

ATUL MIDDLE EAST FZ-LLC
DUBAI - UNITED ARAB EMIRATES

INDEPENDENT AUDITOR'S REPORT
AND AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2025

ATUL MIDDLE EAST FZ-LLC
DUBAI - UNITED ARAB EMIRATES

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ATUL MIDDLE EAST FZ-LLC
DUBAI - UNITED ARAB EMIRATES

Report of the Directors for the year ended March 31, 2025

The Directors have pleasure in presenting their report and the audited financial statements for the year ended March 31, 2025.

Principal Activities:

The Company is mainly engaged in the business of research and development, storage, import and re-export, support service, marketing and sales promotion of agricultural, forestry and horticulture and speciality supplies.

Risk management and internal control systems

The Company is committed to the management of risk to achieve sustainability, employment and surpluses. The risk management framework identifies, assesses, manages and reports risk on a consistent and reliable basis. The primary risks are those of credit, market (liquidity, interest rate, foreign exchange) and operational risk.

The management recognises their responsibility for system of internal control and for reviewing its effectiveness. In view of the above, the Company continuously monitors risks through means of administrative and information systems. Periodic MIS reports are generated which help to mitigate risks and provide full transparency.

Events after year end

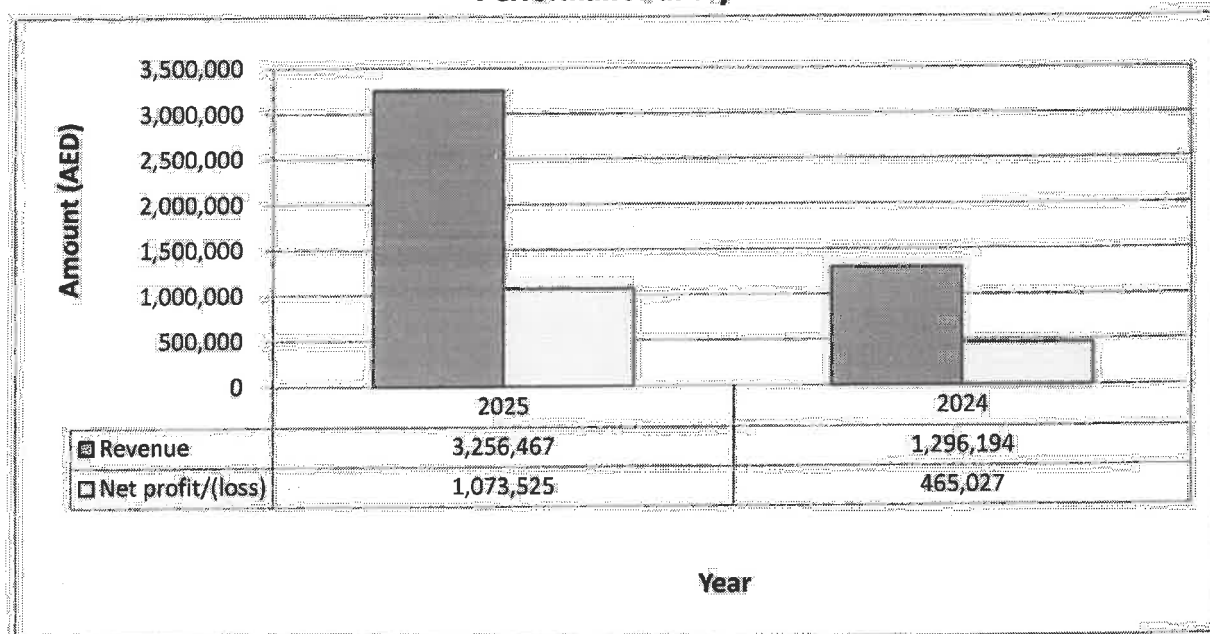
In the opinion of the Directors, no item, transaction or event of a material and unusual nature has arisen in the interval between the end of the financial year and the date of this report which is likely to affect, substantially the result of the operations of the Company for the financial year then ended.

