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**Sona Global Limited**  
**Financial Statements**  
**March 31, 2022**

**Sona Global Limited**  
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**March 31, 2022**

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## Sona Global Limited

### Directors' Report

Year Ended March 31, 2022

The Directors hereby present their annual report together with the audited financial statements of Sona Global Limited ("the Company") for the year ended March 31, 2022.

#### Financial Results

	Figures in AED	
	2022	2021
Revenue	192,000	192,000
Loss for the year	(14)	(13,949)
Net worth	7,069,488	7,069,502
Net current asset	69,079	70,405
Current ratio	5.75:1	6.33:1

#### Board of Directors

During the year there were no changes in the composition of the Board of Directors of the Company.


#### Auditors

M/s Affiniax A A S Auditors, will retire at the conclusion of the meeting, having expressed their willingness to continue in office and are eligible for re-appointment.

#### Other Matters

At the end of this report the Board of Directors are not aware of any circumstances not otherwise dealt with in this report or the accounts, which would render any amount stated in the accounts misleading.

#### On behalf of the Board of Directors



Director  
Dubai  
May 27, 2022



# AFFINIAX A A S AUDITORS

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## Independent Auditor's Report

### The Shareholder of Sona Global Limited

#### Opinion

We have audited the financial statements of Sona Global Limited, ("the Company"), which comprise of the statement of financial position as at March 31, 2022 and the statement of comprehensive income, statement of changes in equity, statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements, present fairly, in all material respects, the financial position of Sona Global Limited as at March 31, 2022, and of its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards for Small and Medium-sized Entities.

#### 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), and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Responsibility of the Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards for Small and Medium-sized Entities 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.

#### 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.

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**Auditor's Responsibilities for the Audit of the Financial Statements (Continued)**

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risks of not detecting a material misstatement resulting from fraud is higher than for one resulting from error as fraud may involve collusion, forgery, intentional omissions, misrepresentation or over ride of internal controls.
- Obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the management 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 the Management regarding 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 the management, 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.

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### Report on Other Legal and Regulatory Requirements

We also confirm that in our opinion proper books of accounts have been kept by the Company and the contents of the report of the Director and the Company records which relates to these financial statements are in agreement with the books of accounts. We have obtained all the information and explanations we required for the purpose of our audit and to the best of our knowledge and belief, are not aware of any violations of the Offshore Companies Regulations of Jebel Ali Free Zone of 2003 or the Memorandum of Association of the Company have occurred during the year which would have had a material effect on the business of the Company or on its financial position.

**Affiniax A A S Auditors**



**Abeer Altaf Syed**  
**Registration number : 1148**  
**Dubai**  
**May 27, 2022**



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**Sona Global Limited**  
**Statement of Comprehensive Income**  
**Year Ended March 31, 2022**

(Figures in AED)	Note	2022	2021
Revenue	5	192,000	192,000
General and administration expenses	6	<u>(192,014)</u>	<u>(205,949)</u>
<b>Loss for the year</b>		<u><b>(14)</b></u>	<u><b>(13,949)</b></u>



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

**Sona Global Limited**  
**Statement of Financial Position**  
**As at March 31, 2022**

(Figures in AED)	Note	2022	2021
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and cash equivalents	7	65,811	65,811
Other receivable and prepayments	8	17,800	17,800
<b>Total Current Assets</b>		<u>83,611</u>	<u>83,611</u>
<b>Non-Current Assets</b>			
Investment in subsidiary	9	1,000,000	1,000,000
Investment property	10	797,609	911,677
Long term receivable	11	5,202,800	5,087,420
<b>Total Non-Current Assets</b>		<u>7,000,409</u>	<u>6,999,097</u>
<b>Total Assets</b>		<u><b>7,084,020</b></u>	<u><b>7,082,708</b></u>
<b>LIABILITIES AND EQUITY</b>			
<b>Current Liabilities</b>			
Accrued expenses		14,532	13,206
<b>Total Current Liabilities</b>		<u>14,532</u>	<u>13,206</u>
<b>Equity</b>			
Share capital	12	6,520,000	6,520,000
Retained earnings		549,488	549,502
<b>Total Equity Attributable to the Shareholder</b>		<u>7,069,488</u>	<u>7,069,502</u>
<b>Total Liabilities and Equity</b>		<u><b>7,084,020</b></u>	<u><b>7,082,708</b></u>

These financial statements were approved by the Board of Directors on May 27, 2022 and signed on their behalf by:

