

FLUID ENERGY LIMITED
TRANSLATED VERSION OF BALANCE SHEET AS AT MARCH 31, 2023

Particulars	Note No	(Amount in CAD)	(Amount in INR)
		As at March 31, 2023	As at March 31, 2023
I. ASSETS			
(1) Non-Current Assets			
(a) Property, Plant and Equipment	2	10,07,687	6,11,16,131
(b) Goodwill	3	43,95,582	26,65,92,048
(c) Other Intangible Assets	3	46,11,682	27,96,98,519
(d) Deferred Tax Assets (Net)	4	28,967	17,56,849
Total Non Current Assets		1,00,43,918	60,91,63,547
(2) Current Assets			
(a) Inventories	5	1,23,05,272	74,63,14,747
(b) Financial Assets			
(i) Trade Receivables	6	1,43,30,645	86,91,53,619
(ii) Cash and Cash Equivalents	7	61,59,481	37,35,72,523
(c) Other Current Assets	8	14,78,434	8,96,67,022
Total Current Assets		3,42,73,832	2,07,87,07,911
TOTAL ASSETS		4,43,17,750	2,68,78,71,457
II. EQUITY AND LIABILITIES			
Equity			
(a) Equity Share Capital	9	3,21,36,218	1,95,42,09,844
(b) Other Equity	10	35,90,956	21,26,43,179
Total Equity		3,57,27,174	2,16,68,53,023
Liabilities			
Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	11	45,36,864	27,51,60,802
(ii) Trade Payables			
Total Outstanding Dues of Micro Enterprises and Small Enterprises	12	-	-
Total Outstanding Dues of Creditors other than Micro Enterprises and Small Enterprises	12	29,88,177	18,12,32,935
(b) Other Current Liabilities	13	1,564	94,857
(c) Current Tax Liabilities	14	10,63,971	6,45,29,841
Total Current Liabilities		85,90,576	52,10,18,434
TOTAL EQUITY AND LIABILITIES		4,43,17,750	2,68,78,71,457

The accompanying notes form an integral part of the Translated version of Financial Statements.

For Manian & Rao
Chartered Accountants
Firm Registration No - 001983S

Paresh Daga
Partner
Membership No. 211468

Date : November 14, 2024



For and on behalf of the Board of Directors

Steve Franklin, Director

Chad Leier

Chad Leier, Director

Date : November 14, 2024

FLUID ENERGY LIMITED
TRANSLATED VERSION OF STATEMENT OF PROFIT AND LOSS FOR THE PERIOD ENDED MARCH 31, 2023

Sr. No	Particulars	Note No	(Amount in CAD)		(Amount in INR)	
			For the period ended from January 04, 2023 to March 31, 2023	For the period ended from January 04, 2023 to March 31, 2023	For the period ended from January 04, 2023 to March 31, 2023	For the period ended from January 04, 2023 to March 31, 2023
I	INCOME					
	Revenue From Operations (Net)	15	1,94,42,428		1,18,07,40,597	
	Other Income		-			
II	TOTAL INCOME		1,94,42,428		1,18,07,40,597	
III	EXPENSES					
	Cost of Sales (Net of changes in inventory)	16	1,11,92,300		67,97,09,498	
	Employee Benefit Expense	17	13,44,536		8,16,53,806	
	Finance Costs	18	2,264		1,37,493	
	Depreciation And Amortisation Expense	19	2,67,853		1,62,66,739	
	Other Expenses	20	20,09,515		12,20,38,047	
	TOTAL EXPENSES		1,48,16,468		89,98,05,583	
IV	Profit Before Exceptional Items And Tax		46,25,960		28,09,35,014	
V	Exceptional Items	21	-		-	
VI	Profit Before Tax		46,25,960		28,09,35,014	
VII	Tax Expenses :					
	1) Current Tax	21	10,63,971		6,46,15,065	
	2) Deferred Tax	21	(28,967)		(17,59,169)	
VIII	Profit For The Year		35,90,956		21,80,79,118	
IX	OTHER COMPREHENSIVE INCOME					
	(i) Items That Will Not Be Reclassified To Profit and Loss Account					
	Remeasurement of Defined Benefit Plan		-		-	
	Income Tax Relating to Items that will not be Reclassified to Profit or Loss		-		-	
	(ii) Items That Will Be Reclassified To Profit and Loss Account					
	Effective Portion of Losses/(Gains) on Hedging Instruments in Cash Flow Hedges		-		-	
	Income Tax Relating to Items that will be Reclassified to Profit and Loss		-		-	
	Exchange differences on translation of foreign operations				(54,35,938)	
X	Total Comprehensive Income For The Year		35,90,956		21,26,43,179	
	Earning Per Equity Share having no par value					
	Basic And Diluted	22	359.06		21,262.19	

The accompanying notes form an integral part of the Translated version of Financial Statements.

For Manian & Rao
Chartered Accountants
Firm Registration No - 001983S

Paresh Daga
Partner
Membership No. 211468

Date : November 14, 2024



For and on behalf of the Board of Directors

Steve Franklin, Director

Chad Leier, Director

Date : November 14, 2024

FLUID ENERGY LIMITED
TRANSLATED VERSION OF STATEMENT OF CHANGE IN EQUITY FOR THE PERIOD ENDED MARCH 31, 2023

A Equity share capital (Amount in CAD)


Particulars	As at March 31, 2023	
	No. of Share	Amount
Balance at the beginning of the period	-	-
Changes in Equity Share Capital during the period	10,001	3,21,36,218
Balance at the end of the period	10,001	3,21,36,218

Particulars	(Amount in INR) As at March 31, 2023	
	No. of Share	Amount
Balance at the beginning of the period	-	-
Changes in Equity Share Capital during the period	10,001	1,95,42,09,844
Balance at the end of the period	10,001	1,95,42,09,844

B Other Equity (Amount in CAD) (Amount in INR)

Particulars	Other equity (Amount in CAD)			Other equity (Amount in INR)		
	Reserves and Surplus			Reserves and Surplus		
	Retained Earnings / Surplus	Foreign Currency Translation Reserve	Total Equity	Retained Earnings / Surplus	Foreign Currency Translation Reserve	Total Equity
Balance as on Jan 04, 2023	-	-	-	-	-	-
Add: Profit for the period	35,90,956	-	35,90,956	21,80,79,118	-	21,80,79,118
Add/(Less): Changes in Fair Value during the period	-	-	-	-	-	-
Add: Other comprehensive income	-	-	-	-	(54,35,938)	(54,35,938)
Balance as on March 31, 2023	35,90,956	-	35,90,956	21,80,79,118	(54,35,938)	21,26,43,179



For Manian & Rao
Chartered Accountants
Firm Registration No - 001983S


Paresh Daga
Partner
Membership No. 211468

Date : November 14, 2024



For and on behalf of the Board of Directors


Steve Franklin, Director

Chad Leier, Director

Date : November 14, 2024

FLUID ENERGY LIMITED

NOTES FORMING PART OF THE TRANSLATED VERSION OF FINANCIAL STATEMENTS FOR THE PERIOD ENDED MARCH 31, 2023

1 GENERAL INFORMATION

A COMPANY OVERVIEW

Background

Dorf Ketel Chemicals Ltd was incorporated on December 15, 2022, under the laws of the Province of Alberta to purchase all of the outstanding shares of erstwhile Fluid Energy Ltd. ("EFEL") for \$32,136,218/- on January 4, 2023. EFEL was a wholly owned subsidiary of Dorf Ketel Chemicals Ltd incorporated under the laws of the Province of Alberta, Canada on May 20, 2022. Dorf Ketel Chemicals FZE is the parent company of Dorf Ketel Chemicals Ltd and is incorporated under the laws of the United Arab Emirates.

