

Un-Audited
3rd quarter financial statements
31 March 2020
National Polymer Industries Limited

National Polymer Industries Limited
Statement of Financial Position (Un-audited)
As at 31 March 2020

Particulars	Notes	31-03-2020	30-06-2019
		Taka	Taka
ASSETS			
Non-Current Assets			
Property, Plant & Equipment - Carrying Value	4	1,648,119,135	1,629,394,214
Investment	5	140,077,625	117,577,625
Capital Work in Progress (CWIP)		79,886,389	79,886,389
Total Non-Current Assets		1,868,083,149	1,826,858,228
Current Assets			
Inventories	6	1,165,412,870	1,081,447,816
Accounts Receivables	7	973,312,398	510,673,198
Accrued Interest Receivable on FDR	8	10,894,130	936,612
Advance, Deposit & Pre-payments	9	206,876,388	191,552,211
Advance Income Tax	10	245,206,021	368,995,204
Cash & Cash Equivalents	11	236,374,622	200,317,476
Total Current Assets		2,838,076,428	2,353,922,517
TOTAL ASSETS		4,706,159,577	4,180,780,745
EQUITY & LIABILITIES			
Shareholders Equity & Reserves			
Share Capital	12	364,918,340	299,113,400
Share Premium	13	134,000,000	134,000,000
Revaluation Reserve	14	496,260,922	496,260,922
Retained Earnings	15	297,749,139	236,533,669
Total Shareholders Equity & Reserves		1,292,928,402	1,165,907,991
Non-Current Liabilities			
Long Term Loan - (Non-Current Maturity)	16	628,914,898	682,449,686
Deferred Tax Liability	17	79,485,014	79,485,014
Total Non-Current Liabilities		708,399,912	761,934,700
Current Liabilities			
Short Term Loan	18	1,941,223,768	1,572,712,365
Long Term Loan- (Current Maturity)	16	282,294,361	261,370,924
Bank Overdraft	19	288,896,673	215,199,482
Accounts Payable		11,394,954	9,656,741
Inter-Company Loan	20	54,100,313	80,019,004
Provision for Expenses		30,407,994	36,199,993
WPPF & Welfare Fund	21	9,410,570	8,926,826
Provision for Taxation	22	87,102,630	68,852,719
Total Current Liabilities		2,704,831,263	2,252,938,054
TOTAL EQUITY & LIABILITIES		4,706,159,577	4,180,780,745
Net Asset Value (NAV) Per Share	23	35.43	31.95

The annexed notes from 1 to 25 are integral part of these Financial Statements

T. AFR

Chairman

D.P. Loh

Managing Director

D. M. M.

Director

M. A. M.

Company Secretary

S. M. M.

Chief Financial Officer

Date: 03 June 2020

Dhaka,



National Polymer Industries Limited
Statement of Comprehensive Income (Un-audited)
for the 3rd quarter ended 31 March 2020

Particulars	01 July 19 to 31 March 20 Taka	01 July 18 to 31 March 19 Taka	01 Janu 20 to 31 March 20 Taka	01 Janu 19 to 31 March 19 Taka
Revenue	2,818,078,845	2,194,461,710	853,232,811	809,606,710
Cost of Goods Sold	(2,286,649,499)	(1,783,819,313)	(682,967,089)	(633,770,003)
Gross Profit	531,429,346	410,642,397	170,265,722	175,836,707
Administrative, Selling and Distribution Expenses:				
Administrative Expenses	(122,667,823)	(110,149,262)	(41,577,149)	(44,953,141)
Selling and Distribution Expenses	(68,742,463)	(58,171,738)	(26,027,593)	(23,677,608)
Profit from Operations	340,019,060	242,321,397	102,660,980	107,205,958
Other Income	16,180,170	979,481	6,120,030	-
Finance Expense	(167,987,835)	(112,060,150)	(57,014,100)	(42,600,000)
Profit before WPPF and Taxation	188,211,396	131,240,728	51,766,911	64,605,958
WPPF and Welfare Fund	(9,410,570)	(6,562,036)	(2,588,346)	(3,230,298)
Provision for Tax	(44,700,207)	(31,169,673)	(12,294,641)	(15,343,915)
Net Profit for the Period	134,100,620	93,509,019	36,883,924	46,031,745
Other Comprehensive Income/(Loss) for the Period				
Actuarial Loss on Defined Benefit Plan	-	-	-	-
Total Comprehensive Income for the Period	134,100,620	93,509,019	36,883,924	46,031,745
Earnings per share (EPS) (Note-23)	3.67	2.56	1.01	1.26
Total Number of shares used to compare EPS	36,491,834	36,491,834	36,491,834	36,491,834

