Tata Chemicals International Pte. Ltd.
Registration Number: 200719636Z
Annual Report
Year ended 31 March 2024

Directors' statement

We submit this annual report to the member of the Company together with the audited financial statements for the financial year ended 31 March 2024.

In our opinion:

(a) the financial statements set out on pages FS1 to FS29 are drawn up so as to give a true and fair view of the financial position of the Company as at 31 March 2024 and the financial performance, changes in equity and cash flows of the Company for the year ended on that date in accordance with the provisions of the Companies Act 1967 and Financial Reporting Standards in Singapore; and

(b) at the date of this statement, having regard to the financial support letter from the holding company, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

The Board of Directors has, on the date of this statement, authorised these financial statements for issue.

Directors

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

Ramakrishnan Mukundan
John Mulhall
Nandakumar Tirumalai Seshadri
Kanwar Bir Singh Anand
Sriram Srinivasan (Appointed on 20 March 2024)

Directors' interests

According to the register kept by the Company for the purposes of Section 164 of the Companies Act 1967 ('the Act'), particulars of interests of directors who held office at the end of the financial year (including those held by their spouses and children) in shares, debentures, warrants and share options in the Company and in related corporations are as follows:

Name of director and corporation in which interests are held	**Holdings at beginning of the year**	**Holdings at end of the year**
Holding company		
Tata Chemicals Limited		
Shares of Rs. 10/- each		
Ramakrishnan Mukundan	500	500

Except as disclosed in this statement, no director who held office at the end of the financial year had interests in shares, debentures, warrants or share options of the Company, or of related corporations, either at the beginning or at the end of the financial year.

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

Share options

During the financial year, there were:
(i) no options granted by the Company to any person to take up unissued ordinary shares of 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.

Auditors

The auditors, KPMG LLP, have indicated their willingness to accept re-appointment.

On behalf of the Board of Directors

Sriram Srinivasan
Director

Nandakumar Tirumalai Seshadri
Director

Date: 24 April 2024

Independent auditors' report

Member of the Company
Tata Chemicals International Pte. Ltd.

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Tata Chemicals International Pte. Ltd. ('the Company'), which comprise the statement of financial position as at 31 March 2024, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages FS1 to FS29.

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 2024 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 '*Auditors' 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 *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 the other information contained in the annual report. Other information is defined as all information in the annual report other than the financial statements and our auditors' report thereon.

We have obtained the Directors' statement prior to the date of this auditors' report.

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 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.

Auditors' 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 auditors' 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 controls.

- Obtain an understanding of internal controls 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 controls.

- 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 auditors' 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 auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- 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 controls 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 provisions of the Act.

KPMG LLP

KPMG LLP
Public Accountants and
Chartered Accountants

Singapore
24 April 2024

Statement of financial position
As at 31 March 2024

	Note	2024 US$	2023 US$
Non-current assets			
Property and equipment	5	-	-
Associate	6	-	-
Subsidiaries	7	720,286,880	721,786,880
Other receivable	8	-	-
Income tax receivables		-	22,801
		720,286,880	721,809,681
Current assets			
Trade and other receivables	8	175,374	52,808
Derivative financial assets	9	643,501	1,006,049
Cash and cash equivalents	10	798,421	2,724,714
Prepaid expenses		4,531	-
		1,621,827	3,783,571
Total assets		721,908,707	725,593,252
Equity			
Share capital	11	646,737,700	596,737,700
Accumulated losses		(110,593,410)	(100,108,019)
Hedging reserve		558,556	1,006,049
Foreign currency translation reserve	12	(423,163)	(423,163)
		536,279,683	497,212,567
Non-current liability			
Loans and borrowings	13	-	228,265,362
Current liabilities			
Loans and borrowings	13	185,437,602	-
Accruals		81,326	81,251
Trade and other payables	14	110,096	34,072
		185,629,024	115,323
Total liabilities		185,629,024	228,380,685
Total equity and liabilities		721,908,707	725,593,252

The accompanying notes form an integral part of these financial statements.

Statement of comprehensive income
Year ended 31 March 2024

	Note	2024 US$	2023 US$
Revenue	15	-	16,859,473
Cost of sales		-	(16,465,352)
Gross profit		-	394,121
Other operating income	16	63,998	83,709
Administrative expenses	17	(491,830)	(2,036,901)
Other operating expenses	18	-	(30,500,002)
Finance costs	19	(10,086,470)	(8,765,955)
Loss before tax	20	(10,514,302)	(40,825,028)
Tax reversal	21	28,911	-
Loss after tax		(10,485,391)	(40,825,028)
Items that are or may be reclassified subsequently to profit or loss:			
Effective portion of changes in fair value of cash flow hedges		1,675,320	828,287
Net change in fair value of cash flow hedges reclassified to profit or loss		(2,122,813)	1,215,967
Total comprehensive loss for the year		(10,932,884)	(38,780,774)

The accompanying notes form an integral part of these financial statements.

Statement of changes in equity
Year ended 31 March 2024

	Ordinary shares US$	Preference shares US$	Foreign currency translation reserve US$	Hedging reserve US$	Accumulated losses US$	Total US$
At 1 April 2022	481,637,700	115,100,000	(423,163)	(1,038,205)	(59,282,991)	535,993,341
Total comprehensive income for the year						
Loss for the year	-	-	-	-	(40,825,028)	(40,825,028)
Other comprehensive income						
Effective portion of changes in fair value of cash flow hedges	-	-	-	828,287	-	828,287
Net change in fair value of cash flow hedges reclassified to profit or loss	-	-	-	1,215,967	-	1,215,967
Total comprehensive income for the year	-	-	-	2,044,254	(40,825,028)	(38,780,774)
At 31 March 2023	481,637,700	115,100,000	(423,163)	1,006,049	(100,108,019)	497,212,567
At 1 April 2023	481,637,700	115,100,000	(423,163)	1,006,049	(100,108,019)	497,212,567
Fresh issue of preference shares	-	50,000,000	-	-	-	50,000,000
Total comprehensive loss for the year						
Loss for the year	-	-	-	-	(10,485,391)	(10,485,391)
Other comprehensive income						
Effective portion of changes in fair value of cash flow hedges	-	-	-	1,675,320	-	1,675,320
Net change in fair value of cash flow hedges reclassified to profit or loss	-	-	-	(2,122,813)	-	(2,122,813)
Total comprehensive loss for the year	-	-	-	(447,493)	(10,485,391)	(10,932,884)
At 31 March 2024	481,637,700	165,100,000	(423,163)	558,556	(110,593,410)	536,279,683

The accompanying notes form an integral part of these financial statements.

