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TRANSRAIL INTERNATIONAL FZE
SHARJAH

Financial statements
for the year ended March 31, 2026

TRANSRAIL INTERNATIONAL FZE
SHARJAH - UNITED ARAB EMIRATES

FINANCIAL STATEMENTS AS ON MARCH 31, 2026

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Independent Auditor's Report

To the shareholders of TRANSRAIL INTERNATIONAL FZE, HAMRIYAH FREE ZONE - SHARJAH

Report on the audit of financial statements

Opinion

We have audited the financial statements of Transrail International FZE, ("The Company"), which comprises the statement of financial position as at **March 31, 2026** and the statement of income, statement of cash flows and statement of changes in equity for the year then ended, and notes to the financial statements and a summary of material accounting policies and other explanatory information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the company as at **March 31, 2026** and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Basis for Opinion

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

Emphasis of Matter

We draw your attention to Note 2 of the financial statements wherein the managements has stated that as at March 31, 2026, the company had accumulated losses of AED 3.42 million (2025: AED 2.87 million), excess of current liabilities over current assets of AED 0.692 Million (2025: AED 0.471 Million), negative operating cashflows of AED 0.13 million (2025: AED 0.22 million) and negative net worth of AED 3.22 Million (March 31, 2025 : AED 2.67 Million). However, the financial statements of the Company have been prepared on a going concern basis. the Company's holding company has resolved to infuse additional share capital and confirm their continued support and ability to provide the necessary financial assistance for next 12 months from the date of these financial statements, to enable the Company to meet its obligations as and when they fall due and to continue as a going concern.

Our opinion is not modified in respect of this matter.

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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 IFRS, 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 company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so. Those charged with governance are responsible for overseeing the company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

a) Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risk, 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 the one resulting from error, as fraud may involve collusion, forgery, intentional omission, misrepresentations, or the override of internal control.

b) 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 internal control.

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

d) 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

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

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

f) Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the Company audit. We remain solely responsible for our audit opinion.

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.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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Independent Auditor's Report
To the shareholders of TRANSRAIL INTERNATIONAL FZE, HAMRIYAH FREE ZONE - SHARJAH

Report on other legal and regulatory requirements

Further, we report that:

- We have obtained all the information we considered necessary for the purposes of our audit;
- The financial statements have been prepared and comply, in all material respects, with the applicable provisions of the Memorandum of Association of the company;
- The company has maintained proper books of account;
- Note 9 reflects material related party transactions and the terms under which they were conducted;
- Based on the information that has been made available to us, nothing else has come to our attention, which causes us to believe that the company has contravened during the financial year end March 31, 2026 any of the applicable provisions of its Memorandum of Association which could materially affects its activities or its financial position as at March 31, 2026 and
- No social contributions were made during the year

For and on behalf of
CNK and Associates LLP – Dubai Branch

Akshay Thomas Sam
Partner
Registration No: 1313
Dubai, UAE
Date: May 11, 2026

P.O. Box: 114459
DUBAI - U.A.E
CNK AND ASSOCIATES LLP - DUBAI BRANCH

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TRANSRAIL INTERNATIONAL FZE
SHARJAH- UNITED ARAB EMIRATES

STANDALONE STATEMENT OF FINANCIAL POSITION AS AT MARCH 31, 2026
(Amount in Arab Emirates Dirhams)

	Notes	As at March 31, 2026	As at March 31, 2025
NON CURRENT ASSETS			
Property, Plant & Equipments		2,194	-
TOTAL NON CURRENT ASSETS		**2,194**	**-**
CURRENT ASSETS			
Cash and Cash Equivalents	6	206,764	174,583
Accounts and Other Receivables	7	77,412	35,123
Deposits, Prepayment and Advances	8	66,202	93,403
Due from Related Party	9	300,000	71,338
TOTAL CURRENT ASSETS		**650,378**	**374,447**
TOTAL ASSETS		**652,572**	**374,447**
SHAREHOLDERS' EQUITY			
Share Capital		200,000	200,000
Retained Earnings		(3,421,658)	(2,866,180)
TOTAL SHAREHOLDERS' EQUITY		**(3,221,658)**	**(2,666,180)**
NON CURRENT LIABILITIES			
Loan from Related Party	9	2,531,412	2,179,517
Employee End of Services Benefits	10	-	15,317
TOTAL NON CURRENT LIABILITES		**2,531,412**	**2,194,834**
CURRENT LIABILITIES			
Accounts and Other Payables	11	15,660	18,682
Loan from Related Party	9	-	183,074
Due to Related Parties	9	1,327,158	644,037
TOTAL CURRENT LIABILITIES		**1,342,818**	**845,793**
TOTAL LIABILITIES		**3,874,230**	**3,040,627**
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES		**652,572**	**374,447**

The accompanying notes form an integral part of these financial statements.
The report of the auditors is set out on page 1 to 4.

