

**KAJARIA INTERNATIONAL DMCC  
DUBAI, UNITED ARAB EMIRATES  
FINANCIAL STATEMENTS AND  
INDEPENDENT AUDITOR'S REPORT  
FOR THE PERIOD ENDED MARCH 31, 2023**

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**FALCON INTERNATIONAL  
CONSULTING & AUDITING**

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## INDEPENDENT AUDITOR'S REPORT

To  
The Shareholders  
M/s. KAJARIA INTERNATIONAL DMCC  
Unit No: AG-PF-227,  
AG Tower,  
Plot No: JLT-PH1-I2A,  
Jumeirah Lakes Towers,  
Dubai, United Arab Emirates.

### Opinion

We have audited the financial statements M/s. Kajarja International DMCC, Dubai, U.A.E. (the "Company"), which comprise the statement of financial position as at **March 31, 2023** and 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, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Company as at **March 31, 2023**, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

### Basis for Opinion

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

### Other Information

Management is responsible for the other information. Other information comprises the directors' report as required by the UAE Federal Law No. (2) of 2015, which we obtained prior to the date of this auditor's report. The other information does not include the financial statements and our auditor's report thereon.

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

*continued...*

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

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with IFRSs, 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.

### **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 Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

*continued...*



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 Law No. (2) of 2015, we report that:

- i. we have obtained all the information we considered necessary for the purpose of our audit;
- ii. the financial statements have been prepared and comply, in all material respects, with the applicable provisions of the UAE Federal Law No. (2) of 2015 and provisions of implementing Regulation No. 1/03 issued by the Dubai Multi Commodities Center;
- iii. the Company has maintained proper books of account;
- iv. Activities undertaken by company are not different then activities permitted under license issued by DMCCA.
- v. 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 March 31, 2023 any of the applicable provisions of the UAE Federal Law No. (2) of 2015 or of its Memorandum and Articles of Association which would materially affect its activities or its financial position as at March 31, 2023 and there are no penalties imposed on the Company.

**For FALCON INTERNATIONAL CONSULTING & AUDITING**

**Chartered Accountants**

*Rakesh Jain*  
**Managing Partner**

**(Rakesh Jain)**

**Reg. No: 606**



**May 02, 2023**

**KAJARIA INTERNATIONAL DMCC**  
**DUBAI, UNITED ARAB EMIRATES**

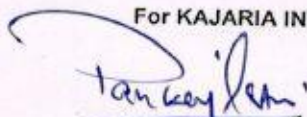
**STATEMENT OF FINANCIAL POSITION AS ON 31 MARCH, 2023**

	Notes	31-03-2023 AED
<b>NON-CURRENT ASSETS</b>		
Investments	7	<u>865,869</u>
		<u>865,869</u>
<b>CURRENT ASSETS</b>		
Other receivables	8	108,028
Cash and cash equivalents	9	<u>795,018</u>
		<u>903,046</u>
<b>TOTAL ASSETS</b>		<u><u>1,768,915</u></u>
<b>CURRENT LIABILITIES</b>		
Other payables	10	<u>88,144</u>
		<u>88,144</u>
<b>NON-CURRENT LIABILITIES</b>		
Due to related party	11	<u>800,000</u>
		<u>800,000</u>
<b>TOTAL LIABILITIES</b>		<u><u>888,144</u></u>
<b>SHAREHOLDERS' FUNDS</b>		
Share capital		1,000,000
Accumulated loss	12	<u>(119,229)</u>
		<u>880,771</u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<u><u>1,768,915</u></u>

The accompanying notes form an integral part of these financial statements.  
The report of the Independent auditor is set out on pages 1 & 2

Approved by the shareholder on May 02, 2023

For KAJARIA INTERNATIONAL DMCC

  
Director



**KAJARIA INTERNATIONAL DMCC**  
**DUBAI, UNITED ARAB EMIRATES**

**STATEMENT OF PROFIT & LOSS AND OTHER COMPREHENSIVE INCOME FOR THE PERIOD  
 ENDED 31 MARCH, 2023**

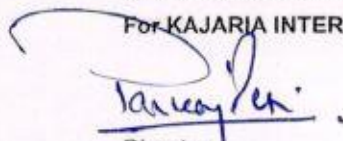
	Notes	21-02-2022 To 31-03-2023 AED
<b>Expenses</b>		
General & administrative expenses	13	81,447
Finance cost	14	3,651
Unrealised losses		<u>34,131</u>
<b>Total expenses</b>		<u>119,229</u>
<b>Net Loss for the period</b>		<u><u>(119,229)</u></u>

