

EKC International FZE
Jebel Ali Free Zone, Dubai, U.A.E.

Audited Financial Statements
Year Ended March 31, 2025

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Independent Auditor's Report to the Sole Shareholder of

EKC International FZE

P.O. Box 61041, Jebel Ali Free Zone, Dubai, U.A.E.

Report on the Financial Statements

We have audited the accompanying financial statements of EKC International FZE, Dubai, U.A.E. which comprise the Statement of Financial Position as at **March 31, 2025**, and the Income Statement, Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and the fair presentation of these financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the presentation 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 and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations and disclosing, as applicable, matters related to going concern.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors judgement, including the assessment of the risk of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of accounting estimates made by the management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained up to the date of our auditor's report is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the Financial Statements present fairly, in all material respects, the Financial Position of the company as at **March 31, 2025**, the Results of its Operations, Changes in Equity and its Cash Flows for the year then ended in accordance with the International Financial Reporting Standards and comply with Law no 9 of 1992 of H.H. Sheikh Maktoum Bin Rashid Al Maktoum, Ruler of Dubai and Implementing Regulations issued by Jebel Ali Free Zone Authority, Government of Dubai, UAE.

Without qualifying our opinion, we draw attention to the following matter:

These are standalone (separate) financial statements of the company. Financial statements consolidating the following companies are issued by the ultimate parent Everest Kanto Cylinder Limited, India and will be available on www.bseindia.com in due course.

EKC Hungary Kft., Hungary	100% subsidiary
CP Industries Holding Inc., USA	100% subsidiary
EKC Europe GmbH, Germany	100% subsidiary
EKC Europe Zrt., Hungary	80% subsidiary
EKC Egypt, Egypt	97% subsidiary
EKC General Trading FZE, Dubai, UAE	100% Subsidiary

Other Legal and Regulatory Requirements

As required by the Implementing Regulations, we further confirm that we have obtained all information and explanation necessary for our audit and that proper books of accounts have been kept by the company. We are not aware of any violation of the above mentioned Regulations and the Articles of Association, which may have had a material effect on the business of the company or on its financial position.

for Parag Parekh and Co
Chartered Accountants



Parag Pratap Parekh
MOE Regn no 449
Dubai, United Arab Emirates
Dated : May 15, 2025



EKC International FZE, Jebel Ali Free Zone, Dubai, U.A.E.

Statement of Financial Position in UAE Dirhams

As at March 31, 2025

	Note	As at 31.3.2025	As at 31.3.2024
Non Current Assets			
Property, Plant and Equipment - Net	Sch	30,974,900	32,326,523
Capital Work In Progress		108,108	0
Investment in Subsidiaries	3	206,585,146	31,403,554
Unsecured Loans Given to Subsidiaries	4	0	151,361,821
Sub Total	a	<u>237,668,154</u>	<u>215,091,898</u>
Current Assets			
Inventory	5	54,388,691	57,610,287
Sundry Debtors	6	3,963,891	9,020,193
Cash and Bank Balances	7	23,585,052	21,167,532
Deposits, Advances & Prepayments	8	3,733,387	3,909,871
Due from Related Parties incl RP Debtors (Net)	9	5,969,735	17,568,688
Duties and Taxes (Vat Refundable)	10	299,970	300,684
Sub total	b	<u>91,940,726</u>	<u>109,577,255</u>
Less : Current Liabilities			
Sundry Creditors	11	5,543,630	5,849,398
Advance from Customers		6,897,201	3,386,234
Accruals	12	1,410,997	1,589,810
Secured Loans from Banks - Current Portion	13	185,556	134,436
Sub total	c	<u>14,037,384</u>	<u>10,959,878</u>
Net Current Assets	d = b-c	77,903,342	98,617,377
Non Current liabilities			
Secured Loans from Banks - Non Current Portion	13	364,632	188,038
Provision for Employee Terminal Benefits		486,605	674,121
Sub total	e	<u>851,237</u>	<u>862,159</u>
Net Assets	a+d-e	<u>314,720,258</u>	<u>312,847,116</u>
Shareholders Equity			
Share Capital	1a	1,000,000	1,000,000
Additional Capital	1a	16,203,619	16,203,619
Retained Earnings		297,516,639	295,643,497
Total		<u>314,720,258</u>	<u>312,847,116</u>

We confirm that we are responsible for these financial statements, including selecting the accounting policies and making the judgments underlying them. We also confirm that we have made available all relevant accounting records and information for their compilation. These financial statements were authorised for issue on May 15, 2025 on behalf of the Board by

Mr. Pushkar Khurana
Managing Director

Parag Parekh & Co
Chartered Accountants



EKC International FZE

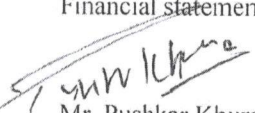
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Statement of 'Profit or Loss' & 'Other Comprehensive Income'

Year Ended March 31, 2025

All figures are expressed in U.A.E. Dirhams	Note	Y.E. 31.3.2025	Y.E. 31.3.2024
Sales			
Sales -Manufacturing		73,690,290	83,410,062
Sales-Trading		1,382,203	1,917,392
Sub - total		75,072,493	85,327,454
Increase /(Decrease) in Stock of FG/WIP	15	-3,039,096	-11,070,845
Total Income		<u>72,033,397</u>	<u>74,256,609</u>
Expenses			
Raw Materials Consumed	16	37,327,293	37,059,262
Trading Cost of Sales	17	1,000,935	1,217,102
Manufacturing Expenses	18	12,994,008	12,734,888
Personnel Expenses	19	10,494,252	10,324,949
Selling Expenses		3,963,907	3,934,566
Administrative Expenses		4,380,512	3,975,685
Finance Expenses		439,777	269,439
Foreign Exchange Variation (Gain)/ Loss Realised		273,287	-404,215
Interest Income from Loan to Related Parties	20	-2,417,979	-4,976,016
Related Party Balances Written Back / Off (Net)	23 i & iii	-464,109	0
Depreciation	Sch	2,874,241	2,818,771
Total Expenses		<u>70,866,124</u>	<u>66,954,431</u>
Net Profit from Operations		1,167,273	7,302,178
Other Income		705,869	296,692
Profit / (Loss) from ordinary activities		<u>1,873,142</u>	<u>7,598,870</u>
Extra - Ordinary Items			
'Forex Gain / (Loss) and Other Loss on Receivables from Sale of Investment in Associate's Equity		0	-140,087
Net Profit carried to Retained Earnings		<u>1,873,142</u>	<u>7,458,783</u>

Financial statements were authorised on behalf of the Board by


Mr. Pushkar Khurana
Managing Director



Parag Parekh & Co
Chartered Accountants



EKC International FZE

P.O. Box No. 61041, Jebel Ali Free Zone, Dubai, U.A.E.

