

Khopoli Investments Limited
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

Khopoli Investments Limited

Financial Statements for the year ended 31 March 2025

CONTENTS

	PAGE(S)
COMPANY INFORMATION	2
COMMENTARY OF THE DIRECTORS	3
CERTIFICATE FROM THE SECRETARY	4
INDEPENDENT AUDITOR'S REPORT	5 - 7
STATEMENT OF FINANCIAL POSITION	8
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME	9
STATEMENT OF CHANGES IN EQUITY	10
STATEMENT OF CASH FLOWS	11
ACCOUNTING POLICIES	12 - 21
NOTES TO THE FINANCIAL STATEMENTS	22 - 29

Khopoli Investments Limited

Financial Statements for the year ended 31 March 2025

COMPANY INFORMATION

		Date of appointment	Date of resignation
DIRECTORS:	Zakir Hussein Niamut	16 September 2010	21 March 2025
	Jinendra Vardhaman Patil	28 November 2018	-
	Arun Viswanathan	15 July 2022	-
	Nandinee Boodhoo	14 June 2023	-
	Dilshaad Banu Rajabalee	14 June 2023	-
	Sandiren Ramsamy	21 March 2025	-
SECRETARY ADMINISTRATOR & MAURITIAN TAX AGENT:	Apex Financial Services (Mauritius) Ltd 6 th Floor, Two Tribeca Tribeca Central Trianon, 72261 Republic of Mauritius		
REGISTERED OFFICE:	6 th Floor, Two Tribeca Tribeca Central Trianon, 72261 Republic of Mauritius		
AUDITOR:	Salford Associates LLP (A Member Firm of DFK International) Chartered Certified Accountants 9 th Floor, Hennessy Tower Pope Hennessy Street Port Louis Republic of Mauritius		
BANKERS:	HSBC Bank (Mauritius) Limited Icon Ebene, Level 5 Office 1, (West Wing) Rue De L'Institut, Ebene 72201 Republic of Mauritius		
	Bank of Baroda Baroda House 32 City Road London, UK, EC1Y 2BD United Kingdom		
	State Bank of India 15 King Street London, EC2VC 8EA3 United Kingdom		
	PT CGS-CIMB Sekuritas Indonesia Indonesia Stock Exchange Building Tower II,20/F JL. Jend Sudirman, Kav.52-53 – 12190		

Khopoli Investments Limited

Financial Statements for the year ended 31 March 2025

COMMENTARY OF THE DIRECTORS

The directors are pleased to present their commentary together with the audited financial statements of **Khopoli Investments Limited** (the "Company") for the year ended 31 March 2025.

1. PRINCIPAL ACTIVITY

The principal activity of the Company is that of investment holding and ancillary services of collecting accounts receivable of its related parties, provision of loans to related parties and provision of management support services to related parties.

2. RESULTS AND DIVIDENDS

The results for the year are shown in the statement of profit or loss and other comprehensive income and related notes.

The directors did not recommend the payment of dividend for the year under review (2024: USD Nil).

3. STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE FINANCIAL STATEMENTS

The Mauritius Companies Act requires the directors to prepare financial statements for each financial year which present fairly the financial position, financial performance and cash flows of the Company. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable International Financial Reporting Standards have been followed and complied with, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business in the foreseeable future.

The directors have confirmed that they have complied with the IFRS Accounting Standards and requirements of the Mauritius Companies Act in preparing the financial statements.

The directors' responsibilities include designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of these financial statements that are free from material misstatement, whether due to fraud and error, selecting and applying appropriate accounting policies and making accounting estimates that are reasonable in the circumstances.

The directors have made an assessment of the Company's ability to continue as a going concern and have no reason to believe that the business will not be a going concern in the year ahead.

4. AUDITOR

The auditor, Salford Associates LLP (A Member Firm of DFK International), Chartered Certified Accountants, has been appointed during the year.

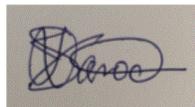
Khopoli Investments Limited

Financial Statements for the year ended 31 March 2025

CERTIFICATE FROM THE SECRETARY

AS PER SECTION 166 (d) OF THE MAURITIUS COMPANIES ACT 2001

We certify that, to the best of our knowledge and belief, **Khopoli Investments Limited** (the "Company") has filed with the Registrar of Companies all such returns as are required of the Company under Section 166(d) of the Mauritius Companies Act 2001, for the financial year ended 31 March 2025.



For and on behalf of:
Apex Financial Services (Mauritius) Ltd

6th Floor, Two Tribeca
Tribeca Central
Trianon, 72261
Republic of Mauritius

Date: 26 May 2025

INDEPENDENT AUDITOR'S REPORT **To the shareholder of Khopoli Investments Limited**

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Khopoli Investments Limited (the "Company"), which comprise the statement of financial position as at 31 March 2025 and the statement of profit or loss and other comprehensive income, statement of changes in equity and the statement of cash flows for the year then ended, and the notes to the financial statements, including a summary of significant accounting policies, as set out on pages 8 to 29.

In our opinion, these financial statements give a true and fair view of the financial position of Khopoli Investments Limited as at 31 March 2025, and of its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards and in compliance with the requirements of the Mauritius Companies Act.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). 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 International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

The directors are responsible for the other information. The other information comprises the Company Information, Commentary of the Directors and Certificate from the Secretary, but does not include the financial statements and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Statements

The directors are responsible for the preparation of financial statements that give a true and fair view in accordance with International Financial Reporting Standards and in compliance with the requirements of the Mauritius Companies Act, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are 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 the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

INDEPENDENT AUDITOR'S REPORT
To the shareholder of Khopoli Investments Limited

Report on the Audit of the Financial Statements (continued)*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 a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in 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 ISAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- 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.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our 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.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

INDEPENDENT AUDITOR'S REPORT
To the shareholder of Khopoli Investments Limited

Report on the Audit of the Financial Statements (continued)

Use of Our Report

This report is made solely to the Company's shareholder, in accordance with Section 205 of the Mauritius Companies Act. Our audit work has been undertaken so that we might state to the Company's shareholder, those matters that we are required to state in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's shareholder, for our audit work, for this report, or for the opinions we have formed.

