Report On

Overall Business operation process of Gemsclip.com

By

Student Full Name: Tajema Islam
Student ID: 17264002

An internship report submitted to the BRAC Business School in partial fulfillment of the requirements for the degree of
Master of Business Administration

Master of Business Administration
BRAC University
April 2020

Declaration

It is hereby declared that

1. The internship report submitted is my/our own original work while completing degree at BRAC University.
2. The report does not contain material previously published or written by a third party, except where this is appropriately cited through full and accurate referencing.
3. The report does not contain material which has been accepted, or submitted, for any other degree or diploma at a university or other institution.
4. I/We have acknowledged all main sources of help.

Student's Full Name & Signature:

Student Full Name: Tajema Islam

Student ID: 17264002

Supervisor's Full Name & Signature:

Supervisor Full Name: Dr. Suman Paul Chowdhury

Designation, Department: Assistant Professor & Program Director - MBA,

BRAC Business School

Institution: BRAC University

Table of Contents

Letter of Transmittal

Dr. Suman Paul Chowdhury

Assistant Professor & Program Director - MBA,

BRAC Business School

BRAC University

66 Mohakhali, Dhaka-1212

Subject: Internship report on Overall Business operation process of Gemsclip.com.

Dear Sir,

With immense pleasure, I would like to submit my internship report on Overall Business operation process of Gemsclip.com. To complete my Master of Business Administration program, internship report is a pre-requisite.

Internship program was conducted under your utmost supervision and report is built under your superlative direction. During this 12 weeks long program, my assignment was being associated with the Business development department of Gemsclip.com. Insights, erudition's, observations and experiences of mine are inserted in this particular report thoroughly.

I will be obliged if you accept my report and grant your final evaluation remark in order to acquire my graduation accreditation. Thanking you in advance.

Sincerely yours,

____

Student Full Name: Tajema Islam

Student ID: 17264002

BRAC Business School

BRAC University

Date: 04/21/2020

Non-Disclosure Agreement

[This page is for Non-Disclosure Agreement between the Company and The Student]

This agreement is made and entered into by and between Gemsclip.com and the undersigned student at BRAC University, Tajema Islam, ID: 173264002. For the purpose of preventing the unauthorized disclosure of Confidential Information as defined below. The parties agree to enter into a confidential relationship with respect to the disclosure of certain proprietary and confidential information.

Acknowledgement

I would like to take the opportunity to thank Almighty Allah for providing me enough strength to complete my Internship Epoch with ethical manner, dedication and effectiveness. My heartiest gratitude goes to all the individuals who were involved directly and indirectly in establishment of this report.

Sincerest appreciativeness to *Shameem Ahsan*, Chairman of Gemsclip.com for sharing his immense support and impeccable insights with me; *Mr. Debashis Phani*, *COO* who was not only a supervisor but a mentor who groomed me thoroughly not as an Intern but as a part of actual member of the organization during the whole process. I would like to thank Gemsclip.com and the whole operation Management teams for showing such humble behavior during my stay.

Most importantly, I would like to than *Dr. Suman Paul Chowdhury*, Assistant professor and Program Director (MBA) of BRAC Business School who have supervised and guided me to and fro with her valuable acumens and suggestions to standardize this report.

Last, but not the least, I would like to thank my family and friends for their constant support in order to complete my Bachelors of Business Administration journey at BRAC University and delivering the best interval of lifetime.

Executive Summary

Bangladesh is on a digital stride. The country is overcoming newer challenges every day and striding towards its goal of the Digital Bangladesh. There are obstacles on the way, but only to make Bangladesh more agile in its race towards its dream. Under the leadership of the present government and its policy makers, the goal is now more achievable than ever. Bangladesh has become a wonder to the world with its achievements and successes. Taking Bangladesh forward in the digital front in the B2B sector in Bangladesh is Gemsclip.com.

Business Development and Supply chain department are the two major department of this organization by which its overall operation runs. The learn about the processes in the company was the main objective of my internship report. This particular report is to reflect the practical level knowledge of overall operational process of Gemsclip.com to justify the real time process theorem by analyzing the operational process of Business development department and Supply chain department. I have included so findings and recommendations to smoothen the process.

1. Chapter one: Overview of Internship

1.1 Student Information:

Name: Tajema Islam

ID: 17264002

Program: Master of Business Administration

Major/Specialization: Operations Management

1.2 Internship Information:

1.2.1 Period, Company Name, Department/Division, Address:

Period: January 2020 – March 2020
Company Name: Gemsclip.com (E-generation B2B Ltd.)
Department: Business Development
Address: Apartment # 301, House # 1/A (HB Tower), Roar # 23, Gulshan 01, Dhaka -1212

1.2.2 Internship Company Supervisor's Information:

Name: Debashish Phani

Position: Chief Coordinator Officer

1.2.3 Job Scope – Job Description/Duties/Responsibilities

- Identifying new sales leads
- Pitching our services
- Prepare price quotation
- Maintaining fruitful relationships with existing customers
- Recurring the sales as well as upselling
- Collaboration with Billing & finance team
- Collaboration with Supply chain team
- Collaboration with Operation generation

1.3 Internship Outcomes:

1.3.1 Student's contribution to the company

Successfully on-boarded 4 new customers and total revenue earned 13,244,260 BDT during the internship period.

1.3.2 Benefits to the student

I have learned the total operational process of the local service proving company. It will help me to build my career in business development department in any reputed multinational or local company in near future. Also it helped me to develop my managerial and leadership skill.

1.3.3 Problems/Difficulties

- Most of the information could not be retrieved due to confidentiality
- For the position limitation, many places were restricted to learn in depth; hence observation method was used
- Cooperation were almost nil regarding data/information collection

2. Chapter two: Organization Part: (Overview, Operations and a Strategic Audit)

2.1 Introduction:

2.1.1 Company Overview

Gemsclip.com is Bangladesh's first ever service provider of procurement tracking and easy reordering. Gemsclip is an award winning B2B e-commerce platform for complete office supplies at convenience. It is a SBU of eGeneration Ltd., one of the leading management consulting, system integrating, NLP, data analyzing and researching IT Companies of Bangladesh. Our prime focus is to simplify the supply hassles of a procurement manager and serve quality product with quantity management and time saving. We bring all you need for your office supplies under one platform. We provide highest transparency with genuine products to pick from one open platform with zero counterfeit chances and guarantee cost efficiency through our e-commerce portal where companies can order online. Customers also get doorstep delivery and can buy in bulk to save time Everyday our website's (www.gemsclip.com) support team provide a-z office supply solutions to clients with just one click or just one phone call.

Annual revenue: 95,975,873.4 BDT Jan'18 - Dec'18

2.1.2 Key Financial and Company Drivers

Number of customers and key references: 88 local & multinational corporations

Licensing model: Distributorship with large suppliers & Merchants (Unilever, Reckitt Benckiser etc.)

2.1.3 Key Investment considerations

Current Geography focus: All over Bangladesh; Nationwide

Future Geography expansion plans: Nepal & Myanmar

2.2 Company Profile

Gemsclip.com (eGeneration B2B Ltd) is a sister concern of eGeneration Ltd, the first listed software solutions company to go to IPO. eGeneration B2B Ltd was founded in 2017 as a sister concern of eGeneration Ltd (established: 2003). eGeneration B2B Ltd itself though was incorporated in 15th May 2017 but was operational on a pilot basis from March of 2017.

2.2.1 Legal Structure

Date of Founding	15th May, 2017,
Type of Company	Private Limited Company
Date of Commercial Operation	December 01, 2017

2.2.2 History and Milestone

Figure 1: Milestones of Gemsclip.com

2.2.3 Business Model

Line of business

Gemsclip.com is the country's first ever B2B e-commerce procurement service provider to include procurement tracking and easy reordering with bulk buy facility. Gemsclip.com also has dedicated Key Account Managers to ensure support to businesses with procurement needs. Our aim is to create a B2B platform with a complete solution for all procurement needs, focusing on everyday office supplies. The service proposition is to provide our customers with the highest of convenience, with primary focus on simplifying supply hassles and serving the quality products, at the exact quantity and at an accurate time.

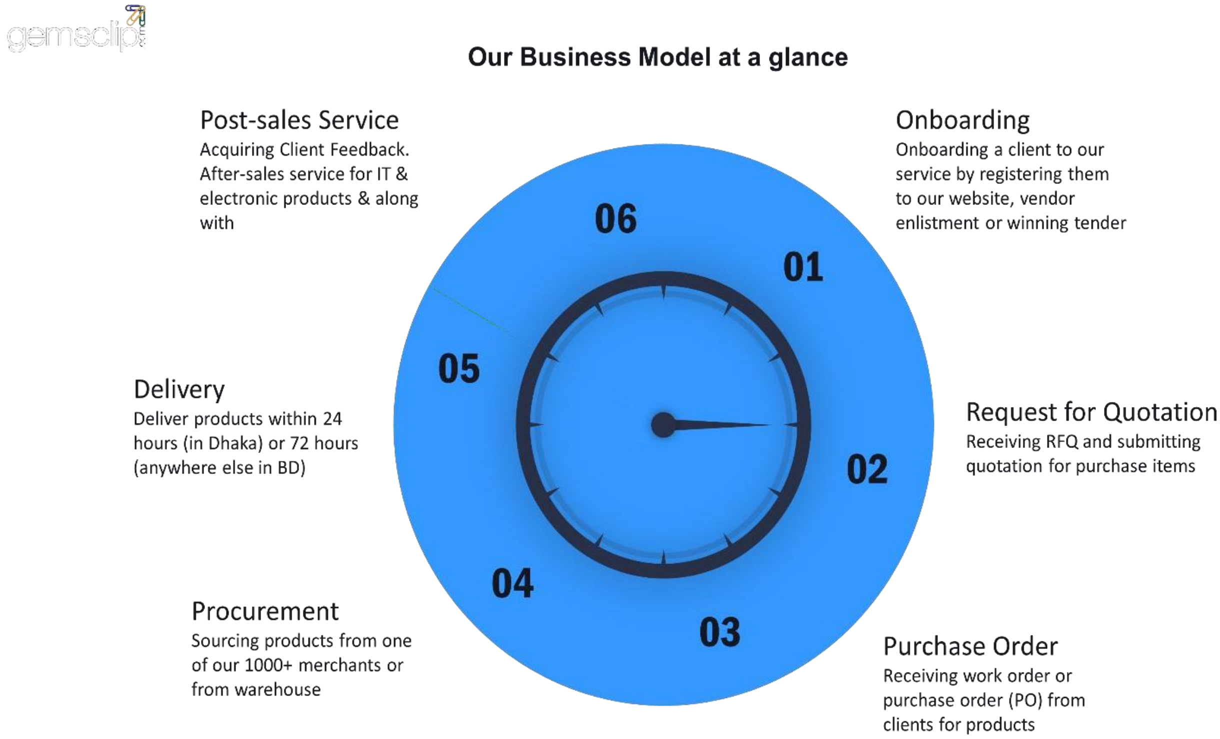


Figure 2: Business Process of Gemsclip.com

Business differentiation

The graph below includes a list with 8 of our primary unique selling points and differentiating factors to provide us a competitive edge.

