

INDO TAUSCH TRADING DMCC
DUBAI – UNITED ARAB EMIRATES
FINANCIAL STATEMENTS AND REPORTS
FOR THE YEAR ENDED 31 DECEMBER 2023

**INDO TAUSCH TRADING DMCC
DUBAI – UNITED ARAB EMIRATES
FINANCIAL STATEMENTS AND REPORTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

Contents	Pages
Managing director's report	1
Independent auditor's report	2 - 4
Statement of financial position	5
Statement of profit or loss and other comprehensive income	6
Statement of changes in equity	7
Statement of cash flows	8
Notes to the financial statements	9 - 28

INDO TAUSCH TRADING DMCC**DUBAI – UNITED ARAB EMIRATES****MANAGING DIRECTOR'S REPORT FOR THE YEAR ENDED 31 DECEMBER 2023**

The Managing Director submits his report together with the audited financial statements of Indo Tausch Trading DMCC (the Company) for the year ended 31 December 2023.

Principal activity

The principal activities of the Company include general trading and rendering services relating to sourcing and procurement consultant, feasibility studies consultancies and project development consultant.

Financial results and appropriations

The financial results of the Company for the year ended 31 December 2023 are set out in the statement of profit or loss and other comprehensive income.

Events after the reporting period

Significant events after the reporting period are appropriately reflected in the financial statements.

Shareholder

M/s. GMR Holdings (Mauritius) Limited, incorporated in Mauritius, is the sole shareholder holding 100% of the issued share capital of the Company as at the reporting date.

With effect from 6 September 2023, the shareholding pattern of the Company was changed whereby 1,000 shares held by M/s. GMR Infrastructure (Overseas) Limited, incorporated in Mauritius were transferred to M/s. GMR Holdings (Mauritius) Limited.

Managing Director

Mr. Rajesh Kumar Amanana served as the Managing Director of the Company during the year.

Auditors

The financial statements have been audited by M/s. Kreston Menon Chartered Accountants, who retire and, being eligible, offer themselves for reappointment.

A. Rajesh Kumar
Rajesh Kumar Amanana

Managing Director

26 June 2024



SA/4621/FJ/JUN/2024

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDER OF
INDO TAUSCH TRADING DMCC
DUBAI – UNITED ARAB EMIRATES

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Indo Tausch Trading DMCC (the Company), which comprise the statement of financial position as at 31 December 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 material accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at 31 December 2023 and 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 United Arab Emirates, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Matter

The financial statements of the Company for the year ended 31 December 2022 were audited by another auditor who expressed an unmodified opinion on those statements on 4 May 2023.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements 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.

Kreston Menon Chartered Accountants

Level 15, Lake Central, Marasi Drive, Business Bay, Dubai, UAE P.O. Box 55535

T +971 4 276 2233 | F +971 4 422 1680 | dubai@krestonmenon.com | krestonmenon.com

Dubai | Abu Dhabi | Sharjah | Ras Al Khaimah | JAFZA | DAFZ | HFZ | DMCC | KIZAD

An independent member of the
Kreston Global network

MEMBER OF THE
FORUM OF FIRMS

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDER OF
INDO TAUSCH TRADING DMCC
DUBAI – UNITED ARAB EMIRATES (Continued)

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 judgement and maintain professional skepticism throughout the audit. We also:

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

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDER OF**INDO TAUSCH TRADING DMCC****DUBAI – UNITED ARAB EMIRATES (Continued)**

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Further, as required by the Dubai Multi Commodities Centre Authority Company Regulations of 2020, we report that:

1. the accounts have been properly prepared in accordance with International Financial Reporting Standards;
2. the accounts give a true and fair view of the profit or loss of the Company for the financial year ended 31 December 2023;
3. the accounts give a true and fair view of the state of the Company's affairs as at 31 December 2023; and
4. the Company is undertaking only activities permitted under its licence.

Dubai
26 June 2024




Saju Augustine FCA
Reg. No : 136
Kreston Menon Chartered Accountants

**INDO TAUSCH TRADING DMCC
DUBAI - UNITED ARAB EMIRATES
STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2023**

	Notes	31.12.2023 USD	31.12.2022 USD
Assets			
Non-current assets			
Property and equipment	4	597,224	687,502
Right-of-use assets	5	387,985	533,480
Total non-current assets		985,209	1,220,982
Current assets			
Trade and other receivables	6	20,108,589	659,297
Due from related parties	7.b	1,085,099	4,919,747
Cash and cash equivalents	8	4,658,898	272,233
Total current assets		25,852,586	5,851,277
Total assets		26,837,795	7,072,259
Shareholder's funds and liabilities			
Shareholder's funds			
Equity			
Share capital	9	275,000	275,000
Accumulated (losses)		(1,507,465)	(2,264,950)
Total equity		(1,232,465)	(1,989,950)
Shareholder's current account	10	12,865,715	7,765,715
Total shareholder's funds		11,633,250	5,775,765
Liabilities			
Non-current liabilities			
Provision for employees' end of service benefits	11	118,784	65,835
Lease liabilities	12	259,635	390,422
Total non-current liabilities		378,419	456,257
Current liabilities			
Trade and other payables	13	14,394,647	678,895
Due to related party	7.c	291,797	-
Lease liabilities	12	139,682	161,342
Total current liabilities		14,826,126	840,237
Total liabilities		15,204,545	1,296,494
Total shareholder's funds and liabilities		26,837,795	7,072,259

The accompanying notes on pages 9 to 28 form an integral part of these financial statements.

