

**AUDITORS' REPORT  
AND  
THE FINANCIAL STATEMENTS  
OF  
INDEX AGRO INDUSTRIES LIMITED**  
*for the year ended 30<sup>th</sup> June, 2021*

**Independent Auditor's Report  
To the Shareholders of  
Index Agro Industries Limited  
Report on the Audit of the Financial Statements**

**Opinion**

We have audited the Financial Statements of **Index Agro Industries Limited** which comprise the Statement of Financial Position as at June 30, 2021 and Statement of Profit or Loss & Other Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year then ended and notes to the Financial Statements, including a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying Financial Statements give a true and fair view, in all material respects, of the Financial Position of the company as at June 30, 2021 and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs), The Companies Act 1994, The Securities and Exchange Rules 1987 and other applicable laws and regulations.

**Basis for Opinion**

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the 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) together with the ethical requirements that are relevant to our audit of the financial statements in Bangladesh and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained 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 Financial Statements of the current period. These matters were addressed in the context of our audit of the Financial Statements as a whole and in forming our opinion thereon and we do not provide separate opinion on these matters.

Risk	Revenue Recognition
<p><b>Our response to the risk</b></p> <p>At year end the reported total Turnover of Tk. 367,26,67,933</p> <p>The company generates revenue from the sale of goods to local customers .</p> <p>There is also a risk that revenue may be overstated / understated due to the timing differences.</p> <p>We identified revenue recognition as key audit matter as it is one of the key performance Indicators of the Company, which give rise to an inherent risk of the existence and the accuracy of the revenue.</p>	<p>We have tested the design and operating effectiveness of key controls focusing on the following:</p> <p>Obtaining an understanding of and assessing the design and operating effectiveness of controls designed to ensure that revenue is recognized in the appropriate accounting standards.</p> <p>Segregation of duties in invoice creation and modification and timing of revenue recognition:</p> <p>Assessing the appropriateness of the Company's accounting policies for revenue recognition and compliance of those policies with applicable accounting standards, Obtained supporting documentation for sale transaction recorded either side of year-end to determine whether revenue was recognized in the current period.</p> <p>Comparing a sample of revenue transactions recognized during the year with the sale invoices and other relevant underlying documentation.</p>





<b>Please see to the Statement of profit or loss &amp; other Comprehensive Income</b>	
<b>Valuation of Inventory</b>	
<p>As at June 30, 2021, the reported amount of inventory is Tk. 164,51,17,971</p> <p>On the reporting date, inventories are carried at the lower of cost and net realizable value. As such, the company apply judgment in determining the appropriate values of inventory in accordance with International Accounting Standards.</p> <p>Considering the risk for not attending physical verification of Inventory management process, Inventory management is a key audit matter to the Financial Statements.</p>	<p>We verified the appropriateness of management's assumptions applied in calculating the value of the inventory as per International Accounting Standards (IASs) by:</p> <ul style="list-style-type: none"> <li>➤ Evaluating the design and implementation of key inventory controls operating across the factory warehouse.</li> <li>➤ Inventory counts and reconciling the results have been done by the management of the company, due to COVID-19 situation, could not attend physical counting.</li> <li>➤ We have collected inventory count data sheet and relevant certification of inventories which indicates inventory items were maintained in good condition and maintaining all compliances.</li> <li>➤ Reviewing the historical accuracy of inventory provisioning and the level of inventory write-offs during the year</li> <li>➤ Obtained a detailed review with the subsequent</li> </ul>
<b>Please see note no. 09 to the Financial Statements</b>	
<b>Valuation of Property, Plant and Equipment (PPE)</b>	
<p>The carrying value of the PPE is Tk. 80,88,49,826/- as at June 30, 2021. The valuation of Freehold PPE was identified as a key audit matter due to the significance of this balance to the Financial Statements.</p> <p>The expenditures are classified as an asset, if it is probable that the future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably.</p> <p>The useful lives of Freehold 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 the useful life of the assets is a matter of judgments based on the experience of the entity with similar assets and also take into consideration the physical condition of the assets</p>	<p>Our audit included the following procedures:</p> <ul style="list-style-type: none"> <li>➤ We assessed whether the accounting policies in relation to the capitalization of expenditures are in compliance with IFRS and found them to be consistent.</li> <li>➤ We obtained a listing of capital expenditures incurred during the year and, on a sample basis, checked whether the items were procured during the year.</li> <li>➤ We verified the invoices and L/C documentation sample basis to segregate the capital and operating expenditure and found that the transactions are appropriately classified.</li> <li>➤ We evaluated whether the useful lives determined and applied by the management were in line with the nature of assets, the physical condition of the assets and its uses.</li> <li>➤ We checked whether the depreciation of PPE items was commenced from the date of ready to use and found the depreciation had been started accordingly</li> </ul>
<b>Please see note no. 04 to the Financial Statements</b>	
<b>Long Term Loan &amp; Short Term Loan</b>	
<p>As at June 30, 2021, the reported amount of total Long-Term Loan is Tk. 3,55,71,684 and Short-Term Loan is Tk. 189,85,50,509 respectively. The company borrowed fund from various Bank for the purpose of acquisition of non-current assets and working capital as well.</p> <p>The company may face difficulties due to unfavorable movement in interest rate &amp; monetary policy that may result in short-term and cash flow crisis.</p>	<p>We have tested the design and operating effectiveness of key controls focusing on the following:</p> <ul style="list-style-type: none"> <li>➤ Obtaining an understanding of and assessing the design and operating effectiveness of controls designed to ensure the proper use of loan</li> <li>➤ We verified sanction letter, loan schedule bank statements to confirm the loan outstanding and found that the balance had been reported in the Financial Statements accurately.</li> <li>➤ We checked the financial expenses and classification of loan and repayment schedule on a test basis as well.</li> </ul>





	<ul style="list-style-type: none"> <li>➤ We checked the recording date of transactions and found the recording date is in line with the loan disbursement date.</li> </ul>
<p><i>Please see note no. 16 &amp; 18 to the Financial Statements</i></p>	
<p><b>Recoverability Assessment of Debtors</b></p>	
<p>The total amount of debtors is Tk. 65,35,91,789 at June 30, 2021. There are significant large numbers of individual small customers. Customers in different business segments and jurisdictions are subject to their independent business risk.</p> <p>The increasing challenges over the economy and operating environment in the manufacturing industry during the year have increased and the risks of default on receivables from the customers. In particular, in the event of insolvency of customers, the company is exposed to potential risk of financial loss when the customers fail to meet their contractual obligations in accordance with the requirements of the agreements.</p>	<p>Our audit procedures to assess the recoverability of trade receivables including the following:</p> <ul style="list-style-type: none"> <li>➤ Tested the accuracy of aging of debtors at year end on a sample basis;</li> <li>➤ Evaluating the Company's policy for making allowance for doubtful debts with reference to the requirements of the prevailing accounting standards;</li> <li>➤ Assessing the classification of trade receivables in the debtors ageing report by comparison with sales invoice and other underlying documentation on a taste basis;</li> <li>➤ Assessed the recoverability of the debtors on a sample basis through our evaluation of management's assessment with reference to the credit profile of the customers, historical payment pattern of customers and</li> <li>➤ Inspecting subsequent bank receipts from customers and other relevant underlying documentation relating to trade receivable balances at June 30, 2021.</li> </ul>
<p><i>Please see note no. 10 to the Financial Statements</i></p>	

**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 directors are responsible for the other information.

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 and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information we are required to report that fact. We have nothing to report in this regard.

IFRS 16 is not relevant for the Company as the company has been using their own factory premises and one rented premises has been used but not required to pay rent according to the rental deed.

**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 in accordance with IFRSs, The Companies Act 1994, The Securities and Exchange Rules 1987 and other applicable laws and regulations and for such internal control as management determines is necessary to enable the preparation of Financial Statements that are free from material misstatement, whether due to fraud or error. The Companies Act, 1994 require the management to ensure effective internal audit, internal control and risk management functions of the company.

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





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

***Auditor's Responsibilities for the Audit of the Financial Statements***

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

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

- Identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and event in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the company to express an opinion on the Financial Statements we are responsible for the direction, supervision and performance of the company audit. We are solely responsible for our audit opinion.

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

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

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



***Report on other Legal and Regulatory Requirements***

In accordance with the Companies Act 1994, and The Securities and Exchange Rules 1987 and relevant notifications issues by Bangladesh Securities and Exchange Commission, we also report that:

- a) 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;
- b) In our opinion, proper books of accounts, records and other statutory books as required by law have been kept by the company so far as it appeared from our examinations of those books;
- c) The Statement of Financial Position, Statement of Profit or Loss & Other Comprehensive Income and Statement of Changes in Equity and Statement of Cash Flows of the Company dealt with by the report are in agreement with the books of accounts and returns; and
- d) The expenditure incurred was for the purpose of the Company's business.

Date : October 07, 2021  
Place : Dhaka



Fouzia Haque, FCA  
Partner

FAMES & R  
Chartered Accountants  
DVC # 2110121032AS341812

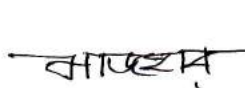
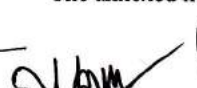

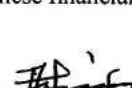





**Index Agro Industries Ltd.**  
**Statement of Financial Position**  
As at June 30, 2021

Particulars	Notes	Amount in Taka	Amount in Taka
		June 30, 2021	June 30, 2020
<b>Assets:</b>			
<b>Non-Current Assets</b>		<b>1,037,427,099</b>	<b>971,442,988</b>
Property, Plant and Equipment	4.00	808,849,826	842,459,945
Capital Work in Progress	5.00	-	-
Parent Stocks	6.00	228,577,273	128,983,043
<b>Long Term Investments</b>		<b>628,363,574</b>	<b>312,670,369</b>
Govt. Savings Certificate	7.00	100,455,958	93,638,958
Investments	8.00	527,907,616	219,031,411
<b>Current Assets</b>		<b>3,365,038,898</b>	<b>1,961,323,010</b>
Inventories	9.00	1,645,117,972	891,337,933
Trade Receivables	10.00	653,591,789	601,536,435
Advances, Deposits and Pre-Payments	11.00	777,825,603	321,559,122
Cash and Cash Equivalents	12.00	288,503,534	146,889,520
<b>Total Assets</b>		<b>5,030,829,571</b>	<b>3,245,436,366</b>
<b>Equity &amp; Liabilities</b>			
<b>Shareholders Equity</b>		<b>2,753,301,630</b>	<b>2,020,725,281</b>
Share Capital	13.00	472,536,490	390,000,000
Share Premium		417,463,510	-
Retained Earnings	14.00	1,829,143,755	1,594,769,623
Revaluation Reserve	15.00	34,157,875	35,955,658
<b>Non-Current Liabilities</b>		<b>88,226,958</b>	<b>90,635,426</b>
Long Term Loan	16.00	35,571,684	38,439,766
Deferred Tax Liabilities	28.00	52,655,275	52,195,660
<b>Current Liabilities</b>		<b>2,189,300,982</b>	<b>1,134,075,659</b>
Current Portion of Long Term Loan	17.00	16,268,537	49,913,879
Short Term Loan	18.00	1,898,550,509	834,716,493
Accounts payables	19.00	39,675,210	48,602,306
Provision for expenses	20.00	234,806,726	200,842,981
<b>Total Equity and Liabilities</b>		<b>5,030,829,571</b>	<b>3,245,436,366</b>
<b>Net assets value (NAV) per share</b>	30.00	<b>58.27</b>	<b>51.81</b>

The annexed notes form an integral part of these financial statements.