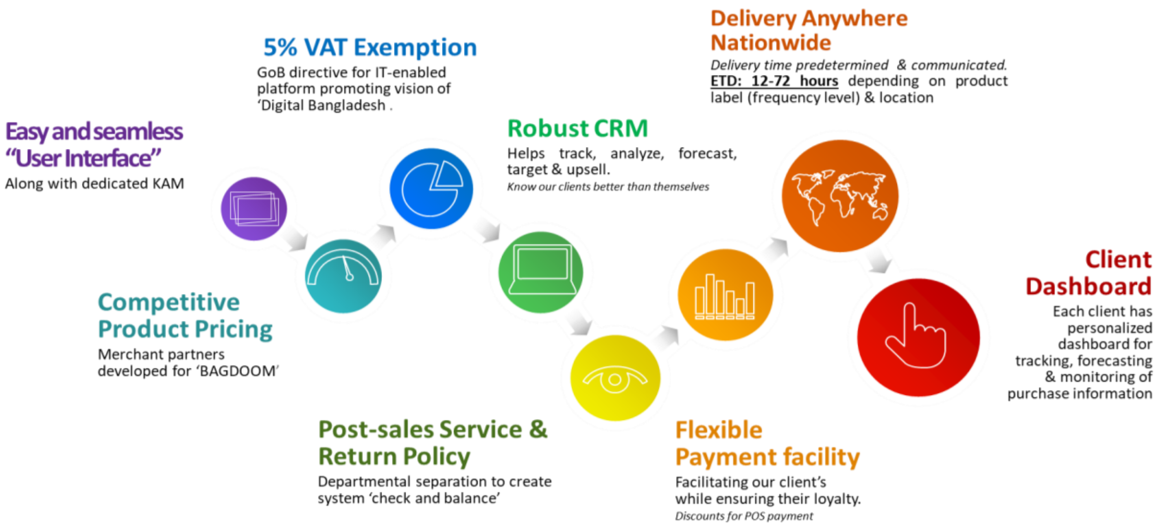


Figure 3: Unique Selling Points of Gemsclip.com

2.2.4 Awards and Recognitions

The mission of Gemsclip.com is globalizing the retail industry of our country like Amazon, Alibaba, and Staples etc. In its journey to that, Gemsclip.com has received several recognitions along the way. Gemsclip.com won 'South Asian Business Excellence Awards 2017' in 'Start-Up of the Year' category in followed by an even greater achievement by being selected 'Winner of the World Summit Awards (WSA) Bangladesh' in the category of Business & Commerce. Gemsclip.com is now competing to win the Global WSA awards with the hope of bringing further international recognition to the country and their business. Bangladesh is on a digital stride. The country is overcoming newer challenges every day and striding towards its goal of the Digital Bangladesh.

2.2.5 Corporate vision and strategy

Taking Bangladesh forward in the digital front in the B2B sector in Bangladesh is eGeneration B2B Ltd- (Gemsclip.com).

Gemsclip.com is working with the vision to transform and digitize the procurement industry of our country through technological innovation, transparency along with utmost priority to cost minimization.

2.3 Business

We are a procurement service provider procuring a range of products for our customers based on their needs. We provide products in following category: Stationary, Pantry, Cleaning, Electronics, Manufacturing Machineries & Raw Materials, Safety & Security Products and anything else that our clients inquire. Currently, we are procuring over four thousand products with many more SKUs for our 60 corporate clients spread throughout the country.
Current Categories of the products we sell through Gemsclip.com are:

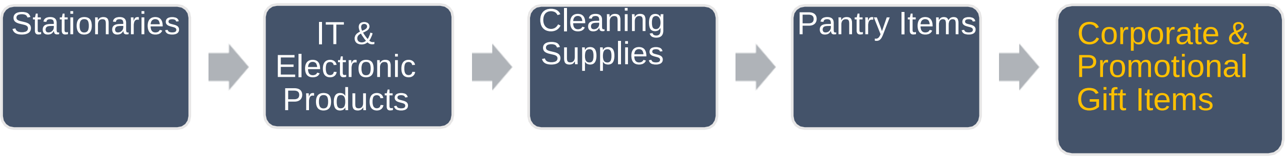


Figure 4: Products Sold by Gemsclip.com

2.3.1. Products and services

Stationary: All kinds of stationary products with paper as the primary seller.

Cleaning Supplies: Cleaning agents sold directly & through service providers. Unilever Products as best- sellers.

Pantry Items: All dry food items stored at office pantry. Nestle Products as best-sellers.

Electronic & IT: Office laptops, printing tools, ACs, etc. HP products as best-sellers.

Gift Items: Primarily Pharmaceutical gift items along with corporate gift items. Customized products sourced from China & local market.

Raw Materials & Machineries: Manufacturing industry (especially: RMG) machinery sourcing, packaging material sourcing.

2.4 Human Resources

Gemsclip.com is being led by: Shameem Ahsan, Chairman, Syeda Kamrun Ahmed and Mirajul Haque, Co-founder & Director of Gemsclip.com. Currently, the organization employs 43 employees, with 28 full-time employees with immediate expansion plans of recruiting 18 more employees to cater to growth.

2.5 Fund Utilization

Gemsclip will utilize the raised fund in improving its technology, warehousing and delivery process which includes website upgradation, CRM platform development, analytics & forecasting tools installation, distribution capacity development, database management system etc. Currently the website, dashboard and CRM system are going through improvement.

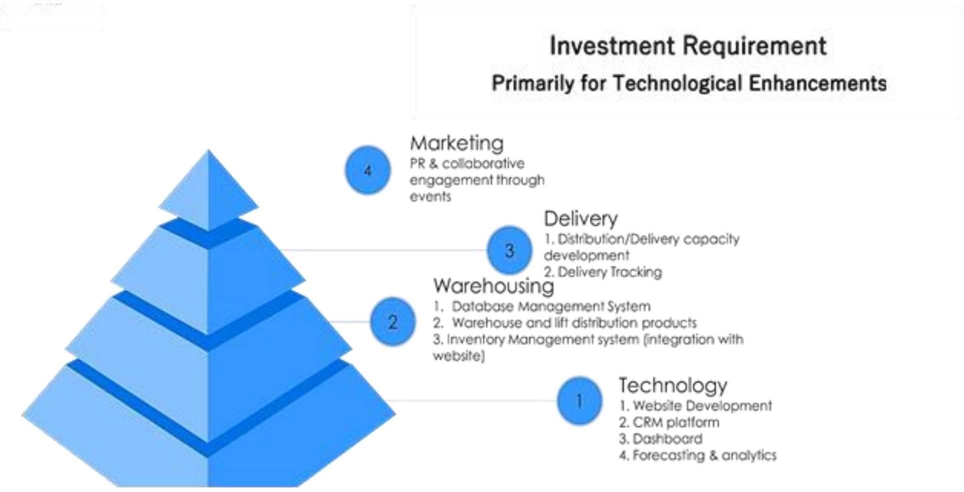


Figure 5: Investment Requirement

The operations of Gemsclip.com is growing exponentially in-line with the growth of the company. Moreover, in our company we thrive to develop and implement cutting-edge features.

Figure 6: Upcoming Improvements in Processes in Gemsclip.com

2.6 Marketing and sales

The company has a defined and structured marketing and sales process in place. As we are a B2B platform, most of our sales come from our extensive client engagement strategy. We have our website and dedicated key account managers who onboard our clients. After onboarding, we take requirement from the clients and quote the price. Through this process, we keep working in-house with procurement for sourcing the products from one of our 1000+ merchants or from warehouse to deliver products within 24 hours (in Dhaka) or 72 hours (anywhere else in Bangladesh). We also have a post-sales service where we acquire Client Feedback. After-sales service for IT & electronic products & along with product with warranties is part of the process.

2.7 Customers

We have clients from all industries and sizes in our portfolio.

Figure 7: Logos of Gemsclip.com Customers

2.8 Industry

We are currently serving the following industries: Healthcare, Education, FMCG, IT, Electronics, Real Estate, Marketing & Advertising Agencies, Pharmaceutical and many more. We provide our procurement service to local companies MNC's alike We are especially attractive to MNCs because of the transparency we are able to bring to their procurement department and tracking of sourcing.

Sindabad.com (Direct Competition). All other supplier of office products are indirect competitors.

2.8.1 Competitive Position

Differentiator and USP:

- Transparent procurement system due to visibility and tracking at all steps.
- Timesaving and hassle-free procurement option for customers as it eliminates their need to manage multiple vendors, suppliers, delivery companies.
- Convenient alternative to traditional procurement due to one-stop platform.
- Easy & Seamless User Interface
- Competitive Product Pricing: Distributorship with Merchants and Strategic Partnerships.
- 4.5% VAT Exemption: GoB
- Robust CRM
- Delivery Anywhere Nationwide
- Client Dashboard
- Post-Sales Service & 72-hour Return Policy
- Flexible Payment Facility

2.8.2 Technology

- Development language: PHP Zend Framework (Magento CMS)
- Tools (Php storm, Gitlab, Jira)

- Databases (MySQL)
- Cloud platform (AWS cloud): Core applications exist in cloud.
- Cloud Consumption (AWS cloud compact service)
- Deployment model – Public Cloud based on IAAS
- Current deployment bill of material and spend on technology: Total USD 29,587 (Platform purchase from BAGDOOM- USD 11,764, Modification, upgradation and maintenance - USD 15,294, Hosting-USD 2,529)
- Focus areas of technology evolution in next 6 to 12 months:

• ERP System development for Inventory Management (including Warehouse Management), Finance & Accounts

