

CNK & Associates LLP - Dubai Branch

Independent Auditor's Report

To the shareholders of SEJALGLASS AND GLASS MANUFACTURING PRODUCTS LLC

Report on the audit of financial statements.

Opinion

We have audited the accompanying financial statements of Sejal Glass and Glass Manufacturing Products LLC ("the Company"), which comprise the statement of financial position as at **March 31, 2024**, the statement of comprehensive income, the statement of cash flows and the statement of changes in equity for the year then ended, and notes to the financial statements and a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Sejal Glass and Glass Manufacturing Products LLC, Ras Al Khaimah, UAE as at **March 31, 2024**, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Basis of opinion

We conducted our audit in accordance with the 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 other ethical requirements that are relevant to our audit of the company's 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 for our opinion.

CNK & Associates LLP - Dubai Branch

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To the shareholders of SEJALGLASS AND GLASS MANUFACTURING PRODUCTS LLC

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 International Financial Reporting Standards and in compliance with the applicable provisions of the Company's Memorandum and Articles of Association 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, 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. Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in 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 judgment and maintain professional skepticism throughout the audit. We also:

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- 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the Company audit. We remain solely responsible for our audit opinion.

CNK & Associates LLP - Dubai Branch

Independent Auditor's Report

To the shareholders of SEJALGLASS AND GLASS MANUFACTURING PRODUCTS LLC

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.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirements.

Further, as required by the UAE Federal Law No. (32) of 2021, we report that for the year ended March 31, 2024:

- We have obtained all the information we considered necessary for the purpose of the audit.
- The financial statements have been prepared and comply, in all material respects, with the applicable provisions of UAE Federal Law No. (32) of 2021 and the Articles of Association of the company.
- The Company has maintained proper books of accounts.
- Note 13 reflects material related party transactions and the terms under which they are conducted.

CNK & Associates LLP - Dubai Branch

Independent Auditor's Report

To the shareholders of SEJALGLASS AND GLASS MANUFACTURING PRODUCTS LLC

- Based on the information that has been made available to us, nothing else has come to our attention, which causes us to believe that the company has contravened during the financial year end March 31, 2024 any of the applicable provisions of UAE Federal Law No. (32) of 2021, or of its Articles of Association which could materially affects its activities or its financial position as at March 31, 2024 and
- No social contributions were made during the year.

For and on behalf of

CNK & Associates LLP Dubai Branch



Akshay Thomas Sam

Partner

Registration No. - 1313

Date: April 17, 2024

Dubai, UAE

SEJAL GLASS & GLASS MANUFACTURING PRODUCTS LLC
RAS AL KHAIMAH- UAE

STATEMENT OF FINANCIAL POSITION AS AT MARCH 31, 2024

(Amount in AED)

ASSETS	Note	2023-24	2022-23
Non-Current Assets			
Property, plant and equipment	4	31,274,993	32,812,668
Right of use assets	5	9,142,464	-
Capital work-in-progress	6	949,924	-
Total Non-Current Assets		41,367,381	32,812,668
Current assets			
Inventories	7	5,651,683	1,109,417
Deposits, prepayment and advances	8	1,000,555	630,333
Trade and Other Receivables	9	21,946,927	4,965,476
Cash & cash equivalents	10	606,646	1,196,650
Total current assets		29,205,811	7,901,876
TOTAL ASSETS		70,573,192	40,714,544
EQUITY AND LIABILITIES			
EQUITY			
Share capital		15,150,000	150,000
Statutory Reserve		35,649	-
Retained earnings		(408,746)	(729,591)
Total Equity		14,776,903	(579,591)
Non-Current Liabilities			
ROU Liability	11	8,703,302	-
End of service benefits	12	111,294	-
Due to related parties	13	28,440,000	24,439,101
Total Non-Current Liabilities		37,254,596	24,439,101
Current Liabilities			
ROU Liability	11	807,093	
Due to related parties	13	2,806,710	517,960
Short term borrowing	14	1,837,500	-
Trade and Other Payables	15	13,090,390	16,337,074
Total Current Liabilities		18,541,693	16,855,034
Total Liabilities		55,796,289	41,294,135
TOTAL EQUITY AND LIABILITIES		70,573,192	40,714,544

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

The independent auditors' report is set out on page 1-5.