The accompanying notes form an integral part of these financial statements

The report of the Independent auditor is set out on pages 1 & 2

Approved by the shareholder on May 02, 2023

For KAJARIA INTERNATIONAL DMCC

  
 Director



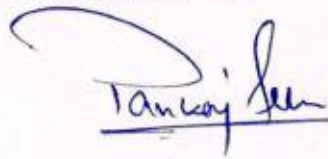
**KAJARIA INTERNATIONAL DMCC**  
**DUBAI, UNITED ARAB EMIRATES**

**STATEMENT OF CHANGES IN EQUITY AS AT 31 MARCH, 2023**

	Share Capital	Accumulated Loss	Total AED
Share capital introduced	1,000,000	-	1,000,000
Net profit/(loss) for the period	-	(119,229)	(119,229)
<b>Balance as on 31-03-2023</b>	<b>1,000,000</b>	<b>(119,229)</b>	<b>880,771</b>

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

The report of the Independent auditor is set out on pages 1 & 2





**KAJARIA INTERNATIONAL DMCC**  
**DUBAI, UNITED ARAB EMIRATES**

**STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 31 MARCH, 2023**

	21-02-2022
	To 31-03-2023
	AED
<b>Cash flows from operating activities</b>	
Net loss for the period	(119,229)
<b>Funds generated from operations</b>	<u>(119,229)</u>
<b>Changes in working capital</b>	
(Increase) / decrease in other receivables	(108,028)
Increase / (decrease) in unsecured loans	800,000
Increase / (decrease) in other payables	88,144
<b>Net cash inflow / (outflow) from working capital activities</b>	<u>780,116</u>
<b>Net cash inflow / (outflow) from operating activities</b>	<u>660,887</u>
<b>Cash flows from investing activities</b>	
(Increase) / decrease in investments	(865,869)
<b>Net cash inflow / (outflow) from investing activities</b>	<u>(865,869)</u>
<b>Cash flow from financing activities</b>	
Capital Introduced	1,000,000
<b>Net cash inflow / (outflow) from financing activities</b>	<u>1,000,000</u>
Net Increase / (decrease) in cash and cash equivalents	795,018
Cash & bank balances at the beginning of the period	-
<b>Cash and cash equivalents at the end of the year</b>	<u><u>795,018</u></u>
Represented By:	
<b>Cash and cash equivalents (Note No. 8)</b>	<u><u>795,018</u></u>

The accompanying notes form an integral part of these financial statements.  
The report of the Independent auditor is set out on pages 1 & 2

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**KAJARIA INTERNATIONAL DMCC**  
**DUBAI, UNITED ARAB EMIRATES**

**Notes to the Financial Statements for the period ended March 31, 2023**

**1. CORPORATE INFORMATION**

- a) **Kajaria International DMCC** ("The Company") was registered with the Dubai Multi Commodities Centre Authority, Dubai, UAE (License No. DMCC-837894) as a free zone company on February 21, 2022 and the license is valid up to February 20, 2024.
- b) The company is mainly engaged in the marketing of tiles/sanitary ware/faucet/plywood/ laminates in United Arab Emirates and/or other international markets.
- c) The manager of the company is Mr. Rohit Kainth (Indian National).
- d) The registered office address of the company is Unit No: AG-PF-227, AG Tower, Plot No: JLT-PH1-11A Jumeirah Lakes Towers Dubai, United Arab Emirates.
- e) Kajaria International DMCC has entered into joint venture with Al Rathath Marbles Factory L.L.C, UAE vide Joint Venture Agreement dated 15-12-2022.

