

Company Registration No.: 200709334R

BAJAJ HINDUSTHAN (SINGAPORE) PRIVATE LIMITED
(Incorporated in Singapore)

FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

BAJAJ HINDUSTHAN (SINGAPORE) PRIVATE LIMITED
(Incorporated in Singapore)

FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

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BAJAJ HINDUSTHAN (SINGAPORE) PRIVATE LIMITED
(Incorporated in Singapore)

GENERAL INFORMATION

Directors

Kausik Adhikari
Arangannal S/O Kathamuthu (Appointed on 13 August 2021)

Company Secretaries

Cheng Lian Siang
Pathima Muneera Azmi

Registered Office

9 Raffles Place,
#27-00 Republic Plaza,
Singapore 048619

Independent Auditor

JBS Practice PAC

BAJAJ HINDUSTHAN (SINGAPORE) PRIVATE LIMITED
(Incorporated in Singapore)

DIRECTORS' STATEMENT

The directors present their statement to the member together with the audited financial statements of BAJAJ HINDUSTHAN (SINGAPORE) PRIVATE LIMITED (the "Company") for the financial year ended 31 March 2022.

OPINION OF THE DIRECTORS

In the opinion of the directors,

- (a) the accompanying 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 its financial performance, changes in equity and cash flows of the Company for the financial year then ended; and
- (b) at the date of this statement, on the understanding that the holding company has undertaken not to recall the amount owing by the Company and to provide continuing financial support to enable the Company to meet its financial obligations until such time the Company is able to operate on its own financial resources, 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:

Kausik Adhikari
Arangannal S/O Kathamuthu

ARRANGEMENTS TO ENABLE THE DIRECTORS TO ACQUIRE SHARES OR DEBENTURES

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

DIRECTORS' INTERESTS IN SHARES OR DEBENTURES

According to the register of directors' shareholdings kept by the Company for the purpose of Section 164 of the Singapore Companies Act 1967, none of the directors holding office at the end of the financial year had any interests in shares and debentures of the Company and its related corporations, except as detailed below:

	Holdings registered in the <u>name of director</u>	
	As at <u>01.04.2021</u>	As at <u>31.03.2022</u>
<i>Ordinary shares</i> <u>In holding company</u> Bajaj Hindusthan Sugar Limited Kausik Adnikari	500	500

BAJAJ HINDUSTHAN (SINGAPORE) PRIVATE LIMITED
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DIRECTORS' STATEMENT (...CONT'D)

SHARE OPTIONS

There were no share options granted during the financial year to subscribe for unissued shares of the Company.

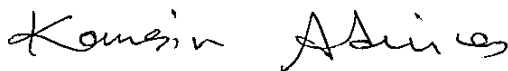
No shares have been issued during the financial year by virtue of the exercise of options to take up unissued shares of the Company.

There were no unissued shares of the Company under option at the end of the financial year.

INDEPENDENT AUDITOR

The independent auditor, Messrs JBS Practice PAC, has expressed its willingness to accept re-appointment.

The Board of Directors



Kausik Adhikari
Director



Arangannal S/O Kathamuthu
Director

14 May 2022

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF
BAJAJ HINDUSTHAN (SINGAPORE) PRIVATE LIMITED
(Incorporated in Singapore)**

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of BAJAJ HINDUSTHAN (SINGAPORE) PRIVATE LIMITED (the "Company") as set out on pages 8 to 30, which comprise the statement of financial position of the Company as at 31 March 2022, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows of the Company for the financial 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 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 financial 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.

Material Uncertainty Related to Going Concern

As at 31 March 2022, the Company has suffered net loss of US\$6,864 (2021: US\$104,195) from operations and has a net current liabilities of US\$582,615 (2021: US\$575,751). As stated in Note 4, these events and conditions indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Notwithstanding the same, the Company's financial statements have been prepared on a going concern basis as the holding company has undertaken not to recall the amount owing by the Company and to provide continuing financial support until such time the Company is able to operate on its own financial resources. In the event that such financial support is not forthcoming, the going concern basis would be invalid and provisions would have to be made for any losses on realisation of the Company's assets and further costs which may arise. No such adjustments have been made to these financial statements. Our opinion is not modified in respect of this matter.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF
BAJAJ HINDUSTHAN (SINGAPORE) PRIVATE LIMITED (...CONT'D)
(Incorporated in Singapore)**

Report on the Audit of the Financial Statements (...cont'd)

Other Information

Management is responsible for the other information. The other information comprises the General Information set out on page 1, the Directors' Statement set out on pages 2 to 3, and the accompanying Schedule of Other Operating Expenses.

