

AUDITORS' REPORTS
ON
FINANCIAL STATEMENTS

OF

National Polymer Industries Limited

FOR THE YEAR ENDED JUNE 30, 2022

সিরাজ খান বসাক এন্ড কোং

SHIRAZ KHAN BASAK & CO.
CHARTERED ACCOUNTANTS

R K TOWER (LEVEL-10 & 6)

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Independent Auditor's Report to the Shareholders' of National Polymer Industries Limited Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of **National Polymer Industries Limited** (the "Company"), which comprise the Statement of Financial Position as at 30 June 2022, and along with the Statement of Profit or Loss and Other Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year then ended, notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements is present fairly, in all material respects, the financial position of the company as at 30 June 2022, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the company in accordance with the International Ethics Standards Board for Accountants Code of Ethics for Professional Accountants (IESBA Code), Bangladesh Securities and Exchange Commission (BSEC) and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code and the Institute of Chartered Accountants of Bangladesh (ICAB) Bye-Laws. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated and separate financial statements of the current period. These matters were addressed in the context of our audit of the consolidated and separate financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Revenue Recognition

Risks	Our Response to the Risks
<p>At year end the company reported total revenue of BDT 5,065,419,290.</p> <p>Revenue is generated from both local and export sales. In which, VAT is applicable only on local sales. Therefore, calculation of VAT return is required for identifying local sales.</p> <p>Sales recognized based on export sales made during the year is material and considered to be complex and judgmental. Therefore, there is a risk of revenue being misstated as a result of faulty estimations over discounts, incentives and rebates.</p> <p>There is also a risk that revenue may be overstated due to fraud through manipulation of the discounts, incentives and rebates recognized resulting from the pressure local management may feel to achieve performance targets.</p> <p><i>[See note 28.00 to the financial statements]</i></p>	<p>We have tested the design and operating effectiveness of key controls focusing on the following:</p> <ul style="list-style-type: none">• Calculation of discounts, incentives and rebates;• Segregation of duties in invoice creation and modification; and• Timing of revenue recognition. <p>Our substantive procedures in relation to the revenue recognition comprises the following:</p> <ul style="list-style-type: none">• Obtaining supporting documentation for sales transactions recorded either side of year end as well as credit notes issued after the year end date to determine whether revenue was recognized in the correct period;• Within a number of the company's markets, comparing current year rebate accruals to the prior year and, where relevant, completing further inquiries and testing.• Agreeing a sample of claims and rebate accruals to supporting documentation;• Critically assessing manual journals posted to revenue to identify unusual or irregular items; and• Finally assessed the appropriateness and presentation of disclosures against relevant accounting standards.



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Existence and Valuation of Inventories	
Risks	Our Response to the Risks
<p>The company had inventories of BDT 1,322,302,337 at 30 June 2022, held in warehouses.</p> <p>Inventory value is measured at the lower of cost and net realizable value. As a result, the Directors apply judgment in determining the appropriate values for value in use and working progress.</p> <p>The provision of Work in Progress is calculated within the company's accounting systems using an automated process. Where local systems require manual interfaces and inputs, there is a risk that inappropriate management override and/or error may occur.</p> <p><i>[See note 7.00 to the financial statements]</i></p>	<p>We challenged the appropriateness of management's assumptions applied in calculating the value of the inventory provisions by:</p> <ul style="list-style-type: none"> • evaluating the design and implementation of key inventory controls operating across the company, including those at a sample of distribution centers, warehouses and branches; • comparing the net realizable value, obtained through a detailed review of sales subsequent to the year end, to the cost price of a sample of inventories and comparison to the associated provision to assess whether inventory provisions are complete; and • challenging the completeness of inventory provisions through assessing actual and forecast sales of inventory lines to assess whether provisions for slow-moving/obsolete stock are valid and complete.
Recognition of and Measurement of Property, Plant and Equipment	
Risks	Our Response to the Risks
<p>The carrying value of the PPE is Tk. 2,596,601,177 as at 30 June, 2022. The valuation of PPE excluding land and land development are measured at cost less accumulated depreciation. Land and Land Development are revalued on 4th May 2015 amounting to Tk. 597,312,000.</p> <p>The useful lives of PPE items are based on management's estimates regarding the period over which an asset is expected to be available for use. The estimates of useful life of the assets is a matter of judgment based on the experience of the entity with similar assets and also take into consideration the physical condition of the assets.</p> <p><i>[See note 4.00 to the financial statements]</i></p>	<p>In order to obtain the completeness and accuracy of the measurement of Property, Plant & Equipment, we have tested the following key control activities:</p> <ul style="list-style-type: none"> • Attends the physical verification of fixed assets. • Checking the fixed assets register for property, plant and equipment. • Assessed the legal right and obligations of property, plant and equipment. • Assessed the control activities of Property, Plant and Equipment. • Assessed whether the accounting policies in relation to the capitalization of expenditures are in compliance with IFRS and found them to be consistent. <p>Our substantive procedure in relating to the property, plant and equipment recognition and measurements are following:</p> <ul style="list-style-type: none"> • Checked the purchase and adjustments with the relevant bills and vouchers. • Verified the hard copy of fixed assets register. • Verified the calculation process of depreciation. • Checked the appropriateness of presentation and disclosure.
Long Term Loan	
Risks	Our Response to the Risks
<p>As at June 30, 2022, the reported amount of total Long Term loan is Tk. 239,516,402 (Current and Non-current portion). The</p>	<p>In order to obtain the accuracy, completeness and correctness of measurement of Long Term Loan, we have followed the following key and control activities:</p>



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<p>company borrowed fund from various banks for the purpose of acquisition of non-current assets and working capital as well.</p> <p><i>[See note 17.00 to the financial statements]</i></p>	<ul style="list-style-type: none"> Attend the actual position of loan. Checking the bank statements. Checking the loan agreement. <p>Our substantive procedure in relating to the Loan Term Loan recognition and measurement are following:</p> <ul style="list-style-type: none"> Checked the bank statement also with the opening balance. Checked the recoding of the transaction. Verified the sanction letter, loan schedule bank statements to confirm the loan outstanding and found the balance shown in the financial statements accurately. <p>Checked the financial expenses and classification of loan and repayments schedule as well.</p>
Trade & Other Receivable	
Risks	Our Response to the Risks
<p>The total amounts of Trade & Other Receivable are Tk. 1,341,945,269 from local customers in different business segments and jurisdiction is subject to their independent business risk.</p> <p><i>[See note 3.11i(a) and 8.00 to the financial statements]</i></p>	<p>In order to obtain the accuracy, completeness and correctness of accounts receivable, we have followed the following key and control activities:</p> <ul style="list-style-type: none"> Attend the actual position of accounts receivable. Checking the ledger with schedule. <p>Our substantive procedure in relating to the accounts receivable recognition and measurement are following:</p> <ul style="list-style-type: none"> Checked the opening balance with the ledger. Confirmation letters issued to a few numbers of customers for confirming the balance. Confirmation letter have been received from some of that customer.
Employees Salary and Wages	
Risks	Our Response to the Risks
<p>Salary and Wages are measured on accrual basis and its allocation in accordance with cost center. Salary and wages are measured when it is paid and payable.</p> <p><i>[See note 3.29, 30.00 & 31.00 to the financial statements]</i></p>	<p>In order to obtain the accuracy, completeness and correctness of recording of employee's salary and wages, we have followed the following key and control activities:</p> <ul style="list-style-type: none"> Assessed the provision of salary and wages. Checking the approval by authorized person. Assessed properly transfer with bank or cash compare to salary statement. Assessed the allocation of salary and wages to the cost center appropriately or not. <p>Our substantive procedure in relating to the Salary and wages are following:</p> <ul style="list-style-type: none"> Verified the provision and payment of total salary and wages. Checked the salary and wages calculation with appropriate scale. Tested the salary and wages statement and vouchers properly or advance payment of salary, if any. Verified the deduction against salary, like tax etc.



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Reporting on other Information

Management is responsible for the other information. The other information comprises all of the information in the Annual Report other than the financial statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this auditor's report.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

Responsibilities of Management and Those Charged with Governance for the Financial Statements and Internal Controls

Management is responsible for the preparation and fair presentation of the financial statements of the company in accordance with IFRSs as explained in note 1 to 3 and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or



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conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.


- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our audit opinion.

Report on other Legal and Regulatory Requirements

In accordance with the Companies Act, 1994, the Securities and Exchange Rules 1987 and other applicable laws and regulations, we also report that:

- (i) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;
- (ii) in our opinion, proper books of account as required by law have been kept by the company so far as it appeared from our examination of those books;
- (iii) the company's statement of financial position and statement of profit or loss and other comprehensive income together with the annexed notes dealt with by the report are in agreement with the books of account and returns; and
- (iv) The expenditure incurred, except as noted above, were to the purpose of company business.

