

DARSH INDUSTRIES LIMITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER, 2024.

HASSANALI RUTAKYAMIRWA & COMPANY

Certified Public Accountants in Public Practice,

Mwanza, Tanzania

email: hassanalirutakyamirwa@hotmail.com

DARSH INDUSTRIES LIMITED

INDEX TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER ,2024

CONTENTS	PAGE NO.
Company General Information	1
Report of the Directors	2 to 4
Statement of the Director's Responsibilities	5
Declaration of the Registered Accountant	6
Independent Auditors Report	7 to 9
Statement of Comprehensive Income	10
Statement of Financial Position	11
Statement of Changes In Equity	12
Cash Flow Statement	13
Notes to the financial statements	14 to 19
Tax Computation & Depreciable Assets Allowances	20

DARSH INDUSTRIES LIMITED
COMPANY GENERAL INFORMATION
FOR THE YEAR ENDED 31ST DECEMBER ,2024

PRINCIPAL PLACE OF BUSINESS

United Republic of Tanzania

REGISTERED OFFICE

P.O Box 2385,Plot No 16A,
Themu Industrial Area,Arusha.

BANKERS

i) Diamond Trust Bank -Arusha
ii)Exim (T) Ltd -Arusha.
iii) NMB-Arusha.
iv)K.C.B

INCORPORATION

The Company is incorporated in Tanzanian
under the Companies Act 2002,
vide Company Number 36214
registered on 4th May, 1999

COMPANY AUDITORS

HASSANALI RUTAKYAMIRWA &COMPANY
Certified Public Accountant in Public Practice
Mwanza, Tanzania
email: hassanalirutakyamirwa@hotmail.com

DARSH INDUSTRIES LIMITED

REPORT OF THE DIRECTORS

FOR THE YEAR ENDED 31st DECEMBER 2024.

The Directors present the annual report, together with the audited financial statements of Darsh Industries Limited, for the year ended 31st December 2024, which disclose the state of affairs of the Company as at that date.

PRINCIPAL ACTIVITY

The principal activity of the Company is to process fruits and vegetables into different types of products under the brand name of RED GOLD in Arusha and Iringa.

DIRECTORS

The directors who served during the year were:

Mr. Bhadresh Nathalal Pandit

Tanzanian

Mrs. Mala Bhadresh Pandit

Tanzanian

CORPORATE GOVERNANCE

The Board of Darsh Industries Limited consists of 2 Directors. The Board takes overall responsibility for the Company, including responsibility for identifying key risk areas, considering and monitoring significant investment decisions, considering significant financial matters, and reviewing the performance of management business plans and budgets. The Board is also responsible for ensuring that a comprehensive system of internal control policies and procedures is operative, and for compliance with sound corporate governance principles.

The Board meets whenever necessary during the year and delegates the diurnal management of the business to the Managing Director. Senior Management is invited to attend board meetings and facilitates the effective control of all the Company's operational activities, acting as a medium of communication and coordination between all the various business units. The Company is committed to the principles of effective corporate governance. The directors also recognize the importance of integrity, transparency and accountability.

RISK MANAGEMENT AND INTERNAL CONTROL

The Board accepts final responsibility for the risk management and internal control systems of the Company. It is the task of management to ensure that adequate internal financial and operational control systems are developed and maintained on an ongoing basis in order to provide reasonable assurance regarding:

- The effectiveness and efficiency of operations;
- The safeguarding of the Company's assets;
- Compliance with applicable laws and regulations;
- The reliability of accounting records;
- Business sustainability under normal as well as adverse conditions;
- Responsible behaviour towards all stakeholders.

DARSH INDUSTRIES LIMITED
REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31st DECEMBER 2024

The efficiency of any internal control system is dependent on the strict observance of prescribed measures. There is always a risk of non-compliance of such measures by staff. Whilst no system of internal control can provide absolute assurance against misstatement or losses, the Company's system is designed to provide the Board with reasonable assurance that the procedures in place are operating effectively. The Board assessed the internal control systems throughout the financial year ended 31st December 2024.

EXCHANGE RATE RISK

This is the financial risk arising from fluctuations in the value of a base currency against a foreign currency in which a company trades. Darsh Industries Ltd is a company dealing with manufacturing, importations & exportation, therefore its likely to face this type of risk, as the transactions are sometimes conducted in foreign currency.

