BLOOM FOUNTAIN LIMITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31 MARCH 2024

BLOOM FOUNTAIN LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

CONTENTS **PAGES**

BLOOM FOUNTAIN LIMITED

CORPORATE INFORMATION

		Date of appointment
DIRECTORS:	Mr. Sevin Chendriah	30 Jun 2021
	Ms Bhavana Banymandhub	30 Jun 2021

ADMINISTRATOR & SECRETARY:
IQ EQ 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:
Baker Tilly
Level 4, Building A5
15, Wall street
Ebène, 72201
Mauritius

BANKER:
Standard Chartered Bank (Mauritius) Limited
Units 6A & 6B
6th Floor, Standard Chartered Tower
Lot 19, Cybercity
Ebène, 72201
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 2024.

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 2024 is **USD 31,981,276** (2023: USD 31,944,182) (excluding exceptional items).

The directors do not recommend any payment of dividend for the year ended 31 March 2024. (2023: Nil).

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, Baker Tilly, has indicated its willingness to continue in office and will be appointed in the next Annual meeting.

By order of the Board

Director:

Date: 23 APR 2024

BLOOM FOUNTAIN LIMITED
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024
CERTIFICATE FROM THE SECRETARY

TO THE MEMBER OF Bloom Fountain Limited
(SECTION 166(D) OF THE MAURITIUS COMPANIES ACT 2001)

We certify, as secretary of Bloom Fountain Limited ("the Company"), that based on records and information made available to us by the directors and sole shareholder of the Company, the Company has filed with the Registrar of Companies, for the financial year ended 31 March 2024, all such returns as required of the Company under the Mauritius Companies Act 2001.

For IQEQ Corporate services (Mauritius) Ltd
Company Secretary

Date: 23 APR 2024

bakertilly

Level 4, Building A5
15 Wall Street
Ebène 72201
Mauritius

T: +230 460 8800
BRN: LLP22000037
info@bakertilly.mu
www.bakertilly.mu

INDEPENDENT AUDITOR'S REPORT
To the Shareholder 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 2024, and the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements on pages 8 to 30 give a true and fair view of the financial position of the Company as at 31 March 2024, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) and in compliance with the requirements of the Mauritius Companies Act 2001.

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 in Mauritius, 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.

Material Uncertainty related to going concern

We draw attention to Note 18 in the financial statements concerning the Company's ability to continue as a going concern. These financial statements have been prepared on a going concern basis. The validity of this assumption depends on the continued support of the shareholder to enable the Company to meet its liabilities as and when they fall due to carry out their business without any curtailment in its operations. These financial statements do not include any adjustments that would result from non-availability of finance.

Our opinion is not modified in this respect.

Responsibilities of Directors and Those Charged with Governance for the Financial Statements

The directors are responsible for the preparation and fair presentation of the financial statements in accordance with IFRSs and in compliance with the requirements of the Mauritius Companies Act 2001, 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.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

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

This opinion has been prepared for and only for the Company's shareholder, in accordance with Section 205 of the Mauritius Companies Act 2001 and for no other purposes.

As part of an audit in accordance with ISAs, we exercise professional judgment 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 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 those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on the Audit of the Financial Statements (Continued)

Other Information

The directors are responsible for the other information. The other information comprises the corporate information, commentary of directors and certificate from the secretary.

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, 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.

Report on Other Legal and Regulatory Requirements

Mauritius Companies Act 2001

We have no relationship with or interests in the Company other than in our capacity as auditor.

We have obtained all the 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.

