BLOOM FOUNTAIN LIMITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31 MARCH 2020

BLOOM FOUNTAIN LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

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BLOOM FOUNTAIN LIMITED

CORPORATE INFORMATION

		Date of appointment	Date of resignation
DIRECTORS:	ISLA Limited	31 Dec 2014	-

ADMINISTRATOR & SECRETARY:	IQ EQ Corporate Services Mauritius Ltd (formerly known as SGG Corporate Services (Mauritius) Ltd) 33, Edith Cavell Street Port Louis, 11324 Mauritius
REGISTERED OFFICE:	C/o IQ EQ Corporate Services Mauritius Ltd 33, Edith Cavell Street Port Louis, 11324 Mauritius
AUDITOR:	Ernst & Young 9th Floor, NeXTeracom Tower I Cybercity Ebène Mauritius
BANKER:	Standard Chartered Bank (Mauritius) Limited Units 6A & 6B 6th Floor, Standard Chartered Tower Lot 19, Cybercity Ebène Mauritius

BLOOM FOUNTAIN LIMITED
COMMENTARY OF THE DIRECTORS

The directors present their commentary, together with the audited financial statements of Bloom Fountain Limited (the “Company") for the year ended 31 March 2020.

PRINCIPAL ACTIVITY

The principal activities of the Company are investment holding and to provide consultancy services.

RESULTS AND DIVIDEND

The Company’s loss for the year ended 31 March 2020 is USD 29,434,037 (2019: USD 27,281,880).

The directors do not recommend any payment of dividend for the year ended 31 March 2020. (2019: Nil).

The directors have assessed the impact of Covid-19 global pandemic on the Company and its subsidiaries. The Company and its subsidiary do not have any onerous contracts as a result of the pandemic and have received a letter of support from Vedanta Limited, the immediate holding company, who will provide financial support to the Company to enable the latter to meet its obligations as and when they fall due and to carry on its current business for the next 18 months.

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE FINANCIAL STATEMENTS

The directors are required to prepare financial statements for each financial year which present fairly the financial position, financial performance, changes in equity 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 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 confirm that they have complied with the above requirements in preparing the financial statements.

The Directors are responsible for keeping proper accounting records, which disclose with reasonable accuracy at any time the financial position of the Company. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

AUDITOR

The Auditor, Ernst & Young, has indicated its willingness to continue in office and will be automatically re-appointed at the next Annual Meeting.

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF

BLOOM FOUNTAIN LIMITED

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Bloom Fountain Limited (the "Company"), which comprise the statement of financial position as at 31 March 2020, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including significant accounting policies.

In our opinion, the financial statements of the Company are prepared in all material respects, in accordance with the International Financial Reporting Standards.

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' Code of Ethics for Professional Accountants (IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statements of the Company and in Mauritius, and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to note 18 to the financial statements, which indicates that the Company incurred a net loss for the year ended 31 March 2020 of USD 29,434,037, and as at that date, the Company's total liabilities exceeded its total assets by USD 1,252,668,387. These conditions along with other matters set forth in note 18 indicate the existence of a material uncertainty which may cast significant doubt on the entity's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Other Information

The directors are responsible for the other information. The other information comprises the Commentary of the Directors, 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 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 on the other information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF

BLOOM FOUNTAIN LIMITED (CONTINUED)

Report on the Audit of the Financial Statements (Continued)

Responsibilities of the Directors for the Financial Statements

The directors are responsible for the preparation of the financial statements in accordance with International Financial Reporting Standards, as described in note 2 to the financial statements 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 intends to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

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 the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal 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 director's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our 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 MEMBERS OF

BLOOM FOUNTAIN LIMITED (CONTINUED)

Report on the Audit of the Financial Statements (Continued)

Basis of Preparation and Restriction on Distribution and Use

Without modifying our opinion, we draw attention to Note 2 to the financial statements, which describes the purpose of the financial statements and set out the basis of preparation. As a result, the financial statements may not be suitable for another purpose. Our report is intended solely for the members of Bloom Fountain Limited and should not be distributed to or used by parties other than members of Bloom Fountain Limited.

Other matters

This report, including the opinion, has been prepared for and only for the members of Bloom Fountain Limited, and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

ERNST & YOUNG
Ebène, Mauritius

ANDRE LAI WAN LOONG, F.C.A
Licensed by FRC

Date: 22 SEP 2020

BLOOM FOUNTAIN LIMITED
STATEMENT OF FINANCIAL POSITION
AT 31 MARCH 2020

	Notes	2020	2019
		USD	USD
ASSETS			
Non-current assets			
Investment in subsidiary	5	-	-
Loan to related party	6	-	1,330,000
Total non-current assets		-	1,330,000
Current assets			
Other receivables	7	-	478,864
Cash and cash equivalents		**20,665**	44,263
Total current assets		**20,665**	523,127
Total assets		**20,665**	1,853,127
EQUITY AND LIABILITIES			
Capital and reserves			
Issued capital	8	**2,201,000,001**	2,201,000,001
Accumulated losses		**(283,871,164)**	(254,437,127)
Other equity reserve		**(3,169,797,224)**	(3,169,797,224)
Shareholder's deficit		**(1,252,668,387)**	(1,223,234,350)
Non-current liabilities			
Borrowings	9	**3,536,419**	915,000
Total non-current liabilities		**3,536,419**	915,000
Current liabilities			
Borrowings	9	**901,280,000**	903,536,419
Convertible Preference Shares	10	**222,040,000**	222,040,000
Other payables	11	**125,832,633**	98,596,058
Total current liabilities		**1,249,152,633**	1,224,172,477
Total liabilities		**1,252,689,052**	1,225,087,477
Total equity and liabilities		**20,665**	1,853,127

Approved by the Board of Directors and authorised for issue on ......22 SEP 2020
and signed on its behalf by:

Director

The notes on pages 11 to 29 form an integral part of these financial statements.
Independent auditor's report on pages 4 to 6.

