

Company Registration No. 201826600N

Bhira Investments Pte. Ltd.

Annual Financial Statements
31 March 2020



Bhira Investments Pte. Ltd.

Index

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



Bhira Investments Pte. Ltd.

Directors' statement

The directors present their statement to the member together with the audited financial statements of Bhira Investments Pte. Ltd. (the "Company") for the financial year ended 31 March 2020.

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 2020 and of the financial performance, changes in equity and cash flows of the Company for the year ended on that date; and
- (ii) at the date of this statement, with its related parties' undertaking not to demand payment for amounts owing to them unless the Company's cash flow permits, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

Directors

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

Dsouza Randolph Joseph Francis
Shweta Mathur
Jinendra Vardhaman Patil

Arrangements to enable directors to acquire shares and debentures

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

Directors' interests in shares and debentures

According to the register of directors' shareholdings required to be kept under section 164 of the Singapore Companies Act, Chapter 50, 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 date of appointment if later, or at the end of the financial year.

Share options

During the financial year, there were:

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

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

Bhira Investments Pte. Ltd.

Directors' statement

Auditor

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

On behalf of the board of directors,



Shweta Mathur
Director



Dsouza Randoiph Joseph Francis Director
Director

Singapore
24 June 2020

Bhira Investments Pte. Ltd.

**Independent Auditor's Report
For the financial year ended 31 March 2020**

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

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Bhira Investments Pte. Ltd. (the "Company"), which comprise the balance sheet as at 31 March 2020, the statement of comprehensive income, statement of changes in equity and statement of cash flows of the Company for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements are properly drawn up in accordance with the provisions of the Companies Act, Chapter 50 (the "Act") and Financial Reporting Standards in Singapore ("FRSs") so as to give a true and fair view of the financial position of the Company as at 31 March 2020 and the financial performance, changes in equity and cash flows of the Company for the year ended on that date.

Basis for Opinion

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

Other information

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

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Bhira Investments Pte. Ltd.

**Independent Auditor's Report
For the financial year ended 31 March 2020**

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

Responsibilities of management and directors for the financial statements

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

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The directors' responsibilities include overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

Bhira Investments Pte. Ltd.

**Independent Auditor's Report
For the financial year ended 31 March 2020**

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

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

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on other legal and regulatory requirements

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

Ernst & Young LLP

Ernst & Young LLP

Public Accountants and
Chartered Accountants
Singapore

24 June 2020

Bhira Investments Pte. Ltd.

Statement of comprehensive income
For the financial year ended 31 March 2020

	Note	2020 US\$	2019 US\$
Operating income		105,197	11,386
Dividend income	18	236,833,333	-
		<hr/>	<hr/>
		236,938,530	11,386
Operating expenses	6	(568,578)	(822,134)
Operating profit/(loss)		<hr/>	<hr/>
		236,369,952	(810,748)
Finance income	4	1,069,648	2,035,358
Finance costs	5	(19,857,358)	(29,290,608)
Profit/(loss) before income tax		<hr/>	<hr/>
		217,582,242	(28,065,998)
Income tax expense	7	(24,984,834)	(1,392,391)
Profit/(loss) for the year, representing total comprehensive income for the year attributable to the owner of the Company		<hr/>	<hr/>
		192,597,408	(29,458,389)

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

Bhira Investments Pte. Ltd.**Balance sheet
As at 31 March 2020**

	Note	2020 US\$	2019 US\$
Assets			
Non-current assets			
Investment in joint ventures	9	567,456,007	567,456,007
Other investment	10	101	101
Non-current financial asset	12	25,837,399	-
		<u>593,293,507</u>	<u>567,456,108</u>
Current assets			
Trade and other receivables	11	8,733,834	13,906,668
Other current financial assets	12	138,324	10,328,344
Prepayments		-	10,133
Cash and cash equivalents	13	52,573,108	31,097,434
		<u>61,445,266</u>	<u>55,342,579</u>
Assets classified as held for sale	14	100,089,097	100,089,097
Total assets		<u>754,827,870</u>	<u>722,887,784</u>
Equity and liabilities			
Current liabilities			
Other payables	15	24,606,921	44,178,343
Other current financial liabilities	18	181,857,076	323,670,736
Advance		88,149,466	60,777,895
Income tax payable		226,893	13,740
		<u>294,840,356</u>	<u>428,640,714</u>
Net current liabilities		<u>(133,305,993)</u>	<u>(273,209,038)</u>
Non-current liabilities			
Interest-bearing loans and borrowings	17	193,617,639	217,198,546
		<u>193,617,639</u>	<u>217,198,546</u>
Total liabilities		<u>488,457,995</u>	<u>645,839,260</u>
Net assets		<u>266,369,875</u>	<u>77,048,524</u>
Equity attributable to the owner of the Company			
Share capital	16	1,000,000	1,000,000
Retained earnings		265,369,875	76,048,524
Total equity		<u>266,369,875</u>	<u>77,048,524</u>
Total equity and liabilities		<u>754,827,870</u>	<u>722,887,784</u>

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

Bhira Investments Pte. Ltd.

Statement of changes in equity
For the financial year ended 31 March 2020

	Share capital (Note 16) US\$	Retained earnings US\$	Total equity US\$
Balance at 1 April 2018	1,000,000	105,506,913	106,506,913
Loss for the year, representing total comprehensive income for the year	–	(29,458,389)	(29,458,389)
Balance at 31 March 2019 and 1 April 2019	1,000,000	76,048,524	77,048,524
Profit for the year, representing total comprehensive income for the period	–	192,597,408	192,597,408
Distribution to holding company (Note 23)	–	(3,276,057)	(3,276,057)
Balance at 31 March 2020	1,000,000	265,369,875	266,369,875

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

Bhira Investments Pte. Ltd.