 Chairman    
  Managing Director    
  Director    
  Company Secretary    
  Chief Financial Officer

Signed as per our separate report on same date.



Fuzia Haque, FCA  
Partner

**FAMES & R**

Chartered Accountants

DVC # 2110121032AS341812

Dated: October 07, 2021

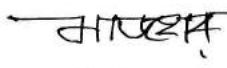
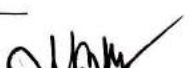



Place: Dhaka



Index Agro Industries Ltd.  
Statement of Profit or Loss and Other Comprehensive Income  
For the year ended June 30, 2021

Particulars	Notes	Amount in Taka			Amount in Taka
		Feed	Poultry & Hatchery	2020-2021	2019-2020
Revenue	21.00	2,616,620,293	1,056,047,640	3,672,667,933	4,047,090,398
Less: Cost of Goods Sold	22.00	2,186,702,914	944,863,873	3,131,566,787	3,439,511,744
<b>Gross Profit:</b>		<b>429,917,379</b>	<b>111,183,767</b>	<b>541,101,146</b>	<b>607,578,654</b>
<b>Less: Operating Expenses</b>		<b>150,780,914</b>	<b>27,296,174</b>	<b>178,077,088</b>	<b>184,332,971</b>
Administrative expenses	23.00	38,000,795	11,566,077	49,566,872	54,598,566
Selling and Distribution expenses	24.00	112,780,119	15,730,097	128,510,215	129,734,405
<b>Operating Profit</b>		<b>279,136,465</b>	<b>83,887,593</b>	<b>363,024,059</b>	<b>423,245,683</b>
<b>Add: Non-Operating Income</b>					
Other Income	25.00	9,426,886	-	9,426,886	6,817,000
<b>Less: Non-Operating Expenses</b>					
Financial expenses	26.00	100,637,049	10,554,034	111,191,084	135,049,728
<b>Net Profit before WPPF and Tax</b>		<b>187,926,302</b>	<b>73,333,559</b>	<b>261,259,861</b>	<b>295,012,955</b>
Contribution to WPPF		8,948,872	3,492,074	12,440,946	14,048,236
<b>Operating Profit before Tax</b>		<b>178,977,430</b>	<b>69,841,485</b>	<b>248,818,915</b>	<b>280,964,719</b>
Share of Profit from Associate		18,876,205	-	18,876,205	22,852,604
<b>Net Profit before Tax</b>		<b>197,853,635</b>	<b>69,841,485</b>	<b>267,695,120</b>	<b>303,817,323</b>
<b>Income Tax Expenses</b>		<b>28,073,291</b>	<b>7,045,480</b>	<b>35,118,771</b>	<b>39,367,883</b>
Current Tax	27.00	27,715,813	6,943,343	34,659,157	37,666,676
Deferred Tax	28.00	357,478	102,137	459,614	1,701,207
<b>Net Profit/(Loss) after Tax</b>		<b>169,780,344</b>	<b>62,796,005</b>	<b>232,576,349</b>	<b>264,449,440</b>
<b>Other Comprehensive Income</b>		-	-	-	-
<b>Total Comprehensive Income</b>		-	-	-	-
<b>Earnings per Share</b>	29.00			<b>5.63</b>	<b>6.78</b>

The annexed notes form an integral part of these financial statements.

 Chairman  
 Managing Director  
 Director  
 Company Secretary  
 Chief Financial Officer

Signed as per our separate report on same date.

Dated: October 07, 2021  
Place: Dhaka

  
 Fuzia Haque, FCA  
 Partner  
 FAMES & R  
 Chartered Accountants  
 DVC # 2110121032AS341812





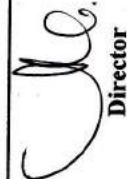
Index Agro Industries Limited  
Statement of Changes in Equity  
For the year ended June 30, 2021

Particulars	Amount in Taka			Total Amount
	Share capital	Retained Earnings	Revaluation Reserve	
Balance as at 1 July 2020	390,000,000	1,594,769,623	35,955,658	2,020,725,282
Net Profit/(Loss) after Tax	-	232,576,349	-	232,576,349
Depreciation on Revalued Asset	-	1,797,783	(1,797,783)	-
Ordinary Share Issue	82,536,490	-	-	82,536,490
Share Premium	417,463,510	-	-	417,463,510
<b>Balance as at June 30, 2021</b>	<b>890,000,000</b>	<b>1,829,143,755</b>	<b>34,157,875</b>	<b>2,753,301,632</b>

Index Agro Industries Limited  
Statement of Changes in Equity  
For the year ended June 30, 2020

Particulars	Amount in Taka			Total Amount
	Share capital	Retained Earnings	Revaluation Reserve	
Balance as at 1 July 2019	390,000,000	1,328,427,781	37,848,061	1,756,275,842
Net Profit/(Loss) after Tax	-	264,449,440	-	264,449,440
Depreciation on Revalued Asset	-	1,892,403	(1,892,403)	-
<b>Balance as at June 30, 2020</b>	<b>390,000,000</b>	<b>1,594,769,623</b>	<b>35,955,658</b>	<b>2,020,725,282</b>

  
Chairman  
Managing Director

  
Director

  
Company Secretary

  
Chief Financial Officer

Dated: October 07, 2021  
Place: Dhaka

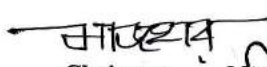


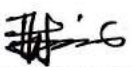

Signed as per our separate report on same date.



**Index Agro Industries Ltd.**  
**Statement of Cash Flows**  
For the year ended 30 June 2021

Particulars	Amounts in Taka	
	30 June 2021	30 June 2020
<b>Cash Flows from Operating Activities:</b>		
Cash received from Turnover	3,623,222,465	4,064,036,902
Cash paid to Suppliers	(3,977,290,257)	(3,218,638,026)
Cash paid to employees	(160,839,609)	(197,832,203)
Cash paid to others	(187,582,299)	(172,157,936)
Income Tax paid	(92,720,870)	(11,577,332)
<b>Net Cash provided by Operating Activities: (A)</b>	<b>(795,210,570)</b>	<b>463,831,406</b>
<b>Cash Flows from Investing Activities:</b>		
Purchase of Property, Plant and Equipment	(18,178,046)	(2,635,910)
IPO Proceeds	500,000,000	-
Purchase of Parent stock	(159,672,230)	(69,852,630)
Investment in FDR	(290,000,000)	-
<b>Net Cash used by Investing Activities: (B)</b>	<b>32,149,724</b>	<b>(72,488,540)</b>
<b>Cash Flows from Financing Activities:</b>		
Net proceeds from Long Term Loan	(36,513,424)	(35,150,500)
Net Proceeds from Short Term Loan	1,063,834,017	(174,851,633)
Financial expenses	(122,645,732)	(142,448,946)
<b>Net Cash generated from Financing Activities: (C)</b>	<b>904,674,860</b>	<b>(352,451,079)</b>
<b>Net Cash inflow/ outflow( A+B+C)</b>	<b>141,614,014</b>	<b>38,891,787</b>
Cash and Cash equivalents at the beginning of the year	146,889,520	107,997,733
<b>Cash and Cash equivalents at the end of the year</b>	<b>288,503,534</b>	<b>146,889,520</b>
<b>Net Operating Cash Flows Per Share</b> 32	<b>(16.83)</b>	<b>11.89</b>

The annexed notes form an integral part of these financial statements.

 Chairman    
  Managing Director    
  Director    
  Company Secretary    
  Chief Financial Officer

Signed as per our separate report on same date.

Dated: October 07, 2021  
Place: Dhaka





**Index Agro Industries Limited**  
**Notes to the financial statements and other explanatory information**  
for the yearended June 30, 2021

**1.00 Reporting entity:**

**1.01 Background of the company**

Index Agro Industries Limited was incorporated in Bangladesh on September 13, 2000 as a Private Company limited by shares under the Companies Act, 1994 having the registration no.C-41289(648)/2000. The company was converted as a Public Limited Company by shares under the Companies Act, 1994 on March 31, 2015.

The registered office of the Company is situated at 601/01, Block: N, Dhaka Mymensingh Road, Kathali, 09 no. Ward, Valuka.

The factory office of the company is situated at 601/01, Block: N, Dhaka Mymensingh Road, Kathali, 09 no. Ward, Valuka for producing Poalty feed & Fish Feed, Araisha Prasad, B.K. Bari, Sadar, Gazipur, Gazipur for producing Day Old Chicks (DOC) and Hatching Eggs, Vill: Rajghat, P.O: Durgapur, Upazila: Mithapukur, Dist: Rangpur for producing DOC, Dalil, Post office- Bhabanipur, Union- Bhabanipur, Sherpur, Bogra for producing Hatching Eggs.

**1.02 Nature of business**

The principal activities of this Company are manufacturing and marketing of poultry feed, fish feed and producing (DOC).

**1.03 Reporting Period**

The financial period of the company covers One year's from the month of July 01, 2020 to June 30, 2021

**2.00 Basis of preparation and presentation of the financial statements:**

**2.01 Statement of compliance**

The Financial Statements of the Company are prepared on a going concern basis under historical cost convention and in accordance with the International Accounting Standards (IASs) and International Financial Reporting Standards (IFRSs), the Securities and Exchange Rules, 1987, the Companies Act, 1994, Income Tax Ordinance, 1984, Income Tax Rules, 1984, Value Added Tax (VAT) and Supplementary Duty Act, 2012, Bangladesh Labour Act, 2006 (Amendment 2018) and other laws and regulations are applicable for the Company.

**2.02 Basis of measurement**

All the elements of financial statements have been measured on "Historical Cost" basis which is one of the most commonly adopted basis as provided in "The Conceptual Framework for Financial Reporting" issued by the International Accounting Standards (IASs).

**2.03 Responsibility for preparation and presentation of financial statements**

The Board of Directors is responsible for the preparation of financial statements under section 183 of the Companies Act, 1994 and as per applicable Financial Reporting Framework for the company.



**2.04 Use of estimates and judgment**

The preparation of financial statements in conformity with IASs/IFRSs requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on a going concern basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised if the revision affects only that period or in the period of revision and future periods if the revision affects both current and future periods.

**2.05 Functional and presentational currency and level of precision**

The financial statements are prepared in Bangladeshi Taka (BDT) which is the Company's both functional currency and presentational currency. All financial information is presented in Taka and has been rounded off to the nearest integer.