Performance analysis

	March 31, 2025 AED	Mar-31 2024 AED
Revenue	3,256,467	1,296,194
Profit for the year	1,073,525	465,027

Operating results

Performance analysis



Auditors

The auditors of the Company, M/s. A C S MAJDI Auditing of Accounts, Dubai - United Arab Emirates are willing to continue in office and a resolution to re-appoint them will be proposed in the Annual General meeting.

Directors' responsibilities

The Company Law requires the Directors to prepare the financial statements for each financial year which give a true and fair view of the state of affairs of the Company and of the profit or loss for that year.

The Directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time, the financial position of the Company and to enable them to ensure that the financial statements comply with the relevant governing laws.

Acknowledgments

The Directors wish to place on record their sincere gratitude for the continuous support extended by various government departments, bankers, customers, suppliers, employees and all well wishers.

For and on behalf of the Board of Directors


Director, Manager and Legal Representative

Dubai,
April 19, 2025



INDEPENDENT AUDITOR'S REPORT

Ref. no. ACS/AR/25004

To

The Shareholder
M/s. Atul Middle East FZ-LLC
Dubai - United Arab Emirates

Report on the audit of financial statements

Opinion

We have audited the accompanying financial statements of **M/s. Atul Middle East FZ-LLC**, Dubai - United Arab Emirates ("the Company") which comprise the statement of financial position as at March 31, 2025, the statement of profit or loss & other comprehensive income, statement of changes in shareholder's equity, statement of cash flows for the year then ended and a summary of significant accounting policies and other explanatory notes.

In our opinion and to the best of our information and according to the information & explanations given to us, the 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 (IFRS).

Basis for Opinion

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

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards (IFRS). The management is also responsible for such internal controls as it determines necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Management is responsible for overseeing the Company's financial reporting process.

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Dubai

Office No. 1505, Mai Tower, Amman Street, Al Nahda 1
P.O. Box 252165, Dubai, United Arab Emirates
T +971 4 388 8520 M +971 55 854 5309

Abu Dhabi

Mezzanine No. 1, Inherited Salem Saeed Al Rumaithi Building.
P.O. Box 6294, Abu Dhabi, United Arab Emirates
T +971 2 626 0123 M +971 50 641 1093

Auditor's responsibility for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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

We communicate with the management 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.

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+971 2 676 0123 +971 50 641 1093

Report on other legal and regulatory requirements

As required by Dubai Creative Clusters Private Companies Regulations 2016, we further report that,

- 1 We have obtained all the information and explanations we considered necessary for our audit;
- 2 The accompanying financial statements have been prepared and comply, in all material respects, with the applicable provisions of the above said Law;
- 3 Proper books of accounts have been maintained by the Company;
- 4 Based on the information that has been made available to us nothing has come to our attention which causes us to believe that the Company has contravened during the year, any of the applicable provisions of the above mentioned law or the Company's Articles of Association; which may have material effect on the financial position of the Company or the result of its operations for the year.

ACSMAJDI
A C S MAJDI Auditing of Accounts
Registration no: 405



Dubai,
April 19, 2025

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ATUL MIDDLE EAST FZ-LLC
DUBAI - UNITED ARAB EMIRATES

Statement of Financial Position
As at March 31, 2025
(In Arab Emirates Dirhams)

	Notes	Mar 31, 2025	Mar 31, 2024
Assets			
Non current assets			
Property, plant & equipment	5	1,429	3,662
Total non current assets		1,429	3,662
Current assets			
Cash and bank balances	6	2,269,772	2,567,819
Fixed deposits	7	104,983	-
Accounts receivable	8	1,285,589	641,172
Other receivables	10	166,390	111,443
Inventories	11	15,426	-
Total current assets		3,842,160	3,320,434
Total assets		3,843,589	3,324,096
Shareholder's equity and Liabilities			
Shareholder's equity			
Share capital	1	300,000	300,000
Statutory reserve	12	150,000	150,000
Retained earnings		3,012,448	2,838,923
Shareholder's current account		(2,620)	(2,620)
Total shareholder's equity		3,459,828	3,286,303
Non current liability			
Provision for employees' end of service benefits	13	6,184	33,935
Total non current liabilities		6,184	33,935
Current liabilities			
Due to related party	9	279,611	-
Other payables	14	97,966	3,858
Total current liabilities		377,577	3,858
Total liabilities		383,761	37,793
Total shareholder's equity and liabilities		3,843,589	3,324,096

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

The Report of the Auditor is set out on pages 3 to 5.

