AMARA RAJA BATTERIES
MIDDLE EAST (FZE)
SAIF ZONE, SHARJAH,
UNITED ARAB EMIRATES
FINANCIAL STATEMENTS
31ST MARCH, 2026

FINANCIAL STATEMENTS & INDEPENDENT AUDITOR'S REPORT
FOR THE YEAR ENDED 31STMARCH, 2026

INDEX TO THE FINANCIAL STATEMENTS

GENERAL INFORMATION

Owner	:	M/s. Amara Raja Energy & Mobility Limited (Formerly Known as "Amara Raja Batteries Limited"), India
Manager	:	Rohit Arora

Principal activities of the Company:
The principal activities of the Company as per the trade licenses and professional license are "Trading in Batteries & related products and Representative Office".

Main License No.	:	19817
Branch Name	:	M/s. Amara Raja Batteries Middle East (FZE) - Dubai Branch - Rep. Office.
Branch License No.	:	1490803
Business Address	:	Saif Suite X4-12 P.O.Box 124018 Sharjah, United Arab Emirates
Branch Address	:	Office No. 1201 Abdulla Al Rostamani Properties (L.L.C) Dubai, United Arab Emirates
The Bank	:	Emirates NBD United Arab Emirates.
The Auditor	:	Coast Accounting and Auditing P.O Box 45341 Dubai, United Arab Emirates

MANAGEMENT REPORT

The management is pleased to present their report together with audited financial statements of the Establishment for the year ended March 31, 2026.

We approve the financial statements and confirm that we are responsible for these, including selecting the accounting policies and making the judgements underlying them. We confirm that we have made available all relevant accounting records and information for their compilation.

Principal activities of the Establishment

The principal activities of the Company as per the trade licenses and professional license are "Trading in Batteries & related products and Representative Office".

Financial review

The table below summarizes the results of the year ended 31.03.2026 and year ended 31.03.2025:

	Year ended Mar 31, 2026	Year ended Mar 31, 2025
		(in AED)
Revenue	**3,732,394**	4,347,891
Net profit	**486,980**	736,283
Net profit margin	**13%**	17%

Role of the Manager

The Manager is the Establishment's principal decision maker. The Manager has the overall responsibility for leading and supervising the Establishment, for delivering sustainable shareholder value through his guidance and supervision of the Establishment's business. The Manager sets the strategies and policies of the Establishment. He monitors performance of the Establishment's business, guides and supervises the management.

Events after year end

In the opinion of the Manager, no transaction or event of a material and unusual nature, favorable or unfavorable, has arisen in the interval between the end of the financial year and the date of this report that is likely to affect, substantially, the result of the operations or the financial position of the Establishment.

Going Concern

The attached financial statements have been prepared on a going concern basis. While preparing the financial statements the management has made an assessment of the Establishment'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 Establishment's ability to continue as a going concern.

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License No. 19817 SAIF ZONE - U.A.E. AMARA RAJA BATTERIES MIDDLE EAST (FZE) أمارا راجا باتريز ميدل ايست (م.ح)

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Auditor

M/s Coast Accounting & Auditing Chartered Accountants is appointed to carry out independent audit for the year ending 31st March 2026.

Statement of Manager's responsibilities

The applicable requirements require the Manager to prepare the financial statements for each financial year, which presents fairly, in all material respects, the financial position of the Establishment, and its financial performance for the year then ended.

The audited financial statements for the year under review have been prepared in conformity and in compliance with the relevant statutory requirements and other governing laws. The Manager confirms that sufficient care has been taken for the maintenance of proper and adequate accounting records that disclose with reasonable accuracy at any time, the financial position of the Establishment and enables him to ensure that the financial statements comply with the requirements of applicable statute. The Manager also confirms 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 present the Establishment's financial conditions and results of its operation.

These financial statements were approved by the shareholder and signed on behalf by the authorized representative of the Establishment.

For Amara Raja Batteries Middle East (FZE)

License No. 19817
SAIF ZONE - U.A.E.
AMARA RAJA BATTERIES MIDDLE EAST (FZE)

Rohit Arora
Manager
Sharjah, UAE
May 22, 2026

INDEPENDENT AUDITOR'S REPORT

The Owner
Amara Raja Batteries Middle East (FZE)
Sharjah, United Arab Emirates

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Amara Raja Batteries Middle East (FZE), **Sharjah, United Arab Emirates**, which comprise the statement of financial position as on 31st March, 2026, and the statement of profit or loss and other comprehensive income, statement of changes in equity, statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Establishment as on 31st March 2026 and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards for Small and Medium-sized entities (IFRS for SMEs).

