



Sahil arora
Chartered Accountants

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Independent Auditor's Report

To the board of directors of
Apis Pure Foodstuff Trading L.L.C.

We have audited the accompanying financial statement of Apis Pure Foodstuff Trading L.L.C. ("the Company"), which comprise the balance sheet as of March 31, 2024, and the related statement of income, statement of comprehensive income, statement of changes in stockholder's equity, and statement of cash flows for the year then ended.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

An audit involves performing procedures to obtain audit evidence about the amount and disclosures in the specified forms. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the specified forms, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the component's preparation and presentation of the specified forms 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 component's internal control. An audit also includes the evaluation of the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the specified forms.

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We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion. The conclusions reached in forming our opinion are based on the component materiality specified by you in the context of the audit of the group financial statements.

Opinion

In our opinion, the financial statements referred to above, present fairly, in all material respects, the financial position of the Company as at March 31, 2024, and the results of its operations and its cash flows for the year then ended in conformity with accounting principles generally accepted.

These financial statements have been prepared for the purposes of providing information to APIS India Limited to enable it to prepare the group financial statements. This report is intended solely for the information and use of the APIS India Limited in conjunction with the preparation of the group financial statements, and should not be used by or distributed to, anyone for any other purpose without our written consent.

Date: 13-Jun-2024

For CA Sahil
Sahil
Chartered Accountants

(CA Sahil)
Proprietor
Membership No. 464552
UDIN No. 244645528KEORH
9981

FOR SAHIL
Sahil
PROPRIETOR

Sahil

Control Sheet (BSA FS Template V.21)

Client Name:	Apis Pure Foodstuff Trading L.L.C
Emirate:	Dubai
Is this Offshore?	No
Registration Type:	Mainland
License Type:	Trading
License Number:	777201
Legal Status:	Company
Legal Frame:	Limited Liability - Single Owner(SO)
Incorporation Date:	18 November 2021
Licensing Authority:	Department of Economy and Tourism
Registered Address:	Plot # TP030603 National Industrial Park, Dubai, United Arab Emirates
Financial Year- Start:	01 April 2023
Financial Year- End:	31 March 2024
Fiancial Year:	year ended 31 March 2024
Applicable Policy Notes:	01 January 2023
Approval Date of FS	13 June 2024
No of Shares:	300
Value of Each Share:	1000
Partner(s)/shareholder(s)?	Shareholder
MD Report	
Required?	Yes
Person Name:	Mr. Vimal Anand
Designation	Manager
More than one Director?	No
Person Name: (if any)	
Do not edit this field:	UAE Federal Decree Law No. (32) of 2021

Activity

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Activity:

honey and syrups refilling

More than one Activity?

No

Financial assets/liabilities

Financial Assets

due from related parties, trade and other receivables, and cash and bank balances

Financial Liabilities

due to related parties, and trade and other payables

Is PPE note applicable?

Yes

Banker:

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Is VAT registered?

Yes

Tax Registration Number:

0000000000000000

Branch of (in case of Branch):

TYPE HERE

Legal Frame (in case of Branch):

TYPE HERE

e.g: 25 February 2005

Licensing Authority:

TYPE HERE MANUALLY

Comparative Year- Start:

01 April 2022

Comparative Year- End:

31 March 2023

year ended 31 March 2023

Currency

AED

Financial Statements:

Default

Reference of Law:

TYPE HERE

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Apis Pure Foodstuff Trading L.L.C
Statement of Financial Position
As at 31 March 2024

	Note	2024 AED	2023 AED
Assets			
Non-current assets			
Property and equipment	5	<u>17,29,606</u>	<u>19,54,764</u>
Total non-current assets		<u>17,29,606</u>	<u>19,54,764</u>
Current assets			
Inventories		50,50,210	1,11,48,669
Trade and other receivables	7	1,75,98,435	90,57,561
Cash and bank balances	9	<u>7,05,896</u>	<u>7,59,909</u>
Total current assets		<u>2,33,54,541</u>	<u>2,09,66,139</u>
Total assets		<u>2,50,84,147</u>	<u>2,29,20,903</u>
Equity and liabilities			
Equity			
Share capital	10	3,00,000	3,00,000
Statutory reserve		1,50,000	1,50,000
Retained earnings		1,30,27,611	78,63,940
Shareholder's current account		<u>1,05,21,321</u>	<u>62,58,421</u>
Total equity		<u>2,39,98,932</u>	<u>1,45,72,361</u>
Non-current liabilities			
Employees' end of service benefits	11	2,44,809	2,08,288
Borrowings-non-current		-	95,206
Total non-current liabilities		<u>2,44,809</u>	<u>3,03,494</u>
Current liabilities			
Borrowings-current		-	1,00,284
Due to related parties	8(b)	6,28,090	40,78,548
Trade and other payables	12	<u>2,12,316</u>	<u>38,66,216</u>
Total current liabilities		<u>8,40,406</u>	<u>80,45,048</u>
Total liabilities		<u>10,85,215</u>	<u>83,48,542</u>
Total equity and liabilities		<u>2,50,84,147</u>	<u>2,29,20,903</u>