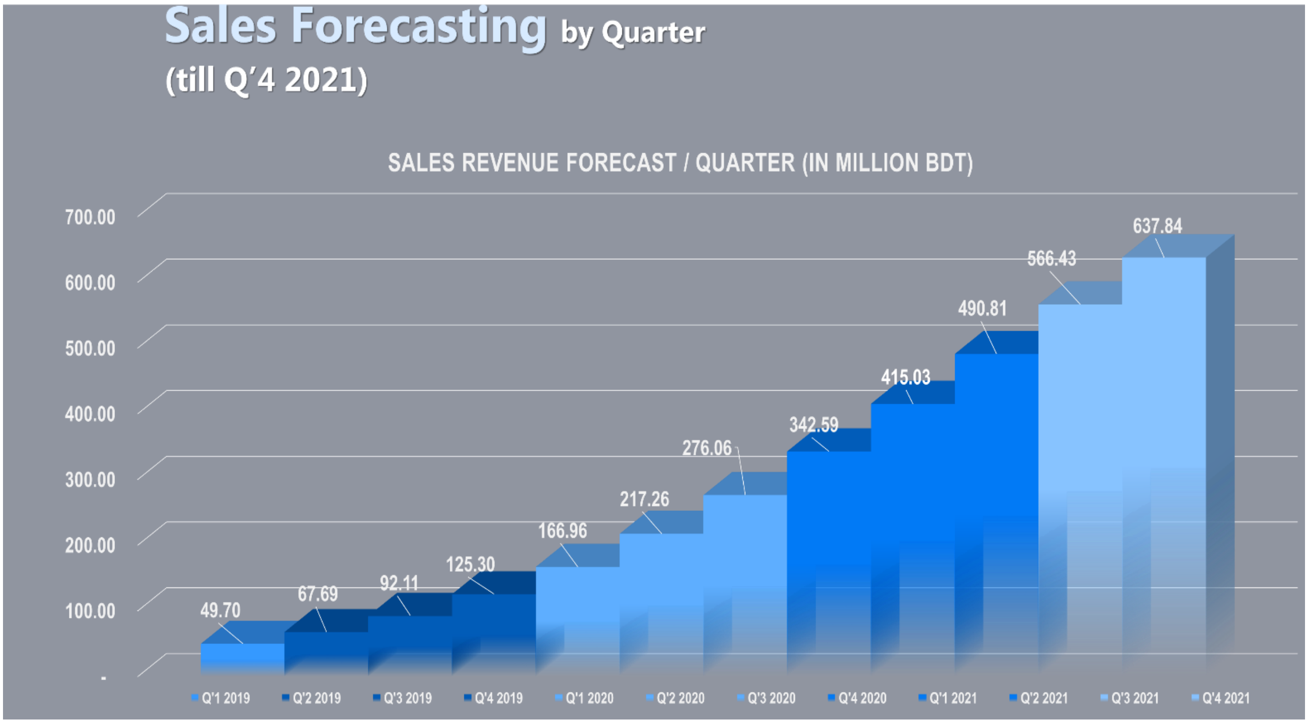
• Upgrading order placement, management and pricing, and integrating it with ERP and CRM

CRM and delivery management for seamless order fulfillment and client satisfaction

2.8.3 Strategic Position

We are a one-stop online procurement service provider facilitating office procurement for our customers based on their needs. Our categories cover a wide range of products required for corporates, namely: Stationary, Pantry, Cleaning, Electronics, Manufacturing Machineries & Raw Materials, and Safety & Security Equipment. However, based on client requirements and strategic alignment, we add new categories provided the volume and revenue is justified. Currently, we are procuring over 4000 products with multiple SKUs each to cater to 68 corporate clients spread throughout the country.

2.8.4 Summary of trends and projects



Graph 1: Sales Forecast Revenues for 3 years

Figure 8: Summary of Client and Business

2.9 Financial

SHIRAZ KHAN BASAK & CO.
CHARTERED ACCOUNTANTS
(An associate firm of D. N. Gupta & Associates)

R. K. TOWER (Level-10)
86, Bir Uttam C.R. Datta Road
(312, Sonargaon Road). Dhaka-1205
Tel : 88-02-9635139, 88-02-9673597
Mobile : 01552-638228, 01711-520770
01922-117370, 01757-941837
E-mail : shirazkhanbasak@yahoo.com

INDEPENDENT AUDITORS' REPORT

Introduction
We have audited the accompanying financial statements of **eGeneration B2B Limited** (the "Company"), which comprise the Statement of Financial Position as at **30th June 2018**, Statement of Profit or Loss & Other Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and a summary of significant accounting policies and other explanatory notes and all related to the financial statements.

Management's Responsibility for the Financial Statements
Management is responsible for the preparation and fair presentation of these Financial Statements in accordance with Bangladesh Accounting Standards (BAS), Bangladesh Financial Reporting Standards (BFRS), the Companies Act, 1994 and other applicable laws and regulations and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement whether due to fraud or error.

Auditors' Responsibility
Our responsibility is to express an opinion on these financial statements based on our audit. We conduct our audit in accordance with Bangladesh Standard on Auditing (BSA). Those standards require that we comply with relevant ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the management, as well as evaluating the overall presentation of the financial statements.

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

Opinion
In our opinion, the financial statements prepared in accordance with Bangladesh Accounting Standards (BAS), Bangladesh Financial Reporting Standards (BFRS), give a true and fair view of the state of the Company's affairs as at 30th June 2018 and of the results of its operations and its cash flows for the year then ended and comply with the Companies Act, 1994 and other applicable laws and regulations.

We also report that:
a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit and made due verification thereof;
b) in our opinion, proper books of account as required by law have been kept by the Company so far as it appeared from our examination of these books;
c) the Statement of Financial Position and Statement of Comprehensive Income dealt with by the report are in agreement with the books of accounts; and
d) all the expenditures incurred were for the purposes of the Company.

Dated: 22nd November, 2018
Place: Dhaka

SHIRAZ KHAN BASAK & CO. Dhaka Chartered Accountants

Shiraz Khan Basak & Co.
Chartered Accountants

Shiraz Khan Basak & Co.
Chartered Accountants

eGeneration B2B Limited
Statement of Profit or Loss & Other Comprehensive Income
For the year ended 30 June,2018

Particulars	Note	Amount in Taka 30-Jun-18
Revenue	16	45,263,210
Cost of Goods Sold	17	(33,018,952)
Gross Profit		**12,244,258**
Operating Expenses		**(12,150,403)**
General & Administrative Expenses	18	(8,680,938)
Selling & Distribution Expenses	19	(1,635,195)
Financial Expenses	20	(1,834,270)
Profit from Operation		**93,856**
Non-Operating Income		-
Profit before Inocme Tax		**93,856**
Provision for Income Tax		-
Profit after Income Tax		**93,856**

The annexed notes 1 to 22 is an integral part of the Financial Statements.

S. Chairman

K Managing Director

As per our annexed report of same date

Place: Dhaka
Dated : 22 November, 2018

SHIRAZ KHAN BASAK & CO. Dhaka Chartered Accountants

Shiraz Khan Basak & Co.
Chartered Accountants

eGeneration B2B Limited
Statement of Changes in Equity
For the year ended 30 June, 2018

Particulars	Amount in Taka		
	Share Capital	Retained Earnings	Total Equity
Addition during the year	100,000		100,000
Net Profit for the year	-	93,856	93,856
Balance at the end of the year 30 June, 2018	**100,000**	**93,856**	**193,856**

The annexed notes 1 to 22 is an integral part of the Financial Statements.

S K

Chairman

Managing Director

As per our annexed report of same date

Place: Dhaka
Dated : 22 November, 2018

SHIRAZ KHAN BASAK & CO. Dhaka Chartered Accountants

Shiraz Khan Basak & Co.
Chartered Accountants

eGeneration B2B Limited
A summary of significant accounting policies and other explanatory notes
For the year ended 30 June ,2018

1. Reporting entity

1.1 Structure of the Organization

eGeneration B2B Limited was incorporated on April 2nd, 2017 vide certificate of Incorporation no-C-136952/2017 as a private limited company The registered address of eGeneration B2B Limited is Saimon Center,5th Floor, House-4/A, Road-12, Gulshan-01, Dhaka.

1.2 Nature of business

eGeneration B2B Ltd is one of the leading ecommerce and online product supplier company of Bangladesh. It has been working diligently with an aim to make Bangladesh a Global Brand in providing leading innovative solutions both private and public sector clients. The result is a response tailored to each project, fully reflecting the intent of the client's policies and priorities, significantly improving services delivery and performance.

2. Basis of preparation

2.1 Statement of Compliance

These financial statements have been prepared in accordance with International Accounting Standards (IAS), Bangladesh Financial Reporting Standards (IFRS), Companies Act, 1994 and other applicable laws and regulations, applicable to the Company so far adopted by the Institute of the Chartered Accountants of Bangladesh. The disclosures of the information are made in accordance with the requirements of the Companies Act, 1994 and the Financial Statements have been prepared in accordance with IAS-1, using the accrual basis of accounting. In the preparation of these financial statements, management used available information to make judgments, estimates and assumption that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from those estimates.

2.2 Basis of Measurement

The Financial statements have been prepared on the historical cost basis.

2.3 Functional and presentational currency and level of precision

These financial statements are presented in Bangladeshi Taka (Taka/Tk./BDT) which is both functional currency and presentation currency of the group/Company. The amounts in these financial statements have been rounded off to the nearest Taka.

2.4 Use of estimates and judgments

The preparation of financial statements in conformity with the International Accounting Standards requires management to make estimates and assumption that affect the report, a number of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and revenue and expenses during the period reported. Actual results could differ from those estimates. Estimates are used for accounting of certain terms such as long-term contracts, provision for doubtful accounts, depreciation and amortization, employees' benefit plans, taxes reserves and contingencies.

2.5 Reporting Period

These Financial Statements of the Company cover the period from 01 July , 2017 to 30 June, 2018.

2.6 Presentation of Financial Statements

According to the International Accounting Standards (IAS) – 1 adopted by the ICAB (Institute of Chartered Accountants of Bangladesh) as IAS-1: "Presentation of Financial Statements", the complete set of Financial Statement includes the following components:

SHIRAZ KHAN BASAK & CO. Dhaka Chartered Accountants

a. Statement of Financial Position as on 30 June, 2018.
b. Statement of Profit or Loss & Other Comprehensive Income for the year ended on 30 June, 2018
c. Statement of Changes in Equity for the year ended 30 June, 2018.
d. Statement of Cash Flows for the year ended 30 June, 2018
e. Notes, comprising a summary of significant accounting policies and other explanatory information for the year ended 30 June, 2018.

2.7 Responsibility for preparation and presentation of Financial Statements

The management of the Company is responsible for the preparation and presentation of Financial Statements under Section 183 of the Companies Act, 1994 and as per the provision of "The Conceptual Framework for Financial Reporting" as adopted by the ICAB.

2.8 Going Concern

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

3. Significant Accounting Policies

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

3.1 Property, plant and equipment

Recognition of Property, Plant & Equipment

These are capitalized at cost or fair value and subsequently stated net of accumulated depreciation in compliance with the IAS 16 "Property, Plant and Equipment". The cost of acquisition of an asset comprises of its purchase price and any directly attributable cost inclusive of inward freight, duties and non-refundable taxes for bringing the asset to its operating condition for its intended use. Expenditure on repairs and maintenance of Property, Plant and Equipment is treated as an expense when incurred. Subsequent expenditure on property, Plant and Equipment is only recognized when the expenditure improves the condition of the asset beyond its originally assessed standard of performance.