**2. SHARE CAPITAL**

Authorised, issued and paid up capital of the Company is AED 1,000,000 divided into 1,000 shares of AED 1,000 each fully paid and held by the Shareholder as follows:

Sl No.	Name of the Shareholders	No. of Shares	Amount (AED)	%
1	Kajaria Ceramics Limited	1,000	1,000,000	100
		<u>1,000</u>	<u>1,000,000</u>	<u>100</u>

**3. BASIS OF PREPARATION**

**a) Statement of compliance**

These financial statements have been prepared in accordance with the International Financial Reporting Standards ("IFRS") issued by the International Financial Reporting Standards Committee ("IFRSC"), interpretations issued by the Standing Interpretations Committee of IFRSC and the requirement of the Commercial Law of the U.A.E.

- This table lists the recent changes to IFRS that are required to be adopted in annual periods beginning on January 1, 2018 but no material effect to the company's operations:

**Effective date**

January 1, 2018

**New standards or amendments**

-IFRS 15 Revenue from Contracts with Customers  
-IFRS 9 Financial Instruments  
-Classification and Measurement of Share-based Payment Transactions (Amendments to IFRS2)  
-Applying IFRS 9 Financial Instruments with IFRS 4 Insurance Contracts (Amendments to IFRS 4)

*Rohit Kainth*



- Transfers of Investment Property (Amendments to IAS 40)
- Annual Improvements to IFRSs 2014-2016 Cycle (Amendments to IFRS 1 and IAS 28)
- IFRIC 22 Foreign Currency Transactions and Advance Consideration

Impact of initial application of new and revised International Financial Reporting Standards (IFRSs)

The Company had to change its accounting policies following the adoption of IFRS 9 and IFRS 15, as applicable, as discussed below. Most of the other amendments listed above did not have any impact on the amounts recognized in prior periods and are not expected to significantly affect the current or future periods.

- **IFRS 9 Financial Instruments**

The company has adopted the IFRS 9 Financial Instruments with a date of initial application of January 1, 2018. The requirements of IFRS 9 represents a significant change from IAS 39 Financial Instruments:

The company had implemented IFRS 9 on January 1, 2018. The standard has been applied retrospectively and, in line with IFRS 9, comparative amounts have not been restated, and there was no impact of the adoption of IFRS 9 on the retained earnings. The standard eliminates the use of the IAS 39 incurred loss impairment model approach and the revised guidance on the classification and measurement requirements.

**Recognition and Measurement**

The new standard brings fundamental changes to the accounting for financial assets and to certain aspects of the accounting for financial liabilities.

**Classification and Measurement**

The new standard requires all financial assets, except equity instruments and derivatives, to be assessed based on a combination of the entity's business model for managing the assets and the instruments' contractual cash flow characteristics. The IAS 39 measurement categories has been replaced by: fair value through profit or loss (FVTPL), fair value through other comprehensive income (FVOCI), and amortized cost.

IFRS 9 also allow entities to continue to irrevocably designate instruments that qualify for amortized cost or fair value through OCI instruments as FVTPL, if doing so eliminates or significantly reduces a measurement or recognition inconsistency. Equity instruments that are not held for trading may be irrevocably designated as FVOCI, with no subsequent reclassification of gains or losses to the income statement.

**Impairment**

The adoption of IFRS 9 has fundamentally changed the company's accounting for impairment losses for financial assets by replacing IAS 39's incurred loss approach with a forward-looking expected credit loss (ECL) approach. IFRS 9 required the company to record an allowance for ECLs for all debt instruments measured at amortization cost.

For all debt instruments, the company has applied the standard's simplified approach and has calculated ECLs based on lifetime expected credit losses. This amendment did not have any impact on the company's financial statements.

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- **IFRS 15 Revenue from Contracts with Customers**

In the current year, the company has applied IFRS 15 Revenue from Contracts with Customers which is effective for an annual period that begins on or after January 1, 2018. IFRS 15 introduced a 5-step approach to revenue recognition. Far more prescriptive guidance has been added in IFRS 15 to deal with specific scenarios. Details of the new requirements as well as their impact on the company's financial statements are described below;

The company has applied IFRS 15 in accordance with the retrospective transitional approach as permitted in IFRS 15. In accordance with IFRS15, the company recognize the cumulative effect of initially applying this Standard as an adjustment to the opening balance of retained earnings of the annual reporting period that includes the date of initial application i.e. January 01, 2018. Under this transition method, the company apply this Standard retrospectively only to contracts that are not completed contracts at the date of initial application.

