

**MEL POWER SYSTEMS FZC**  
**SAIF ZONE, SHARJAH - U.A.E**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2024**  
**AND INDEPENDENT AUDITORS' REPORT**

**MEL POWER SYSTEMS FZC  
FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2024**

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**MEL POWER SYSTEMS FZC**  
SAIF ZONE, SHARJAH - U.A.E

**Company Information**

**The Directors:**

Mr. Vinay Krishna Uchil  
M/s. Marine Electricals India Limited

**Bank:**

Axis Bank  
Rak Bank  
ADCB Bank

**The Auditor:**

Youssry & Co. Auditing & Consultancy  
P.O Box: 95463  
Dubai, United Arab Emirates  
Tel: +971 4 5588206  
Fax: +971 4 5588204  
Email: info@youssryauditing.com

**MEL POWER SYSTEMS FZC**  
**SAIF ZONE, SHARJAH - U.A.E**

**Managing Director's Report**

The board has the pleasure in presenting the report and the audited financial statements of M/s. MEL POWER SYSTEMS FZC for the year ended March 31, 2024.

**Principal activities**

The principal activity of the company is Import/Export & Distribution of Marine Equipment & Related Spare Parts.

**Results and Appropriations**

The results of the company for the year ended 31, March 2024 are set out on Page 6 and 7 of the financial statements.

**Business Review:**

Legend	Sales Ratio	Comparative Performance		Increase/ (decrease) in %
		31/03/2024	31/03/2023	
Revenue	100%	18,963,552	5,280,858	259%
Gross profit (Loss)	14%	2,748,280	1,420,149	94%
Net profit (Loss) for the year	4%	816,207	301,582	171%

**Dividend**

After review of the performance, no dividend has been declared for the financial year ended 31<sup>st</sup> March 2024.

**Events since the end of the year.**

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

**Acknowledgements:**

The Board of Directors would like to express their gratitude and appreciation to bank, business partners, regulatory and government authorities and staff whose continued support has been a source of great strength and encouragement.

For MEL POWER SYSTEMS FZC



Mr. Vinay Krishna Uchil  
M/s. Marine Electricals India Limited  
Directors





## AUDITORS' REPORT

### THE SHAREHOLDERS

### MEL POWER SYSTEMS FZC

### SHARJAH-UNITED ARAB EMIRATES

#### Report on the Financial Statements

#### Opinion

We have audited the accompanying financial statements of M/s. MEL POWER SYSTEMS FZC , which comprises the statement of financial position as at 31<sup>st</sup> March 2024 and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory notes.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Entity as at 31<sup>st</sup> March 2024 and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

#### Basis for Opinion

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Other Information

Management is responsible for the other information. Other information comprises the directors' report, which we obtained prior to the date of this auditor's report. The other information does not include the financial statements and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we concluded that there is a material misstatement of the other information, we are required to report that fact.

We have nothing to report in this regard.

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRSs and in compliance with the applicable provisions of the Company's Articles/Memorandum of Association and the SAIF Zone Law Emiri Decree No. 2 of 1995 as amended by Sharjah Executive Council Resolution No. (1) of 2000 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.



## Responsibilities of Management and Those Charged With Governance for the Financial Statements (cntnd)

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

## Auditors' Responsibilities for the Audit of the Financial Statements

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

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

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

Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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

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

We further confirm that we have obtained all information and explanations necessary for our audit that proper books of account have been kept by the company, an inventory verification was duly carried out. To the best of our knowledge and belief no violations of the SAIF Zone Law Emiri Decree No. 2 of 1995 as amended by Sharjah Executive Council Resolution No. (1) of 2000, which would have had a material effect on the business of the company or on its financial position.

#### Report on Other Legal and Regulatory Requirements

As required by the SAIF Zone Law Emiri Decree No. 2 of 1995 as amended by Sharjah Executive Council Resolution No. (1) of 2000, we further confirm that,

1. We have obtained all the information and explanations which we consider necessary for our audit.
2. the financial statements of the Company have been prepared and comply, in all material respects, with the applicable provisions of the SAIF Zone Law Emiri Decree No. 2 of 1995 as amended by Sharjah Executive Council Resolution
3. the Entity has maintained proper books of account;
4. the financial information included in the Directors' report is consistent with the books of account of the Entity;
5. there are no investment in shares or stocks during the financial year ended 31<sup>st</sup> March 2024.
6. note 8 to the financial statements discloses material related party transactions and the terms under which they were conducted;
7. based on the information that has been made available to us nothing has come to our attention which causes us to believe that the Entity has contravened during the financial year 31<sup>st</sup> March 2024 any of the applicable provisions of the Sharjah International Airport Free Zone, Sharjah, United Arab Emirates or of its Articles of Association which would materially effect its activities or the financial position of the Entity and
8. there are no social contributions made during the year.

