

Auditors' Report



Name of Client

RUPA Bangladesh Private Limited
for the year ended 31 March 2020

পিনাকী এন্ড কোম্পানী
Pinaki & Company

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**AUDITORS' REPORT TO THE SHAREHOLDERS
OF
RUPA BANGLADESH PRIVATE LIMITED**

Opinion:

We have audited the financial statements of “**RUPA BANGLADESH PRIVATE LIMITED**” which comprise the statement of financial position as at 31 March 2020 and the Statement of Profit or Loss and Other comprehensive income, Statement of Changes in Equity and 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 give true and fair view, in all material respects, the financial position of the company as at 31 March 2020 and of its financial performance and cash flows for the year then ended and 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 Auditors Responsibilities for the audit of the financial statements section of our report. We remained independent of the company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for professional Accountants (IESBA Code) together with the 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 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 these financial statements in accordance with International Financial Reporting standards (IFRS), the companies Act 1994, and other applicable laws and regulations and for such internal control as management determines is necessary to enable the preparation and fair presentation 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 charged with governance are responsible for overseeing the company's financial reporting process.

Auditor's Responsibilities for the Audit of 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 consolidated and separate 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.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on other Legal and Regulatory Requirements

We also report that:

- i. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;
- ii. In our opinion, proper books of accounts as required by law have been kept by the company and so far as it appeared from our examination of those books and
- iii. The Company's Financial Position as at 31 March 2020 and Statement of Profit or Loss and Other Comprehensive Income and its Cash Flows dealt with by the report are in agreement with the books of account and returns.

Dhaka.
Dated: 22 June 2020


Pinaki & Company
Chartered Accountants

Rupa Bangladesh Private Limited
Statement of Financial Position
As at 31 March 2020

	Note	Figures in BDT	Figures in INR
		31.03.2020	31.03.2020
ASSETS		-	-
NON-CURRENT ASSETS			
Property, Plant and Equipment		-	-
CURRENT ASSETS		1,452,434	1,283,487
Advance and Prepayment	Note-06	593,598	524,551
Cash & Cash Equivalents	Note-07	858,836	758,936
TOTAL		1,452,434	1,283,487
EQUITY AND LIABILITIES			
CAPITAL AND RESERVE		1,429,434	1,263,162
Share Capital	Note-08	1,590,040	1,405,087
Retained Earnings	Note-09	(160,606)	(141,924)
CURRENT LIABILITIES		23,000	20,325
Liabilities for Expenses	Note-10	23,000	20,325
TOTAL		1,452,434	1,283,487

Signed in terms of our separate report of even date annexed.

Chairman

Dated: Dhaka
June 22, 2020

Managing Director


Pinaki & Company
Chartered Accountants

Rupa Bangladesh Private Limited
Statement of Profit or Loss and other Comprehensive Income
for the year ended 31 March 2020

Particulars	Note	Figures in BDT	Figures in INR
		31.03.2020	31.03.2020
Revenue		-	-
Less: Cost of goods Sold		-	-
Gross Profit		-	-
Less: Administrative & General expenses	Note-11	157,338	139,036
		(157,338)	(139,036)
Add: Non-Operating Income		-	-
		(157,338)	(139,036)
Less: Financial Expenses		3,268	2,888
Net profit before tax		(160,606)	(141,924)
Provision for tax		-	-
Net profit after tax		(160,606)	(141,924)
Earning Per Share (EPS)	Note-12	(3.27)	(2.89)

Signed in terms of our separate report of even date annexed.

Chairman

Managing Director

Dated: Dhaka
June 22, 2020


Pinaki & Company
Chartered Accountants

Rupa Bangladesh Private Limited
Statement of Cash Flows
for the year ended 31 March 2020

	Figures in BDT 31.03.2020	Figures in INR 31.03.2020
Cash flows from Operating Activities :		
Cash Paid for Operating Expenses	(727,936)	(643,262)
Finance Expenses	(3,268)	(2,888)
Net cash used by operating activities (A)	(731,204)	(646,150)
Cash flows from investing activities :		
Acquisition of Property, Plant and Equipment	-	-
Sales of Property, Plant and Equipment	-	-
Net cash used by investing activities (B)	-	-
Cash flows from financing activities :		
Issue of ordinary share capital	1,590,040	1,405,087
Increase of Short term borrowings received/(Repaid)	-	-
Net cash provided from financing activities (C)	1,590,040	1,405,087
Net increase of Cash and Cash Equivalents (A+B+C)	858,836	758,936
Cash and Cash Equivalents at the beginning of the year	-	-
Cash and Cash Equivalents at the end of the year	858,836	758,936

