Oil India International Pte. Ltd.
Registration Number: 201612281W

Annual Report
Year ended 31 March 2019

Directors' statement

We are pleased to submit this annual report to the member of Oil India International Pte. Ltd. (the Company) together with the audited financial statements for the financial year ended 31 March 2019.

In our opinion:

(a) the financial statements set out on pages FS1 to FS33 are drawn up so as to give a true and fair view of the financial position of the Company as at 31 March 2019 and of the financial performance, changes in equity and cash flows of the Company for the year ended on that date in accordance with the provisions of the Singapore Companies Act, Chapter 50 and SFRS(I)s; and

(b) at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

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:

Sudish Kumar Singh	
Tan Tow Siang	
Harish Madhav	(appointed on 13 July 2018)
David John Stone	(appointed on 1 November 2018)

Directors' interests

According to the register kept by the Company for the purposes of Section 164 of the Companies Act, Chapter 50 (the Act), no director who held office at the end of the financial year had interests (including those held by their spouses and infant children) in shares, debentures, warrants and share options in the Company and in related corporations, either at the beginning of the financial year, or date of appointment if later, 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 shares in the Company; and

(ii) no shares issued by virtue of any exercise of option to take up unissued shares of the Company.

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

Auditors

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

On behalf of the Board of Directors

Tan Tow Siang
Director

David John Stone
Director

- 9 MAY 2019

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Independent auditors' report

Member of the Company
Oil India International Pte. Ltd.

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Oil India International Pte. Ltd. ('the Company'), which comprise the statement of financial position as at 31 March 2019, 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 a summary of significant accounting policies, as set out on pages FS1 to FS33.

In our opinion, the accompanying financial statements are properly drawn up in accordance with the provisions of the Companies Act, Chapter 50 ('the Act') and Singapore Financial Reporting Standards (International) ('SFRS(I)s') so as to give a true and fair view of the financial position of the Company as at 31 March 2019 and of the financial performance, changes in equity and cash flows of the Company for the year ended on that date.

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.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Valuation of investments in joint ventures (Refer to Note 4 of the financial statements)	
The key audit matter	*How the matter was addressed in our audit*
As at 31 March 2019, the carrying amount of the Company's interests in joint ventures amounted to $1,042,548,872 (31 March 2018: $1,129,058,225), approximating 96% (31 March 2018: 95%) of the Company's total assets. Investments in joint ventures are carried at cost and adjusted for the Company's share of the profit or loss and other comprehensive income of the joint ventures, after adjustments to align the accounting policies with those of the Company. The Company is required to assess whether there is any indicator that the investments in joint ventures may be impaired. When such indicator exists, the Company's carrying amount of investments in joint ventures needs to be assessed for impairment. The management has assessed that there is no indicator that the investments in joint ventures is impaired based on the profits generated by the joint ventures.	We have assessed the appropriateness of management's accounting in the Company's share of results in joint ventures. We reviewed management's process for identifying the existence of impairment indicators in respect of the investments in joint ventures. *Findings* The Company's share of profits in joint ventures have been appropriately accounted for in its Statement of Comprehensive Income using the equity method. We found management's process for identifying the existence of impairment indicators in respect of the investments in joint ventures to be consistent with the relevant accounting standards. We found the conclusion made by management that there is no indicator that the investments in joint ventures is impaired based on the profits generated to be reasonable.

Other information

Management is responsible for the other information. The other information comprise the below section in the Annual Report (but does not include the financial statements and our auditors' report thereon):

- Directors' statement

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 will 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.

KPMG

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 SFRS(I)s, 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.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless the law or regulations preclude public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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.

The engagement partner on the audit resulting in this independent auditors' report is Shelley Chan Hoi Yi.

KPMG LLP

KPMG LLP
Public Accountants and
Chartered Accountants

Singapore
9 May 2019

Statement of financial position
As at 31 March 2019

	Note	2019 US$	2018 US$	1 April 2017 US$
Non-current assets				
Investment in joint ventures	4	1,042,548,872	1,129,058,225	1,055,963,356
Plant and equipment	8	6,587	–	–
Loan receivable from joint ventures	12	–	20,471,146	–
Other non-current assets	9	367	452,492	–
		1,042,555,826	1,149,981,863	1,055,963,356
Current assets				
Loan receivable from joint ventures	12	26,757,086	29,065,940	–
Other receivable – due from a related party		–	23,272	23,272
Other current assets	10	1,541,468	16,466	–
Cash and deposits	11	14,056,419	11,406,221	101,293
		42,354,973	40,511,899	124,565
Total assets		1,084,910,799	1,190,493,762	1,056,087,921
Equity				
Share capital	13	533,707,277	533,707,277	179,375,975
Share reserve – prepaid		–	–	31,789,627
Retained earnings		120,098,714	40,211,941	9,707,610
Currency translation reserve	13	(75,133,578)	110,701,729	34,872,887
Total equity		578,672,413	684,620,947	255,746,099
Non-current liabilities				
Borrowings	14	500,000,000	500,000,000	–
Current liabilities				
Borrowings	14	6,102,693	5,750,256	800,290,201
Trade and other payables	15	122,630	107,670	51,621
Income tax payable		13,063	14,889	–
		6,238,386	5,872,815	800,341,822
Total liabilities		506,238,386	505,872,815	800,341,822
Total equity and liabilities		1,084,910,799	1,190,493,762	1,056,087,921

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

Statement of comprehensive income
Year ended 31 March 2019

	Note	2019 US$	2018 US$
Share in profit of joint ventures		99,325,954	51,171,848
Interest income from banks and related parties		1,138,261	618,767
Other operating expenses	5	(196,457)	(112,120)
Finance costs	6	(20,371,944)	(21,159,275)
Profit before tax		79,895,814	30,519,220
Tax expense	7	(9,041)	(14,889)
Profit after tax		79,886,773	30,504,331
Other comprehensive (loss)/income:			
Items that may be reclassified subsequently to profit or loss:			
Share of foreign currency translation reserves of equity-accounted investees		(185,835,307)	75,828,842
Other comprehensive (loss)/income, net of tax		(185,835,307)	75,828,842
Total comprehensive (loss)/income for the year		(105,948,534)	106,333,173