CAPITAL STRUCTURE

The total number of shareholders during the year 2024 is 2.

The shares of the Company are held as follows:

	<u>2024</u>
	No. shares
Mr. Bhadresh Nathalal Pandit	60000
Mrs. Mala Bhadresh Pandit	<u>40000</u>
TOTAL	<u>100000</u>

MANAGEMENT

The management of the Company is under the Managing Director and is organized in the following departments:

- Operations Department;
- Finance and Treasury Department;
- HR Department;
- Information Technology Department;
- Sales and Marketing Department and
- Production, Research and Development Department.

DIVIDEND

The directors do not recommend the declaration of dividend for the year .

RETAINED EARNINGS

The Company has retained earnings amounting to Tshs 9,532,785,768

SOLVENCY

The Board of directors confirm that applicable accounting standards have been followed and that the Financial Statements have been prepared on a going concern basis. The Board of directors has reasonable expectation that Darsh Industries Limited has adequate resources to continue in operational existence for the foreseeable future.

DARSH INDUSTRIES LIMITED

REPORT OF THE DIRECTORS

FOR THE YEAR ENDED 31st DECEMBER 2024

EMPLOYEES' WELFARE

Management and employees' relationship

There was continuous good relationship between employees and management during the year ended 31st December 2024. There were no unresolved complaints received by Management from the employees during the year.

Health and Safety

The Company has a strong health and safety program which ensures that a strong culture of safety prevails at all times. A safe working environment is ensured for all employees and labourers by providing adequate and proper personal protective equipment, training and supervision as necessary.

Financial assistance to staff

The Company is an equal opportunity employer. It gives equal access to employment opportunities and ensures that the best available person is appointed to any given position free from discrimination of any kind and without regard to factors like gender, marital status, tribes, religion and disability which does not impair ability to discharge duties. The Company's employment terms are reviewed annually to ensure that they meet statutory and market conditions. The Company has a strong health and safety program which ensure that a strong culture of safety prevails at all times. A safe working environment is ensured for all employees and contractors by providing adequate and proper personal protective equipment, training and supervision as necessary. Loans are available to all confirmed employees depending on the assessment of and the discretion of management as to the need and circumstances.

POLITICAL AND CHARITABLE DONATIONS


The Company did not make any political donations during the year.

However, charitable donations were made to Engira School Arusha amounting to Tsh 68,765,445

AUDITORS

The auditors M/s. Hassanali Rutakyamirwa & Co. having expressed their willingness continue in office in accordance with section 170 (1) of the Companies Act, 2002. A resolution proposing the appointment as auditor of the Company will be tabled at the Annual General meeting

BY ORDER OF THE BOARD

.....

 Director

.....

 Date

DARSH INDUSTRIES LIMITED

STATEMENT OF DIRECTOR'S RESPONSIBILITIES

FOR THE YEAR ENDED 31st DECEMBER 2024

The Companies Act, 2002 requires the Directors to prepare financial statements for each financial year that give a true and fair view of the state of affairs of the Company as at the end of the financial year and of their operating results for the year then ended. It also requires the Directors to ensure that the Company keeps proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company. They are responsible for safeguarding the assets of the Company. The Directors are responsible for the preparation of financial statements that give a true and fair view in accordance with International Financial Reporting Standards and requirements of the Companies Act, 2002; and for such internal controls as Directors determine are necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

The Directors accept responsibility for annual financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgments and estimates, in conformity with International Financial Reporting Standards and in the manner required by the Companies Act, 2002,

The Directors are of the opinion that financial statements give a true and fair view of the state of the financial affairs of the Company and its operating results for the year then ended. The Directors further accept responsibility for the maintenance of accounting records which may be relied upon in the preparation of financial statements as well as adequate systems of internal financial control.

The directors are of the opinion, based on the information and explanation given by management, that the system of internal control provides reasonable assurance that the financial records may be on for the preparation of the financial statement. However, any system of internal financial control can provide only reasonable, and not absolute assurance against material misstatement or loss.

The directors have reviewed the company's cash flow forecast for the year ended 31st December 2024. and in the light of this review and current financial position, they are satisfied that the company has or has access to adequate resources to continue in operation and existence for the foreseeable future.

