

Sona Global Limited  
Index to the Financial Statements  
March 31, 2018

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	Page
Directors' Report	1
Independent Auditor's Report	2
Statement of Financial Position	5
Statement of Comprehensive Income	6
Statement of Changes in Equity	7
Statement of Cash Flows	8
Notes to the Financial Statements	9

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**Sona Global Limited**

**Directors' Report**

**Year Ended March 31, 2018**

The Directors hereby present their annual report together with the audited financial statements of Sona Global Limited for the year ended March 31, 2018.

**Financial Results**

	Figures in AED	
	2018	2017
Loss for the year	(54,218)	(79,740)

**Board of Directors**

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


**Auditors**

EMA Saxena Auditors, will retire at the conclusion of the meeting, have 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 21, 2018

## 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, 2018 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, 2018, 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 of 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.

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## Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, 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 override 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.

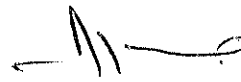
We also provide the Management regarding with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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.

## 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.

EMA Saxena Auditors  
Dubai  
May 21, 2018



Sona Global Limited  
Statement of Financial Position  
As at March 31, 2018

(Figures in AED)	Note	2018	2017
<b>ASSETS</b>			
<b>Current Assets</b>			
Bank balances	4	65,811	17,866
Other receivable	5	9,000	9,000
Total Current Assets		<u>74,811</u>	<u>26,866</u>
<b>Non-Current Assets</b>			
Investment in Subsidiary	6	1,000,000	1,000,000
Investment property	7	1,253,878	1,467,946
Long term receivable	8	4,866,496	4,744,004
Total Non-Current Assets		<u>7,120,374</u>	<u>7,211,950</u>
Total Assets		<u>7,195,185</u>	<u>7,238,816</u>
<b>LIABILITIES AND EQUITY</b>			
<b>Current Liabilities</b>			
Accrued expenses		<u>33,587</u>	<u>23,000</u>
Total Current Liabilities		<u>33,587</u>	<u>23,000</u>
<b>Equity</b>			
Share capital	9	6,520,000	6,520,000
Retained earnings		641,598	695,816
Total Equity Attributable to the Shareholder		<u>7,161,598</u>	<u>7,215,816</u>
Total Liabilities and Equity		<u>7,195,185</u>	<u>7,238,816</u>

These financial statements were approved by the Board of Directors on May 21, 2018 and signed on their behalf by:

  
Director

Sona Global Limited

Statement of Comprehensive Income

Year Ended March 31, 2018

(Figures in AED)	Note	2018	2017
Other income	11	240,000	240,000
General and administration expenses	12	(292,161)	(11,581)
Finance cost	13	<u>(2,057)</u>	<u>(8,159)</u>
Loss for the year		<u>(54,218)</u>	<u>79,740</u>

Sona Global Limited  
 Statement of Changes in Equity  
 Year Ended March 31, 2018

(Figures in AED)	Share Capital	Retained Earnings	Total
As at April 01, 2016	6,520,000	775,556	7,295,556
Loss for the year	Nil	(79,740)	(79,740)
As at March 31, 2017	<u>6,520,000</u>	<u>695,816</u>	<u>7,215,816</u>
Loss for the year	Nil	(54,218)	(54,218)
As at March 31, 2018	<u>6,520,000</u>	<u>641,598</u>	<u>7,161,598</u>



Sona Global Limited  
Statement of Cash Flows  
Year Ended March 31, 2018

(Figures in AED)	2018	2017
<b>Cash Flow from Operating Activities</b>		
Loss for the year	(54,218)	(9,740)
<u>Adjustments for:</u>		
Depreciation of investment properties	214,068	24,067
Bad debts	Nil	7,109
Rental Income	(240,000)	(240,000)
<u>Changes in operating assets and liabilities</u>		
Decrease in other receivable	Nil	0,000
Increase / (decrease) in accrued expenses	10,587	(11,640)
Net cash generated from operating activities	(69,563)	(140,204)
<b>Cash Flow from Financing Activities</b>		
Receipt from Subsidiary	117,508	132,045
Net cash used in financing activities	117,508	132,045
Net change in cash and cash equivalents	47,945	1,841
Cash and cash equivalents at beginning of the year	17,866	16,025
Cash and cash equivalents at end of the year	<u>65,811</u>	<u>17,866</u>

Sona Global Limited

Notes to the Financial Statements

March 31, 2018

**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 17870, 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.

Judgments 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 to subsidiary 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 provisions 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.

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

**Financial Instruments (Continued)**

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.

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

**Receivable**

Receivable 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 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.

Sona Global Limited  
Notes to the Financial Statements  
March 31, 2018

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

**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 profit or loss.

(Figures in AED)	2018	2017
<b>4 Bank Balances</b>		
Balance in local currency account	65,811	11,114
Balance in foreign currency account	Nil	6,752
	<u>65,811</u>	<u>17,866</u>
<b>5 Other Receivable</b>		
Deposits	9,000	9,000
	<u>9,000</u>	<u>9,000</u>
<b>6 Investment in Subsidiary</b>		
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, 2018

(Figures in AED)

**7 Investment Property**

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

	Property	Property Improvement	Total
<b>At Cost</b>			
<b>Original Cost</b>			
As at April 01, 2017	1,710,147	400,000	2,110,147
As at March 31, 2018	<u>1,710,147</u>	<u>400,000</u>	<u>2,110,147</u>
<b>Accumulated Depreciation</b>			
As at April 01, 2017	342,201	300,000	642,201
Depreciation for the year	114,068	100,000	214,068
As at March 31, 2018	<u>456,269</u>	<u>400,000</u>	<u>856,269</u>
<b>Net Block</b>			
As on March 31, 2018	1,253,878	Nil	1,253,878
As on March 31, 2017	<u>1,367,946</u>	<u>100,000</u>	<u>1,467,946</u>

The investment property is mortgaged against the borrowing of the Subsidiary.

**8 Long Term Receivable**

	2018	2017
Due from Subsidiary	4,866,496	4,744,004
	<u>4,866,496</u>	<u>4,744,004</u>

**9 Share Capital**

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

Sona Global Limited

Notes to the Financial Statements

March 31, 2018

(Figures in AED)

2018

2017

**10 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.

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

Receipt	117,508	152,045
Rentals on investment property	240,000	240,000

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

Related Party	Classification		
Subsidiary	Due from subsidiary (Note 8)	4,866,496	4,744,004

**11 Other Income**

Rental from investment property	240,000	240,000
	<u>240,000</u>	<u>240,000</u>

**12 General and Administration Expenses**

Legal and professional	24,300	17,500
Service charges	53,793	12,905
Bad debts	Nil	7,109
Depreciation of investment property	214,068	214,067
	<u>292,161</u>	<u>311,581</u>

**13 Finance Cost**

Bank charges	2,057	8,159
	<u>2,057</u>	<u>8,159</u>

**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.

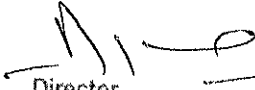
Sona Global Limited  
Notes to the Financial Statements  
March 31, 2018

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15 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 21, 2018 and signed on their behalf by:

  
Director