

M/s KESAR MIDDLE EAST- FZCO
DUBAI SILICON OASIS
DUBAI, U.A.E.

CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED ON
31st MARCH 2025

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INDEPENDENT AUDITOR'S REPORT

CONSOLIDATED FINANCIAL STATEMENTS OF M/S KESAR MIDDLE EAST- FZCO, DUBAI, U.A.E.

Opinion

We have audited the accompanying consolidated financial statements of **M/S KESAR MIDDLE EAST-FZCO, DUBAI SILICON OASIS, DUBAI, UNITED ARAB EMIRATES** (holding company) and its subsidiary **M/s DEJA VUE FZCO, DUBAI SILICON OASIS, DUBAI, UNITED ARAB EMIRATES**, which comprises of Consolidated Statement of Financial Position as at 31st March 2025, the Consolidated Statement of Comprehensive Income, Consolidated Statement of Changes in Shareholder's Equity and Consolidated Statement of Cash Flows for the year then ended and a summary of significant accounting policies and other explanatory notes.

In our opinion and based on the consideration of report of Holding company and based on limited review of report of subsidiary company audited by another auditor, the Holding Company and the Subsidiary company's Consolidated financial statements give a true and fair view of the Consolidated profit or loss and overall state of group's affairs as at 31st March 2025, and the result of its operations and its Consolidated Cash Flows for the year then ended, in accordance with **International Financial Reporting Standards (IFRS) for Small and Medium Sized Entities (SMEs)**.

The companies are undertaking only activities permitted under its license and comply, where appropriate, with the Memorandum & Articles of Association of the companies, UAE Tax Laws and Procedures, and implementing rules and regulations of implementing rules and regulations of Dubai Integrated Economic Zones Authority, Dubai, U.A.E.

Auditor's Responsibility

Our responsibility is to express an opinion on these Consolidated financial statements based on our audit. We conducted our audit in accordance with **International Standards on Auditing (ISAs)** which included tests of accounting records, determination of major activities, and other procedures we considered necessary to enable us to express such opinions and to render the required reports.

We are independent of the company in accordance with the **International Ethics Standards Board for Accountants Code of Ethics for Professional Accountants (IESBA Code)** which require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the Consolidated financial statements are free from material misstatement.

The objective of our audit is the expression of opinions as to whether your basic Consolidated financial statements are fairly presented, in all material respects, in conformity with IFRS for SMEs which includes:

- The procedures selected depend on the **auditor's judgment**, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error.
- In the making those **risk assessments**, the auditor considers **internal control** relevant to the entity's preparation and fair presentation of the consolidated financial statements 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 entity's internal control.
- Based on the audit evidence obtained, an assessment of the material uncertainty, if any, is made which may have significant impact on the ability of the companies to continue as a Going Concern. Our conclusions are based up to the date of our Auditor's Report.
- Our audit also includes evaluating the appropriateness of **accounting policies** used and the reasonableness of accounting estimates made by management, as well as evaluating the **overall presentation** of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis of our audit opinion.

CONSOLIDATED FINANCIAL STATEMENTS OF M/S KESAR MIDDLE EAST- FZCO, DUBAI, U.A.E.

Management's Responsibility for the Consolidated Financial Statements

The respective Company's Management and the Board of Directors is responsible for the preparation and fair presentation of consolidated financial statements for the year ended on 31st March 2025 in accordance with **International Financial Reporting Standards** along with all accompanying information, as well as all representations contained therein. You are responsible for making all management decisions and performing all management functions relating to the consolidated financial statements, schedule of expenditures, and related notes, and for accepting full responsibility for such decisions.

You will be required to acknowledge in the management representation letter that you have reviewed and approved the consolidated financial statements, schedule of expenditures, and related notes prior to their issuance, and have accepted responsibility for them. Further, you are required to designate an individual with suitable skill, knowledge, or experience to oversee any non-audit services we have provided and for evaluating the adequacy and results of those services and accepting responsibility for them.

Management is responsible for establishing and maintaining internal controls, including monitoring ongoing activities; for the selection and application of accounting principles; for the fair presentation in the consolidated financial statements of the respective financial position of the business-type activities, the aggregate discretely presented component units and the respective changes in financial position.

Your responsibilities include adjusting the consolidated financial statements to correct material misstatements, and confirming to us in the representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the consolidated financial statements taken as a whole.

