Concord Enviro (FZE)
Sharjah Airport International Free Zone
Sharjah - United Arab Emirates

Auditor's Report and Separate Financial Statements
For the year ended March 31, 2025

For identification purpose only
UHY James

Concord Enviro (FZE)
Sharjah Airport International Free Zone
Sharjah - United Arab Emirates

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Ref: JM/AR/2025/25441

Independent Auditor's Report

To,

The Shareholder
M/s. Concord Enviro (FZE)
Sharjah Airport International Free Zone
Sharjah - United Arab Emirates

Report on the Audit of the Separate Financial Statements

Opinion

We have audited the accompanying separate financial statements of **M/s. Concord Enviro (FZE)** (the "Entity") which comprise the separate statement of financial position as at March 31, 2025 and the separate statements of profit or loss and other comprehensive income, changes in equity, cash flows for the year then ended and notes to the separate financial statements, including a summary of material accounting policies.

In our opinion, the accompanying separate financial statements present fairly, in all material respects, the separate financial position of the Entity as at March 31, 2025 and its separate financial performance and its separate cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IFRS Accounting Standards).

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 Separate Financial Statements* section of our report. We are independent of the Entity in accordance with the requirements of International Code of Ethics for Professional Accountants (including International Independence Standards), issued by International Ethics Standards Board for Accountants (IESBA Code) together with ethical requirements that are relevant to our audit of the separate financial statements in the United Arab Emirates, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

Management is responsible for the preparation and fair presentation of the separate financial statements in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IFRS Accounting Standards), and their preparation in compliance with the requirements of applicable provisions of the Emiri Decree No. (2) of 1995 issued on May 08, 1995 and for such internal control as management determines is necessary to enable the preparation of the separate financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the separate financial statements, management is responsible for assessing the Entity'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 Entity or to cease operations, or has no realistic alternative but to do so.

Those Charged with Governance are responsible for overseeing the Entity's financial reporting process.

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UHY James Chartered Accountants LLC, Registered office: Level 6, Clover Bay Tower, Business Bay, Dubai, United Arab Emirates. Registered with the Department of Economic Development, Dubai (no. 567019) as a Limited Liability Company.
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Auditor's Responsibilities for the Audit of the Separate Financial Statements

Our objectives are to obtain reasonable assurance about whether the separate 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 separate financial statements.

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

- Identify and assess the risks of material misstatement of the separate 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 Entity'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 Entity'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 separate 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 Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the separate financial statements, including the disclosures, and whether the separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with Those Charged with Governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on Other Legal and Regulatory Requirements

Further, as required by the Emiri Decree No. (2) of 1995 issued on May 08, 1995, we confirm that:

1 We have obtained all the information and explanations which we consider necessary for our audit.

2 The separate financial statements have been prepared and comply, in all material respects, with the applicable provisions of the Emiri Decree No. (2) of 1995 issued on May 08, 1995 and the Memorandum and Articles of Association of the Entity.

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Independent Auditor's Report to the Shareholder of Concord Enviro (FZE) (continued)

Report on Other Legal and Regulatory Requirements (continued)

3 Proper books of accounts have been maintained by the Entity.

4 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 ended March 31, 2025 any of the applicable provisions of the Emiri Decree No. (2) of 1995 issued on May 08, 1995 or the Memorandum and Articles of Association of the Entity, which would materially affect its activities or its separate financial position as at March 31, 2025.

For UHY James Chartered Accountants LLC

James Mathew FCA, CPA
Managing Partner
Reg. No. 548
May 20, 2025
Dubai - United Arab Emirates

P.O.Box: 118863
DUBAI - U.A.E.
UHY JAMES CHARTERED ACCOUNTANTS L.L.C

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Concord Enviro (FZE)
Sharjah Airport International Free Zone
Sharjah - United Arab Emirates

Separate Statement of Financial Position as at March 31, 2025
(In Arab Emirates Dirham)

	Notes	2025	2024
Assets			
Non-current assets			
Property, plant and equipment	6	**16,910,190**	3,971,757
Intangible assets	7	**13,095,964**	12,008,521
Investment in subsidiaries	9	**2,389,980**	2,389,980
Investment in joint ventures	10	**17,013,636**	15,429,579
Investments	11	**1,835,000**	-
Other financial assets	12	**148,680**	111,868
Other non-current assets	13	**-**	3,311,312
Total non-current assets		**51,393,450**	37,223,017
Current assets			
Inventories	14	**24,638,706**	21,171,294
Accounts receivable	15	**25,974,840**	32,812,944
Contract assets	16	**27,473,406**	8,361,987
Cash and bank balances	17	**1,851,479**	1,511,117
Other bank deposits	18	**1,005,905**	2,088,153
Advances, prepayments and other receivables	19	**7,044,770**	9,682,456
Other financial assets - current	20	**586,799**	553,203
Loan to a related party	29	**13,626,153**	-
Total current assets		**102,202,058**	76,181,154
Total assets		**153,595,508**	113,404,171
Equity and liabilities			
Equity			
Share capital	21	**300,000**	150,000
Share premium	22	**22,577,273**	-
Retained earnings	23	**87,708,212**	66,539,373
Total equity		**110,585,485**	66,689,373
Non-current liabilities			
Bank borrowings	24	**-**	8,808,000
Term loan	25	**3,003,250**	-
Employees' end of service benefits	27	**475,780**	130,119
Total non-current liabilities		**3,479,030**	8,938,119
Current liabilities			
Bank borrowings	24	**12,170,667**	15,777,766
Term loan	25	**1,701,500**	-
Accounts and other payables	28	**25,532,223**	21,998,913
Employees' end of service benefits	30	**126,603**	-
Total current liabilities		**39,530,993**	37,776,679
Total liabilities		**43,010,023**	46,714,798
Total equity and liabilities		**153,595,508**	113,404,171

The accompanying notes from page 9 to 36 form an integral part of these separate financial statements.
The report of the auditor is set out on pages 1 to 3.

The separate financial statements on pages 4 to 36 were approved on May 20, 2025 and signed on behalf of the Entity, by:

Mr. Ashish Singal
Manager

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Concord Enviro (FZE)
Sharjah Airport International Free Zone
Sharjah - United Arab Emirates

Separate Statement of Profit or Loss and Other Comprehensive Income for the year ended March 31, 2025
(In Arab Emirates Dirham)

	Notes	2025	2024
Revenue	30	**99,717,959**	84,368,124
Other income	31	**10,116,661**	32,331,510
Total income		**109,834,620**	116,699,634
Expenses			
Cost of raw material consumed	31 (i)	**(62,762,867)**	(63,514,379)
Service charges	31 (ii)	**(1,337,984)**	(3,257,816)
Increase in inventories of finished goods	31 (iii)	**1,009,915**	1,423,566
Employee benefits expenses	32	**(4,396,243)**	(2,915,359)
Finance costs	33	**(2,961,664)**	(2,500,875)
Depreciation and amortisation expense	34	**(1,365,618)**	(2,470,922)
Other expenses	35	**(16,854,208)**	(6,246,243)
Total expenses		**(88,668,669)**	(79,482,028)
Profit for the year		**21,165,951**	37,217,606
Other comprehensive income			
Items that may subsequently be reclassified to the income statement			
Re-measurement gains/(losses) on defined benefit plans		**2,888**	-
Total comprehensive income for the year		**21,168,839**	37,217,606

The accompanying notes from page 9 to 36 form an integral part of these separate financial statements.

The report of the auditor is set out on pages 1 to 3.

Concord Enviro (FZE)
Sharjah Airport International Free Zone
Sharjah - United Arab Emirates

Separate Statement of Changes in Equity for the year ended March 31, 2025
(In Arab Emirates Dirham)

	Share capital	Share premium	Retained earnings	Total equity
Balance as at April 01, 2023	150,000	-	29,321,767	29,471,767
Profit for the year	-	-	37,217,606	37,217,606
Balance as at March 31, 2024	150,000	-	66,539,373	66,689,373
Additional capital introduced	**150,000**	**22,577,273**	**-**	**22,727,273**
Profit for the year	**-**	**-**	**21,168,839**	**21,168,839**
Balance as at March 31, 2025	**300,000**	**22,577,273**	**87,708,212**	**110,585,485**

The accompanying notes from page 9 to 36 form an integral part of these separate financial statements.

The report of the auditor is set out on pages 1 to 3.

