

Company Registration No. 200802690C

Trust Energy Resources Pte. Ltd.

Annual Financial Statements
31 March 2022



Trust Energy Resources Pte. Ltd.

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Trust Energy Resources Pte. Ltd.

Directors' statement

The directors present their statement to the member together with the audited financial statements of Trust Energy Resources Pte. Ltd. (the "Company") for the financial year ended 31 March 2022.

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 2022 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.

Directors

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

Kottamasu Venkateswara Rao
Anand Agarwal
Shweta Mathur

Arrangements to enable directors to acquire shares and debentures

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

Directors' interests in shares and debentures

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

Share options

During the financial year, there were:

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

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

Trust Energy Resources Pte. Ltd.

Directors' statement

Auditor

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

On behalf of the board of directors,



Shweta Mathur
Director



Kottamasu Venkateswara Rao
Director

Singapore
31 May 2022

Trust Energy Resources Pte. Ltd.

**Independent Auditor's Report
For the financial year ended 31 March 2022**

Independent auditor's report to the member of Trust Energy Resources Pte. Ltd.

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Trust Energy Resources Pte. Ltd. (the "Company"), which comprise the balance sheet as at 31 March 2022, 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 of the Company are properly drawn up in accordance with the provisions of the Companies Act 1967 (the "Act") and Financial Reporting Standards in Singapore ("FRSs") so as to give a true and fair view of the financial position of the Company as at 31 March 2022 and of 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.

Trust Energy Resources Pte. Ltd.

Independent Auditor's Report For the financial year ended 31 March 2022

Independent auditor's report to the member of Trust Energy Resources 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.

Trust Energy Resources Pte. Ltd.

**Independent Auditor's Report
For the financial year ended 31 March 2022**

Independent auditor's report to the member of Trust Energy Resources 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
31 May 2022

Trust Energy Resources Pte. Ltd.

**Statement of comprehensive income
For the financial year ended 31 March 2022**

	Note	2022 US\$	2021 US\$
Freight income		56,212,925	113,512,033
Vessels operating income	4a	6,189,927	11,701,409
Other operating income	4b	9,900,676	17,979,587
Gain on disposal of assets held-for-sale		–	43,475,289
Exchange loss		(37,102)	(56,133)
Freight expenses		(45,757,721)	(78,362,480)
Vessel running costs		(10,494,163)	(2,297,780)
Staff and related costs		(678,228)	(1,263,309)
Operating expenses	5	(443,674)	(482,732)
Depreciation expenses	10	(7,421,686)	(7,368,241)
Finance costs	6	(5,198,880)	(5,997,132)
Profit before income tax	7	2,272,074	90,840,511
Income tax expense	8	(1,206,610)	(1,626,258)
Profit for the year, representing total comprehensive income for the year attributable to the owner of the Company		1,065,464	89,214,253

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

Trust Energy Resources Pte. Ltd.

**Balance sheet
As at 31 March 2022**

	Note	2022 US\$	2021 US\$
Assets			
Non-current assets			
Property, plant and equipment	10	69,081,900	76,503,627
Investment in joint ventures	11	592,865	789,065
Other receivables and prepayments	13	–	102,054
		69,674,765	77,394,746
Current assets			
Trade receivables	12	34,728,959	61,719,881
Contract assets	4c	2,548,237	2,973,321
Other receivables and prepayments	13	198,746,990	9,993,620
Cash and cash equivalents	14	25,664,535	260,997,456
		261,688,721	335,684,278
Asset held for sale	15	1,664,661	1,664,661
		263,353,382	337,348,939
Total assets		333,028,147	414,743,685
Equity and liabilities			
Current liabilities			
Trade payables	16	5,363,416	6,613,922
Contract liabilities	4c	2,306,776	3,148,541
Other payables	17	68,834,159	57,297,750
Loans and borrowings	19	9,548,695	9,618,804
Income tax payable		1,209,156	2,204,509
		87,262,202	78,883,526
Net current assets		176,091,180	258,465,413
Non-current liabilities			
Loans and borrowings	19	61,548,045	67,707,723
Total liabilities		148,810,247	146,591,249
Net assets		184,217,900	268,152,436
Equity attributable to the owner of the Company			
Share capital	18	129,153,344	129,153,344
Accumulated profits		57,387,834	141,322,370
Merger reserve	25	(2,323,278)	(2,323,278)
Total equity		184,217,900	268,152,436
Total equity and liabilities		333,028,147	414,743,685

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

Trust Energy Resources Pte. Ltd.

Statement of changes in equity
For the financial year ended 31 March 2022

	Note	Share capital (Note 18) US\$	Accumulated profits US\$	Merger Reserve US\$	Total equity US\$
Balance at 1 April 2020		129,153,344	152,108,117	(2,323,278)	278,938,183
Profit for the year, representing total comprehensive income for the year		–	89,214,253	–	89,214,253
Dividend paid, representing transactions with owner recognised directly in equity	23	–	(100,000,000)	–	(100,000,000)
Closing balance at 31 March 2021 and 1 April 2021		129,153,344	141,322,370	(2,323,278)	268,152,436
Profit for the year, representing total comprehensive income for the year		–	1,065,464	–	1,065,464
Dividend paid, representing transactions with owner recognised directly in equity	23	–	(85,000,000)	–	(85,000,000)
Closing balance at 31 March 2022		129,153,344	57,387,834	(2,323,278)	184,217,900

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

Trust Energy Resources Pte. Ltd.