FEL provides chemicals and services through contract manufacturing for use in the stimulation of oil and gas wells, water treatment, food and beverage, construction and coating, and transportation.

B BASIS OF PREPARATION

a These Financial Statements (herein referred to as The Translated version of financial statements) is prepared from the Special Purpose financial statements audited by other auditor to comply with ICDR regulations for the purpose of the proposed Indian Public Offer (IPO) of the Ultimate Holding company Dorf Ketel Chemicals India Limited. These financial statements have been translated from the functional currency i.e., Canadian Dollar (CAD) to Indian Rupees.

For this purpose, assets and liabilities have been translated using exchange rates prevailing on the balance sheet date. Statement of profit and loss has been translated using average exchange rates. Translation adjustments have been reported as foreign currency translation reserve in the

b The Translated version of financial statements have been prepared under the historical cost convention except for the certain financial instruments, which are measured at fair values as at each reporting period, as explained in the accounting policies below.

c Operating Cycle

All the assets and liabilities have been classified as current or non-current, wherever applicable, as per the operating cycle of the Company, which is upto 12 months.

1.1 MATERIAL ACCOUNTING POLICIES

a Fair Value Measurement

The Company measures certain financial instruments at fair value at each reporting date. Certain accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities. 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 in the principal or, in its absence, the most advantageous market to which The Company has access at that date.

While measuring the fair value of an asset or liability, the company uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation technique as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the assets or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the assets or liability that are not based on observable market data (unobservable inputs).

When quoted price in active market for an instrument is available, the company measures the fair value of the instrument using that price. A market is regarded as active if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

If there is no quoted price in an active market, then the company uses a valuation technique that maximises the use of relevant observable inputs and minimises the use of unobservable inputs. The chosen valuation technique incorporates all of the factors that market participants would take into account in pricing a transaction.

The company regularly reviews significant unobservable inputs and valuation adjustments. If the third party information, such as broker quotes or pricing services, is used to measure fair values, then the company assesses the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which the valuations should be classified.

Above levels of fair values are applied consistently and generally, there are no transfers between the levels of fair value hierarchy unless the circumstances change warranting such transfer.



FLUID ENERGY LIMITED

NOTES FORMING PART OF THE TRANSLATED VERSION OF FINANCIAL STATEMENTS FOR THE PERIOD ENDED MARCH 31, 2023

b Use of Judgment and Estimates

The preparation of the company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenue, expenses, assets, liabilities and the accompanying disclosures along with contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require material adjustments to the carrying amount of assets or liabilities affected in future periods. The company continually evaluates these estimates and assumptions based on the most recently available information.

In particular, information about significant areas of estimates and judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements are as below:

- i. Estimates of Useful lives and residual value of Property, Plant & Equipment and Intangible Assets
- ii. Valuation of Inventories
- iii. Assets/Liabilities acquired in Business Combinations

c Business Combination

The accounting of business combination is done as per local generally accepted accounting principles using pushdown accounting. As per local accounting standards, reporting entities have the option to apply pushdown accounting when they are acquired by another party (i.e., upon a change-in-control event). For purposes of pushdown accounting, a change-in-control event is one in which an acquirer obtains control of a company.

Pushdown accounting results in higher net assets for the acquired company on the acquisition date because the assets and liabilities are "stepped-up" to fair value and goodwill is recognized in the books of acquired company.

Hence, Goodwill arising in a scheme of acquisition is accounted as per local generally accepted accounting policies in the books of the company (acquired entity).

1.2 SIGNIFICANT ACCOUNTING POLICIES

a Property, Plant and Equipment Recognition and Measurement

Property, Plant and Equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price and directly attributable cost of bringing the asset to its working condition for the intended use.

Subsequent expenditure related to an item of Property, Plant and Equipment is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing Property, Plant and Equipment including day-to-day repair and maintenance expenditure and cost of replacing parts are charged to the statement of profit and loss for the period during which such expenses are incurred.

Gains or losses arising from de-recognition of Property Plant and Equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

Depreciation

Depreciation on Property Plant and Equipment is provided on a pro-rata basis on Straight Line Method (SLM). In case of assets where the useful life was determined based on technical advice, the estimate of the useful life of the assets has been based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes. The useful lives of the various assets under Property, Plant and Equipment range as follows:

- Plant and Machinery - 5 years
- Furniture and Fixtures - 5 years
- Computers - 3 years
- Leasehold Improvements - Terms of Lease

The residual values are not more than 5% of the original cost of the asset. The assets' residual values, useful lives and depreciation method are reviewed, and adjusted if appropriate, at the end of each reporting period. If expectations differ from previous estimates, the change is accounted for as a change in accounting estimate on a prospective basis.

b Intangible Asset

Intangible assets other than Goodwill are carried at cost net of accumulated amortization and accumulated impairment losses, if any. Expenditure on internally generated intangibles, excluding development costs, are not capitalised and is reflected in Statement of Profit and Loss in the period in which the expenditure is incurred. Development costs are capitalised if, and only if, technical and commercial feasibility of the project is demonstrated, future economic benefits are probable, the company has an intention and ability to complete and use or sell the asset and the costs can be measured reliably.