Statement of cash flows
Year ended 31 March 2024

	Note	2024 US$	2023 US$
Cash flows from operating activities			
Loss before tax		(10,514,302)	(40,825,028)
Adjustments for:			
Depreciation of property and equipment	5	-	41,437
Ineffective portion of changes in fair value in cash flow hedges	19	(84,945)	(843,663)
Amortisation of facility fees on bank loans	17	172,240	633,742
Impairment loss on the investment in subsidiary	18	1	30,500,001
(Reversal)/Impairment loss on loans to subsidiary	18	(1)	1
Loss on write-off/disposal of fixed assets		-	708
Finance income	16	(63,998)	(48,999)
Finance costs	19	10,168,103	9,612,273
		(322,902)	(929,528)
Changes in working capital:			
Trade and other receivables		(128,150)	31,113,404
Trade and other payables		-	(1,917,842)
Accruals		75	(231,050)
Cash generated from operations		(450,977)	28,034,984
Tax paid		51,712	(254,262)
Net cash (used in)/generated from operations		(399,265)	27,780,722
Cash flows from investing activities			
Additional investment in subsidiary		-	(30,500,001)
Proceeds from redemption of investment in preference shares in subsidiary		1,500,000	-
Proceeds from disposal of property and equipment		-	496
Interest received		63,998	48,999
Net cash generated/(used in) from investing activities		1,563,998	(30,450,506)
Cash flows from financing activities			
Interest paid		(10,092,079)	(9,994,842)
Facility fees on bank loans paid		-	(307,481)
Proceeds from loans and borrowings		21,000,000	228,500,000
Repayment of loans and borrowings		(64,000,000)	(224,000,000)
Proceeds from issue of preference shares		50,000,000	-
Lease payments		-	(41,638)
Net cash used in financing activities		(3,092,079)	(5,843,961)
Net decrease in cash and cash equivalents		(1,927,346)	(8,513,745)
Cash and cash equivalents at beginning of year		2,724,714	11,237,838
Effect of exchange rate fluctuations		1,053	621
Cash and cash equivalents at end of year	10	798,421	2,724,714

The accompanying notes form an integral part of these financial statements.

Notes to the financial statements

These notes form an integral part of the financial statements.
The financial statements were authorised for issue by the Board of Directors on 24 April 2024.

1 Domicile and activities

Tata Chemicals International Pte. Ltd. ('the Company') is incorporated in the Republic of Singapore. The address of the Company's registered office is at 78 Shenton Way, #14-02, Singapore 079120.

The principal activity of the Company is that of general wholesaler trade and an investment holding company. With effect from 1 October 2022, the Company has temporarily suspended its trading activities.

The Company is a wholly-owned subsidiary of Tata Chemicals Limited, incorporated in India.

2 Going Concern

The financial statements have been prepared on a going concern basis, notwithstanding the net current liabilities position of US$184,007,197 (2023: net current asset of US$3,668,248), as the holding company has undertaken to provide the necessary financial support as is required to enable the Company to continue its operations and to meet its liabilities as and when they fall due.

3 Basis of preparation

3.1 Statement of compliance

The financial statements have been prepared in accordance with Financial Reporting Standards in Singapore ('FRS'). The changes to material accounting policies are described in note 3.5.

3.2 Basis of measurement

The financial statements have been prepared on the historical cost basis except as otherwise described in the notes below.

3.3 Functional and presentation currency

These financial statements are presented in United States dollars, which is the Company's functional currency.

3.4 Use of estimates and judgements

The preparation of the financial statements in conformity with FRS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

In the application of the Company's accounting policies, which as described in note 4, management is of the opinion that there is no instances of application of judgement which is expected to have a significant effect on the amounts recognised in the financial statements.

Information about assumptions and estimation uncertainties at the reporting date that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial year are as follows.

Impairment loss on subsidiaries and associate

Management reviews the carrying amounts of the investments in subsidiaries and associate at each reporting period to determine whether there is any indication of impairment. If such indication exists, the recoverable amount is estimated.

Estimates of recoverable amounts were based on the higher of calculated value-in-use and fair value less cost to sell. In assessing value-in-use, management needs to estimate the future cash flows expected from the cash-generating units (‘CGU’) and an appropriate discount rate for each CGU to calculate the present value of future cash flows.

3.5 Changes in material accounting policies

New standards and amendments

The Company has applied the following FRSs, amendments to and interpretations of FRS for the first time for the annual period beginning on 1 April 2023:

- *FRS 117: Insurance Contracts*
- *Amendments to FRS 12: Deferred tax related to Assets and Liabilities arising from a Single Transaction*
- *Amendments to FRS 12: International Tax Reform – Pillar Two Model Rules*
- *Amendments to FRS 1 and FRS Practice Statement 2: Disclosure of Accounting Policies*
- *Amendments to FRS 8: Definition of Accounting Estimates*

Other than the below, application of these amendments to standards and interpretations does not have a material effect on the financial statements.

Material accounting policy information:

The Company adopted Amendments to FRS 1 and FRS Practice Statement 2: *Disclosure of Accounting Policies* for the first time in 2023. Although the amendments did not result in any changes to the accounting policies themselves, they impacted the accounting policy information disclosed in the financial statements.

The amendments require the disclosure of ‘material’, rather than ‘significant’, accounting policies. The amendments also provide guidance on the application of materiality to disclosure of accounting policies, assisting entities to provide useful, entity-specific accounting policy information that users need to understand other information in the financial statements.

Management reviewed the accounting policies and made updates to the information disclosed in note 4 Material accounting policies (2023: Significant accounting policies) in certain instances in line with the amendments.

4 Material accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these financial statements, except as explained in note 3.5, which addresses changes in accounting policies.

4.1 Basis of consolidation

These financial statements are separate financial statements. Under the exemption from consolidation provisions given in FRS 110 Consolidated Financial Statements, the Company need not present consolidated financial statements on the basis that it is itself a wholly-owned subsidiary of another entity. Consolidated financial statements are prepared by the holding company, Tata Chemicals Limited, which has its registered office at Bombay House, 24 Homi Mody Street, Fort, Mumbai 400 001 (India). Tata Chemicals Limited shares are listed on two stock exchanges in India; the Bombay Stock Exchange ('BSE') and the National Stock Exchange ('NSE').