Statement of Changes in Equity

Year Ended March 31, 2025

All figures are expressed in **UAE Dirhams**

	Share Capital	Additional Capital	Retained Earnings	Total
Balance as at 31.3.2024	1,000,000	16,203,619	295,643,497	312,847,116
Transfer from Income Statement	0	0	1,873,142	1,873,142
Balance as at 31.3.2025	<u>1,000,000</u>	<u>16,203,619</u>	<u>297,516,639</u>	<u>314,720,258</u>
Balance as at 31.3.2023	1,000,000	16,203,619	288,184,714	305,388,333
Transfer from Income Statement	0	0	7,458,783	7,458,783
Balance as at 31.3.2024	<u>1,000,000</u>	<u>16,203,619</u>	<u>295,643,497</u>	<u>312,847,116</u>



EKC International FZE

P.O.Box No. 61041, Jebel Ali Free Zone, Dubai, U.A.E.

Statement of Cash Flows in UAE Dirhams
Year Ended March 31, 2025

	YE 31.3.2025	YE 31.3.2024
I Cash flow from Operating Activities		
Net Profit for the Year	1,873,142	7,458,783
Add: "Forex Loss and Other Loss on Receivables from Sale of Investment in Associate's Equity	0	140,087
Add: Depreciation	2,874,241	2,818,771
Add: Finance expenses	439,777	269,439
Less : Interest Income from Fixed Deposits	-679,616	-281,604
Less: Profit on Sale of Fixed Assets	-11,467	0
Less : Interest Income from Related Parties	-2,417,979	-4,976,016
Operating Profit before changes in operating assets and liabilities	2,078,098	5,429,460
Inventory	3,221,596	15,186,423
Sundry Debtors	5,056,302	3,115,885
Deposits, Advances & Prepayments	176,484	838,125
Sundry Creditors	-305,768	-1,920,280
Advance from Customers	3,510,967	2,457,758
Accruals	-178,813	186,119
Provision for Employee Terminal Benefits	-187,516	71,167
Duties and Taxes (Vat Refundable)	714	30,686
Net Cash from / (used in) Operating Activities	13,372,064	25,395,343
II Cash Flow from Investing Activities		
Purchase of Property, Plant and Equipment	-1,571,151	-3,114,154
Sale of Property Plant and Equipment	60,000	0
Capital WIP	-108,108	0
Fixed Deposits (Under Lien)	633,580	-25,527
Margin Accounts (Under lien)	170,626	-112,455
Receipt of Sale Proceeds of Inv't in Associate	0	795,049
Investment in Subsidiaries (At Cost)	-13,559,873	-1,227,115
Interest Income from Related Parties converted to Inv't	2,417,979	0
Due from Related Parties (Net)	1,339,055	-7,401,563
Interest Income from Fixed Deposits	679,616	281,604
Net Cash used in Investing Activities	-9,938,276	-10,804,161
III Cash Flow from Financing Activities		
Secured Loans from Banks	227,715	103,224
Unsecured Loans Given to Subsidiaries	0	1,437,043
Finance Expenses	-439,777	-269,439
Net Cash from / (used) in Financing Activities	-212,062	1,270,828
Changes in Cash and Cash Equivalents	I+II+III 3,221,726	15,862,010
Cash & Cash Equivalents at the year beginning	19,745,941	3,883,931
Cash and Cash Equivalents at the year end	22,967,667	19,745,941
	0	0
Supplemental Cash Flow Statement Information		
Non-Cash Transactions	Nil	Nil



EKC International FZE

P.O.Box No. 61041, Jebel Ali Free Zone, Dubai, U.A.E.

Accounting Policies and Explanatory Notes

Year Ended March 31, 2025

All figures are expressed in U.A.E. Dirhams

1a Legal Status

EKC International FZE is incorporated as a Free Zone Establishment with Limited Liability Pursuant to Law no. 9 of 1992 of H.H. Sheikh Maktoum Bin Rashid Al Maktoum, Ruler of Dubai and Implementing Regulations issued thereunder by the Jebel Ali Free Zone Authority, Government of Dubai, U.A.E.

The Jebel Ali Free Zone Authority, Dubai, U.A.E has issued the Certificate of Formation number 1340 dated 17.6.2006, Trading Licence number 6963 dated 30.6.2006 and the Industrial Licence number 7676 dated 15.4.2007.

The registered office of the company is located at Plot MO0313, Jebel Ali Free Zone, Dubai, U.A.E. Everest Kanto Cylinder Limited, Mumbai, India, is the sole shareholder of the company. The company is hence a wholly owned subsidiary. The Parent is a listed Public Company in India.

To comply with local regulations, the company is registered with a share capital of AED 1 million comprising of one share of AED 1 million. However the shareholder's additional investments are presented as additional share capital in these financial statements.

The company has established three branches as follows:

Registration Number	Date	Country
2276436	05.12.2012	Colombia
13122061	11.11.2013	Peru
EIF180510N54	24.05.2018	Mexico

Transactions for these branches are accounted in company's main books of accounts.

1b Business Activities

The company is engaged in the business of manufacturing of High Pressure Gas cylinders through its 2 plants in Jebel Ali Free Zone, Dubai, UAE.

The company also started trading in Fire Protection Systems (Pre-Engineered & Total Flooding System) under 'Fire Fighting Division' with effect from March 2016. Financial performance for this division is given in Segment reporting notes. There were no revenue generating activities from 31.05.2024 hence the division is closed.



1c Management

As per the Parent Company's Board Resolution dated 14.1.2006, the company is managed by Mr. Pushkar Khurana, Managing Director.

2 Accounting Policies

2.1 Annual Financial Year

The company's financial year ends on March 31 each year.

The company presents its annual financial statements in accordance with the International Financial Reporting Standards for Small and Medium Sized Entities issued by the International Accounting Standards Board. Management chooses and applies its accounting policies consistently to similar transactions and events, unless otherwise stated.

2.2 Accounting Standards

The company prepares its financial statements in accordance with the International Financial Reporting Standards. Management chooses and applies its accounting policies consistently to similar transactions and events, unless otherwise stated.

The company has adopted IFRS with effect from April 1, 2024. The financial statements till year ended March 31, 2024 were prepared under IFRS for Small and Medium Sized Entities. There is no change in the previous year figures applying full IFRSs.

2.3 These financial statements are also authorised to be issued by the Management of the Company after due compliance of all the applicable Laws in U.A.E. including:

- a** Free Zone Regulations
- b** Ultimate Beneficial Owners (UBOs) Regulations vide Cabinet Decision No. 109 of 2023
- c** Value Added Tax Regulations vide Federal Decree-Law No. 8 of 2017
- d** Anti-Money Laundering And Combating The Financing Of Terrorism And Illegal Organisations Regulations vide Federal Decree-Law No. 20 of 2018
- e** UAE Corporate Tax Law 47 of 2022

2.4 Measurement Basis

These Financial Statements have been prepared on historical cost convention.

2.5 Functional/ Presentation Currency

Items presented in the Financial statements are measured using the currency of the primary economic environment in which the entity operates viz. the UAE Dirhams (AED).



