

**Auditor's Report & Audited Financial Statements**  
*of*  
**Premier Cement Mills PLC**

**As at and for the year ended 30 June 2023**

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## Independent Auditor's Report To the Shareholders of Premier Cement Mills PLC

### Report on the audit of the financial statements

#### Opinion

We have audited the consolidated financial statements of Premier Cement Mills PLC and its subsidiary (the Group) as well as the separate financial statements of Premier Cement Mills PLC (the Company), which comprise the consolidated and separate statements of financial position as at 30 June 2023, and the consolidated and separate statements of profit or loss and other comprehensive income, consolidated and separate statements of changes in equity and consolidated and separate statements of cash flows for the year then ended, and notes to the consolidated and separate financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly the consolidated financial position of the Group and separate financial position of the Company as at 30 June 2023, its consolidated and separate financial performance and its consolidated and separate cash flows for the year then ended in accordance with the International Accounting Standards (IASs) and the International Financial Reporting Standards (IFRSs) 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 auditor's responsibilities for the audit of the consolidated and separate financial statements section of our report. We are independent of the Group and the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code), we have fulfilled our ethical responsibilities in accordance with the IESBA code and the Institute of Chartered Accountants of Bangladesh (ICAB) Bye-Laws. We believe that the audit evidence has obtained is sufficient and appropriate to provide a basis for our opinion.

#### Emphasis of Matter

We draw attention to the Note no. 27 to the Consolidated Financial Statements, which discloses the basis for making provision for tax during the year. However, our opinion is not modified in respect of this matter.

#### Key Audit Matters

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

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## 01. Property, Plant and Equipment

See Note 4.00 to the Consolidated Financial Statements

| The Key Audit Matter   | How the matter was addressed in our audit  |
|--|--|
| <p>The carrying value of the Property, Plant and Equipment (PPE) was Tk. 21,602,793,007 as at 30 June, 2023. Expenditures are capitalized if they create new assets or enhance the existing assets and expensed if they relate to repair or maintenance of the assets. Classification of the expenditures involves judgment. The useful lives of PPE items are based on management's estimates regarding the period during which the assets or its significant components will be used. The estimates are based on historical experience and market practice and take into consideration the physical condition of the assets. The valuation of PPE was identified as a key audit matter due to the significance of this balance to the financial statements and that there is significant measurement uncertainty involved in this valuation.</p> | <p>Our audit included the following procedure:</p> <ul style="list-style-type: none"><li>• We assessed whether the accounting policies in relation to the capitalization of expenditures are in compliance with IAS 16 and found them to be consistent.</li><li>• We inspected a sample of invoices and L/C documents to determine whether the classification between capital and revenue expenditure was appropriate.</li><li>• We evaluated whether the useful lives determined and applied by the management were in line with historical experience and the market practice.</li><li>• We checked whether the depreciation of PPE items was commenced timely, by comparing the date of the reclassification from capital work in progress to ready for use, with the date of the act of completion of the work.</li><li>• We checked the transfer of PPE from Capital Work in Process made when the assets are ready to use and charging of depreciation accordingly.</li><li>• We checked the possession, control, legal ownership and existence of the assets by walkthrough process.</li><li>• We have physically verified the condition of the assets in line with the asset register and management judgment on sample basis.</li><li>• We have checked the calculation and basis of consolidation.</li></ul> |

## 02. Inventories

See Note 10.00 to the Consolidated Financial Statements

| The Key Audit Matter  | How the matter was addressed in our audit  |
|---|--|
| <p>The inventory of Tk. 2,351,539,650 as at 30 June, 2023 held in factory. Inventories are carried at the lower of cost and net realizable value. As a result, the management applies judgment in determining the appropriate</p> | <p>We checked the appropriateness of management's assumptions applied in calculating the value of the inventory provisions by:</p> <ul style="list-style-type: none"><li>• Evaluating the design and implementation of key inventory controls operating across the company;</li><li>• Attending in annual inventories counting by the management and surprise inventory counts and reconciling the count results to the inventory listings to test the completeness of data;</li></ul> |





|  |  |
|--|--|
| <p>values for slow-moving or obsolete items.<br/>Since the value of Inventory is significant to the Financial Statements and there is significant measurement uncertainty involved in this valuation, the valuation of inventory was significant to our audit.</p> | <ul style="list-style-type: none"> <li>• Comparing the net realizable value, obtained through a detailed review of sales subsequent to the year-end, to the cost price of a sample of inventories and comparison to the associated provision to assess whether inventory provisions are complete;</li> <li>• Reviewing the historical accuracy of inventory provisioning, and the level of inventory write offs during the year.</li> <li>• We have checked the calculation and basis of consolidation.</li> </ul> |
|--|--|

### 03. Deferred Tax Liability

See Note 18 to the Consolidated Financial Statements

| The Key Audit Matter   | How the matter was addressed in our audit   |
|--|---|
| <p>The Group reported net Deferred Tax Liability of BDT 1,039,826,234 as at June 30, 2023. Significant judgment is required in relation to deferred tax liability as their liability is dependent on forecasts of future profitability over a number of years.</p> | <p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> <li>• We obtained an understanding, evaluated the design, and tested the operational effectiveness of the Group's and Company's key controls over the recognition and measurement of deferred tax Liabilities and the assumptions used in estimating the future taxable expense of the Company.</li> <li>• We also assessed the completeness and accuracy of the data used for the estimations of future taxable expenses.</li> <li>• We tested the mathematical accuracy in the calculation of deferred tax.</li> <li>• We evaluated the reasonableness of key assumptions, the timing of the reversal of temporary differences and expiration of tax loss carryforwards, and recognition and measurement of deferred tax liability.</li> <li>• We assessed the adequacy of the Group's and the Company's disclosures setting out the basis of deferred tax liability balances and the level of estimation involved.</li> <li>• We also assisted in evaluating the tax implications, the reasonableness of estimations and calculations determined by management.</li> <li>• We also involved our internal experts from the tax area in the analysis of the reasonableness of the tax assumptions on the basis of the applicable legislation.</li> <li>• Finally assessed the appropriateness and presentation of disclosures against IAS 12 <i>Income Taxes</i>.</li> <li>• We have checked the calculation and basis of consolidation.</li> </ul> |





#### 04. Revenue Recognition

See Note 29 to the Consolidated Financial Statements

| The Key Audit Matter   | How the matter was addressed in our audit  |
|--|--|
| <p>During the year under audit, the Group reported total revenue of BDT 21,832,963,082.</p> <p>This is an area considered to be complex and judgmental. Therefore, there is a risk of the revenue being misstated as a result of absence of a contract with the customer, failure to properly identify various performance obligations, where the transaction price appears to be undeterminable, where the allocation of transaction price appears to be incorrect, and the entity has not satisfied the performance obligations. There is also a risk that revenue may be misstated due to fraud, through misstating of price declaration, unrecorded sales, maintaining accrual concept for invoicing, recognition within the Cutoff period, inaccurate sales figure, and unauthorized sales.</p> | <p>Our audit procedures included the following:</p> <ul style="list-style-type: none"><li>• We assessed the appropriateness of revenue recognition, accounting policy in line with IFRS 15 <i>Revenue from contracts with customers</i>.</li><li>• Performed walkthrough tests to understand the adequacy and the design of the revenue cycle.</li><li>• Tested the internal controls over financial reporting. We also assessed the existence and accuracy of the sales recorded, based among other things on inspection of sales contracts, final acceptances, and the allocation of variable consideration to the various elements in the contracts.</li><li>• We have reconciled sales with VAT Mushak 6.3 which is also reconciled with Mushak 4.3, Mushak 6.2 and Mushak 9.1 later.</li><li>• Performed reconciliation of sales with accounts receivables and advance against sales.</li><li>• Obtained some third-party confirmation for the parties among trade and other receivables.</li><li>• We performed substantive analytical procedures to understand how revenue trends over the years among other parameters and performed detailed testing on transactions around the year-end, to test whether revenues were recognized in the correct accounting period.</li><li>• Critically assessing manual journals posted to revenue to identify unusual or irregular items; and</li><li>• Finally assessed the appropriateness and presentation of disclosures against relevant accounting standards.</li><li>• We have checked the calculation and basis of consolidation.</li></ul> |







#### 05. Cost of Sales

See Note 30 to the Consolidated Financial Statements

| The Key Audit Matter   | How the matter was addressed in our audit  |
|--|--|
| <p>At the year-end, the Group reported a total Cost of Sales of BDT 19,813,099,831. This is an area considered to be complex and judgmental due to the presence of inventories in different forms and a complex production process. There is also a risk that the cost of sales may be misstated due to fraud and manipulation for achieving cost controls as required by the management or for manipulating the tax liability in relation to profits.</p> | <p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> <li>• Obtained supporting documents for the cost of sales recorded on either side of year-end after the year-end date to determine whether the cost of sales was recognized in the correct period.</li> <li>• Obtained some third-party confirmation for the parties among trade and other payables for local purchases.</li> <li>• We have reconciled the purchase with VAT Mushak- 6.1 &amp; 9.1</li> <li>• Verifying a sample of L/C documents against the goods received and the cost shown on imported and exported goods.</li> <li>• Agreeing with the sample of purchases against requisition, goods received notes, purchase register and supporting documentation.</li> <li>• Physically verified the inventories;</li> <li>• Critically assessed manual journals posted to cost of sales to identify unusual or irregular items; and</li> <li>• Finally assessed the appropriateness and presentation of disclosures against relevant accounting Standards.</li> <li>• We have checked the calculation and basis of consolidation.</li> </ul> |

#### 06. Foreign Exchange Loss

See Consolidated Statement of Profit or Loss and Other Comprehensive Income

| The Key Audit Matter  | How the matter was addressed in our audit   |
|---|---|
| <p>At the end of the financial year, the Group reported a total loss on foreign exchange transactions of BDT 1,045,046,501.</p> <p>This is an area considered to be complex and significantly judgmental for the industry that depends heavily on the import of raw materials. Due to the volatile translation rate of USD, there is a significant risk that the changes in the rate of USD could negatively influence the decision taken on the basis of the financial statements.</p> | <p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> <li>• We assessed that the management has ascertained that foreign currency transactions have been identified and translated at appropriate rates.</li> <li>• We have ensured &amp; checked that the rates of exchange used by the Company, are matched with the reliable source.</li> <li>• We have performed walkthrough tests of foreign currency sale and/or purchase.</li> <li>• We have checked the estimation of the management the Group and the Company for the initial exchange rate considered for recognizing foreign currency liabilities and transactions.</li> <li>• We have also checked the planning of the Group and the Company for minimizing the exchange loss.</li> <li>• We have checked the exchange loss and gain adjusted with respective liabilities.</li> <li>• We have checked the calculation and basis of consolidation.</li> </ul> |





### Other Information

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

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

After going through the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to the company's board of directors. We have nothing to report in this regard.

### Other Matter

#### 1. Non-compliance of Rule-118 of VAT and Supplementary Rules 2016

The company has an amount of BDT 31,932,470 kept in VAT Current Account as per the VAT Act 1991 which will not be recoverable as per Rule-118 of VAT and Supplementary Rules 2016 because of the having some unsettled litigations aforesaid VAT Act.

2. The Consolidated financial statements of Premier Cement Mills PLC for the year ended 30 June 2022 were audited by Hussain Farhad & Co., Chartered Accountants, who expressed an unmodified opinion on those financial statements on 13<sup>th</sup> February, 2023.

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

Management is responsible for the preparation and fair presentation of the consolidated and separate financial statements in accordance with International Financial Reporting Standards (IFRSs), the Companies Act, 1994, the Securities and Exchange Rules, 2020 and other applicable laws and regulations and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated and separate financial statements, management is responsible for assessing the Group's and 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 Group and the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's and the Company's financial reporting process.





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

Our objectives are to obtain reasonable assurance about whether the consolidated and the separate 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 International Standards on Auditing (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 International Standards on Auditing (ISAs), we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

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





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**MABS & J Partners**  
Chartered Accountants

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 consolidated and separate 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, 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 purpose of our audit and made due verification thereof;
- b) in our opinion, proper books of account as required by law have been kept by the Group and the Company so far as it appeared from our examination of those books;
- c) the Group's and Company's statement of financial position and the statement of profit or loss and other comprehensive income along with the annexed notes 1 to 46.09 dealt with by the report are in agreement with the books of account; and
- d) the expenditures incurred were for the purposes of the Group and the Company's affairs.