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.

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 FRSSs, 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 decision of users taken on the basis of these financial statements.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF
BAJAJ HINDUSTHAN (SINGAPORE) PRIVATE LIMITED (...CONT'D)
(Incorporated in Singapore)**

Report on the Audit of the Financial Statements (...cont'd)

Auditor's Responsibilities for the Audit of the Financial Statements (...cont'd)

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

- (a) 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.
- (b) 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.
- (c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- (d) 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.
- (e) 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.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF
BAJAJ HINDUSTHAN (SINGAPORE) PRIVATE LIMITED (...CONT'D)
(Incorporated in Singapore)**

Report on Other Legal and Regulatory Requirements

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

JBS Practice PAC

JBS PRACTICE PAC
PUBLIC ACCOUNTANTS AND
CHARTERED ACCOUNTANTS

Singapore

14 May 2022

BAJAJ HINDUSTHAN (SINGAPORE) PRIVATE LIMITED
(Incorporated in Singapore)

STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2022

	<u>Note</u>	<u>2022</u> US\$	<u>2021</u> US\$
ASSETS			
Current assets			
Cash at bank	5	60,691	160,229
Other receivables	6	3,686	3,722
Loan to subsidiaries	7	1,397,510	1,322,510
Prepayments		5,590	5,663
		1,467,477	1,492,124
Non-current asset			
Investments in subsidiaries	8	14,838,080	14,838,080
Total assets		16,305,557	16,330,204
LIABILITIES			
Current liabilities			
Amount owing to holding company	9	1,768,998	1,786,644
Other payables	10	281,094	281,231
Total liabilities		2,050,092	2,067,875
NET ASSETS		14,255,465	14,262,329
SHAREHOLDER'S EQUITY			
Share capital	11	19,899,714	19,899,714
Accumulated losses		(5,644,249)	(5,637,385)
TOTAL EQUITY		14,255,465	14,262,329

The annexed notes form an integral part of and should be read in conjunction with these financial statements.

BAJAJ HINDUSTHAN (SINGAPORE) PRIVATE LIMITED
(Incorporated in Singapore)

**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022**

	<u>Note</u>	<u>2022</u> US\$	<u>2021</u> US\$
REVENUE		-	-
EXPENSES			
Foreign exchange gain/(loss)		15,520	(84,510)
Legal and professional fees		(12,463)	(11,622)
Other operating expenses		(9,921)	(8,063)
Total expenses		(6,864)	(104,195)
Loss before income tax		(6,864)	(104,195)
Income tax expense	12	-	-
Net loss, representing total comprehensive loss for the financial year		(6,864)	(104,195)

The annexed notes form an integral part of and should be read in conjunction with these financial statements.

BAJAJ HINDUSTHAN (SINGAPORE) PRIVATE LIMITED
(Incorporated in Singapore)

**STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022**

	<u>Share capital</u> US\$	<u>Accumulated losses</u> US\$	<u>Total</u> US\$
<u>2022</u>			
Balance as at 1 April 2021	19,899,714	(5,637,385)	14,262,329
Net loss, representing total comprehensive loss for the financial year	-	(6,864)	(6,864)
Balance as at 31 March 2022	<u>19,899,714</u>	<u>(5,644,249)</u>	<u>14,255,465</u>
<u>2021</u>			
Balance as at 1 April 2020	19,899,714	(5,533,190)	14,366,524
Net loss, representing total comprehensive loss for the financial year	-	(104,195)	(104,195)
Balance as at 31 March 2021	<u>19,899,714</u>	<u>(5,637,385)</u>	<u>14,262,329</u>

The annexed notes form an integral part of and should be read in conjunction with these financial statements.