Dhaka: October 26, 2022


Md. Shirazul Islam Khan, FCA
Partner, Shiraz Khan Basak & Co
Chartered Accountants
ICAB Enrolment No. 461
DVC: 2210260461AS943007


National Polymer Industries Limited
Statement of Financial Position
As at 30 June 2022


Particulars	Notes	Amount in Taka	
		30 June 2022	30 June 2021
ASSETS			
Non-Current Assets			
Property, Plant & Equipment	4	2,596,601,177	1,623,629,173
Investment	5	39,904,030	376,514,587
Capital Work in Progress (CWIP)	6	104,992,313	239,197,593
Total Non-Current Assets		2,741,497,520	2,239,341,353
Current Assets			
Inventories	7	1,322,302,337	1,300,832,835
Trade & Other Receivables	8	1,341,945,269	1,168,475,262
Accrued Interest Receivable on FDR	9	1,069,617	2,408,179
Advance, Deposits & Pre-payments	10	280,096,426	226,186,180
Advance Income Tax	11	389,567,842	409,102,776
Cash & Cash Equivalents	12	360,104,084	693,459,809
Total Current Assets		3,695,085,575	3,800,465,041
TOTAL ASSETS		6,436,583,095	6,039,806,394
EQUITY & LIABILITIES			
Shareholders Equity & Reserves			
Share Capital	13	729,836,680	729,836,680
Share Premium	14	316,459,170	316,459,170
Revaluation Reserve	15	496,260,922	496,260,922
Retained Earnings	16	546,280,722	425,835,699
Total Shareholders Equity & Reserves		2,088,837,494	1,968,392,471
Non-Current Liabilities			
Long Term Loan - (Non-Current Maturity)	17	104,952,327	219,900,986
Deferred Tax Liability	18	79,485,014	79,485,014
Inter-Company Loan (Non-Current Maturity)	19	1,076,666,662	1,235,000,000
Total Non-Current Liabilities		1,261,104,003	1,534,386,000
Current Liabilities			
Short Term Loan	20	2,342,598,960	1,512,960,991
Long Term Loan (Current Maturity)	17	134,564,075	191,597,942
Bank Overdraft	21	167,074,377	276,651,509
Accounts Payable	22	40,505,247	34,726,580
Unclaimed Dividend Account	23	8,970,183	5,287,959
Inter-Company Loan (Current Maturity)	24	253,333,336	380,000,000
Provision for Expenses	25	20,050,709	21,009,359
WPPF & Welfare Fund	26	13,320,315	11,765,140
Provision for Taxation	27	106,224,396	103,028,442
Total Current Liabilities		3,086,641,598	2,537,027,922
TOTAL EQUITY & LIABILITIES		6,436,583,095	6,039,806,394
Net Asset Value (NAV) Per Share	40	28.62	30.49

The annexed notes form an integral part of these Financial Statements


Chairman


Managing Director


Company Secretary


Md. Shirazul Islam Khan, FCA
Partner, Shiraz Khhan Basak & Co.
Chartered Accountants
ICAB Enrolment No. 461
DVC: 2210260461AS943007

Dhaka: 26 October 2022



National Polymer Industries Limited
Statement of Profit or Loss and Others Comprehensive Income
For the Year ended 30 June 2022

Particulars	Note	Amount in Taka	
		30 June 2022	30 June 2021
Revenue	28	5,065,419,290	4,487,233,362
Cost of Goods Sold	29	(4,187,329,642)	(3,764,486,550)
Gross Profit		<u>878,089,648</u>	<u>722,746,812</u>
Administrative, Selling and Distribution Expenses:			
Administrative Expenses	31	(176,824,948)	(156,028,946)
Selling and Distribution Expenses	32	(119,436,805)	(79,216,737)
Profit from Operations		<u>581,827,895</u>	<u>487,501,129</u>
Other Income	33	4,629,220	25,733,128
Foreign Exchange Gain/(Loss)	34	(3,894,750)	(3,518,595)
Finance Expense	35	(302,835,740)	(262,647,705)
Profit before WPPF and Taxation		<u>279,726,625</u>	<u>247,067,957</u>
WPPF and Welfare Fund	36	(13,320,315)	(11,765,141)
Provision for Tax	37	(53,281,262)	(52,943,134)
Net Profit for the Period		<u>213,125,047</u>	<u>182,359,683</u>
Other Comprehensive Income/(Loss) for the Period			
Actuarial Loss on Defined Benefit Plan		-	-
Total Comprehensive Income for the Period		<u>213,125,047</u>	<u>182,359,683</u>
Basic Earnings Per Share (EPS)			
	38	2.92	2.82
Diluted Earnings Per Share (EPS) for Right Issue			
	38	2.92	1.71


The annexed notes form an integral part of these Financial Statements


Chairman


Managing Director


Company Secretary

Dhaka: 26 October 2022


Md. Shirazul Islam Khan, FCA
 Partner, Shiraz Khhan Basak & Co.
 Chartered Accountants
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National Polymer Industries Limited
Statement of Changes in Equity
For the Year ended 30 June 2022

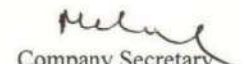
Particulars	Amount in '000 Taka				
	Share Capital	Share Premium	Revaluation Reserve	Retained Earnings	Total
Balance as at 01 July 2021	729,836,680	316,459,170	496,260,922	425,835,699	1,968,392,471
Cash Dividend Paid (FY 2020-2021)	-	-	-	(72,983,668)	(72,983,668)
Tax Adjustment against assessment (2019-2020 FY)	-	-	-	(19,696,357)	(19,696,357)
Profit Earned during the year	-	-	-	213,125,047	213,125,047
Balance as at 30 June 2022	729,836,680	316,459,170	496,260,922	546,280,722	2,088,837,494

Statement of Changes in Equity
For the year ended 30 June 2021

Particulars	Amount in Taka				
	Share Capital	Share Premium	Revaluation Reserve	Retained Earnings	Total
Balance as at 01 July 2020	364,918,340	134,000,000	496,260,922	313,904,444	1,309,083,706
Tax Adjustment against assessment (2018-2019 FY)	-	-	-	(15,690,676)	(15,690,676)
Cash Dividend Paid (2019-2020 FY)	-	-	-	(54,737,751)	(54,737,751)
Issue of Share Capital	364,918,340	182,459,170	-	-	547,377,510
Profit Earned during the year	-	-	-	182,359,683	182,359,683
Balance as at 30 June 2021	729,836,680	316,459,170	496,260,922	425,835,699	1,968,392,471


Chairman


Managing Director


Company Secretary

Dhaka: 26 October 2022



National Polymer Industries Limited
Statement of Cash Flows
For the year ended 30 June 2022

Particulars	Notes	Amount in Taka	
		30 June 2022	30 June 2021
Cash Flows from Operating Activities			
Collection from Sales and Others		4,891,949,283	4,073,573,035
Payment to Suppliers, Employees and Others		(4,169,084,332)	(3,979,917,138)
		722,864,951	93,655,897
Income Tax Paid	11	(185,514,250)	(197,920,739)
Foreign Exchange Gain/(Loss)		(3,894,750)	(3,518,595)
Financial Expenses		(182,551,348)	(171,780,000)
Net Cash Flows from Operating Activities		350,904,602	(279,563,437)
Cash Flows from Investing Activities			
Payment for acquisition of Property, Plant & Equipment	4.01	(1,030,234,501)	(244,022,761)
Investment/ Encashment in FDR		336,610,558	(125,601,051)
Capital Work in Progress (CWIP)	6	(60,446,633)	(185,940,000)
Net Cash used in Investing Activities		(754,070,576)	(555,563,812)
Cash Flows from Financing Activities			
Proceeds from Long Term Loan		-	1,091,806,206
Payment of Long Term Loan		(171,982,526)	(1,532,198,577)
Proceeds from Right Issue		-	547,377,510
Short Term Loan- Increase/(Decrease)		720,060,836	(257,530,451)
Cash Dividend Paid (2020-2021 FY)		(72,983,668)	-
Cash Dividend Paid (2019-2020 FY)		-	(54,737,751)
Inter Company loan		(285,000,002)	1,563,099,687
Interest Paid on Long Term Loan		(120,284,392)	(90,867,705)
Net Cash Flows/ (used) from Financing Activities		69,810,249	1,266,948,919
Net Increase/(Decrease) in Cash during the year		(333,355,725)	431,821,670
Opening Cash & Cash Equivalents		693,459,809	261,638,140
Closing Cash & Cash Equivalents	12	360,104,083	693,459,810
Net Operating Cash Flow per Share	41	4.81	(4.33)

The annexed notes form an integral part of these Financial Statements


Chairman


Managing Director


Company Secretary

Dhaka: 26 October 2022



National Polymer Industries Limited
Notes to the Financial Statements
As at and for the year ended 30 June 2022

1.00 Reporting Entity

1.1 Profile of the Company

1.1.1 Legal Status of the Company

National Polymer Industries Limited (the “Company”) was incorporated under the Companies Act 1994 as a Public Limited Company by shares on June 26, 1987 and its shares are listed in the Stock Exchange (both in Dhaka and Chittagong Stock Exchange Ltd.) in Bangladesh during the year 1991 and 1995 respectively.

1.1.2 Address of Registered Office and Principal Place of Business

The Company’s registered office is located at Squib Road, Nishatnagar, Tongi, Gazipur.

1.1.3 Nature of Business

The company owns and operates PVC Pipes, PVC Doors and Bottle grade PVC Compound Manufacturing Plant, produces and markets the same in the local and foreign markets.

1.1.4 Number of Employees

The number of employees at year-end were 1045 and Board of Directors 06.

2.00 Structure, Content and Presentation of Financial Statements

Being the general purpose Financial Statements, the presentation of these Financial Statements is in accordance with the guidelines provided by IASs 1: “Presentation of Financial Statements”. A complete set of Financial Statements comprise:

- (i) Statement of Financial Position as at June 30, 2022;
- (ii) Statement of Profit or Loss and Others Comprehensive Income for the year ended June 30, 2022;
- (iii) Statement of Changes in Equity for the year ended June 30, 2022;
- (iv) Statement of Cash Flows for the year ended June 30, 2022; and
- (v) Notes to the Financial Statements for the year ended June 30, 2022.

3.00 Significant Accounting Policies

3.01 Basis of Measurement of Elements of Financial Statements

The Financial Statements have been prepared in the historical cost basis, and therefore, do not taken into consideration the effect of inflation. The accounting policies, unless otherwise stated, have been consistently applied by the Company and are consistent with those of previous years.

3.02 Reporting Period

The Financial Statements covers the period from 1 July 2021 to 30 June 2022.

3.03 Statement on Compliance with Local Laws

The Financial Statements have been prepared in compliance with disclosure and presentational requirements:

- The Securities & Exchange Rules, 1987;
- International Accounting Standards (IASs) or International Financial Reporting Standards (IFRSs) as applicable in Bangladesh;
- Financial Reporting Act, 2015;
- The Listing Rules of Dhaka Stock Exchanges Ltd.;
- The Listing Rules of Chittagong Stock Exchanges Ltd.;
- The Companies Act 1994;
- Income Tax Ordinance 1984 and Rules;
- VAT Act 2012;
- VAT Rules 2012;
- Other relevant local laws and rules.