2.6 Accounting Basis

- i These financial statements are prepared on a **Going Concern** basis. In assessing whether the going concern assumption is appropriate, management has taken into account all available information about the future, which is at least, but is not limited to, twelve months from the end of the reporting period.
- ii These financial Statements are prepared under the **Accrual basis** of accounting. Under the accrual basis of accounting, transactions and events are recognised when they occur (and not as cash or its equivalent is received or paid) and they are recorded in the accounting records and reported in the financial statements of the periods to which they relate.

2.7 Property, Plant and Equipment IAS 16 & IAS 23

Property, plant and equipment are tangible items that: (a) are held for use in the production or supply of goods or services, for rental to others, or for administrative purposes; and (b) are expected to be used during more than one period.

The cost of an item of property, plant and equipment shall be recognised as an asset if, and only if: (a) it is probable that future economic benefits associated with the item will flow to the entity; and (b) the cost of the item can be measured reliably.

Under the Cost Model, Property, plant and equipment is initially recognised at their purchase cost together with any incidental expenses of acquisition and **INCLUDING** borrowing costs incurred as **per IAS 23**. Subsequently PPE is measured at cost less accumulated depreciation and any accumulated impairment losses.

Property, plant and equipment also includes Investment Property whose fair value cannot be measured reliably without any undue cost or effort.

Depreciation on property, plant and equipment has been computed from the date of purchase at Straight Line Method at the rates prescribed under Part "C", Schedule II of the Indian Companies Act 2013 with effect from April 1, 2014 to maintain consistency with the depreciation policies followed by the parent company, Till March 31, 2014 the company followed rates prescribed under Schedule XIV of the Indian Companies Act of 1956.

Depreciation begins when assets are available to use. Depreciation does not cease if assets are idle.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the statement of income.

2.8 Capitalisation of Borrowing Costs IAS 23

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset form part of the cost of that asset. Other borrowing costs are recognised as an expense. These assets exclude assets valued at fair value viz. Biological Assets (Agriculture) and Inventories.



A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use or sale. Assets that are ready for their intended use or sale when acquired are not qualifying assets.

Depending on the circumstances, intangible assets and investment properties may be qualifying assets.

Any investment income on the temporary investment of those borrowings are reduced from the borrowing cost. An entity shall suspend capitalisation of borrowing costs during extended periods in which it suspends active development of a qualifying asset.

2.9 Investment in Equity :

In Subsidiaries	(equity holding of 51% or more)	IAS27+IFRS 10
In Joint Venture	(equity holding of 50% or different)	IAS27+IAS28+IFRS11
In Associates	(equity holding between 20% to 49%)	IAS27+IAS28

IAS 27 - Para 10 : When an entity prepares separate financial statements, it shall account for investments in subsidiaries, joint ventures and associates either: (**ELECT** as per para 12 -IAS 27)

- (a) at cost; or
 - (b) using the equity method as described in IAS 28; or
 - (c) at fair value through profit or loss in accordance with IFRS 9;
- The entity shall apply the same accounting for **each category** of investments.

A **Group** is a parent and all its subsidiaries. (IAS 21 definitions)

2.10 Impairment of Assets IAS 36

This Standard applies to financial assets classified as:

- (a) **subsidiaries**, as defined in IFRS 10 Consolidated Financial Statements;
- (b) **associates**, as defined in IAS 28 Investments in Associates and Joint Ventures; and
- (c) **joint ventures**, as defined in IFRS 11 Joint Arrangements.

This Standard also **applies to (Tangible) assets** that are carried at revalued amount (ie fair value at the date of the revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses) in accordance with other IFRSs, such as the revaluation model in IAS 16 Property, Plant and Equipment.

This Standard also **applies to IAS 38 Intangible Assets**.

This Standard **does not apply to** Inventories, Deferred Tax Assets, **financial assets within the scope of IFRS 9 (hold to collect + hold to collect and sell + held for trading, as IFRS 9 deals with its impairments)**, investment property measured at fair value within the scope of IAS 40, or biological assets related to agricultural activity measured at fair value less costs to sell within the scope of IAS 41 and non-current assets classified as held for sale. *(as these are already at Fair value - there is no further impairment)*



At **each** Statement of Financial Position date, the company reviews the carrying amount of its 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).

An impairment loss is **recognised** in the income statement unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease thru Other Comprehensive Income OCI..

2.11 Financial Instruments : Presentation IAS 32

Financial Instruments means financial assets, financial liabilities and equity instruments.

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

A **financial asset** is any asset that is: (a) cash; (b) an equity instrument of another entity; (c) a contractual right: (i) to receive cash or another financial asset from another entity; or (ii) to exchange financial assets or financial liabilities with another entity under conditions that are potentially favourable to the entity; or (d) a contract that will or may be settled in the entity's own equity instruments.

A **financial liability** is any liability that is: (a) a contractual obligation: (i) to deliver cash or another financial asset to another entity; or (ii) to exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavourable to the entity; or (b) a contract that will or may be settled in the entity's own equity instruments.

An **equity instrument** is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities.

Financial assets include Investments, bonds receivables, cash, trade debtors, bank balances, deposits, advances, loans given and other receivables. **Financial liabilities** include bonds payable, bank borrowings, trade creditors, provisions and accruals, advances from customers, finance lease liabilities, loans taken, other payables and employee terminal benefits.

Liabilities or assets that are not contractual (such as income taxes that are created as a result of statutory requirements) **are not** financial liabilities or financial assets. Inventory, PPE, ROU assets, Intangibles, Prepaid Expenses, Deferred Income and Warranty Obligations **are not** financial assets or financial liabilities.

Interest, dividends, losses and gains relating to a financial instrument or a component that is a financial liability shall be recognised as income or expense in profit or loss. Distributions to holders of an equity instrument shall be recognised by the entity directly in equity. Transaction costs of an equity transaction shall be accounted for as a deduction from equity.



2.12 Inventory IAS 2

- i Inventory of raw materials, consumables and trading goods have been valued at lower of cost and net realisable value. Cost is determined by FIFO method. Cost includes all the expenses incurred in bringing the inventory to their present location.
- ii Inventory of work in process and finished goods have been valued at lower of cost and net realisable value. Cost is determined by FIFO method. Cost includes cost of raw material and cost of conversion. Cost of conversion includes labour costs and other fixed and variable production overheads that are directly attributable.
- iii Net realisable value is the estimate of selling price in the ordinary course of business less selling expenses. At each reporting date, inventory is assessed for impairment due to damage/obsolesce. If inventory is impaired, it is measured at its selling price less costs to complete and sell; and to recognise the impairment loss in profit or loss.
- iv Inventory being held for 3 years or more is considered as slow moving and provided for.

2.13 Trade Debtors (Financial Asset under IFRS 9- Financial Instruments)

Trade Debtors are recognised initially at transaction price (para 5.1.3) and subsequently carried at anticipated realisable value.

The entity applies the IFRS 9 simplified approach to measure the loss allowance at an amount equal to lifetime expected credit losses. Lifetime Expected Credit Losses / Provision for impairment is made for doubtful debtors based on a review of the ageing analysis at the balance sheet date as well as assessment of individual balances. Expected credit losses reflect an entity's own expectations of credit losses. Individual trade debtors balances are written off when there is an objective evidence that the amount due will not be collected.

