

مؤسسة النداء لتدقيق الحسابات
AL NEDAA AUDITING ACCOUNTANTS
محاسبون قانونيون ومدققو حسابات

BAJAJ CORP INTERNATIONAL (FZE)
SAIF ZONE, SHARJAH

FINANCIAL STATEMENT AND AUDITORS' REPORT
FOR THE YEAR ENDED MARCH 31, 2022

Tel.: 06 - 5687272, Fax : 06 - 5681715, P.O. Box: 984, Sharjah - U.A.E.

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**AUDITORS' REPORT TO THE PROPRIETOR OF
BAJAJ CORP INTERNATIONAL (FZE)**

We have audited accompanying financial statement of **Messrs. BAJAJ CORP INTERNATIONAL (FZE)** which comprise the Balance Sheet as at March 31, 2022 and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory notes.

Management's responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financing Reporting Standards. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error, selecting and applying appropriate accounting policies, and making accounting estimates that are reasonable in the circumstances.


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 International Standards on auditing. Those standards require that we plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement. An audit also includes examining, on test basis, evidence supporting the amount and disclosures in the financial statement.

Audit also includes assessing the accounting principles used and significant estimates made by the management as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

Opinion

In our opinion the attached financial statement present fairly, in all material aspects, the financial position of the **Messrs. BAJAJ CORP INTERNATIONAL (FZE)** as at March 31, 2022 and of its financial performance and its cash flows for the year then ended in accordance with International Accounting Standards.


SAMIR AHMED ZAKI
Regn No: 440



May 04, 2022

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BALANCE SHEET AS AT MARCH 31, 2022

	<u>NOTES</u>	March 31 2022 AED	March 31 2021 AED
ASSETS			
NON-CURRENT ASSETS			
(a) Property, Plant & Equipment	6	5,836	-
CURRENT ASSETS			
(a) Inventories	7	1,002,094	394,516
(b) Financial assets			
(i) Trade receivables	8	216,424	-
(ii) Cash and cash equivalents	9	847,893	295,554
(c) Other current assets	10	254,222	201,030
Total current assets		2,320,633	891,100
TOTAL ASSETS		2,326,469	891,100
EQUITY AND LIABILITIES			
EQUITY			
(a) Equity share capital	SCH	5,550,000	5,550,000
(b) Shares pending allotment	SCH	3,000,000	-
(c) Retained earnings	SCH	(9,525,126)	(7,328,645)
		(975,126)	(1,778,645)
LIABILITIES			
CURRENT LIABILITIES			
(a) Financial liabilities			
(i) Trade payable	11	726,078	1,902,091
(ii) Other financial liabilities	12	71,056	-
(b) Other current liabilities	13	577,719	183,182
(c) Provisions	14	1,926,742	584,472
		3,301,595	2,669,745
TOTAL EQUITY AND LIABILITIES		2,326,469	891,100

The accompanying notes 1-25 form an integral part of this financial statement.

For Bajaj Corp International Fze



MANAGER

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BAJAJ CORP INTERNATIONAL FZE
SAIF ZONE, SHARJAH

PROFIT & LOSS ACCOUNT FOR THE YEAR
ENDED MARCH 31, 2022

	NOTES	March 31 2022 AED	March 31 2021 AED
I. REVENUE FROM OPERATIONS	15	2,600,980	6,344,167
II. TOTAL REVENUE (I)		<u>2,600,980</u>	<u>6,344,167</u>
III. EXPENSES			
1. Cost of sales	16	1,231,849	2,941,778
2. Employee benefit expenses	17	855,466	1,362,125
3. Finance cost	18	11,369	26,707
4. Depreciation	19	2,199	-
4. Selling and distribution Overhead	20	2,518,751	1,956,583
5. General & Administrative Overhead	21	177,827	117,713
		<u>4,797,461</u>	<u>6,404,906</u>
IV. PROFIT BEFORE TAX (II-III)		<u>(2,196,481)</u>	<u>(60,739)</u>

The accompanying notes 1-25 form an integral part of this financial statement.

