

**PATEL ENGINEERING (MAURITIUS) LTD.**  
**UNAUDITED CONSOLIDATED FINANCIAL STATEMENT**  
**MARCH 31, 2025**

## **PATEL ENGINEERING (MAURITIUS) LTD.**

### **NOTES TO UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS MARCH 31, 2025**

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#### **1 Company History, Use of Estimates and Significant Accounting Policies.**

##### **A. Principles of Consolidation.**

The consolidated financial statements include the accounts of Patel Engineering Mauritius Ltd and subsidiaries and step down subsidiaries of which it owns 100% voting common stock interests directly or indirectly as follows:

Patel Mining Mauritius Ltd. (100 % subsidiary in Mauritius)

Subsidiaries of Patel Mining Mauritius Ltd.

Enrich Mining Vision Lda.

Patel Mining Priviledge, Lda

Patel Infrastructure, Lda

Trend Mining Projects, Lda

Accord Mines Venture, Lda

Netcore Mining Operations, Lda

Metalline Mine Works, Lda

Assignments Mozambique, Lda

Chivarro Mines Concession, Lda

Omni Mines Enterprise, Lda

Quest Mining Activities, Lda

Fortune Mines Concession, Lda

All material inter-company transactions have been eliminated.

##### **B. Company History and Activities.**

i. **Patel Engineering Mauritius Ltd.** The Company was incorporated under the laws of the State of Mauritius. The Company was formed for the purpose of performing as a general construction contractor, and to act as a holding company for other Mauritius business interests primarily in the area of construction and mining.

ii. **Patel Mining Mauritius Ltd.** The Company was incorporated under the laws of the State of Mauritius. The Company was formed for the purpose of performing as a general construction contractor, and to act as a holding company for other Mauritius business interests primarily in the area of mining. The Company has 12 subsidiaries in Mozambique, each holding a license to explore the reserves of mine locations in Mozambique for minerals, tantalite, marble etc.

### **C. Use of Estimates.**

The preparation of financial statements in conformity with accounting principles generally accepted in the State of Mauritius requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

### **D. Revenue Recognition.**

The Group recognises revenue from contracts with customers based on a five step model as set out in IFRS 15:

- Step 1. Identify contract(s) with a customer: A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for every contract that must be met.
- Step 2. Identify performance obligations in the contract: A performance obligation is a promise in a contract with a customer to transfer a good or service to the customer.
- Step 3 Determine the transaction price: The transaction price is the amount of consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.
- Step 4. Allocate the transaction price to the performance obligations in the contract: For a contract that has more than one performance obligation, the Group allocates the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the Group expects to be entitled in exchange for satisfying each performance obligation.
- Step 5. Recognise revenue when (or as) the Group satisfies a performance obligation.

The Group satisfies a performance obligation and recognises revenue over time, if one of the following criteria is met:

- The Group's performance does not create an asset with an alternate use to the Group and the Group has an enforceable right to payment for performance completed to date.

- The Group's performance creates or enhances an asset that the customer controls as the asset is created or enhanced.
- The customer simultaneously receives and consumes the benefits provided by the Group's performance as the Group performs.

For performance obligations where one of the above conditions are not met, revenue is recognised at the point in time at which the performance obligation is satisfied.

When the Group satisfies a performance obligation by delivering the promised goods or services it creates a contract based asset on the amount of consideration earned by the performance. Where the amount of consideration received from a customer exceeds the amount of revenue recognised this gives rise to a contract liability.

Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes and duty. The Group assesses its revenue arrangements against specific criteria to determine if it is acting as principal or agent.

Revenue is recognised to the extent it is probable that the economic benefits will flow to the Group and the revenue and costs, if applicable, can be measured reliably.

#### **E. Depreciation.**

Depreciation is provided principally on the straight-line method over the estimated useful lives of the assets for financial statement purposes.

#### **F. Accounts Receivable.**

Current and retainage receivables are recorded when invoices are issued. Receivables are written off when they are determined to be uncollectible. The allowance for doubtful accounts is estimated based on the Company's historical losses, the existing economic conditions in the construction industry, and the financial stability of its customers.

#### *Impairment of loans and receivables*

The Company assesses at each statement of financial position date whether there is any objective evidence that a financial asset under loans and receivables is impaired. To determine whether there is objective evidence of impairment, the Company considers factors such as the probability of insolvency or significant financial difficulties



of the debtor and default or significant delay in payments. Where there is objective evidence of impairment, the amount and timing of future cash flows are estimated based on historical loss experience for assets with similar credit risk characteristics

## **2 Property, Plant and Equipment.**

The mines are under exploration and hence the costs are under capital work in progress. However, during the year the company Management has re-assessed the feasibility of continuing its activities in Mozambique where due to a slump in mining activity the company has decided to withdraw the application for exploration Licenses/Surrender of the exploration Licenses already obtained, owing to which some of the subsidiary companies are proposed to be closed and a provision for impairment of the Property Plant and Equipment has been made in the books.