Statement of cash flows
For the financial year ended 31 March 2022

	Note	2022 US\$	2021 US\$
Operating activities			
Profit before income tax		2,272,074	90,840,511
Adjustments for:			
Depreciation of property, plant and equipment	10	7,421,686	7,368,241
Interest income	4	(160,208)	(8,040,875)
Interest expense	6	5,198,880	5,775,477
Marked to market loss on derivatives	6	–	221,655
Lease reversal on account of off hire period		–	(826,690)
Gain on disposal of assets held-for-sale		–	(43,475,289)
Operating cash flows before changes in working capital		14,732,432	51,863,030
Changes in working capital:			
Trade receivables		26,990,922	1,933,188
Other receivables and prepayments		(230,254)	(3,810,013)
Trade payables		(1,250,506)	(2,018,240)
Other payables		10,469,652	12,901,800
Cash flows from operations		50,712,246	60,869,765
Interest received		160,208	839,831
Interest paid		(1,464,367)	(3,442,750)
Income taxes paid		(2,201,963)	(1,121,808)
Net cash flows generated from operating activities		47,206,124	57,145,038
Investing activities			
Purchase of property, plant and equipment		–	(1,827,929)
Realisation on disposal of asset held for sale		–	212,976,879
Return on capital from joint venture without dilution of interest		196,200	–
Receipt from sublease		144,022	139,770
Loan to related company		(188,140,000)	(10,850,000)
Repayment from loan from TPIPL		–	134,300,000
Disposal of fixed assets		41	20
Net cash flows (used in)/generated from investing activities		(187,799,737)	334,738,740
Financing activities			
Repayment of borrowings from bank		–	(46,565,449)
Repayment of lease liabilities		(9,739,308)	(9,563,613)
Dividends paid		(85,000,000)	(100,000,000)
Net cash flows used in financing activities		(94,739,308)	(156,129,062)
Net increase in cash and cash equivalents		(235,332,921)	235,754,716
Cash and cash equivalents at beginning of the year		260,997,456	25,242,740
Cash and cash equivalents at end of the year	14	25,664,535	260,997,456

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

Trust Energy Resources Pte. Ltd.

Notes to the financial statements For the financial year ended 31 March 2022

1. Corporation information

Trust Energy Resources Pte. Ltd. (the "Company") is a private limited company incorporated and domiciled in Singapore. The immediate and ultimate holding company is The Tata Power Company Ltd, incorporated in India. Related companies refer to companies under the Tata Power Group.

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

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

2.2 *New accounting standards*

The accounting policies adopted are consistent with those of the previous financial year except 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 2021. The adoption of these standards did not have any effect on the financial performance or position of the Company.

Trust Energy Resources Pte. Ltd.

Notes to the financial statements For the financial year ended 31 March 2022

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 16 <i>Property, Plant and Equipment</i> : Proceeds before Intended Use	1 January 2022
Amendments to FRS 37 <i>Provisions, Contingent Liabilities and Contingent Assets</i> : Onerous Contracts – Cost of Fulfilling a Contract	1 January 2022
Annual Improvements to FRSs 2018-2020	1 January 2022
Amendments to FRS 1 Presentation of Financial Statements: Classification of Liabilities as Current or Non-current	1 January 2023
Amendments to FRS 1 Presentation of Financial Statements and FRS Practice Statement 2: Disclosure of Accounting Policies	1 January 2023
Amendments to FRS 8 Accounting Policies, Changes in Accounting Estimates and Errors: Definition of Accounting Estimates	1 January 2023
Amendments to FRS 12 Income Taxes: Deferred Tax related to Assets and Liabilities arising from a Single Transaction	1 January 2023
Amendments to FRS 110 Consolidated Financial Statements and FRS 28 Investments in Associates and Joint Ventures: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Date 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. Summary of significant accounting policies (cont'd)

2.5 Consolidation

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

2.6 Property, plant and equipment

All items of property, 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 property, 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 property, 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 property, 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:

Leasehold improvements	3 years
Furniture and fixtures	3 years
Tools and equipment	3 years
Dry-docking	5 years
Vessels	25 years (or over lease period of 12-13 years)
Leasehold building	Over lease period of 3 years
Ballast Water Treatment System ("BWTS") and scrubber	10 – 11 years

The carrying values of property, 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 property, 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 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. 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 *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)

2.9 *Financial instruments*

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

(a) *Financial assets*

Initial recognition and measurement

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

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

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

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)

2.9 *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 of 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.

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.

(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.

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

2.9 Financial instruments (cont'd)

(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.

2.10 Impairment of financial assets

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

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is recognised for credit losses expected over the remaining life of the exposure, irrespective of timing of the default (a lifetime ECL).

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

The company considers a financial asset in default when contractual payments are more than 360 days past due. However in certain cases the company may also consider a financial asset to be in default when internal or external information indicates that the company is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the company. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

2.11 Cash and cash equivalents

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

2.12 Provisions

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

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

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

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 2.10 and the amount initially recognised less, when appropriate, the cumulative amount of income recognised over the period of the guarantee.

2.14 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.

2.15 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.

2.16 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.

Property, plant and equipment and intangible assets once classified as held for sale are not depreciated or amortised.

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

2.17 Leases

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

(a) As a lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities representing the obligations to make lease payments and right-of-use assets representing the right to use the underlying leased assets.

(i) Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e. the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

Vessels	25 years (or over lease period of 12-13 years)
Leasehold building	Over lease period of 3 years

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment. The accounting policy for impairment is disclosed in Note 2.7.

The Company's right-of-use assets are presented within property, plant and equipment (Note 10).

(ii) Lease liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

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

2.17 Leases (cont'd)

(a) As a lessee (cont'd)

(ii) Lease liabilities (cont'd)

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the discount rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease payments (e.g. changes in future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

The Company lease liabilities are included in loans and borrowings (Note 19).

(iii) Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases (i.e. those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases that are considered to be low value. Lease payments on short-term leases and leases of low value assets are recognised as expense on a straight-line basis over the lease term.

(b) As a lessor

Leases in which the Company does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising from operating leases on the Company's investment properties is accounted for on a straight-line basis over the lease terms. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

2.18 **Business combinations involving entities under common control**

Business combinations involving entities under common control are accounted for by applying the pooling of interest method which involves the following:

- The assets and liabilities of the combining entities are reflected at their carrying amounts reported in the financial statements of the controlling holding company.
- No adjustments are made to reflect the fair values on the date of combination, or recognise any new assets or liabilities.
- No additional goodwill is recognised as a result of the combination. Any difference between the consideration paid/transferred and the equity 'acquired' is reflected within the equity as merger reserve.
- Acquisition-related costs are recognised as expenses in the periods in which costs are incurred and the services are received.
- The financial information of the entity or business acquired for the period prior to date of combination under common control is not restated.