The report of the independent auditor is set forth on pages 2 to 4.

Authorised for issue on 26 June 2024.

For Indo Tausch Trading DMCC

A. Rajesh Kumar
Rajesh Kumar Amanana
Managing Director



INDO TAUSCH TRADING DMCC
DUBAI - UNITED ARAB EMIRATES
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2023

	Notes	<u>31.12.2023</u> <u>USD</u>	<u>31.12.2022</u> <u>USD</u>
Revenue	14	117,745,487	1,135,248
Cost of revenue	15	(112,412,257)	(1,106,882)
Gross profit		5,333,230	28,366
Other income	16	1,426,804	2,660,007
Administrative expenses	17	(5,983,231)	(4,644,988)
Profit/(loss) from operating activities		776,803	(1,956,615)
Finance costs	18	(19,318)	(25,217)
Profit/(loss) for the year		757,485	(1,981,832)
Other comprehensive income for the year		-	-
Total comprehensive income/(loss) for the year		757,485	(1,981,832)

The accompanying notes on pages 9 to 28 form an integral part of these financial statements.

The report of the independent auditor is set forth on pages 2 to 4.



**INDO TAUSCH TRADING DMCC
DUBAI - UNITED ARAB EMIRATES
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2023**

	<u>Share capital USD</u>	<u>Accumulated (losses) USD</u>	<u>Total USD</u>
Balance at 1 January 2022	275,000	(283,118)	(8,118)
Total comprehensive (loss) for the year	-	(1,981,832)	(1,981,832)
Balance at 31 December 2022	275,000	(2,264,950)	(1,989,950)
Total comprehensive income for the year	-	757,485	757,485
Balance at 31 December 2023	275,000	(1,507,465)	(1,232,465)

The accompanying notes on pages 9 to 28 form an integral part of these financial statements.

The report of the independent auditor is set forth on pages 2 to 4.



**INDO TAUSCH TRADING DMCC
DUBAI - UNITED ARAB EMIRATES
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2023**

	<u>31.12.2023</u> <u>USD</u>	<u>31.12.2022</u> <u>USD</u>
Cash flows from operating activities		
Profit/(loss) for the year	757,485	(1,981,832)
Adjustments for:		
Finance costs	19,318	25,217
Depreciation of property and equipment	198,585	130,400
Depreciation of right-of-use assets	145,495	145,495
Provision for employees' end of service benefits	71,827	65,835
Operating cash flows before changes in working capital	1,192,710	(1,614,885)
(Increase) in trade and other receivables	(19,449,292)	(509,840)
Decrease/(increase) in due from related parties	3,834,648	(2,660,007)
Increase in trade and other payables	13,715,752	572,370
Increase in due to related party	291,797	-
Cash (used in) operations	(414,385)	(4,212,362)
Employees' end of service benefits paid	(18,878)	-
Net cash (used in) operating activities	(433,263)	(4,212,362)
Cash flows from investing activities		
Purchase of property and equipment	(108,307)	(705,105)
Net cash (used in) investing activities	(108,307)	(705,105)
Cash flows from financing activities		
Interest paid on lease liabilities	(19,318)	(25,217)
Repayment of lease liabilities	(152,447)	(144,200)
Increase in shareholder's current account	5,100,000	5,150,000
Net cash generated from financing activities	4,928,235	4,980,583
Net increase in cash and cash equivalents	4,386,665	63,116
Cash and cash equivalents at beginning of year	272,233	209,117
Cash and cash equivalents at end of year (Note 8)	4,658,898	272,233

The accompanying notes on pages 9 to 28 form an integral part of these financial statements.

The report of the independent auditor is set forth on pages 2 to 4.



**INDO TAUSCH TRADING DMCC
DUBAI - UNITED ARAB EMIRATES
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

1. GENERAL INFORMATION :

Indo Tausch Trading DMCC (the Company) is a Free Zone Company with limited liability registered with Dubai Multi Commodities Center Authority in Dubai, United Arab Emirates under Trading Licence number DMCC-162159 and Service License number DMCC-866648. The registered office address of the Company is Unit No: 20-12-08, Jewellery and Gemplex 2, Plot No: DMCC-PH2-J&GPlexS, Jewellery & Gemplex, Dubai, United Arab Emirates and principal place of business is located in Dubai, UAE.

The principal activities of the Company include general trading and rendering services relating to sourcing and procurement consultant, feasibility studies consultancies and project development consultant.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES AND DISCLOSURES :

2.1 Basis of preparation

The financial statements have been prepared on the historical cost basis. The financial statements are presented in United States Dollar (USD) and all values are rounded to the nearest USD. The principal accounting policies adopted are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.2 Statement of compliance

The financial statements of the Company have been prepared in accordance with International Financial Reporting Standards.