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

Statement of changes in equity
Year ended 31 March 2019

	Share capital US$	Share reserve – prepaid US$	Retained earnings US$	Currency translation reserve US$	Total equity US$
At 1 April 2017	179,375,975	31,789,627	9,707,610	34,872,887	255,746,099
Total comprehensive income for the year					
Profit for the year	–	–	30,504,331	–	30,504,331
Other comprehensive income					
Share of foreign currency translation reserves of equity-accounted investees	–	–	–	75,828,842	75,828,842
Total comprehensive income	–	–	30,504,331	75,828,842	106,333,173
Transactions with owners, recognised directly in equity					
Contributions by and distributions to owners					
Issue of shares	354,331,302	(31,789,627)	–	–	322,541,675
Total contributions by owners of the Company	354,331,302	(31,789,627)	–	–	322,541,675
At 31 March 2018	533,707,277	–	40,211,941	110,701,729	684,620,947

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

Statement of changes in equity
Year ended 31 March 2019

	Share capital US$	Share reserve – prepaid US$	Retained earnings US$	Currency translation reserve US$	Total equity US$
At 1 April 2018	533,707,277	–	40,211,941	110,701,729	684,620,947
Total comprehensive income for the year					
Profit for the year	–	–	79,886,773	–	79,886,773
Other comprehensive loss					
Share of foreign currency translation reserves of equity-accounted investees	–	–	–	(185,835,307)	(185,835,307)
Total comprehensive income/(loss)	–	–	79,886,773	(185,835,307)	(105,948,534)
At 31 March 2019	533,707,277	–	120,098,714	(75,133,578)	578,672,413

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

Statement of cash flows
Year ended 31 March 2019

	Note	2019 US$	2018 US$
Cash flows from operating activities			
Profit for the year		79,886,773	30,504,331
Adjustments for:			
- Depreciation expense		913	–
- Share in profit of joint ventures		(99,325,954)	(51,171,848)
- Interest expense		20,024,817	20,335,676
- Amortisation of bond issuance expenses		347,067	822,083
- Interest income		(1,138,261)	(618,767)
- Tax expense		9,041	14,889
		(195,604)	(113,636)
Changes in working capital:			
- Other receivable due from related party		23,272	–
- Other current assets		(1,322,934)	–
- Other non-current assets		1,321,591	–
- Other payables		14,960	56,049
Income tax paid		(10,868)	–
Net cash used in operating activities		(169,583)	(57,587)
Cash flows from investing activities			
Purchase of plant and equipment		(7,500)	–
Dividends received from joint venture		–	27,470,000
Repayment of loan from joint venture		22,780,000	–
Loan to joint ventures		–	(23,101,265)
Placement of long-term deposits		(13,000,000)	
Interest received		72,098	149,809
Net cash from investing activities		9,844,598	4,518,544
Cash flows from financing activities			
Proceeds from shares issuance		–	322,541,675
Proceeds from bonds issuance		–	500,000,000
Repayment of bank borrowings		–	(800,000,000)
Payment of transaction costs related to borrowings		–	(3,460,016)
Interest paid		(20,024,817)	(12,237,688)
Net cash (used in)/from financing activities		(20,024,817)	6,843,971
Net (decrease)/increase in cash and cash equivalents		(10,349,802)	11,304,928
Cash and cash equivalents at 1 April		11,406,221	101,293
Cash and cash equivalents at 31 March	11	1,056,419	11,406,221

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 of the Company on 9 May 2019.

1 Incorporation and principal activities

Oil India International Pte. Ltd. (the "Company") is incorporated in the Republic of Singapore and has its registered office at 300 Beach Road #18-05, The Concourse, Singapore 199555.

The Company's principal activity is investment holding. The Company's immediate and ultimate holding company is Oil India Limited, which is incorporated in India.

2 Basis of preparation

2.1 Statement of compliance

These financial statements have been prepared in accordance with the Singapore Financial Reporting Standards (International) ("SFRS(I)"). These are the Company's first financial statements prepared in accordance with SFRS(I) and SFRS(I) 1 *First-time Adoption of Singapore Financial Reporting Standards (International)* has been applied.

In the previous financial years, the financial statements were prepared in accordance with Financial Reporting Standards in Singapore (FRS). An explanation of how the transition to SFRS(I) and application of SFRS(I) 9 and SFRS(I) 15 have affected the reported financial position, financial performance and cash flows is provided in note 2.5.

2.2 Basis of measurement

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

2.3 Functional and presentation currency

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

2.4 Use of judgements and estimates

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 in the period in which the estimates are revised and in any future periods affected.

Information about critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements is included in Note 4 – Investment in Joint Ventures.

2.5 Explanation of transition to SFRS(I) and adoption of new standards

In December 2017, the Accounting Standards Council (ASC) issued the Singapore Financial Reporting Standards (International) (SFRS(I)). SFRS(I) comprises standards and interpretations that are equivalent to International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB) at 31 December 2017 that are applicable for annual periods beginning on or after 1 January 2018. Singapore-incorporated companies that have issued, or are in the process of issuing, equity or debt instruments for trading in a public market in Singapore, will apply SFRS(I) with effect from annual periods beginning on or after 1 January 2018.

As stated in note 2.1, these are the first financial statements of the Company prepared in accordance with SFRS(I).

The accounting policies set out in note 3 have been applied in preparing the financial statements for the financial year ended 31 March 2019, the comparative information presented in these financial statements for the year ended 31 March 2018 and in the preparation of the opening SFRS(I) statement of financial position at 1 April 2017 (the Company's date of transition), subject to the mandatory exceptions and optional exemptions under SFRS(I) 1.

In addition to the adoption of the new framework, the Company also concurrently applied the following SFRS(I)s, interpretations of SFRS(I)s and requirements of SFRS(I)s which are mandatorily effective from the same date.

