

Jindal International FZE
Fujairah Free Zone
Fujairah - United Arab Emirates

Auditor's report and financial statements
For the year ended March 31, 2021



Jindal International FZE
Fujairah Free Zone
Fujairah - United Arab Emirates

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Independent auditor's report

To,

The Shareholder

M/s. Jindal International FZE

Fujairah Free Zone

Fujairah - United Arab Emirates

Report on the audit of the financial statements

Opinion

We have audited the accompanying financial statements of **M/s. Jindal International FZE** (the "Entity") which comprise the statement of financial position as at March 31, 2021 and the statement of profit or loss and other comprehensive income, statement of changes in equity, statement of cash flows for the year then ended and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Entity as at March 31, 2021 and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Entity in accordance with the requirements of Code of Ethics for Professional Accountants, issued by International Ethics Standards Board for Accountants (IESBA) together with ethical requirements that are relevant to our audit of the financial statements and 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 note - 2 to these financial statements. During the year, the shareholder has resolved to discontinue the operations of the Entity vide resolution dated January 11, 2021. In view of the above, the going concern assumption is no longer valid for the Entity and accordingly, these financial statements have been prepared on the basis of the accounting convention of realisable/settlement values of assets and liabilities. Our opinion is not qualified in respect of this matter.

Responsibilities of management for the financial statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards (IFRSs), in compliance with the requirements of applicable laws and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

The management is responsible for overseeing the Entity's financial reporting process.

Independent auditor's report to the shareholder of Jindal International FZE (continued)

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 aggregate, 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 judgement 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, or the 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 Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's 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 Entity'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 Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the management 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.

Report on other legal and regulatory requirements

As required by the Rules and Regulations framed pursuant to Emiri Decree no. 6 of 1987 issued in Fujairah in respect of the creation of Free Zone, amended by Emiri Decree no. 1 for the year 1992, we further confirm that:

- 1 We have obtained all the information and explanations which we consider necessary for our audit.
- 2 The financial statements have been prepared and comply, in all material respects, with the applicable provisions of the Rules and Regulations framed pursuant to Emiri Decree no. 6 of 1987 issued in Fujairah in respect of the creation of Free Zone, amended by Emiri Decree no. 1 for the year 1992 and the Articles of Incorporation of the Entity.

Independent auditor's report to the shareholder of Jindal International FZE (continued)

Report on other legal and regulatory requirements (continued)

- 3 Proper books of accounts have been maintained by the Entity.
- 4 The Entity has not made any investments in shares and stocks during the year ended March 31, 2021.
- 5 Note 9 to the financial statements reflects the disclosures relating to material related party transactions and the terms under which they were conducted.
- 6 Based on the information that has been made available to us, nothing has come to our attention which causes us to believe that the Entity has contravened, during the financial year ended, any of the applicable provisions of the Rules and Regulations framed pursuant to Emiri Decree no. 6 of 1987 issued in Fujairah in respect of the creation of Free Zone, amended by Emiri Decree no. 1 for the year 1992 or the Articles of Incorporation of the Entity, which would materially affect its activities or its financial position as at March 31, 2021.

For UHY James Chartered Accountants


James Mathew FCA, CPA
Managing Partner
Reg. No. 548



May 10, 2021
Dubai - United Arab Emirates

Jindal International FZE
Fujairah Free Zone
Fujairah - United Arab Emirates


Statement of financial position as at March 31, 2021
(In Arab Emirates Dirham)

	Notes	2021	2020
Assets			
<i>Current assets</i>			
Prepayments	5	26,250	26,250
Bank balance	6	-	19,298
<i>Total current assets</i>		<u>26,250</u>	<u>45,548</u>
Total assets		<u><u>26,250</u></u>	<u><u>45,548</u></u>
Equity and liabilities			
<i>Equity</i>			
Share capital	7	150,000	150,000
Accumulated (losses)	8	(296,119)	(244,452)
<i>Total equity</i>		<u>(146,119)</u>	<u>(94,452)</u>
<i>Current liabilities</i>			
Due to a related party	9	172,369	135,000
Accrued expenses		-	5,000
<i>Total current liabilities</i>		<u>172,369</u>	<u>140,000</u>
Total liabilities		<u>172,369</u>	<u>140,000</u>
Total equity and liabilities		<u><u>26,250</u></u>	<u><u>45,548</u></u>

The accompanying notes form an integral part of these financial statements.

The report of the auditor is set out on pages 1 to 3.