The annexed notes from 1 to 22 form an integral part of these financial statements.

Mr. Vimal Anand
Manager
13 June 2024

Sahil
For CA Sahil
Chartered Accountants

Sahil
(CA Sahil)
Proprietor
Membership No.464552
UDIN No. 24464552BKEDRH9981

FOR SAHIL
Sahil
PROPRIETOR

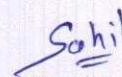
Apis Pure Foodstuff Trading L.L.C
Statement of Comprehensive Income
For the year ended 31 March 2024

	Note	2024 AED	2023 AED
Revenue	13	6,02,38,143	5,27,07,486
Cost of revenue	14	(4,97,81,351)	(4,59,16,648)
Gross profit		1,04,56,792	67,90,838
Other income		3,85,773	5,39,435
General and administrative expenses	15	(56,50,764)	(41,67,949)
Finance costs		(28,130)	(11,060)
Net profit for the year		51,63,671	31,51,264
Other comprehensive income		-	-
Total comprehensive income for the year		51,63,671	31,51,264

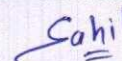
The annexed notes from 1 to 22 form an integral part of these financial statements.



Mr. Vimal Anand
Manager
13 June 2024



For CA Sahil
Chartered Accountants

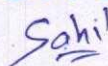


(CA Sahil)
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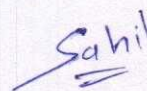
Membership No.464552

UDIN No. 244645528KEDRH9981

FOR SAHIL



PROPRIETOR



Apis Pure Foodstuff Trading L.L.C
Statement of Changes in Equity
For the year ended 31 March 2024

	Share capital AED (Note 10)	Statutory reserve AED	Retained earnings AED	Shareholder's current account AED	Total AED
Balance as at 01 April 2022	3,00,000	1,50,000	47,12,676	-	51,62,676
Net profit for the year	-	-	31,51,264	-	31,51,264
Net movement in shareholder's current account	-	-	-	62,58,421	62,58,421
Balance as at 31 March 2023	3,00,000	1,50,000	78,63,940	62,58,421	1,45,72,361
Net profit for the year	-	-	51,63,671	-	51,63,671
Net movement in shareholder's current account	-	-	-	42,62,900	42,62,900
Balance as at 31 March 2024	3,00,000	1,50,000	1,30,27,611	1,05,21,321	2,39,98,932

The annexed notes from 1 to 22 form an integral part of these financial statements.

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Apis Pure Foodstuff Trading L.L.C
Statement of Cash Flows
For the year ended 31 March 2024

	Note	2024 AED	2023 AED
Cash flows from operating activities			
Net profit for the year		51,63,671	31,51,264
<i>Adjustments for:</i>			
Provision for employees' end of service benefits	11	36,521	2,08,288
Loss on disposal of assets	15	4,800	-
Depreciation	5	4,15,569	3,74,321
		<u>56,20,561</u>	<u>37,33,873</u>
<i>Changes in working capital:</i>			
<i>Changes in current assets:</i>			
Inventories		60,98,459	(58,35,579)
Trade and other receivables		(85,40,874)	59,25,677
<i>Changes in current liabilities:</i>			
Due to related parties		(34,50,458)	(95,16,688)
Trade and other payables		(36,53,900)	(12,72,937)
Cash generated from/(used in) operating activities		<u>(39,26,212)</u>	<u>(69,65,654)</u>
		-	-
Net cash (used in) operating activities		<u>(39,26,212)</u>	<u>(69,65,654)</u>
Cash flows from investing activities			
Purchase of property and equipment		(2,31,211)	(6,88,610)
Proceeds from disposal of property and equipment		36,000	-
Net cash (used in) investing activities		<u>(1,95,211)</u>	<u>(6,88,610)</u>
Cash flows from financing activities			
Borrowings		(1,95,490)	(85,575)
Shareholder's current account-net movement		42,62,900	62,58,421
Net cash generated from financing activities		<u>40,67,410</u>	<u>61,72,846</u>
Net (decrease) in cash and cash equivalents		(54,013)	(14,81,418)
Cash and cash equivalents at beginning of the year		7,59,909	22,41,327
Cash and cash equivalents at end of the year	9	<u>7,05,896</u>	<u>7,59,909</u>

The annexed notes from 1 to 22 form an integral part of these financial statements.