- SFRS(I) 15 Revenue from Contracts with Customers which includes clarifications to IFRS 15 Revenue from Contracts with Customers issued by the IASB in April 2016; and
- SFRS(I) 9 Financial Instruments which includes amendments arising from IFRS 4 Insurance Contracts issued by the IASB in September 2016

In adopting SFRS(I) in 2018, the Company has applied the transition requirements in SFRS(I) 1 with 1 April 2017 as the date of transition. SFRS(I) 1 generally requires that the Company applies SFRS(I) that are effective as at 31 March 2019 on a retrospective basis, as if such accounting policy had always been applied, subject to the mandatory exceptions and optional exemptions in SFRS(I) 1. The application of the mandatory exceptions and the optional exemptions in SFRS(I) 1 did not have any significant impact on the financial statements

SFRS(I) 15 Revenue from Contracts with Customers

The Company has adopted the new standard using the retrospective approach. All requirements of SFRS(I) 15 have been applied retrospectively, and the information presented for financial year ended 31 March 2018 has been restated if applicable.

As the primary income of the Company is from investment holdings, the adoption of SFRS(I) 15 did not have any material impact to the Company's previously adopted accounting policies.

SFRS(I) 9 Financial Instruments

Classification and measurement of financial assets

The Company has adopted the new standard retrospectively from 1 April 2018, in line with the transition provision permitted under the standards. Comparatives for the financial year ended 31 March 2018 are not restated and the Company has recognised any difference between the carrying amounts at 31 March 2018 and 1 April 2018 in the opening retained earnings.

For financial assets held by the Company on 1 April 2018, management has assessed the business models that are applicable on that date to these assets so as to classify them into the appropriate categories under SFRS(I) 9. There is no impact on classification other than the change from loans and receivables to financial assets at amortised cost. There is no change in the measurement of the financial assets between these two classifications.

The accounting policies for financial instruments under SFRS(I) 9 are disclosed in Note 3.3.

Impairment of financial assets

The Company has the following financial assets classified under financial assets at amortised cost that are subjected to the expected credit loss impairment model under SFRS(I) 9:

- Cash and cash equivalents
- Other assets; and
- Loan receivable from joint ventures

The impairment methodology for each of these classes of financial assets under SFRS(I) 9 are different as disclosed in Note 3.4 and Note 18.

At 1 April 2018 on adoption of SFRS(I) 9, no additional impairment allowances were recognised.

3 Significant accounting policies

3.1 Investment in joint ventures (equity-accounted investee)

Joint ventures are entities over which the Company has joint control as a result of contractual arrangements, and rights to the net assets of the entities.

On acquisition of the investment, any excess of the cost of the investment over the Company's share of the net fair value of the joint venture is accounted for as goodwill and is included in the carrying amount of the investment. Any excess of the Company's share of the net fair value of the joint venture's identifiable assets and liabilities over the cost of the investment is included as income in the determination of the Company's share of the joint venture's profit or loss in the period in which the investment is acquired.

Investments in joint ventures are accounted for using the equity method. They are recognised initially at cost, which includes transaction costs. Subsequent to initial recognition, the financial statements include the Company's share of the profit or loss and other comprehensive income (OCI) of the equity-accounted investee, after adjustments to align the accounting policies with those of the Company, from the date that joint control commences until the date that joint control ceases.

When the Company's share of losses exceeds its interest in an equity-accounted investee, the carrying amount of the investment, together with any long-term interests that form part thereof, is reduced to zero, and the recognition of further losses is discontinued except to the extent that the Company has an obligation to fund the investee's operations or has made payments on behalf of the investee.

An impairment loss in respect of an equity-accounted investee is measured by comparing the recoverable amount of the investment with its carrying amount. An impairment loss is recognised in profit or loss, and is reversed if there has been a favourable change in the estimates used to determine the recoverable amount.

The consideration transferred does not include amounts related to the settlement of pre-existing relationships. Such amounts are generally recognised in the statement of comprehensive income.

Any contingent consideration payable is recognised at fair value at the acquisition date and included in the consideration transferred. If the contingent consideration is classified as equity, it is not remeasured and settlement is accounted for within equity. Otherwise, subsequent changes to the fair value of the contingent consideration are recognised in the statement of comprehensive income.

3.2 Foreign currency

Foreign currency transactions

Transactions in foreign currencies are translated to the functional currency of the Company at the exchange rate at the date of the transaction. 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.

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 on which 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 generally recognised in profit or loss.

Foreign operations

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on acquisition, are translated to United States Dollars (USD) at exchange rates at the reporting date. The income and expenses of foreign operations are translated to United States Dollars at average exchange rates for the reporting period.

Foreign currency differences are recognised in OCI, and presented in the foreign currency translation reserve (translation reserve) in equity. When a foreign operation is disposed of such that joint control is lost, the cumulative amount in the translation reserve related to that foreign operation is reclassified to profit or loss as part of the gain or loss on disposal. When the Company disposes of only part of its investment in a joint venture that includes a foreign operation while retaining joint control, the relevant proportion of the cumulative amount is reclassified to profit or loss.

When the settlement of a monetary item receivable from or payable to a foreign operation is neither planned nor likely to occur in the foreseeable future, foreign exchange gains and losses arising from such a monetary item that are considered to form part of a net investment in a foreign operation are recognised in OCI, and are presented in the translation reserve in equity.

3.3 Financial instruments

(i) Recognition and initial measurement

Non-derivative financial assets and financial liabilities

Trade receivables and debt investments issued 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 instrument.

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

(ii) Classification and subsequent measurement

Non-derivative financial assets – Policy applicable from 1 April 2018

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.

Financial assets: Business model assessment – Policy applicable from 1 April 2018

The Company makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of the assets;
- how the performance of the portfolio is evaluated and reported to the Company's management;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;

- how managers of the business are compensated – e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Company's continuing recognition of the assets.

Financial assets that are held-for-trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

Non-derivative financial assets: Assessment whether contractual cash flows are solely payments of principal and interest – Policy applicable from 1 April 2018

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Company considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Company considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable rate features;
- prepayment and extension features; and
- terms that limit the Company's claim to cash flows from specified assets (e.g. non-recourse features).

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable additional compensation for early termination of the contract. Additionally, for a financial asset acquired at a significant discount or premium to its contractual par amount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable additional compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

Non-derivative financial assets: Subsequent measurement and gains and losses – Policy applicable from 1 April 2018

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 assets – Policy applicable before 1 April 2018

The Company classifies non-derivative financial assets into the category of loans and receivables.