Report on Other Legal and Regulatory Requirements

Mauritius Companies Act

We have no relationship with, or interests in, the Company other than in our capacity as auditor and dealings in the ordinary course of business.

We have obtained all information and explanations we have required.

In our opinion, proper accounting records have been kept by the Company as far as it appears from our examination of those records.

Salford Associates LLP
SALFORD ASSOCIATES LLP
(A Member Firm of DFK International)

Port Louis
Republic of Mauritius

Date:


RIDWAN JAHIB, FCCA
Licensed by FRC

Khopoli Investments Limited

Financial Statements for the year ended 31 March 2025

STATEMENT OF FINANCIAL POSITION

	Notes	2025 USD	2024 USD
ASSETS			
Current assets			
Trade and other receivables	7	2,377,778	4,777,768
Cash and short-term deposits	8	3,251,671	34,801,689
Other current financial assets	9	88,837,664	85,046,470
Prepayments		3,126	5,200
Total current assets		94,470,239	124,631,127
Total assets		94,470,239	124,631,127
EQUITY AND LIABILITIES			
Equity			
Stated capital	10	47,007,350	47,007,350
Retained earnings		47,265,739	77,546,921
Total equity		94,273,089	124,554,271
LIABILITIES			
Current liabilities			
Other payables	11	18,817	24,190
Tax liability	15	178,333	52,666
		197,150	76,856
TOTAL EQUITY AND LIABILITIES		94,470,239	124,631,127

Approved and authorised for issue by the Board of Directors on 26 May 2025 and signed on its behalf by:



Director



Director

The accounting policies on pages 12 to 21 and the notes on pages 22 to 29 form an integral part of the financial statements. Independent auditor's report on page 5 to 7.

Khopoli Investments Limited

Financial Statements for the year ended 31 March 2025

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Note	2025 USD	2024 USD
Operating expenses			
Other operating expenses	12	90,716	105,814
Operating loss		(90,716)	(105,814)
Finance income	13	4,145,816	6,458,684
Finance cost	14	(225)	(301)
Profit before taxation		4,054,875	6,352,569
Taxation	15	(336,057)	(321,826)
Profit for the year		3,718,818	6,030,743
Other comprehensive income		-	-
Total comprehensive income for the year		3,718,818	6,030,743

The accounting policies on pages 12 to 21 and the notes on pages 22 to 29 form an integral part of the financial statements. Independent auditor's report on page 5 to 7.

Khopoli Investments Limited

Financial Statements for the year ended 31 March 2025

STATEMENT OF CHANGES IN EQUITY

	Stated capital USD	Retained earnings USD	Total equity USD
Balance at 01 April 2023	47,007,350	71,516,178	118,523,528
Profit for the year	-	6,030,743	6,030,743
Other comprehensive income	-	-	-
Total comprehensive income for the year	-	6,030,743	6,030,743
Balance at 31 March 2024	47,007,350	77,546,921	124,554,271
Balance at 01 April 2024	47,007,350	77,546,921	124,554,271
Profit for the year	-	3,718,818	3,718,818
Other comprehensive income	-	-	-
Total comprehensive income for the year	-	3,718,818	3,718,818
Dividends	-	(34,000,000)	(34,000,000)
Total transactions with owner of the Company	-	(34,000,000)	(34,000,000)
Balance at 31 March 2025	47,007,350	47,265,739	94,273,089

The accounting policies on pages 12 to 21 and the notes on pages 22 to 29 form an integral part of the financial statements. Independent auditor's report on page 5 to 7.

Khopoli Investments Limited

Financial Statements for the year ended 31 March 2025

STATEMENT OF CASH FLOWS

	<u>2025</u>	<u>2024</u>
	USD	USD
Cash flows from operating activities		
Profit before taxation	4,054,875	6,352,569
<i>Adjustment for:</i>		
Bank interest income	(337,341)	(66,797)
Interest income on loan	(3,808,475)	(6,391,887)
Foreign exchange gain	225	301
<i>Changes in working capital:</i>		
Trade and other receivables	2,402,064	1,933,475
Other payables	(5,373)	52,388
	<u>2,305,975</u>	<u>1,880,048</u>
Tax paid	(210,390)	(238,188)
Net cash generated from operating activities	<u>2,095,585</u>	<u>1,641,860</u>
Cash flows from investing activities		
Bank interest received	354,624	38,401
Repayment of loans from related party	-	31,950,000
Net cash generated from investing activities	<u>354,624</u>	<u>31,988,401</u>
Cash flows from financing activities		
Dividend paid	(34,000,000)	-
Net cash used in financing activities	<u>(34,000,000)</u>	<u>-</u>
Net movement in cash and cash equivalents	<u>(31,549,791)</u>	<u>33,630,261</u>
Cash and cash equivalents at beginning of the year	34,801,689	1,171,728
Effect of foreign exchange	(227)	(301)
Cash and cash equivalents at end of the year	<u>3,251,671</u>	<u>34,801,689</u>

The accounting policies on pages 12 to 21 and the notes on pages 22 to 29 form an integral part of the financial statements. Independent auditor's report on page 5 to 7.

Khopoli Investments Limited

Financial Statements for the year ended 31 March 2025

ACCOUNTING POLICIES

1. GENERAL INFORMATION

Khopoli Investments Limited (the "Company") was incorporated in the Republic of Mauritius as a private limited company on 27 April 2007 under the Mauritius Companies Act and was granted a Global Business Licence under the Financial Services Act 2007 on 22 June 2007.

The principal activity of the Company is that of investment holding and ancillary services of collecting accounts receivable of its related parties, provision of loans to related parties and provision of management support services to related parties.

The registered address of the Company is at 6th Floor, Two Tribeca, Tribeca Central, Trianon, 72261, Republic of Mauritius.

2. BASIS OF PREPARATION

(a) Statement of compliance

The financial statements of the Company have been prepared in accordance with International Financial Reporting Standards as issued by International Accounting Board and in compliance with the requirements of the Mauritius Companies Act.

(b) Basis of measurement

The financial statements have been prepared using the going concern principle and under the historical cost basis.

(c) Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates and one in which it primarily generates and expends cash (the "functional currency"). If indicators of the primary economic environment are mixed, then management uses its judgement to determine the functional currency that most faithfully represents the economic effect of the underlying transactions, events and conditions.