  
 Director



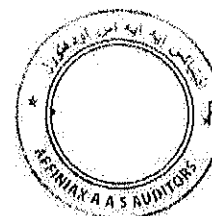


**Sona Global Limited**

**Statement of Changes in Equity  
Year Ended March 31, 2022**

(Figures in AED)	Share Capital	Retained Earnings	Total
As at April 01, 2021	6,520,000	563,451	7,083,451
Loss for the year	Nil	(13,949)	(13,949)
<b>As at March 31, 2021</b>	<b>6,520,000</b>	<b>549,502</b>	<b>7,069,502</b>
Loss for the year	Nil	(14)	(14)
<b>As at March 31, 2022</b>	<b>6,520,000</b>	<b>549,488</b>	<b>7,069,488</b>

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



**Sona Global Limited**  
**Statement of Cash Flows**  
**Year Ended March 31, 2022**

(Figures in AED)	2022	2021
<b>Cash Flow from Operating Activities</b>		
Loss for the year	(14)	(13,949)
<u>Adjustments for:</u>		
Depreciation of investment properties	114,067	114,067
<u>Changes in operating assets and liabilities:</u>		
Increase / (Decrease) in accrued expenses	<u>1,327</u>	<u>(28,700)</u>
Net cash generated from operating activities	115,380	71,418
<b>Cash Flow from Financing Activities</b>		
Net funding from subsidiary	<u>(115,380)</u>	<u>(71,418)</u>
Net cash used in from financing activities	(115,380)	(71,418)
Net change in cash and cash equivalents	Nil	Nil
Cash and cash equivalents at beginning of the year	<u>65,811</u>	<u>65,811</u>
Cash and cash equivalents at end of the year	<u><u>65,811</u></u>	<u><u>65,811</u></u>

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



## Sona Global Limited

### Notes to the Financial Statements

March 31, 2022

#### **1 Legal Status, Management and Business Activity**

Sona Global Limited is an Offshore Company with Limited Liability formed in accordance with the provisions of the Offshore Companies Regulations of Jebel Ali Free Zone of 2003 and registered under registration number OF-1027 in the Emirate of Dubai.

The registered address of the Company is P.O. Box 413383, Dubai, United Arab Emirates.

The Company is a wholly owned subsidiary of L.T.Foods Limited, India.

The Company is managed by its Board of Directors.

The Company is licensed to engage in the activities of general trading, owning of properties and acquisition of shares in companies.

#### **2 Basis of Preparation of Financial Statements**

These financial statements are prepared on a going concern basis and in compliance with International Financial Reporting Standards for Small and Medium-sized Entities issued by International Accounting Standards Board. They are presented in Arab Emirate Dirhams, currency unit of United Arab Emirates. The presentation of financial statements in accordance with the International Financial Reporting Standards for Small and Medium-sized Entities requires the determination and consistent application of accounting policies to transactions and events. Significant accounting policies, adopted and applied consistently in dealing with items that are considered material in relation to these financial statements, are set below.

The financial statements have been prepared under the historical cost convention basis.

The preparation of financial statements in conformity with International Financial Reporting Standards for Small and Medium-sized Entities requires Management to make judgments, estimates and assumptions that affect the application of accounting policies and the carrying amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant and reasonable under the circumstances.

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

Judgements made by the Management in the application of accounting policies that have the most significant effect on the amounts recognised in the financial statements, and estimates that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial period are as explained in Note 3.

The Company's investment in subsidiary are not consolidated in the preparation of these financial statements. These financial statements of the Company are prepared on a stand alone basis with the investment in subsidiary stated at cost.

The consolidated financial statements are prepared at the ultimate parent level.



**3 Summary of Significant Accounting Policies**

**Revenue Recognition**

Rental income from investment property leased under an operating lease is recognised on a straight line basis over the lease term and included in other income.

**Investment Properties**

Investment property is property (land or a building, part of a building, or both) held by the owner or by the lessee under a finance lease to earn rentals or for capital appreciation or both.

Investment property is measured at cost at initial recognition. The cost of purchased investment property comprises its purchase price and any directly attributable expenditure and other transactions costs. If payment is deferred beyond normal credit terms, the cost is the present value of all future payments.

After initial recognition investment property whose fair value can be measured reliably without undue cost or effort on an ongoing basis are measured at fair value through profit or loss at each reporting date. All other investment property is accounted for as property, plant and equipment using the cost depreciation- impairment model.

The investment properties are depreciated using the straight line method as follows:

Property	15 years
Property improvement	4 years

**Investments**

**Subsidiary**

Investment in subsidiary represents investments in entities over which the Company has the power to control, through governing the investee's financial and operating policy decisions so as to obtain benefits from its activities. Investments in subsidiaries are accounted for at cost less any accumulated impairment losses. Dividend income from investments in subsidiaries is recognised when the Company's right to receive payment has been established and is included in other income.