The financial statements on pages 6 to 26 were approved by the Management on April 19, 2025 and signed on its behalf by:


Director, Manager and Legal Representative



ATUL MIDDLE EAST FZ-LLC
DUBAI - UNITED ARAB EMIRATES

Statement of Profit or Loss & Other Comprehensive Income
for the year ended March 31, 2025
(In Arab Emirates Dirhams)

	Notes	For the year ended Mar 31,	
		2025	2024
Revenue	15	3,256,467	1,296,194
Cost of sales	16	(1,908,652)	(451,737)
Gross profit		1,347,815	844,457
Deduct			
General and administrative expenses	17	(297,858)	(433,351)
Advertising and sales promotion expenses	18	-	(1,102)
Depreciation	5	(2,233)	(2,172)
Total operating expenses		(300,091)	(436,625)
Total operating profit		1,047,724	407,832
Other income	19	94,886	57,195
Profit before tax		1,142,610	465,027
Corporate Tax		(69,085)	-
Net profit for the year		1,073,525	465,027

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

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Director, Manager and Legal Representative

ATUL MIDDLE EAST FZ-LLC
DUBAI - UNITED ARAB EMIRATES

Statement of Changes in Shareholder's Equity
for the year ended March 31, 2025
(In Arab Emirates Dirhams)

	Share capital	Statutory reserve	Retained earnings	Shareholder's current account	Total
Balance as on April 1, 2023	300,000	150,000	2,373,896	(2,620)	2,821,276
Changes in shareholder's equity:					
Net profit for the year	-	-	465,027	-	465,027
As on March 31, 2024	300,000	150,000	2,838,923	(2,620)	3,286,303
Changes in shareholder's equity:					
Dividend paid	-	-	(900,000)	-	(900,000)
Net profit for the year	-	-	1,073,525	-	1,073,525
Net movement during the year	-	-	-	-	-
As on March 31, 2025	300,000	150,000	3,012,448	(2,620)	3,459,828

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

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Director, Manager and Legal Representative

ATUL MIDDLE EAST FZ-LLC
DUBAI - UNITED ARAB EMIRATES

Statement of Cash Flows
for the year ended March 31, 2025
(In Arab Emirates Dirhams)

	For the year ended Mar 31,	
	2025	2024
Cash flow from operating activities		
Net profit for the year	1,073,525	465,027
Adjustment for:		
Depreciation	2,233	2,172
Interest on fixed deposits	(94,886)	(57,195)
Provision for staff end of service benefits	3,091	10,263
Operating profit before changes in working capital	983,963	420,267
(Increase)/Decrease in Working Capital		
Accounts receivable	(644,417)	142,778
Other receivables	(54,947)	99,853
Inventories	(15,426)	
Due to related party	279,611	-
Other payables	94,108	(66,892)
End of service benefits paid to employees	(30,842)	
Net cash from operating activities	612,050	596,006
Cash flows from investing activities		
Payment for purchase of property, plant & equipments	-	(3,210)
Long term fixed deposits	(104,983)	-
Interest received from fixed deposits	94,886	57,195
Dividend paid	(900,000)	-
Net cash (used in) investing activities	(910,097)	53,985
Net (decrease)/increase in cash and cash equivalents	(298,047)	649,991
Cash and cash equivalents, beginning of the year	2,567,819	1,917,828
Cash and cash equivalents, end of the year	2,269,772	2,567,819
Represented by:		
Bank balances	2,269,772	2,567,819
	2,269,772	2,567,819

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

The Report of the Auditor is set out on pages 3 to 5.

