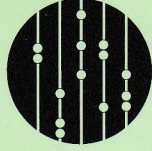


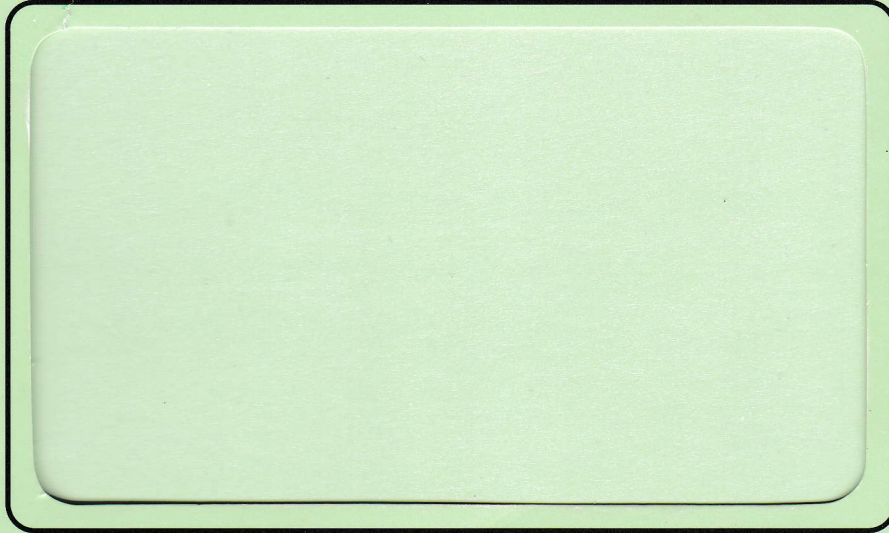


শফিক বসাক এন্ড কোং
SHAFIQ BASAK & CO.
CHARTERED ACCOUNTANTS



INDEPENDENT MEMBER OF
ABACUS
WORLDWIDE

PRIVATE & CONFIDENTIAL



CHATTOGRAM OFFICE :

NATIONAL HOUSE (1st FLOOR),
109, AGRABAD COMMERCIAL AREA,
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BENGAL BISCUITS LIMITED
INDEPENDENT AUDITOR'S REPORT AND AUDITED
FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED 30 JUNE 2023.



শফিক বসাক এন্ড কোং SHAFIQ BASAK & CO.

CHARTERED ACCOUNTANTS

CHATTOGRAM OFFICE:

National House (1st Floor),
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Sampad Kumar Basak, FCA
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Independent Auditor's Report To the Shareholders of Bengal Biscuits Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of **Bengal Biscuits Limited** ("the **Company**"), which comprise The Statement of Financial Position as at June 30, 2023 and 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 and Notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the company as at June 30, 2023 and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs), the Company Act 1994, the Securities and Exchange Rules 2020 and other applicable laws and regulations.

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 Auditor's 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' (IESBAs) Code of Ethics for Professional Accountants, together with ethical requirement that are relevant to our audit of the financial statements in Bangladesh, and we have fulfilled our other ethical responsibilities in accordance with these requirements. 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 the audit of the financial statements of the current period. These matters were addressed in the context of the audit of the financial statements as a whole, and in forming the auditor's opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

Key Audit Matter	How our Audit Addressed the Key Audit Matter
Revenue Recognition	
Revenue of BDT 680,940,770 is recognised in the statement of profit or loss and other comprehensive income for the year ended June 30, 2023 by the Company. This material item is subject to considerable inherent risk due to the complexity of the system necessary for proper recognition, measurement, and recording considering the application of	In light of the fact that the high degree of complexity and estimates and assumptions give rise to and increased risk of accounting misstatements, we assessed the Company's processes and controls for recognizing revenue as part of our audit. Furthermore, in order to mitigate the inherent risk in this audit area, our audit approach included testing of the controls and substantive audit procedures, including:



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revenue recognition, International Financial Reporting Standard 15 "Revenue from Contracts with Customers".

There is also a risk that revenue may be overstated due to wrong recognition or may be understated due to fraudulent financial reporting.

- Assessing the environment of the measurement as well as other relevant systems supporting the accounting of revenue.
- Assessing controls for systems and procedures supporting revenue recognition.
- Assessing the invoicing and measurement system up to entries in the general ledger.
- Examining customer invoices and receipts of payment on a test basis in accordance with contract.
- Analysing and explaining the deposits to the company's bank statements to assess reasonableness of stated revenue.
- Testing the revenue recognition in line with contract and reporting standard.

We assured ourselves of the appropriateness of the systems, Processes, and Controls in place.

See note 1.17 & 19.00 to the financial statements.

Inventories

The company had inventory of BDT 66,505,374 as at June 30, 2023, held in factory. This material item is subject to considerable inherent risk due to the complexity of the system necessary for proper recognition, measurement, valuation and recording considering the application of IAS-2 "Inventories".

Inventories can be over or undervalued due to valuation.

We challenged the appropriateness of management's assumptions applied in calculating the value of the inventory provisions by:

- Evaluating the design and implementation of key inventory controls operating across the company, including those at a sample of distribution centers, warehouses and branches;
- Attending inventory counts and reconciling the count results to the inventory listings to test the completeness of data;
- 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;
- Challenging the completeness of inventory provisions through assessing actual and forecast sales of inventory lines to assess whether provisions for slow-moving/obsolete inventories are valid and complete.
- Checking the cost of Raw materials purchase and valuation method applied for raw materials and work in process.

See note 1.14 & 4.00 to the financial statements



Other Information included in the Company's 2023 Annual Report

Other information consists of the information included in the Company's 2022-23 Annual Report other than the financial statements and our auditor's report thereon. Management is responsible for the other information. The Annual Report is expected to be made available to us after the date of issue of this auditor's Report.

Our opinion on the financial statements does not cover the other information and we do not and will 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 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. If, based on the work we have performed on the other information obtained prior to the date of the auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRSs, the Company Act 1994, the Securities and Exchange Rules 2020 and other applicable laws and regulations and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- 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 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 the 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.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.


From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

In accordance with the Company Act 1994 and the Securities and Exchange Rules 2020, we also report the following:

- a) we have obtained all the information and explanation which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;
- b) in our opinion, proper books of account as required by law have been kept by the company so far as it appeared from our examination of those books;
- c) the statement of financial position and statement of profit or loss and other comprehensive income dealt with by the report are in agreement with the books of account; and
- d) The expenditure incurred was for the purposes of the company business.

Place, Dhaka
October 25, 2023


Md. Shafiqul Islam FCA
Enrolment # 595
Partner
Shafiq Basak & Co.
Chartered Accountants
DVC: 2310250595AS566199



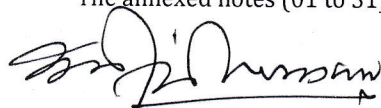
Bengal Biscuits Limited

Statement of Financial Position

As at June 30, 2023

Particulars	Notes	Amount in Taka	
		30-Jun-2023	30-Jun-2022
ASSETS:			
Non-Current Assets		102,465,691	118,657,270
Property, Plant and equipment	2.00	99,394,964	113,831,841
Right-of-use assets	3.00	3,070,727	4,825,429
Current Assets		194,416,078	171,534,576
Inventories	4.00	66,505,374	46,754,821
Trade and other receivables	5.00	89,754,063	89,454,406
Advances, deposits and prepayments	6.00	11,479,241	8,725,991
Cash and cash equivalents	7.00	26,677,400	26,599,358
Total Assets		296,881,769	290,191,846
EQUITY AND LIABILITIES:			
Capital and Reserves		94,740,588	83,137,380
Share capital	8.00	79,380,000	79,380,000
Share premium	9.00	21,819,138	21,819,138
Retained earnings	10.00	(6,458,550)	(18,061,758)
Non-current Liabilities		88,334,776	112,254,174
Long term loans-Non Current Portion	11.00	86,863,850	108,246,380
Lease Finance-Non Current Portion	12.00	1,495,241	3,863,977
Deferred tax liability	13.00	(24,315)	143,817
Current Liabilities		113,806,405	94,800,292
Accounts payables	14.00	59,431,998	17,139,962
Long term loans-Current Portion	11.00	19,876,894	16,503,775
Lease Finance-Current Portion	12.00	2,306,064	2,148,834
Short Term Loan and Advance	15.00	15,179,990	46,819,829
Unclaimed Dividend	16.00	390,773	388,800
Provision for Income Tax	17.00	15,710,226	11,269,998
Liabilities for WPPF	18.00	910,460	529,094
Total Liabilities		202,141,181	207,054,466
Total Equity and Liabilities		296,881,769	290,191,846
Net Asset Value per share (NAVPS)	29.00	11.94	10.47

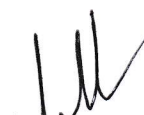
The annexed notes (01 to 31) form an integral part of these financial statements.