Subsidiaries

Subsidiaries are entities controlled by the Company. The Company controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

Associate

An associate is an entity in which the Group has significant influence, but not control or joint control, over the financial and operating policies of the entity. Significant influence is presumed to exist when the Group holds 20% or more of the voting power of another entity.

Accounting for subsidiaries and associate

Investments in subsidiaries and associate are stated in the Company's statement of financial position at cost less accumulated impairment losses.

4.2 Foreign currency

(i) Foreign currency transactions

Transactions in foreign currencies are translated to the functional currency of the Company at exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated to the functional currency at the exchange rate at that date. The foreign currency gain or loss on monetary items is the difference between amortised cost in the functional currency at the beginning of the year, adjusted for effective interest and payments during the year, and the amortised cost in foreign currency translated at the exchange rate at the end of the year.

Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are translated to the functional currency at the exchange rate at the date that the fair value was determined. Non-monetary items in a foreign currency that are measured in terms of historical cost are translated using the exchange rate at the date of the transaction. Foreign currency differences arising on translation are recognised in profit or loss.

4.3 Financial instruments

(i)Recognition and initial measurement

Non-derivative financial assets and financial liabilities

Trade receivables are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instruments.

A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus or minus for an item not at fair value through profit or loss ('FVTPL'), transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

(ii) Classification and subsequent measurement

Non-derivative financial assets

On initial recognition, a financial asset is classified as measured at amortised cost.

Financial assets are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

Financial assets at amortised cost

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Non-derivative financial assets: Subsequent measurement and gains and losses

Financial assets at amortised cost

These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

Non-derivative financial liabilities: Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost.

These financial liabilities are initially measured at fair value less directly attributable transaction costs. They are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. These financial liabilities comprised loans and borrowings, accruals and trade and other payables.

(iii) Derecognition

Financial assets

The Company derecognises a financial asset when:

- the contractual rights to the cash flows from the financial asset expire; or
- it transfers the rights to receive the contractual cash flows in a transaction in which either
  - substantially all of the risks and rewards of ownership of the financial asset are transferred; or
  - the Company neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

Transferred assets are not derecognised when the Company enters into transactions whereby it transfers assets recognised in its statement of financial position, but retains either all or substantially all of the risks and rewards of the transferred assets.

Financial liabilities

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire. The Company also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in profit or loss.

(iv) Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

(v) Cash and cash equivalents

Cash and cash equivalents comprise cash balances and short-term deposits with maturities of three months or less from the date of acquisition that are subject to an insignificant risk of changes in their fair value, and are used by the Company in the management of its short-term commitments. For the purpose of the statement of cash flows, bank overdrafts that are repayable on demand and that form an integral part of the Company's cash management are included in cash and cash equivalents.

(vi) Derivative financial instruments and hedge accounting

The Company holds derivative financial instruments to hedge its interest rate risk exposures.

Derivatives are initially measured at fair value and any directly attributable transaction costs are recognised in profit or loss as incurred. Subsequent to initial recognition, derivatives are measured at fair value, and changes therein are generally recognised in profit or loss.

The Company designates certain derivatives financial instruments as hedging instruments in qualifying hedging relationships. At inception of designated hedging relationships, the Company documents the risk management objective and strategy for undertaking the hedge. The Company also documents the economic relationship between the hedged item and the hedging instrument, including whether the changes in cash flows of the hedged item and hedging instrument are expected to offset each other.

Hedges directly affected by interest rate benchmark reform

Phase 1 amendments: Prior to interest rate benchmark reform – when there is uncertainty arising from Interest rate benchmark reform

For the purpose of evaluating whether there is an economic relationship between the hedged item(s) and hedging instrument(s), the Company assumes that the benchmark interest rate is not altered as a result of interest rate benchmark reform.

For a cash flow hedge of a forecast transaction, the Company assumes that the benchmark interest rate will not be altered as a result of interest rate benchmark reform for the purpose of assessing whether the forecast transaction is highly probable and presents an exposure to variations in cash flows that could ultimately affect profit or loss. In determining whether a previously designated forecast transaction in a discontinued cash flow hedge is still expected to occur, the Company assumes that the interest rate benchmark cash flows designated as a hedge will not be altered as a result of interest rate benchmark reform.

The Company will cease to apply the specific policy for assessing the economic relationship between the hedged item and the hedging instrument (i) to a hedged item or hedging instrument when the uncertainty arising from interest rate benchmark reform is no longer present with respect to the timing and the amount of the contractual cash flows of the respective item or instrument or (ii) when the hedging relationship is discontinued. For its highly probable assessment of the hedged item, the Company will no longer apply the specific policy when the uncertainty arising from interest rate benchmark reform about the timing and the amount of the interest rate benchmark-based future cash flows of the hedged item is no longer present, or when the hedging relationship is discontinued.

Phase 2 amendments: Replacement of benchmark interest rates – when there is no longer uncertainty arising from interest rate benchmark reform

When the basis for determining the contractual cash flows of the hedged item or the hedging instrument changes as a result of interest rate benchmark reform and therefore there is no longer uncertainty arising about the cash flows of the hedged item or the hedging instrument, the Company amends the hedge documentation of that hedging relationship to reflect the change(s) required by interest rate benchmark reform. A change in the basis for determining the contractual cash flows is required by interest rate benchmark reform if the following conditions are met:

- the change is necessary as a direct consequence of the reform; and
- the new basis for determining the contractual cash flows is economically equivalent to the previous basis – i.e. the basis immediately before the change.

For this purpose, the hedge designation is amended only to make one or more of the following changes:

- designating an alternative benchmark rate as the hedged risk;
- updating the description of hedged item, including the description of the designated portion of the cash flows or fair value being hedged; or
- updating the description of the hedging instrument.

The Company amends the description of the hedging instrument only if the following conditions are met:

- it makes a change required by interest rate benchmark reform by using an approach other than changing the basis for determining the contractual cash flows of the hedging instrument;
- the chosen approach is economically equivalent to changing the basis for determining the contractual cash flows of the original hedging instrument; and
- the original hedging instrument is not derecognised.

