

CEAT AKKHAN LIMITED

Standalone financial statements
for the period ended on 31 March 2023

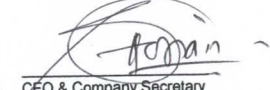
CEAT AKKHAN LIMITED
Balance Sheet as at 31 March 2023

Particulars	Notes	As at 31 Mar 2023	As at 31 Mar 2022
		BDT Lacs	BDT Lacs
Assets			
Non-current assets			
Property, plant and Equipment	3	17.99	26.38
Capital work-in-progress	3	7,907.22	7,907.22
Intangible assets	4	0.36	1.02
Intangible assets under development			
Financial Assets:			
Non-current Investments	5	-	-
Long term loans and advances	6	258.86	258.86
Other non-current financial assets	7	-	-
Deferred tax assets	23	164.05	90.37
Other non-current assets		607.50	839.30
Non current tax asset	8	-	-
Total non-current assets		8,955.98	9,123.15
Current assets			
Inventories	9	1,950.29	2,714.94
Financial Assets:			
Current Investments	10	-	-
Trade receivables	11	1,249.12	1,021.36
Cash and cash equivalents	12	408.42	631.75
Bank balances other than cash and cash equivalents	13	983.38	2.00
Short term loans and advances	14	34.70	44.31
Other current financial assets	15	0.81	0.67
Other current assets	16	1,669.45	3,059.91
Total Current assets		6,296.18	7,474.94
Total Assets		15,252.16	16,598.08
Equity and liabilities			
Equity			
Equity Share Capital	17	15,000.00	15,000.00
Other Equity*	18	(5,886.69)	(4,645.60)
Total Equity		9,113.31	10,354.40
Non-current liabilities:			
Financial Liabilities			
Borrowings	20	-	-
Other financial liabilities	21	-	-
Provisions	22	73.46	61.58
Deferred tax liability (net)	23	-	-
Deferred revenue		-	-
Other non-current liabilities	24	-	-
Total non-current liabilities		73.46	61.58
Current liabilities:			
Financial Liabilities			
Borrowings	25	3,481.00	2,879.97
Trade payables	26	1,014.75	1,807.92
Other current financial liabilities	27	436.58	495.48
Deferred revenue		-	-
Other current liabilities	28	37.63	146.47
Provisions	22	448.84	175.56
Current Tax Liabilities		646.58	676.69
Total current liabilities		6,065.39	6,182.11
Total equity and liabilities		15,252.16	16,598.08

* Refer Statement of Changes of Equity
The annexed notes 1 to 39 form an integral part of these financial statements.


Chairman
Director


Managing Director
Director


CFO & Company Secretary
SHAHADAT HOSSAIN CHOWDHURY

As per our report of same date.


Auditor

Dhaka, 17 APR 2023

Rahman Rahman Huq
Chartered Accountants
KPMG in Bangladesh



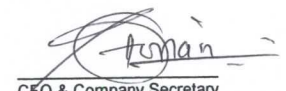
CEAT AKKHAN LIMITED
Statement of Profit or Loss for the period ended on 31 March 2023

Particulars	Notes	For the year ended	For the year ended Mar
		March 31, 2023	31, 2022
		BDT Lacs	BDT Lacs
Revenue from operations	29	16,313.14	15,688.22
Other Income	30	5.11	5.15
Total Revenue		16,318.25	15,693.37
Expenses:			
Cost of material consumed	31	-	-
Purchase of stock-in-trade		13,227.79	13,038.36
Changes in inventories of finished goods, work-in-progress and stock-in-trade	32	764.65	(441.94)
Employee benefit expense	33	1,275.25	1,157.68
Finance costs	34	372.94	342.29
Depreciation and amortization expenses	35	8.02	9.02
Excise duty		-	-
Other expenditure	36	1,354.38	1,261.49
Total expenses		17,003.03	15,366.90
Profit before exceptional items and tax		(684.78)	326.47
Exceptional items	37	-	-
Profit / (loss) before tax		(684.78)	326.47
Tax expense:			
Current tax		629.99	667.74
Deferred tax		(73.68)	(8.84)
Profit / (loss) for the period		(1,241.09)	(332.43)
Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
Actuarial losses for Gratuity		-	-
Income tax effect on actuarial losses for Gratuity		-	-
Items that will be reclassified to profit or loss			
Movement in cash flow hedges		-	-
Income tax effect on movement in cash flow hedges		-	-
Total Comprehensive Income for the period (Comprising Profit (Loss) and Other Comprehensive Income for the period)		(1,241.09)	(332.43)
Earnings per equity share (for continuing operation):	39		
Basic		(0.83)	(0.22)
Diluted		(0.83)	(0.22)

The annexed notes 1 to 39 form an integral part of these financial statements.


Chairman/
Director


Managing Director
Director


CFO & Company Secretary
SHAHADAT HOSSAIN CHOWDHURY

As per our report of same date.


Auditor

Dhaka, 17 APR 2023

Rahman Rahman Huq
Chartered Accountants
KPMG in Bangladesh



CEAT AKKHAN LIMITED
Statement of Changes in Equity for the period ended 31 Mar 2023

a. Equity share capital:

Equity shares of BDT 10 each Issued, subscribed and fully paid

As at April 1 2021
 As at March 31 2022
 As at Mar 31, 2023

No. In Lacs	BDT Lacs
1,500.00	15,000.00
1,500.00	15,000.00
1,500.00	15,000.00

b. Other equity

For the period ended on 31 Mar 2023:

Particulars	Reserves & Surplus					Items of OCI	Total
	Share premium	Capital Reserve	Capital redemption reserve	Debenture redemption reserve	Retained earnings	Cash flow hedge reserve	
As at 1 April 2022	-	-	-	-	(4,645.60)	-	(4,645.60)
Profit for the period	-	-	-	-	(1,241.09)	-	(1,241.09)
Other comprehensive income	-	-	-	-	-	-	-
Total comprehensive income	-	-	-	-	(5,886.69)	-	(5,886.69)
Issue of share capital	-	-	-	-	-	-	-
As at 31 Mar 2023	-	-	-	-	(5,886.69)	-	(5,886.69)

