

Kohinoor Chemical Company (Bangladesh) Limited

Notes to the Financial Statements

As at and for the year ended June 30, 2024

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 2023 to 30th June 2024 and comparative information 1st July 2022 to 30th June 2023 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 filed 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 2024 except as mentioned in the note 25.

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 38.9

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.

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 re-arranged 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 to 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 earnings.

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 straight 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 2024, 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 short 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.

Amount in Taka	
30 June 2024	30 June 2023

5 Property, plant and equipment

Openign balance	870,830,552	854,704,025
Addition during the year	10,873,117	17,731,527
Adjustment	(1,851,500)	(1,605,000)
A. Total Assets Value at cost	879,852,169	870,830,552
Accumulated depreciation		
Openign balance	578,574,214	556,808,303
Addition during the year	21,452,902	21,765,911
Adjustment	(1,843,999)	-
B. Total Accumulated Depreciation	598,183,117	578,574,214
Written Down Value (A-B)	281,669,052	292,256,338

Details have been shown in Annexure-A

6 Right of use asset (Lease Rent)

Right of use asset (warehouse building)		
Openign balance	9,907,072	10,328,471
Addition during the year	-	1,084,693
Adjustment	-	(1,506,092)
Closing balance	9,907,072	9,907,072
Accumulated depreciation against lease rent		
Openign balance	4,050,005	1,962,715
Addition during the year	2,889,955	2,732,409
Adjustment	-	(645,119)
Closing balance	6,939,960	4,050,005
Net of Right to use Asset	2,967,112	5,857,067

Non-financial disclosure

Location	Name of land lessor	Lease contract 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	890,176,273	1,320,758,743
Spares, Accessories & Stores	7.2	125,518,286	115,964,270
Work in Process	7.3	69,388,357	61,327,582
Finished Goods	7.4	141,186,157	120,981,011
Total		1,226,269,073	1,619,031,606

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

Amount in Taka	
30 June 2024	30 June 2023

(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)	873,482,598	1,302,987,989
Plant Stock	b)	16,693,675	17,770,754
		890,176,273	1,320,758,743
a) Raw materials, chemicals and packing materials			
Raw Materials :			
Soap		514,418,049	792,432,835
Cosmetic		55,404,546	58,153,210
Chemicals (Aromatic) :			
Aromatic Chemical		223,986,062	383,538,980
Packing Materials :			
Soap		15,379,880	22,424,384
Cosmetic		64,294,062	46,438,580
		873,482,598	1,302,987,989
b) Plant Stock			
Aromatic Chemicals		16,693,675	17,770,754
		16,693,675	17,770,754

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.

7.2 Spare, accessories & stores

Spare & Accessories	112,224,975	101,933,395
Consumable Stores	13,293,311	14,030,876
	125,518,286	115,964,270

7.3 Work-in-process

Raw Material of Soap	59,821,960	54,041,645
Raw Material of Detergent Powder	6,513,814	4,032,862
Raw Material of Cosmetic	3,052,593	3,253,075
	69,388,357	61,327,582

7.4 Finished goods

Washing Soap	14,892,328	30,611,504
Toilet Soap	33,827,758	27,393,012
Tooth Paste	722,047	617,656
Powder	11,586,784	3,054,620
Shaving Cream	708,880	632,109
Snow/Cream	5,393,633	24,916,898
Hair Oil	3,185,848	1,561,417
Miscellaneous Cosmetics	2,449,884	2,693,846
Detergent Powder	67,726,263	28,600,678
Glycerin C.P.	437,081	643,620
Coconut Oil	255,651	255,651
	141,186,157	120,981,011

Amount in Taka	
30 June 2024	30 June 2023

8 Trade and other receivables

Trade Receivable	8.1	21,745,856	17,985,518
Accounts Receivable	8.2	2,811,956	1,883,012
Total		<u>24,557,812</u>	<u>19,668,530</u>

8.1 Trade receivable

Ahmedia Enterprise	-	10,312
Beacon Pharma	2,515,178	3,259,726
Orion Pharma Ltd.	14,301,970	9,351,710
Orion Infusion Ltd.	416,494	2,038,770
Shawapno	1,409,730	1,640,232
Others	3,102,482	1,684,768
	<u>21,745,856</u>	<u>17,985,518</u>

Aging Schedule of Trade Receivable

0 days - 30 days	3,211,183
31 days - 90 days	1,352,587
91 days - 180 days	2,451,545
181 days - 365 days	6,748,888
365 days - Above	7,981,653
	<u>21,745,855</u>

8.2 Accounts receivable

Accrued Interest on Fixed deposit	2,801,914	1,676,771
Others	10,042	6,241
	<u>2,811,956</u>	<u>1,683,012</u>

