

**SRF Middle East LLC**  
Dubai, United Arab Emirates

**FINANCIAL STATEMENTS  
&**

**INDEPENDENT AUDITOR'S REPORT  
FOR THE 392 DAYS PERIOD ENDED MARCH 31, 2025**

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**COMPANY INFORMATION**

**Shareholder**

SRF GLOBAL B V

**Directors**

ALI ABBAS ALI

KARTIK BHARAT RAM

PRATEEK MATHUR

**Manager**

PRATEEK MATHUR

KARTIK BHARAT RAM

**Principal business**

The principal activity of the Company as per the trade license is "Industrial and Liquefied Natural Gas Trading".

**License no.**

1325246

**Business address**

Office No 4145, 41st Level, Emirates Tower, Sheikh Zayed Road

PO Box No 71271

Dubai

United Arab Emirates

**Banker**

Emirates NBD

**Auditors**

TRC PAMCO Middle East Auditing & Accounting LLC

P O Box 94570, Dubai

**Tel:** +971- 04- 2298777

**Fax:** +971- 04- 2999225

**Email:** info@trcpamco.com

**MANAGEMENT REPORT**

The management is pleased to present their report together with audited financial statements of the Company for the 392 days period ended March 31, 2025.

**Principle activities**

The principal activity of the Company as per the trade license is "Industrial and Liquefied Natural Gas Trading".

**Business review**

For the year, the Company had a revenue of AED 5,326,658. The net profit for the year was AED 462,699.

**Events subsequent to the reporting date**

There were no major events which occurred since the year end that materially affect the financial position of the Company.

**Auditors**

TRC PAMCO Middle East Auditing and Accounting LLC will retire at the conclusion of the meeting. They have expressed their willingness to continue in office and are eligible for re-appointment.

FOR SRF Middle East LLC



**PRATEEK MATHUR**  
Manager  
May, 01, 2025  
Dubai



FOR SRF Middle East LLC



**KARTIK BHARAT RAM**  
Manager

**INDEPENDENT AUDITOR'S REPORT**

**The Shareholder**  
**SRF Middle East LLC**  
**Dubai, United Arab Emirates**

**Report on the audit of the financial statements of SRF Middle East LLC for the 392 days period ended March 31,2025**

**Opinion**

We have audited the accompanying financial statements of the SRF Middle East LLC("the Company"), which comprises the statement of financial position as at March 31, 2025, statement of comprehensive income, statement of changes in equity and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at March 31, 2025 and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards for Small and Medium Sized Entities (IFRS for SME's).

**Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (ISA's). Our responsibilities under those standards are further described in the auditors responsibilities for the audit of the financial statements of our report. We are independent of the Company in accordance with the 'International Ethics Board for Accountants' Code of Ethics for Professional Accountants (the "IESBA Code") together with the ethical requirements that are relevant to our audit of the financial statements in the United Arab Emirates, and we have fulfilled our other Ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis of our opinion.

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

Management is responsible for the preparation and fair presentation of these financial statements in accordance with IFRS for SMEs and their preparation in compliance with the applicable provisions of the Dubai Creative Clusters Private Companies Regulations 2016, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the management is responsible for assessing the Company's ability to continue as a going concern, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. Those charged with governance are responsible for overseeing the Company's financial reporting process.



**SRF Middle East LLC**

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**INDEPENDENT AUDITOR'S REPORT**

**Auditors responsibilities for the audit of the financial statements**

Objectives of our audit 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 ISA's, we exercise professional judgement and maintain professional skepticism through out 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 management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such 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.



**SRF Middle East LLC**

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**INDEPENDENT AUDITOR'S REPORT**

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

**Report on other legal and regulatory requirements**

We have obtained all the information and explanations, which were necessary for the purpose of our Audit and no violation of the Dubai Creative Clusters Private Companies Regulations 2016 governed by Dubai Development Authority, Government of Dubai came to our attention which would materially affect the Company's Financial position.