The financial statements on pages 4 to 14 were approved on May 10, 2021 and signed on behalf of the Entity, by:


Mr. Anil Kumar Kejriwal
Director




Mr. Amit Kumar
Director



Jindal International FZE

Fujairah Free Zone

Fujairah - United Arab Emirates

Statement of profit or loss and other comprehensive income for the year ended March 31, 2021

(In Arab Emirates Dirham)

	<u>Note</u>	<u>2021</u>	<u>2020</u>
Administrative expenses	10	<u>(51,667)</u>	<u>(47,572)</u>
(Loss) for the year		(51,667)	(47,572)
Other comprehensive income		<u>-</u>	<u>-</u>
Total comprehensive (loss) for the year		<u>(51,667)</u>	<u>(47,572)</u>

The accompanying notes form an integral part of these financial statements.

The report of the auditor is set out on pages 1 to 3.



Jindal International FZE
 Fujairah Free Zone
 Fujairah - United Arab Emirates

Statement of changes in equity for the year ended March 31, 2021
 (In Arab Emirates Dirham)

	<u>Share capital</u>	<u>Accumulated (losses)</u>	<u>Total equity</u>
Balance as at March 31, 2019	150,000	(196,880)	(46,880)
(Loss) for the year	-	(47,572)	(47,572)
Balance as at March 31, 2020	150,000	(244,452)	(94,452)
(Loss) for the year	-	(51,667)	(51,667)
Balance as at March 31, 2021	150,000	(296,119)	(146,119)

The accompanying notes form an integral part of these financial statements.

The report of the auditor is set out on pages 1 to 3.



Jindal International FZE

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Statement of cash flows for the year ended March 31, 2021

(In Arab Emirates Dirham)

	<u>2021</u>	<u>2020</u>
Cash flows from operating activities		
(Loss) for the year	(51,667)	(47,572)
<i>Increase/(decrease) in current liabilities</i>		
Accrued expenses	(5,000)	-
Net cash (used in) operating activities	<u>(56,667)</u>	<u>(47,572)</u>
Cash flows from financing activities		
Due to a related party	37,369	50,000
Net cash from financing activities	<u>37,369</u>	<u>50,000</u>
Net (decrease)/increase in cash and cash equivalents	(19,298)	2,428
Cash and cash equivalents, beginning of the year	19,298	16,870
Cash and cash equivalents, end of the year	<u>-</u>	<u>19,298</u>
Cash and cash equivalents		
Cash at bank	<u>-</u>	<u>19,298</u>

The accompanying notes form an integral part of these financial statements.

The report of the auditor is set out on pages 1 to 3.



Jindal International FZE

Fujairah Free Zone

Fujairah - United Arab Emirates

Notes to the financial statements for the year ended March 31, 2021

1 Legal status and business activities

1.1 M/s. Jindal International FZE, Fujairah Free Zone, Fujairah - United Arab Emirates (the "Entity") was registered on July 08, 2015, as a Free Zone Establishment and operates in the United Arab Emirates under a commercial license issued by the Fujairah Free Zone Authority, Government of Fujairah, Fujairah - United Arab Emirates.

1.2 The Entity is licensed to engage in general trading. However, during the year, the Entity has not commenced any trading activities.

1.3 The registered address of the Entity is P.O. Box: 50326, Fujairah Free Zone, Fujairah - United Arab Emirates.

1.4 The management and control are vested with the Director, Mr. Anil Kumar Kejriwal (Indian national).

1.5 These financial statements incorporate the operating results of the Commercial license no. 3728.

2 Discontinued operations

During the year, the shareholder has resolved to discontinue the operations of the Entity vide resolution dated January 11, 2021. The Entity has applied for voluntary dissolution with Fujairah Free Zone and closed its bank account on March 31, 2021. The liquidation process is already initiated by the Fujairah Free Zone. Accordingly, these financial statements have been prepared on a non-going concern basis.

3 New standards and amendments applicable as on April 01, 2020

The following standards and amendments apply for the first time to the financial reporting periods commencing on or after April 01, 2020.

- Definition of a Business - Amendments to IFRS 3
- Interest Rate Benchmark Reform - Amendments to IFRS 7, IFRS 9 and IAS 39
- Definition of Material - Amendments to IAS 1 and IAS 8
- Conceptual Framework for Financial Reporting - Amendments

4 Significant accounting policies

4.1 Statement of compliance

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs) as issued by International Accounting Standards Board (IASB). These financial statements are presented in United Arab Emirates Dirham (AED) which is the Entity's functional and presentation currency.

4.2 Basis of preparation

These financial statements are prepared on the basis of the accounting convention of realisable/settlement values of assets and liabilities whereby assets are carried at amount of cash and cash equivalents that could currently be obtained by selling the assets in an orderly disposal and liabilities are carried at the undiscounted amounts of cash or cash equivalents expected to be paid to satisfy the liabilities in the normal course of business. Realisable/settlement values of assets and liabilities are based on the management's best estimate considering any impairment to the historical cost and presented as current assets and current liabilities.

