**TCIL Middle East Logistics Services L.L.C**

Dubai, United Arab Emirates

Financial Statement and Reports

For the year ended 31 March 2026

**TCIL Middle East Logistics Services L.L.C**
Dubai, United Arab Emirates

**Financial Statements and Reports**
For the year ended 31 March 2026

**TCIL Middle East Logistics Services L.L.C**
**Dubai, United Arab Emirates**
**Directors' Report**

The Directors have pleasure in presenting the TCIL Middle East Logistics Services L.L.C report and the audited financial statements for the year ended 31 March 2026.

**Principal Activity**

The principal activities of the Company are Logistic Services, Cargo Loading and Unloading Services, Freight Broker, Cargo Transport by Heavy Trucks, Sea Shipping Lines Agents, Shipping Containers Loading and Unloading Services, Cargo Transport by Light Trucks and Ship Charter.

**Business Operations Review and Future Business Developments**

During the year, the Company generated revenue of AED 528,622/- (2025: AED 268,837/-) and incurred net loss of AED 1,110,114/- (2025: net loss of 611,178/-). The Company has strategic plans for the development of its business. The Directors are optimistic about the business prospects and expect the performance of the Company to grow and improve and achieve profitability in line with the business plan.

**Shareholder**

The authorized and issued share capital of the Company is AED 2,100,000/- divided into 2,100 shares of AED 1,000 each. The shareholder of the Company and their interest in the share capital of the Company as of 31 March 2025 was as follows:

| Name | Domicile | Shares of AED 1,000 /- Each 2025 |
|---|---|---|
| Transport Corporation of India Limited | India | 2,100 |

During the year, the Company increased its share capital from AED 2,100,000/- to AED 2,930,000/- divided into 2,930 shares of AED 1,000 each fully paid and the same has been approved through amendment to MOA by the authority dated 25 March 2026.

The revised share capital of the Company subsequent to above is as follows:

| Name | Domicile | Shares of AED 1,000 /- Each 2026 |
|---|---|---|
| Transport Corporation of India Limited | India | 2,930 |

**Risk Management and Internal Control Systems**

The Company is committed to the ongoing process of identifying risk factors, analyzing the risks, and deciding upon measures of risk handling and risk control, with a view to achieving sustainability of business operations, employment and surpluses. The Company's risk management framework identifies, assesses, manages and reports risks on a consistent and reliable basis. The Directors consider primary risk areas to be credit risk, market risk (interest rate, foreign exchange) and liquidity risk. The other risk areas include operational risks including business continuity and disaster recovery risks and technology risks.

The management recognizes their responsibility to ensure the existence of the system of internal control and reviewing for its continued effectiveness. In view of the above, the management has in place a management information system that facilitates financial and other information being periodically reported on a transparent basis to the management that in turn helps in initiating action to mitigate risks to the extent feasible.

**Going Concern**

The attached financial statements have been prepared on the going concern basis. While preparing these financial statements, the Management has made an assessment of the Company's ability to continue as a going concern. The Management has not come across any evidence that causes the Management to believe that material uncertainties related to the events or conditions existed, which may cast significant doubt on the Company's ability to continue as a going concern.

**Corporate Tax**

On 9 December 2022, the United Arab Emirates (UAE) Ministry of Finance (MoF) released Federal Decree Law No 47 of 2022 on the Taxation of Corporations and Businesses, Corporate Tax Law (CT Law) to enact a Corporate Tax (CT) regime in the UAE. The CT regime has become effective for accounting periods beginning on or after 1 June 2023.

As the Company follows an accounting period that starts on 1 April and ends on 31 March so the tax period for the Company will be the period from 01 April 2025 to 31 March 2026, with the respective tax return to be filed on or before 31 December 2026. The taxable income of the Company will be subject to Corporate Tax at the rate of 9% on taxable profits above a threshold limit of AED 375,000.

**TCIL Middle East Logistics Services L.L.C**
**Dubai, United Arab Emirates**
**Directors' Report** (continued)

**Auditors**
RNG Auditors LLC (RNG) was appointed as external auditors for the year ended 31 March 2026. RNG is eligible for re-appointment for the year ended 31 March 2027 and has expressed their willingness to continue in office. The Director recommends the reappointment of RNG as auditor for the Company for the year ended 31 March 2027.

**Statements of Directors Responsibility**
The Company law requires the Directors to prepare the financial statements for each financial year which gives a true and fair view of the state of affairs of the Company and of the net profit or loss for the financial year.

The financial statements for the year under review have been prepared in conformity with and in compliance with the requirements of the International Financial Reporting Standards (IFRS), relevant statutory requirements and other governing laws. The Directors confirm that sufficient care has been taken for the maintenance of proper and adequate accounting records that discloses with reasonable accuracy at all times, the financial position of the Company and enables them to ensure that the financial Statements comply with the requirements of applicable statute. The Directors also confirm that appropriate accounting policies have been selected and applied consistently in order that the financial statements reflect fairly the form and substance of the transactions carried out during the year under review and reasonably presents the Company's financial conditions and results of its operations.

**For TCIL Middle East Logistics Services L.L.C**

**Rajkiran Jayaram Kanagala**
**Jayaram Jogiraju Kanagala**
**Director**

**Debapriya Mukherjee**
**Badal Mukherjee**
**Director**

DUBAI - U.A.E.
TCIL MIDDLE EAST LOGISTICS SERVICES L.L.C

Place: Dubai, U.A.E.
Date: 22 May 2026

# INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDER OF TCIL MIDDLE EAST LOGISTICS SERVICES L.L.C

## Report on the Audit of the Financial Statements

### Opinion

We have audited the financial statements of TCIL Middle East Logistics Services L.L.C ("the Company"), which comprise the statement of financial position as of 31 March 2026, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended and notes to the financial statements, comprising material accounting policies and other explanatory information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as of 31 March 2026, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS) and comply with the UAE Commercial Companies Law no 32 of 2021 (as amended).

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

### Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISA). Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance, whether the financial statements are free from material misstatement.

Our responsibilities under those standards are further described in the Auditors' 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 of Accountants Code of Ethics for Professional Accountant (the "IESBA code") together with the ethical requirements that are relevant to our audit of the financial statements in 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.

### Other Information

Management is responsible for the other information. The other information comprises the Directors' report as required by "Federal Decree-Law No 32 of 2021 (as amended by Federal Decree-Law No. 20 of 2025)", which we obtained prior to the date of this auditor's report.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance and conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of the other information, we are required to report that fact. We have nothing to report in this regard.