The Company also amends the formal hedge documentation by the end of the reporting period during which a change required by interest rate benchmark reform is made to the hedged risk, hedged item or hedging instrument. These amendments in the formal hedge documentation do not constitute the discontinuation of the hedging relationship or the designation of a new hedging relationship.

If changes are made in addition to those changes required by interest rate benchmark reform described above, then the Company first considers whether those additional changes result in the discontinuation of the hedge accounting relationship. If the additional changes do not result in discontinuation of the hedge accounting relationship, then the Company amends the formal hedge documentation for changes required by interest rate benchmark reform as mentioned above.

When the interest rate benchmark on which the hedged future cash flows had been based is changed as required by interest rate benchmark reform, for the purpose of determining whether the hedged future cash flows are expected to occur, the Company deems that the hedging reserve recognised in OCI for that hedging relationship is based on the alternative benchmark rate on which the hedged future cash flows will be based.

Cash flow hedges

The Company designates certain derivatives as hedging instruments to hedge the variability in cash flows associated with highly probable forecast transactions arising from changes in interest rates.

When a derivative is designated as a cash flow hedging instrument, the effective portion of changes in the fair value of the derivative is recognised in OCI and accumulated in the hedging reserve. The effective portion of changes in the fair value of the derivative that is recognised in OCI is limited to the cumulative change in fair value of the hedged item, determined on a present value basis, from inception of the hedge. Any ineffective portion of changes in the fair value of the derivative is recognised immediately in profit or loss.

For all other hedged forecast transactions, the amount accumulated in the hedging reserve and the cost of hedging reserve is reclassified to profit or loss in the same period or periods during which the hedged expected future cash flows affect profit or loss.

If the hedge no longer meets the criteria for hedge accounting or the hedging instrument is sold, expires, is terminated or is exercised, then hedge accounting is discontinued prospectively. When hedge accounting for cash flow hedges is discontinued, the amount that has been accumulated in the hedging reserve and the cost of hedging reserve remains in equity until, for a hedge of a transaction resulting in recognition of a non-financial item, it is included in the non-financial item's cost on its initial recognition or, for other cash flow hedges, it is reclassified to profit or loss in the same period or periods as the hedged expected future cash flows affect profit or loss.

If the hedged future cash flows are no longer expected to occur, then the amounts that have been accumulated in the hedging reserve and the cost of hedging reserve are immediately reclassified to profit or loss.

4.4 Share capital

Ordinary shares

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity, net of any tax effects. Income tax relating to transaction costs of an equity transaction is accounted for in accordance with FRS 12.

Preference shares

Non-redeemable preference shares are classified as equity, because they bear discretionary dividends, do not contain any

4.5 Finance income and finance costs

Finance income comprises interest income on funds invested and loan to a subsidiary that are recognised in the profit or loss. Interest income is recognised as it accrues, using the effective interest method.

Finance costs comprise interest expenses and similar charges that are recognised in the profit or loss. All borrowing costs are recognised in the profit or loss using the effective interest method.

The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:

- the gross carrying amount of the financial asset; or
- the amortised cost of the financial liability.

In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortised cost of the liability. However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

4.6 Tax

Tax expense comprises current and deferred tax. Current tax and deferred tax are recognised in profit or loss except to the extent that it relates to items recognised directly in equity or in OCI.

The Company has determined that interest and penalties related to income taxes, including uncertain tax treatments, do not meet the definition of income taxes, and therefore accounted for them under *FRS 37 Provisions, Contingent Liabilities and Contingent Assets.*

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes, if any. Current tax also includes any tax arising from dividends.

Current tax assets and liabilities are offset only if certain criteria are met.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss.

The measurement of deferred taxes reflects the tax consequences that would follow the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on tax rates and tax laws that have been enacted or substantively enacted by the reporting date, and reflects uncertainty related to income taxes, if any.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to taxes levied by the same tax authority on the same taxable entity.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Future taxable profits are determined based on the reversal of relevant taxable temporary differences. If the amount of taxable temporary differences is insufficient to recognise a deferred tax asset in full, then future taxable profits, adjusted for reversals of existing temporary differences, are considered, based on the business plans for the Company. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves.

Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

4.7 Operating profit (Results from operating activities)

Operating profit is the result generated from the continuing principal revenue-producing activities of the Company as well as other income and expenses related to operating activities. Operating profit excludes net finance costs and income

4.8 New standards and interpretations not yet adopted

A number of new standards, interpretations and amendments to standards are effective for annual periods beginning after 1 April 2023 and earlier application is permitted; however, the Company has not early adopted the new or amended standards and interpretations in preparing these financial statements.

Applicable to 2025 financial statements

- *Amendments to FRS 1: Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants*
- *Amendments to FRS 7 and FRS 107: Supplier Finance Arrangements*
- *Amendments to FRS 116: Lease Liability in a Sale and Leaseback*
- *Amendments to FRS 21: Lack of Exchangeability*

The Company is still in the process of assessing the impact of the new FRSs, amendments to and interpretations of FRSs on the financial statements. The Company does not expect significant impact on the financial statements upon the adoption of these new FRSs, amendments to and interpretations of FRSs.

5 Property and equipment

	Leasehold improvements US$	Computer US$	Right-of-use asset US$	Office equipment US$	Total US$
Cost					
At 1 April 2022	24,444	11,921	198,002	18,822	253,189
Disposal / Write off	(24,444)	(11,921)	(198,002)	(18,822)	(253,189)
At 31 March 2023 and 31 March 2024	-	-	-	-	-
Accumulated depreciation					
At 1 April 2022	24,444	9,211	158,071	18,822	210,548
Depreciation for the year	-	1,506	39,931	-	41,437
Disposal / Write off	(24,444)	(10,717)	(198,002)	(18,822)	(251,985)
At 31 March 2023 and 31 March 2024	-	-	-	-	-
Carrying amounts					
At 1 April 2022	-	2,710	39,931	-	42,641
At 31 March 2023 and 31 March 2024	-	-	-	-	-

6 Associate

	2024 US$	2023 US$
Interest in associate		
Unquoted equity shares, at cost	19,571,307	19,571,307
Impairment loss	(19,571,307)	(19,571,307)
	-	-

There are no (2023: nil) change in impairment loss in respect of associate during the year.

