

Kohinoor Chemical Company (Bangladesh) Limited

Notes to the Financial Statements

For the year ended 30 June 2023

1. Legal form of the enterprise

Kohinoor Chemical Company Limited (KCCL) was a fully government owned industry under the direct control of Bangladesh Chemical Industries Corporation (BCIC) up to May 05 1988. It was transformed into a Public Limited Company under Companies Act, 1913 and was named as Kohinoor Chemical Company (Bangladesh) Limited from May 05, 1988. During transformation, its Paid-Up-Capital was determined at Tk. 50,000,000. The Government of the Peoples' Republic of Bangladesh has vested 51% of the share of the company to Bangladesh Chemical Industries Corporation. Out of the remaining 49% shares, 34% of the shares were sold to the public and the balance 15% shares was reserved for sale among the officers, staff and workers. Since these shares remained unsold, those were held in the account of the Government. Later, those 15% shares were handed over to the officers, staff and workers of KCCL on July 20, 1991. Subsequently, the ownership of the said 51% of the shares was transferred from BCIC to the Sponsor Director on 03 August, 1993. The shares of the Company are publicly traded in Dhaka Stock Exchange Ltd. and Chittagong Stock Exchange Ltd.

Address of registered office of the company and factory of the company

The registered office and factory of the company is located at 36, Shahid Tajuddin Ahmed Sarani, Tejgaon I/A, Dhaka -1208.

Nature of business

The company is engaged in manufacturing and marketing of cosmetic and toiletries, i.e. soap, toothpaste, powders, shaving cream, hair oil etc.

2 Basis of preparation

2.1 Corporate financial statements and reporting

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

This is prepared under the historical cost convention and in accordance with the requirements of the Companies Act, 1994, the Securities and Exchange Rules, 1987, International Financial Reporting Standards (IFRS).

The Board of Directors are responsible for preparing and presenting the financial statements including adequate disclosures, who approved and authorized for issue of this financial statements.

The preparation of the financial statements in conformity with the International Financial Reporting Standards (IFRS) requires Board of Directors to make estimates and assumptions that affect the reported amounts of revenues and expenses, assets and liabilities at date of the reporting year. Due to the inherent uncertainty involved in making estimates, actual result reported could differ from those estimates.

2.2 Fundamental accounting concepts/ assumptions

The financial statements have been prepared based on Going concern, Consistency concept, Accrual concept and such other convention as required by IAS-1 for fair presentation of financial statements.

2.3 Going concern

The company has adequate resources to continue its operation for the foreseeable future. For this reasons, the directors continue to adopt going concern basis in preparing the accounts. The current credit facilities and resources of the company provides sufficient fund to meet the present requirements of its existing business.

2.4 Corporate accounting standards practiced

The following IASs are applicable to the financial statements for the year under review:

IAS 1	Presentation of Financial Statements
IAS 2	Inventories
IAS 7	Statement of Cash Flows
IAS 8	Accounting Policies, Changes in Accounting Estimates and Errors
IAS 10	Events After the Reporting Period
IAS 12	Income Taxes
IAS 16	Property, Plant And Equipment
IAS 19	Employee Benefits
IAS 21	The Effects of Changes in Foreign Exchange Rates
IAS 23	Borrowing Costs
IAS 24	Related Party Disclosures
IAS 32	Financial Instruments: Presentation
IAS 33	Earnings Per Share
IAS 34	Interim Financial Reporting
IAS 36	Impairment of Assets
IAS 37	Provisions, Contingent Liabilities and Contingent Assets
IAS 38	Intangible Assets

The following IFRSs are applicable to the financial statements for the year under review:

IFRS 7	Financial Instruments: Disclosures
IFRS 8	Operating Segments
IFRS 9	Financial Instruments
IFRS 15	Revenue from Contracts with Customers
IFRS 16	Leases

2.5 Reporting year

The financial statements covers the period from 1st July 2022 to 30th June 2023 and comparative information 1st July 2021 to 30th June 2022 respectively.

2.6 Use of estimates and judgments

The preparation of financial statements in conformity with International Financial Reporting Standards requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses and for contingent assets and liabilities that require disclosure, during and at the date of the financial statements.

Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions of accounting estimates are recognized in the year in which the estimate is revised and in any future years affected as required by IAS 8: "Accounting Policies, Changes in Accounting Estimates and Errors".

2.7 Provisions, contingent liabilities and contingent assets

In accordance with the guidelines as prescribed by IAS-37: Provisions, Contingent Liabilities and Contingent Assets, provisions are recognized in the following situations:

- a. when the company has an obligation (legal or constructive) as a result of past events;
- b. when it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
- c. reliable estimates can be made of the amount of the obligation.

If these conditions are not met, no provision shall be recognized

Contingent liabilities and contingents assets are present or possible obligations or on liabilities or assets, arising from past events and existence of which depends upon the occurrence or non occurrence of one or more uncertain future events which are not within the control of the company or which amount of the obligations cannot be measured with sufficient reliability in accordance with IAS-37.

There is no case filled against the company which is not disclosed which would have been material impact on the financial position of the company. There is no other Contingent Liabilities as on 30 June 2023 except as mentioned in the note 26.

2.8 Segmental reporting

No segmental reporting is applicable for the company as required by IFRS 08: Segment Reporting as the company operates in a single industry segment and within a single geographical segment.

2.9 Events after the reporting year

Events after the reporting year are those events, favorable and unfavorable, that occur between the end of the reporting year and the date when the financial statements are authorized for issue. Two types of events can be identified(a) those that provide evidence of conditions that existed at the end of the reporting year (adjusting events after the reporting year); and (b) those that are indicative of conditions that arose after the reporting year (non-adjusting events after the reporting year) are disclosed in the notes 39.9

2.10 Net profit before tax

Net profit before tax for the year were not materially affected by:

- (a) Transactions of a nature not usually undertaken by the company;
- (b) Circumstances of an exceptional or non-recurring nature;
- (c) Changes of credits relating to prior years; and
- (d) Changes in accounting policies.

2.11 Functional and presentational (Reporting) currency

The financial statements are prepared and presented in Bangladesh Currency (Taka), which is the company's functional currency. All financial information presented have been rounded off to the nearest Taka except where indicated otherwise.

Foreign currency translation

Foreign currency transactions are booked in the functional currency of the company at the exchange rate ruling on the date of transaction. Foreign currency monetary assets and liabilities are retranslated into the functional currency at rates of exchange BDT. 107 at the balance sheet date. Exchange differences are included in the income statement.

2.12 Comparative information and rearrangement thereof

Comparative information has been disclosed in respect of the previous year for all numerical information in the financial Statements and also the narrative and descriptive information when it is relevant for understanding of the current year financial statements. Previous year figure has been rearranged whenever considered necessary to ensure comparability with the current years presentation as per IAS-8 : " Accounting Policies, Changes in Accounting Estimates and Errors"

3 Summary of significant accounting policies

The specific accounting policies selected and applied by the company's directors for significant transactions and events that have material effect within the framework of IAS-1 "Presentation of Financial Statements", in preparation and presentation of financial statements have been consistently applied throughout the year and were also consistent with those used in prior years.

For a proper understanding of the financial statements, these accounting policies are set out below in one place as prescribed by the IAS-1 "Presentation of Financial Statements". The recommendations of IAS-1 relating the format of financial statements were also taken into full consideration for fair presentation.