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**INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDER OF TCIL MIDDLE EAST LOGISTICS SERVICES L.L.C** (continued)

**Report on the Audit of the Financial Statements** (continued)

**Responsibilities of Management and Those Charged With Governance for preparation of the Financial Statements**

Management is responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards and in compliance with the company's Memorandum 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 auditors' 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 International Standards on Auditing (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 International Standards on Auditing, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omission, 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.



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**INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDER OF TCIL MIDDLE EAST LOGISTICS SERVICES L.L.C** (continued)

**Report on the Audit of the Financial Statements** (continued)

**Auditors' Responsibilities for the Audit of the Financial Statements** (continued)

- 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.

- 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 doubts 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 auditors' report to 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.

- Obtain sufficient and appropriate audit evidence regarding the financial information of the Company to express an opinion on the financial statements.

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

**Report on other legal and regulatory requirements**

As required by the UAE Federal Decree Law No. (32) of 2021 (as amended by Federal Decree-Law No. 20 of 2025), we report that for the year ended 31 March 2026:

- We have obtained all the information we considered necessary for the purposes of our audit;
- The financial statements have been prepared and comply, in all material respects, with the applicable provisions of the UAE Federal Decree Law No. (32) of 2021 (as amended by Federal Decree-Law No. 20 of 2025);
- The Company has maintained proper books of account in accordance with established accounting principles;
- The financial information included in the Directors' report is consistent with the books of accounts of the Company;
- The Company has not purchased or invested in any shares during the financial year ended 31 March 2026;



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**INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDER OF TCIL MIDDLE EAST LOGISTICS SERVICES L.L.C** (continued)

**Report on the Audit of the Financial Statements** (continued)

**Report on other legal and regulatory requirements** (continued)

- Note 11 to the financial statements discloses material related party transactions and balances, and the terms under which they were conducted;
- No social contributions were made by the Company during the year;
- 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 financial year ended 31 March 2026 any of the applicable provisions of the UAE Federal Decree Law No. (32) of 2021 (as amended by Federal Decree-Law No. 20 of 2025), or its Memorandum of Association which would materially affect its activities or its financial position as at 31 March 2026.

Harikishan Rankawat

P.O.Box: 118753
DUBAI - U.A.E
R N G AUDITORS L.L.C

**Harikishan Rankawat**
**R N G Auditors L.L.C**
**Registration No. 5527**

Place: Dubai, UAE
Date: 22 May 2026



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**TCIL Middle East Logistics Services L.L.C.**
Dubai, United Arab Emirates

**Statement of Financial Position**
As at 31 March 2026

| | Note | 2026 AED | 2025 AED |
|---|---|---|---|
| **ASSETS** | | | |
| **Non-current Assets:** | | | |
| Property, plant and equipment | 9 | **31,220** | 35,293 |
| Deferred tax asset | 22 | **170,238** | 60,446 |
| **Total Non-current Assets** | | **201,458** | 95,739 |
| **Current Assets:** | | | |
| Short-term deposits | 10 | - | 700,000 |
| Amount due from related party | 11 | **830,000** | - |
| Trade and other receivables | 12 | **202,417** | 158,219 |
| Cash and bank balances | 13 | **227,218** | 709,869 |
| **Total Current Assets** | | **1,259,635** | 1,568,088 |
| **Total Assets** | | **1,461,093** | 1,663,827 |
| **EQUITY AND LIABILITIES** | | | |
| **Equity:** | | | |
| Share capital | 14 | **2,930,000** | 2,100,000 |
| Accumulated (losses) | | **(1,721,292)** | (611,178) |
| **Total Equity** | | **1,208,708** | 1,488,822 |
| **Non-current Liabilities:** | | | |
| End of service benefits payable | 15 | **39,981** | 16,528 |
| **Current Liabilities:** | | | |
| Trade and other payables | 16 | **212,404** | 158,477 |
| **Total Liabilities** | | **252,385** | 175,005 |
| **Total Equity and Liabilities** | | **1,461,093** | 1,663,827 |

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

These financial statements were approved by the Board of Directors on 22 May 2026 and signed on their behalf by:

**For TCIL Middle East Logistics Services L.L.C**

**Rajkiran Jayaram Kanagala**
**Jayaram Jogiraju Kanagala**
**Director**

**Debapriya Mukherjee**
**Badal Mukherjee**
**Director**

The independent auditors' report is set out on page 4 to 7.

**TCIL Middle East Logistics Services L.L.C.**
Dubai, United Arab Emirates

**Statement of Profit or Loss and Other Comprehensive Income**
For the year ended 31 March 2026

| | Note | 2026 AED | 2025 AED |
|---|---|---|---|
| Revenue | 17 | **528,622** | 268,837 |
| Cost of revenue | 18 | **(454,485)** | (258,472) |
| **Gross Profit** | | **74,137** | 10,365 |
| Other income | 19 | **16,454** | 5,013 |
| Employee salary and remuneration expenses | 20 | **(844,755)** | (406,324) |
| General and administration expenses | 21 | **(460,326)** | (278,668) |
| Depreciation | 9 | **(5,416)** | (2,010) |
| **Loss for the year before tax** | | **(1,219,906)** | (671,624) |
| Corporate tax | 22 | **109,792** | 60,446 |
| **Loss for the year after tax** | | **(1,110,114)** | (611,178) |
| Other comprehensive income | | - | - |
| **Total comprehensive loss for the year** | | **(1,110,114)** | (611,178) |

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

These financial statements were approved by the Board of Directors on 22 May 2026 and signed on their behalf by:

**For TCIL Middle East Logistics Services L.L.C**

| | |
|---|---|
| **Rajkiran Jayaram Kanagala** | Debapriya Mukherjee |
| **Jayaram Jogiraju Kanagala** | **Debapriya Mukherjee** |
| **Director** | **Badal Mukherjee** |
| | **Director** |

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TCIL MIDDLE EAST LOGISTICS SERVICES L.L.C

The independent auditors' report is set out on page 4 to 7.

**TCIL Middle East Logistics Services L.L.C.**
Dubai, United Arab Emirates

## Statement of Change in Equity
For the year ended 31 March 2026

| | Share capital AED | Accumulated (losses) AED | Total AED |
|---|---|---|---|
| On 01 April 2024 | 300,000 | - | 300,000 |
| Share capital introduced | 1,800,000 | - | 1,800,000 |
| Total loss for the year | - | (611,178) | (611,178) |
| **At 31 March 2025** | 2,100,000 | (611,178) | 1,488,822 |
| On 01 April 2025 | 2,100,000 | (611,178) | 1,488,822 |
| Share capital introduced | 830,000 | - | 830,000 |
| Total loss for the year | - | (1,110,114) | (1,110,114) |
| **At 31 March 2026** | **2,930,000** | **(1,721,292)** | **1,208,708** |

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

The independent auditors' report is set out on page 4 to 7.