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Concord Enviro (FZE)
Sharjah Airport International Free Zone
Sharjah - United Arab Emirates

Separate Statement of Cash Flows for the year ended March 31, 2025
(In Arab Emirates Dirham)

	2025	2024
Cash flows from operating activities		
Profit for the year	**21,168,839**	37,217,606
Adjustments for:		
Depreciation on property, plant and equipment	**1,021,436**	1,285,937
Amortisation of intangible assets	**344,182**	525,139
Allowance/(reversal) of allowance for expected credit loss	**41,565**	(479,415)
(Gain) on derecognition of lease	**-**	(1,099,297)
Depreciation of right-of-use assets	**-**	659,846
Interest on lease liabilities	**-**	447,465
Bad debts written off	**20,336**	1,128,339
Finance costs	**2,961,664**	-
Employees' end of service benefits	**509,673**	130,119
Interest income	**(337,056)**	-
Liabilities written back	**(238,995)**	-
Operating profit before changes in operating assets and liabilities	**25,491,644**	39,815,739
(Increase)/decrease in current assets		
Inventories	**(3,467,412)**	(10,567,499)
Accounts receivable	**6,776,203**	(27,864,396)
Contract assets	**(19,111,419)**	(8,361,987)
Advances, prepayments and other receivables	**2,637,686**	(5,872,749)
Other financial assets	**(33,596)**	185,938
(Increase)/decrease in non-current assets		
Other financial assets	**(36,812)**	341,600
Other non-current assets	**1,835,000**	(1,916,444)
Increase/(decrease) in current liability		
Accounts and other payables	**3,772,305**	16,829,901
Cash generated from operations	**17,863,599**	2,590,103
Employees' end of services benefits paid	**(37,409)**	-
Net cash from operating activities	**17,826,190**	2,590,103
Cash flows from investing activities		
Acquisition of property, plant and equipment	**(12,483,557)**	(128,638)
Intangible assets under development	**(1,414,169)**	-
Increase in other bank deposits	**1,082,248**	(2,088,153)
Derecognition of right-of-use assets	**-**	5,809,846
Acquisition of intangible assets	**(17,456)**	(551,100)
Investment in joint ventures	**(1,584,057)**	(1,495,406)
Investments	**(1,835,000)**	-
Net cash (used in)/from investing activities	**(16,251,991)**	1,546,549

(continued)

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Concord Enviro (FZE)
Sharjah Airport International Free Zone
Sharjah - United Arab Emirates

Separate Statement of Cash Flows for the year ended March 31, 2025
(In Arab Emirates Dirham)

	2025	2024
Cash flows from financing activities		
Share capital introduced	**150,000**	-
Share premium introduced	**22,577,273**	-
(Repayment) of secured borrowings	**(12,415,099)**	(4,404,000)
Loan to related party	**(13,626,153)**	-
Proceeds from term loan	**4,704,750**	-
Short-term borrowings obtained	-	8,051,534
(Repayment) of lease liabilities	-	(711,163)
Interest received	**337,056**	-
De-recognition of lease liabilities	-	(6,249,297)
Finance costs paid	**(2,961,664)**	-
Net cash (used in) financing activities	**(1,233,837)**	(3,312,926)
Net increase in cash and cash equivalents	**340,362**	823,726
Cash and cash equivalents at the beginning of the year	**1,511,117**	687,391
Cash and cash equivalents at the end of the year (note 17)	**1,851,479**	1,511,117

The accompanying notes from page 9 to 36 form an integral part of these separate financial statements.

The report of the auditor is set out on pages 1 to 3.

1 Legal status and business activities

1.1 **M/s. Concord Enviro (FZE)**, Sharjah Airport International Free Zone, Sharjah - United Arab Emirates (the "Entity") was registered on November 25, 2009 as a Free Zone Establishment with Limited Liability and operates in the United Arab Emirates under Commercial license no. 07601 and Industrial license no. 14072 issued by Sharjah Airport International Free Zone, Government of Sharjah, Sharjah - United Arab Emirates.

1.2 The Entity is licensed to engage in activities of manufacturing, assembling, testing of water filter plants and trading in water treatment products and related items.

1.3 The registered office of the Entity is located at 600, M2 Warehouse, P6-037, P.O Box: 120940, Sharjah - United Arab Emirates.

1.4 The management and control of the Entity is vested with Manager, Mr. Ashish Singal (Indian national).

1.5 During the year, vide addendum to the Memorandum and Articles of Association dated February 13, 2025, the authorized, issued and paid up capital increased from AED 150,000 to AED 300,000 as at reporting date (note 21).

2 New standards and amendments

2.1 New standards and amendments applicable as on April 01, 2024

The following standards and amendments apply for the first time to the financial reporting periods commencing on or after April 01, 2024.

- Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants - Amendments to IAS 1
- Lease Liability in a Sale and Leaseback – Amendments to IFRS 16
- Disclosures: Supplier Finance Arrangements -Amendments to IAS 7 and IFRS 7

The management believes that the adoption of the above amendments effective for the current accounting period has not had any material impact on the recognition, measurement, presentation and disclosure of items in the separate financial statements.

2.2 Changes in the accounting policies and disclosures

New standards, interpretations and amendments adopted by the Entity

a) Adoption of Income Taxes - IAS 12

On December 09, 2022, the United Arab Emirates (U.A.E) Ministry of Finance ("MoF") released Federal Decree-Law No. 47 of 2022 on the Taxation of Corporations and Businesses, Corporate Tax Law ("CT Law") to enact a new CT regime in the U.A.E. The new CT regime has become effective for accounting periods beginning on or after June 01, 2023 having effective rate of 9%. The Entity adopted IAS 12 with the date of initial application of April 01, 2024. There is no impact of IAS 12 application on the opening balances or retained earnings as per the U.A.E CT Law.

M/s. Concord Enviro (FZE) (the "Entity") is eligible to claim a 0% tax benefit available to qualifying free zone entities, as it meets all conditions outlined in Article 18 of Federal Decree Law No. 47 of 2022 on the taxation of corporations and businesses, in conjunction with Cabinet Decision No. 100 of 2023 and Ministerial Decision No. 265 of 2023.

b) Accounting policy related to Income Taxes - IAS 12

Current tax assets and liabilities

Current tax for current and prior periods is, to the extent unpaid, recognised as a liability. If the amount already paid in respect of current and prior periods exceeds the amount due for those periods, the excess is recognised as an asset. The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the separate statement of profit or loss and other comprehensive income because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible.

Current tax liabilities/assets for the current and prior periods are measured at the amount expected to be paid to/recovered from the tax authorities, using the tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

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2 New standards and amendments (continued)

2.2 Changes in the accounting policies and disclosures (continued)

New standards, interpretations and amendments adopted by the Entity (continued)

b) Accounting policy related to Income Taxes - IAS 12 (continued)

Deferred tax assets and liabilities

A deferred tax liability is recognised for all taxable temporary differences, except to the extent that the deferred tax liability arises from the initial recognition of an asset or liability in a transaction which at the time of the transaction, affects neither accounting profit nor taxable profit (tax loss). Deferred taxes are recognized using the balance sheet liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and amount used for taxation purposes (tax base of the asset or liability). The amount of deferred tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities using tax rates enacted or substantially enacted by the reporting date.

A deferred tax asset is recognised for all deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilised. A deferred tax asset is not recognised when it arises from the initial recognition of an asset or liability in a transaction at the time of the transaction, affects neither accounting profit nor taxable profit (tax loss). Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised. Additional income taxes that arise from the distribution of the dividends are recognised at the same time when the liability to pay the related dividend is recognised.

A deferred tax asset is recognised for the carry forward of unused tax losses and unused tax credits to the extent that it is probable that future taxable profit will be available against which the unused tax losses and unused tax credits can be utilised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Tax expenses

Income tax expense represents the sum of the tax currently payable and deferred tax. Current and deferred taxes are recognised as income or an expense and included in separate statement of profit or loss and other comprehensive income for the period, except to the extent that the tax arises from:

- a transaction or event which is recognise in the same or a different period, to other comprehensive income, or
- a business combination.

Current tax and deferred taxes are charged or credited to other comprehensive income if the tax relates to items that are credited or charged, in the same or a different period, to other comprehensive income.

Current tax and deferred taxes are charged or credited directly to equity if the tax relates to items that are credited or charged, in the same or a different period, directly in equity.