**Statement of cash flows
For the financial year ended 31 March 2020**

	Note	2020 US\$	2019 US\$
Cash flow from operating activities			
Profit/(loss) before income tax		217,582,242	(28,065,998)
Adjustments for:			
Bank interest income	4	(605,999)	(906,244)
Interest income on loan to related parties	4	(463,649)	(1,129,114)
Interest expense on loan from related parties	5	7,652,357	14,319,775
Interest expense on loan from banks	5	3,678,808	11,263,886
Marked to market loss on derivatives	5	5,203,304	2,875,577
Dividend income	18	(236,833,333)	-
Operating cash flows before changes in working capital		(3,786,270)	(1,642,118)
Changes in working capital:			
Decrease in trade and other receivables		5,172,834	152,857
Decrease in other current financial assets		-	3,125,628
Decrease/(increase) in prepayments		10,133	(5,583)
Decrease in other financial liabilities		-	(34,840,117)
Decrease in other payables		(22,593,430)	(40,030,051)
		(17,410,463)	(71,597,266)
Cash flows used in operations		(21,196,733)	(73,239,384)
Tax paid		(26,085,779)	-
Net cash flows used in operating activities		(47,282,512)	(73,239,384)
Investing activities			
Bank interest received		605,582	728,233
Interest received on loan to related party		803,860	5,824,091
Loan to related party		(38,782,000)	(10,000,000)
Loan repaid by related party		16,200,000	202,355,079
Advance from sale of investment in joint venture		27,371,571	49,430,188
Dividend received		236,833,333	-
Net cash flows generated from investing activities		243,032,346	248,337,591
Financing activities			
Interest paid on loan from bank		(7,280,559)	(11,600,537)
Interest paid on loan from related party		(3,275,292)	(8,640,498)
Loan received from related party		84,691,691	166,952,896
Loan repaid to bank		(20,000,000)	(100,000,000)
Loan repaid to related party		(228,410,000)	(273,309,419)
Net cash flows used in financing activities		(174,274,160)	(226,597,558)
Net increase/(decrease) in cash and cash equivalents		21,475,674	(51,499,351)
Cash and cash equivalents at beginning of the year		31,097,434	82,596,785
Cash and cash equivalents at end of the year	13	52,573,108	31,097,434

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

1. Corporation information

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

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

The registered office and principal place of business of the Company is located at 78 Shenton Way, #17-01/02 Singapore 079120.

The principal activity of the Company is that of investment holding and ancillary services of collecting accounts receivable of its related parties, provision of loan to related parties and management support services to related parties. The principal activities of the joint ventures are disclosed in Note 9 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 functional currency of the Company.

Going concern uncertainty

The Company is in a net current liability position of US\$133,305,993 (2019: US\$273,209,038). The financial statements have been prepared on a going concern basis as the Company is able to meet its liabilities as when they fall due, with the undertaking from its related parties not to demand for payment for amounts owing by the Company unless cash flow of the Company permits.

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 2019. The adoption of these new/revised standards including FRS 116 Leases did not have any material effect on the financial performance or position of the Company.

**Notes to the financial statements
For the financial year ended 31 March 2020**

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
Amendments to FRS 1 and FRS 8: Definition of Material	1 January 2020
Amendments to References to the Conceptual Framework in FRS Standards	1 January 2020
Amendments to FRS 103: Definition of a Business	1 January 2020
Amendments to FRS 109, FRS 39, and FRS 107: Interest Rate Benchmark Reform	1 January 2020
FRS 117 Insurance Contracts	1 January 2021
Amendments to FRS 110 and FRS 28: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	To be determined

The directors expect that the adoption of the standards above will have no material impact on the financial statements in the period of initial application.

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 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. Summary of significant accounting policies (cont'd)

2.6 Impairment of non-financial assets

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

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

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

Impairment losses are recognised in profit or loss.

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

2.7 Joint venture

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

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

2.8 Financial instruments (cont'd)

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

(a) *Financial assets*

Initial recognition and measurement

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

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

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

Subsequent measurement

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

Investment in debt instruments

(i) Amortised cost

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

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

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

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

2.8 Financial instruments (cont'd)

(a) Financial assets (cont'd)

Subsequent measurement (cont'd)

Investment in debt instruments (cont'd)

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

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

Investment in equity instruments

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

De-recognition

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

(b) Financial 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

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

Derecognition

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

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

2.8 Financial instruments (cont'd)

(c) *Derivatives*

Derivatives are initially recognised at fair value on the date a derivative contract is entered to and are subsequently remeasured to their fair value at the end of each reporting period. Changes in fair value of derivatives are recognised in profit or loss.

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.

(d) *Offsetting of financial instruments*

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

2.9 Impairment of financial assets

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

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

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

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

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

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

2.10 Cash and cash equivalents

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

2.11 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.

2.12 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.

2.13 Financial guarantee

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

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

2.14 Non-current assets held for sale

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

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

2.15 Revenue

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

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

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

(a) Interest income

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

(b) Service fee, management fee and other fee income

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

(c) Dividend income

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

2.16 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)

2.16 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)

2.16 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.

2.17 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.

3. Significant accounting judgements and estimates

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

3.1 Judgements made in applying accounting policies

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

3.2 Key sources of estimation uncertainty

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

Impairment of investment in joint ventures

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

Bhira Investments Pte. Ltd.

**Notes to the financial statements
For the financial year ended 31 March 2020**

4. Finance income

	2020	2019
	US\$	US\$
Bank interest income	605,999	906,244
Interest income on loan to related parties	463,649	1,129,114
	<u>1,069,648</u>	<u>2,035,358</u>

5. Finance costs

	2020	2019
	US\$	US\$
Interest expense on loan from related parties	7,652,357	14,319,775
Interest expense on loan from banks*	3,678,808	11,263,886
Guarantee commission**	3,322,889	831,370
Marked to market loss on derivatives	5,203,304	2,875,577
	<u>19,857,358</u>	<u>29,290,608</u>

* During the year, the Company refinanced its existing term loan with Sumitomo Mitsui Banking Corporation, Singapore, acting as agent, and a consortium of other banks. For further details, refer to Note 17.

** Guarantee commission represents fees payable to the holding company for acting as a guarantor for the issue of subordinated notes contracted by the Company and loan availed to the Company from a consortium of banks.

6. Operating expenses

	2020	2019
	US\$	US\$
Audit fees	265,770	67,571
Professional and legal fees	165,924	539,271
Service fee expenses ^(a)	34,271	182,286
Others	102,613	33,006
	<u>568,578</u>	<u>822,134</u>

(a) Service fee expenses

Pursuant to a Procurement Services Agreement dated 26 August 2011 entered into between the Company and its holding Company, The Tata Power Company Limited, the latter provides the Company expert services such as capital raising, mine acquisition, management of currency and interest rate markets. The Company pays service fee expense as agreed between parties from time to time. For the year ended 31 March 2020, the Company had incurred a service fee expense of US\$Nil (2019: US\$176,692).