Details of associate of the Company is as follows:

Name of associate (place of incorporation)	Principal activities	Percentage of interest held	
		2024	2023
JOil (S) Pte Ltd ("JOil") (incorporated in Singapore)	Research and development	17.07%	17.07%

Management has considered and assessed the recoverable value of its investment as of 31 March 2024 and 2023. Arising from the assessment, investment in JOil has been fully impaired. The aim of JOil was to develop and market a Jatropha based bio-fuel product. In 2015, following a review of the business and product development plans, project delays and other external factors, including the significant reduction in the price of oil, and the financial performance of the joint venture, the Company has determined that, at present, the investment will not achieve its initial aims and recoverable amount and this continues to be the situation for 2016 to 2024. As such, since prior years, the Company had fully impaired the value of its investment which had been loss making.

Although the Company owns less than 20% interests in JOil, management has assessed that it has significant influence because it participates in the financial and operating policies of JOil through its representation on the Board of Directors.

7 Subsidiaries

	2024 US$	2023 US$
Unquoted equity shares, at cost	858,947,015	858,947,014
Redemption of preference shares	(1,500,000)	-
Impairment loss	(137,160,135)	(137,160,134)
	720,286,880	721,786,880

Details of the Company’s subsidiaries are as follows:

Name of subsidiaries	Principal activities	Principal place of business/Country of incorporation	Effective equity held by the Company	
			2024	2023
Homefield Pvt. UK Ltd	Investment holding	England	100%	100%
Gusiute Holdings (UK) Limited	Investment holding	England	100%	100%

On 15 April 2022, the Company acquired additional 17,850,000 Non-Cumulative Redeemable preference shares of Homefield Pvt. UK Ltd for a cash consideration of $1 through its holding company. The purchase consideration was negotiated on a willing-buyer willing-seller basis, after taking into consideration of the audited net assets of Homefield Pvt. UK Ltd as at 31 March 2022.

In 2023, the Company subscribed to additional 30,500,000 Non-Cumulative Redeemable preference shares of Homefield Pvt. UK Ltd at $1 per share for $30,500,000. The Company further invested in Homefield Pvt. UK Ltd to support its repayment of external loan and servicing interest on external loans.

Management assessed and made an allowance for impairment loss of US$ 1 (2023: US$ 30,500,001) on the additional investment in Homefield Pvt. UK Ltd, which was recognised in profit or loss. The Company had fully impaired the value of its investment which continues to be loss making and in significant capital deficiency.

In 2024, Gusiute Holdings (UK) Limited has redeemed US$ 1,500,000 (2023: Nil) preference shares.

The change in impairment loss in respect of investments in subsidiaries during the year is as follows:

	2024 **US$**	**2023** **US$**
Balance at the beginning of the year	(137,160,134)	(106,660,133)
Impairment loss for the year	(1)	(30,500,001)
Balance at the end of the year	(137,160,135)	(137,160,134)

8 Trade and other receivables

	2024 **US$**	**2023** **US$**
Non-current asset		
Other receivable:		
- Loan to a subsidiary [1]	-	1
Allowance for receivable	-	(1)
	-	-
Current assets		
Trade receivables:		
- Third parties	-	-
Other receivables	175,374	52,808
Total	175,374	52,808

[1] Following the Company's acquisition of 17,850,000 Non-Cumulative Redeemable preference shares of Homefield Pvt. UK Ltd (see note 7), a loan made to the subsidiary, Homefield Pvt. UK Ltd, totalling a principal amount of US$78,925,966 plus accrued interest totalling US$32,889,150, was assigned from the holding company to the Company for a cash consideration of US$1 on 15 April 2022. The consideration was negotiated at arm's length on a willing-buyer willing-seller basis, after taking into consideration of the audited net assets of Homefield Pvt. UK Ltd as at 31 March 2022.

The loan is denominated in United States dollars. The loan bears interest at US dollar London Interbank Offered Rate (USD LIBOR) + 2.25% per annum (2023: USD LIBOR + 2.25% per annum), is unsecured and repayable on demand. The amount is classified as non-current as the Company does not expect to receive payment within the next 12 months.

Subsequent to the loan assignment, the Company did not recognise any further interest arising from the loan as recoverability of the amount is not probable.

Credit and market risks, and impairment losses

The Company's exposure to credit and currency risks, and impairment losses for trade and other receivables are disclosed in note 22.

9 Derivative financial assets

	2024	2023
	US$	US$
Derivative financial assets		
Interest rate swaps	643,501	1,006,049

The Company uses interest rate swaps to manage its exposure to interest rate movements on its bank loans (Note 13) by swapping the borrowings from floating rates to fixed rates. The floating rate on the interest swaps is Secured Overnight Financing Rate. The Company settles the difference between the fixed and the floating interest rate on a net basis.

10 Cash and cash equivalents

	2024	2023
	US$	US$
Bank balances	798,421	706,125
Fixed deposit	-	2,018,589
	798,421	2,724,714

11 Share capital

	2024		2023	
	Number of shares	US$	Number of shares	US$
Ordinary shares				
Issued and fully paid, with no par value				
At beginning of year and at end of year	485,307,852	481,637,700	485,307,852	481,637,700
Preference shares				
Issued and fully paid, with no par value				
At beginning of year and at end of year	16,100,000	115,100,000	16,100,000	115,100,000
Series A Non-Convertible and Non-Cumulative Redeemable Preference Shares				
At beginning of year	-	-	-	-
Issued during the year for cash	50,000,000	50,000,000	-	-
At end of year	50,000,000	50,000,000	-	-
	551,407,852	646,737,700	501,407,852	596,737,700

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

Preference shares

The holder of redeemable preference shares has the right to a preferential dividend which is payable as and when determined by the Company’s Board of Directors in such amount as determined by the Board. The Company may at any time redeem any or all of the non-convertible and non-cumulative redeemable preference share by giving not less than seven days prior notice in writing to the holders of non-convertible and non-cumulative redeemable preference shares.

Series A Non-Convertible and Non-Cumulative Redeemable Preference Shares

On 10 July 2023, the Directors approved the issue of 50,000,000 Series A Non-Convertible and Non-Cumulative Redeemable Preference Shares ("Series A RPS") at an exercise price of US$1 per share (2023: nil) and bear a coupon rate of 7% per annum.

The holder of Series A RPS has the same rights as the holders of Ordinary Shares except for the right to vote at any General Meeting of the Company. Upon winding up of the Company, the holder of Series A RPS have the right to repayment of capital in priority to the holders of the Ordinary Shares of the Company and shall be entitled to any participation in the surplus assets and 95% profits of the Company. The Company may at any time redeem any or all of the Series A RPS by giving not less than seven days prior notice in writing to the holders of Series A RPS.