2.14 Provision for Post Employment Benefits (Gratuity) IAS 19 - (Non-current liabilities)

Provision is done for the estimated liabilities for post employment benefits based on their current basic salaries for the services rendered by employees up to the Statement of Financial Position date as per the UAE Federal Laws regulating employment relationship.

2.15 Revenue from Contracts with Customers IFRS 15

The group recognises revenue from a **contract for goods** or services when each party can identify their rights and payment terms, entity's future cash flows are expected to change and it is probable that the entity will collect the consideration.

An entity shall recognise revenue when the entity satisfies a performance obligation **by transferring a good or service (i.e. an asset) to a customer**. The performance obligation is satisfied and consequent revenue is recognised either 'over time' or 'at a point in time'.



For performance obligations satisfied at a **point in time**, an entity shall **disclose** the significant judgements made in evaluating when a customer obtains **control** of promised goods or services.

An asset is transferred when the customer obtains **control** of that asset. Control of an asset is the ability to direct the use of, and obtain substantially all of the remaining benefits from, the asset. Transfer of legal title of an asset and the transfer of the significant risks and rewards of ownership of an asset may indicate that the customer has obtained control of the asset.

2.16 Foreign Currency Translation IAS 21

- a Foreign currency **monetary** transactions are recorded at the spot exchange rate between the functional currency and the foreign currency on the date of transaction.
- b Foreign currency **monetary** balances are translated into U.A.E. Dirhams at the closing (spot exchange) rate of exchange on the last day of the reporting period.
- c Foreign currency loss or gains arising on **monetary** balances are accounted to the Profit or Loss in the period in which they arise.
- d All Foreign Currency Related Party Balances are carried in UAE Dirhams only in these standalone Financial Statements as exchange gains and losses would be recognized in consolidated financial statements of the ultimate parent company in India.

2.17 Interest Revenue IAS 1- Para 82a

Interest revenue has to be presented separately calculated using the effective interest method.

2.18 Cash and Cash Equivalents IAS 7

Cash and Cash Equivalents for the purpose of cash flow statement comprises of cash in hand, bank overdraft repayable on demand, bank current and call accounts, fixed deposits free from lien with a maturity date of three months or less from the date of deposit.

As at	31.03.2025	31.03.2024
Total		
Cash in Hand	216,150	43,042
Balance with Banks		
Current Accounts	1,271,027	1,569,732
Fixed Deposits (Free from Lien)	21,480,490	18,133,167
Total	<u>22,967,667</u>	<u>19,745,941</u>



3 Investment in Subsidiaries (at cost)	31.03.2025	31.03.2024
3a EKC Hungary Kft, Hungary (WOS)		
i Investment in Share Capital	28,248,651	28,247,627
ii Other Investment :		
Conversion of Loan Given into Investee's Equity Component (by Reduction of Investee's Accumulated Losses and creation of capital reserves as allowed under Hungarian Civil Code) on 20.5.2024.	49,371,842	0
Total Investment	<u>77,620,493</u>	<u>28,247,627</u>
3b CP Industries Holding Inc., USA (WOS)	104,406,938	0
3c EKC Europe GmbH, Germany (WOS)	135,896	135,896
3d EKC Europe Zrt- Hungary (80% Owned)	745,010	745,010
3e-i EKC Egypt, Egypt (97% Owned)	2,275,021	2,275,021
3e-ii Additional Capital in EKC Egypt	21,301,788	0
3f EKC General Trading FZE, Jafza, Dubai, UAE (WOS)	100,000	0
Total	<u>206,585,146</u>	<u>31,403,554</u>

Notes :

3a EKC Hungary Kft, Hungary (WOS)

i Investment in Share Capital are in USD

	USD	Exchange rate	HUF
Initial Remittance	7,098,089	159.76	1,134,000,000
Conversion of Loan portion into share capital dated 2.9.2010	579,152	228.99	132,620,000
Advance for Capital trf to capital 1.4.2014	11,941	226.95	2,710,010
Conversion of Loan into share capital on 20.5.2024 - Part I	279	358.42	100,000
Share capital as at this balance date	<u>7,689,461</u>		<u>1,269,430,010</u>

ii Other Investment in Equity in USD :

	USD
Conversion of Loan Given into Investee's Equity Component (by Reduction of Investee's Accumulated Losses and creation of capital reserves) on 20.5.2024 - Part IIa	10,610,528
Conversion of Loan Given into Investee's Equity Component (by creation of capital reserves) on 20.5.2024 - Part IIb	2,842,289
Investment in Accum Losses + Reserve	<u>13,452,817</u>
Total Investment in USD (i+ii)	<u>21,142,278</u>



- iii As per management policy, these investments are retained at the rate of exchange on actual remittance. There will be no exchange losses arising due to fluctuations in the USD to HUF rates as the UAE Dirham is pegged to the U.S.Dollar at fixed exchange rate of 1 USD = 3.673 UAE Dirhams. The investments are in US Dollars and the eventual return of capital invested will also be in US Dollars. For info only USD 1 = HUF 370.93 as at 31.03.2025
- iv As a part of its globalisation in manufacturing 'CNG and other gases' cylinders, the company has incorporated a wholly owned subsidiary EKC Hungary Kft, Hungary. EKC Hungary Kft, has further incorporated a wholly owned subsidiary CP Industries Holdings Inc., Pittsburgh, USA and acquired net assets of CP Industries, a division of Reunion Industries Inc., USA for USD 60.2M.
- v Pursuant to share purchase agreement entered between the company and EKC Hungary Kft on 16.09.2024, The company has acquired 100% shares of CP Industries Inc. from its subsidiary EKC Hungary Kft, Hungary. i.e. 100 shares @ 0.01 aggregating to USD 1 (Equivalent to AED 3.67)
- vi As per the Shareholder Resolution dated 20.5.2024, the company has converted 'Loans Given to WOS' amounting to USD 13,453,096 partly into Investee's Share Capital (USD 279) and balance into the Investee's Accumulated Losses and Capital Reserves. Hungarian Civil Code allows injection into capital reserves and at the same time use the capital reserves to reduce the Accumulated Losses in the Investee's books.
- vii Based on Auditor's Review Report, the shareholders equity as at 31.12.2024 of EKC Hungary Kft, Hungary is USD 6,979,281/- due to conversion of loan into equity on 20.5.2024.

3b CP Industries Holding Inc., USA (WOS)	31.03.2025	31.03.2024
i Investment in share capital in USD	3.67	0
Pursuant to share purchase agreement entered between the company and EKC Hungary Kft on 16.09.2024, The company has acquired 100% shares of CP Industries Inc. from its subsidiary EKC Hungary Kft, Hungary. i.e. 100 shares @ 0.01 aggregating to USD 1 (Equiv to AED 3.67)		
ii Other Investment in Equity in USD		
Conversion of Loan Given with Interest Receivable into Investee's Equity with effect from 23.9.2024 of USD 28,448,755/- (without issue of any additional shares and by Reduction of Investee's Accumulated Losses to improve their network as per CP Industries Board of Directors Resolution dated 16.9.2024)	104,406,934	0
Total	104,406,938	0

Note : As per Auditor's Review Report, Shareholders Equity as at 31.12.2024 is USD 15,853,368/- consequent to conversion of Loan Taken with Interest payable of USD 28,448,755/- into 100% acquisition of Equity.