3.1 Recognition of tangible fixed assets

These are capitalized at cost of acquisition or valuation and subsequently stated at cost less accumulated depreciation. The cost of acquisition comprises of purchase price, including import duties and non-refundable Taxes and any directly attributable cost of bringing the assets to its working condition for its intended use. Expenditure incurred after the assets have been put into operation, such as repairs and maintenance is normally charged off revenue expenditure in the year in which it is incurred. In situation where it can be clearly demonstrated that expenditure has resulted in an increase in the future economic benefit expected to be obtained from the use of the fixed assets, the expenditure is capitalized as an additional cost of the assets.

On retirement or otherwise disposal of fixed assets, the cost and accumulated depreciation are eliminated and any gain or loss on such disposal is reflected in the income statement which is determined with reference to the net book value of assets and the net sales proceeds.

3.2 Depreciation of tangible fixed assets

Depreciation on all fixed assets except land and land development is computed using the reducing balance method so as to write off the assets over their expected useful life when the related assets are available for use as per managements intention. No depreciation is charged after the date of de-recognition/ disposal of an asset.

After considering the useful life of assets as per IAS-16, the annual depreciation rates have been applied as under which is considered reasonable by the management.

<u>Category of fixed assets</u>	<u>Rate of depreciation (%)</u>
Land and land development	0%
Building	2.5%-10%
Plant and machinery	10%
Vehicles	20%-25%
Furniture and fixture	10%
Office equipment	10%-25%
Other assets	20%

3.3 Impairment of fixed assets

All fixed assets have been reviewed and it was confirmed that no such fixed assets have been impaired during the year and for this reason, no provision has been made for impairment of assets.

3.4 Financial instruments

The Company classifies non-derivative financial assets into the following categories: financial assets at fair value through profit or loss, financial assets at fair value through other comprehensive income and amortised cost.

The Company classifies non-derivative financial liabilities into the other financial liabilities category.

(i) Non-derivative financial assets and financial liabilities – recognition and derecognition

The Company initially recognises loans and receivables and debt securities issued on the date when they are originated. All other financial assets and financial liabilities are initially recognised on the trade date.

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred, or it neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control over the transferred asset. Any interest in such derecognised financial assets that is created or retained by the Company is recognised as a separate asset or liability.

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire.

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Company has a legal right to offset the amounts and intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

(ii) Non-derivative financial assets – measurement

Financial assets at fair value through profit or loss

A financial asset is classified as at fair value through profit or loss if it is classified as held-for-trading or is designated as such on initial recognition. Directly attributable transaction costs are recognised in profit or loss as incurred. Financial assets at fair value through profit or loss are measured at fair value and changes therein, including any interest or dividend income, are recognised in profit or loss.

Financial assets at fair value through other comprehensive income

These assets are initially recognised at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, they are measured at fair value and changes therein, other than impairment losses and foreign currency differences on debt instruments are recognised in other comprehensive income (OCI) and accumulated in the fair value reserve. When these assets are derecognised, the gain or loss accumulated in reserve directly transfer to retained earning.

Amortised cost

These assets are initially recognised at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, they are measured at amortised cost using the effective interest method.

(iii) Non-derivative financial liabilities – measurement

Non-derivative financial liabilities are initially recognised at fair value less any directly attributable transaction costs. Subsequent to initial recognition, these liabilities are measured at amortised cost using the effective interest method.

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

Impairment of financial instruments

Financial assets

The company considers evidence of impairment for financial assets at both a specific asset and collective asset level at each reporting date. Financial assets are impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

Objective evidence that financial assets are impaired can include default or delinquency by a debtor, indications that a debtor will enter bankruptcy, etc. accordingly, 100% provision is made over the amount outstanding.

Non-financial assets

The carrying amounts of the company's non-financial assets (tangible and intangible) are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated in order to determine the extent of impairment loss (if any).

Impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

3.5 Leases

The company identifying a contract is, or contains, a lease if it conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Control is conveyed where the customer has both the right to direct the identified asset's use and to obtain substantially all the economic benefits from that use.

The right of use asset is initially measured at the amount of the lease liability plus any initial direct costs incurred by the lessee. Adjustments may also be required for lease incentives, payments at or prior to commencement and restoration obligations or similar.

Depreciation have charged on right to use assets on stright line basis over the lease period.

The lease liability is initially measured at the present value of the lease payments payable over the lease term, discounted at the rate implicit in the lease if that can be readily determined. If that rate cannot be readily determined, the lessee shall use their incremental borrowing rate

3.6 Revenue recognition

Revenue arising from the sale of goods should be recognised when all of the following criteria have been satisfied:

- a) the significant risks and rewards of ownership transferred to the buyer.
- b) KCCL retains no control and managerial involvement over the goods sold.
- c) the amount of revenue can be measured reliably.
- d) it is probable that the economic benefits associated with the transaction will flow to the seller.
- e) the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Interest income

For all financial instruments measured at amortised cost and interest-bearing financial assets classified as available-for-sale, 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 year, where appropriate, to the net carrying amount of the financial asset or liability. Interest income is included in finance income in the statement of profit or loss.

3.7 Accrued expenses and other payables

Liabilities are recognized for the goods and services received, whether paid or not for those goods and services. Payables are not interest bearing and are stated at their nominal value.

3.8 Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined using weighted average cost method. The cost of finished goods and work in progress comprises raw materials, direct labour, other direct costs and related production overheads. It excludes borrowing costs. Net realisable value is the estimated selling price in the ordinary course of business, less applicable variable selling expenses.

3.9 Cash and cash equivalents

Cash in hand and cash at banks have been considered as Cash and Cash Equivalents for the preparation of these financial statements, which were held and available for use by company without any restriction and there was insignificant risk of changes in value of the same.

3.10 Cash flow statement

Statement of Cash Flows is prepared principally in accordance with IAS-7 "Statement of Cash Flows" and the cash flows from the operating activities have been presented under direct method.

3.11 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial year 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 year in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

During the year ended 30 June 2023, no borrowing costs have been capitalised.

3.12 Related parties disclosures

the company in normal course of business carried out a number of transactions with directors/entities that fall within the definition of related party contained in International Accounting Standard 24: 'Related party disclosures'. The disclosure relating parties have been shown in note -38.2.

3.13 Income-tax expense

Income tax expense recognised at the applicable rate for the company in accordance with IAS 12: Income Taxes, it comprises current and deferred tax. Current tax expense for a year is based on the taxable and deductible amounts that will be shown on the tax return for the current year.

In calculating deferred tax, the amount of the asset or liability is determined on a net basis, using tax rates that have been enacted or substantively enacted by the reporting date and are expected to apply when the deferred tax liabilities/(assets) are settled/(recovered).

3.14 Earnings per share

This has been calculated in compliance with the requirements of IAS 33: Earnings Per Share by dividing the basic earnings by the weighted average number of ordinary shares outstanding during the year.

3.14.1 Basic earnings

This represents earnings for the year attributable to ordinary shareholders. As there was no preference dividend, minority interest or extra ordinary items, the net profit after tax for the year has been considered as fully attributable to the ordinary shareholders.

3.14.2 Diluted earnings per share

For the purpose of calculating diluted earnings per shares, the company adjust profit or loss attributable to each ordinary equity holders, and weighted average number of shares outstanding, for the effects of all dilutive potential ordinary shares. As the company has no dilutive potential ordinary shares during the reporting year, diluted earnings per share has not been calculated.

3.14.3 Weighted average number of ordinary shares outstanding during the year

The basis of computation of number of shares is in line with the provisions of IAS-33 : Earnings Per Share. Therefore, the total number of shares outstanding at the end of the year multiplied by a time weighting factor which is the number of days the specific shares were outstanding as a proportion of total number of days in the year.

