

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

---

BAJAJ CORP INTERNATIONAL (FZE)  
SAIF ZONE, SHARJAH

FINANCIAL STATEMENT AND AUDITORS' REPORT  
FOR THE YEAR ENDED MARCH 31, 2019

---

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

Tel.: 06 - 7470980, P.O. Box : 5628, Ajman - U.A.E.

Email: [alneedaa2011@hotmail.com](mailto:alneedaa2011@hotmail.com)

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

---

BAJAJ CORP INTERNATIONAL (FZE)  
SAIF ZONE, SHARJAH

INDEX

Auditors' report	Page	1
Balance Sheet as on March 31, 2019	Page	2
Profit and loss account for the year ended March 31, 2019	Page	3
Statement of Cash flow	Page	4
Statement of change in equity	Page	5
Notes to financial statement	Page	6-10

---

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

Tel.: 06 - 7470980, P.O. Box : 5628, Ajman - U.A.E.

Email: [alneeda2011@hotmail.com](mailto:alneeda2011@hotmail.com)

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

**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, 2019 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, 2019 and of its financial performance and its cash flows for the year then ended in accordance with International Accounting Standards.

April 04, 2019



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

Tel.: 06 - 7470980, P.O. Box : 5628, Ajman - U.A.E.

Email: alneedaa2011@hotmail.com

**مؤسسة النداء لتدقيق الحسابات**  
**AL NEEDAA AUDITING ACCOUNTANTS**  
 محاسبون قانونيون ومدققو حسابات

Page 2

BAJAJ CORP INTERNATIONAL FZE  
 SAIF ZONE, SHARJAH

BALANCE SHEET AS AT MARCH 31, 2019

	NOTES	March 31 2019 AED	March 31 2018 AED
<b>ASSETS</b>			
<b>Current assets</b>			
Cash in hand and at bank	7	134,473	256,427
Trade receivable	8	598,539	1,442,849
Other receivable	9	363,542	168,389
Inventories	10	954,692	2,396,136
Total current assets		<u>2,051,246</u>	<u>4,263,801</u>
<b>TOTAL ASSETS</b>		<u><b>2,051,246</b></u>	<u><b>4,263,801</b></u>
<b>LIABILITIES &amp; OWNER'S EQUITY</b>			
<b>Current liabilities</b>			
Trade payable		2,842,830	5,451,425
Provision for liabilities	11	170,896	1,152,002
Accrued expenses	12	5,000	6,500
Total current liabilities		<u>3,018,726</u>	<u>6,609,927</u>
<b>Owner's equity</b>			
Share Capital		150,000	150,000
Additional fund introduced		3,900,000	-
Retained earnings	13	(5,017,480)	(2,496,126)
Total equity		<u>(967,480)</u>	<u>(2,346,126)</u>
<b>TOTAL LIABILITIES &amp; OWNER'S EQUITY</b>		<u><b>2,051,246</b></u>	<u><b>4,263,801</b></u>

The accompanying notes 1-21 form an integral part of this financial statement.

For Bajaj Corp International Fze



MANAGER

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

Tel.: 06 - 7470980, P.O. Box : 5628, Ajman - U.A.E.

Email: alneedaa2011@hotmail.com

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

Page 3

BAJAJ CORP INTERNATIONAL FZE  
SAIF ZONE, SHARJAH

PROFIT & LOSS ACCOUNT FOR THE YEAR  
ENDED MARCH 31, 2019

	NOTES	March 31 2019 AED	March 31 2018 AED
Revenue	14	6,541,006	2,071,140
Other Misc Receipts		-	6,600
Cost of sales	15	(3,376,810)	(1,462,363)
<b>Gross Profit</b>		<b>3,164,196</b>	<b>615,377</b>
General & Admn expenses	16	(4,181,809)	(1,747,819)
Personnel costs	17	(1,503,741)	(799,466)
Total expenses		(5,685,550)	(2,547,285)
<b>Net (loss)/profit for the Year</b>		<b>(2,521,354)</b>	<b>(1,931,908)</b>

The accompanying notes 1-21 form an integral part of this financial statement.