Capital management

The Board defines “capital” as share capital and all components of equity.

The Company’s policy is to maintain a sound capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Board monitors the return of capital, which the Company defines as net operating income divided by total shareholders’ equity. The Board also monitors the level of dividends to ordinary shareholders.

There were no changes in the Company’s approach to capital management during the year.

The loan facilities are subject to externally imposed capital requirements where the Company is required to maintain positive net tangible assets. As at 31 March 2024 and 31 March 2023, the Company is in a positive net tangible asset position.

Except as disclosed above, The Company is not subject to externally imposed capital requirements and the Company has complied with the covenants at the reporting date.

12 Foreign currency translation reserve

The foreign currency translation reserve arises from the Company’s change in functional and presentation currency to the United States Dollar in prior years.

13 Loans and borrowings

	2024 US$	2023 US$
Non-current liabilities		
Unsecured bank loans [(1)]	-	228,265,362
Current liabilities		
Unsecured bank loans [(1)]	178,437,602	-
Working capital facility [(2)]	7,000,000	-
	185,437,602	-

[(1)] The bank loans bear interest rate at Secured Overnight Financing Rate (SOFR) + 1.18% per annum (2023: SOFR + 1.18% per annum). The bank loans are denominated in United States dollars and repayable on 30 September 2024.

[(2)] The unsecured working capital facility was repayable within 12-91 days (2023: 25-180 days). Interest was charged at 5.90% to 6.16% per annum based on SOFR (2023: 0.67% to 1.21% per annum based on USD LIBOR). The working capital facility is due for repayment in 2025.

Market and liquidity risks

Information about the Company’s exposure to interest rate, currency and liquidity risks are included in note 22.

Reconciliation of movements of liabilities to cash flows arising from financing activities

	Note	Liabilities Loans and borrowings US$	Accrued interests (note 13) US$	Total US$
Balance as at 1 April 2022		223,480,341	417,039	223,897,380
Changes from financing cash flows				
Proceeds from loans and borrowings		228,500,000	-	228,500,000
Repayment of loans and borrowings		(224,000,000)	-	(224,000,000)
Payment of lease liabilities		(41,638)	-	(41,638)
Interest paid		(148,179)	(9,846,663)	(9,994,842)
Facility fees on bank loans paid		(307,481)	-	(307,481)
Total changes from financing cash flows		4,002,702	(9,846,663)	(5,843,961)
Other changes				
Interest charged	19	148,577	9,463,696	9,612,273
Amortisation of facility fees on bank loans	17	633,742	-	633,742
Total other changes		782,319	9,463,696	10,246,015
Balance at 31 March 2023		228,265,362	34,072	228,299,434
Balance as at 1 April 2023		228,265,362	34,072	228,299,434
Changes from financing cash flows				
Proceeds from loans and borrowings		21,000,000	-	21,000,000
Repayment of loans and borrowings		(64,000,000)	-	(64,000,000)
Interest paid		-	(10,092,079)	(10,092,079)
Total changes from financing cash flows		(43,000,000)	(10,092,079)	(53,092,079)
Other changes				
Interest charged	19	-	10,168,103	10,168,103
Amortisation of facility fees on bank loans	17	172,240	-	172,240
Total other changes		172,240	10,168,103	10,340,343
Balance at 31 March 2024		185,437,602	110,096	185,547,698

14 Trade and other payables

	2024 US$	2023 US$
Accrued interests	110,096	34,072
Total	110,096	34,072

Market and liquidity risks

The Company’s exposures to currency and liquidity risks related to trade and other payables are disclosed in note 22.

15 Revenue

	2024 US$	2023 US$
Sale of goods	-	16,859,473

Disaggregation of revenue from contracts with customers

In the following table, revenue from contracts with customers is disaggregated by primary geographical markets, major products or service lines and timing of revenue recognition.

	Sale of commodity	
	2024 US$	**2023 US$**
Primary geographical markets		
Asia	-	15,341,224
India	-	1,518,249
	-	16,859,473
Major products or service line		
Sales of goods	-	16,859,473
	-	16,859,473
Timing of revenue recognition		
Products transferred at a point in time	-	16,859,473
	-	16,859,473

Transaction price allocated to the remaining performance obligations

The Company applies the practical expedient in paragraph 121 of FRS115 and does not disclose information about its remaining performance obligations if:

· the performance obligation is part of a contract that has an original expected duration of one year or less; or

· the Company has a right to invoice a customer in an amount that corresponded directly with its performance to date, then it recognises revenue in that amount.

16 Other operating income

	2024 US$	2023 US$
Finance income		
- bank deposit	29,298	48,999
- interest income	34,700	-
Others	-	34,710
	63,998	83,709

17 Administrative expenses

	2024 US$	2023 US$
Bank charges	13,055	61,959
Amortisation of facility fees on bank loans	172,240	633,742
Professional fees	27,851	110,131
Depreciation	-	41,437
Staff costs	236,974	259,543
Brand equity brand promotion fees	-	848,188
Others	41,710	81,901
	491,830	2,036,901

18 Other operating expenses

	2024 US$	2023 US$
Impairment loss on investment in subsidiary	1	30,500,001
Impairment loss on loan to a subsidiary	(1)	1
	-	30,500,002

19 Finance costs

	2024 US$	2023 US$
Financial liabilities measured at amortised cost – interest expense	10,168,103	9,612,273
Realised exchange differences	3,312	(2,655)
Cash flow hedges – ineffective portion of changes in fair value	(84,945)	(843,663)
	10,086,470	8,765,955

20 Loss for the year

The following item has been included in arriving at loss before tax for the year:

	2024 US$	2023 US$
Contributions to defined contribution plans included in staff cost	10,842	17,826

21 Tax reversal

	2024 US$	2023 US$
Current tax expense		
Current year	(28,911)	-
Adjustments for prior years	-	-
	(28,911)	-
Reconciliation of effective tax rate		
Loss before tax	(10,514,302)	(40,825,028)
Tax calculated using Singapore tax rate of 17% (2023: 17%)	(1,787,431)	(6,940,255)
Non-deductible expenses	1,787,431	7,083,678
Tax exempt revenue	-	(143,423)
Adjustments for prior years	(28,911)	-
	(28,911)	-

22 Financial instruments

Financial risk management

Overview

The Company has exposures to the following risks arising from financial instruments:

● credit risk
● liquidity risk
● market risk

This note presents information about the Company's exposure to each of the above risks, the Company's objectives, policies and processes for measuring and managing risk, and the Company's management of capital.