4 Risk exposure

4.1 Interest rate risk

Interest rate risk is the risk that Company faces due to unfavorable movements in the interest rates. Changes in the government's monetary policy, along with increased demand for loans/ investments tend to increase the interest rates. Such rises in interest rates mostly affect companies having floating rate loans or companies investing in debt securities.

Management perception

The Company maintains low debt/ equity ratio; and accordingly, adverse impact of interest rate fluctuation is insignificant.

4.2 Exchange rate risk

Exchange rate risk occurs due to changes in exchange rates. As the Company imports materials and equipment from abroad unfavorable volatility or currency fluctuation may affect the profitability of the Company.

Management perception

The products of the company are sold in BDT and import payment are made within sort period. Therefore, volatility of exchange rate will have no impact on profitability of the Company.

4.3 Industry risks

Industry risk refers to the risk of increased competition from foreign and domestic sources leading to lower prices, revenues, profit margin, and market share which could have an adverse impact on the business, financial condition and results of operation.

Management perception

Management is optimistic about growth opportunity in manufacturing and marketing of cosmetic and toiletries sector in Bangladesh. Furthermore there is untapped international market.

4.4 Market risks

Market risk refers to the risk of adverse market conditions affecting the sales and profitability of the company. Mostly, the risk arises from falling demand for the product or service which would harm the performance of the company. On the other hand, strong marketing and brand management would help the company increase their customer base.

Management perception

Management is fully aware of the market risk, and act accordingly. Market for products in Bangladesh is growing at an exponential rate. Moreover the company has a strong marketing and brand management to increase the customer base and customer loyalty.

4.5 Operational risks

Non-availabilities of materials/ equipment/ services may affect the smooth operational activities of The Company. On the other hand, the equipment may face operational and mechanical failures due to natural disasters, terrorist attacks, unforeseen events, lack of supervision and negligence, leading to severe accidents and losses.

Management perception

The company perceives that allocation of its resources properly can reduce this risk factor to greater extent.

4.6 Liquidity risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at a reasonable price.

Management perception

The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. Typically, management ensures that it has sufficient cash and cash equivalent to meet expected operational expenses, including the servicing of financial obligation through preparation of the cash forecast, prepared based on time line of payment of the financial obligation and accordingly arrange for sufficient liquidity/ fund to make the expected payment within due date.

KOHINOOR CHEMICAL COMPANY (BANGLADESH) LIMITED
36, SHA HEED TAJUDDINA HIRIED SHARANI
TEJGA ON, DHAKA 1208.

5 Property, plant and equipment

	TANGIBLE ASSETS	COST				DEPRECIATION				Written Down Value 30.6.2023	
		Opening Balance 01.07.2022	Addition During the year	Adjustment During the Year	Total Asset on 30.6.2023	Depreciation Rate	Opening Balance 01.07.2022	Charged During the year	Adjustment During the Year		Accumulated Depreciation 30.6.2023
1	LAND & LAND DEVELOPMENT	112,649,713	-	-	112,649,713	-	-	-	-	-	112,649,713
2	BUILDING	83,456,870	-	-	83,456,870	2.5%-10%	63,466,494	1,070,976.56	-	64,537,470	18,919,399
3	PLANT & MACHINERY	543,255,039	3,760,000	-	547,015,039	10%	407,123,902	13,950,259.84	-	421,074,162	125,940,877
4	VEHICLES	80,263,238	9,811,527	-	90,074,765	20%, 25%	59,867,542	5,734,283.70	-	65,601,825	24,472,940
5	FURNITURE & FIXTURES	5,999,855	-	-	5,999,855	10%	5,726,398	27,345.76	-	5,753,743	246,112
6	OFFICE EQUIPMENT	13,225,130	-	1,605,000	11,620,130	10%, 25%	10,481,805	218,876.66	-	10,700,681	919,648
7	OTHER ASSETS	15,854,180	4,160,000	-	20,014,180	20%	10,142,192	764,368.43	-	10,906,531	9,107,649
	TOTAL	854,704,025	17,731,527	1,605,000	870,830,552		556,808,303	21,765,911	-	578,574,214	292,256,338
	Total June 30, 2022	841,430,795	14,154,986	881,756	854,704,025		536,693,505	20,959,196	844,399	556,808,303	297,895,722

DISTRIBUTION OF DEPRECIATION:

FACTORY OVERHEAD	17,630,388	81.00%
ADMIN. OVERHEAD	2,384,250	11.00%
SELLING OVERHEAD	1,741,273	8.00%
TOTAL	21,765,911	100.00%

Amount in Taka	
30 June 2023	30 June 2022

6 Right of use asset (Lease Rent)

Right of use asset (warehouse building)

Openign balance	10,328,471	6,842,498
Addition during the year	1,084,693	8,822,379
Adjustment	(1,506,092)	(5,336,404)
Closing balance	9,907,072	10,328,471
Accumulated depreciation against lease rent		
Openign balance	1,962,715	4,614,625
Addition during the year	2,732,409	2,684,494
Adjustment	(645,119)	(5,336,404)
Closing balance	4,050,005	1,962,715
Net of Right to use Asset	5,857,067	8,365,756

Non-financial disclosure

Location	Name of land load	Lease contact period	Expiry date	Monthly rent
Barisal	Gopal Debnath	36 Month	May 31, 2026	35,000
Khulna	Shahidul Islam	36 Month	December 31, 2024	48,000
Sylhet	Jahanara Begum	60 Month	September 30, 2026	45,000
Bogura	Monjurul Komor	60 Month	September 30, 2026	50,000
Chattogram	Rowsonara Ara Begum	36 Month	December 31, 2024	92,400

7 Inventories

Raw Materials, Chemicals & Packing Materials	7.1	1,320,758,743	881,674,216
Spares, Accessories & Stores	7.2	115,984,270	102,933,824
Work in Process	7.3	61,327,582	61,815,885
Finished Goods	7.4	120,981,011	144,087,346
Total		1,619,031,606	1,190,511,271

(i) The inventory counting was taken place at this period end in the presence of company management and auditors.

(ii) Inventories are valued at lower of cost and net realizable value. Net realizable value is based on estimated selling price less any other cost anticipated to be incurred to make the sale. Any obsolete stock or abnormal losses, if any, are recognized as expenses.

(iii) Though the company has different categories of product it is difficult to provide inventory quantity in the financial statements.

7.1 Raw materials, chemicals and packing materials

Raw Materials, Chemicals and Packing Materials	a)	1,302,987,989	872,941,174
Plant Stock	b)	17,770,754	8,733,042
		1,320,758,743	881,674,216

a) Raw materials, chemicals and packing materials

Raw Materials :

Soap	792,432,835	622,759,151
Cosmetic	58,153,210	51,906,626

Chemicals (Aromatic) :

Aromatic Chemical	383,538,980	156,161,556
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Packing Materials :

Soap	22,424,384	9,196,928
Cosmetic	46,438,580	32,916,913

	1,302,987,989	872,941,174
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b) Plant Stock

Aromatic Chemicals	17,770,754	8,733,042
	17,770,754	8,733,042

Plant stock are the balance of uninvited materials to process, which are issued from stock & store to work-in-process. Plant stocks are valued at average cost of material.

