

A P L APOLLO TUBES COMPANY LLC

Umm Al Quwain, United Arab Emirates

INDEPENDENT AUDITOR'S REPORT

&

Financial Statements

(For 481 Days Period Ended March 31, 2024)

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A P L APOLLO TUBES COMPANY LLC

COMPANY INFORMATION

Shareholders

APL Apollo Tubes Limited, India

Manager

PRADEEP UDICK CHAND SHARMA

Principal business

The principal activities of the Company are "Steel Tubes Manufacturing, Importing, Exporting, Retail sale of Pipes and Tubes, Wholesale of Pipes and Tubes Trading, Construction Metal Framework and Skeletons and Parts thereof Manufacturing, Metal Ladders Manufacturing, Metal Industrial Frameworks Manufacturing".

License number

35459

Business address

Sector-710,
Block -22
Plot No: 9-26
New Industrial Area
Umm AL Quwain

Bankers

Bank of Baroda
Abu dhabhi, United Arab Emirates

HSCB

Dubai, United Arab Emirates

CITI Bank

Dubai, United Arab Emirates

Auditors

TRC PAMCO Middle East Auditing & Accounting L.L.C

P O Box 94570, Dubai

Tel: +971- 04- 2298777

Fax: +971- 04- 2999225

Email: info@trcpamco.com

MANAGEMENT REPORT

The management is pleased to present their report together with audited standalone financial statements of the Company for the 481 days period ended March 31, 2024.

Principle activities

The principal activities of the Company are "Steel Tubes Manufacturing, Importing, Exporting, Retail sale of Pipes and Tubes, Wholesale of Pipes and Tubes Trading, Construction Metal Framework and Skeletons and Parts thereof Manufacturing, Metal Ladders Manufacturing, Metal Industrial Frameworks Manufacturing".

Business review

For the period, the Company has recorded a revenue of AED 121.92 million. The Company had earned a net comprehensive income of AED 5.07 million for the current period .

Events subsequent to the reporting date

There were no major events which occurred since the period end that materially affect the financial position of the Company.

Auditors

TRC PAMCO Middle East Auditing & Accounting L.L.C, will retire at the conclusion of the meeting. They have expressed their willingness to continue in office and are eligible for re-

For A P L Apollo Tubes Company LLC

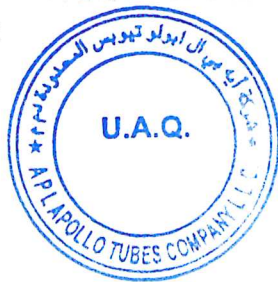
Pradeep Sharma

PRADEEP UDICK CHAND SHARMA

Manager

Umm Al Quwain

May 07, 2024



INDEPENDENT AUDITOR'S REPORT

The Shareholders

APL Apollo Tubes Company LLC

Umm AL Quwain, United Arab Emirates

Report on the audit of the standalone financial statements of APL Apollo Tubes Company LLC for the 481 days period ended March 31, 2024

Opinion

We have audited the accompanying standalone financial statements of APL Apollo Tubes Company LLC, Umm AL Quwain, UAE, which comprises the statement of financial position as at March 31, 2024, statement of comprehensive income, statement of changes in equity and statement of cash flows for the 481 days period then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying standalone financial statements are presented fairly, in all material respects, the financial position of the Company as at March 31, 2024 and its financial performance and its cash flows for the period then ended in accordance with International Financial Reporting Standards.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISA's). Our responsibilities under those standards are further described in the auditors responsibilities for the audit of the financial statements of our report. We are independent of the Company in accordance with the 'International Ethics Board for Accountants' Code of Ethics for Professional Accountants (the "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 of our opinion.

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

Management is responsible for the preparation and fair presentation of these financial statements in accordance with IFRS and in compliance with the applicable provisions of the Company's Articles of Association and the UAE Federal Law No. (32) of 2021, 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, the management is responsible for assessing the Company's ability to continue as a going concern, 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.



APL Apollo Tubes Company LLC

INDEPENDENT AUDITOR'S REPORT

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

Auditors responsibilities for the audit of the financial statements

Objectives of our audit 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 ISA's 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 ISA's, we exercise professional judgement and maintain professional skepticism through out the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.