For the year ended 31 March 2022:

Particulars	Reserves & Surplus					Items of OCI	Total
	Share premium	Capital Reserve	Capital redemption reserve	Debenture redemption reserve	Retained earnings	Cash flow hedge reserve	
As at April 1 2021	-	-	-	-	(4,313.17)	-	(4,313.17)
Profit for the period	-	-	-	-	(332.43)	-	(332.43)
Other comprehensive income	-	-	-	-	-	-	-
Total comprehensive income	-	-	-	-	(4,645.60)	-	(4,645.60)
Dividend	-	-	-	-	-	-	-
Tax on dividend	-	-	-	-	-	-	-
Transfer to Debenture Redemption Reserve	-	-	-	-	-	-	-
As at March 31 2022	-	-	-	-	(4,645.60)	-	(4,645.60)



CEAT AKKHAN LIMITED

Statement of Cash Flows for the period ended on 31 March 2023

	<u>1st April 2022 to</u> <u>31 Mar 2023</u>	<u>1st April 2021 to</u> <u>31 March 2022</u>
	<u>BDT Lacs</u>	<u>BDT Lacs</u>
A) CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax	(684.78)	326.47
Adjustments to reconcile profit before tax to net cash flows:		
Depreciation and amortization	8.02	9.02
(Profit) / Loss on sale of fixed assets (net)	0.16	(0.01)
Operating profit before working capital changes	(676.60)	335.49
Adjustments for :		
Decrease / (Increase) in inventory	764.65	(441.94)
Decrease / (Increase) in trade receivables	(227.76)	333.32
Decrease / (Increase) in non current loans & other non current asset	231.80	353.00
Decrease / (Increase) in other current assets	1,390.32	(628.32)
Decrease / (Increase) in short-term loans and advances	9.61	(0.40)
(Decrease) / Increase in other current financial liabilities	(58.90)	(74.92)
(Decrease) / Increase in trade payables	(793.18)	(531.51)
(Decrease) / Increase in other current liabilities	(108.84)	73.45
(Decrease) / Increase in short-term provisions	273.28	25.66
(Decrease) / Increase in long-term provisions	11.89	19.33
Cash flows from operating activities	816.27	(536.84)
Direct taxes paid	(660.10)	(588.73)
Net cash flows from operating activities	156.17	(1,125.57)
B) CASH FLOW FROM INVESTING ACTIVITIES		
Proceeds from sale of fixed assets	0.94	0.28
Purchase of non current investments	-	-
Purchase of fixed assets (including capital work-in progress and capital advance)	(0.08)	(8.48)
Investment in bank deposits (having original maturity of more than three months)	(981.38)	111.23
Net cash flows from / (used in) investing activities	(980.52)	103.03
C) CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from short-term buyers credit	601.02	463.17
Net cash flows from / (used in) financing activities	601.02	463.17
Net increase / (decrease) in cash and cash equivalents	(223.33)	(559.37)
Cash and cash equivalents at the beginning of the Period	631.75	1,191.12
Cash and cash equivalents at the end of the period	408.42	631.75



Notes to the financial statements for the quarter ended on 31 March 2023.

Note 1: Corporate information

CEAT AKKHAN LTD has been incorporated under the Companies Act, 1994 vide incorporation no. C-102115/12 dated 30 May 2012 as a public limited company. The registered office of the Company is located at 802 Shanta Western Tower, 186 Tejgaon I/A, Dhaka-1208.

Note 2: Basis of Preparation and Summary of significant accounting policies:

2.1 Defined benefit plan

For defined benefit plans, the amount recognised as 'Employee benefit expenses' in the Statement of Profit and Loss is the cost of accruing employee benefits promised to employees over the year and the costs of individual events such as past / future service benefit changes and settlements (such events are recognised immediately in the Statement of Profit and Loss). The amount of net interest expense calculated by applying the liability discount rate to the net defined benefit liability or asset is charged or credited to 'Finance costs' in the Statement of Profit and Loss. Any differences between the expected interest income on plan assets and the return achieved, and any changes in the liabilities over the year due to changes in actuarial assumptions or experience adjustments within the plans, are recognised immediately in OCI and subsequently not reclassified to the Statement of Profit and Loss.

The defined benefit plan surplus or deficit on the Balance Sheet date comprises fair value of plan assets less the present value of the defined benefit liabilities using a discount rate by reference to market yields on Government bonds at the end of the reporting period.

All defined benefit plans obligations are determined based on valuations, as at the Balance Sheet date, made by independent actuary using the projected unit credit method. The classification of the Company's net obligation into current and non-current is as per the actuarial valuation report.

2.2 Basis of accounting and preparation of financial statements:

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (IND AS) notified under the Companies (Indian Accounting Standards) Rules, 2015.

These financial statements have been prepared on a historical cost basis, except for the following assets and liabilities which have been measured at fair value:

- Derivative financial instruments and
- Certain financial assets measured at fair value (refer accounting policy regarding financial instruments)

2.3 Current versus non-current classification:

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- 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
- It is held primarily for the purpose of trading
- 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 Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

2.4 Revenue recognition

Revenues from contracts with customers are recognized when the performance obligations towards customer have been met. Performance obligations are deemed to have been met when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. Revenue is recognized after considering all possible variable considerations (i.e. discounts, rebates, refunds, credits, price concessions, non-cash incentives, performance bonuses, penalties or other similar items) to be given on the goods sold and only the net amount is recognized as revenue which is highly probable of not being reversed in future.

After identifying the contract and performance obligation with a customer, as and when a performance obligation is satisfied, revenue is recognized by the amount of the transaction price which excludes estimates of all variable consideration that is allocated to that performance obligation. The transaction price is the amount of consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer, excluding amounts collected on behalf of third parties. The consideration promised in a contract with a customer includes fixed amounts, variable amounts or both.

Sales tax/ value added tax (VAT) is not received by the Company on its own account. Rather, it is tax collected on value added to the commodity by the seller on behalf of the government. Accordingly, it is excluded from revenue.