6. Operating expenses (cont'd)

(a) Service fee expenses (cont'd)

Pursuant to an Accounting & Corporate Secretarial Services agreement dated January 14, 2019 entered into between the company and Tata Power International Pte. Ltd ("TPIPL"), a related company, the latter provides the accounting services to the company and the company provides corporate secretarial services to TPIPL. The company pays and receives service fees as per the agreement. For the year ended 31 March 2020, the Company had incurred a service fee expense of US\$8,083 (2019: US\$1,945) and earned service fee income of US\$8,399 (2019: US\$1,523).

Pursuant to an Accounting & Corporate Secretarial Services agreement dated January 14, 2019 and April 3, 2019 entered into between the company and Trust Energy Resources Pte Ltd ("TERPL"), a related company, the latter provides accounting services to the company and the company provides corporate secretarial services to TERPL. The company pays and receives service fees as per the agreement. For the year ended 31 March 2020, the Company had incurred a service fee expense of US\$26,188 (2019: US\$3,649) and earned service fee income of US\$8,399 (2019: US\$1,523).

7. Income tax expense

Major components of income tax expense

The major components of income tax expense for the years ended 31 March 2020 and 2019 are as follows:

	2020	2019
	US\$	US\$
<i>Statement of comprehensive income:</i>		
Current income tax	226,893	13,740
Under provision in respect of previous years	2,628	-
Withholding tax	24,755,313	1,378,651
Income tax expense recognised in profit or loss	<u>24,984,834</u>	<u>1,392,391</u>

7. Income tax expense (cont'd)

Relationship between tax expense and profit/(loss) 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 2020 and 2019 are as follows:

	2020	2019
	US\$	US\$
<i>Statement of comprehensive income:</i>		
Profit/(loss) before income tax	217,582,242	(28,065,998)
Tax at the applicable tax rate of 17% (2019: 17%)	36,988,981	(4,771,220)
Adjustments:		
Non-deductible expenses	3,456,768	5,097,163
Income not subject to taxation	(40,261,667)	(291,022)
Underprovision in respect of previous years	2,628	-
Withholding tax	24,755,313	1,378,651
Effect of partial tax exemption and tax relief	(12,231)	(21,203)
Others	55,042	22
Income tax expense recognised in profit or loss	24,984,834	1,392,391

As at 31 March 2020, the Company has foreign sourced income available for remittance of US\$110,217 (2019: US\$1,500,786) 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.

8. Related party transactions

Sales and purchases of goods and services

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

	2020	2019
	US\$	US\$
<i>The Tata Power Co Ltd – Holding company</i>		
Guarantee commission	3,322,889	831,370
Service fees	-	176,692
<i>Khopoli Investments Limited – Related company</i>		
Interest expense	275,338	3,789,879
Interest income	(110,217)	-
Consultancy fee	(40,000)	(3,333)
<i>Tata Power International Pte Ltd – Related company</i>		
Interest income	(353,431)	(232,877)
Service income	(8,399)	(1,523)
Service fees	8,083	1,945

Bhira Investments Pte. Ltd.**Notes to the financial statements
For the financial year ended 31 March 2020****8. Related party transactions (cont'd)*****Sales and purchases of goods and services (cont'd)***

	2020	2019
	US\$	US\$
<i>Trust Energy Resources Pte Ltd – Related company</i>		
Service fees	26,188	3,649
Service income	(8,399)	(1,523)
<i>Bhivpuri Investments Limited – Related company</i>		
Interest income	–	(896,237)
Consultancy fee	(40,000)	(3,333)
<i>PT Dwikarya Prima Abadi - Joint venture</i>		
Interest expense	1,366,466	1,416,837
<i>PT Kaltim Prima Coal - Joint venture</i>		
Interest expense	1,327,415	4,637,990
Dividend income	(236,833,333)	–
<i>PT Nusa Tambang Pratama – Related company</i>		
Interest expense	2,682,031	2,237,127
<i>PT Arutmin Indonesia – Joint venture</i>		
Interest expense	2,001,108	2,237,942
<i>Tata Sons Private Limited – Related company</i>		
Service income	(8,399)	(1,523)
<i>Candice Investments Pte Ltd – Joint venture</i>		
Receivable - reimbursement of audit fee	(25,170)	–

9. Investment in joint ventures

	2020	2019
	US\$	US\$
Unquoted equity shares, at cost	618,247,701	618,247,701
Movement in accumulated impairment loss:		
	2020	2019
	US\$	US\$
Balance at beginning and end of the year	50,791,694	50,791,694
Investment in joint ventures	567,456,007	567,456,007

Bhira Investments Pte. Ltd.**Notes to the financial statements
For the financial year ended 31 March 2020****9. Investment in joint ventures (cont'd)**

Details of the joint ventures are as follows:

Company (Principal place of business)	Number of shares		Proportion of ownership interest	
	2020	2019	2020 %	2019 %
PT Kaltim Prima Coal (Indonesia) ⁽¹⁾	123,540	123,540	30.0	30.0
PT Indocal Kaltim Resources (Indonesia) ⁽¹⁾	82,380	82,380	30.0	30.0
Candice Investments Pte Ltd (Singapore) ⁽²⁾	3	3	30.0	30.0
PT Dwikarya Prima Abadi (Indonesia) ⁽¹⁾	99	99	0.9	0.9
PT Marvel Capital (Indonesia) ⁽³⁾	1,089	1,089	0.99	0.99

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

⁽²⁾ Audited by ShineWing LLP

⁽³⁾ KAP Y Santosa Dan Rekan

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

The Company has a 30% shareholding stake in Candice Investments Pte Ltd ("Candice") and an indirect shareholding of 30% in each of its subsidiaries, PT Dwikarya Prima Abadi ("DPA") and PT Marvel Capital Indonesia ("MCI").

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

10. Other investment

	2020 US\$	2019 US\$
Far Eastern Natural Resources LLC	101	101

The Board of the Company had approved the acquisition of 1% stake in Far Eastern Natural Resources LLC, an entity which will be involved in thermal coal mining in Russia.

