

Auditor Report – New Summary Sheet

Company Details			
Company Name			
Account No			
Financial Information Amount (In UAE – Dirham)			
Year Start Date		Year End Date	
Annual Sales		Total Salaries	
Cost of Goods Sold		Total Depreciation	
Current Assets		Non-Current Assets	
Fixed Assets		Total Assets <small>(Current Assets+ Non-Current Assets+ Fixed Assets)</small>	
Long Term Liabilities		Total Liabilities <small>(Current + Long Term)</small>	
Net Profit/(Loss)		Opening Retained Earnings/(Accumulated Losses)	
Share Capital		Total Capital Expenditure	
Total Equity			
Auditor Information			
Audit Firm			
Auditor's Signature		Date	May 12,2025
Auditor's Seal			



HAA Auditing

Auditors & Accountants

INDEPENDENT AUDITORS' REPORT

To the shareholder of SAREGAMA FZE, Jebel Ali Free Zone, Dubai, United Arab Emirates.

Opinion

We have audited the accompanying financial statements of SAREGAMA FZE, Jebel Ali Free Zone, Dubai, United Arab Emirates, (the "Free Zone Establishment", FZE) which comprise of the financial position as at 31" March, 2025, the statement of comprehensive income, the statement of changes in equity, statement of cash flows, for the year then ended, and a summary of material accounting policies and other explanatory notes.

In our opinion, the financial statements present fairly, in all material respects, the financial position of SAREGAMA FZE, Jebel Ali Free Zone, Dubai United Arab Emirates, as at 31" March, 2025, its financial performance and its cash flows for the year then ended, in accordance with International Financial Reporting Standards (IFRS).

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 Auditors' Responsibilities for the audit of the Financial Statements section of our report.

Independence

We are independent of the FZE in accordance with the ethical requirements as per Code of Ethics for professional Accountants ("IESBA Code") that are relevant to our audit of the financial statements in United Arab Emirates, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRSs and the applicable provisions of Jebel Ali Free Zone, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free 'from material misstatement, whether due to fraud or error.

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

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





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Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error; to design and perform audit procedures responsive to those risks; and to 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 FZE'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 FZE's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the FZE to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transaction 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. Our responsibility is to express an opinion on these financial statements based on our audit.





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Auditors & Accountants

Report on other legal and regulatory requirement

As required by the provisions of Jebel Ali Free Zone, Dubai and relevant applicable laws in U.A.E, we further confirm that,

- i. we have obtained all the information and explanations which are required for the purpose of our audit;
- ii. the financial statements as at March 31, 2025 of SAREGAMA FZE, include in all material aspects, the application requirements of the provisions of Jebel Ali Free Zone and relevant applicable laws in U.A.E, except for not being in compliance with Federal decree law No 8 of 2017 on value added tax;
- iii. proper financial records have been kept by the FZE;
- iv. the contents of the Director's report relating to these financial statements are in agreement with the FZE's financial records;
- v. the FZE has not purchased or invested in any shares during the year ended March 31, 2025;
- vi. the financial statement of the FZE reflects all the disclosures relating to material related party transactions and the terms under which they are conducted;

For H A A Auditing

Hussain Ali Abdulla Alabdouli

Registered Auditors

Audit Licence No 845, United Arab Emirates

Ministry of Economy (Audit Division)