2.3 New standards and amendments issued but not effective for the current annual period

The following standards and interpretations had been issued but not yet mandatory for annual reporting periods ending March 31, 2025.

- Amendments to IAS 21 - Lack of Exchangeability
- IFRS 18 Presentation and Disclosures in Financial Statements
- IFRS 19 Subsidiaries without Public Accountability: Disclosures

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2 New standards and amendments (continued)

2.3 New standards and amendments issued but not effective for the current annual period (continued)

Management anticipates that these new standards, interpretations and amendments will be adopted in the separate financial statements as and when they are applicable and adoption of these new standards, interpretations and amendments, may have no material impact on the separate financial statements in the period of initial application.

3 Statement of compliance

The separate financial statements have been prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IFRS Accounting Standards) and applicable U.A.E. laws. These separate financial statements are presented in Arab Emirates Dirham (AED) which is the Entity's functional and presentation currency.

4 Basis of preparation

The separate financial statements have been prepared on the historical cost basis except for certain properties and financial instruments that are measured at fair values, as explained in the accounting policies as follows.

The investment in subsidiaries have been separately accounted at cost in the financial statements in accordance with IAS 27 ("Separate Financial Statements"). The Entity avails exemption to consolidate the subsidiary in accordance with IFRS 10 ("Consolidated Financial Statements") since the Parent Entity prepares consolidated financial statements.

Historical cost is generally based on the fair value of the consideration given in exchange for assets or goods or services.

The principal accounting policies applied in these separate financial statements are set out as follows.

5 Material accounting policies

5.1 Current/non-current classification

The Entity presents assets and liabilities in the separate statement of financial position based on current/non-current classification.

An asset is current when it is expected to be realised or intended to be sold or consumed in normal operating cycle or held primarily for the purpose of trading or expected to be realised within twelve months after the reporting period, or cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when it is expected to be settled in normal operating cycle or it is held primarily for the purpose of trading or it is due to be settled within twelve months after the reporting period, or there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Entity classifies all other liabilities as non-current.

5.2 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.

The principal or the most advantageous market must be accessible to by the Entity.

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5 Material accounting policies (continued)

5.2 Fair value measurement (continued)

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 best economic 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.

5.3 Foreign currency

The transactions in currencies other than the Entity's functional currency are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. The non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences on monetary items are recognised in the separate statement of profit or loss and other comprehensive income in the period in which they arise.

5.4 Property, plant and equipment

Property, plant and equipment is stated at cost less accumulated depreciation and identified impairment loss, if any. The cost comprise of purchase price, together with any incidental expense of acquisition.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Entity and the cost of the item can be measured reliably. All other repairs and maintenance expenses are charged to the separate statement of profit or loss and other comprehensive income during the financial period in which they are incurred.

Depreciation on the property, plant and equipment (other than capital work in progress) is provided on written down value basis over their useful lives which is in consonance of useful life mentioned in Schedule II to the Companies Act, 2013 or useful life as determined based on internal technical evaluation. The estimated useful lives are as under:

	Years
Plant and machinery	3 - 15
Office equipment	2 - 5
Furniture and fixtures	2 - 5
Motor vehicles	10

When part of an item of property, plant and equipment have different useful lives, they are accounted for separately.

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

The gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in the separate statement of profit or loss and other comprehensive income.

Capital work in progress

Properties in the course of construction for production, supply or administrative purposes are carried at cost, less any recognised impairment loss. Cost includes professional fees and, for qualifying assets, borrowing costs capitalised in accordance with the Entity's accounting policy. Such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

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5 Material accounting policies (continued)

5.5 Leases

The Entity assesses at the inception of a contract, whether the 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 Entity assesses whether:

- the contract contains an identified asset, which is either explicitly identified in the contract or implicitly specified by being identified at the time the asset is made available to the Entity.
- the Entity has the right to obtain substantially all of the economic benefits from use of the identified asset throughout the period of use, considering its rights within the defined scope of the contract.
- the Entity has the right to direct the use of the identified asset throughout the period of use. The Entity assesses whether it has the right to direct how and for what purpose the asset is used throughout the period of use.

5.5.1 Entity as lessee

The Entity applies a single recognition and measurement approach for all leases whereby right-of-use assets and lease liabilities are recognized except for the short-term leases and leases of low-value assets.

Right-of-use assets

The Entity recognizes right-of-use assets at the lease commencement date i.e. the date on which the assets are 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 assets comprise the amount of initial lease liabilities recognised, initial direct costs incurred, an estimate of any costs to dismantle and remove the asset at the end of the lease, and lease payments made at or before the commencement date less any lease incentives received. In addition, the Entity also assesses the right-of-use asset for impairment when such indicators exist.

Depreciation is spread over the shorter of lease term and the estimated useful lives of the assets using straight-line method. The shorter of lease term and the estimated useful lives of the right-of-use assets have been listed as follows.

	Years
Plant and machinery	5

If ownership of the leased asset transfers to the Entity at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

5.6 Intangible assets

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a written-down value basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

Product development cost

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is calculated using the written down value method to allocate the cost of product development cost over their estimated useful lives of 7 years.

Trademark and brand

Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

5 Material accounting policies (continued)

5.7 Impairment of tangible and intangible assets

At the end of each reporting period, the Entity reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

Where it is not possible to estimate the recoverable amount of an individual asset, the Entity estimates the recoverable amount of the cash-generating unit to which the asset belongs. Where a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs to sell and value in use. 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 for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the separate statement of profit or loss and other comprehensive income.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount. The reversal of impairment loss is limited so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the separate statement of profit or loss and other comprehensive income.

5.8 Investment in subsidiaries

The investment in subsidiaries are accounted for using cost model under IAS 27 "Separate Financial Statements".

5.9 Investment in joint ventures

A joint venture is joint arrangement whereby the parties have joint control of the arrangement, have right to the net assets of the joint arrangements. Joint control is the contractually agreed sharing of control of an arrangement, which exist only when decisions about the relevant activities required unanimous consent of the parties sharing control.

Investment in joint ventures are recognized at cost in these separate financial statements and measurement of cost includes the acquisition cost and any directly attributable transaction costs. Subsequent to initial recognition, investment in joint venture recognized at cost are carried at cost less any impairment losses recognized. No adjustments are made to the carrying amount of the investment to reflect changes in the joint venture's profit or loss, other comprehensive income, or equity.

At the end of each reporting period, the carrying amount of investments in joint venture recognized at cost is assessed for impairment. If there is objective evidence of impairment, the carrying amount of the investment is reduced to its recoverable amount, which is higher of its fair value less costs to sell and its value in use.

5.10 Financial instruments

Financial assets and financial liabilities are recognised when the Entity becomes a party to the contractual provisions of the instrument.

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5 Material accounting policies (continued)

5.10 Financial instruments (continued)

Financial assets

Classification

The Entity classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through OCI "FVTOCI", or through profit or loss "FVTPL"), and

- those to be measured at amortised cost.

The classification depends on the Entity's business model for managing the financial assets and the contractual terms of the cash flows.

Measurement

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount. The reversal of impairment loss is limited so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the separate statement of profit or loss and other comprehensive income.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and current account with banks.

Accounts receivable

Accounts receivable balances that are held to collect are subsequently measured at the lower of amortized cost or the present value of estimated future cash flows. The present value of estimated future cash flows is determined through the use of value adjustments for uncollectable amounts. The Entity assesses on a forward-looking basis the expected credit losses associated with its accounts receivable and adjusts the value to the expected collectible amounts.

Accounts receivable are written off when they are deemed uncollectible because of bankruptcy or other forms of receivership of the debtors. The assessment of expected credit losses on accounts receivable takes into account credit-risk concentration, collective debt risk based on average historical losses, specific circumstances such as serious adverse economic conditions in a specific country or region and other forward-looking information.

Loan to a related party

Amounts due from loan to a related party is stated at amortised cost.

Other financial assets

Other financial assets include both debt instrument and equity instruments. Debt instruments include those subsequently carried at amortized cost, those carried at FVTPL and those carried at FVTOCI.

Impairment of financial assets

For accounts receivable and loan to a related party, the Entity applies the simplified approach permitted by IFRS 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

Derecognition of financial assets

The Entity derecognises a financial asset only when the contractual rights to the cash flows from the asset expire; or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Entity neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Entity recognises its retained interest in the asset and an associated liability for the amounts, it may have to pay. If the Entity retains substantially all the risks and rewards of ownership of a transferred financial asset, the Entity continues to recognise the financial asset.