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

2.19 Revenue

Revenue is recognised based on the consideration to which company expects to be entitled in exchange for transferring promised goods and services to customers, 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) Freight income

Revenue from the provision of voyage charter is recognised over time on a straight-line basis over the duration of the voyage on a load-to-discharge basis, as the service is performed and rendered.

(b) Charter revenue/vessel operating Income

The Company's charter contracts consist of time charters. In the case of time charter, revenue is separated into a lease component and a service component. The lease component represents the lease of the vessel and is accounted for using the lease standard. Revenue from the chartering of vessels is recognised on a straight-line basis over the charter period.

The service component includes the provision of crew and other services under the time charter contracts. The Company separates the components by allocating the transaction price based on their relative stand-alone selling prices. Revenue from the provision of other ancillary services including crew and other marine ancillary services are recognised over time when services are rendered.

(c) Commission income

Commission income is recognised when services are rendered and the performance obligation is satisfied.

(d) Sale of goods

Revenue from the sale of goods (coal) is recognised when the control of the goods has transferred from the Company to the buyer.

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

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.

(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.

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

2.20 Taxes (cont'd)

(b) Deferred tax (cont'd)

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

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

(c) Sales tax

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

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

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

Leases – estimating the incremental borrowing rate

The Company cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Company would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The incremental borrowing rate therefore reflects what the Company 'would have to pay', which requires estimation when no observable rates are available or when they need to be adjusted to reflect the terms and conditions of the lease. The Company estimates the incremental borrowing rate using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates.

4a. Vessels operating income

	2022	2021
	US\$	US\$
Charter hire income earned	6,189,927	9,963,957
Other ancillary charter hire revenue	–	1,737,452
	<u>6,189,927</u>	<u>11,701,409</u>

4b. Other operating income

	2022	2021
	US\$	US\$
Commission income	7,142,715	9,582,342
Interest income	160,208	8,040,875
Sale of bunker	2,398,490	–
Others	199,263	356,370
	<u>9,900,676</u>	<u>17,979,587</u>

Trust Energy Resources Pte. Ltd.

Notes to the financial statements For the financial year ended 31 March 2022

4c. Contract balances

	2022	2021
	US\$	US\$
Trade receivables (Note 12)	34,728,959	61,719,881
Contract assets	2,548,237	2,973,321
Contract liabilities	2,306,776	3,148,541
	<u>39,583,972</u>	<u>67,841,743</u>

Contract assets and liabilities relate to the Company's obligation to provide freight services to customer. Contract assets pertain to services performed for which the Company has yet to bill customers, while contract liabilities pertain to advances received from customers. Contract assets and liabilities are recognised as revenue over the period the services are provided.

5. Operating expenses

	2022	2021
	US\$	US\$
Professional fees	151,524	114,072
Others	292,150	368,660
	<u>443,674</u>	<u>482,732</u>

6. Finance costs

	2022	2021
	US\$	US\$
Interest expenses on		
- Bank borrowings	–	582,056
- Lease liabilities	3,509,521	3,783,368
- Financial guarantee expenses	922,114	797,751
- Bank guarantee expenses	767,125	612,000
Other finance charges	120	302
	<u>5,198,880</u>	<u>5,775,477</u>
Net loss on derivatives	–	221,655
	<u>5,198,880</u>	<u>5,997,132</u>

Financial guarantee expenses

Financial guarantee expenses pertain to corporate guarantee issued by the holding company for an amount of US\$119 million (2021: US\$130 million) given to Oldendorff Carriers GmbH & Co. KG, in relation to the performance guarantee of Contract of Affreightment.

Trust Energy Resources Pte. Ltd.

**Notes to the financial statements
For the financial year ended 31 March 2022**

6. Finance costs (cont'd)

Bank guarantee expenses

The Company has a facility with First Abu Dhabi Bank PKSC, Singapore Branch for an amount of US\$87 million (2021: US\$90 million) for its performance guarantee requirements which is granted on an uncommitted and on demand basis. Bank guarantee expenses pertain to performance guarantee issued by the bank to Oldendorff Carriers GmbH & Co. KG, to support the Company's performance under the New Affreightment Agreement.

7. Profit before income tax

The following items have been included in arriving at profit before income tax:

	2022	2021
	US\$	US\$
Staff defined contribution plan	53,089	64,016

8. Income tax expense

Major components of income tax expense

The major components of income tax expense for the years ended 31 March 2022 and 2021 are as follows:

	2022	2021
	US\$	US\$
<i>Statement of comprehensive income:</i>		
<u>Current income tax</u>		
- Current year taxation	1,209,614	1,763,239
- Overprovision in previous years	(3,004)	(136,981)
	1,206,610	1,626,258
Income tax expense recognised in profit or loss	1,206,610	1,626,258

Trust Energy Resources Pte. Ltd.

**Notes to the financial statements
For the financial year ended 31 March 2022**

8. Income tax expense (cont'd)

Relationship between tax expense and profit before income tax

The reconciliation between tax expense and the product of accounting profit multiplied by the applicable corporate tax rate for the years ended 31 March 2022 and 2021 are as follows:

	2022	2021
	US\$	US\$
Profit before income tax	2,272,074	90,840,511
Tax at the applicable tax rate of 17% (2021: 17%)	386,253	15,442,887
Adjustments:		
Non-deductible expenses	11,858,257	3,277
Income not subject to taxation	(11,029,014)	(13,786,811)
Effect of partial tax exemption and tax relief	(12,919)	(12,776)
Overprovision in previous years	(3,004)	(136,981)
Others	7,037	116,662
Income tax expense recognised in profit or loss	1,206,610	1,626,258

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

The award of the Maritime Sector Incentive - Approved International Shipping Enterprise (MSI-AIS) status of Trust Energy Resources Pte Ltd ended on 31 July 2021.