BAJAJ HINDUSTHAN (SINGAPORE) PRIVATE LIMITED
(Incorporated in Singapore)

STATEMENT OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

	<u>Note</u>	<u>2022</u> US\$	<u>2021</u> US\$
Cash Flows From Operating Activities			
Loss before income tax		(6,864)	(104,195)
Adjustment for:			
Unrealised foreign exchange (gain)/loss		(17,646)	102,079
Operating cash flows before changes in working capital		<u>(24,510)</u>	<u>(2,116)</u>
Changes in working capital:			
Other receivables		36	(212)
Prepayments		73	(5,663)
Other payables		(137)	(3,538)
Net cash used in operating activities		<u>(24,538)</u>	<u>(11,529)</u>
Cash Flows From Investing Activity			
Loan to subsidiaries	14	(75,000)	(178,000)
Net cash used in investing activity		<u>(75,000)</u>	<u>(178,000)</u>
Net decrease in cash at bank		(99,538)	(189,529)
Cash at bank at beginning of the financial year		160,229	349,758
Cash at bank at end of the financial year	5	<u>60,691</u>	<u>160,229</u>

The annexed notes form an integral part of and should be read in conjunction with these financial statements.

BAJAJ HINDUSTHAN (SINGAPORE) PRIVATE LIMITED
(Incorporated in Singapore)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

The annexed notes form an integral part of and should be read in conjunction with these financial statements.

1. GENERAL INFORMATION

Bajaj Hindusthan (Singapore) Private Limited (the “Company”) [Company Registration No.: 200709334R] is domiciled in Singapore. The Company’s registered office and place of business is at 9 Raffles Place, #27-00 Republic Plaza, Singapore 048619.

The principal activities of the Company are those relating to investment holding. There has been no significant changes in the nature of Company’s business activities during the financial year.

The financial statements of the Company for the financial year ended 31 March 2022 were authorised and approved by the directors for issuance on 14 May 2022.

2. SIGNIFICANT ACCOUNTING POLICIES

a) Basis of preparation

These financial statements have been prepared in accordance with Financial Reporting Standards in Singapore (“FRSs”). The financial statements, which are expressed in United States dollars, are prepared in accordance with the historical cost convention, except as disclosed in the accounting policies below.

On 1 April 2021, the Company has adopted all the new and revised FRSs and interpretation of FRS (“INT FRS”) that are mandatory for application from that date. The adoption of these new and revised FRSs and INT FRSs have no material effect on the financial statements except as disclosed in the financial statements.

These financial statements are separate financial statements of Bajaj Hindusthan (Singapore) Private Limited. The Company is exempted from the preparation of consolidated financial statements as Bajaj Hindusthan Sugar Limited, its holding company, produces consolidated financial statements available for public use. The subsidiaries of the Company and the basis on which the subsidiaries are accounted for is disclosed in Note 8. The registered office of its holding company is located at Golagokaranath, Lakhimpur Kheri-262802, Uttar Pradesh, India.

BAJAJ HINDUSTHAN (SINGAPORE) PRIVATE LIMITED
(Incorporated in Singapore)

**NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED
31 MARCH 2022 (...CONT'D)**

2. SIGNIFICANT ACCOUNTING POLICIES (...CONT'D)

b) Development of COVID-19 outbreak and its corresponding impact on the Company

The outbreak of COVID-19 and the subsequent quarantine measures imposed by the Singapore and other governments as well as the travel and trade restrictions imposed by Singapore and other countries in early 2020 have caused disruption to businesses and economic activity. The Company evaluated the impact on its business operations, liquidity, assets and financial position and based on management's review of current indicators and economic conditions there is no material impacts and adjustments required on its financial results as at 31 March 2022. The Company will continue to monitor any material changes to future economic conditions and impact, if any.

As the situation remains fluid (due to evolving changes in government policy and evolving business and customer reactions thereto) as at the date these financial statements are authorised for issue, the directors of the Company considered that the financial effects of COVID-19 on the Company's financial statements cannot be reasonably estimated for future financial periods.

Based on the management's latest assessment, there is no indicator that the going concern assumption in preparing the financial statements is inappropriate.

c) Foreign currency translation

The financial statements of the Company are measured and presented in the currency of the primary economic environment in which the entity operates (its functional currency). The financial statements of the Company are presented in United States dollars, which is the functional currency of the Company.