5 Material accounting policies (continued)

5.10 Financial instruments (continued)

Financial liabilities

Financial liabilities are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability. All financial liabilities are recognised initially at fair value and, in the case of loans, borrowings and payables, net of directly attributable transaction costs. The Entity's financial liabilities include accounts and other payables and loans and other borrowings.

Accounts and other payables

Accounts payable are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts and other payables are recognised initially at fair value and subsequently are measured at amortised cost using effective interest method.

Loans and other borrowings

Loans and other borrowings are recorded at the proceeds received, net of direct issue costs. Finance charges are accounted on accrual basis and are added to the carrying value of the instruments to the extent that they are not settled in the period in which they arise.

Derecognition of financial liabilities

The Entity derecognises financial liabilities when, and only when, the Entity's obligations are discharged, cancelled or they expire. 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 separate statement of profit or loss and other comprehensive income.

5.11 Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the separate 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.

5.12 Inventories

Inventories are stated at the lower of cost and net realisable value. Costs of inventories are determined on a weighted average basis. Cost of inventories comprises of costs of purchase, and where applicable cost of conversion and other costs that has been incurred in bringing the inventories to their present location and condition. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

5.13 Provisions

Provisions are recognised when the Entity has a present obligation (legal or constructive) as a result of a past event, it is probable that the Entity will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset, if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

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5 Material accounting policies (continued)

5.14 Employees' end of service benefits

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

5.15 Contract assets

The contract assets are recognised for revenue based on the percentage of completion of a contract and the actual amount certified by the contract employer represented by payment certificates. Upon completion and acceptance by the contract employer, the amounts recognised as contract assets are reclassified to contract receivables.

5.16 Revenue recognition

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Entity expects to be entitled in exchange for those goods or services. The Entity recognises revenue from contracts with customers based on a five step model as set out in IFRS 15:

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

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

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

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

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

Sale of goods

Revenue from the sale of goods in normal course of business is recognised at a point in time and over a period of time when the performance obligation is satisfied and is based on the amount of the transaction price that is allocated to the performance obligation. The transaction price is the amount of consideration to which the Entity expects to be entitled in exchange for transferring promised goods or services to the customer.

The consideration expected by the Entity may include fixed or variable amounts which can be impacted by sales returns, trade discounts and volume rebates. Revenue for the sale of goods is recognized when control of the asset is transferred to the buyer and only when it is highly probable that a significant reversal of revenue will not occur when uncertainties related to a variable consideration are resolved.

Transfer of control varies depending on the individual terms of the contract of sale. Revenue from transactions that have distinct goods or services are accounted for separately based on their stand-alone selling prices. Revenue is recorded net of Value Added Tax (VAT). A variable consideration is recognised to the extent it is highly probable that a significant reversal in the amount of cumulative revenue recognized will not occur when the uncertainty associated with the variable consideration is subsequently resolved.

For products for which a right of return exists during a defined period, revenue recognition is determined based on the historical pattern of actual returns, or in cases where such information is not available, revenue recognition is postponed until the return period has lapsed.

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5 Material accounting policies (continued)

5.16 Revenue recognition (continued)

Rendering of services

Revenue from the services contracts in the normal course of business is recognised over time when the performance obligation is satisfied and is based on the amount of the transaction price that is allocated to the performance obligation.The Entity transfers control of goods or services over time and therefore satisfies performance obligation and recognises revenue over a period of time if one of the following criteria is met:

i) the customer simultaneously receives and consumes the benefits provided by the Entity's performance as the Entity performs.

ii) the Entity's performance creates or enhances an asset that the customer controls as the asset is created or enhanced

iii) 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.

The transaction price is the amount of consideration to which the Entity expects to be entitled in exchange for transferring promised services to the customer. The consideration expected by the Entity may include fixed or variable amounts which can be impacted by refunds, penalties and others. Revenue for the transfer of services is recognized when control is transferred to the customer and only when it is highly probable that a significant reversal of revenue will not occur when uncertainties related to a variable consideration are resolved. Revenue is recorded net of Value Added Tax (VAT).

5.17 Critical accounting judgements and key sources of estimation uncertainty

In the application of the Entity's accounting policies, which are described in policy notes, the management are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The significant judgments and estimates made by management, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are described as follows.

Critical judgements in applying accounting policies

In the process of applying the Entity's accounting policies, which are described above, and due to the nature of operations, management makes the following judgement that has the most significant effect on the amounts recognised in the separate financial statements.

Determining the timing of satisfaction of performance obligations - revenue recognition

In making their judgement, the Entity considers the detailed criteria for the recognition of revenue set out in IFRS 15, and in particular, whether the Entity has transferred goods/rendered services to the customer. The management is satisfied that recognition of revenue in the current year is appropriate.

Key sources of estimation uncertainty

The key assumptions concerning the future, and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed as follows.

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5 Material accounting policies (continued)

5.17 Critical accounting judgements and key sources of estimation uncertainty (continued)

Key sources of estimation uncertainty (continued)

Net realisable value of inventories

Inventories are stated at the lower of cost or net realizable value. Adjustments to reduce the cost of inventory to its realizable value, if required, are made for estimated obsolescence or impaired balances. Factors influencing these adjustments include changes in demand, product pricing, physical deterioration and quality issues.

Useful lives of property, plant and equipment

Property, plant and equipment are depreciated over their estimated useful lives, which are based on expected usage of the asset and expected physical wear and tear which depends on operational factors. The management has not considered any residual value as it is deemed immaterial.

Impairment of financial assets

The loss allowances for financial assets are based on assumptions about risk of default and expected loss rates. The Entity uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Entity's past history, existing market conditions as well as forward looking estimates at the end of each reporting period. Details of the key assumptions and inputs used are disclosed in the relevant notes to the separate financial statements.

Impairment of non-financial assets (tangible, intangible and right of-use-asset)

The Entity 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 Entity estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or Cash Generating Unit's (CGU's) fair value less costs of disposal and its value in use. It is determined for an individual asset, unless the asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing the 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 risks specific to the asset. In determining the fair value disposal cost, 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 or other available fair value indicators.

Indefinite life - intangible assets

Indefinite life intangible assets comprise of brand and trademark, for which there is no foreseeable limit to the period over which they are expected to generate net cash inflows. These are considered to have an indefinite life, given the strength and durability of the brand and the level of marketing support. For indefinite life intangible assets, the assessment of indefinite life is reviewed annually to determine whether it continues, if not, it is impaired or changes prospectively basis revised estimates.

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6 Property, plant and equipment

	Plant and machinery**	Office equipment	Furniture and fixtures	Motor vehicles	Total
Cost					
As at April 01, 2023	9,045,057	119,454	29,565	-	9,194,076
Additions during the year	93,787	34,851	-	-	128,638
As at March 31, 2024	9,138,844	154,305	29,565	-	9,322,714
Additions during the year*	**6,433,547**	**18,556**	-	-	**6,452,103**
Transfer from related party**	**7,420,698**	**12,894**	**52,438**	**21,736**	**7,507,766**
As at March 31, 2025	**22,993,089**	**185,755**	**82,003**	**21,736**	**23,282,583**
Accumulated depreciation					
As at April 01, 2023	3,933,543	105,579	25,898	-	4,065,020
Charge for the year (note 34)	1,266,140	17,014	2,783	-	1,285,937
As at March 31, 2024	5,199,683	122,593	28,681	-	5,350,957
Charge for the year (note 34)	**995,032**	**26,006**	**398**	**-**	**1,021,436**
As at March 31, 2025	**6,194,715**	**148,599**	**29,079**	**-**	**6,372,393**
Carrying value as at March 31, 2025	**16,798,374**	**37,156**	**52,924**	**21,736**	**16,910,190**
Carrying value as at March 31, 2024	3,939,161	31,712	884	-	3,971,757

Notes:

* Machineries purchased during the year is under lien against the term loan (refer note 25).

** Asset has been transferred from M/s. Blue Water Trading & Treatment FZE, Sharjah - U.A.E on March 31, 2025 at fair value.