The specific recognition criteria described below must also be met before revenue is recognised.

Sale of goods:

Revenue from the sale of goods (i.e. tyres, tubes and flaps) is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer, usually on delivery of the goods. Revenue from the sale of tyres is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts, volume rebates, cash discounts, sales taxes and Value added taxes. The Company provides normal warranty provisions for a period of three years on all its products sold, in line with the industry practice. A liability is recognised at the time the product is sold. The Company does not provide any extended warranties to its customers.

Interest income:

For all debt instruments measured either at amortised cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in finance income in the statement of profit and loss.

2.5 Taxes:

Current income tax:

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Company operates and generates taxable income.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax:

Deferred tax is provided using the liability method on temporary differences between the tax base of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss



- In respect of taxable temporary differences associated with investments in subsidiaries and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

2.6 Non-current assets held for sale

The Company classifies non-current assets and disposal groups as held for sale/ distribution to owners if their carrying amounts will be recovered principally through a sale/ distribution rather than through continuing use. Actions required for completing the sale/ distribution should indicate that it is unlikely that significant change to the sale/ distribution will be made or that the decision to sell/ distribute will be withdrawn. Management must be committed to the sale/ distribution expected within one year from the date of classification.

Non-current assets held for sale/for distribution to owners and disposal groups are measured at the lower of their carrying amount and the fair value less costs to sell/ distribute. Assets and liabilities classified as held for sale/ distribution are presented separately in the balance sheet.

Property, plant and equipment once classified as held for sale/ distribution to owners are not depreciated or amortised.

2.7 Property, plant and equipment

Recognition and measurement

Items of property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses, if any.

Cost includes expenditures that are directly attributable to the acquisition of the asset and any other costs directly attributable to bringing the asset to working condition for its intended use, and the costs of dismantling and removing the items and restoring the site on which they are located. Capital work-in-progress represents the cost incurred if or acquisition and/or construction of items of property, plant and equipment that are not ready for use which is measured at cost.

Subsequent expenditure

The cost of replacing part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The costs of the day-to-day servicing of property, plant and equipment are recognised in the statement of profit or loss and other comprehensive income as incurred.



Depreciation

Depreciation is recognised in the statement of profit or loss and other comprehensive income on a straight-line basis over the estimated useful lives of each item of property, plant and equipment. The Company considers 5% of the costs as salvage value for each category of assets. Capital work-in-progress is not depreciated.

Depreciation on newly acquired asset is charged from the month of acquisition. On deletion/disposal of an asset, depreciation is charged up to the month prior to the deletion/disposal.

The rates of depreciation vary according to the estimated useful lives of each particular class of property, plant and equipment, as follows:

<u>Category</u>	<u>Useful life in years</u>	<u>Rate of depreciation</u>
Furniture and fixtures	10	9.50%
Office equipment	5	19%
IT equipment	3	31.67%
Electrical equipment	20	4.75%

Depreciation method, useful lives and residual values are reviewed at each reporting date and adjusted as appropriate.

2.8 Intangible assets:

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective IND AS.

Gains or losses arising from de recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit or loss when the asset is derecognised.

Intangible assets are amortised on straight line method as under:

- Software expenditure have been amortised over a period of three years.

2.9 Borrowing costs:

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

To the extent that the Company borrows funds specifically for the purpose of obtaining a qualifying asset, the Company determines the amount of borrowing costs eligible for capitalisation as the actual borrowing costs incurred on that borrowing during the period less any investment income on the temporary investment of those borrowings.

To the extent that the Company borrows funds generally and uses them for the purpose of obtaining a qualifying asset, the Company determines the amount of borrowing costs eligible for capitalisation by applying a capitalisation rate to the expenditures on that asset. The capitalisation rate is the weighted average of the borrowing costs applicable to the borrowings



of the Company that are outstanding during the period, other than borrowings made specifically for the purpose of obtaining a qualifying asset.

2.10 Leases:

At inception of a contract, the Company assesses whether a 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 Company uses the definition of a lease in IND AS 116.

At commencement or on modification of a contract that contains a lease component, the Company allocates the consideration in the contract to each lease component on the basis of its relative stand-alone prices.

The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Company by the end of the lease term or the cost of the right-of-use asset reflects that the Company will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate.

As a lessee, the Company leases office and warehouse facilities. The Company previously classified leases as operating or finance leases based on its assessment of whether the lease transferred significantly all of the risks and rewards incidental to ownership of the underlying asset to the Company. IND AS 116 requires entities to recognise right-of-use assets and lease liabilities for most leases – i.e. these leases are on-balance sheet.

However, as per paragraph B34 of IND AS 116, a lease is no longer enforceable when the lessee and the lessor each has the right to terminate the lease without permission from the other party with no more than an insignificant penalty. The leases of the Company are such that either party (lessor and the Company) can terminate the lease agreements by giving three to six months prior notice without any penalty. Hence the Company did not recognise any right-of-use assets and lease liabilities and there is no material impact on these financial statements due to IFRS 16.

Short-term leases and leases of low-value assets

The Company has also elected not to recognise right-of-use assets and lease liabilities for leases of low-value assets and short-term leases. The Company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

2.11 Inventories:

Inventories are valued at the lower of cost and net realisable value.

Costs incurred in bringing each product to its present location and conditions are accounted for as follows:

- Traded goods are valued at lower of cost and net realizable value. Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on a weighted average basis.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

2.12 Impairment of non-financial assets:

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that



are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account.

The Company basis its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Company extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified.

Impairment losses of continuing operations, including impairment on inventories, are recognised in the statement of profit and loss.

An assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit or loss.

2.13 Provisions:

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Warranty provisions

The estimated liability for warranty is recorded when products are sold. These estimates are established using historical information on the nature, frequency and average cost of obligations and management estimates regarding possible future incidence based on corrective actions on product failure. The timing of outflows will vary as and when the obligation will arise - being typically up to three years.