For Bajaj Corp International Fze



MANAGER

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BAJAJ CORP INTERNATIONAL FZE
SAIF ZONE, SHARJAH

STATEMENT OF CASH FLOW
YEAR ENDED MARCH 31, 2022
(IN UAE DIRHAMS)

	March 31 2022 AED	March 31 2021 AED
<u>OPERATING ACTIVITIES</u>		
Net (Loss)/Profit	(2,196,481)	(60,739)
Adjustment for:		
Depreciation & amortisation	2,199	-
Operating profit before working capital change	(2,194,282)	(60,739)
(Increase)/decrease in Trade and other receivables	(216,423)	689,773
(Increase)/decrease in inventories	(607,578)	131,753
(Increase)/decrease in Other Current Assets	(53,192)	(17,414)
Increase/(decrease) in Trade and Other Payables	631,850	(856,462)
Cash from/(used in) operating activities	(2,439,625)	(113,089)
<u>INVESTING ACTIVITIES</u>		
Purchase of furnitue & other equipment	(8,036)	-
	(8,036)	-
<u>FINANCING ACTIVITIES</u>		
Share application money introduced	3,000,000	-
Net cash introduced from/(used in) financing activities	3,000,000	-
Net increase in cash and cash equivalent	552,339	(113,089)
Cash and cash equivalent at start of the year (Note 8)	295,554	408,643
Cash and cash equivalent at end of the year (Note 8)	847,893	295,554

The accompanying notes 1-25 form an integral part of this financial statement.

For Bajaj Corp International Fze



MANAGER

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STATEMENT OF CHANGE IN EQUITY
YEAR ENDED MARCH 31, 2022

	As at 31.03.2021 <u>AED</u>	Increase <u>AED</u>	Decrease <u>AED</u>	As at 31.03.2022 <u>AED</u>
Equity share capital	5,550,000			5,550,000
Share money deposit		3,000,000		3,000,000
Retained earnings	(7,328,645)	(2,196,481)		(9,525,126)
As at 31.03.2021	<u>(1,778,645)</u>	<u>803,519</u>	<u>-</u>	<u>(975,126)</u>

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BAJAJ CORP INTERNATIONAL (FZE)
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NOTES TO FINANCIAL STATEMENT
YEAR ENDED MARCH 31, 2022
(FIGURES EXPRESSED IN UAE DIRHAMS)

1. STATUS AND ACTIVITY

1.1 BAJAJ CORP INTERNATIONAL (FZE) has been incorporated as a Free Zone Establishment as per the trade licence No: 13036 issued on December 23, 2013 by Sharjah Airport International Free Zone, Government of Sharjah.

1.2 The principal activity of the company is General Trading.

2. SHARE CAPITAL

The share capital of the company is UAE Dirham 5,550,000. The details of the shareholdings are as follows:

Name of Shareholder	Nationality	No.of shares	Value of shares	%
Bajaj Consumer Care Limited	India	37	5,550,000	100

3. ACCOUNTING PERIOD

This financial statement relate to the period from 1st April, 2021 to 31st March 2022.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a. Basis of preparation

The accompanying financial statements have been prepared on a historical cost basis. Historical cost is generally based on the fair value of the consideration given in exchange of assets.

The financial statements are presented in United Arab Emirates Dirham (AED) since that is the currency of the country in which the establishment is domiciled.

b. Statement of compliance

The accompanying financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRS) as issued by the International Accounting Standard Board (IASB)

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BAJAJ CORP INTERNATIONAL (FZE)
NOTES TO FINANCIAL STATEMENT – MARCH 31, 2022- CONTINUED

c. Basis of Accounting

These financial statements are prepared under the accrual basis of accounting, transactions and events are recognized when they occur and not as cash or its equivalent is received.

d. Provision

A provision is recognized in the statement of financial position when the Establishment has a present legal or constructive obligation as a result of past events and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made.

e. Revenue Recognition

Revenue recognition to the extent that it is probable that the economic benefit will flow to the establishment and the revenue can be reliably measured.

f. Foreign currency transactions

All foreign currency transactions are recorded in Dirham at the prevailing rates of exchange at the time of transaction and all assets and liabilities stated in foreign currency are translated into local currency at the year end rate of exchange. All exchange differences are reflected in the current period profit and loss account.

g. Trade debtors

Trade debtors are carried at original invoice amount. Bad debts are written off as and when identified and as per management no provision is required for doubtful debts.

h. depreciation and fixed assets

Fixed assets are depreciated based on its useful lives in business as follows, after adjusting its salvage value.

Office equipments 3-5 years &
Office furniture 10 years

5. GOING CONCERN

These financial statements are prepared on a going concern basis which is assumed that the Establishment will continue to operate as a going concern in a foreseeable future.