Basis of Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Establishment in accordance with the requirements of Code of Ethics for Professional Accountants, issued by International Ethics Standards Board for Accountants (IESBA) together with ethical requirements that are relevant to our audit of the financial statements 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.

Emphasis of Matter

The financial statements of the Establishment for the year ended 31 March 2025, were audited by another auditor who expressed an unmodified opinion on those financial statements on May 20, 2025.

Some portion of revenue of the company is Out of scope as per VAT regulations in U.A.E. Therefore, the revenue shown in the audited financial statement differs from the sales declared in the VAT returns covering the period of audit as the Out of Scope sales does not come in VAT returns. Revenue from Out of Scope sales has been confirmed by the management.

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كوست للمحاسبة والتدقيق
Dubai - U.A.E.
COAST ACCOUNTING & AUDITING

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INDEPENDENT AUDITOR'S REPORT

Responsibilities of Management and those charged with governance for the financial statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with IFRS for SMEs and in compliance with the applicable provisions of The Sharjah Airport International Free Zone Authority Law No. 2 of 1995, 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.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

Dubai - U.A.E. COAST ACCOUNTING & AUDITING كوست للمحاسبة والتدقيق

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INDEPENDENT AUDITOR'S REPORT

Amara Raja Batteries Middle East (FZE)

Auditor's Responsibilities for the Audit of the Financial Statements (cont....) as on 31st March, 2026

Report on other legal and regulatory requirements

We further confirm that,

1. Compliance with Sharjah Emiri Decree No (2) of 1995, issued in Sharjah on May 8, 1995 and its amendments.

2. Our audit is based on the documents and information provided by the management.

3. The financial statements have been prepared and comply in all material respects with the applicable provisions of the relevant U.A.E. laws, and the Memorandum and Articles of Association of the Entity,

4. The contents of the Manager's report which relates to the financial statements are in agreement with the Entity's books of account.

COAST ACCOUNTING & AUDITING
Chartered Accountants

RBhatia

R.I.Bhatia
Reg. No. 174, United Arab Emirates
Ministry of Economy (Audit Division)
Date: May 22, 2026

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COAST ACCOUNTING & AUDITING

Amara Raja Batteries Middle East (FZE)

Statement of financial position as on March 31, 2026

	Notes	As on Mar 31, 2026	As on Mar 31, 2025
		(Figures in AED)	
ASSETS			
Non current assets			
Property, plant and equipment	4	**270,041**	1,015
Other non-current assets	5	**81,205**	68,706
Total		**351,246**	69,721
Current assets			
Inventories	6	**171,791**	464,282
Trade and other receivables	7	**3,226,774**	1,530,386
Advances, deposits and prepayments	8	**199,560**	101,883
Cash and cash equivalents	9	**271,000**	1,225,872
		3,869,125	3,322,423
TOTAL ASSETS		**4,220,371**	3,392,144
EQUITY AND LIABILITIES			
Equity			
Share capital	10	**300,000**	300,000
Retained earnings	11	**3,013,503**	2,526,523
Total		**3,313,503**	2,826,523
Non current liabilities			
Employees' end of service benefits	12	**121,511**	72,857
		121,511	72,857
Current liabilities			
Trade payables	13	**561,004**	380,063
Accruals and other payables	14	**213,278**	76,970
Corporate tax payables	15	**11,075**	35,731
Total		**785,357**	492,764
		906,868	565,621
TOTAL EQUITY AND LIABILITIES		**4,220,371**	3,392,144

We approve these financial statements and confirm that we are responsible for them, including selecting the accounting policies and making the judgment underlying them. We also confirm that we have made available all relevant accounting records and information for the compilation.

The attached notes form an integral part of these accounts.

Auditor's report is annexed hereto.

For Amara Raja Batteries Middle East (FZE)

Rohit Arora
Manager
Sharjah, UAE
May 22, 2026

Amara Raja Batteries Middle East (FZE)

Statement of comprehensive income for the year ended Mar 31, 2026

(Figures in AED)

	Notes	Year ended Mar 31, 2026	Year ended Mar 31, 2025
INCOME			
Revenue from operation	16	**3,732,394**	4,347,891
Other Income	20	**2,722,717**	1,120,749
Total income	A	**6,455,111**	5,468,640
EXPENSE			
Cost of sale of goods	17	**2,775,073**	3,184,503
Administrative and general expenses	18	**2,785,699**	1,257,012
Selling and Distributive expenses	19	**282,337**	235,856
Exchange differences (net)		**7,771**	12,741
Finance cost	21	**5,503**	5,393
Depreciation	4	**100,673**	1,121
Total expenses	B	**5,957,056**	4,696,626
Net income for the year before tax	**A-B**	**498,055**	772,014
Tax expense	22	**(11,075)**	(35,731)
Net income for the year		**486,980**	736,283
Other comprehensive income		-	-
Net comprehensive Income for the year		**486,980**	736,283

We approve these financial statements and confirm that we are responsible for them, including selecting the accounting policies and making the judgment underlying them. We also confirm that we have made available all relevant accounting records and information for the compilation.