		Amount in Taka		
		30 June 2023	30 June 2022	
7.2	Spare, accessories & stores			
	Spare & Accessories	101,933,395	89,139,575	
	Consumable Stores	14,030,876	13,794,249	
		115,964,270	102,933,824	
7.3	Work-in-process			
	Raw Material of Soap	54,041,645	53,334,429	
	Raw Material of Detergent Powder	4,032,862	4,267,277	
	Raw Material of Cosmetic	3,253,075	4,214,179	
		61,327,582	61,815,885	
7.4	Finished goods			
	Washing Soap	30,611,504	38,976,474	
	Toilet Soap	27,393,012	41,654,781	
	Tooth Paste	617,656	728,169	
	Powder	3,054,620	8,470,927	
	Shaving Cream	632,109	1,067,737	
	Snow/Cream	24,916,898	16,233,101	
	Hair Oil	1,561,417	4,122,800	
	Miscellaneous Cosmetics	2,693,846	2,817,835	
	Detergent Powder	28,600,678	29,595,898	
	Glycerin C.P.	643,620	163,973	
	Coconut Oil	255,651	255,651	
		120,981,011	144,087,346	
8	Trade and other receivables			
	Trade Receivable	8.1	17,985,518	8,387,251
	Accounts Receivable	8.2	1,683,012	2,149,572
	Total		19,668,530	10,536,823
8.1	Trade receivable			
	Ahmedia Enterprise		10,312	10,312
	Beacon Pharma		3,259,726	3,054,375
	Orion Pharma Ltd.		9,351,710	1,449,948
	Orion Infusion Ltd.		2,038,770	1,890,121
	Shawapno		1,640,232	1,140,537
	Others		1,684,768	841,958
			17,985,518	8,387,251
8.2	Accounts receivable			
	Accrued Interest on Fixed deposit		1,676,771	2,127,752
	Others		6,241	21,820
			1,683,012	2,149,572
A/C Receivable occurred in the ordinary course of business by selling of company's product. As per assessment of directors, the above receivable is considered as good & realizable within due course of business.				
9	Advance, deposits & prepayments			
	Advance to employees and others	9.1	34,887,504	26,717,814
	Advance against Tax	9.2	323,797,478	307,822,798
	Advance against VAT	9.3	60,471,442	49,422,596
	Store-in-transit	9.4	83,060,055	24,763,696
	Total		502,216,479	408,726,904

		Amount in Taka	
		30 June 2023	30 June 2022
9.1 Advance to employees and others			
Advance			
Advance against salaries (Officer)		239,832	294,882
Advance against salaries (Staff)		612,838	204,661
Advance against wages (Workers)		164,337	249,482
Advance against expenses		1,297,502	1,966,145
Advance against supplies/ Purchase		11,662,274	11,591,793
Advance against advertisement		-	175,000
		13,976,783	14,481,963
Deposit			
Security against telephone		26,500	26,500
Security against electricity		5,450	5,450
Security against gas		4,847,308	4,078,192
Other deposits		4,976,237	4,376,237
Security against bank guarantee		937,364	937,364
Advance against Motorcycle		2,708,441	2,635,108
Shipping guarantee margin		177,001	177,001
Deferred Bank Interest Charge		7,232,420	
		20,910,721	12,235,851
		34,887,504	26,717,814
9.2 Advance tax			
Opening Balance		307,822,798	356,656,404
Add: During the year		136,820,305	110,627,505
		444,643,104	467,283,909
Less: Prior year tax adjustment		(36,932,301)	-
Less: AIT Adjustment FY 2021-2022		(83,913,325)	(159,461,111)
		323,797,478	307,822,798
9.3 Advance VAT			
VAT on import		46,289,544	23,478,244
Deposit against VAT		2,500,857	2,000,857
Advance Tax (AT)		1,154,686	6,797,660
SD		2,003,638	700,272
VAT on Local Purchase		8,522,717	16,445,583
		60,471,442	49,422,596
9.4 Store-in-Transit			
Store-in-Transit		83,060,055	24,763,696
		83,060,055	24,763,696
Store-in-Transit represents raw material purchased from abroad but not received till June 30, 2023. Store-in-Transit has been valued at actual cost incurred on the date of closure of the books of accounts.			
10 Fixed deposit with banks			
Details are shown on Annexure A		39,949,230	47,646,350
11 Investment in marketable securities			
B/O A/C at SJIBL		36,227,284	39,134,018
Increase value of Marketable Securities		120,161,339	117,607,342
Investment in marketable securities (cost price)	11.1	613,937,947	560,583,583
		770,326,570	717,324,924

Amount in Taka	
30 June 2023	30 June 2022

11.1 Investment in marketable securities (cost price)

10,53,292 placement share @ Tk. 115.60- in Beacon Pharma	121,756,294	121,756,294
71,940 shares in Squirepharma @ Tk. 194.29	-	13,977,555
21,20,000 shares in Dhaka Bank @ Tk. 13.13	27,843,804	27,843,804
21,42,000 shares in Mercantile Bank @ Tk. 14.26	30,555,532	30,555,532
24,02,400 shares in NCCBL @ Tk. 14.03	33,701,656	33,701,656
1,47,780 shares in City Bank @ Tk. 23.16	3,422,361	3,422,361
3,00,000 shares in LOVELLO @ Tk. 37.95	-	16,105,268
9,22,406 shares in REGENTTEX @ Tk. 13.49	12,443,823	15,385,101
3,42,000 shares in Uttara Bank @ Tk. 18.52	6,333,469	9,625,732
5,77,337 shares in SPCL @ Tk. 90.71	52,370,195	94,822,418
3,50,000 shares in Orionpharma @ Tk. 101.22	35,426,017	44,048,084
5,95,000 shares in Beximco @ Tk. 145.70	86,690,026	86,690,026
9,14,764 shares in Adntel @ Tk. 99.30	90,836,254	33,648,008
1,00,000 shares in AAMRATECH @ Tk. 37.44	3,743,867	5,948,793
6,56,383 shares in NAHEEACP @ Tk. 38.04	-	14,154,536
3,50,000 shares in VFSTDL @ Tk. 25.42	8,898,396	8,898,396
8,88,650 shares in Advent @ Tk. 26.57	23,615,210	-
4,43,751 shares in AMRANET @ Tk. 64.89	28,795,213	-
1,34,928 shares in Centralins @ Tk. 39.93	5,387,364	-
76,080 shares in BSC @ Tk. 128.16	9,750,424	-
10,63,188 shares in Mostfameitl @ Tk. 15.10	16,056,433	-
6,50,000 shares in Tosrifa @ Tk. 25.09	16,311,811	-
	613,937,947	560,583,563

12 Cash and cash equivalents

Cash in Hand		7,432,365	8,428,287
Cash at Bank	12.1	77,240,958	173,420,760
Cash in Transit		84,889,635	44,562,864
Total		169,562,958	226,411,891

a) Cash balance was physically counted at this period ended and Bank balances were reconciled and found in order and Cash in Transit has been realised after the year end.