**2.06 Applicable Accounting Standards**

The following IASs/IFRSs are applicable for the financial statements for the year under review:

- IAS - 1 Presentation of Financial Statements;
- IAS - 2 Inventories;
- IAS - 7 Statement of Cash Flows;
- IAS - 8 Accounting Policies, Changes in Accounting Estimates and Errors;
- IAS - 10 Events after the Reporting Period;
- IAS - 12 Income Taxes;
- IAS - 16 Property, Plant and Equipment;
- IAS - 19 Employee Benefits;
- IAS - 23 Borrowing Cost;
- IAS - 24 Related Party Disclosures;
- IAS - 28 Investments in Associates and Joint Ventures;
- IAS - 32 Financial Instruments: Presentation;
- IAS - 33 Earnings per Share;
- IAS - 36 Impairment of Assets;
- IAS - 37 Provisions, Contingent Liabilities and Contingent Assets;
- IFRS - 7 Financial Instruments: Disclosures;
- IFRS - 8 Operating Segments;
- IFRS - 9 Financial Instruments;
- IFRS - 13 Fair Value Measurement
- IFRS - 15 Revenue from Contracts with Customers.
- IFRS - 16 Leases.

**2.07 Components of the Financial Statements**

According to IAS 1 Presentation of Financial Statements: The complete sets of financial statement includes the following components:

- a) Statement of financial position;
- b) Statement of profit or loss and other comprehensive income;
- c) Statement of changes in equity;
- d) Statement of cash flows and
- e) Notes to the financial statements and other explanatory information.





## 2.08 Going Concern

The company has adequate resources to continue its operation for the foreseeable future. As such, the directors intended to adopt the going concern basis in preparing the financial statements. The current credit facilities and resources of the company provides sufficient fund to meet the present requirements of its existing business.

## 3.0 Significant Accounting Policies

The accounting policies set out below have been applied consistently through out the period presented in these financial statements.

### 3.01 Property, Plant and Equipment

#### a) Recognition and Measurement

In compliance with IAS-16 "Property, Plant and Equipment": items of property, plant and equipment (PPE), excluding land are initially measured at cost less accumulated depreciation and accumulated impairment losses, if any. Land is measured at cost. The cost of an item of PPE comprises its purchase price, import duties and non-refundable taxes, after deducting trade discount and rebates and any costs directly attributable to bringing the assets to the location and condition necessary for it to be capable of operating in the intended manner.

#### b) Capitalization of Borrowing Cost

Borrowing costs that are directly attributable to acquisition/construction of plant and machinery and civil construction are included in the cost of those plant & machinery and construction in compliance with IAS - 23 "Borrowing Costs". In this year no borrowing costs have been capitalized under acquisition/construction of plant and machinery and civil construction.

#### c) Subsequent Cost

The cost of replacing part of an item of Property, Plant and Equipment (PPE) is recognized in the carrying amount of the 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 maintaining cost on PPE are recognized in the Statement of Profit or Loss and other Comprehensive Income as incurred.

#### d) Revaluation of Fixed Assets

Financial statements of the company have been prepared on historical cost price basis. However, the prices of Building & Civil construction have been increased substantially during the last few years due to high inflationary trend. In this circumstance, management of the Company has decided to determine fair market value of the said assets through revaluation. Kazi Zahir & Co., Chartered Accountants has revalued the assets of the company as on June 15, 2011, following "Current Cost Method". Such revaluation resulted in a valuation surplus aggregating of Tk. 57,168,989.

#### e) Depreciation and Amortization

No depreciation has been charged on land but depreciation is charged on land development worth Tk.25.59 million at 5% rate.



Depreciation is recognized in the Statement of Profit or Loss and other Comprehensive Income on a reducing balance method on all items of property, plant and equipment. Depreciation on addition of fixed assets charged when the assets are available for use.

The cost of Day Old Chickens (DOC) and Operating Cost of DOC, i.e. rearing cost have been accumulated as unallocated revenue expenditure. It takes 6-month to turn up the DOC into Parent Stock for laying egg. In addition, Parent Stock's cost and rearing cost have also been accumulated as unallocated revenue expenditure. On an average parent stocks lay 180 eggs in Seven months period of time. Later total unallocated revenue expenditures have been amortized on the basis of productivity, i.e. 180 eggs in Seven months. For simplicity it has been amortized on straight line basis of 7-month.

The estimated useful rate of PPE for the current year as follows:

Name of the assets	As at 30 June, 2021 (in %)	As at 30 June, 2020 (in %)
Land Development	5	5
Building & Civil construction	5	5
Poultry keeping equipment	10	10
Feed Mill Plant & Machineries	10	10
Factory equipment & appliances	10	10
Silo unit	10	10
Scaling & measuring equipment	10	10
Generator	10	10
Computer & automated system (F)	20	20
Computer & automated system (H/O)	20	20
Furniture	20	20
Cover van & Pickup	20	20
Exhaust fan	20	20
Motor bike	20	20
Electric Fan & Pump	20	20
Leased Assets	20	20

**f) Disposal of Property, Plant and Equipment**

On disposal of Property, Plant and Equipment the cost and accumulated depreciation are eliminated and gain or loss on such disposal is reflected in the Profit or Loss and Other Comprehensive Income, which is determined with reference to the net book value of the assets and net sale proceeds. Depreciation charged on disposal assets for upto the date of assets disposal.

**(g) Impairment**

The carrying values of all Property, Plant and Equipment are reviewed for impairment on annual basis to assess whether there is any indication that the assets might be impaired. It is confirmed that no such fixed assets have been impaired during the year and for this reason no provision has been made for impairment of assets as per IAS 36 Impairment of Assets.

**(h) Capital Work-in-Progress**

Capital work-in-Progress consists of imported Fish plant equipments and relevant construction works. Fish Plant is used to produce fish feed. As the construction work relevant to the Fish Plant is completed, the asset is transferred to assets schedule.





**3.02 Advances, Deposits & Pre-payments**

Advances are initially measured at cost. After initial recognition advances are carried at cost less deduction, adjustment and transfer to respective account heads such as property, plant and equipment, inventory or expenses.

**3.03 Cash & CashEquivalents**

Cash and Cash equivalents include cash in hand, in transit and with banks on current and deposit accounts which are held and available for use by the company without any restriction. There is insignificant risk of change in value of the same.

**3.04 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 "Entities are Encouraged to Report Cash Flows from Operating Activities using the Direct Method. As per Bangladesh Securities and Exchange Commission notification No. BSEC/CMRRCD/2006-158/208/Admin/81 dated August 08, 2018 Cash Flows from operating activities has been reconciled with net income using the Indirect Method.

**3.05 Accounts Receivables**

Accounts Receivables consist of unpaid bills receivables from enlisted dealers recognized at the reporting date. Accounts receivable are created at original invoice amount, there is no evidence of a risk of non-payment, the full amount of accounts receivable is considered collectable.

**3.06 Inventories**

Inventories are carried at the lower of cost and net realizable value whichever is lower as prescribed by IAS 2 "Inventories". The cost of inventories comprises of expenditure incurred in the normal course of business in bringing the inventories to their present location and condition. Net realizable value is based on estimated selling price less any further costs expected to be incurred to make the sale.

Inventories consists of maize, hatching eggs, poultry feed, store & spare parts and packing materials.

**3.07 Provisions**

A provision is recognized in the statement of financial position when the company has a legal or constructive obligation as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provision is ordinarily measured at the best estimate of the expenditure required to settle the present obligation at the date of statement of financial position.



### 3.08 Income tax

#### Current Tax

As per SRO No – 199/2015, Income Tax Ordinance, 1984 (Ord. XXXVI of 1984) Sec 44 and Sub Sec (4) clause (b), reduced Income Tax has been imposed on income from pelleted feed as follows:

Particulars	Tax Rate
On first 1 million taka	3%
On next 2 million taka	10%
On remaining income	15%

As per SRO No – 199/2015, Income Tax Ordinance, 1984 (Ord. XXXVI of 1984) Sec 44 and Sub Sec (4) clause (b), reduced Income Tax has been imposed on income from Poultry & Hatchery feed as follows:

Particulars	Tax Rate
On first 1 million taka	Nil
On next 1 million taka	5%
On remaining income	10%

Tax on other income has been charged as per Finance Act, 2021.

The Income Tax has been calculated on the basis of above circular.

Up-to-income year 2016-2017, tax assessments have been completed and for income year 2017-2018, 2018-2019 assessments are under process and for income year 2019-2020 tax return has been submitted.

#### Deferred Tax

The company accounts for deferred tax as per IAS-12 related to Income Taxes. Deferred Tax is recognized for all temporary timing differences arising between the tax base of assets and liabilities and their carrying value for financial reporting purpose. Tax rate prevailing at the Statement of Financial Position date is used to determine deferred tax.

### 3.09 Revenue recognition

In compliance with the requirements of IFRS 15 “Revenue from Contracts with Customers”, are recognized under the following steps:

- Identify the contracts with customer;
- Identify the performance obligations in the contracts;
- Determine the transaction price;
- Allocate the transaction price to the performance obligation in the contracts;
- Recognize revenue when a performance obligation is satisfied.

The company followed all the above five steps and recognize revenue when a performance obligation is satisfied.

### 3.10 Financial expenses

Financial expenses comprise interest expenses on bank loan. All borrowing costs are recognized in the Statement of Profit or Loss and Other Comprehensive Income using effective interest method.





### 3.11 Earnings Per Share

The company calculates Earnings Per Share (EPS) in accordance with IAS- 33: Earnings Per Share, which has been shown on the face of the Profit or Loss and Other Comprehensive Income.

#### Basic Earnings

This represents Profit or loss at the end of the year attributable to ordinary shareholders of the entity.

#### a) Earnings Per Share

Basic Earnings Per Share are calculated, dividing the profit or loss attributable to the ordinary shareholders of the Company by the weighted average number of ordinary share outstanding during the year.

#### b) Diluted Earnings per Share

No diluted Earnings Per Share are required for the year since there is no scope of dilution of share during the year under review.

### 3.12 Employees' Benefit:

- a) The company maintains defined **Contribution Plan (Provident Fund)** for its eligible permanent employees. The eligibility is determined according to the terms and conditions set forth in the respective deeds.

The company has accounted for and disclosed employee benefits in compliance with the provisions of IAS 19 "**Employee Benefits**".

The cost of employee benefit is charged off as revenue expenditure in the period to which the contributions relate. The company's employee benefits include the following.

#### b) Defined Contribution Plan (Provident Fund)

The company has a registered provident fund scheme (Defined Contribution Plan) on 31.07.2012 for employees of the company eligible to be members of the fund in accordance with the rules of the provident fund constituted under an irrevocable trust. All permanent employees contribute 5% of their basic salary to the provident fund and the company also makes equal contribution.

The company recognizes contribution to defined contribution plan as an expense when an employee has rendered services in exchange for such contribution. The legal and constructive obligation is limited to the amount it agrees to contribute to the fund.