The financial statements on pages 6 to 26 were approved by the Management on April 19, 2025 and signed on its behalf by:

Director, Manager and Legal Representative

ATUL MIDDLE EAST FZ-LLC
DUBAI - UNITED ARAB EMIRATES

Notes to the Financial Statements
for the year ended March 31, 2025

1 Legal status and business activities

- a. **M/s. Atul Middle East FZ-LLC** ("the Company") is registered as a Free Zone Limited Liability Company with Department of Dubai Development Authority - U.A.E. with license no. 92839 dated 18 March, 2015.
- b. The Company is mainly engaged in the business of research and development, storage, import and re-export, support service, marketing and sales promotion of agricultural, forestry and horticulture and speciality supplies.
- c. The share capital of the Company is AED 300,000 divided in to 300 shares of AED 1,000 each and held by the shareholders as under:

Name of shareholder	Nationality	No. of shares	Amount	%
M/s. Atul Limited	India	300	300,000	100%
Total		300	300,000	100%

- d. The registered address of the Company is Dubai Science park, Premise No. DSP-HQSOU-OQ3-F13-1319, Floor 13, Building DSP Complex, Dubai, United Arab Emirates.
- e. The control and management of the Company are vested with the Director, Manager and Legal Representative, Mr. Bharathy Narayanan Mohanan (Indian National).

2 Applicable International Accounting Standards (IAS) and International Financial Reporting Standards (IFRS)

2.1 New and amendments to IAS and IFRS that are effective for the current year

In the current year, the Company has applied for the first time certain standards and amendments to IFRSs issued by the International Accounting Standards Board that are effective for an accounting period that begins on or after January 01, 2024.

- a. Amendments to IAS 1 - Classification of Liabilities as Current or Non-Current
- b. Amendments to IAS 1 - Non-Current Liabilities with Covenants
- c. Amendments to IAS 7 and IFRS 7 - Supplier Finance Arrangements
- d. Amendments to IFRS 16 - Lease Liability in a Sale and Leaseback

2.2 New and revised IAS and IFRSs in issue but not yet effective and not early adopted

The Company has not adopted the following new and revised IFRSs that have been issued but are not yet effective:

- a. Amendments to IAS 21 - The Effects of Changes in Foreign Exchange Rates titled Lack of Exchangeability - Effective for annual periods beginning on or after January 01, 2025.

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Notes to the Financial Statements
for the year ended March 31, 2025

- b. IFRS 18 - Presentations and Disclosures in Financial Statements - Effective for annual periods beginning on or after January 01, 2027.
- c. IFRS 19 - Subsidiaries with Public Accountability: Disclosures - Effective for annual periods beginning on or after January 01, 2027.
- d. IFRS 10 and IAS 28 (amendments) Sale or Contribution of Assets between an Investor and its Associate or Joint Venture.

In the opinion of the Management, the adoption of these Standards and Interpretations will have no material impact on the financial statements of the Company in the period of initial application.

3 Accounting policies

Basis of preparation:

The financial statements have been prepared in accordance with the International Financial Reporting Standards issued by the International Accounting Standards Board (IASB), interpretations issued by the International Financial Reporting Interpretations Committee (IFRIC) and applicable requirements of U.A.E. Law.

Going concern

The Company have, at the time of approving the financial statements, a reasonable expectation that the Company have adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

A Summary of the significant accounting policies which have been applied consistently, are set out below:

a. **Accounting convention**

These financial statements have been prepared under historical cost convention basis.

b. **Provisions**

Provisions are recognised when the company has a present legal or constructive obligation as a result of past events; 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. The expense relating to any provision is recognised in the profit or loss, net of any reimbursement.