FLUID ENERGY LIMITED**NOTES FORMING PART OF THE TRANSLATED VERSION OF FINANCIAL STATEMENTS FOR THE PERIOD ENDED MARCH 31, 2023****i. Customer Relationships**

Separately acquired customer relationships are shown at historical cost. Customer relationships acquired in a business combination are recognised at fair value at the acquisition date. They have a finite useful life and are subsequently carried at cost less accumulated amortisation and

ii. Software

Software is amortised over a period of 5 years on straight line basis.

iv. Amortisation methods and periods

Asset Category	Useful Life
Customer Relationships	10 Years
Software	5 Years

c Financial Assets and Investments**i) Classification**

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

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those 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.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

ii) Initial Recognition and Measurement

At initial recognition, in the case of a financial asset measured at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of such financial asset are expensed in the statement of profit or loss. In other cases, the transaction cost is attributed to the acquisition value of the financial asset.

iii) Subsequent Measurement**Debt Instruments**

Subsequent measurement of debt instruments depends on the company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the company classifies its debt instruments:

• **Amortised Cost**

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

• **Fair Value Through Other Comprehensive Income(FVOCI)**

Assets that are held for collection of contractual cash flows and for selling, where the assets cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/ (losses). Interest income from these financial assets is included in other income using the effective interest rate

• **Fair Value Through Profit and Loss**

Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. Such financial assets are measured at fair value with all changes in fair value, including interest income and dividend income if any, recognised as 'Other Income' in the Statement of Profit and Loss.

Equity Instruments

The Company subsequently measures all equity investments except for Investments in equity instruments of Subsidiaries, Associates & Joint ventures at fair value. Where the company's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss. Dividends from such investments are recognised in the statement of profit or loss as Other Income when the company's right to receive payments is established.

Changes in the fair value of financial assets measured at fair value through profit or loss are recognised in Other Income in the statement of profit and loss. Investments in equity instruments of Subsidiaries, Associates & Joint ventures is recognised at Cost and reviewed for impairment at each reporting date.



iv) Impairment of Financial Assets

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

Note 23 details how the company determines whether there has been a significant increase in credit risk.

For trade receivables, the Company applies the simplified approach permitted by Ind AS 109 "Expected Credit Loss" model of Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

v) De-recognition of financial assets

A financial asset is derecognised only when the Company has transferred the rights to receive cash flows from the financial asset or retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset and the Company has not retained control of the financial asset. In such cases, the financial asset is derecognised.

d Financial Liabilities

i) Classification

The Company classifies its financial liabilities in the following measurement categories:

- those to be measured subsequently at fair value through profit or loss, and
- those measured at amortised cost.

ii) Measurement

Initial Recognition

Financial liabilities are initially recognised when the company becomes a party to the contractual provisions of the instrument. Financial liability is initially measured at fair value and for an item not at fair value through profit and loss, transaction costs are directly attributed to its acquisition or issue.

Subsequent Measurement

Subsequent measurement is determined with reference to the classification of the respective financial liabilities.

• Financial Liabilities at Fair Value through Profit or Loss (FVTPL)

A financial liability is classified as at Fair Value through Profit or Loss (FVTPL) if it is classified as held for-trading or is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and changes therein, including any interest expense, are recognised in Statement of Profit and Loss.

• Amortised Cost

After initial recognition, financial liabilities other than those which are classified as FVTPL are subsequently measured at amortized cost using the Effective Interest Rate(EIR) method. Amortised cost is calculated by taking into account any discount or premium and fees or costs that are an integral part of the EIR. The amortization done using the EIR method is included as finance costs in the Statement of Profit and Loss.

iii) De-recognition of Financial Liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability.

The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

e Offsetting Financial Instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where 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. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of The Company or the counterparty.

f Trade Receivables

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business and reflects group's unconditional right to consideration (that is, payment is due only on the passage of time). Trade receivables are recognised initially at the transaction price as they do not contain significant financing components.



g Inventories

Items of inventories are measured at lower of cost and Net Realisable Value after providing for obsolescence, if any. Cost of manufactured inventory comprises of cost of conversion and manufacturing overheads incurred in bringing them to their respective present location and condition. Cost is determined on a first in first out (FIFO) basis

h Cash and Cash Equivalent

Cash and Cash Equivalent includes cash at bank, cash, cheques/draft on hand and demand deposits with an original maturity of less than 3 months, which are subject to an insignificant risk of changes in value. The Company considers all highly liquid investments with a remaining maturity at the date of purchase of three months or less and which are readily convertible into known amounts of cash to be cash equivalents.

i Revenue Recognition

i) Revenue from Sale of Products

Revenue is recognised using the following five step model specified in Ind AS 115

Step 1: Identify contracts with customers

Step 2: Identify performance obligations contained in the contracts

Step 3: Determine the transaction price

Step 4: Allocate the transaction price to the performance obligations

Step 5: Recognize revenue when the performance obligation is satisfied The performance obligations arising from sale of products with Company's customers are satisfied at a point in time.

The Company applies the practical expedient for shortterm advances received from customers. That is, the promised amount of consideration is not adjusted for the effects of a significant financing component if the period between the transfer of the promised good or service and the payment is one year or less.

Sales of products and services are recognised on satisfaction of performance obligation based on the agreed terms which coincides with the transfer of control of the goods. Control of the goods is transferred when the customer has the ability to direct the use of the asset and obtain substantially all of the remaining benefits from the goods.

Sales are net of returns, trade discounts, rebates, sales tax and goods and service tax (GST), as applicable.

ii) Interest

Interest income from financial assets at fair value through profit or loss is disclosed as interest income within other income. Interest income on financial assets at amortised cost and financial assets at FVOCI is calculated using the effective interest method is recognised in the statement of profit and loss as part of other income.

Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset except for financial assets that subsequently become credit-impaired. For creditimpaired financial assets the effective interest rate is applied to the net carrying amount of the financial asset (after deduction of the loss allowance).

iii) Royalty

Royalty income is recognized on an accrual basis in accordance with the substance of the relevant agreement.

j Income Taxes

The income tax expense for the period is the tax payable on the current period's taxable income based on the applicable income tax rate, adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

i) Current Tax

Income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the end of reporting period.

Current tax items are recognised in correlation to the underlying transaction either in the Statement of Profit and Loss, other comprehensive income or directly in equity.

ii) Deferred Taxes

Deferred tax is provided using the Balance Sheet method on all taxable temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.



FLUID ENERGY LIMITED**NOTES FORMING PART OF THE TRANSLATED VERSION OF FINANCIAL STATEMENTS FOR THE PERIOD ENDED MARCH 31, 2023**

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, deferred tax liabilities are not materialised if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled. Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax liabilities are not recognized for temporary differences between the carrying amount and tax bases of investments in subsidiaries, branches and associates and interest in joint arrangements where The Company is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets are not utilized for temporary differences between the carrying amount and tax bases of investments in subsidiaries, branches and associates and interest in joint arrangements where it is not probable that the differences will reverse in the foreseeable future and taxable profit will not be available against which the temporary difference can be utilized. Deferred tax assets and liabilities are offset where there is a legally enforceable right to offset current tax assets and liabilities and where the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

k Earnings per Share

Basic earnings per share are calculated by dividing the profit or loss for the period attributable to equity shareholders (after deducting preference dividends, if any, and attributable taxes) by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effect of all dilutive potential equity shares.

l Trade and other payables

These amounts represent liabilities for goods and services provided to The Company prior to the end of the financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

m Provisions, Contingent Liabilities and Capital Commitments**Provisions**

Provisions are recognized when there is a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The expenses relating to a provision is presented in the Statement of Profit and Loss net of reimbursements, if any.

