

**AUDITORS' REPORTS
ON
FINANCIAL STATEMENTS**

OF

National Polymer Industries Ltd.

Financial Position as at 30 June, 2021

**সিরাজ খান বসাক এন্ড কোং
SHIRAZ KHAN BASAK & CO.
CHARTERED ACCOUNTANTS
R K TOWER (LAVEL-10)
86 BIR UTTAM C. R. DATTA ROAD
BANGLAMOTOR, DHAKA-1205
E-mail: shiraz@ahoo.com**



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

Opinion

We have audited the financial statements of **National Polymer Industries Limited** (the "Company"), which comprise the Statement of Financial Position as at 30 June 2021, and along with the Statement of Profit or Loss and Other Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year then ended, notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements is present fairly, in all material respects, the financial position of the company as at 30 June 2021, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Basis for Opinion

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

Key Audit Matters

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

Revenue Recognition	
Risks	Our Response to the Risks
<p>At year end the company reported total revenue of BDT 4,487,233,362.</p> <p>Revenue is generated from both local and export sales. In which, VAT is applicable only on local sales. Therefore, calculation of VAT return is required for identifying local sales.</p> <p>Sales recognized based on export sales made during the year is material and considered to be complex and judgmental. Therefore, there is a risk of revenue being misstated as a result of faulty estimations over discounts, incentives and rebates.</p> <p>There is also a risk that revenue may be overstated due to fraud through manipulation of the discounts, incentives and rebates</p>	<p>We have tested the design and operating effectiveness of key controls focusing on the following:</p> <ul style="list-style-type: none">• Calculation of discounts, incentives and rebates;• Segregation of duties in invoice creation and modification; and• Timing of revenue recognition. <p>Our substantive procedures in relation to the revenue recognition comprises the following:</p> <ul style="list-style-type: none">• Obtaining supporting documentation for sales transactions recorded either side of year end as well as credit notes issued after the year end date to determine whether revenue was recognized in the correct period;



SHIRAZ KHAN BASAK & CO.

CHARTERED ACCOUNTANTS

(An associate firm of D. N. Gupta & Associates)

R. K. TOWER (LEVEL-10 & 6)
 86, Bir Uttam C.R. Datta Road
 (312, Sonargaon Road), Dhaka-1205
 Tel : 88-02-9635139, 88-02-9673597
 Mobile : 01552-575775, 01711-520770
 01922-117370, 01757-941837
 01312-501076, 01711-535885
 01645-738747, 01920-719463
 E-mail : shirazkhanbasak@yahoo.com
 Website : www.shirazkhanbasak.bd.com

<p>recognized resulting from the pressure local management may feel to achieve performance targets.</p> <p><i>[See note 28.00 to the financial statements]</i></p>	<ul style="list-style-type: none"> • Within a number of the company's markets, comparing current year rebate accruals to the prior year and, where relevant, completing further inquiries and testing. • Agreeing a sample of claims and rebate accruals to supporting documentation; • Critically assessing manual journals posted to revenue to identify unusual or irregular items; and • Finally assessed the appropriateness and presentation of disclosures against relevant accounting standards.
Existence and Valuation of Inventories	
Risks	Our Response to the Risks
<p>The company had inventories of BDT 1,300,832,835 at 30 June 2021, held in warehouses.</p> <p>Inventory value is measured at the lower of cost and net realizable value. As a result, the Directors apply judgment in determining the appropriate values for value in use and working progress.</p> <p>The provision of Work in Progress is calculated within the company's accounting systems using an automated process. Where local systems require manual interfaces and inputs, there is a risk that inappropriate management override and/or error may occur.</p> <p><i>[See note 7.00 to the financial statements]</i></p>	<p>We challenged the appropriateness of management's assumptions applied in calculating the value of the inventory provisions by:</p> <ul style="list-style-type: none"> • evaluating the design and implementation of key inventory controls operating across the company, including those at a sample of distribution centers, warehouses and branches; • comparing the net realizable value, obtained through a detailed review of sales subsequent to the year end, to the cost price of a sample of inventories and comparison to the associated provision to assess whether inventory provisions are complete; and • challenging the completeness of inventory provisions through assessing actual and forecast sales of inventory lines to assess whether provisions for slow-moving/obsolete stock are valid and complete.
Recognition of and Measurement of Property, Plant and Equipment	
Risks	Our Response to the Risks
<p>The carrying value of the PPE is Tk. 1,623,629,173 as at 30 June, 2021. The valuation of PPE excluding land and land development are measured at cost less accumulated depreciation. Land and Land Development are revalued on 4th May 2015 amounting to Tk. 597,312,000.</p> <p>The useful lives of PPE items are based on management's estimates regarding the period over which an asset is expected to be available for use. The estimates of useful life of the assets is a matter of judgment based on the experience of the entity with similar assets and also take into consideration the physical condition of the assets.</p>	<p>In order to obtain the completeness and accuracy of the measurement of Property, Plant & Equipment, we have tested the following key control activities:</p> <ul style="list-style-type: none"> • Attends the physical verification of fixed assets. • Checking the fixed assets register for property, plant and equipment. • Assessed the legal right and obligations of property, plant and equipment. • Assessed the control activities of Property, Plant and Equipment. • Assessed whether the accounting policies in relation to the capitalization of expenditures are in compliance with IFRS and found them to be consistent.



SHIRAZ KHAN BASAK & CO.

CHARTERED ACCOUNTANTS

(An associate firm of D. N. Gupta & Associates)

R. K. TOWER (LEVEL-10 & 6)

86, Bir Uttam C.R. Datta Road
(312, Sonargaon Road), Dhaka-1205

Tel : 88-02-9635139, 88-02-9673597

Mobile : 01552-575775, 01711-520770

01922-117370, 01757-941837

01312-501076, 01711-535885

01645-738747, 01920-719463

E-mail : shirazkhanbasak@yahoo.com

Website : www.shirazkhanbasak.bd.com

<p><i>[See note 4.00 to the financial statements]</i></p>	<p>Our substantive procedure in relating to the property, plant and equipment recognition and measurements are following:</p> <ul style="list-style-type: none"> • Checked the purchase and adjustments with the relevant bills and vouchers. • Verified the hard copy of fixed assets register. • Verified the calculation process of depreciation. • Checked the appropriateness of presentation and disclosure.
<p>Employees Salary and Wages</p>	
<p style="text-align: center;">Risks</p>	<p style="text-align: center;">Our Response to the Risks</p>
<p>Salary and Wages are measured on accrual basis and its allocation in accordance with cost center. Salary and wages are measured when it is paid and payable.</p> <p><i>[See note 3.29, 29.00 & 30.00 to the financial statements]</i></p>	<p>In order to obtain the accuracy, completeness and correctness of recording of employee's salary and wages, we have followed the following key and control activities:</p> <ul style="list-style-type: none"> • Assessed the provision of salary and wages. • Checking the approval by authorized person. • Assessed properly transfer with bank or cash compare to salary statement. • Assessed the allocation of salary and wages to the cost center appropriately or not. <p>Our substantive procedure in relating to the Salary and wages are following:</p> <ul style="list-style-type: none"> • Verified the provision and payment of total salary and wages. • Checked the salary and wages calculation with appropriate scale. • Tested the salary and wages statement and vouchers properly or advance payment of salary, if any. • Verified the deduction against salary, like tax etc.
<p>Long Term Loan</p>	
<p style="text-align: center;">Risks</p>	<p style="text-align: center;">Our Response to the Risks</p>
<p>As at June 30, 2021, the reported amount of total Long Term loan is Tk. 411,498,928 (Current and Non-current portion). The company borrowed fund from various banks for the purpose of acquisition of non-current assets and working capital as well.</p> <p><i>[See note 17.00 to the financial statements]</i></p>	<p>In order to obtain the accuracy, completeness and correctness of measurement of Long Term Loan, we have followed the following key and control activities:</p> <ul style="list-style-type: none"> • Attend the actual position of loan. • Checking the bank statements. • Checking the loan agreement. <p>Our substantive procedure in relating to the Loan Term Loan recognition and measurement are following:</p> <ul style="list-style-type: none"> • Checked the bank statement also with the opening balance. • Checked the recoding of the transaction.