Baker Tilly

Baker Tilly

Date: 23 April 2024

Sin C. LI, CPA, CGMA
Licensed by FRC

BLOOM FOUNTAIN LIMITED
STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2024

	Notes	2024	2023
		USD	USD
ASSETS			
Non-current assets			
Investment in subsidiary	5	**-**	-
Loan to related party	6	**103,692,000**	103,692,000
Total non-current assets		**103,692,000**	103,692,000
Current assets			
Other receivables	7	**478,864**	478,864
Cash and cash equivalents	15	**16,950**	38,877
Total current assets		**495,814**	517,741
Total assets		**104,187,814**	104,209,741
EQUITY AND LIABILITIES			
Capital and reserves			
Stated capital	8	**2,201,000,001**	2,201,000,001
Accumulated losses		**(306,477,352)**	(274,496,076)
Other equity reserve		**(3,169,797,224)**	(3,169,797,224)
Shareholder's deficit		**(1,275,274,575)**	(1,243,293,299)
Non-current liabilities			
Borrowings	9	**905,016,419**	901,480,000
Total non-current liabilities		**905,016,419**	901,480,000
Current liabilities			
Borrowings	9	**-**	3,536,419
Optionally Convertible Redeemable Preference Shares	10	**222,040,000**	222,040,000
Other payables	11	**252,405,970**	220,446,621
Total current liabilities		**474,445,970**	446,023,040
Total liabilities		**1,379,462,389**	1,347,503,040
Total equity and liabilities		**104,187,814**	104,209,741

These financial statements have been approved by the Board of Directors and authorised for issue on 23 APR 2024

Director

Director

The notes on pages 12 to 30 form an integral part of these financial statements.
Independent auditor's report on pages 5 to 7.

BLOOM FOUNTAIN LIMITED
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2024

	Notes	2024	2023
		USD	USD
EXPENSES			
Audit fees		(8,200)	(8,000)
Professional fees		(19,225)	(15,108)
		(27,425)	(23,108)
Net finance cost	12	(31,953,851)	(31,921,074)
Exceptional items	6, 7	-	104,170,867
(Loss)/profit before taxation		(31,981,276)	72,226,685
Income tax expense	13	-	-
(Loss)/profit for the year		(31,981,276)	72,226,685
Other comprehensive income		-	-
Total comprehensive (loss)/ income for the year		(31,981,276)	72,226,685

The notes on pages 12 to 30 form an integral part of these financial statements.
Independent auditor's report on pages 5 to 7.

BLOOM FOUNTAIN LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2024

	Stated Capital	Accumulated Losses	Other Equity Reserve (Note 1)	Shareholder's Deficit
	USD	USD	USD	USD
At 1 April 2022	2,201,000,001	(346,722,761)	(3,169,797,224)	(1,315,519,984)
Total comprehensive income for the year	-	72,226,685	-	72,226,685
At 31 March 2023	**2,201,000,001**	**(274,496,076)**	**(3,169,797,224)**	**(1,243,293,299)**
At 1 April 2023	**2,201,000,001**	**(274,496,076)**	**(3,169,797,224)**	**(1,243,293,299)**
Total comprehensive loss for the year	**-**	**(31,981,276)**	**-**	**(31,981,276)**
At 31 March 2024	**2,201,000,001**	**(306,477,352)**	**(3,169,797,224)**	**(1,275,274,575)**

Note 1
In the FY 2017-18, the Company entered into different transactions involving Twin Star Mauritius Holdings Ltd (TSMHL), an indirect subsidiary of the Company which are summarized below:

- TSMHL assigned to the Company its loan payable to group company, Fujairah Gold FZC of USD 900,000,000 along with accrued interest payable of USD 69,797,222. As a consideration of this assignment to the Company, TSMHL owed an equivalent amount including interest to the Company.
- The Company also bought receivables along with accrued interest of USD 438,067,379 and USD 290,415,068 of group companies, THL Zinc Holding BV and Monte Cello BV respectively from TSMHL, at $1 each.
- The Company had subscribed to USD 2,200,000,000 worth redeemable preference shares (RPS) of TSMHL in 2016-17, which during the year were converted to Convertible Preference Shares (CPS) which are convertible to equity shares of TSMHL at the option of the Company or redeemable in cash at the option of TSMHL.

