

**TAHL (Mauritius) Mining  
Projects Limited**

**Annual financial statements  
for the year ended 31 March 2017**

**TAHL (Mauritius) Mining Projects Limited**  
**Annual financial statements**  
*for the year ended 31 March 2017*

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## TAHL (Mauritius) Mining Projects Limited Directors' responsibility for financial reporting

The directors of TAHL (Mauritius) Mining Projects Limited (the "Company") are responsible for the preparation and fair presentation of the annual financial statements of the Company, comprising the statement of financial position at 31 March 2017, the statement of profit or loss and other comprehensive income, the statement of changes in equity and statement of cash flows for the year then ended, and the notes to the financial statements, which include a summary of significant accounting policies and other explanatory notes, in accordance with International Financial Reporting Standards and in the manner required by the Mauritius Companies Act of 2001 in so far as applicable to Category 1 Global Business Licence Companies.

Company law requires the directors to prepare financial statements for each financial year, which give a true and fair view of the state of affairs and of the statement of operations of the Company. In preparing those financial statements, the directors have:

- selected suitable accounting policies and then applied them consistently;
- made judgements and estimates that are reasonable and prudent;
- stated whether International Financial Reporting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepared the financial statements on the going concern basis.

The directors are responsible for keeping proper accounting records, which disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Mauritius Companies Act 2001, in so far as applicable to Category 1 Global Business Licence Companies. 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.

The annual financial statements of TAHL (Mauritius) Mining Projects Limited, as set out on pages 3 to 29, were approved by the board of directors on 09 May 2017 and signed on its behalf by:

Alimkhan

Director



Director

## **TAHL (Mauritius) Mining Projects Limited**

### **Directors' report**

*for the year ended 31 March 2017*

The directors have pleasure in presenting their report for the year ended 31 March 2017.

#### **Business activities**

The principal activity of the Company is that of an investment holding company.

#### **Review of operations**

The annual financial statements set out on pages 3 to 29 adequately reflect the state of affairs and the results of the business operations of the Company for the year ended 31 March 2017.

#### **Stated capital**

There has been an increase of USD 30 000 in the stated capital during the year (2016: increase of USD 1 400 000). (Refer to Note 8).

#### **Dividends**

No dividend has been proposed by the directors during the year and subsequent to the year end (2016: Nil).

#### **Directors**

The directors in office during the year and at the date of this report are:-

<b>Name</b>	<b>Date appointed</b>	<b>Date resigned</b>
Sanjay Pandya *	27-Feb-12	-
Behram Sabawala *	28-Feb-15	05-Dec-16
Kevin Allagapen	28-Feb-12	01-Jul-16
Nirushka Busguth	07-Feb-13	01-Jul-16
Rolf Mathias Ramakers @	24-Jan-17	-
Kaajal Bissessur-Maunthrooa	01-Jul-16	-
Audrey Lim	01-Jul-16	-

*\* Indian*

*@ South African*

#### **Auditor**

Deloitte  
7th-8th Floor, Standard Chartered Tower,  
19-21 Bank Street, Cybercity  
Ebene 72201, Mauritius

#### **Holding company, intermediate holding company and ultimate holding company**

The directors regard Tata Africa Holdings (SA) Proprietary Limited, a company incorporated in South Africa, as the holding company, Tata International Singapore Pte. Limited, a company incorporated in Singapore, as the intermediate holding company and Tata International Limited, a company incorporated in India, as the ultimate holding company.

**TAHL (Mauritius) Mining Projects Limited**  
**Directors' report (continued)**

*for the year ended 31 March 2017*

**Going concern**

The directors of TAHL (Mauritius) Mining Projects Limited have reviewed the going concern considerations of the Company and have no reason to believe that the business will not be a going concern in the year ahead.

The intermediate holding company confirmed that it would continue to provide financial support to the Company to enable it to meet its obligations as they fall due. The directors consider it appropriate to prepare the financial statements on this basis.

Refer to note 6 for director's commentary on the mining licences of the subsidiary, Mpumalanga Mining Resources SA.

**Subsequent event**

There has been a subsequent event which has been disclosed in note 19 in the financial statements.

***Registered address***

10th Floor, Standard Chartered Tower,  
19-21 Bank Street, Cybercity  
Ebene, Mauritius

**By Order of the Board**



**DTOS LTD**  
**CORPORATE SECRETARY**

**Date: 09 May 2017**

**TAHL (Mauritius) Mining Projects Limited  
Secretary's report to the members of TAHL (Mauritius) Mining Projects  
Limited under Section 166(d) of the Mauritius Companies Act 2001**

We certify that we have filed with the Registrar of Companies all such returns, as are required of the Company under Section 166(d) of the Mauritius Companies Act 2001, for the year ended 31 March 2017.