In preparing the financial statements of the Company, monetary assets and liabilities in foreign currencies are translated into United States dollars at rates of exchange closely approximating to those ruling at the end of the reporting period and transactions in foreign currencies during the financial year are translated at rates ruling on transaction dates. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

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

BAJAJ HINDUSTHAN (SINGAPORE) PRIVATE LIMITED
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**NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED
31 MARCH 2022 (...CONT'D)**

2. SIGNIFICANT ACCOUNTING POLICIES (...CONT'D)

d) Financial assets

(i) *Classification and measurement*

The Company classifies its financial assets in the following measurement categories:

- Amortised cost;
- Fair value through other comprehensive income (FVOCI); and
- Fair value through profit or loss (FVPL).

The classification depends on the Company's business model for managing the financial assets as well as the contractual terms of the cash flows of the financial asset.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest. The Company reclassifies debt instruments when and only when its business model for managing those assets changes.

At initial recognition

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.

At subsequent measurement

Debt instruments

Debt instruments are mainly comprise cash at bank, other receivables and loan to subsidiaries.

There are three subsequent measurement categories, depending on the Company's business model for managing the asset and the cash flow characteristics of the asset:

- Amortised cost: Debt instruments that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt instrument that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in interest income using the effective interest rate method.

BAJAJ HINDUSTHAN (SINGAPORE) PRIVATE LIMITED
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**NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED
31 MARCH 2022 (...CONT'D)**

2. SIGNIFICANT ACCOUNTING POLICIES (...CONT'D)

d) Financial assets (...cont'd)

(i) *Classification and measurement (...cont'd)*

At subsequent measurement (...cont'd)

Debt instruments (...cont'd)

- FVOCI: Debt instruments that are held for collection of contractual cash flows and for sale, and where the assets' cash flows represent solely payments of principal and interest, are classified as FVOCI. Movements in fair values are recognised in Other Comprehensive Income (OCI) and accumulated in fair value reserve, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses, which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and presented in "other gains and losses". Interest income from these financial assets is recognised using the effective interest rate method and presented in "interest income".
- FVPL: Debt instruments that are held for trading as well as those that do not meet the criteria for classification as amortised cost or FVOCI are classified as FVPL. Movement in fair values and interest income is recognised in profit or loss in the period in which it arises and presented in "other gains and losses".

(ii) *Impairment*

The Company assesses on a forward looking basis the expected credit losses associated with its debt financial assets carried at amortised cost and FVOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 15(b) details how the Company determines whether there has been a significant increase in credit risk. For trade receivables, the Company applies the simplified approach permitted by the FRS 109, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

BAJAJ HINDUSTHAN (SINGAPORE) PRIVATE LIMITED
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**NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED
31 MARCH 2022 (...CONT'D)**

2. SIGNIFICANT ACCOUNTING POLICIES (...CONT'D)

d) Financial assets (...cont'd)

(iii) Recognition and derecognition

Regular way purchases and sales of financial assets are recognised on trade date — the date on which the Company commits to purchase or sell the asset.

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Company has transferred substantially all risks and rewards of ownership.

On disposal of a debt instrument, the difference between the carrying amount and the sale proceeds is recognised in profit or loss. Any amount previously recognised in other comprehensive income relating to that asset is reclassified to profit or loss.

(iv) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the statement of financial position when there is a legally enforceable right to offset and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

e) Investment in subsidiaries

Unquoted equity investment in subsidiaries are stated at cost less any impairment. On disposal of investment in subsidiaries, the difference between the net disposal proceeds and the carrying amount of the investment is taken to profit or loss.

f) Impairment of non-financial assets

Investments in subsidiaries

Non-financial assets are tested for impairment whenever there is any objective evidence or indication that these assets may be impaired.

For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash inflows that are largely independent of those from other assets. If this is the case, the recoverable amount is determined for the cash generating unit (“CGU”) to which the asset belongs.

BAJAJ HINDUSTHAN (SINGAPORE) PRIVATE LIMITED
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**NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED
31 MARCH 2022 (...CONT'D)**

2. SIGNIFICANT ACCOUNTING POLICIES (...CONT'D)

f) Impairment of non-financial assets (...cont'd)

Investments in subsidiaries (...cont'd)

If the recoverable amount of the asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount.