Signed for & on behalf of  
**MABS & J Partners**  
Chartered Accountants

**J C Biswas FCA**

Partner

ICAB Enrolment No: 0199

DVC No: 2310290199AS103762

Place: Dhaka, Bangladesh

Dated: 28 October 2023

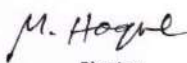


**Premier Cement Mills PLC**  
**Consolidated Statement of Financial Position**  
**As at 30 June 2023**

| Particulars                                 | Notes | 30 June 2023          | 30 June 2022          |
|---|-------|-----------------------|-----------------------|
|   |       | Taka                  | Taka                  |
| <b>ASSETS</b>                               |       |                       |                       |
| <b>Non-current assets</b>                   |       |                       |                       |
| Property, plant and equipment               | 4.00  | 21,602,793,007        | 9,122,715,645         |
| Intangible assets                           | 5.00  | 2,268,327             | 2,079,924             |
| Right of use assets                         | 6.00  | 25,205,482            | 12,537,522            |
| Financial assets                            | 7.00  | 2,404,562             | 2,248,640             |
| Capital work-in-progress                    | 8.00  | 1,127,804,588         | 11,338,586,004        |
| Investment in associate                     | 9.01  | 241,043,621           | 112,508,363           |
|   |       | <b>23,001,519,586</b> | <b>20,590,676,098</b> |
| <b>Current assets</b>                       |       |                       |                       |
| Inventories                                 | 10.00 | 2,351,539,650         | 1,157,965,676         |
| Trade and other receivables                 | 11.00 | 1,489,957,904         | 2,681,566,681         |
| Advances, deposits and pre-payments         | 12.00 | 5,767,837,004         | 4,191,985,080         |
| Current account with associate (NCML)       | 9.02  | 181,670,764           | 22,680,886            |
| Investment in FDR                           | 13.00 | 573,946,311           | 13,888,879            |
| Cash and bank balances                      | 14.02 | 292,997,193           | 211,747,674           |
|   |       | <b>10,657,948,826</b> | <b>8,279,834,877</b>  |
| <b>Total assets</b>                         |       | <b>33,659,468,413</b> | <b>28,870,510,975</b> |
| <b>EQUITY AND LIABILITIES</b>               |       |                       |                       |
| <b>Equity</b>                               |       |                       |                       |
| Share capital                               | 15.00 | 1,054,500,000         | 1,054,500,000         |
| Revaluation reserve                         |       | 3,091,319,852         | 3,099,878,968         |
| Share premium                               |       | 441,835,000           | 441,835,000           |
| Retained earnings                           |       | 1,668,508,265         | 2,482,179,405         |
|   |       | <b>6,256,163,117</b>  | <b>7,078,393,373</b>  |
| Non-controlling interest                    | 16.00 | 18,740,823            | 18,826,525            |
|   |       | <b>6,274,903,940</b>  | <b>7,097,219,898</b>  |
| <b>Non-current liabilities</b>              |       |                       |                       |
| Loan from Directors                         | 17.00 | 240,000,000           | 240,000,000           |
| Deferred tax liabilities                    | 18.00 | 1,039,826,234         | 884,763,059           |
| Redeemable Preference Share                 | 20.00 | 1,510,420,000         | 1,510,420,000         |
| Lease Liability- Long term portion          | 21.01 | 19,674,772            | 12,371,137            |
| Long term loan                              | 19.02 | 5,933,596,294         | 2,667,902,847         |
| Defined contribution obligations (Gratuity) | 22.00 | 192,799,774           | 157,969,949           |
|   |       | <b>8,936,317,074</b>  | <b>5,473,426,993</b>  |
| <b>Current liabilities</b>                  |       |                       |                       |
| Trade and other payables                    | 23.00 | 3,035,224,326         | 608,657,487           |
| Unclaimed dividend                          | 24.00 | 1,888,555             | 2,637,434             |
| Short term bank loan                        | 25.00 | 13,521,999,500        | 13,747,746,354        |
| Current portion of long term loan           | 19.02 | 894,524,704           | 1,086,053,928         |
| Lease Liability - Current portion           | 21.01 | 9,193,282             | 2,977,302             |
| Liability for other finance                 | 26.00 | 16,614,948            | 14,338,311            |
| Provision for taxation                      | 27.00 | 968,802,085           | 837,453,269           |
|   |       | <b>18,448,247,400</b> | <b>16,299,864,085</b> |
| <b>Total equity and liabilities</b>         |       | <b>33,659,468,413</b> | <b>28,870,510,975</b> |
| <b>Net assets value per share</b>           | 46.04 | <b>59.33</b>          | <b>67.13</b>          |

The annexed notes from 01 to 46.09 form an integral part of these financial statements.

  
Company Secretary

  
Director  
As per our report of same date

  
Managing Director

Signed for & on behalf of  
**MABS & J Partners**  
Chartered Accountants

  
**J C Biswas FCA**  
Partner

ICAB Enrolment No: 0199  
DVC No: 2310290199A5103762

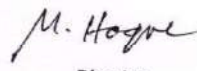
Place: Dhaka, Bangladesh  
Dated: 28 October 2023

**Premier Cement Mills PLC**  
**Consolidated Statement of Profit or Loss and Other Comprehensive Income**  
**For the year ended 30 June 2023**

| Particulars   | Notes | 30 June 2023         | 30 June 2022           |
|---|-------|----------------------|------------------------|
|   |       | Taka                 | Taka                   |
| Revenue   | 29.00 | 21,832,963,082       | 14,234,460,854         |
| Cost of sales   | 30.00 | (19,813,099,831)     | (12,960,117,330)       |
| <b>Gross profit</b>                                   |       | <b>2,019,863,251</b> | <b>1,274,343,524</b>   |
| Other income / (expenses)                             | 31.00 | 58,913,145           | 47,122,464             |
| Administrative expenses                               | 32.00 | (157,539,702)        | (120,023,288)          |
| Selling & distribution expenses                       | 33.00 | (751,898,375)        | (573,439,322)          |
| <b>Profit before interest and tax</b>                 |       | <b>1,169,338,320</b> | <b>628,003,378</b>     |
| Share of profit from associate company                | 9.01  | 3,031,326            | (10,597,373)           |
| Exchange Loss   |       | (1,045,046,501)      | (1,080,154,688)        |
| Finance costs   | 34.00 | (682,922,357)        | (570,300,112)          |
| Contribution to WPPF                                  |       | -                    | -                      |
| <b>Profit before tax</b>                              |       | <b>(555,599,212)</b> | <b>(1,033,048,795)</b> |
| Current tax expenses                                  | 27.00 | (131,707,504)        | (85,689,123)           |
| Deferred tax income/(expenses)                        | 18.00 | (155,063,174)        | (8,703,580)            |
| <b>Profit for the year</b>                            |       | <b>(842,369,890)</b> | <b>(1,127,441,498)</b> |
| <b>Profit attributable to:</b>                        |       |                      |                        |
| Owners of the company                                 |       | (842,284,188)        | (1,128,437,946)        |
| Non-controlling interest                              | 16.00 | (85,702)             | 996,448                |
|   |       | <b>(842,369,890)</b> | <b>(1,127,441,498)</b> |
| <b>Other comprehensive income</b>                     |       |                      |                        |
| Revaluation of property, plant & equipment            |       | -                    | -                      |
| Income tax on other comprehensive income              |       | -                    | -                      |
|   |       | -                    | -                      |
| <b>Total comprehensive income for the year</b>        |       | <b>(842,369,890)</b> | <b>(1,127,441,498)</b> |
| <b>Total comprehensive income attributable to:</b>    |       |                      |                        |
| Owners of the company                                 |       | (842,284,188)        | (1,128,437,946)        |
| Non-controlling interest                              |       | (85,702)             | 996,448                |
| <b>Total comprehensive income for the year</b>        |       | <b>(842,369,890)</b> | <b>(1,127,441,498)</b> |
| <b>Basic earnings per share (par value of Tk. 10)</b> | 35.00 | <b>(7.99)</b>        | <b>(10.70)</b>         |

The annexed notes from 01 to 46.09 form an integral part of these financial statements.

  
**Company Secretary**

  
**Director**  
 As per our report of same date

  
**Managing Director**

Signed for & on behalf of  
**MABS & J Partners**  
 Chartered Accountants

  
**J C Biswas FCA**  
 Partner

ICAB Enrolment No: 0199  
 DVC No: 2310290199AS103762

Place: Dhaka, Bangladesh  
 Dated: 28 October 2023

**Premier Cement Mills PLC**  
**Consolidated Statement of Changes in Equity**  
**For the year ended 30 June 2023**

| Particulars                     | Share capital        | Share Premium      | Revaluation reserve  | Retained earnings    | Total                | Non-controlling interest | Amount in Taka       |  |
|---------------------------------|----------------------|--------------------|----------------------|----------------------|----------------------|--------------------------|----------------------|--|
|                                 |                      |                    |                      |                      |                      |                          | Total equity         |  |
| Balance at 01 July 2021         | 1,054,500,000        | 441,835,000        | 3,108,832,875        | 3,812,563,442        | 8,417,731,317        | 17,830,077               | 8,435,561,394        |  |
| Net profit for the year         | -                    | -                  | -                    | (1,128,437,945)      | (1,128,437,945)      | 996,448                  | (1,127,441,497)      |  |
| Dividend for the year 2020-2021 | -                    | -                  | -                    | (210,900,000)        | (210,900,000)        | -                        | (210,900,000)        |  |
| Depreciation on revalued assets | -                    | -                  | (8,953,907)          | 8,953,907            | -                    | -                        | -                    |  |
| <b>Balance at 30 June 2022</b>  | <b>1,054,500,000</b> | <b>441,835,000</b> | <b>3,099,878,968</b> | <b>2,482,179,405</b> | <b>7,078,393,372</b> | <b>18,826,525</b>        | <b>7,097,219,897</b> |  |
| Balance at 01 July 2022         | 1,054,500,000        | 441,835,000        | 3,099,878,968        | 2,482,179,405        | 7,078,393,372        | 18,826,525               | 7,097,219,897        |  |
| Net profit for the year         | -                    | -                  | -                    | (842,284,188)        | (842,284,188)        | (85,702)                 | (842,369,890)        |  |
| Dividend for the year 2021-22   | -                    | -                  | -                    | (105,450,000)        | (105,450,000)        | -                        | (105,450,000)        |  |
| Assets revalued during the year | -                    | -                  | -                    | -                    | -                    | -                        | -                    |  |
| Associate company Adjustment    | -                    | -                  | -                    | 125,503,932          | 125,503,932          | -                        | 125,503,932          |  |
| Depreciation on revalued assets | -                    | -                  | (8,559,116)          | 8,559,116            | -                    | -                        | -                    |  |
| <b>Balance at 30 June 2023</b>  | <b>1,054,500,000</b> | <b>441,835,000</b> | <b>3,091,319,852</b> | <b>1,668,508,265</b> | <b>6,256,163,116</b> | <b>18,740,823</b>        | <b>6,274,903,939</b> |  |

Revaluation surplus amounting to Tk. 8,559,116 has been transferred to retained earnings for the difference between depreciation based on the revalued carrying amount of the asset and depreciation based on the assets original cost. The amount has been netted off for tax.