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for DTOS LTD.  
Corporate Secretary

Date: 09 May 2017

## **Independent auditor's report to the Shareholders of TAHL (Mauritius) Mining Projects Limited**

### **Report on the audit of the financial statements**

#### **Opinion**

We have audited the financial statements of **TAHL (Mauritius) Mining Projects Limited** (the "Company") set out on pages 8 to 28, which comprise the statement of financial position as at 31 March 2017, 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 give a true and fair view of the financial position of the Company as at 31 March 2017, and of its financial performance and 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 in so far as applicable to Category 1 Global Business Licence companies.

#### **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 Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the ethical requirements of the IESBA Code of Ethics for Professional Accountants. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### *Emphasis of matter – Investment in subsidiary*

We draw attention to note 6 to the financial statements which describes that the Company has investment in its wholly owned subsidiary, Mpumalanga Mining Resources SA, carried at cost of USD 36,215,620, which primarily relates to the exploration rights. The subsidiary's licences to explore chromite expired on 22 May 2016 and an application for their renewals for a further period of 3 years has been made which has, however, not been finalised at the date of approval of the financial statements. The directors are of the view that the renewal of the licences will be forthcoming. The subsidiary currently operates under the renewal of its mining administration fees. The directors have assessed the investment for impairment and are of the opinion that the investment is not impaired. Our opinion is not modified in respect of this matter.

#### **Report on other legal and regulatory requirements**

##### *Mauritius Companies Act 2001*

In accordance with the requirements of the Mauritius Companies Act 2001, we report as follows:

- we have no relationship with, or interest in, the Company other than in our capacity as auditor;
- we have obtained all information and explanations that we have required; and
- in our opinion, proper accounting records have been kept by the Company as far as appears from our examination of those records.

#### **Other information**

The directors are responsible for the other information. The other information comprises the Directors' responsibility for financial reporting, Directors' report, Secretary's report and the detailed statement of profit or loss and other comprehensive income but does not include the financial statements and our auditor's report thereon.

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

## Independent auditor's report to the Shareholders of TAHL (Mauritius) Mining Projects Limited (cont'd)

### **Responsibilities of directors for the financial statements**

The directors are responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards and in compliance with the requirements of the Mauritius Companies Act 2001 in so far as applicable to Category 1 Global Business Licence companies and they are also responsible 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.

The directors 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.

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

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

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

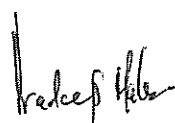
This report is made solely to the Company's shareholders, as a body, in accordance with section 205 of the Mauritius Companies Act 2001. Our audit work has been undertaken so that we might state to the Company's shareholders those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's shareholders as a body, for our audit work, for this report, or for the opinions we have formed.



**Deloitte**

**Chartered Accountants**

9 May 2017



**Pradeep Malik, FCA**

**Licensed by FRC**





**TAHL (Mauritius) Mining Projects Limited**  
**Statement of financial position**

at 31 March 2017

	<i>Notes</i>	2017 USD	2016 USD
<b>Assets</b>			
<b>Non-current assets</b>			
Investment in subsidiary	6	36 215 620	35 615 620
<b>Total non-current assets</b>		<u>36 215 620</u>	<u>35 615 620</u>
<b>Current assets</b>			
Other receivables	7	1 228	1 469
Cash and cash equivalents		415 124	19 561
<b>Total current assets</b>		<u>416 352</u>	<u>21 030</u>
<b>Total assets</b>		<u>36 631 972</u>	<u>35 636 650</u>
<b>Equity and liabilities</b>			
<b>Equity</b>			
Stated capital	8	3 430 000	3 400 000
Accumulated losses		<u>(9 315 254)</u>	<u>(6 910 230)</u>
<b>Shareholder's deficit</b>		<u>(5 885 254)</u>	<u>(3 510 230)</u>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Loan from intermediate holding company	9	34 100 000	33 100 000
Loan from holding company	10	715 620	715 620
<b>Total non-current liabilities</b>		<u>34 815 620</u>	<u>33 815 620</u>
<b>Current liabilities</b>			
Loan from holding company	10	10,000	10,000
Other payables	11	7 691 606	5 321 260
<b>Total current liabilities</b>		<u>7 701 606</u>	<u>5 331 260</u>
<b>Total liabilities</b>		<u>42 517 226</u>	<u>39 146 880</u>
<b>Total equity and liabilities</b>		<u>36 631 972</u>	<u>35 636 650</u>

Approved by the Board of Directors and authorised for issue on 09 May 2017

  
 ..... )  
  
 ..... )  
 ..... ) **DIRECTORS**  
 ..... )  
 ..... )

The notes on pages 12 to 28 form an integral part of these financial statements.