The external auditors are responsible for independently reviewing and reporting on the company's financial statement. The financial statement have been examined by the company's external auditors and their report is presented on page (7 to 9).

Signed on behalf of the Board of Directors by:

.....


Director

.....


Date

DARSH INDUSTRIES LIMITED

DECLARATION OF THE REGISTERED ACCOUNTANT

FOR THE YEAR ENDED 31st DECEMBER 2024

The National Board of Accountants and Auditors (NBAA) according to the power conferred under the Auditors and Accountants (Registration) Act No.33 of 1972, as amended by Act No.2 of 1995, requires Financial Statements to be accompanied with a Statement of Declaration issued by the Head of Finance/ Registered Accountant responsible for the preparation of Financial Statements of the entity concerned

It is duty of a professional accountant to assist the Board of Directors to discharge the responsibility of preparing Financial Statements of an entity showing a true and fair position of the entity in accordance with International Financial Reporting Standards and statutory reporting requirements. Full legal responsibility for Financial Statements rests with the Board of Directors as under Directors' responsibilities statement mentioned on page 5.

I, Khadija T. Fidaali..... being the financial consultant of Darsh Industries Ltd acknowledge my responsibility of ensuring that Financial Statements for the year ended 31st December 2024, have been prepared in compliance with applicable accounting standards and statutory requirements.

Khadija T. Fidaali

.....
Certified Public Accountant

.....
Date

NBAA Membership No: ACPA 3836

**INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF DARSH INDUSTRIES LIMITED
FOR THE YEAR ENDED 31st DECEMBER 2024**

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Darsh Industries Limited set out on pages 10 to 13, which comprises of the statement of comprehensive income, statement of financial position and statement of cash flows for the year ended as at 31st December 2024, together with the summary of significant accounting policies and other explanatory notes. In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Company as at 31st December 2024 and of its financial performance and cash flow for the year ended in accordance with International Financial Reporting Standards for such size of Entities

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing ("ISA"). 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 Darsh Industries Limited in accordance with National Board of Accountants and Auditors (NBAA) Code of ethics, which is consistent with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code), together with other ethical requirements that are relevant to our audit of the financial statements in Tanzania.

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

Emphasis of Matter

We draw attention to the fact that the financial statements have been prepared on the receipts and payments basis of accounting, and in accordance with other reporting requirements.

We further report that:-

- i) The financial statements are prepared to assist Darsh Industries Limited to comply with the Financial Reporting Standards and the Regulations. As a result, the financial statements may not be suitable for another purpose. Our report is intended solely for Darsh Industries limited and should not be distributed to or used by parties other than those mentioned in this chapter. Our opinion is not modified in respect of this matter.
- ii) The Directors are required to review the company's tax compliance status by making sure that all taxes such as withholding taxes, prior years' liabilities and returns are made, submitted timely and properly abiding to the requirements of Tax Regulations Act and administrations to avoid penalty and interest that would accrue as a result of tax liabilities. Also our opinion is not modified in respect of this matter.
- iii) Because of the business's nature, the system of control is dependent upon close involvement of the directors, where independent confirmation of the completeness of the accounting records was not available, we accepted assurances from directors that all business transactions have been reflected in records, Moreover, our opinion is not modified in respect of this matter.

**INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF DARSH INDUSTRIES LIMITED
FOR THE YEAR ENDED 31st DECEMBER 2024**

Responsibilities of the Directors for the Financial Statements

The Directors are responsible for the preparation of the financial statements that give a true and fair view in accordance with International Financial Reporting Standards for small and Medium-sized Entities and for such internal controls as directors determine are 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 Directors are responsible for assessing the Organization 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 Directors either intend to liquidate the Organization or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk 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, misrepresentations, override of internal control.
- Obtain an understanding of internal control 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 Organization's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.
- Conclude on the appropriateness of the Board of Directors use of the 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 Organization's ability to continue as a 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 Organization to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosure and whether the financial statements represent the underlying transactions and events in a manner that
- Obtain sufficient appropriate audit evidence regarding the financial information of the Organization or business activities within the Organization to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the Organization audit. We remain responsible for our audit opinion.

**INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF DARSH INDUSTRIES LIMITED
FOR THE YEAR ENDED 31st DECEMBER 2024**

We communicate with the Directors 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

Key Audit Matters

Key Audit Matters are those matters that in our professional judgement, were of most significance in our audit of the financial statements of the twelve months. 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. Basing on our review we have not determined any matter to be the key audit matter to be communicated in our report.

Going Concern

The Company's financial statements have been prepared based on the Going Concern basis. Directors do not intend to liquidate the Company or to cease operations. As part of our audit of the financial statements, we conclude that;

- i) Directors' use of the going concern basis in preparation of the Company's financial statements is appropriate.
- ii) Directors' have not identified any material uncertainty that may cast significant doubt on the business's ability to continue as a going concern and accordingly, none is disclosed in the financial statements.
- iii) Based on our audit of the financial statements, we have also not identified such material uncertainty.

Other Information

The Directors are responsible for the other information, which include the report of Directors. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Report on other legal and regulatory requirements

This report including the opinion has been prepared for and only for the Company in accordance with section 170(1) of the Companies Act 2002. We report to you based on our audit that;

- i) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
- ii) In our opinion, proper books of account have been kept by the Company, so far as appears from our examination of those books.
- iii) The Directors' report is consistent with the financial statements.
- iv) Information specified by law regarding Directors' remuneration and transactions with the Company is disclosed. And
- v) The Company's statement of financial position and the statement of comprehensive income are in agreement with the books of account.

HASSANALI RUTAKYAMIRWA & CO.

Signed by: Z.L.Rutakyamirwa

FCPA -091

HASSANALI RUTAKYAMIRWA & COMPANY

Certified Public Accountants in Public Practice

MWANZA

ZL
13 June, 2025
Date

HASSANALI RUTAKYAMIRWA & CO.

DARSH INDUSTRIES LIMITED
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31st DECEMBER ,2024

	Note	<u>2024</u>	<u>2023</u> Shs.
Revenue	3	58,309,284,080	57,276,066,915
Cost of Sales	4	<u>52,367,212,370</u>	<u>51,554,156,365</u>
Gross Profit		5,942,071,710	5,721,910,550
Other Income		<u>11,465,032</u>	<u>91,083,559</u>
		5,953,536,742	5,812,994,109
<i>Operating Expenses</i>			
Administration	5	(1,689,936,760)	(1,491,184,596)
Depreciation	6	(1,863,577,990)	(1,750,114,334)
		<u>2,400,021,992</u>	<u>2,571,695,179</u>
<i>Finance Cost</i>			
Bank charges	7	(57,760,357)	(107,390,301)
Profit before Tax		Shs. <u>2,342,261,635</u>	<u>2,464,304,878</u>
Corporate tax for the year		702,045,644	738,949,510
Profit after Tax		Shs. <u><u>1,640,215,991</u></u>	<u><u>1,725,355,368</u></u>

DIRECTOR

DATE

Auditor's Report-Pages 7-9

The notes on pages 14 to 19 form part of these financial statements

DARSH INDUSTRIES LIMITED

STATEMENT OF FINANCIAL POSITION

FOR THE YEAR ENDED 31st DECEMBER, 2024.

ASSETS	Notes	Shs.	<u>2024</u> Shs.	<u>2023</u> Shs.
Non -current assets				
Property Plant and equipments	2		10,078,282,715	8,979,857,205
Current assets				
Inventories	8	12,777,756,331		9,478,595,132
Trade receivables	9	2,168,200,125		700,512,315
Other receivables		632,603,689		1,307,396,531
Cash and cash equivalents	10	505,421,526		1,020,260,742
Taxation	11	17,954,356		254,697,041
Total current assets			16,101,936,027	12,761,461,761
Total assets		Shs.	26,180,218,742	21,741,318,966
EQUITY AND LIABILITIES				
Share capital	13		100,000,000	10,000,000
Retained Earnings	Pg.11		9,532,785,768	8,679,291,169
Total equity			9,632,785,768	8,689,291,169
Non current liabilities				
Canara Bank Loan			94,738,979	72,254,732
AECF Loan	14		229,250,000	229,250,000
Current liabilities				
Trade and other payables	15	5,527,395,362		5,583,347,232
Short term borrowings	16	8,155,334,212		3,592,654,600
Directors current A/c	12	34,706,500		
Term loan-DTB	16.1	2,506,007,921		3,574,521,233
Total current liabilities			16,223,443,995	12,750,523,065
Total equity and liabilities		Shs.	26,180,218,742	21,741,318,966

DIRECTOR 

DATE 18/06/2025

DIRECTOR 

DATE 13-06-2025

Auditor's Report-Pages 7-9

The notes on pages 14 to 19 form part of these financial statements

DARSH INDUSTRIES LIMITED

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED AS AT 31ST DECEMBER, 2024.