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	40,690,794	34,887,504
Advance against Tax	9.2	308,756,751	323,797,478
Advance against VAT	9.3	2,441	60,471,442
Store-in-Transit: TK	9.4	203,719,179	83,060,055
Total		<u>553,169,165</u>	<u>502,216,479</u>

9.1 Advance to employees and others

Advance			
Advance against salaries (Officer)		849,005	239,832
Advance against salaries (Staff)		356,494	612,838
Advance against wages (Workers)		200,676	164,337
Advance against expenses		1,811,834	1,297,502
Advance against supplies/ Purchase		24,765,204	11,662,274
		<u>27,983,213</u>	<u>13,976,783</u>
Deposit			
Security against telephone		26,500	26,500
Security against electricity		5,450	5,450
Security against gas		4,847,308	4,847,308
Other deposits		5,036,237	4,976,237

	Amount in Taka	
	30 June 2024	30 June 2023
Security against bank guarantee	937,364	937,364
Advance against Motorcycle	1,677,722	2,708,441
Shipping guarantee margin	177,001	177,001
Deferred Bank Interest Charge	-	7,232,420
	12,707,581	20,910,721
	40,690,794	34,887,504

9.2 Advance tax

Opening Balance	323,797,478	307,822,798
Add: During the year	136,780,005	136,820,305
	460,577,482	444,643,104
Less: Prior year tax adjustment	(37,000,000)	(36,932,301)
Less: AIT Adjustment FY 2022-2023	(114,820,731)	(83,913,325)
	308,756,751	323,797,478

9.3 Advance VAT

VAT on import	350	46,289,544
Deposit against VAT	406	2,500,857
Advance Tax (AT)	585	1,154,686
SD	399	2,003,638
VAT on Local Purchase	701	8,522,717
	2,441	60,471,442

9.4 Store-in-Transit: TK

Store-in-Transit	203,719,179	83,060,055
	203,719,179	83,060,055

Store-in-Transit represents raw material purchased from abroad but not received till June 30, 2024. 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 B

	70,885,229	39,949,230
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11 Investment in marketable securities

BO A/C at SJBIL	10,253,592	36,227,284
Increase value of Marketable Securities	(74,063,573)	120,161,339
Investment in marketable securities (cost price)	11.1 640,305,683	613,937,947
	576,495,701	770,326,570

11.1 Investment in marketable securities (cost price)

9,80,001 placement share @ Tk. 120.24- in Beacon Pharma	117,831,265	121,756,294
21,20,000 shares in Dhaka Bank @ Tk. 13.13	27,843,804	-
21,42,000 shares in Mercantile Bank @ Tk. 14.26	30,555,532	27,843,804
24,02,400 shares in NCCBL @ Tk. 14.03	33,701,656	30,555,532
1,62,558 shares in City Bank @ Tk. 21.05	3,422,361	33,701,656
9,22,406 shares in REGENTEX @ Tk. 13.49	12,443,823	3,422,361
11,25,000 shares in Uttara Bank @ Tk. 20.87	23,484,295	-
5,77,337 shares in SPCL @ Tk. 90.71	52,370,195	12,443,823
4,00,000 shares in Orionpharma @ Tk. 97.91	39,162,192	6,333,469
5,95,000 shares in Beximco @ Tk. 145.70	86,690,026	52,370,195
10,51,064 shares in Adntel @ Tk. 103.90	109,201,733	35,426,017
6,50,000 shares in AAMRATECH @ Tk. 31.71	20,608,630	86,690,026
10,99,872 shares in VFSTD L @ Tk. 19.09	20,999,006	90,836,254
1,00,000 shares in Advent @ Tk. 26.57	-	3,743,867
40,000 shares in Centralins @ Tk. 39.93	-	8,898,396

76,080 shares in BSC @ Tk. 128.16
 3,00,000 shares in Mostfameel @ Tk. 15.52
 4,49,046 shares in Tosrifa @ Tk. 26.36
 160,000 shares in Navanapharma @ Tk. 92.44
 927588 shares in AB Bank @ Tk. 10.09
 15,71,168 shares in GIB @ Tk. 7.38

Amount in Taka	
30 June 2024	30 June 2023
9,750,424	23,615,210
4,657,485	28,795,213
11,838,534	5,387,364
14,790,744	9,750,424
9,355,950	16,056,433
11,598,029	16,311,611
640,305,683	613,937,947

12 Cash and cash equivalents

Cash in Hand		7,839,578	7,432,365
Cash at Bank	12.1	178,883,075	77,240,958
Cash in Transit		39,053,352	84,889,635
		225,776,005	169,562,958