Youssry Adel Amin

Wednesday, May 22, 2024

Economic Reg. No. 495



**MEL POWER SYSTEMS FZC**  
**SAIF ZONE, SHARJAH - U.A.E**  
**STATEMENT OF FINANCIAL POSITION AS AT 31<sup>ST</sup> MARCH 2024**

		31/03/2024	31/03/2023
	Notes	AED	AED
<b>ASSETS</b>			
<b>Non-Current Assets:</b>			
Investments	5	4,002,483	4,002,483
<b>Current Assets:</b>			
Inventories	6	2,800,588	2,854,672
Trade and other receivables	7	6,396,644	5,568,699
Due from related parties	8-a	14,151,163	9,527,120
Cash and cash equivalents	9	1,362,755	190,598
		<b>24,711,150</b>	<b>18,141,089</b>
<b>TOTAL ASSETS</b>		<b>28,713,633</b>	<b>22,143,572</b>
<b>EQUITY &amp; LIABILITIES</b>			
<b>Equity</b>			
Share capital	10	238,500	150,000
Share premium		1,656,637	-
Retained earnings/(Loss)		16,873,735	16,057,528
		<b>18,768,872</b>	<b>16,207,528</b>
<b>Non-current Liabilities</b>			
Provision for Employees' end service benefits	11	72,859	60,059
		<b>72,859</b>	<b>60,059</b>
<b>Current Liabilities:</b>			
Bank borrowings - current	12-a	-	2,687,674
Bank overdraft	12-b	6,717,677	-
Trade and other payables	13	2,281,835	1,826,099
Due to related parties	8-b	572,390	1,360,275
Advance from director	8-c	-	1,937
Other payables	8-d	300,000	-
		<b>9,871,902</b>	<b>5,875,985</b>
<b>TOTAL EQUITY &amp; LIABILITIES</b>		<b>28,713,633</b>	<b>22,143,572</b>

Accepted and Confirmed  
For MEL POWER SYSTEMS FZC

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

**Youssry & Co.** **يسري وشركاه**  
**Auditing & consultancy** **المستشاراة وتدقيق الحسابات**



**MEL POWER SYSTEMS FZC**  
**SAIF ZONE, SHARJAH - U.A.E**  
**STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2024**

	Notes	31/03/2024 AED	31/03/2023 AED
Revenue	14	18,963,552	5,280,858
Cost of Revenue	15	(16,215,272)	(3,860,709)
<b>Gross profit (Loss)</b>		<b>2,748,280</b>	<b>1,420,149</b>
Add: Other Income	16	136	-
<b>Total</b>		<b>2,748,416</b>	<b>1,420,149</b>
General & Administrative Expenses	17	(1,332,513)	(849,734)
Finance Expenses	18	(599,696)	(268,833)
<b>Total expenses</b>		<b>(1,932,209)</b>	<b>(1,118,567)</b>
<b>Net profit (Loss) for the year</b>		<b>816,207</b>	<b>301,582</b>

**Statement of Retained Earnings**

	31/03/2024 AED	31/03/2023 AED
Opening balance	16,057,528	15,755,946
Net profit (Loss) for the year	816,207	301,582
	<b>16,873,735</b>	<b>16,057,528</b>

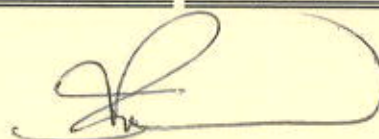
Accepted and Confirmed  
**For MEL POWER SYSTEMS FZC**



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

**MEL POWER SYSTEMS FZC**  
**SAIF ZONE, SHARJAH - U.A.E**  
**STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2024**

	Share capital	Share premium	Retained Earnings	Total
	AED	AED	AED	AED
As at 31, March 2022	150,000	-	15,755,946	15,905,946
Net profit (Loss) for the year	-	-	301,582	301,582
As at 31, March 2023	150,000	-	16,057,528	16,207,528
Net profit (Loss) for the year	-	-	816,207	816,207
Changes during the year	88,500	1,656,637	-	1,745,137
As at 31, March 2024	238,500	1,656,637	16,873,735	18,768,872




**MEL POWER SYSTEMS FZC**  
**SAIF ZONE, SHARJAH - U.A.E**  
**STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2024**