To the best of my knowledge, the financial information included in these financial statements fairly represent in all material respects the financial conditions, results of operation and cash flow of the company as of, and for, the periods presented therein.

FOR

SEJAL GLASS & GLASS MANUFACTURING PRODUCTS LLC

PRAVIN RAJPARA

MANAGER

DATE: 17-4-2024

PLACE UAE




SEJAL GLASS & GLASS MANUFACTURING PRODUCTS LLC
RAS AL KHAIMAH- UAE

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED MARCH 31, 2024
(Amount in AED)

	Note	2023-24	2022-23
Revenue	16	49,830,174	4,629,092
Cost of Sales	17	(36,627,255)	(3,384,202)
Gross Profit		13,202,919	1,244,890
Other income	18	70,678	128,000
Employee benefit expenses		(6,913,225)	(1,216,240)
Other Expenses	19	(2,246,574)	(645,370)
Depreciation - Indirect		(28,960)	(8,368)
Finance Cost	20	(2,781,730)	(232,505)
Finance charges on ROU Liability		(946,613)	
Net Operating Profit for the year		356,495	(729,593)
Profit/(Loss) for the year		356,495	(729,593)
<i>Other comprehensive income/(loss) to be reclassified to income statement in subsequent periods</i>			
Total Comprehensive Income for the year		356,495	(729,593)

The accompanying notes form an integral part of the financial statements.
The independent auditors' report is set out on page 1-5.

FOR
SEJAL GLASS & GLASS MANUFACTURING PRODUCTS LLC

PRAVIN RAJPARA
MANAGER
DATE: 17-4-2024
PLACE UAE



SEJAL GLASS & GLASS MANUFACTURING PRODUCTS LLC
RAS AL KHAIMAH- UAE

STATEMENT OF CASH FLOW FOR THE YEAR ENDED MARCH 31, 2024
(Amount in AED)

	2023-24	2022-23
Cash flows from operating activities		
Net profit for the year	356,495	(729,593)
Adjustments for:		
Provision for employees' end of service benefits	111,294	-
Provision for doubtful accounts	-	-
Finance Cost	2,781,730	232,505
Interest on lease liability	946,814	-
Depreciation on property, plant and equipment	2,282,906	8,368
Depreciation on right of use assets	186,581	-
Gratuity paid	-	-
Operating profit before working capital changes	6,665,819	(488,720)
(Increase)/ Decrease in inventories	(4,542,266)	(1,109,417)
(Increase)/ Decrease in trade and other receivables	(16,981,451)	(4,965,476)
(Increase)/ Decrease in deposits, prepayments and advances	(370,222)	(630,333)
(Increase)/ Decrease in due from related party	-	-
Increase/ (Decrease) in due to related party	-	-
Increase/ (Decrease) in trade and other payables	(3,246,684)	16,337,074
Increase/ (Decrease) in due to related parties	2,288,750	517,960
Increase/ (Decrease) in short term borrowings	1,837,500	-
Net cash generated from operating activities	(14,348,554)	9,661,088
Cash flows from investing activities		
Purchase of property, plant and equipment	(794,231)	(32,821,036)
Disposal of property, plant and equipment	49,000	-
Advance for capital assets	-	-
Additions to work-in-progress	(949,924)	-
Net cash from investing activities	(1,695,155)	(32,821,036)
Cash flows from financing activities		
Increase in share capital	15,000,000	150,000
Finance costs paid	(2,781,734)	(232,505)
Principle element of lease payments	(765,460)	-
Change in bank borrowings	-	-
Change in Bank Overdraft	-	-
Long term borrowings- from Related party	4,000,899	24,439,101
Net cash used in financing activities	15,453,705	24,356,598
Net increase in cash and cash equivalents	(590,004)	1,196,650
Cash and cash equivalents at beginning of the year	1,196,650	-
Cash and cash equivalents at end of the year	606,646	1,196,650

The accompanying notes form an integral part of the financial statements.
The independent auditors' report is set out on page 1-5.