	Capital account	Retained Earnings	Total Equity
	Shs.	Shs.	Shs.
At 1st January, 2024	10,000,000	8,679,291,169	8,689,291,169
Increased during the year	90,000,000	—	90,000,000
Profits for the year	—	1,640,215,991	1,640,215,991
Prior years TRA Audit Revised Assessments	—	(786,721,392)	(786,721,392)
At 31st December, 2024	<u>100,000,000</u>	<u>9,532,785,768</u>	<u>9,632,785,768</u>
At 1st January, 2023	10,000,000	6,953,935,801	6,963,935,801
Profits for the year	—	1,725,355,368	1,725,355,368
At 31st December, 2023	<u>10,000,000</u>	<u>8,679,291,169</u>	<u>8,689,291,169</u>

*Auditor's Report-Pages 7-9**The notes on pages 14 to 19 form part of these financial statements*

DARSH INDUSTRIES LIMITED

CASH FLOW STATEMENT

FOR THE YEAR ENDED AS AT 31st DECEMBER, 2024

Cash flows from operating activities	Notes	Chs.	2023 Shs.
Profit before taxation		2,342,261,635	2,464,304,878
Adjustment for:			
Depreciation	2	1,863,577,990	1,750,114,334
		<u>4,205,839,625</u>	<u>4,214,419,212</u>
Increase in inventories	8	(3,299,161,199)	(1,193,840,475)
Increase in trade receivables	9	(1,467,687,810)	178,790,306
Decrease in other receivables	9	674,792,842	(702,111,559)
Directors' current accounts	12	34,706,500	-
Decrease in trade and other payables		(55,951,870)	4,930,630,047
Cash generated from operating activities		<u>92,538,088</u>	<u>7,427,887,531</u>
Provisional Tax paid		(720,000,000)	(900,022,990)
Prior years other taxes paid		(532,024,351)	(65,260,286)
Net cash from operating activities		<u>(1,159,486,263)</u>	<u>6,462,604,256</u>
Cash flows from investing activities			
Fixed assets purchased	2	(2,962,003,500)	(3,492,637,181)
Net cash flow from investing activities	Shs.	<u>(2,962,003,500)</u>	<u>(3,492,637,181)</u>
Cash flows from financing activities			
Increase in Share capital	13	90,000,000	-
Repayment of Term and Canara Bank Loans		(1,046,029,065)	(855,279,353)
Net cash flow from financing activities	Shs.	<u>(956,029,065)</u>	<u>(855,279,353)</u>
Net(decrease) / increase in cash and cash equivalents		(5,077,518,828)	2,114,687,722
Cash and cash equivalents at beginning of year		<u>(2,572,393,858)</u>	<u>(4,687,081,580)</u>
Cash and cash equivalents at the end of year	Shs.	<u>(7,649,912,686)</u>	<u>(2,572,393,858)</u>

Auditor's Report-Pages 7-9

The notes on pages 14 to 19 form part of these financial statements

DARSH INDUSTRIES LIMITED

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED AS AT 31st DECEMBER, 2024.

1.0 ACCOUNTING POLICIES

1.1 ACCOUNTING CONVENTION

These accounts are prepared under the historical cost convention.

1.2 DEPRECIATION

The depreciation on non-current assets is calculated to write off the value of the fixed assets either on reducing balance or straight line basis depending on the class of the depreciable assets. This is inline with the depreciable assets allowances and applicable rates.

The applicable rates used for the said purpose were: -

Reducing balance basis:-

Motor vehicles and computer	37.5%
Machineries, generators and transformers	25%
Others	12.5%

Straight line basis:-

Borehole	20%
Buildings	5%

No Depreciation is charged on Plot and Farm.