**TCIL Middle East Logistics Services L.L.C.**
Dubai, United Arab Emirates

**Statement of Cash Flows**
For the year ended 31 March 2026

| | Note | 2026 AED | 2025 AED |
|---|---|---|---|
| **Cash flows from operating activities:** | | | |
| Loss for the year before tax | | **(1,219,906)** | (671,624) |
| **Adjustments:** | | | |
| Provision for end of service benefits payable | 15 | **23,453** | 16,528 |
| Depreciation on property, plant, and equipment | 9 | **5,416** | 2,010 |
| **Operating (loss) before changes in working capital** | | **(1,191,037)** | (653,086) |
| **Changes in operating assets and liabilities:** | | | |
| Net movement in trade and other receivables | 12 | **(44,198)** | (158,219) |
| Net movement in trade and other payable | 16 | **53,927** | 158,377 |
| Net movement in amount due from a related party | 11 | **(830,000)** | - |
| **Net cash flow (used in)/from operating activities** | | **(2,011,308)** | (652,928) |
| **Cash flows from investing activities** | | | |
| Purchase of property, plant and equipment | 9 | **(1,343)** | (37,303) |
| Net movement in short-term deposits | 10 | **700,000** | (700,000) |
| **Net cash flow (used in) investing activities** | | **698,657** | (737,303) |
| **Cash flows from financing activities** | | | |
| Share capital introduced | 14 | **830,000** | 1,800,000 |
| **Net cash flow from financing activities** | | **830,000** | 1,800,000 |
| **Net movement in cash and cash equivalents** | | **(482,651)** | 409,769 |
| Cash and cash equivalents at beginning of the year | | **709,869** | 300,100 |
| **Cash and cash equivalents at end of the year** | | **227,218** | 709,869 |

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

The independent auditors' report is set out on page 4 to 7.



RNG AUDITORS L.L.C.
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DUBAI - U.A.E.

## 1. Legal status and principal activity

TCIL Middle East Logistics Services L.L.C, ("the Company") was incorporated on 20 September 2023 as a Limited Liability Company – Single Owner (LLC-SO) and operates in the United Arab Emirates under commercial license no. 1243935 issued by the Dubai Economy and Tourism, Government of Dubai, Dubai, United Arab Emirates.

The registered office of the Company is located at Office No. 1908-14, The Prism Tower, Business Bay, Dubai, United Arab Emirates.

The principal activities of the Company are Logistic Services, Cargo Loading and Unloading Services, Freight Broker, Cargo Transport by Heavy Trucks, Sea Shipping Lines Agents, Shipping Containers Loading and Unloading Services, Cargo Transport by Light Trucks and Ship Charter.

During the year, the management and control of the Company are vested with Mr. Debapriya Mukherjee Badal Mukherjee, Mr. Rajkiran Jayaram Kanagala Jayaram Jogiraju Kanagala and Mr. Saumya Sankar Ray Tridib Sankar Ray.

The company has the following branch-

| Name of branch | Type of License | License No: | Issuing authority | Activity |
|---|---|---|---|---|
| TCIL Middle East Logistics Services L.L.C (Branch) | Logistic License | 96976818 | Jebel Ali Freezone Authority | Cargo Transport by Heavy Trucks, Cargo Transport by Light Trucks, Ship Charter, Cargo Loading and Unloading Services, Sea Shipping Lines Agents, Freight Broker, Logistic Services and Shipping Containers Loading and Unloading Services. |

## 2. Application of new and revised International Financial Reporting Standards ("IFRS Accounting Standards")

### a. New and amended IFRS Standards that are effective for the current year

The following new and revised IFRSs, which became effective for annual periods beginning on or after 1 April 2025, have been adopted in these financial statements. Their adoption has not had any material impact on the disclosures or on the amounts reported in these financial statements.

## 2. Application of new and revised International Financial Reporting Standards ("IFRS Accounting Standards") (continued)

### a. New and amended IFRS Standards that are effective for the current year (continued)

| New and revised IFRS Accounting Standards | Effective for annual periods beginning on or after |
|---|---|
| Amendments to IFRS 21: Lack of exchangeability Sale or Contribution of Assets between Investor and its Associate or Joint Venture | 1 January 2025 |

### b. New and revised IFRS Accounting Standards in issue but not yet effective and not early adopted

The Company has not early adopted the following new and revised standards that have been issued but are not yet effective. The management is in the process of assessing the impact of the new requirements.

| New and revised IFRS Accounting Standards | Effective for annual periods beginning on or after |
|---|---|
| IFRS 9 and IFRS 7 – Amendment regarding the classification and measurement of financial instrument | 1 January 2026, earlier application is permitted |
| IFRS 9 and IFRS 7 – Contracts referencing nature – dependent electricity | 1 January 2026, earlier application is permitted |
| Annual improvements of IFRS Accounting Standards | 1 January 2026, earlier application is permitted |
| IFRS 18 – Presentations and Disclosure in Financial Statements | 1 January 2027, earlier application is permitted |

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

## 3. Basis of preparation

**Statement of Compliance**

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) issued by International Accounting Standards Board (IASB) and as per the requirements of the applicable laws of the UAE.

**3. Basis of preparation** (continued)

**Basis of measurement**
The financial statements have been prepared under the historical cost convention and going concern basis. The accounting policies have been consistently applied throughout the period.

**Functional and presentation currency**
These financial statements are presented in AED, which is the Company's functional currency.

**4. Use of estimates and judgements**
The preparation of the financial statements in conformity with IFRS requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses and the disclosure of contingent liabilities, at the end of the reporting year. However, uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future periods.

The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised and in any future periods affected.

In particular, information about significant areas of estimation, uncertainty and critical judgements in applying accounting policies that may have a material effect on the amounts recognized in the financial statements are described as a separate note subsequently. The key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

**Impairment of assets**

Assessment of net recoverable amounts of property, plant and equipment and all financial assets other than trade receivables are based on higher of fair value less cost to sale and value in use. Value in use calculation is based on the assumptions regarding future cash flows expected to be received from the related assets.