2.14 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Debt instruments at amortised cost
- Debt instruments at fair value through other comprehensive income (FVTOCI)
- Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
- Equity instruments measured at fair value through other comprehensive income (FVTOCI)

Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

- a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and



b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables, loans and other financial assets.

Debt instrument at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The Company has not designated any debt instrument as at FVTPL.

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

Equity investments

All equity investments in scope of IND AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

In case of equity instrument classified as FVTOCI, all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

De-recognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised when:

- The rights to receive cash flows from the asset have expired or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on IND AS that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Impairment of financial assets

In accordance with IND AS 36, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance
- b) Financial assets that are debt instruments and are measured as at FVTOCI
- c) Lease receivables under IND AS 116
- d) Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of IND AS 18
- e) Loan commitments which are not measured as at FVTPL
- f) Financial guarantee contracts which are not measured as at FVTPL

The Company follows 'simplified approach' for recognition of impairment loss allowance on:

- Trade receivables
- All lease receivables resulting from transactions within the scope of IND AS 116



The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the group determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the group in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider:

- All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms

As a practical expedient, the Company uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed. On that basis, the Company estimates the following provision matrix at the reporting date:

	Current	1-30 days past due	31-60 days past due	61-90 days past due	More than 90 days past due
Default rate	XX%	XX%	XX%	XX%	XX%

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss (P&L). This amount is reflected under the head 'other expenses' in the P&L. The balance sheet presentation for various financial instruments is described below:

- Financial assets measured as at amortised cost, contractual revenue receivables and lease receivables: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.
- Loan commitments and financial guarantee contracts: ECL is presented as a provision in the balance sheet, i.e. as a liability.
- Debt instruments measured at FVTOCI: Since financial assets are already reflected at fair value, impairment allowance is not further reduced from its value. Rather, ECL amount is presented as 'accumulated impairment amount' in the OCI.

For assessing increase in credit risk and impairment loss, the Company combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

The Company does not have any purchased or originated credit-impaired (POCI) financial assets, i.e., financial assets which are credit impaired on purchase/ origination.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

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 Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.



Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the group that are not designated as hedging instruments in hedge relationships as defined by IND AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in IND AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risks are recognized in OCI. These gains/ loss are not subsequently transferred to P&L. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss. The Company has not designated any financial liability as at fair value through profit and loss.

Loans and borrowings

This is the category most relevant to the Company. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

Financial guarantee contracts

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of IND AS 109 and the amount recognised less cumulative amortisation.

De-recognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. 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 de-recognition 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.

Reclassification of financial assets

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's senior management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. Such changes are evident to external parties. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

The following table shows various reclassifications and how they are accounted for:

Original classification	Revised classification	Accounting treatment
Amortised cost	FVTPL	Fair value is measured at reclassification date. Difference between previous amortized cost and fair value is recognised in P&L.
FVTPL	Amortised Cost	Fair value at reclassification date becomes its new gross carrying amount. EIR is calculated IND AS on the new gross carrying amount.



Original classification	Revised classification	Accounting treatment
Amortised cost	FVTOCI	Fair value is measured at reclassification date. Difference between previous amortised cost and fair value is recognised in OCI. No change in EIR due to reclassification.
FVTOCI	Amortised cost	Fair value at reclassification date becomes its new amortised cost carrying amount. However, cumulative gain or loss in OCI is adjusted against fair value. Consequently, the asset is measured as if it had always been measured at amortised cost.
FVTPL	FVTOCI	Fair value at reclassification date becomes its new carrying amount. No other adjustment is required.
FVTOCI	FVTPL	Assets continue to be measured at fair value. Cumulative gain or loss previously recognized in OCI is reclassified to P&L at the reclassification date.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

Derivative financial instruments:

The Company uses derivative financial instruments, such as forward currency contracts, to manage its foreign currency risks. These derivative instruments are not designated as cash flow, fair value or net investment hedges and are entered into for period consistent with currency. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. Any gains or losses arising from changes in the fair value of derivatives are taken directly to profit or loss.

Fair value measurement

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable



For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (IND ASed on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the IND ASis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

2.15 Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

2.16 Dividend distribution to equity holders

The Company recognises a liability to make cash to equity holders of the Company when the distribution is authorised and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

2.17 Foreign currencies:

The Company's financial statements are presented in BDT, which is also the Company's functional currency.

Transactions in foreign currencies are initially recorded by the Company at BDT spot rate at the date the transaction first qualifies for recognition. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

2.18 Earnings Per Share:

Basic Earnings per share (EPS) amounts are calculated by dividing the profit for the year attributable to equity holders by the weighted average number of equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.



Note 3: Property, plant and equipment

Particulars	Freehold land	Leasehold land	Buildings	Plant and Equipment (Owned)	Plant and Equipment (Leased)	Furniture and Fixtures	Vehicles	Office equipments	Capital work in progress	Total
Cost:										
As at 1 April 2021	-	-	-	49.17	-	26.64	-	18.94	7,907.22	8,001.97
Additions	-	-	-	3.55	-	-	-	4.27	-	7.83
Disposals	-	-	-	(5.11)	-	-	-	(0.34)	-	(5.45)
Adjustments during the year	-	-	-	-	-	-	-	-	-	-
As at 31 March 2022	-	-	-	47.61	-	26.64	-	22.87	7,907.22	8,004.35
As at 1 April 2022	-	-	-	47.61	-	26.64	-	22.87	7,907.22	8,004.35
Additions	-	-	-	-	-	-	-	0.08	-	0.08
Disposals	-	-	-	(18.36)	-	(0.32)	-	(2.96)	-	(21.64)
Adjustments during the period	-	-	-	-	-	-	-	-	-	-
As at 31 March 2023	-	-	-	29.25	-	26.33	-	19.99	7,907.22	7,982.79
Accumulated Depreciation:										
As at 1 April 2021	-	-	-	33.16	-	17.16	-	17.49	-	67.81
Transferred to Reserve	-	-	-	-	-	-	-	-	-	-
Additions	-	-	-	4.96	-	2.87	-	0.29	-	8.12
Disposals	-	-	-	(4.86)	-	-	-	(0.32)	-	(5.18)
Adjustments during the year	-	-	-	-	-	-	-	-	-	-
As at 31 March 2022	-	-	-	33.26	-	20.03	-	17.45	-	70.75
As at 1 April 2022	-	-	-	33.26	-	20.03	-	17.45	-	70.75
Additions	-	-	-	3.88	-	2.60	-	0.89	-	7.36
Disposals	-	-	-	(17.44)	-	(0.28)	-	(2.81)	-	(20.53)
Adjustments during the period	-	-	-	-	-	-	-	-	-	-
As at 31 March 2023	-	-	-	19.70	-	22.35	-	15.53	-	57.58
Net Book Value:										
As at 1 April 2021	-	-	-	16.01	-	9.48	-	1.45	7,907.22	7,934.16
As at 31 March 2022	-	-	-	14.35	-	6.61	-	5.42	7,907.22	7,933.60
As at 31 March 2023	-	-	-	9.55	-	3.97	-	4.46	7,907.22	7,925.21

