

**ARAMIT LIMITED  
CHATTOGRAM.  
REPORT & ACCOUNTS  
FOR THE YEAR ENDED  
JUNE 30, 2021.**



# শফিক বসাক এন্ড কোং SHAFIQ BASAK & CO.

## CHATTOGRAM OFFICE:

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## CHARTERED ACCOUNTANTS

### Partners:

Md. Shafiqul Islam, FCA  
Sampad Kumar Basak, FCA  
Late Md. Enayet Ullah, FCA  
Sarwar Mahmood, FCA  
Sheikh Zahidul Islam, MBA, FCA

## DHAKA OFFICE -(1):

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Ref. No-SB-CTG-1-29/1915/2021

Dated: 04<sup>th</sup> November, 2021

## INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF ARAMIT LIMITED

Reports on the Audit of the Financial Statements for the year ended June 30, 2021.

### Qualified Opinion

We have audited the financial statements of **ARAMIT LIMITED** (the Company), which comprise the statement of financial position as at June 30, 2021, 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, except for the effects of the matter described in the **Basis for Qualified Opinion** section of our report, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at June 30, 2021, 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 1987 and other applicable laws and regulations.)

### Basis for Qualified 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' Code of Ethics for Professional Accountants (IESBA Code), 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 qualified opinion.

- As disclosed in note 5.2 to the financial statements, Investment in Associates amounting Tk. 126,859,200 have been valued at cost price but it should be valued applying Equity methods as required by IAS-28.

### 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 (KAM)	How our Audit Addressed the Key Audit Matter
<b>Valuation of Inventory</b>	
The company had inventories of BDT 177,607,053.00 as at 30 June, 2021, held in factory house, work in process & material in	We verified the appropriateness of management's control applied in calculating the value of the inventory provisions by: <ul style="list-style-type: none"> <li>Checking the cost of raw materials purchase and valuation</li> </ul>



INDEPENDENT MEMBER OF  
**ABACUS**  
WORLDWIDE

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<p>transit. 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 "The International Accounting Standards 2: Inventories". Therefore, there is a risk that</p> <p>Inventories are valued by the disclosed basis of Note-06. As a result, the Directors apply judgment in determining the appropriate values.</p> <p>Inventories can be over or undervalued.</p>	<p>method applied for raw materials and work in process.</p> <ul style="list-style-type: none"> <li>▪ Physically verified inventories during the audit on test basis, applying Alternative Audit Procedures to confirm the accuracy of the balance disclosed.</li> <li>▪ Obtained item wise inventory report, physically inspected by the management on balance sheet date.</li> <li>▪ Furthermore, we assessed &amp; checking the accounting effects of Inventories. We assured ourselves of the appropriateness of the systems, Processes, and Controls in place and that controls made by management are sufficiently documented and substantiated to ensure that inventories are properly recognized.</li> </ul>
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See note no. 03.04 and 6.00 to the financial statements.

#### **Property, Plant & Equipment**

<p>The company had a large number of Property, Plant &amp; Equipment BDT 97,374,101.00 is recognized in The Statement of Financial Position for the year ended 30 June 2021 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 "The International Accounting Standard 16: Property, Plant &amp; Equipment". Therefore, there is a risk that:</p>	<p>We assessed the Company's processes and controls procedure for recognizing Property, Plant &amp; Equipment 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:</p> <ul style="list-style-type: none"> <li>• Assessing the consistency of methodologies use for depreciating the assets.</li> <li>• Checking on a sample basis, the accuracy and relevance of the accounting of Property, Plant &amp; Equipment.</li> <li>• Checking the reorganization of asset during the year.</li> <li>• We physically verified the existence of the assets acquired during the year.</li> </ul> <p>Furthermore, we assessed the accounting effects of assets addition &amp; depreciation. We assured ourselves of the appropriateness of the systems, Processes, and Controls in place and that the estimates and assumptions made by management are sufficiently documented and substantiated to ensure that Property, Plant &amp; Equipment is properly recognized.</p>
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See note no. 03.02 and 4.00 to the financial statements.

#### **Emphasis of matter**

We draw attention to note 03.10.03 of the financial statements, which describes matters related to Proportionate transfer of workers profit participation (10% of WPPF) fund to Govt. exchequer in accordance with section 234 of Labor Act 2006, (amended 2015). Our opinion is not modified in respect of this matter.





### **Other Information included in the Company's 2021 Annual Report**

Other information consists of the information included in the Company's 2021 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 1987 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 auditors' 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 auditors' 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 auditors' 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 Companies Act 1994 and the Securities and Exchange Rules 1987, 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.

*S.K. Basak*  
**SHAFIQ BASAK & CO.**  
CHARTERED ACCOUNTANTS  
SIGNED BY: S.K. BASAK, FCA, PARTNER  
Enrolment No.: 625  
DVC: 2111040625 AS281365



Place: Chattogram



**শাফিক বসাক এন্ড কোং**  
**SHAFIQ BASAK & CO.**  
CHARTERED ACCOUNTANTS

**ARAMIT LIMITED**  
**STATEMENT OF FINANCIAL POSITION**  
AS AT JUNE 30, 2021

**ASSETS**

**NON CURRENT ASSETS**

Property, Plant & Equipment  
Investment

**CURRENT ASSETS**

Inventories  
Trade Receivables  
Advances, Deposits and Prepayments  
Short Term Investments  
Interest Receivable  
Due from Associated Companies  
Cash and Cash Equivalents

**Total Asset**

**SHAREHOLDERS' EQUITY & LIABILITIES**

**EQUITY**

Share Capital  
Reserves  
Dividend Equalisation Fund  
Retained Earnings  
Unrealised Surplus of Financial Assets

**NON CURRENT LIABILITIES**

Provision for Employees' Retiral Gratuity  
Deferred Income Tax

**CURRENT LIABILITIES**

Creditors and Accruals  
Provision for WPP & WF  
Provision for Taxation  
Unclaimed Dividend

**TOTAL SHAREHOLDERS' EQUITY & LIABILITIES**

**NET ASSETS VALUE PER SHARE**

**CONTINGENT LIABILITIES & COMMITMENTS**

Notes	TAKA 30.06.2021	TAKA 30.06.2020 Restated	TAKA 30.06.2019 Restated
04.00	97,374,101	117,907,291	115,088,094
05.00	418,920,516	213,627,597	256,122,580
	<b>516,294,617</b>	<b>331,534,888</b>	<b>371,210,674</b>
06.00	177,607,053	149,145,971	141,728,197
07.00	66,937,173	26,089,908	22,958,882
08.00	129,250,143	117,906,422	98,513,764
09.00	44,118,407	48,666,039	63,803,903
10.00	390,398	406,891	855,616
11.00	390,404,300	385,062,378	332,343,467
12.00	62,106,748	62,594,821	25,631,672
	<b>870,814,222</b>	<b>789,872,430</b>	<b>685,835,501</b>
	<b>1,387,108,839</b>	<b>1,121,407,318</b>	<b>1,057,046,175</b>
13.00	60,000,000	60,000,000	60,000,000
14.00	385,488,028	385,488,028	385,488,028
	50,738,247	50,738,247	50,738,247
14.A	406,356,253	390,216,352	372,818,922
	185,924,378	2,207,495	41,152,203
	<b>1,088,506,906</b>	<b>888,650,122</b>	<b>910,197,400</b>
15.00	35,936,955	32,619,040	28,442,959
16.00	18,648,908	23,960	4,072,885
	<b>54,585,863</b>	<b>32,643,000</b>	<b>32,515,844</b>
17.00	228,996,088	191,580,905	104,215,121
18.00	3,226,977	1,433,817	126,254
19.00	(1,811,867)	(6,511,993)	-
20.00	13,604,872	13,611,467	9,991,556
	<b>244,016,070</b>	<b>200,114,196</b>	<b>114,332,931</b>
	<b>1,387,108,839</b>	<b>1,121,407,318</b>	<b>1,057,046,175</b>
30.00	<b>181.42</b>	<b>148.11</b>	<b>151.70</b>
37.00			

This financial statements should be read in conjunction with the annexed notes and were approved by the Board of Directors on and were signed on its behalf by:

  
**COMPANY SECRETARY**

  
**DIRECTOR**

  
**MANAGING DIRECTOR**

As per our annexed report of same date.

  
**SHAFIQ BASAK & CO.**

CHARTERED ACCOUNTANTS

Signed by- S.K. BASAK, FCA, PARTNER

Enrolment No. : 625



শফিক বসাক এন্ড কোং  
**SHAFIQ BASAK & CO.**  
CHARTERED ACCOUNTANTS

**ARAMIT LIMITED**  
**STATEMENT OF PROFIT OR LOSS & OTHER COMPREHENSIVE INCOME**  
FOR THE YEAR ENDED JUNE 30, 2021

	Notes	TAKA 2020-2021	TAKA 2019-2020
Revenue	21.00	539,322,067	457,624,059
Cost Goods Sold	22.00	(449,993,718)	(384,080,667)
<b>Gross Profit</b>		<b>89,328,349</b>	<b>73,543,392</b>
General & Administration Expenses	23.00	(64,572,274)	(61,015,703)
Selling & Distribution Expenses	24.00	(34,618,441)	(32,293,349)
Other Income - Operating	25.00	76,513,976	48,655,954
<b>Profit from Operating Activities</b>		<b>66,651,610</b>	<b>28,890,294</b>
Financial Expenses	26.00	(2,200,091)	(664,926)
Non Operating Income / (Loss)	27.00	88,027	450,963
<b>Profit before WPP and Welfare Fund</b>		<b>64,539,546</b>	<b>28,676,331</b>
Contribution to WPP & Welfare Fund	18.00	(3,226,977)	(1,433,817)
<b>Profit before Income Tax</b>		<b>61,312,569</b>	<b>27,242,514</b>
<b>Provision for Income Tax:</b>			
Current Income Tax	19.00	(16,960,706)	(6,810,629)
Deferred Tax Income/(Expenses)	16.00	1,788,038	(278,264)
<b>Profit for the year after tax</b>		<b>46,139,901</b>	<b>20,153,621</b>
Unrealized Gain/(Loss) on Available-for-Sale of Financial Assets	05.01.02	204,129,869	(43,271,897)
Deferred Tax on Unrealized Gain/(Loss) @ 10%		(20,412,986)	4,327,189
<b>Total Comprehensive Income</b>		<b>229,856,784</b>	<b>(18,791,087)</b>
<b>Earning Per Share (EPS):</b>			
Basic Earnings per share	28.00	7.69	3.36


This financial statements should be read in conjunction with the annexed notes and were approved by the Board of Directors on and were signed on its behalf by:

  
**COMPANY SECRETARY**

As per our annexed report of same date.

