

SAKUMA EXIM DMCC
DUBAI- UAE

FINANCIAL STATEMENTS AND
INDEPENDENT AUDITOR'S REPORT
FOR THE YEAR ENDED MARCH 31, 2024

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INDEPENDENT AUDITOR'S REPORT

To
The Shareholders,
SAKUMA EXIM DMCC
Dubai – United Arab Emirates

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of **SAKUMA EXIM DMCC** (the "Company"), which comprise the statement of financial position as at 31 March 2024 and the statements of comprehensive income, changes in equity and 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 give a true and fair view of the financial position of **SAKUMA EXIM DMCC** as at 31 March 2024 and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (**IFRSs**).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (**ISAs**). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (**IESBA**) Code and we have fulfilled our other ethical responsibilities in accordance with these requirements and the **IESBA** Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of the Management and the Board of Directors for the financial statements

The Management and the Board of Directors are responsible for the preparation of financial statements that give a true and fair view in accordance with International Financial Reporting Standards issued by the **IASB**, and for such internal control as the Board of Directors 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, the Management and the Board of Directors are 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. The Management and the Board of Directors are responsible for overseeing the Company's financial reporting process.

Key audit matters

KAM are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current year. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Auditor's Responsibilities for the Audit of the Financial Statements

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements.

The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate for the circumstances, but not for the purpose of expressing an Opinion on the effectiveness of the entity's internal control.

An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Report on Other Legal and Regulatory Requirements

We also confirm that, in our opinion, the financial statements include in all material respects, the applicable requirements of the UAE Commercial Companies Law of 2015 (as amended) and the articles of association of the Company; proper books of account have been kept by the Company and the contents of the report of the Board of Directors relating to this financial statement are consistent with the books of account. We have obtained all the information and explanations which we required for the purpose of our audit and, to the best of our knowledge and belief, no violation of the UAE Commercial Companies Law of 2015 (as amended) or of the article of association of the Company have occurred during the year which would have a material effect on the business of the Company or on its financial position.


Excel Auditing & Accounting
Certified Public Accountants
Dubai – United Arab Emirates
May 29, 2024



Sakuma Exim DMCC
DUBAI - UAE

BALANCE SHEET AS AT MARCH 31, 2024

<u>ASSETS</u>	Note	2024 <u>AED</u>	2023 <u>AED</u>
<u>Non-Current Assets</u>			
Investment	4	1,26,95,733	1,26,95,733
Total Non-current Assets		<u>1,26,95,733</u>	<u>1,26,95,733</u>
<u>Current Assets</u>			
Due from Related Party			1,96,492
Cash and Bank Balance	5	71,996	14,85,353
Trade Receivables	6	6,23,57,375	3,89,63,730
Deposits, Advances & Prepayments	7	1,29,107	1,35,96,541
Total Current Assets		<u>6,25,58,478</u>	<u>5,42,42,116</u>
TOTAL ASSETS		<u>7,52,54,211</u>	<u>6,69,37,849</u>
<u>LIABILITIES AND SHAREHOLDERS' EQUITY</u>			
<u>Current Liabilities</u>			
Due to Related Party	8	3,10,737	1,37,089
Trade Payable	9	11,190	10,28,960
Total Current Liabilities		<u>3,21,927</u>	<u>11,66,049</u>
TOTAL LIABILITIES		<u>3,21,927</u>	<u>11,66,049</u>
<u>Shareholders' Equity</u>			
Share Capital		50,000	50,000
Retained Earnings	10	7,48,83,081	6,57,21,997
Shareholders' Current Account	11	(797)	(197)
Total Shareholders' Equity		<u>7,49,32,284</u>	<u>6,57,71,800</u>
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		<u>7,52,54,211</u>	<u>6,69,37,849</u>



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STATEMENT OF INCOME
FOR THE YEAR ENDED MARCH 31, 2024

	note	2024 <u>AED</u>	2023 <u>AED</u>
<u>REVENUE</u>			
Revenue		8,40,01,102	12,46,29,806
Less: Cost of Revenue	12	(7,54,65,449)	(12,18,10,934)
Gross Profit		85,35,653	28,18,872
Other Income		9,93,969	5,10,005
		95,29,622	33,28,877
 <u>EXPENSES</u>			
General & Administration Expenses	13	(3,68,538)	(18,45,154)
		(3,68,538)	(18,45,154)
Net Profit for the year c/f		91,61,084	14,83,723