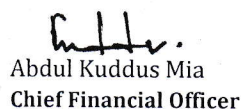
Faizul Hassan
Chairman



M. A. Masud
Managing Director



M. N. K. Aswad
Director




Abdul Kuddus Mia
Chief Financial Officer



K. H. Reza, FCS
Company Secretary

Signed as per our separate report on same date.

October 25, 2023
Place: Dhaka



Md. Shafiqul Islam FCA
Enrolment # 595
Partner
Shafiq Basak & Co.
Chartered Accountants
DVC:

2310250595AS566199



Bengal Biscuits Limited
Statement of Profit or Loss and Other Comprehensive Income
For the year ended June 30, 2023

Particulars	Notes	Amount in Taka	
		30-Jun-2023	30-Jun-2022
Net Sales Revenue	19.00	680,940,770	565,577,306
Cost of goods sold	20.00	(544,603,579)	(460,174,306)
Gross profit		136,337,191	105,403,000
Operating expenses		(105,063,709)	(80,817,959)
Administrative expenses	21.00	(27,587,060)	(22,265,385)
Selling & distribution expenses	22.00	(77,476,649)	(58,552,574)
Operating profit		31,273,482	24,585,041
Financial expenses	23.00	(13,936,620)	(16,186,571)
Other Income	24.00	503,528	412,833
Profit before contribution to WPPF		17,840,390	8,811,303
Contribution to WPPF		(849,542)	(419,586)
Profit before tax		16,990,848	8,391,717
Current Tax	25.00	(5,555,772)	(3,393,464)
Deferred Tax	25.01	168,132	499,188
Net profit after tax		11,603,208	5,497,441
Basic earning per share	26.00	1.46	0.69
Number of Shares used to Compute EPS		7,938,000	7,938,000

The annexed notes (01 to 31) form an integral part of these financial statements.




Faizul Hassan
Chairman



M. A. Masud
Managing Director




M.N.K Aswad
Director


Abdul Kuddus Mia
Chief Financial Officer


K.H. Reza, FCS
Company Secretary

Signed as per our separate report on same date.

October 25, 2023
Place: Dhaka


Md. Shafiqul Islam FCA
Enrolment # 595
Partner
Shafiq Basak & Co.
Chartered Accountants
DVC:

2310250595AS566199



Bengal Biscuits Limited

Statement of Changes in Equity

For the year ended June 30, 2023

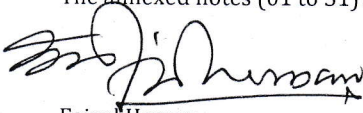
Particulars	Amount in Taka			
	Share Capital	Share Premium	Retained Earnings	Total
Balance as on 01.07.2022	79,380,000	21,819,138	(18,061,758)	83,137,380
Net profit after tax for the year	-	-	11,603,208	11,603,208
Balance as on 30.06.2023	79,380,000	21,819,138	(6,458,550)	94,740,588

Statement of Changes in Equity

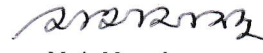
For the year ended June 30, 2022

Particulars	Amount in Taka			
	Share Capital	Share Premium	Retained Earnings	Total
Balance as on 01.07.2021	79,380,000	21,819,138	(22,765,399)	78,433,739
Net profit after tax for the year	-	-	5,497,441	5,497,441
Cash Dividend (2018-2019)	-	-	(793,800)	(793,800)
Balance as on 30.06.2022	79,380,000	21,819,138	(18,061,758)	83,137,380

The annexed notes (01 to 31) form an integral part of these financial statements.



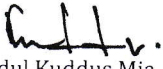
Faizul Hassan
Chairman



M. A. Masud
Managing Director



M.N.K Aswad
Director



Abdul Kuddus Mia
Chief Financial Officer

K.H. Reza, FCS
Company Secretary

October 25, 2023

Place: Dhaka



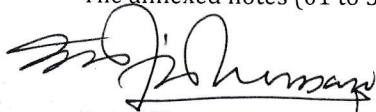
Bengal Biscuits Limited

Statement of Cash Flows

As at June 30, 2023

Particulars	Amount in Taka	
	30-Jun-2023	30-Jun-2022
<u>A. Cash Flow from Operating Activities:</u>		
Cash receipt from customer & others	28.01 697,644,641	548,049,401
Payment for costs & expenses	28.02 (640,798,926)	(540,914,893)
Cash generated from operation	56,845,715	7,134,508
Income Tax paid	28.03 (1,820,785)	(2,428,830)
Net cash (used in)/ generated by operating activities (A)	55,024,930	4,705,678
<u>B. Cash Flow from Investing Activities:</u>		
Acquisition of fixed Assets	(3,086,132)	(1,161,850)
Capital- work-in-progress	-	-
Net cash (used in)/ generated by investing activities (B)	(3,086,132)	(1,161,850)
<u>C. Cash Flow from Financing Activities:</u>		
Collection/(Paid) loan	(18,009,411)	(19,700,756)
Payment for finance & lease liabilities	(2,211,506)	(2,928,020)
Bank Overdraft	(31,639,839)	20,770,951
Net cash (used in)/ generated by financing activities (C)	(51,860,756)	(1,857,825)
D. Net Cash In Flow/(Out flow) for the year (A+B+C)	78,042	1,686,003
E. Cash & Bank Balances at the beginning of the year	26,599,358	24,913,355
F. Cash & Bank Balances at the end of the year	26,677,400	26,599,358
G. Net Operating Cash Flow Per Share (NOCFPS) (note # 29)	6.93	0.59

The annexed notes (01 to 31) form an integral part of these financial statements.



Faizul Hassan
Chairman



M. A. Masud
Managing Director



M.M.K. Aswad
Director



Abdul Kuddus Mia
Chief Financial Officer



K.H. Reza, FCS
Company Secretary

October 25, 2023
Place: Dhaka

Bengal Biscuits Limited
Notes to the Financial Statements
for the year ended June 30, 2023

1. Reporting entity

1.1. Company Profile:

The Company was incorporated on 1st November, 1980 as a Private Limited Company under the Companies Act, 1913. Subsequently on 16th May, 1994, it was converted into a Public Limited Company under the same statute. Its shares are listed in both the Dhaka and Chittagong Stock Exchange Limited. The Registered Office of the Company is located at 345, Segun Bagicha, Dhaka -1000 and the Factory is located at Plot # A-42, A-43, A-44, A-45, A-46, A-47, D-268, D-269 & S-10 BSCIC Industrial Estate, Kawnia, Barisal. Dhaka Stock Exchange (DSE) and Chittagong Stock Exchange (CSE) has delisted trading of BENGAL BISCUITS LIMITED since 4th October, 2009. The company has again been listed under the SME board on 30th September 2021.

1.2 Principal Activities and Nature of Operations:

The Company is a manufacturer of high-quality Biscuits, Flour, Extruded Snacks, Candy and other Consumer food products.

1.3 Statement of Compliance:

The Company has consistently applied the following accounting policies to all periods presented in these financial statements.