The difference between the carrying amount and recoverable amount is recognised as an impairment loss in profit or loss. An impairment loss for an asset is reversed if, and 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. The carrying amount of an asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortisation or depreciation) had no impairment loss been recognised for the asset in prior periods.

A reversal of impairment loss for an asset is recognised in profit or loss.

g) Financial liabilities

(i) *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 minus in the case of financial liabilities not at FVPL, directly attributable to transaction costs.

(ii) *Subsequent measurement*

After initial recognition, financial liabilities that are not carried at FVPL 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.

(iii) *Derecognition*

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

BAJAJ HINDUSTHAN (SINGAPORE) PRIVATE LIMITED
(Incorporated in Singapore)

**NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED
31 MARCH 2022 (...CONT'D)**

2. SIGNIFICANT ACCOUNTING POLICIES (...CONT'D)

h) Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of past events, it is more likely than not that an outflow of resources will be required to settle the obligation and the amount has been reliably estimated.

Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimation.

Provisions are measured at the present value of the expenditure expected to be required to settle the obligation using a pre-tax discount rate that reflects the current market assessment of the time value of money and the risks specific to the obligation. The increase in the provision due to the passage of time is recognised as finance expense.

Changes in the estimated timing or amount of the expenditure or discount rate are recognised in profit or loss when the changes arise.

i) Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issuance of new ordinary shares are deducted against the share capital account.

j) Income tax

Current income tax for current and prior periods is recognised at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.

Deferred income tax is recognised for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements except when it affects neither the taxable profit nor the accounting profit at the time of the transaction.

A deferred income tax asset is recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilized.

BAJAJ HINDUSTHAN (SINGAPORE) PRIVATE LIMITED
(Incorporated in Singapore)

**NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED
31 MARCH 2022 (...CONT'D)**

2. SIGNIFICANT ACCOUNTING POLICIES (...CONT'D)

j) Income tax (...cont'd)

Deferred income tax is measured:

- (i) at the tax rates that are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period; and
- (ii) based on the tax consequence that will follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amounts of its assets and liabilities.

Current and deferred income taxes are recognised as income or expense in profit or loss except when they relate to items credited or debited outside profit or loss (either in other comprehensive income or directly in equity), in which case the tax is also recognised outside profit or loss (either in other comprehensive income or directly in equity, respectively).

k) Revenue recognition

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 services to the customer, which is when the customer obtains control of the good or services. A performance obligation is satisfied at a point in time/over a period of time. The amount of revenue recognised is the amount allocated to the satisfied performance obligation.

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**NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED
31 MARCH 2022 (...CONT'D)**

3. CRITICAL ACCOUNTING ESTIMATES, ASSUMPTIONS AND JUDGEMENTS

The presentation of financial statements in conforming with FRS requires the use of certain critical accounting estimates, assumptions and judgements in applying the accounting policies. These estimates, assumptions and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

The following are the critical accounting estimates, assumptions and judgements for the preparation of financial statements:

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

In the process of applying the Company's accounting policies which are described in Note 2 above, management is of the opinion that there are no critical judgements involved, apart from those involving estimations that have a significant effect on the amounts recognised in the financial statements.

b) Key sources of estimation uncertainty

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

(i) Impairment of non-financial assets

Investments in subsidiaries are tested for impairment whenever there is any objective evidence or indication that these assets may be impaired.

Determining whether the investments in subsidiaries are impaired requires an estimation of value-in-use of the investments in subsidiaries. The value-in-use calculation requires management to estimate the future cash flows and appropriate discount rate in order to calculate the present value of future cash flows. Management has evaluated such estimates and is confident that no allowance for impairment is necessary.

The carrying amount of the Company's investments in subsidiaries at the end of the reporting period is disclosed in Note 8 to the financial statements.

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**3. CRITICAL ACCOUNTING ESTIMATES, ASSUMPTIONS AND JUDGEMENTS
(...CONT'D)**

b) Key sources of estimation uncertainty (...cont'd)

(ii) Calculation of loss allowance

When measuring Expected Credit Loss (“ECL”), the Company uses reasonable and supportable forward-looking information, which is based on assumptions for the future movement of different economic drivers and how these drivers will affect each other.