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STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE YEAR ENDED MARCH 31, 2024

	<u>Capital</u> AED	<u>Retained Earnings</u> AED	<u>Shareholders' Current A/c</u> AED	<u>Total</u> AED
As at April 01, 2022	50,000	6,42,38,274	(55)	6,42,88,219
-Net Profit for the year	-	14,83,723	-	14,83,723
-Net movement in Shareholder's Current A/c	-	-	(142)	(142)
Balance as at March 31, 2023	50,000	6,57,21,997	(197)	6,57,71,800
-Net Loss for the year	-	91,61,084	-	91,61,084
-Net movement in Shareholder's Current A/c	-	-	(600)	(600)
Balance as at March 31, 2024	50,000	7,48,83,081	(797)	7,49,32,284



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STATEMENT OF CASH FLOW
FOR THE YEAR ENDED MARCH 31, 2024

	<u>2024</u>	<u>2023</u>
	<u>AED</u>	<u>AED</u>
<u>Cash flow from operating activities :</u>		
Net Profit for the year	91,61,084	14,83,723
Adjustments for :		
Operating profit before changes in operating Assets and Liabilities :	<u>91,61,084</u>	<u>14,83,723</u>
Increase in Trade Receivables	(2,33,93,645)	85,34,981
Increase in Deposits, Advances & Prepayments	1,34,67,434	(1,33,00,630)
(Increase) / Decrease in Due from Related party	-	85,89,760
(Decrease)/Increase in Accounts Payable	(10,17,770)	(57,59,570)
(Decrease) / Increase in Due to Related party	-	15,97,531
Net Cash inflow from operating activities	<u>(17,82,897)</u>	<u>11,45,795</u>
<u>Cash flow from financing activities :</u>		
Net Movement in Shareholders' Current Account	(600)	(142)
Net cash (outflow) from financing activities	<u>(600)</u>	<u>(142)</u>
Net (Decrease)/Increase in cash and cash equivalents	(16,09,849)	11,45,653
Cash and Cash equivalents at beginning of the year (net)	14,85,353	3,39,700
Cash and Cash equivalents at end of the year (net)	<u>(1,24,496)</u>	<u>14,85,353</u>
Represented by:		
Cash on Hand	3,641	11,108
Cash at Bank	68,355	14,74,245
	<u>71,996</u>	<u>14,85,353</u>



SAKUMA EXIM DMCC
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2024

1 Legal status and business activity:

- 1.1 **SAKUMA EXIM DMCC, Dubai** -- United Arab Emirates (the "Entity") was registered on January 03, 2012 as Free Zone Company and operates in the Dubai Multi Commodities Centre, United Arab Emirates under a commercial license issued by the DMCC.
- 1.2 The main activity of the Company as per the Commercial License Trading in Foodstuff and beverages, Agricultural commodities, Sugar & Petrochemicals..
- 1.3 The registered office of the Company is located at Unit No. 2208 DMCC Busniess Centre, Level No. 1, Jewellery & Gemplex 3, Dubai, United Arab Emirates.
- 1.4 These financial statements incorporate the operating result of Commercial License No. DMCC 32027.

2 Shareholders' capital:

Authorized, issued and paid up Share Capital of the Company is Dhs. 50,000/-.

<u>Name</u>	<u>Nationality</u>	<u>No. of Shares</u>	<u>AED</u>
1. M/s Sakuma Exports Ltd.	Indian Co	100'	50,000/-
		<u>100%</u>	<u>50,000/-</u>



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NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED MARCH 31, 2024

3 Adoption of new and revised International Financial Reporting Standards (IFRSs)

a) New standards, interpretations and amendments effective for the current year

The following new and revised standards and interpretations have been adopted in the current year with no material impact on the disclosures and amounts reported for the current and previous years but may affect the accounting for future transactions or arrangements:

- Conceptual framework for Financial Reporting 2023
- Amendments to IFRS 1 First-time Adoption of International Financial reporting Standards deleting short-term exemptions for first-time adopters
- Amendments to IFRS 2 share-based Payment Transaction clarifying the classification and measurement of share-based payment transactions
- Amendments to IFRS 4 Insurance Contracts applying IFRS 9 Financial Instruments with IFRS 4 Insurance Contract
- Amendments to IFRS 7 Financial Instruments: Disclosures relating to disclosures about the initial application of IFRS 9
- Amendments to permit an entity to elect to continue to apply the hedge accounting requirements in IAS 39 for a fair value hedge of the interest rate exposure of a portion of a portfolio of financial assets or financial liabilities when IFRS 9 is applied, and to extend the fair value option to certain contracts that meet the 'own use' scope exception
- Amendments to IAS 40 Investment properties clarifying transfers to, or from, investment property
- Annual improvement to IFRSs 2014-2016 Cycle to remove short-term exemptions and clarifying certain fair value measurements
- IFRIC 22 Foreign Currency Transaction and Advance Consideration
- Amendments to IAS 28 Investment in Associates and Joint Ventures providing clarification on measuring investees at fair value through profit or loss is an investment-by-investment choice.



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NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED MARCH 31, 2024

- b) **New standards, interpretations and amendments in issue but are not yet effective**
Standards, amendments and interpretations issued but not yet effective at the date of authorization of these financial statements are listed below. The Establishment intends to adopt those standards when they become effective.

International Accounting Standards (IAS/IFRSs)	Effective date
IFRS 17 Insurance Contracts	1-Jan-2021
IFRIC 23 Uncertainty over Income Tax Treatments	1-Jan-2019
IAS 19 Amendments Employee Benefits	1-Jan-2019
Annual Improvements to IFRSs 2015-2017 Cycle amending IFRS 3, IFRS 11, IAS 12 and IAS 23	1-Jan-2019
Amendments in IAS 28 Investment in Associates and Joint Ventures relating to long term interests in associates and joint ventures	1-Jan-2019

The management believes that the adoption of the above amendments are not likely to have any significant impact on the financial statements of the Establishment for future years.

4 **Summary of significant accounting policies:**

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Boards (IASB), interpretations issued by International Financial Reporting Interpretations Committee (IFRIC), and applicable requirements of the U.A.E. Law. A summary of the significant accounting policies, which have been applied consistently, are set out below:

a) **Accounting convention**

These financial statements have been prepared under historical cost convention basis.



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NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED MARCH 31, 2024

b) Accrual accounting

Generally the accrual method of accounting followed for the recognition of revenue and expenses.

c) Property, plant and equipments

Property, plant and equipments are stated at cost less accumulated depreciation and identified impairment loss, if any. The costs comprise of purchase price, levies, duties and any directly attributable costs of bringing the assets to its working condition. The cost of property, plant and equipment is depreciated using the straight-line method over their estimated useful economic lives.

d) Provisions

Provisions are recognised when the Company has a present obligation as a result of a past event, which it is probable will result in an outflow of economic benefits that can be reasonably estimated.

e) Impairment of assets

Property, plant and equipments are reviewed for impairment, whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Whenever the carrying amount of an asset exceeds its recoverable amount, an impairment loss is recognised in the statement of income.



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NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED MARCH 31, 2024

f) **Employees' terminal benefits**

Provisions for staff statutory benefits are computed in accordance with UAE Labor Law, as amended.

g) **Foreign Currencies**

Transactions denominated in foreign currencies are initially recorded at the rates of exchange prevailing on the dates of the transactions. Monetary assets and liabilities denominated in such currencies are translated at the rates prevailing on the balance sheet date. Gains and losses arising are included in the statement of income.

h) **Trade Receivables**

Sales made on credit are included in trade receivables at the balance sheet date, as reduced by appropriate allowances for estimated doubtful amounts. Bad debts are written off as they arise.

i) **Trade Payables**

Trade payables are stated at their nominal value.

j) **Cash and Cash Equivalents**

For the purposes of the statement of cash flow, cash and cash equivalents comprise cash on hand and cash at bank.