12.1 Cash at Bank

Agrani Bank, Tejgaon Branch A/C No:STD-692988 (313)	3,393,285	1,941,048
Agrani Bank, Ramna Branch A/C No:CD-105365 (92015)	966,837	971,867
National Bank Ltd. Karwan Bazar Br. A/C No:SND-839	5,809,635	6,346,459
Shahjalal Islami Bank, Dhaka Main A/C:MSND-0061	117,673,587	33,828,530
Shahjalal Islami Bank, Dividend A/C:MSND-410	26,680,845	12,956,551
BRAC Bank, Gulshan Br., Dhaka Savings A/C:-769159001	2,145,927	3,883,355
Islami Bank Bangladesh Ltd. Kawran bazar A/C:MSND-6209	3,317,070	1,676,961
Standard Bank Gulshan-2 A/C:CD-10314	205	205
Shahjalal Islami Bank, Fraction BO A/C:SND-2652	55,499	5,640,597
UCBL, Tejgaon Br. A/C:SND-170	92,082	133,278
Shahjalal Islami Bank (KCCL WPPF) A/C:SND-2748	6,198,300	6,104,758
Modhumoti Bank, Gulshan Br. A/C:SND-1103135-221	4,643,494	1,130,963
Citizen Bank, Gulshan Corp. Br. A/C: SND-10041310000006	4,776	7,208
NRB Bank, Principal Br., Gulshan A/C: SND-1011030180903	2,521,438	2,514,047
State Bank of India A/C: CD/5B 05420503920201	105,228	105,129
DBBL, Tejgaon br. A/C:SND-2271200000863	5,274,866	-
	178,883,075	77,240,958

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			
3,06,37,035 Ordinary shares of Tk.10 each		306,370,350	306,370,350

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

Issued, Subscribed & Paid-up Capital	13.1	306,370,350	255,308,625
Stock dividend		30,637,035	51,061,725
Total		337,007,385	306,370,350

Amount in Taka	
30 June 2024	30 June 2023

13.1 i) The description of shareholders as on June 30, 2024 is as follows:

The above balance has been received from the following :

Name of directors:	% of Shares		Number of Share	
	30-06-2024	30-06-2023	30-06-2024	30-06-2023
Mr. Mohammad Obaidul Karim	19.07%	19.07%	6,427,298	5,842,999
Mr. Rezaul Karim	5.46%	5.46%	1,837,700	1,670,637
Mr. Md. Ebadul Karim	7.83%	7.83%	2,637,723	2,397,930
Mrs. Arzuda Karim	8.21%	8.21%	2,766,245	2,514,769
Mrs. Nurun Nahar	5%	5%	1,686,403	1,533,094
Mrs. Shirin Akhter	5%	5%	1,685,862	1,532,602
	50.57%	50.57%	17,041,231	15,492,031
Others				
Foreign investors	0.04%	0.00	14,617	5,853
Institutions	13.63%	13.60%	4,593,987	4,167,033
General shareholders	35.76%	35.81%	12,050,903	10,972,118
	49.43%	49.43%	16,659,507	15,145,004
	100%	100%	33,700,738	30,637,035

Range with shareholding position:

Range of holdings In number of shares	No. of shareholders		Number of share	
	2024	2023	2024	2023
1 to 499	6,634	7,437	1,674,146	1,658,570
500 to 5,000	958	1,066	1,361,104	1,521,542
5,001 to 10,000	80	56	515,417	405,936
10,001 to 20,000	24	11	325,775	133,777
20,001 to Above	35	34	29,824,296	26,917,210
Total	7,731	8,604	33,700,738	30,637,035

Detailed Break-up of paid up capital :

Bangladesh Securities and Exchanges Commission notification no BSEC/CMRRCD/2006-158/208/Admin/81 dated June 20, 2016, 5(2) (a)

Financial Year	Status	% of Bonus Share	Addition of Share	Paid up Share	Paid up Share
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	5,106,173	30,637,035	306,370,350
2022-2023	Bonus Issue	10	3,063,704	33,700,738	337,007,380

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 2024	30 June 2023
15 Revaluation reserve for marketable securities			
Opening balance		108,145,205	105,846,608
Adjustment of unrealized gain/(loss)		(194,224,912)	2,553,996
Adjustment of deferred tax		19,422,491	(255,400)
		(66,657,216)	108,145,205
16 Retained earning			
Opening balance		1,400,027,665	1,124,886,800
Net profit during the year		509,531,577	377,264,315
Cash Dividend for the year		(122,548,140)	(51,061,725)
Stock Dividend for the year		(30,637,035)	(51,061,725)
Prior year adjustment		-	-
		1,756,374,067	1,400,027,665
17 Provision for gratuity			
Opening balance		14,001,893	12,431,258
Add: Provision made during the year		10,150,987	2,154,309
		24,152,880	14,585,567
Less: Paid during the year		696,534	583,674
Closing balance		23,456,346	14,001,893
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		326,089,784	526,089,784
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
		287,500,000	287,500,000
18.2 Interest payable to govt.			
Interest payable		38,589,784	38,589,784
		38,589,784	38,589,784
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		33,635,182	36,900,563
Deferred tax (income)/ expense during the year	19.1	(2,329,773)	(3,520,780)
Deferred tax on revaluation of marketable securities		(19,422,491)	255,400
		11,882,918	33,635,182
19.1 Deferred tax (income)/ expense during the year			
Carrying value of PPE as Accounting base		169,019,339	179,606,625
Tax base PPE		(83,289,223)	(83,521,964)
Temporary Difference		85,730,116	96,084,661
Deferred Tax Liability @ 22.50%		19,289,276	21,619,049
Deferred tax (income)/ expense during the year		(2,329,773)	(3,520,780)

