VANSHI SHIPPING PTE. LTD.

(Registration number: 200923324H)

DIRECTORS' STATEMENT AND AUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

VANSHI SHIPPING PTE. LTD.

DIRECTORS' STATEMENT AND AUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

CONTENTS	PAGE
DIRECTORS' STATEMENT	1 – 2
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS	3 – 5
STATEMENT OF FINANCIAL POSITION	6
STATEMENT OF COMPREHENSIVE INCOME	7
STATEMENTS OF CHANGES IN EQUITY	8
STATEMENT OF CASH FLOWS	9
NOTES TO THE FINANCIAL STATEMENTS	10 – 27
DETAILED STATEMENT OF PROFIT OR LOSS	28

VANSHI SHIPPING PTE. LTD.

DIRECTORS' STATEMENT

The directors are pleased to present their statement to the member together with the audited financial statements of **VANSHI SHIPPING PTE. LTD.** (the "company") for the financial year ended 31 March 2023.

1. OPINION OF THE DIRECTORS

In the opinion of the directors,

(a) the financial statements of the company are drawn up so as to give a true and fair view of the financial position of the company as at 31 March 2023 and the financial performance, changes in equity and cash flows of the company for the year then ended; 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.

2. DIRECTORS

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

Pranav Sevanti Vora
Janakaraj Jeyakumar
Anand Sanjay
Jagetiya Ashok (Appointed on 29 April 2022)

3. ARRANGEMENTS TO ENABLE DIRECTORS TO ACQUIRE SHARES AND DEBENTURES

Neither at the end of the financial year nor at anytime during the financial year was the company a party to any arrangement whose object 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.

4. DIRECTORS' INTERESTS IN SHARES OR DEBENTURES

The directors who held office at the end of the financial year had no interests in the share capital of the company and related corporations as recorded in the register of director's shareholdings kept by the company under Section 164 of the Singapore Companies Act 1967 (the "Act").

VANSHI SHIPPING PTE. LTD.

DIRECTORS' STATEMENT – cont'd

5. **SHARE OPTIONS**

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

There were no shares issued during the financial year by virtue of the exercise of an option to take up unissued shares of the company.

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

6. **AUDITOR**

Prudential Public Accounting Corporation has expressed its willingness to accept re-appointment as auditor.

On behalf of the Board of Directors

.....
Janakaraj Jeyakumar
Director

.....
Anand Sanjay
Director

Date: 14 April 2023

prudential public accounting corporation

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF VANSHI SHIPPING PTE. LTD.

Report on the Financial Statements

Opinion

We have audited the accompanying financial statements of **VANSHI SHIPPING PTE. LTD.** (the "company") which comprises the statement of financial position of the company as at 31 March 2023, and statement of comprehensive income, statement of changes in equity and statement of cash flows of the company for the year then ended and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements are properly drawn up in accordance with the provisions of the Companies Act 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 2023 and of the financial performance, changes in equity and cash flows of the company for the year ended on that date.

Basis for Opinion

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

Other Information

Management is responsible for the other information. The other information comprises the Directors' Statement set out on pages 1 and 2.

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

In connection with our audit of the financial statements, our responsibility is to read the other information identified above 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.

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF VANSHI SHIPPING PTE. LTD. – cont'd

Responsibilities of Management and Directors for the Financial Statements

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not 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:

(a) Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risks of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud my involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

(b) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.

(c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by arrangement.

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF VANSHI SHIPPING PTE. LTD. – cont'd

Auditor's Responsibilities for the Audit of the Financial Statements – cont'd

(d) Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.

(e) Evaluate the overall presentation, structure and content of the financial statements, including the disclosures as going concern, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Report on Other Legal 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.

Prudential PAC

PRUDENTIAL PUBLIC ACCOUNTING CORPORATION
PUBLIC ACCOUNTANTS AND
CHARTERED ACCOUNTANTS
SINGAPORE

Date: 14 April 2023

PRUDENTIAL PUBLIC ACCOUNTING CORPORATION * PUBLIC ACCOUNTANTS & CHARTERED ACCOUNTANTS

VANSHI SHIPPING PTE. LTD.

STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2023

	Note	2023 US$	2022 US$
ASSETS			
Current assets:			
Other receivables	(8)	-	14,724,935
Bank balances	(9)	**82,373**	88,613
Total current assets		**82,373**	14,813,548
Total assets		**82,373**	14,813,548
EQUITY AND LIABILITIES			
Equity:			
Share capital	(10)	**39,352**	39,352
Retained earnings		**38,621**	14,768,596
Total equity		**77,973**	14,807,948
Current liabilities:			
Trade and other payables	(11)	**4,400**	5,600
Total current liabilities		**4,400**	5,600
Total liabilities		**4,400**	5,600
Total equity and liabilities		**82,373**	14,813,548

The accompanying accounting policies and explanatory notes form an integral part of these financial statements.