In the FY 2017-18, the Company also subscribed to equity shares of USD 28,411 of its subsidiary, Twin star Mauritius Holdings Ltd (TSMHL) and instead of infusing cash for the equity shares, it took over the net liabilities of the Company of an equivalent amount. During the year 2017-18, subsequent to the liquidation of Twin star Mauritius Holdings Ltd, the Company recognized an impairment of USD 28,411 and the effect of the same were carried through the statement of change in equity.

All the above loans and other payables along with interest were converted to equity by TSMHL. Further the Company opted to convert all of its CPS into equity shares of TSMHL. In total the Company's entire investment in TSMHL and receivable from TSMHL worth USD 3,169,825,635 was converted to equity of TSMHL. Post the above conversion, TSMHL filed for liquidation and the Company has written off its entire above investment net of impairment provision in TSMHL through equity.

BLOOM FOUNTAIN LIMITED
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2024

	Notes	2024	2023
		USD	USD
Net cash used in operating activities	14	**(21,927)**	(29,503)
Cash flows from financing activities			
Proceeds from borrowings	9	-	50,000
Net cash generated from financing activities		**-**	50,000
Net (decrease)/increase in cash and cash equivalents		**(21,927)**	20,497
Cash and cash equivalents at beginning of the year		**38,877**	18,380
Cash and cash equivalents at end of the year		**16,950**	38,877

The notes on pages 12 to 30 form an integral part of these financial statements.
Independent auditor's report on pages 5 to 7.

BLOOM FOUNTAIN LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

1. CORPORATE INFORMATION

Bloom Fountain Limited (the "Company") was incorporated in Mauritius, under the Mauritius Companies Act 2001, on 23 June 2011 as a private company. The Company was granted a Global Business Licence under section 72(6) of the Financial Services Act. The Company's registered office address is c/o IQ EQ Corporate Services (Mauritius) Ltd, 33, Edith Cavell Street, Port Louis, 11324, Mauritius. The Company's principal activity is investment holding and providing consultancy services.

2. BASIS OF PREPARATION AND STATEMENT OF COMPLIANCE

The Company is the holder of a Global Business License and is required to file audited financial statement.

These financial statements are prepared in accordance with International Financial Reporting Standards (IFRS) and Companies Act 2001 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 has taken advantage of paragraph 4(a) of International Financial Reporting Standards "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 group 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.

3(a). SUMMARY OF MATERIAL ACCOUNTING POLICIES

A summary of the material 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 accounts for its investment in subsidiary under IAS 27.

(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.

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

(b) Financial Instruments (Cont'd)

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

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

In order for a financial asset to be classified and measured at amortised cost, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. Financials assets with cash flows that are not SPPI are classified and measured at fair value through profit or loss, irrespective of the business model.

The Company's business model for managing financials assets refers to how it manages its financials assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financials assets,or both. Financials assets classified and measured at amortised cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows.

For the purpose of subsequent measurement, financial assets are classified in the following category:

Financial assets at amortised cost (debt instruments)

Financials assets at amortised cost are subsequently measured using the effective interest rate (EIR) method and are subjected to impairment. Gains and losses are recognised in profit or loss when the asset is derecognized, modified or impaired.

The Company's financial assets at amortised cost include loan to related party and other receivables.

(ii) Financial Asset – Derecognition

A financials asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognized (i.e. removed from the company's statement of financial position) when:

- The rights to receive cash flows from the asset have expired.

Or

- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either the Company has transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

(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; and
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.

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

(b) Financial Instruments (Cont'd)

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

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 recognizing 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.

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.

BLOOM FOUNTAIN LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED 31 MARCH 2024

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

(b) Financial Instruments (Cont'd)

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

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

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.

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 included as finance costs in the statement of profit or loss and other comprehensive income.