3.04 Going Concern

As per IASs-1, a company is required to assess at the end of each year to make assessment of its capability to continue as going concern. Management of the company makes such assessment each year. The company has adequate resources to continue its' operation for the foreseeable future and has wide coverage of its liabilities. For this reason, the directors continue to adopt going concern assumption while preparing the Financial Statements.

3.05 Accrual Basis

The Financial Statements have been prepared, except for Cash Flow Statements, using the accrual basis of accounting.

3.06 Use of Estimates and Judgments

The preparation of Financial Statements in conformity with International Accounting Standards (IASs) or International Financial Reporting Standards (IFRSs) requires the management to make estimates and assumptions that affect the amounts of assets, liabilities, revenue, costs, expenses and other comprehensive income/(loss) that are reported in the Financial Statements and accompanying disclosures.

These estimates are based on management's best knowledge of current events, historical experience, actions that the company may undertake in future and on various other assumptions that are believed to be reasonable under circumstances.

3.07 Property, Plant & Equipment (PPE)

Property, Plant & Equipment are recognized if it is probable that future economic benefits associated with the assets will flow to the company and the cost of the assets can be reliably measured. The cost of acquisition of an asset comprises its purchase price and any directly attributable cost of bringing the assets to its working condition for its intended use inclusive of inward freight, duties, non-refundable taxes and un-allocated expenditures etc.

Subsequent Costs

The cost of replacing part of an item of Property, Plant and Equipment's is recognized in the carrying amount of an item if it is probable that the future economic benefits embodied within the part will flow to the company and its cost can be measured reliably. The costs of the day-to-day servicing of Property, Plant and Equipment are recognized in the Statement of Comprehensive Income as incurred.

Depreciation

Depreciation is provided on the cost of the assets after commissioning, over the period of their expected useful lives, in accordance with the provisions of IASs 16: Property, Plant and Equipment Depreciation is charged on addition during the period when it is available for use. Depreciation is charged on all fixed assets except land and land development on reducing balance method at the following rates:

<u>Particular of Assets</u>	<u>Rate of Depreciation</u>
Factory Building, Factory Laboratory	10%
Office, Administrative & Godown Shed	10%
Factory Boundary Wall	10%
Plant and Machinery & Local Machinery	20%
Furniture and Fixtures	10%
Office Equipment	10%
Vehicles	20%
Titas Gas Installation	10%
Gas Generator & Diesel Generator	20%
Machine Shed & Steel Rack	10%

Retirements and Disposals

When fixed assets are sold, the cost and accumulated depreciation are eliminated and revenue gain or loss (if any) is reflected in the Statement of Comprehensive Income that is determined on the basis of net book value of the assets and net sales proceeds or realized amount.



3.08 Accrual basis of Capital Work in Progress

Capital work in progress consists of acquisition costs of plant and machinery, capital components and related installation cost until the date placed in service. In case of import of components, capital work in progress is recognized when risks and rewards associated with such assets are transferred to the company, that is, at the time of shipment is confirmed by the supplier.

3.09 Application of Standards

Status of application of IASs and IFRSs is presented below of the company for the period under audit:

Name of the Accounting Standards	Ref.	Status
First-time adoption of International Financial Reporting Standards	IFRSs-1	Not applicable
Share Based Payment	IFRSs-2	Not applicable
Business Combinations	IFRSs-3	Not applicable
Non-current Assets Held for Sale and Discontinued Operations	IFRSs-5	Not applicable
Exploration for and Evaluation of Mineral Resources	IFRSs-6	Not applicable
Financial Instruments: Disclosures	IFRSs-7	Applied
Operating Segments	IFRSs-8	Not applicable
Financial Instruments	IFRSs-9	Applied
Consolidated Financial Statements	IFRSs-10	Not applicable
Joint Arrangements	IFRSs-11	Not applicable
Disclosure of Interest in other Entities	IFRSs-12	Not applicable
Fair Value Measurement	IFRSs-13	Not applicable
Regulatory Deferral Accounts	IFRSs-14	Not applicable
Revenue from Contracts with Customers	IFRSs-15	Applied
Leases	IFRSs-16	Not applicable
Insurance Contracts	IFRSs-17	Not applicable
Presentation of Financial Statements	IASs-1	Applied
Inventories	IASs-2	Applied
Statement of Cash Flows	IASs-7	Applied
Accounting Policies, Changes in Accounting Estimates and Errors	IASs-8	Applied
Events after the Reporting Period	IASs-10	Applied
Income Taxes	IASs-12	Applied
Property, Plant and Equipment	IASs-16	Applied
Employee Benefits	IASs-19	Applied
Accounting for Government Grants and Disclosure of Government Assistance	IASs-20	Not applicable
The Effects of Changes in Foreign Exchange Rates	IASs-21	Applied
Borrowing Costs	IASs-23	Applied
Related Party Disclosures	IASs-24	Applied
Investments in Associates	IASs-28	Not applicable
Earnings per Share	IASs-33	Applied
Interim Financial Reporting	IASs-34	Applied
Intangible Assets	IASs-38	Not Applicable
Financial instruments: Recognition and Measurement	IASs-39	Applied
Investment Property	IASs-40	Not applicable
Agriculture	IASs-41	Not applicable

3.10 Inventory

Inventories are measured at lower of cost and net realizable value in accordance with IASs-2 (Inventories). The cost of inventories includes expenditure incurred for acquiring the inventories, production or conversion costs and other costs in bringing them to their existing location and condition. In the case of manufactured inventories and work in progress, cost includes an appropriate share of production overheads based on normal operating capacity. Raw materials in transit are valued at cost. Net realizable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and selling expenses. The weighted average cost method has been used to determine the value of inventory.



3.11 Financial Instruments

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

i) Financial Assets

Financial assets of the company include cash and cash equivalent, trade and other receivables, other long term receivables and deposits. The company initially recognizes the financial assets when and only when the company becomes a party to the contractual provisions of the transaction. All other financial assets are recognized initially on the date at which the company becomes a party to the contractual provisions of the transactions. The company derecognizes the financial asset when and only when the contractual rights or probabilities of receiving the flows from the asset expire or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial assets are transferred.

i.(a) Accounts Receivables

These are carried at original invoice amount. This considered good and collectable, and therefore, no amount was written off as bad debt and no debt was considered doubtful to provide for.

i.(b) Cash and Cash Equivalents

According to IASs 7 "Statement of Cash Flows", cash comprises cash in hand and demand deposit and, cash equivalents are short term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. IASs 1 "Presentation of Financial Statements" provides that Cash and Cash Equivalents are not restricted in use. Considering the provisions of IASs 7 and IASs 1 cash in hand and bank balances have been considered as cash and cash equivalents.

Other Current Assets

Other current assets have a value on realization in the ordinary course of business that is at least equal to the amount at which they are stated in the Statement of Financial Position.

ii) Financial Liabilities

The company initially recognizes the financial liabilities when and only when the company becomes a party to the contractual provisions of the transaction. The company derecognizes the financial liabilities when its contractual obligations are discharged or cancelled or expired. Financial liabilities include payable for expenses, liability for capital expenditures, Finance lease obligation, loans and borrowings and other current liabilities.

ii.(a) Finance Lease Obligation

Leases in terms of which the entity assumes substantially all the risks and rewards of ownership are classified as finance lease. Upon initial recognition, the leased asset is measured at an amount equal to the lower of its fair value and the present value of minimum lease payments. Subsequent to initial recognition, the asset is accounted for in accordance with the accounting policy applicable to that asset.

ii.(b) Loans and Borrowings

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

ii.(c) Accounts Payables

The company recognizes a financial liability when its contractual obligations arising from past events are certain and the settlement of which is expected to result in an outflow from the entity of resources embodying benefits.



3.12 Impairment

i. Financial Assets

Trade receivable is assessed at each reporting date to determine whether there is objective evidence that it is impaired. Trade receivable is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the assets and that the loss had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

ii. Non-Financial Assets

An asset is impaired when its carrying amount exceeds its recoverable amount. The company assesses at each reporting date whether there is any indication that an asset may be impaired. If any such indication exists, the company estimates the recoverable amount of the asset. The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use. Carrying amount of the assets is reduced to its recoverable amount by recognizing an impairment loss if the recoverable amount of the asset is less than its carrying amount. Impairment loss is recognized immediately in profit or loss unless the asset is carried at revalued amount. Any impairment loss of a revalued asset shall be treated as a revaluation decrease.

3.13 Taxation

Income tax expense comprises of current and deferred taxes. It is recognized in the Statement of Comprehensive Income and accounted for in accordance with the requirements of IASs 12: Income Taxes.

i. Current Taxation

The tax currently payable is based on the Taxable profit for the year and any adjustment to tax payable in respect of previous year. The company is a Publicly Traded Company. As per the Income Tax Ordinance, 1984 the rate of taxation applied at the rate of 20.00%.

ii. Deferred Taxation

The company does not require to compute deferred tax on PPE, because it charges depreciation as per method, conditions and rate(s) as specified in the 3rd Schedule of the Income Tax Ordinance, 1984. Depreciation has been charged on all items of Fixed Assets except for Land and Land Development on **Reducing Balance Method**. During the period, there were no temporary difference/s between Tax Base and Carrying Amount of an Asset or Liability.

3.14 Revaluation Reserve

Revaluation reserve arose from the revaluation of land and land development which were revalued on 25th June 2006 by M/S. GEOTECH Survey company (pvt) Ltd, a firm of professional valuers on the basis of market price prevailing in the country. The difference between revaluation and actual book value has been reported in accounts under the head Revaluation Reserve.