Date: May 12, 2025



SAREGAMA FZE
Jebel Ali Free Zone, Dubai, United Arab Emirates

Statement of Financial Position as at 31 March 2025

		As at 31 March 2025 AED	As at 31 March 2024 AED
ASSETS			
Current assets			
Inventories	5	-	2,22,252
Financial assets			
Trade receivables	6	4,13,363	1,32,844
Cash and cash equivalents	7	28,25,458	4,13,945
Other current assets	8	18,619	17,800
Total current assets		32,57,440	7,86,841
Total Assets		32,57,440	7,86,841
EQUITY AND LIABILITIES			
Equity			
Equity share capital	2	15,00,000	15,00,000
Statutory reserves	22	1,32,214	-
Retained Earnings		(1,14,828)	(26,26,896)
Total equity (A)		15,17,386	(11,26,896)
Liabilities			
Current liabilities			
Financial liabilities			
Borrowings	9.2.1	-	5,00,000
Due to related parties	9.2.2	4,44,984	8,22,403
Trade and other payables	10	8,35,359	4,22,382
Other current liabilities	12	2,35,276	1,68,952
Current tax liabilities	21	2,24,435	-
Total current liabilities (C)		17,40,054	19,13,737
Total liabilities		17,40,054	19,13,737
Total equity and liabilities (A) + (B) + (C)		32,57,440	7,86,841

The accompanying notes are an integral part of the financial statements

The financial statements have been approved and signed by the undersigned on 12 May 2025.

For SAREGAMA FZE


 Authorised Signatory



SAREGAMA FZE
Jebel Ali Free Zone, Dubai, United Arab Emirates

Statement of Comprehensive Income for the year ended 31st March 2025

Particulars	Notes	For the year ended 31 March 2025 AED	For the year ended 31 March 2024 AED
Revenue	13	1,91,13,396	5,81,331
Cost of revenue	14	(1,56,10,079)	(4,54,932)
Gross profit		35,03,317	1,26,399
General and administration expenses	15	(5,08,256)	5,25,318
Operating Profit/(Loss)		29,95,061	(3,98,919)
Other income	16	-	70,721
Finance charges	9.3	(1,26,344)	(42,115)
Profit/(Loss) for the year		28,68,717	(3,70,313)
Income tax expense	21	2,24,435	-
(Loss) from operations		26,44,282	(3,70,313)
Other comprehensive income		-	-
Total comprehensive Profit/(Loss) for the year		26,44,282	(3,70,313)
Transfer to statutory reserves		(1,32,214)	-
Net income/(loss) after transfer to reserves		25,12,068	(3,70,313)

The accompanying notes are an integral part of the financial statements

The financial statements have been approved and signed by the undersigned on 12 May 2025.

For SAREGAMA FZE

P. Mohanavelu
 Authorised Signatory



SAREGAMA FZE
Jebel Ali Free Zone, Dubai, United Arab Emirates

Statement of cash flows for the year ended 31st March 2025

Particulars	For the year ended	For the year ended
	March 31, 2025	March 31, 2024
	AED	AED
Cash flow from operating activities		
Profit/(Loss) before tax	28,68,717	(3,70,313)
Adjustment for:		
Bad debt written off	-	2,61,552
Liabilities no longer required written back	-	(48,801)
Working capital adjustments		
Decrease in inventories	2,22,252	31,801
Decrease/ (Increase) in trade and other receivables and other current assets	(2,81,338)	82,345
Increase in trade payable and other current liabilities	1,01,882	4,29,356
Net cash flows generated from/(used in) operating activities	29,11,513	3,85,940
Cash flow from financing activities		
Repayment of Borrowings	(71,00,000)	-
Proceeds from borrowing	66,00,000	-
Net cash flows from/(used in) operating activities	(5,00,000)	-
Net Increase/(decrease) in cash and cash equivalents	24,11,513	3,85,940
Cash and cash equivalents at the beginning of the year	4,13,945	28,005
Cash and cash equivalents at the end of the year	28,25,458	4,13,945

The accompanying notes are an integral part of the financial statements

The financial statements have been approved and signed by the undersigned on 12 May 2025.

