

IndianOil (Mauritius) Ltd
Statement of Financial Position
As at 31 March 2025

Page 26

	Note	2025	2024
		MUR	MUR
ASSETS			
Non-current assets			
Property, plant and equipment	4	757,008,036	736,387,264
Intangible assets	5	825,497	-
Right of use asset	6	123,173,420	125,363,078
Investment in Joint Ventures	7	92,912,183	92,441,901
Total non-current assets		973,919,136	954,192,243
Current assets			
Inventories	8	735,418,753	689,576,853
Amount due from holding company	15	988,256	-
Trade and other receivables	9	1,524,993,612	982,942,513
Cash and cash equivalents	10	919,817,851	1,018,258,712
Total current assets		3,181,218,472	2,690,778,078
TOTAL ASSETS		4,155,137,608	3,644,970,321
EQUITY AND LIABILITIES			
Equity			
Stated capital	11	488,204,300	488,204,300
Retained earnings		1,949,984,573	1,674,951,171
Total equity		2,438,188,873	2,163,155,471
Liabilities			
Non-current liabilities			
Deferred tax liability	12	41,197,689	53,380,194
Lease liabilities	13	164,107,105	156,957,251
Total non-current liabilities		205,304,794	210,337,445
Current liabilities			
Trade and other payables	14	1,483,681,642	1,251,186,260
Lease liabilities	13	3,612,348	3,770,820
Amount due to holding company	15	-	3,634,896
Tax liability	12	24,349,951	12,885,429
Total current liabilities		1,511,643,941	1,271,477,405
Total liabilities		1,716,948,735	1,481,814,850
TOTAL EQUITY AND LIABILITIES		4,155,137,608	3,644,970,321

The financial statements were approved by the Board of Directors and signed on its behalf by:

Mr Sarad Kumar Baranwal
 Managing Director

Date:/...../2025

The notes on pages ... to ... form part of these financial statements.

Mr R Gujadhur
 Director

Statement of Profit or Loss and Other Comprehensive Income
For the year ended 31 March 2025

	Note	2025 MUR	2024 MUR
Revenue		14,991,571,797	12,320,333,514
Cost of sales	8	(14,505,848,870)	(11,943,341,354)
Gross profit		485,722,927	376,992,160
Other operating income	16	35,772,994	21,163,767
Administrative expenses	17	(146,441,497)	(138,393,637)
Net finance Income	18	27,830,522	7,024,430
Depreciation	4 & 6	(69,032,801)	(65,965,355)
Amortisation	5	(140,938)	-
Exchange differences		(16,745,891)	4,935,322
Profit before tax		316,965,316	205,756,687
Income tax expense	12	(17,521,699)	(33,380,436)
Profit for the year		299,443,617	172,376,251
Other comprehensive income for the year		-	-
Total comprehensive income for the year		299,443,617	172,376,251
Earnings per share	19	61.34	35.31

The notes on pages ... to form part of these financial statements.

IndianOil (Mauritius) Ltd
Statement of Cash Flows
For the year ended 31 March 2025

Page 28

	2025	2024
	MUR	MUR
Profit before tax	316,965,316	205,756,687
<i>Adjustments for:</i>		
Depreciation of property, plant and equipment	66,843,143	63,775,697
Depreciation of Right of use Asset	2,189,658	2,189,658
Amortisation of intangible asset	140,938	-
Interest expense	7,915,111	16,219,504
Interest income	(35,745,633)	(23,243,934)
Loss/ (profit) on disposal of property, plant and equipment	44,012	(639,129)
Share of profit of joint ventures	(4,032,439)	(4,562,865)
Provision/ (reversal) for doubtful debts	5,222,624	(2,300,743)
Lease liability movement during the year	14,405,382	13,818,159
Operating profit before working capital changes	373,948,112	271,013,034
Change in inventories	(45,841,900)	302,019,882
Change in trade and other receivables	(547,273,723)	209,418,054
Change in trade and other payables	232,495,382	(553,728,340)
Change in amount due to holding company	(4,623,152)	(31,213)
Cash flows from operating activities	8,704,719	228,691,417
Taxes paid	(18,239,682)	(19,746,149)
Net cash from operating activities	(9,534,963)	208,945,268
Cash flows from investing activities		
Acquisition of investment in joint ventures	(774,656)	-
Interest received	35,745,633	23,243,934
Dividend received from joint venture	4,336,813	5,708,947
Proceeds from disposal of Property, plant and equipment	76,579	4,369,236
Acquisition of property, plant and equipment	(87,584,506)	(57,739,552)
Acquisition of intangible asset	(966,435)	-
Net cash used in investing activities	(49,166,572)	(24,417,435)
Cash flows from financing activities		
Lease paid during the year	(7,414,000)	(7,414,000)
Dividend paid during the year	(24,410,215)	-
Interest paid	(7,915,111)	(16,219,504)
Net cash used in financing activities	(39,739,326)	(23,633,504)
Net change in cash and cash equivalents	(98,440,861)	160,894,329
Cash and cash equivalents at the beginning of the year	1,018,258,712	857,364,383
Cash and cash equivalents at the end of the year	919,817,851	1,018,258,712

The notes on pages 31 to 55 form part of these financial statements.

IndianOil (Mauritius) Ltd
Statement of Changes in Equity
For the year ended 31 March 2025

Page 29

	Stated capital MUR	Retained earnings MUR	Total equity MUR
At 01 April 2023	488,204,300	1,502,574,920	1,990,779,220
<u>Total comprehensive income for the year</u>			
Profit for the year	-	172,376,251	172,376,251
Total comprehensive income for the year	488,204,300	1,674,951,171	2,163,155,471
At 31 March 2024	488,204,300	1,674,951,171	2,163,155,471
<u>Total comprehensive income for the year</u>			
Profit for the year	-	299,443,617	299,443,617
Total comprehensive income for the year	488,204,300	1,974,394,788	2,462,599,088
<u>Distributions to owner of the Company</u>			
Dividends paid	-	(24,410,215)	(24,410,215)
Total distributions to owner of the Company	-	(24,410,215)	(24,410,215)
At 31 March 2025	488,204,300	1,949,984,573	2,438,188,873

The notes on pages 31 to 55 form part of these financial statements.

IndianOil (Mauritius) Ltd
Notes to the Financial Statements
For the year ended 31 March 2025

1. GENERAL INFORMATION

IndianOil (Mauritius) Ltd (the "Company") is a company incorporated in Mauritius as a private company with limited liability. The registered office and the principal place of business of the Company is situated at Mer Rouge, Port Louis, Mauritius. The Company is a fully owned subsidiary of Indian Oil Corporation Limited, which is incorporated in India.

