928,962

17. Loan and borrowings

	Maturity	2019	2018
		US\$	US\$
Loan from fellow subsidiary	25 April 2020	96,494,224	–
Less: Change of fair value during the year		(4,855,774)	–
		<hr/>	<hr/>
Total loan and borrowings		91,638,450	–

In 2018, the Company entered into a loan agreement with a related company for a loan not exceeding US\$100,000,000 for the Company's investment purposes. The loan is unsecured and repayable on maturity date.

Tata Power International Pte. Limited

**Notes to the financial statements
For the financial year ended 31 March 2019**

18. Trade payables

	2019	2018
	US\$	US\$
Holding company	1,596,682	2,197,944
Fellow subsidiaries	13,995,256	14,212,139
Joint venture	–	–
Third parties	343,146	9,459
	<hr/>	<hr/>
Total trade payables	15,935,084	16,419,542

The carrying amounts of trade payables approximate their fair values. The average credit period of trade payables is 30 days (2018: 30 days). No interest is charged on trade payables.

Trade payables are denominated in the following currency as at 31 March:

	2019	2018
	US\$	US\$
South African Rand	4,587	–
Singapore Dollars	338,559	–
United States Dollars	15,591,938	16,419,542
	<hr/> <hr/>	<hr/> <hr/>

19. Other payables

	2019	2018
	US\$	US\$
Holding company	65,484	65,630
Fellow subsidiaries	–	99,058,015
Loan from fellow subsidiary	6,981,885	6,749,009
Joint venture	15,000,000	15,000,000
Deferred revenue	1,858,440	2,231,061
Accrued expenses	237,927	607,193
	<hr/>	<hr/>
Total other payables	24,143,736	123,710,908
	<hr/>	<hr/>
Add: Trade payables (Note 17)	15,935,084	16,419,542
Less: Deferred revenue	(1,858,440)	(2,231,061)
	<hr/>	<hr/>
Total financial liabilities carried at amortised cost	38,220,380	137,899,389

19. Other payables (cont'd)

Tata Power International Pte. Limited

Notes to the financial statements For the financial year ended 31 March 2019

Other payables are denominated in the following currencies as at 31 March:

	2019	2018
	US\$	US\$
United States Dollars	24,091,605	123,660,058
Singapore Dollars	52,131	50,850
	<hr/>	<hr/>
	24,143,736	123,710,908
	<hr/> <hr/>	<hr/> <hr/>

Other payables- Holding Company and Joint Venture

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

Fellow subsidiaries

US\$ Nil (2018: US\$99,058,015) is owed to fellow subsidiaries for the purchase of the joint venture and available-for-sale financial assets as at 31 March 2019.

Loan from fellow subsidiary

In 2014, the Company entered into a loan agreement with a related company for a loan not exceeding US\$7,000,000 for the Company's investment purposes. As of 31 March 2019, US\$6,200,000 (2018: US\$6,200,000) has been drawn down. The loan balance of US\$6,981,885 (2018: US\$6,749,009) comprises loan principal US\$6,200,000 (2018: US\$6,200,000) and accrued interest of US\$781,885 (2018: US\$549,009). The loan bears interest at a floating rate of LIBOR plus 1.50% per annum and is unsecured and repayable on demand.

20. Share capital

	2019	2019	2018	2018
	No. of shares	US\$	No. of shares	US\$
<u>Issued and fully paid</u> <u>ordinary shares:</u>				
At beginning of year	67,730,650	85,940,000	67,730,650	85,940,000
At the end of year	<hr/>	<hr/>	<hr/>	<hr/>
	67,730,650	85,940,000	67,730,650	85,940,000
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

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

21. Capital reserve

Tata Power International Pte. Limited

Notes to the financial statements For the financial year ended 31 March 2019

	2019	2018
	US\$	US\$
Pre-incorporation costs contributed from holding company	95,319	95,319
Fair value adjustment arising from loan	4,855,774	-
Deemed capital contribution	5,152,687	5,152,687
	<u>10,103,780</u>	<u>5,248,006</u>

In the previous years, the Company issued redeemable non-cumulative preference shares ("RPS") to its ultimate holding company at a coupon rate of 7.54% and for a tenor of 7 years. Coupon will be paid out only upon dividends declared by the board of directors, with no right to claim any of those forgone dividends in the preceding year.