VANSHI SHIPPING PTE. LTD.

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 MARCH 2023

	Note	2023 US$	2022 US$
Revenue		-	-
Cost of services		-	(24,145)
Gross loss		-	(24,145)
Other income	(12)	**479**	907
Administrative expenses		**(4,823)**	(6,032)
Finance costs	(13)	**(696)**	(3,656)
Loss before income tax		**(5,040)**	(32,926)
Income tax expense	(14)	-	-
Loss for the year	(15)	**(5,040)**	(32,926)
Other comprehensive income		-	-
Total comprehensive loss for the year		**(5,040)**	(32,926)

The accompanying accounting policies and explanatory notes form an integral part of these financial statements.

VANSHI SHIPPING PTE. LTD.

STATEMENTS OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 MARCH 2023

	Share Capital	Retained Earnings	Total
	US$	US$	US$
Balance as at 1 April 2021	39,352	14,801,522	14,840,874
Total comprehensive loss for the year	-	(32,926)	(32,926)
Balance as at 31 March 2022	39,352	14,768,596	14,807,948
Transaction with owners directly recognised in equity:			
- Dividends (Note 16)	-	(14,724,935)	(14,724,935)
Total comprehensive loss for the year	-	(5,040)	(5,040)
Balance as at 31 March 2023	39,352	38,621	77,973

The accompanying accounting policies and explanatory notes form an integral part of these financial statements.

VANSHI SHIPPING PTE. LTD.

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2023

	2023 US$	2022 US$
Cash flows from operating activities		
Loss before income tax and working capital changes	**(5,040)**	(32,926)
Other current assets	**-**	81,058
Trade and other payables	**(1,200)**	(56,168)
Net cash used in operating activities	**(6,240)**	(8,036)
Cash flows from financing activities:		
Repayment to immediate holding company	**-**	(76,521)
Net cash used in financing activities	**-**	(76,521)
Net decrease in bank balances	**(6,240)**	(84,557)
Bank balances at beginning of year	**88,613**	173,170
Bank balances at end of year	**82,373**	88,613

The accompanying accounting policies and explanatory notes form an integral part of these financial statements.

VANSHI SHIPPING PTE. LTD.

NOTES TO THE FINANCIAL STATEMENTS - 31 MARCH 2023

These notes form an integral part of and should be read in conjunction with the accompanying financial statements.

1. GENERAL

a) Corporate Information

Vanshi Shipping Pte. Ltd. (the "company") (Registration number: 200923324H) is a private limited company incorporated and domiciled in the Republic of Singapore with its registered office and business address at:-

3 Anson Plaza
#22-01 Springleaf Tower
Singapore 079909

The principal activities of the company are to carry on the business as shipping agencies (freight) and ship owner.

b) Authorisation of financial statements for issue

The financial statements of the company for the financial year ended 31 March 2023 were authorised for issue by the Board of Directors on 14 April 2023.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of Accounting

The financial statements are prepared in accordance with the historical cost convention, except as disclosed in the accounting policies below, and are drawn up and in accordance with the provisions of the Singapore Companies Act and Singapore Financial Reporting Standards ("FRS") including related interpretations of FRS ("INT FRS") promulgated by the Accounting Standards Council ("ASC").

Historical cost is generally based on the fair value of the consideration given in the exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the company takes into account the characteristics of the asset or liability which market participants would take into account when pricing the asset or liability at the measurement date.

In addition, for financial reporting purpose, fair value measurements are described in Note 5.

The preparation of financial statements in conformity with FRS requires management to exercise its judgement in the process of applying the company's accounting policies. It also requires the use of accounting estimates and assumptions. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 4.

VANSHI SHIPPING PTE. LTD.

NOTES TO THE FINANCIAL STATEMENTS – CONTINUED

2. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – cont'd**

2.2 Changes in Accounting Policies

a) Adoption of new and revised FRSs and INT FRSs

In the current financial year, the company has adopted all the new and revised FRSs and Interpretations of FRS ("INT FRS") that are relevant to its operations and effective for annual periods beginning on or after 1 April 2022. The adoption of these new/revised FRSs and INT FRSs does not result in changes to the company's accounting policies and has no material effect on the amounts reported for the current or prior financial year.

b) Standards issued but not yet effective

As at the date of the authorisation of these financial statements, the company has not adopted the following FRSs and INT FRSs that have been issued but not yet effective:

Reference	Description	Effective for annual periods beginning on or after
FRS 1 (Amendments)	Classification of Liabilities as Current or Non-Current	1 January 2024
FRS 1 (Amendments)	Non-current Liabilities with Covenants	1 January 2024
FRS 1 Practice Statement 2 (Amendments)	Disclosure of Accounting Policies	1 January 2023
FRS 8 (Amendments)	Definition of Accounting Estimates	1 January 2023
FRS 12 (Amendments)	Deferred Tax Related to Assets and Liabilities Arising from a Single Transaction	1 January 2023

The Company expect that the adoption of the above standards, interpretations and improvements, if applicable, will have no material impact on the financial statements in the period of initial application, except as described below:

i) Amendments to FRS 1, Classification of Liabilities as Current or Non-Current

Amendments to FRS 1 – "Presentation of Financial Statements" in Classification of Liabilities as Current or Non-Current, which affect only the presentation of liabilities in the statement of financial position. The amendments clarify that:

- classification of liabilities as current or non-current should be based on rights that are in existence at the end of the reporting period and align the wording in all affected paragraphs to refer to the "right" to defer settlement by at least twelve months;
- classification is unaffected by expectations about whether an entity will exercise its right to defer settlement of a liability; and
- settlement refers to the transfer to the counterparty of cash, equity instruments, other assets or services.

The above amendments are effective for annual reporting period beginning on or after 1 January 2024, although early adoption is permitted. The company does not expect the amendments to have any impact on its presentation of liabilities in its financial statements.

NOTES TO THE FINANCIAL STATEMENTS – CONTINUED

2. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – cont'd**

2.2 Changes in Accounting Policies – cont'd

(b) Standards issued but not yet effective – cont'd

ii) FRS 1 (Amendments) – Non-current Liabilities with Covenants

FRS 1 *Presentation of Financial Statements* currently states that liabilities can only be classified as non-current if, at the reporting date, the entity has the right to defer settlement of that liability for at least twelve months. However, the covenants attached to long-term debt will impact an entity's right to defer settlement. The amendments clarify how an entity should assess the right to defer settlement where such covenants exist.

Where an entity is required to comply with the covenant on or before the end of the reporting period, the covenant affects whether the right to defer exists at the reporting date and therefore affects the classification of current or non-current. A covenant that an entity is required to comply with only after the reporting date does not affect whether the right to defer exists at the end of the reporting period. Therefore, it does not impact the classification of the liability at the reporting date as current or non-current. As a result, an entity might classify a liability as non-current even though it may become repayable within 12 months after the reporting date, if the company fails to comply with a covenant in that 12-month period.

Where liabilities are classified as non-current but the right to defer is subject to complying with covenants within twelve months of the reporting date, the amendments require additional disclosure. The disclosures are aimed at helping users to assess the risk of non-current liabilities becoming repayable within twelve months and include:

- the nature of the covenants and when the entity is required to comply with them;
- the carrying amount of the related liabilities; and
- the facts and circumstances that indicate the entity may have difficulty complying with the covenants.

The amendments are effective for annual periods beginning on or after 1 January 2024, with earlier application permitted.

iii) Amendments to FRS 1, Practice Statement 2, Disclosure of Accounting Policies

The amendments provide guidance and examples to help entities apply materially judgements to accounting policy disclosures. The amendments aim to help entities provide accounting policy disclosures that are more useful by:

- Replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies; and

- Adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures.

NOTES TO THE FINANCIAL STATEMENTS – CONTINUED

2. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – cont'd**

2.2 Changes in Accounting Policies – cont'd

(b) Standards issued but not yet effective – cont'd

iv) Amendments to FRS 8, Definition of Accounting Estimates

The amendments introduce a definition of accounting estimates, by replacing the concept of change in accounting estimates. According with the new definition, accounting estimates are monetary items subject to uncertainty in measurement. Entities perform accounting estimates if the accounting standards require that financial statements' items are measured in a way that involve uncertainty in measurement. Also, they clarified that a change in accounting estimates deriving from new information or new developments in not to be taken as the correction of a mistake. Furthermore, the effects of a change in inputs or in a measurement technique upon which an estimate is based are considered as changes in estimates if they do not result from mistakes done in the previous periods.

A change in accounting estimates could impact the net result of the current period or it could also impact the following periods: therefore, the impact on the current period must be booked through the present income statement, whilst the impact on the future periods must be booked in the respective income statements.

The above amendments are effective for annual reporting period beginning on or after 1 January 2023 and earlier application is permitted.

v) Amendments to FRS 12 – Deferred Tax Related to Assets and Liabilities Arising from a Single Transaction

This amendment narrows the applicability of the exemption from recognition of deferred taxes as a result of temporary differences created on the date of the initial recognition of assets and/or liabilities, so that the exemption will not apply to transactions creating equal temporary differences on the date of recognition that may be offset.