You are responsible for the design and implementation of activities and controls to prevent and detect fraud, and for informing us about all known or suspected fraud or illegal acts affecting the government involving (a) management, (b) employees who have significant roles in internal control, and (c) others where the fraud or illegal acts could have a material effect on the consolidated financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the government received in communications from employees, former employees, grantors, regulators, or others. In addition, you are responsible for identifying and ensuring that the entity complies with applicable laws, regulations, contracts, and agreements. Additionally, it is management's responsibility to follow up and take corrective action on reported audit findings, and to prepare a summary schedule of prior audit findings and a corrective action plan.

Management is responsible for establishing and maintaining a process for tracking the status of audit findings and recommendations. You are also responsible for providing management's views on our current findings, conclusions, and recommendations, as well as your planned corrective actions.



CA Prem P. Jain
LLB ACS FCA
Reg. No. 227
Managing Partner
M/s ACTIVE AUDITORS
Sharjah, U.A.E.
06th May 2025



M/S KESAR MIDDLE EAST- FZCO
DUBAI SILICON OASIS, DUBAI, U.A.E.
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As on 31st March 2025

	NOTES	31st Mar.2025 AMOUNT AED.	31st Mar.2024 AMOUNT AED.
CURRENT ASSETS			
Accounts & Other Receivables	A	6,745,637	319,224
Cash & Cash Equivalent	B	1,163,875	19,350
Total Current Assets		7,909,512	338,574
CURRENT LIABILITIES			
Accounts Payable	C	5,956,795	-
Other Payable	D	25,889	1,575
Short Term Borrowings	E	100,000	-
Total Current Liabilities		6,082,684	1,575
Net Current Assets		1,826,828	336,999
Non Current Liability			
Shareholder Loan A/c	F	1,000,000	-
TOTAL NET ASSETS		826,828	336,999
CAPITAL EMPLOYED			
Share Capital		100,000	100,000
Shareholder's Current A/c		-	(100,000)
Retained Earnings		726,828	336,999
TOTAL		826,828	336,999

These Financial Statements were approved and signed by the Authorised Signatory.

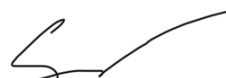
M/S KESAR MIDDLE EAST- FZCO, DUBAI, U.A.E.



(MR. GOPAL GUPTA)
Director



(MR. YASH GOPAL GUPTA)
Director



(MR. SACHIN GOPAL GUPTA)
Director

Annexed Accounting Notes form an integral part of these statements.

M/S KESAR MIDDLE EAST- FZCO
DUBAI SILICON OASIS, DUBAI, U.A.E.
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
For the year ended on 31st March 2025

		<u>31st Mar.2025</u>	<u>18th Dec. 2023</u>
		<u>AMOUNT</u>	<u>to 31st Mar.2024</u>
	NOTES	<u>AED.</u>	<u>AED.</u>
Revenue	G	11,662,354	345,000
Less: Cost of Sales	H	10,131,260	-
Gross Income		1,531,094	345,000
EXPENSES			
Less : Gen. & Admn. Exp.	I	1,120,826	8,001
Bank Charges		850	-
Interest on Loan from Shareholder		19,589	-
Total Expenses		1,141,265	8,001
Comprehensive Income for the year		389,829	336,999

These Financial Statements were approved and signed by the Authorised Signatory.

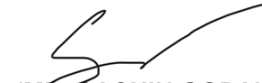
M/S KESAR MIDDLE EAST- FZCO, DUBAI, U.A.E.


(MR. GOPAL GUPTA)

Director


(MR. YASH GOPAL GUPTA)

Director


(MR. SACHIN GOPAL GUPTA)

Director

Annexed Accounting Notes form an integral part of these statements.

M/S KESAR MIDDLE EAST- FZCO, DUBAI, U.A.E.
CONSOLIDATED STATEMENT OF CHANGE IN SHAREHOLDER'S EQUITY
For the year ended on 31st March 2025

	<u>Share Capital AED.</u>	<u>Shareholder's Current A/c AED.</u>	<u>Retained Earnings AED.</u>	<u>Total AED.</u>
Net Movements during the period	100,000	(100,000)	-	-
Comprehensive Income for the period	-	-	336,999	336,999
Balance as at 31.03.2024	100,000	(100,000)	336,999	336,999
Opening Balance as on 01.04.2024	100,000	(100,000)	336,999	336,999
Net Movements during the year	-	100,000		100,000
Comprehensive Income for the year	-	-	389,829	389,829
Balance as at 31.03.2025	100,000	-	726,828	826,828