21. Capital reserve (cont'd)

Management has used the effective interest method to account for the amortised cost of the RPS with an applicable discount rate of 7.54%. The difference in the net present value of the RPS amount received and its carrying amount is recognised as deemed capital contribution from holding company, which is classified as "Capital reserves" upon inception.

The fair value adjustment arising from discounting of interest-free loans due to a related company. During the year, the related company waived net loan payables due from the company amounting to US\$ 4,855,774.

22. Commitment

The Company had previously entered into a contract with a fellow subsidiary to acquire multiple investments at a total consideration of US\$30.7 million. In 2015, the Company completed acquisition of available-for-sale financial assets of US\$7.6 million and a joint venture of US\$22.3 million. The remaining commitment of US\$0.8 million is expected to be invested by 31 March 2020.

23. Fair value of assets and liabilities

(a) Fair value hierarchy

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

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

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

Level 3 – Unobservable inputs for the asset or liability.

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

23. Fair value of assets and liabilities (cont'd)**(b) Assets measured at fair value**

The following table shows an analysis of each class of assets measured at fair value at the end of the reporting period:

	Quoted prices in active markets for identical assets (Level 1) US\$	Significant observable inputs other than quoted prices (Level 2) US\$	Significant un- observable inputs (Level 3) US\$	Total US\$
2019				
<i>Assets measured at fair value</i>				
<u>Financial assets</u>				
Available-for-sale financial asset (Note 12)	171,094	–	–	171,094
2018				
<i>Assets measured at fair value</i>				
<u>Financial assets</u>				
Available-for-sale financial asset (Note 12)	338,600	–	–	338,600

There were no transfers of assets or liabilities between Levels 1, 2 and 3.

Add in fair value note

(c) Fair value of financial instruments by classes that are not carried at fair value and whose carrying amounts are a reasonable approximation of fair value

Management has determined that the carrying amounts of cash and cash equivalents, trade and other receivables (current), amounts due from/to subsidiaries (current), amounts due from/to associated companies, trade and other payables, interest bearing loans and borrowings and amounts due to a joint venture, based on their notional amounts, reasonably approximate their fair values because there are mostly short term in nature or are re-priced frequently.

The carrying amounts of other receivables (non-current), notes payable and hire purchase creditors approximate the market interest rates, prevailing at the financial year end. These fair values, under level 2 of the fair value hierarchy, are estimated by discounting expected future cash flows at market incremental lending rate for similar types of lending, borrowing or leasing arrangements at the end of the reporting period.

24. Financial risk management objectives and policies

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

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

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

(a) *Credit risk*

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

The Company's objective is to seek continual revenue growth while minimising losses incurred due to increased credit risk exposure. The Company trades only with recognised and creditworthy third parties. It is the Company's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis.

Excessive risk concentration

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.

For the financial year ended 31 March 2019, 12 (2018: eight) customers represented the entire balance of the Company's trade receivables balance. Further details of credit risks on trade receivables are disclosed in Note 13.

Exposure to credit risk

At the end of the reporting period, the Company's maximum exposure to credit risk is represented by the carrying amount of each class of financial assets recognised in the balance sheet.

Financial assets that are neither past due nor impaired

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

24. Financial risk management objectives and policies (cont'd)

(a) Credit risk (cont'd)

Financial assets that are either past due or impaired

Information regarding financial assets that are either past due or impaired is disclosed in Notes 13 and 14 (Trade and other receivables).

(b) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting financial obligations due to shortage of funds. The Company's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities.

As part of its overall liquidity management, the Company monitors and maintains a level of cash and cash equivalents deemed adequate by the management to finance the Company's operations and mitigate the effects of fluctuations in cash flows.

As at 31 March 2019, the Company's current liabilities exceeded its current assets by US\$ 101,484,330 (2018: US\$124,945,680).