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For CA Sahil
Chartered Accountants

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(CA Sahil)
Proprietor
Membership No.464552
UDIN No. 24464552BKEDRH9981

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PROPRIETOR

1 General information

Apis Pure Foodstuff Trading L.L.C ("the Company") was registered on 18 November 2021 as a Civil Company and operates under the Trading License No. 777201 issued by the Department of Economy and Tourism, Government of Dubai, Dubai, United Arab Emirates.

The principal activity of the Company under license is honey and syrups refilling. Management.

The registered address of the Company is Plot # TP030603 National Industrial Park, Dubai, United Arab Emirates.

2 Basis of preparation

Statement of compliance

These financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs) issued and adopted by the International Accounting Standards Board ("IASB") and the interpretations issued by the International Financial Reporting Interpretation Committee of the IASB and the applicable requirements of the UAE Federal Decree Law No. (32) of 2021.

Accounting convention

These financial statements have been prepared on the historical cost basis, unless otherwise stated.

Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the Company operates. These financial statements are presented in Arab Emirates Dirham (AED), which is the Company's functional currency.

Changes in accounting policies and disclosures

New and amended standards, and interpretations effective for the first time and applied:

The following new and revised IFRSs, which became effective for the financial year beginning on or after 1 January 2023, have been adopted in these financial statements. The application of these revised IFRSs, except where stated, have not had any material impact on the amounts reported for the current and prior periods.

New standards:

- IFRS 17 Insurance Contracts

Amendments to existing standards:

- Amendments to IAS 8 Accounting policies, Changes in Accounting Estimates and Errors: Definition of Accounting Estimates
- Amendments to IAS 1 and IFRS Practice Statement 2: Disclosure of Accounting Policies;
- Amendments to IAS 12 Income Taxes: Deferred Tax related to Assets and Liabilities arising from a Single Transaction.

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2 Basis of preparation (continued)

Changes in accounting policies and disclosures (continued)

IFRS 17 Insurance Contracts

IFRS 17 Insurance Contracts applies to: insurance contracts, including reinsurance contracts, issued by an entity with specified exceptions; reinsurance contracts held by an entity; and investment contracts with discretionary participation features issued by an entity that issues insurance contracts. An insurance contract is defined as “a contract under which one party (the issuer) accepts significant insurance risk from another party (the policyholder) by agreeing to compensate the policyholder if a specified uncertain future event (the insured event) adversely affects the policyholder”.

In the statement of financial position, an entity is required to measure profitable insurance contracts at the risk-adjusted present value of the future cash flows plus unearned profit for services to be provided under the contract.

IFRS 17 requires an entity to recognise profit from a group of insurance contracts over the period the entity provides services, and as the entity is released from risk. If a group of contracts is or becomes loss-making, the entity is required to recognise the loss immediately.

The Accounting Standard also requires insurance revenue, insurance service expenses, and insurance finance income or expenses to be presented separately.

Since IFRS 17 applies to all insurance contracts issued by an entity (with limited scope exclusions), its adoption may have an effect on non-insurers. Therefore, the Company carried out an assessment of its contracts and operations and concluded that the adoption of IFRS 17 has had no effect on the financial statements.

Amendments to IAS 8 Accounting policies, Changes in Accounting Estimates and Errors: Definition of Accounting Estimates

The amendment to IAS 8, which added the definition of accounting estimates, clarifies that the effects of a change in an input or measurement technique are changes in accounting estimates, unless resulting from the correction of prior period errors. These amendments clarify how entities make the distinction between changes in accounting estimate, changes in accounting policy and prior period

Amendments to IAS 1 and IFRS Practice Statement 2: Disclosure of Accounting Policies

In February 2021, the IASB issued amendments to IAS 1 and IFRS Practice Statement 2 Making Materiality Judgements, providing guidance to help entities meet the accounting policy disclosure requirements. The amendments aim to make accounting policy disclosures more informative by replacing the requirement to disclose ‘significant accounting policies’ with ‘material accounting policy information’. The amendments also provide guidance under what circumstance, the accounting policy information is likely to be considered material and therefore requiring disclosure.