3c EKC Europe GmbH, Germany

- i The company has acquired 100% shares of Blitz D11- eins-sschs-diei GmbH, Germany a shelf company in total purchase consideration of Euro 27,000/- for 25,000 shares of Euro 1. Full payment has been made on October 1, 2011.

Blitz D11- eins-sschs-diei GmbH has changed its name to EKC Europe GmbH, Germany with effect from 17.2.2012 .

- ii The investments are in Euro and the eventual return of capital invested will also be in Euro. For info only Euro 1 = AED 3.97 as at 31.3.2025
- iii As per Management Accounts, the shareholders net equity as at 31.12.2024 of the investee company is **negative** at Euro 629,397/- as against our equity investment of Euro 27,000/-.

3d EKC Europe Zrt, Hungary (80% owned) - At Cost

The subscribed share capital of the investee company is HUF 100,000,000/-. The company holds 80% shares in it i.e. HUF 80,000,000/.

The Main Business activity of the investee company as per registration is Manufacturing of tanks, reservoirs and containers of metal.

So far the company has remitted 75% against its share of 80% i.e. USD 203,000/- OR AED 745,010/- equivalent to HUF 60,000,000/- ; eventual returns will also be in USD hence there will be no Exchange gain /loss. For info only USD 1 = HUF 370.93 as at 31.03.2025

As per Management Accounts, the shareholders net equity as at 31.12.2024 of the investee company is HUF 62,084,000/-

3e EKC Egypt, Egypt (97% Owned)

	%	Shares	EGP
Issued Capital		<u>70,000</u>	
Initially held; Paid up value 25%	79.99%	55,993	13,998,250
Acquired and registered; Paid up value 25%	17.01%	11,907	2,976,750
		<u>67,900</u>	<u>16,975,000</u>
USD Equivalent remitted			619,597



Notes:

- i The Issued capital of the investee company is EGPounds 70,000,000/- (consist of 70,000 shares each of EGP 1,000 face value). The company initially held 79.99% shares, and in March 2024 further acquired 17.01% shares at face value from an existing partner. Payment is made for the same in March-2024; allotment and registration of legal transfer of shares is completed on 23.9.2024 as per The Commercial Registry. Aggregate shareholding in the investee company is 97% .
- ii The main business activity of the investee company as per commercial register is manufacturing of high pressure vessels.
- iii As per management policy, these investments are retained at the rate of exchange on actual remittance. There will be no exchange losses arising due to fluctuations in the USD to EGP rates as the UAE Dirham is pegged to the U.S.Dollar at fixed exchange rate of 1 USD = 3.673 UAE Dirhams. The investments are in US Dollars and the eventual return of capital invested will also be in US Dollars. For info only USD 1 = EGP 50.55 as at 31.03.2025
- iv As per Management Report, the shareholders equity as at 31.3.2025 of the investee company is EGP 238,079,194/-
- v The Additional Capital made to Egypt Subsidiary is awaiting allotment and statutory approvals.

3f EKC General Trading FZE, Jafza, Dubai, UAE

Above company has been incorporated as a wholly owned Subsidiary of EKC International FZE with a capital of AED 100,000/- divided into 1 share of AED 100,000/- .

- 3g** Though the networth of the Above Investee companies is negative, if any, Management has opted not to write-downs its investments in these standalone (separate) financial statements as the consolidated financial statements issued by the parent reflect the write-downs / impairments after eliminating inter company balances.

As at..	31.3.2025	31.3.2024
4 Unsecured Loans Given to Subsidiaries		
a Loan to EKC Hungary Kft, Hungary (WOS)	0	49,372,866
b Loan to CP Industries Holdings Inc., USA (step down subsidiary, now WOS)	0	77,592,608
Interest receivable	0	24,396,347
Total	0	151,361,821



- i The company had given US Dollar loans to its Wholly Owned Subsidiary EKC Hungary Kft, Hungary. The loan is interest free from 1.4.2010 as per amended loan contract dated 1-6-2010. It's repayable on demand.

However, there is no repayment since 12.04.2008. The above loan has been converted into investment in equity on 20.5.2024. Refer notes above.

- ii The company had given US Dollar loans to its step down wholly owned subsidiary (now WOS) CP Industries Holdings Inc., USA bearing interest at floating rates of 3 months SOFR + 1 %, However there is no repayment since July 2010.

The loan along with the interest due on it is converted into investment in equity as per CP Industries Board resolution of 23.9.2024. Refer notes above.

As at.. **31.3.2025** **31.3.2024**

5 Inventory (at FIFO method)

(As Valued, Verified & Certified by Managing Director)

Raw materials- Pipes	24,013,810	24,849,548
Raw materials - Valves	514,796	462,872
Raw materials - Cascade	1,404,295	1,533,210
Work-in-Process	14,003,174	12,786,263
Finished Goods	7,614,447	9,764,919
Trading Goods	1,693,612	3,799,156
Fuel & Gas	51,264	63,478
Stores and Consumables	5,214,156	4,471,704
Sub Total	<u>54,509,554</u>	<u>57,731,150</u>
Provision for Slow Moving Items	-120,863	-120,863
Total	<u><u>54,388,691</u></u>	<u><u>57,610,287</u></u>

6 Sundry Debtors (Net) **31.3.2025** **31.3.2024**

Sundry Debtors	3,963,891	9,020,193
Provision for Doubtful Debts (Expected Credit Losses)	0	0
Total	<u><u>3,963,891</u></u>	<u><u>9,020,193</u></u>

Notes:

- i Outstanding for less than six months 3,759,247 7,748,670
- ii Outstanding for more than six months 204,644 1,271,523
- Total 3,963,891 9,020,193
- iii Subsequent receipts till 29.4.2025 1,252,693
- iv Balances are taken as per books pending confirmations.



As at..	31.3.2025	31.3.2024
7 Cash & Bank Balances		
Cash On Hand	216,150	43,042
Balance with Banks		
In Current Accounts	1,271,027	1,569,732
In Fixed Deposits (Under lien)	59,545	693,125
Fixed Deposits (Free from Lien)	21,480,490	18,133,167
In Margin Accounts (Under lien)	557,840	728,466
Total	<u>23,585,052</u>	<u>21,167,532</u>
8 Deposits, Advances & Prepayments <i>(unsecured and considered good)</i>		
Deposits	772,513	764,615
Advances to Suppliers	2,417,232	2,723,112
Advance to Staff	9,659	45,313
Prepaid Expenses	533,983	376,831
Total	<u>3,733,387</u>	<u>3,909,871</u>
9 Due from Related Parties incl RP Debtors (Net)		
a EKC Industries -Dubai Branch of Parent Company -(net)	769,083	1,185,772
b Everest Kanto Cylinder Ltd, India (Parent Co-net)	-3,636	-38,672
c C.P.Industries Holding Inc., USA (WOS)	-880,800	-545,913
d EKC Europe GmbH, Germany (WOS)	6,027,802	6,690,241
e EKC Hungary Kft, Hungary (WOS)	0	17,362
g EKC General Trading FZE, UAE (WOS)	57,286	0
f EKC Egypt, Egypt (97% subsidiary)	0	10,259,898
Total	<u>5,969,735</u>	<u>17,568,688</u>
10 Duties and Taxes (Vat Refundable)		
i QE Jan 2025	171,004	154,843
ii Feb and Mar 2025 (Unclaimed)	128,966	145,841
Total	<u>299,970</u>	<u>300,684</u>



As at..