FOR
SEJAL GLASS & GLASS MANUFACTURING PRODUCTS LLC

PRAVIN RAJPARA
MANAGER
DATE: 17-4-2024
PLACE UAE




SEJAL GLASS & GLASS MANUFACTURING PRODUCTS LLC
RAS AL KHAIMAH- UAE

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2024
(Amount in AED)

Particulars	Share Capital	Statutory Reserves	Reserves & Surplus	Total
Balance as at November 15, 2022	150,000	-	-	150,000
Additions during the year	-	-	-	-
Net Profit /(Loss) for the year	-	-	(729,591)	(729,591)
Transfers during the year	-	-	-	-
Balance as at March 31, 2023	150,000	-	(729,591)	(579,591)
Balance as at April 01, 2023	150,000	-	(729,591)	(579,591)
Additions during the year	15,000,000	35,649	-	15,035,649
Net Profit /(Loss) for the year	-	-	356,495	356,495
Transfers during the year	-	-	(35,649)	(35,649)
Balance as at March 31, 2024	15,150,000	35,649	(408,746)	14,776,904

The accompanying notes form an integral part of the financial statements.
The independent auditors' report is set out on page 1-5.

FOR
SEJAL GLASS & GLASS MANUFACTURING PRODUCTS LLC

PRAVIN RAJPARA
MANAGER
DATE: 17-4-2024
PLACE UAE



SEJAL GLASS & GLASS MANUFACTURING PRODUCTS LLC
RAS AL KHAIMAH- UAE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024
(Amount in AED)

1 STATUS AND ACTIVITIES

Sejal Glass and Glass manufacturing Products LLC is limited liability company established on November 15, 2022 and registered via license no 26000617 with Ras al Khaimah Economic Zone, Ras Al Khaimah, United Arab Emirates. The company's' business activities are glass multiple- walled insulating units manufacturing toughened or laminated flat glass manufacturing. The registered office of the company is situated at Plot No. 41 & 43, Al Ghail Industrial Zone, Ras Al Khaimah, UAE.

The Company is registered for VAT with Federal tax authority vide TRN 104013286000003

Since 15.11.2022, the issued, subscribed and the paid up capital of the company is AED 150,000 (Arab Emirates Dirhms One hundred fifty thousands only) divided in to 150 shares of AED 1,000/- held entirely by Sejal Glass ventures LLP.

On May19, 2023 Sejal Glass Limited, India acquired a stake of 99.01% in the company. The new authorized, subscribed and paid up share capital of the company stands at AED 15,150,000 divided into 15,150. Following is the details of the shareholders of the company as on March 31, 2024:

#	Shareholders	Nationality	% in capital	No. of Shares	Capital Amount (Amount in AED)
1	Sejal Glass Limited	Indian company	99.01	15,000	15,000,000
2	Sejal Glass Ventures LLP	Indian LLP	0.99	150	150,000
	Total		100	15,150	15,150,000

2 APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS ('IFRSs')

2.1 New standards, amendments and interpretations effective from January 1, 2023

The following new and revised IFRSs are issued and effective from January 1, 2023. The application of these new and revised IFRSs does not have any material impact in prior years but may affect the accounting in current and for future transactions or arrangements.

Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2)

The amendments require that an entity discloses its material accounting policies, instead of its material accounting policy information. Further amendments explain how an entity can identify a material accounting policy. To support the amendment, the Management has applied the 'four-step materiality process' described in IFRS Practice Statement 2 as below:

Step 1: The entity identifies information that has the potential to be material.

Step 2: The entity then assesses whether the information identified in Step 1 is material. In making this assessment, the entity needs to consider quantitative (size) and qualitative (nature) factors.

Step 3: In a next step, the entity organises the information within the financial statements in a manner that supports clear and concise communication.

Step 4: The entity then steps back and assesses the information provided in the financial statements as a whole. It needs to consider whether the information is material both individually and in combination with other information. This final assessment may lead to adding additional information or removing information that is now considered immaterial, aggregating, disaggregating or reorganising information or even to begin the process again from Step 2.

Definition of Accounting Estimates (Amendments to IAS 8)

The amendments replace the definition of a change in accounting estimates with a definition of accounting estimates. Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty". Entities develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty. The amendments clarify that a change in accounting estimate that results from new information or new developments is not the correction of an error.