**Company Secretary**



**Director**



**Managing Director**

Place: Dhaka, Bangladesh

Dated: 28 October 2023

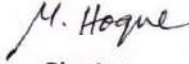




**Premier Cement Mills PLC**  
**Consolidated Statement of Cash Flows**  
**For the year ended 30 June 2023**

| Particulars  | Notes        | 30 June 2023           | 30 June 2022           |
|--|--------------|------------------------|------------------------|
|  |              | Taka                   | Taka                   |
| <b>Cash flows from operating activities</b>                      |              |                        |                        |
| Receipt from customers   |              | 23,103,049,134         | 14,121,969,836         |
| Payment to employees   |              | (594,363,442)          | (449,788,939)          |
| Payment to suppliers   |              | (19,861,280,425)       | (11,887,346,999)       |
| <b>Cash generated from operating activities</b>                  |              | <b>2,647,405,267</b>   | <b>1,784,833,898</b>   |
| Other income   |              | 28,812,408             | 38,019,345             |
| Exchange gain/( loss)  |              | (1,045,046,501)        | (153,568,205)          |
| Interest paid  |              | (598,622,526)          | (552,421,753)          |
| Dividend Paid  |              | (106,198,879)          | (210,313,795)          |
| Advance income tax refund  |              | 121,002,896            | -                      |
| Tax paid   |              | (552,445,535)          | (351,761,416)          |
| <b>A. Net cash from operating activities</b>                     | <b>46.05</b> | <b>615,910,026</b>     | <b>554,788,074</b>     |
| <b>Cash flows from investing activities</b>                      |              |                        |                        |
| Purchase of property, plant & equipment                          |              | (441,082,412)          | (221,548,374)          |
| Capital work-in-progress (WIP)                                   |              | (1,854,399,807)        | (1,789,059,978)        |
| Sale of property, plant & equipment                              |              | 1,500,000              | 4,826,572              |
| Advance to Associate   |              | 28,328,655             | 99,206,627             |
| Investment in FDR  |              | (560,140,952)          | 144,510,456            |
| <b>B. Net cash used in investing activities</b>                  |              | <b>(2,825,794,516)</b> | <b>(1,762,064,697)</b> |
| <b>Cash flows from financing activities</b>                      |              |                        |                        |
| Receipt/(payment) from long term borrowings                      |              | 2,590,073,928          | (702,214,238)          |
| Receipt/(payment) from short term borrowings                     |              | (158,445,125)          | 1,170,568,745          |
| From other finance   |              | 2,276,637              | 10,275,766             |
| Receipt from redeemable Preference Share                         |              | -                      | 1,000,000,000          |
| Receipt/(payment) of lease finance                               |              | (142,771,432)          | (214,819,151)          |
| <b>C. Net cash from financing activities</b>                     |              | <b>2,291,134,008</b>   | <b>1,263,811,122</b>   |
| Net increase in cash and bank balances (A+B+C)                   |              | 81,249,519             | 56,534,500             |
| Cash and bank balances at the beginning of the year              |              | 211,747,674            | 155,213,174            |
| <b>Cash and bank balances at the end of the year</b>             |              | <b>292,997,193</b>     | <b>211,747,674</b>     |
| <b>Effect of exchange rates on cash and cash equivalents</b>     |              | <b>8,656,619</b>       | <b>1,548,547</b>       |
| <b>Net operating cash flow per share (NOCFPS) (Note - 46.06)</b> |              | <b>5.84</b>            | <b>5.26</b>            |

  
**Company Secretary**

  
**Director**

  
**Managing Director**

Place: Dhaka, Bangladesh  
Dated: 28 October 2023



**Premier Cement Mills PLC**  
**Notes to the Consolidated Statement of Financial Statement**  
**For the year ended 30 June 2023**

**1 REPORTING ENTITY**

**1.01 Formation and legal status**

Premier Cement Mills PLC, (hereinafter referred to as PCM PLC or the holding Company) a Public Limited Company was incorporated on 14 October 2001 under the Companies Act XVIII of 1994 having its registered office in Chittagong. Presently the Company has a subsidiary namely "Premier Power Generation Limited" where PCM PLC holds 96% of its shares and PCM PLC also has an associate company namely "National Cement Mills Limited" holding 18.67% of its shares.

Premier Power Generation Limited, (hereinafter referred to as PPGL or the subsidiary company) a private limited company was incorporated on 07 September 2006 under the Companies Act 1994 having its registered office in Chittagong with an installed capacity of 5.34 MW run by Natural Gas from TGTDC.

National Cement Mills Limited, (hereinafter referred to as NCML or the associate company) a public limited company was incorporated on 10 September 1996 with an installed capacity of 8000 MT per day at Issa Nagar, Karnafuly, Chittagong.

**1.02 Nature of business**

The Company is manufacturing cement from various raw materials i.e. Clinker, Gypsum, Slag, Lime Stone, Fly Ash etc. at its manufacturing plant located at West Muktarpur, Munshigonj and marketing the same in local as well as foreign markets.

**2.00 Basis of preparation, presentation and disclosures of financial statements**

**2.01 Statement of compliance**

The financial statements have been prepared on a going concern basis following accrual basis of accounting except for cash flow statement in accordance with the International Accounting Standards (IASs) and International Financial Reporting Standards (IFRSs).

**2.02 Other regulatory compliances**

The Companies are also required to comply with the following major laws and regulation in addition to the Company Act 1994:

The Securities and Exchange Rules, 1987  
The Securities & Exchange Ordinance, 1969  
The Income Tax Act, 2023  
The Income Tax Rules, 2023  
The Value Added Tax Act, 2012  
The Value Added Tax Rules, 2016  
The Customs Act, 1969

**2.03 Basis of measurement**

These financial statements have been prepared on a historical cost basis except for property, plant and equipment which are measured at revalued amount.

**2.04 Functional and presentation currency**

These financial statements are prepared in Bangladesh Taka (Taka/ Tk.), which is the company's functional currency. All financial information presented in Taka has been rounded off to the nearest integer.

**2.05 Use of estimates and judgments**

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of Assets, Liabilities, Income and Expenses.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revision to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Information about critical judgments in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements is included in the following notes:

|         |                               |
|---------|-------------------------------|
| Note 4  | Property, plant and equipment |
| Note 5  | Intangible assets             |
| Note 6  | Right of use assets           |
| Note 7  | Financial assets              |
| Note 10 | Inventories                   |
| Note 11 | Trade and other receivables   |





|         |  |
|---------|--|
| Note 18 | Deferred tax liability                 |
| Note 22 | Defined benefit obligations (Gratuity) |
| Note 23 | Trade and other payable                |
| Note 27 | Provision for taxation                 |
| Note 38 | Contingent liabilities                 |

#### 2.06 Changes in accounting policy

The company has applied the IAS/IFRS 10, 12 & 13 from the year 2013-14, IAS/IFRS 9 & 15 from the year 2018-19 and IFRS 16 from the year 2019-2020.

|         |   |
|---------|---|
| IFRS 9  | Financial Instruments                     |
| IFRS 10 | Consolidated Financial Statements         |
| IFRS 12 | Disclosure of interests in other entities |
| IFRS 13 | Fair Value Measurement                    |
| IFRS 15 | Revenue from Contract with Customer       |
| IFRS 16 | Leases                                    |

#### 2.07 Going concern

The company has adequate resources to continue in operation for foreseeable future. For this reason the directors continue to adopt going concern basis in preparing the Financial Statements. The current credit facilities and business prospective of the company provide sufficient fund and ability to meet the present obligations of its existing businesses and operations.

#### 2.08 Applicable accounting standards

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

|           |   |
|-----------|---|
| IAS - 1   | Presentation of Financial Statements                            |
| IAS - 2   | Inventories   |
| IAS - 7   | Statements 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 - 21  | The Effects of Changes in Foreign Exchange Rates                |
| IAS - 23  | Borrowing Costs   |
| IAS - 24  | Related Party Disclosures                                       |
| IAS - 27  | Separate Financial Statements (Revised 2011)                    |
| IAS - 28  | Investment in Associate   |
| IAS - 32  | Financial Instruments: Presentation                             |
| IAS - 33  | Earnings Per Share  |
| IAS - 34  | Interim Financial Reporting, Comparative Information            |
| IAS - 36  | Impairment of Assets  |
| IAS - 37  | Provisions, Contingent Liabilities and Contingent Assets        |
| IAS - 38  | Intangible Assets   |
| IFRS - 3  | Business Combinations   |
| IFRS - 7  | Financial Instruments: Disclosures                              |
| IFRS - 9  | Financial Instruments   |
| IFRS - 10 | Consolidated Financial Statements                               |
| IFRS - 12 | Disclosure of interest in other entities                        |
| IFRS - 13 | Fair value measurement  |
| IFRS - 15 | Revenue from Contract with Customer                             |
| IFRS - 16 | Leases  |

Leases presented in the financial statement has been recognized as per the requirements of IAS 17. The applicability of IFRS 16 has come into effect from 1st January 2019. However, we have implemented the standard from the financial year 2019-20.

#### 2.09 Reporting period

The accounting period of the company covers one financial year from 1st July to 30th June consistently.

#### 2.10 Principles of consolidation and disclosure of interest in other entities

Subsidiary is an enterprise controlled by the parent entity. Control exists when an investor is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those re-turns through its power over the investee. The financial statements of subsidiary are included in the consolidated financial statements from the date that control commences until the date that control ceases. The consolidated financial statements have been prepared in accordance with IFRS 10 Consolidated Financial Statements.





The group eliminates in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group (profits or losses resulting from intragroup transactions that are recognised in assets, such as inventory and fixed assets, are eliminated in full).

#### **Non-controlling interests**

The group presents non-controlling interests in its consolidated statement of financial position within equity, separately from the equity of the owners of the parent.

The group attributes the profit or loss and each component of other comprehensive income to the owners of the parent and to the non-controlling interests. The proportion allocated to the parent and non-controlling interests are determined on the basis of present ownership interests.

Premier Power Generation Limited is a subsidiary company of PCMPLC. The Company has made 96% investments in its subsidiary. PCMPLC is exposed to and has rights, to variable returns from the subsidiary and also has the ability to affect those returns through its power over PPGL.

National Cement Mills Limited is an associate company of PCMPLC. The company owns 18.67% of the equity share capital in NCML prior to current year PCMPLC exerts control on NCML with remaining 60% voting rights through common directorships. The management has decided to consolidate the financial statements of NCML in accordance with IFRS 10 for reporting purpose up to 30-06-2017. In the year 2017-2018 there was a major change in the shareholding position of NCML and directorship and PCMPLC lose control in the decision making of NCML through voting right hence the company decided not to consolidate the financial position of NCML As per equity method (Ref.IAS-28) share of profit from associate company's shown in the "Consolidated statement of profit or loss and other comprehensive Income" and is added with investment in Associate.

### **3.00 Summary of significant accounting policies**

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

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

#### **3.01 Consistency**

The accounting policies and methods of computation used in preparation of financial statements for the year ended 30 June 2022 are consistent with those policies and methods adopted in preparing the financial statements for the year ended 30 June 2023.

#### **3.02 Transactions in foreign currencies**

Foreign currency transactions are recorded at the applicable rates of exchange ruling on the date of transactions.

Other monetary assets & liabilities, if any, denominated in foreign currencies at the Balance Sheet date are translated at the applicable rates of exchange ruling at that date and the related exchange differences are charged off as revenue expenditure. Effects on cash flows has been shown in the statement of cash flows of the financial statements.

#### **3.03 Financial instruments**

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

"A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. It is recognized by IFRS 9 -Financial Instrument. The entity has recognized its financial instruments as per IFRS 9 - Financial Instruments.



### **3.03.01 Financial assets**

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

The group derecognizes a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred.

Financial assets include cash and bank balances, trade and other receivable, advances, deposits and prepayments, etc.

#### **3.03.01.01 Cash and bank balances**

This comprises of cash in hand, deposits held at call with banks, and bank overdrafts are shown in current liabilities on the balance sheet which are held and available for use by the company without any restriction. There is insignificant risk of change in value of the same.

#### **3.03.01.02 Trade and other receivables**

Trade and other receivables represent the amounts due from local and foreign customers etc. Trade receivables are stated at net.

Provision for doubtful debts is made based on the company policy. Bad debts are written off on consideration of the status of individual debtors.

### **3.03.02 Financial liabilities**

The group recognizes all financial liabilities on the trade date which is the date the group becomes a party to the contractual provisions of the instrument.

The group derecognizes a financial liability when its contractual obligations are discharged, cancelled or expired. Financial liabilities comprise trade and other creditors only.