Amount in Taka	
30 June 2024	30 June 2023

20 Lease liabilities for rent

Lease liabilities		
Opening balance	6,548,597	8,865,603
Addition during the year	-	1,084,693
Less: Adjusted	(2,712,006)	(3,401,700)
Net Liabilities	<u>3,836,591</u>	<u>6,548,597</u>
Less: current portion of lease liabilities	<u>2,135,842</u>	<u>2,712,006</u>
	<u>1,700,749</u>	<u>3,836,591</u>

21 Short term loan

Agrani Bank, Ramna Branch A/C No. 833887	8,351,542	238,443,868
Shahjalal Islami Bank - Bai Muajjal	-	47,837,875
Shahjalal Islami Bank - TR	-	101,613,754
UCBL, Tejgoan Branch	1,525,885	167,014,977
Total	<u>9,877,428</u>	<u>554,910,475</u>

Particulars	Types	Rate of Interest	Tenor	Repayment Term
Agrani Bank limited	CC. HYPO	12.09%	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

Particulars	Types	Rate of Interest	Tenor	Repayment Term
United Commercial Bank	OD	14.00%	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	12.55%	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

Amount in Taka				
		30 June 2024	30 June 2023	
Shahjalal Islami Bank	TR	12.55%	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

22 Trade and other payables

Creditors for Goods Supply	22.1	216,952,326	205,916,060
Creditors for Other Finance	22.2	5,379,113	11,046,352
Accrued Expenses	22.3	199,796,905	131,600,154
Advance against Sales	22.4	11,714,779	17,985,322
BCIC Current Account	22.5	15,990,426	15,990,426
Creditors for Security Deposits		27,272,595	26,046,559
Total		477,106,143	408,584,873

22.1 Creditors for goods supply

J M S Glass Industries	2,911,054	3,013,566
Polycon Ltd.	1,289,467	1,186,955
Plasticon	6,215,806	6,037,764
The Merchants Ltd.	5,612,677	5,189,026
Hi-Tec Printing & Packaging Ltd.	7,461,553	7,103,228
Dana Engineering Int.	258,598	258,262
Golden Trading Co.	1,030,630	974,278
Unicorn Ind. Ltd	476,223	1,811,696
Elite Printing & Packaging Ltd.	4,236,918	4,298,129
Padma Lamitube Ltd.	6,747,016	2,692,994
Sunimex Corporation	1,056,597	1,112,949
Union Chemicals	707,520	646,309
Kalyar Replica Ltd	5,121,964	4,822,232
NRG Printing & Packaging	2,232,373	972,272
Others	171,693,929	166,004,091
Creditors for Goods Supply (Spot Purchase)	-	(207,692)
	216,952,326	205,916,060

22.2 Creditors for other finance

Factory Union Fee	6,024	6,234
Salary Tax Deduction from Employees	231,641	445,702
Deduction of Tax at Source	1,078,898	7,217,374
Provision for Revenue Stamp	57,080	55,060
Employees Contribution to P.F.	1,010,634	-
VAT deduction at Source	2,907,463	3,207,719
Provision for AIT on Depot rent at source	(1,420)	25,470
Others	88,793	88,793
	5,379,113	11,046,352

22.3 Accrued expenses

Provision for Gas	2,161,894	11,803,385
Provision for Electric Bill	1,503,987	1,968,229
Provision for Employers Contribution to P.F.	1,010,634	-
Provision for C & F bill	1,861,101	2,382,808
Provision for Advertisement exps	31,774,735	-
Provision for Income Tax	160,859,553	114,820,731
Provision for Audit Fees	625,000	625,000
	199,796,905	131,600,154
	199,796,905	131,600,154