Amendments to IAS 12 Income Taxes: Deferred Tax related to Assets and Liabilities arising from a Single Transaction

In May 2021, the IASB issued amendments to IAS 12, which clarify whether the initial recognition exemption applies to certain transactions that result in both an asset and a liability being recognised simultaneously (e.g. a lease in the scope of IFRS 16). The amendments introduce an additional criterion for the initial recognition exemption, whereby the exemption does not apply to the initial recognition of an asset or liability which at the time of the transaction, gives rise to equal taxable and deductible temporary differences.

2 Basis of preparation (continued)

Changes in accounting policies and disclosures (continued)

Below are the other amendments and interpretations applied for the first time in 2023, but do not have an impact on the financial statements of the Company. The Company has not early adopted any standards, interpretations or amendments that have been issued but are not yet effective.

Accounting standards and amendments issued but not yet effective and not early adopted:

The Company has not applied the following amended pronouncements that have been issued by the IASB but are not yet effective for the financial year beginning on 1 January 2023.

The management anticipates that the amendments will be adopted in the financial statements when they become effective. The Company has assessed, where practicable, the potential effect of all these amendments that will be effective in future periods.

Amendments to existing standards:

- Amendments to IAS 1 titled Classification of Liabilities as Current or Non-current (effective from 1 January 2024)
- Amendment to IFRS 16: Lease Liability in a Sale and Leaseback (effective from 1 January 2024)
- Amendments to IAS 1: Non-current Liabilities with Covenants (effective from 1 January 2024)

Topics covered by these standards/interpretations are either not relevant for the preparations of this set of IFRS financial statements or the Company does not foresee that the application of these standards/interpretations will result in a significant impact on figures and disclosures on the reporting period they will be adopted except in certain cases where it is not practicable to provide a reasonable estimate of the effect until a detailed review has been completed.

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3 Summary of significant accounting policies

A summary of the significant accounting policies, which have been applied consistently in the preparation of these financial statements, is set out below.

Current versus non-current classification

The Company presents assets and liabilities in the statement of financial position based on current or non-current classification. An asset is classified as current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realised within twelve months after the reporting year; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting year.

All other assets are classified as non-current. A liability is classified as current when:

- It is expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting year; or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting year.

All other liabilities are classified as non-current.

Property and equipment

Property and equipment are stated at cost less accumulated depreciation and accumulated impairment losses, if any. Depreciation is calculated on a straight line basis over the estimated useful lives of the assets as follows:

	<u>Years</u>
Plant and machinery	5
Office equipment	5
Motor vehicles	3

The carrying values of property and equipment are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable. If any such indication exists and where the carrying value exceeds the estimated recoverable amount, the assets are written down to its recoverable amount, being the higher of its fair value less costs to sell and its value in use.

Expenditure incurred to replace a component of an item of property and equipment is capitalised and the carrying amount of the component that is replaced is written off. Other subsequent expenditure is capitalised only when it increases future economic benefits of the related item of property and equipment. All other expenditure is recognised in the statement of comprehensive income as the expense is incurred.

An item of property and equipment is derecognised upon disposal or when no future benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and carrying amount of the asset) is included in the statement of comprehensive income in the year the asset is derecognised.

The assets residual values, useful lives and methods of depreciation are reviewed at each financial year end, and adjusted prospectively if, appropriate.

3 Summary of significant accounting policies (continued)

3 Summary of significant accounting policies (continued)

a) Financial liabilities at FVTPL:

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. Gains or losses on liabilities held for trading are recognised in the statement of profit or loss. Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in IFRS 9 are satisfied.

At the reporting date, the Company has not designated any financial liability as at fair value through profit or loss.

b) Other financial liabilities:

After initial recognition, these are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisitions and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit or loss.

At the reporting date, the Company's due to related parties, and trade and other payables were designated under this category of financial liability.

Derecognition of financial liabilities:

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender with substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

Offsetting of financial instruments:

Financial assets and financial liabilities are offset and the net amount reported in the statement of financial position if, and only if, there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

Fair value measurement:

The Company measures financial instruments, such as investment in securities and hedges, at fair value at each statement of financial position date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. When measuring the fair value of an asset or a liability, the Company uses market observable data to the extent possible. If the fair value of an asset or a liability is not directly observable, it is estimated by the Company using valuation techniques that maximise the use of relevant observable inputs and minimise the use of unobservable inputs. Inputs used are consistent with the characteristics of the asset / liability that market participants would take into account.