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**4. Use of estimates and judgements** (continued)

**Impairment of trade receivables**

The Management regularly undertakes a review of the recovery status of amounts due from either third parties or related parties. Such review is made based on variety of factors, including the overall quality and ageing of the receivables, continuing credit evaluation of the related party's financial conditions and collateral requirements. Based on the review, assumptions are made regarding the extent of impairment allowance required.

**Tax positions**

The income tax positions taken are considered by the Company to be supportable and are intended to withstand challenge from tax authorities. However, it is acknowledged that these positions are uncertain and include interpretations of complex tax laws which could be disputed by tax authorities. Evolving insights, for example following final tax assessments for prior years, can result in additional tax burdens or benefits, and new tax risks may arise.

The Company judges these positions on their technical merits on a regular basis using all the information available (legislation, case law, regulations, established practice, authoritative doctrine as well as the current state of discussions with tax authorities, where appropriate). A liability is recorded for each item that is not probable of being sustained on examination by the tax authorities, based on all relevant information. The liability is calculated taking into account the most likely outcome or the expected value, depending on which is thought to give a better prediction of the resolution of each uncertain tax position in view of reflecting the likelihood of an adjustment being recognized upon examination.

These estimates are based on facts and circumstances existing at the end of the reporting period. The tax liability and income tax expense include expected penalties and late payment interests arising from tax disputes, if any.

Management has used its best estimate of the correct value of liability to recognize in each case, which includes a judgement on the length of the future time period to use in such assessments

**5. Material accounting policies**

The Company has consistently applied the accounting policies as provided below to all periods presented in these financial statements, except as stated otherwise.

**5. Material accounting policies** (continued)

**a. Financial instruments**

Financial assets and financial liabilities are initially recognized in the financial statements when the Company becomes a party to the contractual provisions of the instrument. Financial assets and financial liabilities are initially measured at fair value.

Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in profit or loss.

**Financial assets**

All recognized financial assets are measured subsequently in their entirety at either at amortized cost or fair value, depending on the classification of the financial assets.

**Subsequent measurement**

The Company's financial assets comprise of amount due from related party, trade and other receivables and cash and bank balances and which are measured at amortized cost. The amortized cost of a financial asset is the amount at which the financial asset is measured at initial recognition minus the principal repayment, plus the cumulative amortization using the effective interest rate method of any difference between that initial amount and the maturity amount, adjusted for any impairment allowance. The gross carrying amount of a financial asset is the amortized cost of a financial asset before adjusting for any impairment loss allowance. Interest income, foreign exchange gains or losses and impairment are recognized in profit or loss. Any gain or loss on de-recognition is recognized in profit or loss.

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing the financial assets. The Company makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflect the way the business is managed and information is provided to the Management.

**5. Material accounting policies** (continued)

**a. Financial instruments** (continued)

**Effective Interest Method**

The effective interest method is a method of calculating the amortized cost of a debt instrument and of allocating interest income over the relevant period. The financial assets other than purchased or originated credit impaired financial assets (i.e. assets that are credit impaired on initial recognition), the effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transactions costs and other premiums or discounts) excluding expected credit losses, through the expected life of the debt instrument, or where appropriate, a shorter period, to the gross carrying amount of the debt instrument on initial recognition.

For purchased or originated credit impaired financial assets, a credit adjusted effective interest rate is calculated by discounting the estimated future cash flows, including expected credit losses, to the amortized cost of the debt instrument on initial recognition.

**Impairment of financial assets (including receivables)**

IFRS 9: Financial Instruments requires to follows an Expected Credit Loss ("ECL") model for the impairment of financial assets. The ECL model requires the Company to account for expected credit losses and changes to those expected credit losses at each reporting date to reflect changes in credit risk since initial recognition.

Expected losses shall be measured and provided either at an amount equal to (a) 12 month expected losses; or (b) lifetime expected losses. If the credit risk of the financial instrument has not increased significantly since inception, then an amount equal to 12 month expected credit loss is provided. In other cases, lifetime credit losses shall be provided. For trade receivables without a significant financing component a simplified approach is available, whereby an assessment of increase in credit risk need not be performed at each reporting date. Instead, a Company can choose to provide for expected losses based on lifetime expected losses.

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

The company assess impairment of trade receivables on a collective basis as they possess shared risk characteristics, they have been grouped based on the number of days past due.

**5. Material accounting policies** (continued)

**a. Financial instruments** (continued)

**Write off**

The Company writes off a financial asset when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the debtor has been placed under liquidation or has entered into bankruptcy proceedings. Financial assets written off may still be subject to enforcement activities under the Company's recovery procedures taking into account legal advice where appropriate. Any recoveries made are recognized in profit or loss.

**Financial liabilities and equity**

**Classification as debt or equity**

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

**Equity instruments**

An equity instrument is any contract that evidences a residual interest in the asset of the Company after deducting all of its liabilities.

**Financial liabilities**

**Classification, subsequent measurement and gains or losses**

Financial liabilities are classified as measured at amortized cost or fair value through profit or loss (FVTPL). A financial liability is classified as at FVTPL if it is contingent consideration of an acquirer in a business combination or classified as held for trading, or it is a derivative or it is designated as at FVTPL on initial recognition. Financial liabilities at amortized cost are initially measured at fair value and subsequently measured at amortized cost using effective interest rate method. Interest expenses and foreign exchange gain and losses are recognized in profit or loss. Any gain or loss on de-recognition is also recognized in profit or loss.

Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in profit or loss to the extent that they are part of a designated hedging relationship.

Significant financial liabilities of the Company include end of service benefits payable and trade and other payables which are initially measured at fair value and subsequent at amortized cost using the effective interest method.



P.O.Box: 118753
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**5. Material accounting policies** (continued)

**a. Financial instruments** (continued)

**De-recognition of financial assets**

If the Company neither transfers nor retains substantially all the risk and rewards of ownership and continues to control the transferred assets, the Company recognizes its retained interest in the asset and an associated liability for the amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognize the financial asset and also recognizes a collateralized borrowing for the proceeds received.

On de-recognition of a financial asset measured at amortized cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognized in profit or loss. In addition, on de-recognition of an interest in a debt instrument classified as fair value through other comprehensive income ("FVTOCI") the cumulative gain or loss previously accumulated in the investments revaluation reserve is reclassified to profit or loss. In contrast, on de- recognition of an investment in equity instrument which the Company has elected on initial recognition to measure at FVTOCI, the cumulative gain or loss previously accumulated in the investment's revaluation reserve is not reclassified to profit or loss but is transferred to retained earnings.