The principal activity of IndianOil (Mauritius) Ltd is the selling and distribution of petroleum products.

2. BASIS OF PREPARATION

(a) *Statement of compliance*

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) and comply with Mauritius Companies Act and the Financial Reporting Act 2004.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Company's accounting policies.

(b) *Basis of measurement*

The financial statements have been prepared under the historical cost convention, unless mentioned otherwise in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for assets.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. When measuring the fair value of an asset or a liability, the Company uses market observable data to the extent possible. If the fair value of an asset or a liability is not directly observable, it is estimated by the Company (working closely with external qualified valuers) using valuation techniques that maximise the use of relevant observable inputs and minimise the use of unobservable inputs (e.g. by use of the market comparable approach that reflects recent transaction prices for similar items, discounted cash flow analysis or option pricing models refined to reflect the issuer's specific circumstances). Inputs used are consistent with the characteristics of the asset/ liability that market participants would take into account.

Fair values are categorised into different levels in a fair value hierarchy based on the degree to which the inputs to the measurement are observable and the significance of the inputs to the fair value measurement in its entirety:

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices); and
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Transfers between levels of the fair value hierarchy are recognised by the Company at the end of the reporting period during which the change occurred.

IndianOil (Mauritius) Ltd
Notes to the Financial Statements
For the year ended 31 March 2025

2. BASIS OF PREPARATION (CONTINUED)

(c) *Functional and presentation currency*

The financial statements are presented in Mauritian Rupees (MUR) which is the Company's functional currency.

(d) *Use of estimates and judgments*

The preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting year. Actual results could differ from these estimates.

Information about significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effects on the amounts recognised in the financial statements is included in the following notes:

Note 4 – Useful lives estimate of property, plant and equipment

Note 11 – Measurement of deferred taxation

Note 12 – Operating lease classification

Note 19 – Employee benefits

Note 23 – Measurement of contingent liabilities

3. SIGNIFICANT ACCOUNTING POLICIES

(a) *Application of new and revised International Financial Reporting Standards (IFRSs)*

The following standards have been adopted by the Company for the first time for the year beginning on 01 April 2024:

Supplier Finance Arrangements (Amendments to IAS 7 and IFRS 7)

The amendments add disclosure requirements, and 'signposts' within existing disclosure requirements, that ask entities to provide qualitative and quantitative information about supplier finance arrangements. This standard is not applicable to the Company.

Lease Liability in a Sale and Leaseback (Amendments to IFRS 16)

The amendment clarifies how a seller-lessee subsequently measures sale and leaseback transactions that satisfy the requirements in IFRS 15 to be accounted for as a sale. This amendment has not had any material impact on the amounts reported for the current and prior years.

Non-current Liabilities with Covenants (Amendments to IAS 1)

The amendment clarifies how conditions with which an entity must comply within twelve months after the reporting period affect the classification of a liability. This amendment has not had any material impact on the amounts reported for the current and prior years.

IndianOil (Mauritius) Ltd
Notes to the Financial Statements
For the year ended 31 March 2025

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(a) Application of new and revised International Financial Reporting Standards (IFRSs) (continued)

Classification of Liabilities as Current or Non-Current (Amendments to IAS 1)

The amendments aim to promote consistency in applying the requirements by helping companies determine whether, in the statement of financial position, debt and other liabilities with an uncertain settlement date should be classified as current (due or potentially due to be settled within one year) or non-current. This amendment has not had any material impact on the amounts reported for the current and prior years.

IFRS S2 Climate-related Disclosures

IFRS S2 sets out the requirements for identifying, measuring and disclosing information about climate-related risks and opportunities that is useful to primary users of general purpose financial reports in making decisions relating to providing resources to the entity. This amendment has not had any material impact on the amounts reported for the current and prior years.

Amendments to IAS 12 Income Taxes—Deferred Tax related to Assets and Liabilities arising from a Single Transaction

The amendments introduce a further exception from the initial recognition exemption. Under the amendments, an entity does not apply the initial recognition exemption for transactions that give rise to equal taxable and deductible temporary differences. Depending on the applicable tax law, equal taxable and deductible temporary differences may arise on initial recognition of an asset and liability in a transaction that is not a business combination and affects neither accounting nor taxable profit. Following the amendments to IAS 12, an entity is required to recognise the related deferred tax asset and liability, with the recognition of any deferred tax asset being subject to the recoverability criteria in IAS 12. The amendments apply to transactions that occur on or after the beginning of the earliest comparative period presented. In addition, at the beginning of the earliest comparative period an entity recognises: (1) A deferred tax asset (to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilised) and a deferred tax liability for all deductible and taxable temporary differences associated with: – Right-of-use assets and lease liabilities – Decommissioning, restoration and similar liabilities and the corresponding amounts recognised as part of the cost of the related asset. (2) The cumulative effect of initially applying the amendments as an adjustment to the opening balance of retained earnings (or other component of equity, as appropriate) at that date (b) Standards, amendments and interpretations to existing standards that are not yet effective and have not been early adopted by the Company

IndianOil (Mauritius) Ltd
Notes to the Financial Statements
For the year ended 31 March 2025

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(b) *Standards, amendments and interpretations to existing standards that are not yet effective and have not been early adopted by the Company*

IFRS 1 First-time Adoption of International Financial Reporting Standards

Narrow scope amendment to improve consistency with and understanding of the requirements in IFRS 9 Financial Instruments in relation to hedge accounting requirements for a first-time adopter. The amendments are effective for annual periods beginning on or after 01 January 2026, with early application permitted.

IFRS 7 Financial Instruments: Disclosures

The amendments to IFRS 7 introduce additional disclosure requirements to enhance transparency for investors regarding investments in equity instruments designated at fair value through other comprehensive income and financial instruments with contingent features, for example features tied to ESG-linked targets. The amendments are effective for annual periods beginning on or after 01 January 2026, with early application permitted.

Classification of Liabilities as Current or Non-Current (Amendments to IAS 1)

The amendments aim to promote consistency in applying the requirements by helping companies determine whether, in the statement of financial position, debt and other liabilities with an uncertain settlement date should be classified as current (due or potentially due to be settled within one year) or non-current. The amendments are effective for annual periods beginning on or after 1 January 2024, with early application permitted.

IFRS S2 Climate-related Disclosures

IFRS S2 sets out the requirements for identifying, measuring and disclosing information about climate-related risks and opportunities that is useful to primary users of general purpose financial reports in making decisions relating to providing resources to the entity. The amendments are effective for annual periods beginning on or after 1 January 2024, with early application permitted.