INDEPENDENT AUDITOR'S REPORT

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

- i. we have obtained all the information and explanations we considered necessary for the purposes of our audit;
- ii. the financial statements have been prepared and comply, in all material respects, with the applicable provisions of the UAE Federal Law No. (32) of 2021;
- iii. the Company has maintained proper books of account;
- iv. the Company has not purchased any shares during the year;
- v. the financial information included in the Directors' report, in so far as it relates to these financial statements, is consistent with the books of account of the Company;
- vi. Note 22 discloses the material related party transactions and the terms under which they were conducted except mentioned in notes;
- vii. based on the information that has been made available to us nothing has come to our attention which causes us to believe that the Company has contravened during the financial year ended March 31, 2024 any of the applicable provisions of the UAE Federal Law No. (32) of 2021 or its Articles of Association which would materially affect its activities or its financial position as at March 31, 2024.

TRC PAMCO ME

TRC PAMCO Middle East Auditing & Accounting LLC
Reg. No: 423
Dubai
May 07, 2024



A P L APOLLO TUBES COMPANY LLC

Statement of standalone financial position as on March 31, 2024

		<i>(Figures in AED)</i>
		As on
		March 31, 2024
ASSETS	Notes	
Non current assets		
Property, plant and equipment (Net)	3	79,288,601
Capital work in progress	4	29,829,695
Right of use assets	5	8,455,472
Capital advances and deposits	6	15,268,106
		<u>132,841,874</u>
Current assets		
Inventories	7	79,629,766
Trade receivable	8	28,292,599
Advances and prepayments	9	9,420,322
Cash and cash equivalents	10	925,718
		<u>118,268,405</u>
		<u><u>251,110,279</u></u>
TOTAL ASSETS		
EQUITY AND LIABILITIES		
Shareholders equity		
Share capital		65,000,000
Retained earnings		5,073,367
		<u>70,073,367</u>
Non current liabilities		
Long term borrowings	11	85,074,931
Lease liability	12	8,404,903
Employee terminal benefits		156,147
		<u>93,635,981</u>
Current liabilities		
Short term borrowing	13	26,536,583
Lease liability	12	263,301
Trade payable	14	51,162,271
Accruals and other payable	15	9,438,776
		<u>87,400,931</u>
		<u><u>251,110,279</u></u>

Annexed notes form an integral part of these financial statements.

For A P L Apollo Tubes Company LLC

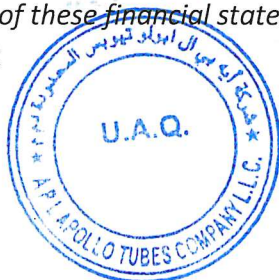
Pradeep Sharma

PRADEEP UDICK CHAND SHARMA

Manager

Umm Al Quwain

May 07, 2024



A P L APOLLO TUBES COMPANY LLC

Statement of standalone comprehensive income for the 481 days period ended March 31, 2024.

		<i>(Figures in AED)</i>
		<u>Period ended</u>
	Notes	<u>March 31, 2024</u>
INCOME		
Revenue	16	121,923,934
Less: Cost of sales	17	<u>(107,864,272)</u>
Gross income	A	<u>14,059,662</u>
EXPENDITURE		
Administrative and selling expenses	18	6,540,764
Depreciation	3	947,442
Amortization of right of use assets		<u>167,791</u>
	B	<u>7,655,997</u>
Operational income for the period	A-B	<u>6,403,665</u>
Finance cost		(1,588,102)
Other income		4,768
Exchange gain		253,036
Net comprehensive income for the period		<u><u>5,073,367</u></u>

Annexed notes form an integral part of these financial statements.