Bhira Investments Pte. Ltd.

**Notes to the financial statements
For the financial year ended 31 March 2020**

11. Trade and other receivables

	2020	2019
	US\$	US\$
Management fee receivable from related company	8,620,000	13,900,000
Amounts paid on behalf of related parties	25,170	–
Other receivables	873,158	791,162
Provision for doubtful debts	(784,494)	(784,494)
Total trade receivables	<u>8,733,834</u>	<u>13,906,668</u>

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.

The management fee receivable is owing from Tata Power International Pte Limited (TPIPL) (PY: Khopoli Investments Limited and TPIPL). Management fee from TPIPL is receivable on a quarterly basis, subject to adjustments as agreed between the parties on a monthly basis. However, no service has been provided from August 2017 to March 2020.

The amounts paid on behalf of related parties are unsecured, non-interest bearing and repayable on demand.

In 2018, the Directors of the Company made a provision to doubtful debts amounting to US\$784,494 for the receivable from PT Bumi ("Bumi") of US\$13,569, interest receivable from Bumi of US\$45,782 and the management fee receivable from PT Nusantara Indah of US\$725,143, recognised under other receivables, as there were uncertainty in the recovery of these amounts. There was no further provision made for the year ended 31 March 2019 and 31 March 2020.

Included in other receivables is consultancy fee receivable from Bhivpuri Investments Limited and Khopoli Investments Limited of US\$86,667 as at 31 March 2020 (2019: US\$6,667).

The Company provides services only to limited customers out of which most are related companies and taking into account historical credit loss experience and adjusted for forward looking information, the expected credit allowances is Nil (2019: Nil).

Receivables that are past due but not impaired

Included in the Company's trade receivable balance are debtors with a carrying amount of US\$8,620,000 (2019: US\$13,900,000) 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 amount due is from a related company and taking into historical credit loss experience and adjusted for forward looking information, the expected credit allowance is Nil (2019: Nil). The Company does not hold any collateral over these balances. The aging profile of these receivables is as follows:

	2020	2019
	US\$	US\$
<i>Trade receivables past due but not impaired:</i>		
More than 120 days	8,620,000	13,900,000

Bhira Investments Pte. Ltd.

Notes to the financial statements
For the financial year ended 31 March 2020

12. Non-current financial assets
Other current financial assets

		2020 US\$	2019 US\$
Non-current financial assets			
Financial assets	(a)	25,837,399	-
		<u>25,837,399</u>	<u>-</u>
(a) Financial assets at amortised cost			
Loans to Tata Power International Pte Ltd		25,837,399	-
		<u>25,837,399</u>	<u>-</u>
Other current financial assets			
Financial assets	(a)	138,324	7,009,575
Derivative financial assets	(b)	-	3,318,769
		<u>138,324</u>	<u>10,328,344</u>
(a) Financial assets at amortised cost			
Loans to Tata Power International Pte Ltd		-	6,200,000
Interest on loan to related parties		110,217	781,885
Interest receivable on fixed deposits		28,107	27,690
		<u>138,324</u>	<u>7,009,575</u>

(a) *Financial assets*

The loan to Tata Power International Pte Ltd ("TPIPL"), a related company, outstanding as at 31 March 2019 amounting to US\$6,200,000 which was repayable on demand was fully repaid during the year.

Further, a new interest-free and unsecured loan amounting to US\$22,282,000 was granted by the Company to TPIPL pursuant to an agreement dated December 5, 2019 which is to be repaid by December 4, 2022. Subsequently, the loan facility was increased to US\$28,782,000 through two addendums.

During the year, an unsecured loan was granted by the Company to Khopoli amounting to US\$10,000,000 having an interest rate of LIBOR + 1.3125% and was repayable in demand. The loan had a maximum tenor of 12 months. The loan was fully repaid by Khopoli during the year. However, the interest amounting to US\$110,217 is unpaid as at March 31, 2020.

(b) *Derivative financial assets*

The Company had purchased interest rate swaps for the long-term loan of US\$195 million (2019: US\$460 million) to mitigate the risk of adverse fluctuation in LIBOR. The derivatives have been designated as derivative financial instruments to be recognised at fair value through profit or loss.

	2020 US\$	2019 US\$
Interest rate swaps	-	3,318,769
		<u>3,318,769</u>

Bhira Investments Pte. Ltd.

**Notes to the financial statements
For the financial year ended 31 March 2020**

13. Cash and cash equivalents

	2020	2019
	US\$	US\$
Cash at bank	2,229,394	2,891,791
Fixed deposits	50,343,714	28,205,643
Cash and cash equivalents	<u>52,573,108</u>	<u>31,097,434</u>

The interest rate on fixed deposits ranged from 0.25% to 2.48% for the year under review (2019: 1.95% to 2.55%). The fixed deposits have a maturity of less than 3 months.

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

	2020	2019
	US\$	US\$
Singapore Dollars	<u>10,870</u>	<u>20,770</u>

14. Assets classified as held for sale

	Country of incorporation	Number and type of shares	% holding	2020	2019
				US\$	US\$
PT Arutmin Indonesia	Indonesia	3,000 ordinary shares	30%	100,057,997	100,057,997
PT Indocoal Kalsel Resources	Indonesia	60,000 ordinary shares	30%	31,100	31,100
				<u>100,089,097</u>	<u>100,089,097</u>

PT Arutmin Indonesia ("Arutmin") and PT Indocoal Kalsel Resources ("Kalsel") are engaged in the coal mining sector. On 26 November 2013, the Board of directors approved the disposal of the Company's investment in PT Arutmin Indonesia ("Arutmin") and PT Indocoal Kalsel Resources ("Kalsel").

Subsequently, the Company together with its related company, Bhivpuri Investments Limited ("Bhivpuri"), entered into an agreement with PT Cakrawala Langit Sejahtera ("CLS"), for a purchase consideration of US\$246.64 million with effect from 29 November 2016. Out of the US\$246.64 million, US\$200.06 million will be allocated to the Company and US\$46.58 million to Bhivpuri. The purchase consideration would be received essentially at an agreed rate per ton of coal mined by CLS till 2021. The completion of the sale, including the transfer of shares and receipt of the consideration, was subject to the fulfilling of conditions within the agreement.