The attached notes form an integral part of these accounts.
Auditor's report is annexed hereto.

For Amara Raja Batteries Middle East (FZE)

Rohit Arora
Manager
Sharjah, UAE
May 22, 2026

Amara Raja Batteries Middle East (FZE)

Statement of cash flow for the year ended March 31, 2026

		(Figures in AED)	
		Year ended Mar 31, 2026	Year ended Mar 31, 2025
I	**Cash Flows from operating activities**		
	Net comprehensive income for the year	**486,980**	736,283
	Adjustments:		
	Depreciation	**100,673**	1,121
	Provision for Corporate tax	**11,075**	35,731
	End of service benefits (Net)	**48,654**	17,873
	Operating profit/(loss) before changes in working capital	**647,382**	791,008
	Working capital changes;		
	(Increase)/decrease in long term deposits	**(12,499)**	(44,001)
	(Increase)/decrease in due from inventories	**292,491**	(124,491)
	(Increase)/decrease in trade receivables	**(1,696,388)**	(782,260)
	(Increase)/decrease in advances, deposits and prepayments	**(97,677)**	(31,604)
	Increase/(decrease) in trade payable	**180,941**	(197,147)
	Increase/(decrease) in accruals and other payables	**136,309**	(200,673)
	Corporte tax payment	**(35,731)**	-
	Net cash flow used in operating activities (A)	**(585,172)**	(589,168)
II	**Cash Flows from Investing activities**		
	Purchase of property, plant and equipment	**(369,700)**	-
	Net cash flow used in investing activities (B)	**(369,700)**	-
III	**Cash Flows from financing activities**		
	Loan from a related party	-	-
	Cash flow generated from financing activities (C)	-	-
	Net decrease in cash and cash equivalents (A+B+C)	**(954,872)**	(589,168)
	Cash and cash equivalents at the beginning of the year	**1,225,872**	1,815,040
	Cash and cash equivalents at the end of the year	**271,000**	1,225,872
	Represented by:		
	Bank balances	**271,000**	1,225,872
	Cash in hand	-	-
		271,000	1,225,872

We approve these financial statements and confirm that we are responsible for them, including selecting the accounting policies and making the judgment underlying them. We also confirm that we have made available all relevant accounting records and information for the compilation.

The attached notes form an integral part of these accounts.
Auditor's report is annexed hereto.

For Amara Raja Batteries Middle East (FZE)

License No. 19817
SAIF ZONE - U.A.E.
AMARA RAJA BATTERIES MIDDLE EAST (FZE)

Rohit Arora
Manager
Sharjah, UAE
May 22, 2026

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Amara Raja Batteries Middle East (FZE)

Statement of changes in equity for the year ended Mar 31, 2026

(Figures in AED)

	Share capital	Retained earnings	Total
As on April 01, 2024	300,000	1,790,240	2,090,240
Net comprehensive income for the year	-	736,283	736,283
As on March 31, 2025	**300,000**	**2,526,523**	**2,826,523**
Net comprehensive income for the year	-	486,980	486,980
As on March 31, 2026	**300,000**	**3,013,503**	**3,313,503**

We approve these financial statements and confirm that we are responsible for them, including selecting the accounting policies and making the judgment underlying them. We also confirm that we have made available all relevant accounting records and information for the compilation.

The attached notes form an integral part of these accounts.

Auditor's report is annexed hereto.

For Amara Raja Batteries Middle East (FZE)

License No. 19817
SAIF ZONE - U.A.E.
AMARA RAJA BATTERIES MIDDLE EAST (FZE)

Rohit Arora
Manager
Sharjah, UAE
May 22, 2026

Dubai - U.A.E.
COAST ACCOUNTING & AUDITING

Notes to the accounts - for the period ended 31st March, 2026

1. **LEGAL STATUS :**

Amara Raja Batteries Middle East (FZE), Sharjah, U.A.E. incorporated on July 31, 2018 as a Free Zone Establishment with Limited Liability under a Commercial License # 19817 issued by the Sharjah Airport International Free Zone, Sharjah, UAE. The license is issued and based upon Sharjah Emiri Decree No (2) of 1995, issued in Sharjah on May 8, 1995.