Fair values are categorised into different levels in a fair value hierarchy based on the degree to which the inputs to the measurement are observable and the significance of the inputs to the fair value measurement in its entirety:

3 Summary of significant accounting policies (continued)

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

Transfers between levels of the fair value hierarchy are recognised by the Company at the end of the reporting period during which the change occurred.

Inventories

Inventories are stated at the lower of cost and net realisable value. Cost comprises purchase cost and import, the latter being allocated on the basis of normal operating capacity. Net realisable value is the estimated selling price in the ordinary course of business.

Trade receivables

Trade receivables are initially recognized at fair value plus any directly attributable transaction cost. Subsequent to initial recognition, these are measured at amortised cost using the effective interest method, less any impairment losses. An impairment allowance is calculated using the ECL approach as defined in IFRS 9. Bad debts are written off when there is no possibility of recovery.

Cash and cash equivalents

For the purpose of presenting in the statement of cash flows, cash and cash equivalents comprise cash in hand and cash with banks in current accounts.

Equity

Ordinary shares are classified as equity. The considerations received are shown in equity after deduction of incremental costs directly attributable to the issue of shares.

Shareholder's current account

Shareholder's current account is classified as part of equity to better reflect the nature of the account and its comparability.

Trade payables

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

Employees' end of service benefits

The Company provides end of service benefits to its expatriate employees. The entitlement to these benefits is usually based upon the employees' final salary and length of service, subject to the completion of a minimum service period. The expected costs of these benefits are accrued over the period of employment.

3 Summary of significant accounting policies (continued)

Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Contingent liabilities

A contingent liability is disclosed when the Company has a possible obligation as a result of past events, whose existence will be confirmed only by the occurrence or non-occurrence, of one or more uncertain future events not wholly within the control of the Company; or the Company has a present legal or constructive obligation that arises from past events, but it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation, or the amount of the obligation cannot be measured with sufficient reliability.

Revenue recognition

The Company recognises revenue from contracts with customers based on a five-step model as set out in 'IFRS 15 – Revenue from Contracts with Customers' as follows:

- Step 1. Identify the contract(s) with a customer: A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and set out the criteria for every contract that must be met.
- Step 2. Identify the performance obligations in the contract: A performance obligation is a promise in a contract with a customer to transfer to the customer either a good or service (or a bundle of goods or services) that is distinct; or a series of distinct goods or services that are substantially the same and that have the same pattern of transfer to the customer.
- Step 3. Determine the transaction price: The transaction price is the amount of consideration to which an entity expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.
- Step 4. Allocate the transaction price to the performance obligations in the contract: For a contract that has more than one performance obligation, the Company will allocate the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the Company expects to be entitled in exchange for satisfying each performance obligation.
- Step 5. Recognise revenue when (or as) the entity satisfies a performance obligation.

Revenue from rendering of services

Revenue from a contract to provide services is recognised over time as the services are rendered based on either a fixed price or an hourly rate.

Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

3 Summary of significant accounting policies (continued)

Foreign currency transaction and translation

Transactions in foreign currency are accounted for at the exchange rates prevailing on the date of transactions. All monetary assets and liabilities denominated in foreign currencies at the year-end are translated at exchange rates prevailing at the balance sheet date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using exchange rate at the date of transaction. Exchange differences are included in statement of comprehensive income for the year.

4 Significant accounting judgements, estimates and assumptions

The preparation of these financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures and the disclosure of contingencies and commitments at the reporting date. Uncertainty about these estimates and assumptions could result in outcomes that require a material adjustment to the carrying amount of the assets or liabilities affected in future years.

Estimates and their underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the year in which the estimates are revised.

Judgements

As at the reporting date, management has used the following key judgements that have a significant impact on the financial statements of the Company:

Revenue from contracts with customers:

- Satisfaction of performance obligations - The Company assesses each of its contracts with customers to determine whether performance obligations are satisfied over a period of time or at a single point in time in order to determine the appropriate method of revenue recognition.
- Determination of transaction price - The Company determines the transaction price in respect of each of its contracts with customers. In doing so, the Company assesses the impact of any variable consideration, any significant financing component and any non-cash consideration included in the contract.
- Allocation of transaction price to performance obligation in contracts with customers - A transaction price is allocated to each performance obligation on the basis of their stand-alone selling prices. The Company estimates the standalone selling price as a price at which a promised service is sold separately to a customer in the market.
- Transfer of control in contracts with customer - Where the Company determines that performance obligations are satisfied at a single point in time, revenue is recognized when control over the asset is transferred to the customer. Significant judgement is required to evaluate when 'control' is transferred to the customer.