		Amount in Taka	
		30 June 2024	30 June 2023
22.4 Advance against sales			
Rokeya Enterprise		104,132	11,803,385
Narayan Store		-	1,968,229
P.P. Enterprise		65,282	2,382,808
Howlader Store		3,496	2,351
Raju Enterprise		52,889	7,584
Kamal Brothers		529,748	54,805
Others		10,959,232	1,766,159
		11,714,779	17,985,322
22.5 BCIC current account			
BCIC current account		15,990,426	15,990,426
		15,990,426	15,990,426
The above amount represents accumulated balance of BCIC current account as on June' 30, 2024 and the amount is subject to confirmation.			
23 Employee benefits	23.1	14,763,869	11,238,562
Employee welfare fund	23.2	9,641,109	6,115,802
Bangladesh workers welfare foundation	23.3	29,038,264	21,561,009
Workers profit participation fund		53,443,241	38,915,373
23.1 Employee welfare fund			
Opening balance		11,238,562	8,611,079
Addition during the year		3,525,307	2,627,483
		14,763,869	11,238,562
23.2 Bangladesh workers welfare foundation			
Opening balance		6,115,802	8,611,079
Addition during the year		3,525,307	2,627,483
Transfer from WPPF (Previous year)		-	(5,122,760)
		9,641,109	6,115,802
23.3 Workers profit participation fund			
Opening balance		21,561,009	16,144,147
Addition during the year		28,202,454	21,019,862
Deposit of undistributed WPPF		18,000	14,000
Payment during the year		(20,743,200)	(15,617,000)
		29,038,264	21,561,009
24 Unclaimed dividend			
Opening Balance		14,495,776	12,136,422
Add: Cash dividend for the year	2022-23	122,548,140	51,061,725
Fraction dividend		430,316	323,678
		137,474,232	63,521,825
Less: Paid in the financial year	2023-24	115,245,374	49,026,049
		22,228,858	14,495,776
Unclaied Dividend			
Year 2019		1,825,262	1,842,381
Year 2020		5,344,286	5,387,951
Year 2021		4,435,002	4,504,080
Year 2022		2,717,698	2,761,363
Year 2023		7,906,610	
		22,228,858	14,495,776
25 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 2023 to 30 June 2024	01 July 2022 to 30 June 2023
26	Net sales revenue		
	Washing Soap	1,175,902,808	1,077,590,091
	Toilet Soap	1,370,227,431	1,366,585,295
	Snow & Cream	400,015,934	296,462,459
	Tooth Paste	21,218,199	12,862,785
	Powder	349,139,906	325,201,867
	Hair Oil	121,785,647	132,612,951
	Shaving Cream	4,669,808	6,760,735
	Detergent Powder	3,241,859,705	2,914,963,696
	Misc.	100,785,833	91,385,919
	Gross Sales	6,785,605,271	6,224,425,797
	Less : VAT & SD	996,562,589	866,879,396
	Net Sales	5,789,042,682	5,357,546,402
27	Cost of goods sold		
	Raw Materials consumed 27.1	3,441,961,674	3,275,267,820
	Packing Materials consumed 27.2	462,764,843	492,650,527
	Factory overhead 27.3	377,867,328	377,771,271
	Total Manufacturing Cost	4,282,593,845	4,145,689,618
	Add: Opening work in process	61,327,582	61,815,885
	Total Cost of Goods in Process	4,343,921,427	4,207,505,503
	Less : Closing Work in Process	69,388,357	61,327,582
	Cost of Goods Manufactured	4,274,533,070	4,146,177,921
	Add : Opening Finished Goods	120,981,011	144,087,346
	Goods available for sale	4,395,514,081	4,290,265,267
	Less : Closing Finished Goods	141,186,157	120,981,011
	Cost of Goods Sold	4,254,327,924	4,169,284,256
27.1	Raw materials consumed		
	Opening raw materials	1,234,125,024	830,827,329
	Add: Purchase during the year	3,001,645,305	3,678,565,516
	Raw materials available for consummation	4,235,770,330	4,509,392,845
	Less: Closing raw materials	793,808,656	1,234,125,024
		3,441,961,674	3,275,267,820
27.2	Packing materials consumed		
	Opening Packing materials	68,862,964	42,113,841
	Add: Purchase during the year	473,575,821	519,399,650
	Packing materials available for consumption	542,438,785	561,513,491
	Less: Closing packing materials	79,673,942	68,862,964
		462,764,843	492,650,527
27.3	Factory overhead		
	Salaries & Allowances	194,114,452	172,587,238
	Gas & Fuel for Generator	116,976,727	98,776,372
	Electricity	17,691,949	15,739,909
	Oil & Lubricants	125,723	912,797
	Spares & Accessories	14,434,706	41,586,135
	Store Consumed	4,181,765	17,200,278
	Repair & Maintenance	1,001,818	891,510