For A P L Apollo Tubes Company LLC

Pradeep Sharma

PRADEEP UDICK CHAND SHARMA

Manager

Umm Al Quwain

May 07, 2024



A P L APOLLO TUBES COMPANY LLC

Statement of standalone cash flow for the 481 days period ended March 31, 2024

(Figures in AED)

**Period ended
March 31, 2024**

I. FROM OPERATING ACTIVITIES	
Net comprehensive income for the period	5,073,367
Adjustments:	
Depreciation	947,442
Amortization of right of use assets	167,791
Interest on lease liability	1,149,760
Finance cost	438,342
Net unrealized foreign exchange (gain)	(481,469)
Employees terminal benefits	156,147
Operating cash flow before working capital changes	7,451,380
<i>Working capital changes</i>	
(Increase)/decrease in trade receivable	(27,811,130)
(Increase)/decrease in inventory	(79,629,766)
(Increase)/decrease in deposits	(27,525)
(Increase)/decrease in advance, deposits and prepayments	(9,420,322)
Increase/(decrease) in trade payables	51,162,271
Increase/(decrease) in accruals and other payable	3,621,820
Net cash (used in) operating activities (A)	(54,653,272)
II. FROM INVESTING ACTIVITIES	
Purchase of property (net of capital advance and payable)	(88,974,155)
Additions of capital work in progress	(29,829,695)
Net cash (used in) investing activities (B)	(118,803,850)
III FROM FINANCING ACTIVITIES	
Net proceeds of non-current borrowings	85,074,930
Net proceeds of current borrowings	26,536,583
Finance cost	(438,342)
Proceeds from issue of share capital	65,000,000
Payment of lease liability	(1,790,332)
Net cash generated used in financing activities (C)	174,382,839
Net increase in cash and cash equivalents (A+B+C)	925,717
Cash and cash equivalents at beginning of the period	-
Cash and cash equivalents at end of the period	925,718
CASH AND CASH EQUIVALENTS	
Cash balance	91,584
Bank balance	834,134
Cash and cash equivalents as per cash flow statement	925,718

Annexed notes form an integral part of these financial statements.

For A P L Apollo Tubes Company LLC

Pradeep Sharma

PRADEEP UDICK CHAND SHARMA

Manager

Umm Al Quwain

May 07, 2024



A P L APOLLO TUBES COMPANY LLC

Statement of standalone changes in equity for the 481 days period ended March 31, 2024

(Figures in AED)

	Share capital	Retained earnings	Total
Capital Introduced during the period	65,000,000	-	65,000,000
Net comprehensive income for the period	-	5,073,367	5,073,367
Balance as on March 31, 2024	65,000,000	5,073,367	70,073,367

Annexed notes form an integral part of these financial statements.

For A P L Apollo Tubes Company LLC

*Pradeep
Sharma*

PRADEEP UDICK CHAND SHARMA
Manager
Umm Al Quwain
May 07, 2024



TUBES COMPANY LLC

Significant accounting policies to the standalone financial statements for the 481 days period ended March 31, 2024.

These financial statements have been prepared for the 481 days period ended March 31, 2024.

1. LEGAL STATUS, ACTIVITIES AND MANAGEMENT

1.1 Legal status

APL Apollo Tubes Company LLC("the Company") was incorporated on December 07, 2022 and registered with Umm Dera, Government of Umm AL Quwain, UAE vide License No. -35459.

The registered office of the Company is located in the Emirate of Umm Al Quwain.

As per the Memorandum of Association: the issued, subscribed and paid up capital of the Company as on March 31, 2024 is AED 65,00,000 divided into 6,500 shares of AED 10,000 each and all the shares are held by the M/s APL Apollo Tubes Company incorporated in India.

Name of the shareholder	No. of shares	%age of holding	Value (AED)
APL Apollo Tubes Company, India ("Holding	6,500	100%	6,500,000

1.2 Activities

The principal activities of the Company are "Steel Tubes Manufacturing, Importing, Exporting, Retail sale of Pipes and Tubes, Wholesale of Pipes and Tubes Trading, Construction Metal Framework and Skeletons and Parts thereof Manufacturing, Metal Ladders Manufacturing, Metal Industrial Frameworks Manufacturing".

1.3 Management

The day to day activities of the Company are jointly controlled and managed by Mr. Pradeep Udick Chand Sharma, Indian national bearing passport no. U8398688.

2 SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation

The financial statements have been prepared in accordance with International Financial Reporting Standards promulgated by the International Accounting Standards Board (IASB) and interpretations issued by the IFRS Interpretations Committee (IFRS IC).

The financial statements are prepared under the historical cost convention.

2.2 Adoption of new and revised international financial reporting standards (IFRS)

(a) New and revised IFRSs applied with no material effect on the financial statements

The following new and revised IFRSs have been adopted in this financial statements. The application of these new and revised IFRSs has not had any material impact on the amounts reported for the current period but may affect the accounting for future transactions or arrangements.

