

# ***PRIVATE AND CONFIDENTIAL***

## **Index Agro Industries Limited**

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**Financial Statement & Auditor's Report  
For the year ended June 30, 2023.**



**G. KIBRIA & CO.**  
CHARTERED ACCOUNTANTS

**Head Office:**

**SADHARAN BIMA SADAN (5TH FLOOR)  
24-25, DILKUSHA COMMERCIAL AREA,  
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**INDEPENDENT AUDITORS' 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 (the Company), which comprise the Statement of Financial Position as at 30 June 2023, the Statement of Profit or Loss and Other Comprehensive Income, Statement of Changes in Equity and Statement of Cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion, except for the effects of the matters described in the Basis for Opinion section of our report, the accompanying financial statements give true and fair view, in all material respects, of the financial position of the Company as at 30 June 2023, and of 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 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 is sufficient and appropriate to provide a basis for our opinion.

**Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in the audit of the financial statements for the year ended 30 June 2023. These matters were addressed in the context of the audit of the financial statements as a whole and in forming the auditors' opinion thereon and we do not provide a separate opinion on these matters.

Risk	Revenue Recognition
<p><b>Sales Revenue</b></p> <p>The Company has reported total Turnover of Tk.4,191,025,405/- for the year ended 30 June 2023.</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 the key controls focusing on the following:</p> <p>Obtaining an understanding of and assessing the design and operating effectiveness of control 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 standard, 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>





Valuation of Inventory	
<p>The closing inventories of Tk. 2,822,411,705/- as at 30 June 2023 was reported by the Company in the financial statements.</p> <p>The company applies judgment in determining the appropriate values of inventory in accordance with international Accounting Standards.</p> <p>Considering to attending physical verification of inventory management process, Inventory management is a key audit matter to the Financial Statement.</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> <p>Evaluating the design and implementation of primary inventory controls operated across the factory warehouse.</p> <p>We have physically count inventory and relevant certification of inventories which indicates inventory items were maintained in good condition and maintaining all compliances.</p> <p>Reviewing the historical accuracy of inventory provisioning, and the level of inventory write-offs during the year;</p>

Valuation of Property, Plant and Equipment (PPE)	
<p>The carrying value of the PPE is Tk.1,399,705,904/- as at June 30, 2023. The valuation of Freehold PPE was identified as a key audit matter due 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> <p>We assessed whether the accounting policies in relation to the capitalization of expenditures are in compliance with IFRS and found them to be consistent;</p> <p>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;</p> <p>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.</p> <p>We evaluate 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.</p> <p>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.</p>

Long-term and Short-term loans including lease obligations	
<p>The Company reported long-term loans of Tk.517,777,051/- (Tk.500,000,000/- + Tk. 17,777,051/-) and short-term loans of Tk. 2,565,899,746/- as at 30 June 2023 in the statement of financial position. The company borrowed fund from various Bank for the purpose of acquisition of non-current assets and working capital as well.</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 the proper use of loan.</p> <p>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.</p> <p>We checked the financial expenses and classification of loan and repayment schedule on a test basis as well.</p> <p>We checked the recording date of transactions and found the recording date is in line with the loan disbursement date.</p>





Recoverability Assessment of Trade Receivable	
<p>The total amount of Trade Receivable is Tk.812,716,282/- as at June 30, 2023. There are significant large number of individual small customers. Customers in different business segment 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 procedure to assess the recoverability of trade receivables including the following:</p> <p>Tested the accuracy of aging of debtors at year end of a sample basis;</p> <p>Evaluating the Company's policy for making allowance for doubtful debts with reference to the requirements of the prevailing accounting standards.</p> <p>We collect the balance confirmation from the Intercompany.</p> <p>Assessing the classification of trade receivables in the debtors ageing report by comparison with sales invoice and other underlying documentation on a taste basis.</p> <p>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</p> <p>Inspecting subsequent bank receipts from customers and other relevant underlying documentation relating to trade receivable balances at June 30, 2023.</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 Statement, 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.

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRSs, the 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.

#### Auditors' 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



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

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

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

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

#### **Report on Other Legal and Regulatory Requirements**

In accordance with the Companies Act 1994 and the Securities and Exchange Rules 1987, we also report the following:

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

Place: Dhaka

Date: 25 October, 2023

Ref.: GKC/23-24/A/130



*G. Kibria & Co*

**Mohammad Showket Akber, FCA**

Partner

FRC Enrol. No. CA-001-154

ICAB Enrol. No. 970

**G. KIBRIA & CO**

Chartered Accountants

DVC: 2310250970 AS 259069

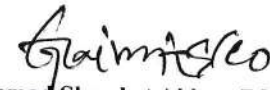
**Index Agro Industries Ltd.**  
**Statement of Financial Position**  
As at June 30, 2023

Particulars	Notes	Amount in Taka	Amount in Taka
		30-Jun-23	30-Jun-22
<b>Assets:</b>			
<b>Non-Current Assets</b>			
Property, Plant and Equipment		2,013,389,865	1,235,254,081
Capital Work in Progress	4.00	1,399,705,904	796,517,744
Parent Stocks	5.00	-	-
	6.00	613,683,961	438,736,337
<b>Long Term Investments</b>			
Govt. Savings Certificate Investments	7.00	588,999,471	772,060,611
	8.00	81,513,587	107,769,242
	8.00	507,485,883	664,291,369
<b>Current Assets</b>			
Inventories		4,603,215,507	3,921,614,656
Trade Receivables	9.00	2,822,411,705	2,444,767,210
Advances, Deposits and Pre-Payments	10.00	812,716,282	625,541,382
Cash and Cash Equivalents	11.00	747,386,179	602,608,591
	12.00	220,701,341	248,697,473
<b>Total Assets</b>		<b>7,205,604,843</b>	<b>5,928,929,348</b>
<b>Equity &amp; Liabilities</b>			
<b>Shareholders Equity</b>			
Share Capital		3,638,305,842	2,973,518,214
Share Premium	13.00	472,536,490	472,536,490
Retained Earnings		417,463,510	417,463,510
Revaluation Reserve	14.00	2,251,569,959	2,050,555,865
	15.00	496,735,883	32,962,349
<b>Non-Current Liabilities</b>			
Long Term Loan		564,573,422	276,221,981
Deferred Tax Liabilities	16.00	500,000,000	217,777,051
	29.00	64,573,422	58,444,931
<b>Current Liabilities</b>			
Current Portion of Long Term Loan		3,002,725,579	2,679,189,153
Short Term Loan	17.00	17,777,051	17,794,633
Accounts payables	18.00	2,565,899,746	2,344,957,555
Provision for expenses	19.00	40,523,471	40,682,960
Unclaimed Dividend	20.00	378,078,195	275,420,313
		447,116	333,692
<b>Total Equity and Liabilities</b>		<b>7,205,604,843</b>	<b>5,928,929,348</b>
<b>Net assets value (NAV) per share</b>	31.00	<b>77.00</b>	<b>62.93</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.