SL No.	IAS/IFRS Remarks Framework	Applicability
IAS 01	Presentation of Financial Statements	Applied
IAS 02	Inventories	Applied
IAS 07	Cash Flow Statements	Applied
IAS 08	Accounting Policies, Changes in Accounting Estimates and Errors	Applied
IAS 10	Events after the Reporting Period	Applied
IAS 12	Income Tax	Applied
IAS 16	Property, Plant and Equipment	Applied
IAS 19	Employee Benefits	Applied
IAS 20	Accounting for Government Grants and Disclosure of Government Assistance	N/A
IAS 21	The Effects of Changes in Foreign Exchange Rates	Applied
IAS 23	Borrowing Costs	N/A
IAS 24	Related Party disclosures	Applied



IAS 26 Accounting and Reporting by Retirement Benefit Plans	N/A
IAS 27 Consolidated and Separate Financial Statements	N/A
IAS 28 Investments in Associate	N/A
IAS 31 Interests in Joint Venture	N/A
IAS 32 Financial Instruments: Presentation	N/A
IAS 33 Earnings Per Share	Applied
IAS 36 Impairment of Assets	N/A
IAS 37 Provisions, Contingent Liabilities and Contingent Assets	Applied
IAS 38 Intangible Assets	N/A
IAS 40 Investment Property	N/A
IAS 41 Agriculture	N/A
IFRS 1 First Time Adoption of IFRS	N/A
IFRS 2 Share Based Payment	N/A
IFRS 3 Business Combination	N/A
IFRS 4 Insurance Contracts	N/A
IFRS 5 Non-current Assets Held for Sale & Discontinued Operations	N/A
IFRS 6 Exploration for and Evaluation of Mineral Resources	N/A
IFRS 7 Financial Instruments: Disclosures	Applied
IFRS 8 Operating Segments	N/A
IFRS 9 Financial Instruments	Applied
IFRS 15 Revenue from Contracts with Customers	Applied
IFRS 16 Leases	Applied

1.4 Authorization Date

These financial statements have been authorized for issue by the Board of Directors of the Company on 25th October 2023.



1.5 Basis of Measurement

All the elements of financial statement have been measured on "Historical Cost" basis which is one of the most commonly adopted basis as provided in "The Framework for the Preparation and Presentation of Financial Statements" issued by the International Accounting Standards (IAS).

1.6 Functional and presentation currency

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

1.7 Use of estimates and judgements

The preparation of financial statements is in conformity with the International Accounting Standards requires management to make estimates and assumptions that affects the reported amounts of the assets and liabilities and disclosure of the contingent assets and liabilities at the date of the financial statements and revenue and expenses during the year reported. Actual result could differ from those estimates. Estimates are used in an accounting for certain items such as depreciation; liability for outstanding claims whether due or intimated, taxes etc.

1.8 Significant Accounting Policies and Errors

Accounting Policies

The financial statements have been prepared and the disclosures of information made in accordance with the requirements of the Companies Act 1994, the Security Exchange Rules 1987 and IASs and IFRSs adopted by the Institute of Chartered Accountants of Bangladesh (ICAB) & FRC. The financial position and comprehensive income statement have been prepared according to IAS-1 (Presentation of Financial Statements) based on accrual basis following going concern assumption.

1.9 Property, plant and equipment.

Property, plant & Equipment are stated at cost. Cost represents cost of acquisition or construction and include purchase price and other directly attributable cost of bringing the assets to working condition for its intended use.

Depreciation has been charged using reducing balance method. All the assets acquired or disposed of during the year have been depreciated for the period of its usages. Expenditure for maintenance and repairs are expensed, major replacement, renewals and betterment are capitalized.

The cost and accumulated depreciation of depreciable assets retired or otherwise disposed of are eliminated from the assets and accumulated depreciation and any gain of loss on such disposal is reflected in operations for the year.

The annual depreciation rates are as under:

Particulars	Rate
Factory Building	10%
Plant and Machinery	20%
Furniture and Fixture	10%
Office Equipment	10%



Factory Equipment	10%
Vehicles	20%
Auxiliaries	20%
Leasehold Land	1.01%

Depreciation has been charged to income statement consistently.

Leasehold Land:

Land on BSCIC Industrial Estate, Kawnia, Barisal has been taken on lease from BSCIC on the dates mentioned against each:

Plot Name	Area	Date
Plot No. A-45 & A-46	33,000 sft.	10-11-1980
Plot No. A-44	16,500 sft.	10-02-1985
Plot No. A-43	16,500 sft.	24-01-2009
Plot No. A-42, D-268, D-269 & S-10	41,434 sft.	20-10-2009
Plot No. A-47	16,500 sft	16-07-2013

1.10 Financial instruments

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

1.11 Going Concern:

The financial statements of the Company have been prepared on the assumption that the entity is a going concern and will continue its business for the foreseeable future. Hence it is assumed that the entity has neither intention nor need to liquidate or curtail materially the scale of its operation. During the year, the Company has incurred net profit after tax of Tk. 11,603,208 and its accumulated loss as on June 30, 2023 stood at Tk. (6,458,550). Moreover, the management will take appropriate all steps to run the Company to continue as going concern.

1.12 Accounts Receivable

Accounts receivable are in original invoice value. The Current Accounts is maintaining with every party. All Current Accounts are considered good and collectable, and therefore, no amount was written off as bad debt and no debt was considered doubtful to provide for. Hence no provision has been made in line with Para 5.5.15 of IFRS-9.

1.13 Cash and cash equivalents

Cash and Cash equivalents are readily convertible to known amounts of Cash and are subject to an insignificant risk of changes in value and are not restricted as to use. Here cash and cash equivalents include cash and bank balances.

1.14 Inventories

Inventories consisting of Biscuits, Sugar, Salt, Oil, Flour are valued at lower of cost and net realizable value. Cost of inventories include expenditure incurred in acquiring the inventories, production of conversion costs and other costs incurred in bringing them to their existing

location and condition. Cost of inventories is determined by using the weighted average cost formula. Net realizable value is based on estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

1.15 Employee Benefits

Bengal Biscuits Limited provide short term benefit to its employees such as Wages, Salary, Incentive Annual leave, Sick leave and Bonuses.

The Company makes workers profit participation and welfare fund of 5% of net profit before tax as per provision of labour law 2013 (Amended 2018)

1.16 Income Tax

Current Tax

Income tax payable balance represents the sum of the tax currently payable. Income tax has been calculated at the rate applicable for the company as per the Income Tax Ordinance 1984.

Deferred Tax

Deferred tax is recognized in compliance with IAS 12 "Income Taxes", providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and amounts used for taxation purposes. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity.

The management has adopted to recognize the Deferred Tax liabilities complying with the requirement of IAS-12 based on taxable temporary differences resulting from the carrying value of assets recognized in the statement of financial position and tax base of those assets as determined by the third schedule of Income Tax Ordinance, 1984.

1.17 Revenue Recognition

Revenues are measured at fair value of the consideration received or receivable, net of discount and sales related taxes and VAT. Revenues are reported gross with separate recording of expenses to vendors of products or services.

1.18 Leases

IFRS 16 Leases is effective for the annual reporting periods beginning on or after 1 January 2019. IFRS 16 defines that a contract is (or contains) a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. IFRS 16 significantly changes how a lessee accounts for operating leases. Under previous IAS 17, an entity would rent an office building or a branch premises for several years with such a rental agreement being classified as operating lease would have been considered as an off balance sheet item. However, IFRS 16 does not require a lease classification test and hence all leases shall be accounted for as on balance sheet item (except some limited exception i.e. short-term lease, leases for low value items Under IFRS 16, an entity shall be recognizing a right-of-use (ROU) asset (i.e. the right to use the office building, branches, service center, call center, warehouse, etc.) and a corresponding lease liability. The asset and the liability are initially measured at the present value of unavoidable lease payments. The depreciation of the lease asset (ROU) and the interest on the lease liability is



recognized in the profit or loss account over the lease term replacing the previous heading 'lease rent expenses'. The company has implemented IFRS-16 where applicable.

1.19 Stock-in-Trade

Stock of raw, packing and other materials have been valued at cost. Average method has been followed for determining the value of stock.

1.20 Sundry Creditors and Other Accounts Payable

Liabilities are recorded at the amount to be paid in the future for settlement in respect of goods and services received by the Company.