2.3 Adoption of new and revised International Financial Reporting Standards

The following new and revised Standards including amendments thereto and Interpretations which became effective for the current reporting period have been adopted, wherever applicable. Their adoption has not had any significant impact on the amounts reported in these financial statements but may affect the financial reporting for future transactions or arrangements.

Amendments to IAS 1 - Disclosure of Accounting Policies

Amendments to IAS 8 - Definition of Accounting Estimates

Amendments to IAS 12 - Deferred Tax related to Assets and Liabilities arising from a Single Transaction

IFRS 17: Insurance Contracts

The following Standards, amendments thereto and interpretations have been issued prior to 31 December 2023 but have not been applied in these financial statements as their effective dates of adoption are for future periods. It is anticipated that their adoption in the relevant accounting periods will have impact only on disclosures within the financial statements.

Amendments to IFRS 10 and IAS 28: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture - Date to be determined

Amendments to IFRS 16 - Lease Liability in a Sale and Leaseback - 1 January 2024



INDO TAUSCH TRADING DMCC
DUBAI - UNITED ARAB EMIRATES
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

Amendments to IAS 1 - Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants - 1 January 2024

Amendments to IAS 7 and IFRS 7 - Supplier Finance Arrangements - 1 January 2024

Amendments to IAS 21 - Lack of Exchangeability - 1 January 2025

2.4 Foreign currencies

(a) Functional and presentation currency

The financial statements are prepared and the items included in the financial statements are measured using the currency of the primary economic environment in which the Company operates ('the functional currency'). The financial statements are presented in USD, which is the Company's functional and presentation currency.

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of outstanding amounts of such transactions and from the re-translation of monetary assets and liabilities denominated in foreign currencies at the end of the reporting period are recognised in the profit or loss. At the end of each reporting period, monetary items denominated in foreign currencies are re-translated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are re-translated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions.

2.5 Property and equipment

Property and equipment is stated at cost less accumulated depreciation and identified impairment losses, if any. Cost includes expenditure that is directly attributable to the acquisition of the items including installation costs. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance expenses are charged to the profit or loss during the reporting period in which they are incurred.

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

	Years
Leasehold improvements	4 - 5
Computer and office equipment	3
Furniture and fixtures	3 - 5
Motor vehicles	5

In the case of leasehold improvements, it is assumed that the lease will continue to be renewed over the useful life.



**INDO TAUSCH TRADING DMCC
DUBAI - UNITED ARAB EMIRATES
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

The assets' residual values and useful lives are reviewed at the end of the reporting period, with the effect of any changes in estimates adjusted on a prospective basis. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

The gains or losses arising on the disposal or retirement of an item of property and equipment is determined by comparing the disposal proceeds with the carrying amount of the asset and is recognised in the profit or loss.

2.6 Leases

The Company as lessee

The Company assesses whether a contract is or contains a lease, at inception of the contract. The Company recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. For these leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the term of the lease.

Lease liabilities are measured at the present value of the contractual payments due to the lessor over the lease term, with the discount rate determined by reference to the rate inherent in the lease unless (as is typically the case) this is not readily determinable, in which case the Company's incremental borrowing rate on commencement of the lease is used. Variable lease payments are only included in the measurement of the lease liability if they depend on an index or rate. In such cases, the initial measurement of the lease liability assumes the variable element will remain unchanged throughout the lease term. Other variable lease payments are expensed in the period to which they relate.

On initial recognition, the carrying value of the lease liability also includes:

- amounts expected to be payable under any residual value guarantee;
- the exercise price of any purchase option granted in favour of the Company if it is reasonably certain to assess that option;
- any penalties payable for terminating the lease, if the term of the lease has been estimated on the basis of termination option being exercised.

Right-of-use assets are initially measured at the amount of the lease liability, reduced for any lease incentives received, and increased for:

- lease payments made at or before commencement of the lease;
- initial direct costs incurred; and
- the amount of any provision recognised where the Company is contractually required to dismantle, remove or restore the leased asset.

Subsequent to initial measurement, lease liabilities increase as a result of interest charged at a constant rate on the balance outstanding and are reduced for lease payments made. Right-of-use assets are amortised on a straight-line basis over the remaining term of the lease or over the remaining economic life of the asset if, rarely, this is judged to be shorter than the lease term.



**INDO TAUSCH TRADING DMCC
DUBAI - UNITED ARAB EMIRATES
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

When the Company revises its estimate of the term of any lease (because, for example, it reassesses the probability of a lease extension or termination option being exercised), it adjusts the carrying amount of the lease liability to reflect the payments to make over the revised term, which are discounted using a revised discount rate. The carrying value of lease liabilities is similarly revised when the variable element of future lease payments dependent on a rate or index is revised, except the discount rate remains unchanged. In both cases an equivalent adjustment is made to the carrying value of the right-of-use asset, with the revised carrying amount being amortised over the remaining (revised) lease term. If the carrying amount of the right-of-use asset is adjusted to zero, any further reduction is recognised in profit or loss.