Thus, the company will recognize deferred tax assets and/or liabilities in the amount of the temporary differences on initial recognition of transactions creating equal off-settable temporary differences. Any accumulated effect of the initial implementation of the Amendments will be recognized as an adjustment to the surplus balance or other capital components on the initial implementation date.

The amendments will enter into force in reports period starting 1 January 2023, early application is optional.

In accordance with an initial assessment made by the company, this amendment is not expected to have a material impact on the Financial Statements.

Except for the above impact, as of the date of financial statements were authorised for issue, the company is continuously assessing the possible impact that the application of other standards and interpretations will have on the company's financial position and financial performance, and will disclose the relevant impact when the assessment is completed.

VANSHI SHIPPING PTE. LTD.

NOTES TO THE FINANCIAL STATEMENTS – CONTINUED

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – cont'd

2.3. Functional and Foreign Currency

(a) Functional and presentation currency

The company's functional currency is the United States dollar ("US$"), which reflects the economic substance of the underlying events and circumstances of the company. Although the company is domiciled in Singapore, most of the company's transactions are denominated in US$ and the selling prices for the company's products are sensitive to movements in the foreign exchange rate with the US$.

(b) Foreign currency transactions

Transactions in foreign currencies have been converted into United States dollars at the rates of exchange ruling at the date of the transactions. Monetary assets and liabilities in foreign currencies at the end of reporting period have been converted into United States dollar at the rates of exchange approximating to those ruling at that date. Non-monetary assets and liabilities measured at cost are measured using the foreign exchange rates ruling at the transaction dates. Non-monetary assets and liabilities measured at fair value are measured at foreign exchange rates ruling at the dates the fair value was determined. All realised and unrealised exchange adjustment gains and losses are dealt with in profit or loss.

2.4. Income Taxes

Income tax expense represents the sum of the tax currently payable and deferred tax.

(a) Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the statement of comprehensive income because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are not taxable or tax deductible. The company's liability for current tax is calculated using tax rates (and tax law) that have been enacted in countries where the company operate by the end of the reporting period.

(b) Deferred tax

Deferred income tax is provided, using the liability method on all temporary differences at the end of the reporting year between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all temporary differences except where the deferred tax liability arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at that time of the transaction, affects neither accounting profit nor taxable profit.

Deferred income tax assets are recognised for all deductible temporary differences carry-forward of unused tax assets and unused tax losses to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, carry-forward of unused tax assets and unused tax losses can be utilised except where the deferred tax asset relating to the deductible temporary difference arise from the initial recognition of an asset or liability in a transaction and at the time of transaction affects neither the accounting profit nor taxable profit.

VANSHI SHIPPING PTE. LTD.

NOTES TO THE FINANCIAL STATEMENTS – CONTINUED

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – cont'd

2.4. Income Taxes – cont'd

(b) Deferred tax – cont'd

The carrying amount of a deferred tax asset is reviewed at the end of each reporting year and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred income tax assets are reassessed at each end of the reporting year and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

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

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

2.5. Related Parties

A related party is a person or an entity related to the company and is further defined as follows:

(a) A person or a close member of that person's family is related to the company if that person:

(i) has control or joint control over the company;
(ii) has significant influence over the company; or
(iii) is a member of the key management personnel of the company or of a parent of the company

(b) An entity is related to the group and the company if any of the following conditions applies:

(i) the entity and the company are members of the same group which means that each parent, subsidiary and fellow subsidiary is related to the others;
(ii) one entity is an associate or joint venture of the other entity or an associate or joint venture of a member of a group of which the other entity is a member;
(iii) both entities are joint ventures of the same third party;
(iv) one entity is a joint venture of a third entity and the other entity is an associate of the third entity;
(v) the entity is a post-employment benefit plan for the benefit of employees of either the company or an entity related to the company. If the company is itself such a plan, the sponsoring employers are also related to the company;
(vi) the entity is controlled or jointly controlled by a person identified in (a); or
(vii) a person identified in (a) (i) has significant influence over the company or is a member of the key management personnel of the company or of a parent of the company.
(viii) the entity, or any member of a group of which it is a part, provides key management personnel services to the company or to the parent of the company.

Close members of the family of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity and include:

(a) that person's children and spouse or domestic partner;
(b) children of that person's spouse or domestic partner; and
(c) dependants of that person or that person's spouse or domestic partner.

VANSHI SHIPPING PTE. LTD.

NOTES TO THE FINANCIAL STATEMENTS – CONTINUED

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – cont'd

2.5. Related Parties – cont'd

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director of the company.

Related party transactions and outstanding balances disclosed in the financial statement are in accordance with the above definition as per FRS24 – Related Party Disclosures.