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7 Intangible assets

	Product development cost	Trademark and brand gross block (Rochem brand)*	Other intangible assets	Capital work in progress**	Total
Cost					
As at April 01, 2023	2,012,334	11,113,628	-	-	13,125,962
Additions during the year	-	-	551,100	-	551,100
As at March 31, 2024	2,012,334	11,113,628	551,100	-	13,677,062
Additions during the year	-	-	**17,456**	**1,414,169**	**1,431,625**
As at March 31, 2025	**2,012,334**	**11,113,628**	**568,556**	**1,414,169**	**15,108,687**
Amortisation					
As at April 01, 2023	1,143,402	-	-	-	1,143,402
Charge for the year (note 34)	310,876	-	214,263	-	525,139
As at March 31, 2024	1,454,278	-	214,263	-	1,668,541
Charge for the year (note 34)	**194,315**	-	**149,867**	-	**344,182**
As at March 31, 2025	**1,648,593**	-	**364,130**	-	**2,012,723**
Carrying value as at March 31, 2025	**363,741**	**11,113,628**	**204,426**	**1,414,169**	**13,095,964**
Carrying value as at March 31, 2024	558,056	11,113,628	336,837	-	12,008,521

*The Entity has acquired the trademark and brand (Rochem brand) on June 29, 2021. This was acquired from Rochem GmbH which has given world-wide rights to the Entity to use the Rochem Brand name. There are no legal or contractual restrictions and there is no foreseeable limit to the use of the brand.

** CWIP pertains to Zero Liquid Discharge project design and expected to be completed by March 2026

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8 Right of-use-assets

Cost	**2025**	2024
Balance at the beginning of the year	-	9,415,530
Derecognition of right-of-use assets (*)	-	(9,415,530)
Balance at the end of the year	-	-
Accumulated depreciation		
Balance at the beginning of the year	-	3,605,684
Charge for the year (notes 26 and 34)	-	659,846
Derecognition of right-of-use assets	-	(4,265,530)
Balance at the end of the year	-	-
Carrying value as at the end of the year	-	-

(*) In the previous reporting year, the Entity has terminated lease contracts for two plants as the result of the management strategic decision to discontinue the long-term leases. The early termination resulted in a gain of AED 1,099,297 (notes 26 and 31) which is the net effect of the derecognition of the carrying amount of right-of-use asset as at the termination date i.e. September 30, 2023 of AED 5,150,000 and derecognition of the corresponding lease liabilities of AED 6,249,297 (note 26). No penalties were levied by the lessor due to early termination of lease, as agreed in the lease agreement.

9 Investment in subsidiaries

Name of the subsidiaries and domicile	**Percentage of ownership interest**		**2025**	2024
	2025	2024		
M/s. Blue Water Trading & Treatment (FZE), SAIF Zone, Sharjah - U.A.E	**100%**	100%	**2,375,100**	2,375,100
M/s. Concord Enviro SA DE CV - Mexico	**100%**	100%	**14,880**	14,880
			2,389,980	2,389,980

The principal activity of M/s. Blue Water Trading & Treatment (FZE), SAIF Zone, Sharjah - U.A.E. is manufacturing of water filters and trading in water treatment equipment and that of M/s. Concord Enviro Mexico S.A De C.V, Mexico is water purification by filtration, pasteurization and reserve osmosis.

The investment in subsidiaries have been separately accounted at cost in the financial statements in accordance with IAS 27 ("Separate Financial Statements"). The Entity avails exemption to consolidate the subsidiary in accordance with IFRS 10 ("Consolidated Financial Statements") since the Parent Entity prepares consolidated financial statements.

10 Investment in joint ventures

	Percentage of ownership interest		**2025**	2024
	2025	2024		
M/s. WHE Systems FZC, Saif Zone, Sharjah - Investment in capital	**50%**	50%	**75,000**	75,000
M/s. WHE Systems FZC, Saif Zone, Sharjah - Other non-current investments	**50%**	50%	**16,938,636**	15,354,579
			17,013,636	15,429,579

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11 Investments

	2025	2024
M/s. Aqua Membranes Inc. - U.S.A.	**1,835,000**	-

During the year, M/s. Aqua Membranes Inc. - U.S.A. has issued 1,266,143 Series B-1 preferred stock shares at convertible securities price of USD 0.3949 per share against outstanding advances held by Issuer. Above stock shall be convertible at the option of the holder. Thereof, at anytime and from time to time and without the payment of additional contribution by the holder. Thereof, into such number of fully paid and non-assessable share of common stock as determined in agreement.

12 Other financial assets - non-current

	2025	2024
Security deposits	**148,680**	111,868

13 Other non-current assets

	2025	2024
Capital advances to third parties	-	1,476,312
Other advances	-	1,835,000
	-	3,311,312

14 Inventories

	2025	2024
Raw materials (note 31(i))	**18,675,467**	16,217,970
Finished goods (note 31 (iii))	**5,963,239**	4,953,324
	24,638,706	21,171,294

15 Accounts receivable

	2025	2024
Due from third parties	**19,733,501**	30,700,772
Due from related parties (note 29)	**6,385,445**	2,214,713
Less: Allowance for expected credit loss	**(144,106)**	(102,541)
	25,974,840	32,812,944

The average credit period for the accounts receivable is 90 days (2024: 90 days). Provisions are based on the estimated irrecoverable amounts determined by reference to past default experience.

Of the total due from third parties as at March 31, 2025, the 5 customers (2024: 5 customers) represents 76% (2024: 94%) of the total accounts receivable.

	2025	2024
Ageing of accounts receivable that are neither past nor due:		
Not due	**24,713,425**	31,636,344
Ageing of accounts receivable that are past due:		
0 - 90 days	**944,274**	1,041,999
91 - 180 days	**402,022**	221,155
181 and above	**59,225**	15,987
	26,118,946	32,915,485

Impairment of accounts receivable (third parties):

The Entity applies the IFRS 9 simplified approach to measure expected credit losses which uses a lifetime expected loss allowance for all accounts receivable. To measure the expected credit losses, accounts receivable have been grouped based on shared credit risk characteristics and the days past due. In determining the impairment loss on accounts receivable, the Entity does not consider any changes in credit risk, but instead recognises a loss allowance based on lifetime expected credit losses at each reporting date. The management has established a provision matrix that is based on its historic credit loss experience, adjusted for forward-looking information specific to the debtor and the overall economic environment.

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15 **Accounts receivable (continued)**	**2025**	2024
Expected credit loss rate	**0.73%**	0.33%
Estimated total gross carrying amount at default	**19,733,501**	30,700,772
Amounts not past due	**24,713,425**	31,636,344
Lifetime expected credit loss	**144,106**	102,541
Net carrying amount	**25,974,840**	32,812,944
The movements in the allowance for expected credit loss as at reporting date are as follows:		
Balance at the beginning of the year	**102,541**	581,956
Charge during the period (note 35)	**41,565**	-
(Reversal) during the year (note 31)	**-**	(479,415)
Balance at the end of the year	**144,106**	102,541
Geographical analysis:		
The geographical analysis of accounts receivable are as follows:		
Within U.A.E.	**1,485,357**	-
India	**6,385,445**	2,214,713
Others	**18,248,144**	30,700,772
	26,118,946	32,915,485

16 **Contract assets**	**2025**	2024
Sale of goods and services	**27,473,406**	8,361,987
Comprising:		
Current portion	**27,473,406**	8,361,987

The contract assets arise on contracts with customers where cumulative payments received from customers at the reporting date do not necessarily equal the amount of revenue recognized for such contracts. The contract assets are transferred to receivables when the rights become unconditional. This usually occurs when the Entity issues an invoice to the customer.

Management has concluded that the Expected Credit Loss (ECL) for all the above contract assets is immaterial as on the reporting date.

17 **Cash and bank balances**	**2025**	2024
Cash on hand	**2,341**	* 5,709
Cash at banks	**1,849,138**	1,505,408
	1,851,479	1,511,117

Management has concluded that the Expected Credit Loss (ECL) for all bank balances is immaterial as these balances are held with banks/financial institutions whose credit risk rating by international rating agencies has been assessed as low.

18 **Other bank deposits**	**2025**	2024
Margin deposits*	**1,005,905**	2,088,153

*The margin deposits are under lien against bank facilities (note 24).

19 **Advances, prepayments and other receivables**	**2025**	2024
Advance paid to suppliers	**6,646,251**	9,098,860
Prepayments	**150,177**	417,777
VAT receivable - net	**248,342**	165,819
	7,044,770	9,682,456

20 **Other financial assets - current**	**2025**	2024
Security deposits	**586,799**	553,203

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21 Share capital

Authorised, issued and paid up capital of the Entity is two shares (2024: one share) of AED 300,000 (2024: 150,000) fully paid.