FOR TRANSRAIL INTERNATIONAL FZE

RAJESH NEELAKANTAN
DIRECTOR
DATE: 11/05/2026
PLACE: DUBAI

TRANSRAIL INTERNATIONAL FZE
SHARJAH- UNITED ARAB EMIRATES

STANDALONE STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED MARCH 31, 2026

(Amount in Arab Emirates Dirhams)

Particulars	Notes	For the year ended March 31, 2026	For the year ended March 31, 2025
Revenue	12	4,993,482	1,105,049
Less: Cost of revenue	13	(4,519,325)	(1,063,745)
GROSS PROFIT		**474,157**	**41,304**
EXPENSES			
Employee Benefit Expense	12	(629,176)	(502,488)
General and administrative expenses	13	(231,638)	(313,201)
Finance cost	14	(168,821)	(168,821)
TOTAL EXPENSES		**(1,029,635)**	**(984,510)**
NET PROFIT/(LOSS) BEFORE TAX FOR THE YEAR		**(555,478)**	**(943,206)**
Corporate Tax Expense		-	-
NET PROFIT /(LOSS) AFTER TAX FOR THE YEAR		**(555,478)**	**(943,206)**
Other Comprehensive Income		-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		**(555,478)**	**(943,206)**

The accompanying notes form an integral part of these financial statements.
The report of the auditors is set out on page 1 to 4.

FOR TRANSRAIL INTERNATIONAL FZE

RAJESH NEELAKANTAN
DIRECTOR
DATE: 11/05/2026
PLACE: DUBAI

TRANSRAIL INTERNATIONAL FZE
SHARJAH- UNITED ARAB EMIRATES

STANDALONE STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2026
(Amount in Arab Emirates Dirhams)

	For the year ended March 31, 2026	For the year ended March 31,
CASH FLOW FROM OPERATING ACTIVITIES		
Net profit for the year	(555,478)	(943,206)
Add: Employee End of Services Benefits	-	15,317
Add: Depreciation	6	
Add: Finance cost		
Operating cash flow before changes in net operating assets	**(555,472)**	**(927,889)**
(Increase) / Decrease in Current Assets		
Accounts and other receivables	(42,289)	(1,824)
Due from Related Parties	(228,662)	847,109
Deposits, prepayment and advances	27,201	(52,665)
Increase / (Decrease) in Current Liabilities & Provisions		
Accounts and other payables	(3,022)	(124,427)
Due to Related Parties	683,121	35,260
Changes in Employee's End of Service benefits	(15,317)	-
Net cash flow (used in) operating activities	**(134,440)**	**(224,436)**
CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Property, Plant and equipment	(2,200)	-
Net cash flow (used in) investing activities	(2,200)	-
CASH FLOW FROM FINANCING ACTIVITIES		
Loan from related party- Increase in loan and Movement of Interest	168,821	351,895
Net cash flow (used in) financing activities	**168,821**	**351,895**
Net increase (decrease) in cash and cash equivalents	**32,181**	**127,459**
Cash and cash equivalents at beginning of the year	174,583	47,124
CASH & CASH EQUIVALENT AT THE END OF THE YEAR	206,764	174,583

The accompanying notes form an integral part of these financial statements.
The report of the auditors is set out on page 1 to 4.