  
**DIRECTOR**

  
**MANAGING DIRECTOR**

  
**SHAFIQ BASAK & CO.**  
CHARTERED ACCOUNTANTS  
Signed by- S.K. BASAK, FCA, PARTNER  
Enrolment No. : 625



**ARAMIT LIMITED**  
**STATEMENT OF CHANGES IN EQUITY**  
**FOR THE YEAR ENDED JUNE 30, 2021**

Share Capital	Capital Reserve	General Reserve	Dividend Equalization Fund	Retained Earnings	Available-for-sale financial assets (note-5)	Total Equity
60,000,000	20,212,562	365,275,466	50,738,247	390,216,352	2,207,495	888,650,122
-	-	-	-	46,139,901	-	46,139,901
-	-	-	-	(30,000,000)	-	(30,000,000)
-	-	-	-	-	183,716,883	183,716,883
60,000,000	20,212,562	365,275,466	50,738,247	406,356,253	185,924,378	1,088,506,906

**Balance as on 01 July 2020**

Profit after Tax for 01 July 2019 to 30 June 2021

Final Cash Dividend @ 50%

Other Comprehensive Income (Unrealized Deficit on Financial Assets Available for Sale)

**Balance as on 30 June 2021**

**FOR THE YEAR ENDED JUNE 30, 2020**

Share Capital	Capital Reserve	General Reserve	Dividend Equalization Fund	Retained Earnings	Available-for-sale financial assets (note-5)	Total Equity
60,000,000	20,212,562	365,275,466	50,738,247	372,818,922	41,152,203	910,197,400
-	-	-	-	20,153,621	-	20,153,621
-	-	-	-	27,243,809	-	27,243,809
-	-	-	-	(30,000,000)	-	(30,000,000)
-	-	-	-	-	(38,944,708)	(38,944,708)
60,000,000	20,212,562	365,275,466	50,738,247	390,216,352	2,207,495	888,650,122

**Balance as on 01 July 2019**

Profit after Tax for 01 July 2019 to 30 June 2020

Prior Year Adjustment

Final Cash Dividend @ 50%

Other Comprehensive Income (Unrealized Deficit on Financial Assets Available for Sale)

**Balance as on 30 June 2020**

This financial statements should be read in conjunction with the annexed notes and were approved by the Board of Directors on and were signed on its behalf by:

*[Signature]*

**COMPANY SECRETARY**

As per our annexed report of same date.

*[Signature]*

**DIRECTOR**



*[Signature]*

**MANAGING DIRECTOR**



**ARAMIT LIMITED**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED JUNE 30, 2021**

	<b>TAKA</b> <b>2020-2021</b>	<b>TAKA</b> <b>2019-2020</b>
<b><u>CASH FLOWS FROM OPERATING ACTIVITIES</u></b>		
Cash received from customer	637,397,461	502,977,067
Cash paid to supplier	(344,634,736)	(249,133,098)
Cash paid to employee	(105,814,350)	(92,087,064)
Cash paid for operating expenses	(151,768,640)	(48,432,173)
Due to/(from) Associated Companies	13,212,828	(25,475,102)
Payment of income tax	(12,260,580)	(13,322,622)
Payment for WPP & WF	(1,433,817)	(126,254)
<b>Net cash inflow from operating activities (A)</b>	<b>34,698,166</b>	<b>74,400,754</b>
<b><u>CASH FLOWS FROM INVESTING ACTIVITIES</u></b>		
Acquisition of property, plant and equipment	(9,579,235)	(31,023,405)
Acquisition of Financial assets	(1,163,050)	(776,914)
Sale of Fixed Asset	-	450,000
Short term investment	4,547,631	15,137,864
Dividend received	88,027	963
Interest received	2,681,594	2,617,289
<b>Net cash outflow from investing activities (B)</b>	<b>(3,425,032)</b>	<b>(13,594,203)</b>
<b><u>CASH FLOWS FROM FINANCING ACTIVITIES</u></b>		
Dividend paid	(30,006,596)	(23,178,476)
Cash payment for financial expenses	(1,754,611)	(664,926)
<b>Net cash inflow/(outflow) from financing activities (C)</b>	<b>(31,761,207)</b>	<b>(23,843,402)</b>
<b>Net increase of cash and cash equivalents for the year (A+B+C)</b>	<b>(488,073)</b>	<b>36,963,149</b>
Cash and cash equivalents at the beginning of the year	62,594,821	25,631,672
<b>Cash and cash equivalents at the end of the year</b>	<b>62,106,748</b>	<b>62,594,821</b>
<b>Net Operating Cash Flow Per Share</b>	<b>5.78</b>	<b>12.40</b>

This financial statements should be read in conjunction with the annexed notes and were approved by the Board of Directors on and were signed on its behalf by:

  
**COMPANY SECRETARY**  
As per our annexed report of same date.

  
**DIRECTOR**

  
**MANAGING DIRECTOR**



**ARAMIT LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30TH JUNE, 2021**

**01 THE REPORTING ENTITY**

**01.01 Company Profile**

Aramit Limited (hereinafter referred to as "the Company") was incorporated as a public company limited by shares on 22 July 1972, vide registration no 3769-B/20 of 1972- 1973 under Companies Act, 1913. The company was listed with Dhaka Stock Exchange (DSE) in 1984 and Chittagong Stock Exchange (CSE) in 1995.

**01.02 Company's Registered Office**

The registered office and factory of the company is situated at 53, kalurghat Heavy Industrial Estate, PO: Mohara, Chattogram – 4208.

**01.03 Nature of Activities**

The principal activities of the Company are Manufacturing & Marketing of the Asbestos Products.

**01.04 Description of Associates**

**i. Aramit Thai Aluminum Limited (ATAL)**

The Company was incorporated on 14 September 2000 as a Public Limited Company. Authorized Share Capital of the Company is 5,000,000 ordinary shares of Tk 100 each. Out of 1,000,000 shares issued by the Company Aramit Thai Aluminum Limited (ATAL), Aramit Limited (AL) subscribed 453,467 (45.35%) shares of Tk 100 each total value being Tk 45,346,700. The commercial production of the company was commenced on 19 June 2002.

**ii. Aramit Steel Pipes Limited (ASPL)**

The Company was incorporated on 16 October 2002 as a Private Limited Company. Authorized share capital of the Company is 500,000 ordinary shares of Tk 100 each. Out of 100,000 shares issued by the Company Aramit Steel Pipes Limited (ASPL), Aramit Limited (AL) subscribed 30,000 (30%) shares of Tk 100 each total value being Tk 3,000,000. The commercial production of the Company was commenced on 18 August 2003.

**iii. Aramit Footwear Limited (AFL)**

The Company was incorporated on 12 April 2004 as a Public Limited Company. Authorized Share Capital of the Company is 2,500,000 ordinary shares of Tk 100 each. Aramit Limited (AL) subscribed 424,800 (47.20%) Shares of Tk 100 each total value being Tk 42,480,000. The commercial Production of the Company commenced on 28 May 2006.

**iv. Aramit Power Limited (APL)**

The Company was incorporated on 28 June 2004 as a Private Limited Company. Authorized Share Capital of the Company is 1,000,000 ordinary Shares of Tk 100 each. Out of 71,300 Shares issued by the Company, Aramit Power Limited (APL), Aramit Limited (AL) subscribed 32,175 (45.13%) Shares of Tk 100 each total value being Tk 3,217,500. The commercial Production of the Company commenced on 25 June 2005.





**v. Aramit Alu Composite Panels Limited (AACPL)**

The Company was incorporated on 31 August 2009 as a Private Limited Company. Authorized Share Capital of the Company is 2,500,000 ordinary Shares of Tk 100 each. Out of 665,650 shares issued by the company, Aramit Limited subscribed 328,150 (49.30%) Shares of Tk. 100 each total value being Tk. 32,815,000. The commercial Production of the Company commenced on 09 February 2012.

**02.00 BASIS OF PREPARATION & PRESENTATION OF THE FINANCIAL STATEMENTS**

**02.01 Statement of Compliance**

The Financial Statements have been prepared on a going concern basis following accrual basis of accounting except for cash flow statement in accordance with the International Accounting Standards (IASs) and International Financial Reporting Standards (IFRSs) as adopted in Bangladesh by The Institute of Chartered Accountants of Bangladesh (ICAB).

**02.02 Basis of Reporting**

The financial statements are prepared and presented for external users by the company in accordance with identified financial reporting framework. Presentation has been made in compliance with the requirements of IAS 1 – “Presentation of Financial Statements”. The financial statements comprise of:

- i) A statement of financial position as at 30 June 2021.
- ii) A statement of profit or loss and other comprehensive income for the year ended 30 June 2021.
- iii) A statement of changes in equity for the year ended 30 June 2021.
- iv) A statement of cash flows for the year ended 30 June 2021.
- v) Notes, comprising a summary of significant accounting policies and explanatory information.

**02.03 Regulatory Compliance**

The company is required to comply with amongst others, the following laws and regulations:

- i) The Companies Act 1994
- ii) The Securities and Exchange Ordinance 1969
- iii) The Securities and Exchange Rules 1987
- iv) The Income Tax Ordinance 1984
- v) The Income Tax Rules 1984
- vi) The Value Added Tax Act 1991
- vii) The Value Added Tax Rules 1991 (amended-2012)
- viii) The Listing Regulations of Dhaka Stock Exchange (DSE)
- ix) The Listing Regulations of Chittagong Stock Exchange (CSE)
- x) Bangladesh Labor Act 2006 etc.

**02.04 Authorization for Issue**

These Financial Statements have been authorized for issue by the Board of Directors on 28<sup>th</sup> October 2021

**02.05 Basis of Measurement**

The financial statements are prepared under the historical cost convention except items of plant & machinery which was revalued on 1 July 1986.

**02.06 Going Concern**

The Company has adequate resources to continue its operation in foreseeable future. For this reason, the directors continue to adopt going concern basis in preparing the Financial Statements. The current revenue generations and resources of the Company provide sufficient fund to meet the present requirements of its existing business and operations.



## 02.07 Functional and Presentation Currency

These Financial Statements are prepared in Bangladesh Taka (BDT), which is the company's functional currency. All financial information presented in BDT has been rounded off to the nearest integer except when otherwise indicated.

## 02.08 Statement of Cash Flows

Statement of Cash Flows is prepared principally in accordance with IAS 7 "Statement of Cash Flows" and the cash flows from the operating activities has been presented under the direct method as prescribed by Securities and Exchange Rules, 1987. and reconciliation has been presents in notes to the Financial Statements.

## 02.09 Use of Estimates and Judgments

The preparation of the financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates and underlying assumptions, which are reviewed on an ongoing basis. Revision to accounting estimates is recognized in the period in which the estimates are revised and in any future periods affected.

## 02.10 Changes in Accounting Estimates

From 1 July 2016, depreciation is charged on Fixed Assets addition from the date of service of acquisition/addition as per IAS-16. Previously, depreciation is charged on the assets acquired during first half of the accounting year and no depreciation was charged on the assets acquired during the second half of the accounting year.

From 1 July 2017, depreciation is suspended on deletion of assets from the date of disposal. Previously, no depreciation was charged in the year of disposal.

## 02.11 Comparative Information

Comparative information has been disclosed in accordance with IAS 1 Presentation of Financial Statements, for all numerical information in the financial statements. Comparative figures have been rearranged wherever considered necessary to ensure better comparability with the current year without causing impact on the profit and value of assets and liabilities as reported in the financial statement.

## 02.12 Reporting period

These financial statements cover one financial year from 01<sup>st</sup> July 2020 to 30<sup>th</sup> June 2021.

## 02.13 Application of standards

The following IASs & IFRSs are applied to the financial statements for the year under review.