#### **3.03.02.01 Trade and other payables**

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

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

#### **3.04.01 Recognition and measurement**

Items of property, plant and equipment are carried at revalued amount, being fair values at the date of revaluation less subsequent accumulated depreciation and subsequent impairment losses, if any.

#### **Subsequent costs**

The cost of replacing a part of property, plant and equipment is recognized in the carrying amount of the item if it is probable that future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably. All other repairs and maintenance costs are charged to the statement of comprehensive income during the financial period in which they incurred.





### Depreciation

In respect of fixed assets other than freehold land, depreciation is provided on reducing balance method over their expected useful life and day basis depreciation charged on the amount of addition to fixed assets from the date of use. No depreciation is charged on freehold land considering its unlimited life. The annual depreciation rates for different category of assets are as follows:

| Category of assets           | Rate   |      |
|------------------------------|--------|------|
|                              | PCMPLC | PPGL |
| Land and land development    | 0%     | 0%   |
| Factory Building             | 3%     | 0%   |
| VRM Factory Building         | 3%     | 0%   |
| Jetty Construction           | 3%     | 0%   |
| VRM Jetty Construction       | 3%     | 0%   |
| Electric Installation        | 8%     | 0%   |
| VRM -Electric Installation   | 5%     | 0%   |
| Plant & Machinery            | 8%     | 6%   |
| VRM-Plant & Machinery        | 5%     | 0%   |
| Boundary Wall & Fencing      | 5%     | 0%   |
| Furniture & Fixtures         | 10%    | 10%  |
| Telephone & Fax Installation | 15%    | 0%   |
| Loose Tools                  | 15%    | 0%   |
| Motor Vehicles               | 15%    | 0%   |
| Motor Vehicles- Employee     | 10%    | 0%   |
| Office Building & Shed       | 3%     | 0%   |
| VRM_Office Building & Shed   | 3%     | 0%   |
| Office Equipment             | 15%    | 20%  |
| Tube-Well                    | 15%    | 0%   |
| Air Compressor               | 15%    | 0%   |
| Grinding Media               | 33%    | 0%   |
| Lab Equipment                | 10%    | 0%   |
| Vessel                       | 10%    | 0%   |
| Portable Cement Silo         | 3%     | 0%   |
| Office Decoration            | 15%    | 15%  |
| Generator Building           | 0%     | 10%  |
| Software                     | 10%    | 0%   |

Depreciation charged during the year is allocated to cost of sales, administrative expenses, selling & distribution expenses and Bag Plant based on usage/consumption of economic benefits.

Upon retirement of assets, no depreciation is charged in the year of retirement and the cost and related accumulated depreciation are eliminated from the accounts and resulting gain or loss is charged or credited to profit and loss account.

### Leasehold assets and leases

Assets held under finance leases are recognised as assets of the Company at their fair value at the date of acquisition or, if lower, at the present value of the minimum lease payments. The corresponding liability is included in the balance sheet as a finance lease obligation. Lease payments are apportioned between finance charges and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged directly against income.

Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets. Leasehold assets have been capitalised this year because of lease term of all assets have been completed by this year.

### Leases:

IFRS 16 introduces significant changes to lessee accounting by removing the distinction between operating and finance lease and requiring the recognition of a right-of-use asset and a lease liability at commencement for all leases, except for short-term leases and leases of low value assets when such recognition exemptions are adopted. In contrast to lessee accounting, the requirements for lessor accounting have remained largely unchanged.

"The Group" has applied IFRS 16 using the cumulative catch-up approach. "The Group" utilized the option to measure the right-of-use asset at an amount equal to the lease liability in accordance with para C8 of IFRS 16 at the date of initial application. This approach does not require restatement of comparatives, which continue to be presented under IAS 1 and IFRIC 4.



IFRS 16 changes how the Group accounts for leases previously classified as operating leases under IAS 17, which were of balance sheet. Applying IFRS 16, for all leases (except as noted below), the Group:

- a) Recognises right-of-use assets and lease liabilities in the consolidated statement of financial position, initially measured at the present value of the future lease payments, with the right-of-use asset adjusted by the amount of any prepaid or accrued lease payments in accordance with IFRS 16:C8(b)(ii);
- b) Recognises depreciation of right-of-use assets and interest on lease liabilities in the consolidated statement of profit or loss;
- c) Separates the total amount of cash paid into a principal portion (presented within financing activities) and interest (presented within financing activities) in the consolidated statement of Cash flows.

Under IFRS 16, right-of-use assets are tested for impairment in accordance with IAS 36. For short-term leases (lease term of 12 months or less) and leases of low-value assets, the Group has opted to recognize a lease expense on a straight-line basis as permitted by IFRS 16. This expense is presented in profit or loss. The Group has used the following practical expedients:

- The Group has applied a single discount rate (9%) to a portfolio of leases with reasonably similar characteristics.
- The Group has elected not to recognize right-of-use assets and lease liabilities to leases for which the lease term ends within 12 months of the date of initial application.
- The Group has excluded initial direct costs from the measurement of the right-of-use asset at the date of initial application.

#### 3.04.02 Capital work-in-progress

Property, plant and equipment under construction/acquisition is accounted for as capital work-in-progress until construction/acquisition is completed and measured at cost initially.

#### 3.05 Inventories

##### Nature of inventories

Inventories comprise of Raw Materials (Clinker, Gypsum, Lime Stone, Fly Ash, Slag), Grinding Aid, Packing Materials, Consumable Stores, Raw Materials of Bag Plant, Goods in Transit & Finished Goods (Cement) etc.

##### Valuation of the inventories

Inventories are stated at the lower of cost or net realizable value in accordance with IAS 2 "Inventories" after making due allowances for any obsolete or slow moving items, if any.

The cost is determined using the Weighted Average Method consistently. The cost of inventories comprises of expenditure incurred in the normal course of business in bringing such inventories to its present location and condition. Net realizable value is based on estimated selling price less VAT in the ordinary course of business less any further costs expected to be incurred to make the sale (applicable variable selling expenses).

| Category         | Basis of valuation   |
|------------------|--|
| Finished goods   | At the lower of weighted average cost or net realizable value. |
| Raw materials    | At the lower of weighted average cost or net realizable value. |
| Goods-in-transit | At the lower of weighted average cost or net realizable value. |

#### 3.06 Cash flow statement

Statement of Cash Flows is prepared principally in accordance with IAS 7 (Statement of Cash Flow ) and the cash flow from operating activities have been presented under direct method.





### **3.07 Impairment**

#### **3.07.01 Non-derivative financial assets**

Financial assets not carried at fair value through profit or loss, loans and receivables are assessed as and when required to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

#### **3.07.02 Non-financial assets**

The carrying amounts of the group's non-financial assets, other than inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists then the recoverable amount of the asset is estimated. An impairment loss is recognised if the carrying amount of an asset or its related cash-generating unit (CGU) exceeds its estimated recoverable amount.

#### **3.08 Provisions, contingent liabilities and contingent assets**

A provision is recognized in the balance sheet when the Company has a legal or contractual 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. Contingent assets are not recognized.

#### **3.09 Borrowing costs**

Interest and other costs incurred by the company in connection with the borrowing of funds are recognized as expense in the period in which they are incurred, unless such borrowing cost relates to acquisition / construction of assets in progress that are capitalized as per IAS 23 "Borrowing Costs".

#### **3.10 Taxation**

##### **3.10.1 Current tax**

PCM PLC has been maintaining provision for taxation .60% of gross received as per Income Tax Act, 2023 during the year.

##### **3.10.2 Deferred tax**

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

#### **3.11 Share capital**

Paid up capital represents total amount contributed by the shareholders and bonus shares issued by the company to the ordinary shareholders. Holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to vote at shareholders' meetings. In the event of a winding up of the company, ordinary shareholders rank after all other shareholders and creditors are fully entitled to any residual proceeds of liquidation.

#### **3.12 Employee benefits**

The company maintains both defined contribution plan and defined benefit plan for its eligible permanent employees.

##### **3.13.01 Defined contribution plan**

The company maintains a recognized provident fund @ 7% of basic pay (Equally contributed by employee & employer) for all eligible permanent employees from 1st day of July 2010. The said fund is managed by a duly constituted five member board of trustees.



**3.13.02 Defined benefit plan ( Gratuity )**

The company maintains an unfunded gratuity scheme, provision in respect of which is made annually for the employees. Gratuity payable at the end of each year are determined on the basis of two (2) times of last month basic salary and payment is to be made on the basis of following rules and regulations of the company.

| Service length (W.E.F. 01.07.2010)            | Payment basis   |
|---|---|
| Less than Five (5) years                      | Nil Amount. In case of deceased person & terminated by employer - One (1) times of last month basic salary x year of service(s) |
| For Five (5) years only                       | One (1) times of last month basic salary x year of services   |
| Above Five (5) years but below Ten (10) years | One & half (1.5) times of last month basic salary x year of service(s)  |
| Ten (10) years & above                        | Two (2) times of last month basic salary x year of service(s)   |

**3.13.03 Other benefits**

The company also making a provision for Workers' Profit Participation and Welfare funds @ 5% of net profit before tax as per Labour Act 2006.

**3.14 Revenue recognition**

In compliance with the requirements of IFRS 15 : Revenue from the sale of goods (Cement) is measured at the fair value of the consideration received or receivable, net of returns, trade discounts and volume rebates. Revenue is recognized when the following criteria meets:

- I. Identify the contract with customer
- II. Identify the performance obligation in the contract
- III. Determine the transaction price
- IV. Allocate the transaction price to performance obligation
- V. Recognize the revenue

We have recognized our revenue by satisfying the criteria provided above.

**3.15 Earnings per share**

The company calculates its earning per share in accordance with International Accounting Standard (IAS) - 33 which has been reported on the face of Statement of Comprehensive Income.

**Basis of earnings**

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

**Basis of earnings per share**

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

**Diluted earnings per share**

No diluted earnings per share is required to be calculated per year as there was no scope for dilution during the year.

**3.16 Duty drawback**

Duty drawback claimed on export sales is adjusted against cost of imported raw materials.

**3.17 Events after the reporting period**

Events after the Reporting period that provide additional information about the company's positions at the balance sheet date are reflected in the financial statements if any.

**3.18 Comparative information and re-arrangement thereof**

In accordance with the provisions of IAS-1: Presentation of Financial Statements, Comparative information has been disclosed for all numerical information in the financial statements and also the narrative and descriptive information where it is relevant for understanding of the current period's financial statements.