BLOOM FOUNTAIN LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED 31 MARCH 2024

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

(b) Financial Instruments (Cont'd)

(vi) 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. This category generally applies to borrowings.

(vii) 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.

(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.

BLOOM FOUNTAIN LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED 31 MARCH 2024

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

(c) Impairment of non-financial assets (Cont'd)

If the recoverable amount of an asset or CGU is estimated to be less than its 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.

Differences arising on settlement or translation of monetary items are recognised in the statement of profit or loss and other comprehensive income.

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

BLOOM FOUNTAIN LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED 31 MARCH 2024

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

(e) Current v/s Non -current classification (Cont'd)

• 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 the statement of profit or loss and other comprehensive income 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 ("IFRS")

Up to the date of issue of these financial statements, the IASB has issued the following amendments which are effective for annual periods beginning on or after 01 April 2023:

- IAS 1 Presentation of Financial Statements and IFRS Practice Statement 2 (Amendments - Disclosure of Accounting Policies)
- IAS 8 Accounting policies, Changes in Accounting Estimates and Errors (Amendments - Definition of Accounting Estimates)
- IAS 12 Income Taxes (Amendments - Deferred Tax related to Assets and Liabilities arising from a Single Transaction)
- IAS 12 Income Taxes (International Tax Reform - Pillar Two Model Rules)

These amendments to various IFRS standards are mandatorily effective for reporting periods beginning on or after 01 April 2023.

(b) Standards and interpretations issued and not yet effective for the financial year ended 31 March 2024.

Amendments to:	Effective for accounting period beginning on or after
IFRS 7 Financial Instruments: Disclosures (Amendments regarding supplier finance arrangements)	01 January 2024
IFRS 16 Leases (Amendments to clarify how a seller-lessee subsequently measures sale and leaseback transactions)	01 January 2024
IAS 1 Presentation of Financial Statements (Amendments - Classification of Liabilities as Current or Non-current)	01 January 2024
IAS 1 Presentation of Financial Statements (Amendments - Non-current Liabilities with Covenants)	01 January 2024
IAS 7 Statement of Cash Flows (Amendments regarding supplier finance arrangements)	01 January 2024
IAS 21 The effects of changes in foreign exchange rates (Amendments – Lack of exchangeability)	01 January 2025

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 and 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 to note no. 15 for more details.

BLOOM FOUNTAIN LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED 31 MARCH 2024

5. INVESTMENT IN SUBSIDIARY

Western Cluster Limited

	2024	2023
	USD	USD
Investment at cost	**123,500,000**	123,500,000
Less: Impairment	**(123,500,000)**	(123,500,000)
	-	-

Details of the investment held at 31 March 2024 and 2023 are provided below:

Subsidiary	Principal Activity	Country of Incorporation	Type of Shares	No of Shares Held		% Holding		Carrying Value	
				2024	2023	2024	2023	2024	2023
								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.

During the year ended 31st March 2016, BFL had recognised an impairment of 123.50 Mn USD with respect to its investment made. During the current year, the directors have assessed that the investment in subsidiary is still impaired.

6. LOAN TO RELATED PARTY

	2024	2023
	USD	USD
At 1 April	**103,692,000**	-
Additions during the year	-	-
Impairment reversal during the year	-	103,692,000
At 31 March	**103,692,000**	103,692,000

The entity has loan receivable of **USD 103,692,000** (2023: USD 103,692,000) from Western Cluster Limited which is interest free, unsecured and repayable by 31st January 2025. The directors have the intention to extend the repayment term for an additional period of 5 years. During the previous year the entity has reversed impairment due to reasons as stated below:

During the period ended 31st March 2016, BFL had recognised an impairment of 104.14 Mn USD with respect to loan provided and other receivables from its subsidiary.

