

**PATEL MINING (MAURITIUS) LIMITED**

**UNAUDITED FINANCIAL STATEMENT**

**MARCH 31, 2025**

## **PATEL MINING (MAURITIUS) LIMITED**

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

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

##### **A. Company History and Activities.**

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.

##### **B. 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.

##### **C. Revenue Recognition.**

The company 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 company 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 company allocates the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the company expects to be entitled in exchange for satisfying each performance obligation.

Step 5. Recognise revenue when (or as) the company satisfies a performance obligation.

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

- The company performance does not create an asset with an alternate use to the company and the company has an enforceable right to payment for performance completed to date.
- The company 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 company performance as the company 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 company 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 company 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 company and the revenue and costs, if applicable, can be measured reliably.

#### **D. Depreciation.**

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

#### **E. 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.

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 Mining (Mauritius) Ltd**

*K. m. B.*

**Director**

**Date :- April 30, 2025**

**Patel Mining (Mauritius) Limited - Unaudited Standalone**  
**Balance sheet as at March 31, 2025**

Particulars		Sch No.	As at 31 March, 2025 USD	As at 31 March, 2024 USD
<b>A</b>	<b>EQUITY AND LIABILITIES</b>			
<b>1</b>	<b>Shareholders' funds</b>			
	(a) Share capital		4,65,000	4,65,000
	(b) Reserves and surplus		(4,39,638)	(4,23,487)
			25,362	41,513
<b>2</b>	<b>Current liabilities</b>			
	Short-term borrowings - Patel Engineering Ltd.		-	-
	Short-term borrowings - Patel Engineering (Mauritius) Ltd.		-	-
	Accrual		23,342	7,191
	<b>TOTAL</b>		<b>48,704</b>	<b>48,704</b>
	<b>ASSETS</b>			
<b>B</b>	<b>Non-current assets</b>			
<b>1</b>	(a) Investment / advances in Mozambique Companies		5,889	5,889
	Less: Provision for Impairment of Investment/Advances		0	0
	(b) Preoperative Expenses - Pending Capitalization		-	-
<b>2</b>	<b>Current assets</b>			
	(a) Loans and Advances			
	(b) Cash Balance			
	(c) Bank Balance		42,815	42,815
	<b>TOTAL</b>		<b>48,704</b>	<b>48,704</b>
			0.00	0.00
For Patel Mining (Mauritius) Ltd				
				
Director				
Date :- April 30, 2025				

**Patel Mining (Mauritius) Limited - Unaudited Standalone  
Profit and Loss Account for the year ended March 31, 2025**

Particulars		31-Mar-25 USD	31-Mar-24 USD
<b>A</b>	<b>OPERATIONS</b>		
1	Revenue from operations		-
2	Other income - Forex Gain	1,170.00	41,74,301.11
	<b>Total revenue</b>	<b>1,170.00</b>	<b>41,74,301.11</b>
<b>3</b>	<b>Expenses</b>		
	Preoperative Expenses w/f	-	-
	Bank Charges	-	-
	Interest Expenses	-	-
	Exchange gain/loss	(0.00)	(0.00)
	Provision for Impairment	-	-
	Other Expenses	17,321.00	16,15,556.57
	<b>Total expenses</b>	<b>17,321.00</b>	<b>16,15,557</b>
4	<b>Profit / (Loss) before exceptional and extraordinary items and tax</b>	<b>(16,151)</b>	<b>25,58,745</b>
5	Exceptional items		
6	<b>Profit / (Loss) before extraordinary items and tax</b>	<b>(16,151)</b>	<b>25,58,745</b>
7	Extraordinary items		
8	<b>Profit / (Loss) before tax</b>	<b>(16,151)</b>	<b>25,58,745</b>
9	Tax expense:		
10	<b>Profit / (Loss) for the year</b>	<b>(16,151)</b>	<b>25,58,745</b>

For Patel Mining (Mauritius) Ltd

*K. m. B.*

Director

Date :- April 30, 2025