Net Book Value

Particulars	As at 31 March 2023	As at 31 March 2022
Property, plant and equipment	17.99	26.38
Capital work in progress	7,907.22	7,907.22

Particulars	As at 31 March 2023	As at 31 March 2022
Land Cost & Land Registrations	6,071.45	6,071.45
Other project cost	1,835.76	1,835.76
Miscellaneous expenses	-	-
Employee benefit expenses	-	-
Travelling & Conveyance	-	-
Total	7,907.22	7,907.22



Note 4: Intangible assets

Particulars	Software	Brand	Technical Knowhow	Total
Cost:				
As at 1 April 2021	29.89	-	-	29.89
Additions	0.65	-	-	0.65
Disposals	-	-	-	-
Adjustments during the year	-	-	-	-
As at 31 March 2022	30.54	-	-	30.54
As at 1 April 2022	30.54	-	-	30.54
Additions	-	-	-	-
Disposals	-	-	-	-
Adjustments during the year	-	-	-	-
As at 31 March 2023	30.54	-	-	30.54
Amortization and Impairment:				
As at 1 April 2021	28.61	-	-	28.61
Depreciation during the year	0.90	-	-	0.90
Disposals	-	-	-	-
Adjustments during the year	-	-	-	-
As at 31 March 2022	29.52	-	-	29.52
As at 1 April 2022	29.52	-	-	29.52
Depreciation during the year	0.66	-	-	0.66
Disposals	-	-	-	-
Adjustment during the year	-	-	-	-
As at 31 March 2023	30.18	-	-	30.18
Net Book Value:				
As at 1 April 2021	1.28	-	-	1.28
As at 31 March 2022	1.02	-	-	1.02
As at 31 March 2023	0.36	-	-	0.36



Note 5: Non-current Investments**Non-current investments:**

Unquoted equity shares (at cost)
 Investment in Subsidiaries
 Investment in Others

Unquoted preference shares (at cost)
 Investment in Subsidiaries

	31 March 2023	31 March 2022
	BDT Lacs	BDT Lacs
	-	-
	-	-
	-	-
	-	-
	-	-
	-	-

Note 6: Long term loans and advances**Unsecured, considered good:**

Security Deposits
 Other Deposits

Unsecured, considered doubtful:

Balance with Government Authorities
 Less : Provision made for Deposits

	31 March 2023	31 March 2022
	BDT Lacs	BDT Lacs
	258.86	258.86
	-	-
	-	-
	-	-
	258.86	258.86

Note 7: Other non-current financial assets

Revaluation of hedging instruments
 Other receivables from subsidiaries
 Margin Money Deposits*

	31 March 2023	31 March 2022
	BDT Lacs	BDT Lacs
	-	-
	-	-
	-	-

Note 8 (a): Other non-current assets

Unamortised ancillary cost of borrowing
 Capital advances
Less: Provision
 Security Deposits
 Loans and advance to related parties
 Mat Credit Entitlement

	31 March 2023	31 March 2022
	BDT Lacs	BDT Lacs
	-	-
	839.30	839.30
	(231.80)	-
	-	-
	-	-
	-	-
	607.50	839.30

Note 8 (b): Non current tax asset

Advance payment of Tax (net of provision)

	31 March 2023	31 March 2022
	BDT Lacs	BDT Lacs
	-	-
	-	-

Note 9: Inventories

a) Raw Materials
 Goods in transit - raw materials
Total

b) Work-In-Progress

c) Finished Goods

d) Traded Goods Stock
 Less: Provision on Traded goods Stock
 Goods in transit - traded goods
Total

	31 March 2023	31 March 2022
	BDT Lacs	BDT Lacs
	-	-
	-	-
	-	-
	-	-
	1,201.99	1,024.84
	(3.80)	(14.71)
	752.09	1,704.81
	1,950.29	2,714.94
	-	-
	-	-
	-	-
	1,950.29	2,714.94

Details of finished goods:

Automotive tyres
 Tubes and others

	31 March 2023	31 March 2022
	1,201.99	1,024.84
	-	-
	1,201.99	1,024.84



Note 10: Current Investments

Investments at fair value through profit or loss
Investment in units of liquid mutual funds (quoted)

31 March 2023	31 March 2022
BDT Lacs	BDT Lacs
-	-
-	-

Note 11: Trade receivables

Trade receivables
Total receivables

31 March 2023	31 March 2022
BDT Lacs	BDT Lacs
1,249.12	1,021.36
1,249.12	1,021.36

Break-up for security details:

Other Debts - Secured, considered good
Other Debts - Unsecured, considered Good
Doubtful
Total
Less : Provision for doubtful debts
Total trade receivables

31 March 2023	31 March 2022
BDT Lacs	BDT Lacs
698.51	754.51
549.92	266.71
4.90	8.20
1,253.32	1,029.42
(4.21)	(8.06)
1,249.12	1,021.36

No trade receivables are due from directors or other officers of the company either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.