		Amount in BDT	
		01 July 2023 to 30 June 2024	01 July 2022 to 30 June 2023
	Other Overhead	1,111,963	1,004,286
	Electricity, Gas & WASA	7,164,244	7,596,340
	Depreciation	17,376,851	17,630,388
	Conveyance	1,083,739	969,871
	Printing	206,340	185,891
	Office Stationery	751,525	566,056
	Medical Expenses	536,922	1,130,294
	Repair & Maintenance (Factory Building)	1,108,604	993,906
		377,867,328	377,771,271
28	General & administrative expenses		
	Salaries & Allowances	63,386,456	60,883,615
	Entertainment	531,461	480,880
	Insurance Premium	1,763,313	1,895,174
	Legal & Professional Fees	440,000	317,650
	Printing	458,511	409,122
	Office Stationery	453,338	388,708
	Newspaper & Magazine	23,186	17,904
	Postage, Telegram, Telephone, Telex	134,817	122,576
	Renewals, Rates & Taxes	6,434,691	3,803,925
	Conveyance	1,674,330	1,497,618
	Vehicle Running Expenses (Fuel)	2,743,511	2,440,706
	Repair & Maintenance (Vehicles)	1,531,282	1,392,743
	Audit fee	625,000	625,000
	Depreciation	2,359,819	2,394,250
	Drinking Water	413,853	379,953
	IT & Software Maintenance	1,670,000	1,737,992
	Repair & Maintenance -Gen	390,764	322,783
	Land Revenue	-	1,048,845
	Total	85,034,332	80,159,444
29	Selling & distribution expense		
	Salaries & Allowances	414,510,440	364,652,367
	Entertainment	1,173,420	1,045,887
	Carriage Outward	32,238,252	28,952,869
	Publicity & Advertisement	235,453,976	172,226,492
	Printing	380,864	339,600
	Office Stationery	467,672	391,602
	Conveyance	1,262,265	1,128,618
	Electricity	109,200	96,804
	Telephone	16,947	1,849
	Postage & Telegram	55,266	63,092
	Rates and tax	1,131,874	1,073,579
	Insurance Premium	49,476	47,100
	DD Commission	1,358,516	1,325,622
	Newspaper & Magazine	21,330	18,476
	Repair & Maintenance (Vehicles)	2,813,492	2,550,583
	Vehicle Running Expenses (Fuel)	6,686,010	5,789,257
	Loading & Unloading	533,559	473,460
	Depreciation	1,716,232	1,741,273
	Depreciation for Lease Rent	2,889,955	2,732,409
	Drinking water	413,847	379,947
	Total	703,282,593	585,030,886

		Amount in BDT	
		01 July 2023 to 30 June 2024	01 July 2022 to 30 June 2023
30 Financial expenses			
Interest on Bank Loan		25,743,034	39,937,286
Bank Charges & Commission		925,163	974,130
Finance Cost against Lease Rent		532,794	778,084
Total		27,200,991	41,689,500
31 Other income			
Interest		6,678,266	5,995,232
Gain/(Loss) on Sale of fixed assets		505,999	107,011
Gain/(Loss) on Sale of Marketable Securities		360,751	49,560,830
Others		688,140	306,594
Dividend Income		12,884,426	14,419,413
Total		21,117,583	70,389,079
32 Income tax expense			
Current tax expense	32.1	160,859,553	114,820,731
Prior year tax adjustment		37,000,000	36,932,301
Deferred tax (income)/expense		(2,329,773)	(3,520,780)
		195,529,781	148,232,252
Effective tax rate calculation			
32.1 Current tax expense			
Profit before tax		705,061,358	525,496,567
Add: accounting depreciation		21,452,902	21,765,911
Less: Tax depreciation		9,254,358	9,280,218
Less: Gratuity paid		696,534	583,674
Taxable income		716,563,368	537,398,586
Taxable income excluding dividend income		158,246,593	106,980,766
Dividend income on Marketable Securities		36,075	4,956,083
Dividend income BDT. 12884426.05 @ 20%		2,576,885	2,883,882
Income tax payable		160,859,553	114,820,731
33 Earning per share (Restated)			
Net profit after tax		509,531,577	377,264,315
No of shares outstanding		33,700,739	33,700,739
EPS for the period		15.12	11.19
Due to increase in sales revenue during the year EPS has increased by 3.93 per share.			
34 Net asset value per share (Restated)			
Total asset		2,961,789,150	3,418,868,778
Total liabilities		927,921,309	1,597,181,953
Net assets		2,033,867,841	1,821,686,825
No of shares outstanding		33,700,738	33,700,738
Net asset value per share		60.35	54.05
Due to the increase in net profit during the year, NAV has increased by 6.30 taka per share			
35 Net operating cash flow per share (Restated)			
Net Cash outflow by Operating Activities		966,153,502	(931,518,375)
No of shares outstanding		33,700,738	33,700,738
		28.67	(27.64)

Operating cash flows per share the reporting year is Tk. 28.67 where Tk. (27.64) was in previous year. This variation has occurred due to decrease of Inventory and increase of trade and other payable into comparison with previous year.