**TRC PAMCO ME**

**TRC PAMCO Middle East Auditing & Accounting LLC**

**Reg No: 423**

**May, 01, 2025**

**Dubai**



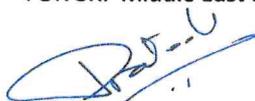
**SRF Middle East LLC**

**Statement of financial position as on March 31, 2025**

*(Figures in AED)*

	Notes	<u>As on Mar 31, 2025</u>
<b>TOTAL ASSETS</b>		
<b>Current assets</b>		
Inventory	3	7,34,539
Trade and other receivables	4	20,93,634
Deposits, prepayments and other receivables	5	1,22,072
Cash and cash equivalents	6	4,76,294
<b>TOTAL ASSETS</b>		<u><b>34,26,539</b></u>
<b>EQUITY AND LIABILITIES</b>		
<b>Share Holder's Fund</b>		
Equity Share Capital		<u>8,27,945</u>
		<u><b>8,27,945</b></u>
<b>Current liabilities</b>		
Due to Related party	7	20,95,188
Trade payables	8	4,31,861
Accruals and other payables	9	71,546
		<u><b>25,98,595</b></u>
<b>TOTAL EQUITY &amp; LIABILITIES</b>		<u><u><b>34,26,539</b></u></u>

FOR SRF Middle East LLC



**PRATEEK MATHUR**  
 Manager  
 May, 01, 2025  
 Dubai



FOR SRF Middle East LLC



**KARTIK BHARAT RAM**  
 Manager



**SRF Middle East LLC**

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**Statement of comprehensive income for the 392 days period ended March 31, 2025**

	Notes	392 days period ended Mar 31, 2025
<b>Revenue</b>		
Sales	10	53,26,653
Other Income		5
		<u>53,26,658</u>
<b>EXPENDITURE</b>		
Direct Cost	11	46,31,237
Administrative and general expenses	12	2,24,048
		<u>48,55,285</u>
<b>Net comprehensive income for the year</b>		4,71,373
<b>Less: Provision for corporate tax</b>		8,674
<b>Net comprehensive income for the year</b>		<u><u>4,62,699</u></u>

FOR SRF Middle East LLC



**PRATEEK MATHUR**  
Manager  
May, 01, 2025  
Dubai



FOR SRF Middle East LLC



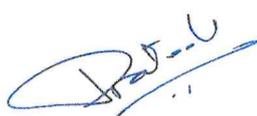
**KARTIK BHARAT RAM**  
Manager



Statement of cash flow for the year ended March 31, 2025

	<i>(Figures in AED)</i>
	<b>392 days period ended</b>
	<b>Mar 31, 2025</b>
<b>I. FROM OPERATING ACTIVITIES</b>	
Net profit as per Profit & Loss A/c	4,71,373
<i>Adjustments:</i>	
Depreciation	-
Provision for end of service benefits	-
Provision for doubtful debts	-
<b>Operating cash flow before working capital changes</b>	<b>-</b>
<i>Working capital changes</i>	
(Increase)/Decrease in trade and other receivables	<b>(22,15,706)</b>
(Decrease)/Increase in trade and other payables	<b>4,94,733</b>
(Increase)/decrease in due to related party	<b>20,95,188</b>
Change in Inventory	<b>(7,34,539)</b>
<b>Cash flow generated from operating activities</b>	<b>(3,60,324)</b>
Income Tax Paid	-
<b>Net cash generated from operating activities</b>	<b>1,11,048</b>
<b>II. Cash flows from investing activities</b>	
Acquisition of property, plant and equipment	-
<b>Net cash generated from/(used in) investing activities</b>	<b>-</b>
<b>III. Cash flows from financing activities</b>	
share capital introduced	<b>3,65,245</b>
<b>Net cash from financing activities</b>	<b>3,65,245</b>
<b>Net increase in cash and cash equivalents (A+B+C)</b>	<b>4,76,294</b>
Cash and cash equivalents at the beginning of the year	-
<b>Cash and cash equivalents at the end of the year</b>	<b>4,76,294</b>