Estimates and assumptions

The key estimates and assumptions that have a significant impact on the financial statements of the Company are discussed below:

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4 Significant accounting judgements, estimates and assumptions (continued)

Useful lives of property and equipment:

The Company's management determines the estimated useful lives of its property and equipment for calculating depreciation. This estimate is determined after considering the expected usage of the asset or physical wear and tear. Management reviews the residual value and useful lives annually and future depreciation charge would be adjusted where the management believes the useful lives differ from previous estimates.

Provision for expected credit losses of trade receivables:

The Company uses a provision matrix to calculate ECLs for trade receivables. The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns.

The provision matrix is initially based on the Company's historical observed default rates. The Company will calibrate the matrix to adjust the historical credit loss experience with forward-looking information. For instance, if forecast economic conditions (i.e., gross domestic product) are expected to deteriorate over the next year, which can lead to an increased number of defaults in the manufacturing sector, the historical default rates are adjusted. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Company's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future.

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Apis Pure Foodstuff Trading L.L.C
Notes to the Financial Statements (continued)
For the year ended 31 March 2024

5 Property and equipment

	Plant and machinery AED	Office equipment AED	Motor vehicles AED	Total AED
<i>Cost:</i>				
At 01 April 2022	12,36,163	1,70,400	4,89,659	18,96,222
Additions during the year	6,48,875	34,085	5,650	6,88,610
At 31 March 2023	18,85,038	2,04,485	4,95,309	25,84,832
Additions during the year	2,13,214	17,997	-	2,31,211
Disposals during the year	-	-	(68,000)	(68,000)
At 31 March 2024	20,98,252	2,22,482	4,27,309	27,48,043
<i>Depreciation:</i>				
At 01 April 2022	1,84,524	22,599	48,624	2,55,747
Charge for the year	2,42,309	34,080	97,932	3,74,321
At 31 March 2023	4,26,833	56,679	1,46,556	6,30,068
Disposals during the year	3,09,413	33,372	(27,200)	(27,200)
Charge for the year	7,36,246	90,051	72,784	4,15,569
At 31 March 2024			1,92,140	10,18,437
<i>Net book value :</i>				
At 31 March 2024	13,62,006	1,32,431	2,35,169	17,29,606
At 31 March 2023	14,58,205	1,47,806	3,48,753	19,54,764

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Apis Pure Foodstuff Trading L.L.C
Notes to the Financial Statements (continued)
For the year ended 31 March 2024

6 Inventory

	2024 AED	2023 AED
Stock in trade	50,50,210	1,11,48,669
	<u>50,50,210</u>	<u>1,11,48,669</u>

7 Trade and other receivables

	2024 AED	2023 AED
Trade receivables	81,84,393	41,11,342
Advance to suppliers	46,97,614	47,17,484
Loan and advances	43,49,742	-
Refundable deposits	65,630	41,130
Staff advances	3,01,056	1,87,605
	<u>1,75,98,435</u>	<u>90,57,561</u>

8 Related party transactions

The Company, in the normal course of business, enters into transactions with other entities, which fall within the definition of a related party as contained in International Accounting Standards no. (24). Related parties comprise companies under common ownership and / or common management and control and key management personnel. The management decides on the terms and conditions of the transactions and services received / rendered from / to related parties as well as on other charges.

a) Amount due to related party at year end are is follow:

	2024 AED	2023 AED
M/s. Apis India Ltd. Shareholder	<u>6,28,090</u>	<u>40,78,548</u>

Terms and conditions of transactions with related parties:

The balance of each related party is unsecured, interest free and settlement occurs in cash and the balance is repayable on demand by the lender.

9 Cash and bank balances

	2024 AED	2023 AED
Cash in hand	15,767	2,54,880
Cash at banks	<u>6,90,129</u>	<u>5,05,029</u>
	<u>7,05,896</u>	<u>7,59,909</u>

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Apis Pure Foodstuff Trading L.L.C
Notes to the Financial Statements (continued)
For the year ended 31 March 2024

10 Share capital

	2024 AED	2023 AED
300 shares of AED 1,000 each	3,00,000	3,00,000
	<u>3,00,000</u>	<u>3,00,000</u>

11 Employees' end of service benefits

	2024 AED	2023 AED
Balance at the beginning of the year	2,08,288	-
Provision made for the year	36,521	2,08,288
Balance at the end of the year	<u>2,44,809</u>	<u>2,08,288</u>