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 recognized as a finance cost.

Contingent Liabilities

Contingent liabilities are possible obligations whose existence will only be confirmed by future events not wholly within the control of the Company, or present obligations where it is either not probable that an outflow of resources will be required or the amount of the obligation cannot be measured with sufficient reliability.

A contingent asset is not recognised but disclosed in the financial statements where an inflow of economic benefit is probable.

n Transactions in Foreign Currency

Transactions in foreign currency are recorded at exchange rates prevailing on the date of the transaction. Monetary assets and liabilities denominated in foreign currency, remaining unsettled at the period end are translated at closing rates. The difference in translation of monetary assets and liabilities and realised gains and losses on foreign currency transactions are recognised in the Statement of Profit and Loss. Non-monetary items that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction.

o Borrowing Costs

Borrowing costs consist of interest and other costs incurred in connection with the borrowing of funds. It also include exchange differences to the extent regarded as an adjustment to the borrowing costs.



FLUID ENERGY LIMITED

NOTES FORMING PART OF THE TRANSLATED VERSION OF FINANCIAL STATEMENTS FOR THE PERIOD ENDED MARCH 31, 2023

Borrowing costs that are attributable to the acquisition or construction of qualifying assets (i.e. an asset that necessarily takes a substantial period of time to get ready for its intended use) are capitalized as a part of the cost of such assets. All other borrowing costs are charged to the Statement of Profit and Loss.

Investment Income earned on the temporary investment of funds of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.



FLUID ENERGY LIMITED

NOTES FORMING PART OF THE TRANSLATED VERSION OF FINANCIAL STATEMENTS FOR THE PERIOD ENDED MARCH 31, 2023

2 Property, Plant & Equipments

(Amount in CAD)

Particulars	Leasehold Improvements	Plant and Equipment's	Furnitures & Fixtures	Computers	Total
Gross Block					
Opening Balance as at Jan 04, 2023	-	-	-	-	-
Additions on Business Acquisitions	1,38,077	7,02,024	1,87,989	64,482	10,92,571
Additions	-	51,431	-	2,120	53,551
Disposals/Capitalised	-	-	-	-	-
Balance as at March 31, 2023	1,38,077	7,53,454	1,87,989	66,602	11,46,122
Accumulated Depreciation					
Opening Balance as at Jan 04, 2023	-	-	-	-	-
Additions	26,625	72,761	25,446	13,605	1,38,436
Disposals	-	-	-	-	-
Balance as at March 31, 2023	26,625	72,761	25,446	13,605	1,38,436
Net Carrying Amount					
Balance as at Jan 04, 2023	-	-	-	-	-
Balance as at March 31, 2023	1,11,452	6,80,693	1,62,543	52,997	10,07,687

(Amount in INR)

Particulars	Leasehold Improvements	Plant and Equipment's	Furnitures & Fixtures	Computers	Total
Gross Block					
Opening Balance as at Jan 04, 2023	-	-	-	-	-
Additions on Business Acquisitions	83,85,431	4,26,33,965	1,14,16,583	39,15,992	6,63,51,970
Additions	-	31,23,391	-	1,28,748	32,52,139
Disposals/Capitalised 2078707910.8	-	-	-	-	-
Translation exchange difference	(11,060)	(60,352)	(15,058)	(5,335)	(91,804)
Balance as at March 31, 2023	83,74,371	4,56,97,004	1,14,01,525	40,39,405	6,95,12,304
Accumulated Depreciation					
Opening Balance as at Jan 04, 2023	-	-	-	-	-
Additions	16,16,921	44,18,800	15,45,316	8,26,225	84,07,262
Disposals	-	-	-	-	-
Translation exchange difference	(2,133)	(5,828)	(2,038)	(1,090)	(11,089)
Balance as at March 31, 2023	16,14,789	44,12,972	15,43,277	8,25,135	83,96,173
Net Carrying Amount					
Balance as at Jan 04, 2023	-	-	-	-	-
Balance as at March 31, 2023	67,59,582	4,12,84,032	98,58,248	32,14,269	6,11,16,131



FLUID ENERGY LIMITED

NOTES FORMING PART OF THE TRANSLATED VERSION OF FINANCIAL STATEMENTS FOR THE PERIOD ENDED MARCH 31, 2023

3 Goodwill and Other Intangible Assets

(Amount in CAD)

Particulars	Goodwill (incl Goodwill on Account of Merger & Acquisitions) (A)	Other Intangibles		Total (B+C)
		Customer Relationships (B)	Software's (C)	
Gross Carrying Amount				
Opening Balance as at Jan 04, 2023	-	-	-	-
Additions on Business Acquisitions	43,95,582	46,46,836	94,263	47,41,099
Additions	-	-	-	-
Disposals	-	-	-	-
Balance as at March 31, 2023	43,95,582	46,46,836	94,263	47,41,099
Accumulated Amortisation				
Opening Balance as at Jan 04, 2023	-	-	-	-
Additions	-	1,16,019	13,398	1,29,417
Disposals	-	-	-	-
Balance as at March 31, 2023	-	1,16,019	13,398	1,29,417
Net Carrying Amount				
Balance as at Jan 04, 2023	-	-	-	-
Balance as at March 31, 2023	43,95,582	45,30,817	80,865	46,11,682

(Amount in INR)

Particulars	Goodwill (incl Goodwill on Account of Merger & Acquisitions) (A)	Other Intangibles		Total (B+C)
		Customer Relationships (B)	Software's (C)	
Gross Carrying Amount				
Opening Balance as at Jan 04, 2023	-	-	-	-
Additions on Business Acquisitions	26,69,44,134	28,22,02,815	57,24,577	28,79,27,391
Additions	-	-	-	-
Disposals	-	-	-	-
Translation exchange difference	(3,52,086)	(3,72,212)	(7,550)	(3,79,762)
Balance as at March 31, 2023	26,65,92,048	28,18,30,603	57,17,026	28,75,47,629
Accumulated Amortisation				
Opening Balance as at Jan 04, 2023	-	-	-	-
Additions	-	70,45,845	8,13,632	78,59,477
Disposals	-	-	-	-
Translation exchange difference	-	(9,293)	(1,073)	(10,366)
Balance as at March 31, 2023	-	70,36,552	8,12,558	78,49,111
Net Carrying Amount				
Balance as at Jan 04, 2023	-	-	-	-
Balance as at March 31, 2023	26,65,92,048	27,47,94,051	49,04,468	27,96,98,519