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024
(Amount in AED)

2.2 New standards, amendments and interpretations not yet effective from January 1, 2023 and not early adopted:

New and revised IFRS (Amedments)	Effective for annual periods beginning on or after
<p>Lease Liability in a Sale and Leaseback (Amendments to IFRS 16) The amendment clarifies how a seller-lessee subsequently measures sale and leaseback transactions that satisfy the requirements in IFRS 15 to be accounted for as a sale.</p>	January 1, 2024
<p>Non-current Liabilities with Covenants (Amendments to IAS 1) The amendment clarifies how conditions with which an entity must comply within twelve months after the reporting period affect the classification of a liability.</p>	January 1, 2024
<p>Supplier Finance Arrangements (Amendments to IAS 7 and IFRS 7) The amendments add disclosure requirements, and ‘signposts’ within existing disclosure requirements, that ask entities to provide qualitative and quantitative information about supplier finance arrangements.</p>	January 1, 2024
<p>Lack of Exchangeability (Amendments to IAS 21) The amendments contain guidance to specify when a currency is exchangeable and how to determine the exchange rate when it is not.</p>	January 1, 2025

Management anticipates that these IFRS and amendments will be adopted in the financial statements in the initial period when they become mandatorily effective. The impact of these standards and amendments are currently being assessed by the management.

3 SIGNIFICANT ACCOUNTING POLICIES

3.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statement have been prepared in accordance with International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) and interpretations issued by the International Financial Reporting Interpretations Committee (IFRIC) that are relevant to the operations of the company, and applicable requirements of UAE Federal Law No. (32) of 2021, and the Articles of Association of the Company.

3.2 ACCOUNTING CONVENTION

The financial statements have been prepared under the historical cost convention. The accounting policies have been consistently applied by the Company during the period under review.

3.3 PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment are stated at cost less accumulated depreciation and any impairment in value. Depreciation is calculated on a straight-line basis and declining balance basis over the estimated useful lives of the assets as follows:

Asset Class	Depreciation (Years)
Buildings	20 Years
Plant and machinery	10 years
Motor vehicles	3 years
Furniture, fixtures and office equipment	3 years

The useful lives and depreciation method are reviewed periodically to ensure that the method and period of depreciation are consistent with the expected pattern of economic benefits from these assets.

Expenditure incurred to replace a component of an item of property and equipment that is accounted for separately is capitalized and the carrying amount of the component that is replaced is written off. Other subsequent expenditure is capitalized only when it increases future economic benefits of the related item of property and equipment. All other expenditure is recognized in the statement of comprehensive income as the expense is incurred.

An asset’s carrying amount is written down immediately to its recoverable amount if the asset’s carrying amount is greater than its estimated recoverable amount.

The gain or loss arising on the disposal or retirement of an item of property and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024
(Amount in AED)

3.4 IMPAIRMENT OF TANGIBLE ASSETS

At the end of each reporting period, the Company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. Where a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognized immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognized immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

3.5 INVENTORY

Inventories are valued at the lower of cost and net realizable value after taking an allowance for any slow moving or obsolete items. Cost comprises of the invoiced cost, freight and other expenses incurred in bringing the inventories to their present condition and location. Cost is determined on the weighted average cost basis and comprises direct invoice costs and related expenses. Net realizable value represents the estimated selling price less all estimated costs to be incurred in marketing, selling and distribution.

3.6 REVENUE RECOGNITION

The Company recognizes revenue mainly from manufacturing and marketing of petroleum based specialty products, all kinds of oils, lubricants and chemicals. Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding discounts, rebates, customer returns and other taxes. The following specific recognition criteria must also be met before revenue is recognized:

Revenue from sale of goods

The Company recognizes revenue from contracts with customers based on a five step model as set out in IFRS 15:

Step 1: 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.

Step 2: 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.

Step 3: 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.

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 amount of consideration to which the Company expects to be entitled in exchange for satisfying each performance obligation.

Step 5: Recognize revenue when (or as) the entity satisfies a performance obligation at a point in time or over time.



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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024
(Amount in AED)

3.7 ACCOUNT RECEIVABLES

Receivables are stated at their normal value as reduced by appropriate allowances for estimated irrecoverable amounts.

The management undertakes a periodic review of the amount recoverable from Accounts & other receivables and determines recoverability based on various factors such as ageing of receivables, payment history, collateral available & other knowledge about the receivables. Provisions for bad and doubtful debts represent estimates of ultimate unrealizable debts. The estimates are judgmental and are based on case based evaluation by the management.

