

AL RIMAL MINING LLC
(An Exploration Stage Company)

Report and financial statements
for the year ended 31 March 2023

AL RIMAL MINING LLC
(An Exploration Stage Company)

Report and financial statements
for the year ended 31 March 2023

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**Independent auditor’s report
to the Shareholders of
Al Rimal Mining LLC (An Exploration Stage Company)**

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Opinion

We have audited the accompanying financial statements of **Al Rimal Mining LLC (An Exploration Stage Company)** (“the Company”), which comprise the statement of financial position as at 31 March 2023, 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 a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at 31 March 2023, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

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 Company’s financial statements in Sultanate of Oman, 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.

Responsibilities of management and those charged with governance for the financial statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRSs, and for such internal control as the management determines 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, management is 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 management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

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.

**Independent auditor's report
to the Shareholders of
Al Rimal Mining LLC (An Exploration Stage Company) (continued)**

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Auditor's responsibilities for the audit of the financial statements (continued)

As part of an audit in accordance with ISA's, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risk, 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 the one resulting from error, as fraud may involve collusion, forgery, intentional omission, 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 management.
- Conclude on the appropriateness of the management'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 disclosure 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 represents 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.

**Deloitte & Touche (M.E.) & Co. LLC
Muscat, Sultanate of Oman
xxxx**

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Statement of financial position
At 31 March 2023

	Notes	2023	2022
		RO	RO
ASSETS			
Non-current assets			
Property, plant and equipment	4	416,986	74,069
Other receivables		33,234	7,482
Total non-current assets		450,220	81,551
Current assets			
Due from shareholders	5	-	150,000
Cash and cash equivalents	6	592,960	1,070,005
Total current assets		592,960	1,220,005
Total assets		1,043,180	1,301,556
EQUITY AND LIABILITIES			
Equity			
Share capital	7	1,000,000	1,000,000
Accumulated losses		(21,211)	(695,205)
Total equity		978,789	304,795
Current liabilities			
Due to shareholder	5	-	839,532
Due to related party	5	210	140,041
Other payables		64,181	17,188
Total current liabilities		64,391	996,761
Total liabilities		64,391	996,761
Total equity and liabilities		1,043,180	1,301,556

Director

The accompanying notes form an integral part of these financial statements.

AL RIMAL MINING LLC
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Statement of profit or loss and other comprehensive income
for the year ended 31 March 2023

	Notes	2023	2022
		RO	RO
Administrative and other general expenses	8	21,733	(18,164)
Other income	9	6,195	414
Exceptional Items	10	689,532	-
Profit/(Loss) for the year and total comprehensive loss		673,994	(17,750)

The accompanying notes form an integral part of these financial statements.

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Statement of changes in equity
for the year ended 31 March 2023

	Share capital RO	Accumulated losses RO	Total RO
At 1 April 2021	1,000,000	(677,455)	322,545
Loss for the year and total comprehensive loss	-	(17,750)	(17,750)
At 1 April 2022	1,000,000	(695,205)	304,795
Profit for the year and total comprehensive profit		673,994	673,994
At 31 March 2023	1,000,000	(21,211)	978,789

The accompanying notes form an integral part of these financial statements.

AL RIMAL MINING LLC
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Statement of cash flows
for the year ended 31 March 2023

	2023	2022
	RO	RO
Cash flows from operating activities		
Profit/(Loss) for the year	673,994	(17,750)
Adjustments for:		
Interest income	(6,195)	(414)
Exchange (Gain)/Loss on revaluation of assets and liabilities	(201)	-
Exceptional items (Refer note no. 10)	(689,532)	-
	<hr/>	<hr/>
Operating cash flows before changes in working capital	(21,934)	(18,164)
Changes in working capital :		
Other receivables	(25,752)	(1,882)
Other payables	(92,838)	97,507
	<hr/>	<hr/>
Net cash used in operating activities	(140,524)	77,461
	<hr/>	<hr/>
Investing activities		
Additional mine development (Note 4)	(342,917)	(74,069)
Interest received during the year	6,195	414
	<hr/>	<hr/>
Net cash generated from investing activities	(336,722)	(73,655)
	<hr/>	<hr/>
Financing activities		
Proceeds from borrowings from Shareholders (Note 5)	-	689,532
	<hr/>	<hr/>
Net cash generated from financing activities	-	689,532
	<hr/>	<hr/>
Net increase / (decrease) in cash and cash equivalents	(477,246)	693,338
Cash and cash equivalents at the beginning of the year	1,070,005	376,667
Effect of exchange rate on translation of foreign currency cash and cash equivalents	201	
	<hr/>	<hr/>
Cash and cash equivalents at the end of the year (Note 6)	592,960	1,070,005
	<hr/> <hr/>	<hr/> <hr/>

The accompanying notes form an integral part of these financial statements.