IFRS 9 Financial Instruments

Narrow scope amendments to address diversity in accounting practice by making the classification and measurement requirements of IFRS 9 more understandable and consistent, by:

Clarifying the classification of financial assets with environmental, social and corporate governance (ESG) and similar features; and

Clarifying the date on which a financial asset or financial liability is derecognised when a liability is settled through electronic payment systems. These amendments also introduce an accounting policy option to allow a company to derecognise a financial liability before it delivers cash on the settlement date if specified criteria are met.

The amendments are effective for annual periods beginning on or after 01 January 2026, with early application permitted.

IndianOil (Mauritius) Ltd
Notes to the Financial Statements
For the year ended 31 March 2025

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(b) *Standards, amendments and interpretations to existing standards that are not yet effective and have not been early adopted by the Company (continued)*

IFRS 9 Financial Instruments

Two narrow scope amendments were made to IFRS 9:

- Derecognition of lease liabilities. The amendment clarifies that, when a lessee has determined that a lease liability has been extinguished in accordance with IFRS 9, the lessee is required to recognise any resulting gain or loss arising from the difference between the carrying amount of the lease liability extinguished or transferred and any consideration paid in profit or loss.
- Transaction price. Removal of an inconsistency between the requirements of IFRS 9 and the requirements in IFRS 15 Revenue from Contracts from Customers in relation to the initial measurement of trade receivables at their transaction price. The amendment clarifies that trade receivables must be measured at the amount determined by applying IFRS 15.

The amendments are effective for annual periods beginning on or after 01 January 2026, with early application permitted.

IFRS 18 Presentation and Disclosure in Financial Statements

IFRS 18 introduces three sets of new requirements to improve companies' reporting of financial performance and give investors a better basis for analysing and comparing companies:

- Improved comparability in the statement of profit or loss (income statement) through the introduction of three defined categories for income and expenses - operating, investing and financing—to improve the structure of the income statement, and a requirement for all companies to provide new defined subtotals, including operating profit.
- Enhanced transparency of management-defined performance measures with a requirement for companies to disclose explanations of those company-specific measures that are related to the income statement.
- More useful grouping of information in the financial statements through enhanced guidance on how to organise information and whether to provide it in the primary financial statements or in the notes, as well as a requirement for companies to provide more transparency about operating expenses.
- This Standard replaces IAS 1 Presentation of Financial Statements. It carries forward many requirements from IAS 1 unchanged.

The amendments are effective for annual periods beginning on or after 01 January 2027, with early application permitted.

IndianOil (Mauritius) Ltd
Notes to the Financial Statements
For the year ended 31 March 2025

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(c) *Property, plant and equipment*

Property, plant and equipment are stated at cost less accumulated depreciation. Cost includes all costs directly attributable to bringing the asset to working condition for their intended use.

Subsequent costs

The cost of replacing part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The cost of the day-to-day servicing of property, plant and equipment are recognised in the statement of profit or loss and other comprehensive income as incurred.

Depreciation is calculated to write off the cost of the assets on a straight line basis over the expected useful lives of such assets. Additions during the year bear a due proportion of the annual depreciation charge. The annual depreciation rates used for the purpose are as follows:

Leasehold property	19 1/4 years
Building, plant and equipment	2 –10%
Furniture & fittings	10%
Office & laboratory equipment	15 – 25%
Motor vehicles	10%

Freehold land and assets in progress are not depreciated. Gains and losses on disposal of property, plant and equipment are determined by reference to their written down value and are included in determining operating profit.

Where the carrying amount of an asset is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount.

An item of property, plant and equipment is derecognised upon disposal of when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal of retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

IndianOil (Mauritius) Ltd
Notes to the Financial Statements
For the year ended 31 March 2025

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(g) Trade and other receivables

Trade and other receivables are recognised initially at fair value and subsequently at amortised cost using the effective interest method, less any impairment. Trade and other receivables in the financial statements are measured at cost which is not materially different from amortised cost.

A provision for impairment of trade receivables is established when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of receivables. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate. The amount of provision is recognised in the statement of profit or loss and other comprehensive income.

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 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.

(h) Cash and cash equivalents

Cash comprises of cash at bank and cash in hand. 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.

(i) Employee Benefits

Short Term

A liability is recognised for benefits accruing to employees in respect of wages and salaries, portable retirement gratuity fund, contribution sociale généralisée, National Pension Scheme, annual leave and sick leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service. Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Long Term

A provision is also made for the full amount of retirement benefits due to the employees in accordance with the Workers Rights Act, for their period of service up 31 December 2021 to the end of the reporting period.

IndianOil (Mauritius) Ltd
Notes to the Financial Statements
For the year ended 31 March 2025

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(j) Leases

The Company assesses whether a contract is or contains a lease, at inception of the contract. The Company recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets (such as tablets and personal computers, small items of office furniture and telephones). For these leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Company uses its incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise:

- Fixed lease payments (including in-substance fixed payments), less any lease incentives receivable;
- Variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- The amount expected to be payable by the lessee under residual value guarantees;
- The exercise price of purchase options, if the lessee is reasonably certain to exercise the options; and
- Payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The lease liability is presented as a separate line in the statement of financial position.

(k) 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.

(l) Net finance income

Net finance income consists of bank interest income/ expense that are recognised in the statement of profit or loss and other comprehensive income.

(m) Expenses

All expenses are recognised in the statement of profit or loss and other comprehensive income on an accrual basis.

IndianOil (Mauritius) Ltd
Notes to the Financial Statements
For the year ended 31 March 2025

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(d) Taxation

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

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

Deferred tax is recognised using the balance sheet method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date.

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

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which temporary difference can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

(e) Foreign currencies

Transactions in foreign currencies are translated at the foreign exchange rate ruling at the date of transaction. Monetary assets and liabilities denominated in foreign currencies are translated into Mauritian Rupees (MUR) at the foreign exchange rate ruling at the reporting date. Non-monetary assets and liabilities denominated in foreign currencies, which are stated at historical cost are translated to Mauritian Rupees (MUR) at the foreign exchange rate ruling at the date of transactions. Foreign exchange differences arising on translation are recognised in the statement of profit or loss and other comprehensive income.

(f) Inventories

Inventories are measured at the lower of cost and net realisable value. The cost of inventories for all products, other than Lubricants, is determined on 'First in First Out' basis and for Lubricants based on the weighted average principle. Cost includes expenditure incurred in acquiring the inventories and bringing them to their existing location and condition. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

IndianOil (Mauritius) Ltd
Notes to the Financial Statements
For the year ended 31 March 2025

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(n) Impairment of assets

The Company assesses at the end of each reporting period whether there is objective evidence that financial asset is impaired. A financial asset is considered to be impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset.