The annexed notes from 1 to 25 are integral part of these Financial Statements


Chairman


Managing Director


Director


Company Secretary


Chief Financial Officer

Date: 03 June 2020
Dhaka,



National Polymer Industries Limited
Statement of Changes in Equity
for the 3rd quarter ended 31 March 2020
Un-Audited

Particulars	Amount in Taka				
	Share Capital	Share premium	Revaluation Reserve	Retained Earnings	Total
Balance as at 30 June 2019	299,113,400	134,000,000	496,260,922	236,533,669	1,165,907,991
Profit earned during the period	-	-	-	134,100,620	134,100,620
Payment of Stock Dividend (2018-2019 FY)	65,804,940			(65,804,940)	-
Tax Adjustment against assessment (2017-2018 FY)				(7,080,209)	(7,080,209)
Balance as at 31 March 2020	364,918,340	134,000,000	496,260,922	297,749,139	1,292,928,402

Particulars	Amount in Taka				
	Share Capital	Share premium	Revaluation Reserve	Retained Earnings	Total
Balance as at 30 June 2018	245,174,920	134,000,000	496,260,922	186,659,073	1,062,094,915
Stock dividend for the year 2017-2018	53,938,480			(53,938,480)	
Profit earned during the period	-	-	-	93,509,019	93,509,019
Balance as at 31 March 2019	299,113,400	134,000,000	496,260,922	226,229,612	1,155,603,934

The annexed notes from 1 to 25 are integral part of these Financial Statements


Chairman


Managing Director


Director


Company Secretary


Chief Financial Officer

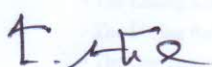
Date: 03 June 2020
Dhaka,

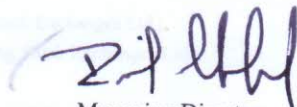


National Polymer Industries Limited
Statement of Cash Flows (Un-audited)
for the 3rd quarter ended 31 March 2020

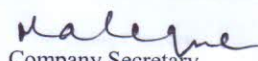
Particulars	01 July 19 to 31 March 20	01 July 18 to 31 March 19
	Taka	Taka
Cash Flows from Operating Activities		
Collection from Sales and Others	2,355,439,646	2,020,903,837
Payment to Suppliers, Employees and Others	(1,865,835,839)	(1,596,905,820)
Income Tax Paid	489,603,807	423,998,017
Foreign Exchange Gain/(Loss)	(100,423,662)	(166,544,000)
Financial Expenses	-	-
	(92,393,309)	(70,524,150)
Net Cash Flows from Operating Activities	296,786,835	186,929,867
Cash Flows from Investing Activities		
Payment for acquisition of Property, Plant & Equipment	(132,669,710)	(219,808,352)
Investment in FDR	(22,500,000)	-
Capital Work in Progress (CWIP)	-	(27,210,000)
Net Cash used in Investing Activities	(155,169,710)	(247,018,352)
Cash Flows from Financing Activities		
Proceeds from Long Term Loan	399,791,077	225,063,910
Payment of Term Loan	(403,837,840)	(121,048,207)
Intercompany Loan	(25,918,691)	-
Interest Paid on Long Term Loan	(75,594,526)	(41,536,000)
Net Cash Flows/ (used) from Financing Activities	(105,559,980)	62,479,703
Net Increase/(Decrease) in Cash during the year	36,057,146	2,391,218
Opening Cash & Cash Equivalents	200,317,476	209,542,207
Closing Cash & Cash Equivalents	236,374,622	211,933,425
Net Operating Cash Flow per Share (Note-24)	8.13	5.12

The annexed notes from 1 to 25 are integral part of these Financial Statements


Chairman


Managing Director


Director


Company Secretary


Chief Financial Officer

Date: 03 June 2020
Dhaka,



National Polymer Industries Limited
Notes to the Financial Statements (Un-audited)
for the 3rd quarter ended 31 March 2020

1. Reporting Entity

1.1 Profile of the Company

1.1.1 Legal Status of the Company

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

1.1.2 Address of Registered Office and Principal Place of Business

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

1.1.3 Nature of Business

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

1.1.4 Number of Employees:

The number of employees at year-end were 812 and Board of Directors 06.