The income and expenses of the Company are denominated and received/settled in United States Dollar ("USD"). The performance of the Company is measured and reported to the shareholder in USD. The directors consider the USD as the currency that most faithfully represents the economic effects of the underlying transactions, events and conditions. The financial statements are presented in USD, which is also the Company's functional currency.

(d) Use of judgments and estimates

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

Estimates and underlying assumptions are reviewed on an ongoing basis. Revision to accounting estimates are recognised in the year in which the estimates are revised and in any future periods affected.

Information about significant areas of estimation, uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements as described in note 6.

Khopoli Investments Limited

Financial Statements for the year ended 31 March 2025

ACCOUNTING POLICIES

3. MATERIAL ACCOUNTING POLICIES

The accounting policies set out below have been applied consistently to all periods presented in these financial statements and have been applied consistently by the Company.

(a) Foreign currency transactions

Transactions in foreign currencies are translated into the functional currency at the exchange rates at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary items that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction.

Foreign currency differences are generally recognised in statement of profit or loss and presented within 'Net finance income/(costs)'.

(b) Impairment of non-financial assets

At each reporting date, the Company reviews the carrying amounts of its non-financial assets to determine whether there is any indication of impairment. If any such indication exists, then the assets' recoverable amounts are estimated.

For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or cash-generating units ("CGUs"). The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU.

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

(c) Financial instruments

(i) Recognition and initial measurement

Financial assets at fair value through other comprehensive income ("FVOCI") (debt instruments) are recognised initially when they are originated. All other financial assets and financial liabilities are recognised initially on the trade date at which the Company becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities at fair value through profit or loss ("FVTPL") are initially recognised at fair value, with transaction costs recognised in profit or loss. Financial assets or financial liabilities not at fair value through profit or loss are initially recognised at fair value plus transaction costs that are directly attributable to their acquisition or issue.

Khopoli Investments Limited

Financial Statements for the year ended 31 March 2025

ACCOUNTING POLICIES

3. MATERIAL ACCOUNTING POLICIES (CONTINUED)

(c) *Financial instruments (Continued)*

(ii) *Classification*

Financial assets

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

Financial assets at amortised cost

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

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

This category includes trade and other receivables (excluding prepayments), cash and short-term deposits and other current financial assets. The Company does not hold any other financial assets within the other categories of financial assets.

Financial assets – Business model assessment

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

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

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

The Company has determined that it has one business model:

- Held-to-collect business model: this includes trade and other receivables (excluding prepayments), cash and short-term deposits and other current financial assets. These financial assets are held to collect contractual cash flows.

Financial assets - Assessment whether contractual cash flows are solely payments of principal and interest ("SPPI")

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin. In assessing whether the contractual cash flows are SPPI, the Company considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition.

Khopoli Investments Limited

Financial Statements for the year ended 31 March 2025

ACCOUNTING POLICIES

3. MATERIAL ACCOUNTING POLICIES (CONTINUED)

(c) Financial instruments (Continued)

(ii) Classification (Continued)

Financial assets - Assessment whether contractual cash flows are solely payments of principal and interest ("SPPI") (Continued)

In making this assessment, the Company considers:

- contingent events that would change the amount or timing of cash flows;
- leverage features;
- prepayment and extension features;
- terms that limit the Company's claim to cash flows from specified assets (e.g. non-recourse features); and
- features that modify consideration of the time value of money (e.g. periodical reset of interest rates).

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

Financial liabilities

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, it is a derivative or it is designated as such on initial recognition.

The Company classifies and other payables as financial liabilities at amortised cost.

(iii) Reclassifications

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

(iv) Subsequent measurement and gains and losses

Financial assets

Financial assets at amortised cost

These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income and foreign exchange are recognised as 'Finance income/(cost)' and impairment is recognised as 'Impairment loss' in statement of profit or loss. Any gain or loss on derecognition and modification is also recognised in statement of profit or loss.

Financial liabilities

Financial liabilities at amortised cost

These liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense is recognised as 'Finance cost' in statement of profit or loss. Any gain or loss on derecognition and modification is also recognised in statement of profit or loss.

Khopoli Investments Limited

Financial Statements for the year ended 31 March 2025

ACCOUNTING POLICIES

3. MATERIAL ACCOUNTING POLICIES (CONTINUED)

(c) *Financial instruments (Continued)*

(v) *Amortised cost measurement*

The amortised cost of a financial asset or financial liability is the amount at which the financial asset or financial liability is measured at initial recognition, minus principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between the initial amount recognised and the maturity amount and, for financial assets adjusted for any loss allowance.

The effective interest method is a method of calculating the amortised cost of a financial asset or a financial liability and of allocating the interest income or interest expense over the relevant year. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument or, when appropriate, a shorter period to the net carrying amount of the financial asset or financial liability at initial recognition. When calculating the effective interest rate, the Company estimates the future cash flows considering all contractual terms of the financial instruments but not the future credit losses.

(vi) *Impairment*

The Company recognises loss allowances for expected credit losses ("ECLs") on financial assets measured at amortised cost.

The Company measures loss allowances at an amount equal to lifetime ECLs, except for the following, which are measured at 12-month ECLs:

- Financial assets that are determined to have low credit risk at the reporting date; and
- Other financial assets and bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

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

The Company assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due.

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

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

Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument.

Impairment of financial assets

The Company assesses at each date of balance sheet whether a financial asset or a Company of financial assets is impaired. IFRS 9 requires expected credit losses to be measured through a loss allowance. The Company recognises lifetime expected losses for all contract assets and / or all trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the 12 month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

Khopoli Investments Limited

Financial Statements for the year ended 31 March 2025

ACCOUNTING POLICIES

3. MATERIAL ACCOUNTING POLICIES (CONTINUED)

(c) *Financial instruments (Continued)*

(vi) *Impairment (Continued)*

Credit-impaired financial assets

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

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

- significant financial difficulty of the debtor or issuer;
- it is probable that the debtor will enter bankruptcy or other financial reorganisation; or
- a breach of contract such as a default or being more than 90 days past due.

Presentation of allowance for ECL in the statement of financial position

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets. Impairment losses including reversals of impairment losses are disclosed separately in the statement of profit or loss.