Financial assets carried at amortised costs

The Company recognises a loss allowance for expected credit losses on trade receivables. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risks since initial recognition of the respective financial instrument.

The Company recognises lifetime expected credit losses (ECL) for trade receivables. The expected credit losses on these financial assets are estimated using a provision matrix based on the Company's historical credit loss experience, adjusted for factors that are specific to debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

For all other financial instruments, the Company recognises lifetime ECL when there has been a significant increase in credit risk since initial recognition. However, if the credit risk on the financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for the financial instrument at an amount equal to 12-month ECL.

Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument. In contrast, 12-month ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting period.

For financial assets measured at amortised cost, the expected credit losses are estimated as the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive, discounted at the original effective interest rate.

The Company recognises an impairment gain or loss in profit or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account.

Non-financial assets

The carrying amount of non-financial assets is assessed at each reporting date to determine whether there are any indications of impairment. If any such indication exists, the Company estimates the recoverable amount of the asset being the higher of the asset's net selling price and its value in use, in order to determine the extent of the impairment loss (if any). An impairment loss is recognised for any excess of the asset's carrying amount over its recoverable amount and is taken directly to the statement of profit or loss and other comprehensive income.

IndianOil (Mauritius) Ltd
Notes to the Financial Statements
For the year ended 31 March 2025

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(o) Trade and other payables

Trade and other payables are stated at fair value and subsequently at amortised cost using the effective interest method.

The effective interest method calculates the amortised cost of a financial liability and allocates interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees paid that form an integral part of the effective interest rate, transaction costs and other provisions or discounts) through the expected life of the financial liability, to the net carrying amount at initial recognition. The interest amount would be immaterial for short-term payables.

The carrying amount of trade and other payables approximates their fair values.

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 in profit or loss.

(p) Revenue

Revenue is recognised when a customer obtains control of the goods after excluding amounts collected on behalf of third parties (i.e. VAT, excise duties and similar levies). The Company's control of the goods is transferred to the customer at the point in time when delivery and transfer of title occurs to the customer and when the performance obligation to the customers is fulfilled. The Company does not offer bundled products. A receivable is recognised by the Company when the goods are delivered to the customers as this represents the point in time at which the right to consideration becomes unconditional, as only the passage of time is required.

(q) Corporate social responsibility (CSR) fund

The Company has set up a CSR fund equivalent to 2% of its chargeable income derived during the preceding financial year to:

- implement an approved programme by the Company;
- implement an approved programme under the National Empowerment Foundation; or
- finance an approved Non-governmental Organisation.

(r) Corporate climate responsibility levy

In line with the Mauritius National budget 2024/2025, the Corporate Climate Responsibility Levy ("CCRL") was introduced effective for all subsequent year ending 01 January 2024. The Corporate Climate Responsibility Levy is calculated as 2% of the Company's current year chargeable income

(s) Related parties

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

(t) Dividend distribution

Dividend distributions to the Company's shareholder are recognised as a liability in the Company's financial statements in the year in which the dividends are approved by the Company's shareholder.

IndianOil (Mauritius) Ltd
Notes to the Financial Statements
For the year ended 31 March 2025

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(u) Investment in joint ventures

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The results and assets and liabilities of joint ventures are incorporated in these financial statements using the equity method of accounting, except when the investment is classified as held for sale, in which case it is accounted for in accordance with IFRS 5.

Under the equity method, an investment in a joint venture is recognised initially in the statement of financial position at cost and adjusted thereafter to recognise the Company's share of the profit or loss and other comprehensive income of the joint venture. When the Company's share of losses of a joint venture exceeds the Company's interest in that joint venture (which includes any long-term interests that, in substance, form part of the Company's net investment in the joint venture), the Company discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Company has incurred legal or constructive obligations or made payments on behalf of the joint venture.

An investment in a joint venture is accounted for using the equity method from the date on which the investee becomes a joint venture. On acquisition of the investment in a joint venture, any excess of the cost of the investment over the Company's share of the net fair value of the identifiable assets and liabilities of the investee is recognised as goodwill, which is included within the carrying amount of the investment. Any excess of the Company's share of the net fair value of the identifiable assets and liabilities over the cost of the investment, after reassessment, is recognised immediately in profit or loss in the period in which the investment is acquired.

The requirements of IAS 36 are applied to determine whether it is necessary to recognise any impairment loss with respect to the Company's investment in a joint venture. When necessary, the entire carrying amount of the investment (including goodwill) is tested for impairment in accordance with IAS 36 as a single asset by comparing its recoverable amount (higher of value in use and fair value less costs of disposal) with its carrying amount. Any impairment loss recognised is not allocated to any asset, including goodwill that forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognised in accordance with IAS 36 to the extent that the recoverable amount of the investment subsequently increases.

The Company discontinues the use of the equity method from the date when the investment ceases to be a joint venture. When the Company retains an interest in the former joint venture and the retained interest is a financial asset, the Company measures the retained interest at fair value at that date and the fair value is regarded as its fair value on initial recognition in accordance with IFRS 9.

The difference between the carrying amount of the joint venture at the date the equity method was discontinued, and the fair value of any retained interest and any proceeds from disposing of a part interest in the joint venture is included in the determination of the gain or loss on disposal of the joint venture. In addition, the Company accounts for all amounts previously recognised in other comprehensive income in relation to that joint venture on the same basis as would be required if that joint venture had directly disposed of the related assets or liabilities. Therefore, if a gain or loss previously recognised in other comprehensive income by that joint venture would be reclassified to profit or loss on the disposal of the related assets or liabilities, the Company reclassifies the gain or loss from equity to profit or loss (as a reclassification adjustment) when the joint venture is disposed of.

IndianOil (Mauritius) Ltd
Notes to the Financial Statements
For the year ended 31 March 2025

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(u) Investment in joint ventures (continued)

When the Company reduces its ownership interest in a joint venture but the Company continues to use the equity method, the Company reclassifies to profit or loss the proportion of the gain or loss that had previously been recognised in other comprehensive income relating to that reduction in ownership interest if that gain or loss would be reclassified to profit or loss on the disposal of the related assets or liabilities.

When a Company entity transacts with a joint venture of the Company, profits and losses resulting from the transactions with the joint venture are recognised in the Company's financial statements only to the extent of interests in the joint venture that are not related to the Company.