1.21 Statement of Cash Flows

Statement of Cash Flows is prepared principally in accordance with IAS-7 "Cash Flow Statement" 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 IAS-7 which provides that "Enterprises are Encouraged to Report Cash Flow Operating Activities Using the Direct Method".

1.22 Basic Earnings Per Share:

This has been calculated by dividing the basic earning by the weighted average number of ordinary shares outstanding during the year.

1.23 Diluted Earnings per Share

No diluted EPS is required to be calculated for the year as there was no scope for dilution during the year under review.

Additional Information on Financial Statement:

1.24 Responsibility for Preparation and Presentation of Financial Statements:

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

1.25 Components of the Financial Statements:

According to the Bangladesh Accounting Standards (IAS)-1 "Presentation of Financial Statements" the complete set of Financial Statements includes the following Components":

- 1) Statement of Financial Position as at 30th June, 2023;
- 2) Statement of Profit or Loss and Other Comprehensive Income for the year ended 30th June, 2023;
- 3) Statement of Changes in Equity for the year ended 30th June, 2023;
- 4) Statement of Cash Flows for the year ended 30th June, 2023;
- 5) Accounting Policies and Explanatory Notes.



1.26 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 (IAS) requires management to make estimates and assumptions that effect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and revenues and expenses during the period reported. Actual results could differ from those estimates.

1.27 Reclassifications:

Certain reclassifications have not been made to conform the 2021-2022 financial statements and footnotes to the 2022-2023 presentation.

1.28 Reporting currencies and Level of Precision:

The figures in the financial statements represent Bangladeshi Taka currency and rounded off to the nearest Taka except where indicates otherwise.

1.29 Reporting Period:

Financial statements of the Company cover one financial year from 1st July 2022 to 30th June 2023 consistently.

1.30 Comparative Information:

Comparative information has been disclosed in respect of the year 2021-2022 for all numerical information in the financial statements and also the narrative descriptive information when it is relevant for understanding of the current periods of financial statements.



Notes	Amount in Taka	
	30-Jun-2023	30-Jun-2022
2.00 Property, plant & equipments : Tk. 99,394,964		
A. Cost:		
Opening Balance		
Add: Addition during the year	549,491,967	548,330,117
Less: Transfer/ Disposal during the year	3,086,132	1,161,850
Closing Balance	552,578,099	549,491,967
B. Accumulated depreciation:		
Opening Balance		
Add: Charged during the year	435,660,126	408,940,535
Closing Balance	17,523,009	26,719,591
C. Written down value on cost (A-B)	453,183,135	435,660,126
	99,394,964	113,831,841
3.00 Right-of-use assets : Tk. 3,070,727		
A. Cost:		
Opening Balance		
Add: Addition during the year	8,334,834	8,334,834
Closing Balance	8,334,834	8,334,834
B. Accumulated depreciation :		
Opening Balance		
Add: Addition during the year	3,509,405	1,754,703
	1,754,702	1,754,702
Add : Transfer From ROUA	5,264,107	3,509,405
Closing Balance	5,264,107	3,509,405
C. Written down value on cost (A-B)	3,070,727	4,825,429
Details of addition of assets are shown in Assets Schedule (Annexure-A & B) attached.		
4.00 Inventories: Tk. 66,505,374		
Raw materials	26,945,839	20,806,830
Packing Materials	31,137,453	19,897,616
Finished Goods	8,422,082	6,050,375
	66,505,374	46,754,821

Physical counting of the stock was carried out by inventory team. Inventory count was also carried out by the Independent Auditor on July 01, 2023. Inventory at June 30, 2023 are calculate at lower of average cost and Net Realizable Value.

5.00 Trade and other Receivables : Tk. 89,754,063		
Ageing of Trade Receivable		
More than Six Months	2,570,967	204,981
Less than Six Months	87,183,096	89,249,425
	89,754,063	89,454,406

These amounts are unsecured, but being realized within next year at the highest. No provision was made for bad debt during the year under review.

Particulars		
Abul & Sons, Jessore	3,426,355	5,055,716
Khandoker Corporation, Bhairab	4,212,779	4,995,518
Alam Enterprise, C&B Road, Barishal	3,025,144	3,273,428
Prattasha Trading, Amtoli	3,987,853	4,625,229
Mahabub Traders, Mymensingh.	4,359,794	4,680,889
Bodrul Enterprise, Sylhet.	4,263,676	4,537,683
Bhai Bhai Traders, Keranigonj	-	2,845,843
Maa Enterprise, Uttara	3,523,920	3,410,361



Notes	Amount in Taka	
	30-Jun-2023	30-Jun-2022
F S Enterprise, Khulna	4,119,218	4,548,346
Ashiq Traders, Rajshahi	4,050,659	3,939,135
Sornali Traders, Kustia	3,503,656	2,844,215
M Rahman & Co, Ctg	3,149,335	2,894,843
Aziz & Sons, Savar, Dhaka	-	3,784,652
Howlader Enterprise, Madaripur	3,390,013	2,755,178
Abir Enterprise, Hakars Market, Noakhali	3,659,433	2,971,831
Arma Distribution, Rangpur	2,405,528	2,111,366
Alauwal Enterprise, Bogura	3,368,828	2,776,439
Ragib Trading, Cox Bazar	2,778,557	3,407,214
K.N Enterprise, Comilla	3,670,996	3,314,145
Penta Group, Jamalpur	3,097,366	-
Wreath Distribution Ltd. Dhaka	4,399,560	3,114,146
Haque Enterprise, Hathajare, Ctg	2,461,806	2,261,099
Khalil Traders, Dinajpur	2,573,995	2,111,956
Fakhrul Enterprise, Moulvibazar	2,951,792	2,207,286
M A Mojid, Traders, Bhola	4,406,473	4,885,809
Hazi Dabir Store, Kurigram	2,159,809	2,028,002
Oponin Pharma Ltd, Dhaka	1,538,505	-
Rahimafroz (Agora)	152,397	108,513
US Bangla Airlines	98,849	229,028
Ibnsina Hospitals, Dhanmondi	256,938	-
Orian Pharma Ltd, Dhaka	2,570,967	-
Squire Pharmaceuticals Ltd	398,199	60,956
CSD Exclusive Shop	817,335	314,319
Team pharmaceuticals ltd, Kawran bazar, Dhaka.	187,896	361,202
Gimcon Food & Agora Product ltd	-	42,204
Birdem General Hospital, Dhaka	86,534	-
General Pharmacitics Ltd, Gazipur	-	262,000
Apex Pharma Ltd, Dhaka	60,121	79,237
Apon Wellbeing Ltd.	-	79,413
Asiatick Laborities Ltd., Dhaka	-	136,272
Eskayef Pharmaceuticals Ltd., Dhaka	-	1,753,402
Navana Pharmaceuticals ltd, Banani, Dhaka.	-	389,880
Fortune Shoes Ltd., BSCIC, BSL	248,861	257,651
UniMed UniHealth Pharmaceuticals Ltd. Dhaka	12,831	-
Labaid Pharma, Dhaka	378,085	-
	89,754,063	89,454,406

6.00 Advances, Deposits and Prepayments : Tk. 11,479,241

Advances against employee	1,843,002	2,076,428
Advance against VAT	510,684	510,684
Deposits for Telephone, Electricity	832,902	832,902
Tax Deducted at source by local buyers	1,305,202	599,961
Tax Deducted at source by Export stage	178,301	90,311
Advance Income Tax	6,053,445	-
Advance Against Purchase	-	3,860,000
Prepayments against Office Rent	755,705	755,705
	11,479,241	8,725,991