**Financial Instruments**

Financial assets are recognised when the Company becomes a party to the contractual provision of the financial instrument. Financial assets are derecognised when the contractual rights to receive the cash flows expire or substantially all the risks and rewards of ownership have been transferred. These are stated at cost less impairment losses. These are included in current assets, except for maturities greater than 12 months after the balance sheet date which are classified as non-current assets.

Financial liabilities are recognised when the Company becomes a party to the contractual provisions of the financial instrument. The Company derecognises financial liabilities when they are discharged, cancelled or expired. These are stated at cost, or where the impact is material at amortised cost using the effective interest method. These are included in current liabilities, except for maturities greater than 12 months after the balance sheet which are classified as non-current liabilities.



**3 Summary of Significant Accounting Policies (Continued)**

**Financial Instruments (Continued)**

Financial instruments comprise of long term receivable, other receivable, cash at bank and accrued expenses.

**Receivable and Prepayments**

Receivable and prepayments are stated at their nominal value as reduced by appropriate allowances for estimated irrecoverable amounts.

The Management undertakes a periodic review of amounts recoverable from receivable, and determines recoverability based on various factors such as ageing of receivable, payment history, collateral available and other knowledge about the receivable.

Provision for bad and doubtful debts represents estimates of ultimate unrealizable debts. The estimates are judgmental and are based on case based evaluation by the management.

Provisions created during the year are reflected in the operating results of the year. Debts which are recognised as unrealizable are written off during the year.

**Cash and Cash Equivalents**

Cash and cash equivalents comprise of cash in bank accounts that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

**Other Payable**

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

**Provisions**

Provisions are recognised when the Company has a present obligation as a result of past event and it is probable that the outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are measured at the present value of the amount expected to be required to settle the obligation and the risk specific to the obligation.

**Taxes**

Value Added Tax:

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

When the input tax is incurred on the purchase of asset, goods or expense which is non recoverable from the Federal Tax Authority, in which case, the input tax is recognized as part of the cost of acquisition of the asset, goods or expense, as applicable.

The net amount of value added tax recoverable from or payable to the Federal Tax Authority is included as part of receivables or payables in the statement of financial position, as applicable.

Input VAT and Output VAT:

Input VAT is recognized when the goods or services are supplied to the Company and the tax on which is paid/due to be paid by the Company to the supplier.



**3 Summary of Significant Accounting Policies (Continued)**

**Taxes (Continued)**

Output VAT is recognized in respect of taxable supply of goods/services rendered by the Company on which tax is charged and due to be paid to the Federal Tax Authority.

**Foreign Currencies Translations**

The financial statements are presented in Arab Emirates Dirhams, which is the Company's functional and presentation currency.

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year - end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in statement of comprehensive income.

**4 Significant Judgments in Applying the Accounting Policies**

In the process of applying the Company's accounting policies, which are described in Note 3 to the financial statements, management has made the following judgments that have the most significant effect on the amounts recognized in the financial statements.

**Contingencies**

Contingent assets and liabilities are not recognized in the financial statements, but are disclosed unless the possibility of an inflow or outflow respectively of resources embodying economic benefits is remote.

**Classification of Investment Properties**

The Company determines whether a property is classified as an investment property or property and equipment. Investment properties comprises of, which is not occupied substantially for use by, or operations of the Company, nor for the ordinary course of business, but are held primarily to earn rental income and capital appreciation or where the intention of the Company is not yet clear.

**Classification of Properties**

In the process of classifying properties, management has made various judgments. Judgment is needed to determine whether a property qualifies as an investment property, property, plant and equipment and/or property held for sale. The Company develops criteria so that it can exercise that judgment consistently in accordance with the definitions of investment property, property, plant and equipment and property held for sale. In making its judgment, management considered the detailed criteria and related guidance for the classification of properties as set out in IAS 2, IAS 16 and IAS 40, and in particular, the intended usage of property as determined by the management.



**Sona Global Limited**

**Notes to the Financial Statements**

**March 31, 2022**

**4 Significant Judgments in Applying the Accounting Policies**

**Key Sources of Estimation Uncertainty**

**Allowance for Doubtful Debts**

Management has estimated the recoverability of accounts receivable balances and has considered the allowance required for doubtful debts based on the current economic environment and past default history.