Depreciation

Depreciation on fixed asset is computed using the reducing balance method so as to write off the assets over their expected useful life. After considering the useful life of assets as per IAS-16 Property, Plant & Equipment the annual depreciation rates applied under which is considered reasonable by the management. Depreciation rates varying from 10% to 30%. Depreciation of an asset begins when it is available for use i.e. when it is in the location and condition necessary for it to be capable of operating in the manner intended by the management. The cost and accumulated depreciation of depreciable assets retired or otherwise disposed of are eliminated from the assets and accumulated depreciation and any gain or loss on such disposal is reflected in operations for the period.

The depreciation rates applicable to the principal categories of Fixed Assets are:-

Category of Fixed Assets	Rates %
Furniture & Fixture	10%
Computer & Computer Accessories	30%
Server	20%
Interior Development	5%
Networking Equipments	10%
Office Equipment	10%

SHIRAZ KHAN BASAK & CO. Dhaka Chartered Accountants

3.2 Intangible assets

The Cost of Intangible Assets is capitalized provided they meet the recognition criteria specified by IAS-38. Capitalization costs include license fees & cost of implementation/system development & integration services which are capitalized during the period in which the relevant assets are ready for use. The cost of an intangible asset comprises of cost & expenditure which are capitalized. On the basis of the future economic benefits embodied in the specific asset to which it relates. The cost of maintenance, upgrading and enhancements are charged off as revenue expenditure unless they bring similar significant additional long-term benefits.

The depreciation rates applicable to the principal categories of Intangible Assets are:-

Category of Intangible Assets	Rates %
Customer Relationship Managements	20%
Inventory Management Software	20%
Accounting Software	20%
Web Design & Development	20%

3.3 Inventories

Inventories are valued at the lower of cost or net realizable value. The cost is assigned following weighted average cost formula. As per IAS 2: "Inventories", Net Realizable Value is determined by deducting estimated cost of completion and cost of sales from the estimated sales of related items.

3.4 Provisions

A provision is recognized in the statement of financial position when the company has a legal or constructive obligation as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provision is ordinarily measured at the best estimate of the expenditure required to settle the present obligation at the date of the statement of financial position. Where the effect of time value of money is material, the amount of provision is measured at the present value of the expenditures expected to be required to settle the obligation.

3.5 Contingencies

Contingent liabilities and assets are current or possible obligations or assets, arising from past events and whose existence is due to the occurrence of one or more uncertain future events which are not within the control of the Company. In accordance with IAS 37, there is no contingent liability or asset as on 30 June, 2018.

3.6 Revenue

The revenue during the year represents revenue arising from the sale of various stationaries, toiletries, cleaning, Computer and IT acceroies, and there is no continuing management involvement with the goods, in compliance with all the conditions for revenue recognition as provided in IFRS 15 : "Revenue from Contracts with Customers".

3.7 Taxation

According to para 33 of the Sixth Schedule ,Part A of Income Tax Ordinance 1984.Income of eGeneration B2B Ltd. is tax exempted up to 2024.

3.8 Foreign Currency Transactions

Transactions denominated in foreign currencies are translated into Bangladesh Taka and recorded at rates of exchange ruling on the date of the transaction in accordance with IAS 21.

SHIRAZ KHAN BASAK & CO. Dhaka Chartered Accountants

3.9 Finance Income and Expenses

Finance income comprises interest income which is recognized on accrual basis. There is no finance income of the company for the year then ended 30 June 2018. Finance expenses comprise interest expense on loan, overdraft and bank charges. All borrowing costs are recognized in the statement of comprehensive income.

3.10 Financial assets

Financial assets carried in the statement of financial position include cash and cash equivalents, trade and other receivables, other long-term receivables and deposits.

(a) Cash and Cash Equivalents

According to IAS 7: "Cash Flow Statement", cash comprises of cash in hand and demand deposit and cash equivalents which are of short term, highly liquid investments that are readily convertible to know amount of cash which are subject to an insignificant risk of changes in value, IAS 1: "Presentations of Financial Statements" also provides that cash equivalents are those which have no restriction in use considering the provision of IAS 7 and IAS 1. Cash in hand and bank balances have been considered as Cash and Cash Equivalents.

(b) Accounts Receivable

Accounts receivable are created based on original invoice amount and accrued income which are still not billed to the customer.

3.11 Financial liability

The company initially recognizes financial liabilities on the transaction date at which the company becomes a party to the contractual provisions of the liability. The company derecognizes a financial liability when its contractual obligations are discharged or canceled or expired. Financial liabilities include trade and other payables and non-current & current liabilities.

(a) Trade Payables

Liabilities are recognized for the amount to be paid in the future for goods and services received, whether or not billed by the supplier.

(b) Loans and Borrowings

Principal amounts of the loans and borrowings are stated at their amortized amount. Borrowings repayable after twelve months from the date of the statement of financial position are classified as non-current liabilities whereas the portion of borrowings repayable within twelve months from the date of the statement of financial position, unpaid interest and other charges are classified as current liabilities.

3.12 Impairment of Assets

As all assets of the company shown in the financial statement that is within the scope of IAS 36 are in physical existence and valued no more than their recoverable amount following International Accounting Standards adopted in Bangladesh, disclosures with regard to IAS-36: "Impairment of Assets" have not been considered necessary.

3.13 Statement of Cash Flows

Statement of Cash Flows is prepared principally in accordance with IAS 7: "Cash Flow Statement" shows how the company's cash and cash equivalents changed during the period through inflows and outflows and it has been presented under direct method.

3.14 Events after the Reporting Period

Subsequent events are events after the balance sheet date as defined in IAS 10. Any material event after balance sheet, adjusting or non-adjusting, are adjusted and disclosed.

An associate firm of D.N. Gupta & Associates

SHIRAZ KHAN BASAK & CO. Dhaka Chartered Accountants

3.15 Segment Reporting

No segmental reporting is applicable for the company as required by IFRS-8: "Operating Segments" as the company operates in a single industry segment and within a geographical segment.

3.16 Employee Benefits and Short Term Employee Benefits

Short Term Employee Benefits

Salaries, bonuses and allowances are accrued in the financial year in which the associated services are rendered by the employees of the Company.

3.17 General

a. All the figures in the financial statements represent Bangladesh Taka currency rounded off to the nearest Taka.

b. To facilitate comparison, certain relevant balances pertaining to the previous period have been rearranged or reclassified whenever considered necessary to conform to current period presentation.

SHIRAZ KHAN BASAK & CO. Dhaka Chartered Accountants

eGeneration B2B Limited
Summary of Significant Accounting Policies & Other Explanatory Notes
From the year ended 30 June, 2018

Note No.	Particulars	Amount in Taka 30-Jun-18
4.00	**Property, Plant & Equipment**	
4.01	**Asset at Cost**	
	Opening Balance	-
	Addition During the period	6,078,350
	Closing Balance	**6,078,350**
4.02	**Less: Accumulated Depreciation**	
	Opening Balance	-
	Addition During the period	598,518
	Closing Balance	**598,518**
	Written Down Value (WDV)	**5,479,832**
	Details of Property, Plant & Equipment are shown in Annexure-A	
5.00	**Intangible Assets**	
	Asset at Cost	
5.01	**Opening Balance**	-
	Addition During the period	8,385,000
	Closing Balance as on	**8,385,000**
5.02	**Less: Accumulated Amortization**	
	Opening Balance	-
	Addition During the period	948,712
	Closing Balance	**948,712**
	Written Down Value (WDV)	**7,436,288**
	Details of Intangible Assets are shown in Annexure-B	
6.00	**Investment**	
	This represents investment in equity share of eGeneration Ltd.	5,595,361
		5,595,361
7.00	**Inventories**	2,785,400
		2,785,400
8.00	**Account Receivables**	
	Aamra Group	399,740
	United Group	80,400
	Urmi Group	299,555
	Adcomm	124,815
	Akhtar Group	461,035
	Apex Footwear Ltd	132,070
	Bay Footwear Ltd	964,950
	Bagdoom.Com	186,150
	Bangladesh Honda Ltd.	642,080

SHIRAZ KHAN BASAK & CO. Dhaka Chartered Accountants

Note No.	Particulars		Amount in Taka 30-Jun-18
	BDCOM		59,710
	Blue Ocean Footwear		136,920
	Comfort Zone BD		1,150
	Fair Distribution Ltd		761,925
	Grey Advertising Bangladesh Ltd.		55,200
	Loosely Couple Technologies		17,610
	Mango Teleservices Ltd.		22,700
	Marico Bangladesh Ltd		248,275
	Multimedia Content and Communications Ltd.		450,925
	Navana Group		43,625
	Nitol Motors Ltd		493,345
	Novo Nordisk Pharma Pvt Ltd		69,315
	Posco Engineering & Construction Co Ltd		80,300
	Saimon Group		51,165
	Securex (Pvt) Ltd		38,790
	Standard Group		7,920
	Surecell Medical BD Ltd		85,770
	The Acme Laboratories Ltd		23,820
	United Hospital		776,260
	White Products and Electronic Ltd.		47,495
	Zuelling Pharma Bangladesh Ltd.		42,945
			6,805,960
	Disclosure as per schedule-XI, Part-I of The Companies Act, 1994		
	Debts exceeding 6 Months		
	Debts below 6 Months		6,805,960
	Other debts less provision		
	Debts considered Good & secured		6,805,960
	Debts considered Good without security		
	Debts considered doubtful or Bad		
	Debts due by directors or other Officers		
	Debts due from companies under same management		
	Maximum debt due by Directors or Officers at any time of the year		
			6,805,960

Trade receivable have been stated at their nominal value. Trade receivable are accrued in the ordinary course of business. These are carried at invoice amount. All receivable have been considered as good and realizable. Therefore, no amount was written off as bad debt and no debt was considered as doubtful to provide for.