Trust Energy Resources Pte. Ltd.

**Notes to the financial statements
For the financial year ended 31 March 2022**

9. Related party transactions

(a) 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:

	2022	2021
	US\$	US\$
<i>Ultimate Holding company</i>		
- Financial guarantee expense	(922,114)	(797,751)
- Management service fee expense	–	(2,723)
<i>Holding company</i>		
- Loan	(188,140,000)	–
- Cost of services	(76,414)	(71,857)
- Share of office expenses	88,360	109,355
<i>Related party</i>		
- Freight income	56,076,490	113,458,887
- Interest income	–	7,368,498
- Cost of services	(9,106)	(8,721)
- Share of office expenses	20,997	25,725
Marketing commission from joint venture	6,798,761	9,491,294

Nature of relationship with related parties

Related Parties

Tata Power Company Limited
Tata Power International Pte Limited
Coastal Gujarat Power Limited
Bhira Investments Limited

Relationship

Ultimate Holding Company
Holding Company
Fellow Subsidiary
Fellow Subsidiary

(b) Compensation of key management personnel

	2022	2021
	US\$	US\$
Salaries and short-term benefits	–	487,711

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

10. Property, plant and equipment

	Furniture and fixtures US\$	Tools and equipment US\$	Vessels US\$	Leasehold building US\$	Capital work in progress US\$	BWTS and Scrubber US\$	Total US\$
Cost:							
As at 1 April 2020	2,620	44,981	86,892,871	288,160	595,817	–	87,824,449
Additions	–	7,686	–	–	–	1,820,008	1,827,694
Disposals	–	(8,075)	–	–	–	–	(8,075)
Reclassification	(235)	235	–	–	(595,817)	595,817	–
As at 31 March 2021 and 1 April 2021	2,385	44,827	86,892,871	288,160	–	2,415,825	89,644,068
Disposals	–	(32,006)	–	–	–	–	(32,006)
As at 31 March 2022	2,385	12,821	86,892,871	288,160	–	2,415,825	89,612,062
Accumulated depreciation:							
As at 1 April 2020	455	17,695	5,735,251	26,854	–	–	5,780,255
Depreciation	1010	14,967	7,095,156	96,053	–	161,055	7,368,241
Disposals	–	(8,055)	–	–	–	–	(8,055)
Reclassification	(215)	215	–	–	–	–	–
As at 31 March 2021 and 1 April 2021	1,250	24,822	12,830,407	122,907	–	161,055	13,140,441
Depreciation	797	14,941	7,095,156	96,052	–	214,740	7,421,686
Disposals	–	(31,965)	–	–	–	–	(31,965)
As at 31 March 2022	2,047	7,798	19,925,563	218,959	–	375,795	20,530,162
Net carrying amount:							
As at 31 March 2021	1,135	20,005	74,062,464	165,253	–	2,254,770	76,503,627
As at 31 March 2022	338	5,023	66,967,308	69,201	–	2,040,030	69,081,900

Trust Energy Resources Pte. Ltd.

Notes to the financial statements For the financial year ended 31 March 2022

10. Property, plant and equipment (cont'd)

Right-of-use assets acquired under leasing arrangements are presented together with the owned assets of the same class. Details of such leased assets are disclosed in Note 20.

Construction work-in-progress ("CWIP"): In previous year, the Company made advance payment to install Scrubber and Ballast Water Treatment System on MV Kanaris as per IMO2020, the installation was done in 2020.

11. Investment in joint ventures

	2022	2021
	US\$	US\$
Shares, at cost	592,865	789,065

Details of the joint ventures are as follows:

Company	Principal place of business	Cost of investment		Proportion of ownership interest	
		2022	2021	2022	2021
		US\$	US\$	%	%
PT Kalimantan Prima Power ("KAP Y.Santosa dan Rekan ") ⁽¹⁾	Indonesia	553,800	750,000	30	30
PT Citra Prima Buana ("KAP Y.Santosa dan Rekan") ⁽¹⁾	Indonesia	7,813	7,813	3	3
PT Guruh Agung ("KAP Y.Santosa dan Rekan ") ⁽¹⁾	Indonesia	31,252	31,252	2.445	3

⁽¹⁾ Audited by KAP Y.Santosa dan Rekan

PT Kalimanthan Prima Power (PT KPP) was established in the Republic of Indonesia. The scope of the Company's activities is electricity support services. PT Citra Prima Buana (CPB) is a subsidiary of PT KPP having its domicile in Jakarta, Indonesia engaged in Business management consultation. PT Guruh Agung is also a subsidiary of PT KPP having its domicile in Jakarta, Indonesia engaged in Electricity Support Services.

Trust Energy Resources Pte. Ltd.

Notes to the financial statements For the financial year ended 31 March 2022

12. Trade receivables

	2022	2021
	US\$	US\$
Related company	33,383,415	61,354,609
Third parties	1,345,544	365,272
Total trade receivables	<u>34,728,959</u>	<u>61,719,881</u>

Average credit period for trade and other receivables is 180 days and interest is charged on the trade receivables which are beyond the credit period of 180 days from the date of invoice. 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 receivable balance are debtors with a carrying amount of US\$2,621,693 (2021: US\$2,431,024) 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. Majority of these balances are receivable from related companies. The Company does not hold any collateral over these balances. 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 (2021: Nil). The aging profile of these receivables is as follows:

	2022	2021
	US\$	US\$
<i>Trade receivables past due but not impaired:</i>		
1 to 30 days	2,515,167	419,916
31 to 60 days	–	1,621,632
More than 60 days	106,526	389,476
	<u>2,621,693</u>	<u>2,431,024</u>

Trade receivables are denominated in the functional currency of the Company.

Trust Energy Resources Pte. Ltd.