2.0 FIXED ASSETS	At 1.1.2024	Additions	At 31.12.2024
COST	Shs.	Shs.	Shs.
Plot - Iringa	70,577,470	-	70,577,470
Kigamboni Plot	-	877,646,817	877,646,817
Vinguguti-plot	-	38,463,213	38,463,213
Nduruma Farm	30,000,000	-	30,000,000
Buildings	7,479,490,667	173,362,163	7,652,852,830
Motor vehicles	3,058,228,819	362,030,508	3,420,259,327
Motor cycles	7,372,490		7,372,490
Fuel storage tank	8,000,000		8,000,000
Machinery & equipments	8,966,528,947	1,181,049,206	10,147,578,153
Trade mark	28,173,225		28,173,225
Transformer	7,240,805		7,240,805
Borehole	60,938,100	-	60,938,100
Tent	550,000		550,000
Fire extinguisher	3,791,000	512,000	4,303,000
Furniture and fittings	92,962,434	6,919,007	99,881,441
Electrical installations	380,282,070	161,534,442	541,816,512
Tools & equipments	978,713,026	85,952,489	1,064,665,515
Computer & printer	140,245,382	58,954,333	199,199,715
Office equipments	127,023,536	15,579,322	142,602,858
	21,440,117,971	2,962,003,500	24,402,121,471

DARSH INDUSTRIES LIMITED

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED AS AT 31ST DECEMBER, 2024.

DEPRECIATION	At 1.1.2024 Shs.	Charge for the year Shs.	At 31.12.2024 Shs.
Buildings	2,613,219,746	381,642,639	2,994,862,385
Motor vehicles	2,354,665,057	399,597,851	2,754,262,908
Motor cycles	6,621,060	93,929	6,714,989
Fuel storage tank	7,055,464	118,067	7,173,531
Machinery & equipments	6,513,381,872	908,549,070	7,421,930,942
Trade mark	28,173,225	-	28,173,225
Transformer	7,221,670	4,784	7,226,454
Borehole	46,993,300	7,771,200	54,764,500
Tent	517,374	4,078	521,452
Fire extinguisher	2,786,449	189,569	2,976,018
Furniture and fittings	66,165,881	4,214,445	70,380,326
Electrical installations	264,731,016	34,635,687	299,366,703
Tools & equipments	351,821,342	89,105,522	440,926,864
Computer & printer	121,042,748	29,308,863	150,351,611
Office equipments	75,864,562	8,342,287	84,206,849
	<u>12,460,260,766</u>	<u>1,863,577,990</u>	<u>14,323,838,756</u>
NET BOOK VALUE		At 31.12.2023 Shs.	At 31.12.2024 Shs.
Plot - Iringa		70,577,470	70,577,470
Nduruma Farm		30,000,000	30,000,000
Kigamboni Plot		-	877,646,817
Vinguguti-plot		-	38,463,213
Buildings		4,866,270,921	4,657,990,445
Motor vehicles		703,563,762	665,996,419
Motor cycles		751,430	657,501
Fuel storage tank		944,536	826,469
Machinery & equipments		2,453,147,075	2,725,647,211
Transformer		19,135	14,351
Borehole		13,944,800	6,173,600
Tent		32,626	28,548
Fire extinguisher		1,004,551	1,326,982
Furniture and fittings		26,796,553	29,501,115
Electrical installations		115,551,054	242,449,809
Tools & equipments		626,891,684	623,738,651
Computer & printer		19,202,634	48,848,104
Office equipments		51,158,974	58,396,009
		<u>8,979,857,205</u>	<u>10,078,282,715</u>

DARSH INDUSTRIES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st DECEMBER, 2024