31.3.2025

31.3.2024

11 Sundry Creditors

Sundry Creditors	5,228,030	5,324,148
Negative Bank Balance (Taken as Creditors)	315,600	525,250
Total	5,543,630	5,849,398

Balances are taken as per Books pending confirmations

12 Accruals

Outstanding Expenses	727,649	982,648
Salaries and Wages Payable	683,348	607,162
Total	1,410,997	1,589,810

13 Secured loans from Banks

Vehicle Loans from Bank - Current	185,556	134,436
Vehicle Loans from Bank - Non Current	364,632	188,038
	550,189	322,474

Notes:

- a Total Facilities of **AED 21 Million** from National Bank of Fujairah PJSC, Dubai, U.A.E. include **AED 5 Million** Overdraft Facility bearing interest rate of 1M EIBOR + 3.5% pa ; **AED 15 Million** Trade Limits (Letter of Credit / Trust Receipt/ Performance Guarantees) bearing interest rate of 3M EIBOR + 3% pa OR 6M EIBOR + 3% pa with 20% cash margin for LCs; and **AED 1 Million** Term loans for Vehicles at 1M EIBOR + 3% pa.

These facilities are secured by first degree registered mortgage over properties i.e. Factory and Office built on Plot nos. MO0313 & S21004, Jebel Ali Free Zone, Dubai, U.A.E. for AED 27,500,000/- and AED 6,700,000/- respectively in favour of bank.

- b **Vehicles Loans** are secured by hypothecation of vehicles and are at fixed rates of interest. These loans are repayable in 48 to 60 monthly instalments.



Year Ended..

31.3.2025

31.3.2024

14 Sales

Type of Revenue

Manufactured Goods

73,690,290 83,410,062

Trading Goods

1,382,203 1,917,392

75,072,493 85,327,454

Disclosures on Disaggregation of Revenue (IFRS 15 - Para 114 & B89) :

a Product Types (Major Product Lines) are

CNG/Industrial Cylinders (Manufacturing)

Tube Trailers Skid, Cylinders, Safety Guards, Stores & Consumables, Valves and Fire Fighting Equipment (Trading)

b Geographical Regions

Outside UAE

69,613,942 79,074,872

Within UAE

5,458,551 6,252,582

75,072,493 85,327,454

c Type of Customers (Govt or Non Govt)

Manufactured and Trading Goods Customers are Non Govt and are either manufacturers or Traders.

d Contract Type (Fixed price or Time and Material based)

Manufactured and Trading goods are sold at fixed price.

e Contract Duration (Short versus Long Term)

Manufactured and Trading Goods are order based and hence have short term duration.

f Timing of Transfer (At a point in time or Over Time)

Manufactured and Trading Goods are Transferred at a point in time

g Performance Obligations

Manufactured & Trading Goods = The company satisfies its performance obligations at a point in time upon delivery of goods on Ex-work, FOB, C&F or CIF basis.

h Payment Terms

Payments for Manufactured and Trading Goods Sales are received in a range from Part Advance to 90 days

i Sales Channels

All Manufactured and Trading Goods are directly sold to Customers



Year Ended..	31.3.2025	31.3.2024
15 Decrease / (Increase) in Stock		
Work in Process		
Opening Stock	12,786,263	12,875,409
Closing Stock	-14,003,174	-12,786,263
Sub Total	a -1,216,911	89,146
Finished Goods		
Opening stock	9,764,919	19,824,881
Transfer from Trading Cylinders to FG Cascades	911,628	921,737
Transfer from Trading Cylinders to FG Cylinders	93,174	0
Transfer from Trading to FG CNG Jumbo Skid	1,060,776	0
Transfer from Trading to FG Cylinders	39,956	0
Closing Stock	-7,614,447	-9,764,919
Sub Total	b 4,256,007	10,981,699
Total	a+b 3,039,096	11,070,845
16 Raw Materials Consumed		
Opening Stock	26,845,630	31,446,746
Purchases and Direct Expenses	36,419,262	32,547,185
Transfer from RM Valves to Trading Valves	-4,698	-89,039
Closing stock	-25,932,901	-26,845,630
Total	37,327,293	37,059,262
17 Trading Cost of Sales		
Opening Stock	3,799,156	3,312,833
Trading Purchases & Direct Expenses	996,228	2,536,123
Transfer In		
Transfer from RM Valves to Trading Valves	4,698	89,039
Transfer Out		
Transfer from Trading Cylinder to FG Cascade	-911,628	-921,737
Transfer from Trading Cylinder to FG Cylinder	-93,174	0
Transfer from Trading Cylinder to FG CNG Jumbo SKID	-1,060,776	0
Transfer from Trading to FG Cylinder	-39,956	0
Closing Stock	-1,693,612	-3,799,156
Total	1,000,935	1,217,102



Year Ended..	31.3.2025	31.3.2024
18 Manufacturing Expenses		
Fuel and Gas consumed		
Opening stock	63,478	60,357
Purchases	2,712,682	2,475,033
Closing Stock	-51,264	-63,478
Sub Total	a 2,724,896	2,471,912
Stores, Spares & Tools		
Opening Stock	4,471,704	5,397,348
Purchase	3,305,490	3,434,817
Closing Stock	b -5,214,156	-4,471,704
Sub Total	2,563,038	4,360,461
Other Manufacturing overheads	c 7,706,074	5,902,515
Total	a+b+c 12,994,008	12,734,888
19 Personnel Expenses		
Wages and benefits to supervisors and workers	5,666,241	5,361,969
Salaries and benefits to staff	2,473,255	2,681,459
Salaries and benefits to Directors	2,354,756	2,281,521
Total	10,494,252	10,324,949
20 Interest Income from Loans Given to Related Parties		
Interest Income on Loan To CP Industries Holdings, USA (Upto 23.09.2024, i.e. date of conversion of loans into Investment in Equity)	2,417,979	4,930,594
Interest Income on Loan To EKC Europe Gmbh, Germany	0	45,422
Total	2,417,979	4,976,016
21 Other Income		
Interest on Fixed Deposits with Banks	679,616	281,604
Corporate Recharges to EKC Gen Trdg FZE	14,386	0
Profit on sale of asset	11,467	0
Other Income	400	15,088
Total	705,869	296,692



22 'Forex Loss and Other Loss on Receivables from Sale of Investment in Associate's Equity

Forex Loss on Total Receivable of the Sale of Investment in Associate's Equity	0	56,474
Court Case Expenses - EKC China	0	83,613
Total	0	140,087

23 Related Parties under IAS 24 + UAE Corporate Tax Law 47 of 2022 - Article 35, and Connected Persons UAE Corporate Tax Law 47 of 2022 - Article 36

The company in the normal course of business enters into transactions with other business enterprises that fall within the definition of Related Parties and Connected Persons. The company believes that the terms of such transactions are not significantly different from those that could have been obtained from third parties, viz., are at arms length so as to keep its operating profits or losses in line with its respective Functions, Assets, Risks and contributions to the value chain across the group. The company sells to /buys from its related party at cost plus margins.