**De-recognition of financial liabilities**

The Company de-recognizes financial liabilities when and only when its' contractual obligations are discharges or cancelled or have expired. The difference between the carrying amount of a financial liability derecognized and the consideration paid and payable is recognized in profit or loss.

The Company also derecognizes a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognized at fair value. It is assumed that the terms are substantially different if the discounted present value of the cash flows under the new terms including any fees paid net of any fees received and discounted using the original effective interest rate is at least ten percent different from the discounted present value of the remaining cash flows of the original financial liability. The difference between the carrying amounts of the financial liability extinguishes and the new financial liability with modified terms is recognized in the profit or loss.

**5. Material accounting policies** (continued)

**a. Financial instruments** (continued)

**Offsetting of financial instruments**

Financial assets and financial liabilities are offset, and the net amount is presented in the statement of financial position when and only when the Company.

- currently has a legally enforceable right to set off the recognized amounts and
- intends either to settle on a net basis or to realize the asset and settle the liabilities simultaneously.

Income and expenses are not offset in profit or loss unless required or permitted by IFRS.

**b. Property, plant and equipment**

Property, plant and equipment are 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 assets' carrying amount or recognized as separate assets, 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.

The depreciation is calculated on a straight-line basis over the estimated useful lives of the assets, as follows:

| | **Years** |
|---|---|
| Furniture and fittings | 10 |
| Computer equipment | 3 |
| Electrical equipment | 10 |

The assets' residual values and useful lives are reviewed at the end of the reporting period, with the effect of any changes in estimates adjusted on a prospective basis. 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 gains or losses arising on the disposal or retirement of an item of property, plant and equipment is determined by comparing the disposal proceeds with the carrying amount of the asset and is recognized in the profit or loss.



P.O.Box: 118753
DUBAI - U.A.E
R M G AUDITORS L.L.C

**5. Material accounting policies** (continued)

**c. Impairment of tangible assets**

At the end of each reporting period, the Company reviews the carrying amount 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.

Recoverable amount is the higher of fair value less costs to sell and value in use. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognized immediately in the 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 is increased to the revised estimate of its recoverable amount, 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 in prior years. A reversal of an impairment loss is recognized immediately in the 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.

**d. Provisions**

Provisions are recognized 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 expenses relating to any provision is recognized in the profit or loss, net of any reimbursement.

**e. Provision for employees' end of service benefits**

Provision for employees' end of service benefits is made in accordance with the UAE Labor laws and is based on the current remuneration and period of service at the end of the reporting period. The provision related to annual leave is disclosed as a current liability, while the provision relating to employees' end of service is disclosed as a non-current liability.



P.O.Box: 116753
DUBAI - U.A.E
R M G AUDITORS L.L.C

## 5. Material accounting policies (continued)

### f. Foreign currency transactions

Transactions denominated in foreign currencies are translated into the functional currency using the exchange rate prevailing at the date of the transaction. Foreign exchange gains and losses resulting from the settlement of outstanding amounts of such transactions are recognized in the profit or loss.

Monetary assets and liabilities denominated in foreign currencies at the statement of financial position date are translated into the functional currency at the foreign exchange rate ruling at that date. Gains or losses resulting from such transactions are also recognized in the profit or loss. Non-monetary assets and liabilities denominated foreign currencies, which are stated at historical cost, are translated into the functional currency at the foreign exchange rate prevailing at the date of the initial transaction.

Non-monetary assets and liabilities carried at fair value that are denominated in foreign currencies are re-measured at the rates prevailing at the date when the fair value was determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in the fair value of the item.

### g. Cash and cash equivalents

Cash and cash equivalents consist of cash at bank free of encumbrance with a maturity date of three months or less from the date of deposit, which are subject to insignificant risk of change in their fair value and are used by the Management for its short-term commitments.

### h. Taxes

Income tax comprises current and deferred tax.

**Current tax**
The Company has accounted for current corporate tax in accordance with applicable tax laws. For the year ended 31 March 2026, the Company's taxable profit is below the threshold for taxation; accordingly, no current corporate tax expense or liability has been recognized. Any current corporate tax assets or liabilities would be measured at the amounts expected to be recovered from or paid to the relevant tax authorities.

**Deferred tax**

Deferred tax is recognized using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

**5. Material accounting policies** (continued)

**h. Taxes** (continued)

**Deferred tax** (continued)
Deferred tax is recognized for all taxable temporary differences, except where the deferred tax arises from the initial recognition of goodwill or from the initial recognition of an asset or liability in a transaction that is not a business combination and does not affect either accounting profit or taxable profit (loss).

Deferred tax assets have been recognized in these financial statements, as the Company has deductible temporary differences or carry-forward tax losses as of 31 March 2026.

**i. Revenue recognition**
The application of IRFS 15 – "Revenue from Contracts with Customers" requires management to apply the following accounting policy:

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 payment is made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payments and excluding discounts, rebates, customer returns and other sales taxes or duty e.g. VAT. The following specific recognition criteria followed before revenue is recognized.

**Contract revenue and revenue from sale of goods:**

The Company recognizes revenue from contracts with customers based on the five steps 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 obligation in the contract: A performance obligation is a promise in a contract with a customer to transfer a good or service to the customer.

**5. Material accounting policies** (continued)

**i. Revenue recognition** (continued)

**Contract revenue and revenue from sale of goods:** (continued)

**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 good or services to customer, excluding amounts collected on behalf of third parties.

**Step 4** – Allocate the transaction price to the performance obligation in the contract: For a contract that has more than one performance obligations, 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 Company satisfies a performance obligation at a point in time or overtime.

The Company satisfies a performance obligation and recognizes revenue over time, if one of the following criteria is met:

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

The Company principally provides logistics and freight forwarding services, including cargo transportation by sea, air and land, freight brokerage, customs clearance facilitation, cargo loading and unloading, shipping line agency services, container handling and ship charter services.

Revenue from freight forwarding, transportation and related logistics services is recognized at a point in time upon completion of the performance obligation, generally when the cargo or goods are delivered to the customer's designated destination or when the related service has been completed and accepted by the customer. Revenue from customs clearance and ancillary logistics support services is recognized when the relevant services are rendered.

When the Company satisfied a performance obligation by delivering the promised goods or service, it creates a contract asset based on the amount of consideration earned by the performance. Where the amount of consideration received from a customer exceeds the amount of revenue recognized this gives rise to a contract liability.