	Notes	31/03/2024 AED	31/03/2023 AED
<b>Cash flows from operating activities</b>			
Net profit/ (Loss) for the year		816,207	301,582
Adjustments for non cash items:			
Increase / (Decrease) in Employees' end service benefits	11	12,800	14,363
<b>Operating profit before changes in working capital</b>		<b>829,007</b>	<b>315,945</b>
(Increase) / Decrease in Inventories	6	54,084	404,279
(Increase) / Decrease in Trade & other receivables	7	(827,945)	617,622
(Increase) / Decrease in Due from related parties	8-a	(4,624,043)	(169,450)
Increase / (Decrease) in Due to related parties	8-b	(787,885)	280,784
Increase / (Decrease) in Advance from director	8-c	(1,937)	1,937
Increase / (Decrease) in Other payables	8-d	300,000	-
Increase / (Decrease) in Trade payables & other payables	13	455,736	(828,392)
<b>Net cash generated from / (used in) operating activities</b>		<b>(4,602,983)</b>	<b>622,725</b>
<b>Cash flows from investing activities</b>			
Purchase of Property, plant and equipment		-	-
<b>Net cash flow (used in) investing activities</b>		<b>-</b>	<b>-</b>
<b>Cash flows from financing activities</b>			
Increase / (Decrease) in Short term vehicle loan	12-a	(2,687,674)	(502,715)
Increase / (Decrease) in Bank overdraft	12-b	6,717,677	-
Increase / (Decrease) in Share capital	10	88,500	-
Increase / (Decrease) in Share premium		1,656,637	-
<b>Net cash from /(used in) financing activities</b>		<b>5,775,140</b>	<b>(502,715)</b>
<b>Net increase /(decrease) in cash and cash equivalents</b>		<b>1,172,157</b>	<b>120,010</b>
Cash and cash equivalents, beginning of the year		190,598	70,588
<b>Cash and cash equivalents, end of the year</b>		<b>1,362,755</b>	<b>190,598</b>



# MEL POWER SYSTEMS FZC

SAIF ZONE, SHARJAH - U.A.E

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2024

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## 1 CORPORATE INFORMATION

### 1.1 General

M/s. MEL Power Systems FZC is a Free Zone Company registered with Sharjah Airport International Free Zone under the Commercial License No.08664 and Industrial License No.17408 issued on 26/10/2010. The Registered Address of the Company is PO Box 122041, SAIF Zone, Sharjah, UAE.

### 1.2 Principal activities

The principal activity of the company is Import/Export & Distribution of Marine Equipment & Related Spare Parts.

### 1.3 Management

Mr. Vinay Krishna Uchil is acting as manager of the entity as per the trade license.

### 1.4 Address

The registered address of the company is 125 M2 Warehouse P6 - 180, P.O.Box 122041, Sharjah - U.A.E.

## 2 BASIS OF PREPARATION

### 2.1 Statement of compliance

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS), the requirements of SAIF Zone Law Emiri Decree No. 2 of 1995 as amended by Sharjah Executive Council Resolution No. (1) of 2000 and comply with the relevant Articles of Association of the Company.

### 2.2 Basis of measurement

The financial statements have been prepared under the historical cost convention unless otherwise indicated.

### 2.3 Functional and presentation currency

These financial statements are presented in United Arab Emirates Dirham (AED), the Entity's functional and presentation currency and are rounded to the nearest value.

### 2.4 Use of estimates and judgments

The preparation of financial statements in conformity with IFRSs requires management to make judgments, estimates and assumptions that effect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods effected.

Significant areas where considerable management judgment is required are disclosed along with accounting policies.

## MEL POWER SYSTEMS FZC

SAIF ZONE, SHARJAH - U.A.E

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2024

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#### Impact of COVID-19

The existence of novel coronavirus (Covid-19) was confirmed in early 2020 and has spread across the globe, causing significant financial and economic impact on the major economies across the globe and affecting multiple industries.

#### Business continuity planning

The Entity is closely monitoring the situation and has activated its business continuity plan and other risk management practices to manage the potential business disruption resulted from COVID-19 outbreak in order to boost the liquidity and sustain the business.

The Entity will adapt its operating procedures to ensure its customers and staff are properly protected in this new environment and in line with any new requirements in the industry.

#### COVID-19 impact on measurement of ECL

IFRS 9 requires the estimation of Expected Credit Loss (ECL) based on current and forecasted economic conditions. The Entity continued to assess the Expected Credit Loss (ECL) from trade receivables and accounted for such in the financial statements in accordance with the requirements of IFRS 9. The Entity also assessed the potential impacts of the current situation across all relevant areas of the business; specifically relating to going concern, with no material impact. The management will continue to monitor the situation and make the necessary judgements and estimates as may be required.

#### Liquidity risk and management

The global market stress brought on by the COVID-19 crisis can negatively affect the liquidity. In this environment, the Entity has taken measures to manage liquidity risk until the crisis is over. The Entity's credit and treasury department is closely monitoring the cash flows and forecasts.