Chairman

Managing Director



Statement of Change in Equity
for the year ended 31 March 2020

(Figures in BDT)

Particulars	Share Capital	Share Money Deposit	Retained Earning	Total
Opening Balance	-	-	-	-
Addition during the year	1,590,040			1,590,040
Profit/(Loss) during the year		-	(160,606)	(160,606)
Balance as at 31 March, 2020	1,590,040	-	(160,606)	1,429,434

(Figures in INR)

Particulars	Share Capital	Share Money Deposit	Retained Earning	Total
Opening Balance	-	-	-	-
Addition during the year	1,405,087			1,405,087
Profit/(Loss) during the year		-	(141,924)	(141,924)
Balance as at 31 March, 2020	1,405,087	-	(141,924)	1,263,162

Chairman

Managing Director



1.00 Corporate History of the Reporting Entity:

RUPA Bangladesh Private Limited was incorporated in Bangladesh on September 01, 2019 under the Companies Act, 1994 vide Registration no. C-154722/2019, as a Private Limited Company.

The Registered Office of the company is situated at 21 Purana Paltan, Fifth Floor, Dhaka 1000, Bangladesh.

2.00 Nature of Corporate Business:

The company operates to set up, run & manage a Ready- Made –Garments business for Denim, Woven, Knit, Lingerie, Vest, Brief, Trunk and other specialized or regular category (s) including manufacture of all types of garments products.

To set up, established, and run a modern Weaving, Dyeing, Printing & Finishing factory for production of plain, semi-Jacquard and Jacquard Collar and Cuff for Terry Towel & the like to feed the Garments.

To be engaged as manufacturer of textile nature materials by setting any machines and relevant components for weaving, warp-knitting, dyeing, processing, printing, and finishing through import and to acquire such as per requirement to produce all kinds of yarn, fabrics, silk, rayon, nylon, and others synthetic yarn.

3.00 Corporate Financial Statements and Reporting:

This comprises Statement of Financial Position, Statement of Profit or Loss and Other Comprehensive Income, Statement of Changes in Equity, Statement of Cash Flows and Explanatory notes covering accounting policies.

This is prepared under the historical cost convention and in accordance with the requirements of the Companies Act 1994, the International Accounting Standards (IASs) as International Financial Reporting Standards (IFRS) adopted by the Institute of Chartered Accountants of Bangladesh (ICAB).

The Board of Directors is responsible for preparing and presenting the Financial Statements including adequate disclosures, which approved and authorized for issue of the Financial Statements.

4.00 Basis of preparation

4.01 Statement of Compliance:

The Financial Statements of the company have been prepared in accordance with International Accounting Standards (IASs)/ International Financial Reporting Standards (IFRSs), The Companies Act 1994 and other applicable laws and regulations.

IAS-01 Presentation of Financial Statements

IAS-07 Statements of Cash flows

IAS-08 Accounting Policies, Changes in Accounting Estimates & Errors.

IAS-10 Events after the reporting period

IAS-33 Earnings per Share



4.02 Other Regulatory Compliances:

The Company complies with the following major legal provisions in addition to the Companies

Act 1994 and other applicable laws and regulations:

The Income Tax Ordinance 1984

The Income Tax Rules 1984

The Value added Tax Act 1991

The Value added Tax Rules 1991

4.03 Basis of Measurement:

The Financial Statements have been prepared on going concern basis under historical cost conventions of Generally Accepted Accounting Principles (GAAP).

4.04 Functional and Presentational Currency:

These Financial Statements are presented in Bangladeshi Taka (TK.) currency, which is the company's functional currency. The Financial Statements are also presented in Indian Rupee (INR) @ exchange rate of INR 0.88368 per BDT.

4.05 Accrual Basis of Accounting:

These Financial Statements have been prepared under the accrual basis of accounting.

4.06 Use of Estimates & Judgment:

The preparation of these Financial Statements is in conformity with IASs/IFRSs which require management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis and used for accounting of certain terms such as provision for expenses, depreciation and amortization and tax reserve. Revisions to accounting estimates are recognized in the year in which the estimates are revised and in any future periods affected thereby.