AL RIMAL MINING LLC

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Notes to the financial statements for the year ended 31 March 2023

1. General

Al Rimal Mining LLC (An Exploration Stage Company) (“the Company”) is a limited liability company, registered in the Sultanate of Oman on 18 February 2007. The registered address of the Company is at P O Box 54, Postal Code 100, Sultanate of Oman.

The Company will be engaged in mining of lime stone and other mineral ores for export and use in the steel industry.

On 26 May 2008, the Company has obtained the exploration license no. T/14/2008 to explore an area of about 25 square kilometers in Salalah – Oyun- Al Madraj at Dhofar Region for lime stone mineral deposit. . The above exploration license was expired on 25 May 2009. Currently Company has obtained the exploration license no. L1261430 on 8 March 2020 for a period of three years which is further extended up to 16 July 2023.

The Company carried out the exploration work including drilling on a potential site within its mining area. The area was found not suitable for the project (developments of lime stone mine) for the following reasons:

- Technical difficulties;
- Economical outputs;
- Environmental impacts.

As such the Company stopped the exploration and drilling work and focused on preparation of a new feasibility and environment studies for another site adjacent to the previous site but within the mining area of its original exploration license.

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Notes to the financial statements
for the year ended 31 March 2023 (continued)

2. Summary of significant accounting policies

Basis of preparation

The financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRS).

Functional and presentation currency

These financial statements are presented in Rial Omani (“RO”) which is the Company’s functional currency.

Going concern

The financial statements have been prepared on a going concern basis. However, the Company is still on an exploration and development stage of a mining area of Salalah in the Dhofar region for limestone mineral deposit. The continuation of the Company as a going concern depends on its ability on the successful exploration and development of the aforementioned mining area and subsequent commercial production of limestone for export and use by the steel industry.

In the opinion of the Company’s management, the Company has the expertise and necessary financial resources to explore and develop the mine site for a successful commercial production of the limestone.

Basis of measurement

The financial statements are prepared on the historical cost basis. The principal accounting policies are set out below:

Property, plant and equipment

Property, plant and equipment consist of Mineral property, plant and equipment and Non-mineral property, plant and equipment.

Mineral property, plant and equipment

Mineral property, plant and equipment represent Mining assets and Mine development and exploration costs.

Mining assets

Mining assets, if any, are recorded at cost less accumulated amortisation. Mining assets include the cost of acquiring and developing mining properties, pre-production expenditure, mine infrastructure, mineral rights and exploration licenses and the present value of future decommissioning costs.

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Notes to the financial statements
for the year ended 31 March 2023 (continued)

2. Summary of significant accounting policies (continued)

Mine development and exploration costs

Mine development and exploration costs (including geophysical, topographical, geological and similar types of expenditure) is expensed in the period in which it is incurred, unless it is deemed that such expenditure will lead to an economically viable capital project. In this case the expenditure is recorded as mine development construction-in-progress and transferred to mining assets when a new mine reaches commercial production quantities capitalised and amortised.

Mine development and exploration costs written-off before development and construction starts is not subsequently capitalised, even if a commercial discovery subsequently occurs.

Non-mineral property, plant and equipment

Non-mineral property, plant and equipment are stated at cost less accumulated depreciation.

The cost of Non-mineral property, plant and equipment is their purchase cost, together with any incidental expenses of acquisition.

Depreciation is calculated so as to write off the cost of property, plant and equipment on a straight line basis over the expected useful economic lives of the assets concerned. The estimated useful lives used for this purpose are:

	Years
Furniture and fixtures	5
Office equipment	5
Motor vehicles	5

The gain or loss arising on the disposal or retirement of an asset is determined as the difference between the sale proceeds and the carrying amount of an asset and is recognised in the statement of comprehensive income.

Impairment of non-financial assets

The carrying amounts of the Company's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indications exist then the asset's recoverable amount is estimated.

The recoverable amount of an asset is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

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Notes to the financial statements
for the year ended 31 March 2023 (continued)

2. Summary of significant accounting policies (continued)

Impairment of non-financial assets (continued)

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

Financial instruments

Financial assets and financial liabilities are recognised in the Company's statement of financial position when the Company becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in the statement of profit or loss.

Financial assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace. All recognised financial assets are measured subsequently in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

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

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

All other financial assets are classified as measured at FVTPL.