**Notes to the financial statements
For the financial year ended 31 March 2022**

13. Other receivables and prepayments

	2022	2021
	US\$	US\$
Non-current		
Sub-lease receivables	–	102,054
	–	102,054
Current		
Loan to holding company	188,140,000	–
Deposits	60,571	65,608
Prepayments	3,040,763	2,377,716
Receivable from sale of shares of subsidiary	7,384,700	7,384,700
Sub-lease receivables	107,634	149,602
Others	13,322	15,994
	198,746,990	9,993,620
Total other receivables and prepayments	198,746,990	10,095,674
Add:		
Trade receivables (Note 12)	34,728,959	61,719,881
Contract assets (Note 4c)	2,548,237	2,973,321
Cash and cash equivalents (Note 14)	25,664,535	260,997,456
Less: Prepayments	(3,040,763)	(2,377,716)
Total financial assets carried at amortised cost	258,647,958	333,408,616

As at the end of the financial year, no other receivables balances is past due (2021: US\$Nil) and there is no allowance for credit loss arising from the outstanding balance.

Loan to holding company

On 15 July 2021, the Company entered into a US\$189 Million Loan Agreement with its holding company, Tata Power International Pte. Limited, for a period of one year. As at 31 March 2022, the outstanding loan principal is at US\$188,140,000. The loan is unsecured, interest-free and expected to be repaid by 15 July 2022.

Other receivables that are denominated in the foreign currency are as follows:

	2022	2021
	US\$	US\$
Singapore Dollars	74,682	81,603

Trust Energy Resources Pte. Ltd.

**Notes to the financial statements
For the financial year ended 31 March 2022**

14. Cash and cash equivalents

	2022	2021
	US\$	US\$
Cash in hand	354	604
Cash at bank	25,664,181	14,471,461
Fixed deposits	–	246,525,391
	<hr/>	<hr/>
Cash and cash equivalents	25,664,535	260,997,456
	<hr/> <hr/>	<hr/> <hr/>

As at end of the previous financial year, the fixed deposits bore an average interest rate of 0.10 % to 0.34% per annum and have a tenure of approximately 2 months.

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

	2022	2021
	US\$	US\$
Singapore Dollars	52,155	94,328
Indonesia Rupiah	110,375	107,607
	<hr/> <hr/>	<hr/> <hr/>

15. Asset held for sale

	2022	2021
	US\$	US\$
Investment in subsidiary	1,664,661	1,664,661
	<hr/> <hr/>	<hr/> <hr/>

Investment in subsidiary

In 2017, the Company entered into an agreement with RWood Resources Limited, a company incorporated in the Seychelles, to dispose its investment in subsidiary. Therefore, the investment has been classified as assets held for sale and are presented separately in the balance sheet.

In 2018, the Company disposed 14,358,000 common shares representing 2.11% of the paid-up equity shares of PT Sumber Energy Andalan Tbk to PT Cakrawala Langit Sejahtera at IDR 3,240 each.

In 2019, the Company disposed 330,402,000 common shares representing 48.59% of the paid-up equity shares of PT Sumber Energy Andalan Tbk to PT Astrindo Nusantara Infrastruktur Tbk, PT Geo Link Indonesia and PT Wahyu Berkat Abadi at IDR 3,465 each.

The Company expects to complete the sale of the subsidiary within the next financial year.

Trust Energy Resources Pte. Ltd.

**Notes to the financial statements
For the financial year ended 31 March 2022**

16. Trade payables

	2022	2021
	US\$	US\$
Ultimate Holding company	222,767	241,188
Related party	293,635	755,621
Third parties	4,847,014	5,617,113
Total trade payables	<u>5,363,416</u>	<u>6,613,922</u>

The average credit period on purchases of goods is up to 30 days (2021: 30 days). No interest is charged on trade payables.

Trade payables are denominated in the functional currency of the Company.

17. Other payables

	2022	2021
	US\$	US\$
Accrued expenses	152,324	319,127
Deferred revenue	233,558	86,970
Advance received	68,448,277	56,891,653
Total other payables	<u>68,834,159</u>	<u>57,297,750</u>
Add:		
Trade payables (Note 16)	5,363,416	6,613,922
Non-current portion loans and borrowings (Note 19)	61,548,045	67,707,723
Current portion loans and borrowings (Note 19)	9,548,695	9,618,804
Less: deferred revenue	(233,558)	(86,970)
Less: Advance received	(68,448,277)	(56,891,653)
Total financial liabilities carried at amortised cost	<u>76,612,480</u>	<u>84,259,576</u>

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

Other payables that are denominated in the foreign currency are as follows:

	2022	2021
	US\$	US\$
Singapore Dollars	<u>133,588</u>	<u>291,129</u>

Trust Energy Resources Pte. Ltd.

**Notes to the financial statements
For the financial year ended 31 March 2022**

18. Share capital

	2022	2021
	US\$	US\$
Issued and fully paid ordinary shares:		
At beginning and end of the year		
129,153,344 ordinary shares	129,153,344	129,153,344

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.

19. Loans and borrowings

	2022	2021
	US\$	US\$
Lease liabilities (Note 20)	71,096,740	77,326,527
Less:		
Lease liabilities (Note 20) within 12 months (disclosed under current liabilities)	(9,548,695)	(9,618,804)
Amount due for settlement after 12 months	61,548,045	67,707,723

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

	2021	Cash flows	Acquisition	Non-cash changes Accretion of		2022
	US\$	US\$	US\$	interests	Other*	US\$
				US\$	US\$	
Lease liabilities						
- Current	9,618,804	(9,739,308)	-	3,509,521	6,159,678	9,548,695
- Non-current	67,707,723	-	-	-	(6,159,678)	61,548,045
Total	77,326,527	(9,739,308)	-	3,509,521	-	71,096,740

	2020	Cash flows	Acquisition	Non-cash changes Accretion of		2021
	US\$	US\$	US\$	interests	Other*	US\$
				US\$	US\$	
Bank loans						
- Current	46,040,529	(46,565,449)	-	524,920	-	-
Lease liabilities						
- Current	9,618,804	(9,563,613)	-	3,783,368	5,780,245	9,618,804
- Non-current	73,487,968	-	-	-	(5,780,245)	67,707,723
Total	129,147,301	(56,129,062)	-	4,308,288	-	77,326,527

* The 'other' column relates to reclassification of non-current portion of bank loans and lease liabilities due to passage of time.