One of these conditions was the restructuring of Indocoal Resources Cayman Limited ("Indocoal") in Bhivpuri, where it is expected that post the transfer of all assets and liabilities of PT Kaltim Prima Coal (KPC), Indocoal would represent only assets and liabilities relating to Arutmin. The titles of shares will be transferred upon execution of the above agreement.

Bhira Investments Pte. Ltd.

**Notes to the financial statements
For the financial year ended 31 March 2020**

14. Assets classified as held for sale (cont'd)

However, as a security to unrealised payments, the shares will be pledged back in favour of the Company on and around the date of completion.

As at 31 March 2020, the investment was not yet disposed of. However, the Company had received US\$88,149,466 (2019: US\$60,777,895) as advances from the sale of the Arutmin assets as per the terms of the new agreement.

In the event the business model of Indocoal is no longer viable, it was approved at a board meeting of the Company held on 14 May 2013, that Bhira would buy out Indocoal from Bhivpuri at a price equal to the cost of Indocoal in the books of Bhivpuri. The Board of Directors of Bhivpuri had also approved on 23 May 2013 to sell the investment held in Indocoal at a price equal to the cost of Indocoal in the books of Bhivpuri.

15. Other payables

	2020	2019
	US\$	US\$
Accruals	105,378	116,122
Interest on loan from related parties	23,970,131	19,593,067
Other payables to holding company	247,383	159,041
Interest on loan from bank	12,130	53,087
Other payables	207,347	22,877,868
Withholding tax payable	64,552	1,379,158
	<u>24,606,921</u>	<u>44,178,343</u>

Terms of loans from related parties are disclosed in Note 18.

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

16. Share capital

	2020	2019
	US\$	US\$
Issued and fully paid ordinary shares:		
At beginning and end of the year		
1,000,000 ordinary shares	<u>1,000,000</u>	<u>1,000,000</u>

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

Notes to the financial statements
For the financial year ended 31 March 2020

17. Interest-bearing loans and borrowings

Pursuant to a Facility Agreement dated 26 July 2019, the loan had been refinanced on 31 July 2019 with Sumitomo Mitsui Banking Corporation, Singapore, acting as agent, and a consortium of banks comprising of Sumitomo Mitsui Banking Corporation Singapore Branch, Bank of America, N.A., DBS Bank Ltd and First Abu Dhabi Bank PJSC Singapore Branch.

The refinanced term loan carries interest at the rate of 1-month LIBOR plus margin of 1.25% and is repayable on 31 July 2022.

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

	1 April 2019 US\$	Cash flows US\$	Accretion of interests US\$	Interest paid US\$	31 March 2020 US\$
Loans and borrowings					
- non-current	217,198,546	(20,000,000)	3,574,852	(7,155,759)	193,617,639

	1 April 2018 US\$	Cash flows US\$	Accretion of interests US\$	Interest paid US\$	31 March 2019 US\$
Loans and borrowings					
- non-current	315,751,651	(100,000,000)	11,251,979	(9,805,084)	217,198,546

The holding company has agreed to guarantee the above refinanced loan for the sum of US\$195,000,000, as reduced on each day on which any principal amount of the loan is repaid or prepaid or increased at any time on which any principal amount of the loan so repaid or prepaid is reinstated, in each case, to an amount at all times equal to 105% of the principal amount of the loan then outstanding. During the year, the Company had repaid US\$20,000,000 of the principal amount.

18. Other current financial liabilities

		2020 US\$	2019 US\$
Current financial liabilities			
Financial liabilities at amortised cost	(a)	179,952,428	323,670,736
Derivative financial liabilities	(b)	1,904,648	-
		<u>181,857,076</u>	<u>323,670,736</u>

Bhira Investments Pte. Ltd.

**Notes to the financial statements
For the financial year ended 31 March 2020**

18. Other current financial liabilities (cont'd)

(a) Financial liabilities at amortised cost

		2020	2019
		US\$	US\$
<i>Short-term loans and advances</i>			
PT Kaltim Prima Coal	(i)	6,300,000	161,430,000
PT Arutmin Indonesia	(ii)	48,924,761	48,924,761
PT Dwikarya Prima Abadi	(iii)	33,214,759	33,214,759
PT Nusa Tambang Pratama	(iv)	91,512,908	64,841,216
Khopoli Investments Limited	(v)	-	15,260,000
		<u>179,952,428</u>	<u>323,670,736</u>

Notes

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

The Company entered into an inter-company loan facility agreement dated 30 September 2011, with KPC having effective date 15 May 2011. Pursuant to the agreement, KPC has granted a loan facility of up to US\$150,000,000 to the Company. For the year ended 31 March 2020, a loan of US\$58,020,000 was received from KPC.

The loan is unsecured, repayable on demand only out of dividends received by the Company from KPC and carries interest at the rate of 3 months LIBOR plus margin of 2% per annum.

	2020	2019
	US\$	US\$
Opening balance	161,430,000	37,500,000
Loan received	58,020,000	123,930,000
Dividend income (net of withholding tax)*	(213,150,000)	-
Closing balance	<u>6,300,000</u>	<u>161,430,000</u>

* The dividend income from KPC is US\$236,833,333 which is subject to 10% withholding tax amounting to US\$23,683,333. Thus, the dividend income (net of withholding tax) is US\$213,150,000.

(ii) PT Arutmin Indonesia ("Arutmin")

The Company entered into an inter-company loan facility agreement dated 14 September 2011 with Arutmin having effective date 29 October 2010. Pursuant to the agreement, Arutmin has granted a loan facility of up to US\$150,000,000 to the Company. The loan is unsecured, repayable on demand or out of dividend received by the Company from Arutmin and carries interest at the rate of 3 months LIBOR plus margin of 2% per annum.

18. Other current financial liabilities (cont'd)

(a) Financial liabilities at amortised cost (cont'd)

(iii) PT Dwikarya Prima Abadi ("Dwikarya")

The Company entered into an inter-company loan facility agreement dated 24 March 2014 (the "Agreement") with Dwikarya having effective date 24 March 2014. Pursuant to the Agreement, Dwikarya has agreed to grant a loan facility of up to US\$27,900,000 to the Company. The Agreement was amended on 19 December 2014, pursuant to which the loan facility amount was increased to US\$40,285,714. The loan is unsecured, repayable on demand or out of dividend received by the Company from Dwikarya and carries interest at the rate of 1-month LIBOR plus margin of 2% per annum.