BLOOM FOUNTAIN LIMITED
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2020

	Note	2020	2019
		USD	USD
INCOME			
Liabilities written back		**14,001**	-
EXPENSES			
Audit fees		**(20,000)**	(20,000)
Professional fees		**(2,582)**	(40,577)
License fees		**(65)**	(65)
		(22,647)	(60,642)
Impairment of loan to related party	6	**(1,695,000)**	-
Impairment of other receivables	7	**(478,864)**	
Net finance cost	12	**(27,251,527)**	(27,221,238)
Loss before taxation		**(29,434,037)**	(27,281,880)
Income tax expense	13	**-**	-
Loss for the year		**(29,434,037)**	(27,281,880)
Other comprehensive income		**-**	-
Total comprehensive loss for the year		**(29,434,037)**	(27,281,880)

The notes on pages 11 to 29 form an integral part of these financial statements.
Independent auditor’s report on pages 4 to 6.

BLOOM FOUNTAIN LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2020

	Issued Capital	Accumulated losses	Other equity Reserve	Total
	USD	USD	USD	USD
At 1 April 2018	**2,201,000,001**	**(227,155,247)**	**(3,169,797,224)**	**(1,195,952,470)**
Loss for the year and total comprehensive loss	-	(27,281,880)	-	(27,281,880)
At 31 March 2019	**2,201,000,001**	**(254,437,127)**	**(3,169,797,224)**	**(1,223,234,350)**
At 1 April 2019	**2,201,000,001**	**(254,437,127)**	**(3,169,797,224)**	**(1,223,234,350)**
Loss for the year and total comprehensive loss	**-**	**(29,434,037)**	**-**	**(29,434,037)**
At 31 March 2020	**2,201,000,001**	**(283,871,164)**	**(3,169,797,224)**	**(1,252,668,387)**

The notes on pages 11 to 29 form an integral part of these financial statements.
Independent auditor’s report on pages 4 to 6.

BLOOM FOUNTAIN LIMITED
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2020

	Notes	2020	2019
		USD	USD
Net cash used in operating activities	14	**(23,598)**	(11,571)
Investing activities			
Loan to subsidiary	6	**(365,000)**	(485,000)
Net cash used in investing activities		**(365,000)**	(485,000)
Financing activities			
Proceeds from borrowings	9	**365,000**	465,000
Net cash from financing activities		**365,000**	465,000
Net (decrease)/ increase in cash and cash equivalents		**(23,598)**	(31,571)
Cash and cash equivalents at the beginning of year		**44,263**	75,834
Cash and cash equivalents at end of year		**20,665**	44,263

The notes on pages 11 to 29 form an integral part of these financial statements.
Independent auditor's report on pages 4 to 6.

BLOOM FOUNTAIN LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

1. CORPORATE INFORMATION

Bloom Fountain Limited (the "Company") was incorporated in Mauritius as a private company under the Companies Act 2001 on 23 June 2011 and was licenced as a Category 2 Global Business Company on 24 June 2011. Following amendments brought by the Finance Act 2018, the Category 2 Global Business License issued to Category 2 Global Business Companies (“GBC 2”) has been abolished and a new type of Company, the Authorised Company, has been introduced effective from 1 January 2019. Existing GBC 2 Companies which were licensed on or before 16 October 2017 will be grandfathered until 30 June 2021. Subsequently their licenses will lapse and they will need to comply with the requirements of the Authorised Company. The Company's registered office address at c/o IQ EQ Corporate Services (Mauritius) Ltd (erstwhile SGG Corporate Services (Mauritius) Ltd), 33, Edith Cavell Street, Port Louis, Mauritius.

The Company's principal activity is investment holding and to provide consultancy services.

2. BASIS OF PREPARATION AND STATEMENT OF COMPLIANCE

The Company is the holder of a Category 2 Global Business License and in accordance with section 30(2) of the Financial Services Act 2007, is not required to have a statutory audit. These separate financial statements have been prepared for management purposes only.

These financial statements are prepared for the purpose of providing financial information to the members. The financial statements of the Company have been prepared under the historical cost convention and are presented in United States Dollars (“USD”).

The company accounts for its investment in subsidiary under IAS 27.

3(a). SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A summary of the significant accounting policies, which have been applied consistently, is set out below:

(a) Investment in subsidiaries

A subsidiary is an entity (including special purpose entities) over which the Company has control. The Company controls an entity when the Company is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Investments in subsidiaries represent equity holdings in subsidiaries except preference shares, valued at cost less any provision for impairment. Investments are reviewed for impairment if events or changes in circumstances indicate that the carrying amount may not be recoverable.