The company has revaluated (under 'Fair Value' method) its own land in the year of 2015 located at Squib Road, Tongi Industrial Area, Gazipur by independent valuer Mahfel Huq & Co. Chartered Accountants. The area of the land is 311.10 Decimals. Book value of the land was Taka 67,411,905. After valuation, this is increased to 597,312,000. Revalued amount is Taka 529,900,095.

Particulars	2014-2015
Opening Balance	45,845,841
Revaluation Reserve without Charging Capital Gain	529,900,095
Total Revaluation on Land	575,745,936
Deferred Tax Liability @15% on Tk. 529,900,095	(79,485,014)
Revaluation Reserve	496,260,922

3.15 Tax Holiday Reserve

The company enjoyed five years Tax Holiday for unit-I up to February 28, 1995 while for Unit-II for a period of five years ended on April 30, 2000, Unit III for a period of five years ended on June 30, 2003 and Unit IV for a period of five years ended on December 31, 2005. Currently not enjoying Tax Holyday Benefit.



3.16 Foreign Currency Translation

Transactions denominated in foreign currencies are translated into Bangladeshi Taka and recorded at rates of exchange ruling on the date of transaction in accordance with IASs 21 "The Effects of Changes in Foreign Exchange Rates".

3.17 Provisions, Accrued Expenses and Other Payables

Provisions and accrued expenses are recognized in the Financial Statements in line with the International Accounting Standard (IASs) 37 "Provisions, Contingent Liabilities and Contingent Assets" when

- the company has a legal or constructive obligation as a result of past event.
- it is probable that an outflow of economic benefit will be required to settle the obligation.
- a reliable estimate can be made of the amount of the obligation.

3.18 Contingent Liabilities

The Company does not have any contingent liabilities as on the reporting date.

3.19 Revenue (Turnover) From Sales

Net sale comprises the invoiced value of goods supplied by the company and consists of Sales of manufactured goods excluding Value Added Tax (VAT).

Revenue Recognition

The revenue is recognized after satisfying all the following conditions for revenue recognition as provided in IFRSs 15 "Revenue Recognition";

- a. The company has transferred to the buyer the significant risks and rewards of ownership of the goods;
- b. The Company retains neither continuing managerial involvement to the degree usually associated ownership nor effective control 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 company;
- e. The cost incurred or to be incurred in respect of the transaction can be measured reliably.

Other non-operating income has been recognized on accrual basis.

3.20 Borrowing Cost

Borrowing cost is recognized as expense in the period in which they are incurred unless capitalization of such is allowed under IASs-23 Borrowing cost.

3.21 Earnings Per Share

The Company calculates Earnings Per Shares (EPS) in accordance with IASs 32 & 33 "Diluted Earnings Per Share" & "Earnings per Shares" which has been shown on the face of Statement of Comprehensive Income and, the computation of EPS is stated in Note 38. Earning per share (EPS) has been computed by dividing the profit after tax (PAT) by the number of ordinary shares outstanding as on 30 June 2022 as per IASs-33 "Earnings per Shares".

3.22 Basic Earnings / Loss

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

3.23 Diluted Earnings Per Share

The Company issued 1:1 right share to the share holder as per approval of Bangladesh Security Exchange Commission (BSEC). Approval Consent Ref. No. BSEC/CI/RI-123/2019/293 Dated: 15 December 2020. As per IASs 32 the Company calculated Diluted Earning Per Share based on subscription dated 28.02.2021 and theoretical ex-rights fair value method.

3.24 Statement of Cash Flows

Statement of Cash Flows is prepared principally in accordance with IASs 7 "Statement of Cash Flows" and the cash flow from the operating activities have been presented under direct method as prescribed by the Securities and Exchange Rules 1987 and considering the provision of Paragraph 19 of IASs 7 which provides that "Enterprise are Encouraged to Report Cash Flow From Operating Activities Using the Direct Method".



3.25 Dividend for the 2021-2022

The Board of Directors recommended 10.50% cash dividend per share excepting the sponsor share holder Mr. Riad Mahmud (Managing Director) which will be recognized in the accounts as and when approved by the shareholders in the Annual General Meeting.

3.26 Events after the Reporting Period

Events after the reporting period that provide additional information about the company's position at the date of statement of Financial Position or those that indicate the going concern assumption is not appropriate are reflected in the financial statements. Events after reporting that are not adjusting events are disclosed in the notes when material.

3.27 Post Closing Events

After the reporting period, the Board of Directors recommended 10.50% cash dividend per share excepting the sponsor share holder Mr. Riad Mahmud (Managing Director). The proposed dividend is subject to shareholders' approval in the forthcoming Annual General Meeting.

3.28 Human Resources

Particulars	2021-22	2020-21
Officers	385	379
Staff	204	186
Skilled and unskilled workers	456	442
Total	1045	1007

3.29 Employee Benefit

i. Defined Contribution Plan

The Company maintains a recognized provident fund @ 10.50% of basic pay (equally contributed by employee and employer) for all eligible permanent employees. The said fund is managed by a board of trustees.

ii. Defined Benefit Plan

The Company maintains an unfunded gratuity scheme and deduct when retirement benefits are paid by the company. The employees are entitle to gratuity benefit after completion of minimum 5 years service in the company.

iii. Employee's Group Insurance

The company has also a group insurance scheme for its permanent employees, premium for which is being charged to Statement of Comprehensive Income annually as per the insurance policy.

3.30 Advertisement, Publicity & Promotional Expenses

All costs associated with advertising and promoting products are expensed in the year it incurred.

3.31 Additional Information on Financial Statements

i. Responsibilities for Preparation and Presentation of Financial Statements

The Board of Directors is responsible for the preparation and presentation of Financial Statements under section 183 of the Companies Act 1994 and as per the provision of "The Framework for the Preparation and Presentation of Financial Statements" issued by the International Accounting Standards Committee (IASC).

ii. Risk and Uncertainties for use of Estimates in Preparation of Financial Statements:

The preparation of financial statements is in conformity with the International Accounting Standards (IASs) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and revenues and expenses during the period reported. Actual result could differ from those estimates. Estimates are used for accounting of certain items such as long term contract, depreciation and amortization, taxes, reserves, employee benefits and contingencies.



iii. Compliance with the International Accounting Standards (IASs)

The Financial Statements have been prepared in compliance with the requirements of the IASs and IFRSs as applicable in Bangladesh. The title and format of these Financial Statements follow the requirements of IFRSs / IASs which are to some extent different from the requirements of the Companies Act 1994. However, such differences are not material and in the view of Management IFRSs / IASs titles and format give better presentation to the shareholders.

3.32 Authorization for Issue

These Financial Statements have been authorized for issue by the Board of Directors of the Company on 26 October, 2022.

3.33 Segment Reporting

As there is a single business within which the company operates as such no segment reporting is felt necessary.

3.34 Comparative Information

Figures of the year 2020-2021 have been rearranged and regrouped whenever considered necessary to ensure comparability with the current period. The disclosures in the Financial Statements, in all materials respects, are in accordance with International Accounting Standards (IASs).

3.35 Offsetting

Financial assets and liabilities are offset and the net amount is reported in the Financial Statements only when there is legally enforceable right to set off the recognized amounts and the Company intends either to settle on a net basis, or to realize the assets and to settle the liabilities simultaneously.

3.36 Materiality and Aggregation

Each material item has been presented separately in company's Financial Statements. Immaterial amounts have been aggregated with the amounts of similar nature or function.

3.37 Reporting Currency

The Financial Statements are prepared and presented in Bangladesh Currency (Taka), which is the company's functional currency.

3.38 Directors' Responsibility Statement

The Board of Directors is responsible for the preparation and presentation of the Financial Statements under section 183 of the Companies Act, 1994 and as per the provision of 'The Framework for the Preparation and Presentation of Financial Statements' issued by the International Accounting Standards Committee (IASC).

3.39 Regarding tax depreciation and accounts depreciation

The Company doesn't require computing deferred tax because the company charges depreciation as per depreciation rate/s mentioned in the third schedule of the ITO 1984. So, there is no temporary difference between the tax base of an asset or liability and its carrying amount in the financial statements. Both Depreciation Rate given below:

Particular of Assets	Depreciation	Depreciation
	Rate as per book of	Rate as per Third Schedule
Factory Building, Factory Laboratory	10%	10%
Office, Administrative & Godown Shed	10%	10%
Factory Boundary Wall	10%	10%
Plant and Machinery & Local Machinery	20%	20%
Furniture and Fixtures	10%	10%
Office Equipment	10%	10%
Vehicles	20%	20%
Titas Gas Installation	10%	10%
Gas Generator & Diesel Generator	20%	20%
Machine Shed & Steel Rack	10%	10%



3.40 Deviation of Revenue & EPS

Taking some cost control measure COGS decreased from 83.89% to 82.67%. Basic Earnings Per Share (EPS) increased 2.82 to 2.92 and Diluted Earnings Per Share (EPS) was increased 1.71 to 2.92 per share due to Issued Right Share.

3.41 Deviation of NOCF

Net Operating Cash Flows is just the resultant figure of Cash Inflows and Outflows from Operating Activities. Therefore, Net Operating Cash Flows increases, if only Cash Inflows is higher than Cash Outflows in a particular period and vice versa.

Net Operating Cash Flows of our Company has been increased because of Cash Outflows for the reported year was lower than Cash Inflows and the main reasons are:-

Revenue and collection increased and payment to Suppliers and Others has been decreased significantly than Comparative period.

3.42 General

- i. Figures have been rounded off to the nearest taka.
- ii. Previous period's/year's figures have been rearranged wherever considered necessary to ensure comparability with the current year.
- iii. The Company publishes its quarterly accounts as per IASs 34 "Interim Financial Reporting" and the Bangladesh Securities and Exchange Commission (BSEC) Notification No. BSEC/CMRRCD/2006-158/208/Admin/81 dated 20 June 2018.