FLUID ENERGY LIMITED

NOTES FORMING PART OF THE TRANSLATED VERSION OF FINANCIAL STATEMENTS FOR THE PERIOD ENDED MARCH 31, 2023

4 Deferred Tax Assets - Net

Particulars	(Amount in CAD)	(Amount in INR)
	As at March 31, 2023	As at March 31, 2023
Opening Balance	-	-
Deferred Tax Asset created during the year	28,967	17,59,169
Translation exchange difference		(2,320)
Closing Balance	28,967	17,56,849
Total	28,967	17,56,849

Particulars	As at	As at
	March 31, 2023	March 31, 2023
Deferred tax (liabilities)/assets recognised in relation to :		
Opening Balance	-	-
Depreciation Property, plant and equipment	21,843	13,24,771
Exchange Loss on Revaluation	7,124	4,32,078
Total	28,967	17,56,849

5 Current Asset - Inventories

Particulars	As at	As at
	March 31, 2023	March 31, 2023
(At Cost or Net Realisable Value whichever is lower)		
(a) Raw Materials	96,97,060	58,81,26,689
(b) Finished Goods	26,08,212	15,81,88,058
Total	1,23,05,272	74,63,14,747

6 Current Financial Assets - Trade Receivables

Particulars	As at	As at
	March 31, 2023	March 31, 2023
(a) Considered good - Unsecured*	1,43,30,645	86,91,53,619
Less: Allowance as per Expected Credit Loss Model	-	-
Total	1,43,30,645	86,91,53,619

*Refer Note 24 for details regarding ageing of Trade Receivables

7 Current Financial Assets - Cash & Cash Equivalents

Particulars	As at	As at
	March 31, 2023	March 31, 2023
(a) Cash on Hand	-	-
(b) Balance with Banks		
(i) In Current Account	55,50,715	33,66,50,865
(ii) In Foreign Currency Account	6,08,766	3,69,21,658
Total	61,59,481	37,35,72,523

8 Current Assets - Others

Particulars	As at	As at
	March 31, 2023	March 31, 2023
(a) Others		
(i) Prepaid Expenses	13,94,512	8,45,77,153
(ii) Balance with government authorities	83,922	50,89,869
Total	14,78,434	8,96,67,022



FLUID ENERGY LIMITED
 NOTES FORMING PART OF THE TRANSLATED VERSION OF FINANCIAL STATEMENTS FOR THE PERIOD ENDED MARCH 31, 2023

9 Equity Share Capital

Particulars	(Amount in CAD)	(Amount in INR)
	As at March 31, 2023	As at March 31, 2023
Ordinary Share Capital		
10,001 ordinary shares having no par value	3,21,36,218	1,95,42,09,844
Total	3,21,36,218	1,95,42,09,844

9.1 Reconciliation of the shares outstanding at the beginning and at the end of the year

Particulars	As at March 31, 2023
Ordinary Shares at the beginning of the year	-
Add/(Less) : Ordinary Shares issued during the year	10,001
Equity Shares at the end of the year	10,001

9.2 Details of Major Shareholding in the Company

Particulars	As at March 31, 2023	% of Holding
Dorf Ketal Chemicals Ltd, Canada	10,001	100
Equity Shares at the end of the year	10,001	100

10 Other Equity

Particulars	As at March 31, 2023	As at March 31, 2023
(a) Retained Earnings/Surplus		
Opening balance	-	
Add: Profit for the period	35,90,956	21,80,79,118
	(A) 35,90,956	21,80,79,118
(b) Foreign currency translation reserve		
Opening balance	-	-
During the period	-	(54,35,938)
		(54,35,938)
Total	35,90,956	21,26,43,179

11 Current Financial Liabilities - Borrowings

Particulars	As at March 31, 2023	As at March 31, 2023
Unsecured Loans		
- From Group Companies* (Refer Note 26)	45,36,864	27,51,60,802
Total	45,36,864	27,51,60,802

*The loan agreement is non-interest bearing and payable on demand.



FLUID ENERGY LIMITED
NOTES FORMING PART OF THE TRANSLATED VERSION OF FINANCIAL STATEMENTS FOR THE PERIOD ENDED MARCH 31, 2023

12 Current Financial Liability - Trade Payables

Particulars	As at March 31, 2023	As at March 31, 2023
Total Outstanding Dues of Micro Enterprises and Small Enterprises	-	-
Total Outstanding Dues of Creditors other than Micro Enterprises and Small Enterprises	29,88,177	18,12,32,935
Total	29,88,177	18,12,32,935

Ageing for trade payable – current outstanding as at March 31, 2023

(Amount in CAD)

Particular	Outstanding for the following periods from due date of payment					Total
	Not Due	upto 1 Year	1-2 Year	2-3 Years	More than 3 Years	
(i) Undisputed Trade Payables	6,53,140	23,35,037	-	-	-	29,88,177
(ii) Disputed Trade Payables	-	-	-	-	-	-
	6,53,140	23,35,037	-	-	-	29,88,177

(Amount in INR)

Particular	Outstanding for the following periods from due date of payment					Total
	Not Due	upto 1 Year	1-2 Year	2-3 Years	More than 3 Years	
(i) Undisputed Trade Payables	3,96,12,941	14,16,19,994	-	-	-	18,12,32,935
(ii) Disputed Trade Payables	-	-	-	-	-	-
	3,96,12,941	14,16,19,994	-	-	-	18,12,32,935

13 Current Liabilities - Other

Particulars	As at March 31, 2023	As at March 31, 2023
Statutory Dues	1,564	94,857
Total	1,564	94,857

14 Current Tax Liabilities

Particulars	As at March 31, 2023	As at March 31, 2023
Provision for Income Tax	10,63,971	6,45,29,841
Total	10,63,971	6,45,29,841



FLUID ENERGY LIMITED

NOTES FORMING PART OF THE TRANSLATED VERSION OF FINANCIAL STATEMENTS FOR THE PERIOD ENDED MARCH 31, 2023

15 Revenue from Operations

Particulars	(Amount in CAD)	(Amount in INR)
	For the period ended from January 04, 2023 to March 31, 2023	For the period ended from January 04, 2023 to March 31, 2023
(a) Sale of Products		
Domestic	59,88,021	36,36,53,109
Export	97,58,634	59,26,42,824
(b) Other Operating Income		
Royalty Income	36,95,773	22,44,44,664
Total	1,94,42,428	1,18,07,40,597

16 Cost of Sales

Particulars	For the period ended from January 04, 2023 to March 31, 2023	For the period ended from January 04, 2023 to March 31, 2023
Cost of Sales (Net of changes in inventory)	1,11,92,300	67,97,09,498
Total	1,11,92,300	67,97,09,498

17 Employee Benefit Expenses

Particulars	For the period ended from January 04, 2023 to March 31, 2023	For the period ended from January 04, 2023 to March 31, 2023
Salaries and Wages	13,19,884	8,01,56,687
Contribution to Provident and Other Funds	24,652	14,97,118
Total	13,44,536	8,16,53,806