When the Company renegotiates the contractual terms of a lease with the lessor, the accounting depends on the nature of the modification:

- if the renegotiation results in one or more additional assets being leased for an amount commensurate with the standalone price for the additional rights-of-use obtained, the modification is accounted for as a separate lease in accordance with the above policy.
- in all other cases where the renegotiation increases the scope of the lease (whether that is an extension to the lease term, or one or more additional assets being leased), the lease liability is remeasured using the discount rate applicable on the modification date, with the right-of-use asset being adjusted by the same amount.
- if the renegotiation results in a decrease in the scope of the lease, both the carrying amount of the lease liability and right-of-use asset are reduced by the same proportion to reflect the partial or full termination of the lease with any difference recognised in profit or loss. The lease liability is then further adjusted to ensure its carrying amount reflects the amount of the renegotiated payments over the renegotiated term, with the modified lease payments discounted at the rate applicable on the modification date. The right-of-use asset is adjusted by the same amount.

For contracts that both convey a right to the Company to use an identified asset and require services to be provided to the Company by the lessor, the Company has elected to account for the entire contract as a lease, i.e. it does not allocate any amount of the contractual payments to, and account separately for, any services provided by the supplier as part of the contract.

2.7 Impairment of tangible and right-of-use assets

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

Recoverable amount is the higher of fair value less costs to sell and value in use.

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



**INDO TAUSCH TRADING DMCC
DUBAI - UNITED ARAB EMIRATES
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

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

2.8 Financial instruments

Financial assets and financial liabilities are recognised in the Company's statement of financial position when the Company becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities (unless it is a trade receivable without a significant financing component that is initially measured at the transaction price) are initially measured at fair value plus or minus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition.

Financial assets

A financial asset is classified as measured at: amortised cost; fair value through other comprehensive income ("FVTOCI") – debt investment; fair value through other comprehensive income ("FVTOCI") – equity investment; or fair value through profit or loss ("FVTPL"). The classification of financial assets is generally based on the business model in which a financial asset is managed and its contractual cash flow characteristics.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are; solely; payments of principal and interest on the outstanding principal amount.

All financial assets of the Company are classified as and are subsequently measured at amortised cost using the effective interest method and is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment losses are recognised in profit or loss.

The Company derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

Financial liabilities

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognized in profit or loss.



**INDO TAUSCH TRADING DMCC
DUBAI - UNITED ARAB EMIRATES
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

All financial liabilities of the Company are classified as and are subsequently measured at amortised cost using the effective interest method.

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the sum of consideration paid and payable is recognised in profit or loss.

2.9 Impairment of financial assets

'Expected Credit Loss' (ECL) model requires considerable judgement in selecting the inputs to the impairment calculation, based on the Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period. The Company records an allowance for ECLs for all financial assets at amortised cost, debt investments at FVTOCI, but not to investments in equity instruments.

The Company measures impairment allowances using general or simplified approach as considered appropriate. Loss allowances are measured on either of the following bases :

12 month ECLs: these are ECLs that result from possible default within 12 months after the reporting date; and

Lifetime ECLs: these are ECLs that result from all possible default events over the expected life of a financial instrument.

ECLs under the general approach are a probability weighted estimate of credit losses which are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive. The shortfall is then discounted at an approximation to the asset's original effective interest rate.

ECLs under the standard's simplified approach are calculated based on lifetime expected credit losses. The Company has established a provision matrix that is based on the Company's historical credit loss experience, adjusted for forward-looking factors specific to the financial assets and the economic environment.

The Company considers a financial asset in default when contractual payments are past due. However, in certain cases, the Company may also consider a financial asset to be in default when internal or external information indicates that the Company is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by Company.

2.10 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and bank deposits free of encumbrance with a maturity date of three months or less from the date of deposit and other short-term highly liquid investments with a maturity date of three months or less from the date of investment, net of temporary bank overdrafts.



**INDO TAUSCH TRADING DMCC
DUBAI - UNITED ARAB EMIRATES
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

2.11 Provisions

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and a reliable estimate can be made of the amount of the obligation. The expense relating to any provision is recognised in the profit or loss, net of any reimbursement.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows. Provisions are not recognised for future operating losses.

2.12 Provision for employees' benefits

Provision for employees' end of service benefits is made in accordance with the UAE labour laws, and is based on current remuneration and periods of service at the end of the reporting period.

Provision is made for the estimated liability for employees' entitlement to annual leave as a result of services rendered by the employees up to the end of the reporting period. The provision relating to annual leave is disclosed as a current liability, while the provision relating to employees' end of service benefits is disclosed as a non-current liability.

2.13 Revenue recognition

Revenue is recognised when a customer obtains control of the goods or services. Determining the timing of the transfer of control, at a point in time or over time, requires judgement. The Company recognises revenue from sale of goods or rendering of services based on a five-step model as follows:

Step 1. Identify the contract(s) with a customer: A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for every contract that must be met.

Step 2. Identify the performance obligations in the contract: A performance obligation is a promise in a contract with a customer to transfer goods or services to the customer.

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

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

Step 5. Recognise revenue when (or as) the Company satisfies a performance obligation.