**TAHL (Mauritius) Mining Projects Limited**  
**Statement of profit or loss and other comprehensive income**  
*for the year ended 31 March 2017*

	<i>Notes</i>	2017 USD	2016 USD
Administrative expenses		<u>( 25 996)</u>	<u>( 29 707)</u>
<b>Loss from operations</b>	<i>12</i>	( 25 996)	( 29 707)
Finance cost	<i>13</i>	<u>(2 379 028)</u>	<u>(2 279 978)</u>
<b>Loss before taxation</b>		(2 405 024)	(2 309 685)
Income tax expense	<i>14 (a)</i>	-	-
<b>Loss for the year</b>		<u>(2 405 024)</u>	<u>(2 309 685)</u>
Other comprehensive income		<u>-</u>	<u>-</u>
<b>Total comprehensive loss for the year</b>		<u>(2 405 024)</u>	<u>(2 309 685)</u>

The notes on pages 12 to 28 form an integral part of these financial statements.

## TAHL (Mauritius) Mining Projects Limited

### Statement of changes in equity

for the year ended 31 March 2017

	<i>Notes</i>	<b>Stated capital USD</b>	<b>Accumulated losses USD</b>	<b>Total USD</b>
Balance at 01 April 2015		2 000 000	(4 600 545)	(2 600 545)
Issue of shares	8	1 400 000	-	1 400 000
Total comprehensive loss for the year		-	(2 309 685)	(2 309 685)
<b>Balance at 31 March 2016</b>		<b>3 400 000</b>	<b>(6 910 230)</b>	<b>(3 510 230)</b>
Issue of shares	8	30 000	-	30 000
Total comprehensive loss for the year		-	(2 405 024)	(2 405 024)
<b>Balance at 31 March 2017</b>		<b>3 430 000</b>	<b>(9 315 254)</b>	<b>(5 885 254)</b>

The notes on pages 12 to 28 form an integral part of these financial statements.

**TAHL (Mauritius) Mining Projects Limited**  
**Statements of cash flows**  
*for the year ended 31 March 2017*

	<i>Notes</i>	2017 USD	2016 USD
<b>Cash flows from operating activities</b>			
Cash utilised in operations	<i>17 (a)</i>	<u>( 34 437)</u>	<u>( 22 912)</u>
<b>Net cash outflow from operating activities</b>		<u>( 34 437)</u>	<u>( 22 912)</u>
<b>Cash flows from investing activities</b>			
Investment in subsidiary		<u>( 600 000)</u>	<u>(3 000 000)</u>
<b>Cash flows from financing activities</b>			
Proceeds from issue of shares		30 000	1 400 000
Loan from intermediate holding company		1 000 000	1 600 000
Loan from holding company		-	510 000
Repayment of loan to holding company		-	<u>( 500 000)</u>
<b>Net cash inflow from financing activities</b>		<u>1 030 000</u>	<u>3 010 000</u>
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>395 563</b>	<b>( 12 912)</b>
Cash and cash equivalents at beginning of year		19 561	32 473
<b>Cash and cash equivalents at end of year</b>	<i>17 (b)</i>	<u><b>415 124</b></u>	<u><b>19 561</b></u>

The notes on pages 12 to 28 form an integral part of these financial statements.

## **TAHL (Mauritius) Mining Projects Limited**

### **Notes to the financial statements**

*for the year ended 31 March 2017*

#### **1. Reporting entity**

TAHL (Mauritius) Mining Projects Limited (the "Company") is a private company with limited liability incorporated on 27 February 2012 in accordance with the Mauritius Companies Act 2001 and the Financial Services Act 2007. The Company is registered with the Financial Services Commission as a company holding a Global Business Licence Category 1 (GBL-C1). Its registered office and principal place of business are situated at DTOS Ltd, 10th Floor, Standard Chartered Tower, 19-21 Bank Street, Cybercity, Ebène, Mauritius.

The principal activity of the Company is that of an investment holding company.

#### **2. Basis of preparation**

##### **(a) Statement of compliance**

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) and its interpretations as adopted by the International Accounting Standards Board (IASB) and the Mauritius Companies Act 2001.

##### **(b) Basis of measurement**

The financial statements are presented in USD, which is the Company's functional currency. They are prepared on the historical cost basis. The directors have assessed the necessary factors and have determined that the functional currency of the Company is USD.

#### **3. Significant accounting policies**

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

##### **(a) Foreign currency transactions**

Transactions in foreign currencies are translated at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated at the foreign exchange rate ruling at that date. Gains and losses arising on translation are credited to or charged in profit or loss.

##### **(b) Financial instruments**

###### Financial instruments

Financial assets and liabilities are recognised on the statement of financial position when the Company has become a party to the contractual provisions of the instruments.

**TAHL (Mauritius) Mining Projects Limited**  
**Notes to the financial statements (continued)**  
*for the year ended 31 March 2017*

**3. Significant accounting policies (continued)**

**(b) Financial instruments (continued)**

Financial instruments (continued)

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 or 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 profit or loss .