The Company incorporated a branch dated April 10, 2025 with license no. 1490803, which is registered under Department of Economic Development, Dubai, United Arab Emirates.

The registered office of the Establishment is located in Saif Suite X4-12, PO Box 124018, Sharjah, United Arab Emirates.

The Establishment is wholly owned subsidiary of Amara Raja Energy & Mobility Limited (Formerly known as Amara Raja Batteries Ltd), India.

As per the Memorandum & Articles of Association and its subsequent amendments: the issued, subscribed and paid up capital of the Establishment as on March 31, 2026 is AED 300,000 (United Arab Emirates Dirham Three Hundred Thousand Only) divided into 2 shares of AED 150,000 each. Owners as at March 31, 2026 and their share holding in the EStablishment as at the date were as follows:

Establishment name	Country of incorporation	No. of Share	% of holding	Value (AED)
M/s. Amara Raja Energy & Mobility Limited (Formerly Known as "Amara Raja Batteries Limited"), India	India	2	100%	300,000

2. **BUSINESS ACTIVITY :**

The principal activities of the Company as per the trade licenses and professional license are "Trading in Batteries & related products and Representative Office".

3. **SIGNIFICANT ACCOUNTING POLICIES :**

a. **Basis of preparation**

The financial statements are prepared under the historical cost convention basis applied consistently. Accrual basis of accounting has been followed by the establishment for the financial statements except the cash flow.These financial statements are prepared on the assumption of going concern basis.

b. **Statement of compliance**

The Financial Statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as promulgated by the International Accounting Standard Board ("IASB"), interpretations issued by the International Financial Reporting Interpretation Committee ("IFRIC") and requirements of Sharjah Airport International Free Zone, Sharjah, UAE. The license is issued and based upon Sharjah Emiri Decree No (2) of 1995, issued in Sharjah on May 8, 1995 and its amendments.

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License No. 19817 SAIF ZONE - U.A.E. AMARA RAJA BATTERIES MIDDLE EAST (FZE) امارا راجا باتريز ميدل ايست (ش.م.ح)

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Basis of Presentation : (cont..)

c. **Use of estimates and judgements**

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

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

d. **Revenue recognition**

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

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

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

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

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

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

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

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

- The customer simultaneously receives and consumes the benefits provided by the Establishment's performance as the Establishment performs; or
- The Establishment's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or

(cont....)

Basis of Presentation : (cont...)

- The Establishment's performance does not create an asset with an alternative use to the Establishment and the Establishment has an enforceable right to payment for performance obligations completed to date.

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

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

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

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

e. Property and equipment

Property and equipment are stated at cost less accumulated depreciation and impairment losses, if any.

Depreciation is calculated on a straight line basis over the estimated useful lives of the assets.

Assets	Useful life of assets
Leasehold improvement	1 - 2 years
Furniture & Fittings	1 - 5 years
IT Equipment	3 years
Office Equipment	5 years

The carrying values of property and equipment are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable. If any such indication exists and where the carrying values exceed the estimated recoverable amount, the assets are written down to their recoverable amount, being the higher of their fair value less costs to sell and their value in use.

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

An item of property and equipment is derecognized upon disposal or when no future benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and carrying amount of the asset) is included in the statement of comprehensive income in the year the asset is derecognized.

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AMARA RAJA BATTERIES MIDDLE EAST (FZE)

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Dubai - U.A.E.
COAST ACCOUNTING & AUDITING

Basis of Presentation : (cont...)

The asset's residual values, useful lives and methods of depreciation are reviewed at each financial year end, and adjusted prospectively, if appropriate.

f. **Trade receivables**

Accounts receivable are stated at original invoice amount less a provision for any uncollectible amounts. Expected credit loss is estimated using Simplified approach as per IFRS 9. Bad debts are written off when there is no possibility of recovery.

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

g. **Cash and cash equivalents**

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash in hand, bank balances, and short-term deposits with an original maturity of three months or less.

h. **Inventories**

Inventories are valued at the lower of cost or net realisable value, with cost being determined using the weighted average cost method.

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

i. **Trade payable and accruals**

Trade payables are obligations on the basis of normal credit terms and do not bear interest. Trade payables denominated in foreign currency are translated into AED using the exchange rate at the reporting date. Foreign exchange gain or losses are included in other income or other expenses.

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

j. **Provisions**

Provisions are recognized when the Establishment has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Where the Establishment expects some or all of a provision to be reimbursed, the reimbursement is recognized as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the statement of comprehensive income net of any reimbursement.