For Bajaj Corp International Fze



MANAGER

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

Tel.: 06 - 7470980, P.O. Box : 5628, Ajman - U.A.E.

Email: alneedaa2011@hotmail.com

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

Page 4


BAJAJ CORP INTERNATIONAL FZE  
SAIF ZONE, SHARJAH

STATEMENT OF CASH FLOW  
YEAR ENDED MARCH 31, 2019  
(IN UAE DIRHAMS)

	March 31 2019 AED	March 31 2018 AED
<b><u>OPERATING ACTIVITIES</u></b>		
Net (Loss)/Profit	(2,521,354)	(1,931,908)
Previous year adjustments		
Operating profit before working capital change	<b>(2,521,354)</b>	<b>(1,931,908)</b>
(Increase)/decrease in receivables	649,157	3,229,645
(Increase)/decrease in inventories	1,441,444	(2,396,136)
Increase/(decrease) in payables	<u>(3,591,201)</u>	<u>494,656</u>
Cash from/(used in) operating activities	<u>(4,021,954)</u>	<u>(603,743)</u>
<b><u>FINANCING ACTIVITIES</u></b>		
Receipt from/(payment to) owners	<u>3,900,000</u>	-
Net cash introduced from/(used in) financing activities	<u>3,900,000</u>	-
Net increase in cash and cash equivalents	(121,954)	(603,743)
Cash and cash equivalent at start of the year (Note 7)	<u>256,427</u>	<u>860,170</u>
Cash and cash equivalent at end of the year (Note 7)	<u><u>134,473</u></u>	<u><u>256,427</u></u>

The accompanying notes 1-21 form an integral part of this financial statement.

For Bajaj Corp International Fze



MANAGER

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

Tel.: 06 - 7470980, P.O. Box : 5628, Ajman - U.A.E.

Email: alneedaa2011@hotmail.com

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

Page 5

BAJAJ CORP INTERNATIONAL FZE  
SAIF ZONE, SHARJAH  
STATEMENT OF CHANGE IN EQUITY  
YEAR ENDED MARCH 31, 2019

	share capital <u>AED</u>	Additional fund <u>AED</u>	Retained profit <u>AED</u>	total <u>AED</u>
As at 31.03.2018	150,000		(2,496,126)	(2,346,126)
<b>Changes during the year</b>				
a. Loss for the year			(2,521,354)	(2,521,354)
b. Additional fund introduced		3,900,000		3,900,000
As at 31.03.2019	<u>150,000</u>	<u>3,900,000</u>	<u>(5,017,480)</u>	<u>(967,480)</u>

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

Tel.: 06 - 7470980, P.O. Box : 5628, Ajman - U.A.E.

Email: alneedaa2011@hotmail.com

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

Page 6

BAJAJ CORP INTERNATIONAL (FZE)  
SAIF ZONE, SHARJAH

NOTES TO FINANCIAL STATEMENT  
YEAR ENDED MARCH 31, 2019  
(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: 1306 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 150,000. The details of the shareholdings are as follows:

Name of Shareholder	Nationality	No. of shares	Value of shares	%
Bajaj Corp Limited (India)	India	1	150,000	100

**3. ACCOUNTING PERIOD**

This financial statement relate to the period from 1<sup>st</sup> April, 2018 to 31<sup>st</sup> March 2019.

**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)

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

Tel.: 06 - 7470980, P.O. Box : 5628, Ajman - U.A.E.

Email: alneda2011@hotmail.com



BAJAJ CORP INTERNATIONAL (FZE)  
NOTES TO FINANCIAL STATEMENT – MARCH 31, 2019- 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.

**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.

**6. PREVIOUS YEAR FIGURES**

Previous year figures have been regrouped wherever necessary to confirm presentation adopted current year.