M/S KESAR MIDDLE EAST- FZCO
DUBAI SILICON OASIS, DUBAI, U.A.E.
CONSOLIDATED STATEMENT OF CASH FLOWS
For the year ended on 31st March 2025

	<u>31st Mar.2025</u> <u>AMOUNT</u> <u>AED.</u>	<u>18th Dec. 2023</u> <u>to 31st Mar.2024</u> <u>AMOUNT</u> <u>AED.</u>
<u>CASH FLOWS FROM COMMERCIAL ACTIVITIES :</u>		
Comprehensive Income for the year	389,829	336,999
Bank Charges	850	-
Interest on Loan from Shareholder	19,589	-
Operating Profit before working capital changes	410,268	336,999
<u>Increase / (Decrease) in operating liabilities :</u>		
Accounts & Other Receivables	(6,426,413)	(319,224)
Accounts Payable	5,956,795	
Other Payable	24,314	1,575
Net cash flows from operating activities A	(35,036)	19,350
<u>CASH FLOWS FROM FINANCING ACTIVITIES :</u>		
Loan from Shareholder	1,000,000	-
Bank Charges	(850)	-
Interest on Loan from Shareholder	(19,589)	-
Short Term Borrowings	100,000	
Increase / (Decrease) in Share Capital A/c	-	100,000
Increase / (Decrease) in Shareholder's Current A/c	100,000	(100,000)
Net cash flows from financing activities B	1,179,561	-
Net increase in cash and cash equivalents (A+B)	1,144,525	19,350
Cash & Cash equivalents at the beginning of the year	19,350	-
CASH & CASH EQUIVALENTS AT THE END OF THE YEAR	1,163,875	19,350

NOTES FOR THE CONSOLIDATED FINANCIAL STATEMENTS

LEGAL STATUS AND ACTIVITIES

M/s. Kesar Middle East-FZCO is a Free Zone company with Limited Liability under Trade License number 39015 issued by Dubai Silicon Oasis, a member of Dubai Integrated Economic Zones Authority, Dubai, U.A.E. The authorized Share Capital of the company is Dhs. 100,000/- divided into 100 shares of Dhs. 1000/ per share. The company was registered on 18/12/2023. **Mr. Yash Gopal Gupta** is the Manager of the company. The Company is a wholly owned subsidiary of M/s Kesar India Limited (the “Parent Company”), a company incorporated in India.

The main activities of the company is Information Financing Broker, Investment in Commercial Enterprises & Management and Project Development Consultant. The company operates DSO-IFZA, IFZA Properties, Dubai Silicon Oasis, Dubai, U.A.E.

The Company together with its subsidiary is herein after referred to as the ‘Group’.

The subsidiary company “M/s Deja Vue FZCO” is a Free Zone company with Limited Liability under Trade License number 45723 issued by Dubai Silicon Oasis, a member of Dubai Integrated Economic Zones Authority, Dubai, U.A.E. The company was registered on 21/05/2024. **Mr. Yash Gopal Gupta** is the Manager of the company.

BASIS OF PREPARATION

i. Statement of Compliance

The Group has adopted the new and revised International Financial Reporting Standards (IFRSs) that are relevant to its operations and effective on the consolidated financial statements which require the determination and consistent application of accounting policies to transactions and events. The consolidated financial statements are prepared on a going concern basis and are presented in Arab Emirates Dirhams (AED), currency of UAE.

ii. Basis of Measurement

The consolidated financial statements have been prepared on the historical cost basis except for the measurement at fair value of Financial Instruments.

iii. Statement of Cash Flows

The consolidated cash flow statement has been prepared using the indirect method. Cash flows denominated in foreign currencies will be translated at the exchange rates at the dates of the transactions. Transactions not resulting in inflow or outflow of cash, are not recognized in the cash flow statement.

iv. Use of Estimates and Judgments

In preparing these consolidated financial statements, management has made judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized prospectively.

v. Measurement of Fair Value

A number of the Group's accounting policies and disclosures require the measurement of fair values, specifically, for the financial assets and liabilities. The Group has an established control framework with respect to the measurement of fair values. When measuring the fair value of an asset or a liability, the Group uses market observable data as far as possible. Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

Level 1: Valuation based on a quoted price in an active market for identical assets or liabilities.

Level 2: Valuation is based on a quoted price in an active market for similar financial assets or liabilities that rely on observable market inputs.