|  | Amount in Taka        |                      |
|--|-----------------------|----------------------|
|  | 30 June 2023          | 30 June 2022         |
| <b>4.00 Property, Plant &amp; Equipment</b>      |                       |                      |
| <b>FREE-HOLD</b>                                 |                       |                      |
| <b><u>Cost and Revaluation</u></b>               |                       |                      |
| Opening balance                                  | 11,324,596,981        | 10,914,125,139       |
| Add: Addition during the year                    | 13,126,913,078        | 419,740,509          |
| Less: Disposal/Adjustment during the year        | (2,443,000)           | (9,268,667)          |
| Closing balance                                  | 24,449,067,059        | 11,324,596,981       |
| <br><u>Depreciation</u>                          |                       |                      |
| Opening balance                                  | 2,201,881,335         | 1,906,853,431        |
| Add: Charged during the year                     | 646,328,014           | 298,634,476          |
| Less: Disposal/Adjustment during the year        | (1,935,297)           | (3,606,571)          |
| Closing balance                                  | 2,846,274,052         | 2,201,881,336        |
| <b>Written Down Value</b>                        | <b>21,602,793,007</b> | <b>9,122,715,645</b> |
| Details are shown in Annexure - A                |                       |                      |
| <br><b>5.00 Intangible Assets</b>                |                       |                      |
| <b><u>Cost</u></b>                               |                       |                      |
| Opening balance                                  | 2,683,913             | 1,186,013            |
| Add: Addition during the year                    | 419,750               | 1,497,900            |
| Less: Disposal during the year                   | -                     | -                    |
| Closing balance                                  | 3,103,663             | 2,683,913            |
| <br><u>Amortization</u>                          |                       |                      |
| Opening balance                                  | 603,989               | 447,828              |
| Add: Charged during the year                     | 231,347               | 156,162              |
| Less: Disposal during the year                   | -                     | -                    |
| Closing balance                                  | 835,336               | 603,990              |
| <b>Written Down Value</b>                        | <b>2,268,327</b>      | <b>2,079,924</b>     |
| Details are shown in Annexure - A                |                       |                      |
| <br><b>6.00 Lease Assets-Right of Use Assets</b> |                       |                      |
| <b><u>Cost</u></b>                               |                       |                      |
| Opening balance                                  | 38,544,784.00         | 38,544,784           |
| Add: Addition during the year                    | 22,109,393            | -                    |
| Less: Disposal during the year                   | -                     | -                    |
| Closing balance                                  | <b>60,654,177</b>     | <b>38,544,784</b>    |
| <br><u>Depreciation</u>                          |                       |                      |
| Opening balance                                  | 26,007,262            | 16,794,086           |
| Add: Charged during the year                     | 9,441,433             | 9,213,176            |
| Less: Disposal during the year                   | -                     | -                    |
| Closing balance                                  | 35,448,695            | 26,007,262           |
| <b>Written Down Value</b>                        | <b>25,205,482</b>     | <b>12,537,522</b>    |
| <br><b>7.00 Financial Assets</b>                 |                       |                      |
| Opening balance                                  | 2,248,640             | 2,055,793            |
| Add: Addition during the year                    | -                     | -                    |
| Office space                                     | 128,578               | 167,808              |
| Accommodation Building                           | 27,344                | 25,039               |
| Less: Disposal during the year                   | -                     | -                    |
| Closing balance                                  | <b>2,404,562</b>      | <b>2,248,640</b>     |



| Amount in Taka |              |
|----------------|--------------|
| 30 June 2023   | 30 June 2022 |

#### 8.00 Capital work-in-progress (WIP)

|  |                       |                       |
|--|-----------------------|-----------------------|
| Opening capital work-in-progress                       | 11,338,586,004        | 9,549,526,026         |
| Add: Expenditure incurred during the year ( Note 8.01) | 1,854,399,807         | 1,789,059,978         |
| Total capital work-in-progress                         | <b>13,192,985,811</b> | <b>11,338,586,004</b> |
| Less: Capitalized during the year ( Note 8.01)         | 12,065,181,223        | -                     |
| Closing capital work-in-progress                       | <b>1,127,804,588</b>  | <b>11,338,586,004</b> |

#### 8.01

| Particulars                        | Opening Balance at 30 June 2022 | Addition during the year | Capitalized/ transferred during the year | Balance as at 30 June 2023 |
|------------------------------------|---------------------------------|--------------------------|--|----------------------------|
| Packing & Delivery Plant- Katamari | -                               | 273,276,693              | -  | 273,276,693                |
| VRM- Power Plant                   | -                               | 568,977,606              | -  | 568,977,606                |
| VRM Project - Dhaka                | 11,338,586,004                  | 1,012,145,508            | 12,065,181,223                           | 285,550,289                |
| VRM Project - Ctg                  | -                               | -                        | -  | -                          |
| <b>Total</b>                       | <b>11,338,586,004</b>           | <b>1,854,399,807</b>     | <b>12,065,181,223</b>                    | <b>1,127,804,588</b>       |

8.02 For the Financial year ended 30 June 2023 Capital work in progress transferred to Property, Plant & Equipment BDT 12,065.18 million.

#### 9.00 Investment and current account with associate

##### 9.01 Investment in associate

Premier Cement Mills Limited is the owner of 7,000,000 shares of Tk.10 each out of 37,500,000 shares of Tk. 10 each i.e. 18.67% shares of National Cement Mills Limited.

Current position of the investment is as follows:

|  |                    |                    |
|--|--------------------|--------------------|
| <b>Opening balance</b>   | <b>112,508,363</b> | <b>123,105,736</b> |
| Add: Share of profit / (loss) from associate company - during the year | 3,031,326          | (10,597,373)       |
| Add: Adjustment for asset valuation                                    | 86,087,998         | -                  |
| Add: Prior year equity adjustment                                      | 39,415,934         | -                  |
| <b>Closing balance</b>   | <b>241,043,621</b> | <b>112,508,363</b> |

##### 9.02 Current account with associate

The current account balance is representing the net transaction with National Cement Mills Limited for payment of expenses for Balancing, Modernisation, Rehabilitation and Expansion, loan installment and other expenses.

|                                   |                    |                    |
|-----------------------------------|--------------------|--------------------|
| Opening balance                   | 22,680,886         | 120,064,838        |
| Add : Payment during the year     | 485,792,554        | 633,932,718        |
| Add : Interest                    | 3,293,653          | 1,822,675          |
|                                   | <b>511,767,093</b> | <b>755,820,231</b> |
| Less : Adjustment during the year | (330,096,329)      | (733,139,345)      |
| <b>Closing balance</b>            | <b>181,670,764</b> | <b>22,680,886</b>  |





10.00 Inventories:

| Inventories                          | Unit measurement | 30 June 2023 |                      | 30 June 2022 |                      |
|--------------------------------------|------------------|--------------|----------------------|--------------|----------------------|
|                                      |                  | Quantity     | Amount (Tk.)         | Quantity     | Amount (Tk.)         |
| Clinker                              | MT               | 31,544       | 200,590,165          | 34,543       | 225,191,245          |
| Gypsum                               | MT               | 94,551       | 312,229,794          | 32,315       | 113,789,971          |
| Fly Ash                              | MT               | 245,001      | 686,473,668          | 45,130       | 120,190,778          |
| Slag                                 | MT               | 66,841       | 211,871,383          | 37,464       | 114,285,318          |
| Lime Stone                           | MT               | 59,994       | 171,917,697          | 28,526       | 88,716,283           |
| Grinding Aid                         | MT               | 173          | 13,643,063           | 119          | 9,212,459            |
| Packing materials (P.P. & Paper Bag) | Pcs              | 981,969      | 20,574,489           | 621,300      | 12,054,956           |
| Finished goods and WIP               | MT               | 14,944       | 96,242,904           | 10,270       | 60,042,997           |
| WIP- Bag Plant                       | Various          | -            | 40,119,822           | -            | 42,377,163           |
| Raw material stock for Bag Plant     | KG               | 3,954,640    | 481,463,128          | 2,540,332    | 274,512,218          |
| Consumable stores                    | Various          | -            | 116,104,538          | -            | 97,592,290           |
| <b>Total</b>                         |                  |              | <b>2,351,539,649</b> |              | <b>1,157,965,676</b> |

10.01 Raw materials reconciliation

| Particulars  | For 30 June 2023 |                    |                  |                       | For 30 June 2022   |                   |                |                      |                  |                       |
|--------------|------------------|--------------------|------------------|-----------------------|--------------------|-------------------|----------------|----------------------|------------------|-----------------------|
|              | Opening          |                    | Receipt          |                       | R.M. sales at cost |                   | Closing        |                      | Consumption      |                       |
|              | Quantity (MT)    | Amount (Tk.)       | Quantity (MT)    | Amount (Tk.)          | Quantity (MT)      | Amount (Tk.)      | Quantity (MT)  | Amount (Tk.)         | Quantity (MT)    | Amount (Tk.)          |
| Clinker      | 34,543           | 225,191,245        | 1,814,254        | 12,418,163,906        | -                  | -                 | 31,544         | 200,590,165          | 1,827,263        | 12,512,704,486        |
| Gypsum       | 32,315           | 113,789,971        | 160,240          | 579,445,812           | -                  | -                 | 94,551         | 312,229,794          | 302,374          | 382,288,374           |
| Fly Ash      | 45,130           | 120,190,778        | 449,132          | 1,211,532,839         | -                  | -                 | 245,001        | 686,473,668          | 249,371          | 695,249,949           |
| Slag         | 37,464           | 114,285,318        | 606,315          | 2,140,203,701         | -                  | -                 | 66,841         | 211,871,383          | 576,999          | 2,042,617,636         |
| Lime Stone   | 28,526           | 88,716,283         | 232,028          | 705,790,850           | -                  | -                 | 59,944         | 171,917,697          | 200,610          | 622,589,436           |
| Grinding aid | 119              | 9,212,459          | -                | -                     | 273                | 22,303,000        | 173            | 13,643,063           | 219              | 17,872,396            |
| <b>Total</b> | <b>178,097</b>   | <b>671,346,053</b> | <b>3,262,499</b> | <b>17,055,137,108</b> | <b>14,043</b>      | <b>71,531,346</b> | <b>498,054</b> | <b>1,597,034,769</b> | <b>2,956,586</b> | <b>16,223,322,778</b> |
|              |                  |                    |                  |                       |                    |                   |                |                      |                  | <b>(212,602)</b>      |
|              |                  |                    |                  |                       |                    |                   |                |                      |                  | <b>16,223,110,174</b> |

Less - VAT loss & adjustment

For 30 June 2022

| Particulars  | Opening        |                    |                  |                       | Receipt        |              |                    |              | R.M. sales at cost |                    |                    |              | Closing        |                    |                  |                       | Consumption           |                       |                       |  |
|--------------|----------------|--------------------|------------------|-----------------------|----------------|--------------|--------------------|--------------|--------------------|--------------------|--------------------|--------------|----------------|--------------------|------------------|-----------------------|-----------------------|-----------------------|-----------------------|--|
|              | Opening        |                    | Import           |                       | Local purchase |              | R.M. sales at cost |              | Closing            |                    | R.M. sales at cost |              | Closing        |                    | Consumption      |                       | Consumption           |                       |                       |  |
|              | Quantity (MT)  | Amount (Tk.)       | Quantity (MT)    | Amount (Tk.)          | Quantity (MT)  | Amount (Tk.) | Quantity (MT)      | Amount (Tk.) | Quantity (MT)      | Amount (Tk.)       | Quantity (MT)      | Amount (Tk.) | Quantity (MT)  | Amount (Tk.)       | Quantity (MT)    | Amount (Tk.)          | Quantity (MT)         | Amount (Tk.)          |                       |  |
| Clinker      | 62,715         | 375,549,118        | 1,478,466        | 8,487,769,502         | -              | -            | -                  | -            | 34,543             | 225,191,245        | -                  | -            | 1,506,638      | 9,038,127,375      | 9,038,127,375    | 248,915,278           | 248,915,278           | 248,915,278           |                       |  |
| Gypsum       | 34,327         | 103,255,464        | 70,600           | 259,449,734           | -              | -            | -                  | -            | 32,315             | 113,789,971        | -                  | -            | 45,130         | 120,190,778        | 218,026          | 566,938,388           | 566,938,388           | 566,938,388           |                       |  |
| Fly Ash      | 90,186         | 230,226,407        | 172,869          | 458,902,759           | -              | -            | -                  | -            | 45,130             | 120,190,778        | -                  | -            | 37,464         | 114,285,318        | 174,356          | 560,373,324           | 560,373,324           | 560,373,324           |                       |  |
| Slag         | 45,071         | 143,397,119        | 166,750          | 531,261,523           | -              | -            | -                  | -            | 37,464             | 114,285,318        | -                  | -            | 28,526         | 88,716,283         | 143,227          | 423,269,853           | 423,269,853           | 423,269,853           |                       |  |
| Lime Stone   | 36,583         | 102,482,046        | 135,180          | 409,504,089           | -              | -            | -                  | -            | 59,944             | 171,917,697        | -                  | -            | 119            | 9,212,459          | 56               | 3,855,148             | 3,855,148             | 3,855,148             |                       |  |
| Grinding Aid | 78             | 4,270,966          | 97               | 8,796,641             | -              | -            | -                  | -            | 176,097            | 671,346,053        | -                  | -            | 219            | 17,872,396         | 2,114,725        | 10,843,479,315        | 10,843,479,315        | 10,843,479,315        |                       |  |
| <b>Total</b> | <b>268,861</b> | <b>959,181,121</b> | <b>2,023,862</b> | <b>10,555,664,248</b> | <b>-</b>       | <b>-</b>     | <b>-</b>           | <b>-</b>     | <b>178,097</b>     | <b>671,346,053</b> | <b>-</b>           | <b>-</b>     | <b>178,097</b> | <b>671,346,053</b> | <b>2,114,725</b> | <b>10,843,479,315</b> | <b>10,843,479,315</b> | <b>10,843,479,315</b> |                       |  |
|              |                |                    |                  |                       |                |              |                    |              |                    |                    |                    |              |                |                    |                  |                       |                       |                       | <b>9,283,584</b>      |  |
|              |                |                    |                  |                       |                |              |                    |              |                    |                    |                    |              |                |                    |                  |                       |                       |                       | <b>10,852,762,899</b> |  |
|              |                |                    |                  |                       |                |              |                    |              |                    |                    |                    |              |                |                    |                  |                       |                       |                       | <b>38,080,932</b>     |  |
|              |                |                    |                  |                       |                |              |                    |              |                    |                    |                    |              |                |                    |                  |                       |                       |                       | <b>10,890,843,831</b> |  |

Less - VAT loss & adjustment

Aid: Cost of Cement purchase from Mongla Cement Factory Ltd.