The Company has taken advantage of paragraph 4(a) of International Financial Reporting Standard "IFRS 10 - Consolidated Financial Statements”, which dispenses it from the need to present consolidated financial statements. The Company is owned by Vedanta Resources Limited which prepares company accounts that comply with International Financial Reporting Standards and these are available for public use from the company secretary, Vedanta Resources Limited, 8th Floor, 20 Farrington Street, London, EC4A 4AB and at www.vedantaresources.com.

(b) Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

(i) Financial Assets – Recognition & subsequent measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are

3(a). SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(i) Financial Assets – Recognition & subsequent measurement (cont'd)

recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

For purposes of subsequent measurement, financial assets are classified in the following categories:

Debt instruments at amortised cost

A 'debt instrument' is measured at amortised cost if both the following conditions are met:

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in interest income in statement of profit or loss and other comprehensive income. The losses arising from impairment are recognised in statement of profit or loss and other comprehensive income.

(ii) Financial Asset – Derecognition

The Company derecognises a financial asset when the contractual rights to cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred.

(iii) Impairment of financial assets

In accordance with IFRS 9, the Company applies expected credit loss ("ECL") model for measurement and recognition of impairment loss on the following financial assets:

a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities and deposits
b) Other receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of IFRS 15

The Company follows 'simplified approach' for recognition of impairment loss allowance on other receivables. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

At each reporting date, for recognition of impairment loss on other financial assets and risk exposure, the Company determines whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the Company reverts to recognising impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

3(a). SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(iii) Impairment of financial assets (cont'd)

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive, discounted at the original EIR.

ECL impairment loss allowance (or reversal) during the year is recognised as income/expense in profit or loss. The statement of financial position presentation for various financial instruments is described below:

Financial assets measured at amortised cost: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The Company does not reduce impairment allowance from the gross carrying amount.

For assessing increase in credit risk and impairment loss, the Company combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

The Company does not have any purchased or originated credit-impaired (POCI) financial assets, i.e., financial assets which are credit impaired on purchase/origination.

(iv) Financial liabilities – Recognition & Subsequent measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, or as loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value, and in the case of financial liabilities at amortised cost, net of directly attributable transaction costs.

The Company's financial liabilities include other payables, loans and borrowings and Optionally convertible redeemable preference shares ("OCRPS")

Financial liabilities and equity instruments issued by the Company

Classification as debt or equity

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangement.

Equity instruments

Ordinary shares are classified as equity

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

Compound instruments

The component parts of compound instruments issued by the Company are classified separately as financial liabilities and equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument. Conversion option that will be settled by the exchange of a fixed amount of cash or another financial asset for a fixed number of the Company's own equity instruments is an equity instrument.

3(a). SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(iv) Financial liabilities – Recognition & Subsequent measurement (cont'd)

Financial liabilities and equity instruments issued by the Company (cont'd)

Compound instruments (cont'd)

At the date of issue, the fair value of the liability component is estimated using the prevailing market interest rate for similar non-convertible instruments. This amount is recorded as a liability on an amortised cost basis using the effective interest method until extinguished upon conversion or at the instrument's maturity date.

The conversion option classified as equity is determined by deducting the amount of the liability component from the fair value of the compound instrument as a whole. This is recognised and included in equity, net of income tax effects, and is not subsequently remeasured. In addition, the conversion option classified as equity will remain in equity until the conversion option is exercised, in which case, the balance recognised in equity will be transferred to stated capital. When the conversion option remains unexercised at the maturity date of the convertible note, the balance recognised in equity will be transferred to retained profits. No gain or loss is recognised in profit or loss upon conversion or expiration of the conversion option.

Transaction costs that relate to the issue of the compound instruments are allocated to the liability and equity components in proportion to the allocation of the gross proceeds. Transaction costs relating to the equity component are recognised directly in equity. Transaction costs relating to the liability component are included in the carrying amount of the liability component and are amortised over the lives of the convertible notes using the effective interest method.

Financial liabilities at amortised cost

After initial recognition, interest-bearing loans and borrowings and other payables are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in statement of profit or loss and other comprehensive income when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is includ.ed as finance costs in the statement of profit or loss and other comprehensive income.

(v) Financial liabilities – Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss and other comprehensive income.

(vi) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

3(a). SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(c) Impairment of non-financial assets

Impairment charges and reversals are assessed at the level of cash-generating units. A cash-generating unit (CGU) is the smallest identifiable group of assets that generate cash inflows that are largely independent of the cash inflows from other assets or group of assets.

The Company assesses at each reporting date, whether there is an indication that an asset may be impaired. The Company conducts an internal review of asset values annually, which is used as a source of information to assess for any indications of impairment or reversal of previously recognised impairment losses. Internal and external factors, such as worse economic performance than expected, changes in expected future prices, costs and other market factors are also monitored to assess for indications of impairment or reversal of previously recognised impairment losses.

If any such indication exists or in case of goodwill where annual testing of impairment is required then an impairment review is undertaken, the recoverable amount is calculated, as the higher of fair value less costs of disposal and the asset's value in use.