SHIRAZ KHAN BASAK & CO.

CHARTERED ACCOUNTANTS

(An associate firm of D. N. Gupta & Associates)

R. K. TOWER (LEVEL-10 & 6)
 86, Bir Uttam C.R. Datta Road
 (312, Sonargaon Road), Dhaka-1205
 Tel : 88-02-9635139, 88-02-9673597
 Mobile : 01552-575775, 01711-520770
 01922-117370, 01757-941837
 01312-501076, 01711-535885
 01645-738747, 01920-719463
 E-mail : shirazkhanbasak@yahoo.com
 Website : www.shirazkhanbasak.bd.com

	<ul style="list-style-type: none"> • Verified the sanction letter, loan schedule bank statements to confirm the loan outstanding and found the balance shown in the financial statements accurately. • Checked the financial expenses and classification of loan and repayments schedule as well.
Accounts Receivable	
Risks	Our Response to the Risks
<p>The total amounts of accounts receivable is Tk. 1,168,475,262 from local customers in different business segments and jurisdiction are subject to their independent business risk.</p> <p><i>[See note 3.11i(a) and 8.00 to the financial statements]</i></p>	<p>In order to obtain the accuracy, completeness and correctness of accounts receivable, we have followed the following key and control activities:</p> <ul style="list-style-type: none"> • Attend the actual position of accounts receivable. • Checking the ledger with schedule. <p>Our substantive procedure in relating to the accounts receivable recognition and measurement are following:</p> <ul style="list-style-type: none"> • Checked the opening balance with the ledger. • Confirmation letters issued to a few numbers of customers for confirming the balance. Confirmation letter have been received from some of that customer.
Management's consideration of the potential impact of COVID-19	
Risks	Our Response to the Risks
<p>Management has made estimates and judgments that there was basically no adverse impact of COVID-19 on the company.</p> <p>In doing so, management have made estimates and judgments that are critical to the outcomes of these considerations with particular focus on the group's ability to continue as a going concern for a period of at least 12 months from the date of the signing of the financial statements.</p> <p>As a result of the impact of COVID-19 on the wider financial markets we have determined management's consideration of the potential impact of COVID-19 (including their associated estimates and judgments) to be a key audit matter.</p>	<ul style="list-style-type: none"> • We obtained management's most recent financial results forecasts and liquidity analysis underlying their going concern assessment and tested the integrity of the forecasts, including mathematical accuracy. • We challenged management on the key assumptions included in the scenarios and we subjected management's most recent forecasts to additional stress testing to confirm that both management and the Board have considered a balanced range of outcomes in their assessment of the potential impact of COVID-19. <p>Based on our procedures, we have not identified any matters to report with respect to both management's and the Board's considerations of the potential impact of COVID-19 on the current and future operations of the company.</p>



SHIRAZ KHAN BASAK & CO.

CHARTERED ACCOUNTANTS

(An associate firm of D. N. Gupta & Associates)

R. K. TOWER (LEVEL-10 & 6)
86, Bir Uttam C.R. Datta Road
(312, Sonargaon Road), Dhaka-1205
Tel : 88-02-9635139, 88-02-9673597
Mobile : 01552-575775, 01711-520770
01922-117370, 01757-941837
01312-501076, 01711-535885
01645-738747, 01920-719463
E-mail : shirazkhanbasak@yahoo.com
Website : www.shirazkhanbasak.bd.com

Reporting on other Information

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

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

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

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

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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



SHIRAZ KHAN BASAK & CO.

CHARTERED ACCOUNTANTS

(An associate firm of D. N. Gupta & Associates)

R. K. TOWER (LEVEL-10 & 6)
86, Bir Uttam C.R. Datta Road
(312, Sonargaon Road), Dhaka-1205
Tel : 88-02-9635139, 88-02-9673597
Mobile : 01552-575775, 01711-520770
01922-117370, 01757-941837
01312-501076, 01711-535885
01645-738747, 01920-719463
E-mail : shirazkhanbasak@yahoo.com
Website : www.shirazkhanbasak.bd.com

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our audit opinion.

Report on other Legal and Regulatory Requirements

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

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

Dhaka: 21, October 2021


Md. Shirazul Islam Khan, FCA
Managing Partner
Shiraz Khan Basak & Co
Chartered Accountants
ICAB Enrolment No. 461
DVC: 2110260461AS287864

National Polymer Industries Limited

Statement of Financial Position

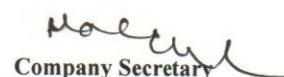
As at 30 June 2021


Particulars	Notes	Amount in Taka	
		30 June 2021	30 June 2020
ASSETS			
Non-Current Assets			
Property, Plant & Equipment	4	1,623,629,173	1,569,552,476
Investment	5	376,514,587	250,913,536
Capital Work in Progress (CWIP)	6	239,197,593	53,257,593
Total Non-Current Assets		2,239,341,353	1,873,723,605
Current Assets			
Inventories	7	1,300,832,835	1,234,167,895
Accounts Receivables	8	1,168,475,262	731,489,986
Accrued Interest Receivable on FDR	9	2,408,179	3,127,865
Advance, Deposits & Pre-payments	10	226,186,180	131,080,152
Advance Income Tax	11	409,102,775	269,275,136
Cash & Cash Equivalents	12	693,459,809	261,638,140
Total Current Assets		3,800,465,040	2,630,779,173
TOTAL ASSETS		6,039,806,394	4,504,502,778
EQUITY & LIABILITIES			
Shareholders Equity & Reserves			
Share Capital	13	729,836,680	364,918,340
Share Premium	14	316,459,170	134,000,000
Revaluation Reserve	15	496,260,922	496,260,922
Retained Earnings	16	425,835,699	313,904,444
Total Shareholders Equity & Reserves		1,968,392,471	1,309,083,706
Non-Current Liabilities			
Long Term Loan - (Non-Current Maturity)	17	219,900,986	548,895,210
Deferred Tax Liability	18	79,485,014	79,485,014
Inter-Company Loan (Non-Current Maturity)	19	1,235,000,000	-
Total Non-Current Liabilities		1,534,386,000	628,380,224
Current Liabilities			
Short Term Loan	20	1,512,960,991	1,735,882,726
Long Term Loan (Current Maturity)	17	191,597,942	302,996,089
Bank Overdraft	21	276,651,509	311,260,225
Accounts Payable	22	34,726,580	34,372,477
Unclaimed Dividend Account	23	5,287,959	160,154
Inter-Company Loan (Current Maturity)	24	380,000,000	51,900,313
Provision for Expenses	25	21,009,359	27,962,071
WPPF & Welfare Fund	26	11,765,140	10,017,062
Provision for Taxation	27	103,028,442	92,487,731
Total Current Liabilities		2,537,027,922	2,567,038,848
TOTAL EQUITY & LIABILITIES		6,039,806,394	4,504,502,778
Net Asset Value (NAV) Per Share	38	30.49	35.87

The annexed notes form an integral part of these Financial Statements


Chairman


Managing Director


Company Secretary


Md. Shirazul Islam Khan, FCA
Shiraz Khan Basak & Co.
Chartered Accountants
DVC: 2110260461AS287864

Dhaka: 21 October 2021

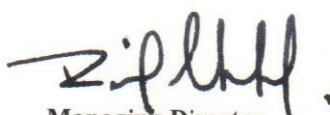


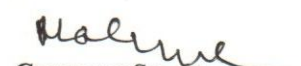
National Polymer Industries Limited
Statement of Profit or Loss and Others Comprehensive Income
For the year ended 30 June 2021