10.02 Packing materials reconciliation

| Particulars  | Opening balances |              | Local purchase |              | Received from own factory |               | Closing balances |              | Consumption internal |               | Consumption external |              |
|--------------|------------------|--------------|----------------|--------------|---------------------------|---------------|------------------|--------------|----------------------|---------------|----------------------|--------------|
|              | Qty (Pcs)        | Amount (Tk.) | Qty (Pcs)      | Amount (Tk.) | Quantity (Pcs)            | Amount (Tk.)  | Quantity (Pcs)   | Amount (Tk.) | Quantity (Pcs)       | Amount (Tk.)  | Quantity (Pcs)       | Amount (Tk.) |
| 30 June 2023 | 621,300          | 12,054,956   | 466,550        | 11,080,563   | 68,151,834                | 1,364,079,551 | 981,969          | 20,574,489   | 51,201,396           | 1,025,695,701 | 17,056,320           | 346,944,880  |
| 30 June 2022 | 1,235,180        | 24,469,468   | -              | -            | 52,875,000                | 880,673,087   | 621,300          | 12,054,956   | 35,613,880           | 599,877,009   | 17,875,000           | 291,260,590  |



|   |  | Amount in Taka       |              |
|---|--|----------------------|--------------|
|   |  | 30 June 2023         | 30 June 2022 |
| <b>11.00 Trade &amp; other receivable</b>           |  |                      |              |
| <b>Trade receivables:</b>                           |  |                      |              |
| Trade receivables (local)                           | 1,442,403,135  | 2,675,814,248        |              |
| Trade receivables (foreign)                         | 13,986,878   | 28,541,621           |              |
| Receivable on empty bag sales                       | 56,445,307   | 17,387,048           |              |
|   | <u>1,512,835,320</u>   | <u>2,721,742,917</u> |              |
| <b>Other receivables</b>                            |  |                      |              |
| Provision for VAT adjustment                        | 31,738,888   | 31,738,888           |              |
| Interest receivable on FDR                          | 5,736,589  | -                    |              |
|   | <u>1,550,310,797</u>   | <u>2,753,481,805</u> |              |
| Less: Provision for Bad & Doubtful expenses         | (60,352,893)   | (71,915,124)         |              |
| <b>Total receivables</b>                            | <u>1,489,957,904</u>   | <u>2,681,566,681</u> |              |
| <b>11.01 Ageing of trade receivable</b>             |  |                      |              |
| Dues within 3 months                                | 1,259,014,591  | 2,398,436,696        |              |
| Dues over 3 months but within 6 months              | 52,756,974   | 56,726,812           |              |
| Dues over 6 month                                   | 201,063,684  | 266,579,409          |              |
|   | <u>1,512,835,250</u>   | <u>2,721,742,917</u> |              |
| <b>b) Provision for bad debts</b>                   |  |                      |              |
| Opening balance                                     | 71,915,124   | 79,675,082           |              |
| Add :Provision for the year                         | (11,562,231)   | (7,759,958)          |              |
|   | <u>60,352,893</u>  | <u>71,915,124</u>    |              |
| Less: Write off                                     | -  | -                    |              |
| <b>Closing balance</b>                              | <u>60,352,893</u>  | <u>71,915,124</u>    |              |
| <b>c.</b>   | As per Management decision bad debt provision has been reduced by Taka 11,562,231.00 |                      |              |
| <b>d.</b>   | There is no such debt due by or to directors or other officers of the Company.       |                      |              |
| <b>e.</b>   | Out of total receivable Tk. 92.00 Core secured by bank guarantee.                    |                      |              |
| <b>12.00 Advances, deposits &amp; pre-payments:</b> |  |                      |              |
| Advances  | 5,414,521,891  | 3,894,788,583        |              |
| Deposits  | 182,978,659  | 130,041,333          |              |
| Prepayment  | 170,336,454  | 167,155,164          |              |
|   | <u>5,767,837,004</u>   | <u>4,191,985,080</u> |              |
| <b>12.01 Advances</b>                               |  |                      |              |
| Advance income tax ( Note- 12.04 )                  | 2,740,753,826  | 2,309,600,791        |              |
| Advance VAT   | 496,877,055  | 200,905,805          |              |
| VAT current account                                 | 31,932,470   | 31,932,470           |              |
| Advance for office space purchase                   | 125,000,000  | 125,000,000          |              |
| Advance against land                                | 42,093,437   | 42,093,437           |              |
| L/C Advance   | 1,038,453,135  | 279,822,976          |              |
| Advance against expenses                            | 877,743,390  | 841,677,245          |              |
| Advance to employee                                 | 12,516,596   | 11,697,596           |              |
| Advance against motor cycle loan                    | 10,745,322   | 13,988,603           |              |
| Advance to/(from) sister concern                    | 38,406,660   | 38,069,660           |              |
|   | <u>5,414,521,891</u>   | <u>3,894,788,583</u> |              |





|  | Amount in Taka     |                    |
|--|--------------------|--------------------|
|  | 30 June 2023       | 30 June 2022       |
| <b>12.02 Deposits</b>                            |                    |                    |
| Transport Security Deposit                       | -                  | 420,000            |
| Advance SD On Empty Bag Sale                     | 500,000            | 500,000            |
| Bank Guaranty Margin For Tender - Deposit        | -                  | 522,132            |
| Deposit to TGTDCCL                               | 10,109,900         | 10,109,900         |
| Bank guarantee margin to TGTDCCL                 | 1,974,430          | 1,974,430          |
| Pre-paid bank guarantee commission               | 11,754             | 320,606            |
| MRH Dey & Co.                                    | 120,938            | 120,938            |
| Bank Guaranty Margin - Titas Gas - Deposit       | 3,960,295          | 1,065,295          |
| Bank Guarranty Margin for Fly Ash Duty           | 105,109            | 105,109            |
| BOC Bangladesh LTD- Deposit                      | 20,000             | 20,000             |
| BTCL- Deposit                                    | 65,800             | 65,800             |
| CDBL- Deposit                                    | 500,000            | 500,000            |
| DPDC- Deposit                                    | 45,000,000         | 34,200,000         |
| Security deposit for warehouse                   | 500,000            | -                  |
| Munshigonj Polly Bidduth Samitee                 | 29,488,397         | 29,488,397         |
| Ranks Telecom Limited                            | 6,900              | 6,900              |
| Security Deposit-Munshigonj Poolli Bidyut Samity | 5,000,000          | 5,000,000          |
| Tender Deposit                                   | 2,536,518          | 1,016,518          |
| TGSL- Deposit                                    | 10,532             | 10,532             |
| Titas Gas Transmission & Distributon Co Ltd      | 80,488,086         | 44,594,776         |
|  | <b>182,978,659</b> | <b>130,041,333</b> |

|                                     |                    |                    |
|-------------------------------------|--------------------|--------------------|
| <b>12.03 Pre-payments</b>           |                    |                    |
| BSTI Licence Fee- Pre-Paid          | 2,142,988          | 762,988            |
| Pre-Paid Promotional Exp            | 150,781,771        | 150,781,771        |
| VAT pre-paid 20 % Case no. 346/2022 | 1,801,290          | -                  |
| VAT Prepaid 20% Case No. 23/2021    | 15,610,405         | 15,610,405         |
|                                     | <b>170,336,454</b> | <b>167,155,164</b> |

|   |                      |                      |
|---|----------------------|----------------------|
| <b>12.04 Movement of advance income tax</b> |                      |                      |
| Opening balance                             | 2,309,600,791        | 1,957,839,375        |
| Add : Payment during the year               | 552,155,931          | 351,761,416          |
|   | <b>2,861,756,722</b> | <b>2,309,600,791</b> |
| Less : Advance Income Tax refund            | 121,002,896          | -                    |
| Less : Adjustment during the year           | -                    | -                    |
| <b>Closing balance</b>                      | <b>2,740,753,826</b> | <b>2,309,600,791</b> |

- a) All the advances & deposits amount is considered good and recoverable.
- b) The advance was paid to Rupayan Housing Estate Ltd. against purchase of 21,507 sft office space at 11th floor of Rupayan Trade Centre, 114 Kazi Nazrul Islam Avenue, Dhaka 1215. The total contract value was Tk. 179,407,400 against which Tk. 125,000,000 was paid in advance. Subsequently Rupayan sold the same porperty to a third party for at a higher price i.e. BDT 20 crore 33 lakhs 13 thousands and 7 hundreds. After knowing that PCMPLC's authority filed a case in the District & Session Judge Court against Rupayan and applied for imposing restriction on transfer of the said property to any other third party except the plaintiff (case no.-61/2010). The District & Session court on 13.07.2014 gave a degree in favour of PCMPLC after hearing of the case.
- During the year upon Mutual Understanding of PCMPLC and Rupayan, Rupayan Housing Estate Limited agreed and hand over 17,569 sft Flat/ Office space considering the amount of BDT11.50 Crore which is situated at Bashundhara Residential area, Rupayan Shopping Square, Plot No. C-2, 10th Floor, Block G, Dhaka-1229 instead of 21,507 sft office space at Rupayan Trade Centre, 11th floor, 114 Kazi Nazrul Islam Avenue, Dhaka 1215. As per agreement out of BDT 12.50 Crore remaining BDT 1 crore to be refunded by Rupayan Housing Estate Limited before 28th February 2021. But till to the date the amount not yet refunded by Rupayan as per Deed No.: ka ha 7440820. The property not yet registered in the name of Premier Cement Mills PLC, and the reason of case not withdrawn (Case No.: 61/2012 Litigation No. 58/2015).