Loss given default is an estimate of the loss arising on default. It is based on the differences between the contractual cash flows due and those that the lender would expect to receive, taking into account cash flows from collateral and integral credit enhancements. Probability of default constitutes a key input in measuring ECL. Probability of default is an estimate of the likelihood of default over a given time horizon, the calculation of which includes historical data, assumptions and expectation of future conditions.

4. GOING CONCERN

As at 31 March 2022, the Company has a net current liabilities of US\$582,615 (2021: US\$575,751). During the financial year, the Company incurred net loss of US\$6,864 (2021: US\$104,195). Notwithstanding this, the directors are of the opinion that the going concern basis upon which the financial statements are prepared is appropriate in the circumstances. They believe that the Company will have sufficient liquidity through funding from its holding company to meet its financial obligations as and when they fall due.

5. CASH AT BANK

	<u>2022</u> US\$	<u>2021</u> US\$
Cash at bank	<u>60,691</u>	<u>160,229</u>

Cash at bank is denominated in Singapore dollars.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022 (...CONT'D)

6. OTHER RECEIVABLES

	<u>2022</u> US\$	<u>2021</u> US\$
Refundable deposit	3,686	3,722

Other receivables are denominated in Singapore dollars.

7. LOAN TO SUBSIDIARIES

Loan to subsidiaries are non-trade in nature, unsecured, interest-free and repayable on demand.

Loan to subsidiaries are denominated in United States dollars.

8. INVESTMENTS IN SUBSIDIARIES

	<u>2022</u> US\$	<u>2021</u> US\$
<u>Unquoted equity investment, at cost</u>		
Balance at beginning and end of the financial year	14,838,080	14,838,080

The details of the subsidiaries are as follows:

Name of subsidiaries	Country of incorporation	Financial year end	Principal activity	Proportion of ownership interest		Proportion of voting power hold	
				<u>2022</u> %	<u>2021</u> %	<u>2022</u> %	<u>2021</u> %
PT Batu Bumi Persada	Indonesia	31 December	Providing mining support	99.00	99.00	99.00	99.00
PT Jangkar Prima	Indonesia	31 December	Coal mining	99.88	99.88	99.88	99.88

The above subsidiaries are audited by Gideon Adi & Rekan.

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31 MARCH 2022 (...CONT'D)**

8. INVESTMENTS IN SUBSIDIARIES (...CONT'D)

The subsidiaries in Indonesia hold coal reserve mining rights. The directors believe that the assets value of the coal mine has not declined and will not decline over time, as the demand of coal as an energy source is very much significant today as well as in the future. Indonesia is the second largest exporter globally and main coal supplier to the Asian countries, therefore, it is one of the important source of revenue for Indonesia and accounts for 5% to 6% of the country's GDP, therefore, there is no substantial pressure on the mining industry that the Company is invested in, hence, impairment on investments in subsidiaries at this point in time, is not considered necessary.

9. AMOUNT OWING TO HOLDING COMPANY

Amount owing to holding company which is denominated in Singapore dollars, is non-trade in nature, unsecured, interest-free and repayable on demand.

10. OTHER PAYABLES

	<u>2022</u> US\$	<u>2021</u> US\$
Accruals for operating expenses	10,950	10,932
Other payables – third parties	270,144	270,299
	281,094	281,231

Other payables are denominated in the following currencies:

	<u>2022</u> US\$	<u>2021</u> US\$
Singapore dollars	11,094	11,231
United States dollars	270,000	270,000
	281,094	281,231

Other payables to third parties are unsecured, interest free and are repayable on demand.

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**NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED
31 MARCH 2022 (...CONT'D)**

11. SHARE CAPITAL

	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
	Number of ordinary shares issued		US\$	US\$
As at beginning and end of financial year	<u>27,001,000</u>	<u>27,001,000</u>	<u>19,899,714*</u>	<u>19,899,714*</u>
	<i>* rounded up to the nearest USD</i>			

All issued ordinary shares are fully paid. There are no par values for these ordinary shares.

The holder of ordinary shares is entitled to receive dividends as declared from time to time and is entitled to one vote per share at meetings of the Company. All shares rank equally with regard to the Company's residual assets.

