

Bajaj Bangladesh Limited

For the year ended 31 March 2022

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SINCE-1994

RAHMAN ANIS & CO.

CHARTERED ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT
TO
THE SHAREHOLDERS
OF
BAJAJ BANGLADESH LIMITED

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Bajaj Bangladesh Limited, which comprise the statements of financial position as at 31 March 2022 and the statement of profit and loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year ended 31 March 2022 and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view, in all material respects, the financial position of the Company as at 31 March 2022, and (of) its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs), the Companies Act, 1994 and other applicable laws and regulations.

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 Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with ethical requirement that are relevant to our audit of the financial statements in Bangladesh, and we have fulfilled our other ethical responsibilities in accordance with these requirement and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance 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), The Companies Act 1994 and other applicable laws and regulations, 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 Company'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 Company or to cease operations, or has no realistic alternative but to do so.

Those charge with governance are also responsible for overseeing the Company's financial reporting process.

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 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, 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 company'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 Company'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 Company 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 those charged with governance 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

In accordance with the Companies Act, 1994 we also report that:

- a) we have obtained all the information and explanation which to the best of our knowledge and belief were necessary for the purposes of our audit and made due verification thereof;
- b) in our opinion, proper books of account as required by law have been kept by the company so far as it appeared from our examination of those books; and
- c) the company's statement of financial position dealt with by the report are in agreement with the books of account.

Rahman Anis & Co.
Chartered Accountants
Reg. No: 4/226/ICAB-79


Md. Anisur Rahman, FCA
Managing Partner
Enrl. No. 226
DVC NO: 2206180226AS423538
Place: Dhaka, Bangladesh.
Date: May 04, 2022



Bajaj Bangladesh Limited
Statement of financial position
As at 31 Mar 2022

	Note No.	Amount in BDT	
		As at Mar 31, 2022	As at Mar 31, 2021
ASSETS			
Current assets			
Advances, deposits and prepayments	4.00	285,641	196,028
Cash and cash equivalents	5.00	1,433,999	1,859,054
		1,719,640	2,055,082
Total assets		1,719,640	2,055,082
EQUITY AND LIABILITIES			
Equity			
Share capital	6.00	48,695,130	48,695,130
Share money deposits	SCE	-	115,044
Retained earnings	SCE	(47,304,259)	(46,821,742)
		1,390,871	1,988,432
Current liabilities			
Liabilities for expenses	7.00	328,769	66,650
Provision for income tax	8.00	-	-
		328,769	66,650
Total equity and liabilities		1,719,640	2,055,082

The accompanying notes 1 to 11 form an integral part of the financial statements.

Director



Director

As per our annexed report of same date




Md. Anisur Rahman FCA
Managing Partner
Enrl. No.-226
Rahman Anis & Co.
Chartered Accountants
DVC NO: 2206180226AS423538
Place: Dhaka, Bangladesh
Date: May 04, 2022



Bajaj Bangladesh Limited
Statement of profit or loss and other comprehensive income
For the year ended 31 March 2022

	Note No.	Amount in BDT	
		For the year ended Mar 31, 2022	For the year ended Mar 31, 2021
Revenue		-	-
Less: Cost of sales		-	-
Gross profit		-	-
Less: Administrative expenses	9.00	597,560	155,140
Add: Write off of share money deposit		115,043	
Profit/(loss) before income tax		(482,517)	(155,140)
Less: Income tax expenses	10.00	-	(7,200)
Profit/(loss) after income tax		(482,517)	(147,940)
Add: Other comprehensive income		-	-
Total comprehensive income (Loss)		(482,517)	(147,940)

The accompanying notes 1 to 11 form an integral part of the financial statements.

Director



Director



As per our annexed report of same date

Md. Anisur Rahman FCA
Managing Partner
Enrl. No.-226
Rahman Anis & Co.
Chartered Accountants
DVC NO: 2206180226AS423538
Place: Dhaka, Bangladesh
Date: May 04, 2022



Bajaj Bangladesh Limited
Statement of changes in equity
For the year ended 31 March 2022

Particulars	Amount in BDT			
		Share money deposit	Retained earnings	Total
Balance as at 01 April 2021	48,695,130	115,044	(46,821,742)	1,988,432
write off during the year	-	(115,044)	-	(115,044)
Total comprehensive income /(loss)	-	-	(482,517)	(482,517)
Balance as at 31 March 2022	48,695,130	-	(47,304,259)	1,390,871
Balance as at 01 April 2020	48,695,130	115,044	(46,673,802)	2,136,372
Total comprehensive income /(loss)	-	-	(147,940)	(147,940)
Balance as at 31 March 2021	48,695,130	115,044	(46,821,742)	1,988,432

The accompanying notes 1 to 11 form an integral part of the financial statements.