12.1 Cash at Bank

Agrani Bank, Tejgaon Branch A/C No.	STD-892988 (313)	1,941,048	5,023,734
Agrani Bank, Ramna Branch A/C No.	CD-105365 (92015)	971,867	1,200,163
National Bank Ltd. Karwan Bazar Br. A/C No.	SND-839	6,346,459	5,455,514
Shahjalal Islami Bank, Dhaka Main A/C	MSND-0061	33,828,530	121,290,403
Shahjalal Islami Bank, Dividend A/C	MSND-410	12,956,551	10,791,233
BRAC Bank, Gulshan Br. Dhaka	Saving-769159001	3,883,365	4,952,587
Islami Bank Bangladesh Ltd. Kawran bazar	MSND-6209	1,676,961	1,600,650
Standard Bank Gulshan-2	CD-10314	205	780
Shahjalal Islami Bank, Fraction BO A/C	SND-2652	5,640,597	5,243,845
UCBL, Tejgaon Br.	SND-170	133,278	9,218,604
Shahjalal Islami Bank (KCCL WPPF)	SND-2748	6,104,758	6,068,324
National Bank Ltd. Karwan Bazar Branch	SOD-2572	-	1,797
Modhumoti Bank, Gulshan Br.	SND-110313500000221	1,130,963	
Citizen Bank, Gulshan Corp. Br.	SND-10041310000006	7,208	
NRB Bank, Principal Br., Gulshan	SND-1011030180903	2,514,047	
UCBL, Tejgaon Branch	OD	-	612
NRB Bank, Islami banking Br., Gulshan	SDN-A/c-2802	-	2,467,292
State Bank of India		105,129	105,223
		77,240,958	173,420,760

Amount in Taka	
30 June 2023	30 June 2022

13 Share capital

Authorized capital 50,000,000 Ordinary shares of Tk.10 each		500,000,000	500,000,000
Issued, Subscribed and Paid-up Capital 30637035 Ordinary shares of Tk.10 each		306,370,350	255,308,625

The break-down of the shareholders' fund is as follows:

Issued, Subscribed & Paid-up Capital	13.1	255,308,625	222,007,500
Stock dividend		51,061,725	33,301,125
Total		306,370,350	255,308,625

13.1 i) The description of shareholders as on June 30, 2023 is as follows

The above balance has been received from the following :

Name of directors	% of Shares		Number of Share	
	30-06-2023	30-06-2022	30-06-2023	30-06-2022
Mr. Mohammad Obaidul Karim	19.07%	19.07%	5,842,999	4,869,166
Mr. Rezaul Karim	5.46%	5.45%	1,670,637	1,392,198
Mr. Md. Ebadul Karim	7.83%	7.83%	2,397,930	1,998,275
Mrs. Arzuda Karim	8.21%	8.21%	2,514,769	2,095,641
Mrs. Nurun Nahar	5%	5.00%	1,533,094	1,277,579
Mrs. Shirin Akhter	5%	5.00%	1,532,602	1,277,169
	50.57%	50.57%	15,492,031	12,910,028
Others				
Foreign investors	0.02%	-	5853	-
Institutions	13.60%	13.55%	4167033	3,460,091
General shareholders	35.81%	35.88%	10972118	9,160,743
	49.43%	49.43%	15145004	12,620,834
	100%	100%	30,637,035	25,530,862

Range with shareholding position:

Range of holdings In number of shares	No. of shareholders		Number of share	
	2023	2022	2023	2022
1 to 499	7,437	7,321	1,658,570	1,449,924
500 to 5,000	1,068	1,035	1,521,542	1,345,627
5,001 to 10,000	56	53	405,936	370,320
10,001 to 20,000	11	15	133,777	222,916
20,001 to Above	34	29	26,917,210	22,142,075
Total	8,604	8,453	30,637,035	25,530,862

Detailed Break-up of paid up capital :

Bangladesh Securities and Exchanges Commission notification no BSEC/CMRRCD/2006-158/208/Admin/81 dated June 20, 2018, 5(2) (a)

Financial Year	Status	% of Bonus	Addition of Share	Paid up Share	Paid up Capital Amount
Opening		-	-	5,000,000	50,000,000
2011-2012	Bonus Issue	30	1,500,000	6,500,000	65,000,000
2012-2013	Bonus Issue	25	1,625,000	8,125,000	81,250,000
2013-2014	Bonus Issue	25	2,031,250	10,156,250	101,562,500
2015-2016	Bonus Issue	20	2,031,250	12,187,500	121,875,000
2016-2017	Bonus Issue	15	1,828,125	14,015,625	140,156,250
2017-2018	Bonus Issue	20	2,803,125	16,818,750	168,187,500
2018-2019	Bonus Issue	20	3,363,750	20,182,500	201,825,000
2019-2020	Bonus Issue	10	2,018,250	22,200,750	222,007,500
2020-2021	Bonus Issue	15	3,330,113	25,530,863	255,308,625
2021-2022	Bonus Issue	20	5,106,172	30,637,035	306,370,350

14 Revaluation reserve

Revaluation reserve		7,143,605	7,143,605
		7,143,605	7,143,605

The company was revalued during the period of BCIC management and the above balance is being carried forward in the balance sheet from that period.

		Amount in Taka		
		30 June 2023	30 June 2022	
15	Revaluation reserve for marketable securities			
	Opening balance	105,846,608	85,623,723	
	Adjustment of unrealized gain/(loss)	2,553,996	22,469,872	
	Adjustment of deferred tax	(255,400)	(2,246,987)	
		<u>108,145,205</u>	<u>105,846,608</u>	
16	Retained earning			
	Opening balance	1,124,886,800	919,162,888	
	Net profit during the year	377,264,315	316,764,356	
	Cash Dividend for the year	(51,061,725)	(77,702,625)	
	Stock Dividend for the year	(51,061,725)	(33,301,125)	
	Prior year adjustment	-	(36,694)	
		<u>1,400,027,665</u>	<u>1,124,886,800</u>	
17	Provision for gratuity			
	Opening balance	12,431,258	13,594,787	
	Add: Provision made during the year	2,154,309	-	
		14,585,567	13,594,787	
	Less: Paid during the year	583,674	1,163,529	
	Closing balance	<u>14,001,893</u>	<u>12,431,258</u>	
18	Loan fund			
	Debenture	18.1	287,500,000	287,500,000
	Payable to Govt. (interest)	18.2	38,589,784	38,589,784
	Reedisha Spinning Ltd.		200,000,000	
	Total		<u>526,089,784</u>	<u>326,089,784</u>
18.1	Debenture			
		Interest rate		
	a) Govt. of Bangladesh	13.50%	103,500,000	103,500,000
	b) BCIC	13.50%	184,000,000	184,000,000
			<u>287,500,000</u>	<u>287,500,000</u>
	Loan from Reedisha Spinning Ltd. is interest free loan.			
18.2	Interest payable to govt.			
	Interest payable		38,589,784	38,589,784
			<u>38,589,784</u>	<u>38,589,784</u>
	The above amount represents interest payable to the Government (for the period prior up to 30.06.1983) on the price of 3,396 metric tons of fat given to the company out of US Relief & Rehabilitation Grant. This balance has been carried forward as long term and deferred liability since 1991-92.			
19	Deferred tax liabilities			
	Opening balance		36,900,563	35,306,945
	Deferred tax (income)/ expense during the year	19.1	(3,520,780)	(653,369)
	Deferred tax on revaluation of marketable securities		255,400	2,246,987
			<u>33,635,182</u>	<u>36,900,563</u>
19.1	Deferred tax (income)/ expense during the year			
	Carrying value of PPE as Accounting base		179,606,625	185,246,009
	Tax base PPE		(83,521,964)	(73,513,435)
	Temporary Difference		96,084,661	111,732,574
	Deferred Tax Liability @ 22.50%		21,619,049	25,139,829
	Deferred tax (income)/ expense during the year		<u>(3,520,780)</u>	<u>(653,369)</u>

Amount in Taka	
30 June 2023	30 June 2022

20 Lease liabilities for rent

Lease liabilities		
Opening balance	8,865,603	2,452,126
Addition during the year	1,084,693	8,822,379
Less: Adjusted	(3,401,700)	2,408,902
Net Liabilities	<u>6,548,597</u>	<u>8,865,603</u>
Less: current portion of lease liabilities	<u>2,712,008</u>	<u>2,431,688</u>
	<u>3,836,591</u>	<u>6,433,915</u>

21 Short term loan

Agrani Bank, Ramna Branch	CC. HYPO	238,443,868	947,579
Shahjalal Islami Bank - Bai Muajjal		47,837,875	-
Shahjalal Islami Bank - TR		101,613,754	-
UCBL, Tejgoan Branch	OD	167,014,977	-
National Bank, Karwan Bazar Branch	SOD	-	-
Total		<u>554,910,475</u>	<u>947,579</u>