IAS 1	Presentation of Financial Statements
IAS 2	Inventories
IAS 7	Statement of Cash Flow
IAS 8	Accounting Policies, Changes in Accounting Estimates and Errors
IAS 10	Events after the Reporting Period
IAS 12	Income Taxes
IAS 16	Property, Plant and Equipment





IAS 19	Employee Benefits
IAS 24	Related Party Disclosures
IAS 26	Accounting and reporting by retirement benefit plans
IAS 28	Investments in Associates and Joint Ventures
IAS 32	Financial Instruments: Presentation
IAS 33	Earnings per Share
IAS 34	Interim Financial Reporting
IAS 36	Impairment of Assets
IAS 37	Provisions, Contingent Liabilities and Contingent Assets
IAS 38	Intangible Assets
IFRS 7	Financial Instruments: Disclosures
IFRS 9	Financial Instruments
IFRS 12	Disclosure of Interests in Other Entities
IFRS 13	Fair Value Measurement
IFRS 15	Revenue from Contracts with Customers
IFRS 16	Leases

### 03.00 SIGNIFICANT ACCOUNTING POLICIES

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

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

#### 03.01 Consistency

Unless otherwise stated, the accounting policies and methods of computation used in preparation of Financial Statements for the year ended 30 June 2021 are consistent with those policies and methods adopted in preparing the Financial Statements for the year ended 30 June 2020.

#### 03.02 Property, plant and equipment

##### 03.02.01 Recognition and Measurement

Property, Plant and Equipment are stated at cost and revalued amount less accumulated depreciation and subsequent impairment losses, if any.

Cost includes expenditures that are directly attributable to the acquisition of an asset. The cost of self-constructed/installed assets includes the cost of materials, direct labor and any other costs directly attributable to bringing the asset to the working condition for its intended use and the cost of dismantling and removing an item and restoring the site on which they are located.

When parts of an item of Property, Plant and Equipment have different useful lives, they are accounted for as separate items (major components) of Property, Plant and Equipment.

##### 03.02.02 Subsequent Costs

The cost of replacing parts of an item of Property, Plant and Equipment is recognized in the carrying amount of the item, if it is probable that the future benefit embodied within the parts 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 profit and loss account as incurred.

### 03.02.03 Depreciation of the Non-Current Assets

Depreciation is provided on all items of PPE except Freehold Land & Land Development at the following rates on straight line basis over the periods appropriate to the estimated useful lives of the different types of assets. Leasehold lands are amortized according to the amortization schedule. The rates at which assets are depreciated per annum are given below:

Consistently, depreciation is provided on straight line method at the annual rate(s) shown below whereby the cost or valuation less estimated salvage value of an asset is written off over its anticipated service life except that long-term leasehold land is amortized annually in such a manner so that by the terminal period the lease value is fully amortized.

<u>Category of Assets</u>	<u>Annual Rate (%)</u>
Long term leasehold land	1
Building on long-term leasehold land	2.5-5
Plant & machinery	10
Transportation equipment	20
Equipment and fittings	10-15
Computer	20 (till 2006: 15)
Furniture and fixtures	10

Depreciation is charged on addition when the assets are available for use or ready for use or from date of acquisition. On deletion of assets, depreciation is suspended from the date of disposal.

### 03.02.04 Revaluation of Property, Plant and Equipment

Plant and Machineries were revalued on 01 July 1986. The revalued classes of Property, Plant and Equipment are depreciated over the remaining useful lives. Difference of depreciation between revalued carrying amount and depreciation based on carrying amount as per assets original cost has been transferred from Revaluation Reserve to Retained Earnings as shown in Statement of Changes in Equity.

### 03.03 Investment in Associates

The company's investment in associates is recognized at cost

### 03.04 Inventories

#### 03.04.01 Nature of inventories

Inventories comprise Raw Materials, Indirect Materials, Finished Goods and Consumable Stores etc.

#### 03.04.02 Valuation of inventories

Inventories are stated at the lower of cost or net estimated realizable value in compliance with the requirements of para 21 and 25 of IAS 2.

Category of stocks

Basis of valuation





Stores and spares (including indirect materials and re-sale products)	Moving average (weighted) cost.
Raw materials	Moving average (weighted) cost.
Work-in-process	Average cost of materials and appropriate manufacturing expenses excluding in respect of finishing section.
Finished products	At lower of cost or net estimated realizable value.
Stores and materials-in-transit	Cost value i.e. cost so far incurred.

#### **03.04.03 Inventories write off/down**

It includes the cost written off or written down, the value of redundant/damaged or obsolete inventories, which are dumped and/or old inventories. No provision is, however, considered for "slow moving" items as these are considered to be not material and capable of being used and/or disposed of at least at their carrying book value.

#### **03.05 Financial Assets**

The Company initially recognizes loans and receivables and deposits on the date that they are originated. All other financial assets are recognized initially on the trade date, which is the date the Company becomes a party to the contractual provisions of the instrument.

The Company derecognizes a financial asset when the contractual right to the cash flows from the asset expires, or it transfers the right 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 asset are transferred.

##### **03.05.01 Investment in Unquoted Shares**

Investment in unquoted shares are initially recognized at cost. After initial recognition these are carried at cost less impairment losses, if any.

##### **03.05.02 Investment in Quoted Shares**

Investment in quoted shares is recognized as a financial asset. A financial asset is classified at fair value through other comprehensive income if it is classified as held for trading. The company manages such investment and makes purchase or sale decisions based on their fair value in accordance with the company's documented risk management and investment strategy. The dividend income arising from them which is recognized in the statement of profit or loss and other comprehensive income.

#### **03.06 Trade receivables**

##### **03.06.01 Recognition and Measurement**

Trade Receivables are carried at original invoice amount less an estimate made for doubtful debts based on a review of all outstanding amounts at the period-end.

##### **03.06.02 Bad and doubtful debts**

This item takes into account both actual bad debts written off and movements in the provision for doubtful debts.



\*\* No provision has made during the reporting period because no significant doubt has been raised in collection of the debt.

### **03.07 Cash and cash equivalents**

Cash and cash equivalents include cash in hand, cash at bank, term deposits, which are available for use by the Company without any restrictions. There is an insignificant risk of change in value of the same.

### **03.08 Advances, Deposits and Prepayments**

Advances are initially measured at cost. After initial recognition, advances are carried at cost less deductions, adjustments or charges to other account heads.

Deposits are measured at payment value.

Prepayments are initially measured at cost. After initial recognition, prepayments are carried at cost less charges to profit or loss.

### **03.09 Creditors and Accrued Expenses**

#### **03.09.01 Other Payables**

Liabilities are recorded at the amount payable for settlement in respect of goods and services received by the company.

#### **03.09.02 Provision**

The preparation of financial statements in conformity with International Accounting Standard IAS 37 "Provisions, Contingent Liabilities and Contingent Assets" requires management to make estimates and assumptions that affect the reported amounts of revenues and expenses, assets and liabilities during and at the date of financial statements.

In accordance with the guidelines as prescribed by IAS 37 provisions were recognized in the following situations:

- When the company has a present obligation as a result of past event;
- When it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
- Reliable estimates can be made of the amount of the obligation.

We have shown the provisions in the Statement of financial position at an appropriate level with regard to an adequate provision for risks and uncertainties. An amount recorded as a provision represented the best estimate of the probable expenditure required to fulfill the current obligation on the Statement of financial position date.

Other provisions are valued in accordance with IAS 37 Provisions, Contingent Liabilities and Contingent Assets and, if required, in accordance with IAS 19 Employee Benefits. Other provisions comprise all recognizable risks from uncertain liabilities and anticipated losses from pending transactions.

### **03.10 Employees' Benefits**

#### **03.10.01 Employees' Retirement Gratuity Fund**





The company operates an unfunded gratuity scheme. In terms of the scheme on completion of a minimum 5 (five) years of uninterrupted service with the company, all permanent employees other than for Managing Director are entitled to gratuity equivalent to one-month basic pay for each completed year or major part of a year of their respective services.

#### **03.10.02 Staff provident Fund**

The Company maintains a recognized provident fund @ 10% of basic pay (Equally contributed by employee & employer) for all eligible permanent employees. The said fund is managed by the Board of Trustees.

#### **03.10.03 Workers Profit Participation & Welfare fund**

The company also recognizes a provision for Workers' Profit Participation and Welfare Funds @ 5% of net profit before tax in accordance with the provision of Section 234 (Kha), Chapter 15 of Bangladesh Labor Law 2006.

A provision has been taken in the financial statement of WPP & WF for the workers welfare foundation fund. The board of trustee has decided to deposit this amount of workers welfare foundation fund within earliest period.

### **03.11 Taxation**

Income tax expenses comprise of current and deferred tax. Income tax expenses is recognized in the statement of profit or loss and other comprehensive income and accounted for in accordance with the requirement of IAS 12: "Income Tax".

#### **03.11.01 Current Tax**

Current Tax is the expected tax payable on the taxable income for the year by multiplying applicable rate. The company qualifies as a "Publicly Listed Company"; hence the applicable tax rate is 22.5% as prescribed in the Finance Act, 2021.

The income tax assessment up to the assessment year 2017-2018 has been completed and agreed upon.

#### **03.11.02 Deferred Income Tax**

Deferred tax liabilities are the amount of income taxes payable in the future periods in respect of taxable temporary differences. Deferred tax assets are the amount of income taxes recoverable in future periods in respect of deductible temporary differences. Deferred tax assets and liabilities are recognized for the future tax consequences of timing differences arising between the carrying values of assets, liabilities, income and expenditure and their respective tax bases. Deferred tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantially enacted at the Statement of Financial Position date. The impact of changes on the account in the deferred tax assets and liabilities has also been recognized in the statement of profit or loss and other comprehensive income as per IAS-12 "Income Taxes".

The deferred tax expenses/income or liability/assets does not create a legal liability/recoverability to and from the income tax authority.

### **03.12 Financial Liabilities**

The Company recognizes all financial liabilities on the trade date which is the date the Company becomes a party to the contractual provisions of the instrument. The Company derecognizes financial liability when its contractual obligations are discharged, cancelled or expired. Financial liabilities comprise Trade Creditors and other financial obligations.



### **03.13 Contingent Liabilities and Assets**

Contingent liabilities are current or possible obligations, arising from past events and whose existence is due to the occurrence or non-occurrence of one or more uncertain future events which are not within the control of the company. In accordance with IAS 37 "Provisions, Contingent Liabilities and Contingent Assets" they are disclosed in the notes to the financial statements.

### **03.14 Revenue Recognition**

The company has applied IFRS 15 for recognition of revenue from this year.

The core principle of IFRS 15 is that an entity will recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. This core principle is delivered in a five-step model framework:

- Identify the contract(s) with a customer
- Identify the performance obligations in the contract
- Determine the transaction price
- Allocate the transaction price to the performance obligations in the contract
- Recognize revenue when (or as) the entity satisfies a performance obligation.

The Company sells A.C. Sheet, Mouldings, A.C Pipes and Resale products to its customers. Revenue is recognized when the entity satisfies a performance obligation by transferring the goods to customers at an agreed transaction price

### **03.15 Non-Operating Income (Loss)**

Non-Operating Income/ (Loss) includes gain/loss on sale of fixed assets and dividend income.

### **03.16 Other Operating Income**

Other operating income includes interest income sale of scrap, earnings from fittings and fixing services, interest from FDR and STD and rental income. and profit from sale of share.