#### c) Short Term Employee Benefits

Short-term employee benefits include wages, salaries, festival bonuses etc. Obligations for such benefits are measured on an undiscounted basis and are expensed as the related service is provided.

#### d) Contribution to Workers' Profit Participation and Welfare Funds

This represents 5% of Net profit before tax contributed by the company as per provisions of the Bangladesh Labour Act, 2006 (Amended 2018) and is payable to workers as defined in the said law. The fund transfer is under process .



### 3.13 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 are reflected in the financial statements. Events after reporting period that are not adjusting events are disclosed in the notes when material.

Management confirmed that no event after the reporting period exists and management has prepared the financial statements accordingly.

### 3.14 Operating Segment

Segment results for years ended June 30, 2021.

An operating segment is a component of the company that engages in business activities from which it may earn revenues and incurred expenses. All operating segments are regularly reviewed by chief operating decision maker of the company, to make decisions about resources to be allocated to the segment and to assess its performance to the extent discrete financial information is available. The company is performing on the basis of two products and management has identified two operating segments such as (i) Feed and (2) Poultry & Hatchery as operating segments as per IFRS 8.

The following is selected segment financial data for the periods indicated:

Particulars	June 30, 2021			June 30, 2020		
	Feed	Poultry & Hatchery	Total	Feed	Poultry & Hatchery	Total
Revenue	2,616,620,293	1,056,047,640	3,672,667,933	2,915,316,392	1,131,774,007	4,047,090,398
Interest expenses	107,776,704	-	107,776,704	131,778,322	-	131,778,322
Depreciation	36,251,715	15,536,449	51,788,165	40,094,170	15,442,457	55,536,627
Income Tax expenses	28,073,291	7,045,480	35,118,771	32,318,284	7,049,600	39,367,883
Net profit before tax	197,853,635	69,841,485	267,695,120	231,821,328	71,995,995	303,817,323

\*Including share of Profit from Associates.

Due to varying nature of business Total Non-current Asset, Total Non-current Liability, Total Assets and Total liabilities could not be allocated on the basis of segment wise operation.

### 3.15 Contingent Assets and Liabilities

A contingent asset is disclosed when it is a possible that asset arises from the past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity. A contingent liability is disclosed when it is a possible obligation that arises from the past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity. A contingent assets is disclosed as per IAS 37: "Provisions, Contingent Liabilities and Contingent Assets", where an inflow of economic benefits is probable. A contingent liability is disclosed unless the possibility of an outflow of resources embodying economic benefits is remote.





### 3.16 Financial Instruments

#### Financial Instruments

A financial instrument is any contract that gives rise to a financial asset to one entity and a financial liability or equity instrument to another entity as per IFRS 9 “Financial Instruments”

#### Financial Assets

Financial assets of the company include cash and cash equivalents, equity instrument to another entity and trade receivables. The company initially recognizes a financial asset in its statement of financial position when, and only when, the company becomes a party to the contractual provision of the instrument. The company derecognize a financial asset when, and only when; the contractual rights to the cash flows from the financial asset expire or transfer the contractual rights to receive the cash flows of the financial asset.

#### Financial Liabilities

The company initially recognizes a financial liability in its statement of financial position when, and only when, the company becomes a party to the contractual provision of the instrument. The company derecognizes a financial liability from its statement of financial position when, and only when, it is extinguished, that is when the obligation specified in the contract is discharged or cancelled or expires.

### 3.17 Related Party Disclosure

As required by IAS-24 “Related Party Disclosures” significant related party transactions are to be disclosed in the Financial Statements. The company has no transaction with related parties in the normal course of business in financial year 2020-2021.

### 3.18 Comparative Information

Comparative information has been disclosed in the respect of previous year for all numeric information in the financial statements and also the narrative and descriptive information where it is relevant for understanding of the current year’s financial statement.

### 3.19 Measurement of Fair Values

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

- a) Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;
- b) Level 2: inputs other than quoted prices included in level 1 that are observable for asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices) and
- c) Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability might be categorized in different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement. The Company recognizes transfers between levels of



the fair value hierarchy at the end of the reporting period during which the change has occurred.

### 3.20 Risk management

According to IFRS 7 "Financial Instruments: Disclosures", an entity shall disclose information that enables users of its financial statements to evaluate the nature and extent of risks arising from financial instruments to which the entity is exposed at the end of the reporting period. The Management of the company are reviewed risk management policies, procedures and systems regularly to reflect changes in market conditions and the Company's activities. The Company has exposure to the following risk for its use of financial instruments.

- (a) Credit risk
- (b) Liquidity risk
- (c) Market risk

#### (a) Credit risk

Credit risk is the risk of a financial loss to the Company if a customer to a financial instrument fails to meet its contractual obligations and arises principally from the Company's receivables.

#### Management perception

To mitigate the credit risk, the management of the company follows robust credit control and collection policies. The company has dedicated credit collection team who are responsible for any dues and they have been demonstrating remarkable performance in collecting receivables as per company's credit and collection policy.

#### (b) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations on time.

#### Management perception

The Company's approach to managing liquidity is to ensure as far as possible, that it will always have sufficient liquidity to meet its liabilities when due under both normal and stressed conditions without incurring unacceptable losses or risking damage to the Company's reputation. The Company has sufficient current assets and cash & cash equivalent to meet expected operational expenses including financial obligations.

#### (c) Market risk

Market Risk is the risk that the fair value or cash flows of a financial instrument will fluctuate due to changes in market prices. It reflects interest rate risk, currency risk and other price risks.

#### Management perception

Management is fully aware of the market risk, and act accordingly. Market of animal health products in Bangladesh is growing rapidly. Moreover, the objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.





**3.21 Capacity Utilization**

**a) Feed Mill Division**

Installed production capacity	150,000 MT
Actual production capacity	114,000 MT
Actual production	84,728 MT
Capacity Utilization	56.48 %

**b) Poultry & Hatchery Division**

Installed production capacity	30.00 Million DOC (Day Old Chicks)
Actual production capacity	30.00 Million DOC (Day Old Chicks)
Actual production	28.65 Million DOC (Day Old Chicks)
Capacity Utilization	95.50 %

**3.22 General**

- i. Figures appearing in these Financial Statements have been rounded off to the nearest intiger.
- ii. Bracket figures denote negative.



Notes	Particulars	Amount in Taka	
		June 30, 2021	June 30, 2020

**4.00 Property, Plant and Equipment: Tk. 808,849,826**

This is made up as follows:

Opening balance at Cost	1,233,728,777	1,231,092,867
Add: Addition during the year	18,178,046	2,635,910
Add: Assets revaluation surplus	57,168,989	57,168,989
<b>Less: Disposal during the year</b>		
<b>Closing balance</b>	<b>1,309,075,812</b>	<b>1,290,897,766</b>
Accumulated Depreciation	(448,437,821)	(392,901,194)
Add: Adjustment for depreciation of Revalued Asset	-	-
Add: Adjustment against depreciation on Building	-	-
Depreciation charged during the year	(51,788,165)	(55,536,627)
<b>Written Down Value</b>	<b>808,849,826</b>	<b>842,459,945</b>

Detail of Property, Plant and Equipment is shown in Annexure A.

**5.00 Capital Work in Progress: Tk. 0**

This is made up as follows:

Particulars	June 30, 2021	June 30, 2020
Opening balance	-	-
Add : Adjustment for advance	-	-
Transfer during the year	-	-
<b>Closing balance</b>	<b>-</b>	<b>-</b>

**6.00 Parent Stock: Tk. 228,577,273**

This is made up as follows:

Particulars	June 30, 2021	June 30, 2020
Opening balance	128,983,043	125,395,949
Add: Addition during the year	159,672,230	69,852,630
<b>Total</b>	<b>288,655,273</b>	<b>195,248,579</b>
Amortized during the year	(60,078,000)	(66,265,536)
<b>Closing balance</b>	<b>228,577,273</b>	<b>128,983,043</b>

Name wise schedule of purchase of parent stock during the year with payment status is as follows:

Name of parent stock	Qty	Rate	Purchase and Paid amount	Purchase and Paid amount
Institute De-Selection	28,900	295	8,525,500	11,078,000
Rashik GP Ltd	10,500	301	3,160,500	2,610,000
Kazi Farms Limited	12,708	560	7,116,480	7,116,480
Rashik GP Ltd	7,852	598	4,695,496	5,424,764
Institute De-Selection	4,560	605	2,758,800	3,546,631
<b>Total</b>	<b>64,520</b>		<b>26,256,776</b>	<b>29,775,876</b>

**7.00 Govt. Savings Certificate : Tk. 100,455,958**

This is made up as follows:

Particulars	June 30, 2021	June 30, 2020
Opening balance	93,638,958	86,821,958
Add: Accrued interest	6,817,000	6,817,000
<b>Closing balance</b>	<b>100,455,958</b>	<b>93,638,958</b>





**8.00 Investment : Tk. 527,907,616**

This is made up as follows:

**Particulars**

Opening Balance:

Investment in X- Ceramics Limited

Accumulated Share of Profit from Associate up to prior year

Add: Addition during the year for Share of Profit from Associate

Investment in FDR

**Closing balance**

Amount in Taka	
June 30, 2021	June 30, 2020
96,600,000	96,600,000
122,431,411	99,578,807
18,876,205	22,852,604
290,000,000	-
<b>527,907,616</b>	<b>219,031,411</b>

The company invested Tk. 96,600,000 for 966,000 share @ tk. 100 each (24.39 % of total shares) to X-Ceramics Limited, an associate company of Index Agro Industries Limited according to the approval from RJSC. X-Ceramics Limited has not yet been declared any dividend.