**Mohammad Showket Akber, FCA**  
Partner  
FRC Enrol.no.CA-001-154  
ICAB Enrol.no.970  
**G.KIBRIA & CO.**  
Chartered Accountants

Place: Dhaka  
Dated: 25.10.2023  
Ref.:GKC/23-24/A/130






**Index Agro Industries Ltd.**  
**Statement of Profit or Loss and Other Comprehensive Income**  
**For the year ended June 30, 2023**

Particulars	Notes	Amount in Taka			
		Feed	Poultry & Hatchery	2022-2023	2021-2022
Revenue	21.00	3,075,891,480	1,115,133,925	4,191,025,405	4,154,327,729
Less: Cost of Goods Sold	22.00	2,509,579,356	949,894,738	3,459,474,093	3,579,132,497
<b>Gross Profit</b>		<b>566,312,125</b>	<b>165,239,187</b>	<b>731,551,312</b>	<b>575,195,232</b>
<b>Less: Operating Expenses</b>		<b>161,241,945</b>	<b>25,611,906</b>	<b>186,853,851</b>	<b>179,662,071</b>
Administrative expenses	23.00	48,709,420	12,170,285	60,879,706	68,316,776
Selling and Distribution expenses	24.00	112,532,525	13,441,621	125,974,145	111,345,295
<b>Operating Profit</b>		<b>405,070,180</b>	<b>139,627,281</b>	<b>544,697,461</b>	<b>395,533,161</b>
<b>Non-Operating Income/Expenses</b>					
Add: Other Income	25.00	34,972,023	-	34,972,023	30,150,361
Less: Foreign Exchange Rate Fluctuation Loss	26.00	69,134,809	13,980,314	83,115,123	-
Less: Financial expenses	27.00	141,785,381	61,324,860	203,110,241	143,309,210
<b>Net Profit before WPPF and Tax</b>		<b>229,122,013</b>	<b>64,322,107</b>	<b>293,444,120</b>	<b>282,374,312</b>
Contribution to WPPF	20.02	10,910,572	3,062,957	13,973,530	13,446,396
<b>Operating Profit before Tax</b>		<b>218,211,441</b>	<b>61,259,149</b>	<b>279,470,590</b>	<b>268,927,916</b>
Share of Profit from Associate		10,580,027		10,580,027	19,883,374
<b>Net Profit before Tax</b>		<b>228,791,468</b>	<b>61,259,149</b>	<b>290,050,618</b>	<b>288,811,290</b>
Income Tax Expenses		34,439,646	8,965,728	43,405,374	48,216,768
Current Tax	28.00	36,624,378	9,902,041	46,526,419	42,170,928
Deferred Tax	29.00	(2,184,732)	(936,314)	(3,121,046)	6,045,840
<b>Net Profit/(Loss) after Tax</b>		<b>194,351,822</b>	<b>52,293,422</b>	<b>246,645,244</b>	<b>240,594,522</b>
<b>Other Comprehensive Income</b>					
Revaluation Surplus (Net of Tax)	15.00	325,606,861	139,545,797	465,152,658	-
<b>Total Comprehensive Income</b>		<b>519,958,683</b>	<b>191,839,219</b>	<b>711,797,902</b>	<b>240,594,522</b>
<b>Earnings per Share</b>	30.00			<b>5.22</b>	<b>5.09</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.

  
**Mohammad Showket Akber, FCA**  
 Partner  
 FRC Enrol.no.CA-001-154  
 ICAB Enrol.no.970  
**G.KIBRIA & CO.**  
 Chartered Accountants

Place: Dhaka  
Dated: 25/10/2023  
Ref.:GKC/23-24/A/130



**Index Agro Industries Limited**  
**Statement of Changes in Equity**  
For the year ended June 30, 2023

Particulars	Amount in Taka				Total Amount
	Share capital	Retained Earnings	Revaluation Reserve	Share Premium	
Balance as at 1 July 2022	472,536,490	2,050,555,865	32,962,350	417,463,510	2,973,518,215
Net Profit/(Loss) after Tax	-	246,645,244	-	-	246,645,244
Land & Land Development Revaluation	-	-	474,645,570	-	474,645,570
Tax on Revaluation Surplus - Land & Land Development	-	-	(9,492,911)	-	(9,492,911)
Adjustment for Depreciation on Revalued Assets	-	1,622,499	(1,622,499)	-	-
Adjustment for Deferred Tax on Revalued Assets	-	-	243,375	-	243,375
Ordinary Share Issue	-	-	-	-	-
Share Premium	-	-	-	-	-
Cash Dividend	-	(47,253,649)	-	-	(47,253,649)
<b>Balance as at June 30, 2023</b>	<b>472,536,490</b>	<b>2,251,569,959</b>	<b>496,735,884</b>	<b>417,463,510</b>	<b>3,638,305,843</b>

**Index Agro Industries Limited**  
**Statement of Changes in Equity**  
For the year ended June 30, 2022

Particulars	Amount in Taka				Total Amount
	Share capital	Retained Earnings	Revaluation Reserve	Share Premium	
Balance as at 1 July 2021	472,536,490	1,829,143,755	34,157,875	417,463,510	2,753,301,630
Net Profit/(Loss) after Tax	-	240,594,522	-	-	240,594,522
Adjustment for Depreciation on Revalued Assets	-	1,451,710	(1,451,710)	-	-
Adjustment for Deferred Tax on Revalued Assets	-	-	256,184	-	256,184
Ordinary Share Issue	-	-	-	-	-
Share Premium	-	-	-	-	-
Cash Dividend	-	(20,634,123)	-	-	(20,634,123)
<b>Balance as at June 30, 2022</b>	<b>472,536,490</b>	<b>2,050,555,865</b>	<b>32,962,350</b>	<b>417,463,510</b>	<b>2,973,518,214</b>

  
Chairman

  
Managing Director

  
Director

  
Company Secretary

  
Chief Financial Officer





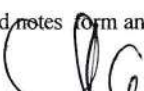
**Index Agro Industries Ltd.**  
**Statement of Cash Flows**  
For the year ended 30 June 2023

Particulars	Amounts in Taka	
	30 June 2023	30 June 2022
<b>Cash Flows from Operating Activities:</b>		
Cash received from Turnover	4,003,850,505	4,186,422,501
Cash paid to Suppliers	(3,624,368,724)	(3,859,185,559)
Cash paid to employees	(155,054,767)	(159,295,816)
Cash paid to others	(206,580,991)	(197,721,734)
Income Tax paid	(55,541,340)	(35,749,564)
Paid to Workers Profit Participation Fund	(20,414,860)	(2,952,978)
<b>Net Cash provided by Operating Activities: (A)</b>	<b>(58,110,178)</b>	<b>(68,483,150)</b>
<b>Cash Flows from Investing Activities:</b>		
Purchase of Property, Plant and Equipment	(178,918,546)	(36,637,421)
Proceeds from Initial Public Offering	-	-
Dividend Received from X- Ceramics Limited	4,830,000	-
Interest Received from FDR, Saving Certificate and IPO account	14,775,912	2,292,333
Purchase of Parent stock	(249,075,266)	(287,682,220)
(Investment )/Encashment of Saving Certificate	23,025,072	-
(Investment )/Encashment FDR	177,804,910	(100,000,000)
<b>Net Cash used by Investing Activities: (B)</b>	<b>(207,557,918)</b>	<b>(422,027,308)</b>
<b>Cash Flows from Financing Activities:</b>		
Net proceeds/(payment) - Long Term Loan	282,205,367	183,731,463
Net Proceeds/(payment) - Short Term Loan	220,942,191	446,407,046
Cash Dividend Paid	(47,129,234)	(20,300,431)
Foreign Exchange Rate Fluctuation Loss (Realized)	(83,115,123)	-
Financial expenses	(143,590,031)	(159,133,681)
<b>Net Cash generated from Financing Activities: (C)</b>	<b>229,313,170</b>	<b>450,704,397</b>
<b>Net Cash inflow/ outflow( A+B+C)</b>	<b>(36,354,926)</b>	<b>(39,806,061)</b>
Net Effect of Foreign Exchange Fluctuations on Cash and Cash Equivalent	8,358,794	-
Cash and Cash equivalents at the beginning of the year	248,697,472	288,503,534
<b>Cash and Cash equivalents at the end of the year</b>	<b>220,701,341</b>	<b>248,697,472</b>
Net Operating Cash Flows Per Share	33 <u>(1.23)</u>	<u>(1.45)</u>

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

  
Chairman

  
Managing Director

  
Director

  
Company Secretary

  
Chief Financial Officer

Place: Dhaka  
Dated: 25.10.2023  
Ref.:GKC/23-24/A/130



**Index Agro Industries Limited**  
**Notes to the Financial Statements**  
for the year ended June 30, 2023

**1. Reporting entity:**

**1.01 Background of the company**

Index Agro Industries Limited was incorporated in Bangladesh on 13 September 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 31.03.2015.