18 Finance Costs

Particulars	For the period ended from January 04, 2023 to March 31, 2023	For the period ended from January 04, 2023 to March 31, 2023
Other Borrowing Costs		
Bank Charges	2,264	1,37,493
Total	2,264	1,37,493

19 Depreciation and Amortisation

Particulars	For the period ended from January 04, 2023 to March 31, 2023	For the period ended from January 04, 2023 to March 31, 2023
Depreciation on Property, Plant & Equipment	1,38,436	84,07,262
Amortisation on Intangibles	1,29,417	78,59,477
Total	2,67,853	1,62,66,739



FLUID ENERGY LIMITED

NOTES FORMING PART OF THE TRANSLATED VERSION OF FINANCIAL STATEMENTS FOR THE PERIOD ENDED MARCH 31, 2023

20 Other Expenses

Particulars	(Amount in CAD)	(Amount in INR)
	For the period ended from January 04, 2023 to March 31, 2023	For the period ended from January 04, 2023 to March 31, 2023
Stores and Consumables	2,04,035	1,23,91,066
Power, Fuel and Water Charges	61,538	37,37,209
Labour Cost	2,619	1,59,052
Repairs-		
Plant and Machinery	33,081	20,09,012
Rent	1,24,261	75,46,383
Communication Cost	1,137	69,050
Conveyance and Travelling	29,598	17,97,489
Legal and Professional	3,61,535	2,19,56,057
Insurance	81,386	49,42,580
Office & Other Admin Expenses	86,085	52,27,951
Exchange Difference (net)	40,545	24,62,302
Acquisition Related Costs	8,37,589	5,08,66,864
Selling & Advertising Expense	33,037	20,06,340
Commission	3,156	1,91,664
Freight Outward	21,777	13,22,519
Research & Development	50,628	30,74,644
Miscellaneous Expenses	37,508	22,77,865
Total	20,09,515	12,20,38,047

21 Taxation

Particulars	For the period ended from January 04, 2023 to March 31, 2023	For the period ended from January 04, 2023 to March 31, 2023
Current Tax	10,63,971	6,46,15,065
Deferred Tax	(28,967)	(17,59,169)
Total	10,35,004	6,28,55,896

22 Earnings Per Share (EPS)

There are no potential equity shares and hence the basic and diluted EPS are the same.

Earnings per share is calculated by dividing the profit attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year, as under:

Particulars	For the period ended from January 04, 2023 to March 31, 2023
(a) Profit for the year attributable to Equity Share Holders	35,90,956
(b) Weighted average number of ordinary shares outstanding during the year	10,001
(c) Basic and Diluted earnings per share (in \$) {(a)/(b)}	359.06

Particulars	For the period ended from January 04, 2023 to March 31, 2023
(a) Profit for the year attributable to Equity Share Holders	21,26,43,179
(b) Weighted average number of ordinary shares outstanding during the year	10,001
(c) Basic and Diluted earnings per share (in ₹) {(a)/(b)}	21,262.19



FLUID ENERGY LIMITED**NOTES FORMING PART OF THE TRANSLATED VERSION OF FINANCIAL STATEMENTS FOR THE PERIOD ENDED MARCH 31, 2023****23 Capital Management**

The Company's policy is to maintain a strong capital base so as to ensure that the Company is able to continue as going concern to sustain future development of the business. The Company monitors the return on capital as well as the level of dividends to ordinary shareholders at regular interval.

Its guiding principles are:

- i) Maintenance of financial strength to ensure the highest ratings;
- ii) Ensure financial flexibility and diversify sources of financing;
- iii) Manage Company exposure in forex to mitigate risks to earnings;
- iv) Leverage optimally in order to maximise shareholders returns while maintaining strength and flexibility of the Balance Sheet.

The policy is also adjusted based on underlying macro-economic factors affecting business environment, financial and market conditions.

The Capital gearing ratio (%) or Debt to Equity Ratio at the end of the reporting period are as under:

Particulars	(Amount in CAD)	(Amount in INR)
	As at March 31, 2023	As at March 31, 2023
Total Borrowings	45,36,864	27,51,60,802
Less: Cash and bank balances	61,59,481	37,35,72,523
Net debts	(16,22,617)	(9,84,11,721)
Total equity	3,57,27,174	2,16,68,53,023
Capital gearing ratio (%) or Debt to equity Ratio	-4.54%	-4.54%



FLUID ENERGY LIMITED
NOTES FORMING PART OF THE TRANSLATED VERSION OF FINANCIAL STATEMENTS FOR THE PERIOD ENDED MARCH 31, 2023

24 Fair value measurement hierarchy:

Particulars	(Amount in CAD)					(Amount in INR)				
	Carrying Amount	As at March 31, 2023			Carrying Amount	As at March 31, 2023				
		Level of input used in				Level of input used in				
		Level 1	Level 2	Level 3		Level 1	Level 2	Level 3		
(a) Financial Assets										
(i) At Amortised Cost										
- Trade receivables	1,43,30,645	-	-	-	86,91,53,619					
- Cash and cash equivalents	61,59,481	-	-	-	37,35,72,523					
(b) Financial Liabilities										
(i) At Amortised Cost										
- Borrowings (Non current)	45,36,864				27,51,60,802					
- Trade Payables	29,88,177				18,12,32,935					

The financial instruments are categorised into three levels based on the inputs used to arrive at fair value measurements as described below:

- i) **Level 1:** Level 1 hierarchy includes financial instruments measured using quoted prices.
- ii) **Level 2:** The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2. In the case of the mutual funds are valued using the closing NAV. In the case of Derivative contracts, the Company has valued the same using the forward exchange rate as at the reporting date.
- iii) **Level 3:** If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities included in level 3.



FLUID ENERGY LIMITED

NOTES FORMING PART OF THE TRANSLATED VERSION OF FINANCIAL STATEMENTS FOR THE PERIOD ENDED MARCH 31, 2023

25 Financial risk management

Risk management framework

The Company's activities expose it to a variety of financial risks, including market risk, credit risk and liquidity risk. The Company's risk management assessment and policies and processes are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls, and to monitor such risks and compliance with the same. Risk assessment and management policies and processes are reviewed regularly to reflect changes in market conditions and the Company's activities.

The Company's principal financial liabilities, comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations.

The Company's principal financial assets include trade and other receivables, and cash and cash equivalents that derive directly from its operations.

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

- A) Credit risk;
- B) Liquidity risk;
- C) Market risk; and

A. Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers, loans investment in debt securities and other financial assets. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. The Company establishes an allowance for doubtful trade receivables and impairment that represents its estimate of incurred losses in respect of trade and other receivables and investments.