For SAREGAMA FZE

Amchattaveedi
 Authorised Signatory



SAREGAMA FZE
Jebel Ali Free Zone, Dubai, United Arab Emirates

Statement of Changes in Equity for the year ended 31st March 2025

	Share Capital AED	Statutory Reserve AED	Retained Earnings AED	Total Equity AED
As at 31st March, 2023	15,00,000	-	(22,56,583)	(7,56,583)
Total comprehensive loss for the year	-	-	(3,70,313)	(3,70,313)
As at 31st March, 2024	15,00,000	-	(26,26,896)	(11,26,896)
Total comprehensive income for the year	-	1,32,214	25,12,068	25,12,068
Transfer to statutory reserves	-	-	-	1,32,214
As at 31st March, 2025	15,00,000	1,32,214	(1,14,828)	15,17,386

The accompanying notes are an integral part of the financial statements

The financial statements have been approved and signed by the undersigned on 12 May 2025.

For SAREGAMA FZE

Amalathewedi

Authorised Signatory



SAREGAMA FZE
Jebel Ali Free Zone, Dubai, United Arab Emirates

Notes forming part of the standalone financial statements for the year ended March 31, 2025

1 CORPORATE INFORMATION

SAREGAMA FZE (the "FZE") was registered in Jebel Ali Free Zone Authority on 28th August, 2018 under registration number 203245 and trading licence number 170619, as a free zone establishment with limited liability pursuant to Law no. (9) of 1992 and implementing regulations issued thereunder. The registered address of the (FZE) is at Jafza One, 11th Floor, Office No Cowork-10, Jebel Ali Free Zone, Dubai, United Arab Emirates.

The (FZE) is primarily engaged in the business of Audio-visual, Recording Equipment & Accessories Trading, Mobile Phones Trading, General Trading, Motion Picture Trading, Wireless Equipment & Instruments Trading, Audio Recorded Media Trading.

The (FZE) is managed by Mr. Sagar Arvind Pandya, an Indian national.

2 Shareholding

The Shareholding of the (FZE) is as follows:

Name	Country of Incorporation	No. of share	Total value AED	Value per share AED	Percentage
Saregama India Limited	India	1,500	1,000	15,00,000	100%
		1,500		15,00,000	100%

The authorized and paid up share capital of the (FZE) is AED 1,500,000/- divided into 1,500 shares of AED 1,000/- each.

3 SUMMARY OF MATERIAL ACCOUNTING POLICIES

a. Basis of preparation

- i) These financial statements have been prepared in accordance with the International financial Reporting Standards ('IFRS') as issued by the International Accounting Standard Board (IASB) applicable laws and regulations in United Arab Emirates and Jebel Ali Free Zone.
- ii) These financial statements have been prepared under the historical cost basis, except for financial instruments at fair value through profit or loss and net defined benefit liability. The fair net realizable value concept of measurement of assets and liabilities has also been applied wherever applicable under IFRS.

b. Going Concern

The Management have, at the time of approving the financial statements, a reasonable expectation that they have adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

c. Basis for accounting

These financial statements, except for the provision for employee entitlements to annual leave salary and air passage to their home country are prepared under the accrual basis of accounting. Under the accrual basis of accounting, transactions and events are recognised when they occur (and not as cash or its equivalent is received or paid) and they are recorded in the accounting records and reported in the financial statements of the periods to which they relate.

d. Revenue recognition

Revenue is recognised upon transfer of control of promised products or services to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those products or services.

- Revenue from the sale of products is recognised at the point in time when control is transferred to the customer. Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, price concessions and incentives, if any, as specified in the contract with the customer. Revenue also excludes taxes collected from customers.
- Revenue from theatrical distribution is recognised on exhibition of films. In case of distribution through theatres, revenue is recognised on the basis of box office reports received from various exhibitors. Contracted minimum guarantees are recognised on theatrical release.
- Revenue from Sale of films rights are recognised on assignment of such rights as per terms of the sale/licencing agreements.

Notes forming part of the standalone financial statements for the year ended March 31, 2025

3 SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

e. Financial instruments

(i) Recognition and initial measurement

Trade receivables and debt securities issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

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

(ii) Classification and subsequent measurement

Financial assets

(a) Classification

On initial recognition, a financial asset is classified as measured at: amortised cost; FVOCI – debt investment; FVOCI – equity investment; or FVTPL.