Note. 3 Revenue	<u>2024</u>	<u>2023</u>
	<u>Shs</u>	<u>Shs</u>
Sales	58,309,284,080	57,276,066,915
Other Income		
Insurance claims	11,465,032	90,062,737
Interest received on Fix Deposit	-	1,000,000
Profit on sale of Motor vehicle	-	-
Note. 4 Cost of Sales		
Opening stock	9,478,595,132	8,284,754,657
Purchases- raw materials	12,704,171,436	23,234,053,091
Purchases-others	13,036,651,661	452,416,406
Packing materials	15,661,944,835	17,163,526,768
Transport	752,435,086	362,678,002
Fuel and oil-machinery	591,499,300	615,849,500
Machinery repair and maintenance	290,189,389	104,701,459
Electricity & water	390,684,905	325,536,924
Handling, clearing and port charges	2,050,323,918	1,746,336,311
Salaries & wages	2,562,882,207	2,424,705,595
NSSF	243,844,686	242,314,137
Skills and development levy	89,829,028	89,001,404
Workers' Compensation Fund	12,931,048	11,849,879
Staff welfare	31,707,095	32,482,066
Bank interest	908,554,761	494,472,744
Permits & visas	75,067,850	51,136,740
Telecommunication expenses	23,474,415	17,853,641
Motor vehicle upkeep	394,767,174	331,968,376
Motor vehicle fuel & oil	1,126,678,858	1,017,944,308
Printing & stationery	25,135,367	30,033,813
Insurances & licences	166,359,725	259,526,821
Repair & maintenance- equipments	17,778,926	21,516,945
TBS, GCLA and TFDA fees	17,121,600	33,386,972
Advertisement, marketing & promotion	465,314,030	451,388,721
Payment to Outsourcing main Power	2,188,703,791	1,719,215,950
Security expenses	51,245,900	47,612,238
Crane hiring charge	1,000,000	7,900,000
Rent	390,445,787	351,376,802
Travelling expenses	114,409,285	159,468,741
Transport outwards	1,240,592,698	890,587,293
Gain/(Loss) in exchange rates	(41,888,971)	4,592,487
Laboratory and sample expenses	17,031,200	2,684,100
Health & safety expenses	65,486,579	49,878,606
Cost of good available for sale	<u>65,144,968,701</u>	<u>61,032,751,497</u>
Less closing Inventories	<u>12,777,756,331</u>	<u>9,478,595,132</u>
Cost of Sales	<u>52,367,212,370</u>	<u>51,554,156,365</u>
Gross Profit	<u>5,953,536,742</u>	<u>5,812,994,109</u>

DARSH INDUSTRIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31st DECEMBER, 2024

Note.5 Administration Expenses		
Directors fees	700,000,000	600,000,000
Skills & development levy	24,500,000	24,000,000
Insurance & licences	55,453,241	86,508,940
Electricity & water	130,228,302	108,512,308
Telecommunication expenses	43,595,341	33,156,762
Staff welfare	10,569,032	5,692,300
Land rent & property tax	10,513,229	7,134,750
Printing and stationery	8,378,456	10,011,271
Travelling expenses	114,409,285	159,468,740
Service levy	174,939,335	171,828,201
Subscriptions	218,341,195	123,422,373
Donations	68,765,445	68,291,415
Stamp duty	2,910,799	-
Penalty and fine	-	828,828
Training & development	5,161,308	1,351,000
Repairs & renewals	113,171,792	81,977,708
Audit fees	9,000,000	9,000,000
	1,689,936,760	1,491,184,596
Note.6 Depreciation	1,863,577,990	1,750,114,334
Note.7 Finance cost		
Bank charges	57,760,357	107,390,301
NET PROFIT	2,342,261,635	2,464,304,878
Note 8. Inventories	12,777,756,331	9,478,595,132
Note 9. Trade and other receivable	<u>2024</u>	<u>2023</u>
	Shs.	Shs.
Trade Receivables	2,168,200,125	700,512,315
Deposits	30,765,990	29,471,400
Prepaid insurance	174,381,962	63,880,816
Advance VAT on imports	53,950,884	58,514,363
Duties & taxes	322,368,113	1,104,393,212
Loans and Advances	51,136,740	51,136,740
	2,800,803,814	2,007,908,846

DARSH INDUSTRIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31st DECEMBER, 2024.