Director



As per our annexed report of same date

Director



Place: Dhaka, Bangladesh
Date: May 04, 2022



Bajaj Bangladesh Limited
Statement of cash flows
For the year ended 31 March 2022

	For the year ended	
	As at Mar 31, 2021	
	BDT	BDT
A. Cash flows from operating activities		
Cash receipts from customers	-	-
Cash paid to suppliers and employees	(425,055)	(118,490)
Net cash used in operating activities	(425,055)	(118,490)
B. Cash flows from financing activities		
Proceeds from issuance of share capital	-	-
Net cash flows from financing activities	-	-
Net increase/(decrease) in cash and cash equivalents (A+B)	(425,055)	(118,490)
Cash and cash equivalents at beginning of the year	1,859,054	1,977,544
Cash and cash equivalents at end of the year	1,433,999	1,859,054

The accompanying notes 1 to 11 from an integral part of these financial statements.

Director



Director

As per our annexed report of same date



Place: Dhaka, Bangladesh
Date: May 04, 2022



Bajaj Bangladesh Limited
Notes, comprising significant accounting policies and other explanatory information
As at and for the year ended 31 March 2022

1.00 Significant accounting policies and other material information

1.01 Corporate history

Bajaj Bangladesh Limited is a public limited company incorporated in Bangladesh on 09 December 2012 with the Registrar of Joint Stock Companies and Firms, Bangladesh under the Companies Act, 1994 vide incorporation no. # C-106043/12. The registered office of the company is located at 52 Motijheel Commercial Area, Dhaka-1000. The company also obtained certificate of commencement of business from the Registrar of Joint Stock Companies and Firms, vide no. C-108043/12 dated 09

1.02 Nature of the business

The prime objective of the company is to carry on the business of importing and trading of all kinds of hair care oil and other FMCG.

2.00 Basis of preparation of the financial statements

2.01 Statement of compliance

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs). The format of financial statements follow the requirements of IFRSs which are to some extent different from the requirement of Companies Act, 1994; however, such differences are not material and in the view of managements IFRSs format as mentioned in IAS-1 gives a better presentation to the shareholders.

2.02 Components of the financial statements

Following are the components of the financial statements:

- i) Statement of financial position as at 31 March 2022;
- ii) Statement of profit or loss and other comprehensive income for the year ended 31 March 2022;
- iii) Statement of changes in equity for the year ended 31 March 2022;
- iv) Statement of cash flows for the year ended 31 March 2022; and
- v) Notes to the financial statements as at and for the year ended 31 March 2022.

2.03 Basis of measurement

These financial statements have been prepared on going concern basis under the historical cost convention.

2.04 Going concern

The company has adequate resources to continue in operation for the foreseeable future and hence, the financial statements have been prepared on going concern basis. As per assessment there are no material uncertainties related to events or condition which may cast significant doubt upon the company's ability to continue as a going concern.

2.05 Functional and presentation currency

The financial statements are presented in Bangladeshi Taka (BDT) which is the company's functional currency. All financial information presented in BDT has been rounded off to the nearest Taka.



2.06 Foreign currency transaction

Transactions in foreign currencies are initially recorded in the functional currency by applying the exchange rate between the functional currency and foreign currency at the date of the transaction. Exchange differences are shown in statement of comprehensive income.

2.07 Use of estimates and judgments

The preparation of financial statements requires managements to make judgment, estimates and assumptions that affect the application of accounting polices and the reported amounts of assets, liabilities, income and expenses. Actual result may differ from the estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revision to accounting estimates are recognized in the period in which the estimates are revised and in any future period affected.

2.08 Comparative information

Comparative information has been presented. To facilitate comparison, certain relevant balances pertaining to the previous year have been rearranged/reclassified whenever considered necessary to conform to current year's presentation.

2.09 Reporting period

The financial period of the company has been determined to be from 01 April to 31 March each year. These financial statements cover the period from 01 April 2021 to 31 March 2022.

3.00 Significant accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

3.01 Revenue recognition

Revenue is recognized when a performance obligation is satisfied by transferring a promised good to a customer to the amount that is allocated to that performance obligation.

3.02 Provisions

In accordance with the guidelines as prescribed by IAS-37 provisions were recognized when all the following criteria are met:

- i) When the company has a present obligation as a result of past even;
- ii) When it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
- iii) Reliable estimates can be made of the amount of the obligation.

3.03 Statement of cash flows

Statement of cash flows is prepared in accordance with IAS-7 " Statement of cash flows" and it has been prepared under direct method.

3.04 Statement of changes in equity

The statement of changes in equity reflects information about the increase or decrease in net assets or wealth.

3.05 Advances, deposits and prepayments

Advances are initially measured at cost. After initial recognition, advances are carried at cost less deductions, adjustments or changes to other accounts heads.

Deposits are measured at payment value.

Prepayments are initially measured at cost. After initial recognition, prepayments are carried at cost less charges to statements of profit or loss and other comprehensive income.

3.06 Cash and cash equivalents

It indicates cash in hand and bank deposits, which were held and available for use by the company without any restriction.