Trust Energy Resources Pte. Ltd.

Notes to the financial statements For the financial year ended 31 March 2022

20. Leases

The Company has lease contract for vessel and office (classified as 'vessels' and 'leasehold building' in Note 10). The Company's obligations under the leases are secured by the lessor's title to the leased assets.

(a) *Carrying amounts of right-of-use assets classified within property, plant and equipment*

	Vessel	Leasehold	Total
	US\$	Building	US\$
		US\$	US\$
At 1 April 2020	81,157,620	261,306	81,418,926
Depreciation during the year	(7,095,156)	(96,053)	(7,191,209)
At 31 March 2021	74,062,464	165,253	74,227,717
Depreciation during the year	(7,095,156)	(96,052)	(7,191,208)
At 31 March 2022	66,967,308	69,201	67,036,509

(b) *Lease liabilities*

The carrying amounts of lease liabilities and the movements during the year are disclosed in loans and borrowings (Note 19) and the maturity analysis of lease liabilities is disclosed in Note 21(b).

(c) *Amounts recognised in profit or loss*

	2022	2021
	US\$	US\$
Depreciation of right-of-use assets	7,191,208	7,191,209
Interest expense on lease liabilities (Note 6)	3,509,521	3,783,368
Total amount recognised in profit or loss	10,700,729	10,974,577

(d) *Total cash inflow/outflows*

The Company had total cash inflows from sub-lease of US\$144,022 (2021: US\$139,770) and outflows for lease payments of US\$9,739,308 (2021: US\$9,563,613) during the year.

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.

Refer to Note 12 for credit risk and other information in respect of trade receivables and other receivables as stated above are due from the parties under normal course of the business and as such Company believes exposure to credit risk is minimal.

Excessive risk concentration

The Company has significant concentration of credit risk with three (2021: three) customers which made up of 99% (2021: 99%) of its total trade receivables as at 31 March 2022.

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

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 Notes 12 and 13 (Trade and other receivables).

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.

Liquidity risk analysis

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.

	Average effective interest rate	On demand or within one year	Within 2 to 5 years	Adjustment	Total
	%	US\$	US\$	US\$	US\$
Financial assets					
2022					
Non-interest bearing	–	228,796,115	–	–	228,796,115
Variable interest rate instruments	1.38	29,744,209	–	–	29,744,209
Sub-lease receivable		107,634	–	–	107,634
		<u>258,647,958</u>	<u>–</u>	<u>–</u>	<u>258,647,958</u>
2021					
Non-interest bearing	–	28,630,776	–	–	28,630,776
Variable interest rate instruments	1.45	58,000,793	–	–	58,000,793
Sub-lease receivable		149,602	102,054	–	251,656
Fixed interest rate instruments	0.27	246,542,666	–	(17,275)	246,525,391
		<u>333,323,837</u>	<u>102,054</u>	<u>(17,275)</u>	<u>333,408,616</u>

Trust Energy Resources Pte. Ltd.

Notes to the financial statements
For the financial year ended 31 March 2022

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

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

Liquidity risk analysis (cont'd)

Non-derivative financial assets and liabilities

	On demand or within one year US\$	Within 2 to 5 years US\$	More than 5 years US\$	Adjustment US\$	Total US\$
Financial liabilities					
2022					
Non-interest bearing	73,964,017	–	–	–	73,964,017
Lease liabilities	9,552,307	37,514,638	42,178,198	(18,148,403)	71,096,740
	83,516,324	37,514,638	42,178,198	(18,148,403)	145,060,757
2021					
Non-interest bearing	63,824,702	–	–	–	63,824,702
Lease liabilities	9,619,507	37,691,577	60,920,642	(30,905,199)	77,326,527
	73,444,209	37,691,577	60,920,642	(30,905,199)	141,151,229

(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 and Indonesian Rupiah 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	
	2022	2021	2022	2021
	US\$	US\$	US\$	US\$
Singapore Dollars	126,837	175,931	133,588	291,129
Indonesian Rupiah	110,375	107,607	–	–

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

(c) **Foreign currency risk (cont'd)**

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 before income tax will increase/(decrease) by:

	2022	2021
	US\$	US\$
Singapore Dollars	(675)	(11,520)
Indonesian Rupiah	11,038	10,761

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

(d) **Interest rate risk**

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

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

If interest rates had been 50 basis points higher (lower) and all other variables were held constant, the Company's profit for the year ended 31 March 2022 would decrease (increase) by US\$148,721 (2021: US\$1,135,998) after excluding potential effects of changes in value of derivatives. This is mainly attributable to the Company's exposure to interest rates on its variable rate borrowings and trade financing.

22. Fair value of financial assets and liabilities

The fair value of financial assets and liabilities is at the amount at which the instrument could be exchanged or settled between knowledgeable and willing parties in an arm's length transaction, other than in forced or liquidation sale.

The carrying amounts of trade and other receivables and payables and accruals, cash and cash equivalents and loans and borrowings are reasonable approximation of fair values, either due to their short-term nature of that they are floating rate instruments that are re-priced to market interest rates on or near the reporting date.

Trust Energy Resources Pte. Ltd.

Notes to the financial statements For the financial year ended 31 March 2022

23. 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 2022 and 2021.

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, less cash and cash equivalents. Capital includes equity attributable to the owner of the Company.