Fair value less costs of disposal is the price that would be received to sell the asset in an orderly transaction between market participants and does not reflect the effects of factors that may be specific to the entity and not applicable to entities in general. Fair value for mineral and oil and gas assets is generally determined as the present value of the estimated future cash flows expected to arise from the continued use of the asset, including any expansion prospects, and its eventual disposal, using assumptions that an independent market participant may take into account. These cash flows are discounted at an appropriate post-tax discount rate to arrive at the net present value.

Value in use is determined as the present value of the estimated future cash flows expected to arise from the continued use of the asset in its present form and its eventual disposal. The cash flows are discounted using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which estimates of future cash flows have not been adjusted. Value in use is determined by applying assumptions specific to the Company's continued use and cannot take into account future development. These assumptions are different to those used in calculating fair value and consequently the value in use calculation is likely to give a different result to a fair value calculation.

The carrying amount of the CGU is determined on a basis consistent with the way the recoverable amount of the CGU is determined. The carrying value is net of deferred tax liability recognised in the fair value of assets acquired in the business combination.

If the recoverable amount of an asset or CGU is estimated to be less than it's carrying amount, the carrying amount of the asset or CGU is reduced to its recoverable amount. An impairment loss is recognised in the statement of profit or loss.

Any reversal of the previously recognised impairment loss is limited to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined if no impairment loss had previously been recognised except if initially attributed to goodwill.

(d) Accounting for foreign currency transactions and translations

The Directors consider USD to be the currency that most faithfully represent the economic effect of the underlying transactions, events and conditions. The USD is the currency in which the company measures its performance and reports its results, as well as the currency in which it receives capital contribution from its investors. This determination also considers the competitive environment in which the company operates. The Company's financial instruments are prepared in USD.

Transactions in foreign currencies are initially recorded in the entity's functional currency by applying the spot exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in other currencies are translated into functional currencies at exchange rates prevailing on the reporting date.

BLOOM FOUNTAIN LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED 31 MARCH 2020

3(a). SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(d) Accounting for foreign currency transactions and translations (cont'd)

Non-monetary assets and liabilities denominated in other currencies and measured at historical cost or fair value are translated at the exchange rates prevailing on the dates on which such values were determined.

All differences are taken to the statement of profit or loss except those where the monetary item is designated as an effective hedging instrument of the currency risk of designated forecasted sales or purchases, which are recognised in the other comprehensive income.

(e) Current v/s Non -current classification

The Company presents assets and liabilities in the statement of financial position based on current/ non-current classification. An asset is classified as current when it satisfies any of the following criteria:

- it is expected to be realized in, or is intended for sale or consumption in, the Company's normal operating cycle.
- it is held primarily for the purpose of being traded;
- it is expected to be realized within 12 months after the reporting date; or
- it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

All other assets are classified as non-current.

A liability is classified as current when it satisfies any of the following criteria:
- it is expected to be settled in the Company's normal operating cycle;
- it is held primarily for the purpose of being traded;
- it is due to be settled within 12 months after the reporting date; or
- the Company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

All other liabilities are classified as non-current.

(f) Expense Recognition

Expenses are accounted for in Profit or loss on an accrual basis.

(g) Cash and cash equivalents

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

(h) Related parties

Related parties are individuals and companies, including the management company, where the individual or the Company has the ability directly or indirectly to control the other party or exercise significant influence over the other party in making financial and operating decisions.

3(b). APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS

The Company has adopted with effect from 01 April 2019, the following new standards and amendments

IFRS 16: Leases

The adoption of IFRS 16 "Leases and other minor changes to IFRS's applicable for the year ended 31 March 2020 do not have a significant impact on the Company's financial statements since the Company does not have any leases.

Other Amendments

IFRIC 23 "Uncertainty over Income Tax Treatments" and other minor changes to IFRS's applicable for the year ended 31 March 2020 is not applicable since the Company being holder of a Category 2 - Global Business Licence, is not liable to tax in Mauritius.

Standards issued but not yet effective

The new standards and other standards/amendments to standards that have been issued but are not yet effective up to the date of issuance of the Company's financial statements is not expected to have any significant impact on the Company's financial statements.

4. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the amounts recognised in the financial statements. However, uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amount of the asset or liability affected in the future periods.

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

Judgements

In the process of applying the Company's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the financial statements.

Functional currency

The directors consider the USD to be the currency that most faithfully represents the economic effect of the underlying transactions, events and conditions. The USD is the currency in which the Company measures its performance and reports its results to the members. This determination also considers the competitive environment in which the Company operates.

Going concern

The Company's management has made an assessment of the Company's ability to continue as a going concern and is satisfied that the Company has access to resources to continue in business for the foreseeable future. Refer to note 18 for more details.

Estimates and assumptions

The preparation of financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions, that affect the application of accounting policies and the reported amounts of assets, liabilities, income, expenses and disclosures of contingent assets and liabilities at the date of these financial statements and the reported amounts of revenues and expenses for the years presented. These judgments and estimates are based on management's best knowledge of the relevant facts and circumstances, having regard to previous experience, but actual results may differ materially from the amounts included in the financial statements.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and future periods affected.