9.00	**Advance, Deposit & Prepayments**		
	Security Deposit		550,000
	Advance against Salary		750,000
			1,300,000
10.00	**Cash & Cash Equivalents**		
	Cash in Hand		351,064
	Cash at Bank	10.1	699,061
			1,050,125

SHIRAZ KHAN BASAK & CO. Dhaka Chartered Accountants

An associate firm of D.N. Gupta & Associates

Note No.	Particulars	Amount in Taka 30-Jun-18
10.01	**Cash at Bank**	
	Brac Bank A/c-150120.3976.394001	35,000
	DBBL # 246.110.1283	664,061
		699,061
11.00	**Share Capital**	
	Authorised Share Capital	
	1,00,000 Ordinary Shares @ Tk. 100 each	**10,000,000**
	Issued, Subscribed & Paid up Capital	
	1,000 Ordinary Shares @ Tk. 100 each	**100,000**
	Details are as follows:-	

Particulars of Shareholder	% of Shareholding	Amount
Mr. Shameem Ahsan	55.00%	55,000
Sydea Kamrun Nahar Ahmed	25.00%	25,000
Faheem Ahsan Romi	20.00%	20,000
Total	**100.00%**	**100,000**

12.00	**Retained Earnings**	
	Opening Balance	-
	Add: Addition During the period	93,856
		93,856
13.00	**Long Term Loan**	
	Opening Balance	-
	Add: Addition During the period	15,508,125
	Add. Interest during the period	1,810,540
		17,318,665
14.00	**Liabilities for Expenses**	
	Salary and Allowances	549,325
	Utility Bill	18,000
	Audit Fee	35,000
		602,325
15.00	**Accounts Payable**	
	Akhoni.Com Ltd	820,665
	Bashundhara Paper Mills Ltd	331,585
	BMS Logistics & Rental Service	239,400
	Danish Condensed Milk Bangladesh Limited	16,185
	Faruqui Enterprise	31,215
	Ispahani Tea Ltd	23,720
	Kamal Brothers	179,560
	Master Computer	18,670
	M.R Corporation	12,465
	M/s Israil & Sons	93,070
	Riad Stationary	130,100
	Ryans Computers Ltd	79,190
	Shamsher Enterprise	120,310
	Star Tech & Engineering Ltd	188,250
	Taj Paper Store	23,140
	Transcom Beverages Ltd	130,595
		2,438,120

SHIRAZ KHAN BASAK & CO. Dhaka Chartered Accountants

An associate firm of D.N. Gupta & Associates

Note No.	Particulars	Amount in Taka 30-Jun-18
16.00	**Revenue**	
	B2B business	45,263,210
		45,263,210
17.00	**Cost of Goods sold**	
	Cost of Sales	31,626,445
	Depreciation	1,392,507
		33,018,952
18.00	**General & Administrative Expenses**	
	Salary & Allowances	6,111,915
	Festive Bonus	265,960
	Office Rent	1,216,000
	Utility Bill	90,000
	Audit Fee	35,000
	Internet Bill	18,000
	Printing & Stationary	169,710
	Car Rent	133,760
	Business Promotion	104,420
	Conveyance allowances	93,345
	Oversease Travelling	78,945
	Entertainment	70,055
	Fuel & Lubricant	63,600
	Advertisement Expenses	4,325
	Business Development	2,380
	Copyright Expenses	3,250
	Employee Training Cost	4,700
	Legal Fees	10,445
	Lunch Bill	3,185
	Meeting Expenses	4,970
	Membership Fee	10,000
	Mobile Allowance	6,530
	Recruitment Expense	5,485
	Repair & Maintenance	11,700
	Trade Mark Expenses	3,535
	Depreciation	154,723
	Registration & Renewal Expenses	5,000
		8,680,938
19.00	**Selling & Distribution Expenses**	
	Buyer Enlishment Expenses	44,250
	Delivery Van Rent	194,545
	Fuel & Lubricant	91,360
	ConveyanceBill	182,300
	Marketing Expenses	257,450
	Training and Seminar expenses	273,920
	Goods Delivery Expenses	70,440
	Business Promoton	520,930
		1,635,195

SHIRAZ KHAN BASAK & CO. Dhaka Chartered Accountants

Note No.	Particulars	Amount in Taka 30-Jun-18
20.00	**Financial Expenses**	
	Bank Charges	23,730
	Interest on Loan	1,810,540
		1,834,270

OTHER COMMITMENTS, CONTINGENCIES AND RELEVANT INFORMATION

21.00 Contingencies

There is no contingent event requiring recognition of contingent liabilities for the year ended 30 June, 2018.

22.0 Capital expenditure commitment

There was no capital expenditure commitment or contract at for the year ended 30 June, 2018. There was no material capital expenditure authorized by the Board but not contracted for the year ended 30 June, 2018.

SHIRAZ KHAN BASAK & CO. ★ Dhaka ★ Chartered Accountants

eGeneration B2B Limited
Schedule of Fixed Asset
For the year ended 30 June, 2018

Annexure-A

Particulars	Cost			Rate	Depreciation			Written Down Value as at 30.06.2018
	Balance as on 01.07.2017	Addition during the year	Balance as on 30.06.2018		Balance as on 01.07.2017	Charged for the year	Balance as on 30.06.2018	
	Amount in Taka							
Furniture & Fixture	-	2,282,750	2,282,750	10%		112,574	112,574	2,170,176
Computer & Computer Accessories	-	1,300,000	1,300,000	30%		224,384	224,384	1,075,616
Server	-	550,000	550,000	20%		110,000	110,000	440,000
Interior Development	-	860,000	860,000	5%		43,000	43,000	817,000
Networking Equipments	-	450,000	450,000	10%		45,000	45,000	405,000
Office Equipment	-	635,600	635,600	10%	-	63,560	63,560	572,040
Balance as at 30.06.2018	-	**6,078,350**	**6,078,350**		-	**598,518**	**598,518**	**5,479,832**

Allocation of depreciation	Rate	Taka
Cost of Service (Note -17)	90%	538,666
General & Administrative Expenses (Note-18)	10%	59,852
	100%	**598,518**

SHIRAZ KHAN BASAK & CO. ★ Dhaka ★ Chartered Accountants

Shiraz Khan Basak & Co.
Chartered Accountants

eGeneration B2B Limited
Statement of Changes in Equity
For the year ended 30 June, 2018

Particulars	Amount in Taka		
	Share Capital	**Retained Earnings**	**Total Equity**
Addition during the year	100,000		100,000
Net Profit for the year	-	93,856	93,856
Balance at the end of the year 30 June, 2018	**100,000**	**93,856**	**193,856**

The annexed notes 1 to 22 is an integral part of the Financial Statements.

S Chairman

K Managing Director

As per our annexed report of same date

Place: Dhaka
Dated : 22 November, 2018

SHIRAZ KHAN BASAK & CO. Dhaka Chartered Accountants

Shiraz Khan Basak & Co.
Chartered Accountants

eGeneration B2B Limited
A summary of significant accounting policies and other explanatory notes
For the year ended 30 June ,2018

1. Reporting entity

1.1 Structure of the Organization

eGeneration B2B Limited was incorporated on April 2nd, 2017 vide certificate of Incorporation no-C-136952/2017 as a private limited company The registered address of eGeneration B2B Limited is Saimon Center,5th Floor, House-4/A, Road-12, Gulshan-01, Dhaka.

1.2 Nature of business

eGeneration B2B Ltd is one of the leading ecommerce and online product supplier company of Bangladesh. It has been working diligently with an aim to make Bangladesh a Global Brand in providing leading innovative solutions both private and public sector clients. The result is a response tailored to each project, fully reflecting the intent of the client's policies and priorities, significantly improving services delivery and performance.

2. Basis of preparation

2.1 Statement of Compliance

These financial statements have been prepared in accordance with International Accounting Standards (IAS), Bangladesh Financial Reporting Standards (IFRS), Companies Act, 1994 and other applicable laws and regulations, applicable to the Company so far adopted by the Institute of the Chartered Accountants of Bangladesh. The disclosures of the information are made in accordance with the requirements of the Companies Act, 1994 and the Financial Statements have been prepared in accordance with IAS-1, using the accrual basis of accounting. In the preparation of these financial statements, management used available information to make judgments, estimates and assumption that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from those estimates.

2.2 Basis of Measurement

The Financial statements have been prepared on the historical cost basis.

2.3 Functional and presentational currency and level of precision

These financial statements are presented in Bangladeshi Taka (Taka/Tk./BDT) which is both functional currency and presentation currency of the group/Company. The amounts in these financial statements have been rounded off to the nearest Taka.

2.4 Use of estimates and judgments

The preparation of financial statements in conformity with the International Accounting Standards requires management to make estimates and assumption that affect the report, a number of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and revenue and expenses during the period reported. Actual results could differ from those estimates. Estimates are used for accounting of certain terms such as long-term contracts, provision for doubtful accounts, depreciation and amortization, employees' benefit plans, taxes reserves and contingencies.

2.5 Reporting Period

These Financial Statements of the Company cover the period from 01 July , 2017 to 30 June, 2018.

2.6 Presentation of Financial Statements

According to the International Accounting Standards (IAS) – 1 adopted by the ICAB (Institute of Chartered Accountants of Bangladesh) as IAS-1: "Presentation of Financial Statements", the complete set of Financial Statement includes the following components:

SHIRAZ KHAN BASAK & CO. Dhaka Chartered Accountants

a. Statement of Financial Position as on 30 June, 2018.
b. Statement of Profit or Loss & Other Comprehensive Income for the year ended on 30 June, 2018
c. Statement of Changes in Equity for the year ended 30 June, 2018.
d. Statement of Cash Flows for the year ended 30 June, 2018
e. Notes, comprising a summary of significant accounting policies and other explanatory information for the year ended 30 June, 2018.

2.7 Responsibility for preparation and presentation of Financial Statements

The management of the Company is responsible for the preparation and presentation of Financial Statements under Section 183 of the Companies Act, 1994 and as per the provision of "The Conceptual Framework for Financial Reporting" as adopted by the ICAB.

2.8 Going Concern

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

3. Significant Accounting Policies

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

3.1 Property, plant and equipment

Recognition of Property, Plant & Equipment

These are capitalized at cost or fair value and subsequently stated net of accumulated depreciation in compliance with the IAS 16 "Property, Plant and Equipment". The cost of acquisition of an asset comprises of its purchase price and any directly attributable cost inclusive of inward freight, duties and non-refundable taxes for bringing the asset to its operating condition for its intended use. Expenditure on repairs and maintenance of Property, Plant and Equipment is treated as an expense when incurred. Subsequent expenditure on property, Plant and Equipment is only recognized when the expenditure improves the condition of the asset beyond its originally assessed standard of performance.

Depreciation

Depreciation on fixed asset is computed using the reducing balance method so as to write off the assets over their expected useful life. After considering the useful life of assets as per IAS-16 Property, Plant & Equipment the annual depreciation rates applied under which is considered reasonable by the management. Depreciation rates varying from 10% to 30%. Depreciation of an asset begins when it is available for use i.e. when it is in the location and condition necessary for it to be capable of operating in the manner intended by the management. The cost and accumulated depreciation of depreciable assets retired or otherwise disposed of are eliminated from the assets and accumulated depreciation and any gain or loss on such disposal is reflected in operations for the period.