All operations of the Entity are treated as discontinued operations as per International Financial Reporting Standards. Losses, expenses, revenues and cash flows from operating, investing and financing activities, for the current year are from discontinued operations.

The principal accounting policies applied in these financial statements are set out below.

4.3 Current/non-current classification

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

4 Significant accounting policies (continued)

4.3 Current/non-current classification (continued)

Expected to be realised or intended to sold or consumed in normal operating cycle or held primarily for the purpose of trading or expected to be realised within twelve months after the reporting period, or cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when it is expected to be settled in normal operating cycle or it is held primarily for the purpose of trading or it is due to be settled within twelve months after the reporting period, or there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Entity classifies all other liabilities as non-current.

4.4 Foreign currency

The transactions in currencies other than the Entity's functional currency are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences on monetary items are recognised in profit or loss in the period in which they arise.

4.5 Leases

The Entity assesses at the inception of a contract, whether the contract is or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Entity assesses whether:

- the contract contains an identified asset, which is either explicitly identified in the contract or implicitly specified by being identified at the time the asset is made available to the Entity.
- the Entity has the right to obtain substantially all of the economic benefits from use of the identified asset throughout the period of use, considering its rights within the defined scope of the contract.
- the Entity has the right to direct the use of the identified asset throughout the period of use. The Entity assesses whether it has the right to direct how and for what purpose the asset is used throughout the period of use.

4.5.1 Entity as lessee

The Entity applies a single recognition and measurement approach for all leases whereby right-of-use assets and lease liabilities are recognized except for the short-term leases and leases of low-value assets.

Short-term leases and leases of low-value assets

The Entity elects not to recognize right-of-use assets and lease liability for short term lease contracts (i.e. lease period less than or equal to 12 months from the date of commencement) and for low value assets. The Entity recognises payments associated with these leases as an expense on a straight-line basis over the lease term.

4.6 Financial instruments

Financial assets and financial liabilities are recognised when the Entity becomes a party to the contractual provisions of the instrument.

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Notes to the financial statements for the year ended March 31, 2021

4 Significant accounting policies (continued)

4.7 Financial liabilities

Financial liabilities are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Entity's financial liabilities include due to a related party.

Due to a related party

Amounts due to a related party is stated at amortised cost.

Derecognition of financial liabilities

The Entity derecognises financial liabilities when, and only when, the Entity's obligations are discharged, cancelled or they expire. When an existing financial liability is replaced by another from the same lender on 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.

4.8 Offsetting financial instruments

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

4.9 Provisions

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

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset, if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.



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Notes to the financial statements for the year ended March 31, 2021

(In Arab Emirates Dirham)

	<u>2021</u>	<u>2020</u>
5 Prepayments		
Prepayments	<u>26,250</u>	<u>26,250</u>
6 Bank balance		
Cash at bank	<u>-</u>	<u>19,298</u>

As on March 31, 2021, management has closed its bank account due to on going voluntary liquidation.

7 Share capital

Authorized, issued and paid up capital of the Entity is AED 150,000 divided into 1,000 shares of AED 150 each fully paid.

The details of the shareholding as at reporting date are as follows:

<u>Name of shareholder</u>	<u>Nationality</u>	<u>Percentage</u>	<u>No. of shares</u>	<u>2021</u>	<u>2020</u>
M/s. Jindal Saw Holdings FZE (Represented by Mr. Anil Kumar Kejriwal, Indian national)	U.A.E.	100	1,000	<u>150,000</u>	<u>150,000</u>

	<u>2021</u>	<u>2020</u>
8 Accumulated (losses)		
Balance at the beginning of the year	<u>(244,452)</u>	<u>(196,880)</u>
(Loss) for the year	<u>(51,667)</u>	<u>(47,572)</u>
Balance at the end of the year	<u>(296,119)</u>	<u>(244,452)</u>

9 Related party transactions

The Entity enters into transactions with other entities that fall within the definition of a related party as contained in IAS 24, Related party disclosures. Related parties comprise entities under common ownership and/or common management and control; their partners 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 other charges, if applicable.

a) Due to a related party	<u>2021</u>	<u>2020</u>
<i>Shareholder</i>		
M/s. Jindal Saw Holdings FZE, Fujairah Free Zone, Fujairah - U.A.E.	<u>172,369</u>	<u>135,000</u>
	For the year ended March 31,	
10 Administrative expenses	<u>2021</u>	<u>2020</u>
Legal, visa, professional and related expenses	<u>51,509</u>	<u>47,322</u>
Bank charges	<u>158</u>	<u>250</u>
	<u>51,667</u>	<u>47,572</u>