Financial assets

Financial assets are classified as 'Loans and receivables'. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition. 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.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (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 debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Loans and receivables are measured at amortised cost using the effective interest method, less any impairment.

Interest income is recognised by applying the effective interest rate, except for short-term receivables when the effect of discounting is immaterial.

Impairment of financial assets

Financial assets are assessed for indicators of impairment at end of each reporting period. Financial assets are considered to be 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 of the investment have been affected.

For financial assets carried at amortised cost, the amount of the impairment loss recognised is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate.

**TAHL (Mauritius) Mining Projects Limited**  
**Notes to the financial statements (continued)**  
*for the year ended 31 March 2017*

**3. Significant accounting policies (continued)**

**(b) Financial instruments (continued)**

Impairment of financial assets (continued)

For financial assets that are carried at cost, the amount of the impairment loss is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment loss will not be reversed in subsequent periods.

For financial assets measured at amortised cost, if, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed through profit or loss to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

De-recognition 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 party. 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.

**Financial liabilities and equity instruments**

Classification as debt or equity

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

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 recognised at the proceeds received, net of direct issue costs.

Financial liabilities

Financial liabilities are classified as 'other financial liabilities'.

## TAHL (Mauritius) Mining Projects Limited

### Notes to the financial statements (continued)

for the year ended 31 March 2017

#### 3. Significant accounting policies (continued)

##### (b) Financial instruments (continued)

###### Financial liabilities and equity instruments (continued)

###### Other financial liabilities

Other financial liabilities, including borrowings and trade and other payables are initially measured at fair value, net of transaction costs.

Other financial liabilities are subsequently measured 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 net carrying amount on initial recognition.

###### Derecognition of financial liabilities

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

##### (c) Cash and cash equivalents

Cash comprises of cash at bank. Cash equivalents are short-term highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

##### (d) Impairment of assets

At reporting date, the Company reviews the carrying amounts of its assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated to determine the extent of the impairment loss. Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. The carrying amount of an asset or cash generating unit is reflected at the lower of cost and the recoverable amount. Impairment losses, or reversals thereof, are recognised as expenses or income. An impairment loss reversal, however, cannot result in a carrying amount exceeding original cost.

##### (e) Taxation

Income tax on the profit or loss for the year comprises current and deferred tax. Income tax is recognised in profit or loss except to the extent that it relates to items recognised directly in equity, in which case it is recognised in other comprehensive income. Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantially enacted at the reporting date, and any adjustment to tax payable in respect of previous years.



**TAHL (Mauritius) Mining Projects Limited**  
**Notes to the financial statements (continued)**

*for the year ended 31 March 2017*

**3. Significant accounting policies (continued)**

**(e) Taxation (continued)**

Deferred tax is provided using the liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The following temporary differences are not provided for: goodwill not deductible for tax purposes, the initial recognition of assets or liabilities that affect neither accounting or taxable profit, and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided 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 benefit will be realised.

**(f) Provisions**

A provision is recognised when and only when there is a present obligation (legal or constructive) as a result of a past event, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. Provision are reviewed at each reporting date and adjusted to reflect the current best estimate.

**(g) Related parties**

Parties are considered to be related if one party has the ability to control the other party and/or exercise significant influence over the party in making financial and operating decisions.

**(h) Investment in subsidiary**

Subsidiaries are all entities (including structured 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.

Investment in subsidiary is shown at cost. Where an indication of impairment exists, the recoverable amount of investment is assessed. Where the carrying amount is greater than the estimated recoverable amount, it is written down immediately to its recoverable amount and the difference is charged to profit or loss. On disposal of an investment, the difference between the net disposal proceeds and the carrying amount is charged or credited to the statement of profit or loss and other comprehensive income.

**TAHL (Mauritius) Mining Projects Limited**  
**Notes to the financial statements (continued)**  
*for the year ended 31 March 2017*

**3. Significant accounting policies (continued)**

**(h) Investment in subsidiary (continued)**

Paragraph 4(a) of IFRS 10, Consolidated Financial Statements, allows a parent company with subsidiaries to be exempt from preparing consolidated financial statements, upon satisfying all the required criteria which are listed below:

- (i) the parent is itself a wholly-owned subsidiary, or is a partially-owned subsidiary of another entity and its other owners, including those not otherwise entitled to vote, have been informed about, and do not object to, the parent not presenting consolidated financial statements;
- (ii) the parent's debt or equity instruments are not traded in a public market (a domestic or foreign stock exchange or an over-the-counter market, including local and regional markets);
- (iii) the parent did not file, nor is it in the process of filing, its financial statements with a securities commission or other regulatory organisation for the purpose of issuing any class of instruments in a public market; and
- (iv) the parent's ultimate or any intermediate parent of the parent produces consolidated financial statements available for public use that comply with International Financial Reporting Standards.