3.07 Taxation

Income tax expenses comprises current tax . Current tax is recognized in profit or loss except to the extent that its relates to items recognized directly in equity in which case it is recognized in equity.

3.08 Provision for income tax

Provision for income tax has been made in the financial statement under section 82C(4) as per the Income Tax Ordinance, 1984.

3.09 Events after the reporting date

There are no material events that had occurred after reporting period to the date of issue of these financial statements, which could affect the figures stated in the financial statements.

3.10 Directors' remuneration

During the year under audit, directors of the company did not receive any remuneration.

3.11 Related party transaction

No related party transactions occurred during the year.

3.12 Contingent liabilities/ asset

No contingent liability / asset exist on the balance sheet date.

4.00 Advances, deposits and prepayments

VAT current account

Advance for BSTI permission

Prepaid expenses

	Amount in BDT	
	<u>As at Mar 31, 2022</u>	<u>As at Mar 31, 2021</u>
	196,028	196,028
	73,930	-
	15,684	-
	<u>285,641</u>	<u>196,028</u>

5.00 Cash and cash equivalents

Cash in hand

Cash at Bank (State Bank of India, A/C No. 05420291220201)

	-	-
	1,433,999	1,859,054
	<u>1,433,999</u>	<u>1,859,054</u>



6.00 Share capital

Authorized share capital

(5,000,000 ordinary shares @ Tk.10 each)

50,000,000

50,000,000

Issued, subscribed & paid up share capital

(3,984,789 ordinary shares @ Tk.10 each)

48,695,130

48,695,130

Shareholding position of the company is as under:

Bajaj Corp Limited (4,869,507 ordinary shares of Tk. 10 each)	48,695,070	48,695,070
Mr. Jaideep Nandi (01 ordinary share of Tk. 10 each)	10	10
Mr. Dilip Kumar Maloo (01 ordinary share of Tk. 10 each)	10	10
Mr. Sethu Iyer (01 ordinary share of Tk. 10 each)	10	10
Mr. Kinshuk Samaddar (01 ordinary share of Tk. 10 each)	10	10
Mr. Anuj Awasthi (01 ordinary share of Tk. 10 each)	10	10
Mr. Richard D' Souza (01 ordinary share of Tk. 10 each)	10	10
	<u>48,695,130</u>	<u>48,695,130</u>

7.00 Liabilities for expenses

Audit fees	30,000	30,000
Rent payable	41,400	-
Salaries Payable	23,175	30,900
Other provision	196,028	-
Professional fees	38,167	5,750
	<u>328,769</u>	<u>66,650</u>

8.00 Provision for income tax

Opening balance	-	7,200
Add: Income tax expense during the year	-	-
Less: Over provision in last years	-	(7,200)
	<u>-</u>	<u>-</u>



	For the year ended Mar 31, 2022	For the year ended Mar 31, 2021
9.00 Administrative expenses		
Audit fees	30,000	30,000
Personnel expenses	92,700	92,700
Office Rent	41,400	-
Bank charge	32,498	20,940
Licence , Registration & Renewal	130,185	-
Professional fees	74,750	11,500
Write off VAT current account	196,028	-
	597,560	155,140
10.00 Income tax expenses		
Current tax	-	-
Less: Over provision in previous year	-	(7,200)
	-	(7,200)
11.00 Financial risk management		

The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company's risk management policies are established to identify and analyze the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies, procedures and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

The company has exposure to the following risks from its use of financial instruments:

- Credit risks
- Liquidity risks
- **Credit risks:**

Credit risk is the risk of a financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the company's receivables from customers.

In monitoring credit risk, debtors are grouped according to their risk profile, i.e. their legal status, financial condition, ageing profile etc. Accounts and other receivables are mainly related to the Company's buyers. The company's exposure to credit risk on accounts receivables is mainly influenced by the individual payment characteristics of credit purchaser. Credit risk does not arise in respect of any other receivables.

Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was:



Accounts receivable
Advance to distributor
Advance to supplier

	Amount in BDT	
	As at Mar 31, 2022	As at Mar 31, 2021
	-	-
	-	-
	73,930	-
	73,930	-

• **Liquidity risks:**

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities. The Company's approach to managing liquidity (cash and bank balances) is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when they fall due, under both normal and stressed conditions, without incurring unacceptable losses.

Typically, the Company ensures that it has sufficient cash and bank balances to meet expected operational expenses, including financial obligations through preparation of the cash flow forecast, based on time line of payment of the financial obligation and accordingly arranging for sufficient liquidity/fund to make the expected payment within due date.

In extreme stressed conditions, the Company may get support from the shareholders in the form of shareholder's loan/capital contribution.

The following are the contractual maturities of financial liabilities :

Audit fees
Salaries payable
Rent payable
Professional fees

	Amount in BDT	
	As at Mar 31, 2022	As at Mar 31, 2021
	30,000	30,000
	23,175	30,900
	41,400	-
	38,167	5,750
	132,742	66,650