Particulars	Note	Amount in Taka	
		30 June 2021	30 June 2020
Revenue	28	4,487,233,362	3,432,956,238
Cost of Goods Sold	29	(3,764,486,550)	(2,830,771,919)
Gross Profit		722,746,812	602,184,319
Administrative, Selling and Distribution Expenses:			
Administrative Expenses	30	(156,028,946)	(142,046,676)
Selling and Distribution Expenses	31	(79,216,737)	(59,951,958)
Profit from Operations		487,501,129	400,185,685
Other Income	32	25,733,128	20,726,731
Foreign Exchange Gain/(Loss)	33	(3,518,595)	(2,053,928)
Finance Expense	34	(262,647,705)	(208,500,195)
Profit before WPPF and Taxation		247,067,957	210,358,293
WPPF and Welfare Fund	35	(11,765,141)	(10,017,062)
Provision for Tax	36	(52,943,134)	(50,085,308)
Net Profit for the Period		182,359,683	150,255,924
Other Comprehensive Income/(Loss) for the Period			
Actuarial Loss on Defined Benefit Plan		-	-
Total Comprehensive Income for the Period		182,359,683	150,255,924
Basic Earnings Per Share (EPS)	37	2.82	4.12
Re-stated Earnings Per Share (EPS) for Right Issue	37	2.82	2.50


The annexed notes form an integral part of these Financial Statements


Chairman


Managing Director


Company Secretary

Dhaka: 21 October 2021


Md. Shirazul Islam Khan, FCA
Shiraz Khan Basak & Co.
Chartered Accountants
DVC: 2110260461AS287864



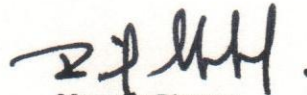
National Polymer Industries Limited
Statement of Changes in Equity
For the year ended 30 June 2021

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

Statement of Changes in Equity
For the year ended 30 June 2020

Particulars	Amount in Taka				
	Share Capital	Share premium	Revaluation Reserve	Retained Earnings	Total
Balance as at 01 July 2019	299,113,400	134,000,000	496,260,922	236,533,669	1,165,907,991
Profit earned during the period	-	-	-	150,255,924	150,255,924
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 30 June 2020	364,918,340	134,000,000	496,260,922	313,904,444	1,309,083,706


Chairman


Managing Director


Company Secretary

Dhaka: 21 October 2021



National Polymer Industries Limited
Statement of Cash Flows
For the year ended 30 June 2021

Particulars	Notes	Amount in Taka	
		30 June 2021	30 June 2020
Cash Flows from Operating Activities			
Collection from Sales and Others		4,073,573,035	3,229,696,135
Payment to Suppliers, Employees and Others		(3,979,917,138)	(2,703,677,856)
		93,655,896	526,018,279
Income Tax Paid	11	(197,920,739)	(127,253,950)
Foreign Exchange Gain/(Loss)		(3,518,595)	(2,053,928)
Financial Expenses		(171,780,000)	(153,685,130)
Net Cash Flows from Operating Activities		(279,563,437)	243,025,271
Cash Flows from Investing Activities			
Payment for acquisition of Property, Plant & Equipment	4.01	(244,022,761)	(133,206,734)
Sale of Fixed Assets		-	470,000
Investment in FDR		(125,601,051)	(133,335,911)
Capital Work in Progress (CWIP)	6	(185,940,000)	-
Net Cash used in Investing Activities		(555,563,812)	(266,072,645)
Cash Flows from Financing Activities			
Proceeds from Long Term Loan		1,091,806,206	376,592,777
Payment of Long Term Loan		(1,532,198,577)	(468,522,088)
Proceeds from Right Issue		547,377,510	-
Short Term Loan- Increase/(Decrease)		(257,530,451)	259,231,104
Cash Dividend Paid (2019-2020 FY)		(54,737,751)	-
Inter Company loan		1,563,099,687	(28,118,691)
Interest Paid on Long Term Loan		(90,867,705)	(54,815,065)
Net Cash Flows/ (used) from Financing Activities		1,266,948,919	84,368,037
Net Increase/(Decrease) in Cash during the year		431,821,669	61,320,663
Opening Cash & Cash Equivalents		261,638,140	200,317,476
Closing Cash & Cash Equivalents	12	693,459,809	261,638,140
Net Operating Cash Flow per Share	39	(4.33)	6.66

The annexed notes form an integral part of these Financial Statements


Chairman


Managing Director


Company Secretary

Dhaka: 21 October 2021



National Polymer Industries Limited
Notes to the Financial Statements
As at and for the year ended 30 June 2021

1.00 Reporting Entity

1.1 Profile of the Company

1.1.1 Legal Status of the Company

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

1.1.2 Address of Registered Office and Principal Place of Business

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

1.1.3 Nature of Business

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

1.1.4 Number of Employees:

The number of employees at year-end were 1007 and Board of Directors 06.

2.00 Structure, Content and Presentation of Financial Statements

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

- (i) Statement of Financial Position as at June 30, 2021;
- (ii) Statement of Profit or Loss and Others Comprehensive Income for the year ended June 30, 2021;
- (iii) Statement of Changes in Equity for the year ended June 30, 2021;
- (iv) Statement of Cash Flows for the year ended June 30, 2021; and
- (v) Notes to the Financial Statements for the year ended June 30, 2021.

3.00 Significant Accounting Policies

3.01 Basis of Measurement of Elements of Financial Statements

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

3.02 Reporting Period

The Financial Statements covers the period from 1 July 2020 to 30 June 2021.

3.03 Statement on Compliance with Local Laws

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

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

3.04 Going Concern

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

3.05 Accrual Basis

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

3.06 Use of Estimates and Judgments

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

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



3.07 Property, Plant & Equipment (PPE)

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

Subsequent Costs

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

Depreciation

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

Particular of Assets	Rate of Depreciation
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	10%
Vehicles	20%
Titas Gas Installation	10%
Gas Generator & Diesel Generator	20%
Machine Shed & Steel Rack	10%

Retirements and Disposals

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

3.08 Accrual basis of Capital Work in Progress:

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

3.09 Application of Standards

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

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



Events after the Reporting Period	IASs-10	Applied
Income Taxes	IASs-12	Applied
Property, Plant and Equipment	IASs-16	Applied
Employee Benefits	IASs-19	Applied
Accounting for Government Grants and Disclosure of Government Assistance	IASs-20	Applied
The Effects of Changes in Foreign Exchange Rates	IASs-21	Applied
Borrowing Costs	IASs-23	Applied
Related Party Disclosures	IASs-24	Applied
Investments in Associates	IASs-28	Not applicable
Earnings per Share	IASs-33	Applied
Interim Financial Reporting	IASs-34	Applied
Intangible Assets	IASs-38	Not Applicable
Financial instruments: Recognition and Measurement	IASs-39	Applied
Investment Property	IASs-40	Not applicable
Agriculture	IASs-41	Not applicable

3.10 Inventory

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

3.11 Financial Instruments:

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

i) Financial Assets:

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

i.(a) Accounts Receivables:

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

i.(b) Cash and Cash Equivalents:

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

Other Current Assets:

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

ii) Financial Liabilities:

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

ii.(a) Finance Lease Obligation:

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



ii.(b) Loans and Borrowings:

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

ii.(c) Accounts Payables:

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

3.12 Impairment:

i. Financial Assets

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

ii. Non-Financial Assets

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

3.13 Taxation

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

i. Current Taxation

The tax currently payable is based on the Taxable profit for the year and any adjustment to tax payable in respect of previous year. The company is a Publicly Traded Company. As per the Income Tax Ordinance, 1984 the rate of taxation applied at the rate of 22.50%.

ii. Deferred Taxation

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

3.14 Revaluation Reserve

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

The company has revalued (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.