The Company has met the conditions available under Paragraph 4(a) of IFRS 10, Consolidated Financial Statements, which allows the Company to be exempted from preparing consolidated financial statements. The intermediate holding company, Tata International Singapore Pte. Limited, of 3 Anson Road, Springleaf Tower, 12-03, Singapore 079909, prepares consolidated financial statements available for public use which comply with International Financial Reporting Standards.

**4. Application of new and revised International Financial Reporting Standards (IFRS)**

In the current year, the Company has applied the new and revised Standards and Interpretations issued by the International Accounting Standards Board ("IASB") and the International Financial Reporting Interpretations Committee ("IFRIC") of the IASB that are relevant to its operations and effective for accounting periods beginning on 01 April 2016.

**Revised Standards applied with no material effect on the financial statements**

The following relevant new and revised Standards have been adopted in these financial statements. Their application has not had any significant impact on the amounts reported in these financial statements but may impact the accounting for future transactions or arrangements.

IAS 1 Presentation of Financial Statements - Amendments resulting from disclosure initiative

**TAHL (Mauritius) Mining Projects Limited**  
**Notes to the financial statements (continued)**  
*for the year ended 31 March 2017*

**4. Application of new and revised International Financial Reporting Standards (IFRS) (continued)**

**Revised Standards applied with no material effect on the financial statements (continued)**

IFRS 7 Financial Instruments: Disclosures - Amendments resulting from September 2014 Annual Improvements to IFRSs

At the date of authorisation of these financial statements, the following relevant Standards were in issue but effective on annual periods beginning on or after the respective dates as indicated:respective date as indicated:

**New and revised Standards in issue but not yet effective**

IAS 7 Statement of Cash Flows - Amendments as result of the Disclosure initiative (effective 1 January 2017)

IAS 39 Financial Instruments: Recognition and Measurement - Amendments to permit an entity to elect to continue to apply the hedge accounting requirements in IAS 39 for a fair value hedge of the interest rate exposure of a portion of a portfolio of financial assets or financial liabilities when IFRS 9 is applied, and to extend the fair value option to certain contracts that meet the 'own use' scope exception (effective 1 January 2018)

IFRS 7 Financial Instruments: Disclosures - Additional hedge accounting disclosures (and consequential amendments) resulting from the introduction of the hedge accounting chapter in IFRS 9 (effective 1 January 2018)

IFRS 7 Financial Instruments: Disclosures - Deferral of mandatory effective date of IFRS 9 and amendments to transition disclosures (effective 1 January 2018)

IFRS 9 Financial Instruments - Finalised version, incorporating requirements for classification and measurement, impairment, general hedge accounting and derecognition (effective 1 January 2018)

IFRS 9 Financial Instruments - Amendments regarding the interaction of IFRS 4 and IFRS 9 (effective 1 January 2018)

The directors anticipate that these IFRSs will be applied on their effective dates in future periods. The directors have not yet assessed the potential impact of the adoption of these amendments.

**TAHL (Mauritius) Mining Projects Limited**  
**Notes to the financial statements (continued)**  
*for the year ended 31 March 2017*

**5. Use of estimates and judgements**

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

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

**Unquoted investment in subsidiary**

Determining whether investment in subsidiary is impaired requires an estimate of the value in use of the investment. In considering the value in use, the directors have taken into consideration the conditions mentioned below in note 6.

**6. Investment in subsidiary**

		2017	2016
		USD	USD
Unquoted at Cost			
Balance at beginning of year		35 615 620	32 615 620
Additions during the year		<u>600 000</u>	<u>3 000 000</u>
Balance at end of year		<u>36 215 620</u>	<u>35 615 620</u>
<u>Investee company</u>	<u>Place of incorporation</u>	<u>Percentage Holding</u>	<u>Number shares</u>
		2017 2016	2017 2016
			<u>Class of shares</u>
			<u>Activity</u>
			<u>Carrying amount</u>
			2017 2016
			USD USD
Mpumalanga Mining Resources SA	Madagascar	100% 100%	9,384 8,418
			Ordinary Shares
			Mining
			<u>36 215 620</u> <u>35 615 620</u>

The par value of one share amounts to MGA 2,000,000

Pursuant to board resolution dated 17 March 2017, the Company has decided to further invest USD 400,000 in ordinary shares in Mpumalanga Mining Resources SA. The investment has been made subsequent to year end.

**TAHL (Mauritius) Mining Projects Limited**  
**Notes to the financial statements (continued)**  
*for the year ended 31 March 2017*

**6. Investment in subsidiary (continued)**

Mpumalanga Mining Resources SA, a subsidiary, is in possession of three chromite exploration licences in Madagascar. These licenses were issued in 2011 and were valid till 22 May 2016.

An application to the authorities has been made in January 2016 for renewal of the said licenses for a further period of three years and the appropriate fee has been paid accordingly. The annual mining administration fees for 2017 has also been paid in February 2017 which signifies that the entity is being allowed to explore / carry out mining activities on its leasehold rights per terms of the lease.