Particulars		Rate of Interest	Tenor	Repayment Term
Agrani Bank limited	CC. HYPO	9.00%	1 Year	a. Hypothecation of the capital machineries and stock in trade, b. Personal guarantee of all the directors c. Post dated cheques d. Registered mortgage supported by registered IGPA favouring the bank against all bank facilities on 7.98 acre land with factory building
United Commercial Bank	OD	9.00%	1 Year	a. Hypothecation of the capital machineries and stock in trade, b. Personal guarantee of all the directors c. Post dated cheques d. Registered mortgage supported by registered IGPA favouring the bank against all bank facilities on 7.98 acre land with factory building
Shahjalal Islami Bank	Bai Muajjal	9.00%	1 Year	a. Hypothecation of the capital machineries and stock in trade, b. Personal guarantee of all the directors c. Post dated cheques d. Registered mortgage supported by registered IGPA favouring the bank against all bank facilities on 7.98 acre land with factory building
Shahjalal Islami Bank	TR	9.00%	1 Year	a. Hypothecation of the capital machineries and stock in trade, b. Personal guarantee of all the directors c. Post dated cheques d. Registered mortgage supported by registered IGPA favouring the bank against all bank facilities on 7.98 acre land with factory building
National Bank Limited, Karwan Bazar Br.	SOD	9.00%	9 months	1. Personal Security of directors, 2. Lien of FDR.

22 Trade and other payables

Creditors for Goods Supply	22.1	205,916,080	251,449,035
Creditors for Other Finance	22.2	11,046,352	19,255,993
Accrued Expenses	22.3	131,600,154	94,014,930
Advance against Sales	22.4	17,985,322	2,586,371
BCIC Current Account	22.5	15,990,426	15,990,426
Creditors for Security Deposits		26,046,559	24,372,223
Total		<u>408,584,873</u>	<u>407,648,978</u>

		Amount in Taka	
		30 June 2023	30 June 2022
22.1 Creditors for goods supply			
J M S Glass Industries		3,013,586	5,096,094
Polycon Ltd.		1,186,955	999,655
Plasticon		6,037,764	5,745,597
The Merchants Ltd.		5,189,026	5,155,676
Hi-Tec Printing & Packaging Ltd.		7,103,228	7,234,543
Dana Engineering Int.		258,262	260,933
Golden Trading Co.		974,278	1,288,678
Unicorn Ind. Ltd.		1,811,696	3,461,600
Elite Printing & Packaging Ltd.		4,298,129	4,316,129
Padma Lamitube Ltd.		2,692,994	4,884,725
Sunimex Corporation		1,112,949	987,849
Union Chemicals		646,309	448,074
Kalyar Replica Ltd.		4,822,232	4,997,232
Karim Salt Crushing & R. Ind.		-	198,235
NRG Printing & Packaging		972,272	2,008,944
Others		166,004,091	204,574,763
Creditors for Goods Supply (Spot Purchase)		(207,692)	(207,692)
		205,916,060	251,449,035
22.2 Creditors for other finance			
Factory Union Fee		6,234	6,364
Salary Tax Deduction from Employees		445,702	277,220
Deduction of Tax at Source		7,217,374	16,251,058
Provision for Revenue Stamp		55,060	53,260
Employees Contribution to P.F.		-	-
VAT deduction at Source		3,207,719	2,565,928
Provision for AIT on Depot rent at source		25,470	13,370
Others		88,793	88,793
		11,046,352	19,255,993
22.3 Accrued expenses			
Provision for Gas		11,803,385	6,070,200
Provision for Electric Bill		1,968,229	1,262,114
Provision for C & F bill		2,362,808	2,144,290
Audit Fees		625,000	625,000
Provision for Income Tax		114,820,731	83,913,325
		131,600,154	94,014,930
22.4 Advance against sales			
Rokeya Enterprise		11,803,385	103,561
Narayan Store		1,968,229	50,488
P.P. Enterprise		2,362,808	51,839
Howlader Store		2,351	922
Raju Enterprise		7,584	644
Kamal Brothers		54,805	2,461
Others		1,766,159	2,356,456
		17,985,322	2,566,371
22.5 BCIC current account		15,990,426	15,990,426
The above amount represents accumulated balance of BCIC current account as on June' 30, 2023 and the amount is subject to confirmation.			
23 Employee benefits			
Employee welfare fund	23.1	11,238,562	8,611,079
Bangladesh workers welfare foundation	23.2	6,115,802	8,611,079
Workers profit participation fund	23.3	21,561,009	16,144,147
		38,915,373	33,366,305
23.1 Employee welfare fund			
Opening balance		8,611,079	6,610,957
Addition during the year		2,627,483	2,000,122
Transfer from WPPF (Previous year)		-	-
		11,238,562	8,611,079

		Amount in Taka	
		30 June 2023	30 June 2022
23.2	Bangladesh workers welfare foundation		
	Opening balance	8,611,079	6,610,957
	Addition during the year	2,627,483	2,000,122
	Transfer from WPPF (Previous year)	(5,122,780)	-
		6,115,802	8,611,079
23.3	Workers profit participation fund		
	Opening balance	16,144,147	12,039,374
	Addition during the year	21,019,862	16,000,973
	Deposit of undistributed WPPF	14,000	5,400
	Payment during the year	(15,617,000)	(11,901,600)
		21,561,009	16,144,147
24	Accrued liabilities		
	Liabilities for payment against Import	-	575,847,511
		-	575,847,511
25	Unclaimed dividend		
	Opening Balance	12,136,422	25,929,192
	Add: Cash dividend & Fraction dividend for the year	2021-22	61,061,725
	Fraction dividend	323,678	1,674,836
		63,521,825	105,306,653
	Less: Paid in the financial year	2022-23	49,026,049
	Total	14,495,776	12,136,422
	Unclaimed dividend		
	Year 2019	1,842,381	1,901,473
	Year 2020	5,387,951	5,495,803
	Year 2021	4,504,080	4,739,146
	Year 2022	2,761,363	-
		14,495,776	12,136,422
26	Contingent liabilities	268,101,570	268,101,570

The above amount includes interest on BCIC/Govt. Debentures interest of Tk.26,81,01,570 on which the Court of law has issued an injunction to stop payment.