**9.00 Inventories: Tk. 1,645,117,972**

This is made up as follows:

**Particulars**

Raw material

Notes-09.01

Finished goods

Notes-09.02

Spare parts

Notes-09.03

Packing materials

Notes-09.04

**Total:**

June 30, 2021	June 30, 2020
1,475,112,098	811,175,307
94,952,110	55,852,306
57,037,474	12,493,710
18,016,290	11,816,610
<b>1,645,117,972</b>	<b>891,337,933</b>

**9.01 Raw Material: Tk. 1,475,112,098**

Particulars	30.06.2021			June 30, 2020
	Qty	Rate/kg	Amount (Tk.)	Amount (Tk.)
Base Materials	38,376,173	31.15	1,195,417,789	535,501,318
Additives	1,898,206	51.12	97,036,291	91,245,803
Vitamin Mineral Premix	359,642	252.03	90,640,573	87,745,967
Amino Acid	100,523	300.54	30,211,182	40,620,004
Anti-Coccidial Drug	19,205	460.25	8,839,101	10,025,580
Enzyme	16,402	498.52	8,176,725	6,578,754
Mould Inhibitor	23,560	232.87	5,486,417	5,163,359
Toxin Binder	73,600	402.56	29,628,416	25,698,336
<b>Total RM for Feed</b>	<b>39,262,175</b>		<b>1,465,436,495</b>	<b>802,579,120</b>
Hatchable Eggs	398,829	24.26	9,675,603	8,596,187
<b>Total</b>	<b>39,661,004</b>		<b>1,475,112,098</b>	<b>811,175,307</b>

**9.02 Finished Goods: Tk. 94,952,110**

Name of Finished Goods	30.06.2021			30.06.2020
	Qty in Kg	Rate/Kg	Amount (TK.)	Amount (TK.)
<b>Fish Feeds</b>				
Sinking Fish Feed	126,805	34.50	4,374,773	4,256,800
Floating Fish Feed	363,471	45.02	16,363,453	10,256,970
<b>Poultry Feeds</b>				
Broiler Feeds	1,085,415	33.45	36,307,148	17,489,601
Layer Feeds	1,174,302	29.05	34,113,462	20,186,521
Sonali Feeds	139,870	27.12	3,793,274	3,662,413
<b>Total</b>	<b>2,889,863</b>		<b>94,952,110</b>	<b>55,852,306</b>

**9.03 Spare Parts: Tk. 57,037,474**

Spare Parts	30.06.2021			30.06.2020
	Quantity	Rate	Amount (Tk.)	Amount (Tk.)
Imported	8,920	1,125.87	10,042,760	9,125,685
Local	153,869	305.42	46,994,714	3,368,025
<b>Grand Total</b>	<b>162,789</b>		<b>57,037,474</b>	<b>12,493,710</b>

**9.04 Packing Materials: Tk. 18,016,290**

Name of Packing Materials	30.06.2021			30.06.2020
	Qty in Pcs	Rate/Pcs	Amount (Tk)	Amount (Tk)
<b>X-FEED</b>				
EnPro Booster	138,499	23.25	3,220,102	506,250
Broiler	12,605	23.25	293,066	364,523
Sonali	19,502	23.25	453,422	461,340
Layer	25,680	23.25	597,060	528,953
Breeder	13,590	23.25	315,968	283,703
Fish (Singking)	31,500	20.15	634,725	556,530
Floating (Oil Coated)	10,280	20.15	207,142	198,900
Floating (Non-Oil Coated)	20,790	20.15	418,919	396,045
Floating (old Bag)	26,504	20.15	534,056	495,456
<b>Goldring</b>				
EnPro Booster	142,731	23.25	3,318,493	348,750
Broiler	17,520	23.25	407,340	405,090
Sonali	9,800	23.25	227,850	238,613
Layer	11,290	23.25	262,493	238,500
Breeder	19,605	23.25	455,816	411,773
Fish (Singking)	8,950	20.15	180,343	192,459
Floating (Oil Coated)	10,560	20.15	212,784	224,348
Floating (Non-Oil Coated)	11,208	20.15	225,841	243,750
Floating (old Bag)	9,850	20.15	198,478	283,920
<b>Sub Total</b>	<b>540,464</b>		<b>12,163,895</b>	<b>6,378,900</b>
<b>DOC</b>				
<b>Chicks box</b>	<b>181,470</b>	<b>32.25</b>	<b>5,852,395</b>	<b>5,437,710</b>
<b>Sub Total</b>	<b>181,470</b>		<b>5,852,395</b>	<b>5,437,710</b>
<b>Grand Total</b>	<b>-</b>	<b>-</b>	<b>18,016,290</b>	<b>11,816,610</b>

**10.00 Trade Receivable: Tk. 653,591,789**

This is made up as follows:

**Particulars**

Trade Receivables

**Total:**

**Ageing of Accounts Receivables:**

Dues over six months

Less than six months

**Total**

	June 30, 2021	June 30, 2020
Trade Receivables	653,591,789	601,536,435
<b>Total:</b>	<b>653,591,789</b>	<b>601,536,435</b>
Dues over six months	-	-
Less than six months	653,591,789	601,536,435
<b>Total</b>	<b>653,591,789</b>	<b>601,536,435</b>

The classification of receivables as required by the Schedule XI; Part I; Para 4 of the Companies Act, 1994 are given below:

(1) Receivables considered good and in respect of which the company is fully secured ;		
(2) Receivables considered good for which the company holds no security other than the debtor's personal security;	653,591,789	601,536,435
(3) Receivables considered doubtful or bad ;		
(4) Receivables due by directors or other officers of the company or any of them either severally or jointly with any other person or receivables due by firms or private companies respectively in which any director is a partner or a director or a member;		
(5) Receivables due by companies under the same management;		
(6) The maximum amount due by directors or other officers of the company at any time during the year.		
<b>Total</b>	<b>653,591,789</b>	<b>601,536,435</b>

The amount of receivable is lying with various enlisted/authorized dealers of the company. Trade receivables have been stated at their nominal value. Trade receivables are accrued in the ordinary course of business. The above amounts are secured by debtors' personal security and considered good. Therefore no provision was made for bad debt during the year. No amount was due by the Directors (including Managing Director) or any other official of the company.



**11.00 Advances, Deposits and Pre-payments: Tk. 777,825,603**

This is made up as follows:

<u>Particulars</u>
Advance to employees
Advance to suppliers and others
Advance Income Tax (Note-11.01)
L/C Margin for goods
<b>Total:</b>

Amount in Taka	
June 30, 2021	June 30, 2020
10,276,982	8,652,602
663,250,419	301,329,188
104,298,202	11,577,332
-	-
<b>777,825,603</b>	<b>321,559,122</b>

All the Advance and Deposits amounts are considered as good and Recoverable.

**11.01 Advance Income Tax: Tk. 104,298,202**

This is made up as follows:

Opening Balance
Addition during the year
Addition for previous years
Addition for 2017-2018
Addition for 2016-2017
Less : Adjustment for 2018-2019
Less : Adjustment for prior years
<b>Closing Balance</b>

June 30, 2021	June 30, 2020
11,577,332	18,307,003
37,586,347	11,577,332
55,134,523	-
-	1,887,178
-	300,000
<b>104,298,202</b>	<b>32,071,513</b>
-	18,307,003
-	2,187,178
<b>104,298,202</b>	<b>11,577,332</b>

The classification of Advance as required by the Schedule XI; Part I; Para 6 of the Companies Act, 1994 are given below:

- (1) Advance, deposit & Pre-payments considered good and in respect of which the company is fully secured ;
- (2) Advance, deposit & Pre-payments considered good for which the company holds no security other than the debtor's personal security;
- (3) Advance, deposit & Pre-payments considered doubtful or bad ;
- (4) Advance, deposit & Pre-payments due by directors or other officers of the company or any of them either severally or jointly with any other person or Advance due by firms or private companies respectively in which any director is a partner or a director or a member;
- (5) Advance, deposit & Pre-payments due by companies under the same management;
- (6) The maximum amount due by directors or other officers of the company at any time during the year.

767,548,621	312,906,520
	-
	-
	-
10,276,982	8,652,602
<b>777,825,603</b>	<b>321,559,122</b>

**Total**

**12.00 Cash and Cash Equivalents: Tk. 288,503,534**

This is made up as follows:

<u>Particulars</u>
Cash in Hand
Cash at Bank

Notes-12.01

**Total:**

June 30, 2021	June 30, 2020
35,298,601	29,652,305
253,204,933	117,237,215
<b>288,503,534</b>	<b>146,889,520</b>



**12.01 Cash at Bank: Tk. 253,204,933**

This is made up as follows:

**Particulars**

Prime Bank Ltd., Mohakhali branch, # 1101108000098
Agrani Bank, Mohakhali branch, A/C no. 9612
United Commercial Bank, Gulshan branch, # 22813
Islami Bank BD. Ltd., Gulshan br.# 2050177090005217
National Bank Ltd. Bhaluka branch, A/C No. 33012821
National Bank Ltd. Banani branch, # 0010633004722
Bangladesh Krishi Bank, A/C No. 200006084
Sonali Bank Ltd. A/C No. 11633003631
Shahjalal Islami Bank Ltd. Gulsan branch, #11100009871
Brac Bank Limited, A/C No. 1526102452838001
Brac Bank Limited, A/C No. 1526202135581001
Rupali Bank Ltd., Gulshan branch, A/C No. 200011942
Trust Bank, A/C No. 0052-0210000334
Islami Bank BD. Ltd., A/C No. 20501770100374704
Bangladesh Krishi Bank, A/c No. 27
National Bank Ltd., Banani branch, # 0106-36000603
Prime Bank Ltd., A/C No. 11031090019930
Basic Bank Limited, Gulsan branch, # 2110-01-0005852
National Bank Ltd., A/C No. 33009267
BDBL, Karwan bazar br Bank A/C No. 200003063
Janata Bank Ltd., Rajarbagh branch # 031933008436
Pubali Bank Ltd., A/C No. 056590127061
Sonali Bank Ltd., A/C No. 11636000361
Social Islami Bank Limited- 0161330012378
Islami Bank (BD) Ltd.- 20502130100209004
Exim Bank Ltd. A/C # 00713100612843
Prime Bank Ltd., Mohakhali branch # 11811090039101
Mercantile Bank Limited-112911120717974
Standard Chartered Bank Limited-01118494101
Islami Bank (BD) Ltd. - 20502131100032807 (FC A/C - USD)
Islami Bank (BD) Ltd. - 20502131100033000 (FC A/C - GBP)
Islami Bank (BD) Ltd. - 20502131100032908 (FC A/C - EUR)
Islami Bank (BD) Ltd.- 20502130900016109 (BDT A/C)
<b>Total:</b>

Amount in Taka	
June 30, 2021	June 30, 2020
5,288,164	12,326,263
1,661,435	2,134,601
323,884	936,962
11,666,008	8,320,066
3,489,615	17,488,373
4,214,632	19,858,207
21,728	1,686,114
948,073	2,180,932
453,421	4,559,489
1,306,114	985,058
1,430,620	1,403,984
764,583	1,634,108
1,699,229	2,355,873
746,176	3,719,514
1,996,198	3,445,142
639,566	1,811,456
33,193	2,720,257
272,282	3,359,643
428,031	2,892
46,790	-
1,081,307	1,825,804
2,658,370	3,437,320
1,073,916	1,781,152
656,926	6,753
3,209,994	410,274
848,121	848,581
2,120,480	14,450,741
1,861,630	2,121,797
1,698,136	1,425,862
45,714,544	-
10,274	-
29,851	-
154,811,641	-
<b>253,204,933</b>	<b>117,237,215</b>

**13.00 Share Capital: Tk. 890,000,000**

This is made up as follows:

**Particulars**

**Authorized Capital :**

100,000,000 ordinary shares @ Tk.10/ each

**1,000,000,000      1,000,000,000**

**Issued, Subscribed and Paid-up Capital:**

39,000,000 ordinary shares @ Tk.10/ each

82,53,649 ordinary shares @ Tk.10/ each

Share Premium 82,53,649 shares @ Tk. 50.579/ each

**Total:**

June 30, 2021	June 30, 2020
390,000,000	390,000,000
82,536,490	-
417,463,510	-
<b>890,000,000</b>	<b>390,000,000</b>