**INDO TAUSCH TRADING DMCC
DUBAI - UNITED ARAB EMIRATES
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

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

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

For performance obligations where one of the above conditions are not met, revenue is recognised at the point in time at which performance obligation is satisfied.

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

Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes and duty.

Sale of goods

Revenue from sale of goods is recognized at the point in time when control of the asset is transferred to the customer, generally on delivery of goods and issuance of the invoices to customers.

Rendering of services

Revenue from services is recognised at the point in time upon completion of rendering services in each transaction and issuance of the invoices to customers.

3. CRITICAL ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS :

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenue, expenses, assets and liabilities, and the disclosure of contingent liabilities, at the end of the reporting period. However, uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future periods.

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed in page number 17;



**INDO TAUSCH TRADING DMCC
DUBAI - UNITED ARAB EMIRATES
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

a) Estimated useful lives of property and equipment

Management assigns useful lives and residual values to property and equipment based on the intended use and the economic lives of those assets. Subsequent changes in circumstances could result in the actual useful lives or residual values differing from initial estimates. Where management determines that the useful life or residual value of an asset requires amendment, the net book amount in excess of the residual value is depreciated over the revised remaining useful life.

b) Impairment of non-financial assets

Assessments of net recoverable amounts of property and equipment, right-of-use assets and other non-financial assets are based on assumptions regarding future cash flows expected to be received from the related assets.

c) Business model assessment

Classification and measurement of financial assets depends on the results of the Solely Payments of Principal and Interest (SPPI) and the business model test. The Company determines the business model at a level that reflects how groups of financial assets are managed together to achieve a particular business objective. This assessment includes judgement reflecting all relevant evidence including how the performance of the assets is evaluated and their performance measured, the risks that affect the performance of the assets and how these are managed and how the managers of the assets are compensated. The Company monitors financial assets measured at amortised cost or fair value through other comprehensive income that are derecognised prior to their maturity to understand the reason for their disposal and whether the reasons are consistent with the objective of the business for which the asset was held. Monitoring is part of the Company's continuous assessment of whether the business model for which the remaining financial assets are held continues to be appropriate and if it is not appropriate whether there has been a change in business model and so a prospective change to the classification of those assets.

d) Significant increase in credit risk

ECLs are measured as an allowance equal to 12-month ECL for stage 1 assets, or lifetime ECL for stage 2 or stage 3 assets. An asset moves to stage 2 when its credit risk has increased significantly since initial recognition. IFRS 9 does not define what constitutes a significant increase in credit risk. In assessing whether the credit risk of an asset has significantly increased the Company takes into account qualitative and quantitative reasonable and supportable forward-looking information.

e) Calculation of loss allowance

When measuring ECL the Company uses reasonable and supportable forward-looking information, which is based on assumptions for the future movement of different economic drivers and how these drivers will affect each other.

Loss given default is an estimate of the loss arising on default. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, taking into account cash flows from collateral and integral credit enhancements.

Probability of default constitutes a key input in measuring ECL. Probability of default is an estimate of the likelihood of default over a given time horizon, the calculation of which includes historical data, assumptions and expectations of future conditions.



**INDO TAUSCH TRADING DMCC
DUBAI - UNITED ARAB EMIRATES
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

f) Lease term and useful lives of right-of-use assets

The Company's management determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

4. PROPERTY AND EQUIPMENT :

Movement in property and equipment are given on page number 28.

5. RIGHT-OF-USE ASSETS :

	<u>31.12.2023</u> <u>USD</u>	<u>31.12.2022</u> <u>USD</u>
Cost		
Balance at end of year	727,474	727,474
Accumulated depreciation		
Balance at beginning of year	193,994	48,499
Charge for the year (Note 17)	145,495	145,495
Balance at end of year	339,489	193,994
Net book amount	387,985	533,480

Right-of-use assets represent long-term lease rights of office premises and are depreciated on a straight line basis over their estimated useful lives.

6. TRADE AND OTHER RECEIVABLES :

	<u>31.12.2023</u> <u>USD</u>	<u>31.12.2022</u> <u>USD</u>
Trade receivables	9,867,773	423,106
Prepayments	61,392	139,683
Refundable deposits	93,688	46,834
Advance to suppliers	3,288,380	44,656
Advance for capital asset ¹	6,535,058	-
Advance to employees	212,985	4,756
VAT receivable ²	49,158	-
Other receivables	155	262
	20,108,589	659,297

Taking into account the historical default experience, the management of the Company have assessed that there is no impairment, and hence have not recorded any loss allowance on these balances.



INDO TAUSCH TRADING DMCC
DUBAI - UNITED ARAB EMIRATES
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

An age analysis of trade receivables that were past due but not impaired is as follows:

	<u>31.12.2023</u> <u>USD</u>	<u>31.12.2022</u> <u>USD</u>
0 to 3 months	9,451,638	423,106
3 to 6 months	411,046	-
6 to 12 months	5,089	-
Total	<u>9,867,773</u>	<u>423,106</u>

¹Advance for capital asset relates to the purchase of a property in Dubai.

²Value Added Tax (VAT) receivable represents net VAT amount receivable from the UAE Federal Tax Authority against the input tax charged by the suppliers on their taxable supplies to the Company in excess of the output tax charged by the Company on its taxable supplies to the customers as per the Federal Decree Law No. 8 of 2017 on Value Added Tax and its Executive Regulations.