2. Structure, Content and Presentation of Financial Statements

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

- (i) Statement of Unaudited Financial Position as at 31 March 2020;
- (ii) Statement of Unaudited Profit or Loss and Others Comprehensive Income for the period ended 31 March 2020;
- (iii) Statement of Unaudited Changes in Equity for the period ended 31 March 2020;
- (iv) Statement of Unaudited Cash Flows for the period ended 31 March 2020; and
- (v) Notes comprising a summary of significant accounting policies and other explanatory information to the accounts for the period ended 31 March 2020.

3. Significant Accounting Policies

3.1 Basis of Measurement of Elements of Financial Statements

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

3.2 Reporting Period

The Financial Statements covers the year from 1 July 2019 to 31 March 2020.

3.3 Statement on Compliance With Local Laws

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

- The Securities & Exchange Rules, 1987;
- International Accounting Standards (IAS) or International Financial Reporting Standards (IFRS) as applicable in Bangladesh;
- Financial Reporting Act, 2015;
- The Listing Rules of Dhaka Stock Exchanges Ltd.;
- The Listing Rules of Chittagong Stock Exchanges Ltd.;
- The Companies Act 1994;
- Income Tax Ordinance 1984 and Rules;
- VAT Act 1991;
- Other relevant local laws and rules.

3.4 Going Concern

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

3.5 Accrual Basis

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

3.6 Use of Estimates and Judgments

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

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



3.7 Property, Plant & Equipment (PPE)

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

Subsequent Costs

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

Depreciation

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

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

Retirements and Disposals

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

3.8 Accrual basis Capital work in progress:

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

3.9 Application of Standards

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

<u>Name of the Accounting Standards</u>	<u>Ref.</u>	<u>Status</u>
First-time adoption of International Financial Reporting Standards	IFRS-1	Not applicable
Share Based Payment	IFRS-2	Not applicable
Business Combinations	IFRS-3	Not applicable
Non-current Assets Held for Sale and Discontinued Operations	IFRS-5	Not applicable
Exploration for and Evaluation of Mineral Resources	IFRS-6	Not applicable
Financial Instruments: Disclosures	IFRS-7	Applied
Operating Segments	IFRS-8	Not applicable
Financial Instruments	IFRS-9	Applied
Consolidated Financial Statements	IFRS-10	Not applicable
Joint Arrangements	IFRS-11	Not applicable
Disclosure of Interest in other Entities	IFRS-12	Not applicable
Fair Value Measurement	IFRS-13	Not applicable
Regulatory Deferral Accounts	IFRS-14	Not applicable
Revenue from Contracts with Customers	IFRS-15	Applied
Leases	IFRS-16	Not applicable
Insurance Contracts	IFRS-17	Not applicable
Presentation of Financial Statements	IAS-1	Applied
Inventories	IAS-2	Applied
Statement of Cash Flows	IAS-7	Applied
Accounting Policies, Changes in Accounting Estimates and Errors	IAS-8	Applied
Events after the Reporting Period	IAS-10	Applied
Income Taxes	IAS-12	Applied



Property, Plant and Equipment	IAS-16	Applied
Employee Benefits	IAS-19	Applied
Accounting for Government Grants and Disclosure of Government Assistance	IAS-20	Applied
The Effects of Changes in Foreign Exchange Rates	IAS-21	Applied
Borrowing Costs	IAS-23	Applied
Related Party Disclosures	IAS-24	Applied
Investments in Associates	IAS-28	Not applicable
Earnings per Share	IAS-33	Applied
Interim Financial Reporting	IAS-34	Applied
Intangible Assets	IAS-38	Not Applicable
Investment Property	IAS-40	Not applicable
Agriculture	IAS-41	Not applicable

3.10 Inventory

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

3.11 Financial Instruments:

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

i) Financial Assets::

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

i.(a) Accounts Receivables:

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

i.(b) Cash and Cash Equivalents:

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

Other Current Assets:

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

ii) Financial Liabilities:

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

ii.(a) Finance Lease Obligation:

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

ii.(b) Loans and Borrowings:

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

ii.(c) Accounts Payables:

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



3.12 Impairment:

i. Financial Assets

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

ii. Non-Financial Assets

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

3.13 Taxation

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

i. Current Taxation

The tax currently payable is based on the Taxable profit for the year and any adjustment to tax payable in respect of previous year. The company is a Publicly Traded Company. As per the Income Tax Ordinance, 1984 the rate of taxation applied at the rate of 25.00%.

ii. Deferred Taxation

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

Deferred Tax Calculation:

Book value as per company book	1,043,622,135
Book value as per 3rd schedule	<u>1,043,622,135</u>
Temporary difference	<u><u>-</u></u>

3.14 Revaluation Reserve

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

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

Revalued Amount as on 4 May 2015	597,312,000
Less: Book Value as on Revaluation date	<u>(67,411,905)</u>
Revaluation Reserve without Charging Capital Gain	529,900,095
Less: Deferred Tax Liability @15% on Tk. 529,900,095	<u>(79,485,014)</u>
	450,415,081
Add: Opening Balance of Revaluation reserve	<u>45,845,841</u>
Revaluation Reserve	<u><u>496,260,922</u></u>

3.15 Tax Holiday Reserve:

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

3.16 Foreign Currency Translation:

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

3.17 Provisions, Accrued Expenses and Other Payables

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

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

3.18 Contingent Liabilities

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



3.19 Revenue (Turnover) From Sales

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

Revenue Recognition

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

- a. The company has transferred to the buyer the significant risks and rewards of ownership of the goods;
 - b. The Company retains neither continuing managerial involvement to the degree usually associated ownership nor effective control over the goods sold;
 - c. The amount of revenue can be measured reliably;
 - d. It is probable that the economic benefits associated with the transaction will flow to the company;
 - e. The cost incurred or to be incurred in respect of the transaction can be measured reliably.
- Other non-operating income has been recognized on accrual basis.

3.20 Borrowing Cost:

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

3.21 Earnings Per Share:

The Company calculates Earnings Per Shares (EPS) in accordance with IAS 33 "Earnings per Shares" which has been shown on the face of Statement of Comprehensive Income and, the computation of EPS is stated in Note 33. Earning per share (EPS) has been computed by dividing the profit after tax (PAT) by the number of ordinary shares outstanding as on 30 June 2019 as per IAS-33 "Earnings per Shares".

3.22 Basic Earnings / Loss:

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

3.23 Diluted Earnings Per Share:

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

3.24 Statement of Cash Flows:

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

3.25 Deviation of Revenue & EPS:

Due to significant incremental sales and cost EPS is affected/deviated positively than comparative 3rd quarter.

3.26 Deviation of NOCF:

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

Net Operating Cash Flows has been decreased because of Cash Outflows for the reported period was higher than Cash Inflows and the main reasons are –

Payment to Suppliers, Employees and Others has been increased significantly than Comparative period.

3.27 Exchange Gain loss:

There was no foreign currency cash in hand or at bank balance as at 31 March 2020, for that reason no effect of Exchange Rate shown on Cash and Cash Equivalents.

3.28 Impairment of Investment:

The reported amount is being invested in FDR with Uttara Finance & Investment Ltd. There was no indication of impairment.

3.28 General

i. Figures have been rounded off to the nearest taka.

ii. Previous period's/year's figures have been rearranged wherever considered necessary to ensure comparability with the current year.

iii. The Company publishes its quarterly accounts as per IAS 34 "Interim Financial Reporting" and the Bangladesh Securities and Exchange Commission (BSEC) Notification No. BSEC/CMRRCD/2006-158/208/Admin/81 dated 20 June 2018.