License No. 19817 SAIF ZONE - U.A.E. AMARA RAJA BATTERIES MIDDLE EAST (FZE)

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COAST ACCOUNTING & AUDITING Dubai - U.A.E.

Notes to the accounts - for the period ended 31st March, 2026

Basis of Presentation : (cont...)

k. Employees' end of service benefits

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

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

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

l. Leases

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

m. Foreign currencies

Transactions in foreign currencies are initially recorded by the Establishment at the exchange rates at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are retranslated at the functional currency exchange rate at the reporting date. All differences arising on settlement or translation of monetary items are taken to the Income statement.

n. Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or

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

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

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

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

أمارا راجا باتريز ميدل ايست (ش م ح)
License No. 19817
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AMARA RAJA BATTERIES MIDDLE EAST (FZE)

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Basis of Presentation : (cont...)

The Establishment uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Establishment determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period. This note summarises accounting policy for fair value.

o. **Financial instruments**

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

i) **Financial assets**

Initial recognition and subsequent measurement

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

Debt instruments at amortised cost

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

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

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

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Basis of Presentation : (cont...)

Debt instrument at FVTOCI

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

a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and

b) The asset's contractual cash flows represent SPPI.

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

Debt instrument at FVTPL

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

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

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

Derecognition

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

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

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

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

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Basis of Presentation : (cont...)

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

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

Impairment of financial assets

In accordance with IFRS 9, the Establishment applies expected credit loss (ECL) model for measurement and recognition of
impairment loss on the following financial assets and credit risk exposure:

a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance

b) Financial assets that are debt instruments and are measured as at FVTOCI

c) Lease receivables under IFRS 16

d) Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of IFRS 15 (referred to as contractual revenue receivables' in these financial statements)

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

-Trade receivables or contract assets; and

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

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

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

(cont......)

Basis of Presentation : (cont...)

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

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

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

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

Impairment of non-financial assets

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

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

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

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

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Basis of Presentation : (cont...)

ii) Financial liabilities

Initial recognition and measurement

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

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

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

Subsequent measurement

- Financial liabilities at fair value through profit or loss

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

- Gains or losses on liabilities held for trading are recognised in the statement of comprehensive income.

Derecognition

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

Offsetting of financial instruments

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

p. Share capital

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

q. Value Added Tax

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

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

- When the value added tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the value added tax is recognized as part of the cost of acquisition of the asset or as part of the expense item, as applicable;

- When receivables and payables are stated with the amount of value added tax included.

(cont.....)

Basis of Presentation : (cont...)

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

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

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

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

Decision No. 116 of 2022 specifies the threshold of income (as AED 375,000) over which a corporate tax of 9% would apply and accordingly, the CT Law is now considered to be substantively enacted.

For the Establishment, current taxes is accounted to the financial statements for the year beginning April 01, 2025 as per the guideline issued by Federal Tax Authority (FTA). In accordance with IAS 12 Income Taxes, the related deferred tax/Corporate tax accounting impact has been considered for the financial year ended March 31, 2026.

The Establishment has established a comprehensive system of maintenance of information and documents as required by the transfer pricing legislation under UAE Corporate Tax Laws. Since the law requires such information and documentation to be contemporaneous in nature, the Establishment is in the process of updating the documentation of transactions with the related parties/ enterprises during the financial year 2025-26 and expects such records to be in existence latest by the due date as per the law. The management is of the opinion that its transactions with the related parties are at arm's length so that the aforesaid legislation will not have any impact on the financial statements, particularly on the amount of tax expense and that of provision for taxation.

s. **Contingencies**

A contingent liability is:

(a) a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Establishment; or

(b) a present obligation that arises from past events but is not recognized because:

(i) It is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or

(ii) The amount of the obligation cannot be measured with sufficient reliability.

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

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

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Notes to the accounts - for the period ended 31st March, 2026

Basis of Presentation : (cont...)

New standards, interpretations and amendments adopted in the current year

The Company has adopted all new and amended IFRS Accounting Standards that became effective for annual reporting periods beginning on or after 1 January 2025. The adoption of these standards did not have a material impact on the Company's financial position, performance or disclosures.

Standards issued but not yet effective and not early adopted

At the date of authorisation of these financial statements, the following new and amended IFRS Accounting Standards were in issue but not yet effective. The Company has not early adopted these standards.

IFRS 18 – Presentation and Disclosure in Financial Statements

IFRS 18 introduces new requirements for the presentation of the statement of profit or loss, including specified categories and defined subtotals, and enhanced disclosures relating to management-defined performance measures. The standard will replace IAS 1 Presentation of Financial Statements.