12. INCOME TAX EXPENSE

	<u>2022</u>	<u>2021</u>
	US\$	US\$
<u>Current income tax:</u>		
Current year's provision	<u>-</u>	<u>-</u>

The current year's income tax varied from the amount of income tax determined by applicable Singapore statutory income tax rate of 17% (2021: 17%) to the loss before income tax as a result of the following differences:

	<u>2022</u>	<u>2021</u>
	US\$	US\$
Loss before income tax	<u>(6,864)</u>	<u>(104,195)</u>
Income tax benefit at statutory rate	(1,167)	(17,713)
Non-allowable expenses	<u>1,167</u>	<u>17,713</u>
	<u>-</u>	<u>-</u>

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**NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED
31 MARCH 2022 (...CONT'D)**

13. IMMEDIATE AND ULTIMATE HOLDING COMPANY

The Company's immediate and ultimate holding company is Bajaj Hindusthan Sugar Limited, a company incorporated in India and listed in Bombay Stock Exchange (BSE).

14. RELATED PARTY TRANSACTION

In addition to the related party information disclosed elsewhere in the financial statements, the Company had transaction with the subsidiaries on terms agreed between them with respect to the following during the financial year:

	<u>2022</u> US\$	<u>2021</u> US\$
Loan to subsidiaries	<u>75,000</u>	<u>178,000</u>

15. FINANCIAL RISK MANAGEMENT

Financial risk factors

The Company's activities expose it to market risks (including foreign currency risk and interest rate risk), credit risk and liquidity risk. The Company's overall risk management strategy seeks to minimise adverse effects from the unpredictability of financial markets on the Company's financial performance.

(a) *Market risks*

(i) Foreign currency risk

The Company is exposed to foreign currency risk on transactions that are denominated in currency other than the United States dollars such as Singapore dollars. However, the Company does not use any hedging instruments to protect against the volatility associated with foreign currency purchases and other assets and liabilities created in the normal course of business. The Company's currency exposure to the Singapore dollars based on the information provided to key management is as follows:

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**NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED
31 MARCH 2022 (...CONT'D)**

15. FINANCIAL RISK MANAGEMENT (...CONT'D)

Financial risk factors (...cont'd)

(a) *Market risks (...cont'd)*

(i) Foreign currency risk (...cont'd)

	<u>2022</u> US\$	<u>2021</u> US\$
<u>Financial assets</u>		
Cash at bank	60,691	160,229
Other receivables	3,686	3,722
	64,377	163,951
<u>Financial liabilities</u>		
Amount owing to holding company	(1,768,998)	(1,786,644)
Other payables	(11,094)	(11,231)
	(1,780,092)	(1,797,875)
Net currency exposure on financial liabilities	(1,715,715)	(1,633,924)

If against United States dollars, the Singapore dollars had strengthened/weakened by 2% (2021: 5%) with all other variables including tax rate being held constant, the Company's net loss and equity for the financial year would have been higher/lower by approximately US\$34,000 (2021: US\$81,700) as a result of currency translation losses/gains.

(ii) Interest rate risk

The Company has no significant exposure to market risk for changes in interest rates. No sensitivity analysis has been make as no variable interest rate borrowing.

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**NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED
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15. FINANCIAL RISK MANAGEMENT (...CONT'D)

Financial risk factors (...cont'd)

(b) Credit risk

Credit risk refers to the risk that the counterparty will default on its contractual obligations resulting in a loss to the Company. The Company's exposure to credit risk arises primarily from cash at bank, other receivables and loan to subsidiaries. For other financial assets (including cash at bank), the Company minimises credit risk by dealing exclusively with high credit rating counterparties.

The Company has adopted a policy of only dealing with creditworthy counterparties. The Company performs ongoing credit evaluation of its counterparties' financial condition and generally do not require a collateral.

The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period.

Exposure to credit risk

The Company has no significant concentration of credit risk other than loan to subsidiaries. The Company has credit policies and procedures in place to minimise its credit risk exposure.

Other receivables and loan to subsidiaries

The Company assessed the latest performance and financial position of the counterparties, adjusted for the future outlook of the industry in which the counterparties operate in, and concluded that there has been no significant increase in the credit risk since the initial recognition of the financial assets. Accordingly, the Company measured the impairment loss allowance using 12-month ECL and determined that the ECL is insignificant.