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NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED MARCH 31, 2024

k) Financial Instruments

Financial instruments comprise financial assets and financial liabilities. Financial assets and financial liabilities are recognised on the Company balance sheet when the Company has become a party to the contractual provisions of the instrument. A financial asset is any asset that is cash, a contractual right to receive cash or other financial asset, a contractual right to exchange financial instruments under conditions that are potentially favourable or an equity instrument. A financial liability is any liability that is a contractual obligation to deliver cash or another financial asset, or to exchange financial instruments under conditions that are potentially unfavourable.

l) Comparative Figures

Previous year's figures have been regrouped / reclassified wherever necessary to conform to the presentation adopted in the current year.

m) General

Figures in the Financial Statements are rounded off to the Dirham
Direct confirmation of Bank Balances is not received by us, hence Bank Balances and Credit facilities could not be verified by us independently.



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NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED MARCH 31, 2024

	2024	2023
	<u>AED</u>	<u>AED</u>
4 <u>INVESTMENT</u>		
Investment in GK EXIM FZE, Bahrain (100% subsidiary)	1,95,733	1,95,733
Advance for warehouse (Plot # 5201, Autonome De, BP 2107, Djibouti)	1,25,00,000	1,25,00,000
	<u><u>1,26,95,733</u></u>	<u><u>1,26,95,733</u></u>
5 <u>CASH AND BANK BALANCES</u>		
Cash in Hand	3,641	11,108
Cash at Bank	68,355	14,74,245
	<u><u>71,996</u></u>	<u><u>14,85,353</u></u>
6 <u>ACCOUNTS RECEIVABLES</u>		
Trade Receivables	6,23,57,375	3,89,63,730
	<u><u>6,23,57,375</u></u>	<u><u>3,89,63,730</u></u>
7 <u>DEPOSITS, ADVANCES AND PREPAYMENTS</u>		
Deposits	-	9,571
Loan and Advance	-	-
Advances to suppliers	87,595	5,41,071
Prepayments	41,512	32,029
Other receivables	-	1,30,13,870
	<u><u>1,29,107</u></u>	<u><u>1,35,96,541</u></u>



Sakuma Exim DMCC
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NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED MARCH 31, 2024

8 RELATED PARTY TRANSACTIONS 2024
AED 2023
AED

The Company has entered into transactions with companies and entities that fall within the definition of a related party as contained in International Financial Reporting Standards (IFRS). Related parties comprise companies and entities under common ownership and/ or common management and control; their partners and key management personnel.

The Company believes that the terms of such transactions are not significantly different from those that could have been obtained from third parties.

2024
AED

2023
AED

DUE TO RELATED PARTY

Sakuma Exports Limited, India #	1,73,648	-
GK Exim Fze	1,37,089	1,37,089
	3,10,737	1,37,089

9 ACCOUNTS PAYABLE

Advance from customers	-	395259
Trade payable	-	625301
Vat input	600	-
Other payables	9,540	6,300
Provisions	1,050	2,100
	11,190	10,28,960

10 RETAINED EARNINGS

Opening Balance b/f	6,57,21,997	6,42,38,274
Net Profit for the year	91,61,084	14,83,723
	7,48,83,081	6,57,21,997



Sakuma Exim DMCC
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NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED MARCH 31, 2024

	<u>2024</u>	<u>2023</u>
	<u>AED</u>	<u>AED</u>
<u>11 REVENUE</u>		
Sale	8,40,01,102	12,46,29,806
	<u>8,40,01,102</u>	<u>12,46,29,806</u>
<u>12 COST OF REVENUE</u>		
Purchases & Other Direct Expenses	7,54,65,449	12,18,10,934
	<u>7,54,65,449</u>	<u>12,18,10,934</u>
<u>13 GENERAL & ADMINISTRATIVE EXPENSES</u>		
Salaries and Benefits	1,98,789	2,19,626
Commission expenses	-	14,72,069
Business promotions	-	18,350
Legal, visa, professional and related expenses	1,47,614	70,377
Bank charges	9,138	15,573
Insurance Expenses	-	3,033
Utilities & communication	6,780	4,800
Other General and Administration Expenses	6,217	41,326
	<u>3,68,538</u>	<u>18,45,154</u>