7. RELATED PARTY TRANSACTIONS AND BALANCES :

Related parties include the shareholders, key management personnel, fellow subsidiaries, associates, joint ventures, managing director and entities which are controlled directly or indirectly by the shareholders or directors or over which they exercise significant management influence. Balances and transactions between the Company and its related parties are described below. Transactions with related parties were entered into on terms agreed by the management.

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

	<u>31.12.2023</u> <u>USD</u>	<u>31.12.2022</u> <u>USD</u>
Assignment fee (Note 15)	710,358	-
Corporate management fee (Note 16)	1,426,804	2,660,007
Key management remuneration	813,153	656,572

Key management remuneration represents the compensation paid or payable to key management for employee services. Key management includes Managing Director and a member of senior management and the remuneration is included in employee costs allocated to administrative expenses. The compensation of key management for the period is shown below:

	<u>31.12.2023</u> <u>USD</u>	<u>31.12.2022</u> <u>USD</u>
Short term benefits	577,088	456,072
Post-employment benefits	28,375	45,519
Other benefits	207,690	154,981
	<u>813,153</u>	<u>656,572</u>



**INDO TAUSCH TRADING DMCC
DUBAI - UNITED ARAB EMIRATES
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

The following balances were outstanding at the end of the reporting period:

	<u>31.12.2023</u> <u>USD</u>	<u>31.12.2022</u> <u>USD</u>
b. Due from related parties	1,085,099	4,919,747
c. Due to related party	291,797	-

Related party balances are unsecured and are expected to be settled by cash. No expense has been recognised in the current or prior years for bad and doubtful debts in respect of the amounts owed by related parties.

8. CASH AND CASH EQUIVALENTS :

	<u>31.12.2023</u> <u>USD</u>	<u>31.12.2022</u> <u>USD</u>
Cash on hand	18,260	-
Cash at bank:		
Current accounts	4,640,638	272,233
	<u>4,658,898</u>	<u>272,233</u>

9. SHARE CAPITAL :

	<u>31.12.2023</u> <u>USD</u>	<u>31.12.2022</u> <u>USD</u>
Authorised, issued and fully paid; 1,000 ordinary shares (2022: 1,000) of AED 1,000/- each	275,000	275,000

10. SHAREHOLDER'S CURRENT ACCOUNT :

	<u>31.12.2023</u> <u>USD</u>	<u>31.12.2022</u> <u>USD</u>
Balance at beginning of year	7,765,715	2,615,715
Fund introduced during the year	5,100,000	5,150,000
Balance at end of year	<u>12,865,715</u>	<u>7,765,715</u>

The above account balance represents the transactions with the shareholder. All transactions with shareholder other than contributions to share capital and loan transactions are recorded in the current account.

The outstanding current account balance does not carry any interest charge or fixed repayment terms. The outstanding balance is classified within the shareholder's funds.



**INDO TAUSCH TRADING DMCC
DUBAI - UNITED ARAB EMIRATES
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

11. PROVISION FOR EMPLOYEES' END OF SERVICE BENEFITS :

	<u>31.12.2023</u> <u>USD</u>	<u>31.12.2022</u> <u>USD</u>
Balance at beginning of year	65,835	-
Provision made during the year (Note 19)	71,827	65,835
Payments during the year	(18,878)	-
Balance at end of year	<u>118,784</u>	<u>65,835</u>

12. LEASE LIABILITIES :

	<u>31.12.2023</u> <u>USD</u>	<u>31.12.2022</u> <u>USD</u>
Balance at beginning of year	551,764	695,964
Interest charged for the year (Note 18)	19,318	25,217
Repayments during the year	(171,765)	(169,417)
Balance at end of year	<u>399,317</u>	<u>551,764</u>

Presented in the statement of financial position as:

Non-current	259,635	390,422
Current	139,682	161,342
	<u>399,317</u>	<u>551,764</u>

13. TRADE AND OTHER PAYABLES :

	<u>31.12.2023</u> <u>USD</u>	<u>31.12.2022</u> <u>USD</u>
Trade payables	8,067,516	-
Advance from customers	5,730,000	350,000
Accruals for employees' benefits	162,839	108,943
Other payables	162,478	203,668
Accrued expenses	271,814	16,284
	<u>14,394,647</u>	<u>678,895</u>

14. REVENUE :

	<u>31.12.2023</u> <u>USD</u>	<u>31.12.2022</u> <u>USD</u>
Revenue from:		
Sale of goods	115,498,690	1,135,248
Rendering of services	2,246,797	-
	<u>117,745,487</u>	<u>1,135,248</u>



INDO TAUSCH TRADING DMCC
DUBAI - UNITED ARAB EMIRATES
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

15. COST OF REVENUE :

	<u>31.12.2023</u> <u>USD</u>	<u>31.12.2022</u> <u>USD</u>
Purchases	111,333,418	1,106,882
Other direct costs	1,078,839	-
	<u>112,412,257</u>	<u>1,106,882</u>

Other direct costs include assignment fee of USD 710,358/- (2022: Nil) from a related party (Note 7.a).