4.07 Reporting Period:

The reporting period of the company covers one year from 01 April 2019 to 31 March 2020.

4.08 Components of the Financial Statements:

i) Statement of Financial Position;

ii) Statement of Profit or Loss and Other Comprehensive Income;

iii) Statement of Changes in Equity;

iv) Statement of Cash flows;

v) Notes, comprising significant accounting policies and other explanatory information;

5.00 Significant Accounting Policies:

The Accounting Policies set out below have been applied consistently (otherwise as stated) to all year presented in these financial statements.

5.01 Advances, Deposits and Prepayment:

Advances are initially measured at cost. After initial recognition advances are carried at cost less deduction, adjustment or charges to other account heads such as property, plant and equipment, inventory or expenses.



Rupa Bangladesh Private Limited
Notes to the Financial Statements
As at and for the year ended 31 March 2020

5.02 Cash & Cash Equivalents:

Cash & Cash Equivalents include cash in hand, cash at banks which are held and available for use by the company without any restriction.

5.03 Statement of Cash flows:

Cash flows from operating activities have been presented under direct method. It also prepared in accordance with The Securities & Exchange Rules 1987.

5.04 General:

5.04.01

Figures in these notes and annexed Financial Statements have been rounded off to the nearest.

5.04.02

The Company incorporated on 01 September 2019 and has started its first-year operation as a result no comparative information has been presented.



Rupa Bangladesh Private Limited

Notes to the Financial Statement

as at and for the year ended 31 March 2020

No.	Particulars	Note	Figures in BDT	Figures in INR
			31.03.2020	31.03.2020
6.00	Advance and Prepayment			
	Security Deposit against Office Rent		593,598	524,551
			<u>593,598</u>	<u>524,551</u>
7.00	Cash & Cash Equivalents			
	Cash in Hand		1,590	1,405
	Cash at Bank		857,246	757,531
			<u>858,836</u>	<u>758,936</u>
8.00	Authorized Capital			
	3,000,000 Ordinary shares of Tk. 10 Each		<u>30,000,000</u>	<u>26,510,400</u>
	Issued, Subscribed & Paid-up Capital			
	159,004 Shares of Tk 10 each are fully paid		<u>1,590,040</u>	<u>1,405,087</u>
	Name of the shareholder		No. of Shares	No. of Shares
	Rupa & Company Limited		159,000	159,000
	Mr. Ramesh Agrwal		1	1
	Mr. Mukesh Agrwal		1	1
	Mr. Vikash Agrwal		1	1
	Mr. Naseem Shafi		1	1
			<u>159,004</u>	<u>159,004</u>
9.00	Retained Earnings			
	As per last year		-	-
	Add : Profit / (Loss) during this year		(160,606)	(141,924)
			<u>(160,606)</u>	<u>(141,924)</u>
10.00	Liabilities for Expenses			
	Audit Fees		23,000	20,325
			<u>23,000</u>	<u>20,325</u>
11.00	Administrative & General Expenses			
	Filing Expenses		84,233	74,435
	Rates & Taxes		21,720	19,193.53
	Travelling & Conveyence		7,040	6,221
	Audit Fees		23,000	20,325
	Misc. Expenses		18,795	16,609
	Professional Fees		2,550	2,253
			<u>157,338</u>	<u>139,036</u>
12.00	Earning Per Share (EPS)			
	Net Profit After Tax- (a)		(160,606)	(141,924)
	Weighted average number of shares outstanding during the year - (b)	12.01	49,095	49,095
	Basic & Diluted Earnings Per Share (a/b) (Nominal Value - 10 per share)		(3.27)	(2.89)



12.01 Weighted Average Number of Ordinary Shares

Date of allotment	Name of the Allottee	on the Equity share of Tk. 10 each	Amount (Face value)	No. of Day's	Yearly (Day's)	Product (Weighted Average)
7/9/19	Rupa & Company Limited	40,000	400,000	207	365	22,685
7/10/19	Mr. Ramesh Aagrwal	1	10	207	365	1
7/11/19	Mr. Mukesh Aagrwal	1	10	207	365	1
7/12/19	Mr. Vikash Aagrwal	1	10	207	365	1
7/13/19	Mr. Naseem Shafi	1	10	207	365	1
11/1/20	Rupa & Company Limited	119,000	1,190,000	81	365	26,408
	Weighted Average no. of shares	159,004	1,590,040			49,095