Balances with related parties are stated in their respective notes; their **transactions are as under :**

Year Ended..	31.3.2025	31.3.2024
i EKC Industries - Dubai Branch of Parent Company		
Due from Related Party Written off (Expense)	1,076,193	0
Due to Related Party Written Back (Other Income)	-659,502	0
Net Expense Taken to P&L	416,691	0
ii Everest Kanto Cylinder Ltd, India (Parent Company)		
Purchase Trading - Cylinders	0	383,699
Purchase Trading - Fire fighting	0	59,807
RM Purchase - Cascade - Components & Fittings	71,551	0
Expenses - Stores Consumable	0	65,602
Clearing & Forwarding Export - Fire Fighting	0	45,008
Cascade - Components & Fittings	0	57,012
Testing Expenses	0	0
Sale Mfg Semi Finished (Steel Shell)	1,209,962	0
iii CP Industries Holdings Inc., U.S.A. (WOS)		
Sales Mfg Export CNG cylinders	144,873	465,907
Freight Collected (sales)	0	16,882
Creditors Written back (other income)	880,800	0
Interest Income on Loan To CP Industries Holdings, USA	2,417,979	4,930,594



Year Ended..	31.3.2025	31.3.2024
iv EKC Europe GmbH, Germany (WOS)		
Sales Mfg Export CNG / Industrial Cylinders*	8,442,017	19,088,330
Freight Collected From Other -EKC Europe	0	4,626
Trading Purchase (Cylinders) -EKC Europe	0	177,933
Stores and consumables	0	9,833
Factory Expense	0	67,807
Interest Income on Loan To EKC Europe GmbH, Germany	0	45,422
Sales Commission Expense - EkC Europe GmbH, Germany	0	17,910
*Note :		
Third party sales billed to EKC Europe whereas despatches are made directly to actual customers of EKC Europe.		
v EKC General Trading FZE, Jafza, Dubai, UAE		
Corporate Recharges to EKC Gen Trdg FZE	14,386	0
vi Salaries and benefits to Directors (Connected Persons)	2,354,756	2,281,521
24 Segment reporting		
The financial performance of the Fire Fighting Trading Business is as under :		
Sales	82,483	536,747
Cost of Sales		
Opening Stock	141,216	141,216
Purchase and Direct Expenses	5,328	109,412
Closing Stock	-141,216	-141,216
	<u>5,328</u>	<u>109,412</u>
Gross Profit	77,155	427,335
Indirect Expenses	103,291	808,835
Net Profit / (Loss)	<u>-26,136</u>	<u>-381,500</u>
25 Short Term Leases (IFRS 16)		
25.1 Plots of land (Manufacturing Expenses)	1,903,890	1,096,945
Director & Staff Accommodation (Personnel Expenses)	1,414,384	1,417,214
Total	<u>3,318,274</u>	<u>2,514,159</u>



25.2 Lease contracts - (Cancellable in nature)

The company has entered into lease agreements with Jebel Ali Free Zone Authority, for two plots of land in Jebel Ali Free Zone, Dubai, U.A.E. The unexpired portion of the lease commitment as at the statement of financial position date is as under :

a Plot MO 0313 - being utilised for Plant I.

	31.03.2025	31.03.2024
The lease is for the period 25.8.2016 to 24.8.2031 at a current annual rent of AED 510,000/-.	3,282,097	3,782,500

b Plot S21004 - Being Utilised for Plant II.

The lease is for the period 5.4.2022 to 4.10.2025 at a annual rent of AED 586,945/- (Part 1 of the plot)	293,473	880,418
New lease for the period 29.1.2024 to 4.10.2025 at a annual rent of AED 689,105/- (Part 2 of the plot)	331,967	0
Total	3,907,536	4,662,918

Based on facts and circumstances of the cancellable leases, Management is of the opinion to present these expenses as short term leases with above disclosures so as to present relevant information in a manner that faithfully represents those transactions.

26 Corporate Tax in the UAE

The company has registered for corporate tax under UAE corporate tax regime. It's 1st Taxable year commences from 1.4.2024 to 31.3.2025 and due date of filing the 1st Return is 31.12.2025.

The company is incorporated in a "Designated Free Zone" and falls under the category of "Qualifying Free Zone Person" hence following corporate tax rates apply on it's income.

Income Type	Tax Rates
Qualifying Income (derived from Qualifying Activities)	0%
Non Qualifying Income (from Excluded Activities and Non Qualifying Activities) within the DeMinimis Limits.	0%
Specific Taxable Incomes	9%

All income earned is Qualifying Income and hence the tax liability is Nil for the Year ended 31.03.2025.

27 Contingent liabilities

i Letter of Guarantees (staff visas)	0	200,000
ii Import Letters of Credit	3,017,200	4,759,917
iii Performance Guarantees	252,257	276,829



28 Significant Events occurring after the Statement of Financial Position date IAS 10

Events after the reporting period include all events up to the date when these financial statements are authorised for issue. These events can be either "Adjusting Events" which are recognised in the BS and or PL OR they can be "Non Adjusting Events" requiring disclosure.

There were no significant "Adjusting Events" occurring after the Statement of Financial Position date which require recognition in the financial statements.

There were no significant "Non Adjusting Events" occurring after the Statement of Financial Position date which require disclosure in the financial statements.

29 Financial Instruments : Disclosure of Risks and its Management - IFRS 7

29.1 The nature and extent of risks arising from financial instruments to which the entity is exposed during the period and at the end of the reporting period, and how the entity **manages** those risks is disclosed here (Para 1b). **The Risks include :**

i Credit Risk

Financial assets, which potentially expose the company to credit risk, comprise mainly of bank current accounts, trade debtors and advances to suppliers.

Credit Risk refers to the risk that the counterparty may default on its contractual obligations resulting in a financial loss to the entity. The entity has a policy of dealing only with creditworthy parties. Trade Receivables are continuously reviewed by the Management alongwith collateral held as security and the entity applies the simplified approach under IFRS 9 to measure Lifetime Expected Credit Losses on trade receivables.

The company's bank accounts are placed with high credit quality financial institutions and hence there are no Expected Credit Losses.

Advances given to suppliers are considered good and will be recovered in the normal course of business.