Note 6.01



Notes	Amount in Taka			
	30-Jun-2023	30-Jun-2022		
6.01 Advance Income Tax: Tk. 6,053,445				
Opening Balance	-	-		
Add: Paid During The Year:				
Assessment Year 2021-2022	1,461,310	-		
Assessment Year 2022-2023	2,342,135	-		
Assessment Year 2023-2024	2,250,000	-		
	<u>6,053,445</u>	<u>-</u>		
Less: Adjustment During the Year	-	-		
Closing Balance	<u>6,053,445</u>	<u>-</u>		
7.00 Cash and cash equivalents : Tk. 26,677,400				
Cash in Hand	Note 7.01	9,739,870	12,277,457	
Cash at Bank	Note 7.02	16,937,530	14,321,901	
		<u>26,677,400</u>	<u>26,599,358</u>	
7.01 Cash in hand : Tk. 9,739,870				
Head Office		4,224,189	5,480,766	
Factory, Barishal		5,515,681	6,796,691	
		<u>9,739,870</u>	<u>12,277,457</u>	
7.02 Cash at bank : Tk. 16,937,530				
Bank Name	Branch Name			
Janata Bank Ltd.	Barisal Corp.	CD # 52016	3,142,595	18,654
Janata Bank Ltd.	Topkhana	CD # 633016448	2,114,714	2,733,875
Janata Bank Ltd-Dividend A/C	Topkhana	CD # 0100225297902	390,773	-
Islami Bank Bd Ltd.	VIP Road	CD # 2230100231202	9,327,505	7,159,687
Shahjalal Islami Bank Ltd.	Bijoy Nagar	CD # 1811100005736	3,812	4,847
Prime Bank Ltd.	Bijoy Nagar	CD # 5911080001765	198,181	3,524,748
Pubali Bank Ltd.	Nayapaltan	CD # 2438901038845	3,939	685,158
Pubali Bank Ltd.	Stadium	CD # 0939901046588	1,708,220	111,220
Al-Arafa Islami Bank Ltd.	VIP Road	CD # 0141020033832	13,371	14,291
Dhaka Bank Ltd.	Karwan Bazar	CD # 2071000010478	1,807	2,497
Midland Bank Ltd	Dilkhusa	CD # 1090000769	19,568	52,096
Bangladesh Development Bank	Dilkhusa	CD # 0650200002591	3,070	3,933
Bd Commerce Bank Ltd.	Dilkhusa	CD # 00221003091	9,975	10,895
			<u>16,937,530</u>	<u>14,321,901</u>

Cash in hand has been verified by the Management at the close of the year and a cash custody certificate was furnished to the Auditors. The above bank accounts have been duly reconciled with balance of bank statements of respective accounts.

8.00 Share capital : Tk. 79,380,000

This is made up as follows:

Particulars

a. Authorised Capital

5,00,00,000 Ordinary Shares @ Tk. 10/- each

500,000,000 500,000,000

b. Issued, Subscribed & Paid up capital

i. 60,00,000 Ordinary shares of Tk. 10 each fully paid up in cash

60,000,000 60,000,000

ii. 19,38,000 Ordinary shares of Tk. 10 each issued as Bonus Shares

19,380,000 19,380,000

Total 79,38,000 Ordinary Shares of Tk. 10 each

79,380,000 79,380,000



b. i Ordinary Share Capital paid up in cash

Notes	Amount in Taka	
	30-Jun-2023	30-Jun-2022
3,00,000 Ordinary Shares of Tk. 100 each in 1994 which of present face value of Tk. 10 each total to 30,00,000 shares	30,000,000	30,000,000
3,00,000 Ordinary Shares of Tk. 100 each in 1995 which of present face value of Tk. 10 each total to 30,00,000 shares	30,000,000	30,000,000
	60,000,000	60,000,000

b. ii Bonus Share Capital

1,20,000 Bonus Shares of Tk. 100 each issued from retained earnings at 5:1 in 1996 which of present face value of Tk. 10 each total to 12,00,000 shares	12,000,000	12,000,000
36,000 Bonus Shares of Tk. 100 each issued from Share Premium at 20:1 in 2017 which of present face value of Tk. 10 each total to 3,60,000 shares	3,600,000	3,600,000
3,78,000 Bonus Shares of Tk. 10 each issued from Share Premium at 20:1 in 2018	3,780,000	3,780,000
	19,380,000	19,380,000

a) Composition of Shareholding

Directors & Sponsors
ICB Unit Fund
General Public

30.06.2023		30.06.2022	
No. of Shares	%	No. of Shares	%
2,429,164	30.60%	2,429,164	30.60%
1,158,987	14.60%	814,910	10.27%
4,349,849	54.80%	4,693,926	59.13%
7,938,000	100.00%	7,938,000	100.00%

(c) Classification of Shareholders by Holding :

Range of Shares	No. of Folio		Number of Shares		Holding %	
	30.06.23	30.06.22	30.06.23	30.06.22	30.06.23	30.06.22
01 to 500	3,123	3,166	490,274	508,634	6.18	6.41
501 to 5,000	624	677	901,253	999,428	11.35	12.59
5,001 to 10,000	57	75	411,067	535,177	5.18	6.74
10,001 to 20,000	35	39	507,014	549,141	6.39	6.92
20,001 to 30,000	13	13	323,816	308,417	4.08	3.89
30,001 to 40,000	6	3	206,147	101,940	2.60	1.28
40,001 to 50,000	4	5	182,954	220,347	2.30	2.78
50,001 to 100,000	11	7	656,446	433,036	8.27	5.46
1,00,001 to 9,99,999	11	13	4,259,029	4,281,880	53.65	53.94
Total:	3,884	3,998	7,938,000	7,938,000	100	100

9.00 Share premium : Tk. 21,819,138

Share premium	21,819,138	21,819,138
	21,819,138	21,819,138

10.00 Retained Earnings : Tk. -6,458,550

Opening Balance	(18,061,758)	(22,765,399)
Cash Dividend (2018-2019)	-	(793,800)
Net profit during the year	11,603,208	5,497,441
Closing Balance	(6,458,550)	(18,061,758)



Notes	Amount in Taka	
	30-Jun-2023	30-Jun-2022
11.00 Long Term Loans : Tk. 106,740,744		
Midland Bank Limited-Term Loan 01	11.01 87,958,675	101,111,939
Midland Bank Limited-Term Loan 02	11.02 6,666,616	7,834,700
Midland Bank Limited-Term Loan 03	11.03 12,115,453	15,803,516
	106,740,744	124,750,155
Less : Current Portion of Long Term Loan being Payable within 01 year		
Midland Bank Limited-Term Loan 01	14,538,680	12,066,433
Midland Bank Limited-Term Loan 02	1,306,042	1,070,807
Midland Bank Limited-Term Loan 03	4,032,172	3,366,535
Long Term Loan-Current Portion	19,876,894	16,503,775
Long Term Loan-Non Current Portion	86,863,850	108,246,380
11.01 Midland Bank Ltd. -Term Loan 01 : Tk. 87,958,675		
Opening Balance	101,111,939	114,950,572
Add : Interest Charge during the year	8,685,896	9,820,457
	109,797,835	124,771,029
Less : Payment during the year	21,839,160	23,659,090
	87,958,675	101,111,939
11.02 Midland Bank Ltd.-Term Loan 02 : Tk. 6,666,616		
Opening Balance	7,834,700	8,901,342
Add : Addition and interest Charge during the year	666,188	767,630
	8,500,888	9,668,972
Less : Payment during the year	1,834,272	1,834,272
	6,666,616	7,834,700
11.03 Midland Bank Ltd.-Term Loan 03: Tk. 12,115,453		
Opening Balance	15,803,516	19,587,055
Add : Addition and interest Charge during the year	1,299,389	1,619,534
	17,102,905	21,206,589
Less : Payment during the year	4,987,452	5,403,073
	12,115,453	15,803,516
12.00 Finance Lease : Tk. 3,801,305		
Lease Liability_Office Rent	12.01 3,801,305	6,012,811
	3,801,305	6,012,811
Less : Current Portion of Lease Finance being Payable within 01 year		
Lease Liability_Office Rent	2,306,064	2,148,834
Lease Finance-Current Portion	2,306,064	2,148,834
Lease Finance-Non Current Portion	1,495,241	3,863,977
12.01 Lease Liability_Office Rent : Tk. 3,801,305		
Opening Balance	6,012,811	7,030,669
Add. Addition During the year	385,201	396,433
	6,398,012	7,427,102
Less-Payment during the year	2,596,707	1,414,291
	3,801,305	6,012,811

Lease liability (future discounted payments) with regard to office rent has been calculated in line with IFRS 16 using incremental borrowing rate (IBR) @ 9%.