In the year ended 31st March 2022 following the epidemic and other constraints, various activities took place towards re-start of operations at Bomi concession of WCL (obtaining of Class A Mining License for a period of 25 years, signing of an MOU with Government of Liberia, ground-breaking, start of transportation activities between mine and port, completion of 1st shipment and steady shipments thereafter). Parallelly International Iron Ore Market prices also rose and stabilized over long term view at optimum levels.

Considering the progress made in terms of operations & shipment as indicated above, there was an upward revision in the cashflow projections of WCL with a PV of ~107.50 Mn USD as of 30th September 2022, which triggered impairment reversal as at that date to the extent of 104.14 Mn USD.

Considering the progress made in terms of operations, shipments as well as considering the increase in PV of cashflows from 107.50 Mn USD as of 30th September 2022 to 131.76 Mn USD as of 31st March 2023 and 169.20 Mn USD as of 31st March 2024, the impairment reversal made for the period ended 30th September 2022 holds good and there is no trigger for reversing the same.

BLOOM FOUNTAIN LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED 31 MARCH 2024

7. OTHER RECEIVABLES	2024	2023
	USD	USD
Amount due from subsidiary (Western Cluster Limited)		
At 1 April	**478,864**	-
Impairment reversal during the year	**-**	478,864
At 31 March	**478,864**	478,864

Other receivables of **USD 478,864** (2023: USD 478,864) from Western Cluster Limited relate to consultancy fees and are receivable on demand. During the previous year the entity has reversed impairment due to reasons as stated in Note 6.

8. STATED CAPITAL	2024	2023
	USD	USD
Issued and fully paid		
Ordinary Shares 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	2024	2023
	USD	USD
Current		
At 1 April	**3,536,419**	3,536,419
Addition	**-**	-
Reclassified to non-current	**(3,536,419)**	-
At 31 March	**-**	3,536,419

	2024	2023
	USD	USD
Non-Current		
At 1 April	**901,480,000**	901,430,000
Addition	**-**	50,000
Reclassified from current	**3,536,149**	-
At 31 March	**905,016,419**	901,480,000

(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 7.11% per annum till 31st October 2022 and 8.68% thereafter. The loan is repayable by 31st October 2025 or such later day as may be agreed by the parties.

(ii) During the financial year 2018, the Company has entered into loan agreement of USD 25,000,000 with Cairn India Holding Limited repayable by 19th March 2021, which is further extended till 31st Mar 2027. The Company has drawn USD 1,480,000 till March 24 at an interest rate 3.5% per annum with effect from 20th March 2021.

(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 30th June 2020. The parties have agreed to extend the loan to 31st March 2027 and changes the interest rate from 3.5% per annum with effect from 1st July 2020.

BLOOM FOUNTAIN LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED 31 MARCH 2024

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

There is no movement in the number of Optionally Convertible Redeemable Preference Shares during 2023-24.

	OCRPS of USD 1 each and premium of USD 99 (A)	OCRPS of USD 100 each (B)	Number of shares (A+B)	Total value
At 1 April 2021	1,859,900	360,500	2,220,400	222,040,000
At 31 March 2022	1,859,900	360,500	2,220,400	222,040,000
At 31 March 2023	1,859,900	360,500	2,220,400	222,040,000
At 31 March 2024	**1,859,900**	**360,500**	**2,220,400**	**222,040,000**

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

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

	2024	2023
	USD	USD
Audit fees	**8,200**	8,000
Management consultancy fees	**30,230**	24,600
Accrued interest on Optionally Convertible Redeemable preference shares	**958,618**	863,858
Payable to related parties*	**236,385**	236,385
Interest payable	**251,172,537**	219,313,778
	252,405,970	220,446,621

*Repayable on demand.

12. NET FINANCE COST

	2024	2023
	USD	USD
Interest on borrowings	**31,858,761**	31,825,644
Interest on Optionally Convertible Redeemable Preference Shares	**94,760**	94,760
Bank charges	**330**	670
	31,953,851	31,921,074

13. TAXATION

The Company, being the holder of a Global Business Licence, is liable to tax in Mauritius.