Particulars	2020-21	2019-20
Revalued Amount as on 4 May 2015	597,312,000	597,312,000
Book Value as on Revaluation date	(67,411,905)	(67,411,905)
Revaluation Reserve without Charging Capital Gain	529,900,095	529,900,095
Deferred Tax Liability @15% on Tk. 529,900,095	(79,485,014)	(79,485,014)
	450,415,081	450,415,081
Add: Opening Balance of Revaluation Reserve	45,845,841	45,845,841
Revaluation Reserve	496,260,922	496,260,922

3.15 Tax Holiday Reserve:

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

3.16 Foreign Currency Translation:

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



3.17 Provisions, Accrued Expenses and Other Payables

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

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

3.18 Contingent Liabilities

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

3.19 Revenue (Turnover) From Sales

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

Revenue Recognition

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

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

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

3.20 Borrowing Cost:

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

3.21 Earnings Per Share:

The Company calculates Earnings Per Shares (EPS) in accordance with IASs 32 & 33 "Diluted Earnings Per Share" & "Earnings per Shares" which has been shown on the face of Statement of Comprehensive Income and, the computation of EPS is stated in Note 37. 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 2021 as per IASs-33 "Earnings per Shares".

3.22 Basic Earnings / Loss:

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

3.23 Diluted Earnings Per Share:

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

3.24 Statement of Cash Flows:

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

3.25 Dividend for the 2020-2021

After the reporting period, the Board of Directors recommended 10% Cash dividend per share which will be recognized in the accounts as and when approved by the shareholders in the Annual General Meeting.

3.26 Events after the Reporting Period:

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

3.27 Post Closing Events

After the reporting period, the Board of Directors recommended 10% Cash dividend per share. The proposed dividend is subject to shareholders' approval in the forthcoming Annual General Meeting.



3.28 Human Resources

Particulars	2020-21	2019-20
Officers	379	338
Staff	186	183
Skilled and unskilled workers	442	312
Total	1007	833

3.29 Employee Benefit

i. Defined Contribution Plan

The Company maintains a recognized provident fund @ 10% of basic pay (equally contributed by employee and employer) for all eligible permanent employees. The said fund is managed by a board of trustees.

ii. Defined Benefit Plan

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

iii. Employee's Group Insurance

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

3.30 Advertisement, Publicity & Promotional Expenses:

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

3.31 Additional Information on Financial Statements:

i. Responsibilities for Preparation and Presentation of Financial Statements:

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

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

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

iii. Compliance with the International Accounting Standards (IASs):

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

3.32 Authorization for Issue:

These Financial Statements have been authorized for issue by the Board of Directors of the Company on 21 October, 2021.

3.33 Segment Reporting:

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

3.34 Comparative Information:

Figures of the year 2019-2020 have been rearranged and regrouped whenever considered necessary to ensure comparability with the current period. The disclosures in the Financial Statements, in all materials respects, are in accordance with International Accounting Standards (IASs).

3.35 Offsetting:

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

3.36 Materiality and Aggregation:

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

3.37 Reporting Currency

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



3.38 Directors' Responsibility Statement

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

3.39 Regarding tax depreciation and accounts depreciation:

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

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

3.40 Deviation of Revenue & EPS:

Due to COVID-19 Pandemic high price of Raw materials COGS increased from 82.46% to 83.89% and increase number of outstanding shares for right issue EPS is affected/deviated negatively than comparative year.

3.41 Deviation of NOCF:

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

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

Due to COVID-19 Pandemic Payment to Suppliers and Others has been increased significantly than Comparative period.

3.42 General

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

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

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



National Polymer Industries Limited
As at and for the year ended 30 June 2021

Note 4.00 : Property, Plant and Equipment

Assets Category	COST (Taka)			DEPRECIATION (Taka)			Written Down Value as on 30.06.2021		
	As on 01.07.2020	Additions during the Year	Adjustment/Sales during the Year	Total as on 30.06.2021	Dep. Rate	Cumulative as on 01.07.2020		Charged during the Year	Adjustment/Sales during the Year
Land & Land Dev.									
Cost	28,751,064	20,967,511	-	49,718,575	-	-	-	-	-
Revaluation	575,745,936	-	-	575,745,936	-	-	-	-	-
Factory Buildings	216,695,142	-	-	216,695,142	20.0%	101,655,136	23,008,001	-	124,663,137
Plant & Machinery	1,771,005,822	212,241,080	-	1,983,246,901	20.0%	996,720,191	154,857,126	-	1,151,577,317
Godown Shed & Steel Rack	35,174,845	-	-	35,174,845	20.0%	27,112,634	806,221	-	27,918,855
Factory Laboratory	179,420	-	-	179,420	20.0%	173,013	1,281	-	174,294
Factory Boundary Wall	4,045,053	-	-	4,045,053	10.0%	3,138,822	90,623	-	3,229,445
Generator	82,519,490	-	-	82,519,490	20.0%	71,502,745	2,203,349	-	73,706,094
Titas Gas Installation	2,288,132	-	-	2,288,132	10.0%	1,672,232	61,590	-	1,733,822
Furniture & Fixtures	7,150,073	417,200	-	7,567,273	10.0%	4,042,105	310,797	-	4,352,902
Vehicles	106,914,613	7,462,800	-	114,377,413	20.0%	72,858,241	6,811,274	-	79,669,516
Office Equipment	44,338,799	2,934,170	-	47,272,969	10.0%	26,380,792	1,795,801	-	28,176,593
As at 30 June 2021	2,874,808,389	244,022,761	-	3,118,831,149	-	1,305,255,912	189,946,064	-	1,495,201,976
As at 30 June 2020	2,717,012,859	159,835,530	2,040,000	2,874,808,389	-	1,087,618,645	219,249,449	1,612,181	1,305,255,912

Depreciation allocated to :

Cost of Goods Sold (Note- 29.03)
Administrative Expenses (Note- 30.00)

181,028,192
8,917,872
189,946,064



	Amount in Taka	
	30 June 2021	30 June 2020
4.01 Property, Plant & Equipment		
Opening Balance	2,874,808,389	2,717,012,859
Addition during the year	244,022,761	159,835,530
	-	(2,040,000)
Cost as at 30 June 2021	3,118,831,149	2,874,808,389
Accumulated Depreciation	(1,495,201,976)	(1,305,255,912)
Closing Balance (Details in Note- 3.07 & 4.00)	1,623,629,173	1,569,552,476

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

5.00 Investment		
FDR in Uttara Finance & Investment Ltd.	125,668,536	115,077,625
Addition During the year	10,139,151	10,590,911
	135,807,687	125,668,536
FDR in IPDC	75,245,000	2,500,000
Addition During the year	2,205,833	72,745,000
	77,450,833	75,245,000
FDR in SCB	50,000,000	50,000,000
FDR in One Bank	113,256,067	-
	376,514,587	250,913,536

Name of Institute	FDR No.	Principal	Interest Rate	Branch	Maturity Date
Uttara Finance & Investment Ltd.	10224/17	135,807,687	9.00%	Gulshan	31 May 2022
IPDC Finance Limited	2592	2,745,000	5.25%	Gulshan	08 July 2022
IPDC Finance Limited	8901	8,104,500	5.75%	Gulshan	13 Jan 2022
IPDC Finance Limited	7574	8,206,250	6.50%	Gulshan	26 Nov 2021
IPDC Finance Limited	2590	5,492,500	5.75%	Gulshan	01 Aug 2021
IPDC Finance Limited	1625	2,902,583	5.75%	Gulshan	28 May 2022
IPDC Finance Limited	8684	50,000,000	5.25%	Gulshan	11 May 2022
Standard Chartered Bank Ltd.	8138	50,000,000	5.25%	Gulshan	23 June 2022
One Bank Limited	2198	9,359,605	4.60%	Bananai	15 Sep 2021
One Bank Limited	2187	89,400,820	4.60%	Bananai	15 Sep 2021
One Bank Limited	2201	14,495,643	4.60%	Bananai	15 Sep 2021