The Company applies IFRS 9, including the impairment requirements, to long-term interests in a joint venture to which the equity method is not applied and which form part of the net investment in the investee. Furthermore, in applying IFRS 9 to long-term interests, the Company does not take into account adjustments to their carrying amount required by IAS 28 (i.e. adjustments to the carrying amount of long term interests arising from the allocation of losses of the investee or assessment of impairment in accordance with IAS 28).

(v) Ordinary shares

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

(w) Critical accounting judgments and key sources of estimation uncertainty

While applying the accounting policies as stated above, management of the Company has made certain judgments, estimates and assumptions that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revision to accounting estimates are recognised in the period of the revision in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods. The significant judgments and estimate made by management are summarised as follows:

Trade and other receivables

Management has estimated the recoverability of trade and other receivables and has considered the allowance required for doubtful receivables on the basis of prior experience and the current economic environment. After consideration on a case by case basis of the facts concerning the recoverability of each contract receivable, management believes that the allowance for doubtful trade receivables at 31 March 2025 is MUR 15,715,861 (2024: MUR 10,493,237) is sufficient to cover for any possible shortfall as at reporting date.

Useful lives and residual values of property, plant and equipment

The useful lives and residual values of the property, plant and equipment are based on management's judgement of the historical pattern of useful lives and the general standards in the industry. Management has reviewed the residual values and the estimated useful lives of property, plant and equipment in accordance with IAS 16 Property, Plant and Equipment and has determined that these expectations do not significantly differ from previous estimates.

6. RIGHT OF USE ASSET

	2025	2024
	MUR	MUR
Gross Book Value of Right of Use Asset	134,901,423	134,901,423
Accumulated Depreciation as at the beginning of the year	(9,538,345)	(7,348,687)
Depreciation for the year	(2,189,658)	(2,189,658)
Net Book Value	123,173,420	125,363,078

The Company leases land at Mer Rouge from the Mauritius Ports Authority for 60 years ending 30 June 2081. The land was used to construct storage facilities for Petroleum Products. The Company does not have the option to purchase the land at the end of the lease period.

7 INVESTMENT IN JOINT VENTURES

IOML has 20% voting rights in Mer Rouge Oil Storage Terminal Co Limited ("MOST") during the year ended 31 March 2025. The three other marketing companies (OMCs) and the regulator State Trading Corporation have each 20% share in MOST. Thus, IOML with the other players have joint control over the arrangement such that they have rights to the net assets of MOST. Consequently the

During the year ended 31 March 2025, IOML had entered into a joint venture arrangement with Hansraj Hulaschand & Co. Private Limited with the incorporation of I.O.M.L. Hulas Lube Private Limited, a company domiciled in Nepal with equal shareholding from the shareholders. As at year end, I.O.M.L. Hulas Lube Private Limited was not yet in operation and IOML had advanced MUR 774,656 towards the incorporation expenses a part of cost of investment.

Investment in Joint Venture	MUR	MUR
Cost		
As at 1 April	92,441,901	93,587,983
Share of post acquisition reserves		
Acquisition during the year	774,656	-
Less net refund during the year	-	-
Less dividend received during the year	(4,336,813)	(5,708,947.00)
Add other movement during the year	-	-
Share of profit after income tax	4,032,439	4,562,865
At 31 March	92,912,183	92,441,901

Summarised Statement of Financial Position of Mer Rouge Oil Storage Terminal

Current assets		
Cash and cash equivalents	73,506,267	33,806,266
Accounts receivables	44,981,055	51,668,843
Total current assets	118,487,322	85,475,109
Other current liabilities	(10,821,630)	(17,454,230)
Non-current		
Assets	572,316,532	578,344,041
Other liabilities	(277,660,244)	(242,521,072)
Net Assets	402,321,980	403,843,848

7 INVESTMENT IN JOINT VENTURES (continued)

Summarised statement of profit and loss and other comprehensive income

	2025	2024
	MUR	MUR
Revenue	77,169,897	80,670,586
Profit before depreciation	41,390,077	45,176,308
Depreciation	(15,065,412)	(15,032,199)
Amortisation	(1,433,065)	(2,656,970)
Profit before taxation	24,891,600	27,487,139
Taxation	(4,729,404)	(4,672,814)
Profit for the year	20,162,196	22,814,325

Reconciliation of summarised financial information

	2025	2024
	MUR	MUR
Share of net assets	80,464,396	80,768,770
Goodwill on acquisition	11,673,131	11,673,131
Closing balance as at 31 March	92,912,183	92,441,901

8 INVENTORIES

	2025	2024
	MUR	MUR
Inventory of petroleum product	735,418,753	689,576,853
Opening inventory	689,576,853	991,596,741
Purchases	14,268,530,439	11,301,101,420
Closing inventory	(735,418,753)	(689,576,853)
Cost of inventory included in cost of sales	14,222,688,539	11,603,121,308
Direct cost	283,160,331	340,220,046
Cost of sales	14,505,848,870	11,943,341,354

9 TRADE AND OTHER RECEIVABLES

	2025	2024
	MUR	MUR
Trade receivables	1,429,763,280	894,567,874
Provision for doubtful debts	(15,715,861)	(10,493,237)
Net trade receivables	1,414,047,419	884,074,637
Prepayments	4,994,518	818,088
Other receivables	105,951,675	98,049,788
	1,524,993,612	982,942,513

10 CASH AND CASH EQUIVALENTS

	2025	2024
	MUR	MUR
Cash at banks	919,814,370	1,018,251,559
Cash in hand	3,481	7,153
	919,817,851	1,018,258,712

11 STATED CAPITAL

	2025	2024
	MUR	MUR
Issued and fully paid		
4,882,043 Ordinary shares of Rs 100 each	<u>488,204,300</u>	<u>488,204,300</u>

12 INCOME TAX

	2025	2024
	MUR	MUR
Current tax		
Income tax provision for the year @ 15%	13,651,030	10,673,957
Income tax provision for the year @ 3%	6,782,707	3,658,736
Prior Year Tax Expense	(3,413,417)	13,280,375
Corporate social responsibility	6,341,942	3,862,352
Corporate climate responsibility levy	6,341,942	-
Movement in deferred tax liability	<u>(12,182,505)</u>	<u>1,905,016</u>
Tax recognised in the Statement of Profit or Loss and Other Comprehensive Income	<u>17,521,699</u>	<u>33,380,436</u>

Reconciliation of effective tax:

	2025	2024
	MUR	MUR
Profit before tax	<u>316,965,316</u>	<u>205,756,687</u>
Income tax expense at 15% (2024: 15%)	47,544,797	30,863,503
Export credit at 12%	(27,130,828)	(14,634,944)
Effect of non-deductible expenses	12,468,084	11,846,040
Effect of allowances not included in profit or loss	(12,448,316)	(13,741,906)
Effect of recognised temporary differences	(12,182,505)	1,680,896
CSR on recognised temporary differences	-	224,120
Corporate social responsibility	6,341,942	3,862,352
Corporate climate responsibility levy	6,341,942	-
Income Tax & VAT - Prior Year Assessment	(3,413,417)	13,280,375
Tax recognised in the Statement of Profit or Loss and Other	<u>17,521,699</u>	<u>33,380,436</u>

Deferred tax liability

	2025	2024
	MUR	MUR
At start of year	53,380,194	51,475,178
Movement in deferred tax recognised in current year	<u>(12,182,505)</u>	<u>1,905,016</u>
At end of year	<u>41,197,689</u>	<u>53,380,194</u>

Current tax liability

	2024	2024
	MUR	MUR
At start of year	12,885,429	1,156,158
Income tax payable	20,433,737	14,332,693
CSR payable	6,341,942	3,862,352
CCRL payable	6,341,942	-
Tax paid during the year	(9,454,706)	-
CSR paid during the year	(915,000)	(114,992)
Tax paid in advance under APS	(4,833,457)	-
Tax paid in advance - TDS	(6,449,936)	(6,350,782)
Net current tax liability	<u>24,349,951</u>	<u>12,885,429</u>

IndianOil (Mauritius) Ltd
Notes to the Financial Statements
For the year ended 31 March 2025

Page 47

12 INCOME TAX (continued)

Recognised deferred tax assets and liabilities

Deferred tax assets and liabilities are attributable to the following:

	Assets		Liabilities		Net
	2025	2024	2025	2024	
MUR	MUR	MUR	MUR	MUR	MUR
Property, plant and equipment			49,771,868	62,027,643	62,027,643
Provision for doubtful debts	(2,043,062)	(1,783,851)	-	(2,043,062)	(1,783,851)
Employee benefits obligations	(816,472)	(851,549)	-	(816,472)	(851,549)
Right of use asset			16,012,545	21,311,723	21,311,723
Lease liabilities		(21,727,190)	(27,323,772)	-	(27,323,772)
Net deferred tax (assets)/ liabilities	(24,586,724)	(29,959,172)	65,784,413	83,339,366	41,197,689

Movement in temporary differences during the year

	2025	2024
	MUR	MUR
Property, plant and equipment	(12,255,775)	2,838,789
Provision for doubtful debts	(259,211)	391,125
Employee benefits obligations	35,077	136,051
Right of use asset	(5,299,178)	(372,242)
Lease liabilities	5,596,582	(1,088,707)
	(12,182,505)	1,905,016

13 LEASE LIABILITIES

	2025 MUR	2024 MUR
Analysed as follows:		
- Non-current	164,107,105	156,957,251
- Current	<u>3,612,348</u>	3,770,820
	<u>167,719,453</u>	<u>160,728,071</u>
At start of year	160,728,071	154,323,912
Interest on lease liability	14,405,382	13,818,159
Less lease repayments	<u>(7,414,000)</u>	<u>(7,414,000)</u>
At end of year	<u>167,719,453</u>	<u>160,728,071</u>

Leases are recognised as a right-of-use asset and corresponding liability at the date of which the leased asset is available for use by the Company. Each lease payment is allocated between the lease liability and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the lease liability for each period. The right-of-use asset is depreciated over the shorter of the asset's useful life and lease term on a straight-line basis. The lease is valid up to 30 June 2081.

14 TRADE AND OTHER PAYABLES

	2025 MUR	2024 MUR
Trade payables	1,409,022,382	1,178,652,703
Other payables and accruals	<u>74,659,260</u>	<u>72,533,557</u>
	<u>1,483,681,642</u>	<u>1,251,186,260</u>

15 AMOUNT DUE (FROM)/ TO HOLDING COMPANY

	2025 MUR	2024 MUR
Purchases account (holding company)	<u>(988,256)</u>	<u>3,634,896</u>
	<u>(988,256)</u>	<u>3,634,896</u>

16 OTHER OPERATING INCOME

	2025 MUR	2024 MUR
Income from NFR-Lab	2,945,757	1,864,336
COCO/NFR Income	7,525,456	5,418,585
Equipment Fee/Reconstitution	2,768,706	2,773,136
Share of profit of joint ventures (refer to note 6)	4,032,439	4,562,865
Interest from client	10,850,314	1,443,929
Other miscellaneous income	7,650,322	5,100,916
Total	35,772,994	21,163,767

17 ADMINISTRATIVE EXPENSES

	2025	2024
	MUR	MUR
Audit Fees	200,000	180,000
Bank Charges	1,364,702	1,353,817
Board Meeting Exps	7,909	11,034
Books & Periodicals	24,860	12,405
Consultancy-Professional Charges	3,562,141	5,511,769
Directors Remuneration	210,000	230,000
Director's Sitting Fee	240,000	240,000
Electricity & Water Charges	4,008,840	3,302,496
Entertainment Expenses	396,500	424,486
Fees & Subscription	2,432,720	2,965,218
Handling & House Keeping	1,101,732	994,764
Insurance Expenses	7,879,672	8,178,766
Lease Rent - RO	1,802,652	2,036,634
Legal and Arbitration Exps	729,175	1,157,075
(Loss)/ profit on disposal of property, plant and equipment	44,012	(639,129)
Medical Expenses	364,133	176,657
Misc Expenses	15,000	1,025
Postage & Courier	8,416	13,344
Printing & Stationery	378,098	345,067
RATES & TAXES	884,959	1,994,065
Rent - Residential	1,745,908	1,548,790
Rent - Terminal(Lease)	15,933,032	16,424,309
Repairs & Maintenance	2,549,395	1,137,853
Repairs & Maintenance - RO&CP	15,203,404	13,111,731
Repairs & Maintenance - Terminal	15,246,610	18,345,891
Salary - MUR	20,688,005	17,475,934
Salary - USD	31,796,916	31,486,085
Secretary Fee	76,000	76,000
Security Service Charges	1,976,393	1,742,121
Staff Welfare	1,093,680	688,388
Telephone Exps	590,891	827,781
Transfer Expenses	-	567,523
Trav - Home Travel IOC	494,151	382,246
Trav & Conv - Overseas	53,450	-
Vehicle Expenses	1,534,298	1,364,932
Selling Expenses	6,581,219	7,025,303
Provision for Bad Debts	5,222,624	(2,300,743)
	146,441,497	138,393,637

18 NET FINANCE INCOME

	2025	2024
	MUR	MUR
Bank interest income	35,745,633	23,243,934
Interest expense on bank overdraft	(7,915,111)	(16,219,504)
	27,830,522	7,024,430

19 EARNINGS PER SHARE

Earnings per share is based on the profit for the year of MUR 299,443,617 (2024: MUR 172,376,251) and 4,882,043 ordinary shares.