National Polymer Industries Limited
As at and for the year ended 30 June 2022

Note 4.00 : Property, Plant and Equipment

Assets Category	COST (Taka)			DEPRECIATION (Taka)					Written Down Value as on 30.06.2022
	As on 01.07.2021	Additions during the Year	Adjustment/ Sales during the Year	Total as on 30.06.2022	Dep. Rate	Cumulative as on 01.07.2021	Charged during the Year	Adjustment/ Sales during the Year	
Land & Land Development									
Cost	49,718,575	697,091,410	-	746,809,985	-	-	-	-	-
Revaluation	575,745,936	-	-	575,745,936	-	-	-	-	-
Factory Buildings	216,695,142	55,813,593	-	272,508,735	10.0%	124,663,137	9,203,201	-	133,866,338
Plant & Machinery	1,983,246,901	430,551,878	-	2,413,798,779	20.0%	1,151,577,317	228,356,901	-	1,379,934,218
Godown Shed & Steel Rack	35,174,845	-	-	35,174,845	10.0%	27,918,855	725,599	-	28,644,454
Factory Laboratory	179,420	-	-	179,420	20.0%	174,294	1,025	-	175,319
Factory Boundary Wall	4,045,053	-	-	4,045,053	10.0%	3,229,445	81,561	-	3,311,006
Generator	82,519,490	-	-	82,519,490	20.0%	73,706,094	1,762,679	-	75,468,773
Titus Gas Installation	2,288,132	-	-	2,288,132	10.0%	1,733,822	55,431	-	1,789,253
Furniture & Fixtures	7,567,273	928,500	-	8,495,773	10.0%	4,352,902	344,368	-	4,697,270
Vehicles	114,377,413	36,579,000	-	150,956,413	20.0%	79,669,516	9,349,846	-	89,019,362
Office Equipment	47,272,969	3,922,032	-	51,195,001	10.0%	28,176,593	2,033,799	-	30,210,392
As at 30 June 2022	3,118,831,149	1,224,886,413	-	4,343,717,563	-	1,495,201,976	251,914,410	-	1,747,116,386
As at 30 June 2021	2,874,808,389	244,022,761	-	3,118,831,149	-	1,305,255,912	189,946,064	-	1,495,201,976

Depreciation allocated to :

Manufacturing Overhead (Note-30)	240,186,396
Administrative Expenses (Note- 31)	11,728,013
	<u>251,914,410</u>



	Amount in Taka	
	30 June 2022	30 June 2021
4.01 Property, Plant & Equipment		
Opening Balance	3,118,831,149	2,874,808,389
Addition during the year	1,224,886,413	244,022,760
Cost as at 30 June 2022	4,343,717,563	3,118,831,149
Accumulated Depreciation	(1,747,116,386)	(1,495,201,976)
Closing Balance (Details in Note- 4.00)	2,596,601,177	1,623,629,173

Depreciation is charged on all Fixed Assets except for Land and Land Development on reducing balance method.

5.00 Investment		
FDR in Uttara Finance & Investment Ltd.	-	125,668,536
Addition During the year	-	10,139,151
		135,807,687
FDR in IPDC with Addition	28,547,787	75,245,000
Addition During the year	-	2,205,833
	28,547,787	77,450,833
FDR in SCB Ltd.	-	50,000,000
FDR in City Bank Ltd.	726,565	-
FDR in One Bank Ltd.	10,629,678	113,256,067
	39,904,030	376,514,587

Name of Institute	FDR No.	Principal	Interest Rate	Branch	Maturity Date
IPDC Finance Limited	2592	2,951,993	6.50%	Gulshan	08 July 2023
IPDC Finance Limited	8901	8,520,908	5.75%	Gulshan	13 Jan 2023
IPDC Finance Limited	7574	8,206,250	5.75%	Gulshan	26 Nov 2022
IPDC Finance Limited	2590	5,827,000	6.50%	Gulshan	01 Aug 2022
IPDC Finance Limited	1625	3,041,636	6.50%	Gulshan	28 May 2023
City Bank Limited	8001	726,565	5.25%	Gulshan	23 June 2023
One Bank Limited	2267	10,629,678	4.00%	Bananai	15 May 2023

6.00 Capital Work in Progress (CWIP)		
Capital Machinery in Transit	112,100,000	112,100,000
Transferred to Plant and Machinery during the year	(96,571,320)	-
	15,528,680	112,100,000
Opening Balance of Advance on Civil Construction	55,813,593	53,257,593
Transferred to Factory Building during the year	(55,813,593)	-
Advance for Civil Construction during the year	56,860,000	2,556,000
	56,860,000	55,813,593
Opening Balance of Advance on Land & Land Development	71,284,000	71,284,000
Advance during this period	3,586,633	-
Transferred to Land & Land Development during the year	(42,267,000)	-
	32,603,633	71,284,000
	104,992,313	239,197,593

7.00 Inventories		
Raw Materials	582,729,694	593,315,462
Work in Process	55,709,794	40,812,317
Finished Goods	444,488,933	453,560,136
Stores and Spares	14,675,870	12,479,481
Stock in Transit	217,369,593	196,892,748
Packing Materials	7,328,453	3,772,691
	1,322,302,337	1,300,832,835

8.00 Trade & Other Receivables		
Receivables against Sales & others	1,341,945,269	1,168,475,262
	1,341,945,269	1,168,475,262

Day Range	Amount in Taka	Amount in Taka
Below 30 days	752,965,491	655,631,470
Below 90 days	472,230,540	411,186,445
Below 180 days	110,039,512	95,814,971
Above 180 Below 1 Year	6,709,726	5,842,376
Total	1,341,945,269	1,168,475,262



9.00	Accrued Interest Receivable on FDR	Interest Rate	FDR No.	Maturity Date	30 June 2022	30 June 2021
	Uttara Finance & Investment Ltd.	9.00%	10224/17	31 May 2022	-	1,018,558
	IPDC Finance Limited	5.25%	2592	08 July 2022	151,536	140,910
	IPDC Finance Limited	5.75%	8901	13 Jan 2023	227,283	218,890
	IPDC Finance Limited	6.50%	7574	28 Nov 2022	314,117	212,224
	IPDC Finance Limited	5.75%	2590	01 Aug 2022	306,201	152,990
	IPDC Finance Limited	5.75%	1625	28 May 2023	15,546	41,423
	IPDC Finance Limited	5.25%	8684	11 May 2023	-	357,292
	Standard Chartered Bank Ltd.	5.25%	8138	23 June 2023	-	51,042
	City Bank Limited	3.50%	8001	18 May 2023	2,967	-
	One Bank Limited (Three Months)	4.00%	2267	15 May 2022	51,967	-
	One Bank Limited (Three Months)	4.60%	2198	15 Sep 2022	-	17,755
	One Bank Limited (Three Months)	4.60%	2187	15 Sep 2022	-	169,596
	One Bank Limited (Three Months)	4.60%	2201	15 Sep 2022	-	27,499
					1,069,617	2,408,179

10.00 Advance, Deposit & Pre-payments

Advance to Suppliers

Opening Balance

Add: During the Year

Bill Adjustment

Advance to Employee

Advance against Brand Development

Other Advances

Deposits:

Security Deposit

Margin, Tender Earnest Money & other Deposits

Deposit for Utilities

Prepayments:

Prepaid Rent

Value Added Tax (VAT)

6,700,505	15,636,539
3,268,590	2,254,200
-	(11,190,234)
9,969,095	6,700,505
7,604,548	7,564,452
5,258,486	5,796,361
1,470,244	1,410,245
24,302,374	21,471,563
4,429,300	3,859,800
78,762,846	52,508,564
2,187,484	3,976,619
85,379,630	60,344,983
29,341,868	27,681,007
141,072,555	116,688,627
170,414,423	144,369,634
280,096,426	226,186,180

a) Employees advance of Tk. 76,04,548 includes advance to officers mostly for official purpose.

b) No amount is due by the Directors, including Managing Director or officer of the company and any of them severally or jointly with any other person except as stated in (a) above.

11.00 Advance Income Tax

Opening balance

AIT Paid at Port (Import Stage)

AIT Paid at Port (Export, Local & Others)

AIT on Vehicles

AIT on Bangladesh Bank Cash Assistance

AIT on FDR interest

AIT Refund up to 2019-2020 FY

AIT Refund up to 2018-2019 FY

Prior Year Adjustment on Income Tax Assessment (Income Year 2018-2019)

Prior Year Adjustment on Income Tax Assessment (Income Year 2019-2020)

409,102,776	269,275,136
156,224,709	170,110,167
27,964,785	25,015,187
1,143,500	504,000
98,600	784,765
82,656	1,506,620
(58,901,189)	-
(76,366,330)	-
-	(58,093,099)
(69,781,665)	-
389,567,842	409,102,776

12.00 Cash & Cash Equivalents

Cash in Hand

Cash at Bank

6,598,500	3,530,600
353,505,584	689,929,209
360,104,084	693,459,809

12.01 Cash at Bank

AB Bank Limited

Agrani Bank Limited

Agrani Bank Limited

Agrani Bank Limited

Al-Arafa Islami Bank Ltd.

Bank Asia Limited

Bengal Commercial Bank Ltd.

Branch

Gulshan Circle-2

Amin Court Corp. Br.

Gulshan -1

Nawabpur Corp. Br.

Pagati Sharoni Br.

Gulshan -1

Gulshan Corp. Br.

A/C No.