The maximum exposure to credit risk in case of all the financial instruments covered below is restricted to their respective carrying amount.

(i) Trade and other receivables

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer and including the default risk of the industry, also has an influence on credit risk assessment.

The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis through each reporting period. To assess whether there is a significant increase in credit risk the Company compares the risk of default occurring on asset as at the reporting date with the risk of default as at the date of initial recognition. It considers reasonable and supportive forward-looking information such as:

- i) Actual or expected significant adverse changes in business;
- ii) Actual or expected significant changes in the operating results of the counterparty;
- iii) Financial or economic conditions that are expected to cause a significant change to the counterparty's ability to meet its obligations;
- iv) Significant increase in credit risk on other financial instruments of the same counterparty;
- v) Significant changes in the value of the collateral supporting the obligation or in the quality of the third-party guarantees or credit enhancements.

Financial assets are written off when there is no reasonable expectations of recovery, such as a debtor failing to engage in a repayment plan with the Company. Where loans or receivables have been written off, the Company continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognized as income in the statement of profit and loss.

The Company measures the expected credit loss of trade receivables based on historical trend, industry practices and the business environment in which the entity operates. Loss rates are based on actual credit loss experience and past trends.

Financial Assets are considered to be of good quality and there is no significant increase in credit risk.



FLUID ENERGY LIMITED

NOTES FORMING PART OF THE TRANSLATED VERSION OF FINANCIAL STATEMENTS FOR THE PERIOD ENDED MARCH 31, 2023

Ageing for trade receivables – current outstanding as at March 31, 2023

(Amount in CAD)

Particulars	Outstanding for Following Period from Due Date of Payment						
	Note Due	Less than 6 months	6 months- 1 year	1-2 Year	2-3 Years	More than 3 Years	Total
(i)Undisputed Trade Receivables- Considered Good	-	1,43,30,645	-	-	-	-	1,43,30,645
(ii) Undisputed Trade Receivables- which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivable- credit impaired	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables- considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables- which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables- credit Impaired	-	-	-	-	-	-	-
Less : Allowances for ECL	-	1,43,30,645	-	-	-	-	1,43,30,645
Net Trade Receivable	-	1,43,30,645	-	-	-	-	1,43,30,645

(Amount in INR)

Particulars	Outstanding for Following Period from Due Date of Payment						
	Note Due	Less than 6 months	6 months- 1 year	1-2 Year	2-3 Years	More than 3 Years	Total
(i)Undisputed Trade Receivables- Considered Good	-	86,91,53,619	-	-	-	-	86,91,53,619
(ii) Undisputed Trade Receivables- which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivable- credit impaired	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables- considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables- which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables- credit Impaired	-	-	-	-	-	-	-
Less : Allowances for ECL	-	86,91,53,619	-	-	-	-	86,91,53,619
Net Trade Receivable	-	86,91,53,619	-	-	-	-	86,91,53,619

(ii) Cash and cash equivalents

The Company held Cash and Cash Equivalents of CAD 6,159,481/- (INR 373,572,523) as at March 31, 2023 . The Cash and Cash Equivalents comprises of Cash on Hand and Banks Balances.

The Company does not expect any losses from non-performance by these counter-parties.



FLUID ENERGY LIMITED**NOTES FORMING PART OF THE TRANSLATED VERSION OF FINANCIAL STATEMENTS FOR THE PERIOD ENDED MARCH 31, 2023****B. Liquidity Risk**

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The responsibility for liquidity risk management rests with the Board of Directors, which has established an appropriate liquidity risk management framework for the management of the Company's short-term, medium-term and long-term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

The following are the remaining contractual maturities of Non - Derivative Liabilities at the reporting date. The amounts are gross and undiscounted and include estimated interest payments as and where applicable-

Exposure to liquidity risk

Particulars	(Amount in CAD)			(Amount in INR)		
	As at March 31, 2023			As at March 31, 2023		
	Carrying Amount	Contractual cash flows		Carrying Amount	Contractual cash flows	
Upto 1 year		> 1 year	Upto 1 year		> 1 year	
(A) Non Derivative Financial Liabilities						
(a) Current Borrowings	45,36,864	45,36,864	-	27,51,60,802	27,51,60,802	
(b) Trade Payables	29,88,177	29,88,177	-	18,12,32,935	18,12,32,935	
(A)	75,25,041	75,25,041	-	45,63,93,737	45,63,93,737	



FLUID ENERGY LIMITED
NOTES FORMING PART OF THE TRANSLATED VERSION OF FINANCIAL STATEMENTS FOR THE PERIOD ENDED MARCH 31, 2023

C. Market Risk

Market Risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices such as foreign exchange rates, interest rates and equity prices. Market risk comprises three types of risk: Currency risk, Interest rate risk and price risk. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising returns.

(a) Currency Risk

Currency risk arises from fluctuations in foreign exchange rates and their degree of volatility. The Company is exposed to foreign currency fluctuations as its operational currency is Canadian dollars and proceeds from some revenue are denominated in U.S. Dollars, Euros and Norwegian Krone. As well, some of the Company's expenditures are incurred in foreign currencies which result in some offset of exposure to the impact of fluctuating foreign exchange rates. The Company does not hedge its exposure to foreign currency risk.

(b) Interest Rate Risk

Interest rate risk is the risk that the value of a financial instrument might be adversely affected by a change in the interest rates. Changes in market interest rates may have an effect on the cash flows associated with some financial assets and liabilities, known as cash flow risk, and on the fair value of other financial assets or liabilities, known as price risk. As at March 31, 2023, The Company is exposed to interest rate risk on its floating rate loans and borrowings with a related party.

(c) Price Risk

FEL is not directly exposed to commodity price risk as it does not have any contracts which are directly based on commodity prices. However, a change in commodity prices, specifically petroleum and natural gas prices, could have an impact on oil and gas production levels and could therefore affect the demand for FEL's services the impact of which cannot be estimated in the financial statements.