16. OTHER INCOME :

	<u>31.12.2023</u> <u>USD</u>	<u>31.12.2022</u> <u>USD</u>
Corporate management fee (Note 7.a)	1,426,804	2,660,007

17. ADMINISTRATIVE EXPENSES :

	<u>31.12.2023</u> <u>USD</u>	<u>31.12.2022</u> <u>USD</u>
Employee costs (Note 19)	1,934,130	1,947,876
Legal and professional charges	1,107,538	497,733
Other expenses	794,550	334,413
Operating lease charges	673,401	1,035,142
Bank charges	422,244	17,082
Travelling	346,142	37,379
Depreciation of property and equipment (Note 4)	198,585	130,400
Repairs and maintenance	157,274	318,941
Depreciation of right-of-use assets (Note 5)	145,495	145,495
Communication	123,977	133,774
Office expenses	33,091	44,748
Recruitment and visa charges	21,392	404
Foreign currency exchange loss	16,691	-
Insurance	8,721	1,601
	<u>5,983,231</u>	<u>4,644,988</u>

18. FINANCE COSTS :

	<u>31.12.2023</u> <u>USD</u>	<u>31.12.2022</u> <u>USD</u>
Interest on:		
Lease liabilities (Note 12)	19,318	25,217



**INDO TAUSCH TRADING DMCC
DUBAI - UNITED ARAB EMIRATES
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

19. EMPLOYEE COSTS :

	<u>31.12.2023</u> <u>USD</u>	<u>31.12.2022</u> <u>USD</u>
Salaries and allowances	1,307,478	1,002,099
End of service benefits (Note 11)	71,827	65,835
Other benefits	554,825	879,942
	<u>1,934,130</u>	<u>1,947,876</u>

The entire employee costs are allocated to administrative expenses (Note 17).

20. FINANCIAL INSTRUMENTS :

The net carrying amounts of financial assets and financial liabilities at the end of the reporting period are classified as follows:

	<u>31.12.2023</u> <u>USD</u>	<u>31.12.2022</u> <u>USD</u>
Financial assets - At amortised cost :		
Trade and other receivables (excluding prepayments, advance to suppliers and advance for capital asset)	10,223,759	474,958
Due from related parties	1,085,099	4,919,747
Cash and cash equivalents	4,658,898	272,233
Total	<u>15,967,756</u>	<u>5,666,938</u>
Financial liabilities - At amortised cost :		
Trade and other payables (excluding advance from customers)	8,664,647	328,895
Due to related party	291,797	-
Lease liabilities	399,317	551,764
Total	<u>9,355,761</u>	<u>880,659</u>

Details of the material accounting policies and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument are disclosed in Note 2 to the financial statements.

21. CAPITAL RISK MANAGEMENT :

The Company manages its capital to ensure that the Company will be able to continue as a going concern while providing maximum return to stakeholders through the optimisation of the debt and equity balance and to maintain an optimal capital structure to reduce the cost of capital. The Company's overall strategy on capital risk management remains unchanged from the previous year.



**INDO TAUSCH TRADING DMCC
DUBAI - UNITED ARAB EMIRATES
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

The capital structure of the Company consists of equity funds as presented in the statement of financial position together with shareholder's current account. Debt comprises total amounts owing to third parties, net of cash and cash equivalents.

22. FINANCIAL RISK MANAGEMENT :

Financial risk factors

The Company's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk. The Company's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Company's financial performance.

Risk management is carried out by the Company's management. The management identifies and evaluates financial risks on regular basis to minimise the adverse impact over the Company's operation.

(a) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises: interest rate risk and currency risk. The Company's activities are exposed primarily to the financial risks of changes in foreign currency exchange rates and interest rates.

(i) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities, when revenue or expense are denominated in a different currency from the Company's functional currency which is USD. There is no significant foreign currency risk as all financial assets and financial liabilities are denominated in USD.

(ii) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates is limited to its interest bearing assets and liabilities.

The Company has lease liabilities as disclosed in Note 12. The interest rates on lease liabilities are at commercial rates which are generally obtained in the United Arab Emirates.

(b) Credit risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily for trade receivables and committed transactions) and from its financing activities, including deposits with banks, foreign exchange transactions and other financial instruments.

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



**INDO TAUSCH TRADING DMCC
DUBAI - UNITED ARAB EMIRATES
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

Of the trade receivables balance of USD 9,867,773/- (2022: USD 423,106/-) at the end of the period, USD 8,468,430/- (2022: USD 423,106/-) is due from two (2022: one) customers (customers with more than 10% of total balance have been considered).

(c) Liquidity risks

Liquidity risk refers to the risk that an entity will encounter difficulty in meeting obligations associated with its financial liabilities at maturity date.

The Company manages the liquidity risk through risk management framework for the Company's short, medium and long-term funding and liquidity management requirements by maintaining adequate reserves, sufficient cash and cash equivalent to ensure funds are available to meet its commitments for liabilities as they fall due.