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Notes to the financial statements
for the year ended 31 March 2023 (continued)

2. Summary of significant accounting policies (continued)

Financial instruments (continued)

Financial assets (continued)

Amortised cost and effective interest rate method

Cash and cash equivalents and due from shareholders are measured at amortised cost using the effective interest method, less any impairment. The amortised cost of a financial asset is the amount at which the financial asset is measured at initial recognition minus the principal repayments, plus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount, adjusted for any loss allowance. The effective interest method is a method of calculating the amortised cost of a financial instrument and of allocating interest income over the relevant period.

The effective interest rate (EIR) is the rate that exactly discounts estimated future cash flows of the financial instrument through the expected life of the financial instrument or, where appropriate, a shorter period, to the net carrying amount of the financial asset or financial liability. The future cash flows are estimated taking into account all the contractual terms of the instrument.

Impairment of financial assets

The Company recognises loss allowances for expected credit losses on all its financial assets. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

ECLs are required to be measured through a loss allowance at an amount equal to:

- 12-month ECL, i.e. loss allowance at an amount equal to 12 month ECL at the current reporting date; or
- full lifetime ECL, i.e. lifetime ECL that result from all possible default events over the life of the financial instrument.

A loss allowance for full lifetime ECL is required for a financial instrument if the credit risk on that financial instrument has increased significantly since initial recognition. For all other financial instruments, ECLs are measured at an amount equal to the 12-month ECL.

When estimating ECLs, the Company considers reasonable and supportable information that is relevant and available without undue costs or effort. This includes both quantitative and qualitative information and analysis, based on Company's historical experience and informed credit assessment and including forward-looking information.

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Notes to the financial statements
for the year ended 31 March 2023 (continued)

2. Summary of significant accounting policies (continued)

Financial instruments (continued)

Financial assets (continued)

Measurement and recognition of expected credit loss

The measurement of expected credit losses is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information. As for the exposure at default, for financial assets, this is represented by the assets' gross carrying amount at the reporting date.

ECLs are a probability-weighted estimate of the present value of credit losses. These are measured as the present value of the difference between the cash flows due to the Company under the contract and the cash flows that the Company expects to receive arising from the weighting of future economic scenarios, discounted at the asset's EIR.

Derecognition of financial assets

The Company derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

Financial liabilities

All financial liabilities are measured subsequently at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortised cost of a financial liability.

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Notes to the financial statements
for the year ended 31 March 2023 (continued)

2. Summary of significant accounting policies (continued)

Financial instruments (continued)

Financial liabilities (continued)

Derecognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

Provisions

A provision is recognised in the statement of financial position when the Company has a legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

Foreign currency

Transactions in foreign currencies are translated into Rials Omani at the exchange rate prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the statement of financial position date are translated into Rials Omani at the rate of exchange prevailing at that date. Differences on exchange are dealt with in the statement of comprehensive income.

Cash and cash equivalents

For the purpose of the statement of cash flows, all bank balances and short-term deposits with a maturity of three months or less from the date of placement are considered to be cash equivalents.

Taxation

Income tax on the profit or loss for the period comprises current tax and deferred tax. Income tax is recognised in the profit or loss except to the extent that it relates to items recognised directly in equity, or in other comprehensive income.

Current income tax is the expected tax payable on the taxable income for the period, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous periods.

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Notes to the financial statements
for the year ended 31 March 2023 (continued)

2. Summary of significant accounting policies (continued)

Taxation (continued)

Deferred tax is calculated in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The amount of deferred tax calculated is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the reporting date.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefits will be realized.

3. Critical accounting judgments and key sources of estimation uncertainty

The preparation of the financial statements requires Management to make estimates and assumptions that affect the reported amount of assets and liabilities at the reporting date and the resultant provisions and changes in fair value. Such estimates are necessarily based on assumptions about several factors involving varying, and possibly significant, degrees of judgment and uncertainty and actual results may differ from Management's estimates resulting in future changes in estimated liabilities and assets.

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

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Notes to the financial statements
for the year ended 31 March 2023 (continued)

4. Property, plant and equipment

	Furniture and fixtures RO	Office equipment RO	Motor vehicles RO	Mine development construction-in- progress RO	Total RO
Cost					
As at 31 March 2022	3,837	4,485	20,300	240,079	268,701
Additions as at 31 March 2023	-	-	-	342,917	342,917
At 31 March 2023	<u><u>3,837</u></u>	<u><u>4,485</u></u>	<u><u>20,300</u></u>	<u><u>582,996</u></u>	<u><u>611,618</u></u>
Accumulated depreciation / Impairment					
At 31 March 2022	<u>3,837</u>	<u>4,485</u>	<u>20,300</u>	<u>166,010</u>	<u>194,632</u>
Net Book value					
At 31 March 2023	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>416,986</u></u>	<u><u>416,986</u></u>
At 31 March 2022	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>74,069</u></u>	<u><u>74,069</u></u>

Mine development construction-in-progress comprises costs directly related to mine development, infrastructure and exploration of lime stone mineral deposit incurred in the current year. Management has fully provided the Mine development construction-in-progress in the prior years.