## **3 Impairment of non-financial assets**

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when an annual impairment testing for an asset is required, the Company makes an estimate of the asset's recoverable amount.

An asset's recoverable amount is the higher of an asset's or cash-generating unit's fair value less costs of disposal and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. Where the carrying amount of an asset or cash generating unit exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows expected to be generated by the asset are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

The Company bases its impairment calculation on detailed budgets and forecast calculations which are prepared separately for each of the Company's cash-generating units to which the individual assets are allocated. These budgets and forecast calculations are generally covering a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year.

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Impairment losses of continuing operations are recognised in statement of comprehensive income, except for assets that are previously revalued where the revaluation was taken to other comprehensive income. In this case, the impairment is also recognised in other comprehensive income up to the amount of any previous revaluation.

For assets excluding goodwill, an assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the Company estimates the asset's or cash-generating unit's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increase cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised previously. Such reversal is recognised in statement of comprehensive income unless the asset is measured at revalued amount, in which case the reversal is treated as a revaluation increase.

**For Patel Engineering (Mauritius) Ltd**

*K. M. B.*

**Managing Director of Patel Engineering Limited**

**Date :- April 30, 2025**

**Patel Engineering (Mauritius) Limited - Unaudited Consolidated**

**Balance Sheet**  
**As At March 31, 2025**

	Note no	2025 Amount (USD)	2024 Amount (USD)
<b>Sources Of Funds</b>			
<b>Share Capital</b>			
Equity Share Capital	1	5,00,000	5,00,000
<b>Reserves &amp; Surplus</b>			
Profit & Loss A/c - Opening Balance		(3,18,973)	(44,19,437)
Profit & Loss Account - Current Year	2	(3,14,581)	41,00,466
Translation Reserve - Opening balance		(2,66,529)	(2,66,518)
Translation Reserve - Current Year		(1)	(13)
<b>Unsecured Loans</b>			
Patel Singapore Pte Ltd.	3	-	-
Patel Engineering Limited		-	-
<b>Current Liabilities</b>			
Trade & Other Payables	4	4,48,574	2,55,189
		48,490	1,69,687
<b>Application of Funds</b>			
<b>Non-Current Assets</b>			
<b>Capital Work in progress</b>			
Property Plant & Equipment	5	-	460
Loan to Waterfront	6	-	-
<b>Current Assets</b>			
<b>Cash in Hand</b>	7	-	-
<b>Cash at Bank</b>		48,490	54,995
<b>Financial Assets</b>			
Trade & Other Receivables	8	-	1,14,232
		48,490	1,69,687

**For Patel Engineering (Mauritius) Ltd**

*K.m.s*


**Managing Director of Patel Engineering Limited**  
**Date :- April 30, 2025**

**Patel Engineering (Mauritius) Limited - Unaudited Consolidated****Profit & Loss Account****For the year ended March 31, 2025**

	Note No	2025 Amount (USD)	2024 Amount (USD)
Interest Income		8	1,576
Sundry Balance Written back	9	-	64,26,182
Exchange gain		-	48
Interest Expenses	10	-	1,82,897
Depreciation	11	53	53
Other Expenses	12	2,00,304	59,807
<b>Profit before tax and exceptional items</b>		<b>(2,00,349)</b>	<b>61,85,049</b>
Exceptional Items	13	1,14,232	20,84,583
<b>Profit before tax</b>		<b>(3,14,581)</b>	<b>41,00,466</b>
Tax Provision		-	-
<b>Profit after tax</b>		<b>(3,14,581)</b>	<b>41,00,466</b>
<b>Other Comprehensive Income Item that will be reclassified to Profit and loss account</b>			
Foreign Currency translation reserve		(1)	(13)
<b>Total Comprehensive income</b>		<b>(3,14,582)</b>	<b>41,00,453</b>