FOR TRANSRAIL INTERNATIONAL FZE

RAJESH NEELAKANTAN
DIRECTOR
DATE: 11/05/2026
PLACE: DUBAI

TRANSRAIL INTERNATIONAL FZE
SHARJAH- UNITED ARAB EMIRATES

TRANSRAIL INTERNATIONAL FZE
SHARJAH- UNITED ARAB EMIRATES

STANDALONE STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2026
(Amount in Arab Emirates Dirhams)

	Share Capital	Retained Earnings	Total
Balance as at April 1, 2024	**200,000**	**(1,922,974)**	**(1,722,974)**
Additions during the period	-	-	-
Net Profit /(Loss) for the period	-	(943,206)	**(943,206)**
Transfers during the period	-	-	-
Balance as at March 31, 2025	**200,000**	**(2,866,180)**	**(2,666,180)**
Balance as at April 1, 2025	**200,000**	**(2,866,180)**	**(2,666,180)**
Additions during the period			-
Net Profit /(Loss) for the period		(555,478)	(555,478)
Transfers during the period			-
Balance as at March 31, 2026	**200,000**	**(3,421,658)**	**(3,221,658)**

The accompanying notes form an integral part of these financial statements.
The report of the auditors is set out on page 1 to 4.

FOR TRANSRAIL INTERNATIONAL FZE

RAJESH NEELAKANTAN
DIRECTOR
DATE: 11/05/2026
PLACE: DUBAI

1 STATUS AND ACTIVITIES

M/s. Transrail international FZE is a Free zone entity registered with the Hamriyah Free zone authority, Government of Sharjah, vide Trade License No: 16598. The original license has been granted on December 4, 2017.The company is engaged in Import / Export / Trading of building materials, heavy equipments and machineries, solar energy systems and components.

The registered address of the company is P2-ELOB Office no. E 11-F06, Hamriyah free zone- Sharjah, United Arab Emirates, P.O. BOX: 42023. The Company is licensed to engage in the business of General trading.

The authorized, issued, subscribed and paid up capital of the company is AED 200,000 (Arab Emirates Dirhams Two Hundred Thousand only) divided into 200 shares of AED 1,000/- held by the shareholder as mentioned below:

Shareholders	No of Shares	Amount	%
Transrail Lighting Limited, India	200	200,000	100%
Total	**200**	**200,000**	**100%**

2 GOING CONCERN

As at March 31, 2026, the company had accumulated losses of AED 3.42 Million (March 31, 2025: 2.87 Million), excess of current liabilities over current assets of AED 0.69 Million (March 31, 2025 : AED 0.47), negative net worth of AED 3.22 Million (March 31, 2025 : AED 2.67 Million). However, the financial statements of the company have been prepared on a going concern basis. The Company's holding company has resolved to subscribe for additional share capital, which will substantially strengthen the Company's net worth and liquidity position. The shareholders have further reaffirmed their continued support and ability to provide the necessary financial assistance for next 12 months from the date of these financial statements, to enable the Company to meet its obligations as and when they fall due and to continue as a going concern.

3 APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (' IFRSs')

The accounting policies used in the preparation of these financial statements are consistent with those used in the previous year except for the changes due to implementation of the following new and revised International Financial Reporting Standards as of January 1, 2024:

3.1 Disclosure of Accounting Policies:

a. Amendments to IFRS 9 - Financial Instruments and IFRS 7 - Financial Instrument: Disclosures relating to the classification and measurement of financial instruments;-

1. Classification of the assessment of contractual cash flow characteristics (SPPI Test)
2. Guidance in financial instruments with contingent, ESG- linked or variable features;
3. Clarifications relating to derecognition and settlement of financial liabilities;
4. Enhanced disclosure requirements under IFRS 7

b. Annual Improvements to IFRS Accounting Standards- Volume 11, including amendments to IFRS 1, IFRS 7, IFRS 9, and IAS 7:-

The annual improvements introduce limited scope amendments intended to clarify wordings and remove inconsistencies within the following standards:

1. IFRS 1: First time Adoption - Not applicable
2. IFRS 7: Financial Instruments : Disclosures
3. IFRS 9: Financial Instruments'
4. IFRS 10: Consolidated financial statements; - Not applicable
5. IAS7: Statements of Cash flow

c. Amendments to IFRS 9 and IFRS 7- Contracts referencing Nature - dependent Electricity.