The registered office of the Company is situated at MF Tower, Plot:GA-95/C, Pragati Sarani, Gulshan-1 Link Road, Dhaka-1212.

The factory office of the company is situated at 601/01, Block: N, Dhaka Mymensingh Road, Kathali, 09 no. Ward, Valuka for producing Poultry 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).

**2.0 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

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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 integar.

**2.06 Reporting period**

The reporting period of the Company covers the month from July 01, 2022 to June 30, 2023.

**2.07 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.

**2.08 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) Significant accounting Policy and Other explanatory Notes and relevant information.

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## 2.09 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".

#### c) Subsequent Cost

The cost of replacing part of an item of property, plant and equipment 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. KaziZahir & Co., Chartered Accountants has revalued the assets of the company as of 15.06.2011, following "current cost method". Such revaluation resulted in a valuation surplus aggregating of Tk. 57,168,989.

The prices of Land & Land Development 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. Mahfel Huq & Co, Chartered Accountants has revalued the assets of the company as of 01.06.2023, following "Fair market value method". Such revaluation resulted in a valuation surplus aggregating of Tk 474,645,569.

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**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. Deprecation 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 7-month period of time. Later total unallocated revenue expenditures have been amortized on the basis of productivity, i.e. 180 eggs in 7-month. 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, 2023 (in %)	As at 30 June, 2022 (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.

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

A machinery has been purchased in this year. As the installation work completed and started its operation within this year the, the machinery is trasfererd 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/ transfer to respective account heads such as property, plant and equipment, inventory or expenses.

**3.03 Cash & Cash Equivalentents**

Cash and Cash equivalentents 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 08 August 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.

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### 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 – 157/2022, 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 next 1 million taka	10%
On remaining income	15%

Tax on other income has been charged as per Finance Act, 2023.

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

Up-to assessment year 2021-2022, tax assessments have been completed and for the assessment year 2022-2023 assessments is under process.

#### 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 balance sheet 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 (or as) 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.

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### 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. A portion of the fund is transferred to WPPF account.

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### 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, 2022 and 2023.

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.

### 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, 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.

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### 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 2022-2023.

### 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).
- 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

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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.

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Notes	Particulars	Amount in BDT.	
		June 30, 2023	June 30, 2022

**4.00 Property, Plant and Equipment:**

This is made up as follows:

Opening balance at Cost	1,288,544,244	1,251,906,823
Add: Addition during the year	178,918,546	36,637,421
Add: Assets revaluation surplus	531,814,559	57,168,989

Less: Disposal during the year

<b>Closing balance</b>	<b>1,999,277,349</b>	<b>1,345,713,233</b>
Accumulated Depreciation	(549,195,489)	(500,225,986)
Add: Adjustment for depreciation of Revalued Asset	-	-
Add: Adjustment against depreciation on Building	-	-
Depreciation charged during the year	(50,375,956)	(48,969,503)
<b>Written Down Value</b>	<b>1,399,705,904</b>	<b>796,517,744</b>

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

**5.00 Capital Work in Progress:**

This is made up as follows:

**Particulars**

Opening balance	-	-
Add : Adjustment for advance	-	-
Transfer during the year	-	-
<b>Closing balance</b>	<b>-</b>	<b>-</b>

**6.00 Parent Stock:**

This is made up as follows:

**Particulars**

Opening balance	438,736,337	228,577,273
Add: Addition during the year	249,075,266	287,682,220
<b>Total</b>	<b>687,811,603</b>	<b>516,259,493</b>
Amortized during the year	(74,127,642)	(77,523,156)
<b>Closing balance</b>	<b>613,683,961</b>	<b>438,736,337</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	-	-	-	8,525,500
Rashik GP Ltd	38,934	250.00	9,733,500	3,160,500
Kazi Farms Limited	-	-	-	7,116,480
Rashik GP Ltd	-	-	-	4,695,496
Institute De-Selection	-	-	-	2,758,800
Hendrix Genetics	47,099	746.98	35,182,213	-
<b>Total</b>	<b>86,033</b>	<b>522.08</b>	<b>44,915,713</b>	<b>26,256,776</b>

**7.00 Govt. Savings Certificate :**

This is made up as follows:

**Particulars**

Opening balance	107,769,242	100,455,958
Less: Prior year adjustment	-	-
Add: Savings certificate during the year	-	-
Less: Disposal	(23,025,072)	-
Add: Accrued Interest/(provision adjustment)	(3,230,582)	7,313,284
<b>Closing balance</b>	<b>81,513,587</b>	<b>107,769,242</b>





**8.00 Investment:**

This is made up as follows:

**Particulars**

Investment in X- Ceramics Limited	96,600,000	96,600,000
Accumulated Share of Profit from Associate up to prior year	161,190,990	141,307,616
Add: Addition during the year for Share of Profit from Associate	10,580,027	19,883,374
Dividend Received from X- Ceramics Limited	(4,830,000)	-
Investment in FDR	243,944,866	406,500,379
<b>Closing balance</b>	<b>507,485,883</b>	<b>664,291,369</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 declared 5% cash dividend of paid up capital at its 14 th AGM held on January 30, 2023.

**9.00 Inventories:**

This is made up as follows:

**Particulars**

Raw material	Notes-09.01	2,645,598,623	2,268,292,328
Finished goods	Notes-09.02	97,497,723	97,254,587
Spare parts	Notes-09.03	63,170,587	63,094,873
Packing materials	Notes-09.04	16,144,773	16,125,422
<b>Total:</b>		<b>2,822,411,705</b>	<b>2,444,767,210</b>

**9.01 Raw Material:**

Particulars	30.06.2023			June 30, 2022
	Qty	Rate/kg	Amount (Tk.)	Amount (Tk.)
Base Materials	60,821,459	35.20	2,140,915,343	1,838,204,028
Additives	3,130,145	55.52	173,785,672	149,213,524
Vitamin Mineral Premix	432,595	375.25	162,331,359	139,378,775
Amino Acid	177,252	305.25	54,106,259	46,455,990
Anti-Coccidial Drug	33,309	475.25	15,830,254	13,591,961
Enzyme	26,604	550.45	14,643,982	12,573,419
Mould Inhibitor	42,194	232.87	9,825,816	8,436,510
Toxin Binder	117,786	450.5	53,062,562	45,559,865
<b>Total RM for Feed</b>	<b>64,781,345</b>	<b>40.51</b>	<b>2,624,501,245</b>	<b>2,253,414,072</b>
Hatchable Eggs	767,177	27.5	21,097,377	14,878,256
<b>Total</b>	<b>65,548,522</b>		<b>2,645,598,623</b>	<b>2,268,292,328</b>

**9.02 Finished Goods:**

Name of Finished Goods	Qty in Kg	Rate/Kg	Amount (TK.)	Amount (TK.)
<b>Fish Feeds</b>				
Sinking Fish Feed	105,695	42.50	4,492,058	4,480,856
Floating Fish Feed	373,215	45.02	16,802,148	16,760,248
<b>Poultry Feeds</b>				
Broiler Feeds	824,790	45.20	37,280,523	37,187,554
Layer Feeds	809,897	43.25	35,028,025	34,940,673
Sonali Feeds	82,433	47.25	3,894,970	3,885,257
<b>Total</b>	<b>2,196,031</b>		<b>97,497,723</b>	<b>97,254,587</b>