CD-88500

COR-03583

CD-2926

COR-06621

CD-8812

CD-10829

CD-2436

2,136,676	710,382
-	44,778
56,349	-
610,278	479,679
297,103	-
884,964	1,958,326
4,210	-



B/F Balance

			Amount in Taka	
			30 June 2022	30 June 2021
			3,989,579	3,193,165
Community Bank Bangladesh Ltd.	Gulshan Br.	CD-8101	15,851	-
Dhaka Bank Limited	Gulshan Circle-2	CD-0148	4,105	-
Dhaka Bank Limited	Gulshan Circle-2	CD-1253	2,578,369	494,742
Dutch Bangla Bank Limited	Bashundhara	CD-10144	53,260,604	62,010,146
BRAC Bank Limited	Satmosjeed Road	CD-51001	47,945,278	67,765,620
BRAC Bank Limited	Gulshan Br.	CD-51001	422,895	235,686,193
City Bank Limited	Dhanmondi	CD-28001	3,934,882	14,700,975
Eastern Bank Ltd.	Gulshan Circle-2	CD-22731	29,644	771,534
IFIC Bank Limited	Moulavi Bazar	CD-143821	2,288,237	680,701
Islami Bank Bangladesh Limited	Kawran Bazar	CD-12804	10,223,303	2,731,900
Jamuna Bank Limited	Gulshan	CD-13615	58,523,757	69,476,281
Janata Bank Limited	Alu Bazar	CD-16125	-	598,760
Janata Bank Limited	Gulshan-1	CD-71210	2,405,636	399,390
Modhumati Bank Limited	Gulshan	CD-00070	176,525	539,617
Mutual Trust Bank Limited	MTB Center Corp. Br.	CD-05604	-	356,340
Mutual Trust Bank Limited	Banani	CD-07295	913,075	11,810,476
National Bank Limited	Gulshan	CD-69629	46,353,326	54,804,779
NCC Bank Ltd.	Dhanmondi	CD-00320	177,408	52,632
One Bank Limited	Dhanmondi	CD-87001	1,449,743	2,603,119
One Bank Limited	Banani	CD-7183	1,169,315	-
Premier Bank Limited	Gulshan Circle-2	CD-00033	453,273	328,480
Prime Bank Limited	Motijheel	CD-80705	-	35,510,548
Prime Bank Limited	Gulshan Circle-2	CD-22889	50,161,497	55,053,194
Prime Bank Limited	Gulshan Circle-2 (Dividend Acc 19-20)	SND-26085	5,050,731	5,127,805
Prime Bank Limited	Gulshan Circle-2 (Dividend Acc 20-21)	SND-27750	3,759,297	-
Prime Bank Limited	Gulshan Circle-2	FC-8788	1,532,160	-
Prime Bank Limited	Gulshan	CD-5221	2,112,608	-
Pubali Bank Limited	Gulshan M.T Corp. Br.	CD-28344	2,084,845	1,432,808
Shahajalal Islami Bank Limited	Satmosjeed Road	CD-01639	1,548,329	1,048,437
Shahajalal Islami Bank Limited	Gulshan-1	CD-0595	768,373	8,368
Sonali Bank Limited	Lalmatia	CD-08067	-	752,087
Sonali Bank Limited	Gulshan-1	CD-0735	1,038,781	4,773,068
Standard Chartered Bank	Gulshan-2	CD-25804	1,599,787	-
Standard Bank Limited	Gulshan-1	CD-3814	221,029	254,838
Trust Bank Ltd.	Gulshan Corp. Br.	CD-16474	803,804	1,489,885
United Commercial Bank Limited	Tongi	CD-03100	46,410,829	54,927,745
Uttara Bank Limited	Kalabagan	CD-11673	65,002	410,451
Uttara Bank Limited	Tongi	CD-13797	33,709	135,124
			353,505,584	689,929,209

13.00 Share Capital**Authorized:**

300,000,000 Ordinary Shares of Taka 10 each

3,000,000,000**3,000,000,000****Issued, Subscribed and Paid-up:**

I) 134,000 Ordinary Shares of Taka 10 each

13,400,000

13,400,000

II) 134,000 Rights Shares of Taka 10 each (1:1)

13,400,000

13,400,000

III) 536,000 Rights Shares of Taka 10 each (1:2)

53,600,000

53,600,000

IV) 6,388,845 Bonus Shares of Taka 10 each

63,888,450

63,888,450

V) 2,597,192 Bonus Shares of Taka 10 each

25,971,920

25,971,920

VI) 3,405,207 Bonus Shares of Taka 10 each

34,052,070

34,052,070

VII) 4,086,248 Bonus Shares of Taka 10 each

40,862,480

40,862,480

VIII) 5,393,848 Bonus Shares of Taka 10 each

53,938,480

53,938,480

IX) 6,580,494 Bonus Shares of Taka 10 each

65,804,940

65,804,940

X) 1:1 Right Shares of Taka 10 each

364,918,340

364,918,340

729,836,680**729,836,680****Composition of Shareholding:**

Sponsors/Directors

30 June 2022		30 June 2021	
Number	%	Number	%
25,295,134	34.66	27,740,897	38.01
10,206,592	13.98	7,951,893	10.90
37,481,942	51.36	37,290,878	51.09
72,983,668	100	72,983,668	100

Financial Institutions

General



Name wise shareholding position of Sponsors/ Directors:

Name	Position	Shareholding Qty.	%
Mr. Golam Murshed	Chairman	3,782,840	5.18%
Mr. Riad Mahmud	Managing Director	3,603,773	4.94%
Mr. Nuruzzaman Khan	Nominated Director	13,637,557	18.69%
Mr. Rohel Mahmud	Sponsor	726,202	1.00%
Mrs. Razia Morshed	Sponsor	304,082	0.42%
Mrs. Khaleda Akhand	Sponsor	9,069	0.01%
Late Shamsul Abedin Akhand and Mrs. Khaleda Akhand (Joint Account)	Sponsor	3,231,611	4.43%
Total		25,295,134	34.66%

Classification of Shareholders by holding:

Holdings	Number of Holders		Total Holding (%)	
	30-06-2022	30-06-2021	30-06-2022	30-06-2021
1 to 500	4,058	3,848	39.25	40.00
501 to 1,000	1,776	1,571	17.18	16.33
1,001 to 5,000	2,931	2,807	28.35	29.18
5,001 to 50,000	1,452	1,269	14.05	13.19
50,001 to above	121	125	1.17	1.30
	10,338	9,620	100	100

14.00 Share Premium

Total 536,000 Shares of Taka 250 each (January 2009)

Total 36,491,834 Shares of Taka 05 each (February 2021)

316,459,170	134,000,000
-	182,459,170
316,459,170	316,459,170

15.00 Revaluation Reserve

Opening Balance

Land Revalued during this year

Deferred Tax on Land Revaluation

496,260,922	496,260,922
-	-
496,260,922	496,260,922
496,260,922	496,260,922

On 4th May 2015, the company has revaluated its own land located at Squib Road, Tongi Industrial Area, Gazipur by independent valuer Mahfal Huq & Co. Chartered Accountants The area of the land is 311.10 Decimals. (Details in Note- 3.14)

16.00 Retained Earnings

Opening Balance

Payment of Stock Dividend

Cash Dividend Paid (2019-2020 FY)

Cash Dividend Paid (2020-2021 FY)

Tax Adjustment against assessment (2018-2019 FY)

Tax Adjustment against assessment (2019-2020 FY)

Profit during the year end

425,835,699	313,904,444
-	-
425,835,699	313,904,444
(72,983,668)	(54,737,751)
-	-
-	(15,690,676)
(19,696,357)	-
213,125,047	182,359,683
546,280,722	425,835,699

17.00 Long Term Loan

Standard Chartered Bank

Opening Balance

Received during the year

Paid during the year

Current Maturity within one year

Prime Bank Ltd.

Opening balance

Received during the year

Paid during this year

Current Maturity within one year

Standard Chartered Bank

Prime Bank Ltd.

Long Term Loan - (Current Maturity)

Prime Bank Ltd.

Long Term Loan - (Non-current Maturity)

67,078,928	164,662,475
-	-
(67,078,928)	(97,583,547)
-	67,078,928
-	(67,078,928)
-	-
344,420,000	242,173,933
-	180,356,122
(104,903,598)	(78,110,055)
239,516,402	344,420,000
(134,564,075)	(124,519,014)
104,952,327	219,900,986
-	67,078,928
134,564,075	124,519,014
134,564,075	191,597,942
104,952,327	219,900,986
104,952,327	219,900,986
239,516,402	411,498,928



Most of the Term Loan was re-paid through Inter-company loan.

Name of Institute	Branch	Sanction No.	Issue Date
Standard Chartered Bank	Motijheel	BA8/10836628/SCB/UC	29-Feb-2022
Prime Bank Ltd.	Gulshan-1	Prime/CAD/CNIB/2021/293	22-Aug-2021

Security against Facilities

- Registered Mortgage over Factory Land and Building on pari-passu basis between Standard Chartered Bank, Prim Bank Limited of which area of Land is 147.70 decimals located at Kathaldia, Tongi, Gazipur.
- Demand Promissory Note & Letter of Continuation.
- Un-dated Cheque(s) supported by Irrevocable Letter of Authority & Memorandum of Deposit.
- Personal Guarantee of the Sponsor Directors.

18.00 Deferred Tax Liability

Deferred tax liability has been calculated on the revaluation surplus of land. On 4th May 2015, the company has revaluated its own land located at Squib Road, Tongi Industrial Area, Gazipur by independent valuer Mahfel Huq & Co. The area of the land is 311.10 Decimals. Book value of the land was Taka 67,411,905. After valuation, this is increased to 597,312,000. Revalued amount is Taka 529,900,095.

The company does not require to compute deferred tax on PPE, because it charges depreciation as per method, conditions and rate/s as specified in the 3rd Schedule of the Income Tax Ordinance, 1984. Depreciation has been charged on all items of Fixed Assets except for Land and Land Development on Reducing Balance Method. During the period, there were no temporary difference/s between Tax Base and Carrying Amount of an Asset or Liability.

	Amount in Taka	
	30 June 2022	30 June 2021
Revaluation Surplus on Land & Land Development	529,900,095	529,900,095
Deferred Tax Liability @ 15%	79,485,014	79,485,014

19.00 Inter-Company Loan (Non-Current Maturity)

National Fittings & Accessories Limited

Opening Balance	1,615,000,000	-
Received during the year	-	1,900,000,000
Paid during the year	(285,000,002)	(285,000,000)
	1,329,999,998	1,615,000,000
Current Maturity within one year	(253,333,336)	(380,000,000)
	1,076,666,662	1,235,000,000

Company take Intercompany Loan from National Fittings & Accessories Ltd. for settle down higher rate Bank loan and NBFi loan as per approval a syndicate loan from Standard chartered Bank Ltd.