### **03.17 Share Capital**

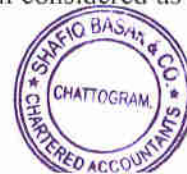
Paid-up-capital represents total amount contributed by the shareholders and bonus shares issued by the company to the ordinary shareholders. Incremental costs directly attributable to the issue of ordinary shares are recognized as expenses as and when incurred. Holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to vote at shareholders' meetings. In the event of a winding up of the company, ordinary shareholders rank after all other shareholders. Creditors are fully entitled to any proceeds of liquidation before all shareholders.

### **03.18 Earnings Per Share**

The Company calculates Earnings Per Share (EPS) in accordance with IAS 33 "Earnings Per Share" which has been shown on the face of Statement of Profit or Loss and Other Comprehensive Income. and the computation of EPS is stated.

#### **03.18.01 Basis of Earnings**

This represents profit for the year attributable to ordinary shareholders. As there are no preference shares requiring returns or dividends, the net profit after tax for the year has been considered as fully attributable to the ordinary shareholders.





### 03.18.02 Basic Earnings Per Shares

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

### 03.19 Measurement of Fair Value

When measuring the fair value of an asset or liability, the entity uses market observable data as far as possible. Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows: -

**Level 1:** Quoted prices (unadjusted) in active markets for identical assets and liabilities.

**Level 2:** Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

**Level 3:** Inputs for the assets or liabilities that are not based on observable market data.

If the inputs used to measure the fair value of an asset or liability might be categorized in different levels of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

#### **Property, plant and equipment**

The fair value of items of property, plant and equipment has been determined based on the depreciated replacement cost method and net realizable value method as applicable.

#### **Equity and debt securities**

Fair values of tradable equity and debt securities are determined by reference to their quoted closing price in active market at the reporting date which are categorized under 'Level 1' of the fair value hierarchy.

### 03.20 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 the reporting period that are not adjusting are disclosed in the notes when material.

### 03.21 General

i. Expenses allocation and/or apportionment to general & administration and selling & distribution heads: Expenses, which cannot be directly allocated activity-wise, are apportioned on appropriate bases.

ii. Monetary assets or liabilities in terms of foreign currency are translated into local currency at the rate ruling on the date of financial position.

iii. Bracket figures denote negative.



04.00 Property, Plant & Equipment

Particulars	COST				Rate %	DEPRECIATION				WDV as at 30.06.2021
	Balance as at 01.07.2020	Addition during the year	Deletion/ Adjust during the year	Balance as at 30.06.2021		Balance as at 01.07.2020	Charges during the year	Disposed off during the year	Balance as at 30.06.2021	
Freehold Land	1,637,181	-	-	1,637,181	-	-	-	-	-	1,637,181
Long-term Leasehold Land (8.7555 acres)	2,817,304	-	-	2,817,304	1%	306,912	31,927	-	338,839	2,478,465
Building on Long-term Leasehold Land	40,624,585	781,256	-	41,405,841	2.5%-5%	19,632,067	923,449	-	20,555,516	20,850,325
Plant & Machinery (Unit 1)	59,749,800	-	-	59,749,800	10%	54,881,061	2,489,197	-	57,370,258	2,379,542
Plant & Machinery (Unit 2)	173,078,822	641,250	-	173,720,072	10%	110,154,634	7,365,185	-	117,519,819	56,200,253
Transportation Equipment	66,578,361	1,650,000	-	68,228,361	20%	45,805,518	11,755,234	-	57,560,752	10,667,609
Equipment, Fittings & Computer	13,470,891	63,000	-	13,533,891	10%-20%	10,208,878	963,018	-	11,171,896	2,361,995
Furniture & Fixtures	4,237,744	-	-	4,237,744	10%	3,298,480	140,686	-	3,439,166	798,578
At Valuation - On 1 July 1986- Note 16.2 (b)										
Plant & Machinery	20,108,226	-	-	20,108,226		20,108,073	-	-	20,108,073	153
As at 30 June, 2021	382,302,914	3,135,506	-	385,438,420		264,395,623	23,668,696	-	288,064,319	97,374,101
As at 30 June, 2020	352,920,150	31,023,405	1,640,642	382,302,914		237,832,057	28,204,208	1,640,642	264,395,623	117,907,291

4.1 Allocation of depreciation charges

Factory overhead - note 22.4  
General and administrative - note 23  
Selling and distribution overhead - note 24

2019-2020	2020-2021
TAKA	TAKA
15,221,703	11,493,203
8,821,995	8,758,606
4,160,510	3,416,887
<b>28,204,208</b>	<b>23,668,696</b>





	Notes	TAKA 2020-2021	TAKA 2019-2020
<b>05.00 Investments</b>			
Investment in quoted shares & securities	<b>05.01</b>	292,061,316	86,768,397
Investment in unquoted shares & securities	<b>05.02</b>	126,859,200	126,859,200
		<b>418,920,516</b>	<b>213,627,597</b>

**05.01 Investment in quoted shares & securities (Market Value)**

Aramit Cement Limited	286,842,600	83,635,200
United Commercial Bank Limited	3,514,526	2,350,997
Khulna Power Engineering Co. Ltd	222,000	-
Lanka Bangla Finance	534,000	-
SS Steel Ltd.	238,800	-
Sonali Life Insurance Company	190	-
Beximco Pharmaceuticals Ltd	709,200	345,500
National Credit and Commerce Bank Limited	-	24,200
Bank Asia Ltd	-	412,500
	<b>292,061,316</b>	<b>86,768,397</b>

**(a) Changes in Fair Value of Investment in quoted Shares and Securities for 2020-2021:**

Details	2020-2021			
	Number of Shares	Cost of acquisition	Market Value as on 30 June, 2021	Fair Market Value Gain/(Loss) as on 30 June, 2021
		Taka	Taka	Taka
Aramit Cement Limited	6,534,000	76,005,000	286,842,600	210,837,600
United Commercial Bank Ltd	209,198	7,509,297	3,514,526	(3,994,771)
Khulna Power Engineering Co. Ltd	6,000	290,100	222,000	(68,100)
Lanka Bangla Finance	15,000	600,829	534,000	(66,829)
SS Steel Ltd.	12,000	256,650	238,800	(17,850)
Sonali Life Insurance Company	18	190	190	-
Beximco Pharmaceuticals Ltd	4,000	816,608	709,200	(107,408)
	<b>6,780,216</b>	<b>85,478,674</b>	<b>292,061,316</b>	<b>206,582,642</b>

**(b) Changes in Fair Value of Investment in quoted Shares and Securities for 2019-2020:**

Details	2019-2020			
	Number of Shares	Cost of acquisition	Market Value as on 30 June, 2020	Fair Market Value Gain/(Loss) as on 30 June, 2020
		Taka	Taka	Taka
Aramit Cement Limited	6,534,000	76,005,000	83,635,200	7,630,200
NCC Bank Limited	2,000	3,975	24,200	20,225
Bank Asia Ltd	25,000	411,674	412,500	826
United Commercial Bank Ltd	199,237	7,509,297	2,350,997	(5,158,300)
United Commercial Bank Ltd	5,000	385,678	345,500	(40,178)
	<b>6,765,237</b>	<b>84,315,624</b>	<b>86,768,397</b>	<b>2,452,773</b>

The above Investment in equity instrument are measured at fair market value through OCI hence realized and unrealized gain or loss from the above investment are recognized as other comprehensive income as per IFRS 9.

**'05.01.01 Net Gain/(Loss) on available for sale of financial assets**

Realised Gain/(Loss) during the period  
Unrealised Gain/(Loss) during the period

Notes	TAKA 2020-2021	TAKA 2019-2020
<b>05.01.02</b>	-	-
	204,129,869	(43,271,897)
	<b>204,129,869</b>	<b>(43,271,897)</b>



05.01.02 Unrealised Gain/(Loss) during the year \*\*

Notes	TAKA	TAKA
	2020-2021	2019-2020
Fair Market Value Gain/(Loss) - Closing	206,582,642	2,452,773
Less: Fair Market Value Gain/(Loss) - Opening	2,452,773	45,724,670
	<b>204,129,869</b>	<b>(43,271,897)</b>

i) Aramit Cement Limited (ACL)

	TAKA	TAKA
	2020-2021	2019-2020
2,200,000 Shares @ Tk 10 each at par fully paid-up in cash	22,000,000	22,000,000
500,000 Shares @ Tk 10 each at par fully paid-up other than cash	5,000,000	5,000,000
3,267,000 Right Shares @ Tk 15 Each (Incl Premium Tk. 10)	49,005,000	49,005,000
567,000 Bonus shares @ Tk 10 each at par	-	-
<b>6,534,000</b>	<b>76,005,000</b>	<b>76,005,000</b>

\* 6,534,000 No of shares are under lien with Al Arafah Islami Bank Limited against credit facilities allowed to Aramit Thai Aluminium Ltd.

05.02 Investment in unquoted shares & securities

Notes	TAKA	TAKA
	2020-2021	2019-2020
Aramit Thai Aluminium Limited (ATAL)	05.02.01 45,346,700	45,346,700
Aramit Steel Pipes Limited (ASPL)	05.02.02 3,000,000	3,000,000
Aramit Footwear Limited (AFL)	05.02.03 42,480,000	42,480,000
Aramit Power Limited (APL)	05.02.04 3,217,500	3,217,500
Aramit Alu Composite Panels Limited (AACPL)	05.02.05 32,815,000	32,815,000
	<b>126,859,200</b>	<b>126,859,200</b>

05.02.01 Aramit Thai Aluminium Limited (ATAL)

150,000 Shares @ Tk 100 each at par fully paid-up in cash	15,000,000	15,000,000
303,467 Shares @ Tk 100 each at par fully paid-up other than cash	30,346,700	30,346,700
<b>453,467</b> Shares of Tk 100 each at par	<b>45,346,700</b>	<b>45,346,700</b>

05.02.02 Aramit Steel Pipes Limited (ASPL)

30,000 Shares @ Tk 100 each at par fully paid-up in cash	3,000,000	3,000,000
<b>30,000</b>	<b>3,000,000</b>	<b>3,000,000</b>

05.02.03 Aramit Footwear Limited (AFL)

25,000 Shares @ Tk 100 each at par fully paid-up in cash	2,500,000	2,500,000
399,800 Shares @ Tk 100 each at par fully paid-up other than cash	39,980,000	39,980,000
<b>424,800</b> Shares of Tk 100 each at par	<b>42,480,000</b>	<b>42,480,000</b>

05.02.04 Aramit Power Limited (APL)

30,000 Shares @ Tk 100 each at par fully paid-up in cash	3,000,000	3,000,000
2,175 Shares @ Tk 100 each at par fully paid-up other than cash	217,500	217,500
<b>32,175</b> Shares of Tk 100 each at par	<b>3,217,500</b>	<b>3,217,500</b>

05.02.05 Aramit Alu Composite Panels Limited (AACPL)

85,000 Share Money Deposit in cash	8,500,000	8,500,000
243,150 Share Money Deposit other than cash	24,315,000	24,315,000
<b>328,150</b>	<b>32,815,000</b>	<b>32,815,000</b>