**5. Material accounting policies** (continued)

**i. Revenue recognition** (continued)

**Contract revenue and revenue from sale of goods:** (continued)

Revenue is measured at fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excludes taxes and duty. The Company assesses its revenue arrangement against specific criteria to determine if it is acting as principal or agent. The Company has concluded that it is acting as a principal in all of its revenue arrangements.

Revenue is recognized in the statement of comprehensive income to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognized will not occur and the revenue and costs, if applicable, can be measured reliably.

**j. Current versus non-current classification**

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

- Expected to be realized or intended to be sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realized within twelve months after the reporting period. or;
- Cash or cash equivalents 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 the normal operating cycle;
- It is held primarily for the purpose of trading;
- 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.

All other liabilities are classified as non-current.

**k. Value Added Tax (VAT) payable / receivable**

Value Added Tax (VAT) payable / receivable represents net VAT amount payable to or receivable from UAE Federal Tax Authority against the value added tax charged to the customers by the Company on its sales and services and the value added tax charged by the suppliers to the Company on its eligible purchases and expenses as per the regulations of Federal Decree Law no. 8 and Cabinet Decision No. 52 of 2017 of United Arab Emirates.



P.O.Box: 118763
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## 5. Material accounting policies (continued)

### I. Interest income

Interest income is recognized on an effective yield basis. Other income is recognized when the right to receive is established or received, whichever is earlier.

## 6. Financial risk management

### Overview

The Company's activities expose it to variety of financial risk e.g., credit risk, liquidity risk, Market risk and operational risk. The Company's overall risk management program focuses on the unpredictability of financial Markets and seeks to minimize potential adverse effects on the Company's financial performance.

This note presents information about the Company's exposure to each of the above risks, the Company's objectives, policies, and processes for measuring and managing risk. The Board of Directors have an overall responsibility for the Company and oversight of the Company's risk management framework.

The Company's risk management policies are established to identify and analyze the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in Market conditions and products.

### Credit risk

Credit risk is the risk that a customer or counterparty to a financial instrument fails to meet its contractual obligations leading to a financial loss to the Company. The Company is exposed to credit risk from its operating activities (primarily for accounts receivables and other receivables and committed transactions) and from financing activities, including deposits with banks, foreign exchange transactions and other financial instruments.

The Company deals only with highly reputed local and international banks. In respect of major customers, credit risk is managed by assessing the credit quality of these major customers, taking into account their financial position, past experience and other factors including regular follow up.

The Company's maximum exposure to credit risk is limited to the carrying amount of financial assets recognized at the reporting date, as summarized below:



R M G AUDITORS L.L.C.
P.O.Box: 118753
DUBAI - U.A.E

## 6. Financial risk management (continued)

**Credit risk** (continued)

| | **2026** **AED** | 2025 AED |
|---|---|---|
| Short-term deposits | - | 700,000 |
| Amount due from related party | **830,000** | - |
| Trade and other receivables | **141,772** | 40,173 |
| Bank balances | **222,610** | 709,800 |
| | **1,194,382** | 1,449,973 |

Trade receivables
Based on historical information in relation to customer default rates, management considers the credit quality of trade receivables that are not past due or impaired to be good.

Bank balances
The Company limits its credit risk with regard to bank balances by dealing only with reputable banks. The credit risk is limited to the carrying values of the financial assets.

**Liquidity risk**

Liquidity risk is the risk that the Company will encounter difficulty in meeting its financial obligations as they fall due. The Company manages the liquidity risk through risk management framework for the Company's short, medium, and long-term funding and liquidity management requirements by maintaining adequate reserves, sufficient cash, and cash equivalent to ensure funds are available to meet its commitment for liabilities as they fall due.

Below table shows the maturity profile of financial liabilities based on contractual undiscounted repayment obligations. The contractual maturities of liabilities have been determined based on the remaining period at the statement of financial position date to the contractual maturity date.

| | **Contractual cash flows and maturity analysis** | | |
|---|---|---|---|
| | **Carrying Amount AED** | **Within 1 year AED** | **Undiscounted Value AED** |
| **At 31 March 2026:** | | | |
| Trade and other payables | 212,404 | 212,404 | 212,404 |
| **At 31 March 2025:** | | | |
| Trade and other payables | 158,477 | 158,477 | 158,477 |



P.O.Box: 118753
DUBAI - U.A.E
R N G AUDITORS L.L.C

**6. Financial risk management** (continued)

**Market risk**

Market risk is the risk that changes in Market prices, such as foreign exchange rates and interest rates will affect the Company's income or the value of its holdings of financial instruments. The objective of Market risk management is to manage and control Market risk exposures within acceptable parameters, while optimizing the return on risk. There is no market risk during the year.

**Currency risk**

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities, when revenue and expenses are denominated in a different currency from the Company's functional currency which is AED.

The Company is not exposed to significant foreign currency risk, as substantially all of its transactions are denominated in AED and USD. Since the UAE Dirham (AED) is pegged to the US Dollar (USD), the impact of fluctuations in foreign exchange rates on the Company's financial instruments, cash flows, and results of operations is insignificant.

**Interest rate risk**

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. There is no interest rate risk during the year.

**Operational risk**

Operational risk is the risk of direct or indirect loss arising from the Company's operations coming from a wide variety of causes associated with the Company's processes, personnel, technology and infrastructure and from external factors other than credit, Market and liquidity risks such as those arising from legal and regulatory requirements and generally accepted standards of corporate behavior.

The Company's objective is to manage operational risks so as to balance the avoidance of financial losses and damage to the Company's reputation with overall cost effectiveness and to avoid control procedures that restrict initiative and creativity.

## 7. Determination of fair values

Certain of the Company's accounting policies and disclosures require the determination of fair value of financial and non-financial assets. Fair values have been determined for measurement and/or disclosure purposes based on the prescribed methods. When applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset.

Fair values reflect the credit risk of the instrument and include adjustments to take account of the credit risk of the Company and counterparty when appropriate. At the statement of financial position date, the fair values of financial assets and liabilities approximate their carrying amounts.

## 8. Capital Management

The Company's main objective when managing capital is to safeguard the Company's ability to continue as a going concern. The Shareholder of the Company ensures that the Company will be able to continue as a going concern while providing maximum return to Shareholders through the optimization of the debt and equity balance and to maintain an optimal capital structure to reduce the cost of the capital.

The capital structure of the Company consists of equity funds as presented in the statement of financial position. The Company manages its capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets.

There were no changes in the Company's approach to capital management during the year. Capital comprises share capital and accumulated losses and is measured at AED 1,208,708/- as at 31 March 2026 (2025: AED 1,488,822/-).