The composition of share holdings as on balance sheet date were as follows:

Name of Shareholders	30-Jun-21			June 30, 2020
	%	Number of Shares	Amount (Tk.)	Amount (Tk.)
Sponsors & Directors	57.77%	27,300,000	273,000,000	273,000,000
Individual	24.76%	11,700,000	117,000,000	117,000,000
<b>Pre-IPO Total</b>		<b>39,000,000</b>	<b>390,000,000</b>	<b>390,000,000</b>
Eligible Investors (Excluding Mutual Funds and CIS)	5.01%	2,368,565	23,685,650	-
Mutual Funds and CIS	3.23%	1,524,700	15,247,000	-
Individual	7.38%	3,488,352	34,883,520	-
Non-Resident Bangladeshis (NRBs)	1.85%	872,032	8,720,320	-
<b>IPO</b>		<b>8,253,649</b>	<b>82,536,490</b>	-
<b>Post IPO Total</b>		<b>47,253,649</b>	<b>472,536,490</b>	<b>390,000,000</b>

**14.00 Retained Earnings: Tk. 1,829,143,755**

This is made up as follows:

**Particulars**

Opening balance  
Profit during the year  
Depreciation against building Revaluation  
Closing balance

Amount in Taka

	June 30, 2021	June 30, 2020
Opening balance	1,594,769,623	1,328,427,781
Profit during the year	232,576,349	264,449,440
Depreciation against building Revaluation	1,797,783	1,892,403
<b>Closing balance</b>	<b>1,829,143,755</b>	<b>1,594,769,623</b>

**15.00 Revaluation Reserve: Tk. 34,157,875**

This is made up as follows:

**Particulars**

Opening balance  
**Add:** Prior year adjustment for depreciation of revalued asset  
Depreciation on building revaluation  
Closing balance

	June 30, 2021	June 30, 2020
Opening balance	35,955,658	37,848,061
<b>Add:</b> Prior year adjustment for depreciation of revalued asset	-	-
Depreciation on building revaluation	(1,797,783)	(1,892,403)
<b>Closing balance</b>	<b>34,157,875</b>	<b>35,955,658</b>

**16.00 Long Term Loan: Tk. 35,571,684**

This is made up as follows:

**Particulars**

Islami Bank Bangladesh Limited  
Prime Bank Limited

Current portion of long term loan  
**Total**

	June 30, 2021	June 30, 2020
Islami Bank Bangladesh Limited	-	22,836,222
Prime Bank Limited	51,840,221	65,517,423
	<b>51,840,221</b>	<b>88,353,645</b>
Current portion of long term loan	(16,268,537)	(49,913,879)
<b>Total</b>	<b>35,571,684</b>	<b>38,439,766</b>

**17.00 Current Portion of Long Term Loan: Tk. 16,268,537**

This is made up as follows:

**Particulars**

Islami Bank Bangladesh Limited  
Prime Bank Limited  
**Total**

	June 30, 2021	June 30, 2020
Islami Bank Bangladesh Limited	-	28,394,052
Prime Bank Limited	16,268,537	21,519,827
<b>Total</b>	<b>16,268,537</b>	<b>49,913,879</b>



**18.00 Short Term loan : Tk. 1,898,550,509**

This is made up as follows:

**Particulars**

Islami Bank Bangladesh Limited  
Standard Chartered Bank Limited  
Prime Bank Limited  
**Total:**

June 30, 2021	June 30, 2020
1,128,598,546	559,485,535
221,631,627	6,019,226
548,320,336	269,211,732
<b>1,898,550,509</b>	<b>834,716,493</b>

**The details of Mortgage against the loan is as under:**

**Nature:** Short Term Loan

**Name of the Bank:** Islami Bank Bangladesh Limited.

**Security:** Project land, buildings, machinery, stock, demand promissory note & personal guarantee of all directors.

**19.00 Accounts Payable : Tk. 39,675,210**

This is made up as follows:

**Particulars**

Creditor for local goods

June 30, 2021	June 30, 2020
39,675,210	48,602,306
<b>39,675,210</b>	<b>48,602,306</b>

**Aging of Accounts Payable:**

Dues over six months

Less than six months

**Total:**

10,195,735	12,245,134
29,479,475	36,357,172
<b>39,675,210</b>	<b>48,602,306</b>

All the trade payables had been paid on a regular basis.

0.25

**20.00 Provision for Expenses: Tk.234,806,726**

This is made up as follows:

**Particulars**

Salaries & allowance

Gas bill

Electricity bill

P.F Employer's contribution

Income Tax

WPPF and Welfare Fund

Audit fees

Interest payable

**Total:**

Note- 20.01

Note- 20.02

Note- 20.03

June 30, 2021	June 30, 2020
7,652,908	8,936,504
546,090	604,820
2,563,910	2,896,310
569,319	576,302
93,673,066	59,013,909
91,580,892	79,139,946
172,500	172,500
38,048,041	49,502,690
<b>234,806,726</b>	<b>200,842,981</b>

a) All accrued expenses were paid on regular basis

b) Salary & allowances for the month of June, 2020 has been paid in subsequent month.





**20.01 Income Tax: Tk.93,673,066**

This is made up as follows:

**Particulars**

Opening Balance  
**Add:** Addition during the year  
  
 Less: Adjustment for 2017-2018  
**Closing balance**

Amount in Taka	
June 30, 2021	June 30, 2020
59,013,909	39,654,237
34,659,157	37,666,676
<b>93,673,066</b>	<b>77,320,912</b>
-	18,307,003
<b>93,673,066</b>	<b>59,013,909</b>

**20.02 WPPF and Welfare Fund: Tk.91,580,892**

This is made up as follows:

**Particulars**

Opening balance  
**Add:** Addition during the year  
  
 Less: Payment during the year  
**Closing balance**

June 30, 2021	June 30, 2020
79,139,946	65,091,710
12,440,946	14,048,236
<b>91,580,892</b>	<b>79,139,946</b>
-	-
<b>91,580,892</b>	<b>79,139,946</b>

The balance represents contribution to Workers' Profit Participation Fund by the Company in accordance with Bangladesh Labour Act, 2006 (Amendment 2013) for the year ended June 30, 2020.

**20.03 Interest Payable: Tk. 38,048,041**

This is made up as follows:

**Particulars**

Islami Bank Bangladesh Ltd. - Long Term  
 Islami Bank Bangladesh Ltd. - Short Term  
 Prime Bank Ltd. - Short Term  
**Total**

June 30, 2021	June 30, 2020
-	2,098,752
30,562,158	42,243,711
7,485,883	5,160,227
<b>38,048,041</b>	<b>49,502,690</b>



**21.00 Revenue: Tk.3,672,667,933**  
This is made up as follows:

**Particulars**

Revenue from Feed sales  
Revenue from DOC sales  
**Total**  
Revenue from Feed sales  
X Feed (Kg)  
Gold Ring (Kg)  
**Total Revenue from Feed**  
Revenue from DOC (PCS)  
**Total**

Feed	Poultry & Hatchery	June 30, 2021	June 30, 2020
2,616,620,293	-	2,616,620,293	2,915,316,392
-	1,056,047,640	1,056,047,640	1,131,774,007
<b>2,616,620,293</b>	<b>1,056,047,640</b>	<b>3,672,667,933</b>	<b>4,047,090,398</b>
Quantity in Kg	Rate/Kg	Value	Value
57,425,082.02	31.05	1,783,048,797	1,984,388,451
26,171,789.53	31.85	833,571,497	930,927,941
<b>83,596,872</b>		<b>2,616,620,293</b>	<b>2,915,316,392</b>
28,652,605	36.86	1,056,047,640	1,131,774,007
		<b>3,672,667,933</b>	<b>4,047,090,398</b>

**22.00 Cost of Goods Sold: Tk.3,131,566,787**  
This is made up as follows:

**Particulars**

Raw Materials (Note-22.01)  
Direct Labor (Notes-22.02)  
Factory Overhead(Notes-22.03)  
**Cost of Production**  
Add: Opening Finished Goods  
**Cost of Goods available for Sale**  
Less: Closing Finished Goods  
**Cost of Goods Sold**

Feed	Poultry & Hatchery	June 30, 2021	June 30, 2020
2,055,342,803	807,732,740	2,863,075,543	3,129,696,501
35,709,951	10,149,981	45,859,932	49,017,022
134,749,965	126,981,151	261,731,116	265,079,724
<b>2,225,802,718</b>	<b>944,863,873</b>	<b>3,170,666,591</b>	<b>3,443,793,246</b>
55,852,306		55,852,306	51,570,804
<b>2,281,655,024</b>	<b>944,863,873</b>	<b>3,226,518,897</b>	<b>3,495,364,050</b>
94,952,110	-	94,952,110	55,852,306
<b>2,186,702,914</b>	<b>944,863,873</b>	<b>3,131,566,787</b>	<b>3,439,511,744</b>

**22.01 Raw Materials : Tk.2,863,075,543**  
This is made up as follows:

**Particulars**

Opening Raw materials  
Add: Purchase during the year  
Add: Carriage Inwards  
  
Less: Closing Raw materials  
**Total:**

Feed	Poultry & Hatchery	June 30, 2021	June 30, 2020
802,579,120	8,596,187	811,175,307	806,355,427
2,668,152,365	807,950,157	3,476,102,522	3,134,390,778
47,815	862,000	909,815	125,603
<b>3,470,779,301</b>	<b>817,408,343</b>	<b>4,288,187,644</b>	<b>3,940,871,808</b>
1,415,436,498	9,675,603	1,425,112,101	811,175,307
<b>2,055,342,803</b>	<b>807,732,740</b>	<b>2,863,075,543</b>	<b>3,129,696,501</b>

**22.02 Direct Labor : Tk.45,859,932**  
This is made up as follows:

**Particulars**

Worker wages  
Casual worker wages  
**Total:**

Feed	Poultry & Hatchery	June 30, 2021	June 30, 2020
30,797,181	7,115,003	37,912,184	40,912,107
4,912,770	3,034,978	7,947,748	8,104,915
<b>35,709,951</b>	<b>10,149,981</b>	<b>45,859,932</b>	<b>49,017,022</b>





**22.03 Factory Overhead: Tk.261,731,116**

This is made up as follows:

Particulars	Feed	Poultry & Hatchery	June 30, 2021	June 30, 2020
Power, light & heat	41,599,009	12,596,474	54,195,483	59,481,346
Repair, maintenance	6,303,678	439,414	6,743,092	5,829,684
Spare parts(Note-22.04)	12,071,623	1,145,610	13,217,233	2,098,563
Factory salaries & allowances	13,983,296	27,928,888	41,912,184	56,491,169
Employer's contribution to PF	495,486	162,144	657,630	578,691
Stationery	172,968	363,138	536,106	728,150
Insurance	736,901	900,808	1,637,710	1,628,395
Telecommunication	100,717	64,693	165,410	238,404
Depreciation on factory assets	36,046,880	15,448,663	51,495,543	55,251,075
Amortization of parent stock	-	60,078,000	60,078,000	66,265,536
Packing materials(Notes-22.05)	13,264,137	2,204,781	15,468,918	4,225,780
Other production overhead	5,524,432	1,772,204	7,296,636	3,498,911
Fuel for vehicles	183,893	83,193	267,087	106,803
Tour & Travelling Expense	135,415	196,580	331,995	546,275
Entertainment Expense	1,705,512	1,575,048	3,280,560	3,588,192
Medical expenses	76,259	38,520	114,779	206,140
Other Factory Supplies	2,349,758	1,982,993	4,332,751	4,316,608
<b>Total:</b>	<b>134,749,965</b>	<b>126,981,151</b>	<b>261,731,116</b>	<b>265,079,724</b>