Total

**126,859,200** **126,859,200**





	Notes	TAKA 2020-2021	TAKA 2019-2020
<b>06.00 Inventories</b>			
Raw Materials		43,344,201	71,749,094
Materials in Transit - Raw Materials		57,398,095	2,770,901
Finished Goods		49,182,678	39,098,320
Stores & Spares	<b>06.01</b>	27,682,079	35,527,656
		<b><u>177,607,053</u></b>	<b><u>149,145,971</u></b>
<b>06.01 Stores &amp; Spares -</b>			
Stores & Spares		20,943,561	26,308,428
Indirect Materials		5,770,136	7,437,951
Resale Product		968,382	1,781,277
		<b><u>27,682,079</u></b>	<b><u>35,527,656</u></b>
<b>07.00 Trade Receivables</b>			
Dealers		64,959,199	20,147,951
Projects		1,977,974	5,941,957
		<b><u>66,937,173</u></b>	<b><u>26,089,908</u></b>
<b>Disclosure as per Schedule-XI, Part-I, of The Companies Act,</b>			
Debts exceeding 6 Months		3,113,556	3,113,556
Other debts less provision		-	-
Debts considered Good & secured		5,588,000	5,448,000
Debts considered Good without security		61,349,173	20,641,908
Maximum debt due by Directors or Officers at any time of the year		-	-
		<b><u>66,937,173</u></b>	<b><u>26,089,908</u></b>

\*Almost all trade receivables are collected regularly within 30 to 45 days from invoice date



	Notes	TAKA 2020-2021	TAKA 2019-2020
<b>08.00 Advances, Deposits and Prepayments</b>			
Advances	08.01	128,207,352	116,724,186
Deposits	08.02	120,725	120,725
Prepayments	08.03	922,066	1,061,511
		<b>129,250,143</b>	<b>117,906,422</b>
<b>08.01 Advances</b>			
Value Added Tax		14,516,811	17,420,198
To Suppliers		14,281,662	88,809,172
To Employees		5,786,336	7,402,772
Against Rent		-	-
To Others		93,622,544	3,092,044
		<b>128,207,352</b>	<b>116,724,186</b>
<b>08.02 Deposits</b>			
Security deposits		120,725	120,725
		<b>120,725</b>	<b>120,725</b>
<b>08.03 Prepayments</b>			
Prepaid insurance		922,066	1,061,511
		<b>922,066</b>	<b>1,061,511</b>
<b>09.00 Short Term Investments</b>			
Balance in BO Account with North West Securities Limited		2,494,736	3,026,539
<b>FDR with:</b>			
United Commercial Bank Limited		2,105,240	6,076,500
Meghna Bank Limited		39,518,431	39,563,000
		<b>44,118,407</b>	<b>48,666,039</b>
<b>10.00 Interest Receivable</b>			
Interest Receivable on FDR		390,398	406,891
		<b>390,398</b>	<b>406,891</b>

**Breakup of Interest Receivable**

Bank Name	No of FDR	Rate of Investment (%)	TAKA 2020-2021	TAKA 2019-2020
United Commercial Bank Ltd.	1 Nos	3.25%	4,686	22,160
Meghna Bank Limited	15 Nos	5.50% - 6.25%	385,712	384,731
<b>Total</b>	<b>16 Nos</b>		<b>390,398</b>	<b>406,891</b>

	Notes	TAKA 2020-2021	TAKA 2019-2020 Restated	TAKA 2018-2019 Restated
<b>11.00 Due from Associated Company</b>				
Aramit Cement Limited (ACL)	11.01	(16,432,965)	1,223,712	1,223,712
Aramit Thai Aluminium Limited (ATAL)	11.02	132,159,451	120,782,556	94,977,861
Aramit Footwear Limited (AFL)	11.03	82,555,932	82,555,933	82,555,933
Aramit Power Limited (APL)	11.04	38,669,719	40,195,116	36,311,116
Aramit Steel Pipes Limited (ASPL)	11.05	147,334,135	134,709,350	112,197,468
Aramit Alu Composite Panels Limited (AACPL)	11.06	6,118,028	5,595,711	5,077,377
		<b>390,404,300</b>	<b>385,062,378</b>	<b>332,343,467</b>

**11.01 Aramit Cement Limited (ACL)**

Short-term loan extended by **Aramit Limited** from/ (to) **Aramit Cement Limited** based on respective company's Board's decision of 29 April 2018, it was decided to treat the financing provided to **Aramit Cement Limited** as short-term loan without interest with effect from 1st January 2018. Further, based on company's board's decision on 28th January 2021 interest charged on the balance due to/ from associate companies per annum on monthly opening product basis with restrospective effect i.e. from 1st January 2018 to 31st March 2020 at 10% & from 1st April 2020 onward with an applicable

	TAKA 2020-2021	TAKA 2019-2020 Restated	TAKA 2018-2019 Restated
<b>Opening Balance</b>	1,223,712	1,223,712	-
Fund extended during the year	(51,335,348)		
	<b>(50,111,636)</b>	<b>1,223,712</b>	-
Interest Earned During the Period	(1,836,206)	-	1,223,712
Re-paid/adjusted during the year	35,514,877	-	-
<b>Closing Balance</b>	<b>(16,432,965)</b>	<b>1,223,712</b>	<b>1,223,712</b>





#### 11.02 Aramit Thai Aluminium Limited (ATAL)

TAKA 2020-2021	TAKA 2019-2020 Restated	TAKA 2018-2019 Restated
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Short-term loan extended by Aramit Limited to Aramit Thai Aluminium Limited based on respective company's Board's decision of 29th April 2018, it was decided to treat the financing provided to Aramit Thai Aluminium Limited as short-term loan without interest with effect from 1st January 2018. Further, based on company's board's decision on 28th January 2021 interest charged on the balance due to/ from associate companies per annum on monthly opening product basis with restrospective effect i.e. from 1st January 2018 to 31st March 2020 at 10% & from 1st April 2020 onward with an applicable rate of 9%.

Opening Balance	120,782,556	94,977,861	94,977,861
Fund extended during the year	6,423,378	24,989,210	-
	<b>127,205,934</b>	<b>119,967,071</b>	<b>94,977,861</b>
Interest Earned During the Period	11,374,350	11,025,485	-
Re-paid/adjusted during the year	(6,420,833)	(10,210,000)	-
<b>Closing Balance</b>	<b>132,159,451</b>	<b>120,782,556</b>	<b>94,977,861</b>

##### 11.02.01 Restated Opening Balance

Unadjusted Opening Balance	81,994,932
Add: Prior Year Adjustment	12,982,929
<b>Adjusted &amp; Restated Opening Balance</b>	<b>94,977,861</b>

#### 11.03 Aramit Footwear Limited (AFL)

Short-term loan extended by Aramit Limited to Aramit Footwear Limited based on respective company's Board's decision of 29th April 2018, it was decided to treat the financing provided to Aramit Footwear Limited as short-term loan without interest with effect from 1st January 2018. Further, based on company's board's decision on 28th January 2021 interest charged on the balance due to/ from associate companies per annum on monthly opening product basis with restrospective effect i.e. from 1st January 2018 to 31st March 2020 at 10% & from 1st April 2020 onward with an applicable rate of 9%.

Opening Balance	82,555,933	82,555,933	82,555,933
Fund extended during the year	(1)	-	-
	<b>82,555,932</b>	<b>82,555,933</b>	<b>82,555,933</b>
Re-paid/adjusted during the year	-	-	-
<b>Closing Balance</b>	<b>82,555,932</b>	<b>82,555,933</b>	<b>82,555,933</b>

#### 11.04 Aramit Power Limited (APL)

Short-term loan extended by Aramit Limited to Aramit Power Limited based on respective company's Board's decision of 29th April 2018, it was decided to treat the financing provided to Aramit Power Limited as short-term loan without interest with effect from 1st January 2018. Further, based on company's board's decision on 28th January 2021 interest charged on the balance due to/ from associate companies per annum on monthly opening product basis with restrospective effect i.e. from 1st January 2018 to 31st March 2020 at 10% & from 1st April 2020 onward with an applicable rate of 9%.

Opening Balance	40,195,116	36,311,116	36,311,116
Fund extended during the year	(3,895,031)	1,559,470	-
	<b>36,300,085</b>	<b>37,870,586</b>	<b>36,311,116</b>
Interest Earned During the Period	3,751,985	3,706,881	-
Re-paid/adjusted during the year	(1,382,351)	(1,382,351)	-
<b>Closing Balance</b>	<b>38,669,719</b>	<b>40,195,116</b>	<b>36,311,116</b>

##### 11.04.01 Restated Opening Balance

Unadjusted Opening Balance	31,311,166
Add: Prior Year Adjustment	4,999,950
<b>Adjusted &amp; Restated Opening Balance</b>	<b>36,311,116</b>

#### 11.05 Aramit Steel Pipes Limited (ASPL)

Short-term loan extended by Aramit Limited to Aramit Steel Pipes Limited based on respective company's Board's decision of 29th April 2018, it was decided to treat the financing provided to Aramit Steel Pipes Limited as short-term loan without interest with effect from 1st January 2018. Further, based on company's board's decision on 28th January 2021 interest charged on the balance due to/ from associate companies per annum on monthly opening product basis with restrospective effect i.e. from 1st January 2018 to 31st March 2020 at 10% & from 1st April 2020 onward with an applicable rate of 9%.



	TAKA 2020-2021	TAKA 2019-2020 Restated	TAKA 2018-2019 Restated
<b>Opening Balance</b>	134,709,350	112,197,468	112,197,468
Fund extended during the year	5,405,334	31,888,184	-
	<b>140,114,684</b>	<b>144,085,652</b>	<b>112,197,468</b>
Interest Earned During the Period	12,545,451	11,993,109	-
Re-paid/adjusted during the year	(5,326,000)	(21,369,411)	-
<b>Closing Balance</b>	<b>147,334,135</b>	<b>134,709,350</b>	<b>112,197,468</b>
<b>Restated Opening Balance</b>			
Unadjusted Opening Balance			96,652,437
Add: Prior Year Adjustment			15,545,031
<b>Adjusted &amp; Restated Opening Balance</b>			<b>112,197,468</b>

#### 11.06 Aramit Alu Composite Panels Limited (AACPL)

Short-term loan extended by Aramit Limited to Aramit Alu Composite Panels Limited based on respective company's Board's decision of 29 April 2018, it was decided to treat the financing provided to Aramit Alu Composite Panels Limited as short-term loan without interest with effect from 01 January 2018. Further, based on company's board's decision on 28th January 2021 interest charged on the balance due to/ from associate companies per annum on monthly opening product basis with retrospective effect i.e. from 1st January 2018 to 31st March 2020 at 10% & from 1st April 2020 onward with an applicable rate of 9%.