(iv) PT Nusa Tambang Pratama ("NTP")

The Company entered into an inter-company loan facility agreement dated 2 April 2017 (the "Agreement") with NTP. Pursuant to the Agreement, NTP has agreed to grant a loan facility of up to US\$30,000,000 to the Company. The Agreement was subsequently amended, pursuant to which the loan facility amount was increased to US\$66,000,000. The loan is unsecured, repayable on demand or out of dividend received by the Company from NTP and carries interest at the rate of 1 month LIBOR plus margin of 2% per annum. During the year, the Company had received an advance of US\$25,171,692 from NTP.

The Company also entered into an inter-company loan facility agreement dated 5 December 2019 (the "Agreement") with NTP. Pursuant to the Agreement, NTP has agreed to grant a loan facility of up to US\$1,500,000 to the Company. The loan is unsecured, repayable on demand and carries interest at the rate of 1 month LIBOR plus margin of 2% per annum. During the year ended 31 March 2020, the Company had received a loan of US\$1,500,000.

	2020	2019
	US\$	US\$
Opening balance	64,841,216	37,078,320
Advance received	25,171,692	-
Loan received	1,500,000	27,762,896
Closing balance	<u>91,512,908</u>	<u>64,841,216</u>

(v) Khopoli Investments Limited

The Company entered into an inter-company loan agreement dated 16 October 2018 (the "Agreement") with Khopoli Investments Limited ("Khopoli"). Pursuant to the Agreement, Khopoli has agreed to grant a loan facility of up to US\$25,000,000 to the Company. The loan shall be unsecured of short term nature having a maximum tenor of 36 months which can be modified by mutual of Khopoli and the Company. The loan will be payable on demand and carries interest at the rate of 1 month LIBOR plus margin of 1.7% per annum. During the year, the loan has been fully repaid along with accrued interest.

Bhira Investments Pte. Ltd.

**Notes to the financial statements
For the financial year ended 31 March 2020**

18. Other current financial liabilities (cont'd)

(b) Derivative financial liabilities

The Company had purchased interest rate swaps for the long-term loan of US\$195 million to mitigate the risk of adverse fluctuation in LIBOR. The derivatives have been designated as derivative financial instruments to be recognised at fair value through profit or loss.

	2020	2019
	US\$	US\$
Interest rate swaps	1,904,648	-

19. Contingencies and commitment

Commitments

On 14 May 2013, the Board of Directors (the "Board") had approved the buying out of Indocoal Resources (Cayman) Limited ("Indocoal") at the price that would be equivalent to the cost at which Indocoal was held in the books of Bhivpuri Investments Limited which was approximately US\$432 million when the business would not be viable.

20. 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.

20. Fair value of assets and liabilities (cont'd)

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

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

31 March 2020				
	Quoted prices in active markets for identical instruments (Level 1) US\$	Significant observable inputs other than quoted prices (Level 2) US\$	Significant unobservable inputs (Level 3) US\$	Total US\$
Financial liabilities				
Derivative financial instruments				
- Interest rate swap				
	-	1,904,648	-	1,904,648
31 March 2019				
	Quoted prices in active markets for identical instruments (Level 1) US\$	Significant observable inputs other than quoted prices (Level 2) US\$	Significant unobservable inputs (Level 3) US\$	Total US\$
Financial assets				
Derivative financial instruments				
- Interest rate swap				
	-	3,318,769	-	3,318,769

Interest rate swaps have a notional principal amount of US\$195,000,000 (2019: US\$215,000,000) and have a maturity date of less than one year (2019: less than one year).

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

(c) *Level 2 fair value measurement*

Interest rate swap contracts are valued using a valuation technique with market observable inputs. The most frequently applied valuation techniques include forward pricing and swap models, using present value calculations. The models incorporate various inputs including the credit quality of counterparties, interest rate curves and forward rate curves

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

21. Financial risk management objectives and policies

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

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

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

(a) Credit risk

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

Excessive risk concentration

The Company has significant concentration of credit risk with one (2019: one) customer which made up of 98.7% (2019: 99.9%) of its total trade receivables as at 31 March 2020

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

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

Exposure to credit risk

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

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.

Financial assets that are either past due or impaired

Information regarding financial assets that are either past due or impaired is disclosed in Note 11 (Trade and other receivables).

Bhira Investments Pte. Ltd.

**Notes to the financial statements
For the financial year ended 31 March 2020**

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

(b) Liquidity risk

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

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

	Average effective interest rate %	On demand or within one year US\$	Within 2 to 5 years US\$	More than 5 years US\$	Adjustment US\$	Total US\$
2020						
Financial assets						
Non-interest bearing	—	61,445,266	28,782,000	—	(2,944,601)	87,282,665
		61,445,266	28,782,000	—	(2,944,601)	87,282,665
Financial liabilities						
Non-interest bearing	—	26,511,569	—	—	—	26,511,569
Variable interest rate instruments	3.55%	—	209,980,760	—	(16,363,121)	193,617,639
	3.92%	6,547,025	—	—	(247,025)	6,300,000
	4.02%	50,892,633	—	—	(1,967,872)	48,924,761
	4.05%	34,558,684	—	—	(1,343,925)	33,214,759
	4.05%	95,215,674	—	—	(3,702,766)	91,512,908
		213,725,585	209,980,760	—	(23,624,709)	400,081,636

Bhira Investments Pte. Ltd.

Notes to the financial statements
For the financial year ended 31 March 2020

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

(b) *Liquidity risk (cont'd)*

	Average effective interest rate %	On demand or within one year US\$	Within 2 to 5 years US\$	More than 5 years US\$	Adjustment US\$	Total US\$
2019						
Financial assets						
Non-interest bearing	–	49,132,446	–	–	–	49,132,446
Variable interest rate instruments	2.37	6,346,663	–	–	(146,663)	6,200,000
		55,479,109	–	–	(146,663)	55,332,446
Financial liabilities						
Non-interest bearing	–	21,507,822	–	–	–	21,507,822
Variable interest rate instruments	4.15	–	234,500,464	–	(17,301,918)	217,198,546
	4.26	168,305,721	–	–	(6,875,721)	161,430,000
	4.51	51,132,181	–	–	(2,207,420)	48,924,761
	4.21	34,612,539	–	–	(1,397,780)	33,214,759
	4.21	67,569,936	–	–	(2,728,720)	64,841,216
	4.14	15,892,149	–	–	(632,149)	15,260,000
		359,020,348	234,500,464	–	(31,143,708)	562,377,104

21. 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.

