

BOROSIL AFRASIA FZE

Financial Statements

31 March 2014

Registered office:

Office No. LB 06112
Jebel Ali
Dubai, U.A.E.

BOROSIL AFRASIA FZE

Financial Statements

31 March 2014

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BOROSIL AFRASIA FZE

Director's Report

The director submits his report and financial statements for the first financial period ended 31 March 2014.

Result

Loss for the period amounted to AED 101,394/-.

Review of the business

The Establishment is registered for trading in solar energy systems and components, scientific & laboratory equipment, ceramic & chinaware, houseware & utensils, glass bottles, domestic kitchen & fixture, novelties, plastic bags & containers and cutlery & silverware. During the period, the Establishment has not started its operations, only expenses were incurred for initial set up of the office premise and other related administrative expenses.

Events since the end of the period

There were no important events, which have occurred since the period-end that materially affect the Establishment.

Shareholder and it's interest

The shareholder at 31 March 2014 and it's interest as at that date in the share capital of the Establishment was as follows:

<u>Name</u>	<u>Country of Incorporation</u>	<u>No. of shares</u>	<u>AED</u>
Borosil Glass Works Limited	India	1	1,000,000

Auditors

A resolution to appoint **KSI Shah & Associates** as auditors and fix their remuneration will be put to the board at the annual general meeting.



Mr. Pradeep Kheruka
Director

Independent Auditors' Report to the Shareholder of BOROSIL AFRASIA FZE

Report on the Financial Statements

We have audited the accompanying financial statements of **BOROSIL AFRASIA FZE**, which comprise of the statement of financial position as of 31 March 2014, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the period then ended, and a summary of significant accounting policies and 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 generally accepted accounting principles. 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 circumstance.

Auditors' responsibility

Our audit included such test of the accounting records and such other auditing procedures, as we considered necessary in the circumstances. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a reasonable basis for our audit opinion.

Opinion:

In our opinion, read with note 1(c), the financial statements present fairly, in all material respects the financial position of **BOROSIL AFRASIA FZE** as of 31 March 2014 and its financial performance and its cash flows for the period then ended in conformity with accounting principles applied.

KSI Shah & Associates
For KSI Shah & Associates
Dubai, U.A.E.

Signed by:

Sonal P. Shah (Registration No. 123)

28 May 2014



BOROSIL AFRASIA FZE**Statement of Financial Position***At 31 March 2014*

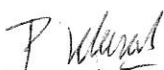
	<i>Notes</i>	<i>2014 AED</i>
ASSETS		
Current assets		
Deposits		5,676
Prepayments		41,170
Cash and cash equivalents	4	914,544
		<u>961,390</u>
TOTAL ASSETS		<u>961,390</u>
EQUITY AND LIABILITIES		
Equity		
Share capital	5	1,000,000
Accumulated losses		(101,394)
Total equity		<u>898,606</u>
Current liability		
Other payable		<u>62,784</u>
TOTAL EQUITY AND LIABILITIES		<u>961,390</u>

The accompanying notes 1 to 8 form an integral part of these financial statements.

The report of auditors is set forth on page 2.

Approved by the shareholder on 28th May 2014.

For BOROSIL AFRASIA FZE



Mr. Pradeep Kheruka

Director

BOROSIL AFRASIA FZE**Statement of Comprehensive Income**
for the period ended 31 March 2014

		9 Jan. 2014 to 31 Mar. 2014 <u>AED</u>
Revenue	<i>Note</i>	-
Expenses	6	<u>(101,394)</u>
Loss for the period		(101,394)
Other comprehensive income		<u>-</u>
Total comprehensive income for the period		<u>(101,394)</u>

The accompanying notes 1 to 8 form an integral part of these financial statements.

BOROSIL AFRASIA FZE**Statement of Changes in Equity**
for the period ended 31 March 2014

	<i>Share capital <u>AED</u></i>	<i>Accumulated losses <u>AED</u></i>	<i>Total <u>AED</u></i>
Share capital introduced	1,000,000	-	1,000,000
Loss for the period	<u>-</u>	<u>(101,394)</u>	<u>(101,394)</u>
As at 31 March 2014	<u>1,000,000</u>	<u>(101,394)</u>	<u>898,606</u>

The accompanying notes 1 to 8 form an integral part of these financial statements.

BOROSIL AFRASIA FZE

Statement of Cash Flows
for the period ended 31 March 2014

		9 Jan. 2014 to 31 Mar. 2014 <u>AED</u>
	<i>Note</i>	
<u>Cash flows from operating activities</u>		
Loss for the period		<u>(101,394)</u>
Operating profit / (loss) before working capital		<u>(101,394)</u>
Changes in other receivables		(46,846)
Changes in other payables		<u>62,784</u>
Net cash (used in) / from operating activities		<u>(85,456)</u>
 <u>Cash flows from financing activities</u>		
Share capital introduced		<u>1,000,000</u>
Net cash from financing activities		<u>1,000,000</u>
 Net increase in cash and cash equivalents		914,544
Cash and cash equivalents at beginning of the period		<u>-</u>
Cash and cash equivalents at end of the period	4	<u>914,544</u>

The accompanying notes 1 to 8 form an integral part of these financial statements.