	Note	2022 US\$	2021 US\$
Trade payables	16	5,363,416	6,613,922
Other payables	17	68,834,159	57,297,750
Less: Cash and cash equivalents	14	(25,664,535)	(260,997,456)
Net debt		48,533,040	(197,085,784)
Equity attributable to the owner of the Company		184,217,900	268,152,436
Capital and net debt		232,750,940	71,066,652
Gearing ratio		21%	-277%

24. Dividends

	2022 US\$	2021 US\$
<i>Declared and paid during the financial year:</i>		
<i>Dividends on ordinary shares:</i>		
- Interim dividend, net of tax out of retained earnings: US\$0.66 (2021: US\$0.77) per ordinary share	85,000,000	100,000,000

Trust Energy Resources Pte. Ltd.

**Notes to the financial statements
For the financial year ended 31 March 2022**

25. Merger reserve

The merger reserve records the difference between the purchase consideration and net assets acquired from the amalgamation with its subsidiary company in prior years. The acquisition is a business combination and are accounted for by applying the pooling of interest method as disclosed in Note 2.18 to the financial statements.

26. Authorisation of financial statements for issue

The financial statements for the year ended 31 March 2022 were authorised for issue in accordance with a resolution of the directors on 31 May 2022.

TRUST ENERGY RESOURCES PTE. LTD.
STATEMENT OF FINANCIAL POSITION AS AT MARCH 31, 2022

	As at March, 2022	Exchange Rate	Amount ₹	As at March, 2021	Exchange Rate	Amount ₹
	USD			USD		
<u>ASSETS</u>						
Non-current assets						
Investments in joint ventures	592,865	75.79	44,930,985	789,065	73.11	57,690,515
Property, plant and equipment	69,081,900	75.79	5,235,454,690	76,503,627	73.11	5,593,371,429
Other receivables and prepayments	-	75.79	-	102,054	73.11	7,461,423
Total Non-current assets	<u>69,674,765</u>	75.79	<u>5,280,385,675</u>	<u>77,394,746</u>	73.11	<u>5,658,523,367</u>
Non-current assets held for sale	<u>1,664,661</u>	75.79	<u>126,158,331</u>	<u>1,664,661</u>	73.11	<u>121,707,527</u>
Current assets						
Cash and cash equivalents	25,664,535	75.79	1,945,017,582	260,997,456	73.11	19,082,176,502
Trade receivables	34,728,959	75.79	2,631,975,833	61,719,881	73.11	4,512,494,800
Contract Assets	2,548,237	75.79	193,121,199	2,973,321	73.11	217,386,932
Other receivables and prepayments	198,746,990	75.79	15,062,279,134	9,993,620	73.11	730,658,542
Total current assets	<u>261,688,721</u>	75.79	<u>19,832,393,748</u>	<u>335,684,278</u>	73.11	<u>24,542,716,776</u>
TOTAL ASSETS	<u>333,028,147</u>	75.79	<u>25,238,937,754</u>	<u>414,743,685</u>	73.11	<u>30,322,947,670</u>
<u>LIABILITIES AND EQUITY</u>						
Non-current liabilities						
Loan and Borrowings	61,548,045	75.79	4,664,492,448	67,707,723	73.11	4,950,280,898
Total non-current liabilities	<u>61,548,045</u>	75.79	<u>4,664,492,448</u>	<u>67,707,723</u>	73.11	<u>4,950,280,898</u>
Capital and reserves						
Share capital	129,153,344	46.37	5,989,014,205	129,153,344	46.37	5,989,014,205
Accumulated profits	57,387,834	66.89	3,838,723,581	141,322,370	71.42	10,092,736,218
Merger Reserve	(2,323,278)	70.88	(164,684,632)	(2,323,278)	70.88	(164,684,632)
Exchange Difference	-		4,298,121,459	-		3,688,229,187
	<u>184,217,900</u>	75.79	<u>13,961,174,613</u>	<u>268,152,436</u>	73.11	<u>19,605,294,978</u>
Current liabilities						
Trade payables	5,363,416	75.79	406,472,918	6,613,922	73.11	483,560,372
Contract Liability	2,306,776	75.79	174,821,787	3,148,541	73.11	230,197,704
Other payables	68,834,159	75.79	5,216,679,341	57,297,750	73.11	4,189,181,747
Loan and Borrowings	9,548,695	75.79	723,659,309	9,618,804	73.11	703,254,807
Income tax payable	1,209,156	75.79	91,637,338	2,204,509	73.11	161,177,164
Total current liabilities	<u>87,262,202</u>	75.79	<u>6,613,270,693</u>	<u>78,883,526</u>	73.11	<u>5,767,371,794</u>
TOTAL LIABILITIES AND EQUITY	<u>333,028,147</u>	75.79	<u>25,238,937,754</u>	<u>414,743,685</u>	73.11	<u>30,322,947,670</u>

TRUST ENERGY RESOURCES PTE. LTD.
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED MARCH 31, 2022

	Year ended March, 2022	Exchange Rate	Amount	Year ended March, 2021	Exchange Rate	Amount
	USD		₹	USD		₹
Continuing operations						
Freight income	56,212,925	74.51	4,188,458,770	113,512,033	74.21	8,424,091,207
Other Vessels operating income	6,189,927	74.51	461,215,175	11,701,409	74.21	868,399,006
Other operating income	9,900,676	74.51	737,705,309	17,979,587	74.21	1,334,322,686
Gain on disposal of assets held for sale	0	74.51	-	43,475,289	74.21	3,226,440,318
Exchange gain/(loss)	(37,102)	74.51	(2,764,492)	(56,133)	74.21	(4,165,810)
Coal purchase		74.51	-	-	74.21	-
Freight expense	(45,757,721)	74.51	(3,409,435,246)	(78,362,480)	74.21	(5,815,530,401)
Vessel running costs	(10,494,163)	74.51	(781,926,382)	(2,297,780)	74.21	(170,525,607)
Staff and related costs	(678,228)	74.51	(50,535,175)	(1,263,309)	74.21	(93,754,203)
Operating expenses	(443,674)	74.51	(33,058,416)	(482,732)	74.21	(35,825,086)
Depreciation expenses	(7,421,686)	74.51	(552,994,277)	(7,368,241)	74.21	(546,820,743)
Finance Cost	(5,198,880)	74.51	(387,371,668)	(5,997,132)	74.21	(445,066,357)
Profit before income tax	2,272,074	74.51	169,293,598	90,840,511	74.21	6,741,565,010
Income tax expenses	(1,206,610)	74.51	(89,905,235)	(1,626,258)	74.21	(120,689,810)
Total Profit for the year, representing total comprehensive income for the year	1,065,464	74.51	79,388,363	89,214,253	74.21	6,620,875,200