Write off

The gross carrying amount of a financial asset is written off when the Company has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof.

(vii) *Derecognition and modification*

Financial assets

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

In transactions in which the Company neither retains nor transfers substantially all of the risks and rewards of ownership of a financial asset and it retains control over the asset, the Company continues to recognise the asset to the extent of its continuing involvement, determined by the extent to which it is exposed to changes in the value of the transferred asset.

On derecognition of a financial asset, the difference between the carrying amount of the asset (or the carrying amount allocated to the portion of the asset that is derecognised) and the consideration received (including any new asset obtained less any new liability assumed) is recognised in statement of profit or loss. Any interest in such transferred financial assets that is created or retained by the Company is recognised as a separate asset or liability. Realised gain is calculated based on proceeds realised on disposal of investments less its cost. The cost is based on an average cost.

The Company recalculates the gross carrying amount of financial assets and recognises a modification gain or loss in statement of profit or loss when the contractual cash flows are renegotiated or otherwise modified and the renegotiation or modification does not result in the derecognition of that financial asset.

The gross carrying amount of the financial asset is recalculated as the present value of the renegotiated or modified contractual cash flows that are discounted at the financial asset's original effective interest rate.

Khopoli Investments Limited

Financial Statements for the year ended 31 March 2025

ACCOUNTING POLICIES

3. MATERIAL ACCOUNTING POLICIES (CONTINUED)

(c) Financial instruments (Continued)

(vii) Derecognition and modification (Continued)

Financial liabilities

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

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

(viii) Offsetting

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

There is no offsetting of financial instruments applied as on reporting date in the statement of financial position.

(d) Cash and short-term deposits

Cash and short-term deposits in the statement of financial position comprise cash at banks and short-term deposits, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdraft as they are considered an integral part of the Company's cash management.

(e) Stated capital

Ordinary shares

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares, net of tax effects are recognised as a deduction from equity.

(f) Expenses recognition

Expenses are accounted for in the statement of profit or loss on the accrual basis.

(g) Finance Income

Interest income is accrued on a timely basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

(h) Provisions

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.

Khopoli Investments Limited

Financial Statements for the year ended 31 March 2025

ACCOUNTING POLICIES

3. MATERIAL ACCOUNTING POLICIES (CONTINUED)

(h) Provisions (Continued)

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost

(i) Taxation

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

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

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for:

- temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss.
- temporary differences related to investment in subsidiary to the extent that the Company is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and
- taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Future taxable profits are determined based on the reversal of relevant taxable temporary differences.

If the amount of taxable temporary differences is insufficient to recognise a deferred tax asset in full, then future taxable profits, adjusted for reversals of existing temporary differences, are considered, based on the business plan of the Company. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis, or their tax assets and liabilities will be realised simultaneously.

(j) Related party transactions

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

Khopoli Investments Limited

Financial Statements for the year ended 31 March 2025

ACCOUNTING POLICIES

4. STANDARDS, INTERPRETATIONS AND AMENDMENTS ADOPTED IN CURRENT YEAR

There has been no amendments and interpretations that have become effective for the current year. The Company has adopted the following new interpretation during the year: -

Classification of liabilities as current or non-current (Amendments to IAS 1)

Under existing IAS 1 requirements, companies classify a liability as current when they do not have an unconditional right to defer settlement of the liability for at least twelve months after the end of the reporting period. As part of its amendments, the IASB has removed the requirement for a right to be unconditional and instead, now requires that a right to defer settlement must have substance and exist at the end of the reporting period.

There is limited guidance on how to determine whether a right has substance and the assessment may require management to exercise interpretive judgement. The existing requirement to ignore management's intentions or expectations for settling a liability when determining its classification is unchanged. The directors do not expect significant impact on the Company's financial statements.

5. NEW STANDARDS, INTERPRETATIONS AND AMENDMENTS ISSUED BUT NOT YET EFFECTIVE

A number of new standards, interpretations and amendments to standards are effective for annual periods beginning on or after 1 January 2025 and have not been applied in preparing these financial statements. Those which may be relevant to the Company are set out below. The Company does not plan to adopt these standards early. These will be adopted in the period that they become mandatory unless otherwise indicated:

Classification and Measurement of Financial Instruments - Amendments to IFRS 9 and IFRS 7

In May 2024, the Board issued Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7), which:

- Clarifies that a financial liability is derecognised on the 'settlement date', i.e., when the related obligation is discharged, cancelled, expires or the liability otherwise qualifies for derecognition. It also introduces an accounting policy option to derecognise financial liabilities that are settled through an electronic payment system before settlement date if certain conditions are met.
- Clarified how to assess the contractual cash flow characteristics of financial assets that include environmental, social and governance (ESG)-linked features and other similar contingent features.
- Clarifies the treatment of non-recourse assets and contractually linked instruments.
- Requires additional disclosures in IFRS 7 for financial assets and liabilities with contractual terms that reference a contingent event (including those that are ESG-linked), and equity instruments classified at fair value through other comprehensive income.

The amendments will be effective for annual reporting periods beginning on or after 1 January 2026. Entities can early adopt the amendments that relate to the classification of financial assets plus the related disclosures and apply the other amendments later. The amendments are not expected to have a material impact on the Company's financial statements.

IFRS 18 Presentation and Disclosure in Financial Statements

IFRS 18 was issued in April 2024. IFRS 18 introduces new requirements on presentation within the statement of profit or loss, including specified totals and subtotals. It also requires disclosure of management-defined performance measures and includes new requirements for aggregation and disaggregation of financial information based on the identified 'roles' of the primary financial statements and the notes. In addition, there are consequential amendments to other accounting standards.

IFRS 18 is effective for reporting periods beginning on or after January 1, 2027, but earlier application is permitted and must be disclosed. IFRS 18 will apply retrospectively.

The amendments are not expected to have a material impact on the Company's financial statements.

Khopoli Investments Limited

Financial Statements for the year ended 31 March 2025

ACCOUNTING POLICIES

6. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

The preparation of the financial statements in accordance with IFRSs requires the directors and management to exercise judgements in the process of applying the accounting policies. It also requires the use of accounting estimates and assumptions that may affect the reported amounts and disclosures in the financial statements. Judgements and estimates are continuously evaluated and are based on historical experience and other factors, including expectations and assumptions concerning future events that are believed to be reasonable under the circumstances. The actual results could, by definition therefore, often differ from the related accounting estimates.