<b>Opening Balance</b>	5,595,711	5,077,377	5,077,377
Fund extended during the year	1	-	-
	5,595,712	5,077,377	5,077,377
Interest Earned During the Period	522,316	518,334	-
Re-paid/adjusted during the year	-	-	-
<b>Closing Balance</b>	<b>6,118,028</b>	<b>5,595,711</b>	<b>5,077,377</b>
<b>Restated Opening Balance</b>			
Unadjusted Opening Balance			4,377,599
Add: Prior Year Adjustment			699,778
<b>Adjusted &amp; Restated Opening Balance</b>			<b>5,077,377</b>

#### 12.00 Cash and Cash Equivalents

Note	TAKA 2020-2021	TAKA 2019-2020
Cash in hand	276,757	199,971
Cash at bank	61,829,990	62,394,850
	<b>62,106,748</b>	<b>62,594,821</b>

#### 12.01 Cash at bank

Bank	Branch	Types	A/c No	TAKA 2020-2021	TAKA 2019-2020
Sonali Bank Limited	Kalurghat Ind. Area Br.	CD	001-000024	4,312,594	12,326,721
Sonali Bank Limited	Kalurghat Ind. Area Br.	STD	004000065	101,438	2,680,011
Commercial Bank Of Ceylon	Agrabad Br.	STD	2352923000	189	190
NCC Bank Limited	Khatungonj Br.	CD	0004-0210004392	530,512	1,505,134
United Commercial Bank Ltd	Bahaddarhat Br.	CD	079-1101-000000107	23,012,562	4,891,578
United Commercial Bank Ltd	Tejgaon Link Road Br.	CD	104-1101-000000214	151,653	55,576
United Commercial Bank Ltd	Bahaddarhat Br.	STD	079-1301-000000143	126,480	2,710,328
Agrani Bank Limited	Raza Bazar Br.	CD	034533000218	355,568	779,672
Standard Bank Limited	Khatungonj Br.	CD	333006036	94,626	94,971
Janata Bank Limited	Sk Mujib Road Br.	CD	003333010842	3,211,075	4,384,672
Jamuna Bank Limited	Agrabad Br.	CD	0005-0210007754	2,272,950	3,038,360
State Bank of India	Chittagong Br.	CD	052600005820001	22,707	23,396
Islami Bank (BD) Ltd	Bahaddarhat Br.	CD	20503480100048216	6,082,310	11,861,486
Meghna Bank Ltd	Agrabad Br.	CD	2101-111-000000003	21,499,565	704,951
Meghna Bank Ltd	Agrabad Br.	STD	2101-135-000000065	55,762	17,337,804
				<b>61,829,990</b>	<b>62,394,850</b>





### 13.00 Share Capital

#### 13.1 Authorised

		TAKA 2020-2021	TAKA 2019-2020
10,000,000	Ordinary Shares of Tk 10 each	100,000,000	100,000,000

#### 13.2 Issued, subscribed and paid-up

<u>Paid-up in cash</u>			
504	Ordinary Shares of Tk 10 each	5,040	5,040
<u>For consideration other than cash</u>			
999,496	Ordinary Shares of Tk 10 each	9,994,960	9,994,960
1,000,000	Ordinary Shares of Tk 10 each	10,000,000	10,000,000
<u>Issued as bonus shares</u>			
3,000,000	Ordinary Shares of Tk 10 each	30,000,000	30,000,000
2,000,000	Ordinary Shares of Tk 10 each	20,000,000	20,000,000
6,000,000	Ordinary Shares of Tk 10 each	60,000,000	60,000,000

#### 13.3 Position of shares holding

Sadharan Bima Corporation (SBC)  
Javed Steel Mills Limited  
Asif Steel Limited  
Investment Corporation of Bangladesh (ICB)

2020-2021		2019-2020	
%	Taka	%	Taka
23.77%	14,259,090	23.77%	14,259,090
19.97%	11,980,830	19.97%	11,980,830
14.97%	8,980,830	14.97%	8,980,830
4.88%	2,929,240	4.88%	2,929,240
63.59%	38,149,990	63.59%	38,149,990
6.36%	3,817,250	6.36%	3,817,250
12.92%	7,752,350	9.71%	5,827,370
17.13%	10,280,410	20.34%	12,205,390
36.41%	21,850,010	36.41%	21,850,010
100.00%	60,000,000	100.00%	60,000,000

ICB Unit Fund  
Local Institutions  
General Public



13.4 The distribution schedule showing the number of shareholders and their shareholding percentage as on 30 June 2021 is as follows:

Range of the holdings	2020-2021			2019-2020
	No. of Shareholders	No. of Shares	% of holdings	No. of Shareholders
Less than 500 Shares	1,697	184,905	3.08%	2,277
500 Shares to 5,000 Shares	412	537,919	8.97%	565
5,001 Shares to 10,000 Shares	29	200,752	3.35%	29
10,001 Shares to 20,000 Shares	7	92,988	1.55%	4
20,001 Shares to 30,000 Shares	6	141,533	2.36%	5
30,001 Shares to 40,000 Shares	2	63,480	1.06%	3
40,001 Shares to 50,000 Shares	2	86,118	1.44%	1
50,001 Shares to 100,000 Shares	2	157,158	2.62%	3
100,001 Shares to 1,000,000 Shares	6	1,911,155	31.85%	5
More than 1,000,000 shares	2	2,623,992	43.73%	2
<b>Total</b>	<b>2,165</b>	<b>6,000,000</b>	<b>100%</b>	<b>2,894</b>

14.00 Reserves

14.01 Following are the composition of and movement in Reserves:

	Capital Reserve Note: 14.02	General Reserve	2020-2021	2019-2020
	Taka	Taka	Taka	Taka
Opening Balance	20,212,562	365,275,466	385,488,028	385,488,028
Transferred during the period	-	-	-	-
Closing Balance	20,212,562	365,275,466	385,488,028	385,488,028
			<b>TAKA 2020-2021</b>	<b>TAKA 2019-2020</b>

14.02 Capital Reserve

a. Balance of excess of assets over liabilities after issuing fully paid-up shares for consideration other than cash - out of the surplus arising as of 21 August 1972 - note 14.2

b. Surplus arising out of revaluation of plant & machinery on 1 July 1986

c. Withdrawn on deletion thereafter - note 4.1

	104,336	104,336
	30,702,116	30,702,116
	(10,593,890)	(10,593,890)
	20,108,226	20,108,226
	<b>20,212,562</b>	<b>20,212,562</b>

14A Restated Opening Balance

	TAKA 2020-2021	TAKA 2019-2020 Restated	TAKA 2018-2019 Restated
Unadjusted Opening Balance	390,216,352	327,521,143	337,367,522
Net Profit/Loss	46,139,901		-
Prior Year Adjustment		62,695,209	35,451,400
Final Cash Dividend	(30,000,000)		-
	<b>406,356,253</b>	<b>390,216,352</b>	<b>372,818,922</b>

\* Retrospective adjustments has been produced in this accounts for prior years Interest Income/ Expense from / to associates (note 11, 25 and 26) as per IAS-8





15.00 Provision for Employees' Retiral Gratuity

	TAKA 2020-2021	TAKA 2019-2020
Opening Balance	32,619,040	28,442,959
Provided during the period - note 22.4.1, 23.1 & 24.1	7,182,944	4,698,239
	39,801,984	33,141,198
Paid during the period	(3,865,029)	(522,158)
	(3,865,029)	(522,158)
Closing Balance	35,936,955	32,619,040

16.00 Deferred Income Tax

Notes	TAKA 2020-2021	TAKA 2019-2020
Opening Balance	23,960	4,072,885
Deferred tax (Income)/Expenses during the year	(1,788,038)	278,264
Deferred tax (Income)/Expenses relating to other comprehensive income	20,412,986	(4,327,189)
Closing Balance	18,648,908	23,960

Reconciliation of deferred tax liabilities/(assets)	Carrying Amount	Tax Base	Temporary Difference
a. As at 30 June 2021	Taka	Taka	Taka
Property, Plant & Equipment	93,258,455	66,251,969	27,006,486
Provision for gratuity	(35,936,955)	-	(35,936,955)
Total	57,321,500	66,251,969	(8,930,469)
Deferred Tax Liabilities as at 30 June 2021			(2,009,356)
Deferred Tax Liabilities as at 30 June 2020			(221,317)
Deferred Tax Expenses/(Income) during the year			(1,788,038)
b. As at 30 June 2020			
Property, Plant & Equipment	113,759,718	82,025,947	31,733,771
Provision for gratuity	(32,619,040)	-	(32,619,040)
Total	81,140,678	82,025,947	(885,269)
Deferred Tax Liabilities as at 30 June 2020			(221,317)
Deferred Tax Liabilities as at 30 June 2019			(499,581)
Deferred Tax Expenses/(Income) during the year			278,264

17.00 Creditors and Accruals

	Notes	TAKA 2020-2021	TAKA 2019-2020
Creditors and Accruals			
Liabilities for other Finance	17.01	98,294,080	79,113,566
For Supplies & Revenue Expenses	17.02	130,702,008	112,467,339
		228,996,088	191,580,905

17.01 Liabilities for other Finance

Customers Credit Balances	80,663,715	62,540,374
Income Tax - Employees	323,338	210,938
Provident Fund	4,050,876	2,849,595
AIT deducted from:		
Dividend	5,297,780	3,201,613
Suppliers	1,751,067	4,231,292
	7,048,847	7,432,905
Deposits From:		
Dealers	5,588,000	5,448,000
Suppliers and Contractors	607,774	617,774
	6,195,774	6,065,774
Employees' Union Subscription	11,530	13,980
	98,294,080	79,113,566

17.02 Creditors for Supplies & Revenue Expenses

Employees' Remuneration	2,516,068	2,282,201
Utility Charges	2,039,049	16,028,681
Supplies	125,904,641	93,932,957
Audit & Professional Fees	242,250	223,500
	130,702,008	112,467,339



	Notes	TAKA 2020-2021	TAKA 2019-2020
<b>18.00 Provision for WPP &amp; WF</b>			
Opening Balance		1,433,817	126,254
Addition during the year		3,226,977	1,433,817
Interest incurred during the year		-	-
		<u>4,660,794</u>	<u>1,560,071</u>
Paid during the year		(1,433,817)	(126,254)
<b>Closing Balance</b>		<u>3,226,977</u>	<u>1,433,817</u>
<b>19.00 Provision for Current Tax</b>			
Opening Balance		(6,511,993)	-
Provision made during the year		16,960,706	6,810,629
		<u>10,448,713</u>	<u>6,810,629</u>
Adjusted during the year	<b>19.01</b>	(12,260,580)	(13,322,622)
<b>Closing Balance</b>		<u>(1,811,867)</u>	<u>(6,511,993)</u>
Calculation of Tax provision for during the period			
Revenue		619,661,738	525,890,868
Add: Other Income		76,513,976	48,655,954
Gross receipt during the year		<u>696,175,714</u>	<u>574,546,822</u>
A. Tax liability under section 82C and Sub Section 4 of income tax ordinance 1984, i.e. 0.60% on gross receipt (Turnover Tax)		4,177,054	3,447,281
B. Tax Liability under section 82C (2)(B)		-	-
C. Tax Liability @ 22.5% on Profit before tax		<u>16,960,706</u>	<u>6,810,629</u>
D. So, Current period tax provision (Higher Among A,B & C)		<u>16,960,706</u>	<u>6,810,629</u>
<b>19.01 Adjusted during the year</b>			
Tax paid in cash		200,000	1,100,000
Adjusted with Advance Income Tax		<u>12,060,580</u>	<u>12,222,622</u>
		<u>12,260,580</u>	<u>13,322,622</u>
<b>19.02 Provision held</b>			
1996 through 2016-2017		371,116,546	371,116,546
2017-2018		26,500,000	26,500,000
2018-2019		7,891,920	7,891,920
2019-2020		6,810,629	6,810,629
2020-2021		16,960,706	-
		<u>429,279,801</u>	<u>412,319,095</u>
<b>19.03 Payments made</b>			
1996 through 2016-2017		367,119,297	367,119,297
2017-2018		25,844,308	25,844,308
2018-2019		12,544,861	12,544,861
2019-2020		13,322,622	13,322,622
2020-2021		12,260,580	-
		<u>431,091,668</u>	<u>418,831,088</u>
		<u>(1,811,867)</u>	<u>(6,511,993)</u>
The Income Tax (IT) assessment for all the years upto Income Year 2016-17 (Assessment Year 2017-2018) have been completed and agreed with the Tax Authorities.			
<b>20.00 Unclaimed Dividend</b>			
Opening Balance		13,611,467	9,991,556
Dividend declared		30,000,000	30,000,000
		<u>43,611,467</u>	<u>39,991,556</u>
Write back of Unclaimed Dividend		-	-
Paid during the year		(30,006,595)	(26,380,089)
		<u>(30,006,595)</u>	<u>(26,380,089)</u>
<b>Closing Balance</b>		<u>13,604,872</u>	<u>13,611,467</u>