20 Key management personnel compensation

	2025 MUR	2024 MUR
Directors' remuneration – part time	450,000	470,000
Directors' emoluments – full time	7,946,367	7,811,706
Staff cost	<u>23,850,549</u>	<u>26,180,121</u>
Average number of employees during the year	31	31

21 RELATED PARTY TRANSACTIONS

During the year under review, the Company entered into the following transaction with related parties. The nature and volume of the transactions are as follows:

	2025 MUR	2024 MUR
(i) Balances at year end with holding company		
Amount due (from)/ to IndianOil Corporation Ltd:		
Current and purchases accounts	<u>(988,256)</u>	<u>3,634,896</u>
(ii) Transactions during the year with holding company		
Dividend paid to parent company	24,410,215	-
Purchases from holding company	<u>36,420,503</u>	<u>17,631,533</u>
(iii) Pricing policies		
The above transactions were conducted on market terms and conditions. The directors have ensured that all such activities were undertaken on an arm's length basis. All amounts owed were unsecured.		
(iv) Key management personnel compensation		
Refer to note 19.		

22 EMPLOYEE BENEFITS

(i) **Pension obligations**

The Company does not operate any pension plan for its employees on retirement.

(ii) **Retirement Benefit**

Under the Workers Rights Act, employees are entitled to Gratuity Allowance on reaching the retirement age. With effect from 01 January 2022, the Government of Mauritius has enacted the PRGF (Post Retirement Gratuity Fund) for employees wherein IOML is contributing 4.5% of the total emoluments (excluding Travel & Meal Allowance) for all its employees each month. However, in view of period covering up to 31 December 2021, IOML is calculating the gratuity based on the latest emolument of the employee.

The amount recognised in profit or loss in the current year is as follow -

	2025 MUR	2024 MUR
Provision/ (reversal) for Retirement Benefit Obligation	<u>1,271,437</u>	<u>(800,298)</u>

The amount included in the statement of financial position for employees retirement gratuity provision is as follows:

	2025 MUR	2024 MUR
Present value of employees retirement obligations	<u>(6,280,550)</u>	<u>5,009,113</u>

23 FINANCIAL RISK MANAGEMENT

Fair values

The fair values for financial assets and liabilities together with the carrying amounts shown in the statement of financial position are as follows:

Assets and liabilities not carried at fair value but which fair value is disclosed below:

31 March 2025	Level 1	Level 2	Level 3	Total MUR
	MUR	MUR	MUR	
Financial assets				
Amount due from holding company	-	-	988,256	988,256
Trade and other receivables	-	-	1,519,999,094	1,519,999,094
Cash and cash equivalents	919,817,851	-	-	919,817,851
Total financial assets	919,817,851	-	1,520,987,350	2,440,805,201
Financial liabilities				
Trade and other payables	-	-	1,483,681,642	1,483,681,642
Lease liabilities	-	-	167,719,453	167,719,453
Total financial liabilities	-	-	1,651,401,095	1,651,401,095
31 March 2024	Level 1	Level 2	Level 3	Total MUR
	MUR	MUR	MUR	MUR
<i>Financial assets</i>				
Trade and other receivables	-	-	988,475,207	988,475,207
Cash and cash equivalents	1,018,258,712	-	-	1,018,258,712
Total financial assets	1,018,258,712	-	982,124,425	2,006,733,919
<i>Financial liabilities</i>				
Amount due to holding company	-	-	3,634,896	3,634,896
Trade and other payables	-	-	1,257,537,042	1,257,537,042
Lease liabilities	-	-	160,728,071	160,728,071
Total financial liabilities	-	-	1,421,900,009	1,421,900,009

The assets and liabilities included in the above table are carried at cost; their carrying values are a reasonable approximation of fair values.

The Company's activities are exposed to market risks (including currency risk, price risk and interest rate risk), credit risk and liquidity risk. The Company's overall risk management policy aims at reducing potential adverse impact on its financial performance.

- (a) Market risk
 - (i) Currency risk

The Company has substantial transactions with global customers and therefore, exposed to currency risk arising from currency exposures mainly with respect to the US Dollar (USD). Currency risk arises from future commercial transactions due to the credit period enjoyed by the customers. The payments are made in USD in respect of bunker and aviation products supplied by State Trading Corporation, for which the payments are also obtained in USD from the global customers uplifting the products from the Company. The Company operates three USD accounts used for incoming payments from customers and outgoing payments to State Trading Corporation. It is the Company's policy not to carry out any 'hedging'.

23 FINANCIAL RISK MANAGEMENT (continued)

(a) Market risk (continued)

(i) *Currency risk (continued)*

Currency profile

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

31 March 2025

	Financial assets MUR
Mauritian Rupee	604,948,197
United States Dollar	1,835,857,004
(a) Total	<u>2,440,805,201</u>

31 March 2024

	Financial assets MUR
Mauritian Rupee	855,264,445
United States Dollar	1,151,469,474
(b) Total	<u>2,006,733,919</u>

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

31 March 2025

	Financial liabilities MUR
Mauritian Rupee	1,017,452,392
United States Dollar	633,948,703
(a) Total	<u>1,651,401,095</u>

31 March 2024

	Financial liabilities MUR
Mauritian Rupee	686,086,254
United States Dollar	735,813,755
(b) Total	<u>1,421,900,009</u>

Sensitivity analysis

Foreign currency sensitivity analysis

The following table details the Company's sensitivity to a 5% increase and decrease in MUR against USD. 5% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency dominated monetary items and adjusts their translation at the year end for a 5% change in foreign currency rates. A positive number below indicates an increase in profit or loss and equity where MUR strengthens 5% against the relevant currency. For a 5% weakening of MUR against the relevant currency, there would be an equal and opposite impact on profit or loss and equity, and the balances below would be negative.

Profit or loss and equity 2025	Profit or loss and equity 2024
MUR	MUR

Impact of currency :

USD

60,095,415

20,782,786

23 FINANCIAL RISK MANAGEMENT (continued)

(a) Market risk (continued)

(ii) *Price risk*

The price risk for the Company is limited to its sale in local market where prices and margins are controlled by the government. This risk is not significant for the Company at present. The Price for JET A1 is set by STC and same price is passed on to the clients. On the arrival of a new parcel, the whole stock will be valued at the new price provided by STC and this creates a adventitious gain / loss. Adventitious gain for the current year ended 31 March 2025 was MUR 1.5 Million (2024: loss of MUR 13 Million). Any upward or downward movement in prices to the extent of 5% shall have an impact of MUR 0.075 Million (2024: MUR 0.65 Million) on the stock gain/loss.