BOROSIL AFRASIA FZE

(Incorporated in the Jebel Ali Free Zone)

(Registration No. 162847)

Notes to the Financial Statements
*for the period ended 31 March 2014***1. Legal status**

- a) **BOROSIL AFRASIA FZE** ("The Company") is a free zone limited liability establishment, incorporated with Jebel Ali Free Zone, United Arab Emirates, under the trading license number 140740 issued on 9th January, 2014. Accordingly, the financial statements are prepared for 81 days.
- b) The company is registered for trading in solar energy systems and components, scientific & laboratory equipment, ceramic & chinaware, houseware & utensils, glass bottles, domestic kitchen & fixture, novelties, plastic bags & containers and cutlery & silverware. During the period, the company has not started its operations, only expenses were incurred for initial set up of the office premise and other related administrative expenses.
- c) These financial statements are not the statutory financial statements of the company and are prepared for the management information purposes only.

2. Basis of preparation**a) Statement of compliance**

The financial statements are prepared in accordance with generally accepted accounting standards.

b) Basis of measurement

The financial statements have been prepared on the historical cost except investments as described in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange of assets.

c) Functional and presentation currency

These financial statements are presented in U.A.E. Dirhams, which is the company's functional and presentation currency.

3. Significant accounting policies**a) Financial instruments:**

Financial assets and financial liabilities are recognized when, and only when, the company becomes a party to the contractual provisions of the instrument. Financial assets are de-recognized when, and only when, the contractual rights to receive cash flows expire or when substantially all the risks and rewards of ownership have been transferred. Financial liabilities are de-recognized when, and only when, they are extinguished, cancelled or expired.

BOROSIL AFRASIA FZE**Notes to the Financial Statements**
for the period ended 31 March 2014**Financial assets*****Non derivative financial assets******Initial recognition and measurement***

Financial assets are recognized on the statement of financial position when, and only when, the company becomes a party to the contractual provisions of the financial instrument. The company determines the classification of its financial assets at initial recognition.

When financial assets are recognized initially, they are measured at fair value, plus, in the case of financial assets not at fair value through profit or loss, directly attributable transaction costs.

Subsequent measurement

The subsequent measurement of non - derivative financial assets depends on their classification as follows:

The company classifies non-derivative financial assets into the following categories: Financial assets at fair value through profit or loss, Held-to-maturity financial assets, Available-for-sale financial assets and Loans and receivables.

During the period, the company has no non-derivative financial assets.

b) Trade and other payables

Liabilities are recognized for amounts to be paid for goods or services received, whether invoiced by the supplier or not.

c) Provisions

Provisions are recognized when the company has a legal or constructive obligation as a result of a past event, it is probable that an outflow of resources will be required to settle the obligation, and the amount can be reliably estimated.

d) Revenue recognition

Revenue from the sale of goods is recognized when the goods are delivered and titles have passed, at which time all the following conditions are satisfied.

- ✦ the company has transferred to the buyer the significant risks and rewards of ownership of the goods;
- ✦ the company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- ✦ the amount of revenue can be measured reliably;
- ✦ it is probable that the economic benefits associated with the transaction will flow to the company; and
- ✦ the costs incurred or to be incurred in respect of the transaction can be measured reliably.

BOROSIL AFRASIA FZE**Notes to the Financial Statements**
*for the period ended 31 March 2014***e) Foreign currency transactions**

Transactions in foreign currencies are converted into U.A.E. Dirhams at the rate of exchange ruling on the date of the transaction. Assets and liabilities expressed in foreign currencies are translated into U.A.E. Dirhams at the rate of exchange ruling at the reporting date. Resulting exchange gains/losses are taken to the statement of comprehensive income.

f) Cash and cash equivalents

Cash and cash equivalents for the purpose of the cash flow statement comprise of cash on hand, bank current accounts, deposits free of encumbrance with a maturity date of three months or less from the date of deposit and highly liquid investments with a maturity date of three months or less from the date of investment.

	2014
	<u>AED</u>
4. Cash and cash equivalents	
Bank balances in:	
Current accounts	<u>914,544</u>
5. Share capital	
1 share of AED 1,000,000/- each	<u>1,000,000</u>
	9 Jan. 2014
	to
	31 Mar. 2014
	<u>AED</u>
6. Expenses	
Salaries	51,000
Rent	12,690
Other administrative expenses	<u>37,704</u>
	<u>101,394</u>
7. Contingent liability	
There was no contingent liability of a significant amount outstanding as at the reporting date.	
8. Comparative figures	

This being the first period of the company's operations, there are no comparative figures.