The depreciation rates applicable to the principal categories of Fixed Assets are:-

Category of Fixed Assets	Rates %
Furniture & Fixture	10%
Computer & Computer Accessories	30%
Server	20%
Interior Development	5%
Networking Equipments	10%
Office Equipment	10%

SHIRAZ KHAN BASAK & CO. Dhaka Chartered Accountants

3.2 Intangible assets

The Cost of Intangible Assets is capitalized provided they meet the recognition criteria specified by IAS-38. Capitalization costs include license fees & cost of implementation/system development & integration services which are capitalized during the period in which the relevant assets are ready for use. The cost of an intangible asset comprises of cost & expenditure which are capitalized. On the basis of the future economic benefits embodied in the specific asset to which it relates. The cost of maintenance, upgrading and enhancements are charged off as revenue expenditure unless they bring similar significant additional long-term benefits.

The depreciation rates applicable to the principal categories of Intangible Assets are:-

Category of Intangible Assets	Rates %
Customer Relationship Managements	20%
Inventory Management Software	20%
Accounting Software	20%
Web Design & Development	20%

3.3 Inventories

Inventories are valued at the lower of cost or net realizable value. The cost is assigned following weighted average cost formula. As per IAS 2: "Inventories", Net Realizable Value is determined by deducting estimated cost of completion and cost of sales from the estimated sales of related items.

3.4 Provisions

A provision is recognized in the statement of financial position when the company has a legal or constructive obligation as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provision is ordinarily measured at the best estimate of the expenditure required to settle the present obligation at the date of the statement of financial position. Where the effect of time value of money is material, the amount of provision is measured at the present value of the expenditures expected to be required to settle the obligation.

3.5 Contingencies

Contingent liabilities and assets are current or possible obligations or assets, arising from past events and whose existence is due to the occurrence of one or more uncertain future events which are not within the control of the Company. In accordance with IAS 37, there is no contingent liability or asset as on 30 June, 2018.

3.6 Revenue

The revenue during the year represents revenue arising from the sale of various stationaries, toiletries, cleaning, Computer and IT acceroies, and there is no continuing management involvement with the goods, in compliance with all the conditions for revenue recognition as provided in IFRS 15 : "Revenue from Contracts with Customers".

3.7 Taxation

According to para 33 of the Sixth Schedule ,Part A of Income Tax Ordinance 1984.Income of eGeneration B2B Ltd. is tax exempted up to 2024.

3.8 Foreign Currency Transactions

Transactions denominated in foreign currencies are translated into Bangladesh Taka and recorded at rates of exchange ruling on the date of the transaction in accordance with IAS 21.

SHIRAZ KHAN BASAK & CO. Dhaka Chartered Accountants

An associate firm of D.N. Gupta & Associates

3.9 Finance Income and Expenses

Finance income comprises interest income which is recognized on accrual basis. There is no finance income of the company for the year then ended 30 June 2018. Finance expenses comprise interest expense on loan, overdraft and bank charges. All borrowing costs are recognized in the statement of comprehensive income.

3.10 Financial assets

Financial assets carried in the statement of financial position include cash and cash equivalents, trade and other receivables, other long-term receivables and deposits.

(a) Cash and Cash Equivalents

According to IAS 7: "Cash Flow Statement", cash comprises of cash in hand and demand deposit and cash equivalents which are of short term, highly liquid investments that are readily convertible to know amount of cash which are subject to an insignificant risk of changes in value, IAS 1: "Presentations of Financial Statements" also provides that cash equivalents are those which have no restriction in use considering the provision of IAS 7 and IAS 1. Cash in hand and bank balances have been considered as Cash and Cash Equivalents.

(b) Accounts Receivable

Accounts receivable are created based on original invoice amount and accrued income which are still not billed to the customer.

3.11 Financial liability

The company initially recognizes financial liabilities on the transaction date at which the company becomes a party to the contractual provisions of the liability. The company derecognizes a financial liability when its contractual obligations are discharged or canceled or expired. Financial liabilities include trade and other payables and non-current & current liabilities.

(a) Trade Payables

Liabilities are recognized for the amount to be paid in the future for goods and services received, whether or not billed by the supplier.

(b) Loans and Borrowings

Principal amounts of the loans and borrowings are stated at their amortized amount. Borrowings repayable after twelve months from the date of the statement of financial position are classified as non-current liabilities whereas the portion of borrowings repayable within twelve months from the date of the statement of financial position, unpaid interest and other charges are classified as current liabilities.

3.12 Impairment of Assets

As all assets of the company shown in the financial statement that is within the scope of IAS 36 are in physical existence and valued no more than their recoverable amount following International Accounting Standards adopted in Bangladesh, disclosures with regard to IAS-36: "Impairment of Assets" have not been considered necessary.

3.13 Statement of Cash Flows

Statement of Cash Flows is prepared principally in accordance with IAS 7: "Cash Flow Statement" shows how the company's cash and cash equivalents changed during the period through inflows and outflows and it has been presented under direct method.

3.14 Events after the Reporting Period

Subsequent events are events after the balance sheet date as defined in IAS 10. Any material event after balance sheet, adjusting or non-adjusting, are adjusted and disclosed.

SHIRAZ KHAN BASAK & CO. Dhaka Chartered Accountants

3.15 Segment Reporting

No segmental reporting is applicable for the company as required by IFRS-8: "Operating Segments" as the company operates in a single industry segment and within a geographical segment.

3.16 Employee Benefits and Short Term Employee Benefits

Short Term Employee Benefits

Salaries, bonuses and allowances are accrued in the financial year in which the associated services are rendered by the employees of the Company.

3.17 General

a. All the figures in the financial statements represent Bangladesh Taka currency rounded off to the nearest Taka.

b. To facilitate comparison, certain relevant balances pertaining to the previous period have been rearranged or reclassified whenever considered necessary to conform to current period presentation.

SHIRAZ KHAN BASAK & CO.
Dhaka
Chartered Accountants

eGeneration B2B Limited
Summary of Significant Accounting Policies & Other Explanatory Notes
From the year ended 30 June, 2018

Note No.	Particulars	Amount in Taka 30-Jun-18
4.00	**Property, Plant & Equipment**	
4.01	**Asset at Cost**	
	Opening Balance	-
	Addition During the period	6,078,350
	Closing Balance	**6,078,350**
4.02	**Less: Accumulated Depreciation**	
	Opening Balance	-
	Addition During the period	598,518
	Closing Balance	**598,518**
	Written Down Value (WDV)	**5,479,832**
	Details of Property, Plant & Equipment are shown in Annexure-A	
5.00	**Intangible Assets**	
	Asset at Cost	
5.01	**Opening Balance**	-
	Addition During the period	8,385,000
	Closing Balance as on	**8,385,000**
5.02	**Less: Accumulated Amortization**	
	Opening Balance	-
	Addition During the period	948,712
	Closing Balance	**948,712**
	Written Down Value (WDV)	**7,436,288**
	Details of Intangible Assets are shown in Annexure-B	
6.00	**Investment**	
	This represents investment in equity share of eGeneration Ltd.	5,595,361
		5,595,361
7.00	**Inventories**	2,785,400
		2,785,400
8.00	**Account Receivables**	
	Aamra Group	399,740
	United Group	80,400
	Urmi Group	299,555
	Adcomm	124,815
	Akhtar Group	461,035
	Apex Footwear Ltd	132,070
	Bay Footwear Ltd	964,950
	Bagdoom.Com	186,150
	Bangladesh Honda Ltd.	642,080

SHIRAZ KHAN BASAK & CO. Dhaka Chartered Accountants

Note No.	Particulars		Amount in Taka 30-Jun-18
	BDCOM		59,710
	Blue Ocean Footwear		136,920
	Comfort Zone BD		1,150
	Fair Distribution Ltd		761,925
	Grey Advertising Bangladesh Ltd.		55,200
	Loosely Couple Technologies		17,610
	Mango Teleservices Ltd.		22,700
	Marico Bangladesh Ltd		248,275
	Multimedia Content and Communications Ltd.		450,925
	Navana Group		43,625
	Nitol Motors Ltd		493,345
	Novo Nordisk Pharma Pvt Ltd		69,315
	Posco Engineering & Construction Co Ltd		80,300
	Saimon Group		51,165
	Securex (Pvt) Ltd		38,790
	Standard Group		7,920
	Surecell Medical BD Ltd		85,770
	The Acme Laboratories Ltd		23,820
	United Hospital		776,260
	White Products and Electronic Ltd.		47,495
	Zuelling Pharma Bangladesh Ltd.		42,945
			6,805,960

Disclosure as per schedule-XI, Part-I of The Companies Act, 1994

Debts exceeding 6 Months	
Debts below 6 Months	6,805,960
Other debts less provision	
Debts considered Good & secured	6,805,960
Debts considered Good without security	
Debts considered doubtful or Bad	
Debts due by directors or other Officers	
Debts due from companies under same management	
Maximum debt due by Directors or Officers at any time of the year	
	6,805,960

Trade receivable have been stated at their nominal value. Trade receivable are accrued in the ordinary course of business. These are carried at invoice amount. All receivable have been considered as good and realizable. Therefore, no amount was written off as bad debt and no debt was considered as doubtful to provide for.

Note No.	Particulars		Amount in Taka
9.00	**Advance, Deposit & Prepayments**		
	Security Deposit		550,000
	Advance against Salary		750,000
			1,300,000
10.00	**Cash & Cash Equivalents**		
	Cash in Hand		351,064
	Cash at Bank	10.1	699,061
			1,050,125

SHIRAZ KHAN BASAK & CO. Dhaka Chartered Accountants

Note No.	Particulars	Amount in Taka 30-Jun-18
10.01	**Cash at Bank**	
	Brac Bank A/c-150120.3976.394001	35,000
	DBBL # 246.110.1283	664,061
		699,061
11.00	**Share Capital**	
	Authorised Share Capital	
	1,00,000 Ordinary Shares @ Tk. 100 each	**10,000,000**
	Issued, Subscribed & Paid up Capital	
	1,000 Ordinary Shares @ Tk. 100 each	**100,000**
	Details are as follows:-	

Particulars of Shareholder	% of Shareholding	Amount
Mr. Shameem Ahsan	55.00%	55,000
Sydea Kamrun Nahar Ahmed	25.00%	25,000
Faheem Ahsan Romi	20.00%	20,000
Total	**100.00%**	**100,000**

12.00	**Retained Earnings**	
	Opening Balance	-
	Add: Addition During the period	93,856
		93,856
13.00	**Long Term Loan**	
	Opening Balance	-
	Add: Addition During the period	15,508,125
	Add. Interest during the period	1,810,540
		17,318,665
14.00	**Liabilities for Expenses**	
	Salary and Allowances	549,325
	Utility Bill	18,000
	Audit Fee	35,000
		602,325
15.00	**Accounts Payable**	
	Akhoni.Com Ltd	820,665
	Bashundhara Paper Mills Ltd	331,585
	BMS Logistics & Rental Service	239,400
	Danish Condensed Milk Bangladesh Limited	16,185
	Faruqui Enterprise	31,215
	Ispahani Tea Ltd	23,720
	Kamal Brothers	179,560
	Master Computer	18,670
	M.R Corporation	12,465
	M/s Israil & Sons	93,070
	Riad Stationary	130,100
	Ryans Computers Ltd	79,190
	Shamsher Enterprise	120,310
	Star Tech & Engineering Ltd	188,250
	Taj Paper Store	23,140
	Transcom Beverages Ltd	130,595
		2,438,120