(iii) *Interest rate risk*

The Company's operations are subject to the risk of interest rate fluctuations to the extent that interest-earning assets and interest-bearing liabilities mature or are repriced at different times or in different amounts. In the case of floating rate assets and liabilities, the Company is also exposed to basis risk, which is the difference in repricing characteristics of the various floating rate indices, such as the base lending rate and different types of interest.

At the reporting date, the interest rate profile of the Company's interest-earning/ bearing financial instruments was as follows:

	2025	2024
	MUR	MUR
Cash and cash equivalents		
Fixed rate instruments	701,622,278	673,942,558
Variable rate instruments	<u>218,195,573</u>	<u>344,316,154</u>

Sensitivity analysis

The following table indicates the approximate change in the Company's post-tax profit or loss and equity in response to reasonable possible changes in the interest rates to which the Company has significant exposure at the reporting date.

	Increase/ (decrease) in interest rates	Effect on post tax profit or loss and equity	
		2025	2024
		MUR	MUR
Increase in interest rate	+1%	1,854,662	2,926,687
Decrease in interest rate	-1%	<u>(1,854,662)</u>	<u>(2,926,687)</u>

(b) Credit risk

Credit risk arises from credit exposures to various customers to whom the credit facilities are extended. The Board has approved a credit policy wherein modalities have been laid down for setting individual credit limits based on internal ratings.

Credit risk arises from cash and cash equivalents and trade receivables.

The Company generally does not hold any collateral or other credit enhancements to cover its credit risks associated with its financial assets.

The bank balances are held with reputable institutions, thus the credit risk is minimal. The ageing of trade receivables at the reporting date was:

	2025		2024	
	Gross	Impairment	Gross	Impairment
	MUR	MUR	MUR	MUR
Within Credit	1,089,236,218	-	703,747,990	-
Beyond Credit	<u>340,527,062</u>	<u>15,715,861</u>	<u>190,819,884</u>	<u>10,493,237</u>
	<u>1,429,763,280</u>	<u>15,715,861</u>	<u>894,567,874</u>	<u>10,493,237</u>

23 FINANCIAL RISK MANAGEMENT (continued)

(b) Credit risk (continued)

Beyond credit ageing of trade receivables if further detailed as below -

	2025	2024
	MUR	MUR
Within 30 days	248,919,875	132,375,255
More than 30 less than 180 days	90,444,529	48,789,584
More Than 180 days	1,162,658	9,655,044
	<u>340,527,062</u>	<u>190,819,884</u>

Included in the Company's trade receivable balances are receivables with a carrying amount of MUR 340,527,062 (2024: MUR 190,819,884) which are past due at the reporting date for which the Company has not provided any customer specific provision as there has not been a significant change in the credit quality of the receivables and the amounts are still considered recoverable.

At 31 March 2025, the Company's largest customer accounted for MUR 482,045,101 (2024: MUR 413,581,755) representing 34% (2024: 46%) of the total trade receivables.

The maximum exposure to credit risk for trade receivables by type of counterparty was as follows:

	Carrying amount	
	2025	2024
	MUR	MUR
Consumers (Aviation, POL, Bunkering, Lubes)	<u>1,089,236,218</u>	<u>703,747,990</u>

(c) Liquidity risk

Liquidity risk is a 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 that it will always have sufficient liquidity to meet its liabilities when they become due without incurring unacceptable losses or risking damage to the Company's reputation.

The Company maintains sufficient balances in their bank accounts denominated in Mauritian Rupee and United State Dollar. The Company has access to "funding" through committed credit facilities.

The table below analyses the Company's financial liabilities relevant maturity groupings based on the remaining period as on the remaining period from 31 March 2025. The amounts disclosed in the table are contractual undiscounted cash flows. Balance due within 12 months equal their carrying balances as the impact of discounting is not significant.

	Repayable on demand	Less than one year	More than One Year	Total
	MUR	MUR	MUR	MUR
31 March 2025				
Financial liabilities				
Trade and other payables	-	1,483,681,642	-	1,483,681,642
Lease liabilities	-	3,612,348	164,107,105	167,719,453
Total financial liabilities	<u>-</u>	<u>1,487,293,990</u>	<u>164,107,105</u>	<u>1,651,401,095</u>
 31 March 2024				
Financial liabilities				
Trade and other payables	-	1,257,537,042	-	1,257,537,042
Lease liabilities	-	3,770,820	156,957,251	160,728,071
Amount due to holding company	3,634,896	-	-	3,634,896
Total financial liabilities	<u>3,634,896</u>	<u>1,261,307,862</u>	<u>156,957,251</u>	<u>1,421,900,009</u>

Deferred tax liabilities have been excluded from the above analysis.

23 FINANCIAL RISK MANAGEMENT (continued)

(d) Capital risk management

The Company's objectives when managing capital are to safeguard its ability to continue as a going concern so as to provide returns to all stakeholders and to optimise the cost of capital.

The Company monitors its capital on the basis of the gearing ratio. The ratio is calculated as total debt divided by total capital. Total capital is calculated as 'equity' as shown in the statement of financial position plus total borrowings.

	2025	2024
	MUR	MUR
Total borrowings	<u>2,438,188,873</u>	-
Total equity	<u>2,438,188,873</u>	2,163,155,471
Total capital employed	<u>2,438,188,873</u>	<u>2,163,155,471</u>
Gearing ratio	-	-

The Company does not have any borrowings and consequently is not geared.

24 CONTINGENT LIABILITIES

The Company has issued several bank guarantees amounting to MUR 237,953,960 (2024: MUR 254,342,312) in favour of various third parties. Apart from this, the Company does not have any other contingent liabilities.

25 CAPITAL COMMITMENTS

The Company has capital commitments amounting to MUR 48 Million (2024: MUR 55 Million) as at 31 March 2025.

26 NOTES TO THE STATEMENT OF CASH FLOWS

Reconciliation of liabilities arising from financing activities

The table below details changes in the Company's liabilities arising from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the Company's

	At start of year	Financing cash flows	Non-cash changes	At end of year
	MUR	MUR	MUR	MUR
Bank interest paid	-	7,915,111	-	-
Finance leases	160,728,071	(7,414,000)	14,405,382	167,719,453

27 EVENTS AFTER THE REPORTING DATE

There have been no material events after the reporting date, which would require disclosure or adjustment to the financial statements for the year ended 31 March 2025.