IFRS 15 uses the terms 'contract asset' and 'contract liability' to describe what might more commonly be known as 'accrued revenue' and 'deferred revenue', however the Standard does not prohibit an entity from using alternative descriptions in the statement of financial position. The company has adopted the terminology used in IFRS 15 to describe such balances.

The application of IFRS 15 has not had a significant impact on the financial position and/or financial performance of the company. The company has initially applied IFRS 15 - Revenue from Contracts with Customers as at January 1, 2018. Under the transition method chosen, there is no impact on amount recognized by the company hence, comparative information is not restated.

**b) Functional and presentation currency**

These financial statements have been presented in UAE DIRHAM (AED), being the local and functional.

The figures have been rounded off to the nearest UAE DIRHAM.

**c) Going concern basis of accounting**

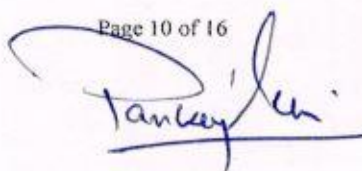
The financial statements have been prepared on a going concern basis on the assumption that the Company will be able to meet its payment obligations as and when they fall due for payment, the bank finance and the financial support of the Shareholder would be available on a continuing basis.

**d) Accrual basis of accounting**

The Company prepares the financial statements, except for cash flows information, using the accrual basis of accounting i.e. all items of assets, liabilities, equity, income and expenses are recognized as they arise.

**e) Use of significant estimates, assumptions and judgements**

Based on the historical experience and reasonable expectations of future events, the management makes judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses and disclosure of contingencies and commitments. These relate to lives of items of property and equipment and investment properties and their residual values, impairment of property and equipment, investment properties, provision for doubtful trade advances and dues from related parties and write-down of inventories and provisions for staff end-of-service gratuity.



**f) Impairment of assets**

At each reporting date, financial assets are assessed to determine whether there is any evidence of impairment which is judged by default or delinquency by a debtor, its creditworthiness, the age of the debts and the management experience.

In the case of non-financial assets, a review is made to determine whether there is any indication of impairment. If any such indication exists, then the assets' recoverable amount is estimated and impairment loss is recognized in the statement of profit or loss, if the carrying amount of the asset exceeds its recoverable amount.

**g) New and amended standards**

The Company intends to adopt the following new standards, if applicable when they become effective.

-IFRS 16 - Leases - Effective date 1 January 2019.

-IFRS 17 Insurance Contracts - Effective 1 January 2021.

-Interpretation 23 Uncertainty over Income Tax treatments - Effective date 1 January 2019.

-Prepayment features with Negative Compensation - Amendments to IFRS 9 - Effective date 1 January 2019.

-Long-term interests in Associates and Joint Venture - Amendments to IAS 28 - Effective date 1 January 2019

-Annual improvements to IFRS Standards 2015 - 2017 Cycle - Effective date 1 January 2019.

-Plan Amendment, Curtailment or Settlement - Amendments to IAS 19 - Effective date 1 January 2019.

**4. SIGNIFICANT ACCOUNTING POLICIES**

The significant accounting policies adopted, and those have been consistently applied, are as follows:

**a) Revenue recognition**

Revenue from Supply of goods/services is recognized when all the following conditions are satisfied.

- i. The company has transferred to the buyer the significant risks and rewards of ownership of the goods;
  - ii. The company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
  - iii. The amount of revenue can be measured reliably.
  - iv. It is probable that the economic benefit associated with the transaction will flow to the company; and
  - v. The cost incurred or to be incurred in respect of the transaction can be measured reliably.
- However, the company doesn't have any revenue during the current period.

**b) Foreign currency transactions and balances**

Transactions in foreign currencies are translated into UAE Dirham at the rate of exchange ruling on the date of the transactions.



Monetary assets and liabilities expressed in foreign currencies are translated into UAE Dirham at the rate of exchange ruling at the balance sheet date.

Gains or losses resulting from foreign currency transactions are taken to the income statement.

**c) Property and equipment**

The company does not possess any assets as on balance sheet date.