Regulatory

Bloom Fountain Limited ("the Company") was incorporated as a private limited Company in Mauritius on 23 June 2011. Since its incorporation and until 28 June 2021, the Company was the holder of a Category 2 Global Business Licence under the Financial Services Act 2007. The Company has by way of shareholder's resolution resolved on 28 June 2021 to convert from a GBC 2 to a Global Business Licence under the same Act.

The Company is subject to tax at the rate of 15% (2023: 15%). Pursuant to the enactment of the Finance Act 2018, with effect as from 1 January 2019, the deemed tax credit has been phased out, through the implementation of a new tax regime. Companies which had obtained their Category 1 Global Business License on or before 16 October 2017, including the Company, have been grandfathered and would benefit from the deemed tax credit regime up to 30 June 2021.

13. TAXATION (CONT'D)

Accordingly, the Company is entitled to a foreign tax credit equivalent to the higher of the actual foreign tax suffered or 80% of the Mauritian tax ("Deemed tax credit") on its foreign source income, up to 30 June 2021. Mauritius does not impose tax on capital gains and as such will not be exposed to any capital gains tax in Mauritius upon disposal of investments, and any dividend paid by the Company to its shareholder is not subject to any withholding or other tax in Mauritius.

Post 30 June 2021 and 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 is 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.

At 31 March 2024, the Company has unutilized tax losses of **USD 77,493** (2023: USD 50,068). Losses incurred in an income year may be carried forward to be set off against net income of the following 5 income years only.

Tax Reconciliation

	2024	2023
	USD	USD
(Loss)/profit before taxation	**(31,981,276)**	72,226,685
Tax at statutory rate 15%	**(4,797,191)**	10,834,003
Non-deductible expenses	**4,793,078**	4,788,161
Non-Taxable income	**-**	(15,625,630)
Effect of unused tax losses not recognised as deferred tax asset	**4,113**	3,466
Income tax expense	**-**	-

The accumulated tax losses at 31 March 2024 are available for set off against any taxable income, as follows:

Loss relating to financial year ending	Carry forward up to financial year ending	**2024** **USD**	2023 USD
31-Mar-22	31-Mar-27	**26,960**	26,960
31-Mar-23	31-Mar-28	**23,108**	23,108
31-Mar-24	31-Mar-29	**27,425**	-
		77,493	50,068

14. NET CASH USED IN FROM OPERATING ACTIVITIES

	2024	2023
	USD	USD
(Loss)/profit before tax	**(31,981,276)**	72,226,685
Adjustments for:		
Reversal of Impairment of loan to related party (Refer to note 6)	**-**	(103,692,000)
Increase of other receivables (Refer to note 7)	**-**	(478,864)
Increase in other payables	**31,959,349**	31,914,676
Net cash used in operating activities	**(21,927)**	(29,503)

15. FINANCIAL INSTRUMENTS

Fair values

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

	2024	2023
	USD	USD
Financial assets - At amortised cost		
Cash and cash equivalents	**16,950**	38,877
Other Receivables	**478,864**	478,864
Loan to subsidiary	**103,692,000**	103,692,000
	104,187,814	104,209,741

	2024	2023
Financial liabilities – At amortised cost	USD	USD
Other payables	**252,405,970**	220,446,621
Borrowings	**905,016,419**	905,016,419
Optionally Convertible Redeemable Preference Shares	**222,040,000**	222,040,000
	1,379,462,389	1,347,503,040

Currency profile

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

	Financial assets 2024	**Financial liabilities 2024**	Financial assets 2023	Financial liabilities 2023
	USD	**USD**	USD	USD
United States Dollars	**104,187,814**	**1,379,462,389**	104,209,741	1,347,503,040

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.

(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.