Financial assets are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing financial assets in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

A financial asset is measured at amortised cost if it meets both of the following conditions:

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

A debt investment is measured at FVOCI if it meets both of the following conditions:

- it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in OCI. This election is made on an investment-by-investment basis.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

(b) Subsequent measurement and gains and losses

Financial assets at FVTPL - these assets (other than derivatives designated as hedging instruments) are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.

Financial assets at amortised cost - These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

Debt investments at FVOCI - these assets are subsequently measured at fair value. Interest income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognised in profit or loss. Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.

Equity investments at FVOCI - these assets are subsequently measured at fair value. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are never reclassified to profit or loss.

Notes forming part of the standalone financial statements for the year ended March 31, 2025

3 SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

f. Financial liabilities

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

g. Leases -As a lessee

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

The Company has elected not to recognise right-of-use assets and lease liabilities for leases of low-value assets and short term leases. The Company recognises the lease payments associated with these leases as an expense in profit or loss on a straight-line basis over the lease term.

h. Share Capital

Financial instruments issued by the Group are classified as equity only to the extent that they do not meet the definition of a financial liability or financial asset.

The Group's ordinary shares are classified as equity instruments.

i. Borrowing costs

Borrowing costs are capitalised, net of interest received on cash drawn down yet to be expended when they are directly attributable to the acquisition, contribution or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale.

j. Functional and presentation currency

Items included in the financial statements of the entity are measured using the currency of the primary economic environment in which the FZE operates ('the functional currency'). The financial statements of the FZE are presented in UAE Dirhams ("AED"), which is the Company's functional and presentation currency. All amounts represented in 'AED' has been rounded off to the nearest AED.

k. Foreign currency transactions

Foreign currency transactions are recorded in U.A.E Dirhams at the approximate rate of exchange ruling at the time of the transaction. Assets and liabilities expressed in foreign currencies at the statement of financial position date are translated into U.A.E. Dirhams at the year end rate of exchange. All foreign currency gains or losses are booked in the statement of comprehensive income as and when they arise.

l. End-of-service benefits

The (FZE) provides end-of-service benefits to its expatriate employees. The entitlement to these benefits is based upon the employees' last year drawn salary and length of service, subject to the completion of a minimum service year. The expected costs of these benefits are accrued over the year of employment in accordance with the provisions of UAE Labour Law.

Notes forming part of the standalone financial statements for the year ended March 31, 2025

3 SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

m. Provisions, Contingent Liabilities and Contingent Assets

- i) Provisions are recognised when the Company has a present legal or constructive obligation as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Such provisions are determined based on management estimate of the amount required to settle the obligation at the balance sheet date. When the Company expects some or all of a provision to be reimbursed, the reimbursement is recognised as a consolidated asset only when the reimbursement is virtually certain.
- ii) If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.
- iii) Contingent liabilities are disclosed on the basis of judgment of management. These are reviewed at each balance sheet date and are adjusted to reflect the current management estimate.

n. Cash and cash equivalents

For the purpose of the statement of cash flows, the (FZE) considers bank balances and deposits with a maturity of less than 3 months from the date of placement to be a part of cash and cash equivalents.

o. Inventories

- i) Inventories are valued at lower of cost or net realisable value.
- ii) The costs of inventories are determined on weighted average basis. Cost of inventories comprise all costs of purchase, and where applicable costs of conversion and other costs incurred in bringing the inventories to their present location and condition.
- iii) Net realizable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

p. Use of estimates and judgements

- i) The preparation of financial statements in conformity with IFRSs requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.
- ii) The estimates and underlying assumptions are reviewed by the management on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates is revised and in any future periods affected.

q. Income tax

Income tax expense comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to a business combination, or items recognised directly in equity or in other comprehensive income.

r. Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes, if any. It is measured using tax rates enacted or substantively enacted at the reporting date. Current tax also includes any tax arising from dividends. Current tax assets and liabilities are offset only if certain criteria are met.