The Amendment includes disclosure requirement to reflect the effects of contracts referencing nature-dependent electricity on an entity's financial statements. However, the company does not have contracts that fall within scope of

3.2 New standards, amendments and interpretations not yet effective from January 1, 2026 and not early adopted.

	Effective for annual periods beginning on or after
IFRS 18 Presentation and Disclosures in Financial Statements	
The new standard, IFRS 18, replaces IAS 1 Presentation of Financial Statements while carrying forward many of the requirements in IAS 1.	January 1, 2027
IFRS 18 introduces new requirements to:	
• present specified categories and defined subtotals in the statement of profit or loss.	
• provide disclosures on management-defined performance measures (MPMs) in the notes to the financial statements.	
• improve aggregation and disaggregation.	
IFRS 18 requires retrospective application with specific transition provisions. An entity is required to apply IFRS 18 for annual reporting periods beginning on or after 1 January 2027 with earlier application permitted.	January 1, 2027
The Company is assessing the impact of IFRS 18 that will replace IAS 1 and is expected to significantly affect the presentation of the financial statement and related disclosures.	

3.2 New standards, amendments and interpretations not yet effective from January 1, 2026 and not early adopted (CONTINUE...)

IFRS 19 Subsidiaries without Public Accountability: Disclosures The new standard, IFRS 19 specifies the disclosure requirements an eligible subsidiary is permitted to apply instead of the disclosure requirements in other IFRS Accounting Standards. An entity is required to apply IFRS 19 for annual reporting periods beginning on or after 1 January 2027. Management is evaluating eligibility under IFRS 19 and potential disclosure simplifications.	January 1, 2027
IAS 21 Translation to a Hyperinflationary Presentation Currency Introduction to translation requirements for entities translating their financial statements, or the results and financial position of a foreign operation, from a functional currency that is the currency of a non-hyperinflationary economy to a presentation currency that is the currency of a hyperinflationary economy.	January 1, 2027

4 MATERIAL ACCOUNTING POLICIES

4.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statement have been prepared in accordance with International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) and interpretations issued by the International Financial Reporting Interpretations Committee (IFRIC) that are relevant to the operations of the company.

4.2 ACCOUNTING CONVENTION

The financial statements have been prepared under the historical cost convention and under accrual system of accounting. The accounting policies have been consistently applied by the establishment during the period under review.

4.3 ROPERTY PLANT AND EQUIPMENTS

Property. Plant and Equipments are stated at cost less accumulated depreciation and impairment losses, if any. Cost includes expenditures that are directly attributable to the acquisition of the asset. Depreciation is recognized in the profit and loss account on a straight line basis over the estimated useful lives of the assets. The estimated useful lives of the assets are as under:

Asset Class	**Years**
Computer and equipments	3

4.4 ACCOUNTS & OTHER RECEIVABLES

Receivables are stated at their normal value as reduced by appropriate allowances for estimated irrecoverable amounts.
The management undertakes a periodic review of the amount recoverable from Accounts & other receivables and determines recoverability based on various factors such as ageing of receivables, payment history, collateral available & other knowledge about the receivables.

4.5 ACCOUNTS & OTHER PAYABLES

Payables are stated at nominal amounts payable for goods or services rendered.

4.6 PROVISIONS

Provisions are recognized when the company has a present obligation as a result of past event & it is probable that the outflow of resources will be required to settle the obligation.

4.7 EMPLOYEES TERMINAL BENEFITS

Provision is made for end of service benefits (gratuity) payable to employees in accordance with UAE Labor Law and is based on current

remuneration and cumulative period of service at the end of the reporting period, subject to completion of a minimum service year.

4.8 FOREIGN CURRENCY

Functional and presentation currency :
Financial statements are presented in UAE Dirham (AED) which is company's functional & presentation currency.
Transaction and balances :
Transactions in foreign currencies are translated into the functional currency using the exchange rates prevailing at the transaction dates. Monetary assets and liabilities expressed in foreign currencies at the reporting date are translated at rates of exchange ruling at the reporting date. Exchange differences arising in these are dealt with the statement of comprehensive income.

4.9 CASH AND CASH EQUIVALENTS

For the purpose of statement of cash flow, cash and cash equivalents include cash on hand, bank current accounts and fixed deposits with banks.

4.10 VALUE ADDED TAX

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

• When the VAT incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the VAT is recognized as part of the cost of acquisition of the asset or as part of the expense item, as applicable; and/or

• When receivables and payables, amounts 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 duties and taxes as part of accounts and other payables and receivables in statement of financial position.

4.11 CRITICAL ACCOUNTING JUDGEMENTS & KEY SOURCES OF ESTIMATION UNCERTAINTY

The preparation of financial statements in conformity with IFRS requires management to make judgments, estimates & assumptions that affect the application of accounting policies & the carrying amounts of assets, liabilities, income & expenses. The estimates & associated assumptions are based on historical experience and other factors that are considered to be relevant and reasonable under the
Estimates & underlying assumptions are reviewed on a going basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised, if the revision affects only that period, or in the period of revision and future periods if the revision affects both current & future periods.