The investee companies financial results and position are disclosed. The management does not foresee any significant risks in these investments other than those disclosed elsewhere.

ii Customer Concentration Risks - (IFRS 7- Para B8)

As at March 31, 2025, three parties represented 82% of the outstanding trade debtors. (P.Y. 81%)



iii **Customer Geographical Risks (IFRS 7- Para B8)**

As at..	31.3.2025	31.3.2024
Country-wise break up of Trade Debtors :		
UAE	424,644	886,421
USA	264,226	0
Egypt	1,227,248	6,847,654
Bolivia	25,445	
Colombia	1,092,104	1,095,539
Turkey	930,224	0
Israel	0	188,074
India	0	2,505
Total	3,963,891	9,020,193

iv **Market Risk eg., Interest Rate Risk**

Interest on bank borrowings are at prevailing fixed and floating market rates.

v **Market Risk eg., Exchange Rate Risk**

There is no significant exchange rate risk in transactions which are denominated in U.S.Dollars as it is fixed to UAE Dirham. Balances in other foreign currencies as at balance sheet date are:

Balances Denominated in Euro

Sundry Debtors	0	188,074
Bank Balances	398,549	14,940,489
Sundry Creditors	0	60,172

EKC Europe GmbH, Germany (WOS):

Investment in Subsidiaries	135,896	135,896
Due from Related Parties	6,025,212	6,687,650

vi **Liquidity Risk (Contractual Maturity Analyses)**

The company does not foresee any difficulty in meeting obligations on maturity dates for financial liabilities as it continuously manages its forecast and actual cashflows and matches the maturity profiles of financial assets and liabilities. The entity has access to loans from its shareholders as and when the need arises to reduce the liquidity risk.

29.2 Fair Values

The fair values of the concern's financial assets and financial liabilities being valued at amortized cost approximate to their carrying values.



30 Number of Personnel as at Balance Sheet Date

Managing Director	1	1
Executive Director	1	1
Vice President (Fire Fighting Division)	0	1
Staff	18	18
Supervisors	23	21
Labours	147	144
Total	190	186

31 Previous Year's Figures

Previous year figures are regrouped or reclassified wherever necessary so as to conform with the current year's presentation.

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

33 Additional information - Quantitative Reconciliation

Year Ended.. **31.3.2025** **31.3.2024**

a Manufacturing Operations (CNG Cylinders)

Licenced Capacity	Nil	Nil
Installed Capacity (no's) @ 24 hours per day	196,000	196,000
Number of manufacturing plants	2	2

Year Ended..

b Manufactured Goods - CNG Cylinders

	31.3.2025		31.3.2024	
	Qty (no's)	Value	Qty (no's)	Value
Opening stock	18,910	9,764,919	39,219	19,824,881
Production	110,337	55,069,361	104,082	46,069,327
Sales at sale value	113,484	73,690,290	124,391	83,410,062
Closing stock	15,763	7,614,447	18,910	9,764,919



34 Bankers (with credit facilities)

National Bank of Fujairah (NBF), Dubai, U.A.E.

Bank of Baroda (BOB), Dubai, U.A.E

35 Business Risks And Coverage in AED

Property All Risk Insurance:

	Policy Value	Book Value
Building I on Plot MO0313	8,500,000	6,955,562
Building II on Plot S21004	6,500,000	7,388,584
Plant and Machinery I on Plot MO0313 and Furniture etc.	20,953,000	11,409,218
Plant and Machinery II on Plot S21004	10,819,000	3,738,285
Total	<u>46,772,000</u>	<u>29,491,649</u>

36 Accounting Software

The company uses Tally ERP software ; Financial Accounts are integrated with Inventory (excluding Stores consumables) and Production.



EKC International FZE
P.O. Box 61041, Jebel Ali Free Zone, Dubai, U.A.E.

Property, Plant and Equipment Schedule

Year Ended March 31, 2025
All figures in UAE Dirhams

Particulars	Depreciation SLM Rates	Gross Block			As at 31.3.2024	Depreciation			Net Value	
		Cost at 31.3.2024	Additions	Disposals		Additions	Disposal	As at 31.3.2025	As at 31.3.2024	As at 31.3.2025
Factory Building - I	3.33%	13,948,781	91,300	0	14,040,081	531,797	0	7,525,016	6,955,562	6,515,065
Factory Building - II	3.33%	13,020,115	666,857	0	13,686,972	445,227	0	6,076,758	7,388,584	7,610,214
Residential Apartments	1.67%	1,943,860	0	0	1,943,860	32,436	0	454,620	1,521,676	1,489,240
Plant and Machinery- I	4.00%	26,074,265	139,210	0	26,213,475	678,325	0	17,589,598	9,162,992	8,623,877
Plant and Machinery- II	4.00%	20,702,182	0	0	20,702,182	402,004	0	17,365,901	3,738,285	3,336,281
Factory Equipment	6.67%	1,172,880	0	0	1,172,880	63,562	0	702,698	533,744	470,182
Vehicles	12.50%	3,381,281	444,686	-287,897	3,538,070	339,896	-239,364	2,168,616	1,313,197	1,369,454
Furniture and Fixtures	10.00%	3,308,259	148,465	0	3,456,724	276,830	0	2,118,335	1,466,754	1,338,389
Computers	33.33%	569,634	52,745	0	622,379	60,069	0	535,015	94,688	87,364
Equipment (employees)	20.00%	9,445	0	0	9,445	0	0	9,444	1	1
Air Conditioners	20.00%	360,342	27,888	0	388,230	44,095	0	253,397	151,040	134,833
Office Equipment	20.00%	122,447	0	0	122,447	0	0	122,447	0	0
Total		84,613,491	1,571,151	-287,897	85,896,745	2,874,241	-239,364	54,921,845	32,326,523	30,974,900

Notes :

- a Factory Buildings are constructed on leasehold land and are mortgaged against bank credit facilities.
- b Vehicles cost hypothecated against loans taken : 1,049,057
- c Vehicle cost registered in name of the Director : 414,815



EKC INTERNATIONAL FZE

Year ended March 31, 2025

Payments to Connected Persons Schedule

(as Required under U.A.E. Corporate Tax Law for Payments > AED 500,000/- per Connected person)

All figures are expressed in U.A.E. Dirhams

1	Name of the Connected Person	Pushkar Khurana
	Designation	Managing Director and UBO
	Services Provided to the Company	Complete Management of the company
		YE 31.3.25
	Salary	725,000
	House Rent Allowance	620,000
	Children Education - Director	382,364
	Insurance - Director	53,750
	Total Payments	<u>1,781,114</u>
2	Name of the Connected Person	Chandra Prakash Batra
	Designation	Director
	Services Provided to the Company	Commercial, Marketing and Sales Functions
		YE 31.3.25
	Salary	420,000
	House Rent	104,743
	Medical Expenses(Directors)	32,840
	Medical Insurance - Director	4,918
	Air Fare - Directors	11,141
	Total Payments	<u>573,642</u>
	Grand Total (1+2)	<u><u>2,354,756</u></u>

