

**Sona Global Limited**  
**Financial Statements**  
**March 31, 2020**

**Sona Global Limited**  
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**March 31, 2020**

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**Sona Global Limited**  
**Directors' Report**  
**Year Ended March 31, 2020**

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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, 2020.

**Financial Results**

	<b>Figures in AED</b>	
	<b>2020</b>	<b>2019</b>
(Loss) / Profit for the year	(123,513)	45,366

**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 13, 2020**

# AFFINIAX A A S AUDITORS

A F F I  
N I A X

Office 106, The Binary  
Al Abraj Street  
Business Bay  
PO Box 413983  
Dubai / UAE

## Independent Auditor's Report

[T] +971 4 557 8358  
[E] mail@affiniax.com

### 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, 2020 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, 2020, 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 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 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.

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

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.

### Affiniax A A S Auditors

Abeer Altaf Syed  
Registration number : 1148  
Dubai  
May 13, 2020

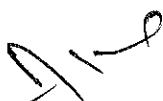


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**Sona Global Limited**  
**Statement of Financial Position**  
**As at March 31, 2020**

(Figures in AED)	Note	2020	2019
<b>ASSETS</b>			
<b>Current Assets</b>			
Bank balances	4	65,811	65,811
Other receivable	5	17,800	9,000
Total Current Assets		<u>83,611</u>	<u>74,811</u>
<b>Non-Current Assets</b>			
Investment in subsidiary	6	1,000,000	1,000,000
Investment property	7	1,025,744	1,139,811
Long term receivable	8	5,016,002	5,027,541
Total Non-Current Assets		<u>7,041,746</u>	<u>7,167,352</u>
<b>Total Assets</b>		<b><u>7,125,357</u></b>	<b><u>7,242,163</u></b>
<b>LIABILITIES AND EQUITY</b>			
<b>Current Liabilities</b>			
Accrued expenses		41,906	35,199
Total Current Liabilities		<u>41,906</u>	<u>35,199</u>
<b>Equity</b>			
Share capital	9	6,520,000	6,520,000
Retained earnings		563,451	686,964
Total Equity Attributable to the Shareholder		<u>7,083,451</u>	<u>7,206,964</u>
<b>Total Liabilities and Equity</b>		<b><u>7,125,357</u></b>	<b><u>7,242,163</u></b>

These financial statements were approved by the Board of Directors on May 13, 2020 and signed on their behalf by:

  
 Director

**Sona Global Limited**  
**Statement of Comprehensive Income**  
**Year Ended March 31, 2020**

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(Figures in AED)	Note	2020	2019
Revenue	11	60,000	240,000
General and administration expenses	12	<u>(183,513)</u>	<u>(194,634)</u>
<b>(Loss) / Profit for the year</b>		<u><b>(123,513)</b></u>	<u><b>45,366</b></u>

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



**Sona Global Limited**  
**Statement of Changes in Equity**  
**Year Ended March 31, 2020**

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(Figures in AED)	Share Capital	Retained Earnings	Total
As at April 01, 2018	6,520,000	641,598	7,161,598
Profit for the year	<u>Nil</u>	<u>45,366</u>	<u>45,366</u>
<b>As at March 31, 2019</b>	<b>6,520,000</b>	<b>686,964</b>	<b>7,206,964</b>
Loss for the year	<u>Nil</u>	<u>(123,513)</u>	<u>(123,513)</u>
<b>As at March 31, 2020</b>	<b><u>6,520,000</u></b>	<b><u>563,451</u></b>	<b><u>7,083,451</u></b>

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

**Sona Global Limited**  
**Statement of Cash Flows**  
**Year Ended March 31, 2020**

(Figures in AED)	2020	2019
<b>Cash Flow from Operating Activities</b>		
(Loss) / Profit for the year	(123,513)	45,366
<u>Adjustments for:</u>		
Depreciation of investment properties	114,067	114,067
<u>Changes in operating assets and liabilities</u>		
Increase in other receivable	(8,800)	Nil
Increase in accrued expenses	6,707	1,612
Net cash (used in) / generated from operating activities	<u>(11,539)</u>	<u>161,045</u>
<b>Cash Flow from Financing Activities</b>		
Net funding to / (from) subsidiary	<u>11,539</u>	<u>(161,045)</u>
Net cash generated from / (used in) financing activities	11,539	(161,045)
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><b>65,811</b></u>	<u><b>65,811</b></u>

**Sona Global Limited**

**Notes to the Financial Statements**

**March 31, 2020**

**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.

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.

**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 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.

**Sona Global Limited**  
**Notes to the Financial Statements**  
**March 31, 2020**

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

**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.

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.

(Figures in AED)

**4 Bank Balances**

	2020	2019
Balance in local currency account	65,811	65,811
	<u>65,811</u>	<u>65,811</u>

**5 Other Receivable**

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

**6 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, 2020**

(Figures in AED)

**7 Investment Property**

	Property	Property Improvement	Total
<b>At Cost</b>			
<b>Original Cost</b>			
As at April 01, 2018	<u>1,710,147</u>	<u>400,000</u>	<u>2,110,147</u>
As at March 31, 2020	<u>1,710,148</u>	<u>400,000</u>	<u>2,110,147</u>
<b>Accumulated Depreciation</b>			
As at March 31, 2019	570,336	400,000	970,336
Depreciation for the year	<u>114,067</u>	Nil	<u>114,067</u>
As at March 31, 2020	<u>684,403</u>	<u>400,000</u>	<u>1,084,403</u>
<b>Net Block</b>			
As on March 31, 2020	<u>1,025,745</u>	Nil	<u>1,025,744</u>
As on March 31, 2019	<u>1,139,811</u>	Nil	<u>1,139,811</u>

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

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

**8 Long Term Receivable**

	2020	2019
Due from subsidiary	<u>5,016,002</u>	<u>5,027,541</u>
	<u>5,016,002</u>	<u>5,027,541</u>

**9 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>

**Sona Global Limited**

**Notes to the Financial Statements**

**March 31, 2020**

(Figures in AED)

**2020**

**2019**

**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:

Net funding to subsidiary	71,539	161,045
Rentals on investment property	60,000	240,000

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

<b>Related Party</b>	<b>Classification</b>		
Subsidiary	Due from subsidiary (Note 8)	5,016,002	5,027,541

**11 Revenue**

Rental income from investment property	<u>60,000</u>	<u>240,000</u>
	<u>60,000</u>	<u>240,000</u>

**12 General and Administration Expenses**

Legal and professional	9,446	20,567
Service charges	60,000	60,000
Depreciation of investment property	<u>114,067</u>	<u>114,067</u>
	<u>183,513</u>	<u>194,634</u>

**13 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**

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**March 31, 2020**

**14 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 13, 2020 and signed on their behalf by:**



**Director**