Non-derivative financial assets: Subsequent measurement and gains and losses – Policy applicable before 1 April 2018

Loans and receivables

Loans and receivables were financial assets with fixed or determinable payments that were not quoted in an active market. Such assets are initially measured at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, loans and receivables were measured at amortised cost using the effective interest method, less any impairment losses.

Loans and receivables comprised cash and cash equivalents, loan receivable from joint ventures and other assets.

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

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Directly attributable transaction costs are recognised in profit or loss as incurred.

Other 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 trade and other payables and borrowings.

(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 substantially all of the risks and rewards of ownership of the financial asset are transferred or in which 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.

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. In these cases, the transferred assets are not derecognised.

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 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.

(vi) 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.

3.4 Impairment

(i) Non-derivative financial assets

Policy applicable from 1 April 2018

The Company recognises loss allowances for ECLs on financial assets measured at amortised costs.

Loss allowances of the Company are measured on either of the following bases:

- 12-month ECLs: these are ECLs that result from default events that are possible within the 12 months after the reporting date (or for a shorter period if the expected life of the instrument is less than 12 months); or
- Lifetime ECLs: these are ECLs that result from all possible default events over the expected life of a financial instrument or contract asset.

Simplified approach

The Company applies the simplified approach to provide for ECLs for all trade receivables and contract assets. The simplified approach requires the loss allowance to be measured at an amount equal to lifetime ECLs.

General approach

The Company applies the general approach to provide for ECLs on all other financial instruments. Under the general approach, the loss allowance is measured at an amount equal to 12-month ECLs at initial recognition.

At each reporting date, the Company assesses whether the credit risk of a financial instrument has increased significantly since initial recognition. When credit risk has increased significantly since initial recognition, loss allowance is measured at an amount equal to lifetime ECLs.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and includes forward-looking information.

If credit risk has not increased significantly since initial recognition or if the credit quality of the financial instruments improves such that there is no longer a significant increase in credit risk since initial recognition, loss allowance is measured at an amount equal to 12-month ECLs.

The Company considers a financial asset to be in default when:

- the borrower is unlikely to pay its credit obligations to the Company in full, without recourse by the Company to actions such as realising security (if any is held); or
- the financial asset is more than 90 days past due.

The maximum period considered when estimating ECLs is the maximum contractual period over which the Company is exposed to credit risk.

Measurement of ECLs

ECLs are probability-weighted estimates of credit losses. Credit losses are measured at the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Company expects to receive). ECLs are discounted at the effective interest rate of the financial asset.

Credit-impaired financial assets

At each reporting date, the Company assesses whether financial assets carried at amortised cost are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default or being more than 90 days past due;
- the restructuring of a loan or advance by the Company on terms that the Company would not consider otherwise;
- it is probable that the borrower will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties.

Presentation of allowance for ECLs in the statement of financial position

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of these assets.

Write-off

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.

Policy applicable before 1 April 2018

A financial asset not carried at FVTPL, including an interest in an associate, was assessed at the end of each reporting period to determine whether there was objective evidence that it was impaired. A financial asset was impaired if objective evidence indicated that a loss event(s) had occurred after the initial recognition of the asset, and that the loss event(s) had an impact on the estimated future cash flows of that asset that could be estimated reliably.

Objective evidence that financial assets (including equity investments) were impaired included default or delinquency by a debtor, restructuring of an amount due to the Company on terms that the Company would not consider otherwise, indications that a debtor or issuer would enter bankruptcy, adverse changes in the payment status of borrowers or issuers, economic conditions that correlate with defaults or the disappearance of an active market for a security. In addition, for an investment in an equity security, a significant or prolonged decline1 in its fair value below its cost was objective evidence of impairment. The Company considered a decline of 20% to be significant and a period of 9 months to be prolonged.

Loans and receivables

The Company considered evidence of impairment for loans and receivables at both an individual asset and collective level. All individually significant assets were individually assessed for impairment. Those found not to be impaired were then collectively assessed for any impairment that had been incurred but not yet identified. Assets that were not individually significant were collectively assessed for impairment. Collective assessment was carried out by grouping together assets with similar risk characteristics.

In assessing collective impairment, the Company used historical information on the timing of recoveries and the amount of loss incurred, and made an adjustment if current economic and credit conditions were such that the actual losses were likely to be greater or lesser than suggested by historical trends.

An impairment loss was calculated as the difference between the asset's carrying amount and the present value of the estimated future cash flows, discounted at the asset's original effective interest rate. Losses were recognised in profit or loss and reflected in an allowance account. When the Company considered that there were no realistic prospects of recovery of the asset, the relevant amounts were written off. If the amount of impairment loss subsequently decreased and the decrease was related objectively to an event occurring after the impairment was recognised, then the previously recognised impairment loss was reversed through profit or loss.

(ii) Joint venture

An impairment loss in respect of joint venture is measured by comparing the recoverable amount of the investment with its carrying amount in accordance with the requirements for non-financial assets. An impairment loss is recognised in profit or loss. An impairment loss is reversed if there has been a favourable change in the estimates used to determine the recoverable amount.

(iii) Non-financial assets

The carrying amounts of the Company's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. An impairment loss is recognised if the carrying amount of an asset or its related cash-generating unit (CGU) exceeds its estimated recoverable amount.

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGUs.

The Company's corporate assets do not generate separate cash inflows and are utilised by more than one CGU. Corporate assets are allocated to CGUs on a reasonable and consistent basis and tested for impairment as part of the testing of the CGU to which the corporate asset is allocated.

Impairment losses are recognised in profit or loss. Impairment losses recognised in respect of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to the CGU (group of CGUs), and then to reduce the carrying amounts of the other assets in the CGU (group of CGUs) on a *pro rata* basis.

Impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation, if no impairment loss had been recognised.

3.5 Property, plant and equipment

(i) Recognition and measurement

Items of property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the asset.

When parts of an item of plant and equipment have different useful lives, they are accounted for as separate items (major components) of plant and equipment.

The gain or loss on disposal of an item of plant and equipment (calculated as the difference between the net proceeds from disposal and the carrying amount of the item) is recognised in profit or loss.

(ii) Subsequent costs

The cost of replacing a component of an item of plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the component will flow to the Company, and its cost can be measured reliably. The carrying amount of the replaced component is derecognised. The costs of the day-to-day servicing of plant and equipment are recognised in profit or loss as incurred.