**22.04 Spare Parts: Tk.13,217,233**

This is made up as follows:

Particulars	Feed	Poultry & Hatchery	June 30, 2021	June 30, 2020
Opening Balance	12,236,902	256,808	12,493,710	12,506,910
Add: Purchased during the year	36,425,602	21,335,395	57,760,997	2,085,363
	<b>48,662,504</b>	<b>21,592,203</b>	<b>70,254,707</b>	<b>14,592,273</b>
Less: Closing inventory	36,590,881	20,446,593	57,037,474	12,493,710
<b>Total:</b>	<b>12,071,623</b>	<b>1,145,610</b>	<b>13,217,233</b>	<b>2,098,563</b>

**22.05 Packing Materials: Tk.15,468,918**

This is made up as follows:

Particulars	Feed	Poultry & Hatchery	June 30, 2021	June 30, 2020
Opening Inventory of packing materials	6,126,910	5,689,700	11,816,610	12,839,108
Add: Purchased during the year	19,301,122	2,367,476	21,668,598	3,203,282
	<b>25,428,032</b>	<b>8,057,176</b>	<b>33,485,208</b>	<b>16,042,390</b>
Less: Closing Inventory of packing materials	12,163,895	5,852,395	18,016,290	11,816,610
<b>Total:</b>	<b>13,264,137</b>	<b>2,204,781</b>	<b>15,468,918</b>	<b>4,225,780</b>

**23.00 Administrative Expenses: Tk.49,566,872**

This is made up as follows:

Particulars	Feed	Poultry & Hatchery	June 30, 2021	June 30, 2020
Salaries & allowances	25,795,171	8,009,658	33,804,829	37,323,787
Employer's contribution to provident fund	394,092	333,234	727,325	630,995
Stationery	32,039	203,694	235,733	209,940
Registration & renewals	1,800	202,936	204,735	219,493
Charity, subscription and renewals	1,731,925	164,052	1,895,977	2,045,034
Business promotional expense	323,800	644,149	967,949	1,051,101
Courier & postage	17,462	65,999	83,461	90,188
Entertainment	39,500	15,526	55,026	60,648
Corporate overhead expenses	6,817,681	1,072,453	7,890,134	8,971,089
Telecommunication	3,933	7,720	11,653	12,654
Fuel for vehicles	517,713	92,313	610,026	675,744
Depreciation expenses	116,512	49,934	166,446	127,832
Travelling expenses	436,471	18,533	455,004	506,158
Maintenance & others	1,485,613	631,557	2,117,170	2,408,922
Audit fees	241,500	-	241,500	172,500
Consultancy & professional expenses	45,584	54,320	99,904	92,482
<b>Total</b>	<b>38,000,795</b>	<b>11,566,077</b>	<b>49,566,872</b>	<b>54,598,566</b>

**24.00 Selling & Distribution Expenses: Tk.128,510,215**

This is made up as follows:

Particulars	Feed	Poultry & Hatchery	June 30, 2021	June 30, 2020
Salaries & allowances	25,002,796	9,249,560	34,252,356	53,268,900
Employer's contribution to provident fund	494,190	216,205	710,395	1,107,139
Fuel for vehicles	150,089	40,741	190,830	210,889
Repair & maintenance	158,626	81,995	240,621	269,260
Transportation expenses	25,202,665	192,021	25,394,686	21,803
Marketing incentives	22,215,364	-	22,215,364	4,181,403
Travelling expenses	2,982,310	236,584	3,218,894	2,365,930
DOC mortality compensation	-	4,625,590	4,625,590	34,280,940
Entertainment expenses	459,100	125,900	585,000	81,131
Marketing promotional expenses	1,183,154	560,201	1,743,355	251,300
Toll & fare expenses	440,779	178,507	619,285	648,418
Telecommunication	37,703	28,800	66,503	72,873
Depreciation expenses	88,323	37,853	126,175	157,719
Depot Load-unload expenses	34,068,277	-	34,068,278	32,651,397
Maintenance & others	291,111	152,630	443,741	155,162
Medical Expenses (S&M)	5,633	3,510	9,143	10,140
<b>Total</b>	<b>112,780,119</b>	<b>15,730,097</b>	<b>128,510,215</b>	<b>129,734,405</b>

**25.00 Other Income: Tk.9,426,886**

This is made up as follows:

Particulars	Feed	Poultry & Hatchery	June 30, 2021	June 30, 2020
Interest on 5 years Sanchaypatra	6,817,000	-	6,817,000	6,817,000
Interest on IPO Proceeds	2,609,886	-	2,609,886	-
<b>Total</b>	<b>9,426,886</b>	<b>-</b>	<b>9,426,886</b>	<b>6,817,000</b>

**26.00 Financial Expenses: Tk.111,191,084**

This is made up as follows:

Particulars	Feed	Poultry & Hatchery	June 30, 2021	June 30, 2020
Interest on term Loan	7,859,924	-	7,859,924	10,794,089
Interest on working capital	90,044,274	9,872,506	99,916,780	120,984,233
Bank service charges	2,732,852	681,528	3,414,380	3,271,406
<b>Total:</b>	<b>100,637,049</b>	<b>10,554,034</b>	<b>111,191,084</b>	<b>135,049,728</b>

**27.00 Current Tax: Tk.34,659,157**

This is made up as follows:

Particulars	Feed	Poultry & Hatchery	June 30, 2021	June 30, 2020
Current tax expense	27,715,813	6,943,343	34,659,157	37,666,676
Current tax for 2014-2015	-	-	-	-
Current tax for 2015-2016	-	-	-	-
Current tax for 2016-2017	-	-	-	-
<b>Total:</b>	<b>27,715,813</b>	<b>6,943,343</b>	<b>34,659,157</b>	<b>37,666,676</b>



	30.06.2021		30.06.2020
	Feed	Poultry & Hatchery	Total
<b>28.00 Deferred Tax : Tk.459,614</b>			
Carrying value on accounts base	566,194,878	242,654,948	808,849,826
Tax Base	293,167,528	125,643,226	418,810,755
<b>Temporary Difference</b>	<b>273,027,350</b>	<b>117,011,721</b>	<b>390,039,071</b>
Tax rate	15%	10%	
<b>Deferred tax Liability(C/B)</b>	<b>40,954,102</b>	<b>11,701,172</b>	<b>52,655,275</b>
Deferred tax Liability(O/B)	40,596,625	11,599,036	52,195,660
<b>Total:</b>	<b>357,478</b>	<b>102,137</b>	<b>459,614</b>
			<b>1,701,207</b>

**29.00 Earnings per Share (EPS): Tk.5.63**

This is made up as follows:

**Particulars**

The computation of EPS is given below:

Earning attributable to the shareholders (net profit after tax)

Number of shares outstanding during the year

**Earnings per Share (EPS)**

232,576,349	264,449,440
41,283,886	39,000,000
<b>5.63</b>	<b>6.78</b>

**30.00 Net assets Value (NAV) per Share : Tk.58**

This is made up as follows:

**Particulars**

The computation of NAV is given below:

Total Asset

Less: Current Liabilities

Less: Non Current Liabilities

**Net assets**

Number of shares outstanding during the year

**Net asset value (NAV) per share**

5,030,829,571	3,245,436,367
2,189,300,982	1,134,075,659
88,226,958	90,635,426
<b>2,753,301,630</b>	<b>2,020,725,282</b>
47,253,649	39,000,000
<b>58.27</b>	<b>51.81</b>

**31.00 Manpower Information: 923**

Manufacturing employees

Workers

Other Employees(Accounts, Marketing, SCM, HR etc.)

**Total**

Feed	Poultry & Hatchery	June 30, 2021	June 30, 2020
187	164	351	355
211	221	432	425
120	20	140	155
<b>518</b>	<b>405</b>	<b>923</b>	<b>935</b>

**32.00 Net Operating Cash Flows per Share :Tk.-16.83**

Net Operating Cash Flows

Number of Shares

(795,210,570)	463,831,406
47,253,649	39,000,000
<b>(16.83)</b>	<b>11.89</b>



**33.00 Key management personnel compensation as per paragraph 17 of IAS 24 "Related Party Disclosures"**

Not paid any Short-term employee benefits;  
Not Paid any post-employment benefits;  
Not Paid any other long term benefits;  
Not Paid any termination benefits; and  
Not paid any share-based payment

**34.00 Disclosure as per paragraph 18 of IAS 24 "Related Party Disclosures"**

- (a) The amount of transaction for remuneration and board meeting fee during the period from 1st July'2019 to 30th June'2020 is nil.
- (b) The amount of transaction for remuneration and board meeting fee during the period from 1st July'2019 to 30th June'2020 is nil.
- i) Their terms and conditions, including whether they are secured and the nature of the consideration to be provided in settlement. There is no terms and condition as no transaction has been occurred.
- ii) Details of any guarantees given or received: There is no guarantee given or received as no transaction has been occurred.
- c) Provisions for doubtful debts related to the amount of outstanding balances: no transaction has been occurred, therefore no provision is required.
- d) The expense recognized during the period in respect of bad or doubtful debts due from related parties: no transaction has been occurred, therefore no expenses has been recognized in respect of doubtful debts.