Risk management framework

The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. Management is responsible for developing and monitoring the Company's risk management policies. Management reports regularly to the Board of Directors on its activities.

Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counter party to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's cash at bank.

The carrying amounts of financial assets represent the Company's maximum exposure to credit risk, before taking into account any collateral held. The Company does not hold any collateral in respect of its financial assets.

Exposure to credit risk

The Company is not having any trade receivables as at 31 March 2024 and 31 March 2023, hence, no credit risk expected.

Derivatives

The derivatives are placed with financial institutions which are regulated. Management does not expect any of its counterparties to fail to meet its obligations.

Cash and cash equivalents

Cash is placed with financial institutions which are regulated and rated Aa1 (2023: Aa1), based on credit ratings by Moody's Corporation. Impairment on cash at bank has been measured on the 12-month expected credit loss basis and reflects the short maturities of the exposures. The Company considers that its cash at bank have low credit risk based on the external credit rating of the counterparties. The amount of the allowance on cash at bank was negligible.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company monitors its liquidity risk and maintains a level of cash and cash equivalents deemed adequate by management to finance the Company's operations and to mitigate the effects of fluctuations in cash flows. This excludes the potential impact of extreme circumstances that cannot be reasonably predicted.

Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities. The amounts are gross and undiscounted, and include contractual interest payments and exclude the impact of netting agreements:

		Cash flows		
	Carrying amount US$	Contractual cash flows US$	Within 1 year US$	Within 1 to 5 years US$
31 March 2024				
Non-derivative financial liabilities				
Bank loans	178,437,602	(183,195,900)	(183,195,900)	-
Working capital facility	7,000,000	(7,072,845)	(7,072,845)	-
Accruals	81,326	(81,326)	(81,326)	-
Trade and other payables	110,096	(110,096)	(110,096)	-
	185,629,024	(190,460,167)	(190,460,167)	-
31 March 2023				
Non-derivative financial liabilities				
Bank loans	228,265,362	(246,898,700)	(12,265,800)	(234,632,900)
Accruals	81,251	(81,251)	(81,251)	-
Trade and other payables	34,072	(34,072)	(34,072)	-
	228,380,685	(247,014,023)	(12,381,123)	(234,632,900)

Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return on risk.

The Company buys and sells derivatives, and also incurs financial liabilities, in order to manage market risks. All such transactions are carried out within the guidelines set by management. Generally, the Company seeks to apply hedge accounting in order to manage volatility in profit or loss.

The Company is not exposed to any significant equity price risk.

Foreign currency risk

The Company's foreign currency exposures arise mainly from the exchange rate movements of Singapore dollar against United States dollar.

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

The Company's exposure to foreign currency risk is not significant at the reporting date.

Interest rate risk

The Company adopts a policy of ensuring that its interest rate risk exposure is at a fixed-rate. This is achieved partly by entering into fixed-rate instruments and partly by borrowing at a float rate and using interest rate swaps as hedges of the variability in cash flows attributable to interest rate risk.

The Company determines the existence of an economic relationship between the hedging instrument and hedged item based on the reference interest rates, tenors, repricing dates and maturities and the notional or par amounts. If a hedging relationship is directly affected by uncertainty arising from interest rate benchmark reform, then the Company applies Phase 1 amendments and assumes for this purpose that the benchmark interest rate is not altered as a result of interest rate benchmark reform.

The Company designated the interest rate swaps as a cash flow hedging instruments in qualifying heading relationships. The Company assesses whether the derivative designated in this hedging relationship is expected to be effective in offsetting changes in cash flows of the hedged item using the hypothetical derivative method.

In these hedge relationships, the main sources of ineffectiveness are:

· the effect of the counterparty and the Company's own credit risk on the fair value of the swaps, which is not reflected in the change in the fair value of the hedged cash flows attributable to the change in interest rates; and

· differences in repricing dates between the swaps and the borrowings.

Hedging relationships that are impacted by interest rate benchmark reform may experience ineffectiveness because of uncertainty about when and how replacement may occur for the relevant hedged item and hedging instrument due to the interest rate benchmark reform transition. For further details, see 'Managing interest rate benchmark reform and associated risks' below.

Managing interest rate benchmark reform and associated risks

Overview

There is no IBOR exposure arising from the bank loans and interest rate swaps as at 31 March 2024 as they are indexed to SOFR.

Exposure to interest rate risk

At the reporting date, the interest rate profile of the interest-bearing financial instruments, as reported to the management, was as follows:

	Nominal amount	
	2024	**2023**
	US$	**US$**
Variable rate instruments		
Financial liabilities	185,500,000	228,500,000
Effect of interest rate swaps used for hedging	(178,500,000)	(228,500,000)
Interest rate swaps not used for hedging	(43,000,000)	-
	(36,000,000)	-

Cash flow sensitivity analysis for variable rate instruments

A reasonably change of 100 basis points in interest rates at the reporting date would have increased/(decreased) equity and profit or loss by the amounts shown below. This analysis assumes that all other variables remain constant.

	Profit or loss		Equity	
	100 bp increase US$	100 bp decrease US$	100 bp increase US$	100 bp decrease US$
31 March 2024				
Variable rate instruments	(70,000)	70,000	-	-
Interest rate swap	(4,098)	3,703	(16,359)	13,705
Cash flow sensitivity (net)	(74,098)	73,703	(16,359)	13,705
31 March 2023				
Variable rate instruments	-	-	-	-
Interest rate swap	-	-	(1,958,909)	2,028,601
Cash flow sensitivity (net)	-	-	(1,958,909)	2,028,601

Hedge accounting

Cash flow hedges

At 31 March, the Company held the following instruments to hedge exposures to changes in interest rates.

		Maturity		
	Interest rate (%)	Within 1 year US$	Between 1 to 5 years US$	More than 5 years US$
2024				
Interest rate risk				
Interest rate swaps (IRS)				
- Float-to-fixed	4.02% -4.70%	178,500,000	-	-
2023				
Interest rate risk				
Interest rate swaps (IRS)				
- Float-to-fixed	4.02% -4.70%	-	228,500,000	-

The amounts at the reporting date relating to items designated as hedged items were as follows.