The Company is dependent on its ultimate holding company for continued financial support and management is satisfied that the financial support will be available when required. Hence, management is of the opinion that liquidity risk is minimal.

Liquidity risk analysis

Non-derivative financial assets and liabilities

The following tables details the expected maturity for non-derivative financial assets and liabilities.

The inclusion of information on non-derivative 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.

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.

24. Financial risk management objectives and policies (cont'd)

(b) *Liquidity risk (cont'd)**Liquidity risk analysis (cont'd)*Non-derivative financial assets and liabilities (cont'd)

	Average effective interest rate %	On demand or within one year US\$	Adjustment US\$	Total US\$
Financial assets				
2019				
Non-interest bearing	–	14,334,002	-	14,334,002
Fixed interest rate instruments	6.30	9,152,849	(542,455)	8,610,394
		23,486,851	(542,455)	22,944,396
2018				
Non-interest bearing	–	5,824,360	–	5,824,360
Fixed interest rate instruments	6.30	8,623,795	(511,100)	8,112,695
		14,448,155	(511,100)	13,937,055
Financial liabilities				
2019				
Non-interest bearing	–	125,517,270	–	125,517,270
Variable interest rate instrument	2.37	6,346,663	(146,663)	6,200,000
		131,863,933	(146,663)	131,717,270
2018				
Non-interest bearing	–	133,930,450	–	133,930,450
Variable interest rate instrument	2.05	6,326,972	(126,972)	6,200,000
		140,257,422	(126,972)	140,130,450

24. Financial risk management objectives and policies (cont'd)

(c) *Foreign currency risk*

Foreign currency risk refers to the risk that arises from the movements in the foreign currency exchange rate against United States Dollars that will affect the Company's financial results and its cash flows. The Company's foreign currency exposures arise mainly from the exchange rate movements of Singapore Dollars, Australian Dollars, South African Rand Indonesia Rupiah and Indian Rupee against United States Dollars.

Those exposures are managed primarily by using natural hedges that arise from offsetting assets and liabilities that are denominated in foreign currencies.

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

	Assets		Liabilities	
	2019	2018	2019	2018
	US\$	US\$	US\$	US\$
Singapore Dollars	63,061	8,823	390,690	50,850
Australian Dollars	171,094	338,600	–	–
South African Rand	352,024	261,308	4,587	–
Indonesia Rupiah	209	216	–	–
Indian Rupee	7,657	–	–	–

The following table details the sensitivity to a 10% increase and decrease in the relevant foreign currencies against the functional currency of the Company. 10% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 10% change in foreign currency rates.

If the relevant foreign currency strengthens by 10% against the United States Dollars, profit or loss before income tax will (decrease)/increase by:

	2019	2018
	US\$	US\$
Singapore Dollars	(32,763)	(4,203)
Australian Dollars	17,109	33,860
South African Rand	34,744	26,131
Indonesia Rupiah	21	22
Indian Rupee	766	–

The opposite applies if the relevant foreign currencies weaken by 10% against the functional currency of the Company.

In management's opinion, the sensitivity analysis is unrepresentative of the inherent foreign exchange risk as the year end exposure does not reflect the exposure during the year.

24. Financial risk management objectives and policies (cont'd)

(d) *Interest rate risk*

The Company is exposed to interest rate risk through the impact of rate changes on interest bearing liabilities and assets.

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

The Company's profit or loss for the year is not expected to be substantially affected by changes in interest rates.

25. Capital management

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

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

The Company manages its capital structure and makes adjustments to it, in light of changes in economic conditions. The capital structure of the Company comprises of issued capital and funding from its holding company. No changes were made in the objectives, policies or processes during the years ended 31 March 2019 and 2018.

The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company includes within net debt, trade and other payables, less cash and cash equivalents. Capital includes equity attributable to the owner of the Company.