**9.03 Spare Parts:**

Spare Parts	30.06.2023			June 30, 2022
	Quantity	Rate	Amount (Tk.)	Amount (Tk.)
Imported	9,004	1,235.25	11,122,636	11,109,305
Local	109,517	475.25	52,047,951	51,985,568
<b>Grand Total</b>	<b>118,521</b>		<b>63,170,587</b>	<b>63,094,873</b>



9.04 Packing Materials:

Name of Packing Materials			Amount (Tk)	
	Qty in Pcs	Rate/Pcs	Amount (Tk)	Amount (Tk)
<b>X-FEED</b>				
EnPro Booster	197,303	25.75	5,080,550	5,852,348
Broiler	22,442	24.25	544,222	626,896
Sonali	20,013	26.45	529,354	609,770
Layer	26,451	25.25	667,880	769,340
Breeder	22,007	27.25	599,683	690,783
Fish (Singking)	28,464	22.25	633,315	729,524
Floating (Oil Coated)	13,861	23.54	326,287	375,853
Floating (Non-Oil Coated)	22,266	22.50	500,984	577,090
Floating (old Bag)	24,221	23.50	569,185	655,651
<b>Sub Total</b>	<b>377,027</b>		<b>9,451,462</b>	<b>10,887,255</b>
<b>DOC</b>				
<b>Chicks box</b>	189,344	35.35	6,693,310	5,238,167
<b>Sub Total</b>	<b>189,344</b>		<b>6,693,310</b>	<b>5,238,167</b>
<b>Grand Total</b>	<b>566,371</b>		<b>16,144,773</b>	<b>16,125,422</b>

10.00 Trade Receivable:

This is made up as follows:

**Particulars**

Trade Receivables

812,716,282

625,541,382

**Total:**

**812,716,282**

**625,541,382**

**Ageing of Accounts Receivables:**

Dues over 180 days

89,671,789

12,383,165

Dues 91-180 days

68,304,392

-

Dues 61-90 days

58,414,330

158,902,371

Dues 31-60 Days

181,376,414

-

Dues 0-30 Days

414,949,358

454,255,845

**Total**

**812,716,282**

**625,541,382**

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;	812,716,282	625,541,382
(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>812,716,282</b>	<b>625,541,382</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. No amount was due by the Directors (including Managing Director) or any other official of the company.





**11.00 Advances, Deposits and Pre-payments:**

This is made up as follows:

**Particulars**

Advance to employees  
Advance to suppliers and others  
Advance Income Tax (Note-11.01)  
L/C Margin for goods  
Bank guarantee Margin  
L/C Margin for Capital Machinery  
**Total:**

10,947,354	10,606,873
540,849,719	451,953,952
195,589,106	140,047,766
-	-
-	-
-	-
<b>747,386,179</b>	<b>602,608,591</b>

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

**11.01 Advance Income Tax:**

This is made up as follows:

Opening Balance  
Addition during the year  
Addition for previous years  
Addition for Previous years  
Addition for Previous years  
Addition for 2015-2016  
Addition for 2014-2015  
  
Less : Adjustment  
Less : Adjustment for prior years  
**Closing Balance**

140,047,766	104,298,202
55,541,340	35,749,564
-	-
-	-
-	-
-	-
<b>195,589,106</b>	<b>140,047,766</b>
-	-
-	-
<b>195,589,106</b>	<b>140,047,766</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.
- Total**

747,386,179	602,608,591
-	-
-	-
-	-
-	-
-	-
-	-
<b>747,386,179</b>	<b>602,608,591</b>

**12.00 Cash and Cash Equivalents:**

This is made up as follows:

**Particulars**

Cash in Hand  
Cash at Bank

Notes-12.01

**Total:**

37,114,543	36,195,185
183,586,797	212,502,287
<b>220,701,341</b>	<b>248,697,473</b>



**12.01 Cash at Bank:**

This is made up as follows:

**Particulars**

Bank Asia, A/c No. 00733005001	3,218	453,614
Trust Bank-70230212000377	76,371	2,167,337
Mutual Trust Bank Ltd., Monipur Bazar, Gazipur, # 31595	6,179	7,421
Islami Bank BD Ltd. Index Agro Dividend Bank Acc,# 258412	679,038	687,999
Islami Bank BD Ltd. Index Agro Dividend Bank Acc,# 23006	551,928	-
Prime Bank Ltd., Mohakhali branch, # 11011080000098	7,539,562	3,848,107
Agrani Bank, Mohakhali branch, A/C no. 0200002359612	1,307,222	7,773,982
United Commercial Bank, Gulshan branch, # 22813	791,127	370,194
HSBC, A/C No. 001-211192-012	-	-
Islami Bank BD. Ltd., Gulshan br.# 2050177090005217	19,344,394	21,568,828
National Bank Ltd. Bhaluka branch, A/C No. 33012821	4,187,708	586,989
National Bank Ltd. Banani branch, # 0010633004722	2,650,180	9,792,331
National Bank Ltd. A/C No. 33007854	-	-
Bangladesh Krishi Bank, A/C No. 200006084	193,915	1,796,858
Sonali Bank Ltd. A/C No. 11633003631	648,277	1,904,183
Shahjalal Islami Bank Ltd. Gulsan branch,#11100009871	808,071	1,455,314
Brac Bank Limited, A/C No. 1526102452838001	951,644	1,287,979
Brac Bank Limited, A/C No. 1526202135581001	1,181,661	1,466,854
Rupali Bank Ltd., Gulshan branch, A/C No. 200011942	4,062,113	3,433,526
Trust Bank, A/C No. 0052-0210000334	142,918	2,477,014
Islami Bank BD. Ltd., A/C No. 20501770100374704	3,981,039	5,185,736
Bangladesh Krishi Bank, A/c No. 41160320000274	2,366,535	1,058,509
National Bank Ltd., Banani branch, # 0106-36000603	105,472	48,863
Prime Bank Ltd., A/C No. 11031090019930	74,745	1,255,697
Basic Bank Limited, Gulsan branch, # 2110-01-0005852	-	-
National Bank Ltd., A/C No.33009267	6,122	443,005
BDBL, Karwan bazar br Bank A/C No. 200003063	-	-
Janata Bank Ltd., Rajarbagh branch # 031933008436	1,073,812	1,077,962
Pubali Bank Ltd., A/C No.056590127061	9,044,449	3,562,247
Sonali Bank Ltd., A/C No. 11636000361	1,909,390	1,554,100
Social Islami Bank Limited- 0161330012378	1,690	2,153
Islami Bank (BD) Ltd.- 20502130100209004	1,137,477	22,983,599
Exim Bank Ltd. A/C # 00713100612843	-	-
Prime Bank Ltd., Mohakhali branch # 11811090039101	21,318,602	26,663,694
Mercantile Bank Limited-112911120717974	198,771	1,807,934
Standard Chartered Bank Limited-01118494101	24,410,592	33,211
Islami Bank (BD) Ltd. - 20502131100032807 (FC A/C - USD)	57,225,992	48,873,082
Islami Bank (BD) Ltd. - 20502131100033000 (FC A/C - GBP)	11,757	10,178
Islami Bank (BD) Ltd. - 20502131100032908 (FC A/C - EUR)	34,501	30,195
Islami Bank (BD) Ltd.- 20502130900016109 ( BDT A/C)	15,560,326	36,833,591
<b>Total:</b>	<b>183,586,797</b>	<b>212,502,287</b>

**13.00 Share Capital:**

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	390,000,000	390,000,000
82,53,649 ordinary shares @ Tk.10/ each	82,536,490	82,536,490
Share Premium 82,53,649 sahares @ Tk. 50.579/ each	417,463,510	417,463,510
<b>Total:</b>	<b>890,000,000</b>	<b>890,000,000</b>