- c) i) Initially PCMPLC purchased the land from local land owner vide registration deed # 3503, 3504 & 3505 dt 31 October 2001. Subsequently PCMPLC came to know that the land is khass and accordingly PCMPLC applied to the competent authority for long term lease with recommendation from Prime Minister office (Investment Wing). Being satisfied, Ministry of Land directed Deputy Commissioner (DC), Narayangonj to give 350 Shatak land under long term lease in favor of PCML on 16.10.2006 vide letter no. Bhu:Ma:/Sha-8/Khajob/315/ 2002/1072/1. PCMPLC communicated with DC, Narayangonj on many occasions to complete the process but DC, Narayangonj was reluctant to comply with the order of the Ministry of Land. PCMPLC filed a writ petition to the Honorable High Court for compliance of the order of the Ministry of Land by DC, Narayangonj (petition no. 7194 of 2009) which is currently under process. Considering the circumstances, the management has decided to transfer an amount of Tk. 20,259,493 from land and land development.
- ii) Registration deed no. 84 dt. 06.01.05, 179 dt. 17.01.05 and 1468 dt. 14.04.05 comprise 189 shatak land out of which mutation of 76.50 Shatak Land are yet to be completed. Hence proportionate amount of Tk. 5,235,405 has been transferred from land and land development.
- iii) Advance against land includes Tk. 4,701,931 paid to Mr. Nur Mohammed against purchase of Land, PCMPLC filed suits as the seller was reluctant to give registration of the lands. The case against Nur Mohammed is yet to be disposed off.
- iv) Details of advance against land & land development has given below:

| Name of Seller                                 | Amount in Taka     |                    |
|--|--------------------|--------------------|
|  | 30 June 2023       | 30 June 2022       |
| <b>Name of Seller:</b>                         |                    |                    |
| Ansar Ali & Robin Ahammed - Land               | 4,850,000          | 4,850,000          |
| Awlad Hossain gong Land (96 Des Rs 1722-32-33) | -                  | -                  |
| Nazrul Islam Gong-Land (82+15) Dec             | -                  | -                  |
| Nur Mohammed - Land                            | 4,701,931          | 4,701,931          |
| Saheb UddinMullah - Land 15 Dec DAg1624 - 39   | 4,949,600          | 4,949,600          |
| Samad Miah Gonh - Land (8.50 Dec R S 108)      | 2,097,008          | 2,097,008          |
| Wazed Ali Khokon PP                            | -                  | -                  |
| Wazuddin Gong                                  | 25,494,898         | 25,494,898         |
|  | <b>42,093,437</b>  | <b>42,093,437</b>  |
| <b>13.00 Investment in FDR</b>                 |                    |                    |
| Social Islami Bank Ltd.                        | 9,826,512          | 7,977,185          |
| State Bank of India                            | 3,042,520          | 2,949,608          |
| City Bank Ltd                                  | 13,700,000         | -                  |
| Bank Aisa Ltd                                  | 8,603,857          | -                  |
| Trust Bank Ltd                                 | 535,704,778        | -                  |
| Standard Bank Ltd.                             | 3,068,644          | 2,962,086          |
|  | <b>573,946,311</b> | <b>13,888,879</b>  |
| <b>14.00 Cash and bank balances:</b>           |                    |                    |
| Cash at bank                                   | 273,670,190        | 197,811,624        |
| Cash in hand                                   | 19,327,003         | 13,936,050         |
|  | <b>292,997,193</b> | <b>211,747,674</b> |
| <b>14.01 Cash at bank:</b>                     |                    |                    |
| Share Money Deposit - NCCBL                    | 478,125            | 478,125            |
| USD Account                                    | 14,113,857         | 45,354,706         |
| Current Account                                | 243,010,432        | 132,383,083        |
| STD Account                                    | 16,067,777         | 19,595,710         |
|  | <b>273,670,190</b> | <b>197,811,624</b> |
| <b>14.02 Cash in hand:</b>                     |                    |                    |
| Corporate office                               | 2,819,859          | 3,995,041          |
| Factory - General                              | 4,069,293          | 2,856,716          |
| Factory - Logistics                            | 11,836,323         | 6,544,177          |
| Registered office                              | 601,528            | 540,116            |
|  | <b>19,327,003</b>  | <b>13,936,050</b>  |

Bank balances are reconciled & confirmed.





| Amount in Taka |              |
|----------------|--------------|
| 30 June 2023   | 30 June 2022 |

### 15.00 Ordinary share capital

Authorized:

500,000,000 Ordinary shares of Tk. 10 each

|                      |                      |
|----------------------|----------------------|
| 5,000,000,000        | 5,000,000,000        |
| <u>5,000,000,000</u> | <u>5,000,000,000</u> |

Issued, subscribed and paid up:

105,450,000 Ordinary shares of Tk.10 each fully paid-up in cash

|               |               |
|---------------|---------------|
| 1,054,500,000 | 1,054,500,000 |
|---------------|---------------|

#### Share holding position:

The composition of share holders at balance sheet date was as follows:

| Name of shareholders         | 30 June 2023 |                    |                      | 30 June 2022         |
|------------------------------|--------------|--------------------|----------------------|----------------------|
|                              | Percentage   | Number             | Face value           | Face value           |
| 1. Mohammed Amirul Haque     | 11%          | 11,599,500         | 115,995,000          | 115,995,000          |
| 2. Mohammad Mustafa Haider   | 11%          | 11,473,150         | 114,731,500          | 114,731,500          |
| 3. Md. Jahangir Alam         | 10%          | 10,425,313         | 104,253,130          | 104,253,130          |
| 4. Md. Alamgir Kabir         | 4%           | 4,416,562          | 44,165,620           | 44,165,620           |
| 5. Mohd. Almas Shimul        | 3%           | 3,504,375          | 35,043,750           | 35,043,750           |
| 6. Mohammed Zahurul Haque    | 3%           | 2,856,000          | 28,560,000           | 28,560,000           |
| 7. Ancient Properties Ltd.   | 2%           | 2,113,500          | 21,135,000           | 21,135,000           |
| 8. Zahur Ahamed              | 1%           | 1,000,000          | 10,000,000           | 10,000,000           |
| 9. Mohammed Abdur Rouf       | 1%           | 1,168,125          | 11,681,250           | 11,681,250           |
| 10. Mohd. Ashrafuzzaman      | 1%           | 1,168,125          | 11,681,250           | 11,681,250           |
| 11. Institute                | 23%          | 23,875,894         | 238,758,940          | 219,741,650          |
| 12. Non-Resident Bangladeshi | 0%           | 31,266             | 312,660              | 299,560              |
| 13. General Investor         | 30%          | 31,818,190         | 318,181,900          | 337,212,290          |
| <b>Total</b>                 | <b>100%</b>  | <b>105,450,000</b> | <b>1,054,500,000</b> | <b>1,054,500,000</b> |

### 15.01 Classification of shareholders by holdings

| Shareholding Range          | No. of Holders | Holdings Share     | No. of Holders | Holdings Share     |
|-----------------------------|----------------|--------------------|----------------|--------------------|
|                             | 30.06.2023     | 30.06.2023         | 30.06.2022     | 30.06.2022         |
| Less than 500 Shares        | 2734           | 541,392            | 3195           | 698,126            |
| 501 to 5,000 Shares         | 1510           | 2,820,861          | 2106           | 3,935,531          |
| 5,001 to 10,000 Shares      | 256            | 1,953,884          | 339            | 2,575,359          |
| 10,001 to 20,000 Shares     | 151            | 2,259,064          | 157            | 2,314,245          |
| 20,001 to 30,000 Shares     | 57             | 1,419,082          | 58             | 1,460,121          |
| 30,001 to 40,000 Shares     | 27             | 960,004            | 31             | 1,089,817          |
| 40,001 to 50,000 Shares     | 19             | 889,445            | 21             | 970,817            |
| 50,001 to 100,000 Shares    | 47             | 3,417,907          | 45             | 3,181,152          |
| 100,001 to 1,000,000 Shares | 46             | 13,262,067         | 35             | 11,047,367         |
| Over 1,000,000 shares       | 20             | 77,926,294         | 20             | 78,177,465         |
| <b>Total</b>                | <b>4867</b>    | <b>105,450,000</b> | <b>6007</b>    | <b>105,450,000</b> |



|                                       | Amount in Taka     |                    |
|---------------------------------------|--------------------|--------------------|
|                                       | 30 June 2023       | 30 June 2022       |
| <b>16.00 Non-controlling interest</b> |                    |                    |
| Opening balance                       | 18,826,525         | 17,830,077         |
| Add: 4% Shares of profit of PPGL      | (85,702)           | 996,448            |
| <b>Closing balance</b>                | <b>18,740,823</b>  | <b>18,826,525</b>  |
| <b>17.00 Loan from Directors</b>      |                    |                    |
| Mr. Abdur Rouf                        | 30,000,000         | 30,000,000         |
| Mr. Almas Shimul                      | 60,000,000         | 60,000,000         |
| Mr. Ashrafuzzaman                     | 30,000,000         | 30,000,000         |
| Mr. Jahangir Alam                     | 120,000,000        | 120,000,000        |
|                                       | <b>240,000,000</b> | <b>240,000,000</b> |

|   |                      |                    |
|---|----------------------|--------------------|
| <b>18.00 Deferred tax liabilities</b>   |                      |                    |
| The tax effect of temporary differences that resulted in deferred tax assets or liabilities |                      |                    |
| Opening balance   | 884,763,060          | 876,059,480        |
| Add: Deferred tax expense/(Income) during the year  | 155,063,174          | 8,703,580          |
| Deferred tax on revaluation surplus   | -                    | -                  |
| <b>Closing balance</b>  | <b>1,039,826,234</b> | <b>884,763,060</b> |

**18.01 Reconciliation of deferred tax liabilities/(assets)**

**(a) As at 30 June 2023**

|                                      | Carrying amount       | Tax base              | Temporary difference |
|--------------------------------------|-----------------------|-----------------------|----------------------|
|                                      | Taka                  | Taka                  | Taka                 |
| Property, plant and equipment        | 15,883,991,257        | 13,027,606,353        | 2,856,384,904        |
| Provision for gratuity               | (192,799,775)         | -                     | (192,799,775)        |
| Provision for bad and doubtful debts | (60,352,893)          | -                     | (60,352,893)         |
| Right of use Assets                  | 24,306,245            | -                     | 24,306,245           |
| <b>Total</b>                         | <b>15,655,144,834</b> | <b>13,027,606,353</b> | <b>2,627,538,481</b> |
| Deferred tax liability @ 22.50%      |                       |                       | 591,196,158          |
| Deferred tax on revaluation surplus  |                       |                       | 448,630,076          |
| <b>Total deferred tax liability</b>  |                       |                       | <b>1,039,826,234</b> |

**(b) As at 30 June 2022**

|                                      |                      |                      |                      |
|--------------------------------------|----------------------|----------------------|----------------------|
| Property, plant and equipment        | 3,465,787,283        | 1,388,605,525        | 2,077,181,758        |
| Provision for gratuity               | (157,969,950)        | -                    | (157,969,950)        |
| Provision for bad and doubtful debts | (71,915,124)         | -                    | (71,915,124)         |
| Right of use Assets                  | 11,188,667           | -                    | 11,188,667           |
| <b>Total</b>                         | <b>3,247,090,876</b> | <b>1,388,605,525</b> | <b>1,858,485,351</b> |
| Deferred tax liability @ 22.5%       |                      |                      | 418,162,804          |
| Deferred tax on revaluation surplus  |                      |                      | 466,600,255          |
| <b>Total deferred tax liability</b>  |                      |                      | <b>884,763,059</b>   |

|  |                      |                      |
|--|----------------------|----------------------|
| <b>19.00 Long term loan</b>                  |                      |                      |
| Standard Bank Limited                        | 97,428,283           | 228,445,494          |
| Agrani Bank Limited                          | 977,059,829          | 750,000,000          |
| Standard Chartered Bank FC Loan - Commercial | -                    | 104,121,132          |
| Standard Chartered Bank FC Loan - ECA        | 806,159,333          | 1,090,887,431        |
| IDLC Finance Ltd                             | 42,232,802           | 161,141,512          |
| Pubali Bank Limited                          | 349,257,500          | 110,201,667          |
| IPDC Finance Ltd                             | 8,426,817            | 32,289,539           |
| Infrastructure Development Company Limited   | 3,500,000,000        | -                    |
| Trust Bank Limited                           | 1,047,556,434        | 1,245,385,862        |
| United Finance Ltd                           | -                    | 31,484,138           |
|  | <b>6,828,120,998</b> | <b>3,753,956,775</b> |

**19.01** The company availed EKF Guaranteed Euro foreign currency loan of ECA facility for US\$ 25 million from Standard Chartered Bank London which is repayable in 10 half yearly installments. Rate of interest is 6 month Euribor plus 1.6% for ECA portion . The Company also availed long term loan from Agrani Bank 99.70 Crore, Pubali Bank 34.92 Crore, 350 Crore form Infrastructure Development Company Ltd and 104 Crore from trust Bank Ltd for the VRM project.