All the Company's financial assets and liabilities are denominated in United States Dollars and consequently, the Company is not exposed to foreign currency risk.

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

(d) *Interest rate risk*

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

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

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

	Increase/(decrease) profit before income tax	
	2020	2019
	US\$	US\$
Interest expense on loan		
5% increase	(382,618)	(715,989)
5% decrease	382,618	715,989
Bank interest income		
5% increase	30,300	45,312
5% decrease	(30,300)	(45,312)
Interest income on loan		
5% increase	23,182	56,456
5% decrease	(23,182)	(56,456)

Bhira Investments Pte. Ltd.

**Notes to the financial statements
For the financial year ended 31 March 2020**

22. Capital management

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

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

The Company manages its capital structure and makes adjustments to it, in light of changes in economic conditions. No changes were made in the objectives, policies or processes during the years ended 31 March 2020 and 31 March 2019.

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

	Note	2020 US\$	2019 US\$
Other payables	15	24,606,921	44,178,343
Interest bearing loans and borrowings	17	193,617,639	217,198,546
Financial liabilities net of financial assets	12,18	153,976,705	316,661,161
Less: Cash and cash equivalents	13	(52,573,108)	(31,097,434)
Net debt		<u>319,628,157</u>	<u>546,940,616</u>
Equity attributable to the owner of the Company		<u>266,369,875</u>	<u>77,048,524</u>
Capital and net debt		<u>585,998,032</u>	<u>623,989,140</u>
Gearing ratio		54.54%	87.65%

23. Distribution to holding company

Distribution to holding company represents the fair value adjustments arising from discounting of interest-free loan due from related company.

24. Impact of COVID-19

The outbreak of Coronavirus (Covid-19) pandemic globally is causing significant disturbance and slowdown of economic activity. In many countries, businesses are being forced to cease or limit their operations for long or indefinite period of time. The management has assessed and determined that Covid-19 does not have any material impact on the Company's financial position as at 31 March 2020 and its financial performance for the year then ended 31 March 2020.

The management also believes that Covid-19 impact, if any, will be restricted to short to medium term only and no long-term impact is expected on the Company. Hence, the Company is committed for the continuation of its business operations.

25. Authorisation of financial statements for issue

The financial statements for the year ended 31 March 2020 were authorised for issue in accordance with a resolution of the directors on 24 June 2020.

Bhira Investments Pte. Ltd.

STATEMENT OF FINANCIAL POSITION AS AT MARCH 31, 2020

	As at March, 2020 USD	Exchange Rate	Amount ₹	As at March, 2019 USD	Exchange Rate	Amount ₹
ASSETS						
Non-current Assets						
Investment in joint Ventures	567,456,007	75.54	42,867,045,409	567,456,007	69.16	39,245,938,391
Other Investments	101	75.54	7,630	101	69.16	6,985
Non-current financial asset	25,837,399	75.54	1,951,821,714	-	69.16	-
Total Non-current assets	593,293,507	75.54	44,818,874,753	567,456,108	69.16	39,245,945,376
Current Assets						
Trade and other receivables	8,733,834	75.54	659,753,820	13,906,668	69.16	961,801,847
Other current financial asstes	138,324	75.54	10,448,995	10,328,344	69.16	714,320,665
Prepayments	-	75.54	-	10,133	69.16	700,810
Cash and Cash Equivalents	52,573,108	75.54	3,971,372,578	31,097,434	69.16	2,150,735,852
Total current assets	61,445,266	75.54	4,641,575,393	55,342,579	69.16	3,827,559,174
Assets Classified as held for sale	100,089,097	75.54	7,560,730,387	100,089,097	69.16	6,922,282,055
TOTAL ASSETS	754,827,870	75.54	57,021,180,533	722,887,784	69.16	49,995,786,605
LIABILITIES AND EQUITY						
Current Liabilities						
Other payables	24,606,921	75.54	1,858,806,812	44,178,343	69.16	3,055,427,216
Other current financial liabilities	181,857,076	75.54	13,737,483,521	323,670,736	69.16	22,385,456,507
Advance	88,149,466	75.54	6,658,810,662	60,777,895	69.16	4,203,472,152
Income tax payables	226,893	75.54	17,139,497	13,740	69.16	950,275
Total current liabilities	294,840,356	75.54	22,272,240,492	428,640,714	69.16	29,645,306,150
Non-current liabilities						
Interest-bearing loans and borrowings	193,617,639	75.54	14,625,876,450	217,198,546	69.16	15,021,712,080
Total Non-current liabilities	193,617,639		14,625,876,450	217,198,546		15,021,712,080
EQUITY						
Share capital	1,000,000	41.00	41,000,000	1,000,000	41.00	41,000,000
Accumulated profits	265,369,875	68.20	18,097,525,614	76,048,524	61.51	4,677,542,307
Exchange fluctuation reserve			1,984,537,976			610,226,068
Total equity	266,369,875	75.55	20,123,063,591	77,048,524	69.16	5,328,768,375
TOTAL LIABILITIES AND EQUITY	754,827,870	75.54	57,021,180,533	722,887,784	69.16	49,995,786,605

Bhira Investments Pte. Ltd.