ATUL MIDDLE EAST FZ-LLC
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Notes to the Financial Statements
for the year ended March 31, 2025

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows. Provisions are not recognised for future operating losses.

c. Provision for staff termination benefits

Amount required to cover end of service indemnity at the end of the reporting period are computed pursuant to the United Arab Emirates Federal Labour Law based on the employees accumulated period of service and basic remuneration at the end of the reporting period.

d. Current/Non-current classification

The Company presents assets and liabilities in statement of financial position based on current/non-current classification. An asset is current when it is:

Expected to be realised or intended to sold or consumed in normal operating cycle or held primarily for the purpose of trading or expected to be realised within twelve months after the reporting period, or cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current. A liability is current when it is:

Expected to be settled in normal operating cycle or it is held primarily for the purpose of trading or it is due to be settled within twelve months after the reporting period, or there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current.

e. Fair value measurement

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. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

In the principal market for the asset or liability, or

In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible to by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

Notes to the Financial Statements
for the year ended March 31, 2025

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

f. Property, plant and equipment

Property and equipment is stated at cost less accumulated depreciation and identified impairment losses, if any. Cost includes expenditure that is directly attributable to the acquisition of the items including installation costs. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance expenses are charged to the profit or loss during the reporting period in which they are incurred.

Depreciation is computed using the straight line method, at rates calculated to reduce the cost of assets to their estimated residual value over their expected useful lives as follows:

Equipments	3 years
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g. Impairment of assets

Property, plant and equipment are reviewed for impairment, whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Whenever the carrying amount of an asset exceeds its recoverable amount, an impairment loss is recognised in the statement of profit or loss & other comprehensive income.

h. Revenue recognition

Revenue from contract with customers

The Company recognises revenue from contracts with customers in accordance with IFRS 15 and based on a five step model as stated below:

- i) Identify the contract (s) 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 every contract that must be met.
- ii) Identify the performance obligations in the contract: A performance obligation is a promise in a contract with a customer to transfer a good or service to the customer.
- iii) Determine the transaction price: The transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

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Notes to the Financial Statements
for the year ended March 31, 2025

- iv) 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 amount of consideration to which the Company expects to be entitled in exchange for satisfying each performance obligation.
- v) Recognise revenue when (or as) the Company satisfies a performance obligation.

i. Foreign currencies

The financial statements are prepared and the terms included in the financial statements are measured using the currency of the primary economic environment in which the Company operates ("the functional currency"). The financial statements are presented in AED, which is the Company's functional and presentation currency.

j. Inventories

Inventories are valued at lower of cost or net realisable value using weighted average cost method. Cost comprises direct material and all overheads that have been incurred in bringing the inventories to their present location and condition. Net realisable value represents the estimated selling price less all estimated cost of completion and cost to disposal.

k. Cash and cash equivalents

For the purpose of the statement of cash flows, cash and cash equivalents comprise of cash, balances with the bank and deposits with the banks maturing within 3 months from the date of deposit.

l. Financial instruments

Recognition and derecognition

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the financial instrument arise.

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and substantially all the risks and rewards are transferred. A financial liability is derecognised when it is extinguished, discharged, cancelled or expires.

Classification and initial measurement of financial assets

Except for those receivables that do not contain a significant financing component and are measured at the transaction price in accordance with IFRS 15, all financial assets are initially measured at fair value adjusted for transaction costs, where appropriate.

ATUL MIDDLE EAST FZ-LLC
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Notes to the Financial Statements
for the year ended March 31, 2025

Financial assets, other than those designated and effective as hedging instruments, are classified into the following categories:

- a) Amortised cost
- b) Fair value through profit or loss ("FVTPL")
- c) Fair value through other comprehensive income ("FVOCI").

The classification is determined by both:

- a) The Company's business model for managing the financial asset; and
- b) The contractual cash flow characteristics of the financial asset

All income and expenses relating to financial assets that are recognised in profit or loss are presented within finance income, finance costs or other financial items, except for impairment of receivables which is presented within other expenses.

Financial assets at fair value through profit or loss

Financial assets that are held within a different business model other than 'hold to collect' or 'hold to collect and sell' are categorised at fair value through profit and loss. Further, irrespective of business model financial assets where contractual cash flows are not solely payments of principal and interest are accounted for at FVTPL.

Assets in this category are measured at fair value with gains or losses recognised in profit or loss. The fair value of financial assets in this category are determined by reference to active market transactions or using a valuation technique where no active market exists.

Financial assets at amortised cost

Financial assets are measured at amortised cost if the assets meet the following conditions (and are not designated as FVTPL):

- i) They are held within a business model whose objective is to hold the financial assets and collect its contractual cash flows; and
- ii) The contractual terms of the financial assets give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding.