**Year wise Breakup of Unclaimed Dividend:**

Year
2010
2011
2012
2013
2014
2015 (Interim)
2016 (Final)
2016-2017
2017-2018
2018-2019
2019-2020

Notes	TAKA 2020-2021	TAKA 2019-2020
	682,845	682,845
	764,739	764,739
	1,062,473	1,062,473
	1,200,500	1,200,500
	743,724	743,724
	879,314	879,951
	473,371	473,371
	1,274,702	1,275,849
	2,213,167	2,315,556
	2,741,029	4,212,459
	1,569,008	-
	<b>13,604,872</b>	<b>13,611,467</b>

**21.00 Revenue**

Gross Turnover  
Less : VAT (Value Added Tax)  
Net Turnover

619,661,738	525,890,868
80,339,671	68,266,809
<b>539,322,067</b>	<b>457,624,059</b>

**22.00 Cost of Goods Sold**

Raw Materials Consumed  
Indirect Materials Consumed  
Resale Products Consumed  
Factory Overhead  
**Total Manufacturing Costs**  
Opening Inventory of Finished Goods  
Cost of Inventory available for Sale  
Closing Inventory of Finished Goods - notes

22.01	350,501,522	277,597,254
22.02	12,062,717	7,985,978
22.03	3,152,092	2,047,412
22.04	94,361,746	93,499,038
	<b>460,078,076</b>	<b>381,129,682</b>
22.06	39,098,320	42,049,305
	<b>499,176,396</b>	<b>423,178,987</b>
22.06	(49,182,678)	(39,098,320)
	<b>449,993,718</b>	<b>384,080,667</b>

**22.01 Raw Materials Consumed**

Opening Inventory  
Purchases during the year  
Raw Materials available for use  
Closing Inventory - note 6  
**Consumption of raw material**

71,749,094	47,677,283
322,096,629	301,669,065
393,845,723	349,346,348
(43,344,201)	(71,749,094)
<b>350,501,522</b>	<b>277,597,254</b>

Notes	TAKA 2020-2021	TAKA 2019-2020
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**22.02 Indirect Materials Consumed**

Opening Inventory  
Purchases during the year  
Indirect Materials available for use  
Closing Inventory - note 6.1

7,437,951	5,410,531
10,394,902	10,013,398
17,832,853	15,423,929
(5,770,136)	(7,437,951)
<b>12,062,717</b>	<b>7,985,978</b>

**22.03 Resale Products Consumed**

Opening Inventory  
Purchase during the year  
Resale Products available for use  
Closing Inventory



Notes	TAKA 2020-2021	TAKA 2019-2020
	1,781,277	1,141,010
	2,339,197	2,687,679
	4,120,474	3,828,689
06.01	(968,382)	(1,781,277)
	<b>3,152,092</b>	<b>2,047,412</b>

**22.04 Factory Overhead**

Personnel Expenses  
Power  
Stores  
Maintenance  
Depreciation  
Factory Insurance  
Telephone Expenses  
Entertainment  
Conveyance  
Fuel  
Registration and renewals  
Office Supplies, Stationery & Printing

Notes	TAKA 2020-2021	TAKA 2019-2020
<b>22.04.01</b>	42,441,351	39,548,814
	24,453,087	22,697,895
<b>22.08</b>	12,609,056	12,122,100
	1,894,902	2,348,011
<b>04.01</b>	11,493,203	15,221,703
	981,550	1,087,876
	62,500	60,000
	113,439	113,024
	55,885	51,045
	158,385	157,695
	60,580	60,411
	37,808	30,464
	<b>94,361,746</b>	<b>93,499,038</b>

**22.04.01 Personnel Expenses**

Salaries, Wages and Allowances  
Casual Labour  
Overtime  
Gratuity  
Exgratia/Festival Bonus  
Provident Fund  
Welfare & Benefits

	19,970,428	19,701,723
	6,923,602	6,780,411
	8,791,570	7,493,809
<b>15.00</b>	2,483,006	1,604,999
	2,408,457	2,304,957
	1,288,448	1,124,626
	575,840	538,289
	<b>42,441,351</b>	<b>39,548,814</b>





	Notes	TAKA 2020-2021	TAKA 2019-2020
<b>22.05 Material Purchases - Cost and Direct Charges</b>			
(i) Direct Raw Materials:			
Imported	22.01	145,061,766	156,563,973
Indigenous		177,034,863	145,105,092
		<b>322,096,629</b>	<b>301,669,065</b>
(ii) Indirect Materials:			
Imported	22.02	1,946,043	-
Indigenous		8,448,859	10,013,398
		<b>10,394,902</b>	<b>10,013,398</b>
(iii) Resale Products:			
Indigenous	22.03	2,339,197	2,687,679
		<b>2,339,197</b>	<b>2,687,679</b>

**22.06 Particulars in respect of Inventories and Sale of Finished Goods:**

	Opening Inventory		Closing Inventory		Net Sales	
	01 Jul 2020		30 June 2021		30 June 2021	
	(Note 6 & Note 22)		(Note 6 & 22)		(Note 21)	
	Qty-M <sup>2</sup> N	Taka	Qty-M <sup>2</sup> N	Taka	Qty-M <sup>2</sup> N	Taka
A.C.Sheets	267,802	36,065,026	411,386	45,763,791	4,353,883	505,483,192
Mouldings	18,047	2,442,206	24,566	2,766,818	162,964	17,366,656
A.C. Pipe	4,366	591,088	5,513	652,069	94,285	12,747,841
Resale products	-	-	-	-	-	3,724,378
2020-2021	<b>290,215</b>	<b>39,098,320</b>	<b>441,465</b>	<b>49,182,678</b>	<b>4,611,132</b>	<b>539,322,067</b>
2019-2020	<b>312,490</b>	<b>42,049,305</b>	<b>290,215</b>	<b>39,098,320</b>	<b>3,898,990</b>	<b>457,624,059</b>

**22.07 Analysis of Raw Materials Consumed - notes 22.1 & 22.7**

	30 June 2021		30 June 2020	
	Qty-MT	Taka	Qty-MT	Taka
Asbestos Fibre	3,765	167,540,825	3,042	124,363,164
Cement	29,288	177,638,463	23,760	145,105,092
Pulp	108	5,322,234	140	8,128,998
	<b>33,161</b>	<b>350,501,522</b>	<b>26,942</b>	<b>277,597,254</b>

**22.08 Consumption of imported and indigenous raw materials and stores & spares, indirect materials, resale products and percentage of each to the total consumption:**

	30 June 2021		30 June 2020	
	Taka	%	Taka	%
Imported	174,809,101	46.21%	132,492,162	44.20%
Indigenous	203,516,285	53.79%	167,260,582	55.80%
	<b>378,325,386</b>	<b>100.00%</b>	<b>299,752,744</b>	<b>100.00%</b>
Check:				
Raw materials - note 22.1	350,501,522	92.65%	277,597,254	92.61%
Indirect materials - note 22.2	12,062,717	3.19%	7,985,978	2.66%
Resale products - note 22.3	3,152,092	0.83%	2,047,412	0.68%
Stores - note 22.4	12,609,056	3.33%	12,122,100	4.04%
	<b>378,325,387</b>	<b>100.00%</b>	<b>299,752,744</b>	<b>100.00%</b>



	Notes	TAKA 2020-2021	TAKA 2019-2020
<b>23.00 General &amp; Administration Expenses</b>			
Personnel Expenses	23.01	47,595,784	43,893,944
Travelling		796,875	732,170
Fuel		684,695	692,543
Conveyance		163,536	193,881
Repairs & Maintenance		588,333	571,677
Guest House Expenses		718,407	718,101
AGM Expenses		225,000	330,748
Entertainment		431,197	380,782
Municipal & Other Taxes		470,457	439,732
Depreciation	04.02	8,758,606	8,821,995
Telephone, Telegram, Telex and Fax		467,950	475,000
Advertisement		907,394	884,490
Insurance		545,150	654,784
Share Office Rent		144,000	144,000
Office Supplies, Stationery and Printing		220,474	213,170
Fees & Renewals		187,700	142,556
Audit Fee		150,000	150,000
Other Professional Fees		23,137	76,000
Board Meeting Expenses		170,855	171,153
Directors Fee		540,000	504,000
Subscription		100,000	130,000
Water Supply, Gas and Electricity		153,732	146,642
Newspapers, Books & Periodicals		2,907	8,766
Postal Charges		63,135	62,790
Other Expenses		462,952	476,779
		<b>64,572,274</b>	<b>61,015,703</b>
<b>23.01 Personnel Expenses</b>			
Salary & Allowances		33,380,563	31,504,419
Exgratia /Festival Bonus		2,971,441	2,937,649
Gratuity	15.00	3,015,087	1,947,066
Welfare & Benefits		3,340,753	3,302,339
Overtime		3,053,489	2,981,591
Provident Fund		1,697,464	1,089,681
Casual Labour		136,988	131,199
		<b>47,595,784</b>	<b>43,893,944</b>



	Notes	TAKA 2020-2021	TAKA 2019-2020
<b>24.00 Selling and Distribution Expenses</b>			
Personnel Expenses	24.01	22,061,401	19,151,942
Advertisement		1,912,744	1,840,423
Travelling		105,277	102,633
Fuel		632,424	534,277
Conveyance		3,200,935	3,085,690
Repair & Maintenance		1,825,772	1,818,664
Depreciation	04.02	3,416,887	4,160,510
Telephone Expenses		360,000	365,000
Godown Rent		88,200	215,250
Insurance		134,877	134,579
Entertainment		685,152	680,084
Office Supplies, Stationery & Printing		12,097	60,936
Newspaper, Books & Periodicals		54,162	3,540
Water Supply, Gas and Electricity		17,530	14,411
Postage, Photocopy & Courier		3,391	16,578
License and renewal fees		107,592	108,832
		<b>34,618,441</b>	<b>32,293,349</b>
<b>24.01 Personnel Expenses</b>			
Salaries & Allowances	15.00	15,888,003	13,585,789
Festival Bonus		1,506,079	1,492,928
Casual Labour		1,211,737	1,205,055
Gratuity		1,684,851	1,146,174
Overtime		544,546	565,246
Provident Fund		958,525	888,162
Welfare and Benefits		267,660	268,588
		<b>22,061,401</b>	<b>19,151,942</b>
<b>25.00 Other Income - Operating</b>			
Sales proceeds of scrap		4,373,224	6,738,341
Earnings from fittings & fixing services		40,486,051	39,524,049
Rental income		154,250	225,000
Interest on fixed deposits		2,616,176	2,073,387
Interest on short-term deposits		48,925	95,177
Inter Company Interest		28,194,102	-
Profit on Share Sale		641,248	-
		<b>76,513,976</b>	<b>48,655,954</b>
<b>26.00 Financial Expenses</b>			
Bank Charges		2,200,091	664,926
		<b>2,200,091</b>	<b>664,926</b>
<b>27.00 Non Operating Income</b>			
Dividend Income		88,027	963
Gain on sale of fixed assets		-	450,000
		<b>88,027</b>	<b>450,963</b>