	Note	2019	2018
		US\$	US\$
Loan and borrowings	17	91,638,450	-
Trade payables	18	15,935,084	16,419,542
Other payables	19	24,143,736	123,710,908
Less: Cash and cash equivalents	16	(1,324,593)	(1,928,962)
Net debt		130,392,677	138,201,488
Equity attributable to the owner of the Company		5,287,495	(21,609,427)
Capital and net debt		135,680,172	116,592,061
Gearing ratio		0.96	1.19

26. Authorisation of financial statements for issue

The financial statements for the year ended 31 March 2019 were authorised for issue in accordance with a resolution of the directors on ____2019.

24. Financial risk management objectives and policies (cont'd)

(d) *Interest rate risk*

The Company is exposed to interest rate risk through the impact of rate changes on interest bearing liabilities and assets.

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

The Company's profit or loss for the year is not expected to be substantially affected by changes in interest rates.

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

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The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company includes within net debt, trade and other payables, less cash and cash equivalents. Capital includes equity attributable to the owner of the Company.

	Note	2019	2018
		US\$	US\$
Loan and borrowings	17	91,638,450	-
Trade payables	18	15,935,084	16,419,542
Other payables	19	24,143,736	123,710,908
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Net debt		130,392,677	138,201,488
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Capital and net debt		135,680,172	116,592,061
Gearing ratio		0.96	1.19

26. Authorisation of financial statements for issue

The financial statements for the year ended 31 March 2019 were authorised for issue in accordance with a resolution of the directors on ____2019.

TATA POWER INTERNATIONAL PTE. LIMITED
STATEMENT OF FINANCIAL POSITION AS AT MARCH 31, 2019

	As at March, 2019	Exchange Rate	Amount	As at March, 2018	Exchange Rate	Amount
	USD		₹	USD		₹
<u>ASSETS</u>						
Current assets						
Cash and cash equivalents	13,24,593	69.16	9,16,10,441	19,28,962	64.85	12,50,93,186
Trade receivables	1,28,23,163	69.16	88,68,65,341	35,52,663	64.85	23,03,90,196
Other receivables and prepayments	2,00,86,734	69.16	1,38,92,22,628	1,00,16,145	64.85	64,95,47,003
Other financial asset at fair value through profit or loss	-	69.16	-	-	64.85	-
Total current assets	3,42,34,490	69.16	2,36,76,98,410	1,54,97,770	64.85	1,00,50,30,385
Non-current assets						
Plant and equipment	7,237	69.16	5,00,520	13,009	64.85	8,43,634
Prepaid expenses for investments	-	69.16	-	0	64.85	-
Investment in subsidiary	171	69.16	11,827	171	64.85	11,089
Investment in joint venture	10,40,31,944	69.16	7,19,49,74,085	10,28,84,644	64.85	6,67,20,69,163
Available for sale financial assets	1,71,094	69.16	1,18,33,066	3,38,600	64.85	2,19,58,210
Other receivables and prepayments	99,829	69.16	69,04,293	99,829	64.85	64,73,911
Total non-current assets	10,43,10,275	69.16	7,21,42,23,791	10,33,36,253	64.85	6,70,13,56,007
TOTAL ASSETS	13,85,44,765	69.16	9,58,19,22,201	11,88,34,023	64.85	7,70,63,86,392
<u>LIABILITIES AND EQUITY</u>						
Current liabilities						
Loans and Borrowings	8,75,38,450	69.16	6,05,42,64,248	-	64.85	-
Trade payables	1,59,35,084	69.16	1,10,20,89,532	1,64,19,542	64.85	1,06,48,07,299
Other payables	2,82,43,736	69.16	1,95,33,70,674	12,37,10,908	64.85	8,02,26,52,384
Income tax payable	15,40,000	69.16	10,65,08,248	3,13,000	64.85	2,02,98,050
Total current liabilities	13,32,57,270	69.16	9,21,62,32,702	14,04,43,450	64.85	9,10,77,57,733
Equity attributable to the owner of the Company						
Share capital	8,59,40,000	65.61	5,63,81,92,654	8,59,40,000	65.61	5,63,81,92,654
Capital reserve	1,01,03,780	52.67	53,21,62,873	52,48,006	36.73	19,27,72,434
Accumulated losses	(9,07,56,285)	66.35	(6,02,19,80,872)	(11,27,97,433)	67.05	(7,56,25,29,279)
Exchange fluctuation reserve			21,73,14,844			33,01,92,850
Net equity	52,87,495	69.16	36,56,89,499	(2,16,09,427)	64.85	(1,40,13,71,341)
TOTAL LIABILITIES AND EQUITY	13,85,44,765	69.16	9,58,19,22,201	11,88,34,023	64.85	7,70,63,86,392