### 2.5 Going concern

The financial statements have been prepared on a going concern basis on the basis of the shareholders' confirmation of providing continuing support. If such support were absent, this basis would be invalid and adjustments would have to be made to reduce the statement of financial position value of assets to their recoverable amount.

## 3 SIGNIFICANT ACCOUNTING POLICIES

### 3.1 Changes in accounting policies

The accounting policies applied in the preparation of these financial statements are consistent with those applied by the Entity in its annual audited financial statements as at and for the year ended 31 March 2023, except to the extent of impact of the 'New and revised IFRSs adopted on these financial statements' from 1 April 2023, as set out in Note 4.

### 3.2 Foreign currencies

The financial statements are presented in United Arab Emirates Dirham (AED), which is the Entity's functional and presentation currency. Transactions in foreign currencies are recorded at the functional currency rate ruling at the date of the transaction. Monetary assets and liabilities denomination in foreign currencies are converted at the rate of exchange ruling at the date of financial position. The resultant foreign exchange gains and losses are recognized in the Income statement.

## MEL POWER SYSTEMS FZC

SAIF ZONE, SHARJAH - U.A.E

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2024

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### 3.3 Property, plant and equipment

#### (a) Cost and valuation

Property, plant & equipment are stated at cost less accumulated depreciation and impairment, if any. Cost includes expenditure that is directly attributable to the acquisition or construction. Where items of property, plant and equipment are subsequently revalued such revalued property, plant and equipment are carried at revalued amounts less any subsequent depreciation thereon and impairment.

#### (b) Subsequent costs

Subsequent cost are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Entity and the cost can be reliably measured.

Cost of repairs and maintenance are charged to the statement of profit or loss during the period in which they are incurred.

#### (c) Depreciation

Depreciation on property, plant & equipment is provided on a straight line basis at the rates calculated to write off the cost of each asset by equal annual instalments over its expected useful life.

Management reviews the residual values and estimated useful lives at the end of each annual reporting period in accordance with IAS 16 and IAS 38. Management determined that current year expectations do not differ from previous estimates based on its review.

#### (d) Derecognition

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

### 3.4 Intangible assets

Intangible assets are the computer software license acquired for the business.

Intangible assets are recognised if it is probable that the future economic benefits that are attributable to the assets will flow to the Entity and the cost of the assets can be measured reliably. Accordingly, these assets are stated in the statement of financial position at cost less accumulated amortisation and any accumulated impairment losses.

Amortisation is charged on straight line basis over their estimated useful lives. The amortisation period and the amortisation method is reviewed at the end of each reporting period, with effect of any change in estimate being accounted for on a prospective basis.

### 3.5 Inventories

Inventories are stated at the lower of cost and net realizable value. Cost is determined on the weighted average basis. The cost of inventory comprises the cost of purchase and other costs incurred in bringing the inventory to its present location and condition.

Net realizable value is the estimated selling price in the ordinary course of business, less the costs of completion and selling expenses.

## MEL POWER SYSTEMS FZC

SAIF ZONE, SHARJAH - U.A.E

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2024

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#### 3.6 Impairment of non-financial assets

Assets that have an indefinite useful life are not to amortization and are tested annually for impairment. Assets that are subject to amortization are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which these are separately identifiable cash flows (cash-generating units). Non-financial assets that suffered impairment are reviewed for possible reversal of the impairment at each reporting date.

#### 3.7 Financial instruments

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

#### 3.8 Financial assets

##### Initial recognition and measurement

Financial assets are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets (other than financial assets at fair value through profit or loss) are added to or deducted from the fair value of the financial assets, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets at fair value through profit or loss are recognised immediately in profit or loss.

##### Subsequent classification and measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Financial assets at amortised cost (debt instruments)
- Financial assets at fair value through OCI with recycling of cumulative gains and losses (debt instruments)
- Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments)
- Financial assets at fair value through profit or loss

##### Financial assets at amortised cost (debt instruments)

Financial assets at amortised cost are subsequently measured using the effective interest (EIR) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

##### Financial assets at fair value through OCI (debt instruments)

For debt instruments at fair value through OCI, interest income, foreign exchange revaluation and impairment losses or reversals are recognised in the statement of profit or loss and computed in the same manner as for financial assets measured at amortised cost. The remaining fair value changes are recognised in OCI. Upon derecognition, the cumulative fair value change recognised in OCI is recycled to profit or loss.

## MEL POWER SYSTEMS FZC

SAIF ZONE, SHARJAH - U.A.E

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2024

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#### Financial assets designated at fair value through OCI (equity instruments)

Upon initial recognition, the Entity can elect to classify irrevocably its equity investments as equity instruments designated at fair value through OCI when they meet the definition of equity under IAS 32 Financial Instruments: Presentation and are not held for trading. The classification is determined on an instrument-by-instrument basis.

#### Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value recognised in the statement of profit or loss.

#### Impairment of financial assets

The Entity has financial assets under "trade and other receivables" that are subject to the expected credit loss model under IFRS 9. The Entity has applied the simplified approach to measuring the expected credit losses which uses lifetime expected losses allowance for all trade receivables and financial investments. To measure the expected credit losses, trade receivables have been grouped based on similar credit risk characteristics and days past due. The revised impairment methodology has not resulted in additional credit loss in trade receivables.

#### Derecognition of financial assets

A financial asset (or, when applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when:

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

When the Entity has transferred its right 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 the risks and rewards of the asset nor transferred control of the asset, the asset is recognised to the extent of the Entity's continuing involvement in the asset. 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 Entity could be required to repay.

### 3.9 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, payables, or as derivatives designated as hedging instruments in an effective hedge, 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.

## MEL POWER SYSTEMS FZC

SAIF ZONE, SHARJAH - U.A.E

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2024

#### Subsequent measurement

For the purposes of subsequent measurement, financial liabilities are classified in two categories:

- Financial liabilities at fair value through profit or loss
- Financial liabilities at amortised cost (loans and borrowings)

The measurement of financial liabilities depends on their classification, as described below:

- *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. This category also includes derivative financial instruments entered into by the Entity that are not designated as hedging instruments in hedge relationships as defined by IFRS 9. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the statement of profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in IFRS 9 are satisfied. The Entity has not designated any financial liability as at fair value through profit or loss.

- *Financial liabilities at amortised cost (loans and borrowings)*

Term loans are initially recognised at the fair value of the consideration received less directly attributable transaction costs.

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest rate method. Gains and losses are recognised in the income statement when the liabilities are derecognised as well as through the amortisation process.

#### Derecognition of financial liabilities

The Entity derecognises financial liabilities when, and only when, the Entity's obligations are discharged, cancelled or they expire. Where 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, then the difference in the respective carrying amounts is recognised in the income statement.

#### **3.10 Offsetting financial instruments**

Financial assets and liabilities are offset and the net amount reported in the statement of financial position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

#### **3.11 Fair value of financial instruments**

Management considers that the fair values of the Entity's financial assets and liabilities are not materially different from their carrying values in the date of statement of financial position.

#### **3.12 Trade receivables**

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. If collection is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets. If not, they are presented as non-current assets.

Trade receivables are stated at the amounts that they are estimated to realize net of provision for bad and

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Trade receivables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method less provision for impairment.

#### Allowance for doubtful debts

Allowance for doubtful debts is determined using a combinations of factors to ensure that the receivables are not overstated due to uncollectibility. The allowance for doubtful debts for all customers is based on a variety of factors including the overall quality and ageing of the receivables, continuing credit evaluation of the customer's financial conditions and collateral requirements from customers in certain circumstances. In addition, specific allowances for individual accounts are recorded when the Entity becomes aware of the customer's liability to meet its financial obligations.

#### **3.13 Cash and cash equivalents**

Cash and cash equivalents are defined as cash and bank balances that are readily convertible to known amounts of cash and which are subjected to an insignificant risk of changes in values.

#### **3.14 Trade payables**

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

Trade payables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method.

#### **3.15 Provisions**

Provision are recognized when the business has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the amount can be made. Provisions are not recognized for future operating losses.

#### **3.16 Value added tax**

As per the Federal Decree-Law No. (08) of 2017, effective from January 1, 2018, Value Added Tax (VAT), will be charged at 5% standard rate or 0% (as the case may be) on every taxable supply and deemed supply made by the taxable person. The Company is required to file its VAT returns and compute the payable tax (which is output tax less input tax) for the allotted tax periods and deposit the same within the prescribed due dates of filing VAT return and tax payment.

#### **3.17 Loans and borrowings**

Loans and borrowings are initially recognized at the fair value of the consideration received less directly attribute transaction costs. After initial recognition, these are subsequently measured at amortized cost using the effective interest method. Any difference between the proceeds (net of transaction costs) and the redemption value is recognized in the income statement over the period of the borrowings using the effective interest method. Loans and borrowings are classified as current liabilities unless the establishment has an unconditional right to defer settlement of the liability for at least 12 months after the date of financial position.

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#### 3.18 Employee's end of service benefits

The Entity provides end of services benefits to its employees. The entitlement to those benefits is usually based upon the employees' length of services and the completion of a minimum services period. The expected costs of these benefits are accrued over the period of employment and in accordance with U.A.E. Labour Law.