The 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 are as given below:

Loans & other receivables

The Company uses the provision matrix as a practical expedient to measuring ECLs on Loans & other receivables based on days past due for grouping of receivables with similar loss patterns. Receivables are grouped based on their nature. The provision matrix is based on historical observed loss rates over the expected life of the receivables and is adjusted for forward looking estimates. Refer note no. 15 for more details.

4. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS (CONT'D)

Impact of Covid-19

The outbreak of novel Coronavirus (COVID-19) pandemic globally and the consequent lockdown restrictions imposed by national governments is causing significant disturbance and slowdown of economic activity across the globe.

The principal activities of the Company are investment holding and to provide consultancy services. There is no impact of Covid-19 on the recoverability of its investments, loans and receivables, etc in accordance with IFRS as these balances are already impaired based on the recoverability. Based on the assessment, there is no crucial impact of the Pandemic on Company's operational existence for the foreseeable future and no adjustments are required in the Financial statements for the year ended 31 March, 2020.

The directors have assessed the impact of Covid-19 global pandemic on the Company and its subsidiary. The Company and its subsidiary do not have any onerous contracts as a result of the pandemic and have received a letter of support from Vedanta Limited, the immediate holding company, who will provide financial support to the Company to enable the latter to meet its obligations as and when they fall due and to carry on its current business for the next 18 months.

5. INVESTMENT IN SUBSIDIARY

Western Cluster Limited

	2020	2019
	USD	USD
As at 1 April and 31 March	-	-

Details of the investment held at 31 March 2020 and 2019 are provided below:

Subsidiary	Principal Activity	Country of Incorporation	Type of Shares	No of Shares Held		% Holding		Carrying Value	
				2020	2019	2020	2019	2020	2019
								USD	USD
Western Cluster Limited	Mining	Liberia	Ordinary shares	100	100	100%	100%	-	-

The Company has adopted the policy of measuring its investments at cost less impairment.

Western Cluster Limited has a group of iron ore properties northwest of Monrovia in Liberia (under the name of Bomi, Bea and Mano). Exploratory drilling of approximately 120,000 meters had been done so far at Liberia which had resulted in externally certified resource determination of 3.8 Billion tons. The project had been put on hold during the financial year 2015 due to Ebola situation. Post Ebola, low Iron ore prices have triggered the need to review the carrying value of both the investment and the loan. The asset is presently at an exploratory stage. Due to a downward revision of cash flow projections relating to the expected persistence of a lower iron ore price, there is continued uncertainty on committing any capex at this stage of the Project.

Hence, considering the continued uncertainty, the total carrying value of the investment, loan and other receivable has been impaired.

6. LOAN TO RELATED PARTY

	2020	2019
	USD	USD
At 1 April	**1,330,000**	845,000
Additions during the year	**365,000**	485,000
Impairment during the year	**(1,695,000)**	-
At 31 March	**-**	1,330,000

The entity has loan receivable from Western Cluster Limited which is interest free, unsecured and repayable in 5 years. The entity has fully impaired the same due to reasons as stated in Note 5.

7. OTHER RECEIVABLES

	2020	2019
	USD	USD
Amount due from subsidiary (Western Cluster Limited)		
At 1 April	**478,864**	478,864
Impairment during the year	**(478,864)**	-
At 31 March	**-**	478,864

Other receivable from Western Cluster Limited is towards consultancy fees and receivable on demand. The advances have been fully impaired due to reasons as stated in Note 5.

BLOOM FOUNTAIN LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED 31 MARCH 2020

8. ISSUED CAPITAL

	2020	2019
	USD	USD
Issued and fully paid		
Ordinary Share of USD 1.00 each		
At 1 April and 31 March	**2,201,000,001**	**2,201,000,001**

The stated capital of the Company comprises of 2,201,000,001 ordinary shares of par value USD 1 held by Vedanta Limited. The ordinary shares carry voting rights and a right to dividend.

9. BORROWINGS

	2020	2019
	USD	USD
Current		
At 1 April	**903,536,419**	903,536,419
Addition	-	-
Reclassified from non-current	**1,280,000**	-
Reclassified to non-current	**(3,536,419)**	-
At 31 March	**901,280,000**	903,536,419

	2019	2018
	USD	USD
Non-Current		
At 1 April	**915,000**	450,000
Addition	**365,000**	465,000
Reclassified to current	**(1,280,000)**	-
Reclassified from current	**3,536,419**	-
At 31 March	**3,536,419**	915,000

(i) The Company has taken a loan of USD 3,536,419 from THL Zinc Ltd. The loan is unsecured, bears interest at the rate of 2.6% per annum till 28 February, 2020 and 7.11% thereafter. The loan is repayable by 31 October 2022 or such later day as may be agreed by the parties.

(ii) The Company has taken a loan of USD 1,280,000 from Cairn India Holding Ltd. The loan is unsecured, bears interest at the rate of three months Libor plus 250 basis points per annum and is repayable by 19 March 2021 or such later day as may be agreed by the parties.

(iii) During the financial year 2018, the Company was assigned a loan of USD 900,000,000 from Fujairah Gold FZE at an interest of 3% per annum and is repayable by 30 June 2020. During the current year, the parties has agreed to extend the loan and are in process of signing off the same.