	31 Mar 2020	30 June 2019
	Amount (TK)	Amount (TK)
4.00 Property, Plant & Equipment		
Opening Balance	2,717,012,859	2,324,397,953
Addition during the year including transferred from CWIP	132,669,710	392,614,906
Cost as at 30 June 2019	2,849,682,569	2,717,012,859
Accumulated Depreciation	(1,201,563,434)	(1,087,618,645)
Closing Balance	1,648,119,135	1,629,394,214
(Details in Note - 3.7, 4)		
Depreciation is charged on all Fixed Assets except for Land and Land Development on reducing balance method.		
5.00 Investment		
FDR in Uttara Finance & Investment Ltd.	115,077,625	106,700,000
Add: Addition During the year	-	8,377,625
FDR in IPDC	2,500,000	2,500,000
Add: Addition During the period	22,500,000	-
	140,077,625	117,577,625
6.00 Inventories		
Raw Materials	477,342,309	483,070,824
Work in Process	35,856,267	35,501,254
Finished Goods	402,335,004	392,510,625
Stores and Spares	9,904,350	9,904,350
Stock in Transit	237,214,010	158,142,673
Packing Materials	2,760,931	2,318,090
	1,165,412,870	1,081,447,816
7.00 Accounts Receivables		
Receivables Against Sales	973,312,398	510,673,198
	973,312,398	510,673,198
	Amount in Taka	Amount in Taka
Day Range		
Below 30 days	418,524,331	209,376,011
Below 90 days	462,323,389	211,929,377
Below 180 days	77,864,992	66,387,516
Above 180 Below 1 Year	14,599,686	22,980,294
Total	973,312,398	510,673,198
a) This is unsecured, considered good and is falling due within one year.		
b) No amount is considered doubtful or bad and therefore no provision is made in the Financial Statements.		
c) No amount is due by any Director or other Officer of the company and any of them severally or jointly with any other person.		
8.00 Accrued Interest Receivable on FDR		
Uttara Finance & Investment Ltd.	9,829,547	911,400
IPDC Finance Limited	1,064,583	25,212
	10,894,130	936,612
9.00 Advance, Deposit & Pre-payments		
Advances:		
Advance to Suppliers		
Opening balance	191,552,211	184,672,078
During this period	15,324,177	6,880,133
	206,876,388	191,552,211
10.00 Advance Income Tax		
Opening balance	368,995,204	279,650,597
AIT Paid at Port (Import Stage)	99,786,764	117,382,090
AIT Paid at Port (Export Stage)	380,398	247,735
AIT on Vehicles	256,500	309,500
TDS Against Sales	4,011,361	15,901,252
TDS on Bangladesh Bank Cash Assistance	428,953	50,918
TDS on FDR interest	-	933,625
AIT Refund up to 2018 FY	(195,122,655)	-
Prior Year Adjustment on Income Tax Assessment (Income Year 2016-2017)	-	(45,480,513)
Prior Year Adjustment on Income Tax Assessment (Income Year 2017-2018)	(33,530,504)	-
	245,206,021	368,995,204
11.00 Cash & Cash Equivalents		
Cash in Hand	3,199,247	2,787,261
Cash at Bank	233,175,375	197,530,215
	236,374,622	200,317,476