The details of the revised shareholding as at reporting date are as follows:

Vide addendum to the Memorandum and Articles of Association dated February 13, 2025, the authorized, issued and paid up capital increased from AED 150,000 to AED 300,000 as at reporting date (note 1.5).

Name of the shareholder	Domicile	Percentage	No. of shares	2025
M/s. Concord Enviro Systems Limited	India	100	2	**300,000**

The details of the revised shareholding as at March 31, 2024 was as follows:

Name of the shareholder	Domicile	Percentage	No. of share	2024
M/s. Concord Enviro Systems Limited	India	100	1	150,000

22 Share premium

	2025	2024
Share premium received	**22,577,273**	-
Balance at the end of the year	**22,577,273**	-

In current year, Management has increased the authorised share capital from AED 150,000 to AED 300,000. For purpose of issue of additional share to the holder, Management had obtained fair valuation of the Entity from the Independent valuer as on December 31, 2024, which works out to be AED 22.72 million per share (AED 0.15 million as share capital and AED 22.57 million as share premium) and same has issued as on February 25th 2025.

23 Retained earnings

	2025	2024
Balance at the beginning of the year	**66,539,373**	29,321,767
Profit for the year	**21,168,839**	37,217,606
Balance at the end of the year	**87,708,212**	66,539,373

24 Bank Borrowings

(a) Due to banks

	2025	2024
Working capital demand loan *	**7,817,100**	917,500
Trust receipts **	**4,353,567**	10,456,266
	12,170,667	11,373,766
Comprising:		
Current portion	**12,170,667**	11,373,766

* Entity has secured working capital demand loan of AED 8.8 million from the ICICI Bank, withdrawing AED 7.8 million by March 31, 2025. The loan, with an floating interest rate of SOFR + 2.50% p.a, to be repaid within 90 days from the date of utilization in the form of bullet repayment.

** Due to banks have following covenants and securities:

i) Pledge over fixed deposit of AED 1,420,000 (2024: AED 2,112,887), including accrued interest, in the name of M/s. Blue Water Trading & Treatment (FZE), in favour of National Bank of Fujairah - Sharjah.

ii) Personal guarantee of Mr. Prayas Goel (the "Guarantor").

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24 Borrowings (continued)

** Due to banks have following covenants and securities (continued):

iii) Joint and several personal guarantees of Mr. Prerak Goel and Mr. Ashish Singal (the "Guarantors").

iv) Cross corporate guarantees between M/s. Blue Water Trading & Treatment (FZE) and M/s. Concord Enviro (FZE) (the "Guarantors").

v) Settlement cheque covering total facilities amount (less fixed deposit under pledge) drawn on National Bank of Fujairah - Sharjah.

vi) Assignment of insurance policy in the name of M/s. Blue Water Trading & Treatment (FZE) or M/s. Concord Enviro (FZE) covering stocks for an amount of AED 9,800,000 in favour of National Bank of Fujairah - Sharjah.

vii) Pledge over margin deposits, in favour of National Bank of Fujairah - Sharjah (note 18).

(b) Secured loan	**2025**	2024
Balance at the beginning of the year	**13,212,000**	17,616,000
Repaid during the year	**(13,212,000)**	(4,404,000)
Balance at the end of the year	**-**	13,212,000

The above mentioned fixed term loan from 'Global Climate Partnership Fund S.A., SICA V-SIF' has been fully repaid on February 14, 2025.

Comprising:	**2025**	2024
Current portion	**-**	4,404,000
Non-current portion	**-**	8,808,000
	-	13,212,000

25 Term loan	**2025**	2024
National bank of Fujairah - term loan *	**4,704,750**	-

*Entity has secured a term loan of AED 4.8 million from the National Bank of Fujairah, withdrawing AED 4.70 million in four tranches by March 31, 2025. The loan, with a 6% floating interest rate, will be repaid in 36 equal monthly instalments starting 3 months after the final drawdown. The loan is secured by a chattel mortgage on the equipment.

Term loan has the following covenants and securities:
Registered chattel mortgage over equipment for AED 4,800,000 under the name of the Entity.

Comprising:		
Current portion	**1,701,500**	-
Non-current portion	**3,003,250**	-
	4,704,750	-

26 Lease liabilities	**2025**	2024
Balance at the beginning of the year	-	6,952,445
Interest on lease liabilities (note 29 and 33)	-	447,465
Payment made during the year	-	(1,150,613)
Derecognition of lease liabilities (note 8)	-	(6,249,297)
	-	-

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26 Lease liabilities (continued)

Amounts recognised in the separate statement of profit or loss and other comprehensive income:	For the year ended March 31, 2025	2024
Interest on lease liabilities (notes 29 and 33)	-	447,465
Depreciation expense (notes 8 and 34)	-	659,846
Gain on derecognition of lease (notes 8 and 31)	-	(1,099,297)
Net impact for the year	-	8,014
Amounts recognised in the separate statement of cash flows:		
Total cash outflows for leases	-	1,150,613

27 Employees' end of service benefits

	2025	2024
Balance at the beginning of the year	**130,119**	-
Transfer from related party	**509,673**	-
Add: Charge for the year	-	130,119
Less: Payments during the year	**(37,409)**	-
Balance at the end of the year	**602,383**	130,119

Comprising:	2025	2024
Current portion	**126,603**	-
Non-current portion	**475,780**	-
	602,383	-

28 Accounts and other payables

	2025	2024
Due to related parties (note 29)	**21,020,106**	13,000,648
Advances received from customers	-	132,986
Accounts payable	**4,006,441**	8,362,102
Other payables	**351,486**	243,496
Interest accrued but not due	**25,832**	245,431
Security deposit from customer	**128,358**	14,250
	25,532,223	21,998,913

29 Related party balances and transactions

The Entity enters into transactions with other entities that fall within the definition of a related party as contained in IAS 24, Related Party Disclosures. Such balances and transactions are in the normal course of business and at terms that correspond to those on normal arms-length transactions (except revenue related transactions) with third parties. Related parties comprise entities under common ownership and/or common management and control; their partners and key management personnel.

a) Balances with related parties

- **Due from a related party**	2025	2024
Shareholder		
M/s. Concord Enviro Systems Limited - India (note 15)	**6,385,445**	2,214,713
- **Due to related parties**		
Shareholder		
M/s. Concord Enviro Systems Limited - India	**314,802**	621,426
From Subsidiary		
M/s. Blue Water Trading & Treatment (FZE), Sharjah - U.A.E.	**-**	650,000
M/s. Concord Enviro SA DE CV - Mexico	**10,643**	-
Entities under common management and control:		
M/s. Rochem Separation Systems (India) Private Limited - India	**21,009,463**	11,374,222
M/s. Roserve Enviro FZE, Sharjah - U.A.E	**-**	355,000
	21,334,908	13,000,648

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29 Related party balances and transactions (continued)

a) Balances with related parties

- Loan to a related party	2025	2024
Subsidiary		
M/s. Concord Enviro SA DE CV - Mexico	**13,626,153**	-

b) Transactions with related parties

The nature of significant related party transactions and the amounts involved were as follows:

	For the year ended March 31,	
Shareholder	**2025**	2024
Sale of goods and services		
M/s. Concord Enviro Systems Limited - India	**20,129,458**	14,439,527
Sale of fixed assets		
M/s. Concord Enviro Systems Limited - India	**756,020**	-
Entities under common management and control		
Sale of goods and services		
M/s. Roserve Enviro FZE, Sharjah - U.A.E	**1,284,500**	-
Purchase of goods		
M/s. Rochem Separation Systems (India) Private Limited - India	**26,046,238**	26,001,717
M/s. WHE Systems FZC, Sharjah - U.A.E	**23,185**	-
	26,069,423	26,001,717
Investment		
M/s. WHE Systems FZC, Sharjah - U.A.E	**1,451,726**	-
Interest on lease liabilities (note 26)		
M/s. Roserve Enviro FZE, Sharjah - U.A.E	-	447,465
Lease rent and license fees		
M/s. Roserve Enviro FZE, Sharjah - U.A.E	**1,680,126**	1,893,471
Other borrowing charges		
M/s. Concord Enviro Systems Limited - India	**60,999**	144,528
Insurance expenses		
M/s. Rochem Separation Systems (India) Private Limited - India	-	43,989
Travelling expenses		
M/s. Rochem Separation Systems (India) Private Limited - India	-	13,272
Service charges expenses		
M/s. Concord Enviro Systems Limited - India	**2,258,401**	1,225,684
Freight expenses		
M/s. Concord Enviro Systems Limited - India	**265,605**	-
Expense reimbursed on behalf of related party		
M/s. Concord Enviro Systems Limited - India	**336,922**	-
Subsidiaries		
Sale of goods and services		
M/s. Blue Water Trading & Treatment (FZE), Sharjah - U.A.E.	-	4,646,387
M/s. Concord Enviro SA DE CV - Mexico	-	6,109,460
	-	10,755,847