- I IFRS 17 was issued in May 2017 (further amended in 2020 & 2021) as replacement for IFRS 4 Insurance Contracts.



Significant accounting policies to the standalone financial statements for the 481 days period ended March 31, 2024.

- II Disclosure of Accounting policies - The IASB amended IAS 1 Presentation of Financial Statements to require entities to disclose their material rather than their significant accounting policies.
- III Amendment to definition of Accounting Estimates - The amendment to IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors clarifies how companies should distinguish changes in accounting policies from changes in accounting estimates.
- Deferred Tax related to Assets and Liabilities arising from a single Transaction –
- IV Amendments to IAS 12.

(b) New and revised IFRSs in issue but not yet effective

- I Classification of Liabilities as Current or Non-current – Amendments to IAS 1 with effect from January 01, 2024. Amendments made to IAS 1 Presentation of Financial Statements in 2020 and 2022 clarified that liabilities are classified as either current or noncurrent, depending on the rights that exist at the end of the reporting period.
- II Lease Liability in a Sale and Leaseback – Amendments to IFRS 1 with effect from January 01, 2024.
- III Supplier finance arrangements – Amendments to IAS 7 and IFRS 7 with effect from January 01, 2024.
- IV Sale or contribution of assets between an investor and its associate or joint venture – Amendments to IFRS 10 and IAS 28

Management anticipates that these new standards, interpretations and amendments will be adopted in the Company's financial statements as and when they are applicable and adoption of these new standards, interpretations and amendments is not expected to have any material impact on the financial statements of the company in the year of their initial application.

2.3 Use of estimates and judgements

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

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

In particular, information about significant areas of estimation, uncertainty, and critical judgements in applying accounting policies (that have the most significant effect on the amount recognized in the financial statements) are discussed in Note 19.

Significant accounting policies to the standalone financial statements for the 481 days period ended March 31, 2024.

2.4 Revenue recognition

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

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

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

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

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

Step 5 Recognise revenue as and when the Establishment satisfies a performance obligation. The Establishment recognises revenue over time if any one of the following criteria is

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

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

Significant accounting policies to the standalone financial statements for the 481 days period ended March 31, 2024.

When the Establishment satisfies a performance obligation by delivering the promised goods or services it creates a contract-based asset on the amount of consideration earned by the performance. Where the amount of consideration received from a customer exceeds the amount of revenue recognised this gives rise to a contract Revenue is measured at the transaction price agreed under the contract. Amounts disclosed as revenue are net of variable consideration and payments to customers, which are not for distinct services, which may include discounts, trade allowances, rebates and amounts collected on behalf of third parties. Revenue is recognised in the statement of comprehensive income to the extent that it is probable that the economic benefits will flow to the Establishment and the revenue and costs, if applicable, can be measured reliably.

2.5 Property and equipment

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

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

Asset	Useful life of asset
Computers	3 years
Furniture and fixtures	10 years
Office equipment	5 years
Motor vehicles	8 years
Plant and Machinery	20 years
Building	30 years

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

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

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

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



Significant accounting policies to the standalone financial statements for the 481 days period ended March 31, 2024.

2.6 Accounts receivable

Accounts receivable are stated at original invoice amount less an ECL provision. ECL Provision is being made as per IFRS 9 based on the historical performance of the customers and provision matrix.

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

2.7 Cash and cash equivalents

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

2.8 Inventories

Inventories are valued at the lower of cost and net realizable value as required by IAS 2.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

2.9 Accounts payable and accruals

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

2.10 Provisions

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

2.11 Employees' end of service benefits

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



Significant accounting policies to the standalone financial statements for the 481 days period ended March 31, 2024.

2.12 Leases

At Inception of a contract, the company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the company uses definition of a lease in IFRS 16.

Right of use assets

The Company recognises Right of use assets as per Lease Contract - Lease Rent and Period of lease. The cost of Right of use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. The recognised Right of use assets is depreciated on a straight-line basis over the lease term.

Lease liabilities

The Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. In calculating the present value of lease payments, the Company uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made.