3.8 ACCOUNT & OTHER PAYABLE

Accounts & other payables are stated at nominal amounts payable for goods or services rendered.

3.9 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. When 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.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation at the end of the reporting period, using a rate that reflects current market assessments of the time value of money and the risks specific to the obligation.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount of receivable can be measured reliably.

3.10 EMPLOYEE'S END OF SERVICE BENEFITS

The Company provides end-of-service benefits to its employees. The entitlement of these benefits is based upon the employees' final basic 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.

3.11 FOREIGN CURRENCY

The financial statements of the Company are presented in the currency of the primary economic environment in which the Company operates. For the purpose of the financial statements, the results and financial position of the Company are expressed in UAE Dirhams('AED'), which is the functional currency of the Company and the presentation currency for the financial statements.

In preparing the financial statements of the Company, transactions in currencies other than the Company's functional currency are recorded at the rates of exchange prevailing at the dates of the transactions. At each statement of financial position date, monetary items denominated in foreign currencies are retranslated at the rates prevailing at the reporting date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on the settlement of monetary items, and on the translation of monetary items, are included in the profit and loss for the year. Exchange differences arising on the retranslation of non-monetary items carried at fair value are included in profit or loss for the period except for differences arising on the retranslation of non-monetary items in respect of which gains and losses are recognized directly in equity. For such non-monetary items, any exchange component of that gain or loss is also recognized directly in equity.

3.12 CASH AND CASH EQUIVALENTS

For the purpose of statement of cashflow, cash and cash equivalents include cash on hand, bank current accounts and fixed deposits with banks (if any).

3.13 CRITICAL ACCOUNTING JUDGEMENTS & KEY SOURCES OF ESTIMATION UNCERTAINTY

The preparation of financial statements in conformity with IFRS requires management to make judgments, estimates & assumptions that affect the application of accounting policies & the carrying amounts of assets, liabilities, income & expenses. The estimates & associated assumptions are based on historical experience and other factors that are considered to be relevant and reasonable under the circumstances.

Estimates & underlying assumptions are reviewed on a going concern basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised, if the revision affects only that period, or in the period of revision and future periods if the revision affects both current & future periods.



A handwritten signature in blue ink, appearing to be a stylized name or initials.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024
(Amount in AED)

3.14 VALUE ADDED TAX

Expenses and assets are recognized net of the amount of VAT, except:

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

The net amount of VAT recoverable from, or payable to, the taxation authority is included as part of duties and taxes as part of accounts and other payables and receivables in statement of financial position.

3.15 IFRS 16 LEASES

The Company as lessee

IFRS 16 eliminates the current dual accounting model for lessees, which distinguishes between on-balance sheet finance leases and off-balance sheet operating leases. Under the new standard, a lessee recognized a right-of-use asset, representing its right to use the underlying asset, and a lease obligation, representing its obligation to make lease payments. Lease expense will be replaced by depreciation on the right-of-use asset and interest expense on the lease obligation.

Right-of-use assets will be accounted for under IAS 16, Property, Plant and Equipment, and will be initially recorded at cost, which includes the initial measurement of the lease obligation and other costs, less lease incentives. Lease obligations will initially be measured at the present value of future lease payments and will be subsequently be measured at amortized cost using the effective interest rate method.

The Company adopts the standard in the annual accounting periods beginning 1 April 2019 for its lease on a land located at Ajman Industrial Area, Ajman, United Arab Emirates. The Company applies IFRS 16 using the cumulative catch-up approach where the additional right-of-use assets and lease liabilities will be recorded from that date forward and will not require restatement of prior years' comparative information.

Set out below, are the carrying amounts of the Company's right-of-use assets and lease liabilities and the movements during the year:

	Right-of-use asset	Lease liability
As at April 1, 2022	-	-
Additions	9,329,041	9,329,041
Depreciation Expense	186,581	-
Interest Expense		946,814
Payments		765,460
As at March 31, 2023	9,142,460	9,510,395

3.16 STATUTORY RESERVES

In accordance with the Article 239 of the Commercial Companies Law No. 32 of 2021 and the company's article of association, 10% of the annual profit of the company is required to be transferred to a statutory reserve until the reserves equals 50% of the share capital. We have transferred a sum of AED 35,649 is transferred to Statutory reserve for the year ending March 31, 2024.