Where applicable, the notes to the financial statements set out areas where directors and management have applied a higher degree of judgements that have a significant effect on the amounts recognised in the financial statements, or estimations and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next twelve months are as discussed below.

Determination of functional currency

The determination of the functional currency of the Company is critical since recording of transactions and exchange differences arising thereon are dependent on the functional currency selected. As described in note 2(c), the directors have considered those factors therein and have determined that the functional currency of the Company is the USD.

Impairment of financial assets

The impairment of financial assets is based on assumptions about risk of default and expected loss rates. The Company uses estimates in making these assumptions and selecting the inputs to the impairment calculation, based on the Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

Khopoli Investments Limited

Financial Statements for the year ended 31 March 2025

NOTES TO THE FINANCIAL STATEMENTS

7. TRADE AND OTHER RECEIVABLES	2025	2024
	USD	USD
Management fee receivables*	482,956	2,882,946
Other receivables**	1,949,018	1,949,018
Provision for doubtful debts	(54,196)	(54,196)
	2,377,778	4,777,768

*Management fees receivable from PT Arutmin Indonesia ("Arutmin") is unsecured and carry no interest and will be recalled for payment as and when required. On 17 June 2019, the Board approved the Termination of Management Services Agreement ("MSA") entered with Arutmin since the latter was unable to sustain the payment of management fees to the Company. Arutmin was discharged of all past, present and future obligations under the MSA, except for the outstanding Management Services fees of USD 7,500,000 (net of taxes) payable to the Company. The Company had received part of the money during the year.

Accordingly, the Company has not recognised any expense towards expected credit loss on the receivable balance as at year end.

Other receivables represent amounts of **USD 54,196 (2024: USD 54,196) from Tata Africa and **USD 1,894,822** (2024: USD 1,894,822) from Bhivpuri Investments Limited as at 31 March 2025 (Refer to Note 17).

As at 31 March 2025, the ageing analysis of Trade receivables is as follows:

	>120 Days	Total
	USD	USD
31 March 2025		
Trade receivables	482,956	482,956
31 March 2024		
Trade receivables	2,882,946	2,882,946

8. CASH AND SHORT-TERM DEPOSITS	2025	2024
	USD	USD
Cash at bank	12,172	12,231
Short-term bank deposits	3,239,499	34,789,458
	3,251,671	34,801,689

The interest rate on short-term deposits ranges from 2.00% to 5.00% for the year under review. The term deposits are less than 6 months.

9. OTHER CURRENT FINANCIAL ASSETS	2025	2024
	USD	USD
Financial assets at amortised cost		
Loans	51,310,700	51,310,700
Interest on loan to related parties (i)	37,514,888	33,706,412
Interest receivable on short-term deposits	12,076	29,358
	88,837,664	85,046,470
Bhivpuri Investments Limited ("Bhivpuri")	88,837,664	85,046,470

Khopoli Investments Limited

Financial Statements for the year ended 31 March 2025

NOTES TO THE FINANCIAL STATEMENTS

9. OTHER CURRENT FINANCIAL ASSETS (CONTINUED)

- (i) The Board of the Company had on 25 July 2018 approved the loan of up to USD 250 million to Bhivpuri. Such loan is unsecured and has a maximum tenor of 72 months. The loan is repayable on demand or before July 25, 2024, can be modified by mutual consent between the parties. Accordingly, the loan has been classified as current. The loan carries interest at the rate of SOFR plus 2.5%. The amount of USD 208,260,000 was disbursed during the year ended 31 March 2019, an amount of USD 125,000,000 was repaid by Bhivpuri during the year ended 31 March 2023 and an amount of USD 31,950,000 was repaid by Bhivpuri during the year ended 31 March 2024. During the year ended 31 March 2025, interest amounting to USD 3,808,475 has been accrued during the year.

10. STATED CAPITAL

	<u>2025</u> USD	<u>2024</u> USD
Ordinary share of USD 1 each	<u>47,007,350</u>	<u>47,007,350</u>

47,007,350 fully paid ordinary shares carry one vote per share and carry the right to dividends have been issued. The Company does not have authorised share capital. The rights attached to the shares are as follows:

- the right to one vote on a poll at a meeting of the Company on any resolution;
- the right to an equal share in dividends authorised by the Board; and
- the right to an equal share in the distribution of the surplus assets of the Company.

11. OTHER PAYABLES

	<u>2025</u> USD	<u>2024</u> USD
Accruals	<u>18,817</u>	<u>24,190</u>

12. OTHER OPERATING EXPENSES

	<u>2025</u> USD	<u>2024</u> USD
Audit fees	10,700	14,292
Other expenses	6,663	5,254
Legal and professional expenses	73,353	86,268
	<u>90,716</u>	<u>105,814</u>

13. FINANCE INCOME

	<u>2025</u> USD	<u>2024</u> USD
Bank interest income	337,341	66,797
Interest income on loan to Bhivpuri Investments Limited	3,808,475	6,391,887
	<u>4,145,816</u>	<u>6,458,684</u>

14. FINANCE COST

	<u>2025</u> USD	<u>2024</u> USD
Foreign exchange loss	225	301
	<u>225</u>	<u>301</u>

Khopoli Investments Limited

Financial Statements for the year ended 31 March 2025

NOTES TO THE FINANCIAL STATEMENTS

15. TAXATION

The Company holds a Global Business License for the purpose of the Financial Services Act 2007 of Mauritius.

Under the new tax regime and subject to meeting the necessary substance requirements as required under the Financial Services Act 2007 (as amended by the Finance Act 2018) and such guidelines issued by the Financial Services Commission, the Company would be entitled to either (a) a foreign tax credit equivalent to the actual foreign tax suffered on its foreign income against the Company's tax liability computed at 15% on such income, or (b) a partial exemption of 80% of some of the income derived, including but not limited to foreign source dividends or interest income.

The Company is exempted from income tax in Mauritius on profits or gains arising from sale of securities. In addition, there is no withholding tax payable in Mauritius in respect of payments of dividends to shareholders or in respect of redemptions or exchanges of shares.

