

Bajaj Bangladesh Limited
Statement of financial position
As at 31 March 2021

	Notes	As at	
		31-Mar-21	31-Mar-20
		BDT	BDT
ASSETS			
Non-current assets			
Property, plant and equipment	4.00	-	-
		-	-
Current assets			
Accounts receivable		-	-
Advances, deposits and prepayments	4.00	196,028	196,028
Cash and cash equivalents	5.00	1,859,054	1,977,544
		2,055,082	2,173,572
Total assets		2,055,082	2,173,572
EQUITY AND LIABILITIES			
Equity			
Share capital	6.00	48,695,130	48,695,130
Share money deposits	SCE	115,044	115,044
Retained earnings	SCE	(46,821,742)	(46,673,802)
		1,988,432	2,136,372
Current liabilities			
Liabilities for expenses	7.00	66,650	30,000
Provision for income tax	8.00	-	7,200
		66,650	37,200
Total equity and liabilities		2,055,082	2,173,572

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

Director

Director

As per our annexed report of same date

**Dated,
Dhaka.**

**Rahman Anis & Co.
Chartered Accountants**

Bajaj Bangladesh Limited
Statement of profit or loss and other comprehensive income
For the year ended 31 March 2021

	Notes	For the year ended	
		31-Mar-21	31-Mar-20
		BDT	BDT
Revenue		-	-
Less: Cost of sales		-	-
Gross profit		-	-
Less: Administrative expenses	9.00	155,140	16,726,548
Less: Selling and distribution expenses	13.00	-	-
Profit/(loss) before income tax		(155,140)	(16,726,548)
Less: Income tax expenses	10.00	(7,200)	7,200
Profit/(loss) after income tax		(147,940)	(16,733,748)
Add: Other comprehensive income		-	-
Total comprehensive income		(147,940)	(16,733,748)

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

Director

Director

As per our annexed report of same date

**Dated,
Dhaka.**

**Rahman Anis & Co.
Chartered Accountants**

Bajaj Bangladesh Limited
Statement of changes in equity
For the year ended 31 March 2021

Amount in BDT

Particulars	Share capital	Share money deposit	Retained earnings	Total
Balance as at 01 April 2020	48,695,130	115,044	(46,673,802)	2,136,372
Net loss during the year	-	-	(147,940)	(147,940)
Balance as at 31 March 2021	48,695,130	115,044	(46,821,742)	1,988,432
Balance as at 01 April 2019	39,847,890	8,962,284	(29,940,054)	18,870,120
Increased during the year	8,847,240	-	-	8,847,240
Decreased during the year	-	(8,847,240)	-	(8,847,240)
Net loss during the year	-	-	(16,733,748)	(16,733,748)
Balance as at 31 March 2020	48,695,130	115,044	(46,673,802)	2,136,372

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

Director

Director

As per our annexed report of same date

**Dated,
Dhaka.**

**Rahman Anis & Co.
Chartered Accountants**

Bajaj Bangladesh Limited
Statement of cash flows
For the year ended 31 March 2021

	For the year ended	
	31-Mar-21	31-Mar-20
	BDT	BDT
A. Cash flows from operating activities		
Cash receipts from customers	-	1,200,000
Cash paid to suppliers and employees	(118,490)	(889,617)
Net cash used in operating activities	(118,490)	310,383
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)	(118,490)	310,383
Cash and cash equivalents at beginning of the year	1,977,544	1,667,161
Cash and cash equivalents at end of the year	1,859,054	1,977,544

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

Director

Director

As per our annexed report of same date

**Dated,
Dhaka.**

**Rahman Anis & Co.
Chartered Accountants**

Bajaj Bangladesh Limited
Notes to the Financial Statements
As at and for the year ended 31 March 2021

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 December 2012.

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 nature and 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 management 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 2021;
- ii) Statement of profit or loss and other comprehensive income for the year ended 31 March 2021;
- iii) Statement of changes in equity for the year ended 31 March 2021;
- iv) Statement of cash flows for the year ended 31 March 2021; and
- v) Notes to the financial statements as at and for the year ended 31 March 2021.

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 2020 to 31 March 2021.

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.

	As at	
	31-Mar-21	31-Mar-20
	DBT	DBT
4.00 Advances, deposits and prepayments		
VAT current account	196,028	196,028
	196,028	196,028

5.00 Cash and cash equivalents		
Cash in hand	-	-
Cash at Bank (State Bank of India, A/C No. 05420291220201)	1,859,054	1,977,544
	1,859,054	1,977,544
6.00 Share capital		
Authorized share capital	50,000,000	50,000,000
(5,000,000 ordinary shares @ Tk.10 each)		
Issued, subscribed & paid up share capital	48,695,130	48,695,130
(3,984,789 ordinary shares @ Tk.10 each)		
<u>Shareholding position of the company is as under:</u>		
Bajaj Corp Limited (4,869,507 ordinary shares of Tk. 10 each)	48,695,070	48,695,070
Mr. Sumit Malhotra (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. Akash Gupta (01 ordinary share of Tk. 10 each)	10	10
Mr. Ronak Modi (01 ordinary share of Tk. 10 each)	10	10
	48,695,130	48,695,130
7.00 Liabilities for expenses		
Audit fees	30,000	30,000
Salaries Payable	30,900	-
Professional fees	5,750	-
	66,650	30,000

8.00 Provision for income tax

Opening balance	7,200	37,132
Add: Income tax expense during the year	-	7,200
Less: Income tax paid during the year		(37,132)
Less: Over provision in last years	(7,200)	-
	<u>-</u>	<u>7,200</u>

For the year ended

	<u>31-Mar-21</u>	<u>31-Mar-20</u>
	<u>BDT</u>	<u>BDT</u>
9.00 Administrative expenses		
Audit fees	30,000	30,000
Personnel expenses	92,700	767,700
Bad debt expenses	-	4,425,596
Bank charge	20,940	27,285
Other expenses	11,500	-
Written off of fixed assets and advances	-	11,475,967
	<u>155,140</u>	<u>16,726,548</u>

10.00 Income tax expenses

Current tax	-	7,200
Less: Over provision in previous year	(7,200)	-
	<u>(7,200)</u>	<u>7,200</u>

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:

	<u>As at</u>	<u>As at</u>
	<u>31 March 2021</u>	<u>31 March 2020</u>
	<u>BDT</u>	<u>BDT</u>
Accounts receivable	-	-
Advance to distributor	-	-
Advance to supplier	-	-
	<u>-</u>	<u>-</u>

• 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 :

	<u>As at</u>	<u>As at</u>
	<u>31 March 2021</u>	<u>31 March 2020</u>
	<u>BDT</u>	<u>BDT</u>
Audit fees	30,000	30,000
Salaries payable	30,900	-
Professional fees	5,750	-
	<u>66,650</u>	<u>30,000</u>