FOR SRF Middle East LLC



**PRATEEK MATHUR**  
**Manager**  
**May, 01, 2025**  
**Dubai**



FOR SRF Middle East LLC



**KARTIK BHARAT RAM**  
**Manager**



**SRF Middle East LLC**

**Statement of changes in equity for the 392 days period ended March 31, 2025**

*(Figures in AED)*

Particulars	Share capital	Retained earnings	Total
Share capital introduced	3,65,245		3,65,245
Net comprehensive income for the year		4,62,699	4,62,699
<b>Balance as on March 31, 2025</b>			<b>8,27,945</b>

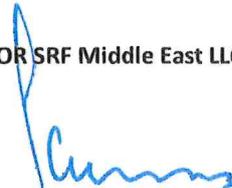
FOR SRF Middle East LLC



**PRATEEK MATHUR**  
Manager  
May, 01, 2025  
Dubai



FOR SRF Middle East LLC



**KARTIK BHARAT RAM**  
Manager



**Significant accounting policies to the financial statements for the year ended March 31, 2025**

These financial statements have been prepared for the 392 days period ended March 31, 2025

**1. LEGAL STATUS ACTIVITIES AND**

**1.1 Legal status**

SRF Middle East LLC ("the Company") was incorporated on March 12, 2024 as a Limited Liability Company in Dubai, United Arab Emirates under a commercial license No. 1325246 issued by the Dubai Development Authority, Government of Dubai, UAE.

The registered office of the Company is located in the Emirate of Dubai.

As per the Memorandum of Association and its subsequent amendments: The issued, subscribed and paid up capital of the Company as on March 31, 2025 is AED 365,000 divided into 365 Shares with a value of AED 1000 each.

AED 365,000 (United Arab Emirates Dirhams Ten Thousand only) divided into 365 shares of AED 1,000 each held by the shareholders as mentioned below:

Name of the shareholder with nationality	Country of incorporation	Shares (in nos.)	%age of holding	Value (AED)
SRF GLOBAL B V	Netherlands	365	100%	3,65,245
<b>Total</b>		<b>365</b>	<b>100%</b>	<b>3,65,245</b>

The name of the ultimate parent company is SRF GLOBAL B V, a Company incorporated under the law of Netherlands with the chamber of commerce number 34314945. The registered office of the company located in Netherlands.

**1.2 Activities**

The principal activity of the Company as per the trade license is "Industrial and Liquefied Natural Gas Trading".

**1.3 Management**

The day to day activities of the Company are managed jointly or separately by Prateek Mathur , Indian national bearing passport No. Z7735049, and Kartik Bharat Ram, Indian national bearing passport No. Z3934808 , who are appointed as Director of the company.

**2. SIGNIFICANT ACCOUNTING POLICIES**

**2.1 Basis of preparation**

The financial statements have been prepared in accordance with International Financial Reporting Standards for Small and Medium Sized Entities (IFRS for SME's) promulgated by the International Accounting Standards Board (IASB) and interpretations issued by the IFRS Interpretations Committee (IFRS IC).

The financial statements are prepared under the historical cost convention.

**2.2** There are no new and revised IFRS which has material impact on applicable International Financial Reporting Standards for Small and medium-sized enterprises (IFRS for SMEs) during the current year.



**Significant accounting policies to the financial statements for the year ended March 31, 2025**

**2.3 Use of estimates and judgements**

The preparation of the financial statements requires management to make estimates and assumptions that may affect the reported amount of assets and liabilities, revenues, expenses, disclosure of contingent liabilities and the resultant provisions and fair values. Such estimates are necessarily based on assumptions about several factors and actual results may differ from reported amounts.

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

In particular, information about significant areas of estimation, uncertainty, and critical judgements in applying accounting policies (that have the most significant effect on the amount recognized in the financial statements) are discussed in remaining notes.