(iii) Depreciation

Depreciation is based on the cost of an asset less its residual value. Significant components of individual assets are assessed and if a component has a useful life that is different from the remainder of that asset, that component is depreciated separately.

Depreciation is recognised as an expense in profit or loss on a straight-line basis over the estimated useful lives of each component of an item of plant and equipment. Leased assets are depreciated over the shorter of the lease term and useful lives unless it is reasonably certain the Company will obtain ownership of by the end of the lease term.

Depreciation is recognised from the date that plant and equipment are installed and ready for use.

The estimated useful lives of the plant and equipment are as follows:

- Furniture: 5 years
- Renovation: 3 years

Depreciation methods, useful lives and residual values are reviewed at the end of each reporting period and adjusted if appropriate.

3.6 Income tax

Income tax expense comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to a business combination, or items recognised directly in equity or in other comprehensive income.

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 SFRS(I) 1-37 *Provisions, Contingent Liabilities and Contingent Assets*.

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the period and any adjustments to the tax payable or receivable in respect of previous periods. It is measured using tax rates enacted or substantively enacted at the reporting date.

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;
- temporary differences related to investments in subsidiaries, associates and joint arrangements to the extent that the Company is able to control the timing of the reversal of the temporary difference and it is probable that they will not reverse in the foreseeable future; and
- taxable temporary differences arising on the initial recognition of goodwill.

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. For investment property that is measured at fair value, the presumption that the carrying amount of the investment property will be recovered through sale has not been rebutted. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date.

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, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that 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 individual subsidiaries of 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 improve.

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.

In determining the amount of current and deferred tax, the Company takes into account the impact of uncertain tax positions and whether additional taxes and interest may be due. The Company believes that its accruals for tax liabilities are adequate for all open tax years based on its assessment of many factors, including interpretations of tax law and prior experience. This assessment relies on estimates and assumptions and may involve a series of judgements about future events. New information may become available that causes the Company to change its judgement regarding the adequacy of existing tax liabilities; such changes to tax liabilities will impact tax expense in the period that such a determination is made.

3.7 Leases

Payments made under operating leases are recognised in profit or loss on a straight-line basis over the term of the lease. Lease incentives received are recognised as an integral part of the total lease expense, over the term of the lease.

Contingent lease payments are accounted for by revising the minimum lease payments over the remaining term of the lease when the lease adjustment is confirmed.

3.8 Finance income and finance costs

The Company's finance income and finance costs include:

- Interest income
- Interest expense

Interest income or expense is recognised 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.

3.9 New standards and interpretations not yet adopted

A number of new standards and interpretations and amendments to standards are effective for annual periods beginning after 1 April 2018 and earlier application is permitted; however, the Company has not early adopted the new or amended standards and interpretations in preparing these financial statements.

The following new FRSs, interpretations and amendments to SFRS(I) are effective for annual periods beginning after 1 April 2018:

Applicable to 2020 financial statements
- SFRS(I) 16 *Leases;*
- INT FRS 123 *Uncertainty over Income Tax Treatments;*

The Company has assessed the estimated impact that initial application of SFRS(I) 16 will have on the financial statements. The Company does not expect the impact of the adoption of SFRS(I) 16 to be material to the financial statements.

4 Investments in joint ventures

	2019 US$	2018 US$
Beginning of the financial year	1,129,058,225	1,055,963,356
Share of profit	99,325,954	51,171,848
Share in other comprehensive (loss)/income	(185,835,307)	75,828,842
Dividends received	–	(27,470,000)
Contribution to joint venture through interest free loan	–	2,630,119
Reclassification of loan to joint venture	–	(29,065,940)
End of the financial year	1,042,548,872	1,129,058,225

The Company has two (31 March 2018: two) joint ventures that are material to the Company. These joint ventures are structured as separate vehicles and the Company has a residual interest in Taas India Pte. Ltd.'s and Vankor India Pte. Ltd's net assets. Accordingly, the Company has classified its interest in the investments as joint venture, which are equity-accounted.

Details of the joint ventures are as follows:

Name of joint venture	**Principal activity**	**Country of incorporation/ Principal place of business**	**Percentage of equity interest 2019**	**2018**
			%	%
Directly held				
TAAS India Pte. Ltd.* ("Taas India")	Investment Holding	Singapore	33.5	33.5
Vankor India Pte. Ltd.* ("Vankor India")	Investment Holding	Singapore	33.5	33.5

* *KPMG LLP is the auditor of the joint ventures held by the Company.*

Name of investee company	**Principal activity**	**Country of incorporation/ Principal place of business**	**Percentage of effective equity interest 2019**	**2018**
			%	%
Indirectly held				
Held by Taas India: TYNGD LLC *	Oil production and exploration	Russian Federation	10.0	10.0
Held by Vankor India: JSC Vankorneft *	Oil production and exploration	Russian Federation	8.0	8.0

* LLC *Ernst and Young is the auditor of the investee companies held by the joint ventures.*

The Company has commitment to support Taas India with providing additional capital and financing of operating expenditures of TYNGD LLC in case it has a liquidity deficit. There is no such commitment provided to Vankor India.

The following summarises the financial information of the Company's joint ventures based on the audited financial statements as at and for the year ended 31 December 2018 prepared in accordance with SFRS(I) and modified for differences for alignment to the Company's accounting policies. No reliable financial information of the joint ventures were available for the period from 1 January 2019 to 31 March 2019. Management has assessed changes in this period in respect of amounts of balances and transactions based on management accounts, changes in the business environment and any potential impairment indicators. As a result, management has concluded that no adjustment of share in net result of joint ventures is required.