As at the date of the signing of the financial statements, the formal approval renewing the said three licenses has not been received on account of certain administrative reasons beyond the control of the management. The Directors are of the view that this is a procedural delay and foresee no challenges in the licenses being renewed as applied.

Significant activities undertaken during the year under review suggest presence of chrome and the Directors are confident that the work to be carried out in the ensuing year will yield favourable results, barring any unforeseen circumstances.

The Board gets constantly updated with the developments and remains committed to the project. No decision has been taken to abandon the project and in the opinion of the Board, there are no circumstances that would suggest that the company's investment is not recoverable.

**7. Other receivables**

	2017 USD	2016 USD
Prepayments	<u>1 228</u>	<u>1 469</u>

**8. Stated capital**

	2017 USD	2016 USD
<i>Issued and fully paid</i>		
At 1 April - 3 400 000/2 000 000 ordinary shares of USD1 each	3 400 000	2 000 000
New issue of shares during the year - 30 000/1 400 000 ordinary shares of USD1 each	<u>30 000</u>	<u>1 400 000</u>
At 31 March - 3 430 000/3 400 000 ordinary shares of USD1 each	<u>3 430 000</u>	<u>3 400 000</u>

The increase in stated capital of USD 30 000 was approved by board resolutions dated 24 October 2016.

The Company has one class of ordinary share which carries no right to fixed income but has a right to share in any surplus assets or profits and has voting rights.

**TAHL (Mauritius) Mining Projects Limited**  
**Notes to the financial statements (continued)**  
*for the year ended 31 March 2017*

**9. Loan from intermediate holding company**

**Non-current liability**

<u>Loan from Tata International Singapore Pte. Limited</u>	<b>2017</b> <b>USD</b>	<b>2016</b> <b>USD</b>
Balance of loan at beginning of year	33 100 000	31 500 000
Loan advanced	<u>1 000 000</u>	<u>1 600 000</u>
Balance of loan at end of year	<u><b>34 100 000</b></u>	<u><b>33 100 000</b></u>

The loan from Tata International Singapore Pte. Limited, the intermediate holding company, is unsecured, bears fixed interest at 7% per annum and is payable in a single bullet repayment on 31 December 2018.

The interest payable on the loan is due on demand.

**10. Loan from holding company**

	<b>Note</b>	<b>2017</b> <b>USD</b>	<b>2016</b> <b>USD</b>
Non-current liability	(i)	715 620	715 620
Current liability	(ii)	<u>10 000</u>	<u>10 000</u>
		<u><b>725 620</b></u>	<u><b>725 620</b></u>

(i) The loan from holding company is unsecured, interest free and with no fixed repayment terms. However, the holding company has agreed that the amount will not be called for repayment within the next twelve months.

(ii) The loan from holding company is unsecured, interest free and with no fixed repayment terms.

**11. Other payables**

	<b>2017</b> <b>USD</b>	<b>2016</b> <b>USD</b>
Accruals	12 037	20 719
Interest payable on loan from Tata International Singapore Pte. Limited	<u>7 679 569</u>	<u>5 300 541</u>
	<u><b>7 691 606</b></u>	<u><b>5 321 260</b></u>

Other payables have been stated at amortised cost.

**TAHL (Mauritius) Mining Projects Limited**  
**Notes to the financial statements (continued)**  
*for the year ended 31 March 2017*

**12. Loss from operations**

	2017 USD	2016 USD
Loss from operations is arrived at after taking into account:		
<b>Expenses</b>		
	22 847	23 530
Legal and professional fees	13 607	16 215
Auditors' remuneration	9 240	7 315

**13. Finance cost**

	2017 USD	2016 USD
Interest expense on loan from Tata International Singapore Pte. Limited	2 379 028	2 279 978

Refer to Note 9 on the details of interest rates from Tata International Singapore Pte. Limited.

**14. Taxation**

(a) Tax liability

The Company, being the holder of a Category 1 Global Business Licence, is subject to income tax in Mauritius at the rate of 15% (2016: 15%). However, the Company is entitled to a foreign tax credit equivalent to the higher of 80% (2016: 80%) of the Mauritian tax chargeable on its foreign source income and the actual foreign tax suffered. The Company has no tax liability due to accumulated tax losses of USD 9 251 033 (2016: USD 6 847 730).

	2017 USD	2016 USD
Loss before taxation	(2 405 024)	(2 309 685)
Tax at the effective rate of 3%	( 72 151)	( 69 291)
Tax effect of:		
Deferred tax asset not recognised	72 151	69 291
Tax expense	-	-

(b) Deferred tax asset

The Company has unused tax losses for which no deferred tax asset is recognised in the statement of financial position as it is not probable that the Company will have sufficient taxable profits against which the unused tax losses would be utilised in the foreseeable future.