**2.4 Revenue recognition**

IFRS 15 Revenue from contracts with customers outlines a single comprehensive model of accounting for revenue arising from contracts with customers. It establishes a five-step model that will apply to revenue arising from contracts with customers. Under IFRS 15, revenue is recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer.

The Company recognises revenue from contracts with customers based on a five-step model as set out below:

Step 1 Identify the contract with a customer: A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for each of those rights and obligations.

Step 2 Identify the performance obligations in the contract: A performance obligation in a contract is a promise to transfer a good or service to the customer.

Step 3 Determine the transaction price: Transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring the promised goods and services to a customer, excluding amounts collected on behalf of third parties.

Step 4 Allocate the transaction price to the performance obligations in the contract: For a contract that has more than one performance obligation, the Company will allocate the transaction price to each performance obligation in an amount that depicts the consideration to which the Company expects to be entitled in exchange for satisfying each performance obligation.

Step 5 Recognise revenue as and when the Company satisfies a performance obligation.

The Company recognises revenue over time if any one of the following criteria is met:



**Significant accounting policies to the financial statements for the year ended March 31, 2025**

- The customer simultaneously receives and consumes the benefits provided by the Company's performance as the Company performs; or
- The Company's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or
- The Company's performance does not create an asset with an alternative use to the Company and the Company has an enforceable right to payment for performance obligations completed to date.

For performance obligations where none of the above conditions are met, revenue is recognised at the point in time at which the performance obligation is satisfied.

When the Company satisfies a performance obligation by delivering the promised goods or services it creates a contract-based asset on the amount of consideration earned by the performance. Where the amount of consideration received from a customer exceeds the amount of revenue recognised this gives rise to a contract liability – advances from customers.

Revenue is measured at the transaction price agreed under the contract. Amounts disclosed as revenue are net of variable consideration and payments to customers, which are not for distinct services, which may include discounts, trade allowances, rebates and amounts collected on behalf of third parties.

Revenue is recognised in the statement of comprehensive income to the extent that it is probable that the economic benefits will flow to the Company and the revenue and costs, if applicable, can be measured reliably.

Revenue consist of brokerage commission earned from the customers from insurance brokerage and is recognized as and when the services are performed and there is no significant uncertainty over the receivable.



**Significant accounting policies to the financial statements for the year ended March 31, 2025**

**2.5 Accounts receivable**

Accounts receivable are stated at original invoice amount less a provision for any uncollectible amounts as per the expected credit loss model. An estimate for doubtful debts is made when collection of the amount is no longer probable. Bad debts are written off when there is no possibility of recovery.

The Company makes use of a simplified approach in accounting for trade receivables and records the loss allowance as lifetime expected credit losses. These are the expected shortfalls in contractual cash flows, considering the potential for default at any point during the life of the financial instrument. In calculating, the provision, the Company uses its historical experience, external indicators and forward-looking information to calculate the expected credit losses using a provision matrix.

**2.6 Cash and cash equivalents**

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash in hand and bank balances.

**2.7 Inventories**

Inventories are valued at the lower of cost and net realisable value, cost being determined at weighted average method and represents the invoice value of goods purchased plus direct expenses incurred in bringing the inventories to their present state and location.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale and provision for slow moving and obsolete items, if any.

**2.8 Accounts payable and accruals**

Liabilities are recognized for amounts to be paid in the future for goods or services received. In case the invoices are not available, the same is included in the accruals.

**2.9 Provisions**

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, 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. Where the Company expects some or all of a provision to be reimbursed, the reimbursement is recognized as a separate asset but only when the reimbursement is virtually certain.

The expense relating to any provision is presented in the statement of comprehensive income net of any reimbursement. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability.



**Significant accounting policies to the financial statements for the year ended March 31, 2025**

**2.10 Employees' end of service benefits**

An accrual is made for employee's entitlements to annual leave and leave passage as a result of service rendered by the employees up to the reporting date.

The accrual relating to annual leave and leave passage is disclosed as a current liability and included in other payables, while that relating to end of service benefits is disclosed as a non-current liability in the statement of financial position.