Notes forming part of the standalone financial statements for the year ended March 31, 2025

3 SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

s. Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used.

Future taxable profits are determined based on the reversal of relevant taxable temporary differences. If the amount of taxable temporary differences is insufficient to recognise a deferred tax asset in full, then future taxable profits, adjusted for reversals of existing temporary differences, are considered, based on the business plans of the Company. 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; such reductions are reversed when the probability of future taxable profits improves. Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

t. Value added tax ("VAT")

Expenses and assets are recognized net of the amount of VAT, except:

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

4 New standards, amendments to standards and Interpretations

4.1 New and revised IFRS in Issue but not yet effective and not early adopted

IFRS 18	Presentation and Disclosures	Financial Statements Effective from 1.1.2027
IFRS 19	Subsidiaries without Public Accountability:	Disclosures Effective from 1.1.2027
Amendments to IFRS 9 Financial Instruments and IFRS 7 Financial Instruments:	Amendments to the Classification and Measurement of Financial Instruments	Effective from 1.1.2026
Amendments to IFRS 9 Financial Instruments and IFRS 7 Financial Instruments:	Disclosures Contracts Referencing Nature-dependent Electricity	Effective from 1.1.2026
Amendments to IFRS 10 Consolidated Financial Statements and IAS 28 Investments In Associates and Joint Ventures	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Effective date has been removed temporarily by the IASB.
Annual Improvements to IFRS Accounting Standards (Volume 11)	Amendments to IFRS 1, IFRS 7, IFRS 9, IFRS 10 and IAS 7	Effective from 1.1.2026

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

SAREGAMA FZE
Jebel Ali Free Zone, Dubai, United Arab Emirates

Notes forming part of the standalone financial statements for the year ended March 31, 2025

	31 March 2025 AED	31 March 2024 AED
5 Inventories		
Goods for resale	-	2,22,252
Total	<u>-</u>	<u>2,22,252</u>
6 Trade and other receivables		
Trade receivables	5,19,872	2,39,353
Provision For Doubtful Debts	(1,06,509)	(1,06,509)
Total	<u>4,13,363</u>	<u>1,32,844</u>
7 Cash and cash equivalents		
Cash in Bank	28,25,458	4,13,945
Total	<u>28,25,458</u>	<u>4,13,945</u>
8 Other current assets		
Prepaid expenses	1,344	-
Deposits	15,100	15,700
Balance with Government Authorities	75	-
Lease Security deposits	2,100	2,100
Total	<u>18,619</u>	<u>17,800</u>
9 Related Party transactions		
The (FZE) in the normal course of business enters into transactions with other business enterprises that within the definition of related party contained in the International Accounting Standard - 24. Related parties comprise the parent FZE, fellow subsidiaries, directors, companies under common ownership and/or common management control and associate as under:		
9.1 Transactions during the year		
Finance Charges		
Saregama India Ltd	1,26,344	42,115
Royalty Expenses		
Saregama India Ltd	29,112	11,978
License Fees		
Saregama India Ltd	1,53,87,827	4,03,700
Expenses incurred by the Company on behalf of others		
Saregama India Ltd	(55,200)	(59,963)
	<u>1,54,88,083</u>	<u>3,97,830</u>
9.2 Outstanding balances		
9.2.1 Borrowings		
Saregama India Ltd*	-	5,00,000
Total	<u>-</u>	<u>5,00,000</u>
*Represents unsecured and repayable on demand		
9.2.2 Due to related parties		
Saregama India Ltd**	3,02,129	7,69,243
Saregama Inc.	1,42,855	53,160
Total	<u>4,44,984</u>	<u>8,22,403</u>
**Represents amount payable (net of receivables) on account of trade		
9.3 Finance Charges		
Interest expenses	1,26,344	42,115
Total	<u>1,26,344</u>	<u>42,115</u>