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

Name of Shareholders	%	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	23,685,650
Mutual Funds and CIS	3.23%	1,524,700	15,247,000	15,247,000
Individual	7.38%	3,488,352	34,883,520	34,883,520
Non-Resident Bangladeshis (NRBs)	1.85%	872,032	8,720,320	8,720,320
<b>IPO</b>		<b>8,253,649</b>	<b>82,536,490</b>	<b>82,536,490</b>
<b>Post IPO Total</b>		<b>47,253,649</b>	<b>472,536,490</b>	<b>472,536,490</b>

**14.00 Retained Earnings:**

This is made up as follows:

**Particulars**

Opening balance	2,050,555,865	1,829,143,755
Profit during the year	246,645,244	240,594,522
Adjustment for Depreciation on Revalued Assets	1,622,499	1,451,710
Cash Dividend	(47,253,649)	(20,634,123)
<b>Closing balance</b>	<b>2,251,569,959</b>	<b>2,050,555,865</b>

**15.00 Revaluation Reserve:**

This is made up as follows:

**Particulars**

Fair Value of Land & Land Development	657,211,500	-
Less: Book Value of Land & Land Development	182,565,931	-
Revaluation Surplus	474,645,570	-
Less: Tax on Revaluation Surplus of Land & Land development	(9,492,911)	-
<b>Net Balance of Revaluation Surplus</b>	<b>465,152,658</b>	<b>-</b>
Opening balance	32,962,349	34,157,875
Adjustment for Depreciation on Revalued Assets	(1,622,499)	(1,451,710)
Adjustment for Deferred Tax on Revalued Assets	243,375	256,184
<b>Closing balance</b>	<b>496,735,883</b>	<b>32,962,349</b>

Valuer: **Mahfel Huq & Co, Chartered Accountants**. Address: BGIC Tower (4 th Floor), 34 Topkhana Road, Dhaka-1000. Mahfel Huq & Co., Chartered Accountants is an enlisted valuer firm of Bangladesh Securities and Exchange Commission (BSEC) for the valuation of assets and liabilities for listing with capital market as well as Auditors panel.

Valuation Date: **June 1, 2023**

**16.00 Long Term Loan:**

This is made up as follows:

**Particulars**

Islami Bank Bangladesh Limited	-	-
Trust Bank limited	500,000,000	200,000,000
Prime Bank Limited	17,777,051	35,571,684
	<b>517,777,051</b>	<b>235,571,684</b>
Current portion of long term loan	(17,777,051)	(17,794,633)
<b>Total</b>	<b>500,000,000</b>	<b>217,777,051</b>

**17.00 Current Portion of Long Term Loan :**

This is made up as follows:

**Particulars**

Islami Bank Bangladesh Limited	-	-
Prime Bank Limited	17,777,051	17,794,633
<b>Total</b>	<b>17,777,051</b>	<b>17,794,633</b>



**18.00 Short Term loan :**

This is made up as follows:

**Particulars**

Islami Bank Bangladesh Limited	928,683,601	872,772,211
Bank Asia	498,464,950	650,000,000
Trust Bank Ltd.	670,917,325	
Standard Chartered Bank Limited	235,500,270	260,667,812
Prime Bank Limited	232,333,600	561,517,532
<b>Total:</b>	<b>2,565,899,746</b>	<b>2,344,957,555</b>

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

**Nature:** Short Term Loan

Name of the Bank: Prime Bank Ltd., Islami Bank Bangladesh Ltd., Bank Asia Ltd., Standard Chartered Bank Ltd., Trust bank Ltd.

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

**19.00 Accounts Payable :**

This is made up as follows:

**Particulars**

Creditor for local goods	40,523,471	40,682,960
Other creditors		
<b>Total:</b>	<b>40,523,471</b>	<b>40,682,960</b>

**Aging of Accounts Payable:**

Dues over six months	9,320,398	9,357,081
Less than six months	31,203,073	31,325,879
<b>Total:</b>	<b>40,523,471</b>	<b>40,682,960</b>

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

**20.00 Provision for Expenses:**

This is made up as follows:

**Particulars**

Salaries & allowance		10,294,581	9,653,141
Gas bill		1,067,261	431,009
Electricity bill		4,978,046	3,579,242
Provision for doubtful debt		1,471,847	619,158
P.F Employer's contribution		161,800	830,890
Income Tax	Note- 20.01	182,370,413	135,843,993
WPPF and Welfare Fund	Note- 20.02	95,632,979	102,074,310
Audit fees		165,000	165,000
Interest payable	Note- 20.03	81,936,268	22,223,570
<b>Total:</b>		<b>378,078,195</b>	<b>275,420,313</b>

a) All accrued expenses were paid on regular basis

b) Salary & allowances for the month of June, 2023 has been paid in subsequent month.





**20.01 Income Tax:**

This is made up as follows:

**Particulars**

Opening Balance  
Prior year adjustment  
Add: Addition during the year

135,843,993	93,673,066
46,526,419	42,170,928
<b>182,370,413</b>	<b>135,843,993</b>
-	-
<b>182,370,413</b>	<b>135,843,993</b>

Less: Adjustment for prior years till June 30, 2017

Less: Adjustment for previous years

**Closing balance**

**20.02 WPPF and Welfare Fund:**

This is made up as follows:

**Particulars**

Opening balance  
Add: Addition during the year

102,074,310	91,580,892
13,973,530	13,446,396
<b>116,047,839</b>	<b>105,027,288</b>
20,414,860	2,952,978
<b>95,632,979</b>	<b>102,074,310</b>

Less: Disbursed during the year

**Closing balance**

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, 2023.

**20.03 Interest Payable:**

This is made up as follows:

**Particulars**

Standard Chartered Bank Ltd.  
Islami Bank Bangladesh Ltd.  
Bank Asia Ltd.  
Trust Bank Ltd.  
Prime Bank Ltd.  
**Total**

1,911,791	-
45,740,120	7,862,355
7,181,085	8,950,593
25,546,683	600,000
1,556,589	4,810,622
<b>81,936,268</b>	<b>22,223,570</b>



**21.00 Revenue:**  
This is made up as follows:

**Particulars**

Revenue from Feed sales  
Revenue from DOC sales  
**Total**

Amount in BDT.	
June 30, 2023	June 30, 2022

Feed	Poultry & Hatchery	Total	Total
3,075,891,480	-	3,075,891,480	3,048,958,198
-	1,115,133,925	1,115,133,925	1,105,369,531
<b>3,075,891,480</b>	<b>1,115,133,925</b>	<b>4,191,025,405</b>	<b>4,154,327,729</b>

**22.00 Cost of Goods Sold:**  
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	Total	Total
2,300,173,774	783,451,321	3,083,625,095	3,217,961,748
39,950,384	12,220,112	52,170,496	50,306,568
169,698,334	154,223,305	323,921,639	313,166,658
<b>2,509,822,492</b>	<b>949,894,738</b>	<b>3,459,717,230</b>	<b>3,581,434,974</b>
97,254,587	-	97,254,587	94,952,110
<b>2,607,077,079</b>	<b>949,894,738</b>	<b>3,556,971,817</b>	<b>3,676,387,084</b>
97,497,723	-	97,497,723	97,254,587
<b>2,509,579,356</b>	<b>949,894,738</b>	<b>3,459,474,093</b>	<b>3,579,132,497</b>