Notes	Amount in Taka	
	30-Jun-2023	30-Jun-2022
13.00 Deferred Tax Liability : Tk. -24,315		
Opening Balance	143,817	643,005
Deferred tax expense/(benefit) during the year	(168,132)	(499,188)
	(24,315)	143,817
Computation of Deferred Tax:		
Written Down Value of Fixed Assets:		
Accounting Base	95,941,505	110,343,146
Tax Base	95,332,500	108,436,679
i. Taxable Temporary Difference of Fixed Assets	609,005	1,906,467
Accounting Base Value of Right of use Assets	3,070,727	4,825,429
Accounting Base Value of Lease Liability	3,801,305	6,012,811
Accounting Base Net Value of Liability	730,578	1,187,382
Tax Base Value of Right of use Assets	-	-
Tax Base Value of Lease Liability	-	-
Tax Base Net Value of Liability	-	-
ii. Deductible Temporary Difference of Lease Liability	730,578	1,187,382
Total Taxable Temporary Difference (i-ii)	(121,573)	719,085
Tax Rate	20.00%	20.00%
Deferred Tax Liabilities as of June 30, 2023	(24,315)	143,817
Already Recognised	143,817	643,005
Deferred tax expense/(income) for the year to be recognised in PL	(168,132)	(499,188)
14.00 Accounts & Other Payables : Tk. 59,431,998		
Creditors -for Goods & Supplies	14.01 29,321,859	9,425,741
Creditors -for Expenses	14.02 13,610,139	7,714,221
Creditors -for other Finance	14.03 16,500,000	-
	59,431,998	17,139,962
14.01 Creditors for Goods & Supplies		
Opening Balance	9,425,741	9,044,355
Add. Purchase during the Year	457,930,185	368,801,790
	467,355,926	377,846,145
Less : Payment during the Year	438,034,067	368,420,404
	29,321,859	9,425,741
Details of Creditors for Goods & Supplies		
Bangladesh Flour Mill. Narayangonj	-	1,602,040
Padma Flour Mills	3,750,468	1,180,493
Sabnam Vegetable	3,323,245	1,256,524
ASF Printing & Packaging, Dhaka	229,310	656,030
Premiaflex Plastic Ltd.	3,852,896	1,358,118
Abed Products, Dhaka	1,143,150	984,754
Robin Printing & Packages Ltd.	3,001,819	-
Avijit Auto Flour Mills, Mejhedanga, Bagerhat	2,002,160	-
Akib Flour Mills, Barisal	3,064,762	1,241,910
Al Zame Packaging Ind. Dhaka	1,564,725	-
Munsur and Son's, Barisal	1,473,200	-
SM Trade International	251,000	-
United Printing & Packaging, Dhaka	2,022,895	-
Islam Products, Jatrabari, Dhaka	656,565	-
M A Triangle, Mirpur, Dhaka	1,303,402	-
Pabitro Store, Barisal	1,682,262	1,145,872
	29,321,859	9,425,741



Notes	Amount in Taka	
	30-Jun-2023	30-Jun-2022
14.02 Creditors for Expenses: Tk. 13,610,139		
Salary & Wages payable	7,613,915	2,165,054
Audit Fee Payable	150,000	135,000
Electricity Bill	2,314,536	2,634,387
AIT for Salary	43,528	36,064
Trade VAT	2,604,146	2,200,000
AGM Expenses	273,894	235,716
Mobile Bill_GP	232,120	-
Director Remuneration	320,000	250,000
Interest Payable for STL	58,000	58,000
	13,610,139	7,714,221
14.03 Creditors for Other Finance: Tk. 16,500,000		
Badrul Enterprise, Sylhet	1,500,000	-
Nabi Corporation, Dhaka	3,000,000	-
Prattasha Trading, Amtoli	2,000,000	-
Penta Group, Jamalpur	500,000	-
Arma Distribution, Rangpur	1,000,000	-
Ragib Trading, Chokoriya.	1,000,000	-
FS Enterprise, Khulna	1,000,000	-
Haque Enterprise, Hathajari, Ctg	500,000	-
Alaul Enterprise, Jhawtola, Bogura	1,000,000	-
Alam Enterprise, Barisal	1,000,000	-
KN Enterprise, Comilla	500,000	-
Abir Enterprise, Noakhali	1,500,000	-
Mahabub Traders Mymensingh Ltd, Dhaka	2,000,000	-
	16,500,000	-
15.00 Short Term Loan and Advance : Tk. 15,179,990		
Bank Overdraft-Midland Bank	5,154,502	152,437
Time Loan-Midland Bank	4,225,488	40,867,392
WPPF of Pharma Aids Limited	5,800,000	5,800,000
Total	15,179,990	46,819,829
16.00 Unclaimed Dividend : Tk. 390,773	390,773	388,800
17.00 Provision for Income Tax: Tk. 15,710,226		
Opening Balance	11,269,998	9,894,346
Current year Tax	5,555,772	3,393,464
Payment during the year:	16,825,770	13,287,810
Assessment Year 2015-2016	1,115,544	2,017,812
Closing Balance:	15,710,226	11,269,998
18.00 Liabilities for WPPF: Tk. 910,460		
Opening Balance	529,094	479,218
Add : Provision during the year	849,542	419,586
Less : Payment during the year	1,378,636	898,804
	468,176	369,710
	910,460	529,094



	Notes	Amount in Taka	
		30-Jun-2023	30-Jun-2022
19.00 Turnover : Tk. 680,940,770			
VATable Item	19.01	621,972,220	499,194,243
Non-VATable Item		58,968,550	66,383,063
		680,940,770	565,577,306
19.01 VATable Item : Tk. 621,972,220			
Revenue from VATable Item		653,291,495	524,211,733
Less : VAT Payment		31,319,275	25,017,490
		621,972,220	499,194,243
Total VAT Payment	31,450,406		
Less : Rebate Adjustment	131,131		
Net VAT Payment	31,319,275		
20.00 Cost of Goods Sold : Tk. 544,603,579			
Purchase of :			
Raw Materials		348,004,330	282,618,801
Packing Materials		109,925,855	86,182,989
		457,930,185	368,801,790
Add : Opening stock of Materials		40,704,446	37,011,253
Materials available for consumption		498,634,631	405,813,043
Less : Closing stock of Materials		(58,083,292)	(40,704,446)
Materials Consumed		440,551,339	365,108,597
Manufacturing Expenses	20.01	106,423,947	97,143,916
Cost of Goods Manufactured		546,975,286	462,252,513
Add : Opening stock of Finished Goods		6,050,375	3,972,168
Cost of Goods available for Sale		553,025,661	466,224,681
Less : Closing stock of Finished Goods		(8,422,082)	(6,050,375)
		544,603,579	460,174,306

Break-up of materials purchased with percentage :

Particulars	2022-2023		2021-2022	
	Amount	Percentage	Amount	Percentage
Raw Materials	3,480.04	76.00%	2,826.19	76.63%
Packing Materials	1,099.26	24.00%	861.83	23.37%
	4,579.30	100.00%	3,688.02	100.00%

20.01 Manufacturing expenses : Tk. 106,423,947

Salary and wages	28,623,071	24,599,864
Festival Bonus	2,016,832	2,009,520
Overtime	804,703	666,216
Performance Allowance	303,000	313,042
Uniform	96,900	80,490
Medical expense	98,512	48,721
Conveyance	73,715	61,235
Staff Welfare	926,592	602,958
Postage and Stamp	21,774	18,095
Meal Allowance	43,780	36,290
Carriage inward/Loading and handling	3,804,198	3,234,938
Repairs and maintenance	1,288,068	1,283,567
Power and electricity	41,169,139	33,174,533
Water bill	67,500	57,000
Telephone, fax and mobile	816,059	668,687
Stationery	104,570	85,796
Local Travelling	331,344	335,389
Workers' Lunch Allowance	2,328,632	2,260,666
Entertainment	63,906	88,955
Fire Insurance	1,012,776	1,043,283
VAT at Souch on Expenses	873,015	-
VAT on Procurement Provider	4,146,842	-

Notes	Amount in Taka	
	30-Jun-2023	30-Jun-2022
Lease Land Yearly Service Charge	762,160	1,091,060
Depreciation	16,646,859	25,383,611
	106,423,947	97,143,916

The number of employees/workers received salary and wages upto and above Tk.36,000.00 per annum :

-Upto Tk. 36,000.00 = 312 Nos.