Reconciliation of effective tax rate

A reconciliation of the actual income tax expenses based on accounting loss and the actual income tax expenses is as follows:

	<u>2025</u>	<u>2024</u>
	USD	USD
Profit before taxation	4,054,875	6,352,569
Income tax at 15%	608,231	952,885
Tax effect of:		
Other allowable expenses	-	-
Items outside scope of taxation	33	45
Non allowable expenses	-	-
Exempt income	(457,017)	(767,026)
Deferred tax asset	-	-
Unauthorised deduction	10,000	12,565
Tax charge	<u>161,248</u>	<u>198,469</u>

Movement in the tax expense during the year in as under:

	<u>2025</u>	<u>2024</u>
	USD	USD
Tax charge for the year	(161,248)	(198,469)
Adjustment for tax receivable	(148,304)	(83,638)
Under provision of tax for last year	-	(39,715)
CCR Levy	(26,505)	-
Tax expense for the year	<u>(336,057)</u>	<u>(321,822)</u>

Movement in the tax balances during the year in as under:

	<u>2025</u>	<u>2024</u>
	USD	USD
At start	52,666	(83,638)
Refund received during the year	-	83,638
Under provision of tax for last year	-	-
Paid during the year	(35,581)	(145,803)
Tax charge/(refund)	161,248	198,469
At end	<u>178,333</u>	<u>52,666</u>

As at 31 March 2025, the Company has a tax liability of **USD 178,333** (2024: USD 52,666).

Khopoli Investments Limited

Financial Statements for the year ended 31 March 2025

NOTES TO THE FINANCIAL STATEMENTS

16. FINANCIAL INSTRUMENTS – FAIR VALUES AND RISK MANAGEMENT

A. FINANCIAL RISK FACTORS

Introduction and overview

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

- Market risk;
- Credit risk; and
- Liquidity risk.

This note presents information about the Company's exposure to each of the above risks, the Company's objectives, policies and processes for measuring and managing risks, and the Company's management of capital. Further quantitative disclosures are included throughout these financial statements. The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework and is ultimately responsible for the approval of the risk policies and procedures, infrastructure and management of all risks related to the Company.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate measures and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and in the Company's activities.

(a) Market risk

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

(i) Currency risk

The Company may enter into transactions denominated in currencies other than its functional currency. Consequently, the Company will be exposed to risks that the exchange rate of its currency relative to other foreign currencies may change in a manner that has an adverse effect on the value of that portion of the Company's assets or liabilities denominated in currencies other than the USD. The Company does not have recourse to hedging for managing its currency risk.

At the reporting date, since the carrying amount of the Company's financial assets and financial liabilities are denominated in USD, there is no currency risk.

(ii) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's financial assets and liabilities are interest-bearing. As such, the Company is subject to significant risk due to fluctuations in the prevailing levels of the market interest rates. Interest on loan to/from related parties may fluctuate in amount, in particular due to changes in the SOFR rate.

The sensitivity analysis below has been determined based on the exposure to interest rates for both derivatives and non-derivative instruments at the end of the reporting year. The impact of a 5% fluctuation in the interest rates on various loans taken by the Company would be as follows:

	31 March 2025		31 March 2024	
	5% increase USD	5% decrease USD	5% increase USD	5% decrease USD
Interest income on loan	190,424	(190,424)	319,594	(319,594)
Effect on profit before tax	190,424	(190,424)	319,594	(319,594)

Khopoli Investments Limited

Financial Statements for the year ended 31 March 2025

NOTES TO THE FINANCIAL STATEMENTS

16. FINANCIAL INSTRUMENTS – FAIR VALUES AND RISK MANAGEMENT (CONTINUED)

A. FINANCIAL RISK FACTORS (CONTINUED)

(b) Credit risk

Credit risk represents the potential loss that the Company would incur if counter parties failed to perform pursuant to the terms of their obligations to the Company.

The Company measures credit risk and ECL using probability of default, exposure at default and loss given default. Management considers both historical analysis and forward-looking information in determining any ECL. Management considers the probability of default to be close to zero as the counterparties have a strong capacity to meet their contractual obligations in the near term. As a result, no loss allowance has been recognised based on 12-month ECL as any such impairment would be insignificant to the Company.

Exposure to credit risk

The Company's exposure to credit risk is limited to the carrying amount of financial assets recognised at the reporting date, as summarised below:

	<u>2025</u>	<u>2024</u>
	USD	USD
Trade and other receivables	2,377,778	4,777,768
Cash and short-term deposits	3,251,671	34,801,689
Other current financial assets	88,837,664	85,046,470
	<u>94,467,113</u>	<u>124,625,927</u>

Prepayments of **USD 3,126** (2024: USD 5,200) have been excluded from the Company's financial assets.

Other receivables and Other current financial assets

These includes amount receivable from related party, and these are very short term in nature. Since the amount of ECL allowance on other receivable is not material, therefore not recognised.

Cash and short-term deposits

Cash at bank is held at HSBC Bank (Mauritius) Limited, Bank of Baroda, State Bank of India and PT CGS-CIMB Sekuritas Indonesia, which is a highly reputable financial institution. It relates to short-term highly liquid investments that are readily convertible to known amounts of cash, are subject to an insignificant risk of changes in value and are held for the purpose of meeting short-term cash commitments rather than for investment or other purposes. The carrying value of cash at bank thus approximates fair value. The Company limits its exposure to credit risk by dealing or investing only with counter parties that has a good credit rating. Due to the low credit risk associated with cash and cash equivalents, the ECL was determined as being immaterial.

(c) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The board of directors' objective when managing liquidity is to ensure that the Company will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

Khopoli Investments Limited

Financial Statements for the year ended 31 March 2025

NOTES TO THE FINANCIAL STATEMENTS

16. FINANCIAL INSTRUMENTS – FAIR VALUES AND RISK MANAGEMENT (CONTINUED)

A. FINANCIAL RISK FACTORS (CONTINUED)

(c) Liquidity risk (Continued)

Exposure to liquidity risk

The table below summarises the maturity profile of the Company's financial liabilities at the reporting date based on contractual undiscounted payments:

Contractual cash flows	On demand USD	Less than 12 months USD	Total USD
31 March 2025			
Other payables	-	18,817	18,817
31 March 2024			
Other payables	-	24,190	24,190

B. ACCOUNTING CLASSIFICATIONS AND FAIR VALUES

The following table sets out the classifications of the carrying amounts of the Company's financial assets and financial liabilities into categories of financial instruments.