**22.01 Raw Materials :**  
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	Total	Total
2,253,437,741	14,854,587	2,268,292,328	1,475,112,098
2,670,663,041	789,485,927	3,460,148,967	4,010,345,398
574,238	208,184	782,422	796,580
<b>4,924,675,019</b>	<b>804,548,698</b>	<b>5,729,223,717</b>	<b>5,486,254,076</b>
2,624,501,245	21,097,377	2,645,598,623	2,268,292,328
<b>2,300,173,774</b>	<b>783,451,321</b>	<b>3,083,625,095</b>	<b>3,217,961,748</b>

**22.02 Direct Labor :**  
This is made up as follows:

**Particulars**

Worker wages  
Casual worker wages  
**Total:**

Feed	Poultry & Hatchery	Total	Total
32,753,943	9,747,523	42,501,466	41,123,989
7,196,441	2,472,589	9,669,030	9,182,579
<b>39,950,384</b>	<b>12,220,112</b>	<b>52,170,496</b>	<b>50,306,568</b>

**22.03 Factory Overhead:**  
This is made up as follows:

**Particulars**

Power, light & heat  
Repair, maintenance  
Spare parts(Note-22.04)  
Factory salaries & allowances  
Employer's contribution to PF  
Stationery  
Insurance  
Telecommunication  
Depreciation on factory assets  
Amortization of parent stock  
Packing materials(Notes-22.05)  
Other production overhead  
Fuel for vehicles  
Tour & Travelling Expense  
Entertainment Expense  
Medical expenses  
Other Factory Supplies  
**Total:**

Feed	Poultry & Hatchery	Total	Total
46,186,786	20,736,981	66,923,768	69,621,648
3,816,995	4,243,371	8,060,367	9,745,794
18,513,162	5,895,065	24,408,227	19,005,149
22,753,943	14,747,523	37,501,466	38,413,160
557,201	200,724	757,925	806,231
192,994	81,988	274,982	583,924
890,644	381,704	1,272,348	2,443,133
101,855	43,652	145,508	170,024
35,078,048	15,033,449	50,111,497	48,646,226
-	74,127,642	74,127,642	77,523,156
33,671,850	16,206,937	49,878,787	37,176,118
4,083,663	1,480,492	5,564,155	5,000,393
74,561	27,031	101,592	100,703
1,575,080	151,738	1,726,818	532,469
1,012,481	433,920	1,446,402	1,792,560
267,300	96,907	364,207	361,018
921,771	334,179	1,255,950	1,244,952
<b>169,698,334</b>	<b>154,223,305</b>	<b>323,921,639</b>	<b>313,166,658</b>





22.04 **Spare Parts:**

This is made up as follows:

Particulars	Feed	Poultry & Hatchery	Total	Total
Opening Balance	36,093,846	27,001,027	63,094,873	57,037,474
Add: Purchased during the year	18,556,475	5,927,466	24,483,941	25,062,548
	<b>54,650,321</b>	<b>32,928,492</b>	<b>87,578,814</b>	<b>82,100,022</b>
Less: Closing inventory	36,137,159	27,033,428	63,170,587	63,094,873
<b>Total:</b>	<b>18,513,162</b>	<b>5,895,065</b>	<b>24,408,227</b>	<b>19,005,149</b>

22.05 **Packing Materials:**

This is made up as follows:

Particulars	Feed	Poultry & Hatchery	Total	Total
Opening Inventory of packing materials	9,440,134	6,685,288	16,125,422	18,016,290
Add: Purchased during the year	33,683,178	16,214,960	49,898,138	35,285,250
	<b>43,123,313</b>	<b>22,900,247</b>	<b>66,023,560</b>	<b>53,301,540</b>
Less: Closing Inventory of packing materials	9,451,462	6,693,310	16,144,773	16,125,422
<b>Total:</b>	<b>33,671,850</b>	<b>16,206,937</b>	<b>49,878,787</b>	<b>37,176,118</b>

23.00 **Administrative Expenses:**

This is made up as follows:

Particulars	Feed	Poultry & Hatchery	Total	Total
Salaries & allowances	31,284,066	5,534,604	36,818,670	37,280,091
Employer's contribution to provident fund	598,455	60,646	659,101	619,644
IPO Expenses	-	-	-	11,146,084
Stationery	160,813	68,920	229,733	393,223
Bad debt expenses	596,882	255,807	852,689	619,158
Registration & renewals	480,682	206,007	686,689	124,120
Charity, subscription and renewals	1,581,256	573,269	2,154,524	2,135,659
Business promotional expense	819,088	1,074,659	1,893,746	983,764
Courier & postage	72,268	26,200	98,467	97,605
Entertainment	451,242	163,593	614,836	319,395
Corporate overhead expenses	6,080,416	1,146,586	7,227,002	6,570,002
Telecommunication	1,468,343	629,290	2,097,633	1,425,862
Fuel for vehicles	502,511	182,180	684,692	678,696
Depreciation expenses	128,595	55,112	183,707	222,337
Travelling expenses	660,423	283,039	943,462	530,086
Maintenance & others	2,231,696	1,298,508	3,530,204	2,614,966
Audit fees	165,000	-	165,000	265,000
Consultancy & professional expenses	1,427,685	611,865	2,039,550	2,291,083
<b>Total</b>	<b>48,709,420</b>	<b>12,170,285</b>	<b>60,879,706</b>	<b>68,316,776</b>



24.00 **Selling & Distribution Expenses:**

This is made up as follows:

**Particulars**

Salaries & allowances	18,570,127	7,958,626	26,528,753	33,445,689
Employer's contribution to provident fund	175,158	75,068	250,226	356,345
Fuel for vehicles	144,643	52,439	197,081	195,356
Repair & maintenance	536,575	229,961	766,536	1,077,398
Transportation expenses	19,552,551	103,559	19,656,110	19,483,996
Marketing incentives	37,239,602	-	37,239,602	22,351,582
Travelling expenses	2,840,965	1,217,557	4,058,522	3,346,913
DOC mortality compensation	-	1,104,458	1,104,458	591,076
Entertainment expenses	394,514	143,027	537,542	532,835
Marketing promotional expenses	1,599,156	797,282	2,396,438	2,375,454
Toll & fare expenses	447,639	162,287	609,926	604,585
Telecommunication	53,224	19,296	72,520	71,885
Depreciation expenses	56,527	24,226	80,752	100,940
Depot Load-unload expenses	27,946,887	-	27,946,887	20,042,244
Maintenance & others	2,964,220	1,549,944	4,514,164	6,754,497
Medical Expenses (S&M)	10,736	3,892	14,628	14,500
<b>Total</b>	<b>112,532,525</b>	<b>13,441,621</b>	<b>125,974,145</b>	<b>111,345,295</b>

	Feed	Poultry & Hatchery	Total	Total
Salaries & allowances	18,570,127	7,958,626	26,528,753	33,445,689
Employer's contribution to provident fund	175,158	75,068	250,226	356,345
Fuel for vehicles	144,643	52,439	197,081	195,356
Repair & maintenance	536,575	229,961	766,536	1,077,398
Transportation expenses	19,552,551	103,559	19,656,110	19,483,996
Marketing incentives	37,239,602	-	37,239,602	22,351,582
Travelling expenses	2,840,965	1,217,557	4,058,522	3,346,913
DOC mortality compensation	-	1,104,458	1,104,458	591,076
Entertainment expenses	394,514	143,027	537,542	532,835
Marketing promotional expenses	1,599,156	797,282	2,396,438	2,375,454
Toll & fare expenses	447,639	162,287	609,926	604,585
Telecommunication	53,224	19,296	72,520	71,885
Depreciation expenses	56,527	24,226	80,752	100,940
Depot Load-unload expenses	27,946,887	-	27,946,887	20,042,244
Maintenance & others	2,964,220	1,549,944	4,514,164	6,754,497
Medical Expenses (S&M)	10,736	3,892	14,628	14,500
<b>Total</b>	<b>112,532,525</b>	<b>13,441,621</b>	<b>125,974,145</b>	<b>111,345,295</b>