TRUST ENERGY RESOURCES PTE. LTD.
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2022

	Share Capital		Accumulated Profits		Merger Reserve		Total	
	USD	₹	USD	₹	USD	₹	USD	₹
Balance as at March 31, 2020	<u>129,153,344</u>	<u>5,989,014,205</u>	<u>152,108,117</u>	<u>10,893,181,018</u>	<u>(2,323,278)</u>	<u>278,938,183</u>	<u>16,717,510,591</u>	
Dividend paid during the year			(100,000,000)	(7,421,320,000)		(100,000,000)	(7,421,320,000)	
Profit for the year, representing total comprehensive income for the year			89,214,253	6,620,875,200		89,214,253	6,620,875,200	
Balance as at March 31, 2021	<u>129,153,344</u>	<u>5,989,014,205</u>	<u>141,322,370</u>	<u>10,092,736,218</u>	<u>(2,323,278)</u>	<u>268,152,436</u>	<u>15,917,065,791</u>	
Dividend paid during the year			(85,000,000)	(6,333,401,000)		(85,000,000)	(6,333,401,000)	
Profit for the year, representing total comprehensive income for the year			1,065,464	79,388,363		1,065,464	79,388,363	
Balance as at March 31, 2022	<u>129,153,344</u>	<u>5,989,014,205</u>	<u>57,387,834</u>	<u>3,838,723,581</u>	<u>(2,323,278)</u>	<u>184,217,900</u>	<u>9,663,053,154</u>	

TRUST ENERGY RESOURCES PTE. LTD.
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2022

	Year ended March, 2022	Exchange Rate	Amount ₹	Year ended March, 2021	Exchange Rate	Amount ₹
	USD			USD		
Operating activities						
Profit before tax	2,272,074	74.51	169,293,598	90,840,511	74.21	6,741,565,010
Adjustment for:						
Depreciation expense	7,421,686	74.51	552,994,277	7,368,241	74.21	546,820,743
Interest expense	5,198,880	74.51	387,371,668	5,775,477	74.21	428,616,630
Interest income	(160,208)	74.51	(11,937,194)	(8,040,875)	74.21	(596,739,065)
Lease reversal on account off hire period	-	74.51	-	(826,690)	74.21	(61,351,310)
Gain on disposal of assets held-for-sale	-	74.51	-	(43,475,289)	74.21	(3,226,440,318)
Cash flows before changes in working capital	14,732,432	74.51	1,097,722,349	51,863,030	74.21	3,848,921,417
Changes in working capital:						
Trade receivables	26,990,922	74.51	2,011,109,793	1,933,188	74.21	143,468,068
Other receivables and prepayments	(230,254)	74.51	(17,156,364)	(3,810,013)	74.21	(282,753,257)
Trade payables	(1,250,506)	74.51	(93,175,952)	(2,018,240)	74.21	(149,780,049)
Other payables	10,469,652	74.51	780,100,052	12,901,800	74.21	957,483,864
Cash generated from operations	50,712,246	74.51	3,778,599,878	60,869,765	74.21	4,517,340,043
Interest received	160,208	74.51	11,937,194	839,831	74.21	62,326,546
Interest paid	(1,464,367)	74.51	(109,110,864)	(3,442,750)	74.21	(255,497,494)
Income taxes paid	(2,201,963)	74.51	(164,069,584)	(1,121,808)	74.21	(83,252,961)
Net cash from operating activities	47,206,124	74.51	3,517,356,624	57,145,038	74.21	4,240,916,134
Investing activities						
Purchase of property, plant and equipment		74.51	-	(1,827,929)	74.21	(135,656,460)
Realisation on disposal of asset held for sale		74.51	-	212,976,879	74.21	15,805,695,717
Return on capital from joint venture without dilution of interest	196,200	74.51	14,618,980			
Receipt of sub lease	144,022	74.51	10,731,166	139,770	74.21	10,372,779
Loan to related company	(188,140,000)	74.51	(14,018,424,284)	(10,850,000)	74.21	(805,213,220)
Repayment from Loan from TPIPL	-	74.51	-	134,300,000	74.21	9,966,832,760
Disposal of fixed assets	41	74.51	3,055	20	74.21	1,484
Net cash used in investing activities	(187,799,737)	74.51	(13,993,071,083)	334,738,740	74.21	24,842,033,060
Financing activities						
Repayment of borrowings from bank	-	74.51	-	(46,565,449)	74.21	(3,455,770,980)
Repayment of Lease Liability	(9,739,308)	74.51	(725,681,683)	(9,563,613)	74.21	(709,746,324)
Dividend paid to Shareholders	(85,000,000)	74.51	(6,333,401,000)	(100,000,000)	74.21	(7,421,320,000)
Net cash (used in) from financing activities	(94,739,308)	74.51	(7,059,082,683)	(156,129,062)	74.21	(11,586,837,304)
Net increase in cash and cash equivalents	(235,332,921)	74.51	(17,534,797,142)	235,754,716	74.21	17,496,111,890
Cash and cash equivalents at the beginning of the year	260,997,456	73.11	19,082,176,502	25,242,740	75.54	1,906,836,580
Effect of exchange fluctuation on cash and cash equivalents	-		397,638,222	-		(320,771,968)
Cash and cash equivalents at the end of the year	25,664,535	75.79	1,945,017,582	260,997,456	73.11	19,082,176,502