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29	**Related party balances and transactions (continued)**	For the year ended March 31,	
	b) Transactions with related parties (continued)	**2025**	2024
	Dividend income (note 31)		
	M/s. Blue Water Trading & Treatment (FZE), Sharjah - U.A.E.	**9,540,610**	30,547,000
	Purchase of goods		
	M/s. Blue Water Trading & Treatment (FZE), Sharjah - U.A.E.	**-**	17,601,748
	Loan given to a related party		
	M/s. Concord Enviro SA DE CV - Mexico	**13,300,574**	-
	Interest income		
	M/s. Concord Enviro SA DE CV - Mexico	**325,579**	-
	Service charges expenses		
	M/s. Blue Water Trading & Treatment (FZE), Sharjah - U.A.E.	**843,015**	2,850,000
	Expense reimbursed by related party		
	M/s. Concord Enviro SA DE CV - Mexico	**10,643**	-
	Lease rent and license fees (note 35)		
	M/s. Blue Water Trading & Treatment (FZE), Sharjah - U.A.E.	**2,280,000**	-

30	**Revenue**	For the year ended March 31,	
		2025	2024
	Revenue from contracts with customers	**99,717,959**	84,368,124

30.1 Disaggregated revenue information

Set out below is the disaggregation of the Entity's revenue from contracts with customers.

	For the year ended March 31,	
Segments	**2025**	2024
Sale of goods	**94,269,200**	77,234,755
Sales of services	**5,448,759**	7,133,369
Total revenue from contracts with customers	**99,717,959**	84,368,124
Geographical markets		
Within U.A.E.	**3,937,621**	5,624,655
India	**21,151,083**	15,002,916
Others	**74,629,255**	63,740,553
Total revenue from contracts with customers	**99,717,959**	84,368,124
Timing of revenue recognition		
Goods/services transferred at a point in time	**62,718,279**	30,896,074
Goods/services rendered over a period of time	**36,999,680**	53,472,050
Total revenue from contracts with customers	**99,717,959**	84,368,124

31	**Other income**	For the year ended March 31,	
		2025	2024
	Dividend income (note 29)	**9,540,610**	30,547,000
	Gain on derecognition of lease (notes 8 and 26)	**-**	1,099,297
	Interest income	**337,056**	1,957
	Liabilities written off	**238,995**	203,841
	Reversal of allowance for expected credit loss (note 15)	**-**	479,415
		10,116,661	32,331,510

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		For the year ended March 31,	
31	**Other income (continued)**	**2025**	2024
31 (i)	**Cost of raw material consumed**		
	Inventories at the beginning of the year	**16,217,970**	7,074,037
	Purchases	**61,874,864**	70,438,307
	Direct expenses	**3,345,500**	2,220,005
	Less: Inventories at the end of the year (note 14)	**(18,675,467)**	(16,217,970)
		62,762,867	63,514,379

		For the year ended March 31,	
31 (ii)	**Service charges**	**2025**	2024
	Service charges (*)	**1,337,984**	3,257,816

* From previous reporting year, the subsidiary, M/s. Blue Water Trading & Treatment (FZE), SAIF Zone - Sharjah, has started recharging the cost related to employee benefit, legal and professional fees, rent, power and water charges, advertisement and sales promotion expenses, telephone and communicated expenses and insurance expenses to the Entity.

		For the year ended March 31,	
31 (iii)	**Changes in inventories**	**2025**	2024
	Inventories at the beginning of the year	**4,953,324**	3,529,758
	Less: Inventories at the end of the year (note 14)	**(5,963,239)**	(4,953,324)
		(1,009,915)	(1,423,566)

		For the year ended March 31,	
32	**Employee benefits expenses**	**2025**	2024
	Salaries and other related benefits	**4,023,666**	2,596,126
	Staff welfare expenses	**407,097**	189,114
	Gratuity	**(34,520)**	130,119
		4,396,243	2,915,359

		For the year ended March 31,	
33	**Finance costs**	**2025**	2024
	Interest on secured borrowings	**766,019**	967,580
	Interest on short-term borrowings	**1,496,752**	594,362
	Interest on lease liabilities (notes 26 and 29)	**-**	447,465
	Penalty charges on loan prepayment	**220,200**	
	Other borrowing charges	**478,693**	491,468
		2,961,664	2,500,875

34	**Depreciation and amortisation expense**		
	Depreciation of property, plant and equipment (note 6)	**1,021,436**	1,285,937
	Depreciation of right-of-use assets (notes 8 and 26)	**-**	659,846
	Amortisation of intangible assets (note 7)	**344,182**	525,139
		1,365,618	2,470,922

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35	**Other expenses**	For the year ended March 31, 2025	2024
	Net loss on foreign exchange	**4,892,011**	63,780
	Freight, clearing and forwarding	**5,176,800**	994,890
	Rent (note 29) *	**3,960,126**	-
	Lease rent and license fees	**531,063**	1,377,254
	Travelling expenses	**811,251**	531,804
	Professional charges	**269,857**	897,870
	Bank charges and commission	**186,039**	184,954
	Consumables	**242,091**	403,867
	Repairs and maintenance	**234,761**	121,609
	Allowance for expected credit loss (note 15)	**41,565**	-
	Insurance charges	**86,942**	89,753
	Auditor's remuneration	**85,125**	41,000
	Power and fuel	**73,504**	41,151
	Printing and stationery	**14,065**	8,264
	Bad debts written off	**20,336**	1,128,339
	Postage and telephone expenses	**107,317**	-
	Advertisement and sales promotion	**-**	177,916
	Other expenses	**121,355**	183,792
		16,854,208	6,246,243

* Rent includes machineries rental expenses for AED 2.28 million (2024: Nil).

36 Taxation

M/s. Concord Enviro (FZE) (the "Entity") is eligible to claim a 0% tax benefit available to qualifying free zone entities, as it meets all conditions outlined in Article 18 of Federal Decree Law No. 47 of 2022 on the taxation of corporations and businesses, in conjunction with Cabinet Decision No. 100 of 2023 and Ministerial Decision No. 265 of 2023.

37 Financial instruments

a) Material accounting policies

Details of the material accounting policies and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset and financial liability are disclosed in note 5 to the separate financial statements.

b) Financial assets and financial liabilities

Below are the principal financial instruments used by the Entity and their categories, from which financial instrument risk arises:

	Amortised cost	
Financial assets	**2025**	2024
Accounts receivable	**25,974,840**	32,812,944
Contract assets	**27,473,406**	8,361,987
Other financial assets (non-current)	**148,680**	111,868
Other bank deposits	**1,005,905**	2,088,153
Other financial assets (current)	**586,799**	553,203
Loan to a related party	**13,626,153**	-
Cash and bank balances	**1,851,479**	1,511,117
	70,667,262	45,439,272

37 Financial instruments (continued)

b) Financial assets and financial liabilities (continued)

	Amortised cost	
Financial Liabilities	**2025**	2024
Accounts and other payables	**25,532,223**	21,865,927
Borrowings (current)	**12,170,667**	15,777,766
Borrowings (non-current)	**-**	8,808,000
Term loan (current)	**1,701,500**	-
Term loan (non- current)	**3,003,250**	-
	42,407,640	46,451,693

c) Fair value of financial assets and financial liabilities that are not measured at fair value on recurring basis.

The Entity maintains policies and procedures to value financial assets or financial liabilities using the best and most relevant data available. The fair values of the financial assets and liabilities are included at the amount 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 management assessed that fair value of accounts receivable, other receivables, cash and bank balances, other bank deposits, other financial assets, loan to a related party, borrowings, accounts and other payables and contract assets approximate their carrying amounts largely due to the short-term maturities of these instruments. Further, the management has assessed that fair value will be approximate to their carrying amounts as they are priced to market interest rates on or near the end of reporting period.