TATA POWER INTERNATIONAL PTE. LIMITED
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
YEAR ENDED MARCH 31, 2019

	Period ended March, 2019	Exchange Rate	Amount	Year ended March, 2018	ExGhange Rate	Amount
	USD		₹	USD		₹
Service fees income from onsultancy services rendered	2,06,28,038	69.89	1,44,17,80,214	2,57,66,916	67.09	1,72,86,92,088
Service fee expense	(72,97,404)	69.89	(51,00,46,215)	(1,91,10,014)	67.09	(1,28,20,83,195)
Other income	1,88,87,337	69.89	1,32,01,15,310	68,63,001	67.09	46,04,35,992
Exxchange Loss	(53,581)	69.89	(37,45,001)	(88,875)	67.09	(59,62,588)
Staff and related costs	(9,91,153)	69.89	(6,92,75,846)	(11,02,152)	67.09	(7,39,42,937)
Operating expense	(21,44,591)	69.89	(14,98,94,472)	(58,75,872)	67.09	(39,42,09,902)
Impairment loss on available-for-sale financial assets	-	69.89	-	(8,64,48,965)	67.09	(5,79,98,26,482)
Provision for foreseeable losses	-	69.89	-	(1,50,00,000)	67.09	(1,00,63,44,000)
Depreciation	(6,908)	69.89	(4,82,829)	(6,715)	67.09	(4,50,507)
Finance costs	(28,55,803)	69.89	(19,96,04,066)	(3,97,116)	67.09	(2,66,42,354)
Profit (Loss) before income tax	2,61,65,935	69.89	1,82,88,47,095	(9,53,99,792)	67.09	(6,40,03,33,885)
Income tax expense	(41,24,787)	69.89	(28,82,98,688)	(10,80,675)	67.09	(7,25,02,053)
Total Profit (Loss) for the year, representing total comprehensive income (loss) for the year	2,20,41,148	69.89	1,54,05,48,407	(9,64,80,467)	67.09	(6,47,28,35,938)