2.6. Provision

Provisions are recognised when the company has a present obligation (legal or constructive) as a result of a past event, it is probable that the company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

2.7. Contingent Liabilities and Contingent Assets

A contingent liability is a possible obligation that arises from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the company. It can also be a present obligation arising from past events that is not recognised because it is not probable that outflow of economic resources will be required or the amount of obligation cannot be measured reliably.

A contingent liability is not recognised but is disclosed in the notes to the financial statements. When changes in the probability of an outflow occur so that the outflow is probable, it will then be recognised as a provision.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain events not wholly within the control of the company.

Contingent assets are not recognised but are disclosed in the notes to the financial statements when an inflow of economic benefits is probable. When inflow is virtually certain, an asset is recognised.

2.8. Dividends

Final dividends proposed by the directors are not accounted for in shareholders' equity as an appropriation of retained profits, until they have been approved by the shareholders in a general meeting. When these dividends have been approved by the shareholders and declared, they are recognized as a liability.

Interim dividends are simultaneously proposed and declared; because of the articles of association of the company grant the directors the authority to declare interim dividends. Consequently, interim dividends are recognized directly as a liability when they are proposed and declared.

VANSHI SHIPPING PTE. LTD.

NOTES TO THE FINANCIAL STATEMENTS – CONTINUED

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – cont'd

2.9. Events after the Reporting Period

Events after the reporting period that provide additional information about the company's position at the end of the reporting period or those that indicate the going concern assumption is not appropriate are adjusting events and are reflected in the financial statements. Events after the reporting period that are not adjusting events are disclosed in the notes to the financial statements when material.

3. FINANCIAL INSTRUMENTS

Financial assets and financial liabilities are recognised on the company's statement of financial position when the company becomes a party to the contractual provisions of the instrument.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial instrument and of allocating interest income or expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts or payments through the expected life of the financial instrument, or where appropriate, a shorter period.

3.1. Financial Assets

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

a) Classification of financial assets

Financial assets are classified, at initial recognition, as either measured at amortised cost, fair value through other comprehensive income (OCI), or fair value through profit or loss.

The classification of financial assets, at initial recognition depends on the financial asset's contractual cash flow characteristics and the company's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the company has applied the practical expedient, the company initially measures a financial asset at its fair value plus, in the case of financial asset not at fair value through profit or loss, transaction costs. Trade receivables are measured at the amount of consideration to which the company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third party if the trade receivables do not contain a significant financing component at initial recognition.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are "solely payments of principal and interest (SPPI) on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

The company's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Purchase or sales of financial assets that required delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e. the date that the company commit to purchase or sell the asset.

NOTES TO THE FINANCIAL STATEMENTS – CONTINUED

3. FINANCIAL INSTRUMENTS – cont'd

3.1. Financial Assets – cont'd

a) Classification of financial assets – cont'd

For purpose of subsequent measurement, financial assets are classified in four categories:

- Financial assets at amortised cost.
- Financial assets at fair value through OCI with recycling of cumulative gains and losses (debt instruments).
- Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments).
- Financial assets at fair value through profit or loss.

b) Financial assets at amortised cost

The company classifies its financial assets as at amortised cost only if both of the following criteria are met:

- The asset is held within a business model with the objective of collecting the contractual cash flows; and
- The contractual terms give rise on specified dates to cash flows that solely payments of principal and interest on the principal outstanding.

Financial assets at amortised cost include trade and other receivables, and other financial assets that held with the objective of collecting contractual cash flows. After initial measurement at fair value, the financial assets are measured at amortised cost using the effective interest rate (EIR) method, less impairment.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the statement of profit or loss. The losses arising from impairment are recognised in the statement of profit or loss in other income.

The company has balances of trade receivables and cash and cash equivalents that are held within a business model, whose objective is collecting contractual cash flows.

i) Bank balances

Bank balances comprises the total amount of money held at the bank by the company.

Other than financial assets at amortised cost, the company does not designate any financial assets under any other category under FRS 109.

c) Financial assets at financial value through other comprehensive income (FVOCI)

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

VANSHI SHIPPING PTE. LTD.

NOTES TO THE FINANCIAL STATEMENTS – CONTINUED

3. FINANCIAL INSTRUMENTS – cont'd

3.1. Financial Assets – cont'd

d) Impairment of financial assets

The company assesses on a forward looking basis the expected credit losses (ECL) associated with its debt instrument assets carried at amortised cost and FVOCI. ECL are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the company expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

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

For other receivables and contract assets, the company measures the loss allowance at an amount equal to the lifetime expected credit losses. Therefore, the company does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The company has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

The company considers a financial asset in default when contractual payments are 30 days due. However, in certain cases, the company also consider a financial asset to be in default when internal or external information indicates that the company is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancement held by the company. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

e) Derecognition of financial assets

A financial asset is primary derecognised when:

i) the rights to receive cash flows from the asset have expired or,

ii) the company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a "pass-through" arrangement; and either (a) the company has transferred substantially all the risks and rewards of the asset, or (b) the company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Where the company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the company continues to recognise the transferred asset to the extent of its continuing involvement. In that case, the company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the company has retained.