20.00 Short Term Loan

Loan against Trust Receipt (LTR)	1,223,781,977	758,690,332
Short Term Finance (STF)	1,118,816,983	754,270,659
	2,342,598,960	1,512,960,991

Name of Institute	Branch	Sanction No.	Issue Date
Standard Chartered Bank Limited	Motijheel	BA8/10836628/SCB/UC	29-Feb-2022
Prime Bank Limited	Gulshan-1	Prime/CAD/CNIB/2021/293	22-Aug-2021
Mutual Trust Bank Limited	Banani	MTB/CAD/NPIL/2021/3808	01-Sep-2021
City Bank Limited	New Market	CBL/HO/CAD/2021/1812	25-Aug-2021
IDLC Finance Limited	Gulshan	IDLC/CAD/LRCORP/GLN/2020/1612	01-Dec-2020
One Bank Limited	Banani	OBL/BB/CR/SA/191/2022	24-May-2022
Community Bank Bangladesh Ltd.	Gulshan	CBBL/HO/CAD/2021/3298	01 Nov 2021
BRAC Bank Limited	Shatmosjeed Road	CAD-Dhaka/MIH/01161151/2022/0055	20-Feb-2022

Security against Facilities

- Registered Mortgage over Factory Land and Building on pari-passu basis between Standard Chartered Bank, Prim Bank Limited of which area of Land is 147.70 decimals located at Kathaldia, Tongi, Gazipur.
- Demand Promissory Note & Letter of Continuation.
- Un-dated Cheque(s) supported by Irrevocable Letter of Authority & Memorandum of Deposit.
- Personal Guarantee of the Sponsor Directors.



		Amount in Taka	
		30 June 2022	30 June 2021
21.00 Bank Overdraft			
Bank Overdraft as at 30 June 2022		167,074,377	276,651,509
		167,074,377	276,651,509
22.00 Accounts Payable			
Payable against Carriage Outwards		1,718,667	1,765,212
Gratuity Payable		2,942,900	2,536,983
Gas Bill Payable		13,624,705	6,384,068
Mobile Bill Payable		317,169	495,400
Directors Remuneration Payable		120,000	120,000
Godown Rent		45,000	45,000
Electricity Bill		1,086,998	4,033,449
Non-refunded Rights Share Subscription Money-2021		38,520	-
House Rent (Engineers & Officers)		80,000	80,000
Employer's Contribution to Provident Fund		20,531,288	19,266,468
		40,505,247	34,726,580
23.00 Unclaimed Dividend Account			
Unclaimed Fractional Cash Dividend up to 2019		160,154	160,154
Unclaimed Cash Dividend for the FY-2019-2020		5,050,731	5,127,805
Unclaimed Cash Dividend for the FY-2020-2021		3,759,297	-
*Including interest and other deduction.		8,970,183	5,287,959
24.00 Inter-Company Loan (Current Maturity)			
National Fittings & Accessories Limited			
Current Maturity within one year		253,333,336	380,000,000
		253,333,336	380,000,000
25.00 Provision for Expenses			
Accrued Interest on STL & LTR		-	2,594,942
Staff Salary Payable		17,861,709	16,237,917
Audit Fees		137,500	125,000
VDS payable		1,036,500	1,292,300
TDS Payable		1,015,000	759,200
		20,050,709	21,009,359
26.00 WPPF & Welfare Fund			
Opening Balance		11,765,140	10,017,062
WPPF Disbursed to Beneficiary		(11,765,140)	(10,017,062)
Allocation for the year (Note-36)		13,320,315	11,765,141
		13,320,315	11,765,140
Tk. 11,76,514.00 Govt. portion has been paid through Pay Order No. 5257455 Dated: 25.10.2021 for the FY-2020-2021			
27.00 Provision for Taxation			
Opening Balance		103,028,442	92,487,731
Provision for the year (Note- 37)		53,281,262	52,943,134
Tax Adjustment against assessment (2018-2019 FY)		-	(42,402,423)
Tax Adjustment against assessment (2019-2020 FY)		(50,085,308)	-
		106,224,396	103,028,442



	Amount in Taka	
	30 June 2022	30 June 2021
28.00 Revenue		
Total Local Sales	5,741,899,764	5,056,070,558
VAT Paid during the year	(748,943,447)	(659,487,464)
Net Local Sales	4,992,956,316	4,396,583,094
Export Sales	72,462,974	90,650,268
	5,065,419,290	4,487,233,362

Supplementary duty is not applicable, VAT on export are zero rated, VAT on local sales are 15% for manufacturer (Section 3 & 7 of VAT Act, 2012)

	Quantity (MT)	Quantity (MT)
Quantity (MT)- Sales		
Opening Stock	6,065	5,725
Production during the year	52,535	51,120
Goods available for Sale	58,600	56,845
Closing Stock of Finished Goods	(5,596)	(6,065)
Sale during the year	53,004	50,780

29.00 Cost of Goods Sold		
Opening Stock of Raw Materials	593,315,462	567,342,309
Purchase during the year	3,618,393,747	3,404,064,835
Closing Stock of Raw Materials	(582,729,694)	(593,315,462)
Raw Materials used in Production (Note- 29.01)	3,628,979,515	3,378,091,682
Manufacturing Overhead (Note-30)	518,449,944	398,843,964
Consumption of Packing Materials	45,726,457	20,111,356
Total Production Costs	4,193,155,916	3,797,047,002
Opening Work in Process	40,812,317	41,518,125
Closing Work in Process	(55,709,794)	(40,812,317)
Costs of Goods Manufactured	4,178,258,439	3,797,752,810
Opening Stock of Finished Goods	453,560,136	420,293,876
Goods available for Sales	4,631,818,575	4,218,046,686
Closing Stock of Finished Goods (Note- 29.02)	(444,488,933)	(453,560,136)
Cost of Goods Sold	4,187,329,642	3,764,486,550

29.01 Raw Material used in Production

Particulars	2021-2022		2020-2021	
	Quantity (MT)	Taka	Quantity (MT)	Taka
Opening Stock	9,955	593,315,462	9,980	567,342,309
Purchase during the year	58,065	3,618,393,747	56,460	3,404,064,835
	68,020	4,211,709,209	66,440	3,971,407,144
Closing Stock	(9,420)	(582,729,694)	(9,955)	(593,315,462)
	58,600	3,628,979,515	56,485	3,378,091,682

29.02 Closing Stock of Finished Goods (Quantity and Value):

Particulars	30 June 2022		30 June 2021	
	Quantity MT	Value (TK)	Quantity MT	Value (TK)
Finished Goods	5,596	444,488,933	6,065	453,560,136

	Amount in Taka	
	30 June 2022	30 June 2021
30.00 Manufacturing Overhead		
Salary & Wages	81,937,722	66,249,690
C & F Commission Expenses	4,088,000	5,543,338
Conveyance	149,162	172,640
Entertainment & Staff Food	6,811,668	4,812,660
Fuel and Lubricant Vehicle (FAC)	909,907	-
Carriage Inward	1,368,078	551,464
House Rent (Engineers & Officers)	1,428,000	1,368,017
Insurance Premium (Fire)	7,547,140	10,894,380
Internet Bill	126,000	115,800
Labour Charges (Unload)	12,897,539	11,490,768
Land Rent	12,094,416	12,305,558
License and Renewal Fee	76,025	774,815
Medical Expenses	20,000	292,370
Municipal and Land Tax	1,981,281	1,990,454
Office Maintenance Exp.	880,826	934,877
Papers & Periodicals	89,150	94,790
Postage & Stamps	350	19,830
Power & Fuel	137,622,854	96,430,652



	Amount in Taka	
	30 June 2022	30 June 2021
B/F Balance	270,028,118	214,042,103
Printing Expenses	-	1,015,735
Registration and Renewal Fee	480,000	-
Repair and Maintenance	5,514,161	748,978
Stationery	712,104	45,376
Stores and Spares	-	126,605
TA/DA Expenses	-	39,763
Telephone & Mobile Bill	731,933	686,357
Travelling Expenses	60,433	161,851
Uniform Expenses	-	13,800
Vehicle Maintenance	421,798	590,204
Warehouse Rent	315,000	345,000
Depreciation	240,186,396	181,028,192
Notes- 4.00	240,186,396	181,028,192
	518,449,944	398,843,964

31.00 Administrative Expenses

Salary & Allowances	106,983,735	85,380,535
Annual Listing Fees	839,312	2,787,673
Audit Fees	137,500	125,000
Managing Directors' Remuneration & Perquisites	1,440,000	1,440,000
Bank Guarantee Commission	1,369,095	-
CDBL Bill & Service Charge	-	369,815
Conveyance	754,706	314,278
Courier Expenses	120,426	180,856
Credit Rating Service	193,500	96,750
Depreciation	11,728,013	8,917,872
Directors' Board Meeting Fees	385,000	373,570
Donation & Subscription	-	623,000
EGM & AGM Exp.	131,250	189,840
Electric, WASA Bills, GAS Bills	1,779,168	1,445,660
Employer's Contribution Recognized Provident Fund	12,896,985	13,829,475
Entertainment & Staff Food	1,624,654	806,208
Expenses for Right Issue and others	-	7,325,719
Expenses for Bond Issue and others	5,874,529	-
Fees & Professional Charges	2,005,583	1,844,245
Fire Fighting Expenses	233,360	113,295
Fuel Bills for Vehicle	1,670,205	2,484,231
Group Insurance	880,568	807,188
ID card and Uniform Exp.	208,978	-
Internet Bill	565,323	648,759
License Renewal Fee, Rates & Taxes	1,813,306	1,217,760
Medical Expenses	-	1,200
Office Maintenance	1,507,002	1,563,068
Office Rent	15,870,000	14,251,260
Papers & Periodicals	-	11,790
Printing Expenses	93,977	680,901
Recruitment Exp.	318,983	-
Registration and Renewal Fees	74,300	358,315
Renovation & Decoration	-	5,841,214
Stationery Expenses	39,517	9,290
TA/DA Expenses	406,870	-
Telephone & Mobile Bill	1,566,688	1,021,470
Training & Development	333,500	-
Vehicle Maintenance	2,978,915	968,710
Notes- 4.00	2,978,915	968,710
	176,824,948	156,028,946