-Above Tk. 36,000.00 = 190 Nos.

The Company has been serving lunch to the workers free of cost as an incentive.

21.00 Administrative Expenses : Tk. 27,587,060

Salary and Remuneration	19,180,433	13,995,413
Festival Bonus	1,614,566	1,312,860
Medical Expenses	161,592	97,657
Conveyance	25,255	27,776
Meal Allowance	10,640	21,680
Local Travelling	212,665	223,045
Software Service	90,290	135,900
Staff Welfare	198,939	210,084
Renewal and fees	131,772	128,985
Repair and maintenance	119,599	124,611
Power, Electricity & Expenses	446,435	395,719
Photocopy and documentation	35,205	32,450
Stationery	146,160	135,314
Postage and stamp	9,920	22,997
Telephone, mobile and fax	913,773	779,884
Fuel, repair, services and cleaning	206,097	225,305
Newspaper, books and periodicals	3,410	4,490
Entertainment	109,857	109,547
Gas, water and Service charge	152,970	146,541
Audit fee	150,000	135,000
Consent fee for the Application of Stock Dividend	50,000	-
VAT Deduction at Souch	311,242	315,060
Tax Deduction at Souch	6,352	-
Legal Fees	36,500	44,150
Stock Exchange Listing Fees	19,845	72,095
Membership Expenses (BAPLC)	30,000	30,000
CDBL Expenses	56,000	56,000
AGM expenses	312,528	352,140
Credit Rating Expense	43,000	40,000
Board Meeting Fee	95,000	-
Insurance	76,163	-
Depreciation	876,150	1,335,980
Depreciation- Right of use Assets (Office Rent)	1,754,702	1,754,702
	27,587,060	22,265,385



Notes	Amount in Taka	
	30-Jun-2023	30-Jun-2022

The number of employees received salary upto and above Tk. 36,000.00 per annum :

-Above Tk. 36,000.00 =28 Nos.

-Upto Tk.36,000.00 = Nil

Depreciation_Right of Use Assets (ROUA) is the requirement of IFRS-16 (Leases) with regard to recognition of ROUA of lease agreement of head office.

22.00 Selling & distribution expenses : Tk. 77,476,649

Salary and allowances	34,001,628	25,162,071
Festival Bonus	3,010,230	2,237,100
Local Travelling	794,502	659,286
Carriage outward	4,727,500	3,843,600
Conveyance	4,427,944	3,429,258
Meal Allowance	2,102,303	1,414,175
Photocopy and documentation	30,535	25,850
Medical Expenses	214,159	122,808
Stationery	281,230	218,040
Postage and stamp	19,890	16,504
Telephone, mobile and fax	1,342,256	1,503,505
Fuel, repair, services and cleaning	445,500	383,996
Product Incentive	11,490,849	8,916,064
Store Damage & Date Expired	11,203,885	8,150,515
Entertainment	109,542	121,158
Distribution of sample	1,185,246	805,243
Product design charges	142,076	112,765
Export Expenses	41,000	46,575
Employees' Meet Allowance	1,906,374	1,384,061
	77,476,649	58,552,574

The number of employees received salary upto and above Tk. 36,000.00 per annum :

-Above Tk. 36,000.00 = 226 Nos.

-Upto Tk.36,000.00 = Nil

23.00 Financial Cost : Tk. 13,936,620

Interest on Long Term Loan	10,651,473	12,751,788
Interest on Short Term Loan	2,771,357	2,931,637
Interest on Lease liability_Office Rent	385,201	396,433
Bank Charge	128,589	106,713
	13,936,620	16,186,571

Interest on Lease liability (Office Rent) has been recognised as per requirement of IFRS-16.

24.00 Other Income : Tk. 503,528

Export Benefit-Cash Incentive received during the year	457,000	385,617.00
Foreign Exchange (Loss)/Gain	24.01 46,528	27,216
	503,528	412,833

24.01 Exchange Gain of : Tk. 46,528

Received against export sales	3,887,902	3,330,284
Less : Sales recorded at rates of exchange ruling at transaction date	3,841,374	3,303,068
	46,528	27,216

25.00 Income Tax Expenses: Tk. 5,555,772

Current year tax	4,085,645	3,393,464
Short Provision of Assessment Year 2020-2021**	1,470,127	-
	5,555,772	3,393,464

**The amount has been recognised since additional demand of the tax authority. Although the entity has appealed against the order, the provision has been recognised following IFRIC 23



Notes	Amount in Taka	
	30-Jun-2023	30-Jun-2022
Computation of Current Tax:		
Net profit before tax	16,990,848	8,391,717
Add: Accounting base Depreciation	17,523,009	26,719,591
Less: Tax base Depreciation	(16,190,311)	(26,018,442)
Net Profit After Adjustment	18,323,546	9,092,866
Tax Rate	20%	20.0%
i. Current Tax on Taxable Profit	3,664,709	1,818,573
(II) Minimum tax U/S 82C(2)(a):		
AIT on Local Stage	1,305,202	599,961
iii. Minimum tax calculated on company's gross receipts U/S-82C(4)(a)		
Gross Receipt	680,940,770	565,577,306
Tax Rate	0.60%	0.60%
ii. Minimum Tax	4,085,645	3,393,464
Current Tax for the Year (Higher of i or ii or iii)	4,085,645	3,393,464

Depreciation is charged as per 3rd Schedule of ITO, 1984 thus there is no significant adjustment required. The only consideration is commencement of depreciation charges which starts since available for use as in accounting base whereas NBR allows for whole year but whatever the difference has been considered in deferred tax calculation, no adjustment is given in current tax computation being the amount is insignificant.

25.01 Deferred tax : Tk. -168,132

Deferred tax expense during the year	13.00	(168,132)	(499,188)
		(168,132)	(499,188)

26.00 Earning per share (EPS) : Tk. 1.46

Net Profit after tax	11,603,208	5,497,441.00
Number of ordinary shares issued and paid up.	7,938,000	7,938,000
	1.46	0.69

Reconciliation of Net Profit with Cash Flows from Operating Activities for the Year Ended on 30 June 2023 - Under Indirect Method is given below:

Net Profit before tax	11,603,208
Adjustments for non-cash items:	
Depreciation	19,277,711
Net Profit/(Loss) before changes in working capital	30,880,919
Change in working capital	24,144,012
(Increase)/Decrease in Inventories	(19,750,553)
(Increase)/Decrease in Accounts Receivables	(299,657)
(Increase)/Decrease in Advances, Deposits & Prepayments	(2,753,250)
Increase/(Decrease) Accounts Payable	42,292,036
Increase/(Decrease) in WPPF	381,366
Increase/(Decrease) in Income tax Provision	4,440,228
Increase/(Decrease) in Dividend Payable	1,974
Increase/(Decrease) in Deferred Tax Liability	(168,132)
Net cash flows from operating activities	55,024,930

27.00 LIABILITIES FOR CONTINGENT AND OTHER NATURE:

VAT authority had an illegal claim of VAT for Tk. 9.43 crores. The Company had lodged appeal to the Commissioner (Appeal) of Custom, Excise & VAT, and thereafter to the VAT Appellate Tribunal; but both of them given decision against us. So, the matter is now pending in the Court.

No guarantee was given by the Company on behalf of the Directors, Managers or other Officers of the Company or any of them severally or jointly with any other person.