**TAHL (Mauritius) Mining Projects Limited**  
**Notes to the financial statements (continued)**

for the year ended 31 March 2017

**14. Taxation (continued)**

(b) Deferred tax asset (continued)

The tax losses are available for set off against future taxable profit of the Company as follows:

Up to the year ending:

	USD
31 March 2018	869 380
31 March 2019	1 402 071
31 March 2020	2 264 873
31 March 2021	2 309 685
31 March 2022	<u>2 405 024</u>
	<u>9 251 033</u>

**15. Financial instruments**

The Company manages its capital to ensure that the entity will be able to continue as a going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance.

The capital structure of the Company consists of equity, comprising of stated capital and accumulated losses as disclosed in the statement of changes in equity.

**Significant accounting policies**

Details of the significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument are disclosed in note 3 to the financial statements.

**Categories of financial instruments**

	2017	2016
	USD	USD
<u>Financial assets</u>		
Cash and cash equivalents	<u>415 124</u>	<u>19 561</u>



**TAHL (Mauritius) Mining Projects Limited**  
**Notes to the financial statements (continued)**  
*for the year ended 31 March 2017*

**15. Financial instruments (continued)**

**Significant accounting policies (continued)**

**Categories of financial instruments (continued)**

<u>Financial liabilities</u>	2017 USD	2016 USD
Other payables	7 691 606	5 321 260
Loan from intermediate holding company	34 100 000	33 100 000
Loan from holding company	<u>725 620</u>	<u>725 620</u>
	<u>42 517 226</u>	<u>39 146 880</u>

**Financial risk management objectives**

The directors monitor and manage the financial risks relating to the operations of the Company through internal reports which analyse exposures by degree and magnitude of risks. These risks include market risks, credit risks and liquidity risks. The Company does not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes.

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

- Credit risk
- Liquidity risk
- Market risk

The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework, including implementation and monitoring of these policies.

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

**(a) Credit risk**

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in a financial loss to the Company.

The Company is not exposed to any credit risk as its financial asset consists of only cash at bank, which is held with reputable banks.

**TAHL (Mauritius) Mining Projects Limited**  
**Notes to the financial statements (continued)**  
*for the year ended 31 March 2017*

**15. Financial instruments (continued)**

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

The Company's policy on liquidity risk management is to maintain sufficient cash and the availability of funding through credit lines from related parties, by continuously monitoring forecast and actual cash flows and matching the maturity profile for its financial liabilities.

	<b>Weighted average effective <u>interest rate</u></b>	<b><u>Within one year</u> USD</b>	<b><u>1-5 years</u> USD</b>	<b><u>Total</u> USD</b>
<b>2017</b>				
<b><u>Financial Liabilities</u></b>				
Loan from intermediate holding company	7%	-	34 100 000	34 100 000
Loan from holding company	-	10 000	715 620	725 620
Other payables	-	<u>7 691 606</u>	-	<u>7 691 606</u>
<b>Total financial liabilities</b>		<u><b>7 701 606</b></u>	<u><b>34 815 620</b></u>	<u><b>42 517 226</b></u>

2016

**Financial Liabilities**

Loan from intermediate holding company	7%	-	33 100 000	33 100 000
Loan from holding company	-	10 000	715 620	725 620
Other payables	-	<u>5 321 260</u>	-	<u>5 321 260</u>
<b>Total financial liabilities</b>		<u><b>5 331 260</b></u>	<u><b>33 815 620</b></u>	<u><b>39 146 880</b></u>

**(c) Market risk**

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

The Company's activities are exposed to the financial risks of changes in interest rates.

**TAHL (Mauritius) Mining Projects Limited**  
**Notes to the financial statements (continued)**  
*for the year ended 31 March 2017*

**15. Financial instruments (continued)**

**(c) Market risk (continued)**

**(i) Currency risk**

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to the changes in the foreign exchange rates.

The Company is not exposed to any foreign currency risk as it does not hold any financial assets and liabilities which are denominated in foreign currencies.

**(ii) Interest rate risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to the changes in market interest rates.

The Company is not exposed to any interest rate risk as it does not have any interest bearing financial assets and have fixed interest bearing financial liabilities.

**(d) Fair values**

**Fair value of financial instruments**

All the financial assets and financial liabilities are realised or settled within a short period of time, except for the loan which will be repaid by the end of December 2018. The carrying amount of these assets and liabilities approximate their fair values.

**16. Related party transactions**

**(a) Identity of related parties**

The directors regard Tata Africa Holdings (SA) Proprietary Limited, a company incorporated in South Africa, as the holding company, Tata International Singapore Pte. Limited, a company incorporated in Singapore, as the intermediate holding company and Tata International Limited, a company incorporated in India, as the ultimate holding company.