15. FINANCIAL INSTRUMENTS (CONT'D)

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

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 2024	**Interest bearing**	**Non-interest bearing**	**Total**
Assets			
Cash and cash equivalents	-	16,950	16,950
Other receivables	-	478,864	478,864
Loan to subsidiary	-	103,692,000	103,692,000
Total assets	-	104,187,814	104,187,814
Liabilities			
Borrowings – Non current			
Fixed Interest Instruments	905,016,419	-	905,016,419
Optionally Convertible Redeemable Preference Shares	222,040,000	-	222,040,000
Other payables	-	252,405,970	252,405,970
Total Liabilities	1,127,056,419	252,405,970	1,379,462,389

31 March 2023	Interest bearing	Non-interest bearing	Total
Assets			
Cash and cash equivalents	-	38,877	38,877
Other receivables	-	478,864	478,864
Loan to subsidiary	-	103,692,000	103,692,000
Total assets	-	104,209,741	104,209,741
Liabilities			
Borrowings – Non current			
Fixed Interest Instruments	901,480,000	-	901,480,000
Borrowings – Current			
Fixed Interest Instruments	3,536,419	-	3,536,419
Optionally Convertible Redeemable Preference Shares	222,040,000	-	222,040,000
Other payables	-	220,446,621	220,446,621
Total Liabilities	1,127,056,419	220,446,621	1,347,503,040

Interest rate sensitivity

The Company is not exposed to movement in interest rate because its borrowing and OCRPS are at fixed rates are adequate.

15. FINANCIAL INSTRUMENTS (CONT'D)

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 reversed impaired outstanding loan and other receivables from related parties during the previous year due to reasons as stated in Note 6 and 7. There are no financial asset remaining other than cash and cash equivalent, other receivables and loan to related party as on March 31, 2024 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:

	2024	2023
	USD	USD
Cash and cash equivalents	**16,950**	38,877
Other receivables	**478,864**	478,864
Loan to related party	**103,692,000**	103,692,000
	104,187,814	104,209,741

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 2024, the Company had financial liabilities of **USD 1,379,462,389** (2023: USD 1,347,503,040), with a maturity profile disclosed 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, other receivables, loan to related party amounted to **USD 104,187,814** (2023: USD 104,209,741), 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:

BLOOM FOUNTAIN LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED 31 MARCH 2024

15. FINANCIAL INSTRUMENTS (CONT'D)

Liquidity risk management (cont'd)

	On Demand	Less than 1 year	More than 1 year	Total
	USD	USD	USD	USD
31 March 2024				
Liabilities				
Borrowings	-	-	**905,016,419**	**905,016,419**
Optionally Convertible Redeemable Preference Shares	**222,040,000**	-	-	**222,040,000**
Other payables	**252,405,970**	-	-	**252,405,970**
	474,445,970	-	**905,016,419**	**1,379,462,389**
31 March 2023				
Liabilities				
Borrowings	-	3,536,419	901,480,000	905,016,419
Optionally Convertible Redeemable Preference Shares	222,040,000	-	-	222,040,000
Other payables	220,446,621	-	-	220,446,621
	442,486,621	3,536,419	901,480,000	1,347,503,040

Reconciliation of Liabilities arising from financing activities:

	Borrowings		Interest payable	
	Due within 1 year	Due after 1 year	Due within 1 year	Due after 1 year
At 1 April 2022	**3,536,419**	901,430,000	188,257,232	-
Cash flow	-	50,000	-	-
Other non-cash changes	-	-	31,920,404	-
At 1 April 2023	3,536,419	901,480,000	220,177,636	-
Cash flow	-	-	-	-
Other non-cash changes	-	-	**31,953,519**	-
Reclassification from Current to Non current	(3,536,419)	3,536,419	-	-
At 31 March 2024	-	905,016,419	252,131,155	-

Capital risk management

For the purpose of the Company's capital management, capital includes issued capital, 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 2024

15. FINANCIAL INSTRUMENTS (CONT'D)

Capital risk management (cont'd)