4.12 CORPORATE TAX

On 9 December 2022, the UAE Ministry of Finance released Federal Decree-Law No. 47 of 2022 on the Taxation of Corporations and Businesses (Corporate Tax Law or the Law) to enact a Federal Corporate Tax ("CT") regime in the UAE. The CT regime is effective from to a company whose financial year starts from on or after June 1, 2023.

A business in UAE will be subject to a 9% tax rate or a possible higher rate as may be published in the future for the taxable income exceeding AED 375,000. There are other possible reliefs and/or exemptions that could be availed depending on locational presence and/or operations of the business in the UAE. During the year, the Company have tax losses against taxable profits in accordance with the UAE Corporate Tax Law. Hence, the company has not created the corporate tax provision during the year.

4.13 DEFERRED TAX

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.
Deferred tax liabilities are recognised for taxable temporary differences.
Deferred tax assets are recognised for deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.
The recognition of deferred tax asset and liability is subject to specific exceptions, based on the nature of the company's transactions.
The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.
Deferred tax assets and liabilities are measured **at the tax rates** that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

5 PROPERTY, PLANT & EQUIPMENTS

	Computer & Software	Total
Asset cost		
As on April 01, 2025	-	-
Add: Additions during the year	2,200	2,200
Less: Disposal/ write off during the year		-
As at March 31, 2026	**2,200**	**2,200**
Accumulated Depreciation		
As on April 01, 2025	-	-
Add: Depreciation during the year	6	6
Less: Disposal/ write back during the year	-	-
As at March 31, 2026	**6**	**6**
Net book value		
As on March 31, 2026	**2,194**	**2,194**

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026
(Amount in Arab Emirates Dirhams)

6 CASH AND CASH EQUIVALENTS	As at March 31, 2026	As at March 31, 2025
Cash in hand	-	-
Cash at bank	206,764	174,583
Closing Balance	206,764	174,583

7 ACCOUNTS AND OTHER RECEIVABLES	As at March 31, 2026	As at March 31, 2025
Duties and Taxes	77,412	35,123
Closing Balance	77,412	35,123

8 DEPOSITS, PREPAYMENT AND ADVANCES	As at March 31, 2026	As at March 31, 2025
Deposits	25,595	25,595
Prepayments	40,607	55,126
Advances	-	12,682
Closing Balance	66,202	93,403

9 RELATED PARTY TRANSACTIONS

Related parties include key management personnel, joint ventures, directors and entities which are controlled directly or indirectly by the management over which they exercise significant management influence. Account balances between the entity and its related parties are The Company enters into transactions with other companies that fall within the definition of a related party contained in IAS 24. Such transactions are in the normal course of business and are repayable on demand. Related parties comprise of companies under the common ownership and/or common management control, and Manager.

a) Balances with the Related Parties

DUE FROM RELATED PARTIES	Services received/ provided	Nature of relationship	As at March 31, 2026	As at March 31, 2025
Transrail Trading LLC *(Formerly known as Transrail Contracting LLC)*	Reimbursement of Expense	Entity under common ownership	-	44,728
Nilesh Ganesh More	Advance to staff	Manager	300,000	26,610
Closing Balance			300,000	71,338

DUE TO RELATED PARTIES	Services received/ provided	Nature of relationship	As at March 31, 2026	As at March 31, 2025
Transrail Lighting Limited, Afghanistan (Advance Received)	Advance received	Entity under common ownership	159,008	159,008
Transrail Lighting Limited	Towards Purchase of Goods	Parent Company	732,660	-
Transrail Lighting Limited, India - Reimbursements	On behalf payments made by Parent Co.	Parent company	435,490	485,029
Closing Balance			1,327,158	644,037

9 RELATED PARTY TRANSACTIONS (CONTINUE...)

During the period the Company entered into the following transactions with the related parties:

Name of the related party	Services received/ provided	Nature of relationship	For the year ended March 31, 2026	For the year ended March 31, 2025
Transrail Lighting Limited, India	Interest on loan	Parent Company	168,821	168,821
Transrail Lighting Limited, India	Purchase	Parent Company	4,519,325	1,063,745
Transrail Lighting Limited, India	Reimbursements of Expenses	Parent Company	49,539	35,260
Transrail Trading LLC (formerly known as Transrail Contracting LLC)	Reimbursements of Expenses	Company under common control	386,086	297,228
Transrail Structures America Inc.	Consultancy Expenses	Company under common control	-	215,046
Nilesh More	Salary and other benefits	Manager	612,326	501,704
Nilesh More	Reimbursements of Expenses	Manager	263,762	26,610
Total			5,999,859	2,308,414

LOAN FROM RELATED PARTY	Nature of relationship	As at March 31, 2026	As at March 31, 2025
Transrail Lighting Limited - India	Parent Company	1,688,200	1,688,200
Transrail Lighting Limited, India - Interest Accrued Payable	Parent Company	660,138	491,317
Transrail Lighting Limited -Tanzania*	Branch of Parent Company	183,074	183,074
Closing Balance		2,531,412	2,362,591

The Company has obtained an unsecured loan from its parent company, Transrail Lighting Limited, bearing an interest rate of 10% per annum. As per the original loan agreement dated March 21, 2022, and its latest amendment dated January 8, 2024, the loan along with the accrued interest was repayable by March 31, 2026.

However, pursuant to a further addendum to the loan agreement dated March 15, 2025, the tenure of the loan, along with the accrued interest, has been extended by an additional 25 months. Accordingly, the revised repayment date for the loan and accrued interest is now April 30, 2028.

As a result of this extension, the outstanding loan balance and related accrued interest continue to be classified as long-term liabilities in the financial statements.

* An interest free unsecured loan has been obtained from Transrail Lighting Limited - Tanzania, Branch of parent company. The loan was provided under a loan agreement dated November 25, 2024. As per the terms of the agreement, the loan is repayable within six months from the date of receipt. As per the addendum to the loan agreement dated April 05, 2025 the borrower has extended the tenure and the loan is repayable on December 31, 2025.

Pursuant to the loan agreement entered into on November 25, 2024 , the tenure of the loan was initially extended by a period of 12 months in accordance with an addendum dated December 31, 2025, thereby revising the repayment date to December 31, 2026.

Subsequently, in accordance with a further addendum dated March 5, 2026, the tenure of the loan was extended by an additional 24 months, resulting in a revised repayment date of December 31, 2028, which is the contractual maturity date as at the reporting date.

Accordingly, the loan, which was classified as a current liability in the previous year, has been classified as a non-current liability as at the reporting date.

10 EMPLOYEE END OF SERVICE BENEFITS

	As at March 31, 2026	As at March 31, 2025
Opening Balance	15,317	-
Add: Provision during the year	14,602	15,317
Less: Paid during the year	(29,919)	
Closing Balance	-	15,317

*as on March 31, 2026, no employees had completed one year of service as at the reporting date. Accordingly, no provision has been recognized for the year.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026
(Amount in Arab Emirates Dirhams)

11 ACCOUNTS AND OTHER PAYABLES	As at March 31, 2026	As at March 31, 2025
Other Payable	9,660	-
Salary Payable	-	-
Provision for Expenses	6,000	18,682
Closing Balance	**15,660**	**18,682**

12 REVENUE	For the year ended March 31, 2026	For the year ended March 31, 2025
Sales-Conductor	4,993,482	1,105,049
Total	**4,993,482**	**1,105,049**

13 COST OF REVENUE	For the year ended March 31, 2026	For the year ended March 31, 2025
Purchase -Conductor	4,519,325	1,063,745

14 EMPLOYEE BENEFIT EXPENSE	For the year ended March 31, 2026	For the year ended March 31, 2025
Salary and other employee Expenses	612,326	501,704
Employee Insurance*	16,850	784
Total	**629,176**	**502,488**

* Refer Note no 7 for related Party Transactions

15 GENERAL AND ADMINISTRATIVE EXPENSES	For the year ended March 31, 2026	For the year ended March 31, 2025
Consultancy Expenses	-	215,046
Rent and License Fees	32,112	33,325
Legal & Professional Fees	63,472	34,374
Depreciation	6	-
Visa Expense	12,607	-
Travel and Accommodation Expenses	60,149	-
Fines and penalties	1,743	-
Commission & Brokerage	16,079	-
General Expenses	17,202	22,842
Audit Fees	-	-
Foreign Exchange Loss	27,347	2,844
Recruitment Expenses	-	219
Bank Charges	921	4,551
Total	**231,638**	**313,201**