32.00 Selling and Distribution Expenses

Advertisement & Publicity	1,807,916	1,817,495
Conveyance	175,086	81,542
Entertainment	1,188,133	376,529
Fuel Bills for Vehicle	597,462	475,279
Godown Rent	2,678,430	242,400
Incentive	19,696,583	2,933,024
Courier Expenses	541,736	830,956
C & F charges- Export	1,101,500	-
Printing Expenses	1,638,234	928,686
Promotional Expenses	9,769,023	972,860
Sales Conference/ Meeting	3,961,945	737,162
Stationery Expenses	1,194,667	7,543



	Amount in Taka	
	30 June 2022	30 June 2021
B/F Balance	44350715	9403476
Internet Bill	90,224	95,816
Telephone & Mobile Bill	3,302,502	3,626,815
Tender & Testing Expenses	622,525	563,025
Transport / Carriage Outwards	39,865,545	35,938,655
Traveling Expenses & Overseas	30,114,860	27,075,585
Vehicle Maintenance	1,090,435	2,513,365
	119,436,805	79,216,737
33.00 Other Income		
Bangladesh Bank Cash Assistance on Export	986,000	8,259,753
Interest on FDR Investment	2,573,603	15,065,196
Accrued Interest Receivable on FDR	1,069,617	2,408,179
	4,629,220	25,733,128
34.00 Foreign Exchange Gain/(Loss)		
Foreign Exchange Gain	893,974	-
Foreign Exchange Loss	(4,788,724)	(3,518,595)
	(3,894,750)	(3,518,595)
35.00 Financial Expenses :		
Bank Charges	5,244,827	4,783,565
Interest paid on Inter-Company Loan	-	7,344,421
Interest on Short Term Loan :		
Interest on OD	37,653,458	48,745,812
Interest on LTR & STF Loan	139,653,063	110,906,202
	182,551,348	171,780,000
Interest on Long term Loan :		
Interest on Long Term Loan	120,284,392	90,867,705
	302,835,740	262,647,705
36.00 WPPF and Welfare Fund		
Profit before WPPF and Tax	279,726,625	247,067,957
Allocation for WPPF and Welfare Fund @ 5%	13,320,315	11,765,141
37.00 Provision for Taxation		
Net Profit Before Tax	266,406,309	235,302,816
Applicable Tax Rate	20.00%	22.50%
Provision for Taxation	53,281,262	52,943,134
Turnover Tax	5,065,419,290	4,487,233,362
Applicable Tax Rate	0.60%	0.60%
	30,392,516	26,923,400
Last year Tax rate was 22.50% and Current year Tax Rate 20.00% on EBT and turn over Tax 0.60% which is higher as per Income Tax Ordinance 1984.		
38.00 Earnings Per Share (EPS)		
Net Profit After Tax	213,125,047	182,359,683
Weighted Average Number of Shares (Note-39.00)	72,983,668	64,555,993
	2.92	2.82
Diluted EPS for Right Issue (Basic EPS/ Adjusting Factor)	2.92	1.71
39.00 Calculation of weighted average number of shares:		

Dated	Particulars	Number of Shares	Time	Bonus Factor	Adjusting factor for right Issue	Outstanding Shares of 30 June 2022	Outstanding Shares of 30 June 2021
01-07-20	Opening Balance	36,491,834	1.000	1.65	1.65	-	40,228,103
28-02-21	Rights Shares	36,491,834				-	-
31-03-21	Closing Balance	72,983,668	1.000	1.00	1.65	72,983,668	24,327,889
		2.00				72,983,668	64,555,993

Calculation of Adjusting Factor:

Fair/Market value before right share	1	71.6	71.6
Exercise Price	1	15	15
	2		86.60

Theoretical Ex-right fair value per share (86.60/2)

Adjusting factor for right issue (71.60/43.30)



		Amount in Taka	
		30 June 2022	30 June 2021
40.00 Net Asset Value Per Share (NAV)			
Net Asset Value		2,088,837,494	1,968,392,471
Weighted Average Number of Shares (Note-39.00)		72,983,668	64,555,993
		28.62	30.49
Comparative number of outstanding shares 64,555,993 as at 30 June 2021.			
41.00 Net Operating Cash Flow Per Share (NOCFPS)			
Net Operating Cash Flow		350,904,602	(279,563,437)
Weighted Average Number of Shares (Note-39.00)		72,983,668	64,555,993
		4.81	(4.33)
Comparative number of outstanding shares 64,555,993 as at 30 June 2021.			
42.00 Net Operating Cash Flow			
Under Direct method:			
Revenue		5,065,419,290	4,487,233,362
Opening Trade Debtors		1,168,475,262	731,489,986
		6,233,894,552	5,218,723,348
Closing Trade Debtors		(1,341,945,269)	(1,168,475,262)
		4,891,949,283	4,050,248,086
Interest on FDR		2,573,603	15,065,196
Bangladesh Bank Cash Assistance on Export		986,000	8,259,753
Collection from Sales and Others		4,895,508,886	4,073,573,035
Cost of Goods Sold		(4,187,329,642)	(3,764,486,550)
Administrative & Selling Expenses		(296,261,753)	(235,245,683)
Depreciation		251,914,410	189,946,064
Interest on LTR & STF Loan		(182,551,348)	(171,780,000)
AIT Paid at Port (Import / export Stage & Vehicles)		(185,514,250)	(197,920,739)
AIT Refund (FY-18-19 & FY-19-20)		135,267,519	-
WPPF Disbursed to Beneficiary		(11,765,140)	(10,017,062)
Foreign Exchange Gain/(Loss)		(3,894,750)	(3,518,595)
Provision for Expenses		(958,650)	(6,952,712)
Unclaimed Dividend Account		3,682,224	5,127,805
(Increase)/Decrease in Inventories		(21,469,502)	(66,664,939)
Increase/(Decrease) in Other Current Liabilities		8,186,846	3,481,968
(Increase)/Decrease in Other Current Assets		(53,910,246)	(95,106,028)
Payment to Suppliers, Employees and Others		(4,544,604,284)	(4,353,136,472)
Net Cash Flows from Operating Activities		350,904,602	(279,563,437)
43.00 Director's Remuneration and Perquisites			
Mr. Riad Mahmud		1,440,000	1,440,000
		1,440,000	1,440,000
44.00 Capacity Utilization			

Capacity of Production in M. Ton per year		Utilization (MT)	
		30 June 2022	30 June 2021
Installed Capacity 65,500 M. Ton Current year, Last year 58,000 M.Ton	Installed Capacity	65500 MT	58000 MT
	Current Year Production	52,535	51,120
	Rate	80.21%	88.14%

45.00 Contingent Liability:

(I) There was no contingent liability as on 30 June, 2022.

(II) There was no claim against the company, not acknowledged as debt as on 30 June, 2022.

(III) There was no credit facility available to the company under any contract.

(IV) There was no bank guarantee issued by the company on behalf of their directors or the company itself except bank loan.

The following amounts has been demanded by VAT Authority as per their departmental audit objection against which cases have been filed in Tribunal and Court. It is probable that the judgment will be in favor of the company.

Period	Amount	Status
July' 1998 to April' 2000	5,148,712	Writ petition no. 7442 of 2003 in the Honorable Supreme Court of Bangladesh, High Court Division
January' 2006 to June' 2008	11,646,222	Writ petition no. 1755 of 2009 in the Honorable Supreme Court of Bangladesh, High Court Division



January' 2006 to June' 2008	4,545,225	Filed a case with Honorable Appellate Tribunal for proper judgment which is under jurisdiction. Writ petition no. 3217 of 2010 in the Honorable Supreme Court of Bangladesh, High Court Division
July' 2008 to December' 2008	7,534,439	Writ petition no. 3288 of 2009 in the Honorable Supreme Court of Bangladesh, High Court Division

All of these ceases are stayed till disposal of Rule.

46.00 Related Party Transactions

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial and operational decision and include associated companies with or without common directors and key management personnel. The Company has entered into transactions with other entities in normal course of business that fall within the definition of related party as per IAS 24: Related Party Disclosures.

Related Party & Relationship	Nature of Transactions	Total Transaction 2021-2022	Outstanding Balance	
			2021-2022	2020-2021
Mr. Riad Mahmud, Managing Director (Note- 31.00)	Remuneration	1,440,000	120,000	120,000
Directors Board Meeting Fees		385,000	-	-
National Fittings & Accessories Limited, Npolymer Construction Limited Common Management (Note- 19.00 & 24.00)	Inter-Company Loan Payable	Movement		
	Opening Balance	1,615,000,000	-	-
	Received during the year	-	-	-
	Paid during the year	(285,000,002)	1,329,999,998	1,615,000,000
			1,330,119,998	1,615,120,000

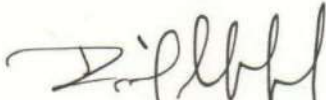
47.00 Number of Employees Engaged

As per the Schedule XI of the Companies Act, 1994, the number of employees (including contractual employees) engaged for the whole year or part thereof who received a total remuneration of Taka 36,000/- per annum or Taka 3,000/-per month were Nil at the end of June 2022 as against Nil in 2021

The number of employees engaged for the whole year
The number of Board of Directors

1,045 Person	1,007 Person
6 Person	6 Person
1,051 Person	839 Person


Chairman


Managing Director


Company Secretary