3.17 Corporate Income Tax

On December 9 2022, the UAE Ministry of Finance Released the federal Decree Law No 47 of 2022 on the Taxation of Corporation and businesses (the Law) to enact a federal corporate tax (CT) regime in the UAE. The same will become effective for accounting periods beginning on or after 01 June 2023.

Generally, UAE businesses will be subject to a 9% CT rate, however a rate of 0% will be applied to taxable income not exceeding AED 375,000 or to certain types of entities, as prescribed by way of a Cabinet Decision.

As the Company's accounting year ends on 31 March, accordingly the effective implementation date for the Company will start from 1 April 2024 to 31 March 2025, with the first return to be filed on or before 31 December 2025.

The Company is currently assessing the impact of these laws and regulations and will apply the requirements as they come into effect.



SEJAL GLASS AND GLASS MANUFACTURING PRODUCTS LLC
RAS AL KHAIMAH- UAE
(AMOUNT IN AED)

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS FOR THE QUARTER ENDED MARCH 31, 2024

4 PROPERTY, PLANT AND EQUIPMENT

	Buildings	Plant & Machinery	Furniture, Fixtures and Equipments	Vehicles	Total
Cost					
At November 15, 2022*	-	-	-	-	-
Additions during the period	23,250,500	8,746,340	74,196	750,000	32,821,036
Disposals during the period	-	-	-	-	-
At March 31, 2023	23,250,500	8,746,340	74,196	750,000	32,821,036
Balance as at April 1, 2023	23,250,500	8,746,340	74,196	750,000	32,821,036
Additions during the period	441,711	244,615	107,905	-	794,231
Disposals during the period	-	-	-	49,000	49,000
At March 31, 2024	23,692,211	8,990,955	182,101	701,000	33,566,267
Depreciation / Amortisation					
At November 15, 2022	-	-	-	-	-
Charge for the period	3,185	2,283	2,249	651	8,368
On disposals	-	-	-	-	-
At March 31, 2023	3,185	2,283	2,249	651	8,368
Balance as at April 1, 2023	3,185	2,283	2,249	651	8,368
Additions during the period	1,180,770	850,628	28,959	235,600	2,295,957
Disposals during the period	-	-	-	13,051	13,051
At March 31, 2024	1,183,955	852,911	31,208	223,200	2,291,274
Net book value					
At March 31, 2023	23,247,315	8,744,057	71,947	749,349	32,812,668
At March 31, 2024	22,508,256	8,138,044	150,893	477,800	31,274,993

* Date of incorporation of the company

31,274,993



SEJAL GLASS & GLASS MANUFACTURING PRODUCTS LLC
RAS AL KHAIMAH- UAE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024
(Amount in AED)

	2023-24	2022-23
5 RIGHT OF USE ASSETS		
Opening Balance	-	-
Add: Addition during the period	9,329,045	-
Less: Amortisation during the period	(186,581)	-
Closing Balance	9,142,464	-
6 CAPITAL WORK-IN-PROGRESS		
Opening balance	-	-
Additions	949,924	-
Transferred to plant and machinery	-	-
CWIP written off during the year	-	-
Closing Balance	949,924	-
7 INVENTORIES		
Raw materials	4,317,368	844,806
Work In Progress	367,405	34,715
Consumables	572,601	221,313
Finished goods	394,309	8,583
Closing Balance	5,651,683	1,109,417
8 DEPOSITS, PREPAYMENT AND ADVANCES		
Deposits	134,930	483,395
Prepayments	496,309	146,938
Staff Advances	35,810	-
Advances towards capital assets	305,308	-
Advances to the suppliers	28,198	-
Closing Balance	1,000,555	630,333
9 TRADE AND OTHER RECEIVABLES		
Trade receivables	16,703,618	2,394,747
Less: Allowance for doubtful trade receivables	-	-
Net trade receivables	16,703,618	2,394,747
Receivables- Burhani Glass Factory	4,838,233	887,986
Duties and Taxes	405,076	1,628,693
Other Receivables	-	54,050
Closing Balance	21,946,927	4,965,476
	2023-24	2022-23
Debtors ageing is given as under:		
Debts between 0 - 180 days	20,859,117	3,282,733
Debts between 181 - 365 days	677,699	-
Debts due more than a year	5,035	-
	21,541,851	3,282,733
	2023-24	2022-23
Movement in provision for doubtful trade receivables is as under:		
Balance at the beginning of the year	-	-
Additional Provision made during year	-	-
Reversal of provision	-	-
Balance at the end of the year	-	-