16 FINANCE COST	For the year ended March 31, 2026	For the year ended March 31, 2025
Interest on loan	168,821	168,821
Total	**168,821**	**168,821**

17 FINANCIAL INSTRUMENTS

Financial instruments mean Financial Assets, Financial Liabilities and Equity Instruments. Financial Assets of the establishment include Cash and cash equivalents, Accounts and other receivables and due from related parties. Financial Liabilities includes Accounts and other payables and due to related parties and loan from related parties.

The management believes that the fair value of the Financial Assets and Liabilities are not significantly different from their carrying amounts at balance sheet date.

The main risk arising from the company financial instruments are Currency Risk, Credit Risk and Interest Rate Risk.

Financial Instruments by category	**As at March 31, 2026**	**As at March 31, 2025**
Financial Assets		
Cash and Cash Equivalents	206,764	174,583
Accounts and Other Receivables	77,412	35,123
Security Deposit Others	25,595	25,595
Due from related parties	300,000	71,338
Financial Liabilities		
Accounts and Other Payables	15,660	18,682
Due to Related Parties	1,327,158	644,037
Loan from Related Party	2,531,412	2,362,591

15 FINANCIAL INSTRUMENTS (CONTINUE...)

a. Currency Risk

Currency risk is the risk that the value of financial instruments will fluctuate due to changes in foreign exchange rates. The company is exposed to currency risk as the transactions are denominated in United States Dollars and Indian rupees which is then translated to UAE

Currency Risk Management

In respect of other monetary assets and liabilities denominated in foreign currencies, the company ensures that its net exposure is kept to an acceptable level by buying and selling foreign currencies at spot rate when necessary to address short term imbalances.

b. Credit Risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. Financial Assets, which potentially expose the establishment to credit risk, comprise mainly of bank accounts and accounts

Credit Risk Management

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

c. Interest Rate Risk

The company does not have any short term or long term borrowings from banks or other financial institutions during the year. However, the company has loans from related party at fixed 10% interest per annum and hence interest rate risk is present.

Interest Rate Risk Management

The company have loans with related parties. However, the interest rate is fixed and not subject to any modification due to inflation. Hence, Interest rate risk is not significant.

18 SIGNIFICANT EVENTS OCCURRING AFTER THE BALANCE SHEET DATE

There are no significant events occurring after balance sheet date, which require disclosure in the financial statements.

19 CORPORATE TAX

On 9 December 2022, the UAE Ministry of Finance released Federal Decree-Law No. 47 of 2022 on the Taxation of Corporations and Businesses (Corporate Tax Law or the Law) to enact a Federal Corporate Tax ("CT") regime in the UAE. The CT regime is effective from to a company whose financial year starts from on or after June 1, 2023.

A business in UAE will be subject to a 9% tax rate or a possible higher rate as may be published in the future for the taxable income exceeding AED 375,000. There are other possible reliefs and/or exemptions that could be availed depending on locational presence and/or operations of the business in the UAE. Since the company has loss for the period, the provisions towards corporate tax is not made.

TRANSRAIL INTERNATIONAL FZE
SHARJAH- UNITED ARAB EMIRATES

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026
(Amount in Arab Emirates Dirhams)

19 PREVIOUS PERIOD FIGURES

Comparative period for the previous period have been regrouped and reclassified, wherever necessary to confirm the current period presentation.

20 GEOPOLITICAL IMPACT

Since early March 2026, geopolitical tensions in the Middle East due to conflict have increased economic uncertainty, with potential impacts on regional markets such as supply chain disruptions, inflationary pressures etc.

Based on management assessment, these developments are considered as non-adjusting events, and no adjustments have been made to the financial statements. Management continues to monitor the situation; however, the financial impact, if any, cannot be reliably estimated at this stage.

21 ROUNDING OFF

The figures in these financial statements have been rounded to the nearest UAE Dirham.

The accompanying notes form an integral part of these financial statements.
The report of the auditors is set out on page 1 to 4.

FOR TRANSRAIL INTERNATIONAL FZE

RAJESH NEELAKANTAN
DIRECTOR
DATE: 11/05/2026
PLACE: DUBAI