Continuing involvement that takes form of guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the company could be required to repay.

NOTES TO THE FINANCIAL STATEMENTS – CONTINUED

3. FINANCIAL INSTRUMENTS – cont'd

3.2. Equity and Financial Liabilities

Equity instruments issued by the company and financial liabilities are classified accordingly to the substance of the contractual arrangements entered into and the definitions of an equity instrument and a financial liability.

a) Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities. Equity instruments issued by the company are recorded at the proceeds received, net of direct issue cost.

b) Financial liabilities

Financial liabilities are recognised on the statement of financial position when, and only when, the company becomes a party to the contractual provisions of the financial instruments. The company determines the classification of its financial liabilities at initial recognition.

All financial liabilities are recognised initially at fair value, plus, in the case of financial liabilities not at fair value through profit or loss, directly attributable transaction costs.

Financial liabilities carried at amortised cost

After initial recognition, financial liabilities are subsequently measured at amortised cost using the effective interest rate method. Gains and losses are recognised in profit or loss when the liabilities are derecognised, and through the amortisation process. Financial liabilities at amortised cost are classified within "trade and other payables" on the statement of financial position.

i) Trade and other payables

Trade and other payables, are initially measured at fair value and subsequently measured at amortised cost, using the effective interest method.

c) Derecognition of financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expired.

Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the carrying amounts is recognised in the profit and loss.

3.3. Offsetting Financial Instruments

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

NOTES TO THE FINANCIAL STATEMENTS – CONTINUED

4. CRITICAL ACCOUNTING JUDGEMENTS, ASSUMPTIONS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

4.1. Critical Judgement in Applying the company's Accounting Policies

In the application of the company's accounting policies, which are described in Note 2 to the financial statements, management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future years.

a) Determination of functional currency

The company measures foreign currency transactions in the functional currency of the company. In determining the functional currency of the company, judgement is required to determine the currency that mainly influences sales prices for goods and services and of the country whose competitive forces and regulations mainly influences the sales prices of its goods and services. The functional currency of the company is determined based on management's assessment of the economic environment in which the company operate.

b) Income taxes

Significant judgement is involved in determining the provision for income taxes. There are certain transactions and computations for which the ultimate tax determination is uncertain during the ordinary course of business. The company recognises liabilities for expected tax issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recognised, such differences will impact the income tax provisions in the period in which such determination is made.

4.2. Key Sources of Estimation Uncertainties

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

a) Provisions

Provisions are recognised in accordance with the accounting policy in Note 2.6. To determine whether it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate of the amount can be made, the company takes into consideration factors such as the existence of legal/contractual agreements, past historical experience, external advisors' assessments and other available information.

NOTES TO THE FINANCIAL STATEMENTS – CONTINUED

5. FINANCIAL INSTRUMENTS, FINANCIAL RISKS MANAGEMENT AND CAPITAL MANAGEMENT

5.1. Categories of financial assets and liabilities

The carrying amount of financial assets and financial liabilities included in the statement of financial position and the headings in which they are included are as follows:

	2023 US$	2022 US$
Financial assets		
At amortised costs:		
- bank balances	**82,373**	88,613
- other receivables	**-**	14,724,935
	82,373	14,813,548
Financial liabilities		
At amortised costs:		
- trade and other payables	**4,400**	5,600

Further quantitative disclosures are included throughout these financial statements.

5.2. Financial Risk Management Policies and Objective

The company's overall risk management policy seeks to minimise potential adverse effects on the financial performance of the company. The company, however, does not have any written risk management policies and guidelines. The management meet periodically to analyse, formulate and monitor the following risk management of the company and believe that the financial risks associated with these financial instruments are minimal. The company adopt systematic approach towards risk assessment and management. This is carried out in three phases, i.e. identification and assessment of risks, formulation and implementation of risk treatment, and monitoring and reporting of risk profile.

a) Credit risk

Credit risk refers to risk that counterparty will default on their obligations to repay amounts owing to company resulting in a loss to the company. The carrying amount of bank balances represents the company's maximum exposure to credit risk in relation to financial assets.

i) Bank balances

The company's bank balances as detailed in Note 9 to the financial statements are held in major financial institutions, which are regulated and located in Singapore, which the management believes are of high credit quality. The main purpose of these financial instruments is to finance the company's operations. All financial transactions with the banks are governed by banking facilities duly accepted with Board of Directors' resolutions, with banking mandates, which define the permitted financial instruments, and facilities limits, all of which are approved by the Board of Directors.