SEJAL GLASS & GLASS MANUFACTURING PRODUCTS LLC
RAS AL KHAIMAH- UAE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024
(Amount in AED)

9 TRADE AND OTHER RECEIVABLES (Contd...)

Management does not expect any credit loss on the outstanding debtors balance. Thus the management has not created any provisions on the trade receivable balance.

10 CASH & CASH EQUIVALENTS	2023-24	2022-23
Cash on hand	13,122	63,671
Current accounts with banks	593,524	1,132,979
Closing Balance	606,646	1,196,650

11 LEASE LIABILITY

Movement in the lease liabilities during the year is as follows:

	2023-24	2022-23
As at April 01,	-	-
Impact of Implementation of IFRS 16	-	-
Add: Addition during the year	9,329,041	-
Add: Implicit Interest	946,814	-
Less: Repayment during the year	765,460	-
Net carrying value as at March 31	9,510,395	-
Of the above:		
Current portion of lease liability	807,093	-
Non-current portion of lease liability	8,703,302	-
Total	9,510,395	-
Maturity analysis of lease liability is as under:		
up to 1 year	807,093	-
1 year to 5 years	2,531,335	-
5 years and above	6,171,967	-

12 END OF SERVICE BENEFITS

	2022-23	2022-23
Opening balance	-	-
Provision during the year	111,294	-
Less: Amount paid during the year	-	-
Closing balance	111,294	-

13 RELATED PARTIES TRANSACTIONS

Related parties include key management personnel, fellow subsidiaries, associates, joint ventures, directors and entities which are controlled directly or indirectly by the company or its directors or over which they exercise significant management influence. Transactions and account balances between the company and its related parties are described below:

During the year, the Company entered into the following transactions with related parties:

	2023-24	2022-23
Interest Expenses on the loan from related party	2,400,370	-
Gurantee Commission payable to shareholder	45,925	-
Loan given by the shareholders	3,180,000	24,439,101

Compensation of key managerial personnel

Compensation of key managerial personnel Compensation of key managerial personnel represents the compensation paid or payable to key management for employee services and is included in the employee costs. The key management includes directors and other members of senior management. The compensation of key management for the period is shown below:

	2023-24	2022-23
Salary/ Fees paid	570,000	78,750
End of service benefits	8,688	-
Total	578,688	78,750

SEJAL GLASS & GLASS MANUFACTURING PRODUCTS LLC
RAS AL KHAIMAH- UAE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024
(Amount in AED)

13 RELATED PARTIES TRANSACTIONS (Contd....)

DUE TO RELATED PARTIES	2023-24	2022-23
Payable to the Shareholders		
Sejal Glass Limited- Principal Component of loan	3,180,000	-
Sejal Glass Ventures LLP- Principal Component of Loan	25,260,000	24,439,101
Sejal Glass Limited- Other	187,388	-
Sejal Glass Ventures LLP- Other	2,619,322	-
Closing Balance	31,246,710	24,439,101
Current Portion	2,806,710	
Non Current Portion	28,440,000	24,439,101

14 SHORT TERM BORROWING

	2023-24	2022-23
Facility from HDFC Bank	1,837,500	-
Closing Balance	1,837,500	-

During the year ending March 31, 2024, the company has availed credit facilities from HDFC Bank India.