Level 3: Valuation based on inputs for the asset or liability that are not directly observable in the market.

The second type mainly corresponds to derivative financial instruments, based on the income approach, in accordance with accounting regulations, which entail the discounting to present value of future cash flows associated with said instruments, estimated using forward curves offered in the market, including adjustments for credit risk based on the duration of the instruments.

The most significant variables for valuing financial instruments vary depending on the type of instrument, but fundamentally include: exchange rates (spot and forward), interest rate curves, counterparty risk curves, prices of equity securities, and the volatilities of all the aforementioned factors.

In all cases, market data is obtained from reputed information agencies or correspond to quotes issued by official bodies. If the inputs used to measure the fair value of an asset or a liability might be categorized in different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

vi. Principles of Consolidation

The consolidated financial statements relate to the M/s Kesar Middle East FZCO ("The Company" / "The Holding Company") and its Subsidiary Company M/s Deja Vue FZCO. The subsidiary company was formed on 21st May 2024. The consolidated financial statements have been prepared on the following basis:

- a) The financial statement of the Subsidiary Company used in the consolidation are drawn up to the same reporting date as of the parent.
- b) The financial statements of the Company and its subsidiary have been combined on line-by-line basis by adding together, the book value of like items of assets, liabilities, income and expenses after eliminating intra group balances, intra group transactions and unrealized profits or losses, unless cost cannot be recovered.

SIGNIFICANT ACCOUNTING POLICIES

i. Revenue Recognition

There is income earned during the year which represents consideration received or receivable for the services delivered and invoiced during the year on accrual basis and taking into account contractually defined terms of payment and excluding taxes and duties. The expenses are also recognized on accrual basis.

ii. Cash and Cash Equivalents

Cash and cash equivalents include bank balances, demand deposits and other short term highly liquid investments with original maturities of three months or less. The Group held Cash and cash equivalents of AED 1,163,875/- as on 31/03/2025 (2024: AED 19,350/-).

iii. Trade Payables

Trade payables are recognized initially at the transaction price and subsequently measured at amortized cost using the effective interest method.

iv. Foreign Currencies

The functional currency of the establishment is AED. Transactions in currencies other than the Group's functional currency (foreign currencies) are recorded at the rates of exchange prevailing on the dates of the transactions. At each balance sheet date, monetary assets and liabilities denominated in foreign currencies are retranslated at the rates prevailing at the balance sheet date. We did not come across any transactions that indicate that the Group may have violated money laundering norms or may have carried out business with a sanctioned entity or country.

Non-monetary assets and liabilities carried at fair value that are denominated in foreign currencies are re-translated at the rates prevailing at that date when the fair value was determined. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are not retranslated. Exchange difference arising on the settlement of monetary items, and on the retranslation of monetary assets and liabilities, are included in the income statement for the year. Exchange differences arising on the retranslation of non-monetary assets and liabilities carried at fair value are included in the income statement for the year.

v. Financial Instruments

The Group has procedures and policies in place to control risks related to financial instruments. These policies and procedures include a clear segregation of duties between operating, settlement, accounting and controlling of all financial instruments used. The Group identifies, evaluates and mitigates financial risks in close cooperation with its Financial Risk Department.

This department, with the aim to promote best practices, monitors and manages the financial risks relating to the operations of the Group through internal risk reports which analyses exposures by degree and magnitude of risks. The management of each Group entity is involved in the risk management process.

The main financial risks are market risk, credit risk and liquidity risk.

- a. Derivatives & Exchange Rate Risk:** The Group does not use derivative financial instruments for speculative purposes.
- b. Foreign Currency Risk Management:** There is no exchange rate fluctuation risk since the transactions of the Group is in AED.
- c. Credit Risk:** Credit risk is the risk of financial loss to the Group if a counterparty to a financial instrument fails to meet its contractual obligations. Credit risk arises principally from the Group's Financial Assets. The Group attempts to minimize the counterparty credit risk associated with the financial instruments used by selecting counterparties that it assumes to be creditworthy, given their credit ratings.
- d. Liquidity Risk Management:** Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation. Ultimate responsibility for liquidity risk management rest with the management which has built an appropriate liquidity risk management framework for the management of the Group's short, medium and long-term funding and liquidity management requirements. The Group manages liquidity risk by maintaining adequate reserves, continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.
- e. Capital Risk Management:** The Group's objectives when managing capital to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholder and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of the capital. The shareholder's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business.

f. **Fair Values:** At the Balance Sheet date the carrying amount of prepayments & other liabilities approximated their fair values.

g. **Impairment:** The Group establishes an allowance for impairment as per the guidelines prescribed under IFRS9 that represent its estimate of incurred losses in respect of trade and other receivables. The main components of this allowance are a specific loss component that relates to individually significant exposure, and a collective loss component established for group of similar assets in respect of losses that have been incurred but not yet identified. The collective loss allowance is determined based on historical data of payment statistics for similar financial assets.

vi. **Related Parties:** Related Parties include owner and his subsidiaries. The balances arising out of commercial transactions carried out. The management believes that the terms of such transactions are not significantly different from those that could be obtained from third parties.