**35.00 Disclosure as per requirement of Companies Act, 1994**

**Disclosure of Schedule XI, part-II, Para 3 :**

**a) Turnover:**

Particulars	30-Jun-21		
	Feed	DOC	Total
Turnover in BDT.	2,616,620,293	1,056,047,640	3,672,667,933
Turnover in Quantity (Kg/Pcs)	83,596,872	28,652,605	-

**d) (i) Raw Materials Consumed:**

Particulars	30-Jun-21		
	Feed	DOC	Total
Raw Materials (Value in BDT.)	2,055,342,803	807,732,740	3,129,696,501
Raw Materials Quantities (kg/pcs)	86,423,039	33,708,947	-

**(ii) Finished goods**

Particulars	30-Jun-21		
	Feed	DOC	Total
Opening Quantity (Kg/Pcs)	1,758,265	-	1,758,265
Production Quantity during the year (Kg/Pcs)	84,728,469	-	84,728,469
Closing Quantity (Kg/Pcs)	2,889,863	-	2,889,863

**iii) Work-In-Process:**

Particulars	30-Jun-21		
	Feed	DOC	Total
Feed (Kg)	-	-	-
Day Old Chicks (DOC)(Pcs)	-	-	-
Total in BDT	-	-	-

**Disclosure of Schedule XI, Part II, Note 5 of Para 3:**

Employee position of the company for the year June 30, 2021:

Salary (Monthly)	Officer & Staff		Worker	Total Employees
	Factory	Head Office	Factory	
Number of employees whose salary below Tk. 5,500 per month	-	-	-	-
Number of employees whose salary above Tk.5,500 per month	351	140	432	923
<b>Total</b>	<b>351</b>	<b>140</b>	<b>432</b>	<b>923</b>



**Disclosure of Schedule XI, part II, para 4**

Particulars	30-Jun-20
(a) Managerial Remuneration paid or payable during the financial year to the directors, including managing director, a managing agent or manager.	Nil
(b) Expenses reimbursed to the managing agent;	Nil
(c) Commission or other remuneration payable separately to a managing agent or his associate;	Nil
(d) Commission received or receivable by the managing agent or his associate as selling or buying agent of other concerns in respect of contracts entered into by such concerns with the company.;	Nil
(e) The money value of the contracts for the sale or purchase of goods and materials or supply of services, entered into by the company with the managing agent or his associate during the financial year.	Nil
(f) Any other perquisites or benefits in cash or in kind stating, approximate money value where practicable;	Nil
(g) Other allowances and commission including guarantee commission.	Nil
(h) Pensions etc.	
(i) Pensions	Nil
(ii) Gratuities	Nil
(iii) Payments from a provident funds, in excess of own subscription and interest thereon	Nil
(iv) Compensation for loss of office	Nil
(v) Consideration in connection with retirement from office.	Nil

**Disclosure of Schedule XI, Part II, Para 7:**

Particulars	Unit	Actual Capacity Per Annum	Actual Production per annum	Capacity Utilization %
Feed	MT	114,000	84,728	74.32%
Day Old Chicks (DOC)	Pcs	30.00 million	28.65 million	95.50%

**Disclosures of Schedule XI, Part-II, Para 8:**

(a) Value of imports calculated on C.I.F basis by the company during the financial year 2020-2021 in respect of raw materials, component and spare parts and capital goods were as follows:

Particulars	Amount in BDT
Raw Materials	1,911,856,387
Packing Materials	-
Components of Spare parts	-
Capital Goods (capital work in progress)	-

(b) The Company did not have any expenditure in foreign currency during the financial year on account of royalty, know-how, professional consultancy fees, interest and other matters.





(c) Value of both imported and indigenous raw materials, spare parts and consumption thereon were as follows:

Particulars	Raw Materials		Total
	Imported Value in BDT	Indigenous Value in BDT	
Consumption during the year	1,574,691,549	1,288,383,994	2,863,075,543
Percentage of consumption	55.00%	45.00%	100%

Particulars	Spare parts		Total
	Imported Value in BDT	Indigenous Value in BDT	
Consumption during the year	11,895,510	1,321,723	13,217,233
Percentage of consumption	90.00%	10.00%	100%

Particulars	Packing Materials		Total
	Imported Value in BDT	Indigenous Value in BDT	
Consumption during the year	-	15,468,918	15,468,918
Percentage of consumption	-	100%	100%

(d) No amount was remitted during the period in foreign currencies on account of dividend to non-residents shareholders. It is mentioned that the Company does not have any non-resident shareholder.

(e) Earnings in foreign exchange classified under the following heads as follows:

- i) No export made during the year.
- ii) No royalty, know-how, professional and consultation fees were received.
- iii) No Interest and Dividend received.
- iv) No Other income received.



**36.00 Net Cash Provided by Operating Activities:**

	<b>2020-2021</b>	<b>2019-2020</b>	<b>2018-2019</b>
Operating Profit	365,633,945	423,245,683	470,986,690
Depreciation	51,788,165	55,536,627	54,607,151
Amortization	60,078,000	66,265,536	80,852,631
Income tax expenses	(92,720,870)	(11,577,332)	(42,098,248)
	<b>384,779,239</b>	<b>533,470,514</b>	<b>564,348,224</b>
<b>Changes in Working capital:</b>			
(Increase)/Decrease In Inventories	(753,780,039)	(8,065,684)	(425,028,503)
(Increase)/Decrease In Accounts Receivable	(52,055,354)	16,946,504	(99,946,608)
(Increase)/Decrease In Advances, Deposits & Pre-Payments	(363,545,611)	(60,604,186)	(139,607,643)
Increase/(Decrease) In Accounts Payables	(8,927,096)	(16,882,996)	(15,355,611)
Increase/(Decrease) In Provision for expenses	(1,681,709)	(1,032,746)	(1,030,976)
	<b>(1,179,989,809)</b>	<b>(69,639,107)</b>	<b>(680,969,342)</b>
<b>Net Cash Provided by Operating Activities</b>	<b>(795,210,570)</b>	<b>463,831,406</b>	<b>(116,621,118)</b>
<b>No of Share</b>	<b>47,253,649</b>	<b>39,000,000</b>	<b>39,000,000</b>
<b>Net Operating Cash Flows Per Share</b>	<b>(16.83)</b>	<b>11.89</b>	<b>(2.99)</b>





**37.00 Event after the Reporting Period:**

**37.01 Recommendation for Dividend:**

Considering the present business scenario and cash situation of the Company, the Board unanimously recommended cash dividend @25% (Twenty Five Percent) for general public shareholders (Post IPO Shares) other than Sponsors/Directors/Pre IPO Shareholders for the year ended June 30, 2021. The general public shareholders (Post IPO Shares) holds 8,253,649 shares out of total 47,253,649 shares of the Company. The Board did not recommend any stock dividend due to restriction under the Notification No. BSEC/CMRRCD/2009-193/23/Admin/123 dated June 30, 2021 issued by Bangladesh Securities and Exchange Commission.

**37.02 Payment of loan from IPO Proceeds:**

As per Board of Directors Meeting held on dated 07 October 2021, the Board of Director has also decided to repay the partial short term loan of Taka 354,932,100 from the IPO proceeds which was declared in IPO prospectus for acquisition of Machinery & Equipment and Building & Civil Construction subject to approval by the shareholders in Annual General Meeting (AGM) and as well as the Bangladesh Securities and Exchange Commission. The reason for repay the loan from IPO proceeds is that the Company applied for the Initial Public Offering (IPO) 27 October 2016 and got consent from Bangladesh Securities and Exchange Commission on 20 January 2021. To complete the entire process of IPO, it took more than 4 years from the date of application. In the mean time for the business interest and ensuring highest rate of return and maximize the wealth of the shareholders, the Company setup those machineries and equipments fully and partially building & Civil construction from own sources and taken loan from banks during IPO work in progress which was declared in IPO prospectus for acquisition from IPO proceeds.

**37.03** The Board of Directors authorized the Financial Statements for issue on October 07, 2021.

**37.04** Except above, no other significant event occurred till the date of signing the financial statements.



**Index Agro Industries Ltd.**  
**Schedule of Property, Plant and Equipment**  
As at June 30, 2021

Annexure-A

Particulars	Cost			Rate of Dep.	Depreciation		Written down value as on June 30, 2021	
	As on July 01, 2020	Addition during the year	As on June 30, 2021		As on July 01, 2020	Charged during the year		As on June 30, 2021
Land & land development	182,565,931	-	182,565,931	0%	-	-	182,565,931	
Land development	25,590,000	-	25,590,000	5%	4,746,785	5,788,946	19,801,054	
Building & Civil construction	392,038,094	10,677,322	402,715,416	5%	129,476,661	142,999,061	259,716,354	
Poultry keeping equipment	53,488,257	-	53,488,257	10%	28,138,434	30,673,416	22,814,841	
Feed mill plant & machineries	367,682,537	5,590,524	373,273,061	10%	165,792,555	20,551,211	186,343,766	
Factory equipment & appliances	15,991,855	165,600	16,157,455	10%	8,191,021	796,653	7,169,781	
Silo unit	116,749,840	-	116,749,840	10%	43,337,215	7,341,262	50,678,478	
Sealing & measuring equipment	5,159,392	-	5,159,392	10%	3,330,235	182,916	3,513,151	
Generator	47,311,083	-	47,311,083	10%	23,635,317	2,367,577	26,002,894	
Computer & automated system (F)	1,356,313	205,000	1,561,313	20%	937,144	114,584	509,585	
Computer & automated system (H/O)	1,532,297	627,100	2,159,397	20%	1,020,968	166,446	1,187,414	
Furniture	3,965,669	555,600	4,521,269	20%	3,353,550	345,764	3,699,313	
Cover van & pickup	14,665,794	-	14,665,794	20%	10,785,572	776,044	11,561,616	
Exhaust fan	182,264	356,900	539,164	20%	110,425	32,213	142,638	
Motor bike	1,246,146	-	1,246,146	20%	1,009,794	47,270	1,057,064	
Electric Fan & Pump	449,506	-	449,506	20%	235,892	42,723	278,615	
Leased Assets	3,753,800	-	3,753,800	20%	3,122,923	126,175	3,249,098	
<b>Sub Total Asset as at 30-06-2021</b>	<b>1,233,728,777</b>	<b>18,178,046</b>	<b>1,251,906,823</b>		<b>427,224,490</b>	<b>47,214,872</b>	<b>774,691,951</b>	
<b>Sub Total Asset as at 30-06-2020</b>	<b>1,231,092,867</b>	<b>2,635,910</b>	<b>1,233,728,777</b>	-	<b>373,580,266</b>	<b>53,644,224</b>	<b>806,504,287</b>	

Based on Revaluation

Building & Civil construction	57,168,989	-	57,168,989	5%	21,213,331	1,797,783	23,011,114	34,157,875
<b>Sub Total Asset as at 30-06-2021</b>	<b>57,168,989</b>	<b>-</b>	<b>57,168,989</b>	-	<b>21,213,331</b>	<b>1,797,783</b>	<b>23,011,114</b>	<b>34,157,875</b>
<b>Sub Total Asset as at 30-06-2020</b>	<b>57,168,989</b>	<b>-</b>	<b>57,168,989</b>	-	<b>19,320,928</b>	<b>1,892,403</b>	<b>21,213,331</b>	<b>35,955,658</b>
<b>Gross Total Asset as at 30-06-2021</b>	<b>1,290,897,766</b>	<b>18,178,046</b>	<b>1,309,075,812</b>	-	<b>448,437,821</b>	<b>51,788,165</b>	<b>500,225,986</b>	<b>808,849,826</b>
<b>Gross Total Asset as at 30-06-2020</b>	<b>1,288,261,856</b>	<b>2,635,910</b>	<b>1,290,897,766</b>	-	<b>392,901,194</b>	<b>55,536,627</b>	<b>448,437,821</b>	<b>842,459,945</b>

Allocation of depreciation:

Manufacturing overhead	51,495,543	55,251,075
Administrative	166,446	127,832
Selling & distribution OH	126,175	157,719
<b>Total</b>	<b>51,788,165</b>	<b>55,536,627</b>