25.00 **Other Income:**

This is made up as follows:

**Particulars**

Interest on 5 years Sanchaypatra	4,683,417	-	4,683,417	7,313,284
Interest on IPO Proceeds	1,148,333	-	1,148,333	2,292,333
Foreign Exchange Rate Fluctuation Gain	8,358,794	-	8,358,794	4,044,365
Interest on FDR	20,781,479	-	20,781,479	16,500,379
<b>Total</b>	<b>34,972,023</b>	<b>-</b>	<b>34,972,023</b>	<b>30,150,361</b>

	Feed	Poultry & Hatchery	Total	Total
Interest on 5 years Sanchaypatra	4,683,417	-	4,683,417	7,313,284
Interest on IPO Proceeds	1,148,333	-	1,148,333	2,292,333
Foreign Exchange Rate Fluctuation Gain	8,358,794	-	8,358,794	4,044,365
Interest on FDR	20,781,479	-	20,781,479	16,500,379
<b>Total</b>	<b>34,972,023</b>	<b>-</b>	<b>34,972,023</b>	<b>30,150,361</b>

26.00 **Foreign Exchange Rate Fluctuation Loss (Realized):**

This is made up as follows:

**Particulars**

Foreign Exchange Rate Fluctuation Loss (Realized)	69,134,809	13,980,314	83,115,123	-
<b>Total</b>	<b>69,134,809</b>	<b>13,980,314</b>	<b>83,115,123</b>	<b>-</b>

	Feed	Poultry & Hatchery	Total	Total
Foreign Exchange Rate Fluctuation Loss (Realized)	69,134,809	13,980,314	83,115,123	-
<b>Total</b>	<b>69,134,809</b>	<b>13,980,314</b>	<b>83,115,123</b>	<b>-</b>

27.00 **Financial Expenses:**

This is made up as follows:

**Particulars**

Interest on term Loan	28,779,097	12,333,899	41,112,996	5,098,307
Interest on working capital	109,132,303	48,855,223	157,987,526	134,511,714
Bank service charges	3,873,980	135,739	4,009,719	3,699,189
<b>Total:</b>	<b>141,785,381</b>	<b>61,324,860</b>	<b>203,110,241</b>	<b>143,309,210</b>

	Feed	Poultry & Hatchery	Total	Total
Interest on term Loan	28,779,097	12,333,899	41,112,996	5,098,307
Interest on working capital	109,132,303	48,855,223	157,987,526	134,511,714
Bank service charges	3,873,980	135,739	4,009,719	3,699,189
<b>Total:</b>	<b>141,785,381</b>	<b>61,324,860</b>	<b>203,110,241</b>	<b>143,309,210</b>





28.00 **Current Tax:**  
This is made up as follows:

**Particulars**

Current tax expense

**Total:**

Feed	Poultry & Hatchery	Total	Total
36,624,378	9,902,041	46,526,419	11,674,445
<b>36,624,378</b>	<b>9,902,041</b>	<b>46,526,419</b>	<b>11,674,445</b>

29.00 **Deferred Tax :**

Carrying value of the PPE (Except Land & Land development)

Tax Base of the PPE (Except Land & Land development)

**Temporary Difference**

Tax rate

Deferred Tax Liability(C/B) (Except Revaluation of Land & Land development)

Deferred Tax Liability(O/B)

Deferred Tax for this period

Deferred Tax Liability(C/B) (Except Revaluation of Land & Land development)

Adjustment for Deferred Tax on Revalued Assets

Tax on Revaluation Surplus of Land & Land development (SRO206/2023)

**Total Deferred tax Liability(C/B)**

Feed	Poultry & Hatchery	Total	Total
519,746,083	222,748,321	742,494,404	613,951,814
261,567,952	112,100,551	373,668,503	222,611,050
<b>258,178,130</b>	<b>110,647,770</b>	<b>368,825,901</b>	<b>391,340,764</b>
15%	15%	15%	15%
38,726,719.56	16,597,166	55,323,885	58,701,115
40,911,451	17,533,479	58,444,931	52,655,275
<b>(2,184,732)</b>	<b>(936,314)</b>	<b>(3,121,046)</b>	<b>6,045,840</b>
<b>38,726,720</b>	<b>16,597,166</b>	<b>55,323,885</b>	<b>58,701,115</b>
<b>(170,362)</b>	<b>(73,012)</b>	<b>(243,375)</b>	<b>(256,184)</b>
6,645,038	2,847,873	9,492,911	-
<b>45,201,395</b>	<b>19,372,026</b>	<b>64,573,422</b>	<b>58,444,931</b>

30.00 **Earnings per Share (EPS):**

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)**

246,645,245	240,594,522
47,253,649	47,253,649
<b>5.22</b>	<b>5.09</b>

31.00 **Net assets Value (NAV) per Share :**

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**

7,205,604,843	5,928,929,348
(3,002,725,579)	(2,679,189,153)
(564,573,422)	(276,221,981)
<b>3,638,305,842</b>	<b>2,973,518,214</b>
47,253,649	47,253,649
<b>77.00</b>	<b>62.93</b>

32.00 **Manpower Information :**

Manufacturing employees

Workers

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

**Total**

Feed	Poultry & Hatchery	Total	Total
185	186	371	378
249	228	477	469
126	23	149	147
<b>560</b>	<b>437</b>	<b>997</b>	<b>994</b>



33.00 Net Operating Cash Flows per Share :

Net Operating Cash Flows  
Number of Shares

(58,110,178)	(68,483,150)
47,253,649	47,253,649
(1.23)	(1.45)

34.00 Current Tax Calculation:

Particulars	Feed Mill			Poultry & Hatchery		
		Rate	Tax Amount		Rate	Tax Amount
Profit before Tax	218,211,441			61,259,149		
Less : Other income	34,972,023			-		
Net operating income	183,239,418			61,259,149		
Add : Accounting Dep	35,263,169			15,112,787		
Less : Tax Dep	19,502,765			8,358,328		
Taxable Income	198,999,822			68,013,608		
First Slab	1,000,000	3%	30,000	1,000,000	0%	-
Second Slab	2,000,000	10%	200,000	1,000,000	5%	50,000
Third Slab	-	0%	-	1,000,000	10%	100,000
Rest amount	195,999,822	15%	29,399,973	65,013,608	15%	9,752,041
Other income	34,972,023	20%	6,994,405	-	20%	-
Subtotal	233,971,845		36,624,378	68,013,608		9,902,041
Total						

35.00 Numerical Reconciliation between the average effective tax rate and the applicable tax rate:

Income Tax Expenses-Current	46,526,419					
Deferred Tax	(3,121,046)					
	<u>43,405,374</u>					
Particulars	30-Jun-23					
	%	Total	%	Feed Mill	%	Poultry & Hatchery
Profit before Tax		279,470,591		218,211,441		61,259,149
Tax using Corporate Tax Rate	15.0%	41,920,589	15.00%	32,731,716	15.00%	9,188,872
Non-deductible Expenses	-1.48%	(4,129,620)		(5,056,475)		926,855
Effect of Tax Exempted Income	-0.36%	(1,000,000)	0.00%	-	-1.63%	(1,000,000)
Effect of Lower Tax Rate	-0.1%	(380,000)	-0.11%	(230,000)	-0.24%	(150,000)
Effect of Higher Tax Rate	2.5%	6,994,405	3.21%	6,994,405	0.00%	-
Average Effective Tax	15.53%	43,405,374	18.10%	34,439,646	13.12%	8,965,728