SAREGAMA FZE
Jebel Ali Free Zone, Dubai, United Arab Emirates

Notes forming part of the standalone financial statements for the year ended March 31, 2025

	31 March 2025 AED	31 March 2024 AED
10 Trade and other payables		
Trade Payables	2,85,099	2,38,702
Other payables	5,50,260	1,83,680
Total	8,35,359	4,22,382
11 Share Capital		
Authorised, allotted, called up and fully paid: 1,500 ordinary shares of AED 1000 each	15,00,000	15,00,000
The Company has one class of ordinary shares which carry no right to fixed income and were issued on incorporation.		
12 Other Current Liabilities		
Advance from customers	2,24,316	1,57,992
Income received in advance	10,960	10,960
Total	2,35,276	1,68,952
13 Revenue from operations		
Revenue from trading	2,07,939	85,543
License fees	20,79,102	4,95,788
Revenue from Events	1,68,26,355	-
Total	1,91,13,396	5,81,331
14 Cost of revenue		
Opening stock	2,22,252	2,54,052
Purchases and direct expenses	1,53,87,827	4,03,700
Less : closing stock	-	(2,22,252)
Total	1,56,10,079	4,35,500
Contract manufacturing charges	-	19,432
	1,56,10,079	4,54,932
15 General and administration expenses		
Freight and forwarding charges	4,208	7,643
Royalties	30,081	11,978
Advertisement and Sales Promotion	2,02,949	-
Rent expenses	20,304	42,348
Salaries and other benefits	1,43,673	1,67,884
Legal, professional and visa expenses	13,620	3,120
Travelling and conveyance	3,600	4,824
Bad debts/advances written off	-	2,51,552
Printing and communication expense	6,769	5,428
Bank charges	4,351	1,985
Rates and Taxes	53,122	10,000
Foreign Exchange loss	1,673	338
Miscellaneous Expense	23,906	8,218
Total	5,08,256	5,25,318

SAREGAMA FZE
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Notes forming part of the standalone financial statements for the year ended March 31, 2025

	31 March 2025	31 March 2024
	AED	AED
16 Other income		
Liabilities no longer required written back	-	48,801
Miscellaneous income	-	21,920
Total	<u>-</u>	<u>70,721</u>

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Notes forming part of the standalone financial statements for the year ended March 31, 2025

	31 March 2025	31 March 2024
	AED	AED
17 Earnings per share		
Basic earnings per share is calculated by dividing profit after tax for the period attributable to ordinary equity holders of the Company by the weighted average number of ordinary shares outstanding during the period.		
As at	31 March 2025	31 March 2024
<u>Issued and fully paid:</u>		
Ordinary shares of \$ 100 each	100	100
The following table contains computations for basic and diluted earnings per share:		
		31 March 2025
Profit For the year		26,44,282
Weighted average number of ordinary shares for basic earnings per share		1,500
Basic and diluted Earnings per share		1,763
		31 March 2024
Loss For the year		(3,70,313)
Weighted average number of ordinary shares for basic earnings per share		1,500
Basic and diluted Earnings per share		(247)

SAREGAMA FZE
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Notes forming part of the standalone financial statements for the year ended March 31, 2025

18 Fair Value Measurement

The (FZE's) financial instruments are accounted for under the historical cost convention. Fair value represents the amount at which an asset could be exchanged or a liability settled between knowledgeable, willing parties in an arm's length transaction, therefore, differences can arise between values under historical cost method and fair value estimates. The fair value of the (FZE's) financial instruments is not materially different from carrying value at 31st March, 2025.

19 Financial Instruments

(a) Risk Management

The Company manages its capital to ensure that the Company will be able to continue as a going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance.

The capital structure of the Company consists of net debt (borrowings disclosed in note 9 after deducting cash and bank balances), and equity of the Company's parent, comprising issued capital and retained earnings as disclosed in notes 10 to 11. The Company is a trading company.