6.00 Capital Work in Progress (CWIP)		
Capital Machinery in Transit	112,100,000	-
Transferred to Plant and Machinery during the year	-	-
	112,100,000	-
Opening Civil Construction	53,257,593	79,886,389
Civil Construction in Progress during the year	2,556,000	-
Transferred to Factory Buildings & Land during the year	-	(26,628,796)
	55,813,593	53,257,593
Advance for Land & Land Development	71,284,000	-
	71,284,000	-
	239,197,593	53,257,593

7.00 Inventories		
Raw Materials	593,315,462	567,342,309
Work in Process	40,812,317	41,518,125
Finished Goods	453,560,136	420,293,876
Stores and Spares	12,479,481	11,885,220
Stock in Transit	196,892,748	189,535,326
Packing Materials	3,772,691	3,593,040
	1,300,832,835	1,234,167,895

8.00 Accounts Receivables		
Receivables against Sales	1,168,475,262	731,489,986
	1,168,475,262	731,489,986

Day Range	Amount in Taka	Amount in Taka
Below 30 days	655,631,470	359,107,328
Below 90 days	411,186,445	284,763,209
Below 180 days	95,814,971	65,714,587
Above 180 Below 1 Year	5,842,376	21,904,862
Total	1,168,475,262	731,489,986

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.



			Amount in Taka	
			30 June 2021	30 June 2020
9.00	Accrued Interest Receivable on FDR		30 June 2021	30 June 2020
	Uttara Finance & Investment Ltd.	9.00%	1,018,558	1,073,419
	IPDC Finance Limited	5.25%	140,910	-
	IPDC Finance Limited	5.75%	41,423	16,356
	IPDC Finance Limited	5.75%	218,890	315,000
	IPDC Finance Limited	6.50%	212,224	470,313
	IPDC Finance Limited	5.75%	152,990	504,167
	IPDC Finance Limited	5.25%	357,292	697,569
	Standard Chartered Bank Ltd.	5.25%	51,042	51,042
	One Bank Limited (Six Months)	4.60%	17,755	-
	One Bank Limited (Six Months)	4.60%	169,596	-
	One Bank Limited (Six Months)	4.60%	27,499	-
			2,408,179	3,127,865

10.00 Advance, Deposit & Pre-payments

Advance to Suppliers

Opening Balance	15,636,539	58,047,195
Add: During the Year	2,254,200	27,528,304
Bill Adjustment	(11,190,234)	(69,938,960)

Advance to Employee	6,700,505	15,636,539
Advance against Brand Development	7,564,452	7,408,866
Other Advances	5,796,361	4,954,155
	1,410,245	1,396,282
	21,471,563	29,395,842

Deposits:

Security Deposit	3,859,800	3,859,800
Margin, Tender Earnest Money & other Deposits	52,508,564	15,786,386
Deposit for Utilities	3,976,619	11,800,241
	60,344,983	31,446,427

Prepayments:

Prepaid Rent	27,681,007	29,137,902
Value Added Tax (VAT)	116,688,627	41,099,982
	144,369,634	70,237,884
	226,186,180	131,080,152

a) Employees advance of Tk. 7,564,452 includes advance to officers mostly for official purpose.

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

11.00 Advance Income Tax

Opening balance	269,275,136	368,995,204
AIT Paid at Port (Import Stage)	170,110,167	110,248,869
AIT Paid at Port (Export, Local & Others)	25,015,187	16,668,081
AIT on Vehicles	504,000	337,000
AIT on Bangladesh Bank Cash Assistance	784,765	472,094
AIT on FDR interest	1,506,620	1,207,046
AIT Refund up to 2018 FY	-	(195,122,655)
Prior Year Adjustment on Income Tax Assessment (Income Year 2018-2019)	(58,093,099)	-
Prior Year Adjustment on Income Tax Assessment (Income Year 2017-2018)	-	(33,530,504)
	409,102,775	269,275,136

12.00 Cash & Cash Equivalents

Cash in Hand	3,530,600	2,761,344
Cash at Bank	689,929,209	258,876,796
	693,459,809	261,638,140

12.01 Cash at Bank

	Branch	A/C No.		
AB Bank Limited	Gulshan Circle-2	CD-88500	710,382	903,624
Agrani Bank Limited	Amin Court Corp. Br.	COR-03583	44,778	45,468
Agrani Bank Limited	Nawabpur Corp. Br.	COR-06621	479,679	919,220
Bank Asia Limited	Gulshan -1	CD-10829	1,958,326	2,910,566
BRAC Bank Limited	Satmosjeed Road	CD-51001	67,765,620	58,205,581
BRAC Bank Limited	Gulshan Br.	CD-51002	235,686,193	-



			Amount in Taka	
			30 June 2021	30 June 2020
City Bank Limited	Dhanmondi	CD-28001	14,700,975	285,800
Dhaka Bank Limited	Gulshan Circle-2	OD-17574	-	1,921,102
Dhaka Bank Limited	Gulshan Circle-2	CD-1253	494,742	-
Dutch Bangla Bank Limited	Bashundhara	CD-10144	62,010,146	4,028,617
Eastern Bank Ltd.	Gulshan Circle-2	CD-22731	771,534	597,522
IFIC Bank Limited	Moulavi Bazar	CD-21001	-	715,197
IFIC Bank Limited	Moulavi Bazar	CD-143821	680,701	-
Islami Bank Bangladesh Limited	Kawran Bazar	CD-12804	2,731,900	5,301,822
Jamuna Bank Limited	Gulshan	CD-13615	69,476,281	64,527,959
Janata Bank Limited	Alu Bazar	CD-16125	598,760	157,770
Janata Bank Limited	Gulshan-1	CD-71210	399,390	569,551
Modhumati Bank Limited	Gulshan	CD-00070	539,617	6,189,396
Mutual Trust Bank Limited	MTB Center Corp. Br.	CD-05604	356,340	369,590
Mutual Trust Bank Limited	Banani	CD-07295	11,810,476	157,015
National Bank Limited	Gulshan	CD-69629	54,804,779	59,351,502
NCC Bank Ltd.	Dhanmondi	CD-00320	52,632	189,713
One Bank Limited	Dhanmondi	CD-87001	2,603,119	297,932
Premier Bank Limited	Gulshan Circle-2	CD-00033	328,480	196,377
Prime Bank Limited	Motijheel	CD-80705	35,510,548	154,706
Prime Bank Limited	Gulshan Circle-2	CD-22889	55,053,194	6,322,663
Prime Bank Limited	Gulshan Circle-2 (Dividend Acc)	SND-26085	5,127,805	-
Pubali Bank Limited	Gulshan M.T Corp. Br.	CD-28344	1,432,808	1,780,465
Shahajalal Islami Bank Limited	Satmosjeed Road	CD-01639	1,048,437	252,984
Shahajalal Islami Bank Limited	Gulshan-1	CD-0595	8,368	-
Sonali Bank Limited	Lalmatia	CD-08067	752,087	244,543
Sonali Bank Limited	Gulshan-1	CD-0735	4,773,068	-
Standard Bank Limited	Gulshan-1	CD-03814	254,838	366,031
Trust Bank Ltd.	Gulshan Corp. Br.	CD-16474	1,489,885	450,762
United Commercial Bank Limited	Tongi	CD-03100	54,927,745	40,268,203
Uttara Bank Limited	Kalabagan	CD-11673	410,451	840,598
Uttara Bank Limited	Tongi	CD-13797	135,124	354,517
			689,929,209	258,876,796

13.00 Share Capital

Authorized:

300,000,000 Ordinary Shares of Taka 10 each

Issued, Subscribed and Paid-up:

- I) 134,0000 Ordinary Shares of Taka 10 each
 II) 134,0000 Rights Shares of Taka 10 each (1:1)
 III) 536,0000 Rights Shares of Taka 10 each (1:2)
 IV) 6,388,845 Bonus Shares of Taka 10 each
 V) 2,597,192 Bonus Shares of Taka 10 each
 VI) 3,405,207 Bonus Shares of Taka 10 each
 VII) 4,086,248 Bonus Shares of Taka 10 each
 VIII) 5,393,848 Bonus Shares of Taka 10 each
 IX) 6,580,494 Bonus Shares of Taka 10 each
 X) 1:1 Right Shares of Taka 10 each

	3,000,000,000	3,000,000,000
	13,400,000	13,400,000
	13,400,000	13,400,000
	53,600,000	53,600,000
	63,888,450	63,888,450
	25,971,920	25,971,920
	34,052,070	34,052,070
	40,862,480	40,862,480
	53,938,480	53,938,480
	65,804,940	65,804,940
	364,918,340	-
	729,836,680	364,918,340

Composition of Shareholding:

	30 June 2021		30 June 2020	
	Number	%	Number	%
Sponsors/Directors	27,740,987	38.01	15,729,877	43.11
Financial Institutions	7,951,893	10.90	4,631,601	12.69
General	37,290,878	51.09	16,130,356	44.20
	72,983,758	100	36,491,834	100

Name wise shreholding position of Sponsors/ Directors:

Name	Position	Shareholding Qty.	%
Mr. Golam Murshed	Chairman	3,782,840	5.18%
Mr. Riad Mahmud	Managing Director	3,603,773	4.94%
Mr. Rohel Mahmud	Sponsor	726,202	1.00%
Mrs. Razia Morshed	Sponsor	304,082	0.42%
Mrs. Khaleda Akhand	Sponsor	9,069	0.01%
Late Shamsul Abedin Akhand and Mrs. Khaleda Akhand (Joint Account)	Sponsor	3,231,611	4.43%
Mr. Nuruzzaman Khan	Nominated Director	16,083,320	22.04%
Total		27,740,897	38.01%



Classification of Shareholders by holding:

Holdings	Number of Holders		Total Holding (%)	
	30-06-2021	30-06-2020	30-06-2021	30-06-2020
1 to 500	3,848	2,210	40.00	47.12
501 to 1,000	1,571	664	16.33	14.16
1,001 to 5,000	2,807	1,280	29.18	27.29
5,001 to 50,000	1,269	466	13.19	9.94
50,001 to above	125	70	1.30	1.49
	9,620	4,690	100.00	100.00

	Amount in Taka	
	30 June 2021	30 June 2020
14.00 Share Premium		
Total 536,000 Shares of Taka 250 each (January 2009)	134,000,000	134,000,000
Total 36,491,834 Shares of Taka 05 each (February 2021)	182,459,170	-
	316,459,170	134,000,000
15.00 Revaluation Reserve		
Opening Balance	496,260,922	496,260,922
Land Revalued during this year	-	-
	496,260,922	496,260,922
Deferred Tax on Land Revaluation	-	-
	496,260,922	496,260,922
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)		
16.00 Retained Earnings		
Opening Balance	313,904,444	236,533,669
Payment of Stock Dividend	-	(65,804,940)
	313,904,444	170,728,729
Cash Dividend Paid (2019-2020 FY)	(54,737,751)	-
Tax Adjustment against assessment (2018-2019 FY)	(15,690,676)	-
Tax Adjustment against assessment (2017-2018 FY)	-	(7,080,209)
Profit during the year end	182,359,683	150,255,924
	425,835,699	313,904,444
17.00 Long Term Loan		
Standard Chartered Bank		
Opening Balance	164,662,475	293,452,041
Received during the year	-	-
Paid during the year	(97,583,547)	(128,789,566)
	67,078,928	164,662,475
Current Maturity within one year	(67,078,928)	(97,583,547)
	-	67,078,928
Eastern Bank Ltd		
Opening Balance	-	247,241,345
Received during the year	-	-
Paid during the year	-	(247,241,345)
	-	-
Current Maturity within one year	-	-
	-	-
Jamuna Bank Ltd.		
Opening balance	171,952,778	114,849,088
Received during the year	104,356,469	79,669,900
Paid during the year	(276,309,247)	(22,566,210)
	-	171,952,778
Current Maturity within one year	-	(45,264,217)
	-	126,688,561
Mutual Trust Bank Ltd.		
Opening balance	21,154,787	-
Received during the year	213,845,213	23,771,617
Paid during this year	(235,000,000)	(2,616,830)
	-	21,154,787
Current Maturity within one year	-	(8,802,402)
	-	12,352,385
Prime Bank Ltd.		
Opening balance	242,173,933	-
Received during the year	180,356,122	273,151,260
Paid during this year	(78,110,055)	(30,977,327)
	344,420,000	242,173,933
Current Maturity within one year	(124,519,014)	(70,307,434)
	219,900,986	171,866,499



	Amount in Taka	
	30 June 2021	30 June 2020
Uttara Finance & Investment Limited		
Opening balance	251,947,326	288,278,136
Received during the year	554,030,554	-
Paid during this year	(805,977,880)	(36,330,810)
	-	251,947,326
Current Maturity within one year	-	(81,038,489)
	-	170,908,837
Industrial and Infrastructure Development Finance Company Limited (IIDFC)		
Opening balance	-	-
Received during the year	39,217,848	-
Paid during the year	(39,217,848)	-
	-	-
Finance lease-Current Maturity	-	-
	-	-
Standard Chartered Bank	67,078,928	97,583,547
Jamuna Bank Ltd.	-	45,264,217
Mutual Trust Bank Ltd.	-	8,802,402
Prime Bank Ltd.	124,519,014	70,307,434
Uttara Finance & Investment Limited	-	81,038,489
Long Term Loan - (Current Maturity)	191,597,942	302,996,089
Standard Chartered Bank	-	67,078,928
Jamuna Bank Ltd.	-	126,688,561
Mutual Trust Bank Ltd.	-	12,352,385
Prime Bank Ltd.	219,900,986	171,866,499
Uttara Finance & Investment Limited	-	170,908,837
Long Term Loan - (Non-current Maturity)	219,900,986	548,895,210
	411,498,928	851,891,299

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

Name of Institute	Branch	Sanction No.	Issue Date
Standard Chartered Bank	Motijheel	CDU/AM/10386879/SAADIQ	23-Aug-2017
Prime Bank Ltd.	Gulshan-1	Prime/CAD/CNIB/2020/747	01-Nov-2020

Security against Facilities

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

18.00 Deferred Tax Liability

Deferred tax liability has been calculated on the revaluation surplus of land. On 4th May 2015, the company has 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.

	Amount in Taka	
	30 June 2021	30 June 2020
Revaluation Surplus on Land & Land Development	529,900,095	529,900,095
Deferred Tax Liability @ 15%.	79,485,014	79,485,014

19.00 Inter-Company Loan (Non-Current Maturity)

National Fittings & Accessories Limited

Opening Balance	-	-
Received during the year	1,900,000,000	-
Paid during the year	(285,000,000)	-
	1,615,000,000	-
Current Maturity within one year	(380,000,000)	-
	1,235,000,000	-

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



	Amount in Taka	
	30 June 2021	30 June 2020
20.00 Short Term Loan		
LTR Loan		
Standard Chartered Bank	194,908,264	85,477,822
Jamuna Bank Limited	-	34,965,090
BRAC Bank Limited	64,565,793	13,033,777
Mutual Trust Bank Limited	80,452,500	-
Prime Bank Limited	792,360	-
One Bank Limited	417,971,415	25,977,650
City Bank Limited	-	-
	758,690,332	159,454,339
STF Loan		
Standard Chartered Bank Limited	40,344,385	70,345,879
IPDC Finance Limited	-	100,000,000
IDLC Finance Limited	35,646,504	92,231,967
Jamuna Bank Limited	-	288,725,663
BRAC Bank Limited	43,854,650	27,497,347
Mutual Trust Bank Limited	120,910,763	413,603,193
Prime Bank Limited	158,731,818	-
Uttara Finance & Investment Limited	-	564,234,266
United Finance Limited	-	19,790,073
One Bank Limited	249,891,678	-
City Bank Limited	104,890,861	-
	754,270,659	1,576,428,388
	1,512,960,991	1,735,882,726