36.00 Reconciliation of Operating Cash Flows (Indirect method of Cash flow):

Particulars	30 June 2023	30 June 2022
Operating Profit	544,697,461	393,458,335
Exchange Rate Fluctuation Gain		4,044,365
Paid to Workers Profit Participation Fund	(20,414,860)	(2,952,978)
Depreciation	50,375,956	51,044,329
Amortization	74,127,642	77,523,156
Income tax expenses		-
	648,786,199	523,117,207
Changes in Working capital:		
(Increase)/Decrease In Inventories	(377,644,495)	(799,649,238)
(Increase)/Decrease In Accounts Receivable	(187,174,900)	28,050,407
(Increase)/Decrease In Advances, Deposits & Pre-Payments	(144,777,588)	175,217,012
Increase/(Decrease) In Accounts Payables	(159,489)	1,007,750
Increase/(Decrease) In Provision for expenses	2,860,095	3,773,712
	(706,896,377)	(591,600,356)
Net Cash Provided by Operating Activities: (A)	(58,110,178)	(68,483,150)
No of Share	47,253,649	47,253,649
Net Operating Cash Flows Per Share	(1.23)	(1.45)



[Net Operating Cash Flows Per Share | | (1.23) | (1.45)]

**37.00 Key management personnel compensation as per paragraph 17 of IAS 24**

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

**38.00 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'2022 to 30th June'2023 is nil.  
(b) The amount of transaction for remuneration and board meeting fee during the period from 1st July'2022 to 30th June'2023 is nil.  
(c) 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.  
(d) Details of any guarantees given or received: There is no guarantee given or received as no transaction has been occurred.  
(e) Provisions for doubtful debts related to the amount of outstanding balances: no transaction has been occurred, therefore no provision is required.  
(f) 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.

**39.00 Capitalization of Borrowing Cost: (IAS -23)**

Amount of borrowing cost capitalized: Tk. 48,63,216.00  
Rate of Interest : 9%  
Period: 200 days  
Asset: Feed Mill Plant & Machineries  
(Trust Bank Limited disbursed loan amount of Tk. 9,72,64,325.00 to finance import of Machinery against LC No.: 236322010048 on December 12, 2022)



40.00 Disclosure as per requirement of Companies Act, 1994

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

a) Turnover:

Particulars	30-Jun-23		
	Feed	DOC	Total
Turnover in BDT.	3,075,891,480	1,115,133,925	4,191,025,405
Turnover in Quantity (Kg/Pcs)	87,259,333	28,926,950	-

d) (i) Raw Materials Consumed:

Particulars	30-Jun-23		
	Feed	DOC	Total
Raw Materials (Value in BDT.)	2,300,173,774	783,451,321	3,083,625,095
Raw Materials Quantities (kg/pcs)	89,327,137	31,077,006	120,404,143

(ii) Finished goods

Particulars	30-Jun-23		
	Feed	DOC	Total
Opening Quantity (Kg/Pcs)	2,947,196	-	2,947,196
Production Quantity during the year (Kg/Pcs)	91,476,389	28,926,950	120,403,339
Closing Quantity (Kg/Pcs)	2,196,031	-	2,196,031

iii) Work-In-Process:

Particulars	30-Jun-23		
	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, 2023:

Salary (Monthly)	Officer & Staff		Worker	Total Employees
	Factory	Head Office	Factory	
Number of employees whose salary below Tk. 8,000 per month	-	-	-	-
Number of employees whose salary above Tk. 8,000 per month	371	149	477	997
<b>Total</b>	<b>371</b>	<b>149</b>	<b>477</b>	<b>997</b>





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

Particulars	30-Jun-23
(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	91,476.39	80.24%
Day Old Chicks (DOC)	million Pcs	30.00	28.93	96%

**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 2022-2023 in respect of raw materials, component and spare parts and capital goods were as follows:

Particulars	Amount in BDT
Raw Materials	1,060,081,867
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	1,788,502,555	1,295,122,540	3,083,625,095
Percentage of consumption	58.00%	42.00%	100%

Particulars	Spare parts		Total
	Imported Value in BDT	Indigenous Value in BDT	
Consumption during the year	21,723,322	2,684,905	24,408,227
Percentage of consumption	89.00%	11.00%	100%

Particulars	Packing Materials		Total
	Imported Value in BDT	Indigenous Value in BDT	
Consumption during the year	-	49,878,787	49,878,787
Percentage of consumption	-	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.

**41.00 Event after the Reporting Period:**

The Board unanimously recommended cash dividend @ 20% (Twenty percent) of the paid up capital of the company for the year ended 30 th June 2023.





**Schedule of Property, Plant and Equipment**  
As at June 30, 2023

Particulars	Cost		Rate of Dep.	Depreciation		Written down value as on June 30, 2023	
	As on July 01, 2022	Addition/Revalued during the period		As on June 30, 2023	Original Cost		
					As on July 01, 2022		Charged during the period
Land & land development	182,565,931	-	0%	-	-	182,565,931	
Land development	25,590,000	-	5%	6,778,999	940,550	17,870,451	
Building & Civil construction	427,223,244	43,519,996	3%	156,622,873	14,554,377	171,177,250	
Poultry keeping equipment	54,138,272	1,448,794	10%	32,994,345	2,156,332	299,565,990	
Feed mill plant & machineries	375,703,608	133,523,006	10%	205,134,742	20,394,962	20,436,388	
Factory equipment & appliances	23,519,686	-	10%	10,080,203	1,343,948	283,696,910	
Silo unit	116,749,840	-	10%	57,285,614	5,946,423	12,095,535	
Scaling & measuring equipment	5,159,392	-	10%	3,677,775	148,162	53,517,803	
Generator	47,571,083	398,600	10%	28,159,713	1,951,102	1,333,456	
Computer & automated system (F)	1,997,913	-	20%	1,219,294	155,724	17,858,868	
Computer & automated system (H/O)	2,324,097	16,750	20%	1,409,750	183,707	622,895	
Furniture	5,115,569	-	20%	3,924,274	238,259	747,390	
Cover van & pickup	14,665,794	-	20%	12,182,452	496,668	953,036	
Exhaust fan	770,364	-	20%	248,735	104,326	1,986,674	
Motor bike	1,246,146	-	20%	1,094,881	30,253	417,303	
Electric Fan & Pump	449,506	11,400	20%	312,793	27,913	121,012	
Leased Assets	3,753,800	-	20%	3,350,038	80,752	120,201	
Sub Total Asset as at 30-06-2023	1,288,544,244	178,918,546		524,476,481	48,753,457	323,009	
Sub Total Asset as at 30-06-2022	1,251,906,823	36,637,421		477,214,872	47,261,609	894,232,852	
Based on Revaluation							
Building & Civil construction	57,168,989	-	5%	24,719,008	1,622,499	30,827,482	
Land & land development	-	474,645,570	0%	-	-	474,645,570	
Sub Total Asset as at 30-06-2023	57,168,989	474,645,570		24,719,008	1,622,499	26,341,507	
Sub Total Asset as at 30-06-2022	57,168,989	-		23,011,114	1,707,894	505,473,051	
Total Asset as at 30-06-2023	1,345,713,233	653,564,116		549,195,489	50,375,956	1,399,705,904	
Total Asset as at 30-06-2022	1,309,075,812	36,637,421		500,225,986	48,969,503	796,517,744	

Allocation of depreciation:	30.06.2023	30.06.2022
Manufacturing overhead	50,111,497	48,646,226
Administrative	183,707	222,337
Selling & distribution OH	80,752	100,940
<b>Total</b>	<b>50,375,956</b>	<b>48,969,503</b>



*[Signature]*  
Chief Financial Officer

*[Signature]*  
Company Secretary

*[Signature]*  
Director

*[Signature]*  
Managing Director

*[Signature]*  
Chairman

Place: Dhaka  
Date: 23/06/2023  
Ref: GK/C/23-24/AV/30