SHIRAZ KHAN BASAK & CO.
Dhaka
Chartered Accountants

Note No.	Particulars	Amount in Taka 30-Jun-18
16.00	**Revenue**	
	B2B business	45,263,210
		45,263,210
17.00	**Cost of Goods sold**	
	Cost of Sales	31,626,445
	Depreciation	1,392,507
		33,018,952
18.00	**General & Administrative Expenses**	
	Salary & Allowances	6,111,915
	Festive Bonus	265,960
	Office Rent	1,216,000
	Utility Bill	90,000
	Audit Fee	35,000
	Internet Bill	18,000
	Printing & Stationary	169,710
	Car Rent	133,760
	Business Promotion	104,420
	Conveyance allowances	93,345
	Oversease Travelling	78,945
	Entertainment	70,055
	Fuel & Lubricant	63,600
	Advertisement Expenses	4,325
	Business Development	2,380
	Copyright Expenses	3,250
	Employee Training Cost	4,700
	Legal Fees	10,445
	Lunch Bill	3,185
	Meeting Expenses	4,970
	Membership Fee	10,000
	Mobile Allowance	6,530
	Recruitment Expense	5,485
	Repair & Maintenance	11,700
	Trade Mark Expenses	3,535
	Depreciation	154,723
	Registration & Renewal Expenses	5,000
		8,680,938
19.00	**Selling & Distribution Expenses**	
	Buyer Enlishment Expenses	44,250
	Delivery Van Rent	194,545
	Fuel & Lubricant	91,360
	ConveyanceBill	182,300
	Marketing Expenses	257,450
	Training and Seminar expenses	273,920
	Goods Delivery Expenses	70,440
	Business Promoton	520,930
		1,635,195

SHIRAZ KHAN BASAK & CO.
Dhaka
Chartered Accountants

Note No.	Particulars	Amount in Taka 30-Jun-18
20.00	**Financial Expenses**	
	Bank Charges	23,730
	Interest on Loan	1,810,540
		1,834,270

OTHER COMMITMENTS, CONTINGENCIES AND RELEVANT INFORMATION

21.00 Contingencies

There is no contingent event requiring recognition of contingent liabilities for the year ended 30 June, 2018.

22.0 Capital expenditure commitment

There was no capital expenditure commitment or contract at for the year ended 30 June, 2018. There was no material capital expenditure authorized by the Board but not contracted for the year ended 30 June, 2018.

SHIRAZ KHAN BASAK & CO. Dhaka Chartered Accountants

eGeneration B2B Limited
Schedule of Fixed Asset
For the year ended 30 June, 2018

Annexure-A

Particulars	Cost: Balance as on 01.07.2017	Cost: Addition during the year	Cost: Balance as on 30.06.2018	Rate	Depreciation: Balance as on 01.07.2017	Depreciation: Charged for the year	Depreciation: Balance as on 30.06.2018	Written Down Value as at 30.06.2018
	Amount in Taka							
Furniture & Fixture	-	2,282,750	2,282,750	10%		112,574	112,574	2,170,176
Computer & Computer Accessories	-	1,300,000	1,300,000	30%		224,384	224,384	1,075,616
Server	-	550,000	550,000	20%		110,000	110,000	440,000
Interior Development	-	860,000	860,000	5%		43,000	43,000	817,000
Networking Equipments	-	450,000	450,000	10%		45,000	45,000	405,000
Office Equipment	-	635,600	635,600	10%	-	63,560	63,560	572,040
Balance as at 30.06.2018	-	**6,078,350**	**6,078,350**		-	**598,518**	**598,518**	**5,479,832**

Allocation of depreciation	Rate	Taka
Cost of Service (Note -17)	90%	538,666
General & Administrative Expenses (Note-18)	10%	59,852
	100%	**598,518**

SHIRAZ KHAN BASAK & CO. Dhaka ★ Chartered Accountants ★

eGeneration B2B Limited
Schedule of Intingible Assets
For the year ended 30 June, 2018

Annexure-B

Particulars	Cost			Rate	Depreciation			Written Down Value as at 30.06.2018
	Balance as on 01.07.2017	Addition during the year	Balance as on 30.06.2018		Balance as on 01.07.2017	Charged for the year	Balance as on 30.06.2018	
	Amount in Taka							
Customer Relationship Managements	-	1,240,000	1,240,000	20%	-	248,000	248,000	992,000
Inventory Management Software	-	850,000	850,000	20%	-	170,000	170,000	680,000
Accounting Software	-	870,000	870,000	20%	-	174,000	174,000	696,000
Web Design & Development	-	5,425,000	5,425,000	20%	-	356,712	356,712	5,068,288
Balance as at 30.06.2018	-	**8,385,000**	**8,385,000**		-	**948,712**	**948,712**	**7,436,288**

Allocation of depreciation	Rate	Taka
Cost of Service (Note -17)	90%	853,841
General & Administrative Expenses (Note-18)	10%	94,871
	100%	**948,712**

SHIRAZ KHAN BASAK & CO. Dhaka Chartered Accountants

3. Chapter 3: Project Part: Overall Business operation process of Gemsclip.com.

3.1 Introduction

Bangladesh is on a digital stride. The country is overcoming newer challenges every day and striding towards its goal of the Digital Bangladesh. There are obstacles on the way, but only to make Bangladesh more agile in its race towards its dream. Under the leadership of the present government and its policy makers, the goal is now more achievable than ever. Bangladesh has become a wonder to the world with its achievements and successes. Taking Bangladesh forward in the digital front in the B2B sector in Bangladesh is eGeneration B2B Ltd-(Gemsclip).

3.2 Report Objective

This particular report is to reflect the practical level knowledge of overall operational process of Gemsclip.com to justify the real time process theorem. With this we will figure out:

- The process flow of Business development department
- The process flow of Supply chain department

3.3 Methodology

Internship report is generally steered from the experience and observation of the time-period. Through blending the analysis and observations, the report has been classified in a systematic manner to exhibit the best understanding. The method which has been used here is Descriptive Research under the category of Observational Method. As my basic objective was to figure out the real time process practice regarding Business development & Supply chain department – observational method was the best option to justify the actual process and create comparison with the actual theorem.

The report is conducted in both Primary and Secondary data combinations.

3.3.1 Primary Data: Three months of work experience, observation and learning from the given tasks regarding Business development.

3.3.2 Secondary Data: Theoretical clarification to comparison of academic learning along with on the job experiences & knowledge. Also Gemsclip.com website, reports and few other articles regarding business development & supply chain process were used in this report for better elucidation.

3.4 Findings and Analysis

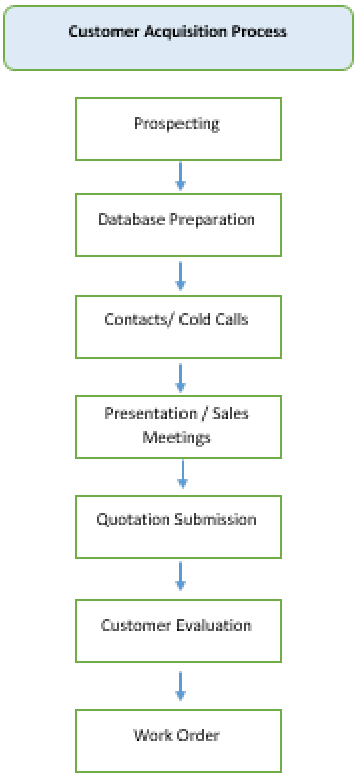
In the report we will see the main two department's overall process flow and how it works in real life. We will see the diagrams as well as a short description of the process.

3.4.1 Business Development:

3.4.1 Business Development: The first work start in business development department. There are three ways to describe it.

- New lead/customer acquisition
- Recurring customer sales
- Account management

3.4.1.1 New Lead/Customer Acquisition:



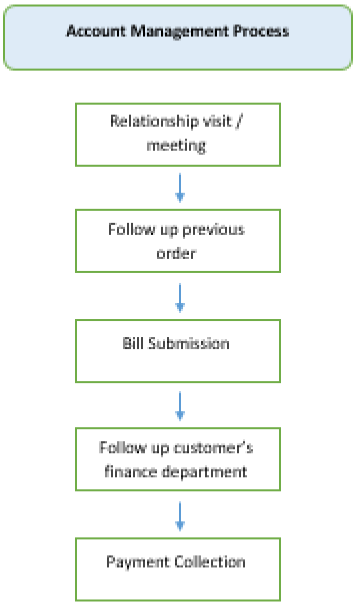
Description: It starts with finding the prospective customers suitable for the company. Then we need to prepare a database of the prospective customers. After that, we need to contact with then through phone calls or email and set a pitch meeting. In the pitch meeting we need to explain our works and ask for their requirement list so that we can submit a price quotation. After submitting the quotation there are few times we need to revised the prices according to the customer's preference and finally when the both parties agrees the prices, payment modality and delivery, client issue a work order. This process might take 3 weeks to 2 months depending on the situation.

3.4.1.2 Recurring customer sales:

Description: In this part we can divide it into two parts. When it is the first order, it requires a bit time to fulfill the delivery. We need to review the products and price quotation with the customer and supply chain team. After the product confirmation, supply chain procure the items and deliver to the customer. It might take 3 to 5 working days.

When its recurring order, it take less time to fulfill. After getting the work order, we send it to the supply chain team and they procure the items and deliver to the customer. It might take 2 to 3 working days.