2.13 Foreign currencies

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

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency exchange rate at the reporting date. Monetary assets and liabilities denominated in foreign currency remaining unsettled at the end of the year, are translated at the closing rates prevailing on the reporting dates. Non-Monetary items which are carried in terms of historical cost denominated in foreign currency are reported using the exchange rate at the date of transaction.

2.14 Fair value measurement

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

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



Significant accounting policies to the standalone financial statements for the 481 days period ended March 31, 2024.

The principal or the most advantageous market must be accessible by the Company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

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

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

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

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

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

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

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

2.15 Financial instruments

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

a) Financial assets

Initial recognition and subsequent measurement

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



Significant accounting policies to the standalone financial statements for the 481 days period ended March 31, 2024.

Debt instruments at amortised cost

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

- a) The asset is held within a business model whose objective is to hold assets for
- b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

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

Debt instrument at FVTOCI

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

- a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- b) The asset's contractual cash flows represent SPPI.

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

Debt instrument at FVTPL

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

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

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



Significant accounting policies to the standalone financial statements for the 481 days period ended March 31, 2024.

Derecognition

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

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either
 - (a) the Company has transferred substantially all the risks and rewards of the asset, or
 - (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the asset.

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

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

Impairment of financial assets

In accordance with IFRS 9, the Company applies expected credit loss (ECL) model for measurement and recognition of

impairment loss on the following financial assets and credit risk exposure:

- a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance
- b) Financial assets that are debt instruments and are measured as at FVTOCI
- c) Lease receivables under IFRS 16
- d) Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of IFRS 15 (referred to as contractual revenue receivables' in these financial statements)



Significant accounting policies to the standalone financial statements for the 481 days period ended March 31, 2024.

The Company follows 'simplified approach' for recognition of impairment loss

-Trade receivables or contract assets; and

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

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

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

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

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

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

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



Significant accounting policies to the standalone financial statements for the 481 days period ended March 31, 2024.

Impairment of non-financial assets

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

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

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

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

b) Financial liabilities

Initial recognition and measurement

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

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

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



Significant accounting policies to the standalone financial statements for the 481 days period ended March 31, 2024.

Subsequent measurement

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

Derecognition

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

2.16 Offsetting of financial instruments

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

2.17 Share capital

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

2.18 Value Added Tax

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

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

- When the value added tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the value added tax is recognized as part of the cost of acquisition of the asset or as part of the expense item, as applicable;
- When receivables and payables are stated with the amount of value added tax included.

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

Significant accounting policies to the standalone financial statements for the 481 days period ended March 31, 2024.

2.19 Contingencies

A contingent liability is:

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

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

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

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

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

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

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

2.20 Corporate Tax

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

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

The CT Law is considered enacted for reporting purposes and the management has concluded that there is no deferred tax impact on the reporting date.

The Company has not identified any material risks or uncertainties in the structure from a corporate perspective and will continuously monitor further developments that could impact the tax profile.



A P L APOLLO TUBES COMPANY LLC

Notes to the standalone financial statements for the 481 days period ended March 31, 2024.

3 PROPERTY, PLANT AND EQUIPMENT

(Figures in AED)

Particulars	Buildings- Factory	Plant and Machinery	Furniture & Fixtures	Vehicles	Office Equipments	Computer	Total
Cost							
Opening Balances	-	-	-	-	-	-	-
Additions	43,954,193	35,743,787	287,680	112,531	77,855	59,997	80,236,043
Deletions	-	-	-	-	-	-	-
As on March 31, 2024	43,954,193	35,743,787	287,680	112,531	77,855	59,997	80,236,043
Depreciation							
Opening Balances	-	-	-	-	-	-	-
Additions	410,224	514,769	9,805	2,233	4,557	5,854	947,442
Deletions	-	-	-	-	-	-	-
As on March 31, 2024	410,224	514,769	9,805	2,233	4,557	5,854	947,442
Net book value							
As on March 31, 2024	43,543,969	35,229,018	277,875	110,298	73,298	54,143	79,288,601



A P L APOLLO TUBES COMPANY LLC

Notes to the standalone financial statements for the 481 days period ended March 31, 2024.