10. OPTIONALLY CONVERTIBLE REDEEMABLE PREFERENCE SHARES ("OCRPS")

There is no movement in the number of Optionally Convertible Redeemable Preference Shares during 2019-20.

	OCRPS of USD 1 each and premium of USD 99	OCRPS of USD 100 each	Number of shares
At 1 April 2018	1,859,900	360,500	2,220,400
At 31 March 2019	1,859,900	360,500	2,220,400
At 31 March 2020	**1,859,900**	**360,500**	**2,220,400**

The Company has issued 0.25% optionally convertible redeemable preference shares. Each optionally convertible redeemable preference shares can be converted at the option of the investor into variable number of equity shares, hence classified as current and can be redeemed at the option of the Company at any time.

BLOOM FOUNTAIN LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED 31 MARCH 2020

10. OPTIONALLY CONVERTIBLE REDEEMABLE PREFERENCE SHARES ("OCRPS") (CONT'D)

In accordance with paragraph 16 of IAS 32 Financial Instruments: Presentation, the Optionally Convertible Redeemable Preference Shares (OCRPS) have been classified as a liability.

11. OTHER PAYABLES

	2020	2019
	USD	USD
Audit fees	**20,000**	20,000
Management consultancy fees	**1,197**	16,128
Accrued interest on Optionally Convertible Redeemable preference shares	**579,578**	484,818
Payable to related parties	**211,055**	210,805
Interest payable	**125,020,803**	97,864,307
	125,832,633	98,596,058

Other payables are unsecured, interest free and repayable on demand.

12. NET FINANCE COST

	2020	2019
	USD	USD
Interest on borrowings	**27,156,496**	27,126,645
Interest on Optionally Convertible Redeemable Preference Shares	**94,760**	94,760
Bank charges	**271**	(167)
	27,251,527	27,221,238

13. TAXATION

The Company, being the holder of a Category 2 - Global Business Licence, is not liable to tax in Mauritius.

Regulatory

The Financial Services Commission ("FSC") issued a Category 2 Global Business Licence ("GBL2") to the company on 23 June 2011. Further to the changes made by the Finance (Miscellaneous Provisions) Act 2018 ("FMPA 2018") to the Financial Services Act ("FSA"), the FSC cannot issue any GBL2 as from 1 January 2019. The GBL2 of the company shall lapse on 30 June 2021 under section 96A(1)(c)(i) of the FSA. The company has not yet decided on its applicable regime under the FSA subsequent to 30 June 2021.

Tax

The income of the company is exempt from income tax in Mauritius up to 30 June 2021.

Where the company will hold a Global Business Licence as from 1 July 2021, it will be taxable on its world-wide income on an accrual basis at the rate of 15%. A partial exemption on its foreign dividend income, interest income and profits from foreign permanent establishments may apply: the partial exemption will be computed at 80% of the income in question. The partial exemption will not be mandatory: the company may apply the credit system if it so wishes.

In the event, the company is considered to be an Authorised Company pursuant to section 71A of the FSA as from 1 July 2021, the company will not be not tax resident in Mauritius under section 73A of the Income Tax Act: being a non-resident, the foreign sourced income of the company is outside the scope of the ITA. Any Mauritian sourced income will generally be subject to tax at the rate of 15%: Corporate Social Responsibility at rate of 3% of the taxable profits will also apply on any Mauritian sourced income. The tax laws of the country where the company will be tax resident should also be considered.

14. NET CASH GENERATED USED IN OPERATING ACTIVITIES

	2020	2019
	USD	USD
Loss before tax	**(29,434,037)**	(27,281,880)
Adjustments for:		
Impairment of loan to related party (Refer note 6)	**1,695,000**	-
Impairment of other receivables (Refer note 7)	**478,864**	-
Changes in working capital:		
Decrease in other receivables	**-**	6,577
Increase in other payables	**27,236,575**	27,263,732
Net cash used in operating activities	**(23,598)**	(11,571)

15. FINANCIAL INSTRUMENTS

Fair values

The carrying amounts of the Company's financial assets and liabilities approximate their fair values.

	2020	2019
	USD	USD
Financial assets-At amortised cost		
Loan receivables	**-**	1,330,000
Other receivables	**-**	478,864
Cash and cash equivalents	**20,665**	44,263
Total financial assets – At amortised cost	**20,665**	1,853,127

	2020	2019
Financial liabilities – At amortised cost	**USD**	USD
Other payables	**125,832,633**	98,596,058
Borrowings	**904,816,419**	904,451,419
Optionally Convertible Redeemable Preference Shares	**222,040,000**	222,040,000
Total financial liabilities – At amortised cost	**1,252,689,052**	1,225,087,477

Currency profile

The currency profile of the Company's financial assets and liabilities is summarised as follows:

	Financial assets 2020	**Financial liabilities 2020**	**Financial assets 2019**	**Financial liabilities 2019**
	USD	**USD**	**USD**	**USD**
United States Dollars	**20,665**	**1,252,689,052**	1,853,127	1,225,087,477

The Company is not exposed to currency risk.

(a) Market risk management

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. The Company does not have any exposure to market risk.