**d) Investments in the Associates**

The company has adopted the equity method of accounting whereby the investment is initially recognized at cost and adjusted there after for the post-acquisition change in the investor's share of the investee's net assets. [IAS28]

**e) Impairment**

At each end of the reporting period, management assesses the property and equipment to determine whether there are any indications that they may be impaired. In the absence of such indications, no further action is taken. If such indications do exist, an analysis of each asset is undertaken to determine its net recoverable amount and, if this is below its carrying amount, a provision is made.

**f) Cash and cash equivalents**

Cash and cash equivalents comprise cash, balances in bank current accounts and bank deposits free of encumbrance with a maturity date of three months or less from the date of deposit.

**g) Leases**

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the lessee are classified as operating leases. Payments made under operating leases are charged to the statement of profit or loss on a straight-line basis over the period of the lease.

**h) Trade and other payables**

These amounts represent liabilities for goods and services provided to the Company prior to the end of the reporting date. The amounts are unsecured and usually paid within 90 days of recognition. These balances are presented as current liabilities unless payment is not due within twelve months after the reporting date. They are recognized initially at their fair value and subsequently measured at amortised cost using the effective interest method.

**i) Statement of cash flows**

Statement of cash flows is prepared segregating the cash flows from operating, investing and financing activities based on the nature of items. Cash flows under the operating activities are reported using the indirect method, whereby profit/(loss) is adjusted for the effects of transactions of non-cash nature, any deferrals or accruals of past or future of cash receipts and payments and for items of income and expenses which are reflected in investing or financial activities.

**j) Non-derivative financial assets and liabilities**

**Non-derivative financial assets**

**Receivables**

Receivables are those financial assets that have fixed or determinable payments and for which there is no active market are initially recognized at fair value plus any directly attributable transactions costs. Subsequent to initial recognition they are measured at amortised cost using the effective interest method. These comprise trade and other receivables, bank balances and dues from related parties.

Trade receivables represent amounts due from customers for goods sold in the ordinary course of business. If collection is expected in one period or less they are classified as current assets otherwise as non-current assets. These are carried at the invoiced amounts less an estimate of provision for doubtful receivables based on a review of all outstanding amounts at the period-end. Bad debts are written off when identified.

**Non-derivative financial liabilities**

The non-derivative financial liabilities comprise trade and other payables and Shareholder's current account.

**Derecognition of financial assets and liabilities**

The Company derecognizes a financial asset when its contractual rights to cash flows from the assets cease and any interest in such derecognised financial assets that is created or retained by the Company is recognised as a separate asset. The Company derecognises a financial liability when its contractual obligations are discharged or cancelled or expire.

**Offsetting of financial assets and liabilities**

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Company has a legal right to offset the amounts and intends either to settle the on a net basis or to realise the asset and settle the liability simultaneously.

**k) Contingencies**

Contingent liabilities are not recognized in the financial statements. They are disclosed unless the possibility of an outflow of resources embodying economic benefits is remote. A contingent asset is not recognized in the financial statements but disclosed when an inflow of economic benefits is probable.

**5. Risk management**

The Company's activities are exposed to a variety of financial risks such as credit, market and liquidity risks as follows:

**a) Credit risk**

This is the risk of financial loss to the Company if a customer or a counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the customer and the bank. The credit risk, where relevant is explained in the notes on the related account balances, namely trade receivables, deposits and bank balances.

**b) Market risk**

These are the risks arising from changes in market prices, particularly, currency and interest rates which would affect the Company's income or the value of its holdings of financial instruments. The management strives to manage market risk exposures within acceptable parameters, while optimizing the return.

**c) Currency risk**

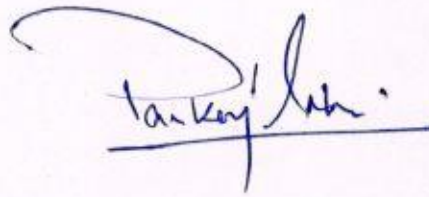
The Company is not exposed to any currency risk as its transactions are made in US Dollar to which the Dirham is fixed.

This is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. Management monitors its cash requirements to ensure adequacy of funding. If necessary, funds are arranged from the Shareholders to ensure that the payment obligations are met on time.



6. CAPITAL MANAGEMENT

Capital consists of share capital, retained earnings and Shareholder's current account which aggregated to AED 880,771 as at the end of the reporting period. The Company manages its capital with an objective to ensure that adequate funds are available to it on an on-going basis to continue the operations of the Company as a going concern and provide the Shareholder with reasonable rate of return under the prevailing economic conditions and the risks encountered.