TATA POWER INTERNATIONAL PTE. LIMITED
STATEMENT CASH FLOWS
YEAR ENDED MARCH 31, 2019

	Period ended March, 2019	Exchange Rate	Amount ₹	Year ended March, 2018	Exchange Rate	Amount ₹
	USD			USD		
Operating activities						
Profit (Loss) before income tax	2,61,65,935	69.89	1,82,88,47,095	(9,53,99,792)	67.09	(6,40,03,33,885)
<i>Adjustment for :</i>						
Interest expenses	28,47,851	69.89	19,90,48,267	3,86,165	67.09	2,59,07,655
Interest income	(6,32,138)	69.89	(4,41,82,780)	(3,55,227)	67.09	(2,38,32,037)
Depreciation Expenses	6,908	69.89	4,82,829	6,715	67.09	4,50,507
Dividend Income	(1,79,40,000)	69.89	(1,25,39,01,949)	(65,00,000)	67.09	(43,60,82,400)
Impairment loss on investments	10,46,399	69.89	7,31,37,221	10,59,50,795	67.09	7,10,81,96,456
Cash flows before changes in working capital	1,14,94,955	69.89	80,34,30,683	40,88,656	67.09	27,43,06,296
Trade receivables	(98,75,229)	69.89	(69,02,21,231)	1,36,47,291	67.09	91,55,91,294
Trade payables	(4,84,458)	69.89	(3,38,60,804)	(83,59,558)	67.09	(56,08,39,402)
Other Receivables	4,27,110	69.89	2,98,52,512	(1,69,775)	67.09	(1,13,90,137)
Other payables	(9,72,56,284)	69.89	(6,79,76,50,169)	39,304	67.09	26,36,890
Cash (used in) generated from operations	(9,56,93,906)	69.89	(6,68,84,49,009)	92,45,918	67.09	62,03,04,941
Interest received	48,055	69.89	33,58,766	56,236	67.09	37,72,851
Interest paid	(3,02,965)	69.89	(2,11,75,496)	(2,10,839)	67.09	(1,41,45,104)
Income tax paid	(22,93,058)	69.89	(16,02,71,455)	(18,01,249)	67.09	(12,08,45,075)
Net cash (used in) from operating activities	(9,82,41,874)	69.89	(6,86,65,37,194)	72,90,066	67.09	48,90,87,613
Investing activities						
Prepaid expenses for Investments	(7,92,509)	69.89	(5,53,91,783)	(10,92,146)	67.09	(7,32,71,638)
Investment in joint venture	(11,47,300)	69.89	(8,01,89,616)	(1,63,55,900)	67.09	(1,09,73,10,789)
Investment in subsidiary	-	69.89	-	(171)	67.09	(11,472)
Loan to subsidiary	-	69.89	-	(78,99,980)	67.09	(53,00,06,498)
Loan to Joint Ventures	(1,00,00,000)	69.89	(69,89,42,000)	-	67.09	-
Dividend received	1,79,40,000	69.89	1,25,39,01,949	1,55,99,998	67.09	1,04,65,97,626
Purchase of Property, plant & Equipment	(1,136)	69.89	(79,400)	(1,550)	67.09	(1,03,989)
Net cash from (used in) investing activities	59,99,055	69.89	41,92,99,150	(97,49,749)	67.09	(65,41,06,760)
Financing activities						
Proceeds from borrowings	9,16,38,450	69.89	6,40,49,96,155	-	67.09	-
Proceeds from issue of share, representing net cash from financing activity	-	69.89	-	-	67.09	-
Net cash from (used in) financing activities	9,16,38,450	69.89	6,40,49,96,155			
Net increase in cash and cash equivalents	(6,04,369)	69.89	(4,22,41,889)	(24,59,683)	67.09	(16,50,19,147)
Cash and cash equivalents at the beginning of financial year	19,28,962	64.85	12,50,93,186	43,88,645	64.85	28,46,03,628
Effect of exchange fluctuation on cash and cash equivalents			87,59,145			55,08,704
Cash and cash equivalents at the end of the financial year	13,24,593	69.16	9,16,10,441	19,28,962	64.85	12,50,93,186

TATA POWER INTERNATIONAL PTE. LIMITED
STATEMENT OF CHANGES IN EQUITY
YEAR ENDED MARCH 31, 2019

	Share capital	Exchange Rate	Amount	Capital reserve	Exchange Rate	Amount	Accumulated loss	Exchange Rate	Amount	Total	Exchange Rate	Amount
	USD		₹	USD		₹	USD		₹	USD		₹
Balance as at April 1, 2017	8,59,40,000	65.61	5,63,81,92,654	52,48,006	36.73	19,27,72,434	(1,63,16,966)	66.78	(1,08,96,93,341)	7,48,71,040	63.33	4,74,12,71,747
Loss for the year, representing total comprehensive income for the year							(9,64,80,467)	67.09	(6,47,28,35,938)	(9,64,80,467)	67.09	(6,47,28,35,938)
Balance at March 31, 2018	8,59,40,000	65.61	5,63,81,92,654	52,48,006	36.73	19,27,72,434	(11,27,97,433)	67.05	(7,56,25,29,279)	(2,16,09,427)	80.13	(1,73,15,64,191)
Profit for the year, representing total comprehensive income for the financial year							2,20,41,148	69.89	1,54,05,48,407	2,20,41,148	69.89	1,54,05,48,407
Fair value adjustment arising from interest free loan	-		-	48,55,774	69.89	33,93,90,439	-			48,55,774	69.89	33,93,90,439
Balance at March 31, 2019	8,59,40,000	65.61	5,63,81,92,654	1,01,03,780	52.67	53,21,62,873	(9,07,56,285)	66.35	(6,02,19,80,872)	52,87,495	28.06	14,83,74,655