BLOOM FOUNTAIN LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED 31 MARCH 2020

15. FINANCIAL INSTRUMENTS (CONT'D)

Currency profile (cont'd)

(b) Interest rate risk management

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 following table details the Company's exposure to interest rate risks. The total interest sensitivity gap represents the net notional amounts of all interest sensitive financial instruments.

31 March 2020	**Interest bearing**	**Non-interest bearing**	**Total**
Assets			
Cash and cash equivalents	**-**	**20,665**	**20,665**
Total assets	**-**	**20,665**	**20,665**
Liabilities			
Borrowings – Non current			
Fixed Interest Instruments	**3,536,419**		**3,536,419**
Borrowings – Current			
Fixed Interest Instruments	**900,000,000**		**900,000,000**
Variable Interest Instruments	**1,280,000**		**1,280,000**
Optionally Convertible			
Redeemable Preference Shares	**222,040,000**	**-**	**222,040,000**
Other payables	**-**	**125,832,633**	**125,832,633**
Total Liabilities	**1,126,856,419**	**125,832,633**	**1,252,689,052**

31 March 2019	Interest bearing	Non-interest bearing	Total
Assets			
Other receivables	-	478,864	478,864
Cash and cash equivalents	-	44,263	44,263
Total assets	-	523,127	523,127
Liabilities			
Borrowings – Non current			
Variable Interest Instruments	915,000		915,000
Borrowings – Current			
Fixed Interest Instruments	903,536,419		903,536,419
Optionally Convertible			
Redeemable Preference Shares	222,040,000	-	222,040,000
Other payables	-	98,596,058	98,596,058
Total Liabilities	1,126,491,419	98,596,058	1,225,087,477

BLOOM FOUNTAIN LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED 31 MARCH 2020

15. FINANCIAL INSTRUMENTS (CONT'D)

Currency profile (cont'd)

(b) Interest rate risk management (cont'd)

Interest rate sensitivity

A 100 basis point is the sensitivity rate used internally by key management personnel and represents management's assessment of the reasonably possible change in interest rates. If interest rates had been 100 basis points higher/ lower and all other variables were held constant, the net loss for the year ended 31 March 2020 would increase/ decrease by USD 12,800 (2019: USD 9,150) on account of net financial liabilities.

Financial Instruments	**At 31 March 2020**	
	Interest rate	
	Low	**High**
	-1%	**1%**
Borrowings	**1,280,000**	**1,280,000**
Impact on total assets of the Company	**12,800**	**(12,800)**

Financial Instruments	At 31 March 2019	
	Interest rate	
	Low	High
	-1%	1%
Borrowings	915,000	915,000
Impact on total assets of the Company	9,150	(9,150)

Credit risk

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults.

The Company is exposed to credit risk from its loans and other receivables and cash and cash equivalents.

The Company has clearly defined policies to mitigate counterparty risks. For cash and cash equivalents, the Company attempts to limit the credit risk by only dealing with reputable banks and financial institutions.

The company has impaired outstanding loan and other receivables from related parties during the year due to reasons as stated in Note 5. There are no financial asset remaining other than cash and cash equivalent as on March 31, 2020 and Hence there is no default risk on financial assets existing as on balance sheet date.

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was:

	2020	2019
	USD	USD
Loan receivables	**-**	1,330,000
Other receivables	**-**	478,864
Cash and cash equivalents	**20,665**	44,263
	20,665	1,853,127

BLOOM FOUNTAIN LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED 31 MARCH 2020

15. FINANCIAL INSTRUMENTS (CONT'D)

Liquidity risk management

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's approach to managing liquidity is to ensure, as far as possible, that it 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 Company's reputation. At 31 March 2020, the Company had financial liabilities of USD 1,252,689,052 (2019: 1,225,087,477), with a maturity profile mentioned in table below. These consist mostly of borrowings from related party, amount due to related parties and other payables. At reporting date, the bank balance amounted to USD 20,665 (2019: USD 44,263), which is insufficient to finance the Company`s financial liabilities.

However, the Company has recourse to its holding companies for such financing and the parent has indicated its intention to continue to provide financial support for at least 18 months as from the date of this report. As such, liquidity risk is considered as minimal.
The maturity profile of the company's financial liabilities based on the remaining period from the date of balance sheet to the contractual maturity date is given in the table below:

	Less than 1 year	More than 1 year	Total
	USD	USD	USD
31 March 2020			
Liabilities			
Borrowing	**901,280,000**	**3,536,419**	**904,816,419**
Optionally Convertible Redeemable Preference Shares	**222,040,000**	**-**	**222,040,000**
Other payables	**125,832,633**	**-**	**125,832,633**
	1,249,152,633	**3,536,419**	**1,252,689,052**
31 March 2019			
Liabilities			
Borrowings	915,000	903,536,419	904,451,419
Optionally Convertible Redeemable Preference Shares	222,040,000	-	222,040,000
Other payables	98,596,058	-	98,596,058
	321,551,058	903,536,419	1,225,087,477

BLOOM FOUNTAIN LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED 31 MARCH 2020

15. FINANCIAL INSTRUMENTS (CONT'D)

Reconciliation of Liabilities arising from Financing Activities:

	Borrowings		Interest payables	
	Due within 1 year	**Due after 1 year**	**Due within 1 year**	**Due after 1 year**
At 1 April 2018	903,536,419	450,000	71,127,721	-
Cash flow		465,000	-	-
Reclassification from Non-current to current	-	-	-	-
Other non-cash changes	-	-	27,221,404	-
At 1 April 2019	903,536,419	915,000	98,349,125	-
Cash flow	**365,000**	-	-	-
Reclassification from Non-current to current	**915,000**	**(915,000)**	-	-
Reclassification from current to Non-current	**(3,536,419)**	**3,536,419**		
Other non-cash changes	-	-	**27,251,256**	-
At 31 March 2020	**901,280,000**	**3,536,419**	**125,600,381**	-

Capital risk management

For the purpose of the Company's capital management, capital includes issued capital, convertible preference shares, share premium and all other equity reserves attributable to the equity holders of the parent. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares.

BLOOM FOUNTAIN LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED 31 MARCH 2020

16. RELATED PARTY TRANSACTIONS

During the year ended 31 March 2020, the Company transacted with certain related parties. The nature and volume of transactions with the entities are as follows:

Name of company	Relationship	Nature of Transaction	2020 USD	2019 USD
Transactions				
Western Cluster Limited	Subsidiary	Additional loan given	**365,000**	485,000
THL Zinc Ltd	Group Company	Interest expenses	**105,238**	91,947
Vedanta Limited	Holding Company	Interest on Optionally Convertible Redeemable Preference Shares	**94,760**	94,760
Fujairah Gold FZE	Group Company	Interest expenses	**27,000,000**	27,000,000
Cairn India Holding Limited	Group Company	loan taken	**365,000**	465,000
		Interest expenses	**51,258**	34,698
Outstanding balances				
Western Cluster Limited	Subsidiary	Other receivables (Refer note 7)	**-**	478,864
		Loan given (Refer Note 6)	**-**	1,330,000
Vedanta Limited	Holding Company	Optionally Convertible Redeemable Preference Shares	**(222,040,000)**	(222,040,000)
		Accrued interest on Optionally Convertible Redeemable Preference Shares (Refer Note 11)	**(579,578)**	(484,818)
THL Zinc Ltd	Group Company	Loan payables Refer (note 9)	**(3,536,419)**	(3,536,419)
		Interest payable (Refer note 11)	**(462,625)**	(357,387)
		Other payable (Refer note 11)	**(14,638)**	(14,638)
Fujairah Gold FZE	Group Company	Loan payables Refer note 9)	**(900,000,000)**	(900,000,000)
		Interest payable (Refer note 11)	**(124,472,222)**	(97,472,222)
Cairn India Holding Limited	Group Company	Loan payables (Refer note 9)	**(1,280,000)**	(915,000)
		Interest payable (Refer note 11)	**(85,956)**	(34,698)
Vedanta Resources Plc	Group Company	Other payables (Refer note 11)	**(196,417)**	(196,167)

16. RELATED PARTY TRANSACTIONS (CONT'D)

Compensation to Key Management Personnel

No compensation to key management personnel was paid during the year ended 31 March 2020 (2019: NIL).

Other related party transactions
Fees charged by management of the Company

	2020	2019
	USD	USD
Transactions		
Total fees charged by management entity	**2,325**	**2,325**

Included in total fees charged by management entity, is an amount of USD 750 (2019: USD 750) pertaining to professional fees for the provision of directorship services.

17. HOLDING, INTERMEDIATE AND ULTIMATE HOLDING COMPANIES

The Company's immediate holding company is Vedanta Limited, a company incorporated in India. The Company's intermediate holding company is Vedanta Resources Limited a company incorporated in the United Kingdom. The ultimate controlling party of the Company is Volcan Investments Limited and its wholly owned subsidiary Volcan Investment Cyprus Limited, which is beneficially owned by the Anil Agarwal Discretionary Trust. Volcan Investments Limited is incorporated in the Bahamas and does not produce Consolidated financial statements.

18. GOING CONCERN

The Company incurred a net loss of USD 29,434,037 (2019: USD 27,281,880) for the year ended 31 March 2020 and as at that date, its total liabilities exceeded its total assets by USD 1,252,668,387 (2019: USD 1,223,234,350).

The directors have received a letter of support from Vedanta Limited, the immediate holding company, who will provide financial support to the Company to enable the latter to meet its obligations as and when they fall due and to carry on its current business for the next 18 months.

These conditions give rise to a material uncertainty which may cast significant doubt about the Company's ability to continue as a going concern and, therefore that it may be unable to realise its assets and discharge its liabilities in the normal course of business.

The annual financial statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that the Company will continue to receive the support of its immediate holding company and that the realisation of assets and settlement of liabilities will occur in the ordinary course of business.

19. EVENTS AFTER REPORTING PERIOD

The amount US$ 900,000,000 (2019: US$ 900,000,000) loan assigned from Fujairah Gold FZE is outstanding as at 31st March 2020 as on the date of signing and maturing as on 30 June 2020. The parties have agreed to extend the loan maturity to 30 June 2022 with an increase interest rate of 3.5% and are in the process of signing of the same.

The directors do not expect any significant Impact of COVID 19 considering the events upto the date of signing as well.