		<i>(Figures in AED)</i>
		<u>As on</u>
		<u>March 31, 2024</u>
4	CAPITAL WORK IN PROGRESS	
	Capital work in progress	29,829,695
		<u>29,829,695</u>
	<i>(Capital work in progress represents new building construction, Plant and Machinery and Intangible Software is not ready for intended use in current period, thus the same has not been capitalised in current period)</i>	
5	RIGHT OF USE ASSETS	
	Movement in Right of use assets is summarised as follows:	
	Right of use - Land	
	Gross carrying amount	
	Opening balance	-
	Additions during the period	9,308,776
	As at March 31, 2024	<u>9,308,776</u>
	Accumulated depreciation	
	Opening balance	-
	Additions - capitalised during the period	685,513
	Additions - charged to Profit & Loss during the period	167,791
	As at March 31, 2024	<u>853,304</u>
	Net carrying amount as at March 31, 2024	<u><u>8,455,472</u></u>
6	CAPITAL ADVANCES AND DEPOSITS	
	Capital advances*	15,240,581
	Deposits**	27,525
		<u>15,268,106</u>
	<i>* During the year, the Company has paid additional advance of EURO 2.61 million (AED 10.51 million) for the purchase of new tube mill for expansion and remaining amount for other machinery parts.</i>	
	<i>** Long term deposits represents DEWA and rent deposits. As per Management opinion, these are non current assets in nature.</i>	
7	INVENTORY	
	Raw material**	28,153,576
	Work in progress	4,396,890
	Finished goods	40,768,982
	Goods in transit	4,301,292
	Rejection and scrap	42,021
	Spare and stores	1,967,005
		<u>79,629,766</u>

*As valued, confirmed and certified by the management.

** Raw material inventory includes inventory lying with third party of AED 695,395.



A P L APOLLO TUBES COMPANY LLC

Notes to the standalone financial statements for the 481 days period ended March 31, 2024.

		<i>(Figures in AED)</i>
		As on
		March 31, 2024
8	TRADE RECEIVABLE	
	Trade receivable	28,292,599
	Less : Provision for expected credit loss	-
		<u>28,292,599</u>
<p><i>In determining the recoverability of trade receivables, the Company considers any change in the credit quality of the trade receivable from the date the credit was initially granted up to the date of adoption of the accounts. Management has taken the current market conditions and payment received subsequent to the reporting date when assessing the credit quality of trade receivables. Accordingly, taking all of the above into account, no provision is required on account of doubtful trade receivables.</i></p>		
<p>Ageig of trade receivables us as follows:</p>		
	Less than 180 days	28,292,599
	More than 180 days	-
		<u>28,292,599</u>
<p><i>Breakup for trade receivables as on period end:</i></p>		
	Receivables from related parties	-
	Receivables from others	28,292,599
		<u>28,292,599</u>
9	ADVANCE AND PREPAYMENTS	
	Prepayments	752,022
	Advances to suppliers*	5,628,571
	Loan and advance to employees	954,367
	Advance to others	1,344,493
	Other receivable	740,869
		<u>9,420,322</u>
<p><i>*It represents advance payment made to supplier for the future purchases, which are interest free and will be adjusted for the purchases for next year.</i></p>		
10	CASH AND CASH EQUIVALENTS	
	Cash on hand	91,584
	Cash at bank	834,134
		<u>925,718</u>



A P L APOLLO TUBES COMPANY LLC

Notes to the standalone financial statements for the 481 days period ended March 31, 2024.

	<i>(Figures in AED)</i>
	As on
	March 31, 2024
11 LONG TERM BORROWINGS	
From banks - secured	
Term loans - Banks*	45,074,931
From related party - unsecured	
APL Apollo Tubes Limited, India**	40,000,000
	85,074,931

* Secured loan represents

1. Loan taken from CITI bank of AED 22 million which has charge on plant and machinery of the company. This facility is secured by corporate guarantee of APL Apollo Tubes Limited repayable in 16 Quarterly installment from August 2024 to May 2028 bearing average interest of 6.55% p.a.

2. Loan taken from HSBC of AED 23.07 million which is secured by Lease hold mortgage over factory constructed and also the corporate guarantee of APL Apollo Tubes Limited. This loan is repayable in 14 Quarterly installment from July 2025 to October 2028 bearing interest of 6.9% p.a.

**During the year, the Company has taken unsecured loan from APL Apollo Tubes Limited, holding Company for meeting its capital requirements. Loan is repayable upto 5 years as and when funds are available with Company. Applicable rate of interest is 8.00 % p.a.