3.4.1.3 Account management:



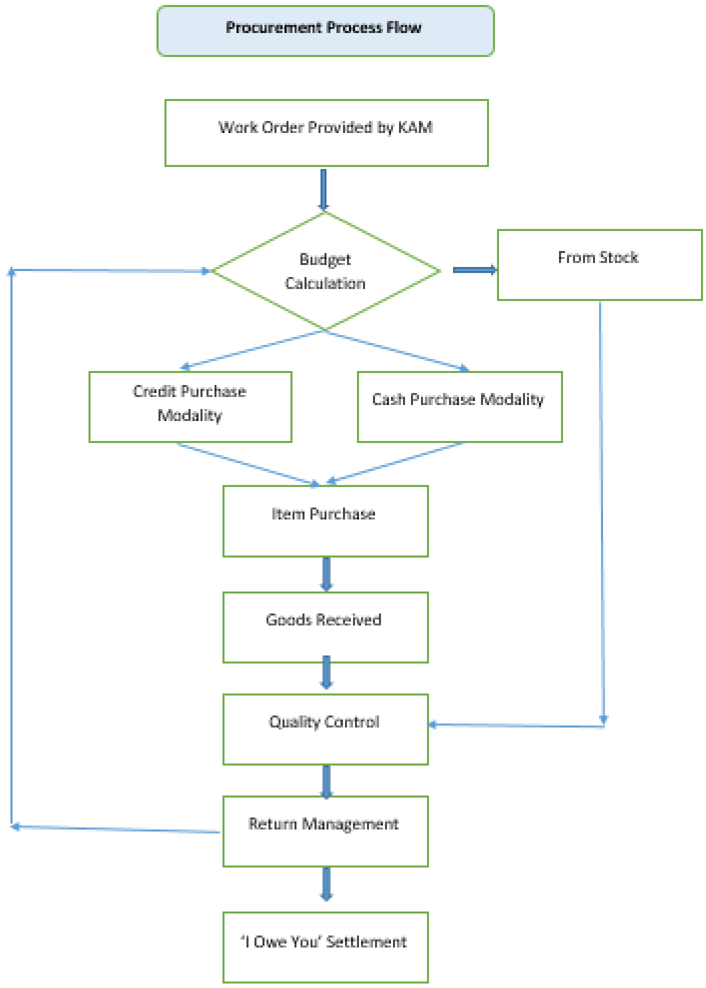
<u>Description:</u> In this chapter, key account manager (KAM) needs to a constant follow up and relationship visit with the customers. We need to follow up with the previous order delivery fulfillment as well the bill submission. After that, we need to have a consent follow up with customer's finance department to collect the payments.

3.4.2 Supply Chain Department

Supply chain department is backbone of this company. Their processes can be described in five parts.

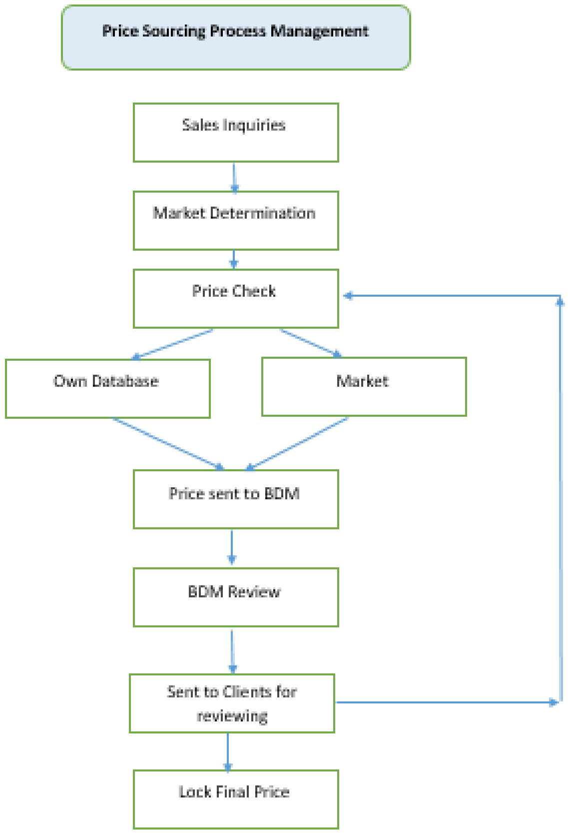
- Procurement process
- Price sourcing process
- Product sourcing process
- Order management process
- Order delivery process

3.4.2.1 Procurement Process:



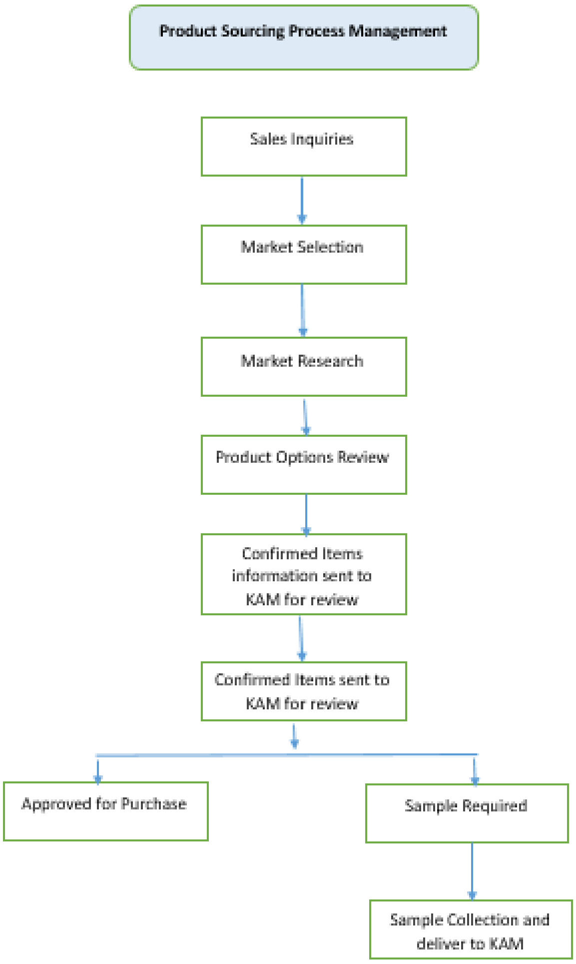
Description: After getting the work order from the KAM, procurement first need to analyze the budget requirement for the order. They check which products can be taken from the previous stock and which needs to be procure. After selecting the payment modality (cash or credit), they purchase the items and bring it to the warehouse. In warehouse there must have the quality check and if there is any issue for return they arrange it accordingly. After the process they submit the bills for settlement.

3.4.2.2 Price sourcing process:



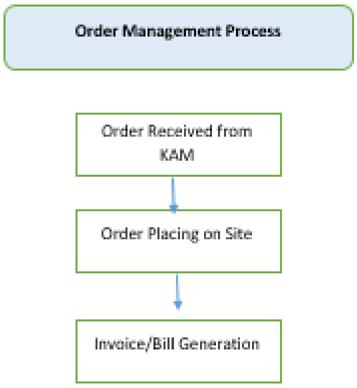
<u>Description:</u> After getting the inquiry from the KAM, price sourcing team needs to determine the market. They need to find and check the prices through own data base or market and send it to KAM. After review from the KAM and clients they lock the final prices.

3.4.2.3 Product sourcing process:



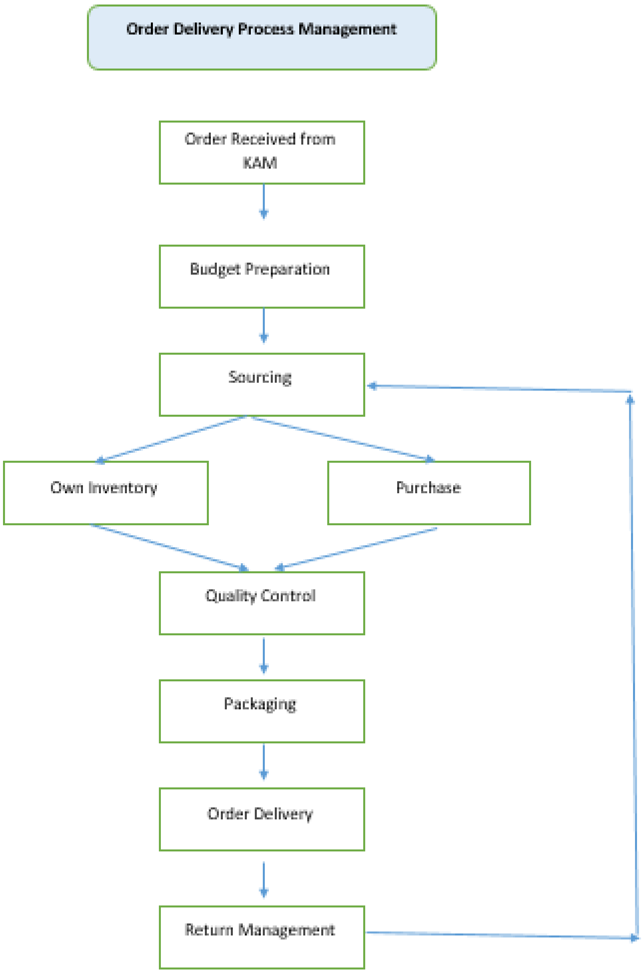
<u>Description:</u> After receiving the inquiry from KAM, they need to select and research the market depending on the items. Then they need to check the options and send it to KAM for confirmation. After getting the approval they need to process it for purchase. Sometimes they need to send samples to customers for approval as well.

3.4.2.4 Order management process:



Description: Order management team has to place the order in the website after getting the order from KAM. It will generate delivery challan as well as bill/invoice.

3.4.2.5 Order Delivery Process:



Description: After getting the work order from KAM, they need to prepare the budget for delivery and sourcing team will hand over the items to delivery team. They pack it according to the requirement and ship the delivery by using personal delivery logistic to the customer's location. If there are any return items, it handed over to the sourcing team.

These are the overall process flow of Business Development team and Supply Chain team.

3.5 Summary and Conclusion:

To sum up, I would like to say that, the whole process of the business operation of gemsclip.com is quite regular and adoptive as a local company. It has more similarity in local perspective but there is more space to adapt new systems which can reduce the man power and time. As a start-up, it gained trust and popularity in the market through its commitment and service. I have high hope for this company's future perspective.

3.6 Recommendation:

There are few points where it can improve its quality. Those are:

1. The process of procurement and delivery is a bit lengthy and sometimes customer need few urgent requirements. In that case, if they make an analysis for the regular customers and stock some back up products in warehouse, that might resolve the problem.
2. Sometimes there are high pricing issue arises. For my perspective, it can be solved if they make more suppliers and back up suppliers for the similar products, this problem also can be solved. Because, then the bargaining power will be in our hand.
3. There are some complains about quality of the products. For this issue, they need to hire someone dedicated only for quality check and follow packaging protocol to ensure the quality service.
4. They only using one van for both procurement and delivery that causes delay in process. It can be solved if they could separate the vehicles for the two different works.

5. In the price quotation, there are no fixed scaling for the prices, so it takes a longer time to do it manually. There is few software available in the market to solve this issue.
6. The warehousing products are also being done by manual system which can be automated by using bar code scanners.
7. The customer logs are kept in manual process and it has no back up system. They can use CRM software to upgrade the process.

These are the few recommendations which can be implemented shortly to smooth the process.

4. Reference

1. *Financial Report: E-generation B2B Ltd, Year 2017-2018*

2. *Company profile: E-generation B2B Ltd, Version 4*

3. *Company Website: WWW.GEMSCLIP.COM*