The Company provides end of service benefits (Gratuity and Leave Encashment) to its employees. The entitlement to these benefits is based upon the employees' final salary and length of service, subject to the completion of a minimum service period. The expected costs of these benefits are accrued over the period of employment.

**2.11 Leases**

Leases where the lessor retains substantially all the risks and benefits of ownership of the asset are classified as operating leases. In the book of lease operating lease payments are recognized as an expense in the statement of comprehensive income on a straight-line basis over the lease term. Where significant risk and reward transferred to the lease the assets is recognized as finance lease in the books of the lease.

**2.12 Foreign currencies**

Transactions in foreign currencies are initially recorded by the Company at the currency spot rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are retranslated at the functional currency spot rate of exchange at the reporting date. All differences arising on settlement or translation of monetary items are taken to the statement of comprehensive income. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions.

**2.13 Financial instruments**

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

**a) Financial assets**

**Initial recognition and measurement**

Financial assets are classified, at initial recognition, are classified as at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit or loss. The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Company's business model for managing them. The Company initially measures a financial asset at its fair value plus, for an item not at fair value through profit or loss, transaction costs that are directly attributable to its acquisition or issue.



**Significant accounting policies to the financial statements for the year ended March 31, 2025**

**Debt instruments at amortised cost**

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

- a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

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

**Debt instrument at FVTOCI**

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

- a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- b) The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Company recognizes interest income, impairment losses and reversals and foreign exchange gain or loss in the statement of profit or loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to statement of profit or loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

**Debt instrument at FVTPL**

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit or loss.

**Derecognition**

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognised (i.e. removed from the Company's consolidated balance sheet) when:

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



**Significant accounting policies to the financial statements for the year ended March 31, 2025**

-The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either

(a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

**Impairment of financial assets**

In accordance with IFRS 9, the Company applies expected credit loss (ECL) model for measurement and recognition of

impairment loss on the following financial assets and credit risk exposure:

- a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance
- b) Financial assets that are debt instruments and are measured as at FVTOCI
- c) Lease receivables under IFRS 16
- d) Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of IFRS 15 (referred to as contractual revenue receivables' in these financial statements)

The Company follows 'simplified approach' for recognition of impairment loss allowance on:

-Trade receivables or contract assets; and

-All lease receivables resulting from transactions within the scope of IFRS 16



**Significant accounting policies to the financial statements for the year ended March 31, 2025**

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

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

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider

- All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument.

- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms

- Financial assets measured as at amortised cost, contractual revenue receivables and lease receivables: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the company does not reduce impairment allowance from the gross carrying amount.

**Impairment of non-financial assets**

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount.



**Significant accounting policies to the financial statements for the year ended March 31, 2025**

An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or Company's of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

An assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation and amortisation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit or loss.

**b) Financial liabilities**

**Initial recognition and measurement**

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, or payables, as appropriate.

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

The Company's financial liabilities include trade and other payables.

**Subsequent measurement**

- Financial liabilities at fair value through profit or loss
- Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term.
- Gains or losses on liabilities held for trading are recognised in the statement of comprehensive income.



**Significant accounting policies to the financial statements for the year ended March 31, 2025**

**Derecognition**

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

**Offsetting of financial instruments**

Financial assets and financial liabilities are offset and the net amount is reported in the standalone balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

**2.14 Share capital**

Proceeds from issuance of ordinary shares are recognized as share capital in equity. Incremental costs directly attributable to the issuance of ordinary shares are deducted against share capital.

**2.15 UAE Corporation Tax law and application of IAS 12 Income Taxes**

On 9 December 2022, the UAE Ministry of Finance released the Federal Decree-Law No. 47 of 2022 on the Taxation of Corporations and Businesses (the Law) to enact a Federal corporate tax (CT) regime in the UAE. The CT regime will become effective for accounting periods beginning on or after 1st June 2023.