**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
YEAR ENDED MARCH 31, 2020**

	Year ended March, 2020	Exchange Rate	Amount	Year ended March, 2019	Exchange Rate	Amount
	USD		₹	USD		₹
Operating income	105,197	70.88	7,456,847	11,386	69.89	795,815
Dividend income	236,833,333	70.88	16,787,836,076	-	69.89	-
Operating Profit	236,938,530		16,795,292,923	11,386		795,815
Operating expenses	(568,578)	70.88	(40,303,424)	(822,134)	69.89	(57,462,398)
Finance income	1,069,648	70.88	75,821,571	2,035,358	69.89	142,259,719
Finance costs	(19,857,358)	70.88	(1,407,580,879)	(29,290,608)	69.89	(2,047,243,614)
Profit before income tax	217,582,242	70.88	15,423,230,191	(28,065,998)	69.89	(1,961,650,478)
Income tax expense	(24,984,834)	70.88	(1,771,039,964)	(1,392,391)	69.89	(97,320,055)
Total profit for the year representing total comprehensive income for the year	192,597,408	70.88	13,652,190,227	(29,458,389)	69.89	(2,058,970,533)

Bhira Investments Pte. Ltd.
STATEMENT OF CASH FLOWS
YEAR ENDED MARCH 31, 2020

	Year ended March, 2020	Exchange Rate	Amount	Year ended March, 2019	Exchange Rate	Amount
	USD		₹	USD		₹
Operating activities						
Profit before income tax	217,582,242	70.88	15,423,230,191	(28,065,998)	69.89	(1,961,650,478)
Adjustment for :						
Bank Interest income	(605,999)	70.88	(42,955,997)	(906,244)	69.89	(63,341,199)
Interest income on loan to related parties	(463,649)	70.88	(32,865,574)	(1,129,114)	69.89	(78,918,520)
Interest expense on loan to related parties	7,652,357	70.88	542,434,265	14,319,775	69.89	1,000,869,218
Interest expense on loan to related parties	3,678,808	70.88	260,770,834	11,263,886	69.89	787,280,301
Market to Market loss on derivatives	5,203,304	70.88	368,834,123	2,875,577	69.89	200,986,154
Dividend Income	(236,833,333)	70.88	(16,787,836,076)	-	69.89	-
Operating cash flows before changes in working capital	(3,786,270)	70.88	(268,388,234)	(1,642,118)	69.89	(114,774,524)
Decrease in trade and other receivables	5,172,834	70.88	366,674,269	152,857	69.89	10,683,818
Decrease in other current financials assets	-	70.88	-	3,125,628	69.89	218,463,269
Decrease/(increase) in prepayments	10,133	70.88	718,274	(5,583)	69.89	(390,219)
Decrease in other financials liabilities	-	70.88	-	(34,840,117)	69.89	(2,435,122,106)
Decrease in other payables	(22,593,430)	70.88	(1,601,526,248)	(40,030,051)	69.89	(2,797,868,391)
Cash generated from operations	(21,196,733)	70.88	(1,502,521,939)	(73,239,384)	69.89	(5,119,008,153)
Income taxes paid	(26,085,779)	70.88	(1,849,080,010)	-	69.89	-
Net Cash from Operating Activities	(47,282,512)	70.88	(3,351,601,949)	(73,239,384)	69.89	(5,119,008,153)
Investing Activities						
Bank Interest Received	605,582	70.88	42,926,438	728,233	69.89	50,899,263
Interest Received on loan to related parties	803,860	70.88	56,981,295	5,824,091	69.89	407,070,181
Loan to Related party	(38,782,000)	70.88	(2,749,046,557)	(10,000,000)	69.89	(698,942,000)
Loan repaid by Related party	16,200,000	70.88	1,148,330,520	202,355,079	69.89	14,143,446,367
Advance from sale of investment in joint venture	27,371,571	70.88	1,940,222,862	49,430,188	69.89	3,454,883,447
Dividend received	236,833,333	70.88	16,787,836,076	-	69.89	-
Net cash used in investing activities	243,032,346		17,227,250,634	248,337,591		17,357,357,258
Financing activities						
Interest paid on loan from Bank	(7,280,559)	70.88	(516,079,512)	(11,600,537)	69.89	(810,810,253)
Interest paid on loan from Related party	-3,275,292	70.88	(232,167,763)	(8,640,498)	69.89	(603,920,695)
Loan received from Related party	84,691,691	70.88	6,003,336,640	166,952,896	69.89	11,669,039,107
Loan repaid to Bank	(20,000,000)	70.88	(1,417,692,000)	(100,000,000)	69.89	(6,989,420,002)
Loan repaid to related party	(228,410,000)	70.88	(16,190,751,486)	(273,309,419)	69.89	(19,102,743,199)
Net cash used in financing activities	(174,274,160)	70.88	(12,353,354,121)	(226,597,558)	69.89	(15,837,855,042)
Net increase / (decrease) in cash at bank	21,475,674	70.88	1,522,294,564	(51,499,351)	69.89	(3,599,505,937)
Cash at bank at the beginning of year	31,097,434	69.16	2,150,735,852	82,596,785	64.45	5,323,362,793
Effect of exchange fluctuation on cash at bank			298,342,162			426,878,996
Cash at bank at the end of year	52,573,108	75.54	3,971,372,578	31,097,434	69.16	2,150,735,852

Bhira Investments Pte. Ltd.
STATEMENT OF CHANGES IN EQUITY
YEAR ENDED MARCH 31, 2020

	Share Capital	Exchange Rate	Amount	Accumulated Profits / (Losses)	Exchange Rate	Amount	Total	Exchange Rate	Amount
	USD		₹	USD		₹	USD		₹
At 31 March 2018	<u>1,000,000</u>	41.00	<u>41,000,000</u>	<u>105,506,913</u>	63.85	<u>6,736,512,840</u>	<u>106,506,913</u>	63.63	<u>6,777,512,840</u>
Total Loss for the year representing total comprehensive income for the year				(29,458,389)	69.89	(2,058,970,533)	(29,458,389)	69.89	(2,058,970,533)
At 31 March 2019	<u>1,000,000</u>	41.00	<u>41,000,000</u>	<u>76,048,524</u>	61.51	<u>4,677,542,307</u>	<u>77,048,524</u>	61.24	<u>4,718,542,307</u>
Total profit for the year representing total comprehensive income for the year				192,597,408	70.88	13,652,190,227	192,597,408	70.88	13,652,190,227
Dividend Paid				(3,276,057)	70.88	(232,206,920)	(3,276,057)	70.88	(232,206,920)
	<u>1,000,000</u>		<u>41,000,000</u>	<u>265,369,875</u>	68.20	<u>18,097,525,614</u>	<u>266,369,875</u>	68.10	<u>18,138,525,614</u>