A handwritten signature in blue ink, appearing to read 'Saeed Alshamsi', is written over a horizontal line.

**KAJARIA INTERNATIONAL DMCC**  
**DUBAI, UNITED ARAB EMIRATES**

Notes related to the financial statements (continued) for the period ended 31 March, 2023

	21-02-2022
	To 31-03-2023
	AED
<b>7 INVESTMENTS</b>	
Investment in joint venture (500 shares @ AED 1,000 each)	500,000
Less: unrealized losses	(34,131)
Share Application money pending for allotment in Joint Venture	400,000
	865,869
<b>8 OTHER RECEIVABLES</b>	
Prepayments & deposits	59,028
Due from Related Party - Kajaria RMF Trading LLC	49,000
	108,028
<b>9 CASH AND CASH EQUIVALENTS</b>	
Cash at bank	795,018
	795,018
<b>10 OTHER PAYABLES</b>	
Other payables	35,000
Due to Related Party- Received for Expenses from Kajaria Ceramics Limited	50,086
Interest due from Kajaria Ceramics Limited	3,058
	88,144
<b>11 DUE TO RELATED PARTY</b>	
Loan from Kajaria Ceramics Limited	800,000
	800,000
<b>12 ACCUMULATED LOSS</b>	
Net loss for the period	(119,229)
Closing balance	(119,229)
	(119,229)
<b>13 GENERAL ADMINISTRATIVE EXPENSES</b>	
Rent	22,808
Legal, license & professional charges	57,872
Insurance expense	767
	81,447
<b>14 FINANCE COST</b>	
Bank charges	593
Interest on loan	3,058
	3,651
<b>15 CONTINGENT LIABILITY</b>	
Except for the ongoing business obligation which are under normal course of a business against which no loss is expected, there has been no other known contingent liability or capital balance commitment on the company's account as on the balance sheet date.	

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*Tanveer Khan*





**16 RELATED PARTY TRANSACTION**

The company enters into transaction with companies and entities that fall within the definition of a related party. Related parties comprise companies and entities under common ownership and/or common management and control their partners and key management personnel. The company believes that the terms of such transactions are not significantly different from those that could have been obtained from third parties.

<b>At the balance sheet date due to related party is as under:</b>	<b>AED</b>	
Kajaria Cermaics Limited		853,144
<b>At the balance sheet date due from related party is as under:</b>		
Kajaria RMF Trading LLC		49,000
<b>Related Party Transactions during the period</b>		
<b>Kajaria Cermaics Limited</b>	<b>AED</b>	
Loan Received		800,000
Interest due on Loan		3,058
Amount due for Expenses Paid		65,086
<b>Total</b>		<u>868,144</u>
Less: Debit for Reimbursement of Expenses	73,500	
Payment received against above	58,500	15,000
<b>Net Balance as on 31.03.2023</b>		<u>853,144</u>

<b>Kajaria RMF Trading LLC</b>		
Reimbursement of the Expenses		49,000
		<u>49,000</u>

**17 FINANCIAL INSTRUMENTS**

Financial instruments of the company comprises of cash and bank balances, trade receivables, other receivables and trade payables.

**Risk Management**

**Credit risk**

Financial assets which potentially expose the company to concentration of credit risk comprise principally bank balances, trade receivables and other receivables.

The company's bank accounts are placed with high credit quality financial institutions.

**Exchange rate risk**

There are no significant exchange rate risks as substantially all financial assets and financial liabilities are denominated in Arab Emirates Dirhams.

**Interest Rate Risk**

The company is not exposed to any interest rate risk.

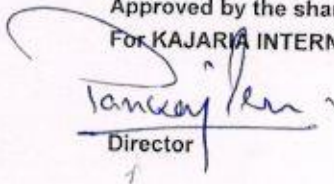
18 All the figures are expressed in AED and Fills have been rounded of to the nearest AED.

**19 COMPARATIVE AMOUNTS**

The previous year comparative figures are not available since this is the first financial year of the company for the period 21-02-2022 to 31-3-2023.

Approved by the shareholder on May 02, 2023

For KAJARIA INTERNATIONAL DMCC

  
Director