Summarised financial information for joint ventures

Summarised balance sheet

	Taas India 31 December 2018 US$	Vankor India 31 December 2018 US$	Total 31 December 2018 US$
Current assets	56,336,046	326,613,054	382,949,100
Includes:			
- Cash and short-term deposits	56,132,577	326,474,274	382,606,851
- Other assets	203,469	138,780	342,249
Non-current assets	1,182,401,263	1,632,702,128	2,815,103,391
Current liabilities	(257,090)	(20,439,956)	(20,697,046)
Non-current liabilities	(65,269,260)	–	(65,269,260)

	Taas India 31 December 2017 US$	Vankor India 31 December 2017 US$	Total 31 December 2017 US$
Current assets	652,714	124,441,797	125,094,511
Includes:			
- Cash and short-term deposits	652,714	124,424,456	125,077,170
- Other assets	–	17,341	17,341
Non-current assets	1,408,737,090	2,005,484,304	3,414,221,394
Current liabilities	(231,967)	(87,319,816)	(87,551,783)
Non-current liabilities	(81,441,065)	–	(81,441,065)

Summarised statement of comprehensive income

	Taas India 31 December 2018 US$	Vankor India 31 December 2018 US$	Total 31 December 2018 US$
Share in profit of joint venture/associate	81,495,726	233,964,802	315,460,528
Interest income from banks and related parties	310,123	6,567,126	6,877,249
Other gain/(loss)	1,100,667	(3,940,893)	(2,840,226)
Expenses	(7,994,326)	(13,904,758)	(21,899,084)

	Taas India 31 December 2018 US$	Vankor India 31 December 2018 US$	Total 31 December 2018 US$
Profit before tax	74,912,190	222,686,277	297,598,467
Income tax expense	(26,330)	(1,076,750)	(1,103,080)
Profit for the year	74,885,860	221,609,527	296,495,387
Other comprehensive loss	(229,391,673)	(325,340,586)	(554,732,259)
Total comprehensive loss	(154,505,813)	(103,731,059)	(258,236,872)

	Taas India 31 December 2017 US$	Vankor India 31 December 2017 US$	Total 31 December 2017 US$
Share in (loss)/profit of joint venture/associate	(21,071,399)	186,515,451	165,444,052
Interest income from banks and related parties	–	1,434,868	1,434,868
Other gain	2,061	641,748	643,809
Expenses	(1,773,134)	(12,780,250)	(14,553,384)
(Loss)/profit before tax	(22,842,472)	175,811,817	152,969,345
Income tax expense	–	(217,560)	(217,560)
(Loss)/profit for the year	(22,842,472)	175,594,257	152,751,785
Other comprehensive income	103,145,784	123,208,968	226,354,752
Total comprehensive income	80,303,312	298,803,225	379,106,537

Reconciliation of summarised financial information

	Taas India 31 December 2018 US$	Vankor India 31 December 2018 US$	Total 31 December 2018 US$
Net assets attributable to equity holders			
At 1 January 2018	1,327,716,772	2,042,606,285	3,370,323,057
Profit for the year	74,885,860	221,609,527	296,495,387
Other comprehensive loss for the year	(229,391,673)	(325,340,586)	(554,732,259)
At 31 December 2018	1,173,210,959	1,938,875,226	3,112,086,185
At 31 December 2018 – Carrying value			
Interest in joint venture (33.5%; 33.5%)			
Carrying value	393,025,671	649,523,201	1,042,548,872

	Taas India 31 December 2017 US$	Vankor India 31 December 2017 US$	Total 31 December 2017 US$
Net assets attributable to equity holders			
At 1 January 2017	1,239,562,360	1,912,567,060	3,152,129,420
(Loss)/Profit for the period	(22,842,472)	175,594,257	152,751,785
Other comprehensive income for the period	103,145,784	123,208,968	226,354,752
Dividends paid	–	(82,000,000)	(82,000,000)
Contribution from shareholders	7,851,100	–	7,851,100
Reclassification to loan from shareholder	–	(86,764,000)	(86,764,000)
At 31 December 2017	1,327,716,772	2,042,606,285	3,370,323,057
At 31 December 2017 – Carrying value			
Interest in joint venture (33.5%; 33.5%)			
Carrying value	444,785,119	684,273,106	1,129,058,225

5 Other operating expenses

	2019 US$	2018 US$
Depreciation of plant and equipment (Note 8)	913	–
Employee compensation (Note 17)	110,804	–
General office expense	11,786	1,473
Foreign exchange losses	2,979	6,605
Professional fees	69,975	104,042
	196,457	112,120

6 Finance costs

	2019 US$	2018 US$
Interest expense on bank borrowings	24,817	1,434,577
Amortisation of bond issuance expenses	347,067	822,083
Interest expense on bonds	20,000,000	18,901,099
Bank charges	60	1,516
	20,371,944	21,159,275

7 Tax expense

	2019 US$	2018 US$
Current tax expense		
- Changes in estimates related to prior years	(4,022)	–
- Current income tax	13,063	14,889
	9,041	14,889
Reconciliation of effective tax rate		
Profit before tax	79,895,814	30,519,220
Income tax using Singapore tax rate at 17% (2018: 17%)	13,582,288	5,188,267
Non-deductible expenses	3,316,187	3,525,836
Changes in estimates related to prior years	(4,022)	–
Effect of result of equity-accounted investee presented net of tax	(16,885,412)	(8,699,214)
	9,041	14,889

8 Plant and equipment

	Furniture US$	Renovation US$	Total US$
Cost			
At 1 April 2017 and 31 March 2018	–	–	–
Additions	910	6,590	7,500
At 31 March 2019	910	6,590	7,500
Accumulated depreciation			
At 1 April 2017 and 31 March 2018	–	–	–
Depreciation	56	857	913
At 31 March 2019	56	857	913
Carrying amounts			
At 1 April 2017 and 31 March 2018	–	–	–
At 31 March 2019	854	5,733	6,587

9 Other non-current assets

	2019 US$	2018 US$
Deposits	367	–
Other receivables	–	452,492
	367	452,492

10 Other current assets

	2019 US$	2018 US$
Deposits	2,225	–
Prepayments	4,122	–
Other receivables	1,535,121	16,466
	1,541,468	16,466

11 Cash and deposits

	2019 US$	2018 US$
Cash at bank	1,056,419	11,406,221
Fixed deposit	13,000,000	–
	14,056,419	11,406,221
Less: Fixed deposit	(13,000,000)	–
Total cash and cash equivalents in the statement of cash flows	1,056,419	11,406,221

Fixed deposit represents bank deposits of US$10,000,000 and US$3,000,000 with maturity dates of 19 April 2019 and 18 October 2019 respectively. These deposits are not classified as part of cash and cash equivalents.