Notes	Amount in Taka	
	30-Jun-2023	30-Jun-2022
28.00 Notes to Statement of Cash Flows:		
28.01 Cash receipt from customer & others:		
Opening Trade and other receivables	89,454,406	71,513,668
Add: Sales during the year	712,260,045	590,594,796
	801,714,451	662,108,464
Less: VAT with Adjustment	(31,319,275)	(25,017,490)
	770,395,176	637,090,974
Less: Closing Trade and other receivables	(89,754,063)	(89,454,406)
	680,641,113	547,636,568
Add: Other Income	503,528	412,833
	681,144,641	548,049,401
Less : Security Money	16,500,000	-
Total	697,644,641	548,049,401
28.02 Payment to Suppliers and Others:		
Cost of Goods Sold	(544,603,579)	(460,174,306)
Administrative Expenses	(27,587,060)	(22,265,385)
Selling & Distribution Expenses	(77,476,649)	(58,552,574)
(Increase)/Decrease in inventory	(19,750,553)	(5,771,400)
(Increase)/Decrease in advance, deposits & prepayments	(2,048,009)	(4,259,078)
(Increase)/Decrease in accounts payable	25,792,036	(1,405,162)
WPPF paid	(468,176)	(369,710)
Dividend Paid	1,973	(405,000)
Bank Charge & Commission	(128,589)	(106,713)
Financial Cost	(13,808,031)	(16,079,858)
Adjustment for non-cash item	-	-
Depreciation	19,277,711	28,474,293
Total	(640,798,926)	(540,914,893)
28.03 Income Tax Paid		
Tax Expenses	(5,555,772)	(3,393,464)
(Increase)/decrease in Advance Tax	(705,241)	(411,018)
Increase/(decrease) in Income Tax provision	4,440,228	1,375,652
	(1,820,785)	(2,428,830)
29.00 Net Asset Value per share		
Net Asset Value at the end of the year	94,740,588	83,137,380
Number of outstanding share at the end of the year	7,938,000	7,938,000
Total:	11.94	10.47
30.00 Net Operating Cash Flow Per Share (NOCFPS)		
Net Operating Cash Flow for the year	55,024,930	4,705,678
Number of outstanding share at the end of the year	7,938,000	7,938,000
Total:	6.93	0.59
31.00 Payment/Perquisite paid to directors :		
The aggregate amount paid during the year to directors are :		
Short term Benefits	2,400,000	2,400,000
Short term Benefits-Independent Director	600,000	600,000
Short term benefits included remuneration only.		

Bengal Biscuits Limited
Schedule of Property, Plant & Equipment

As at June 30, 2023

Particulars	Cost Value				Rate (%)	Depreciation			Written down value as on 30.06.2023
	Balance as on 01.07.2022	Addition during the year	Disposal during the year	Balance as on 30.06.2023		Depreciation charged during the year	Adjustment during the year	Balance as on 30.06.2023	
Factory Building	115,312,446	-	-	115,312,446	10%	4,245,469	-	77,103,224	38,209,222
Plant and Machinery	380,766,031	345,960	-	381,111,991	20%	11,185,985	-	336,095,125	45,016,866
Furniture and Fixture	4,420,719	-	-	4,420,719	10%	110,250	-	3,428,465	992,254
Office Equipment	6,056,487	487,012	-	6,543,499	10%	234,052	-	4,200,153	2,343,346
Factory Equipment	6,452,687	231,975	-	6,684,662	10%	278,142	-	4,150,901	2,533,761
Vehicles	23,021,962	2,021,185	-	25,043,147	20%	1,392,524	-	18,362,496	6,680,651
Auxiliaries	9,697,071	-	-	9,697,071	20%	41,351	-	9,531,666	165,405
Sub Total: As at June 30, 2023	545,727,403	3,086,132	-	548,813,535		17,487,773	-	452,872,030	95,941,505

Fixed Assets (Leasehold Land):

Particulars	Cost Value				Rate (%)	Depreciation			Written down value as on 30.06.2023
	Balance as on 01.07.2022	Addition during the year	Disposal during the year	Balance as on 30.06.2023		Depreciation charged during the year	Adjustment during the year	Balance as on 30.06.2023	
Leasehold Land	3,764,564	-	-	3,764,564	1.01%	35,236	-	311,105	3,453,459
Sub Total: As at June 30, 2023	3,764,564	-	-	3,764,564		35,236	-	311,105	3,453,459
Grand Total: As at June 30, 2023	549,491,967	3,086,132	-	552,578,099		17,523,009	-	453,183,135	99,394,964
Grand Total: As at June 30, 2022	548,330,117	1,161,850	-	549,491,967		26,719,591	-	435,660,126	113,831,841

Distribution of Depreciation:

Manufacturing Expenses	16,646,859	95%
Administrative Expenses	876,150	5%
Total Taka:	17,523,009	100%



Bengal Biscuits Limited
Schedule of Property, Plant & Equipment

As at June 30, 2022

Particulars	Cost Value				Rate (%)	Depreciation			Written down value as on 30.06.2022
	Balance as on 01.07.2021	Addition during the year	Disposal during the year	Balance as on 30.06.2022		Depreciation charged during the year	Adjustment during the year	Balance as on 30.06.2022	
Factory Building	115,312,446	-	-	115,312,446	20%	10,613,673	-	72,857,755	42,454,691
Plant and Machinery	380,081,531	684,500	-	380,766,031	20%	13,892,920	-	324,909,140	55,856,891
Furniture and Fixture	4,241,169	179,550	-	4,420,719	10%	115,851	-	3,318,215	1,102,504
Office Equipment	5,758,687	297,800	-	6,056,487	10%	210,206	-	3,966,101	2,090,386
Factory Equipment	6,452,687	-	-	6,452,687	10%	286,659	-	3,872,759	2,579,928
Vehicles	23,021,962	-	-	23,021,962	20%	1,512,998	-	16,969,972	6,051,990
Auxiliaries	9,697,071	-	-	9,697,071	20%	51,689	-	9,490,315	206,756
Sub Total: As at June 30, 2021	544,565,553	1,161,850	-	545,727,403		26,683,996	-	435,384,257	110,343,146

Fixed Assets (Leasehold Land):

Particulars	Cost Value				Rate (%)	Depreciation			Written down value as on 30.06.2022
	Balance as on 01.07.2021	Addition during the year	Disposal during the year	Balance as on 30.06.2022		Depreciation charged during the year	Adjustment during the year	Balance as on 30.06.2022	
Leasehold Land	3,764,564	-	-	3,764,564	1.01%	35,595	-	275,869	3,488,695
Sub Total: As at June 30, 2022	3,764,564	-	-	3,764,564		35,595	-	275,869	3,488,695
Grand Total: As at June 30, 2022	548,330,117	1,161,850	-	549,491,967		26,719,591	-	435,660,126	113,831,841

Grand Total: As at June 30, 2021	529,207,040	19,123,077	-	548,330,117		29,028,348	-	408,940,535	139,389,582
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Distribution of Depreciation:

Manufacturing Expenses	25,383,611	95%
Administrative Expenses	1,335,980	5%
Total Taka :	26,719,591	100%



Bengal Biscuits Limited

Schedule of Right-of-use Assets
As at June 30, 2023

Annexure-B

Particulars	Cost Value				Rate (%)	Depreciation			Written down value as on 30.06.2023	
	Balance as on 01.07.2022	Addition	Disposal during the year	Balance as on 30.06.2023		Balance as on 01.07.2022	Depreciation charged during the year	Adjustment during the year		Balance as on 30.06.2023
Office Rent	8,334,834	-	-	8,334,834		3,509,405	1,754,702	-	5,264,107	3,070,727
Total: As at June 30, 2023	8,334,834	-	-	8,334,834		3,509,405	1,754,702	-	5,264,107	3,070,727
Grand Total: As at June 30, 2022	8,334,834	-	-	8,334,834		1,754,703	1,754,702	-	3,509,405	4,825,429

Calculation of Right of Use Assets (ROUA) is the compliance of IFRS-16 Leases. The ROUA has been calculated in accordance with the guideline of the standard where Incremental Borrowing Rate (IBR) has been considered @ 9% for discounting future rental payments. Related accounting treatments have been also incorporated as per guideline of the standard.