Note 10. Cash & Cash Equivalents	<u>2024</u>	<u>2023</u>
	Shs.	Shs.
Diamond Trust Bank - Arusha	(8,155,334,212)	(3,592,654,600)
Diamond Trust Bank - Iringa	26,670,331	17,536,163
Diamond Trust Bank - USD	-	115,915,019
Exim Bank - Arusha	27,718,453	15,906,417
NMB-TSH	234,191,349	327,313,087
NMB Bank-Dar	-	11,146,559
KCB -USD	189,240,937	355,257,159
Petty Cash -TSh	27,600,456	177,186,338
	<u>(7,649,912,686)</u>	<u>(2,572,393,858)</u>
 Note 11 Taxation	<u>2024</u>	<u>2023</u>
	Shs.	Shs.
Balance brought forward	(254,697,041)	(28,363,275)
Prior years TRA Audit Revised Assessment	786,721,392	-
Charge for the year	702,045,644	738,949,510
	<u>1,234,069,995</u>	<u>710,586,235</u>
 Less paid during the year	(720,000,000)	(900,022,990)
Less prior years' taxes paid	(532,024,351)	(65,260,286)
	<u>(17,954,356)</u>	<u>(254,697,041)</u>
 Note 12 Directors' current A/c	<u>(34,706,500)</u>	<u>-</u>
 Note 13 Share Capital	<u>2024</u>	<u>2023</u>
	Shs.	Shs.
Ordinary shares of Shs. 1,000 each:-		
Authorised 1,000,000 shares	1,000,000,000	1,000,000,000
Issued and fully paid 100,000 shares	<u>100,000,000</u>	<u>10,000,000</u>
 Note 14 The other long term loan is from Africa Entrepreneur Challenge Fund (AECF) through AGRA support.		
 Note 15 Trade and other payables	<u>2024</u>	<u>2023</u>
	Shs.	Shs.
Trade payables	5,456,937,644	5,498,629,988
 Provisions	70,457,718	84,717,244
	<u>5,527,395,362</u>	<u>5,583,347,232</u>

DARSH INDUSTRIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER, 2024.**Note 16 Short Term Borrowings**

The company has been granted an overdraft and a term loan facility by Diamond Trust Bank (T) Ltd, Arusha Branch, secured against property on Plot No. 16A Themu Industrial Area, Arusha and Plot No.3 Ugwachamya, Iringa.

16.1 Term Loan

Term Loan of USD 3,000,000 from Diamond Trust Bank (T) Ltd, repayable in 84 months inclusive of a Moratorium period of 18 months with effect from September, 2015. A repayable tenure of 24 months was further granted, due to the Covid Pandemic.

Note 17 Currency Risk

The Company operates wholly within Tanzania and its assets and liabilities are reported in the local currency. Although the Company imports and exports goods, it held no significant foreign currency exposure as at 31st December, 2024.

Note 18 Currency

These financial statements are presented in Tanzanian Shillings.

DARSH INDUSTRIES LIMITED

CORPORATE TAX COMPUTATION

YEAR OF INCOME 2024.

TIN 100-252-910

		Shs.
Profits per accounts		2,342,261,635
Add: Depreciation	1,863,577,990	
	-	
	<u>1,863,577,990</u>	
Less: Allowances	1,476,273,640	
Buildings allowances	381,642,639	
Bore hole allowances	<u>7,771,200</u>	
	<u>1,865,687,479</u>	
		<u>(2,109,489)</u>
Adjusted taxable profits	Shs.	<u><u>2,340,152,146</u></u>
30% Corporate tax thereon		702,045,644
Provisional taxes paid		720,000,000
Withholding tax paid at source		-
Tax Re-Payable	Shs.	<u><u>(17,954,356)</u></u>

DEPRECIABLE ASSETS ALLOWANCES*REDUCING BALANCE BASIS*

	CLASS I 37.5% Shs.	CLASS II 25% Shs.	CLASS III 12.5% Shs.	TOTAL Shs.
W.D.V At 1.1.2024	722,527,829	2,453,065,832	840,923,773	4,016,517,434
Additions	420,984,841	1,181,049,206	270,497,260	1,872,531,307
	<u>1,143,512,670</u>	<u>3,634,115,038</u>	<u>1,111,421,033</u>	<u>5,889,048,741</u>
Allowances	428,817,251	908,528,760	138,927,629	1,476,273,640
W.D.V. At 31.12.2024	<u><u>714,695,419</u></u>	<u><u>2,725,586,279</u></u>	<u><u>972,493,404</u></u>	<u><u>4,412,775,101</u></u>

STRAIGHT LINE BASIS

	CLASS V 20% Shs.	CLASS VI 5.0% Shs.
W.D.V At 1.1.2024	13,944,800	5,039,412,652
Additions	-	173,362,163
	<u>13,944,800</u>	<u>5,212,774,815</u>
Allowances	7,771,200	381,642,639
W.D.V. At 31.12.2024	<u><u>6,173,600</u></u>	<u><u>4,831,132,176</u></u>