After initial recognition, these are measured at amortised cost using the effective interest method. Discounting is omitted where the effect of discounting is immaterial. The Company's trade and other receivables and cash and cash equivalents fall into this category of financial instruments.

Notes to the Financial Statements
for the year ended March 31, 2025

Impairment of financial assets

IFRS 9's impairment requirements use more forward-looking information to recognise expected credit losses – the 'expected credit loss ("ECL") model'. This replaces IAS 39's 'incurred loss model'. Instruments within the scope of the new requirements included loans and other debt-type financial assets measured at amortised cost and FVOCI, trade receivables, contract assets recognised and measured under IFRS 15 and loan commitments and some financial guarantee contracts (for the issuer) that are not measured at fair value through profit or loss.

Recognition of credit losses is no longer dependent on the Company first identifying a credit loss event. Instead the Company considers a broader range of information when assessing credit risk and measuring expected credit losses, including past events, current conditions, reasonable and supportable forecasts that affect the expected collectability of the future cash flows of the instrument.

In applying this forward-looking approach, a distinction is made between:

- i) Financial instruments that have not deteriorated significantly in credit quality since initial recognition or that have low credit risk ('Stage 1') and
- ii) Financial instruments that have deteriorated significantly in credit quality since initial recognition and whose credit risk is not low ('Stage 2').

Stage 3' would cover financial assets that have objective evidence of impairment at the reporting date.

'12-month expected credit losses' are recognised for the first category while 'lifetime expected credit losses' are recognised for the second category.

Measurement of the expected credit losses is determined by a probability-weighted estimate of credit losses over the expected life of the financial instrument.

Classification and subsequent measurement of financial liabilities

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

All interest-related charges on financial liabilities are included within finance costs or finance income.

Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the consolidated statement of financial position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

ATUL MIDDLE EAST FZ-LLC
DUBAI - UNITED ARAB EMIRATES

Notes to the Financial Statements
for the year ended March 31, 2025

m. Accounts receivable

Accounts receivables are stated at their nominal value, as reduced by appropriate allowances for estimated doubtful amounts. Bad debts are written off as and when they arise.

n. Accounts payable

Accounts payable are stated at their nominal value.

o. Value added tax

Expenses and assets are recognised net of value added tax (VAT), except as under:

- 1 If VAT incurred on purchase of assets or services is not recoverable from the Tax Authority, then VAT is recognised as part of the cost of acquisition of asset or as part of the expense item, as applicable.
- 2 Receivables and payables, stated in the statement of financial position, are inclusive of VAT.

p. Corporate tax

On 9 December 2022, UAE Ministry of Finance issued Federal Decree-Law No. 47 of 2022 on the Taxation of Corporations and Businesses, Corporate Tax (CT) Law to enact a new CT regime in the UAE. The new CT regime has become effective for accounting periods beginning on or after 1 June 2023. Generally, UAE businesses will be subject to a 9% CT rate, however a rate of 0% could be applied to taxable income not exceeding a particular threshold or to certain types of entities. As per the Company's assessment, there is no material deferred tax impact on account of CT Law in the Company's financial statements for the year ended 31 March 2024.

4 Critical accounting judgments and key sources of estimation uncertainty

In the process of applying the Company's accounting policies, which are described in notes to the accounts, management is required to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities 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.

4.1 Critical judgments in applying the Company's accounting policies

In the process of applying the Company's accounting policies, the management is of the opinion that there is no instance of application of judgments which is expected to have a significant effect on the amounts recognised in the financial statements.

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4.2 Key sources of estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period that is having a significant risk of causing of material adjustment to carrying amounts of assets and liabilities within the next financial year are discussed below:

Depreciation on property, plant and equipment

Property, plant and equipment is depreciated over its estimated useful life, which is based on estimates for expected usage of the assets and expected physical wear and tear which are dependent on operational factors. Management has not considered any residual value as it is deemed immaterial.