**For Patel Engineering (Mauritius) Ltd****Managing Director of Patel Engineering Limited****Date :- April 30, 2025**



Patel Engineering (Mauritius) Limited - Unaudited Consolidated		
Cash Flow Statement For the year ended March 31, 2025		
(In USD)		
	For the year ended March 31	For the year ended March 31
	2025	2024
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit/(Loss) after Tax	(3,14,581)	41,00,466
<b>Adjustment for Non-Cash Items:</b>		
Depreciation	53	53
Foreign Exchanges gain	-	(48)
Provision for outstanding expenses	1,99,642	4,642
Interest Income	-	(1,528)
Sundry Balance written back	-	(64,26,182)
Sundry Balance written off	1,14,232	21,39,341
Interest Expense to Holding Company	-	1,82,897
<b>Operating Profit Before Working Capital Changes</b>	<b>(247)</b>	<b>(359)</b>
<b>Movements in Working Capital</b>		
(Increase)/Decrease in WIP & Finished Goods	-	-
(Increase) / Decrease in Trade Receivable	-	-
Increase/(Decrease) in Trade Payables	(6,258)	-
<b>Cash generated from operations</b>	<b>(6,505)</b>	<b>(359)</b>
Direct Taxes paid / (Refund) (Includes TDS)	-	-
<b>NET CASH FROM/(USED IN) OPERATING ACTIVITIES</b>	<b>(6,505)</b>	<b>(359)</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed Assets	-	-
<b>NET CASH FROM/(USED IN) INVESTING ACTIVITIES</b>	<b>-</b>	<b>-</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Issue of Equity Shares	-	-
<b>NET CASH FROM /(USED IN) FINANCING ACTIVITIES</b>	<b>-</b>	<b>-</b>
<b>Net Increase/(Decrease) in Cash &amp; Cash Equivalent ( A+B+C)</b>	<b>(6,505)</b>	<b>(359)</b>
<b>Opening Balance of Cash &amp; Cash Equivalents</b>	<b>54,995</b>	<b>88,491</b>
<b>Effect of exchange rate changes</b>	<b>-</b>	<b>(33,137)</b>
<b>Closing Balance of Cash &amp; Cash Equivalents</b>	<b>48,490</b>	<b>54,995</b>
<b>a) Components of Cash &amp; Cash Equivalents at the end of the year</b>		
Balance with Banks		
- On current accounts	48,490	54,995
Cash on Hand	-	-
<b>Cash &amp; Cash Equivalents at the end of the year</b>	<b>48,490</b>	<b>54,995</b>
<b>b) Reconciliation of liabilities arising from financing activities</b>		
<b>Particulars</b>	<b>Borrowings</b>	<b>Borrowings</b>
Opening as on April 1, 2024 / April 1, 2023	-	62,43,310
Cash flow changes	-	-
Non-cash flow other changes	-	(62,43,310)
<b>Closing as on March 31, 2025 / March 31, 2024</b>	<b>-</b>	<b>-</b>
Previous year's figures have been regrouped/rearrange to confirm current year's presentation, wherever necessary		
For Patel Engineering (Mauritius) Ltd		
		
Managing Director of Patel Engineering Limited		
Date :- April 30, 2025		

**Notes to Financial Statements**  
**Patel Engineering (Mauritius) Limited - Unaudited Consolidated**  
**As At March 31, 2025**

Amount (USD)

**1 Share Capital**

	2025	2024
Equity Share Capital		
(Held by Holding Company Patel Engineering Limited)	5,00,000	5,00,000
<b>Total</b>	<b>5,00,000</b>	<b>5,00,000</b>

**2 Reserve & Surplus**

	2025	2024
<b>Profit and Loss a/c</b>		
Opening Balance	(3,18,972)	(44,19,438)
Add: during the year	(3,14,581)	41,00,466
Closing Balance (A)	<b>(6,33,553)</b>	<b>(3,18,972)</b>
<b>Translation Reserve</b>		
Opening Balance	(2,66,531)	(2,66,518)
Add: during the year	(1)	(13)
Closing Balance (B)	<b>(2,66,532)</b>	<b>(2,66,531)</b>
<b>Total (A + B)</b>	<b>(9,00,085)</b>	<b>(5,85,503)</b>

**3 Unsecured Loan**

	2025	2024
<b>Loan from Related Party</b>		
Patel Singapore Pte Ltd.	0	0
Patel Engineering Limited	0	0
<b>Total</b>	<b>0</b>	<b>0</b>

**4 Current Liabilities**

	2025	2024
Trade & Other Payables	4,48,574	2,55,189
<b>Total</b>	<b>4,48,574</b>	<b>2,55,189</b>

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## Notes to Financial Statements

Patel Engineering (Mauritius) Limited - Unaudited Consolidated

As At March 31, 2025

Amount (USD)

**5 Property Plant and Equipment**

	2025	2024
Gross Block	1,161	1,161
Accumulated Depreciation	(1,161)	(701)
Net Block	-	460
Capital Work in Progress	-	-
Less: Provision for Impairment	-	-
Net Capital Work in Progress	-	-
<b>Total</b>	<b>-</b>	<b>460</b>

**6 Loan to Related Party**

	2025	2024
Loan to Waterfront	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