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Notes to the financial statements
for the year ended 31 March 2023 (continued)

5. Related parties

Related parties comprise the shareholders, key business personnel and business entities in which they have the ability to control or exercise significant influence in financial and operating decisions.

The Company maintains significant balances with these related parties which arise in the normal course of business and are entered into at terms and conditions which the management considers to be comparable with those adopted for arm's length transactions with third parties.

The following is a summary of transactions and balances with related parties which are included in the financial statements:

	2023	2022
	RO	RO
Due from shareholders – (Note 5.1)		
Ms. Niti Ajit Kumar Karsandas Hamalai	-	17,500
Mr. Ajay Ajit Kumar Karsandas Hamalai	-	66,250
Mr. Sujay Ajit Kumar Karsandas Hamalai	-	66,250
		<u>150,000</u>
Due to shareholder – (Note 5.2)		
M/s. T S Global Holding Pte Ltd (T S Global Minerals Holding Pte Ltd amalgamated with T S Global Holdings Pte Ltd)	-	518,454
Ms. Niti Ajit Kumar Karsandas Hamalai	-	37,460
Mr. Ajay Ajit Kumar Karsandas Hamalai	-	141,809
Mr. Sujay Ajit Kumar Karsandas Hamalai	-	141,809
		<u>839,532</u>
Due to related party		
Ajay Enterprise	210	140,041

- 5.1.** On 16 January 2008, the Company entered in to loan agreement with local shareholders. The tenure of the loan agreement was for 10 years. The interest rate was 2 % plus OMIBOR. The shareholders has not paid any interest since the inception of agreement. The agreement expired on 15 January 2018, post which the local shareholders and Al Rimal Mining LLC decided to extend the loan agreement. Further, the waiver of the interest since inception was mutually decided between the Company and the Local shareholders.

The above loan given to local shareholders have been written off in the current financial year. (Refer note 10)

- 5.2.** On 16 January 2008, the Company entered in to loan agreement with T S Global Holding Pte Ltd. The tenure of the loan agreement was for 10 years. The interest rate was 2 % plus OMIBOR. Al Rimal Mining LLC has not paid any interest since the inception of agreement. The agreement expired on 15 January 2018, post which T S Global Holding Pte Ltd. and Al Rimal Mining LLC decided to extend the loan agreement. Further, the waiver of the interest since inception was mutually decided between the Company and T S Global Holding Pte Ltd.

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Notes to the financial statements
for the year ended 31 March 2023 (continued)

5. Related parties (continued)

The above loan taken from T S Global Holding Pte Ltd. have been written back in the current financial year. (Refer note 10)

- 5.3.** On 15 November 2021, the company entered in to a facility agreement with T S Global Holding Pte Ltd and Local Shareholders. Accordingly, (i) the local shareholders shall together in the aggregate lend an amount equal to OMR 321,078, and (ii) T S Global Holding Pte Ltd shall lend an amount equal to OMR 368,454.

During the financial year ended 31 March 2023, these loans have also been written back. (Refer note no 10)

6. Cash and cash equivalents

	2023	2022
	RO	RO
Bank current account	210,058	693,499
US Dollar term deposit account	382,902	376,506
	<u>592,960</u>	<u>1,070,005</u>

Deposits with bank carries annual interest rate ranging from 0.01% to 2.75% (31 March 2022: 0.01% to 0.02%).

7. Share capital

The authorised, issued and fully paid share capital consists of 1,000,000 ordinary shares with a nominal value of RO 1 each.

Name of the shareholders	Shareholding		Amount	
	%	RO	%	RO
	31 March 2023		31 March 2022	
Tata Steel Global Minerals Holding Pte Ltd	51	510,000	70	700,000
Oman National Investments Development Company SAOC	30	300,000		
Ajay Ajit Kumar Karsandas Hamalai	8.392	83,920	13.25	132,500
Sujay Ajit Kumar Karsandas Hamalai	8.392	83,920	13.25	132,500
Niti Ajit Kumar Karsandas Hamalai	2.216	22,160	3.5	35,000
	100	1,000,000	100	1,000,000

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Notes to the financial statements
for the year ended 31 March 2023 (continued)

8. Administrative and other general expenses

	2023	2022
	RO	RO
Legal and professional fees	17,232	14,251
Miscellaneous expenses	4,501	3,913
	<u>21,733</u>	<u>18,164</u>

9. Other income

	2023	2022
	RO	RO
Interest income	6,195	414
	<u>6,195</u>	<u>414</u>

Interest income was earned from US Dollar term deposit bank account. The interest is based on monthly maturity of the account balance by the bank.