Gearing ratio
The gearing ratio at the year-end was as follows:

	2024 USD	2023 USD
Debt (i)	**1,127,056,419**	1,127,056,419
Cash and cash equivalents	**(16,950)**	(38,877)
Net debt	**1,127,039,469**	1,127,017,542
Equity (ii)	**(1,275,274,575)**	(1,243,293,299)
Net debt to equity ratio (times)	**N/A**	N/A

(i) Debt includes Optionally Convertible Redeemable Preference Shares of **USD 222,040,000** (2023: USD 222,040,000), loan from THL Zinc Limited amounting to **USD 3,536,419** (2023: USD 3,536,419), loan from Fujairah Gold FZE amounting to **USD 900,000,000** (2023: USD 900,000,000) and loan from Cairn India Holdings limited amounting to **USD 1,480,000** (2023: USD 1,480,000).

(ii) Equity includes all capital, other equity and reserves of the Company.

16. RELATED PARTY TRANSACTIONS AND BALANCES

During the year ended 31 March 2024, 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	2024 USD	2023 USD
Transactions				
THL Zinc Ltd	Group Company	Interest expenses	**306,961**	274,573
Vedanta Limited	Holding Company	Interest on Optionally Convertible Redeemable Preference Shares	**94,760**	94,760
Fujairah Gold FZE	Group Company	Interest expenses	**31,500,000**	31,500,000
Cairn India Holding Limited	Group Company	Loan received	**-**	50,000
		Interest expenses	**51,800**	51,071
Outstanding balances				
Western Cluster Limited	Subsidiary	Other receivables (Refer to note 7)	**478,864**	478,864
		Loan to Subsidiary (Refer to Note 6)	**103,692,000**	103,692,000
	Subsidiary	Trade Payable	**(22,430)**	(22,430)
Vedanta Limited	Holding Company	Optionally Convertible Redeemable Preference Shares	**(222,040,000)**	(222,040,000)
		Accrued interest on Optionally Convertible Redeemable Preference Shares (Refer to Note 11)	**(958,618)**	(863,858)
THL Zinc Ltd	Group Company	Loan payable (Refer to note 9(i)	**(3,536,419)**	(3,536,419)
		Interest payable	**(1,547,034)**	(1,240,073)
		Other payable	**(14,638)**	(14,638)
Fujairah Gold FZE	Group Company	Loan payable (Refer to note 9(iii)	**(900,000,000)**	(900,000,000)
		Interest payable	**(249,347,222)**	(217,847,222)
Cairn India Holding Limited	Group Company	Loan payable (Refer to note 9(ii)	**(1,480,000)**	(1,480,000)
		Interest payable	**(278,285)**	(226,485)
Vedanta Resources Plc	Group Company	Other payables	**(199,317)**	(199,317)

16. RELATED PARTY TRANSACTIONS AND BALANCES (CONT'D)

Compensation to Key Management Personnel

No compensation to key management personnel was paid during the year ended 31 March 2024 (2023: NIL).

Other related party transactions
Fees charged by management of the Company

	2024 USD	2023 USD
Transactions		
Total fees charged by management entity	**15,415**	14,725

Included in total fees charged by management entity, is an amount of **USD 4,200** (2023: USD 4,000) 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 prepare Consolidated financial statements.

18. GOING CONCERN

The Company incurred a net loss of **USD 31,981,276** (2023: loss of USD 31,944,182, excluding exceptional item) for the year ended 31 March 2024 and as at that date, its total liabilities exceeded its total assets by USD **1,275,274,575** (2023: USD 1,243,293,299) and its current liabilities exceed its current assets by USD **473,950,156** (2023: USD 445,505,299).

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 directors have received a letter of support from Vedanta Limited, the immediate holding company, which 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.
The Directors have made an assessment and 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

There have been no material events after reporting date which would require disclosure or adjustment to the financial statements for the year ended 31st March 2024.