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P.O.Box: 11675
DUBAI - U.A.E

## 9. Property, plant and equipment

| | Furniture and fittings AED | Electrical equipment AED | Computer equipment AED | Total AED |
|---|---|---|---|---|
| **Cost:** | | | | |
| At 01 April 2024 | - | - | - | - |
| Additions during the year | 26,598 | 5,527 | 5,178 | 37,303 |
| At 31 March 2025 | 26,598 | 5,527 | 5,178 | 37,303 |
| Additions during the year | - | 875 | 2,289 | 3,164 |
| Reversal during the year | (1,201) | (264) | (356) | (1,821) |
| **At 31 March 2026** | **25,397** | **6,138** | **7,111** | **38,646** |
| **Accumulated depreciation:** | | | | |
| At March 2024 | - | - | - | - |
| Depreciation during the period | 293 | 532 | 1,185 | 2,010 |
| At 31 March 2025 | 293 | 532 | 1,185 | 2,010 |
| Depreciation charge for the year | 2,529 | 629 | 2,258 | 5,416 |
| **At 31 March 2026** | **2,822** | **1,161** | **3,443** | **7,426** |
| **Net book value:** | | | | |
| At 31 March 2025 | 26,305 | 4,995 | 3,993 | 35,293 |
| **At 31 March 2026** | **22,575** | **4,977** | **3,668** | **31,220** |

## 10. Short-term deposits

| | **2026 AED** | 2025 AED |
|---|---|---|
| Deposit with banks | - | 700,000 |

## 11. Related parties' balances and transactions

The Company enters into transactions with entities that fall within the definition of a related party as contained in IAS 24, Related Party Disclosures. Such related parties comprise the Shareholders, key management personnel, associates, joint ventures and entities which are controlled directly or indirectly by the shareholders of the Company or over which they exercise significant influence.

## 11. Related parties' balances and transactions (continued)

The Management decides the terms and conditions of the transactions and services received from and rendered to related parties as well as other charges, if applicable. These terms correspond to those on normal arms-length transactions with third parties.

### a) Amount due from a related party:

| | 2026 AED | 2025 AED |
|---|---|---|
| Transport Corporation of India Limited (Parent Company) | **830,000** | - |

### b) Amount due to a related party:

#### (i) Trade payable

| | 2026 AED | 2025 AED |
|---|---|---|
| TCI Chemlog Private Limited, India (Sister Concern) | **102,797** | 21,400 |

#### (ii) Other payable

| | 2026 AED | 2025 AED |
|---|---|---|
| Mr. Debapriya Mukherjee Badal Mukherjee (Manager) | - | 21,962 |

### c) The following were the nature of significant related party transactions during the year:

| | 2026 AED | 2025 AED |
|---|---|---|
| **(i) Freight income** | | |
| TCI Seaways, India (Division of parent company) | **131,391** | - |
| **(ii) Freight expenses** | | |
| TCI Chemical Logistics Solutions, India (Division of parent company) | - | 188,230 |
| TCI Chemlog Private Limited, India (Sister Concern) | **157,282** | 46,027 |
| TCI Freight, India (Division of parent company) | **16,741** | - |
| | **174,023** | 234,257 |
| **(iii) Miscellaneous income** | | |
| TCI Chemical Logistics Solutions, India (Division of parent company) | - | 2,280 |



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## 11. Related parties' balances and transactions (continued)

**c) The following were the nature of significant related-party transactions during the year:** (continued)

**(iv) Managerial remuneration**

| | 2026 AED | 2025 AED |
|---|---|---|
| Mr. Rajkiran Jayaram Kanagala Jayaram Jogiraju Kanagala | **84,000** | 84,000 |
| Mr. Debapriya Mukherjee Badal Mukherjee | **66,000** | 66,000 |
| Mr. Saumya Sankar Ray Tridib Sankar Ray | **60,000** | 60,000 |
| Mr. Dharmendra Kumar Yadav | **48,000** | 28,000 |
| | **258,000** | 238,000 |

## 12. Trade and other receivables

| | 2026 AED | 2025 AED |
|---|---|---|
| Trade receivable | **91,464** | 16,967 |
| Prepayments | **60,645** | 47,283 |
| Accrued expenses | - | 70,763 |
| VAT receivables | **15,185** | - |
| Advances to a supplier | **14,650** | - |
| Deposits | **20,473** | 20,473 |
| Interest accrued | - | 2,733 |
| | **202,417** | 158,219 |

**Ageing analysis of trade receivable:**

Age analysis of the trade receivable that are past due but not impaired is as follows:

| | 2026 AED | 2025 AED |
|---|---|---|
| Due for less than 30 days | **42,645** | 16,967 |
| Due for more than 30 days less than 60 days | **35,146** | - |
| Due for more than 60 days less than 90 days | **13,673** | - |
| | **91,464** | 16,967 |

## 13. Cash and bank balances

| | 2026 AED | 2025 AED |
|---|---|---|
| Cash in hand | **4,608** | 69 |
| Cash at bank | **222,610** | 709,800 |
| | **227,218** | 709,869 |



P.O.Box: 118753 DUBAI - U.A.E. RNG AUDITORS L.L.C.

## 14. Share capital

The authorized and issued share capital of the Company is AED 2,100,000/- divided into 2,100 shares of AED 1,000/- each.

Details of shareholder as at 31 March 2025 was as follows:

| Name of shareholder | Domicile | Shares of AED 1,000/- Each 2025 | Share capital AED |
|---|---|---|---|
| Transport Corporation of India Limited | India | 2,100 | 2,100,000 |

During the year, the Company increased its share capital from AED 2,100,000/- to AED 2,930,000/- divided into 2,930 shares of AED 1,000 each fully paid and the same has been approved through amendment to MOA by the authority dated 25 March 2026.

The revised share capital of the Company subsequent to above is as follows:

Shareholder of the Company as of 31 March 2026 was as follows:

| Name of shareholder | Domicile | Shares of AED 1,000/- Each 2026 | Share capital AED |
|---|---|---|---|
| Transport Corporation of India Limited | India | 2,930 | 2,930,000 |

## 15. End of service benefits payable

| | 2026 AED | 2025 AED |
|---|---|---|
| Opening balance | **16,528** | - |
| Provision made during the year | **23,453** | 16,528 |
| Closing balance | **39,981** | 16,528 |

## 16. Trade and other payables

| | 2026 AED | 2025 AED |
|---|---|---|
| Trade payables (Note - 1) | **102,797** | 37,559 |
| Other payables (Note - 2) | **103,187** | 109,187 |
| Bonus payable | - | 4,800 |
| Provisions | **6,420** | 6,931 |
| | **212,404** | 158,477 |

## 16. Trade and other payables (continued)

Note – 1: In the above Trade payables, AED 102,797 (2025: AED 21,400) is due to a related party (refer Note 11(b)(i)).