The company will be subject to a corporate tax rate ranging from 0% to 9% on taxable income above a threshold of AED 375,000 for periods beginning on or after 1 June 2023.

The CT Law is considered enacted for reporting purposes and the management has concluded that there is no deferred tax impact on the reporting date.

The Company has not identified any material risks or uncertainties in the structure from a corporate perspective and will continuously monitor further developments that could impact the

**2.16 Value Added Tax**

Value Added Tax (VAT) asset/ liability is recognized in the books on the basis of regulations defined by Tax Authorities.

Expenses and assets are recognized net of the amount of value added tax, except:

- When the value added tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the value added tax is recognized as part of the cost of acquisition of the asset or as part of the expense item, as applicable;
- When receivables and payables are stated with the amount of value added tax included.

The net amount of value added tax recoverable from, or payable to, the taxation authority is included as part of other receivables or other payables in the financial statements.



**Significant accounting policies to the financial statements for the year ended March 31, 2025**

**2.17 Contingencies**

A contingent liability is:

- (a) a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company; or
- (b) a present obligation that arises from past events but is not recognized because:
  - (i) It is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or
  - (ii) The amount of the obligation cannot be measured with sufficient reliability.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company.

Contingent liabilities and assets are not recognized on the balance sheet of the Company, except for contingent liabilities assumed in a business combination that are present obligations and which the fair values can be reliably determined.

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities at the end of each reporting date. However, uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amount of the asset or liability affected in the future periods.



## Notes to the financial statements for the year ended March 31, 2025

	Year ended Mar 31, 2025
<b>3 Inventory</b>	
Closing Stock in trade	7,34,539
	<b>7,34,539</b>
Inventories are valued and certified by the management.	
<b>4 TRADE &amp; OTHER RECEIVABLES</b>	Year ended Mar 31, 2025
Trade receivable	20,93,634
	<b>20,93,634</b>
<b>Ageing</b>	
1 to 30 days past due	15,19,928
31 to 60 days past due	5,73,707
	<b>20,93,634</b>
<b>5 DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES</b>	Year ended Mar 31, 2025
Prepaid Expenses	1,20,740
Advances To Suppliers	1,333
	<b>1,22,072</b>
<b>6 CASH AND CASH EQUIVALENTS</b>	Year ended Mar 31, 2025
Cash at bank	4,76,294
	<b>4,76,294</b>
<b>7 Due to Related party</b>	Year ended Mar 31, 2025
SRF Ltd	20,95,188
	<b>20,95,188</b>
<b>8 Trade Payable</b>	Year ended Mar 31, 2025
Trade payable	4,31,861
	<b>4,31,861</b>
<b>Ageing</b>	
Not Due	40,934
1 to 30 days past due	1,40,772
31 to 60 days past due	2,50,155
	<b>4,31,861</b>
<b>9 Accruals and other payables</b>	Year ended Mar 31, 2025
VAT Payable	30,419
Liability For Expenses	32,453
Provision for corporate tax	8,674
	<b>71,546</b>



Notes to the financial statements for the year ended March 31, 2025

10 Revenue	Year ended Mar 31, 2025
Sales-Domestic	53,26,653
	<u>53,26,653</u>
 <u>Types of Revenue</u>	
Revenue from Sale of Goods	53,26,653
	<u>53,26,653</u>
 <u>Revenue by timing of services rendered</u>	
At a Point in time	53,26,653
Over period of time	-
	<u>53,26,653</u>
 <u>Revenue by geographical locations</u>	
Revenue generated inside UAE	53,26,653
Revenue generated outside UAE	-
	<u>53,26,653</u>
 11 Direct Cost	 Year ended Mar 31, 2025
Material Overhead	91,271
Inter-company - Purchase of Traded Goods	47,79,694
Handling & Freight charges	42,360
Rent Warehouse	4,52,450
Less: Closing stock	(7,34,539)
	<u>46,31,237</u>
 12 ADMINISTRATIVE AND GENERAL EXPENSES	 Year ended Mar 31, 2025
Salaries and Wages	54,367
Rates & Taxes-Others	10,000
Licenses, Fee&Taxes	15,808
Stocks Insurance	13,059
Health Insurance	4,604
Insurance- Others	20,927
Rent- Office	35,690
Travel- Foreign	1,772
Conveyance	1,611
Audit Fee	25,200
Professional Charges	26,625
Loss On Exchange Currency Fluctuation	10,466
Telephone & Fax Charges	1,356
Bank Charges	2,564
	<u>2,24,048</u>