**7 Cash and Cash Equivalenent**

	2025	2024
Cash in Hand	-	-
Cash at Bank	48,490	54,995
<b>Total</b>	<b>48,490</b>	<b>54,995</b>

**8 Financial Assets**

	2025	2024
Trade and Other Receivable	1,14,232	1,14,232
Less: Provision	(1,14,232)	
<b>Total</b>	<b>-</b>	<b>1,14,232</b>

(1c)

Notes to Financial Statements  
Patel Engineering (Mauritius) Limited - Unaudited Consolidated  
For the year ended March 31, 2025

Amount (USD)

**9 Other Income**

	2025	2024
Interest Income	8	1,576
Sundry Balance Written back	-	64,26,182
Exchange gain	-	48
<b>Total</b>	<b>8</b>	<b>64,27,806</b>

**10 Finance Cost**

	2025	2024
Interest Expenses	-	1,82,897
<b>Total</b>	<b>-</b>	<b>1,82,897</b>

**11 Depreciation**

	2025	2024
Depreciation	53	53
<b>Total</b>	<b>53</b>	<b>53</b>

**12 Other Expenses**

	2025	2024
Bank Charges	255	407
Other Expenses	1,99,642	4,642
Provision for Impairment of Property, Plant and Equipment	407	-
Sundry Balance Written off	0	54,758
Exchange Loss	-	-
<b>Total</b>	<b>2,00,304</b>	<b>59,807</b>

**13 Exceptional Items**

	2025	2024
Assets Written off	1,14,232	20,84,583
<b>Total</b>	<b>1,14,232</b>	<b>20,84,583</b>

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# Notes to Financial Statements

## Patel Engineering (Mauritius) Limited - Unaudited Consolidated

As At March 31, 2025

Amount (USD)

### 1 Share Capital

	2025	2024
Equity Share Capital		
(Held by Holding Company Patel Engineering Limited)	5,00,000	5,00,000
<b>Total</b>	<b>5,00,000</b>	<b>5,00,000</b>

### 2 Reserve & Surplus

	2025	2024
<b>Profit and Loss a/c</b>		
Opening Balance	(3,18,972)	(44,19,438)
Add: during the year	(3,14,581)	41,00,466
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Opening Balance	(2,66,531)	(2,66,518)
Add: during the year	(1)	(13)
Closing Balance (B)	<b>(2,66,532)</b>	<b>(2,66,531)</b>
<b>Total (A + B)</b>	<b>(9,00,085)</b>	<b>(5,85,503)</b>

### 3 Unsecured Loan

	2025	2024
<b>Loan from Related Party</b>		
Patel Singapore Pte Ltd.	0	0
Patel Engineering Limited	0	0
<b>Total</b>	<b>0</b>	<b>0</b>

### 4 Current Liabilities

	2025	2024
Trade & Other Payables	4,48,574	2,55,189
<b>Total</b>	<b>4,48,574</b>	<b>2,55,189</b>

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Notes to Financial Statements

Patel Engineering (Mauritius) Limited - Unaudited Consolidated

As At March 31, 2025

Amount (USD)

**5 Property Plant and Equipment**

	2025	2024
Gross Block	1,161	1,161
Accumulated Depreciation	(1,161)	(701)
Net Block	-	460
Capital Work in Progress	-	-
Less: Provision for Impairment	-	-
Net Capital Work in Progress	-	-
<b>Total</b>	<b>-</b>	<b>460</b>

**6 Loan to Related Party**

	2025	2024
Loan to Waterfront	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

**7 Cash and Cash Equivalenent**

	2025	2024
Cash in Hand	-	-
Cash at Bank	48,490	54,995
<b>Total</b>	<b>48,490</b>	<b>54,995</b>

**8 Financial Assets**

	2025	2024
Trade and Other Receivable	1,14,232	1,14,232
Less: Provision	(1,14,232)	
<b>Total</b>	<b>-</b>	<b>1,14,232</b>

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Notes to Financial Statements  
Patel Engineering (Mauritius) Limited - Unaudited Consolidated  
For the year ended March 31, 2025

Amount (USD)

**9 Other Income**

	2025	2024
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Exchange gain	-	48
<b>Total</b>	<b>8</b>	<b>64,27,806</b>

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	2025	2024
Interest Expenses	-	1,82,897
<b>Total</b>	<b>-</b>	<b>1,82,897</b>

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	2025	2024
Depreciation	53	53
<b>Total</b>	<b>53</b>	<b>53</b>

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<b>Total</b>	<b>2,00,304</b>	<b>59,807</b>

**13 Exceptional Items**

	2025	2024
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<b>Total</b>	<b>1,14,232</b>	<b>20,84,583</b>

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