38 Financial risk management objectives

The Entity's Board of Directors have the overall responsibility for the establishment and oversight of the Entity's risk management framework. The Board of Directors are responsible for developing and monitoring the Entity's risk management policies. The Entity's risk management policies are established to identify and analyze the risk faced by the Entity, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Entity's activities. The Entity's Board of Directors oversees how management monitors compliance with the Entity's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Entity. The Board of Directors are assisted in its oversight role by internal audit team. Internal audit team undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the Board of Directors.

The Entity has exposure to the following risks arising from financial instruments:

- Foreign currency risk
- Credit risk
- Liquidity risk
- Market risk
- Interest rate risk

a) *Foreign currency risk management*

The Entity undertakes certain transactions denominated in foreign currencies. Hence, exposures to exchange rate fluctuations arise.

The Entity does not have any significant exposure to currency risk, as most of its assets and liabilities are denominated in Arab Emirates Dirham.

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38 Financial risk management objectives (continued)

b) *Credit risk:*

Credit risk arises from the possibility that customers or counterparty to financial instruments may not be able to meet their obligations. To manage this, the Entity periodically assesses the financial reliability of customers, taking into account the financial condition, current economic trends, analysis of historical bad debts and ageing of accounts receivable. Credit risks arises from cash and cash equivalents, deposits with banks, financial institutions and others, as well as credit exposures to customers, including outstanding receivables. The Entity evaluates the concentration of risk with respect to trade receivables as low, as none of its customers constitutes significant portions of trade receivables as at the period end.

The Entity considers factors such as track record, size of institutions, market reputation and service standards to select banks with which balances and deposits are maintained. the balances and fixed deposits are generally maintained, with the banks with whom the Entity has regular transactions. Further, the Entity does not maintain significant cash in hand other than those required for its day to day operations. Considering the same, the Entity is not exposed to expected credit loss of cash and cash equivalent and bank balances.

c) *Liquidity risk management*

Liquidity risk is the risk that the Entity will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Entity's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to Entity's reputation.

Management monitors rolling forecasts of the Entity's liquidity position and cash and cash equivalents on the basis of expected cash flows to ensure it has sufficient cash to meet operational needs. Such forecasting takes into consideration the Entity's debt financing plans, covenant compliance and compliance with internal statement of financial position ratio targets.

Liquidity and interest risk tables:

The table on the following page summarizes the maturity profile of the Entity's financial assets and financial liabilities. The contractual maturities of the financial assets and financial liabilities have been determined on the basis of the remaining period at the financial position date to the contractual maturity date. The maturity profile of the assets and liabilities at the separate statement of financial position date based on contractual repayment arrangements were shown on the following page:

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38 Financial risk management objectives (continued)

c) *Liquidity risk management (continued)*

Liquidity and interest risk table (continued)

	Interest bearing			Non Interest bearing			
Particulars	On demand or less than 3 months	Within 1 year	More than 1 year	On demand or less than 3 months	Within 1 year	More than 1 year	Total
				As at March 31, 2025			
Financial assets							
Accounts receivable	-	-	-	-	**25,974,840**	-	**25,974,840**
Contract assets	-	-	-	-	**27,473,406**	-	**27,473,406**
Other financial assets	-	-	-	-	**586,799**	**148,680**	**735,479**
Other bank deposits	-	-	-	-	**1,005,905**	-	**1,005,905**
Loan to related party	-	**13,626,153**	-	-	-	-	**13,626,153**
Cash and bank balances	-	-	-	-	**1,851,479**	-	**1,851,479**
	-	**13,626,153**	-	-	**56,892,429**	**148,680**	**70,667,262**
Financial liabilities							
Accounts and other payables	-	-	-	-	**25,532,223**	-	**25,532,223**
Borrowings	-	**12,170,667**	-	-	-	-	**12,170,667**
Term loan	-	**1,701,500**	**3,003,250**		-	-	**4,704,750**
	-	**13,872,167**	**3,003,250**	-	**25,532,223**	-	**42,407,640**
				As at March 31, 2024			
Financial assets							
Accounts receivable	-	-	-	-	32,812,944	-	32,812,944
Contract assets	-	-	-	-	8,361,987	-	8,361,987
Other financial assets	-	-	-	-	553,203	111,868	665,071
Other bank deposits	-	-	-	-	2,088,153	-	2,088,153
Cash and bank balances	-	-	-	1,511,117	-	-	1,511,117
	-	-	-	1,511,117	43,816,287	111,868	45,439,272
Financial liabilities							
Accounts and other payables	-	-	-	-	21,865,927	-	21,865,927
Borrowings	-	15,777,766	8,808,000	-	-	-	24,585,766
	-	15,777,766	8,808,000	-	21,865,927	-	46,451,693

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38 Financial risk management objectives (continued)

d) *Market risk*

Market risk is the risk that the changes in market prices such as foreign exchange rates, interest rates and equity prices will affect the Entity's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return. The pre dominant currency of the Entity's revenue and operating cash flows is Arab Emirates Dirham (AED). There is foreign currency risk as there are outstanding foreign currency exposure at the year end.

e) Interest rate risk

The Entity's exposure to the risk of changes in market interest rates relates primarily to the Entity's borrowings with floating interest rates. The Entity's policy is to manage its interest cost using a mix of fixed and variable rate debts. Interest on financial instruments having floating rates is re-priced at intervals of less than one year and interest on financial instruments having fixed rate is fixed until the maturity of the instrument.

Interest rate sensitivity analysis

The sensitivity analysis below have been determined based on the exposure to interest rates for non-derivative instruments at the reporting date. For floating rate liabilities, the analysis is prepared assuming the amount of liability outstanding at the reporting date was outstanding for the whole year. A 100 basis point increase or decrease is used for reporting interest rate risk internally to key management and represents management's assessment of the reasonable possible change in interest rates.

39 Capital risk management

The Entity manages its capital to ensure that it will be able to continue as a going concern while maximizing the return to the stakeholders through the optimization of the equity balance. The Entity's overall strategy remains unchanged from prior year. The Entity is not subject to any externally imposed capital requirements.

The capital structure of the Entity consists of equity comprising issued capital, share premium and retained earnings as disclosed in the separate financial statements.

40 Foreign exchange risk and sensitivity

		As at March 31, 2025		As at March 31, 2024	
Foreign currency exposure	**Currency**	**Amount in FC**	**Amount in AED**	Amount in FC	Amount in AED
Financial assets	USD	**6,950,349**	**25,507,779**	1,941,183	7,124,141
Financial assets	EURO	**28,165**	**111,923**	94,861	375,952
Financial assets	MXN	**16,379,707**	**2,945,071**	121,077,660	26,825,966
Financial liabilities	USD	**8,647,693**	**31,737,034**	7,793,865	28,603,483
Financial liabilities	EURO	**132,203**	**525,357**	162,362	643,475
Financial liabilities	GBP	-	-	654,791	3,034,374

41 Interest rate risk

	For the period ended March 31, 2025		For the year ended March 31, 2024	
	1% Increase - Decrease in PBT	**1% Decrease - Increase in PBT**	1% Increase - Decrease in PBT	1% Decrease - Increase in PBT
(Increase)/decrease in profit & loss	**211,660**	**211,660**	104,563	104,563

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		As at March 31,	
42	**Contingent liabilities**	**2025**	2024
	Letter of credit	**378,959**	795,594

Except for the above and ongoing business obligations which are under normal course of business, there has been no other known contingent liability on the Entity's separate financial statements as at the reporting date.

43	**Commitments**		
	Capital commitment on investment property	**1,338,000**	-

Except for the ongoing business obligations which are under normal course of business, there has been no other known commitment on the Entity's financial separate statements as at the reporting date.

44 Subsequent events

The Entity has subsequent floated new two companies, namely M/s. Concord Water Africa Limited incorporated on April 11, 2025 and M/s. Concord Enviro Africa Limited incorporated on April 08, 2025 with 100% shareholding and control in the Entities.

45 Comparative figures

Certain amounts for the prior year were reclassified to conform to current period's presentation. However, such reclassifications do not have any impact on the Group's previously reported separate financial result or equity.