As at 31 March 2019, the expected credit loss on cash and deposit is negligible.

12 Related party balances and transactions

The following significant balances and transactions between the Company and its related parties took place during the year at terms agreed between the parties:

<u>Loans receivable from joint ventures</u>

	2019 US$	2018 US$
Non-current		
Loan to Taas India Pte Ltd	–	20,471,146
Current		
Loan to Taas India Pte Ltd	20,471,146	–
Loan to Vankor India Pte Ltd	6,285,940	29,065,940
	26,757,086	29,065,940

The loans to joint ventures are unsecured and interest free. During the year, US$22,780,000 of the loan receivable from Vankor India Pte Ltd was repaid. Management expects the loan receivable from Taas India Pte Ltd to be repaid by the maturity date on 31 March 2020 and the remaining balance amount of the loan receivable from Vankor India Pte Ltd to be repaid by the maturity date on 31 August 2019.

The gross amount of the loan receivable from Taas India Pte Ltd, denominated in United States Dollar, was discounted to determine its fair value.

The loan receivable from Vankor India Pte Ltd, denominated in United States Dollar, is a financial asset whose carrying amount approximate fair value, because of their short-term nature and low credit risks of counterparty.

Key management personnel compensation

Key management personnel compensation as follows:

	2019 US$	2018 US$
Director's fee	13,513	12,237
Wages and salaries	72,993	–
Employer's contribution to defined contribution plans, including Central Provident Fund	6,511	–
Other long-term benefits	31,300	–
	124,317	12,237

13 Share capital

	31 March 2019 Ordinary shares No. of shares	31 March 2018 Ordinary shares No. of shares
At 1 April	533,707,277	179,375,975
Issued during the year	–	354,331,302
At 31 March	533,707,277	533,707,277

Capital management

The primary objective of the Company's capital management is to ensure that it maintains a healthy capital base to support its business and maximise shareholders' value.

The Company is not subject to externally imposed capital requirements. There were no changes in the Company's approach to capital management during the year.

Currency translation reserve

The translation reserve comprises all foreign currency differences arising from the Company's share of translation reserves from equity-accounted joint ventures.

14 Borrowings

	2019 US$	2018 US$
Current		
Interest payable on bonds	6,102,693	5,750,256
Non-current		
Borrowings	500,000,000	500,000,000
Represented by:		
- Bonds issued	500,000,000	500,000,000
- Accrued interest	8,901,099	8,901,099
- Transaction costs	(2,798,406)	(3,150,843)
	506,102,693	505,750,256

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

	Liabilities Borrowings US$	Total US$
Balance at 1 April 2017	800,290,201	800,290,201
Changes from financing cash flow activities		
Proceeds from bonds issuance	500,000,000	500,000,000
Repayment of bank borrowings	(800,000,000)	(800,000,000)
Transactions cost paid	(3,460,016)	(3,460,016)
Finance costs paid	(12,237,688)	(12,237,688)
Total changes from financing cash flow activities	(315,697,704)	(315,697,704)
Other changes		
Liability-related		
Interest expense	20,335,676	20,335,676
Amortisation of transaction costs	822,083	822,083
Total liability-related other changes	21,157,759	21,157,759
Balance at 31 March 2018	505,750,256	505,750,256
Balance at 1 April 2018	505,750,256	505,750,256
Changes from financing cash flow activities		
Finance costs paid	(20,024,817)	(20,024,817)
Total changes from financing cash flow activities	(20,024,817)	(20,024,817)
Other changes		
Liability-related		
Interest expense	20,024,817	20,024,817
Amortisation of transaction cost	347,067	347,067
Other costs	5,370	5,370
Total liability-related other changes	20,377,254	20,377,254
Balance at 31 March 2019	506,102,693	506,102,693

All borrowings are unsecured.

On 21 April 2017, the Company issued bonds through a private placement on Singapore Exchange with a maturity period of 10 years and a fixed coupon rate of just 4%, payable on a half yearly basis.

The bank borrowings taken by the Company had interest rates at 3-month LIBOR plus margin of 0.48% to 0.75% per annum. The bank borrowings were repaid on 8 June 2017.

15 Trade and other payables

	2019 US$	2018 US$
Amount due to related parties	36,262	–
Accrued expense	86,368	107,670
	122,630	107,670

Amount due to related parties pertain to recharges due to one of the Company's joint ventures (Vankor India Pte Ltd).

16 Operating lease commitments

Operating lease commitments – where the Company is a lessee

The Company leases office space under non-cancellable operating lease agreements. The leases have varying terms, escalation clauses and renewal rights.

The future minimum lease payables under non-cancellable operating leases contracted for at 31 March 2019 but not recognised as liabilities, are as follows:

	2019 US$	2018 US$
Not later than one year	18,553	–
Between one and five years	35,560	–
	54,113	–

17 Employee compensation

	2018 US$	2017 US$
Wages and salaries	72,993	–
Allowances and other expenses	37,811	–
	110,804	–

18 Financial risk management

The Company has exposure to the following risks from financial instruments:

- market risk;
- credit risk; and
- liquidity risk.

Risk management framework

The Company's Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. Review of proposed investments and compliance with target asset allocations is monitored by the Board of Directors on a regular basis.

Market risk

Market risk is the risk that changes in market prices – such as interest rates, foreign exchange rates, other price changes – will affect the Company's income or the fair value of its holdings of financial instruments.

The Company's strategy for the management of market risk is driven by the Company's investment objective of making investments in income generating assets in target markets. Market risks are monitored regularly by the Board of Directors in accordance with the policies and procedures in place.

Interest rate risk

The Company has issued fixed interest rate bonds which are carried at amortised cost. They are therefore not subject to interest rate risk, since neither the carrying amount nor the future cash flow will fluctuate because of a change in market interest rates.

The Company periodically reviews its liabilities and monitors interest rate fluctuations to ensure that the exposure to interest rate risk is within acceptable levels.

Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company is not significantly exposed to the effects of changes in foreign exchange rates.

Credit risk

Credit risk is the risk that a counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Company, resulting in a financial loss to the Company. It arises principally from loans to joint ventures and cash and cash equivalents.

At the reporting date, there was no significant concentration of credit risk other than the loans receivable from joint ventures. Cash and cash equivalents are placed with banks and financial institutions which are regulated.