Effective for annual reporting periods beginning on or after 1 January 2027, with early application permitted.

The Company is currently assessing the impact of IFRS 18. The standard is expected to result in changes to the presentation and disclosure of information within the financial statements; however, it is not expected to have an impact on the recognition or measurement of assets and liabilities.

IFRS 19 – Subsidiaries without Public Accountability: Disclosures

IFRS 19 permits eligible subsidiaries to apply IFRS recognition and measurement requirements with reduced disclosures, provided certain criteria are met. Effective for annual reporting periods beginning on or after 1 January 2027, with early application permitted. Management is assessing whether the Company qualifies for application of IFRS 19 and the potential impact on future disclosures.

Amendments to IFRS 9 and IFRS 7 – Classification and Measurement of Financial Instruments

The amendments clarify the classification of financial assets, including those with contractual features linked to sustainability-related targets, and introduce additional disclosure requirements.

Effective for annual reporting periods beginning on or after 1 January 2026, with early application permitted.

Management is evaluating the impact of these amendments. Based on the preliminary assessment, no material impact on the classification or measurement of financial assets is expected. Additional disclosures may be required upon adoption.

Annual Improvements to IFRS Accounting Standards – Volume 11

These amendments include minor clarifications and improvements to various IFRS Accounting Standards. Effective for annual reporting periods beginning on or after 1 January 2026, with early application permitted.

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Basis of Presentation : (cont...)

The Company does not expect these amendments to have a material impact on its financial statements.

Amendments to IAS 21 – The Effects of Changes in Foreign Exchange Rates (Lack of Exchangeability)

The amendments provide guidance on determining the exchange rate when a currency is not exchangeable and introduce additional disclosure requirements. Effective for annual reporting periods beginning on or after 1 January 2027, with early application permitted.

Management will adopt the above standards and amendments in the period of initial application. Except as disclosed above, management does not expect other standards issued but not yet effective to have a material impact on the Company's financial statements.

4. PROPERTY, PLANT, EQUIPMENT

(Figures in AED)

	Leasehold improvement	Furniture and fixtures	Office equipment	IT equipment	Total
Cost:					
As on April 01, 2025	-	-	750	3,387	4,138
Additions	141,471	122,729	-	105,500	369,700
As on March 31, 2026	**141,471**	**122,729**	**750**	**108,887**	**373,838**
Depreciation:					
As on April 01, 2025	-	-	584	2,539	3,123
for the year	59,596	18,108	49	22,920	100,673
As on March 31, 2026	**59,596**	**18,108**	**633**	**25,459**	**103,796**
Net carrying amount:					
As on March 31, 2026	**81,875**	**104,621**	**117**	**83,428**	**270,041**
As on March 31, 2025	-	-	167	848	1,015

(Figures in AED)

	As on Mar 31, 2026	As on Mar 31, 2025
5. OTHER NON-CURRENT ASSETS		
Refundable long term deposits	**81,205**	68,706
	81,205	68,706
6. INVENTORIES		
Stock-in-trade	**168,350**	434,675
Stores and spares	**3,441**	29,607
	171,791	464,282
7. TRADE AND OTHER RECEIVABLES		
Trade receivables	**540,146**	409,638
Unbilled income	**2,686,628**	1,120,748
	3,226,774	1,530,386

In determining the recoverability of trade receivables, the Company considers any change in the credit quality of the trade receivable from the date the credit was initially granted up to the date of adoption of the accounts. Management has taken the current market conditions and payment received subsequent to the reporting date when assessing the credit quality of trade receivables and accordingly provision for doubtful debts is considered.

Ageing of trade receivables as on period end is as follows:		
Not due	**3,092,538**	1,422,291
Less than 6 months	**134,236**	108,095
Above 6 months	-	-
	3,226,774	1,530,386
8. ADVANCES, DEPOSITS AND PREPAYMENTS		
Prepaid expenses	**116,683**	46,089
VAT Receivable	**78,797**	23,277
Other deposits	**4,080**	4,080
Advance to employees	-	28,437
	199,560	101,883
9. CASH AND CASH EQUIVALENTS		
Balances with banks	**271,000**	1,225,872
	271,000	1,225,872

10. SHARE CAPITAL

The registered capital of the compnay is AED 300,000/- divided into 2 shares of AED 150,000 each. The name of the shareholder and his contribution in the capital is as follows:

Name of the shareholder	Incorporated in	% of holding	Amount
M/s. Amara Raja Energy & Mobility Limited (Formerly Known as "Amara Raja Batteries Limited"), India	India	100%	300,000
		100%	**300,000**

(Figures in AED)