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Notes to the financial statements for the year ended March 31, 2021

(In Arab Emirates Dirham)

11 Financial instrumentsa) *Significant accounting policies*

Details of the significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset and financial liability are disclosed in note 4 to the financial statements.

b) *Fair value of financial assets and financial liabilities that are not measured at fair value on recurring basis.*

	As at March 31,		As at March 31,	
	2021	2020	2021	2020
<i>Financial assets</i>	Carrying amount		Fair value	
Bank balance	-	19,298	-	19,298
<i>Financial liabilities</i>				
Accrued expenses	-	5,000	-	5,000
Due to a related party	172,369	135,000	172,369	135,000
	172,369	140,000	172,369	140,000

Financial instruments comprise of financial assets and financial liabilities.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between knowledgeable and willing parties.

Financial assets consist of bank balance. Financial liabilities consist of due to a related party and accrued expenses.

As at the reporting date, financial assets and financial liabilities approximate their carrying values.

12 Financial risk management objectives

The Entity management set out the Entity's overall business strategies and its risk management philosophy. The Entity's overall financial risk management program seeks to minimize potential adverse effects on the financial performance of the Entity. The Entity policies include financial risk management policies covering specific areas, such as market risk (including foreign exchange risk, interest rate risk), liquidity risk and credit risk. Periodic reviews are undertaken to ensure that the Entity's policy guidelines are complied with.

There has been no change to the Entity's exposure to these financial risks or the manner in which it manages and measures the risk.

a) *Foreign currency risk management*

The Entity does not have any significant exposure to currency risk, as most of its assets and liabilities are denominated in Arab Emirates Dirham.

b) *Interest rate risk management*

As at the reporting date, there are no significant interest rate risks as there are no borrowings at year end.

c) *Liquidity risk management*

Ultimate responsibility for liquidity risk management rests with the management which has built an appropriate liquidity risk management framework for the management of the Entity's short, medium and long-term funding and liquidity management requirements. The Entity manages liquidity risk by maintaining adequate reserves, continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.

The Entity has access to interest free loans from its shareholder at its disposal to further reduce liquidity risk.

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Notes to the financial statements for the year ended March 31, 2021

(In Arab Emirates Dirham)

12 Financial risk management objectives (continued)c) *Liquidity risk management (continued)*Liquidity and interest risk table:

The table below summarises the maturity profile of the Entity's financial assets and financial liabilities. The contractual maturities of the financial assets and financial liabilities have been determined on the basis of the remaining period at the financial position date to the contractual maturity date. The maturity profile of the assets and liabilities at the financial position date based on contractual repayment arrangements were also shown as follows:

Particulars	Interest bearing			Non Interest bearing			Total
	On demand or less than 3 months	Within 1 year	More than 1 year	On demand or less than 3 months	Within 1 year	More than 1 year	
As at March 31, 2021							
Financial liabilities							
Due to a related party	-	-	-	-	172,369	-	172,369
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>172,369</u>	<u>-</u>	<u>172,369</u>
As at March 31, 2020							
Financial assets							
Bank balance	-	-	-	19,298	-	-	19,298
	<u>-</u>	<u>-</u>	<u>-</u>	<u>19,298</u>	<u>-</u>	<u>-</u>	<u>19,298</u>
Financial liabilities							
Accrued expenses	-	-	-	-	5,000	-	5,000
Due to a related party	-	-	-	-	135,000	-	135,000
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>140,000</u>	<u>-</u>	<u>140,000</u>

d) *Credit risk management*

Credit risk refers to the risk that the counterparty will default on its contractual obligations resulting in financial loss to the Entity. The Entity has adopted a policy of only dealing with creditworthy counterparties. The Entity's exposure are continuously monitored and their credit exposure is reviewed by the management regularly.

Ongoing credit evaluation is performed on the financial condition of other receivables. Further details of credit risks on other receivables are disclosed in note 5 to the financial statements.

The credit risk on liquid funds is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

The carrying amounts of the financial assets recorded in the financial statements, which is net of impairment losses, represents the Entity's maximum exposure to credit risks.

13 Capital risk management

The Entity manages its capital to ensure that it will be able to continue as a going concern while maximizing the return to the stakeholders through the optimization of the equity balance. The Entity's overall strategy remains unchanged from prior year.

The capital structure of the Entity consists of equity comprising issued capital and accumulated (losses) as disclosed in the financial statements.

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Notes to the financial statements for the year ended March 31, 2021

(In Arab Emirates Dirham)

14 Contingent liabilities and commitments

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

15 Reclassification

Certain amounts for the previous year were reclassified, to confirm to current year's presentation. However, such reclassifications do not have any impact on the previously reported financial result or equity.