The table analyses the Company's remaining contractual maturity for its financial liabilities based on the remaining period at the end of the reporting period to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant. The contractual maturity is based on the earliest date on which the Company may be required to pay.

	<u>31.12.2023</u> <u>USD</u>	<u>31.12.2022</u> <u>USD</u>
<u>Less than 1 year</u>		
Trade and other payables (excluding advance from customers) (Note 13)	8,664,647	328,895
Due to related parties (Note 7.c)	291,797	-
Lease liabilities (Note 12)	139,682	161,342
	<u>9,096,126</u>	<u>490,237</u>
<u>Between 1 to 2 years</u>		
Lease liabilities (Note 12)	<u>171,286</u>	<u>139,682</u>
<u>Between 2 to 5 years</u>		
Lease liabilities (Note 12)	<u>88,349</u>	<u>250,740</u>
Total	<u><u>9,355,761</u></u>	<u><u>880,659</u></u>



**INDO TAUSCH TRADING DMCC
DUBAI - UNITED ARAB EMIRATES
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

23. FAIR VALUE :

The fair value of a particular asset or liability 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 values of the financial assets and liabilities approximate their carrying amounts as reflected in these financial statements.

24. CAPITAL COMMITMENTS AND CONTINGENT LIABILITIES :

Details of the commitments and outstanding contingent liabilities of the Company which are in the normal course of the business activities are as follows:

24.1 Capital commitments

As at the end of the reporting period, the Company has approved capital commitments of USD 263,466/- relating to the purchase of a property (Note 6).

24.2 Contingent liabilities

As at the end of the reporting period, the following contingent liabilities were outstanding:

	<u>31.12.2023</u> <u>USD</u>	<u>31.12.2022</u> <u>USD</u>
Letter of credit	14,051,259	-

25. EVENTS AFTER REPORTING PERIOD :

On 6 May 2024, the board of directors approved a resolution to increased the Company's share capital to 46,000 shares of AED 1,000/- each, by issuing new shares to the existing shareholder. The increase in share capital is in the process of obtaining approval from DMCC Authority.

26. COMPARATIVE AMOUNTS :

The following balances in the statement of financial position as at 31 December 2022 and statement of profit or loss and other comprehensive income for the year then ended have been reclassified to conform to the year ended 31 December 2023 presentation:

	<u>As previously</u> <u>reported at</u> <u>31.12.2022</u> <u>USD</u>	<u>Reclassifications</u> <u>USD</u>	<u>As restated at</u> <u>31.12.2022</u> <u>USD</u>
Statement of financial position			
Trade and other receivables	474,958	184,339	659,297
Other current assets	184,339	(184,339)	-
Trade and other payables	(235,291)	(443,604)	(678,895)
Other current liabilities	(443,604)	443,604	-
		-	



**INDO TAUSCH TRADING DMCC
DUBAI - UNITED ARAB EMIRATES
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

	<u>As previously reported at 31.12.2022</u>	<u>Reclassifications</u>	<u>As restated at 31.12.2022</u>
	<u>USD</u>	<u>USD</u>	<u>USD</u>
Statement of profit or loss and other comprehensive income			
Administrative expenses	(2,701,052)	(1,943,936)	(4,644,988)
Staff costs	(1,668,041)	1,668,041	-
Depreciation	(275,895)	275,895	-
		<u>-</u>	

There was no impact on the cash flows or reported profit of the previous year due to the above reclassifications.

27. CORPORATE INCOME TAX :

On 9 December 2022, UAE Ministry of Finance issued Federal Decree-Law No. 47 of 2022 on the Taxation of Corporations and Businesses, Corporate Tax (CT) Law to enact a new CT regime in the UAE. The new CT regime has become effective for accounting periods beginning on or after 1 June 2023. Generally, UAE businesses will be subject to a 9% CT rate, however a rate of 0% could be applied to taxable income not exceeding a particular threshold or to certain types of entities. As per the Company's assessment, there is no material deferred tax impact on account of CT Law in the Company's financial statements for the year ended 31 December 2023.



**INDO TAUSCH TRADING DMCC
DUBAI - UNITED ARAB EMIRATES
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

**Property and equipment
(Ref. Note 4 on page 18)**

Cost	Leasehold improvements USD	Computer and office equipment USD	Furniture & fixtures USD	Motor vehicle USD	Total USD
At 1 January 2022	-	4,487	3,657	112,290	120,434
Additions	422,785	108,841	116,297	57,182	705,105
At 31 December 2022	422,785	113,328	119,954	169,472	825,539
Additions	-	27,600	80,707	-	108,307
At 31 December 2023	422,785	140,928	200,661	169,472	933,846
Accumulated depreciation					
At 1 January 2022	-	900	435	6,302	7,637
Charge for the year (Note 17)	66,159	22,462	16,314	25,465	130,400
At 31 December 2022	66,159	23,362	16,749	31,767	138,037
Charge for the year (Note 17)	96,207	38,873	29,611	33,894	198,585
At 31 December 2023	162,366	62,235	46,360	65,661	336,622
Net book amount					
At 31 December 2023	260,419	78,693	154,301	103,811	597,224
At 31 December 2022	356,626	89,966	103,205	137,705	687,502