	As on Mar 31, 2026	As on Mar 31, 2025
11. RETAINED EARNINGS		
Opening Balance	**2,526,523**	1,790,240
Net comprehensive loss for the year	**486,980**	736,283
Closing Balance	**3,013,503**	2,526,523
12. EMPLOYEES' END OF SERVICE BENEFITS		
Opening provision	**72,857**	54,984
Add: Provision during the year	**48,654**	17,873
	121,511	72,857
13. TRADE PAYABLES		
Trade payables	**561,004**	380,063
	561,004	380,063
14. ACCRUALS AND OTHER PAYABLES		
Expense payables	**203,988**	68,491
Advances from customers	**7,310**	8,479
Royalty payables	**1,980**	-
	213,278	76,970
15. CORPORATE TAX PROVISION	11,075	35,731
Opening tax payable	**35,731**	-
Current tax expense	**11,075**	35,731
Less: Payment made during the year	**(35,731)**	-
Corporate tax payable	**11,075**	35,731

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	Year ended Mar 31, 2026	Year ended Mar 31, 2025
	(Figures in AED)	
16. REVENUE FROM OPERATIONS		
Sale of products	**3,732,394**	4,347,891
	3,732,394	4,347,891
Timing of revenue recognition:		
- At a point in time	**3,732,394**	4,347,891
- Over time	-	-
	3,732,394	4,347,891
Primary geographical segments:		
- Within UAE	**2,926,932**	3,512,674
- Outside UAE	**805,462**	835,217
	3,732,394	4,347,891
Party wise breakup:		
- Revenue generated from related parties	-	-
- Revenue generated from third parties	**3,732,394**	4,347,891
	3,732,394	4,347,891
17. COST OF SALE		
Opening stock	**434,675**	339,791
Purcahse including direct expeses	**2,508,748**	3,279,387
Less: Closing stock	**(168,350)**	(434,675)
	2,775,073	3,184,503
18. ADMINISTRATIVE AND GENERAL EXPENSES		
Salaries and other related benefits	**1,781,013**	763,046
Rent	**447,150**	143,002
Travelling and conveyance	**285,150**	96,357
License, visa and registration fee	**96,684**	98,475
Legal and professional	**71,950**	99,623
Communication	**66,092**	17,150
Miscellaneous expenses	**35,035**	39,359
Insurance	**2,625**	-
	2,785,699	1,257,012

(Figures in AED)

	Year ended Mar 31, 2026	Year ended Mar 31, 2025
19. SELLING AND DISTRIBUTION EXPENSES		
Selling and distribution expenses	**37,532**	9,936
Freight Expenses	**244,805**	225,920
	282,337	235,856
20. OTHER INCOME		
Sales commission*	**386,437**	484,897
Business support service income**	**2,336,280**	635,852
	2,722,717	1,120,749

** A commission ranging from 2% to 3%, as mutually agreed for each financial year, is charged on the total value of industrial battery sales made by parent entiy in the Middle East region during the respective year to the parent entity for facilitating marketing support services, in accordance with the agreed terms and conditions specified in the agreement.*

*** Business support service income represents the reimbursement of expenses with 5% markup in respect of the business support, in accordance with the inter-company reimbursement agreement with AREML (parent entity).*

21. FINANCE COST		
Bank charges	**5,503**	5,393
	5,503	5,393
22. TAX EXPENSE		
Corporate tax expense	**11,075**	35,731
	11,075	35,731

Notes to the financial statements for the year ended March 31, 2026

23. FINANCIAL INSTRUMENTS

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

The management conducts and operates the business in a prudent manner, taking into account the significant risks to which the business is or could be exposed. The primary risks to which the business is exposed, comprise credit risks, liquidity risks and market risks.

a. Currency risk

Currency risk is the risk that the value of financial instruments will fluctuate due to changes in foreign exchange rates. Currency risk arises when future commercial transactions and recognized assets and liabilities are denominated in a currency that is not the Company's functional currency. The Company is exposed to currency risk as the Company's transactions are mainly in Indian rupee (INR) and United States Dollar (USD).

b. Credit risk

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

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

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

(Figures in AED)

	As on Mar 31, 2026	As on Mar 31, 2025
Trade and other receivables	**3,226,774**	1,530,386
Advances and deposits	**82,877**	55,794
Cash and cash equivalents	**271,000**	1,225,872
	3,580,651	2,812,052

c. Interest rate risk

Interest rate risk is the risk that the value of financial instrument will fluctuate due to change in market interest rates. The Company has no borrowings and hence not exposed to any interest rate risks.

(cont......)