No other financial assets carry a significant exposure to credit risk.

As the company does not hold any collateral, the maximum exposure to credit risk for each class of financial instruments is the carrying amount of that class of financial instruments presented on the statement of financial position.

b) Liquidity risk

Liquidity risk is the risk that the company will encounter difficulty in meeting financial obligations due to shortage of funds. The company's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. The company's objective is to maintain a balance between continuity of funding and flexibility through the use of stand-by credit facilities.

VANSHI SHIPPING PTE. LTD.

NOTES TO THE FINANCIAL STATEMENTS – CONTINUED

5. FINANCIAL INSTRUMENTS, FINANCIAL RISKS MANAGEMENT AND CAPITAL MANAGEMENT – cont'd

5.2. Financial Risk Management Policies and Objective – cont'd

b) Liquidity risk – cont'd

In the management of the liquidity risk, the immediate holding company has agreed to provide unconditional financial support to enable it to discharge its obligations as and when they fall due.

The following table summarises the company's remaining contractual maturity for its non-derivative financial liabilities at the end of the reporting period based on undiscounted cash flows of financial instruments based on the earlier of the contractual date or when the company is expected to pay.

			Contractual undiscounted cash flows		
2023	Effective Interest rate (%)	Carrying amount	One year or less	Two to five years	Total
		US$	US$	US$	US$
Financial liabilities:					
Trade and other payables	-	4,400	4,400	-	4,400
Total undiscounted financial liabilities		4,400	4,400	-	4,400

			Contractual undiscounted cash flows		
2022	Effective Interest rate (%)	Carrying amount	One year or less	Two to five years	Total
		US$	US$	US$	US$
Financial liabilities:					
Trade and other payables	-	5,600	5,600	-	5,600
Total undiscounted financial liabilities		5,600	5,600	-	5,600

c) Foreign currency risk

Foreign currency risk arose from the change in foreign currency exchange rates that may have an adverse effect on the company in the current reporting period and in the future years.

The company transacts mainly in United States dollar. Foreign exchange exposures are naturally hedged as both trade purchases and sales are denominated in the above currencies. This natural hedge reduces significantly the financial impact of movements in the foreign exchange rates. Management believes that the foreign currency risk is manageable. The company does not use derivative financial instruments to protect against the volatility associated with currency transactions in the ordinary course of business.

No foreign currency sensitivity analysis is prepared as the majority of the financial assets and financial liabilities are denominated in United States dollar.

d) Fair value of financial assets and financial liabilities

i) Estimation of fair values

Fair value is defined as the amount at which the instrument could be exchanged in a current transaction between knowledgeable willing parties in an arm's length transaction, other than in a forced or liquidation sale. Fair values are obtained through discounted cash flow models and option pricing models as appropriate.

NOTES TO THE FINANCIAL STATEMENTS – CONTINUED

5. **FINANCIAL INSTRUMENTS, FINANCIAL RISKS MANAGEMENT AND CAPITAL MANAGEMENT – cont'd**

5.2. Financial Risk Management Policies and Objectives – cont'd

d) Fair value of financial assets and financial liabilities – cont'd

i) Estimation of fair values – cont'd

Management considers that the carrying amounts of bank balances, trade and other payables and borrowings recorded at amortised cost in the financial statement approximate their fair values.

ii) Fair value measurement

The company does not anticipate that the carrying amounts recorded at the end of the reporting period would significantly different from the values that would eventually be received or settled.

5.3. Capital Management

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

In order to maintain or adjust the capital structure, the company may adjust the dividend payment to equity holders, issue new shares, return capital to the equity holders, and obtain new borrowings or redemption of borrowings.

The company monitors capital using gearing ratio, which is net debt divided by total capital. Net debt is calculated as borrowings and trade and other payables less bank balances. Total capital is calculated as equity and net debt. The company's overall strategy remains unchanged during the year.

	2023 **US$**	**2022** **US$**
Trade and other payables	**4,400**	5,600
Less: Bank balances	**(82,373)**	(88,613)
Net debt	**(77,973)**	(83,013)
Total equity	**77,973**	14,807,948
Total capital	**-**	14,724,935
Gearing ratio	**N.M.**	N.M.

N.M. – Not meaningful.

The company is not subject to any externally imposed capital requirements.