		Amount in BDT	
		01 July 2023 to 30 June 2024	01 July 2022 to 30 June 2023
36	Reconciliation of operating cash flows with profit before tax		Restated*
	Profit before tax	705,061,360	525,496,567
	Depreciation	21,452,902	21,765,911
	Finance cost	27,200,991	41,689,500
	Other income	(21,117,583)	(70,389,079)
	Depreciation for lease rent	2,889,955	2,732,409
	Operating Income	735,487,625	521,295,308
	(Increase)/Decrease in accounts and other receivables	(3,764,138)	(9,131,707)
	(Increase)/Decrease in inventories	392,762,534	(428,520,335)
	(Increase)/Decrease in advance deposit and prepayment	48,827,319	(77,514,895)
	Increase/(Decrease) in trade and other payable	(92,338,283)	(805,819,022)
	Increase/(Decrease) in employee benefits	14,527,868	5,549,068
	Increase/(Decrease) in provision for Gratuity	9,454,453	1,570,635
	Lease Adjustment	(2,712,006)	(2,433,716)
	Tax paid	(136,780,005)	(136,820,305)
		229,977,741	(1,453,120,276)
	Adjustment		
	Other income	688,140	306,594
		688,140	306,594
	Net Cash Provided by Operating Activities	966,153,506	(931,518,375)

37 Restatement

In the financial year June 30, 2023, the company availed a loan from a related party of Tk. 20 crore, which was correctly classified under the appropriate accounting head in the financial statements (2023) and correctly disclosed in the related party transactions in the note no. 38.2. However, in the statement of cash flows, this loan was inadvertently classified under operating activities. In accordance with IAS 7, "Statement of Cash Flows," such transactions should be classified under financing activities. As a result of such inadvertent error, the operating cash flow is overstated and financing activity in the statement of cash flows for the year 2023 is understated by Tk. 20 crore.

In the current financial year, this misclassification has been corrected, and the statement of cash flows for the year ended June 30, 2023, has been restated to reflect the loan under financing activities. This adjustment ensures proper compliance with the standard and more accurately reflects the cash flows from financing activities.

This restatement has reduced the operating cash flow and increased the financing cash flows by tk 20 crore, but there has no impact in the total cash flows for the year ended June 30, 2023.

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 2024.

Capital expenditure commitment

There is no Capital expenditure commitment for machineries and raw material at 30 June 2024.

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 2024 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	9,351,710	6,512,768	1,562,507	14,301,970
Orion Infusion Ltd.	Common Director/ Shareholder	Sales of product	2,038,770	172,040	1,794,316	416,494
Reedisha Printing and Packaging Limited	Common Director/ Shareholder	Purchase of product	41,333,032	115,387,863	131,521,309	25,199,586
Reedisha Spinning Limited	Common Director/ Shareholder	Loan	200,000,000		200,000,000	-
Becon Pharmaceical Ltd.	Common Director/ Shareholder	Sales of product	3,259,726	5,895,564	6,640,112	2,515,178
Total			255,983,238	127,968,235	341,518,244	42,433,228

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

38.3 Transaction with key management personals

No.	Particulars	30 June 2024	30 June 2023
(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	-	-

38.4 KEY MANAGEMENT PERSONNEL**a) Short-term employee benefits: Company**

Particulars	Jul'23 to June 24		Jul'22 to June 23	
	Directors	Executives	Directors	Executives
Salary	-	3,842,138	-	3,142,064
i) Basic	-	2,333,580	-	2,029,200
ii) House Rent	-	910,056	-	757,866
iii) Conveyance	-	84,438	-	54,000
iv) Medical Allowance	-	192,774	-	131,898
v) Bonus	-	321,290	-	169,100
Number of Person:	8	7	8	7

b) Post-employment benefits: Company provide**c) Other long-term benefits: Company provide****d) Share-based payment: Company does not****38.5 Statutory audit fees**

Statutory audit fees for the year 2023 - 2024 is BDT 625,000 Other than the statutory audit no other services was received from the statutory auditor.

38.6 Capacity utilization

Year	Capacity in KG Per Year	Utilization in KG average Per year	%
2023-2024	50,000,000	35,306,391	70.61%
2022-2023	50,000,000	35,090,930	70.18%

38.7 Employee details

At the end of the year, there were 2,854 employees in the company at a remuneration of BDT 3,000 per month and above.

38.8 Rounding off

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

38.9 Event after reporting period

The Board of Director of the Company had approved the financial statements as on 5th November, 2024 and recommended 50% cash & 10% stock dividend for the year ended 30 June 2024.