#### 3.19 Revenue recognition

##### Revenue from contracts with customers

The Entity recognises revenue from contracts with customers based on a five-step model as set out in IFRS 15:

- 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 Entity 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 Entity will allocate the transaction price to each performance obligation in an amount that depicts the consideration to which the Entity expects to be entitled in exchange for satisfying each performance obligation.
- Step 5* Recognise revenue as and when the Entity satisfies a performance obligation.

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

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

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

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

Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes and duty. The Entity assesses its revenue arrangements against specific criteria to determine if it is acting as principal or agent.

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

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#### 3.20 Expenditure recognition

Expenses are recognised in the statement of income on the basis of a direct association between the cost incurred and the earning of specific items of income. All expenditure incurred in the running of the business and in maintaining the property, plant and equipment in a state of efficiency has been charged to the statement of income. For the purpose of presentation of the statement of income, the "function of expenses" method has been adopted, on the basis that it presents fairly the elements of the Entity's performance.

#### 3.21 Leases

##### The Entity as a lessee

The Entity assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Entity applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Entity recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

##### i) Right-of-use assets

The Entity recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. 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. Right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Entity by the end of the lease term or the cost of the right-of-use asset reflects that the Entity will exercise a purchase option.

The Entity has presented right-of-use assets that do not meet the definition of investment property within 'property, plant and equipment'.

##### ii) Lease liabilities

At the commencement date of the lease, the Entity recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including insubstance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Entity and payments of penalties for terminating the lease, if the lease term reflects the Entity exercising the option to terminate.

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In calculating the present value of lease payments, the Entity uses the interest rate implicit in the lease or, if that rate cannot be readily determined, the Entity's incremental borrowing rate. Generally, the Entity uses its incremental borrowing rate as the discount rate. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

The Entity has presented its lease liabilities within 'loans and borrowings'.

#### *iii) Short-term leases and leases of low-value assets*

The Entity applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases that are considered to be low value. Lease payments on short-term leases and leases of low value assets are recognised as expense on a straight-line basis over the lease term.

## 4 APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRS)

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### 4.1 New and revised IFRSs adopted on these financial statements

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

- ◆ Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16 Interest Rate Benchmark Reform - Phase 2
- ◆ Amendments to IFRS 16 Covid-19-Related Rent Concessions beyond 30 June 2021

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#### 4.2 New and revised IFRSs in issue but not yet effective

The Entity has not early applied the following new standards, amendments and interpretations that have been issued but not yet effective:

New and revised IFRSs	Effective for annual periods beginning on or after
♦ IFRS 17 Insurance Contracts & Amendments to IFRS 17	1 January 2023
♦ Amendments to IAS 1 Classification of Liabilities as Current or Non-Current	1 January 2023
♦ Amendments to IAS 8 Definition of Accounting Estimates	1 January 2023
♦	
Amendments to IAS 12 Deferred Tax related to Assets and Liabilities arising from a Single Transaction	1 January 2023
♦ Initial Application of IFRS 17 and IFRS 9 — Comparative Information (Amendment to IFRS 17)	1 January 2023
♦ International Tax Reform — Pillar Two Model Rules (Amendments to IAS 12) — Application of the exception and disclosure of that fact	23 May 2023
♦ International Tax Reform — Pillar Two Model Rules (Amendments to the 'IFRS for SMEs' Standard) — Application of the exception and disclosure of that fact	29 September 2023

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	<u>31/03/2024</u>	<u>31/03/2023</u>
	<u>AED</u>	<u>AED</u>
<b>5 Investments</b>		
Investment in Subsidiary	<u>4,002,483</u>	<u>4,002,483</u>
<p>The above investments represent 75% holding in STI Srl (Italy).</p> <p>The fair value of the investments are estimated at the cost as the shares are unquoted in the market and there is no other appropriate measurement of fair value.</p> <p>In the opinion of the management there is no impairment to the value of Investment as at 31<sup>st</sup> March, 2024.</p>		
<b>6 Inventories</b>		
Inventories	<u>2,800,588</u>	<u>2,854,672</u>
<p>Inventories are stated at the lower of cost and net realizable value. Cost comprises direct materials and those overheads that have been incurred in bringing the inventories to their present location and condition. Cost is calculated using the weighted average method. Net realizable value represents the estimated selling price less all estimated costs to be incurred in marketing, selling and distribution. Inventory is physically verified, valued and as certified by</p>		
<b>7 Trade and other receivables</b>		
Trade receivables	4,778,479	5,135,055
Prepayments	125,271	69,707
Advance to suppliers	1,380,035	277,801
Refundable deposits	61,125	55,575
Vat refund	51,734	30,561
	<u>6,396,644</u>	<u>5,568,699</u>

Trade receivables are stated at the amounts that they are estimated to realise. In the opinion of the management there is no impairment and the receivables are good and recoverable as at 31st March 2024.