Note 12: Cash and cash equivalents

Balances with Banks
On current Accounts
On remittance in Transit
Cash on hand

31 March 2023	31 March 2022
BDT Lacs	BDT Lacs
406.04	628.89
-	-
2.38	2.85
408.42	631.75

For the purpose of the statement of cash flows, cash and cash equivalents comprise the following:

Balances with Banks
On current Accounts
On remittance in Transit
Cash on hand

31 March 2023	31 March 2022
BDT Lacs	BDT Lacs
406.04	628.89
-	-
2.38	2.85
408.42	631.75
-	-
408.42	631.75

Less: Bank overdraft

Note 13: Bank balances other than cash and cash equivalents

Deposits with Maturity of more than 3 months but less than 12 months
Margin Money Deposits
On Unpaid Interest and Fixed Deposit (Refer foot note (b))
On Unpaid Dividend Accounts (Refer foot note (b))

31 March 2023	31 March 2022
BDT Lacs	BDT Lacs
2.00	2.00
981.38	-
-	-
-	-
983.38	2.00



Note 14: Short term loans and advances

	31 March 2023	31 March 2022
	BDT Lacs	BDT Lacs
Unsecured, Considered Good:		
Advance Receivable in Cash or Kind or for Value to be Received	34.70	44.31
Loans and advances to related parties	-	-
Other Receivables	-	-
Unsecured, Considered Doubtful:		
Loans advances and deposits	-	-
Less: Provision for doubtful advances and deposits	-	-
	<u>34.70</u>	<u>44.31</u>

Note 15: Other current financial assets

	31 March 2023	31 March 2022
	BDT Lacs	BDT Lacs
Interest Receivable	0.81	0.67
Recoverable against Fire loss	-	-
Receivable from subsidiaries/ Joint Ventures	-	-
Revaluation of hedging instrument	-	-
	<u>0.81</u>	<u>0.67</u>

Break up of financial assets carried at amortised cost

	31 March 2023	31 March 2022
	BDT Lacs	BDT Lacs
Long term loans and advances (note 6)	258.86	258.86
Short term loans and advances (note 14)	34.70	44.31
Trade and other receivables (note 11)	1,249.12	1,021.36
Cash and cash equivalents and other bank balances (note 12)	408.42	631.75
Other non-current financial assets (note 7):		
Other receivables from subsidiaries	-	-
Other current financial assets (note 15):		
Interest Receivable	0.81	0.67
Recoverable against Fire loss	-	-
Receivable from subsidiaries/ Joint Ventures	-	-
	<u>1,951.91</u>	<u>1,956.95</u>

Note 16: Other current assets

	31 March 2023	31 March 2022
	BDT Lacs	BDT Lacs
Advance Receivable in Cash or Kind or for Value to be Received	2.09	2.09
Balance with Government Authorities	1,536.35	2,992.60
Balance with Customs, Port Trust, Excise etc.	98.66	34.27
	<u>1,637.11</u>	<u>3,028.95</u>

Prepayments

	31 March 2023	31 March 2022
	BDT Lacs	BDT Lacs
Prepaid Expense	1.96	0.91
Prepaid Salary	-	0.37
Prepaid Insurance	30.38	29.68
	<u>32.34</u>	<u>30.95</u>
	<u>1,669.45</u>	<u>3,059.91</u>



Note 17: Equity share capital

Authorised share capital	Equity shares		Preference Shares	
	Numbers	BDT Lacs	Numbers	BDT Lacs
As at April 1 2021	150,000,000	15,000.00	-	-
Increase / (decrease) during the year	-	-	-	-
As at March 31 2022	150,000,000	15,000.00	-	-
Increase / (decrease) during the year	-	-	-	-
As at Mar 31, 2023	<u>150,000,000</u>	<u>15,000.00</u>	<u>-</u>	<u>-</u>

Issued share capital	Numbers	BDT Lacs
Equity shares of BDT 10 each issued, subscribed and fully paid		
As at April 1 2021	150,000,000	15,000.00
Allotted during the year	-	-
As at March 31 2022	150,000,000	15,000.00
Allotted during the year (Other issue..)	-	-
As at Mar 31, 2023	<u>150,000,000</u>	<u>15,000.00</u>

b) Terms/ rights attached to equity shares

The Company has only one class of equity shares having face value of BDT 10 per share. Each holder of equity shares is entitled to one vote per equity share. Dividend is recommended by the Board of Directors and is subject to the approval of the members at the ensuing Annual General Meeting. The Board of Directors have a right to deduct from the dividend payable to any member, any sum due from him to the Company.

In the event of winding-up, the holders of equity shares shall be entitled to receive remaining assets of the Company after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by shareholders.

c) Details of shareholders holding more than 5% shares in the company

Name of the shareholders	As at Mar 31, 2023		As at March 31 2022	
	Numbers	the class	Numbers	class
CEAT Limited, India	104,999,994	70%	104,999,994	70%
AK KHAN & Co Limited, Bangladesh	45,000,000	30%	45,000,000	30%

Note 18: Other equity

	BDT Lacs
As at April 1 2021	(4,313.17)
As at March 31 2022	(4,645.60)
Add:	-
Less : Loss during the year	(1,241.09)
As at Mar 31, 2023	<u>(5,886.69)</u>

Note 19: Distribution made and proposed

	31 March 2023	31 March 2022
	BDT Lacs	BDT Lacs
Cash dividends on equity shares declared and paid:	-	-
	-	-
	-	-
	-	-
Proposed dividends on equity shares:	-	-
	-	-
	-	-
	-	-



Note 20: Long term borrowings**Non-current borrowings**

	Effective interest rate	Maturity
Non-current interest bearing loans and borrowings:		
I. Secured:		
Debtentures		
Non-convertible debtentures	-	-
Term loans		
a) Indian rupee loan from banks	-	-
b) Foreign currency loan from banks	-	-
c) Buyer's Credit	-	-
II. Unsecured:		
a) Long term Public Deposits	-	-
b) Deferred Sales Tax Incentive	-	-

Note 21: Other financial liabilities**Other financial liabilities (at amortised cost)**