The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the statement of financial position. The Company's major classes of financial assets are cash and cash equivalents, other assets and loans receivable from joint ventures.

The Company's policy over credit risk is to minimise its exposure to counterparties with perceived higher risk of default by dealing only with parties that meet the credit standards laid down in the Company's risk management policies. Further, the credit risk is monitored regularly by the Board of Directors in accordance with the policies and procedures in place.

Risk Management

The Company adopts the following policy to mitigate the credit risk.

For banks and financial institutions, the Company adopts the policy of dealing with financial institutions with high credit ratings rated by independent rating agencies.

There are no significant concentration of credit risk, other than concentration risk in investment in joint ventures and loans receivable from joint ventures.

Credit rating

The Company uses the following categories of internal credit risk rating for financial assets which are subject to expected credit losses under the 3-stage general approach. These categories reflect the respective credit risk and how the loss provision is determined for each of those categories.

Category of internal credit rating	Definition of category	Basis for recognition of expected credit losses
Performing	Customers have a low risk of default and a strong capacity to meet contractual cash flows	12-month expected credit losses
Under-performing	Customers negotiating for new credit terms, default in repayment and other relevant indicators that showed customers' deteriorating financial condition	Lifetime expected credit losses
Non-performing	Interest and/or principal payment are 90 days past due	Lifetime expected credit losses
Write-off	Customers with no reasonable expectation of recovery	Asset is written off

Impairment of financial assets

The Company has applied the simplified approach which requires expected lifetime credit losses to be recognised from initial recognition of the loan receivable from joint ventures and other receivables. In calculating the expected credit loss rates, the Company considers historical loss rates and adjusts for forward-looking macroeconomic data.

As at 1 April 2018 and 31 March 2019, the Company has insignificant credit risk exposure in relation to loan receivable from joint ventures and other receivables under SFRS(I) 9.

Cash and deposits

Impairment on cash and deposits has been measured on the 12-month expected loss basis and reflects the short maturities of the exposures. The Company considers that its cash and deposits have low credit risk based on the external credit ratings of the counterparties.

The amount of the allowance on cash and deposits was negligible.

Other than the above, there are no credit loss allowance for other financial asset at amortised cost as at 31 March 2019.

Comparative information under FRS 39

In 2017, the impairment of the financial assets was assessed based on the incurred loss impairment model. Individual receivables which were known to be uncollectible were written off by reducing the carrying amount directly.

The Company considered that there was evidence if any of the following indicators were present:

- There is significant difficulty of the joint ventures.
- Breach of contract, such as default or past due event
- It is becoming probable that the joint ventures will enter bankruptcy or other financial reorganisation

Financial assets that are neither past due nor impaired

Cash and cash equivalents are mainly deposits with banks with high credit-ratings assigned by international credit-rating agencies. Loans and other receivables that are neither past due nor impaired are substantially corporations with a good collection track records with the Company.

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting its commitments associated with financial liabilities. Liquidity risk may emanate from inability to sell a financial asset quickly at an amount close to its fair value.

The Company monitors the liquidity risk and maintains adequate financing for the Company's operations and to mitigate the effects of fluctuations in cash flows.

Contractual maturity for financial liabilities

The table below analyses the maturity profile of the financial liabilities of the Company based on contractual undiscounted cash flows:

		Contractual cash flows				
	Carrying value US$	Total US$	Up to 1 year US$	Between 1 and 3 Years US$	Between 3 and 5 Years US$	More than 5 years US$
At 31 March 2019						
Borrowings and interest thereon	508,901,099	660,000,000	20,000,000	40,000,000	40,000,000	560,000,000
Other financial liabilities	122,630	122,630	122,630	–	–	–
At 31 March 2018						
Borrowings and interest thereon	508,901,099	680,000,000	20,000,000	40,000,000	40,000,000	580,000,000
Other financial liabilities	107,670	107,670	107,670	–	–	–

19 Fair values of financial instruments

Measurement of fair values

A number of the Company's accounting policies and disclosures require the determination of fair value, for both financial and non-financial assets and liabilities. When applicable, further information about the assumptions made in determining fair values of non-financial assets and liabilities are disclosed in the relevant notes specific to those non-financial assets or liabilities.

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible.
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 liability, 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).

The fair values of the non-current borrowings are within Level 1 of the fair value hierarchy. Level 1 of the fair value hierarchy refers to fair values derived based on quoted prices (unadjusted) in active markets for identical assets or liabilities

The fair value of the current financial liabilities and current financial assets approximate their carrying amounts, because of their short-term nature and the high credit quality of counterparties.

All other assets are discounted to determine their fair value.

Accounting classifications and fair values

		Carrying amount			
	Note	Amortised cost US$	Other financial liabilities US$	Total US$	Fair value US$
31 March 2019					
Cash and cash equivalents	11	14,056,419	–	14,056,419	–
Other current assets	10	1,541,468	–	1,541,468	–
Other non-current assets	9	367	–	367	–
Loan receivable from joint ventures	12	26,757,086	–	26,757,086	–
		42,355,340	–	42,355,340	–
Borrowings	14	–	506,102,693	506,102,693	–
Other payables	15	–	122,630	122,630	–
		–	506,225,323	506,225,323	–

	Note	Loans and receivables US$	Other financial liabilities US$	Total US$	Fair value US$
31 March 2018					
Cash and cash equivalents	11	11,406,221	–	11,406,221	–
Other current assets	10	16,466	–	16,466	–
Other receivable – due from a related party		23,272	–	23,272	–
Other non-current assets	9	452,492		452,492	
Loan receivable from joint ventures	12	49,537,086	–	49,537,086	–
		61,435,537	–	61,435,537	–
Borrowings	14	–	505,750,256	505,750,256	–
Other payables	15	–	107,670	107,670	–
		–	505,857,926	505,857,926	–

20 Comparative information

Reclassification of comparative information

The following borrowings have been reclassified to be consistent with the current year presentation:

Statement of financial position
As at 31 March 2018

	As previously reported US$	Reclassification US$	As reclassified US$
Non-current liabilities			
Borrowings	505,750,256	(5,750,256)	500,000,000
Current liabilities			
Borrowings	–	5,750,256	5,750,256