**8 Related Parties Balances and transaction**

In the normal course of business, the company enters into various transaction with related parties. Related parties represent partners, directors and key management personnel of the company and entities controlled, jointly controlled or significantly influenced by such parties. The prices and terms of these transaction are agreed with the company's management.

The significant transactions entered into by the Company with related parties are as follows:

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**Related Parties Balances and transaction - continued**

	31/03/2024	31/03/2023
	AED	AED
<b>a) Due from related parties</b>		
KDU Marine Equipment Trading and Maintenance LLC	5,789,158	6,827,365
KDU World Wide Technical Services	853,900	859,688
Marine Electricals India Limited	799,760	-
Xantos Marine Limited	5,380,003	200,626
STI Srl	1,328,342	1,639,441
	<u>14,151,163</u>	<u>9,527,120</u>

The above companies are under common ownership and the balances represent net amount receivable from the advances given in the normal course of business.

The company has given advance of AED 1,328,342 to STI Srl (Italy) for their working capital requirements.

<b>b) Due to related parties</b>		
Marine Electricals India Limited	22,211	565,701
KDU WorldWide Services Nigeria Limited	172,873	172,873
Technology Ventures Middle East FZC	184,631	342,432
Technology Venture Middle East Marine	192,675	279,269
	<u>572,390</u>	<u>1,360,275</u>

These amounts represent the net payable against the purchases made and interest free loans received in the normal course of business.

<b>c) Advance from Director</b>		
Mr. Vinay Krishna Uchil	<u>-</u>	<u>1,937</u>

<b>d) Other payables</b>		
Mr. Vinay Krishna Uchil	<u>300,000</u>	<u>-</u>

The above amount represents the reimbursement for travel expenses to the director in the normal course of business.

<b>9 Cash and cash equivalents</b>		
Cash in hand	19	3,613
Cash at bank	1,362,735	186,984
	<u>1,362,755</u>	<u>190,598</u>

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**10 Share Capital**

The capital of the Entity as per amended memorandum dated 08.01.2024 is AED 238,500 (Dirhams Two Hundred Thirty Eight Thousand Five Hundred only), with limited liability, divided into 159 (One Hundred Fifty Nine) shares.

Name of shareholders	No.of Shares	Value of shares (AED)	Total value (AED)
M/s.Marine Electricals India Limited	149	1,500	223,500
Mr.Vinay Krishna Uchil	10	1,500	15,000
	<u>159</u>		<u>238,500</u>

The capital of the Entity as on 31.03.2023 is AED 150,000 (Dirhams One Hundred Fifty Thousand only), with limited liability, divided into 100 (One Hundred) shares.

Name of shareholders	No.of Shares	Value of shares (AED)	Total value (AED)
M/s.Marine Electricals India Limited	90	1,500	135,000
Mr.Vinay Krishna Uchil	10	1,500	15,000
	<u>100</u>		<u>150,000</u>

31/03/2024	31/03/2023
AED	AED

**11 Provision for Employees' End Service Benefits**

Opening Balance	60,059	45,696
Charged during the year	12,800	14,363
	<u>72,859</u>	<u>60,059</u>

The provision for staff terminal benefits is based on the liability that would arise if the employment of all staff were terminated at the statement of financial position date and is calculated in accordance with the UAE Federal Labour Law. The management considers these provisions as long-term obligations and has accordingly classified them as long-term liabilities.

**12 Bank borrowings**

31/03/2024	31/03/2023
AED	AED

**12-a Term Loan**

-	2,687,674
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**12-b Bank overdraft**

6,717,677	-
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		31/03/2024	31/03/2023
		AED	AED
<b>13</b>	<b>Accounts and Other payables</b>		
	Accounts payables	1,730,629	823,204
	Accrued expenses	36,750	37,697
	Advance from customers	415,885	909,389
	PDC issued	98,571	55,809
		<u>2,281,835</u>	<u>1,826,099</u>
<b>14</b>	<b>Revenue</b>		
	Revenue for the year	18,963,552	5,280,858
		<u>18,963,552</u>	<u>5,280,858</u>
<b>15</b>	<b>Cost of Revenue</b>		
	Opening stock	2,854,672	3,258,951
	Purchases	15,537,841	3,252,823
	Closing stock	(2,800,588)	(2,854,672)
	Direct expenses	623,347	203,607
		<u>16,215,272</u>	<u>3,860,709</u>
<b>16</b>	<b>Other Income</b>		
	Other income	136	-
		<u>136</u>	<u>-</u>
<b>17</b>	<b>General &amp; Administrative Expenses</b>		
	Staff salaries & allowances	380,865	356,955
	Travelling expenses	305,109	3,930
	Legal & Professional charges	245,995	268,632
	Directors remuneration - allowances	159,280	-
	Rent	77,128	66,060
	Sales promotion	68,172	8,873
	Insurance	42,952	26,011
	Utilities and Communication expenses	25,993	25,626
	Office expenses	12,079	74,594
	Visa expenses	7,445	11,835
	Vehicle expenses	6,500	7,219
	Postage & Courier	995	-
		<u>1,332,513</u>	<u>849,734</u>