	31 Mar 2020	30 June 2019
	Amount (TK)	Amount (TK)
12.00 Share Capital		
Authorized:		
300,000,000 Ordinary Shares of Taka 10 each	<u>3,000,000,000</u>	<u>500,000,000</u>
Issued, Subscribed and Paid-up:		
I) 134,000 Ordinary Shares of Taka 10 each	13,400,000	13,400,000
II) 134,000 Rights Shares of Taka 10 each (1:1)	13,400,000	13,400,000
III) 536,000 Rights Shares of Taka 10 each (1:2)	53,600,000	53,600,000
IV) 6,388,845 Bonus Shares of Taka 10 each	63,888,450	63,888,450
V) 2,597,192 Bonus Shares of Taka 10 each	25,971,920	25,971,920
VI) 3,405,207 Bonus Shares of Taka 10 each	34,052,070	34,052,070
VII) 4,086,248 Bonus Shares of Taka 10 each	40,862,480	40,862,480
VIII) 5,393,848 Bonus Shares of Taka 10 each	53,938,480	53,938,480
IX) 6,580,494 Bonus Shares of Taka 10 each	65,804,940	-
	<u>364,918,340</u>	<u>299,113,400</u>
13.00 Share Premium		
Total 536,000 Shares of Taka 250 each	134,000,000	134,000,000
	<u>134,000,000</u>	<u>134,000,000</u>
Taka 134,000,000 represents issue of 5,36,000 Ordinary Shares in January 2009 for Tk. 250 each.		
14.00 Revaluation Reserve		
Opening Balance	496,260,922	496,260,922
Land Revalued during this year	-	-
	<u>496,260,922</u>	<u>496,260,922</u>
Deferred Tax on Land Revaluation	-	-
	<u>496,260,922</u>	<u>496,260,922</u>
On 4th May 2015, the company has revalued its own land located at Squib Road, Tongi Industrial Area, Gazipur by independent valuer Mahfel Huq & Co. The area of the land is 311.10 Decimals. (Details in Note- 3.14)		
15.00 Retained Earnings		
Opening Balance	236,533,669	186,659,074
Payment of Stock Dividend	(65,804,940)	(53,938,480)
	<u>170,728,729</u>	<u>132,720,594</u>
Tax Adjustment against assessment (2014-2015 and 2015-2016 FY)	-	-
Tax Adjustment against assessment (2016-2017 FY)	-	(23,394,195)
Tax Adjustment against assessment (2017-2018 FY)	(7,080,209)	-
Profit during the year end	134,100,620	127,207,270
	<u>297,749,139</u>	<u>236,533,669</u>
16.00 Long Term Loan		
Long Term Loan - (Current Maturity)	282,294,361	261,370,924
Long Term Loan - (Non-current Maturity)	628,914,898	682,449,686
	<u>911,209,259</u>	<u>943,820,610</u>
17.00 Deferred Tax Liability		
Deferred tax liability has been calculated on the revaluation surplus of land. On 4th May 2015, the company has revalued its own land located at Squib Road, Tongi Industrial Area, Gazipur by independent valuer Mahfel Huq & Co. The area of the land is 311.10 Decimals. Book value of the land was Taka 67,411,905. After valuation, this is increased to 597,312,000. Revalued amount is Taka 529,900,095.		
The company does not require to compute deferred tax on PPE, because it charges depreciation as per method, conditions and rate/s as specified in the 3rd Schedule of the Income Tax Ordinance, 1984. Depreciation has been charged on all items of Fixed Assets except for Land and Land Development on Reducing Balance Method. During the period, there were no temporary difference/s between Tax Base and Carrying Amount of an Asset or Liability.		
Revaluation Surplus on Land & Land Development	529,900,095	529,900,095
Deferred Tax Liability @ 15%.	<u>79,485,014</u>	<u>79,485,014</u>
18.00 Short Term Loan		
LTR	731,107,635	865,940,263
STF	1,210,116,133	706,772,102
	<u>1,941,223,768</u>	<u>1,572,712,365</u>
19.00 Bank Overdraft	<u>288,896,673</u>	<u>215,199,482</u>



	31 Mar 2020	30 June 2019
	Amount (TK)	Amount (TK)
20.00 Inter-Company Loan		
Npolymer Construction Limited		
Opening Balance	80,019,004	-
Received during the year	-	100,241,004
Paid during the year	(25,918,691)	(20,222,000)
	<u>54,100,313</u>	<u>80,019,004</u>
21.00 WPPF & Welfare Fund		
Opening Balance	8,926,826	5,568,483
WPPF Disbursed to Beneficiary	(8,926,826)	(5,568,483)
Allocation for the year	9,410,570	8,926,826
	<u>9,410,570</u>	<u>8,926,826</u>
22.00 Provision for Taxation		
Opening Balance	68,852,719	48,536,613
Provision for the year @ 25%	44,700,207	42,402,423
Tax Adjustment against assessment (2016-2017 FY)	-	(22,086,318)
Tax Adjustment against assessment (2017-2018 FY)	(26,450,295)	-
	<u>87,102,630</u>	<u>68,852,719</u>
23.00 Net Assets Value per Share (NAV)		
Net Assets Value	1,292,928,402	1,165,907,991
Number of Ordinary Shares outstanding during the period	36,491,834	36,491,834
	<u>35.43</u>	<u>31.95</u>
24.00 Disclosure Under IAS 33 "EPS, NAV and NOCFPS"		
Earnings per Share (EPS)		
Net Profit After Tax	134,100,620	93,509,019
Number of Ordinary Shares outstanding during the period	36,491,834	36,491,834
	<u>3.67</u>	<u>2.56</u>
25.00 Net Operating Cash Flow per Share (NOCFPS)		
Net Operating Cash Flow	296,786,835	186,929,867
Number of Ordinary Shares outstanding during the period	36,491,834	36,491,834
	<u>8.13</u>	<u>5.12</u>

 Chairman
  Managing Director
  Director
  Company Secretary
  Chief Financial Officer