Particulars of unhedged foreign currency exposure as at the respective reporting dates -

The carrying amounts of the Company's foreign currency dominated monetary assets and monetary liabilities at the end of the reporting period are as follows:

Particulars	As at March 31, 2023		As at March 31, 2023	
	Amount in FC *	Amount in CAD	Amount in FC *	Amount in INR
(a) Trade Payables				
USD	1,14,559	1,55,142	1,14,559	94,09,354
GBP	3,076	5,145	3,076	3,12,014
DKK	46,000	9,095	46,000	5,51,618
NOK	8,31,201	1,08,031	8,31,201	65,52,092
(b) Export Trade Receivables				
USD	75,76,591	1,02,60,598	75,76,591	62,23,05,251
EUR	16,714	24,618	16,714	14,93,072
NOK	4,52,745	58,843	4,52,745	35,68,845

* FC - Foreign Currency

Foreign Currency Sensitivity:

A reasonably possible strengthening / (weakening) of the Canadian Dollar (CAD) against foreign currencies as at March 31, 2023 would have affected the measurement of financial instruments denominated in CAD and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

	Currency	Profit or Loss (CAD)		Profit or Loss (INR)	
		Strengthening	Weakening	Strengthening	Weakening
As at March 31, 2023					
5% Movement	All Currencies	5,03,332	(5,03,332)	3,05,27,105	(3,05,27,105)



FLUID ENERGY LIMITED
NOTES FORMING PART OF THE TRANSLATED VERSION OF FINANCIAL STATEMENTS FOR THE PERIOD ENDED MARCH 31, 2023

26 Related party disclosures

(i) Name of Related Party and the nature of Relationship	
(a) Parent Company Dorf Ketal Chemicals Ltd., Canada	
(b) Immediate Parent Company Dorf Ketal Chemicals FZE	
(c) Ultimate Parent Company Dorf-Ketal Chemicals India Limited (formerly known as Dorf-Ketal Chemicals India Private Limited)	
(d) Fellow Subsidiaries Dorf Ketal Brasil LTDA Dorf Ketal Energy Services LTD., Canada Dorf Ketal Energy Services LLC., USA Fluid USA Inc., USA	
(e) Key Managerial Personnel (KMP) Chad Leier Steve Franklin	CEO CFO

(ii) Transactions with Related Parties	(Amount in INR)	
	-	
Particulars	For the period ended from January 04, 2023 to March 31, 2023	For the period ended from January 04, 2023 to March 31, 2023
(a) Parent Company		
Unsecured Loans Received / Repaid (Net)	45,36,864	27,55,24,204
Equity Infusion	3,21,36,218	1,95,16,35,733
(b) Key Managerial Personnel (KMP)		
Remuneration	6,00,076	3,64,42,686

Transactions carried out with related parties referred in (i) above, in ordinary course of business

(iii) Balance Outstanding of Related Parties		
Particulars	As at March 31, 2023	As at March 31, 2023
(a) Parent Company		
Equity Infusion	3,21,36,218	1,94,90,61,622
Unsecured Loans taken	45,36,864	27,51,60,802



27 Tax Expense

(a) Amounts recognised in profit and loss

Particulars	(Amount in CAD)	(Amount in INR)
	For the year ended March 31, 2023	For the year ended March 31, 2023
Current tax expense (A)		
Current year (incl adjustment of MAT Credit if any)	10,63,971	6,46,15,065
Short/(Excess) provision of earlier years	-	-
Deferred tax expense (B)		
Origination and reversal of temporary differences	(28,967)	(17,59,169)
Tax expense recognised in the income statement (A+B)	10,35,004	6,28,55,896

(c) Reconciliation of effective tax rate

Particulars	For the period ended from January 04, 2023 to March 31, 2023		For the period ended from January 04, 2023 to March 31, 2023	
	%	Amounts	%	Amounts
	Profit before tax		46,25,960	
Tax using the Company's domestic tax rate	23.00	10,63,971	23.00	6,46,15,053
Tax effect of:				
Difference in CCA claim and amortization	-0.47	(21,843)	-0.47	-13,26,509
Non-deductible Expenses	-0.15	(7,124)	-0.15	-4,32,647
Effective income tax rate	22.37	10,35,004	22.37	6,28,55,897



FLUID ENERGY LIMITED
NOTES FORMING PART OF THE TRANSLATED VERSION OF FINANCIAL STATEMENTS FOR THE PERIOD ENDED MARCH 31,
2023

28 Contingent liabilities and commitments

The Company may be subject to claims and litigation arising in the normal course of its business. The Company is not aware of any claims or proceedings and believes that any potential claims proceedings arising in the normal course of its business will not have a material, adverse effect on its financial position, results of operations or cash flows.

The Company's customer concentration may impact its overall credit risk, either positively or negatively, in that these entities may be similarly affected by changes in economic or other conditions affecting the chemicals industry.

29 Business Combination

On January 4, 2023, Dorf Ketal Chemicals Ltd acquired 100% of the shares of FEL for cash consideration of \$32,136,218/- (₹ 1,954,209,844/-)

The determination of the fair values of net identifiable assets required management to make assumptions about market conditions and future estimated cash flows. The surplus of consideration transferred over the fair value of net identifiable assets is recorded as goodwill. Goodwill results from the Company's ability to leverage an existing workforce, utilize established facilities and fully implemented processes. The operating results and corresponding cash flows and earnings related to the acquisition were included in FEL's financial statements from the day after the closing date of January 4, 2023. Estimated fair values of the assets acquired and liabilities are as follows:

	(Amount in CAD)	(Amount in INR)
	04/01/2023	04/01/2023
Cash consideration of Fluid Energy Limited	3,21,36,218	1,95,42,09,844
Allocated as:		
Working capital (net of cash)	2,19,47,678	1,33,46,42,684
Equipment	11,46,122	6,96,95,913
Customer relationships	46,46,836	28,25,75,027
Goodwill	43,95,582	26,72,96,221
Total identifiable net assets acquired (net of cash)	3,21,36,218	1,95,42,09,844

Transaction costs related to the business combination of \$8,37,589/- (₹ 5,08,66,864/-) were expensed in the statement of Profit & Loss and include amounts paid as retention bonuses to employees who transferred to FEL and paid to various legal firms for transaction services.

30 Segment Information:

Business Segment:

The Company has only one identifiable Business Segment i.e. Chemicals.

Geographic Segment:

The analysis of geographical segment is based on the geographical location of the customers.


Particulars	(Amount in CAD)	(Amount in INR)
	For the period ended from January 04, 2023 to March 31, 2023	For the period ended from January 04, 2023 to March 31, 2023
Revenue from Domestic Market	59,88,021	36,36,53,109
Revenue from Overseas Market	97,58,634	59,26,42,824
Total	1,57,46,655	95,62,95,933

Note - The Company has common assets for producing goods for Domestic markets and Overseas Markets. Hence, separate figures for assets and liabilities as per geographical segment can not be furnished.

31 Subsequent Events

Dorf Ketal Chemicals Ltd, Canada has merged with Fluid Energy Limited, Canada as on 01-01-2024 and have retained the name of the latter company. As of result of which Dorf Ketal Chemicals FZE has become the parent company for Fluid Energy Limited, Canada.

For Manian & Rao
Chartered Accountants
Firm Registration No - 001983S

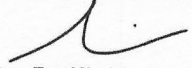
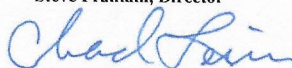

Paresh Daga
Partner

Membership No. 211468

Date : November 14, 2024



For and on behalf of the Board of Directors


Steve Franklin, Director

Chad Leier, Director

Date : November 14, 2024