**TAHL (Mauritius) Mining Projects Limited**  
**Notes to the financial statements (continued)**  
*for the year ended 31 March 2017*

**16. Related party transactions (continued)**

**(b) Related party balances**

<u>Name of entity</u>	<u>Relationship</u>	<u>Nature of transactions</u>	<b>2017 USD</b>	<b>2016 USD</b>
Tata Africa Holdings (SA) Proprietary Limited	Holding company	Balance of loan payable at end of year	<b>715 620</b>	<b>715 620</b>
		Balance of loan payable at beginning of year	<b>10 000</b>	<b>-</b>
		Loan advanced	<b>-</b>	<b>510 000</b>
		Loan repaid	<b>-</b>	<b>( 500 000)</b>
		Balance of loan payable at end of year	<b>10 000</b>	<b>10 000</b>
Tata International Singapore Pte. Limited	Intermediate holding company	Balance of loan and interest payable at beginning of year	<b>38 400 541</b>	<b>34 520 563</b>
		Loan advanced	<b>1 000 000</b>	<b>1 600 000</b>
		Interest for the year	<b>2 379 028</b>	<b>2 279 978</b>
		Balance of loan and interest payable at end of year	<b>41 779 569</b>	<b>38 400 541</b>

**(c) Transactions**

Interest on loan from Tata International Singapore Pte. Limited	<b>2 379 028</b>	<b>2 279 978</b>
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DTOS Ltd provides key management personnel services, administrative and related services to the Company. A sum amounting to USD 22,905 (2016: USD 15,475) was expensed during the year in respect of the aforesaid services, out of which USD 2,000 (2016: USD 2,000) relates to director fees.

Compensation to key management personnel

No compensation was paid to key management personnel during the years ended 31 March 2017 and 31 March 2016.

**TAHL (Mauritius) Mining Projects Limited**  
**Notes to the financial statements (continued)**

for the year ended 31 March 2017

**17. Notes to the statements of cash flows**

	2017 USD	2016 USD
<b>(a) Cash utilised in operations</b>		
Loss before taxation	(2 405 024)	(2 309 685)
Adjustments for –		
Interest expense	<u>2 379 028</u>	<u>2 279 978</u>
Operating loss before working capital changes	( 25 996)	( 29 707)
Decrease in other receivables	241	200
(Decrease)/increase in other payables	<u>( 8 682)</u>	<u>6 595</u>
	<u>( 34 437)</u>	<u>( 22 912)</u>

**(b) Cash and cash equivalents**

Cash and cash equivalents comprise of cash at bank.

	2017 USD	2016 USD
Cash and cash equivalents	<u>415 124</u>	<u>19 561</u>

**18. Basis of preparing the financial statements - going concern**

At 31 March 2017, the Company had a shareholder's deficit of USD 5 885 254 (2016: USD 3 510 230) and net current liabilities of USD 7 285 254 (2016: USD 5 310 230). The Company finances its day to day working capital requirements through advances from the intermediate holding company.

The financial statements have been prepared on a going concern basis, which assumes that the Company would continue in operational existence for the foreseeable future. The validity of this assumption depends on the continued support of the intermediate holding company which has confirmed that it would continue to provide financial support to the Company to enable it to meet its obligations as they fall due. The directors consider it appropriate to prepare the financial statements on this basis.

**19. Events after reporting date**

Subsequent to year-end, the intermediate holding company, Tata International Singapore Pte Limited has expressed its intention to convert the loan of USD 41.78 million extended to the Company, (comprising of principal amount of USD 34.10 million and accrued interest of USD 7.68 million) and outstanding as at 31 March 2017, into equity and has, at its board meeting held on 17 April 2017, passed appropriate resolutions in this regard.

The Company's Board has also passed necessary resolutions for this conversion to take effect from 01 April 2017. As a result, new share certificates have been issued and the two shareholders at the date of this report are Tata International Singapore Pte Limited with 92.41% stake and Tata Africa Holdings (SA) Proprietary Limited with 7.59% stake.

**TAHL (Mauritius) Mining Projects Limited**  
**Detailed statement of profit or loss and other comprehensive income**  
*for the year ended 31 March 2017*

	2017 USD	2016 USD
<b>Expenditure</b>	25 996	29 707
Auditors' remuneration	9 240	7 315
Disbursement	200	400
Licence fees	2 124	2 125
Legal and professional fees	13 407	16 215
Communication charges	-	330
Bank Charges	1 025	3 322
<b>Loss from operations</b>	<u>( 25 996)</u>	<u>( 29 707)</u>
Finance cost	<u>(2 379 028)</u>	<u>(2 279 978)</u>
<b>Loss before taxation</b>	(2 405 024)	(2 309 685)
Income tax expense	<u>-</u>	<u>-</u>
<b>Loss for the year</b>	(2 405 024)	(2 309 685)
Other comprehensive income	<u>-</u>	<u>-</u>
<b>Total comprehensive loss for the year</b>	<u>(2 405 024)</u>	<u>(2 309 685)</u>