Name of Institute	Branch	Sanction No.	Issue Date
Standard Chartered Bank Limited	Motijheel	BA8/10783075/SCB/UC	30 March 2021
Prime Bank Limited	Gulshan-1	Prime/CAD/CNIB/2020/747	01-Nov-2020
Mutual Trust Bank Limited	Banani	MTB/CAD/NPIL/2020/4124	25-Nov-2020
City Bank Limited	New Market	CBL/HO/CAD/2021/429	23-Feb-2021
IDLC Finance Limited	Gulshan	IDLC/CAD/LRCORP/GLN/2020/1612	01-Dec-2020
One Bank Limited	Banani	OBL/BB/CR/SA/152/2021	19-May-2021
BRAC Bank Limited	Shatmosjeed Road	CAD-Dhaka/SH/01161151/2020/0324	15-Sep-2020

Security against Facilities

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

	Branch	A/C No.	Amount in Taka	
			30 June 2021	30 June 2020
21.00 Bank Overdraft				
Standard Chartered Bank	Motizheel	25801	4,669,372	6,056,002
Jamuna Bank Limited	Gulshan-1	5600	-	302,136,016
BRAC Bank Limited	Satmosjeed Road	51001	-	3,068,207
Prime Bank Limited	Gulshan-1	3032	7,675,536	-
One Bank Limited	Banani	3524	264,306,601	-
			276,651,509	311,260,225

	Amount in Taka	
	30 June 2021	30 June 2020
22.00 Accounts Payable		
Payable against Carriage Outwards	1,765,212	1,123,101
Gratuity Payable	2,536,983	2,096,680
Gas Bill Payable	6,384,068	8,851,346
Mobile Bill Payable	495,400	495,163
Directors Remuneration Payable	120,000	120,000
Godown Rent	45,000	42,000
AGM Venue Charge	-	30,000
Electricity Bill	4,033,449	2,349,270
House Rent (Engineers & Officers)	80,000	80,000
Employer's Contribution to Provident Fund	19,266,468	19,184,917
	34,726,580	34,372,477
23.00 Unclaimed Dividend Account		
Opening Balance	160,154	160,154
Unclaimed Cash dividend for the FY-2019-2020	5,127,805	-
*Including interest and other deduction.	5,287,959	160,154



		Amount in Taka	
		30 June 2021	30 June 2020
24.00 Inter-Company Loan (Current Maturity)			
Npolymer Construction Limited			
Opening Balance		51,900,313	80,019,004
Received during the year		-	-
Paid during the year		(51,900,313)	(28,118,691)
		-	51,900,313
National Fittings & Accessories Limited			
Current Maturity within one year		380,000,000	-
		380,000,000	51,900,313
25.00 Provision for Expenses			
Accrued Interest on STL & LTL		2,594,942	4,048,489
Staff Salary Payable		16,237,917	14,240,431
Audit Fees		125,000	125,000
Interest payable on Inter-Company Loan		-	7,344,421
VDS payable		1,292,300	1,386,340
TDS Payable		759,200	817,390
		21,009,359	27,962,071
Interest on Inter-Company Loan to be paid at prevailing market rate in according with deed of agreement. In this year there was no due on Interest of Inter-Company Loan.			
26.00 WPPF & Welfare Fund			
Opening Balance			
WPPF Disbursed to Beneficiary		10,017,062	8,926,826
Allocation for the year (Note-35)		(10,017,062)	(8,926,826)
		11,765,141	10,017,062
		11,765,140	10,017,062
Govt. portion has been paid through Pay Order No. 4808657 Dated: 18.11.2020			
27.00 Provision for Taxation			
Opening Balance		92,487,731	68,852,719
Provision for the year (Note- 36)		52,943,134	50,085,308
Tax Adjustment against assessment (2018-2019 FY)		(42,402,423)	-
Tax Adjustment against assessment (2017-2018 FY)		-	(26,450,295)
		103,028,442	92,487,731
28.00 Revenue			
Net Local Sales, Net off VAT		4,396,583,094	3,372,572,379
Export Sales		90,650,268	60,383,860
		4,487,233,362	3,432,956,238
Supplementary duty is not applicable, VAT on export are zero rated, VAT on local sales are 15% for manufacturer (Section 3 & 7 of VAT Act, 2012)			
Quantity (MT)- Sales		Quantity (MT)	Quantity (MT)
Opening Stock		5,725	5,425
Production during the year		51,120	38,922
Goods available for Sale		56,845	44,347
Closing Stock of Finished Goods		(6,065)	(5,725)
Sale during the year		50,780	38,622



		Amount in Taka	
		30 June 2021	30 June 2020
29.00 Cost of Goods Sold			
Opening Stock of Raw Materials		567,342,309	483,070,824
Purchase during the year		3,404,064,835	2,481,876,064
Closing Stock of Raw Materials		(593,315,462)	(567,342,309)
Raw Materials used in Production		3,378,091,682	2,397,604,579
Manufacturing Overhead	Note-29.03	398,843,964	447,441,874
Consumption of Packing Materials		20,111,356	19,525,588
Total Production Costs		3,797,047,002	2,864,572,041
Opening Work in Process		41,518,125	35,501,254
Closing Work in Process		(40,812,317)	(41,518,125)
Costs of Goods Manufactured		3,797,752,810	2,858,555,170
Opening Stock of Finished Goods		420,293,876	392,510,625
Goods available for Sales		4,218,046,686	3,251,065,795
Closing Stock of Finished Goods		(453,560,136)	(420,293,876)
Cost of Goods Sold		3,764,486,550	2,830,771,919

29.01 Raw Material used in Production

	2020-2021		2019-2020	
	Quantity (MT)	Taka	Quantity (MT)	Taka
Opening Stock	9,980	567,342,309	8,930	483,070,824
Purchase during the year	56,460	3,404,064,835	43,210	2,481,876,064
	66,440	3,971,407,144	52,140	2,964,946,888
Closing Stock	(9,955)	(593,315,462)	(9,980)	(567,342,309)
	56,485	3,378,091,682	42,160	2,397,604,579

29.02 Closing Stock of Finished Goods (Quantity and Value of each Category) are as follows:

Particulars	30 June 2021		30 June 2020	
	Quantity MT	Value (TK)	Quantity MT	Value (TK)
Finished Goods	6,065	453,560,136	5,725	420,293,876

		Amount in Taka	
		30 June 2021	30 June 2020
29.03 Manufacturing Overhead			
Salary & Wages		66,249,690	57,608,426
C & F Commission Expenses		5,543,338	4,426,080
Conveyance		172,640	93,477
Entertainment & Staff Food		4,812,660	5,210,807
Carriage Inward		551,464	-
House Rent (Engineers & Officers)		1,368,017	1,638,175
Insurance Premium (Fire)		10,894,380	7,790,022
Internet Bill		115,800	-
Labour Charges (Unload)		11,490,768	16,273,599
Land Rent		12,305,558	9,657,402
License and Renewal Fee		741,815	-
Medical Expenses		292,370	254,240
Municipal and Land Tax		1,990,454	-
Office Maintenance Exp.		934,877	-
Papers & Periodicals		94,790	18,650
Postage & Stamps		19,830	22,976
Power & Fuel		96,430,652	133,489,922
Printing Expenses		1,015,735	223,676
Registration and Renewal Fees		33,000	-
Repair and Maintenance		748,978	813,796
Stationery		45,376	3,570
Stores and Spares		126,605	136,178
TA/DA Expenses		39,763	-
Telephone & Mobile Bill		686,357	632,714
Travelling Expenses		161,851	-
Uniform Expenses		13,800	12,000
Vehicle Maintenance		590,204	-
Warehouse Rent		345,000	345,000
Depreciation	Notes- 4.00	181,028,192	208,791,163
		398,843,964	447,441,874