(b) Interest rate risk

Significant financial instruments, other assets and other liabilities of the (FZE) as at 31st March, 2025 are not interest based. The FZE has borrowing from its holding company with fixed rate of interest, accordingly FZE is not exposed to interest rate risk.

(c) Exchange rate risk

Since the main underlying currencies of the financial instruments, other assets, other liabilities and transactions including revenue, cost of revenue and expenses are in UAE Dirhams, the (FZE) is not exposed to a significant exchange rate risk.

(d) Credit rate risk

The FZE is exposed to credit rate risk due to cash and cash equivalents and trade receivables. The FZE has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults. Credit risks from balances with a bank is managed in accordance with the Company policy. For financial instruments, the FZE attempts to limit the credit risk by only dealing with reputable banks having high credit-ratings assigned by credit-rating agencies.

(e) Liquidity risk

The FZE is exposed to liquidity risk as it has borrowings from holding company, trade and other payables and due to related parties. The FZE manages liquidity risk by maintaining adequate reserves and by matching the maturity profiles of financial assets and liabilities.

(f) Market Risk

Market risk is the risk of any loss in future earnings, in realisable fair values or in future cash flows that may result from a change in the price of a financial instrument. The Company's activities expose it primarily to the financial risks of changes in foreign currency exchange rates and interest rates. The Company actively monitors and manages its currency and interest rate exposures and will use derivative instruments such as forward contracts and currency swaps to mitigate the risks from such exposures as required.

20 VAT Registration

The Company is in the process of obtaining registration as per the Federal Law number (8) of 2017.

SAREGAMA FZE

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21 Taxation

On December 9, 2022, the United Arab Emirates (UAE) Ministry of Finance (MOF) released Federal Decree-Law No 47 of 2022 on the taxation of Corporate and Business, Corporate Tax Law ("CT LAW") to enact a new CT regime in the UAE. The new CT regime has become effective for accounting periods beginning on or after June 1, 2023. The CT Law confirms the rate of 9% to be applied to taxable income exceeding a specified threshold.

As the Company's accounting year ends on March 31, accordingly, the effective implementation date for the Company shall start from April 01 2024 to March 31 2025, with the first return to be filled on or before December 31, 2025.

As per the Company's assessment, there is no deferred tax impact on account of the CT Law in the financial statements for the year ended March 31, 2025. The Company has assessed the possible impact of the CT Law, on the Company's financial statements, from current and deferred tax perspective, based on clarifications and guidance on the implementation of CT Law.

A. Amounts recognised in the Statement of Profit & Loss :

<u>Item</u>	<u>2025 AED</u>
Current income tax expense:	
Current income tax charge	2,24,435
Income tax expense reported in the Statement of Income	2,24,435

B. Reconciliation of effective tax rate:

<u>Item</u>	<u>2025 AED</u>
Profit before tax	28,68,717
Domestic tax (9%)	2,58,185
Tax effect of:	
Standard deduction	(33,750)
Total income tax expense	2,24,435

The Company was not subject to tax in the previous year, hence comparative figures have not been disclosed.

22 Statutory Reserves

In accordance with article 103 of UAE Federal Law No.32 of 2021, applicable to the company as per its memorandum of association, a transfer minimum of 5% of the net profit of the Company is required to be allocated every year subject to 50% of paid up share capital. Such transfers are required to be made until the balance of the statutory reserve equals one half of the Company's paid up share capital. The reserve is not available for distribution except as provided for in the UAE Federal Law. During the period April 1, 2024 to March 31, 2025, the Company transferred AED 132,214 (March 31, 2024, AED Nil) to the statutory reserve.

23 Events after the date of statement of financial position

There have been no material events occurring after the date of statement of financial position that require adjustments to, or disclosure in, the financial statements.

24 Contingencies and commitments

As at 31st March, 2025, the (FZE) had no contingencies and commitments.