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6. Property, Plant and Equipment

Particulars	Office and Other Equipment	Furniture and Fittings	Total
Gross Block			
Additions	7,464	572	8,036
Disposals			-
As at March 31, 2022	7,464	572	8,036
Depreciation and Impairment			
Depreciation for the year	2,139	60	2,199
Disposals			-
As at March 31, 2022	2,139	60	2,199
Net Book Value			
As at March 31, 2022	5,325	511	5,836

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BAJAJ CORP INTERNATIONAL FZE
NOTES TO FINANCIAL STATEMENT - 31 MARCH 2022 - CONTINUED

	March 31 2,022 AED	March 31 2,021 AED
7 INVENTORY		
Stock in trade	1,002,094	394,516
	<u>1,002,094</u>	<u>394,516</u>
8 TRADE RECEIVABLES		
Trade debtors	216,424	-
	<u>216,424</u>	<u>-</u>
9 CASH & CASH EQUIVALENTS		
Cash in hand	1,276	8,266
Cash at bank in current accounts	846,617	287,288
	<u>847,893</u>	<u>295,554</u>
10 OTHER CURRENT ASSETS		
Refundable deposit	59,670	63,150
VAT Cedit	54,826	19,278
Advance against expenses	49,387	-
Advance to staff	-	28,896
Prepaide expenses	90,339	89,706
	<u>254,222</u>	<u>201,030</u>
11 TRADE PAYABLE		
Sundry creditors	726,078	1,902,091
	<u>726,078</u>	<u>1,902,091</u>
12 OTHER FINANCIAL LIABILITIES		
Payable to employees	71,056	-
	<u>71,056</u>	<u>-</u>
13 OTHER FINANCIAL LIABILITIES		
Advance from customers	577,719	183,182
	<u>577,719</u>	<u>183,182</u>
14 PROVISION		
Provision for expenses	1,926,742	584,472
	<u>1,926,742</u>	<u>584,472</u>

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BAJAJ CORP INTERNATIONAL FZE
NOTES TO FINANCIAL STATEMENT - 31 MARCH 2022 - CONTINUED

	March 31 2,022 AED	March 31 2,021 AED
15 REVENUE FROM OPERATIONS		
Sales revenue	2,600,980	6,334,167
	2,600,980	6,334,167
16 COST OF SALES		
Opening stock	394,516	526,269
Purchase	1,839,427	2,810,025
Closing stock	(1,002,094)	(394,516)
	1,231,849	2,941,778
17 EMPLOYEE BENEFIT EXPENSE		
Salaries & wages	817,006	1,317,960
Medical expenses	38,460	30,427
Staff training & welfare expenses	-	13,738
	855,466	1,362,125
18 FINANCE COST		
Interest and bank charges	11,369	26,707
	11,369	26,707
19 DEPRECIATION AND AMORTISATION		
	2,199	-
	2,199	-
20 SELLING & DISTRIBUTION OVERHEAD		
Scheme & sales promotion	2,021,184	1,449,822
Freight, Forwarding & Distribution expenses	239,618	302,158
Warehouse rent	60,300	64,541
Travelling & Conveyance	197,649	95,062
Marketing expenses	-	45,000
	2,518,751	1,956,583
21 GENERAL, ADMINISTRATIVE & OTHER OVERHEADS		
Administrative expenses	55,125	47,843
Rent expenses	29,995	3,750
Licence & other charges	16,974	7,485
Audit fees	4,500	3,000
Exchange gain/loss	18,329	26,056
Legal & professional expenses	50,319	28,013
Miscellaneous expenses	2,585	1,566
	177,827	117,713

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BAJAJ CORP INTERNATIONAL FZE
NOTES TO FINANCIAL STATEMENT - 31 MARCH 2022- CONTINUED

22 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

Risk Management structure

The establishment oversees and manages its exposure to the market risk, credit risk, and liquidity risk. The establishment policies on these risks arising from the establishment's financial instrument are as follows:

Market risk

Market risk that changes in market price, such as foreign exchange rates, interest rates and equity prices, will affect the company's income or value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return

Foreign currency risk

It is the risk that the value of financial instrument will fluctuate due to changes in the foreign exchange rates. There are no significant exchange rate risks as substantially all financial assets and liabilities are denominated in AED.

Interest rate risk

It is the risk that the value of a financial instrument will fluctuate due to changes in market interest rates. The establishment is not exposed to any interest rate risk as it has no significant interest bearing financial instruments.

23 CONTINGENT AND COMMITMENTS

Except ongoing service commitments in the normal course of business against which no loss is expected, there has been no other known contingent liability or commitment on Establishment's account.

24 EVENTS AFTER THE FINANCIAL POSITION DATE


There were no significant events occurring after the financial position date that would have any material effect on the financial statements of the establishment.

25 GENERAL

Figures are rounded to nearest Dirham of United Arab Emirates.

The accompanying notes 1-25 form an integral part of this financial statement.

For **BAJAJ CORP INTERNATIONAL FZE**



MANAGER