	Balance in hedging reserve for continuing hedges	
	2024 US$	2023 US$
Interest rate risk		
Variable-rate instruments	558,556	1,006,049

The amounts relating to items designated as hedging instruments and hedge ineffectiveness were as follows.

	Nominal amount	Carrying amount – assets / (liabilities)	Line item in the statement of financial position where the hedging instrument is included
	US$	US$	
At 31 March 2024			
Interest rate risk			
Interest rate swaps	178,500,000	643,501	Derivative financial assets
At 31 March 2023			
Interest rate risk			
Interest rate swaps	228,500,000	1,006,049	Derivative financial assets

	Changes in the value of the hedging instrument recognised in OCI	Hedge ineffectiveness recognised in profit or loss	Line item in profit or loss that includes hedge ineffectiveness	Amount reclassified from hedging reserve to profit or loss	Line item in profit or loss affected by the reclassification
	US$	US$		US$	
During the period - 2024					
Interest rate risk					
Interest rate swaps	1,675,320	(84,945)	Finance costs	(2,122,813)	Finance costs
During the period - 2023					
Interest rate risk					
Interest rate swaps	828,287	(843,663)	Finance costs	1,215,967	Finance costs

The following table provides a reconciliation by risk category of components of equity and analysis of OCI items, net of tax, resulting from cash flow hedge accounting.

	Hedging reserve
	US$
Balance at 1 April 2022	(1,038,205)
Cash flow hedges	
Change in fair value:	
Interest rate risk	828,287
Amount reclassified to profit or loss:	
Interest rate risk	1,215,967
Balance at 31 March 2023	1,006,049
Balance at 1 April 2023	1,006,049
Cash flow hedges	
Change in fair value:	
Interest rate risk	1,675,320
Amount reclassified to profit or loss:	
Interest rate risk	(2,122,813)
Balance at 31 March 2024	558,556

Accounting classifications and fair values

The carrying amounts and fair values of financial assets and liabilities, including their levels in the fair value hierarchy are as follows. It does not include fair value information for financial assets and financial liabilities not measure at fair value if the carrying amount is a reasonable approximation of fair value.

		Carrying amount				Fair value			
	Note	Fair value – hedging instruments	Financial assets at amortised cost	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total
		US$	US$	US$	US$	US$	US$	US$	US$
At 31 March 2024									
Financial assets not measured at fair value									
Trade and other receivables	8	-	175,374	-	175,374				
Cash and cash equivalents	10	-	798,421	-	798,421				
		-	973,795	-	973,795				
Financial assets measured at fair value									
Interest rate swaps - assets	9	643,501	-	-	643,501	-	643,501	-	643,501
Financial liabilities not measured at fair value									
Loans and borrowings	13	-	-	185,437,602	185,437,602				
Accruals		-	-	81,326	81,326				
Trade and other payables	14	-	-	110,096	110,096				
		-	-	185,629,024	185,629,024				

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	Note	Carrying amount				Fair value			
		Fair value – hedging instruments	**Financial assets at amortised cost**	**Other financial liabilities**	**Total**	**Level 1**	**Level 2**	**Level 3**	**Total**
		US$	**US$**	**US$**	**US$**	**US$**	**US$**	**US$**	**US$**
At 31 March 2023									
Financial assets not measured at fair value									
Trade and other receivables	8	-	52,808	-	52,808				
Cash and cash equivalents	10	-	2,724,714	-	2,724,714				
		-	2,777,522	-	2,777,522				
Financial liabilities measured at fair value									
Interest rate swaps - assets	9	1,006,049	-	-	1,006,049	-	1,006,049	-	1,006,049
Financial liabilities not measured at fair value									
Loans and borrowings*	13	-	-	228,265,362	228,265,362				
Accruals		-	-	81,251	81,251				
Trade and other payables	14	-	-	34,072	34,072				
		-	-	228,380,685	228,380,685				

** Excludes lease liabilities*

Estimation of fair values

Fair value hierarchy

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liablity, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Derivatives

The fair value of interest rate swaps is the indicative amount that the Company is expected to receive or pay to terminate the swap with the swap counterparties at the balance sheet date.

Floating interest rate loans

For variable interest rate financial assets and liabilities, the carrying amounts approximate their fair value as the interest rate reprices frequently.

Other financial assets and liabilities

The carrying amounts of other financial assets and liabilities with a maturity of less than one year (including trade and other receivables, cash and cash equivalents, accruals, short-term loans and borrowings and trade and other payables) approximate their fair values because of the short period to maturity of these financial instruments.

23 Leases

Leases as lessee

The Company leased office building. The lease was for a period of 3 years, with an option to renew the lease after that date. Lease payments were renegotiated every 3 years to reflect market rentals. The lease of office building expired in 2023.

In 2023, the Company entered into a rental contract for new office space. As the contract does not contain a lease in accordance with FRS 116 *Leases*, lease accounting model does not apply and rental expense has been charged to profit or loss as it incurs.

Information about leases for which the Company is a lessee is presented below.

Right-of-use asset

	Office building
	US$
Balance at 1 April 2022	39,931
Depreciation charge for the year	(39,931)
Balance at 31 March 2023 and 31 March 2024	-

Amounts recognised in profit or loss

	2024 US$	2023 US$
Interest on lease liabilities	-	398
Rental expense	9,490	2,991

Amounts recognised in statement of cash flows

	2024 US$	2023 US$
Total cash outflow for leases	-	41,638

24 Related parties

For the purposes of these financial statements, parties are considered to be related to the Company if the Company has the ability, directly or indirectly, to control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Company and the party are subject to common control or common significant influence. Related parties may be individuals or other entities.

Key management personnel

Key management personnel of the Company are those persons having the authority and responsibility for planning, directing and controlling the activities of the entity. The directors are considered as key management personnel of the Company.

There are no key management personnel apart from the Company's directors. There is no remuneration is paid to directors for the financial years ended 31 March 2024 and 2023. The directors are paid remuneration by related companies in their capacity as directors and/or executives of those related companies.

Other related party transactions

Other than disclosed elsewhere in the financial statements, transactions with related parties are as follows:

	2024 US$	2023 US$
Holding company		
Sales of goods	-	299,031
Related corporations		
Purchase of goods	-	(16,497,497)