Note – 2: In the above Other payables, AED Nil (2025: AED 21,962) is due to a related party (refer Note 11(b)(ii)).

## 17. Revenue

| | 2026 AED | 2025 AED |
|---|---|---|
| **Type of revenue** | | |
| Freight income {refer note 11(c)(i)} | 528,622 | 261,467 |
| Tank rental income | - | 7,370 |
| | 528,622 | 268,837 |
| **Timing of performance obligation** | | |
| Point in time | 528,622 | 261,467 |
| Over the period | - | 7,370 |
| | 528,622 | 268,837 |
| **Geographical region** | | |
| Within UAE | 397,230 | 268,837 |
| **Outside UAE:** | | |
| India | 131,392 | - |
| | 528,622 | 268,837 |

## 18. Cost of revenue

| | 2026 AED | 2025 AED |
|---|---|---|
| Freight expenses {refer note 11(c)(ii)} | 401,258 | 250,417 |
| Tank rental expenses | - | 8,055 |
| Lorry Hire or Trucking Charges | 53,227 | - |
| | 454,485 | 258,472 |

## 19. Other income

| | 2026 AED | 2025 AED |
|---|---|---|
| Interest on short-term deposits | 16,070 | 2,733 |
| Miscellaneous income {refer note 11(c)(iii)} | - | 2,280 |
| Reversal of expenses | 384 | - |
| | 16,454 | 5,013 |



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DUBAI - U.A.E
AUDITORS L.L.C.

## 20. Employee salary and remuneration expenses

| | 2026 AED | 2025 AED |
|---|---|---|
| Salary and other expenses | **586,755** | 168,324 |
| Managerial remuneration {refer note 11(c)(iv)} | **258,000** | 238,000 |
| | **844,755** | 406,324 |

## 21. General and administration expenses

| | 2026 AED | 2025 AED |
|---|---|---|
| Manpower recruitment expenses | **22,731** | 15,960 |
| Rent expenses | **159,169** | 131,777 |
| Legal and professional expenses | **168,221** | 109,963 |
| Consultancy expenses | **18,000** | - |
| Communication expenses | **18,034** | 4,786 |
| Insurance | **17,765** | 3,804 |
| Conference expenses | **8,770** | 6,469 |
| Conveyance expenses | **40,560** | - |
| Bank charges | **4,696** | 1,667 |
| Foreign exchange loss | - | 124 |
| Other expenses | **2,380** | 4,118 |
| | **460,326** | 278,668 |

## 22. Corporate Tax

The UAE Corporate Tax ("CT") regime was introduced under Federal Decree-Law No. 47 of 2022 on the Taxation of Corporations and Businesses and is applicable to tax periods commencing on or after 1 June 2023, in accordance with Article 69 of the Law.

Pursuant to Article 3, Corporate Tax is levied at 0% on taxable income up to AED 375,000 and 9% on taxable income exceeding AED 375,000. Taxable income is determined in accordance with Article 20, based on the accounting profit or loss as per the financial statements, adjusted for items prescribed under the Corporate Tax Law.

The Company follows a financial year from 1 April to 31 March. Accordingly, its tax period for Corporate Tax purposes is from 1 April 2025 to 31 March 2026, and the Corporate Tax Return is required to be filed on or before 31 December 2026, in accordance with Article 53 of the Law.

**22. Corporate Tax** (continued)

**a. Computation of taxable income/(loss):**

| | **2026 AED** | 2025 AED |
|---|---|---|
| **Accounting income of the taxable person (as per IFRS)** | **(1,219,906)** | (671,624) |
| Add: Non-deductible expenses as per UAE Corporate Tax | - | - |
| **Taxable Income before tax relief** | **(1,219,906)** | (671,624) |
| Less: Tax loss relief set-off | - | - |
| **Taxable income / (loss) subject to Corporate tax** | **(1,219,906)** | (671,624) |
| **Tax liability** | - | - |

**b. Computation of corporate tax expenses and deferred tax asset:**

| | **2026 AED** | 2025 AED |
|---|---|---|
| **Current Corporate Tax** | | |
| Current Corporate Tax Expenses | - | - |
| **Deferred Tax** | | |
| Deferred Tax asset @ 9% on taxable income / (loss) | **109,792** | 60,446 |
| **Corporate Tax benefit in the statement of profit and loss** | **109,792** | 60,446 |

**c. The deferred tax asset comprises of the following unused tax losses:**

| | **2026 AED** | 2025 AED |
|---|---|---|
| Taxable loss to be carried forward | **(1,891,530)** | (671,624) |

**d. Reconciliation of Deferred Tax Asset:**

| | | |
|---|---|---|
| As at 01 April | **60,446** | - |
| Recognized during the year | **109,792** | 60,446 |
| **As at 31 March** | **170,238** | 60,446 |
| **Corporate tax expense:** | | |
| Deferred tax benefit | **170,238** | 60,446 |



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## 22. Corporate Tax (continued)

The Company incurred a loss of AED 1,219,906 for the year ended 31 March 2026. In accordance with the UAE Corporate Tax Law, tax losses can be carried forward and utilized against future taxable profits, subject to certain conditions.

As per the financial forecast prepared by the Management for the next five years, the Company is expected to earn sufficient profit to adjust the losses incurred during the year. Consequently, deferred tax assets have been recognized in these financial statements. Management will reassess the position again during next year.

## 23. Event after the year end

Subsequent to the reporting date, the Middle East region has experienced ongoing geopolitical developments which have impacted global trade and logistics operations. These developments have resulted in disruptions to supply chains, including reduced freight capacity, extended transit times, and increased fuel, insurance, and operational costs across the logistics sector.

The United Arab Emirates continues to maintain a stable economic and regulatory environment. Management has assessed the impact of these developments on the Company's operations, financial position, and performance. As at the date of issuance of these financial statements, the Company's operations remain ongoing and there has been no material impact on its assets, liquidity, or its ability to continue as a going concern. However, the situation remains dynamic and continues to be monitored by management.

## 24. Comparative amounts

Some of the figures for the previous year have been reclassified and rearranged in order to conform to the presentation for the current year. This has been done to improve the quality of information presented in the financial statements. Such reclassification and rearrangement do not affect previously reported net profit or equity.