(Figures in AED) 2022 2021

**5 Revenue**

Rental income from investment property	192,000	192,000
	<u>192,000</u>	<u>192,000</u>

**6 General and Administration Expenses**

Legal and professional	17,947	20,401
Service charges	60,000	71,481
Depreciation of investment property	114,067	114,067
	<u>192,014</u>	<u>205,949</u>

**7 Cash and cash equivalents**

Balance in local currency account	65,811	65,811
	<u>65,811</u>	<u>65,811</u>

**8 Other Receivable**

Prepayment	8,800	8,800
Deposits	9,000	9,000
	<u>17,800</u>	<u>17,800</u>

**9 Investment in Subsidiary**

LT Foods Middle East DMCC	1,000,000	1,000,000
	<u>1,000,000</u>	<u>1,000,000</u>

Investment represent 100% shareholding in the company.



**Sona Global Limited****Notes to the Financial Statements****March 31, 2022**

(Figures in AED)

**2022****2021****10 Investment Property**

	Property	Property Improvement	Total
<b>At Cost</b>			
<b>Original Cost</b>			
As at April 01, 2021	<u>1,710,147</u>	<u>400,000</u>	<u>2,110,147</u>
As at March 31, 2022	<u>1,710,147</u>	<u>400,000</u>	<u>2,110,147</u>
<b>Accumulated Depreciation</b>			
As at April 01, 2021	798,470	400,000	1,198,470
Depreciation for the year	<u>114,068</u>	Nil	<u>114,068</u>
As at March 31, 2022	<u>912,538</u>	<u>400,000</u>	<u>1,312,538</u>
<b>Net Block</b>			
As on March 31, 2022	<u>797,609</u>	Nil	<u>797,609</u>
As on March 31, 2021	<u>911,677</u>	Nil	<u>911,677</u>

This represents Flat no. 706-707, BB2 Mazaya Business Avenue, Jumeirah Lake Towers, Dubai, United Arab Emirates.

**11 Long Term Receivable**

Due from subsidiary	<u>5,202,800</u>	<u>5,087,420</u>
	<u>5,202,800</u>	<u>5,087,420</u>

**12 Share Capital**

65,200 shares of AED 100 each	<u>6,520,000</u>	<u>6,520,000</u>
	<u>6,520,000</u>	<u>6,520,000</u>

**13 Transactions with Related Parties**

The Company, in the normal course of business carries out transactions with parties that fall within the definition of related party contained in the International Financial Reporting Standards for Small and Medium-sized Entities.





## Sona Global Limited

### Notes to the Financial Statements

March 31, 2022

(Figures in AED)

2022

2021

#### 13 Transactions with Related Parties (Continued)

The nature of related-party transactions during the year and the respective amounts were as follows:

Rental income received from subsidiary	192,000	192,000
Net funding to subsidiary	(115,380)	(71,418)

Related party balances at the year end are classified as under:

Related Party	Classification		
Subsidiary	Due from subsidiary (Note 11)	5,202,800	5,087,420

#### 14 Contingent Liabilities

Except for the ongoing commitments in the normal course of business against which no loss is expected, there are no other known contingent liabilities existing at the balance sheet date.

#### 15 Financial Risk Management

The Company's activities expose it to a variety of financial risks: market risk (including currency risk, other price risk and interest rate risk), credit risk and liquidity risk. The Company's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Company's financial performance.

##### (a) Credit Risk

Credit risk represents the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. Credit risk of the Company arises from cash with banks, trade debts, investments, loans and advances and other receivables.

The maximum exposure to credit risk at the end of the reporting period was:

Other receivable	9,000	9,000
Cash and cash equivalents	65,811	65,811
	<u>74,811</u>	<u>74,811</u>

##### (b) Interest Rate Risk

Interest rate risk represents the risk that the fair value or future cash flows of a financial instrument will fluctuate due to change in market interest rates. The Company's income and operating cash flows are substantially independent of the changes in market interest rates as the Company has no significant interest bearing assets or liabilities.



**Sona Global Limited**

**Notes to the Financial Statements**

**March 31, 2022**

(Figures in AED)

2022

2021

**15 Financial Risk Management (Continued)**

**(c) Liquidity Risk**

Liquidity risk is the risk that an entity will encounter difficulty in meeting its obligations associated with financial liabilities. Liquidity risk may results from the inability to sell a financial assets quickly at close to its fair value. Liquidity risk is managed by monitoring on a regular basis that sufficient funds are available, to meet any future commitments.

Accrued expenses	14,532	13,206
	<u>14,532</u>	<u>13,206</u>

**16 Subsequent Events After The Reporting Date**

There is no significant events occurred after the balance sheet date, which require disclosures in the financial statements.


**17 Rounding Off of Figures**

All figures have been rounded off to the nearest UAE Dirhams.

**18 Comparative Figures**

Certain of the prior year figures have been regrouped to conform with the presentation of the current year.

**These financial statements were approved by the Board of Directors on May 27, 2022 and signed on their behalf by:**



Director