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 Property, plant and equipment
As at June 30, 2024

Annexure-A

	TANGIBLE ASSETS	COST				DEPRECIATION				Written Down Value	
		Opening Balance 01.07.2023	Addition During the year	Adjustment During the Year	Total Asset on 30.6.2024	Deprecia- tion Rate	Opening Balance 01.07.2023	Charged During the year	Adjustment During the Year	Accumulated Depreciation 30.6.2024	30.6.2024
1	LAND & LAND DEVELOPMENT	112,649,713	-	-	112,649,713	-	-	-	-	-	112,649,713
2	BUILDING	83,456,870	-	-	83,456,870	2.5%-10%	64,537,470	1,006,123.52	-	65,543,594	17,813,276
3	PLANT & MACHINERY	547,015,039	1,100,000	-	548,115,039	10%	421,074,162	12,623,204.63	-	433,697,367	114,417,673
4	VEHICLES	90,074,765	9,773,117	1,851,500	97,996,382	20%-25%	65,601,825	6,712,368.65	1,843,999	70,470,195	27,526,187
5	FURNITURE & FIXTURES	5,999,855	-	-	5,999,855	10%	5,753,743	24,611.18	-	5,778,355	221,501
6	OFFICE EQUIPMENT	11,620,130	-	-	11,620,130	10%-25%	10,700,481	175,829.40	-	10,876,311	743,819
7	OTHER ASSETS	20,014,180	-	-	20,014,180	20%	10,906,531	910,764.92	-	11,817,296	8,196,884
	Total June 30, 2024	870,830,552	10,873,117	1,851,500	879,852,169		578,574,214	21,452,902	1,843,999	598,183,117	281,869,052
	Total June 30, 2023	854,704,025	17,731,527	1,605,000	870,830,552		556,808,303	21,765,911	-	578,574,214	292,256,338

DISTRIBUTION OF DEPRECIATION:

FACTORY OVERHEAD	17,376,851	81.00%
ADMIN. OVERHEAD	2,359,819	11.00%
SELLING OVERHEAD	1,716,232	8.00%
TOTAL	21,452,902	100.00%

KOHINOOR CHEMICAL COMPANY (BANGLADESH) LIMITED

Schedule of FDR
for the year ended at 30 June 2024

Annexure B

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 2023-2024
01	1048000691826	The National Bank Ltd.	Kawran Bazar	14-Aug-05	14-Aug-24	19,985,000	6.50%	1,047,814	-	-
01	1048000691821	The National Bank Ltd.	Kawran Bazar	11-Dec-05	11-Dec-24	3,990,938	8.35%	220,499	190,480	4,211,437
02	1048000691822	The National Bank Ltd.	Kawran Bazar	4-Feb-06	4-Feb-25	2,835,725	8.35%	161,452	104,277	2,997,177
03	400153300001650	Shahjalal Bank Ltd.	Main Branch	5-Aug-03	5-Aug-24	4,320,938	5.00%	152,554	205,035	4,473,492
04	400154000000094	Shahjalal Bank Ltd.	Main Branch	1-Jan-20	23-Jun-25	8,766,629	5.00%	386,495	52,122	9,153,123
05	2118417032770	Prime Bank	Gulshan Br.	26-Dec-23	25-Dec-24	-	9.00%	-	2,250,000	50,000,000
06	0249744/24103	Agrani Bank Ltd.	Telgaon	11-Sep-05	11-Sep-24	50,000	-	-	-	50,000
Total						39,949,230		920,999	2,801,914	70,885,229

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 37th Annual General Meeting of the company to be held on Tuesday, the December 17, 2024 at 03:00 pm through digital platform and at any adjournment thereof.

As witness my/our hand this _____ day of _____ 2024 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 37th Annual General Meeting of the Company to be held on Tuesday, the December 17, 2024 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

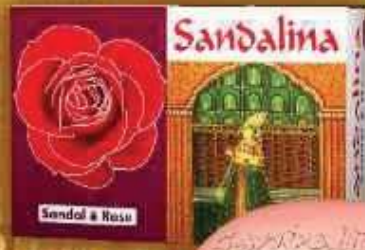
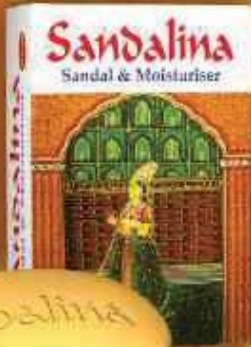
Signature of the Shareholder(s)

N.B.

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.

স্বর্ণের ছোয়ায়, তোমার উপমায়,
বদলে দিলে যে আমায়...

অ্যান্ডালিনা সোপ



রূপচর্চায় আন্ডালিনা...



KOHINOOR CHEMICAL COMPANY (BANGLADESH) LIMITED

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