FINANCIAL INSTRUMENTS (cont.....)

d. **Liquidity risk**

Liquidity risk is the risk that an enterprise will encounter difficulty in raising funds to meet commitments associated with financial instruments. Liquidity risk may result from inability to sell a financial asset quickly at close to its fair value.

(Figures in AED)

	Carrying value	Within One year	1 to 5 years	More than 5 years
As on March 31, 2026				
Trade payables	561,004	561,004	-	-
Accruals and other payables	213,278	213,278	-	-
Corporate Tax payables	11,075	11,075	-	-
	785,357	**785,357**	-	-
As on March 31, 2025				
Trade payables	380,063	380,063	-	-
Accruals and other payables	76,970	76,970	-	-
Corporate tax payables	35,731	35,731	-	-
	492,764	**492,764**	-	-

e. **Capital risk management**

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

24. SIGNIFICANT EVENTS OCCURRING AFTER THE BALANCE SHEET DATE

There are no significant events occurring after the balance sheet date, which require disclosure in the financial statements.

25. CONTINGENT LIABILITIES

As at March 31, 2026, there are no contingent liabilities arising in the ordinary course of the business, which are expected to give rise to any material loss other than disclosed.

26. RELATED PARTY TRANSACTIONS

Related parties represent associated companies, shareholders, directors and key management personnel of the Company and entities controlled, jointly controlled or significantly influenced by such parties. Pricing policies and terms of these transactions are approved by the Company's management.

The Company, in the ordinary course of business, enters into transactions with other business enterprises that fall within the definition of related parties contained in International accounting standard 24. Such transactions are made on terms and conditions believed by the Company to be comparable to those that could be obtained from third parties.

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(cont......)

RELATED PARTY TRANSACTIONS (cont.....)

Following are the related parties and the nature of relationship:

Name of the related party	Relationship
M/s. Amara Raja Energy & Mobility Limited (Formerly Known as "Amara Raja Batteries Limited"), India	Parent company

Transactions with related parties during the period are as below:

(Figures in AED)

Name of the related party	Nature of the transaction	Year ended Mar 31, 2026	Year ended March 31, 2025
M/s. Amara Raja Energy & Mobility Limited (Formerly Known as "Amara Raja Batteries Limited"), India	Purchase of Goods	**2,451,119**	3,210,283
	Reimubursement	**43,867**	-
	Royalty Fees	**1,980**	-
	Commission Income	**(386,437)**	484,897
	Business Support Services Income	**(2,336,280)**	(635,852)

Balances of due from/(due to) related parties as at period end is as below:

(Figures in AED)

Name of the related party	Nature of balance	As on Mar 31, 2026	As on March 31, 2025
M/s. Amara Raja Energy & Mobility Limited (Formerly Known as "Amara Raja Batteries Limited"), India	Trade payable	**(561,004)**	(380,063)
	Royalty Fees Payable	**(1,980)**	-
	Unbilled revenue	**2,686,628**	1,120,748

27. SEGMENT REPORTING

There are no separate business line to be reported as per the management and hence, there are no reportable business segment.

Also, though the Company operates in different geographical areas, the risk and rewards flowing from these geographical areas are similar and as such there are no significant geographical risks. Hence, as per management, there are no separately reportable geographical segment.

28. KEY SOURCES OF ESTIMATION UNCERTAINTY

a. Useful lives of property and equipment

The Company's management determines the estimated useful lives of its property and equipment for calculating depreciation. This estimate is determined after considering the expected usage of the asset or physical wear and tear. Management reviews the residual value and useful lives annually and future depreciation charge would be adjusted where the management believes the useful lives differ from previous estimates.

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(cont.....)

KEY SOURCES OF ESTIMATION UNCERTAINTY (cont.....)

b. **Fair value of financial instruments**

When the fair value of financial assets and financial liabilities recorded in the statement of financial position cannot be derived from active markets, their fair value is determined using valuation techniques including the discounted cash flow model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. The judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

c. **Impairment of non-financial assets**

An impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs to sell and its value in use. The fair value less costs to sell calculation is based on available data from binding sales transactions in arm's length transactions of similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a discounted cash flow model. The cash flows are derived from the budget for the next five years and do not include restructuring activities that the Group is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is most sensitive to the discount rate used for the discounted cash flow model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes.

29. GENERAL

29.1 Figures in the financial statements are rounded off to the nearest United Arab Emirates Dirhams (AED).

29.2 Previous year figures are regrouped and (or) reclassified, wherever necessary for better presentation of financial statements.

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

For Amara Raja Batteries Middle East (FZE)

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Rohit Arora
Manager
Sharjah, UAE
May 22, 2026

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