		Amount in Taka	
		30 June 2021	30 June 2020
30.00 Administrative Expenses			
Salary & Allowances		82,307,497	78,388,092
Managing Directors' Remuneration & Perquisites	Notes- 41.00	1,440,000	1,440,000
EGM & AGM Exp.		189,840	34,500
Annual Listing Fees		2,787,673	813,168
Audit Fees		125,000	125,000
CDBL Bill & Service Charge		369,815	79,569
Conveyance		314,278	249,397
Credit Rating Service		96,750	103,500
Directors' Board Meeting Fees		373,570	158,700
Donation & Subscription		623,000	1,340,000
Depreciation	Notes- 4.00	8,917,872	10,458,285
Electric, WASA Bills, GAS Bills		1,445,660	1,240,870
Employer's Contribution Recognized Provident Fund		13,829,475	21,944,398
Entertainment		806,208	605,467
Fire Fighting Expenses		113,295	-
Fees & Professional Charges		1,844,245	546,250
Gratuity		3,073,038	-
Expenses for Right Issue and others		7,325,719	-
Fuel Bills for Vehicle		2,484,231	2,585,423
Group Insurance		807,188	799,500
Internet Bill		648,759	-
License Renewal Fee, Rates & Taxes		1,217,760	2,430,678
Medical Expenses		1,200	11,450
Office Maintenance		1,563,068	1,139,336
Office Rent		14,251,260	14,229,180
Papers & Periodicals		11,790	7,351
Courier Expenses		180,856	198,259
Printing Expenses		680,901	655,532
Registration and Renewal Fees		358,315	-
Renovation & Decoration		5,841,214	-
Stationery Expenses		9,290	19,806
Telephone & Mobile Bill		1,021,470	998,131
Training & Development		-	96,175
Vehicle Maintenance		968,710	1,348,659
		156,028,946	142,046,676
31.00 Selling and Distribution Expenses			
Advertisement & Publicity		1,817,495	1,884,943
Conveyance		81,542	68,060
Entertainment		376,529	199,446
Fuel Bills for Vehicle		475,279	679,849
Godown Rent		242,400	462,000
Incentive		2,933,024	2,719,993
Courier Expenses		830,956	450,240
Printing Expenses		928,686	703,808
Promotional Expenses		972,860	1,640,457
Sales Conference/ Meeting		737,162	1,316,767
Stationery Expenses		7,543	683,228
Internet Bill		95,816	-
Telephone & Mobile Bill		3,626,815	3,373,310
Tender & Testing Expenses		563,025	1,061,163
Transport / Carriage Outwards		35,938,655	27,606,096
Traveling Expenses		27,075,585	15,291,547
Vehicle Maintenance		2,513,365	1,811,051
		79,216,737	59,951,958
32.00 Other Income			
Bangladesh Bank Cash Assistance on Export		8,259,753	6,422,840
Interest on Investment		15,065,196	11,133,845
Accrued Interest Receivable on FDR		2,408,179	3,127,865
Gain on Sale of Fixed Assets		-	42,181
		25,733,128	20,726,731



	Amount in Taka	
	30 June 2021	30 June 2020
40.00 Net Operating Cash Flow		
Under Direct method:		
Revenue	4,487,233,362	3,432,956,238
Opening Trade Debtors	731,489,986	510,673,198
Closing Trade Debtors	5,218,723,348	3,943,629,436
	(1,168,475,262)	(731,489,986)
	4,050,248,086	3,212,139,450
Interest on FDR	15,065,196	11,133,845
Bangladesh Bank Cash Assistance on Export	8,259,753	6,422,840
Collection from Sales and Others	4,073,573,035	3,229,696,135
Cost of Goods Sold	(3,764,486,550)	(2,830,771,919)
Administrative & Selling Expenses	(235,245,683)	(201,998,634)
Depreciation	189,946,064	219,249,449
Interest on LTR & STF Loan	(171,780,000)	(153,685,130)
AIT Paid at Port (Import / export Stage & Vehicles)	(197,920,739)	(128,933,090)
AIT Refund	-	195,122,655
WPPF Disbursed to Beneficiary	(10,017,062)	(8,926,826)
Foreign Exchange Gain/(Loss)	(3,518,595)	(2,053,928)
Provision for Expenses	(6,952,712)	(8,237,922)
(Increase)/Decrease in Inventories	(66,664,939)	(152,720,079)
Increase/(Decrease) in Other Current Liabilities	8,609,772	25,812,502
(Increase)/Decrease in Other Current Assets	(95,106,028)	60,472,058
Payment to Suppliers, Employees and Others	(4,353,136,472)	(2,986,670,865)
Net Cash Flows from Operating Activities	(279,563,437)	243,025,271

Net Operating Cash Flows is just the resultant figure of Cash Inflows and Outflows from Operating Activities. Therefore, the main reason for significant deviation in NOCFPS is increase of Accounts Receivable, Short Term Loan interest, AIT paid during the year and also the AIT Refund is Nil which was Tk.19.51 crore during the previous year.

41.00 Director's Remuneration and Perquisites

Mr. Riad Mahmud

1,440,000	1,440,000
1,440,000	1,440,000

42.00 Capacity Utilization

Capacity of Production in M. Ton per year	Utilization (MT)		Rate	
	30 June 2021	30 June 2020	30 June 2021	30 June 2020
(Installed Capacity 58,000 M. Ton Current year, Last year 45,000 M.Ton)	51,120	38,922	88.14%	86.49%

43.00 Contingent Liability:

(I) There was no contingent liability as on 30 June, 2021.

(II) There was no claim against the company, not acknowledged as debt as on 30 June, 2021.

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

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

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

Period	Amount	Status
July' 1998 to April' 2000	5,148,712	Writ petition no. 7442 of 2003 in the Honorable Supreme Court of Bangladesh, High Court Division
January' 2006 to June' 2008	11,646,222	Writ petition no. 1755 of 2009 in the Honorable Supreme Court of Bangladesh, High Court Division
January' 2006 to June' 2008	4,545,225	Filed a case with Honorable Appellate Tribunal for proper judgment which is under jurisdiction. Writ petition no. 3217 of 2010 in the Honorable Supreme Court of Bangladesh, High Court Division
July' 2008 to December' 2008	7,534,439	Writ petition no. 3288 of 2009 in the Honorable Supreme Court of Bangladesh, High Court Division

All of these caeses are stayed till disposal of Rule.



44.00 Related Party Transactions

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

Related Party & Relationship	Nature of Transactions	Total Transaction 2020-2021	Outstanding Balance	
			2020-2021	2019-2020
Mr. Riad Mahmud, Managing Director (Note- 30.00)	Remuneration	1,440,000	120,000	120,000
Directors Board Meeting Fees		373,570	-	-
National Fittings & Accessories Limited, Npolymer Construction Limited Common Management (Note- 19.00 & 24.00)	Inter-Company Loan Payable	Movement	-	-
	Opening Balance	51,900,313	-	-
	Received during the year	1,900,000,000	-	-
	Paid during the year	(336,900,313)	-	51,900,313
			120,000	52,020,313

45.00 Number of Employees Engaged

As per the Schedule XI of the Companies Act, 1994, the number of employees (including contractual employees) engaged for the whole year or part thereof who received a total remuneration of Taka 36,000/- per annum or Taka 3,000/-per month were Nil at the end of June 2021 as against Nil in 2020

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

1,007 Person	833 Person
6 Person	6 Person
1,013 Person	839 Person