	Financial assets at amortised cost USD	Financial liabilities at amortised cost USD	Total USD
31 March 2025			
Trade and other receivables	2,377,778	-	2,377,778
Cash and short-term deposits	3,251,671	-	3,251,671
Other current financial assets	88,837,664	-	88,837,664
Total assets	94,467,113	-	94,467,113
Other payables	-	18,817	18,817
Total liabilities	-	18,817	18,817
31 March 2024			
Trade and other receivables	4,777,768	-	4,777,768
Cash and short-term deposits	34,801,689	-	34,801,689
Other current financial assets	85,046,470	-	85,046,470
Total assets	124,625,927	-	124,625,927
Other payables	-	24,190	24,190
Total liabilities	-	24,190	24,190

Prepayments of **USD 3,126** (2024: USD 5,200) have been excluded from the Company's financial assets.

Financial instruments not measured at fair value

The Company's financial assets and financial liabilities classified as financial assets and financial liabilities at amortised cost are short term in nature. No fair value hierarchy has been disclosed since the carrying amounts of these assets and liabilities approximate their fair values, due to the short term nature of these financial instruments.

Khopoli Investments Limited

Financial Statements for the year ended 31 March 2025

NOTES TO THE FINANCIAL STATEMENTS

17. CAPITAL RISK MANAGEMENT

The Company's primary objectives when managing capital are to safeguard the Company's ability to continue as a going concern. The Company's sources of additional capital and policies for distribution of excess capital may also be affected by the Company's capital management objectives.

The Company defines "capital" as including all components of equity. Trading balances that arise as a result of trading transactions with other related companies are not regarded by the Company as capital.

The Company's capital structure is regularly reviewed and managed with due regard to the capital management practices of the Company. Adjustments are made to the capital structure in light of changes in economic conditions affecting the Company. The results of the directors' review of the Company's capital structure are used as a basis for the determination of the level of dividends, if any, that are declared.

The Company was not subject to externally imposed capital requirements in the year under review.

The amount of total shareholder's equity as at 31 March 2025 was **USD 94,273,089** (2024: USD 124,554,271).

18. RELATED PARTY DISCLOSURES

During the years ended 31 March 2025 and 31 March 2024, the Company transacted with related parties. The details of the nature, volume of transactions and balances with the related parties are as follows:

Name of related parties	Relationship	Nature of transactions	Volume of transactions 2025 USD	Volume of transactions 2024 USD	Balance at 31 March 2025 USD	Balance at 31 March 2024 USD
Bhira Investments Limited	Fellow Subsidiary	Other payable	51,051	48,620	-	-
Bhivpuri Investments Limited	Fellow Subsidiary	Loan and interest receivable	3,808,476	25,558,113	88,825,588	85,017,112
Bhivpuri Investments Limited	Fellow Subsidiary	Trade and other receivables	-	5,784	1,894,822	1,894,822
Apex Financial Services Mauritius Ltd	Company Secretary	Administration and secretarial expenses	30,656	34,428	(9,375)	(3,750)

The terms and conditions of the related party balances are described in the relevant notes.

An administration agreement has been entered between the Company and Apex Financial Services (Mauritius) Ltd to provide secretarial services to the Company.

19. IMMEDIATE HOLDING AND ULTIMATE HOLDING COMPANY

The Company regards The Tata Power Company Limited as the immediate holding and ultimate holding company. The Tata Power Company Limited is incorporated in India and listed on BSE Limited and National Stock Exchange of India Limited.

20. CONTINGENCIES

As at 31 March 2025, the Company did not have any contingencies.

Khopoli Investments Limited

Financial Statements for the year ended 31 March 2025

NOTES TO THE FINANCIAL STATEMENTS

21. COMMITMENTS

As at 31 March 2025, the Company did not have any commitments.

22. EVENTS AFTER REPORTING DATE

There have been no other material events after the reporting date which requires disclosures or adjustments to the financial statements for the year ended 31 March 2025.

Khopoli Investments Limited
Financial Statements for the year ended 31 March 2025
STATEMENT OF FINANCIAL POSITION

	As at March, 2025	Exchange Rate	Amount	As at March, 2024	Exchange Rate	Amount
	USD		₹	USD		₹
ASSETS						
Current assets						
Trade and other receivables	23,77,778	85.46	20,32,10,852	47,77,768	83.40	39,84,83,529
Cash and short-term deposits	32,51,671	85.46	27,78,95,933	3,48,01,689	83.40	2,90,25,89,629
Other current financial assets	8,88,37,664	85.46	7,59,22,88,860	8,50,46,470	83.40	7,09,31,90,270
Prepayments	3,126	85.46	2,67,156	5,200	83.40	4,33,699
	9,44,70,239	85.46	8,07,36,62,801	12,46,31,127		10,39,46,97,127
Total assets	9,44,70,239	85.46	8,07,36,62,801	12,46,31,127	83.40	10,39,46,97,127
EQUITY AND LIABILITIES						
Equity						
Stated capital	4,70,07,350	54.29	2,55,19,32,526	4,70,07,350	54.29	2,55,19,32,526
Retained earnings	4,72,65,739	67.42	3,18,66,89,035	7,75,46,921	74.12	5,74,75,50,428
Exchange fluctuation reserve			2,31,81,92,308			2,08,88,04,098
Total Equity	9,42,73,089		8,05,68,13,869	12,45,54,271		10,38,82,87,052
Current liabilities						
Other payables	18,817	85.46	16,08,148	24,190	83.40	20,17,536
Tax Liability	1,78,333	85.46	1,52,40,784	52,666	83.40	43,92,539
	1,97,150		1,68,48,932	76,856		64,10,075
Total equity and liabilities	9,44,70,239	85.46	8,07,36,62,801	12,46,31,127	83.40	10,39,46,97,127