Shareholder Loan a/c	M/s Kesar India Limited	AED 1,000,000
Interest on Loan	M/s Kesar India Limited	AED 19,589
Accrued Expenses	Interest on Shareholder's Loan (@ 5%p.a.)	AED 19,589
Unsecured Loan	Mr. Yash Gopal Gupta	AED 50,000
Unsecured Loan	Mr. Sachin Gopal Gupta	AED 50,000

vii. **Other Compliances**

The group companies are compliant with UAE Value Added Tax, Corporate Tax and other applicable regulations.

viii. **Comparative Figures and Rounding Off**

We have rounded off the figures to nearest UAE Dirhams.

ix. **Contingent Liability**

There is no contingent liability as per management as on 31/03/2025.

x. **Significant Events occurring after the Balance sheet date**

No significant events, which could have a material impact, occurred between year-ended on 31st March 2025 and the date on which the Directors approved and authorized these consolidated financial statements for issue.

M/S KESAR MIDDLE EAST- FZCO, DUBAI, U.A.E.
Notes forming part of the Consolidated Financial Statement
(31st March 2025)

	<u>31st Mar.2025</u> <u>AMOUNT</u> <u>AED.</u>	<u>18th Dec. 2023</u> <u>to 31st Mar.2024</u> <u>AMOUNT</u> <u>AED.</u>
A ACCOUNTS & OTHER RECEIVABLES		
Debtors	6,723,404	310,000
Prepayment	17,233	9,224
Other Advances	5,000	-
Total	<u>6,745,637</u>	<u>319,224</u>
B CASH AND CASH EQUIVALENT		
Cash in hand	152,295	19,350
Cash at Bank	1,011,580	-
Total	<u>1,163,875</u>	<u>19,350</u>
C ACCOUNTS PAYABLE		
Accounts Payable	5,956,795	-
Total	<u>5,956,795</u>	<u>-</u>
D OTHER PAYABLE		
Accrued Expenses	25,889	1,575
Total	<u>25,889</u>	<u>1,575</u>
E SHORT TERM BORROWINGS		
Unsecured Loan- Yash Gopal Gupta	50,000	-
Unsecured Loan- Sachin Gopal Gupta	50,000	-
	<u>100,000</u>	<u>-</u>

M/S KESAR MIDDLE EAST- FZCO, DUBAI, U.A.E.
Notes forming part of the Consolidated Financial Statement
(31st March 2025)

	<u>31st Mar.2025</u> <u>AMOUNT</u> <u>AED.</u>	<u>18th Dec. 2023</u> <u>to 31st Mar.2024</u> <u>AMOUNT</u> <u>AED.</u>
F SHAREHOLDERS LOAN ACCOUNT		
Loan	1,000,000	-
Total	<u>1,000,000</u>	<u>-</u>
Note: The above loan is subject to interest @5%.		
G REVENUE		
Sales	11,452,354	-
Consultancy Income	210,000	345,000
Total	<u>11,662,354</u>	<u>345,000</u>
H COST OF SALES		
Cost of Sales	10,131,260	-
Total	<u>10,131,260</u>	<u>-</u>
I GENERAL & ADMINISTRATION EXPENSES		
Legal and Professional Expenses	173,801	8001
Refreshment Expenses	86,720	-
Communication & Utilities Expenses	117,508	-
Marketing Expenses	255,722	-
Travel & Accommodation	102,150	-
Fuel Expenses	47,332	-
Communication Expenses	81,823	-
Outsourcing Expenses	28,000	-
IT Expenses	68,224	-
Travelling Expenses	41,735	-
Repairs and Maintenance	45,870	-
Office Expenses	35,722	-
Printing, Postage & Courier	21,259	-
Other Expenses	14,960	-
Total	<u>1,120,826</u>	<u>8,001</u>