11 Borrowings

	2024 AED	2023 AED
Loan from bank	-	1,95,490
Less: Current portion	-	(1,00,284)
	<u>-</u>	<u>95,206</u>

12 Trade and other payables

	2024 AED	2023 AED
Trade payables	-	36,61,416
Accrued expenses	1,23,479	1,00,769
VAT payable	88,837	1,04,031
	<u>2,12,316</u>	<u>38,66,216</u>

13 Revenue

	2024 AED	2023 AED
<i>Type of activity:</i>		
Honey and syrup refilling	<u>6,02,38,143</u>	<u>5,27,07,486</u>
<i>Timing of revenue recognition:</i>		
Services rendered - at a point in time	<u>6,02,38,143</u>	<u>5,27,07,486</u>
<i>Customer relationship:</i>		
Third party customers	<u>6,02,38,143</u>	<u>5,27,07,486</u>
	<u>6,02,38,143</u>	<u>5,27,07,486</u>
<i>Geographical markets:</i>		
Within U.A.E	5,17,07,687	4,03,04,185
Outside of U.A.E	85,30,456	1,24,03,301
	<u>6,02,38,143</u>	<u>5,27,07,486</u>

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Apis Pure Foodstuff Trading L.L.C
Notes to the Financial Statements (continued)
For the year ended 31 March 2024

14 Cost of revenue

	2024 AED	2023 AED
Opening inventory	1,11,48,669	53,13,091
Purchases and direct expenses	3,88,31,899	4,95,51,169
Closing inventory	(50,50,210)	(1,11,48,669)
	<u>4,49,30,358</u>	<u>4,37,15,591</u>
Other direct expenses	48,50,993	22,01,057
	<u>4,97,81,351</u>	<u>4,59,16,648</u>

15 General and administrative expenses

	2024 AED	2023 AED
Salaries and related benefits	24,19,263	15,41,026
Transportation expenses	9,34,701	0.00
Legal, license, visa and professional fees	2,45,326	2,86,555
Rent*	9,00,000	9,00,000
Promotion and advertisement	4,58,774	3,16,582
Insurance	1,02,314	69,959
Loss on disposal of asset	4,800	-
Depreciation	4,15,569	3,74,321
Office expense	86,281	3,83,254
Repair and maintenance	42,914	67,127
Bank charges	33,932	1,41,210
Other expenses	6,890	87,915
	<u>56,50,764</u>	<u>41,67,949</u>

* The Company has elected not to recognize right-to-use assets and corresponding liabilities for short term leases and all the Company's leases are short term.

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Apis Pure Foodstuff Trading L.L.C
Notes to the Financial Statements (continued)
For the year ended 31 March 2024

16 Financial assets and liabilities

The financial assets of the Company comprise due from related parties, trade and other receivables, and cash and bank balances. The financial liabilities of the Company include due to related parties, and trade and other payables. The accounting policies for financial assets and liabilities are set out in note

The following table summarises the carrying amount of financial assets and financial liabilities recorded at the reporting date:

	2024 AED	2023 AED
Financial assets:		
Financial assets at amortised cost	<u>1,75,98,435</u>	<u>90,57,561</u>
Financial liabilities:		
Financial liabilities at amortised cost:		
- Other financial liabilities	<u>8,40,406</u>	<u>38,66,216</u>

17 Financial risk management

The Company has exposure to the following risks from its use of financial instruments:

- (a) Market risk;
- (b) Credit risk; and
- (c) Liquidity risk

(a) Market risk

Market risk is the risk that the fair value of the financial instrument may fluctuate as a result of a change in market interest rates or the market price due to changes in the credit rating of the issuer or the instrument, change in market sentiments, speculative activities, supply and demand of securities and liquidity in the market. The Company incurs financial liabilities to manage their market risk.

The Company is exposed to the following market risk:

- (i) Interest rate risk;
- (ii) Currency risk; and
- (iii) Price risk.

The Company's exposure to the above risks are described below:

(i) Interest rate risk:

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Company's interest rate exposure mainly concerns financial liabilities. The Company is not exposed to any significant interest rate risk as the Company did not take any loan during the year.

(ii) Currency risk:

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Currency risk arises mainly from future commercial transactions of receivables and payables that exist due to transactions in foreign currencies.

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17 Financial risk management (continued)

Exposure to currency risk

The financial instrument of the Company is denominated in the functional currency of the Company. Therefore the Company is not exposed to currency risk through fair value or future cash flows of financial instrument as at the reporting date.