6. **HOLDING COMPANY AND ULTIMATE HOLDING COMPANY**

The company is a wholly owned subsidiary of Adani Shipping Pte. Ltd., a company incorporated in the Republic of Singapore. The ultimate holding company is Adani Enterprises Ltd, a company incorporated in India.

VANSHI SHIPPING PTE. LTD.

NOTES TO THE FINANCIAL STATEMENTS – CONTINUED

7. RELATED PARTY TRANSACTIONS

Some of the company's transactions and arrangements and terms thereof are arranged with the related party and the effect of these on the basis determined between the parties are reflected in these financial statements. The balances are unsecured, interest free and repayable on demand.

8. OTHER RECEIVABLES

	2023 US$	2022 US$
Immediate holding company (Note 6)	-	14,724,935

Amount due from immediate holding company is unsecured, interest free and repayable on demand.

An analysis of other receivables at the end of the reporting period showed that they are neither past due nor impaired. The company provides for lifetime expected credit losses for trade receivables based on the company's historical observed default rates which is adjusted with forward-looking information. At the end of the financial year, management had assessed and determined that the expected credit losses to be insignificant.

9. BANK BALANCES

	2023 US$	2022 US$
Cash at banks	**82,373**	88,613

Bank balances are denominated in the following currencies:

	2023 US$	2022 US$
Singapore dollar	**17,749**	17,716
United States dollar	**64,624**	70,897
	82,373	88,613

10. SHARE CAPITAL

	2023	2022	2023	2022
	Number of ordinary shares		US$	US$
Issued and paid up				
Ordinary shares	**51,000**	51,000	**39,352**	39,352

The fully paid ordinary shares which have no par value, carry one vote per share and a right to dividends as and when declared by the company.

VANSHI SHIPPING PTE. LTD.

NOTES TO THE FINANCIAL STATEMENTS – CONTINUED

11. TRADE AND OTHER PAYABLES

	2023 US$	2022 US$
Trade payables - third parties	-	1,200
Other payables - accruals	**4,400**	4,400
	4,400	5,600

Trade and other payables are non-interest bearing and are normally settled on 30 to 90 days (2022: 30 to 90 days). Trade payables principally comprise amounts outstanding for trade purchases.

12. OTHER INCOME

	2023 US$	2022 US$
Foreign currency exchange adjustment gain	**479**	907

13. FINANCE COSTS

	2023 US$	2022 US$
Bank charges	**696**	3,656

14. INCOME TAX

a) Major component of income tax expenses

The major components of income tax expense are as follows:

	2023 US$	2022 US$
Current year's tax	-	-

b) Relationship between income tax expense and accounting profit

The income tax expense is lower than the amount of income tax expense determined by applying the Singapore Income Tax rate of 17% (2022: 17%) to profit before income tax as a result of the following differences:

	2023 US$	2022 US$
Loss before income tax	**(5,040)**	(32,926)
Income tax expense calculated at 17%	**(857)**	(5,597)
Tax effects of:		
- non-allowable items	**857**	5,597
	-	-

VANSHI SHIPPING PTE. LTD.

NOTES TO THE FINANCIAL STATEMENTS – CONTINUED

15. LOSS FOR THE YEAR

Loss for the year has been arrived at after (crediting):

	2023 US$	2022 US$
Foreign currency exchange adjustment gain	**(479)**	(907)

16. DIVIDENDS

On 7 March 2023, the company proposed a tax exempt one tier interim dividend of US$288.724 per ordinary share of the company amounting to US$14,724,935 to the shareholder out of retained earnings of the company as at 7 March 2023 in respect of the financial year ended 31 March 2023.

The said amount will be made available for drawing as and when the shareholder desires.

17. EVENTS AFTER THE REPORTING PERIOD

No items, transactions or events of material and unusual nature have arisen are between the end of the reporting period and the date of authorisation for issue of the financial statements which are likely to affect substantially the results of operations of the company for the succeeding financial year.

VANSHI SHIPPING PTE. LTD.

DETAILED STATEMENT OF PROFIT OR LOSS

FOR THE YEAR ENDED 31 MARCH 2023

	2023 US$	2022 US$
Revenue	-	-
Less: Cost of services		
Consumption of stores and spares		
- underprovision in prior year	-	21,670
Crew wages		
- underprovision in prior year	-	2,475
	-	(24,145)
Gross loss	-	(24,145)
Add: Other income		
Foreign currency exchange adjustment gain	**479**	907
	479	(23,238)
Less: Expenses		
Administrative expenses		
Auditor's remuneration – current year	**3,000**	3,000
Legal and professional fee	**1,823**	3,032
Finance cost		
Bank charges	**696**	3,656
	(5,519)	(9,688)
Loss before income tax	**(5,040)**	(32,926)

This schedule does not form part of the statutory financial statements.