**مؤسسة النداء لتدقيق الحسابات**  
**AL NEEDAA AUDITING ACCOUNTANTS**  
 محاسبون قانونيون ومدققو حسابات

Page 8

**BAJAJ CORP INTERNATIONAL FZE**  
**NOTES TO FINANCIAL STATEMENT - 31 MARCH 2019 - CONTINUED**

	March 31 2,019 <u>AED</u>	March 31 2,018 <u>AED</u>
<b>7 CASH IN HAND AND AT BANKS</b>		
Cash in hand	7,230	2,417
Cash at bank in current accounts	<u>127,243</u>	<u>254,010</u>
	<u>134,473</u>	<u>256,427</u>
<b>8 TRADE RECEIABLES</b>		
Trade debtors	<u>598,539</u>	<u>1,442,849</u>
	<u>598,539</u>	<u>1,442,849</u>
<b>9 OTHER RECEIVABLES</b>		
Refundable deposit	94,755	5,800
Salary advance	120,000	120,000
Advance against expenses	148,653	42,335
VAT receivable	<u>134</u>	<u>254</u>
	<u>363,542</u>	<u>168,389</u>
<b>10 INVENTORIES</b>		
Stock	<u>954,692</u>	<u>2,396,136</u>
	<u>954,692</u>	<u>2,396,136</u>
<b>11 PROVISION FOR LIABILITIES</b>		
Trade discount & scheme expenses	170,896	1,146,272
Duty & taxes	-	5,730
	<u>170,896</u>	<u>1,152,002</u>
<b>12 ACCRUED EXPENSES</b>		
Professional fees	<u>5,000</u>	<u>6,500</u>
	<u>5,000</u>	<u>6,500</u>
<b>13 RETAINED EARNINGS</b>		
Balance b/f	(2,496,126)	(564,218)
Current year (loss)/profit	<u>(2,521,354)</u>	<u>(1,931,908)</u>
	<u>(5,017,480)</u>	<u>(2,496,126)</u>
<b>14 REVENUE</b>		
Sales revenue	<u>6,541,006</u>	<u>2,071,140</u>

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

Tel.: 06 - 7470980, P.O. Box : 5628, Ajman - U.A.E.

Email: alneedaa2011@hotmail.com

**مؤسسة النداء لتدقيق الحسابات**  
**AL NEEDAA AUDITING ACCOUNTANTS**  
 محاسبون قانونيون ومدققو حسابات

Page 9

**BAJAJ CORP INTERNATIONAL FZE**  
**NOTES TO FINANCIAL STATEMENT - 31 MARCH 2019 - CONTINUED**

	March 31 2,019 AED	March 31 2,018 AED
<b>15 COST OF SALES</b>		
Opening stock	2,396,136	-
Purchase	1,935,366	3,858,499
Closing stock	(954,692)	(2,396,136)
	<u>3,376,810</u>	<u>1,462,363</u>
<b>16 GENERAL &amp; ADMN EXPENSES</b>		
Scheme & sales promotion	2,750,222	563,008
Administrative expenses	58,953	60,912
Clearing & customs	170,082	80,821
Travelling expenses	176,854	273,646
Licence & other charges	8,703	142,072
Rent	86,250	-
Audit fees	5,750	5,250
Marketing & Sales Promotion	225,336	110,000
Registration Expenses	1,852	1,830
Exchange gain/loss	58,279	17,355
Interest & bank charges	36,682	36,308
Export & Warehouse charge	179,508	411,703
Legal & professional Expenses	87,355	21,850
Loss on investment	326,767	-
Miscellaneous expenses	9,216	23,064
	<u>4,181,809</u>	<u>1,747,819</u>
<b>17 PERSONNEL COSTS</b>		
Staff salaries and benefits	1,503,741	799,466

**18 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

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

Tel.: 06 - 7470980, P.O. Box : 5628, Ajman - U.A.E.

Email: alneedaa2011@hotmail.com

BAJAJ CORP INTERNATIONAL FZE  
NOTES TO FINANCIAL STATEMENT - 31 MARCH 2019 - CONTINUED

**18 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES...Contd**

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.

**19 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.

**20 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.

**21 GENERAL**

Figures are rounded to nearest Dirham of United Arab Emirates.

The accompanying notes 1-21 form an integral part of this financial statement.

For **BAJAJ CORP INTERNATIONAL FZE**



**MANAGER**