(iii) Price risk:

Price risk represents the risk that the fair value or future cash flows of a financial instrument will fluctuate because of change in market prices (other than those arising from interest rate risk and currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factor affecting all similar financial instruments traded in the market.

At the reporting date, the Company is not exposed to price risk due to the fact it does not hold any financial instrument which falls under this category.

(b) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from trade receivables and bank balances. The carrying amount of the financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was:

	2024 AED	2023 AED
Trade receivables	81,84,393	41,11,342
Advance to suppliers	46,97,614	47,17,484
Refundable deposits	65,630	41,130
Staff advances	3,01,056	1,87,605
Bank balances	6,90,129	5,05,029
	<u>1,39,38,822</u>	<u>95,62,590</u>

Bank balances:

The Company seeks to limit its credit risk with respect to banks by only dealing with reputable banks only.

Trade receivables:

The Company monitors outstanding receivables to assess recoverability and establish appropriate allowances for amounts considered doubtful.

Amount due from a related party:

The management of the Company is directly involved in the transactions with related parties and reviews, approves and maintains the transactions with the related parties with minimal credit risk.

(c) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations from its financial liabilities. Prudent liquidity risk management implies maintaining sufficient cash and the availability of funding.

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Apis Pure Foodstuff Trading L.L.C
Notes to the Financial Statements (continued)
For the year ended 31 March 2024

17 Financial risk management (continued)

(c) Liquidity risk (continued)

The Company's objective is to maintain a balance between continuity of funding and flexibility through efficient cash management. The Company limits its liquidity risk by aligning the terms of trade payables with the terms of collection from customers. Further, the shareholder's ensure adequate funds are available as and when required.

The following table summarise the maturity profile of financial liabilities based on the remaining period at the end of reporting date to the contractual maturity date. The amounts disclosed are the contractual undiscounted cash flows:

	Carrying amount AED	Contractual cash flows AED	Less than 1 year AED	More than 1 year AED
As at 31 March 2024				
Trade and other payables	2,12,316	2,12,316	2,12,316	-
Due to related parties	6,28,090	6,28,090	6,28,090	-
	<u>8,40,406</u>	<u>8,40,406</u>	<u>8,40,406</u>	<u>-</u>
	Carrying amount AED	Contractual cash flows AED	Less than 1 year AED	More than 1 year AED
As at 31 March 2023				
Trade and other payables	38,66,216	38,66,216	38,66,216	-
Due to related parties	40,78,548	40,78,548	40,78,548	-
	<u>79,44,764</u>	<u>79,44,764</u>	<u>79,44,764</u>	<u>-</u>

It is not expected that the cash flows included in the maturity analysis could occur significantly earlier or at significant different amounts.

Capital management

The primary objective of the Company's capital management is to ensure that it maintains healthy capital ratios in order to support its business and maximise shareholder's value. The Company manages its capital structure and makes adjustments to it in light of changes in business conditions. No changes were made in the objectives, policies or processes during the current and previous years.

Equity comprise of share capital, accumulated losses and shareholder's current account, and is measured at AED 23,998,932 as at 31 March 2024 (2023: AED 14,572,361).

18 Fair value of financial instruments

Financial instruments comprise financial assets and financial liabilities. The financial assets of the Company comprise due from related parties, trade and other receivables, and cash and bank balances. The financial liabilities of the Company include due to related parties, and trade and other payables.

The fair values of financial assets and financial liabilities of the Company at the reporting date are not materially different from their carrying values largely due to the nature and short-term maturities of financial instruments.

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19 Contingent liabilities and commitments

Except for the ongoing obligations which are under normal course of business, there has been no other known contingent liability or commitment on the Company's financial statements as of reporting date.

20 Going concern

These financial statements have been prepared on the going concern basis. While preparing the financial statements, the management has made an assessment of the Company's ability to continue as a going concern. The management has not come across any evidence that causes it to believe that material uncertainties related to the events or conditions existed, which may cast significant doubt on the Company's ability to continue as a going concern.

21 Approval of these financial statements

These financial statements have been approved on 13 June 2024.

22 General

Rounding off

Figures have been rounded off to the nearest AED unless otherwise stated.

Corresponding figures

Corresponding figures have been reclassified and rearranged, wherever necessary for better presentation.

Sahil
For CA Sahil
Chartered Accountants

Sahil
(CA Sahil)
Proprietor
Membership No.464552
UDIN No.
24464552BKEDRH9981

FOR SAHIL
Sahil
PROPRIETOR
Sahil