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	31/03/2024	31/03/2023
	AED	AED
<b>18 Finance expenses</b>		
Bank charges	53,949	23,728
Interest	367,495	244,250
Foreign exchange loss	178,252	855
	<u><b>599,696</b></u>	<u><b>268,833</b></u>

**19 Contingent liabilities and commitments**

As at the end of the reporting period, in addition to the business obligations which are under normal course of business against which no loss is expected, the company has contingent liability amounting to AED 1,617,771.40 against bank guarantees maturing on 31.05.2024.

**20 Financial instruments**

This note presents information about the Company's exposure to each of the risks, the Company's objectives, policies and processes for measuring and managing risk, and the Company's management of capital.

**Credit risk**

The Company's exposure to credit risk at the end of the reporting period is indicated by the carrying amounts of its financial assets, net of any applicable allowance for losses. The Company is exposed to credit risk on its financial assets as follows:

	31/03/2024	31/03/2023
	AED	AED
Accounts receivable	4,778,479	5,135,055
Due from related parties	14,151,163	9,527,120
Cash & cash equivalents	1,362,755	186,984
	<u><b>20,292,397</b></u>	<u><b>14,849,159</b></u>

**Trade receivables**

The Company usually undertakes transactions with reputable customers and has established credit limits for its customers on periodic reviews it carries out for this purpose. The Company provides an allowance for impairment at the end of each reporting period that represents its estimate of incurred losses in respect of accounts receivable. Deposits, advances and related party balances are held with reputable parties.

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The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the Company's customer base, including the default risk of the industry and country, in which customers operate, has less of an influence on credit risk.

Management has established a credit policy under which each new customer is analyzed individually for creditworthiness before the Company's standard payment and delivery terms and conditions are offered. Purchase limits are established for each customer, which represent the maximum open amount.

The Company establishes an allowance for impairment that represents its estimate of incurred losses in respect of trade receivables. The collective loss allowance is determined taking into consideration the current economic factors.

The allowance account in respect of trade receivables is used to record impairment losses unless the Company is satisfied that no recovery of the outstanding receivable is possible; at that point such amount is considered uncollectible and hence written off.

*Bank balances*

With respect to credit risk arising from the other financial assets of the Establishment, including cash and cash equivalents, the Establishment's exposure to credit risk arises from default of the counterparty, with a maximum exposure equal to the carrying amount of these instruments. The credit risk on bank balances is limited because the counterparties are banks with high credit ratings assigned by international credit rating agencies. Given this, management does not expect these banks to fail on their obligations to the Establishment.

*Deposits*

With respect to credit risk arising from the deposits of the Company, the exposure to credit risk arises from default of the counter party, with a maximum exposure equal to the carrying amount of these instruments.

*Due from related parties*

Due from related parties relate to transactions arising in the normal course of business and funding activities.

**Currency risk**

There are no significant exchange rate risks as substantially all financial assets and financial liabilities are denominated in Arab Emirates Dirham or US Dollar to which the conversion of Dirhams into US Dollar is fixed.

**Interest rate risk**

Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Fair value interest rate risk is the risk that the value of a financial instrument will fluctuate because of changes in market interest rates.

The Company is not exposed to interest rate risk.

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**Liquidity risk**

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

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

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

	31/03/2024	31/03/2023
	AED	AED
Accounts payable	2,281,835	1,826,099
Due to related parties	572,390	1,360,275
	<u>2,854,225</u>	<u>3,186,374</u>

**21 Fair values of financial instruments**

Financial instruments comprise of financial assets and financial liabilities

Financial assets consist of cash and bank balances, other receivables and financial liabilities consist of other payables.

The fair values of the financial instruments are not materially different from their carrying values.

**22 Comparatives**

Certain amounts for the previous year were reclassified to conform to current year presentation.

**23 Financial Informations**

Ratio	31/03/2024	31/03/2023
Gross Profit (Loss) (%)	14.49%	26.89%
Net Profit (Loss) (%)	4.30%	5.71%
Current Ratio (Times)	2.50	3.09

Accepted and Confirmed  
For MEL POWER SYSTEMS FZC

**Youssry & Co.** The accompanying notes form an integral part of these financial statements.  
Auditing & consultancy الاستشارات والمراجعة المحاسبية