10. Exceptional items

During the financial year ended 31 March 2023, (i) loan from local shareholders of OMR 321,078 (ii) loan from T S Global Holdings Pte. Ltd. of OMR 518,454 and (iii) loan given to local shareholders of OMR 150,000 have been written off/ written back by virtue of share sale and purchase agreement dated 9 May, 2019.

11. Income tax

Income tax is provided as per the provisions of the “Law of Income Tax on Companies” in Oman after adjusting the items which are non-assessable or disallowed. Provision for taxation has not been made as the Company does not have taxable profits for the year.

Status of income tax assessments

The company's income tax assessments for the tax years 2017 to 2021 have not been finalised yet by the Secretariat General for Taxation (“tax department”). The Management of the Company is of the opinion that additional taxes, if any, that may be assessed on completion of the assessments for the open tax years would not be significant to the company's financial position at 31 March 2023.

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Notes to the financial statements
for the year ended 31 March 2023 (continued)

12. Financial risk management

Financial instruments carried on the statement of financial position comprise cash and cash equivalents, other receivables, due to and due from shareholders and other payables.

Financial assets are assessed for indicators of impairment at each reporting date. Financial assets are impaired where there is objective evidence that as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been impacted.

The classification of financial assets depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition.

Financial risk factors

Overview

The Company has exposure to the following risks from its use of financial instruments:

- Credit risk
- Liquidity risk
- Market risk

(i) Credit risk

Credit risk is the risk of financial loss to the Company if counterparty to a financial instrument fails to meet its contractual obligations.

The potential risk in respect of amounts receivable is limited to their carrying values as management regularly reviews these balances whose recoverability is in doubt. There is no credit risk in respect of receivable from shareholders.

Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The exposure to credit risk at the statement of financial position date was on account of:

	2023	2022
	RO	RO
Due from shareholders	-	150,000
Other receivables	33,234	7,482
Cash and cash equivalents	592,960	1,070,005
	<hr/> 626,194 <hr/>	<hr/> 1,227,487 <hr/>

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Notes to the financial statements
for the year ended 31 March 2023 (continued)

12. Financial risk management (continued)

Financial risk factors (continued)

(ii) Liquidity risk

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 have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

Typically, the Company ensures that it has sufficient cash on demand to meet expected operational expenses including the servicing of financial obligations. This excludes the potential impact of extreme circumstances that cannot reasonably be predicted, such as natural disasters.

31 March 2023

	Carrying amount RO	6 months or less RO	6 - 12 months RO	More than 1 year RO
Due to shareholder	-	-	-	-
Due to related party	210	-	210	-
Other payables	64,181	-	64,181	-
	<u>64,391</u>	<u>-</u>	<u>64,391</u>	<u>-</u>

31 March 2022

Due to shareholder	839,532	-	839,532	-
Due to related party	140,041	-	140,041	-
Other payables	17,188	-	17,188	-
	<u>996,761</u>	<u>-</u>	<u>996,761</u>	<u>-</u>

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Notes to the financial statements
for the year ended 31 March 2023 (continued)

12. Financial risk management (continued)

Financial risk factors (continued)

(iii) Market risk

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

Foreign currency risk

The Company's functional and presentation currency is Rials Omani. The Company is not exposed to foreign currency risk on its bank deposits designated in US Dollars as the Omani Rial is effectively pegged to the US Dollar and the US Dollar exchange rate has remained unchanged. Certain of the Company's transactions and liabilities are denominated in US Dollars. The currency movements are monitored and management is authorised to take actions to minimise the impact of the currency fluctuations.

Interest rate risk

The Company has short term bank deposits, which are interest bearing and exposed to changes in market interest rates. The Company adopts a policy of maintaining an appropriate mix between fixed and floating rate instruments to maintain this risk. The interest rates are closely monitored by management to minimise the risk.

13. Capital management

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern and benefit other stake holders. The management's policy is to maintain a strong capital base so as to maintain creditor and market confidence and to sustain future development of the business.

14. Fair value of financial assets and liabilities

Financial assets consist of cash at bank, other receivables and due from shareholders, whereas financial liabilities consists of due to shareholder and Other payables. Management believes that the fair values of financial instruments approximates to their carrying value as at 31 March 2021.

15. Approval of financial statements

The financial statements were approved by the management and authorised for issue on
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