Khopoli Investments Limited

Financial Statements for the year ended 31 March 2025

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Year ended March, 2025	Exchange Rate	Amount ₹	Year ended March, 2024	Exchange Rate	Amount ₹
	USD			USD		
INCOME						
Finance income	41,45,816	84.57	35,06,09,172	64,58,684	82.79	53,47,35,116
	<u>41,45,816</u>	84.57	<u>35,06,09,172</u>	<u>64,58,684</u>	82.79	<u>53,47,35,116</u>
EXPENSES						
Finance cost	225	84.57	19,028	301	82.79	24,921
Other operating expenses	90716	84.57	76,71,798	1,05,814	82.79	87,60,680
PROFIT/(LOSS) BEFORE TAX	<u>40,54,875</u>		<u>34,29,18,346</u>	<u>63,52,569</u>	82.79	<u>52,59,49,515</u>
Tax expense/(Credit)	3,36,057	84.57	2,84,20,139	3,21,826	82.79	2,66,45,004
PROFIT/(LOSS) FOR THE YEAR	<u>37,18,818</u>	84.57	<u>31,44,98,207</u>	<u>60,30,743</u>	82.79	<u>49,93,04,511</u>
OTHER COMPREHENSIVE INCOME						
Exchange Differences in translating the financial statements of foreign operations	-		2,31,81,92,308	-		15,52,96,281
PROFIT / (LOSS) AND OTHER COMPREHENSIVE INCOME / (LOSS) FOR THE YEAR	<u>37,18,818</u>		<u>2,63,26,90,515</u>	<u>60,30,743</u>		<u>65,46,00,792</u>

Khopoli Investments Limited
Financial Statements for the year ended 31 March 2025
STATEMENT OF CHANGES IN EQUITY

	Equity share capital	Exchange Rate	Amount	Retained Earnings	Exchange Rate	Amount	Foreign Currency Translation Reserves	Amount	Total	Amount
	USD		₹	USD		₹	USD	₹	USD	₹
At 1 April 2023	4,70,07,350	54.29	2,55,19,32,526	7,15,16,178	73.39	5,24,82,45,917	-	1,93,35,07,817	11,85,23,528	9,73,36,86,260
Profit/(Loss) for the year and total comprehensive Income	-			60,30,743	82.79	49,93,04,511	-	15,52,96,281	60,30,743	65,46,00,792
At 31 March 2024	4,70,07,350	54.29	2,55,19,32,526	7,75,46,921	74.12	5,74,75,50,428	-	2,08,88,04,098	12,45,54,271	10,38,82,87,052
Profit/(Loss) for the year and total comprehensive Income	-			37,18,818	84.57	31,44,98,207	-	2,31,81,92,308	37,18,818	2,63,26,90,515
Dividends	-			(3,40,00,000)	84.57	(2,87,53,59,600)			(3,40,00,000)	(2,87,53,59,600)
At 31 March 2025	4,70,07,350	54.29	2,55,19,32,526	4,72,65,739	67.42	3,18,66,89,035	-	4,40,69,96,406	9,42,73,089	10,14,56,17,967

Khopoli Investments Limited
Financial Statements for the year ended 31 March 2025
STATEMENT OF CHANGES IN EQUITY

	Year ended March, 2025	Exchange Rate	Amount	Year ended March, 2024	Exchange Rate	Amount
Cash flows from operating activities						
Profit / (Loss) before tax	40,54,875	84.57	34,29,18,346	63,52,569	82.79	52,59,49,516
<i>Adjustments for:</i>						
Bank Interest income	(3,37,341)	84.57	(2,85,28,726)	(66,797)	82.79	(55,30,337)
Interest income on loan	(38,08,475)	84.57	(32,20,80,446)	(63,91,887)	82.79	(52,92,04,779)
Foreign exchange gain	225	84.57	19,028	301	82.79	24,921
	<u>(90,716)</u>	84.57	<u>(76,71,798)</u>	<u>(1,05,814)</u>	82.79	<u>(87,60,679)</u>
<i>Movement in working capital:</i>						
Trade and other receivables	24,02,064	84.57	20,31,41,111	19,33,475	82.79	16,00,78,582
Other payables	<u>(5,373)</u>	84.57	<u>(4,54,391)</u>	<u>52,387</u>	82.79	<u>43,37,287</u>
Cash generated from operating activities	<u>23,05,975</u>	84.57	<u>19,50,14,922</u>	<u>18,80,048</u>	82.79	<u>15,56,55,190</u>
Tax paid	<u>(2,10,390)</u>	84.57	<u>(1,77,92,556)</u>	<u>(2,38,188)</u>	82.79	<u>(1,97,20,347)</u>
Net cash from/(used in) operating activities	<u>20,95,585</u>	84.57	<u>17,72,22,366</u>	<u>16,41,860</u>	82.79	<u>13,59,34,843</u>
Cash flows from investing activities						
Interest income received	3,54,624	84.57	2,99,90,339	38,401	82.79	31,79,342
Repayment of loans from related party	-	84.57	-	3,19,50,000	82.79	2,64,52,42,740
Net cash generated from / (used in) investing activities	<u>3,54,624</u>	84.57	<u>2,99,90,339</u>	<u>3,19,88,401</u>	82.79	<u>2,64,84,22,082</u>
Cash flows from financing activities						
Dividend paid	<u>(3,40,00,000)</u>	84.57	<u>(2,87,53,59,600)</u>	-	82.79	
Net cash used in financing activities	<u>(3,40,00,000)</u>	84.57	<u>(2,87,53,59,600)</u>	<u>-</u>	82.79	
Net movement in cash and cash equivalents	<u>(3,15,49,791)</u>	84.57	<u>(2,66,81,46,895)</u>	<u>3,36,30,261</u>	82.79	<u>2,78,43,56,925</u>
Cash and cash equivalents at beginning of year	3,48,01,689	84.57	2,90,25,89,629	11,71,728	82.18	9,62,95,536
Effect of exchange fluctuation on cash and cash equivalents	<u>(227)</u>		<u>4,34,53,199</u>	<u>(300)</u>		<u>2,19,37,168</u>
Cash and cash equivalents at end of year	<u>32,51,671</u>	<u>85.46</u>	<u>27,78,95,933</u>	<u>3,48,01,689</u>	<u>83.40</u>	<u>2,90,25,89,629</u>