(c) Liquidity risk

The Company monitors and maintains a level of cash at bank deemed adequate by the management to meet its liquidity requirement. Management believes that the Company will have sufficient funding from its holding company to meet its financial obligations as and when they fall due.

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**NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED
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15. FINANCIAL RISK MANAGEMENT (...CONT'D)

Financial risk factors (...cont'd)

(c) *Liquidity risk (...cont'd)*

Non-derivative financial liabilities

The following table details the remaining contractual maturity for non-derivative financial liabilities. The table has 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.

	<u>2022</u>	<u>2021</u>
	US\$	US\$
<u>Less than 1 year</u>		
Amount owing to holding company	1,768,998	1,786,644
Other payables	<u>281,094</u>	<u>281,231</u>
	<u>2,050,092</u>	<u>2,067,875</u>

(d) *Fair value measurement*

The carrying amounts of cash at bank, other receivables, loan to subsidiaries, amount owing to holding company and other payables approximate their fair values due to their short-term nature.

(e) *Categories of financial instruments*

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

	<u>2022</u>	<u>2021</u>
	US\$	US\$
Financial assets		
Amortised cost		
Cash at bank	60,691	160,229
Other receivables	3,686	3,722
Loans to subsidiaries	<u>1,397,510</u>	<u>1,322,510</u>
Financial liabilities		
Amortised cost		
Amount owing to holding company	1,768,998	1,786,644
Other payables	<u>281,094</u>	<u>281,231</u>

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16. CAPITAL RISK MANAGEMENT

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern and to maintain an optimal capital structure to maximise shareholder value. In order to maintain or achieve an optimal capital structure, the Company may adjust the amount of dividend payment, return capital to shareholder, issue new shares, buy back issued shares or obtain new borrowings.

The capital structure of the Company comprises issued capital and amount owing to holding company.

The Company is not subject to externally imposed capital requirements. There have been no changes to the Company's overall strategies during the financial years ended 31 March 2022 and 2021.

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**NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED
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17. STANDARDS ISSUED BUT NOT YET EFFECTIVE

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

<u>Description</u>	<u>Effective for annual periods beginning on or after</u>
Amendments to FRS 16 <i>Property, Plant and Equipment: Proceeds before Intended Use</i>	1 January 2022
Annual Improvements to FRSs 2018-2020	1 January 2022
Amendments to FRS 103 <i>Reference to the Conceptual Framework</i>	1 January 2022
Amendments to FRS 37 <i>Provisions, Contingent liabilities and Contingent Assets: Onerous Contracts- Cost of fulfilling a contract</i>	1 January 2022
Amendments to FRS 1 <i>Presentation of Financial Statements: Classification of Liabilities as Current or Non-current</i>	1 January 2023
Amendments to FRS 1 <i>Presentation of Financial Statements and FRS Practice Statement 2: Disclosure of Accounting policies</i>	1 January 2023
Amendments to FRS 8 <i>Accounting policies, Changes in Accounting Estimates and Errors: Definition of Accounting Estimates</i>	1 January 2023
Amendments to FRS 12 <i>Income Taxes: Deferred Tax related to Assets and Liabilities arising from a Single Transaction</i>	1 January 2023

The Company has not applied those FRSs and INT FRSs that have been issued but are effective only in next financial years. The Company expects the adoption of the standards will have no financial effect on the financial statements in the period of initial application.

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**THE ACCOMPANYING SCHEDULE OF OTHER OPERATING EXPENSES HAS
BEEN PREPARED FOR MANAGEMENT PURPOSES ONLY AND DOES NOT
FORM PART OF THE AUDITED FINANCIAL STATEMENTS.**

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SCHEDULE OF OTHER OPERATING EXPENSES
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

	<u>2022</u> US\$	<u>2021</u> US\$
Accounting fees	2,533	2,526
Auditor's remuneration - current year	6,658	6,700
- under/(over)-provision in prior year	669	(1,498)
Bank charges	61	335
	<u>9,921</u>	<u>8,063</u>

The above schedule of other operating expenses has been prepared for management purposes only and does not form part of the audited financial statements.