**28.00 Earnings Per Share (EPS)**

The computation of EPS is given below:

Earnings attributable to the ordinary shareholders

Number of ordinary shares outstanding during the period

**Basic Earnings Per Share**

TAKA 2020-2021	TAKA 2019-2020
46,143,505	20,153,621
6,000,000	6,000,000
<b>7.69</b>	<b>3.36</b>

**29.00 Reconciliation of Cash Flows from operating activities**

Profit after income tax

46,139,901 20,153,621

**Adjustment for non-cash items**

Depreciation

Provision of deferred tax

23,668,696	28,204,208
(1,788,038)	278,264
<b>21,880,658</b>	<b>28,482,472</b>

**Adjustment for non-operating items**

Dividend income

Gain on sale of Fixed Asset

Interest on fixed deposits

Interest on short-term deposits

Financial expenses

(88,027)	(963)
-	(450,000)
(2,616,176)	(2,073,387)
(48,925)	(95,177)
2,200,091	664,926
<b>(553,037)</b>	<b>(1,954,601)</b>

**Changes in Working Capital**

**(Decrease)/ Increase in Current Liabilities**

Creditors and Accruals

Provision for WPPF & WF

Provision for Tax

Provision for Gratuity

37,415,183	58,689,069
1,793,160	1,307,563
4,700,126	(6,511,993)
3,317,915	4,176,081
<b>47,226,383</b>	<b>57,660,720</b>

**(Increase)/ Decrease in Current Assets**

Inventories

Trade Receivables

Advance, Deposit & Prepayments

(28,461,082)	(7,417,774)
(40,847,265)	(3,131,026)
(10,687,391)	(19,392,658)
<b>(79,995,738)</b>	<b>(29,941,458)</b>

**Net Cash inflow/(outflow) from operating activities**

<b>34,698,166</b>	<b>54,247,133</b>
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	TAKA 2020-2021	TAKA 2019-2020 Restated	TAKA 2018-2019 Restated
<b>30.00 Net Assets Value Per Share</b>			
The computation of NAV Per Share is given below:			
Total Assets	1,387,108,839	1,121,407,318	1,057,046,175
Less: Liabilities	298,601,933	232,757,196	146,848,775
Net Asset Value (NAV)	<b>1,088,506,906</b>	<b>888,650,122</b>	<b>910,197,400</b>
Number of ordinary shares outstanding during the year	6,000,000	6,000,000	6,000,000
Net Assets Value (NAV) Per Share	<b>181.42</b>	<b>148.11</b>	<b>151.70</b>

<b>31.00 Net Operating Cash Flow Per Share</b>	TAKA 2020-2021	TAKA 2019-2020
Net Operating Cash Flows (from statement of cash flows)	34,698,166	74,400,754
Number of ordinary shares outstanding during the year	6,000,000	6,000,000
Net Operating Cash Flows Per Share	<b>5.78</b>	<b>12.40</b>

<b>32.00 Value of Imports at C &amp; F Basis</b>		
Asbestos Fibre	145,061,766	148,339,622
Pulp	-	8,224,351
Indirect Materials	1,946,043	-
	<b>147,007,809</b>	<b>156,563,973</b>

<b>33.00 Capacity &amp; Production</b>						
Products	Unit	Installed Capacity	Expected Capacity	Production (Multiple Sheet)		Increase/ (Decrease)
		Per 8 hour shift	Per 8 hour shift	2020-2021	2019-2020	%
A.C. Sheets	M <sup>2</sup> N	1,680,000	1,428,000	4,389,854	3,630,569	20.91
A.C. Pipes	M <sup>2</sup> N	90,000	50,000	167,912	99,260	69.16
Mouldings	M <sup>2</sup> N	Manual process	Manual process	95,198	146,886	(35.19)
				<b>4,652,964</b>	<b>3,876,715</b>	<b>20.02</b>

**34.00 Number of Employees - Para 3 of Schedule XI, Part II**

Salary Range (Monthly)	2020-2021			
	Factory	General & Administration	Selling & Distribution	Total
Below Tk 3,000	-	-	-	-
Above Tk 3,000	77	53	45	175
<b>Total</b>	<b>77</b>	<b>53</b>	<b>45</b>	<b>175</b>
Salary Range (Monthly)	2019-2020			
	Factory	General & Administration	Selling & Distribution	Total
Below Tk 3,000	-	-	-	-
Above Tk 3,000	77	53	45	175
<b>Total</b>	<b>77</b>	<b>53</b>	<b>45</b>	<b>175</b>



**35.00 Attendance Status of Board Meeting of Directors**

During the year ended **30 June 2021**, there were 4 (**Four**) Board of Director meetings, 4 (**Four**) Audit Committee meetings and 1(**One**) Nomination and Remuneration Committee (NRC) Meeting total 9 (**Nine**) Meetings held. The attendance status of all the meetings is as follows:

SL No.	Name of the Directors	Position	Meeting held	Attendance
1	Mr. S.M. Alamgir Chowdhury	Chairman	4	4
2	Ms. Rukhmila Zaman	Managing Director	4	4
3	Mr. Md. Khorshed Alam	Director	4	4
4	Mr. Jyotsna Bikash Chakma	Director	4	4
5	Mr. Sudhangshu Kumar Ghosh	Director	4	4
6	Mr. Shariqul Anam	Director	4	4
7	Ms. Zeba Zaman	Director	4	4
8	Mr. Tanayem Zaman Chowdhury	Director	4	2
9	Mr. Mohammed Towhidul Anwar	Independent Director	4	4

**36.00 Remuneration of Directors, Managers, Executives & Officers:****36.01 Remuneration**

Particulars	2020-2021			2019-2020		
	Managing Director	Other Executives	Total	Managing Director	Other Executives	Total
	Taka	Taka	Taka	Taka	Taka	Taka
Salaries and Allowances	6,900,000	32,666,294	39,566,294	6,900,000	29,752,820	36,652,820
Housing						
Rental	300,000	2,584,400	2,884,400	300,000	2,584,400	2,884,400
Utilities		822,500	822,500	-	822,500	822,500
	300,000	3,406,900	3,706,900	300,000	3,406,900	3,706,900
Provident Fund	-	2,793,873	2,793,873	-	2,162,059	2,162,059
Gratuity - Provision	-	4,937,559	4,937,559	-	3,500,147	3,500,147
Medical	-	1,362,198	1,362,198	-	2,374,125	2,374,125
	<b>7,200,000</b>	<b>45,166,824</b>	<b>52,366,824</b>	<b>7,200,000</b>	<b>41,196,051</b>	<b>48,396,051</b>
Number	<b>1</b>	<b>71</b>	<b>72</b>	<b>1</b>	<b>64</b>	<b>65</b>

**36.02** The Managing Director, Company Secretary, Chief Operating Officer & Chief Financial Officer and Group Technical Advisor are each provided with a chauffeur driven car at the company's cost - primarily for the Company's business.

**36.03** Company re-imbuers Managing Director, Company Secretary, Chief Operating Officer & Chief Financial Officer and Group Technical Advisor residential telephone charges up to a set limit as being incurred for the company's business.

**37.00 Contingent Liabilities & Commitments****37.01 Corporate Guarantee:**

	2020-2021 Taka	2019-2020 Taka
(i) Issued Corporate Guarantee to Phonix Finance and Investment Limited, Principal Branch, Dilkhusa C/A, Dhaka in favour of Aramit Thai Aluminium Ltd for short term loan facility.	271,400,000	271,400,000
(ii) Issued to Fareast Finance and Investment Limited, Ayub Trade Centre, Level - 2, 1269/B, Sk. Muzib Road, Agrabad C/A, Chittagong in favour of Aramit Cement Limited for Lease finance.	3,178,355	4,266,893
(iii) Issued to SBAC Bank Limited, Agrabad Branch, Agrabad C/A, Chittagong in favour of Aramit Cement Limited and Aramit Thai Aluminium for Composite financial facility.	483,568,686	557,519,871
(v) Issued Corporate Guarantee to Al Arafah Islami Bank Limited, GEC Branch, Chittagong in favour of Aramit Thai Aluminium Limited for financial facilities.	292,808,453	346,429,000





**37.02 Lien**

- |   |            |            |
|---|------------|------------|
| (i) Original Share Certificate of Aramit Cement Limited with Al Arafah Islami Bank Limited against financial facilities for Aramit Thai Aluminium Limited | 76,005,000 | 76,005,000 |
|---|------------|------------|

**37.03 Pending Tax Liability**

<u>Year</u>	<u>Present Status</u>		
(i) Income year: 2015-2016 (12 Months) Assessment Year: 2016-2017	Order issued by appellate tribunal	765,125	765,125
(ii) Income year: 2016-2017 Assessment Year: 2017-2018	Order issued by appellate tribunal	919,796	919,796
		<b>1,128,645,415</b>	<b>1,257,305,685</b>

**38.00 Auditors' Remuneration**

Statutory audit fee	150,000	150,000
	<b>150,000</b>	<b>150,000</b>

**39.00 Related Party Transaction**

The Company carried out a number of transactions with related parties in the normal course of business on arms length basis:

Sl. No.	Name of the Parties	Relationship	Nature of business	Closing Balance as on	Closing Balance as on
				30.06.2021	30.06.2020
				Taka	Taka
1	Aramit Cement Limited	Associated Company	Purchase of raw materials. Short term loan facilities allowed - 11.1 Corporate Guarantee	(16,432,965)	1,223,712
2	Aramit Thai Aluminium	Associated Company	Short term loan facilities allowed- 11.2 Corporate Guarantee	132,159,451	120,782,556
3	Aramit Footwear Limited	Associated Company	Short term loan facilities allowed - 11.3 Corporate Guarantee	82,555,932	82,555,933
4	Aramit Power Limited	Associated Company	Short term loan facilities allowed - 11.4 Corporate Guarantee	38,669,719	40,195,116
5	Aramit Steel Pipes Limited	Associated Company	Short term loan facilities allowed - 11.5 Corporate Guarantee	147,334,135	134,719,350
6	Aramit Alu Composite Panels	Associated Company	Short term loan facilities allowed- 11.6	61,188,028	5,595,711

- 40.00** The Board of Directors in their meeting held on 28th October 2021 recommended 50% cash dividend which is subject to approval by the shareholders in the Annual General Meeting for year ending 30 June 2021.

**41.00 Authorisation for Issue**

These financial statements have been authorised for issue by the Board of Directors of the company on 28th October 2021

**42.00 General**

- 42.01** Figures appearing in these accounts have been rounded off to the nearest taka.
- 42.02** Previous year's phrases & amounts have been re-arranged, wherever considered necessary, to conform to the presentation for the year under review.
- 42.03** Figure in bracket denotes negative.