Allowance for doubtful debts on trade receivable

Allowance for doubtful debts is determined using a combination of factors, including the overall quality and ageing of trade receivable, continuing evaluation of the customers' financial strength. Management makes allowance for doubtful debts based on its best estimates at the end of the reporting period.

5 Property, plant & equipment

	<u>Computer & office equipments AED</u>
Cost:	
As at April 1, 2023	3,840
Additions during the year	3,210
At March 31, 2024	7,050
Additions during the year	-
At March 31, 2025	7,050
Accumulated depreciation:	
As at April 1, 2023	1,216
Charge for the year	2,172
At March 31, 2024	3,388
Charge for the year	2,233
At March 31, 2025	5,621
Net book value:	
At March 31, 2025	1,429
At March 31, 2024	3,662

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6 Bank balances

	March 31,	
	2025	2024
	AED	AED
Balance with banks - current account	1,297,341	202,154
Balance with banks - short term deposits	972,431	2,365,665
	2,269,772	2,567,819

The above fixed deposits have maturity dates as follows and carries interest as mentioned against each fixed deposit.

Date of Deposit	Fixed Deposit amount	Maturity date	Rate of Interest
01.03.2025	217,385	01.06.2025	3.25%
01.03.2025	217,385	01.06.2025	3.25%
26.03.2025	537,661	28.04.2025	3.10%
	972,431		

7 Fixed deposits

	March 31,	
	2025	2024
	AED	AED
Long term fixed deposits	104,983	-
	104,983	-

The above fixed deposit was made on March 02, 2025 that matures on March 09, 2026 and carries interest rate of 3.95% p.a.

8 Accounts receivable

	March 31,	
	2025	2024
	AED	AED
Trade receivables	1,285,589	641,172

Trade receivable mainly represents amount receivable from related party M/s. Atul Ltd, India on account of normal business transactions of the Company.

The fair value of account receivable is not materially different from their balances shown in the statement of financial position.

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9 Related Party Transactions

The Company enters into transactions with other entities that fall within the definition of a related party as contained in IAS 24 Related party disclosure. Such transactions are in the normal course of a business and at terms that correspond to those on normal arms - length transactions (except revenue related entries) with third parties. Related parties comprise entities under common ownership and/or common management and control; their partners and key management personnel. The Company believes that the terms of such transactions are not significantly different from those that could have been obtained from third parties.

At the end of the reporting period, due from related party was as follows :

	March 31,	
	2025	2024
	AED	AED
Due from related party (included in trade receivables)	660,164	366,316

	March 31,	
	2025	2024
	AED	AED
Due to related party	279,611	-

The Company believes that the terms of such transactions are not significantly different from those that could have been obtained from third parties.

The following is the related party transactions during the year:

	For the year ended Mar 31,	
	2025	2024
	AED	AED
Revenue	1,130,044	15,608
Purchase	276,495	-

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10 Other receivables

	March 31,	
	2025	2024
	AED	AED
Deposits	7,500	7,500
Prepayments	92,391	93,318
Advance to suppliers	61,499	-
Advance to staff	5,000	-
VAT refundable	-	5,629
Other receivables	-	4,996
	166,390	111,443

11 Inventories

	March 31,	
	2025	2024
	AED	AED
Inventories	15,426	-

Note: The above inventories are certified by the management.

12 Statutory reserve

In accordance with U.A.E. Federal Law no. 8 of 1984, as amended by the Company's Articles of Association, 5% of the annual net income is required to be transferred to a statutory reserve until this equals 50% of the share capital. This reserve is not available for dividend distribution. This is discontinued since the reserve has accumulated to 50% of the paid up capital.