Notes to the financial statements for the year ended March 31, 2025

**13 FINANCIAL INSTRUMENTS**

The management believes that the fair value of the financial assets and liabilities are not significantly different from their carrying amounts at balance sheet date.

The management conducts and operates the business in a prudent manner, taking into account the significant risks to which the business is or could be exposed. The primary risks to which the business is exposed, comprise credit risks, liquidity risks and market risks (including currency risks, cash flow interest rate risks and fair value interest rate risks).

**a. Currency risk**

Currency risk is the risk that the value of financial instruments will fluctuate due to changes in foreign exchange rates. Currency risk arises when future commercial transactions and recognized assets and liabilities are denominated in a currency that is not the Company's functional currency. The Company does not have any significant currency risk as the Company's transactions are mainly in Arab Emirate Dirham (AED) and US Dollars (USD). The company is not exposed to any significant exchange rate fluctuations as AED is pegged to US Dollars.

**b. Credit risk**

Credit risk arises when a failure by counter parties to discharge their obligations could reduce the amount of future cash inflows from financial assets on hand at the end of the reporting period. The Company has no significant concentration of credit risk. Cash balance is held with high credit quality financial institutions and the Company has policies to limit the amount of credit exposure to any financial institution.

The Company's bank accounts are placed with high credit quality financial institutions. The Company manages credit risk with respect to receivables from customers by monitoring in accordance with defined policies and procedures. Credit risk is limited to the carrying value of financial assets in the balance sheet.

The maximum exposure to credit risk at the end of the reporting year was:

	<i>(Figures in AED)</i>
	<b>As on</b>
	<b>Mar 31, 2025</b>
Book Debts / Trade Receivable-Domestic	<b>20,93,634</b>
	<b>20,93,634</b>

Credit risks related to trade receivables are managed subject to the Company's policy, procedures and control relating to customer credit risk management. Credit limits are established by management for all customers based on internal assessment of the credit quality of customers. Outstanding trade receivables are regularly monitored. The requirement for impairment is analysed at each reporting date on an individual basis.



**Notes to the financial statements for the year ended March 31, 2025**

Concentration of credit risk arises when a number of counter-parties are engaged in similar business activities, or activities in the same geographic region, or have similar economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentration of credit risk indicates the relative sensitivity of the Company's performance to developments affecting a particular industry or geographic location.

Management believes that the concentration of credit risk is mitigated by high credit worthiness and financial stability of its customer.

Trade and other receivables, amounts due from related parties and balances with banks are not secured by any collateral. The amount that best represents maximum credit risk exposure on financial assets at the end of the reporting period, in the event counterparties fail to perform their obligations generally approximates their carrying value.

**c. Interest rate risk**

Interest rate risk is the risk that the value of financial instruments will fluctuate due to changes in market interest rates.

The Company's income and operating cash flows are substantially independent of the changes in market interest rates. The Company do not have any borrowings.

**d. Liquidity risk**

Liquidity risk is the risk that an enterprise will encounter difficulty in raising funds to meet commitments associated with financial instruments. Liquidity risk may result from inability to sell a financial asset quickly at close to its fair value. Liquidity risk is managed by monitoring on a regular basis that sufficient funds are available to meet any future commitments.