		Amount in BDT	
		01 July 2022 to 30 June 2023	01 July 2021 to 30 June 2022
27	Net sales revenue		
	Washing Soap	1,077,590,091	906,686,392
	Toilet Soap	1,366,585,295	1,126,836,214
	Snow & Cream	296,462,459	329,168,317
	Tooth Paste	12,862,785	10,559,038
	Powder	325,201,867	282,946,883
	Hair Oil	132,612,951	101,951,563
	Shaving Cream	6,760,735	8,089,516
	Detergent Powder	2,914,963,696	2,611,136,186
	Misc.	91,385,919	93,479,868
	Gross Sales	<u>6,224,425,797</u>	<u>5,470,855,957</u>
	Less : VAT & SD	<u>866,879,396</u>	<u>765,691,084</u>
	Net Sales	<u>5,357,546,402</u>	<u>4,705,164,873</u>
28	Cost of goods sold		
	Raw Materials consumed	28.1 3,275,267,820	3,004,945,504
	Packing Materials consumed	28.2 492,650,527	456,898,218
	Factory overhead	28.3 377,771,271	354,970,076
	Total Manufacturing Cost	<u>4,145,689,618</u>	<u>3,816,813,798</u>
	Add: Opening work in process	61,815,885	48,754,272
	Total Cost of Goods in Process	<u>4,207,505,503</u>	<u>3,865,568,070</u>
	Less : Closing Work in Process	61,327,582	61,815,885
	Cost of Goods Manufactured	<u>4,146,177,921</u>	<u>3,803,752,185</u>
	Add : Opening Finished Goods	144,087,346	133,480,562
	Goods available for sale	<u>4,290,265,267</u>	<u>3,937,232,747</u>
	Less : Closing Finished Goods	120,981,011	144,087,346
	Cost of Goods Sold	<u>4,169,284,256</u>	<u>3,793,145,401</u>
28.1	Raw materials consumed		
	Opening raw materials	830,827,329	660,932,076
	Add: Purchase during the year	3,678,565,516	3,174,840,757
	Raw materials available for consumption	<u>4,509,392,845</u>	<u>3,835,772,833</u>
	Less: Closing raw materials	1,234,125,024	830,827,329
		<u>3,275,267,820</u>	<u>3,004,945,504</u>
28.2	Packing materials consumed		
	Opening Packing materials	42,113,841	50,359,112
	Add: Purchase during the year	519,399,650	448,652,947
	Packing materials available for consumption	<u>561,513,491</u>	<u>499,012,059</u>
	Less: Closing packing materials	68,862,964	42,113,841
		<u>492,650,527</u>	<u>456,898,218</u>
28.3	Factory overhead		
	Salaries & Allowances	172,587,238	165,855,324
	Gas & Fuel for Generator	98,776,372	75,606,881
	Electricity	15,739,909	15,412,234
	Oil & Lubricants	912,797	1,525,076
	Spares & Accessories	41,586,135	42,457,274
	Store Consumed	17,200,278	24,720,516
	Repair & Maintenance	891,510	626,721
	Other Overhead	1,004,286	917,402
	Electricity, Gas & WASA	7,596,340	7,571,632
	Depreciation	17,630,388	16,976,949
	Conveyance	969,871	821,022
	Printing	185,891	173,040
	Office Stationery	566,056	500,650
	Medical Expenses	1,130,294	897,552
	Repair & Maintenance (Factory Building)	993,906	907,904
		<u>377,771,271</u>	<u>354,970,076</u>

		Amount in BDT	
		01 July 2022 to 30 June 2023	01 July 2021 to 30 June 2022
29	General & administrative expenses		
	Salaries & Allowances	60,883,615	52,590,582
	Entertainment	480,880	443,108
	Insurance Premium	1,895,174	1,895,174
	Legal & Professional Fees	317,650	507,750
	Printing	409,122	369,378
	Office Stationery	388,708	445,208
	Newspaper & Magazine	17,904	15,142
	Postage, Telegram, Telephone, Telex	122,576	107,387
	Renewals, Rates & Taxes	3,803,925	2,906,751
	Conveyance	1,497,618	1,363,820
	Vehicle Running Expenses (Fuel)	2,440,706	2,273,667
	Repair & Maintenance (Vehicles)	1,392,743	1,208,733
	Audit fee	625,000	970,000
	Depreciation	2,394,250	2,305,512
	Drinking Water	379,953	397,238
	IT & Software Maintenance	1,737,992	2,334,261
	Repair & Maintenance -Gen	322,783	760,846
	Land Revenue	1,048,845	644,001
	Total	80,159,444	71,538,556
30	Selling & distribution expense		
	Salaries & Allowances	364,652,367	309,916,518
	Entertainment	1,045,887	866,896
	Carriage Outward	28,952,869	26,718,586
	Publicity & Advertisement	172,226,492	138,317,447
	Printing	339,600	303,364
	Office Stationery	391,602	348,252
	Conveyance	1,128,618	1,038,584
	Electricity	96,804	119,832
	Telephone	1,849	31,755
	Postage & Telegram	63,092	60,448
	Rates and tax	1,073,579	449,183
	Insurance Premium	47,100	207,579
	DD Commission	1,325,622	1,345,023
	Newspaper & Magazine	18,476	14,450
	Repair & Maintenance (Vehicles)	2,550,583	2,337,048
	Vehicle Running Expenses (Fuel)	5,789,257	5,525,135
	Loading & Unloading	473,460	435,357
	Depreciation	1,741,273	1,676,736
	Depreciation for Lease Rent	2,732,409	2,684,494
	Drinking water	379,947	397,237
	Total	585,030,886	492,793,924
31	Financial expenses		
	Interest on Bank Loan	39,937,286	519,850
	Bank Charges & Commission	974,130	882,996
	Finance Cost against Lease Rent	778,084	683,498
	Total	41,689,499.86	2,086,344
32	Other income		
	Interest	5,995,232	7,462,070
	Gain/(Loss) on Sale of Right of use asset	107,011	448,143
	Gain/(Loss) on Sale of Marketable Securities	49,560,830	50,178,622
	Others	306,594	280,791
	Dividend Income	14,419,413	16,055,254
	Total	70,389,079	74,424,880
33	Income tax expense		
	Current tax expense	33.1 114,820,731	83,913,325
	Prior year tax adjustment	36,932,301	
	Deferred tax (income)/expense	(3,520,780)	(653,369)
	Total	148,232,252	83,259,956

	Amount in BDT	
	01 July 2022 to 30 June 2023	01 July 2021 to 30 June 2022
Effective tax rate calculation		
33.1 Current tax expense		
Profit before tax	525,496,567	297,639,223
Add: accounting depreciation	21,765,911	20,244,719
Less: Tax depreciation	9,280,218	18,413,697
Less: Gratuity paid	583,674	1,247,410
Taxable income	537,398,586	298,222,835
Taxable income excluding dividend	106,980,766	65,825,854
Dividend income on Marketable Securities	4,956,033	
Dividend income BDT: 14419412.51 @ 20%	2,883,882	1,132,697
Income tax payable	114,820,731	66,958,551
34 Earning per share (Restated)		
Net profit after tax	377,284,315	316,764,356
No of shares outstanding	30,637,035	30,637,035
EPS for the period	12.31	10.34
Due to increase in sales revenue during the year EPS has increased by 3.24 per share.		
35 Net asset value per share (Restated)		
Total asset	3,418,868,778	2,907,419,641
Total liabilities	1,597,181,953	1,414,234,003
Net assets	1,821,686,825	1,493,185,638
No of shares outstanding	30,637,035	30,637,035
Net asset value per share	59.46	48.74
Due to the increase in net profit during the year, NAV has increased by 11.99 taka per share		
36 Net operating cash flow per share (Restated)		
Net Cash outflow by Operating Activities	(731,518,375)	269,294,423
No of shares outstanding	30,637,035	30,637,035
	(23.88)	8.79
Due to the increase in payment to suppliers during the year and Tied up working capital, net operating cash flow per share has decreased.		
37 Reconciliation of operating cash flows with profit before tax		
Profit before tax	525,496,567	400,024,312
Depreciation	21,765,911	20,959,196
Financial expenses	41,689,500	2,086,344
Other income	(70,389,079)	(74,424,880)
VAT and SD receipt from customers		
Depreciation for lease rent	2,732,409	2,684,494
Operating Income	521,295,308	351,329,466
(Increase)/Decrease in accounts and other receivables	(9,131,707)	(3,916,170)
(Increase)/Decrease in inventories	(428,520,335)	(187,613,204)
(Increase)/Decrease in advance deposit and prepayment	(77,514,895)	36,652,027
Increase/(Decrease) in trade and other payable	(29,971,511)	(75,595,778)
Increase/(Decrease) in accrual liabilities	(575,847,511)	161,750,151
Increase/(Decrease) in employee benefits	5,549,068	8,105,017
Increase/(Decrease) in provision for Gratuity	1,570,635	(1,163,529)
Lease Adjustment	(2,433,716)	
Refundable AIT Received from NBR	-	92,502,560
Tax paid	(136,820,305)	(110,627,505)
	(1,253,120,276)	(79,906,431)
Adjustment		
Other income	306,594	280,791
Rent	-	(2,408,902)
	306,594	(2,128,112)
Net Cash Provided by Operating Activities	(731,518,375)	269,294,924

38 Other information

38.1 Contingent liabilities and commitments

Contingent liabilities

The company confirms that there are no case filed against the company which is not disclosed which would have been a material impact on the financial position of the company except BDT 268,101,570 Contingent Liabilities as on 30 June 2023.