13 Provision for employees' end of service benefits

	March 31,	
	2025	2024
	AED	AED
Balance - beginning of the year	33,935	23,672
Provision made during the year	3,091	10,263
Gratuity paid during the year	(30,842)	-
Balance - end of the year	6,184	33,935

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14 Other payables

	March 31,	
	2025	2024
	AED	AED
Advance received from customers	19,313	-
Accruals and provisions	1,608	3,858
VAT payables	7,960	-
Provision for corporate tax	69,085	-
	97,966	3,858

15 Revenue

	For the year ended Mar 31,	
	2025	2024
	AED	AED
Sale income	2,126,423	508,596
Commission income	1,130,044	787,598
	3,256,467	1,296,194

16 Cost of sales

	For the year ended Mar 31,	
	2025	2024
	AED	AED
Purchases	1,899,852	442,324
Other direct expense	8,800	9,413
	1,908,652	451,737

17 General and administrative expenses

	For the year ended Mar 31,	
	2025	2024
	AED	AED
Salaries and allowances	123,171	267,309
Rent	62,402	60,014
Legal, municipal and visa	67,250	58,703
Bank charges	8,481	5,855
Traveling expenses	5,399	13,194
Insurance	14,753	11,426
Communication expenses	6,628	6,184
Foreign exchange loss	7,053	4,890
Miscellaneous	2,721	5,776
	297,858	433,351

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18 Advertising and sales promotion expenses

	For the year ended Mar 31,	
	2025	2024
	AED	AED
Business promotion expenses	*	1,102
	*	1,102

19 Other income

	For the year ended Mar 31,	
	2025	2024
	AED	AED
Interest on fixed deposit	80,343	57,195
Income on notice pay recovered	14,543	*
	94,886	57,195

20 Income tax

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 CT Law) to enact a Federal corporate tax (CT) regime in the UAE. Current taxes are accounted for as appropriate in the financial statements for the period beginning on April 01, 2024.

The taxable income of the Company that are in scope for UAE CT purposes will be subject to the rate of 9% corporate tax.

The major components of the income tax expense for the year ended March 31, 2025 are as follows:

	For the year ended Mar 31,	
	2025	2024
	AED	AED
Current tax charge	69,085	*
	69,085	*

20 Financial instruments

Financial Instruments of the Company comprise of bank balances, accounts receivables, other assets, accounts payable and other payables.

21 Fair values

At the end of the reporting period, the fair values of the Company's financial assets and liabilities approximate their carrying values.

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22 Risk management

Capital risk management

The Company manages its capital to ensure that it will be able to continue as a going concern while maximising the return to the stakeholders through the optimisation of the debt and equity balance. The Company's overall strategy remains unchanged since previous year.

Credit risk

Credit risk is the risk that the party to the financial instruments will fail to discharge an obligation and cause the other party to incur a financial loss. The Company is exposed to credit risk on the following financial assets:

	March 31,	
	2025	2024
	AED	AED
Financial assets		
Accounts receivables	1,285,589	641,172
Other receivables	166,390	111,443
Bank balances	1,297,341	202,154
Fixed deposits	1,077,414	2,365,665
	3,826,734	3,320,434

Currency risk

The Company is not exposed to significant currency risk as all financial assets and liabilities are denominated in Arab Emirates Dirham or US Dollars to which rate of conversion is pegged.

Interest rate risk

The Company is not exposed to any significant interest rate risk at the end of the reporting date.

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity risk is to ensure that, as far as possible, it will always have sufficient financing available from shareholders to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

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	March 31, 2025		Total
	Less than 1 year	More than 1 year	
Financial liabilities			
Other payables	97,966	-	97,966
Provision for staff termination benefits	-	6,184	6,184
Total liabilities	97,966	6,184	104,150

	March 31, 2024		Total
	Less than 1 year	More than 1 year	
Financial liabilities			
Other payables	3,858	-	3,858
Provision for staff termination benefits	-	33,935	33,935
Total liabilities	3,858	33,935	37,793

23 Contingent liabilities

Except for the ongoing business obligations which are under normal course of business against which no loss is expected, there has been no other known contingent liability on Company's account as at end of reporting period.

24 Comparative amounts

Certain figures of the previous year were regrouped/reclassified, wherever necessary, to conform to current year's presentation.

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25 Events after the reporting period

Based on the subsequent events review procedures from 01 April 2025 until the reporting date, there was no events occurred after balance sheet date that we believe should have an impact on the figures reported in these financial statements.

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

The financial statements on pages 6 to 26 were approved by the Management on April 19, 2025 and signed on its behalf by:



Director, Manager and Legal Representative