	<i>(Figures in AED)</i>			
	Carrying value	Within One year	1 to 5 years	More than 5 years
<b>As on March 31, 2025</b>				
<b>Trade payable</b>	4,31,861	4,31,861		
<b>Accruals and other payable</b>	71,546	71,546	-	-
<b>Due to Related party</b>	20,95,188	20,95,188		
	<b>21,66,734</b>	<b>21,66,734</b>	-	-

**e. Capital risk management**

The Company manages its capital to ensure that it will be able to continue as a going concern while maximizing the return to shareholders through the optimization of the debt and equity balance. The Company's overall strategy remains unchanged during the year.

**14 SIGNIFICANT EVENTS OCCURRING AFTER THE BALANCE SHEET DATE**

There were no major events which occurred since the year end that materially affect the financial position of the Company.



Notes to the financial statements for the year ended March 31, 2025

15 RELATED PARTY TRANSACTIONS AND BALANCES

The entity in the normal course of business enters into transactions with other business enterprises that fall within definition of a related party as contained in International Accounting Standard 24 Related Party Disclosures. Related parties comprises companies and entities under common ownership and/ or common management and control and key management personnel. The entity believes that the terms of these transactions are not significantly different from those that could have been obtained from third parties.

Transactions with related parties included in the statement of financial position are as follows:

Name of related party	Relationship
SRF Limited	Fellow subsidiary

Details of transaction with related party during the year:

(Figures in AED)

Name of related party	Type of transaction	Mar, 2025
SRF Limited	Purchase	47,79,694

Balances receivable/(payable) at the year end:

Name of the related parties	Nature	31, 2025 (AED)
SRF Limited	Trade payable	20,95,188

16 CONTINGENT LIABILITIES

As represented by the management, except for the ongoing commitments in the normal course of business against which no loss is expected, there are no other known contingent liabilities existing at the reporting date other than disclosed in financial statements.

17 SEGMENT REPORTING

There is no geographical segment to be reported since all the operations are carried out in the United Arab Emirates.

18 KEY SOURCES OF ESTIMATION UNCERTAINTY

a. Estimated useful life and residual value of property, plant and equipment

The Company's management determines the estimated useful lives and related depreciation charges for its property, plant and equipment. The Company has carried out a review of the residual values and useful lives of property, plant and equipment. Management has not highlighted any requirement for an adjustment to the residual lives and remaining useful lives of the assets for the current or future periods.

b. Impairment loss on property, plant and equipment

The Company reviews its property, plant and equipment to assess impairment, if there is an indication of impairment. In determining whether impairment losses should be reported in profit or loss, the Company makes judgements as to whether there is any observable data indicating that there is a reduction in the carrying value of property, plant and equipment. Accordingly, provision for impairment is made where there is an identified loss event or condition which, based on previous experience, is evidence of a reduction in the carrying value of property, plant and equipment.



**Notes to the financial statements for the year ended March 31, 2025**

**c. Impairment losses on receivables**

The Company recognizes loss allowance for ECLs on financial assets measured at amortized cost. ECLs are a probability weighted estimate of credit losses. ECL computation uses historical trends and a forward looking element to compute percentage allowance to be recorded as impairment loss on trade receivables. Should any of these input estimates vary, the profit or loss and financial position of the following year(s) would be significantly impacted.

**d. Fair value of financial instruments**

When the fair value of financial assets and financial liabilities recorded in the statement of financial position cannot be derived from active markets, their fair value is determined using valuation techniques including the discounted cash flow model.

The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. The judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

**19 GENERAL**

**19.1** Figures in the financial statements are rounded off to the nearest U.A.E Dirhams.

**19.2** This is first period financial statement from 05, March 2024 to 31 March 2025 hence no previous year figures available.

**19.3** In the opinion of the management, all the assets as shown in the financial statements are existing and realizable at the amount shown against them, and there are no liabilities against the concern, contingent or otherwise, not included in the above financial statements.

FOR SRF Middle East LLC



**PRATEEK MATHUR**  
Manager  
May, 01, 2025  
Dubai



FOR SRF Middle East LLC



**KARTIK BHARAT RAM**  
Manager