	31 March 2023 BDT Lacs	31 March 2022 BDT Lacs
Others	-	-
Total other financial liabilities	-	-

Note 22 (a): Provisions

	31 March 2023 BDT Lacs	31 March 2022 BDT Lacs
Non-current provisions		
Provision for sales related obligation	73.46	61.58
Provision for compensated absences	-	-
Provision for decommissioning liability	-	-
	73.46	61.58
Current provisions		
Provision for sales related obligation (Short term)	193.46	175.56
Provision for gratuity	255.38	-
Provision for compensated absences	-	-
Provision for Income Tax	646.58	676.69
Provision for indirect taxes	-	-
Provision for mark-to-market lossess on derivative contracts	-	-
Provision for Tax on Proposed Dividend	-	-
	1,095.43	852.25

Note 22 (b): Provisions**a) Provision for warranty:**

A provision is recognized for expected warranty claims on product sold during the last three years, based on past experience of the level of returns and cost of claim. It is expected that significant portion of these costs will be incurred in the next financial year and within three years from the reporting date. Assumptions used to calculate the provision for warranty were based on current sales levels and current information available about returns based on the three years warranty period for all products sold. The table below gives information about movement in warranty provision.

Movement in provision for warranty:

	31 March 2023 BDT Lacs	31 March 2022 BDT Lacs
As at the beginning of the year	237.14	192.14
Additions during the year	29.79	45.00
Utilised during the year	-	-
As at the end of the year	266.93	237.14



b) Income Tax:

Provision for income tax (net of advance tax) is unadjusted tax provisions for various years where either assessments or appeals are pending.

Movement in provision for income tax:

	<u>31 March 2023</u>	<u>31 March 2022</u>
	<u>BDT Lacs</u>	<u>BDT Lacs</u>
As at the beginning of the Year	676.69	597.68
Additions during the period Year	(30.11)	79.01
Utilised during the period year	-	-
As at the end of the year	646.58	676.69

Note 23: Income tax

The major components of income tax expense for the period ended 30 September and 31 March 2022 are:

Statement of profit and loss:

Profit or loss section

	<u>31 March 2023</u>	<u>31 March 2022</u>
	<u>BDT Lacs</u>	<u>BDT Lacs</u>
Current Tax	629.99	667.74
Current income tax charge	-	-
Adjustments in respect of current income tax of previous year	-	-
Deferred tax	(73.68)	(8.84)
Relating to origination and reversal of temporary differences	-	-
Income tax expense reported in the statement of profit or loss	556.31	658.90

OCI section

Deferred tax related to items recognised in OCI during the year:

	<u>31 March 2023</u>	<u>31 March 2022</u>
	<u>BDT Lacs</u>	<u>BDT Lacs</u>
Income tax effect on actuarial losses for Gratuity	-	-
Income tax effect on movement in cash flow hedges	-	-
Income tax expense charged to OCI	-	-

Reconciliation of tax expense and the accounting profit multiplied by Bangladesh domestic tax rate for 31 March 2018 and 31 March 2017:

	<u>31 March 2023</u>	<u>31 March 2022</u>
	<u>BDT Lacs</u>	<u>BDT Lacs</u>
Accounting profit before tax from continuing operations	(684.78)	(13,064.94)
Income tax rate of 35%	(239.67)	(4,572.73)
Effect of lower tax rate for overseas dividend	-	-
Mutual fund dividend exempt from tax	-	-
Scientific research expenses	-	-
others	-	-
Others exempted expenses	-	-
Non-deductible expenses for tax purposes:		
Revaluation depreciation	-	-
CSR Expenses	-	-
Donations	-	-
Other non-deductible expenses	-	-
long term capital gain tax	-	-
Income from house property	-	-
Income tax pertaining to last year	-	-
At the effective income tax rate of 35% (31 March 2016: 35%)	(239.67)	(4,572.73)

Deferred tax:

Deferred tax relates to the following:

	<u>Balance Sheet</u>	
	<u>31 March 2023</u>	<u>31 March 2022</u>
	<u>BDT Lacs</u>	<u>BDT Lacs</u>
Depreciation for tax purposes	12.35	11.59
Gratuity	-	-
Provision for doubtful debts	1.90	2.42
Others	80.62	75.55
Deferred tax expense/(income)	164.05	89.56
Net deferred tax assets/(liabilities)		



Reflected in the balance sheet as follows:

	31 March 2023 BDT Lacs	31 March 2022 BDT Lacs
Deferred tax assets	164.05	90.37
Deferred tax liabilities	-	-
Deferred tax liabilities, net	164.05	90.37

Note 24: Other non-current liabilities

	31 March 2023 BDT Lacs	31 March 2022 BDT Lacs
Other non-current liabilities	-	-

Note 25: Short term borrowings

	31 March 2023 BDT Lacs	31 March 2022 BDT Lacs
Secured:		
Cash credit facilities from banks (repayable on demand)	1,905.16	2,269.23
Export packing credit from banks	-	-
Buyer's credit from banks	1,575.83	610.75
Unsecured:		
Term loans from banks	-	-
Public deposit	-	-
	3,481.00	2,879.97

Note: All short-term borrowings availed in Bangladeshi Taka during the current period carry interest of 8% to 9%.