12 LEASE LIABILITIES

Opening balance	-
Add: Additions during the period	9,308,776
Add: Lease interest for the period	1,149,760
Less: Payments during the period	(1,790,332)
	8,668,204

The Company has taken leasehold land having lease term of 20 years.

Current portion	263,301
Non current portion	8,404,903

Maturity analysis of lease liability - contractual cash flows (undiscounted)

Less than one year	900,000
One to five years	3,600,000
More than five years	11,259,668
Undiscounted Cashflows	15,759,668
Less: Finance Charges	7,091,464
Discounted Cashflows	8,668,204



A P L APOLLO TUBES COMPANY LLC

Notes to the standalone financial statements for the 481 days period ended March 31, 2024.

		<i>(Figures in AED)</i>
		<u>As on</u>
		<u>March 31, 2024</u>
13	SHORT TERM BORROWING	
	Working capital facility*	22,411,583
	Current maturity of term loan (refer note 11)	4,125,000
		<u>26,536,583</u>
	<i>*Working Capital facilities are secured by first pari passu charge on entire present and future current assets of the company. Working Capital facilities are further secured by Corporate guarantee of APL Apollo Tubes Limited.</i>	
14	TRADE PAYABLES	
	Trade payables	51,162,271
		<u>51,162,271</u>
	<i>Breakup for trade payable as on period end:</i>	
	Payable to related parties (refer note 18)	20,830,916
	Payable to others	30,331,355
		<u>51,162,271</u>
15	ACCRUALS AND OTHER PAYABLE	
	Advance from customer	811,945
	Capital payable	5,816,956
	VAT payable	551,146
	Interest payable	2,146,892
	Provision for leave salary	111,837
		<u>9,438,776</u>
16	REVENUE	
	Revenue from sale of goods	121,923,934
		<u>121,923,934</u>
	The company generated from sale of goods at point of time. The disaggregated revenue from operations with customers by timing of revenue, geographical and party wise are presented below:	
	Timing of revenue recognition:	
	- At a point in time	121,923,934
	- Over time	-
		<u>121,923,934</u>
	Primary geographical segments:	
	- Within UAE	85,669,354
	- Outside UAE	36,254,580
		<u>121,923,934</u>
	Party wise breakup:	
	- Revenue generated from related parties	-
	- Revenue generated from third parties	121,923,934
		<u>121,923,934</u>



A P L APOLLO TUBES COMPANY LLC

Notes to the standalone financial statements for the 481 days period ended March 31, 2024.

	<i>(Figures in AED)</i>
	<u>Period ended March 31, 2024</u>
17 COST OF GOODS SOLD	
Cost of material consumed	105,978,599
Power and fuel	742,062
Employee cost	1,143,611
	<u>107,864,272</u>
18 ADMINISTRATIVE AND SELLING EXPENSES	
Freight outward	3,802,238
Employee cost	741,580
Rates and taxes	857,952
Office expenses	363,756
Marketing expenses	301,795
Rent expenses	210,948
Travelling expenses	190,585
Legal & professional charges	71,910
	<u>6,540,764</u>



Notes to the standalone financial statements for the 481 days period ended March 31, 2024.

20 FINANCIAL INSTRUMENTS

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

The management conducts and operates the business in a prudent manner, taking into account the significant risks to which the business is or could be exposed. The primary risks to which the business is exposed, comprise credit risks, liquidity risks and market risks (including currency risks, cash flow interest rate risks and fair value interest rate risks).

a. Currency risk

Currency risk is the risk that the value of financial instruments will fluctuate due to changes in foreign exchange rates. Currency risk arises when future commercial transactions and recognized assets and liabilities are denominated in a currency that is not the Company's functional currency.

The Company does not have any significant currency risk as the Company's transactions are mainly in Arab Emirate Dirham (AED) & US Dollar that is pegged to AED.

b. Credit risk

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

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

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

	<i>(Figures in AED)</i>
	As on
	March 31, 2024
Trade receivable	28,292,599
Advances	8,668,300
	36,960,899

c. Interest rate risk

Interest rate risk is the risk that the value of financial instruments will fluctuate due to changes in market interest rates. The Company's income and operating cash flows are substantially independent of the changes in market interest rates. The Company has borrowings with fixed interest rate.