The total facility availed by the company till March 31, 2024 is USD 500,000. The said facility is in the form of Stand by Letter of Credit (SBLC) which is guaranteed by the Group company Sejal Glass limited India. The guarantor company has also charged a guarantee commission @ 2.5% on USD 500,000/-

15 TRADE AND OTHER PAYABLES

	2023-24	2022-23
Trade payables	10,736,428	-
Payable to Burhani Glass Factory- purchase consideration	1,500,000	14,500,000
Advance from customers	48,158	-
Accruals and provisions	226,306	-
Other payables	579,498	1,837,074
Closing balance	13,090,390	16,337,074

16 REVENUE

	2023-24	2022-23
Local Sales	46,572,947	4,349,303
Less: Discounts Given	(124,318)	-
Export Sales	3,119,778	238,301
Other Direct Income	261,767	41,488
Total	49,830,174	4,629,092

17 COST OF SALES

	2023-24	2022-23
Opening stock	1,109,416	-
Purchase	35,740,017	4,384,448
Other direct costs	5,429,505	109,170
Closing stock	(5,651,683)	(1,109,416)
Total	36,627,255	3,384,202

18 OTHER INCOME

	2023-24	2022-23
Rent Income	70,678	128,000
Other income		
Total	70,678	128,000



SEJAL GLASS & GLASS MANUFACTURING PRODUCTS LLC
RAS AL KHAIMAH- UAE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024
(Amount in AED)

19 OTHER EXPENSES	2023-24	2022-23
Motor Car expenses	495,252	142,191
Legal & Professional Fees	303,014	5,000
Travelling and Conveyance	255,409	-
Rent expenses	79,038	117,570
Communication expenses	98,365	-
Insurance Expense	105,863	-
Selling and Distribution expenses	253,210	-
Office general expenses	160,380	380,609
Printing and Stationery	42,508	-
License and administration charges	62,079	-
Repairs and Maintenance	203,320	-
Amortisation of ROU Assets	188,137	-
Total	2,246,574	645,370

20 FINANCE COST	2023-24	2022-23
Bank charges	62,569	-
Interest expense	318,790	-
Interest expenses - related parties	2,400,370	-
Total	2,781,730	-

21 FINANCIAL INSTRUMENTS

Market risk management

The Company is primarily exposed to the financial risks of changes in foreign currency exchange rates (currency risk), interest rates (interest rate risk) and market prices (other price risk).

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

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

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices whether those changes are caused by factors specific to the individual financial instrument of the Company, or factors affecting all similar financial instruments traded in the market.

Foreign currency risk management

The Company undertakes certain transactions denominated in foreign currencies. Hence, exposures to exchange rate fluctuations arise. The Company also undertakes transactions in US Dollar which has been pegged against the United Arab Emirates Dirham ("AED"), hence no exchange risk is considered to exist for US Dollar.

Interest rate risk management

The Company is exposed to interest rate risk on cash at bank (including time deposits), related party borrowings and bank borrowings.

Credit risk management

Credit risk is the risk that one party of a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Company is exposed to credit risk from its financial assets which comprise principally of deposits, cash and cash equivalents, trade and other receivables, due from related parties. The credit risk on trade receivables is subjected to credit evaluations and an allowance may be made for estimated irrecoverable amounts. The Company is not exposed to any significant concentration of credit risk because its exposure is spread over financial institutions.

Liquidity risk management

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities.

The Company has built appropriate liquidity risk management framework for the management of its short, medium and long term funding and liquidity requirements. The Company manages liquidity risk by maintaining adequate reserves and banking facilities by continuously monitoring forecast and actual cash flows.

SEJAL GLASS & GLASS MANUFACTURING PRODUCTS LLC
RAS AL KHAIMAH- UAE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024
(Amount in AED)

Important Ratio analysis	2023-24	2022-23
Gross profit ratio	26.50	26.89
Net profit ratio	0.72	(15.76)
Current Ratio	1.58	0.47
Financial instruments by category	2,021	2,021
<i>Financial assets</i>		
Trade and Other Receivables	16,703,618	2,394,747
Deposits	134,930	483,395
Cash & cash equivalents	606,646	1,196,650
Due from related party	-	-
<i>Financial liabilities</i>		
Short term borrowing	1,837,500	-
Trade and other payables	13,042,232	16,337,074
Due to related party	28,440,000	517,960

22 COMPARATIVE FIGURES

Comparative figures for the previous year have been regrouped and reclassified, wherever necessary to confirm the current year presentation.

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

The independent auditors' report is set out on page 1-5.

FOR

SEJAL GLASS & GLASS MANUFACTURING PRODUCTS LLC



PRAVIN RAJPARA
MANAGER
DATE: 17-4-2024
PLACE UAE