Note 26: Trade payables

	31 March 2023 BDT Lacs	31 March 2022 BDT Lacs
Trade Payables		
Dues to micro and small enterprises		
Overdue	-	-
Not due	272.63	428.37
Other Payables	742.12	1,379.55
	1,014.75	1,807.92

Note 27: Other current financial liabilities

	31 March 2023 BDT Lacs	31 March 2022 BDT Lacs
Other current financial liabilities at amortised cost:		
Premium on forward contracts	-	-
Current maturities of long-term debt	-	-
Interest accrued but not due on Security Deposit & Borrowings	18.07	20.97
Unpaid dividends	-	-
Unpaid matured deposits and interest accrued thereon	-	-
Payable to capital vendors	-	-
Deposits from dealers & others	418.51	474.51
Advance received from customers	-	-
	436.58	495.48

Note 28: Other current liabilities

	31 March 2023 BDT Lacs	31 March 2022 BDT Lacs
Statutory dues	25.51	25.57
Advance received from customers	12.13	120.90
	37.63	146.47

Break up of financial liabilities carried at amortised cost

	31 March 2023 BDT Lacs	31 March 2022 BDT Lacs
Borrowings (non-current) (note 20)	-	-
Borrowings (current) (note 25)	3,481.00	2,879.97
Other financial liabilities (current) (note 27)	436.58	495.48
Other financial liabilities (non-current) (note 21)	-	-
Trade payables (note 26)	1,014.75	1,807.92
	4,932.33	5,183.38



Note 29: Revenue from operations

Sale of products (including excise duty)
Other operating revenues:
Royalty Income
Sale of Scrap
Government Grants
Other revenues

31 March 2023	31 March 2022
BDT Lacs	BDT Lacs
16,287.49	15,620.01
-	-
20.89	40.89
-	-
4.8	27.32
<u>16,313.14</u>	<u>15,688.22</u>

Detail of sales under broad heads:

Automotive tyres
Tubes and others
Sale of products

31 March 2023	31 March 2022
BDT Lacs	BDT Lacs
16,287.49	15,620.01
-	-
<u>16,287.49</u>	<u>15,620.01</u>

Note 30: Other Income

Interest income on
Bank deposits

31 March 2023	31 March 2022
BDT Lacs	BDT Lacs
5.11	5.15
<u>5.11</u>	<u>5.15</u>

Note 31: Cost of material consumed

Raw Material:
Opening Stock Raw Material
Add: Purchases
Less: Closing Stock

31 March 2023	31 March 2022
BDT Lacs	BDT Lacs
-	-
-	-
-	-
-	-
<u>-</u>	<u>-</u>

Note 32: Changes in inventories of finished goods, stock-in-trade and work-in-progress

Opening Stock:
Opening Work-in-progress
Opening Finished goods
Opening Traded goods

Closing Stock:
Closing Work-in-progress
Closing Finished goods
Closing Traded goods

Differential excise duty on opening and closing stock of finished goods

31 March 2023	31 March 2022
BDT Lacs	BDT Lacs
-	-
-	-
2,714.94	2,272.99
<u>2,714.94</u>	<u>2,272.99</u>
-	-
-	-
1,950.29	2,714.94
<u>1,950.29</u>	<u>2,714.94</u>
764.65	(441.94)
-	-
<u>764.65</u>	<u>(441.94)</u>

Note 33: Employee benefit expense

Salaries, Wages and Bonus
Contribution to Provident and Superannuation Fund etc.
Gratuity Expenses
Welfare Expenses

31 March 2023	31 March 2022
BDT Lacs	BDT Lacs
858.29	982.01
22.07	22.77
236.27	-
<u>158.62</u>	<u>152.90</u>
<u>1,275.25</u>	<u>1,157.68</u>



Note 34: Finance costs

Interest Cost
 - On fixed period loan
 - Others
 Other finance charges
 Total Interest expense

Total finance cost

31 March 2023	31 March 2022
BDT Lacs	BDT Lacs
326.20	279.17
46.74	63.12
-	-
372.94	342.29
372.94	342.29

Note 35: Depreciation and amortization expense

Depreciation of tangible assets
 Amortization of intangible assets

31 March 2023	31 March 2022
BDT Lacs	BDT Lacs
7.36	8.12
0.66	0.90
8.02	9.02

Note 36: Other expenses

Power and Fuel
 Freight and Delivery Charges
 Rent
 Insurance
 Repairs - Others
 Travelling and Conveyance
 Printing and Stationery
 Audit Fees
 Advertisement and Sales Promotion Expenses
 Sales related Obligations
 Communication Expenses
 Advances Written off
 Provision for doubtful debts and advances
 Loss on Assets Sold / Discarded
 Legal Charges
 Foreign Exchange Fluctuations (Net)
 Professional and Consultancy Charges
 Training and Conference Expenses
 Miscellaneous Expenses
 Bank Charges

31 March 2023	31 March 2022
BDT Lacs	BDT Lacs
1.12	0.37
181.07	187.89
216.10	230.25
34.73	30.34
6.72	4.36
126.64	95.69
7.06	4.16
7.88	6.33
8.08	4.58
100.06	132.68
15.78	17.84
-	353.00
231.80	-
0.34	-
1.33	0.85
19.34	1.34
224.26	34.14
1.31	0.64
127.48	112.38
43.26	44.67
1,354.38	1,261.49

Payments to the auditor:**As auditor**

Audit fee
 Tax audit fee
 Limited review

In other capacity:

Taxation matters
 Company law matters
 Other services (certification fees)
 Reimbursement of expenses

7.88	6.33
-	-
-	-
-	-
-	-
-	-
-	-
7.88	6.33

Note 37: Exceptional items

Voluntary Retirement Scheme (VRS)
 Total

31 March 2023	31 March 2022
BDT Lacs	BDT Lacs
-	-
-	-



Note 38: Research and development costs

	<u>31 March 2023</u>	<u>31 March 2022</u>
	<u>BDT Lacs</u>	<u>BDT Lacs</u>
Capital expenditure	-	-
Revenue expenditure	-	-
Total	<u>-</u>	<u>-</u>

Note 39: Earnings per share

Basic Earnings per share (EPS) amounts are calculated by dividing the profit for the period/ year attributable to equity holders of the parent by the weighted average number of equity shares outstanding during the period/ year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders by the weighted average number of equity shares outstanding during the period/ year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

	<u>31 March 2023</u>	<u>31 March 2022</u>
	<u>BDT Lacs</u>	<u>BDT Lacs</u>
Profit after tax for calculation of basic and diluted EPS	(1,241.09)	(332.43)
Weighted average number of equity shares (face value per share BDT.10) in calculating basic EPS and diluted EPS	150,000,000	150,000,000
Basic earnings per share	<u>(0.83)</u>	<u>(0.22)</u>
Diluted earnings per share	<u>(0.83)</u>	<u>(0.22)</u>