Notes to the standalone financial statements for the 481 days period ended March 31, 2024.

d. Liquidity risk

Liquidity risk is the risk that an enterprise will encounter difficulty in raising funds to meet commitments associated with financial instruments. Liquidity risk may result from inability to sell a financial asset quickly at close to its fair value. Liquidity risk is managed by monitoring on a regular basis that sufficient funds are available to meet any future commitments.

(Figures in AED)

	Carrying amount	Within 1 year	1 to 5 years
As on March 31, 2024			
Borrowings	111,611,514	26,536,583	85,074,931
Lease Liability	8,668,204	263,301	8,404,903
Trade payable	51,162,271	51,162,271	-
Accruals and other payable	9,438,776	9,438,776	-
	180,880,765	87,400,931	93,479,834

e. Capital risk management

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

21 SIGNIFICANT EVENTS OCCURRING AFTER THE BALANCE SHEET DATE

There are no significant events occurring after the balance sheet date, which affect the financial position and performance of the Company and need recognition and/or disclosure in the financial statements.

22 RELATED PARTY TRANSACTIONS

The entity in the normal course of business enters into transactions with other business enterprises that fall within the definition of related party contained in the international accounting standard. The entity believes that the terms of these transactions are not significantly different from those that could have been obtained from third parties.

Following is the break up of the transactions done with the related parties during the year under audit:

Name of the related party	Relationship
APL Apollo Tubes Limited	Holding Company
APL Apollo Building Products Private Limited	Fellow Subsidiary
Utkarsh Dwivedi	CEO

A P L APOLLO TUBES COMPANY LLC

Notes to the standalone financial statements for the 481 days period ended March 31, 2024.

(Figures in AED)

A. Transactions during the year	Year ended March 2024 (AED)
Utkarsh Dwivedi	
Salary	1,690,000
Net advance paid	870,000
M/s. APL Apollo Tubes Limited, India	
Purchases	47,589,281
Purchase of property, plant and equipment	12,913,819
Loan taken	40,000,000
Interest expense	3,484,413
M/s. APL Apollo Building products private limited, India	
Purchases	31,654,397

B. Balances receivable/(payable) at the end of the year are as follows:

(Figures in AED)

Name of the related parties	Nature of the balance	As on March 31, 2024
M/s. APL Apollo Tubes Limited, India	Trade payable	7,233,248
	Loan taken	40,000,000
	Interest payable	1,626,667
M/s. APL Apollo Building products private limited, India	Trade payable	13,597,669
Utkarsh Dwivedi	Loan to employee	870,000

23 FAIR VALUE MEASUREMENT

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. A significant portion of the Company's financial instruments is carried at fair value. The fair value of the financials instruments are not materially different from their carrying amounts.



Notes to the standalone financial statements for the 481 days period ended March 31, 2024.

24 CONTINGENT LIABILITIES

As on the reporting date there are no contingent liabilities arising in the ordinary course of business, which are expected to give rise to any material loss.

25 KEY SOURCES OF ESTIMATION UNCERTAINTY

25.1 Useful lives of property and equipment

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

25.2 Fair value of financial instruments

When the fair value of financial assets and financial liabilities recorded in the statement of financial position cannot be derived from active markets, their fair value is determined using valuation techniques including the discounted cash flow model.

The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. The judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

25.3 Impairment of non-financial assets

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

26 AUTHORISATION OF THE FINANCIAL STATEMENTS

The financial statements for the financial year ended March 31, 2024 were authorized for issue in accordance with a resolution of the management on May 07, 2024.



A P L APOLLO TUBES COMPANY LLC

Notes to the standalone financial statements for the 481 days period ended March 31, 2024.

27 GENERAL

27.1 Figures in the financial statements are rounded off to the nearest U.A.E Dirhams.

27.2 The Company was licensed to start the activities from December 07, 2022. This is the first period of preparation of financial statements for the period from December 07, 2022 to March 31, 2024 and hence no previous year figures are given for comparison purpose.

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

For A P L Apollo Tubes Company LLC

Pradeep Sharma

PRADEEP UDICK CHAND SHARMA
Manager
Umm Al Quwain
May 07, 2024