Capital expenditure commitment

There is no Capital expenditure commitment for machineries and raw material at 30 June 2023.

38.2 Related party transactions

The company has entered into transactions with other entities that fall within the definition of related party as contained in IAS-24 "Related Party Disclosures". Total transactions of the significant related party as of 30 June 2023 are as follows:

Name of Company	Relationship	Nature of Transaction	Opening Balance	Addition	Adjustment	Closing Balance
Orion Pharma Ltd.	Common Director/ Shareholder	Sales of product	1,449,948	9,292,761	1,391,000	9,351,710
Orion Infusion Ltd.	Common Director/ Shareholder	Sales of product	1,890,121	1,336,849	1,188,000	2,038,770
Reedisha Spinning Ltd.	Common Director/ Shareholder	Loan	-	200,000,000	-	200,000,000
Reedisha Printing and Packaging Limited	Common Director/ Shareholder	Purchase of product	24,286,049	89,141,568	72,094,595	41,333,032
Bacon Pharmaceutical	Common Director/ Shareholder	Sales of product	3,054,375	15,985,551	15,780,199	3,259,726
Total			30,680,493	316,756,529	90,463,784	255,983,238

* All related party transaction have complied with the BSEC notifications (Notification No. BSEC/CMR/RCD/2009-193/Admin/103 dated February 5, 2020) during the financial year.

39.3 Transaction with key management personals

No.	Particulars	30 June 2023	30 June 2022
(a)	Managerial remuneration paid or payable during the year to the directors, including managing directors.	-	-
(b)	Any other perquisite or benefits in cash or in kind stating, approximate money value where applicable.	-	-
(c)	Other allowances and commission including guarantee commission	-	-
(d)	Pensions etc.	-	-
	(i) Pensions	-	-
	(ii) Gratuities	-	-
	(iii) Payments from a provident funds, in excess of own subscription and interest thereon	-	-
(e)	Share Based payments	-	-

39.4 KEY MANAGEMENT PERSONNEL COMPENSATION:

a) Short-term employee benefits: Company provide the following short-

Particulars	Jul'22 to June 23		Jul'21 to June 22	
	Directors	Executives	Directors	Executives
Remuneration/ Salary	-	3,213,083	-	3,142,064
(i) Basic	-	2,029,200	-	2,029,200
(ii) House Rent	-	821,083	-	757,866
(iii) Conveyance	-	69,429	-	54,000
(iv) Medical Allowance	-	139,680	-	131,898
(v) Bonus	-	169,100	-	169,100
Number of Person:	8	7	8	7

b) Post-employment benefits: Company provide contributory Provident

c) Other long-term benefits: Company provide Gratuity Benefit to the

d) Share-based payment: Company does not provide any share-based

39.5 Statutory audit fees

Statutory audit fees for the year 2022 - 2023 is BDT 625,000 Other than the statutory audit no other services was received from the statutory auditor.

39.6 Capacity utilization

Year	Capacity in KG Per Year	Utilization in KG average Per year	%
2022-2023	50,000,000	35,090,930	70.18%
2021-2022	50,000,000	34,948,854	69.90%

39.7 Employee details

At the end of the year, there were 2,652 employees in the company at a remuneration of BDT 3,000 per month and above.

39.8 Rounding off

Amounts appearing in these financial statements have been rounded off to the nearest BDT and, wherever considered necessary.

39.9 Event after reporting period

The Board of Director of the Company had approved the financial statements as on November 04, 2023 and recommended 40% cash & 10% stock dividend for the year ended 30 June 2023.

Except the fact stated above, there is no material events after the reporting date that are not adjusting events came to management attention which may be needful for the stakeholders.

KOHINOOR CHEMICAL COMPANY (BANGLADESH) LIMITED

Schedule of FDR
for the year ended 30 June 2023

Annexure A

Sl. No.	FDR Number	Name of the Bank	Branch	Date of Issue	Date of Maturity	Opening Balance	Interest Rate	Addition during the year	Accrued for the year	FDR 2021-2022
01	1048000691826	The National Bank Ltd.	Kawran Bazar	14-Aug-05	14-Aug-21	28,545,301	6.50%	1,526,725	1,136,647	19,985,000
02	1048000691821	The National Bank Ltd.	Kawran Bazar	11-Dec-05	11-Dec-21	3,792,312	6.50%	198,626	140,514	3,990,938
03	1048000691822	The National Bank Ltd.	Kawran Bazar	04-Feb-06	04-Feb-22	2,681,856	6.50%	153,869	76,801	2,835,725
04	400153300001650	Shahjalal Bank Ltd.	Main Branch	05-Aug-03	05-Aug-21	4,198,120	4.00%	122,818	158,434	4,320,938
06	4001540000000094	Shahjalal Bank Ltd.	Main Branch	01-Jan-20	04-Feb-22	8,378,760	4.50%	387,869	164,374	8,766,629
05	0249744/24103	Agrani Bank Ltd.	Teigaon	11-Sep-05	11-Sep-21	50,000		-	-	50,000
Total						47,646,350		2,389,907	1,676,771	39,949,230

KOHINOOR CHEMICAL COMPANY (BANGLADESH) LTD.

36, SHAHID TAJUDDIN AHMED SARANI, TEJGAON I/A DHAKA- 1208

PROXY FORM

I/We _____ of _____ being a member of Kohinoor Chemical Company (BD.) Ltd. hereby appoint Mr./Mrs. _____ of _____ as my proxy to attend and vote for me/us on my/our behalf at the 36th Annual General Meeting of the company to be held on Sunday, the December 10, 2023 at 03:00 pm through digital platform and at any adjournment thereof.

As witness my/our hand this _____ day of _____ 2022 signed by the said in presence of _____

Revenue
Stamp
Tk. 20.00

(Signature of the Proxy)

Signature of Witness

NOTE :

A member entitled to attend and vote at the General Meeting may appoint a proxy to attend and vote in his/her stead. The proxy form, duly stamped, must be deposited at the Registered Office of the Company not later than 48 hours before the time appointed for the meeting.

Signature of the Shareholder(s)
Register Folio No. _____
B/O No. _____
Dated _____

Signature Verified

Authorised Signatory

KOHINOOR CHEMICAL COMPANY (BANGLADESH) LTD.

Shareholders' Attendancen Slip

I/We hereby record my attendance at the 36th Annual General Meeting of the Company to be held on Sunday, the December 10, 2023 at 03:00 pm through digital platform.

Name of Member(s) _____ Register Folio/BO
No. _____ holding of _____ ordinary Shares of Kohinoor Chemical
Company (BANGLADESH) Ltd.

Signature of the Proxy

Signature of the Shareholder(s)

N.B.

1. Please note that AGM can only be attended by the honourable shareholders or properly constituted proxy. Therefore, any friend or children accompanying with honourable shareholder or proxy cannot be allowed into the meeting.
2. Please present this slip at the reception Desk.