| Amount in Taka |              |
|----------------|--------------|
| 30 June 2023   | 30 June 2022 |

|  |                      |                      |
|--|----------------------|----------------------|
| <b>19.02 Allocation of long term loan</b>  |                      |                      |
| Long term portion  | 5,933,596,294        | 2,667,902,847        |
| Current portion  | 894,524,704          | 1,086,053,928        |
|  | <b>6,828,120,998</b> | <b>3,753,956,775</b> |
| <b>20.00 Redeemable Preference Share</b>   |                      |                      |
| Mr Mohammad Mustafa Haider   | 255,150,000          | 255,150,000          |
| Mr Mohammed Amirul Haque   | 255,270,000          | 255,270,000          |
| Midland Bank Ltd -Lead Investor  | 500,000,000          | 500,000,000          |
| Simanto Bank Ltd   | 300,000,000          | 300,000,000          |
| United Finance Ltd.  | 200,000,000          | 200,000,000          |
|  | <b>1,510,420,000</b> | <b>1,510,420,000</b> |
| <p>with reference to the 811th Board meeting of the Bangladesh Securities and Exchange Commission Sources No: BSEC/Surveillance/Mukhpatra (5th Part)/2019/285 dated as Tuesday the 8th February 2022 Premier cement Mills Limited has issued and offered 1,243 fully redeemable non-convertible non-participating cumulative preference shares at a face value/issue price of BDT 2,500,000 (Taka Twenty-Five Lac only) each. The issue size is BDT 3,107,500,000 (Taka Three Hundred Ten Crore and Seventy-Five Lac only). Out of this amount, BDT 750,000,000 (Taka Seventy-Five Crore only) will be subscribed by the directors/sponsor shareholders of the company while the remaining amount will be subscribed by prospective investors through private placement. The main purposes of issuance are to restructure the company's balance sheet, to prepay existing high cost debt, and to improve the financial indicators of the company. This issue will reduce the financial expenses of the company and increase the profitability. The preference shares to be subscribed by the prospective investors will have a tenor of 5 years and a dividend rate of 6.25% p.a. – 7.75% p.a. Dividend will be paid semi-annually starting from the end of six months of respective disbursement(s) while principal will be redeemed semi-annually in equal installments commencing from end of the 18th month from respective disbursement(s). The preference shares to be subscribed by the sponsor shareholders/directors of the company will have a tenor of up to 12 years and a dividend rate of 0% p.a. These preference shares subscribed by the sponsor shareholders/directors cannot be redeemed before the redemption of preference shares to be subscribed by prospective investors. During the year out of 310.75 crore we have received 100 crore @ 7% redeemable non-convertible non-participating cumulative preference shares from 03 financial institutions and 51 crore from Two directors'.</p> |                      |                      |
| <b>21.00 Lease Liability</b>   |                      |                      |
| Chan Tara Mansion - Accomodation Building  | 12,007,806           | 12,571,579           |
| Office space PPGL  | 1,021,494            | 1,467,518            |
| The Institute of Chartered Accountants of Bangladesh - Office Space  | 15,838,753           | 1,309,342            |
|  | <b>28,868,053</b>    | <b>15,348,439</b>    |
| <b>21.01 Allocation of Lease Liability</b>   |                      |                      |
| Long term portion  | 19,674,772           | 12,371,137           |
| Current portion  | 9,193,282            | 2,977,302            |
|  | <b>28,868,053</b>    | <b>15,348,439</b>    |
| <b>22.00 Defined benefit obligations (Gratuity)</b>  |                      |                      |
| Opening balance  | 157,969,949          | 139,148,890          |
| Add : Provision for the year   | 42,458,906           | 34,160,950           |
|  | 200,428,855          | 173,309,840          |
| Less: Payment made   | 7,629,081            | 15,339,890           |
| Closing balance  | <b>192,799,774</b>   | <b>157,969,949</b>   |
| <b>23.00 Trade &amp; other payables</b>  |                      |                      |
| Marketing Expenses   | 6,093,560            | 3,080,471            |
| Packing Materials  | 52,936               | 52,936               |
| Liabilities for expenses   | 529,080,462          | 400,567,914          |
| Receipt against employee motor car   | 11,945,449           | 8,235,059            |
| TDS/VDS payable  | 6,909,708            | 13,051,271           |
| Dividend payable   | -                    | 199,058              |
| Payable on Audit Fee Including VAT   | 422,000              | 362,000              |
| Provision for Electric Charges   | 25,786,157           | 61,651,614           |
| Provision for P F  | 1,761,080            | (770,832)            |
| Share Money Payable  | 478,125              | 478,125              |
| Provision and other payable  | 2,452,694,849        | 121,749,871          |
|  | <b>3,035,224,326</b> | <b>608,657,487</b>   |



| Amount in Taka |              |
|----------------|--------------|
| 30 June 2023   | 30 June 2022 |

23.01 All trade & other payables were incurred as usual in business operation & paid regularly.

23.02 Non-refunded public subscription money against IPO BDT. 4,78,125/- of 4,69,651/- equivalent USD 5,558.39 closing balance of the USD Account No. 0102090002 of NCC Bank Limited has not been transferred to Capital Market Stabilization Fund (CMSF) as directed by the Bangladesh Securities Exchange Commission and Dhaka Stock Exchange vide Letter No. SEC/SRMIC/165-2020/232, dated June 05, 2022 due to noncooperation by concern bank as no transaction has been occurred after September 9, 2014 whether we have repeatedly requested for that.

**24.00 Unclaimed Dividend**

|                          |                    |                    |
|--------------------------|--------------------|--------------------|
| Opening Balance          | 2,637,434          | 2,051,229          |
| Dividend during the year | 105,450,000        | 210,900,000        |
|                          | <b>108,087,434</b> | <b>212,951,229</b> |
| Payment during the year  | (106,198,879)      | (210,313,795)      |
|                          | <b>1,888,555</b>   | <b>2,637,434</b>   |

Year wise breakup of Unclaimed Dividend is as follows:

| Year         | Amount (30.06.23) |
|--------------|-------------------|
| 2019-2020    | 78,728            |
| 2020-2021    | 273,867           |
| 2021-2022    | 1,535,960         |
| <b>Total</b> | <b>1,888,555</b>  |

Unclaimed dividend represents the dividend warrants issued but not presented to the Bank by the Shareholders within 30th June 2023 and the balance of unclaimed dividend was Tk. 18,88,555/- as on June 30, 2023.

**25.00 Short term bank loan**

|   |                       |                       |
|---|-----------------------|-----------------------|
| Brac Bank Limited                       | 368,105,556           | 596,042,502           |
| City Bank Limited                       | 1,505,953,336         | 1,111,779,986         |
| Community Bank Limited                  | 7,498,753             | 2,782,018             |
| Dutch Bangla Bank Limited               | 143,560,983           | 642,612,619           |
| Jamuna Bank Limited                     | -                     | 1,593,278,948         |
| Bank Asia Limited                       | 296,095,817           | 762,180,770           |
| Meghna Bank Limited                     | 392,550,812           | 455,012,991           |
| Natioanl Credit & Commerce Bank Limited | 1,923,708,097         | 364,455,000           |
| United Commercial Bank Limited          | 980,110,306           | 814,873,063           |
| Pubali Bank Limited                     | 2,272,479,129         | 3,001,762,116         |
| Rupali Bank -Loan                       | 1,526,480,416         | 104,407,646           |
| Social Islami Bank Limited              | 204,694,600           | 16,052,884            |
| Standard Bank Ltd                       | 995,546,372           | 1,435,988,360         |
| Standard Chartered Bank                 | 1,223,022,873         | 1,190,677,742         |
| Trust Bank Limited                      | 1,682,192,450         | 1,655,839,709         |
|   | <b>13,521,999,500</b> | <b>13,747,746,354</b> |

Short term bank loans are confirmed and reconciled with bank statement.





| Amount in Taka |              |
|----------------|--------------|
| 30 June 2023   | 30 June 2022 |

#### 25.01 Bank / Financial Institution loan facilities

The company is currently availing the following facilities from banks / financial institution:

| Bank name                     | Limit (Taka in crore)             |              |            |   |
|-------------------------------|-----------------------------------|--------------|------------|---|
|                               | STL / Invoice Financing / OSF/EIF | L/C          | OD / CC    | LATR / Long Term Loan/ Lease/ Duty Loan |
| The City Bank Ltd.            | 86                                | 90           | 4          | -                                       |
| Dutch-Bangla Bank Ltd.        | 15                                | 45           | 15         | -                                       |
| Standard Bank Ltd.            | 65                                | 150          | -          | 20                                      |
| Standard Chartered Bank       | -                                 | 150          | 3          | 75                                      |
| HSBC                          | 30                                | 50           | 2          | -                                       |
| NCC Bank Limited              | 70                                | 170          | 20         | -                                       |
| Bank Asia Ltd                 | 20                                | 50           | -          | -                                       |
| BRAC Bank Ltd                 | 25                                | 120          | 5          | -                                       |
| Jamuna Bank Ltd.              | 30                                | 110          | 8          | -                                       |
| Social Islami Bank Ltd.       | 10                                | 30           | -          | -                                       |
| Pubali Bank Ltd               | 50                                | 350          | 50         | 110                                     |
| IPDC                          | -                                 | -            | -          | 1                                       |
| UCB                           | 20                                | 80           | 10         | -                                       |
| United Finance Limited        | -                                 | -            | -          | -                                       |
| IDLC                          | -                                 | -            | -          | 4                                       |
| IDCOL                         | -                                 | -            | -          | 350                                     |
| Trust Bank Ltd.               | 40                                | 220          | 10         | 125                                     |
| Meghna Bank Ltd.              | 95                                | 55           | -          | -                                       |
| Community Bank Bangladesh Ltd | 30                                | 50           | 20         | 7                                       |
| Agrani Bank Limited           | -                                 | 100          | 50         | 152                                     |
| Rupali Bank Ltd.              | 180                               | 100          | -          | -                                       |
| <b>Total</b>                  | <b>766</b>                        | <b>1,920</b> | <b>197</b> | <b>844</b>                              |

#### 25.02 Securities against bank loan facilities

- \* Personal guarantee from all directors.
- \* Hypothecation over stock.
- \* First ranking pari passu charges over fixed assets.

#### 26.00 Liability for other finance

|                                 |                   |                   |
|---------------------------------|-------------------|-------------------|
| Security deposit - Customers    | 13,979,598        | 14,338,311        |
| Security deposit - Office Space | 2,635,350         | -                 |
|                                 | <u>16,614,948</u> | <u>14,338,311</u> |

#### 27.00 Provision for taxation

|                                   |                    |                    |
|-----------------------------------|--------------------|--------------------|
| Opening balance                   | 837,453,269        | 751,938,739        |
| <b>Add : Current tax expenses</b> |                    |                    |
| Current Year                      | 131,707,504        | 85,689,123         |
|                                   | <u>131,707,504</u> | <u>85,689,123</u>  |
|                                   | 969,160,773        | 837,627,862        |
| Payment made / other adjustment   | (358,688)          | (174,593)          |
| <b>Closing balance</b>            | <u>968,802,085</u> | <u>837,453,269</u> |

\* Despite of having net loss during the year, provision for tax has been made @0.60% on gross receipts ignoring the reported Tax Deducted at Source under the note no. 12.04 to the financial statements due to a Writ Petition No. 10574 of 2021 filed before the Hon'ble High Court Division and judgement of the writ is still awaiting.

#### 28.00 Reconciliation of effective tax rate of PCMPLC

|   |                |                    |
|---|----------------|--------------------|
| Profit / (Loss) before tax                                  | (555,599,212)  | (1,033,048,795)    |
| Profit excluding income tax                                 | (687,306,716)  | (1,118,737,917)    |
| <b>Total income tax expenses</b>                            | <u>-23.71%</u> | <u>131,707,504</u> |
|   |                | <u>85,689,123</u>  |
| <b>Factors affecting the tax charge for current period:</b> |                |                    |
| Income Tax @ 0.60% on Gross Receipt                         | -23.64%        | 131,348,816        |
| Tax on Profit of Subsidiary Company                         | -0.06%         | 358,688            |
|   | <u>-23.71%</u> | <u>131,707,504</u> |
|   |                | <u>85,689,123</u>  |



| Amount in Taka               |     |            | Amount in Taka        |     |            |                       |
|------------------------------|-----|------------|-----------------------|-----|------------|-----------------------|
| 30 June 2023                 |     |            | 30 June 2022          |     |            |                       |
| <b>29.00 Revenue</b>         |     |            |                       |     |            |                       |
| <b>From Cement:</b>          |     |            |                       |     |            |                       |
| Revenue from local sales     | MT  | 2,828,919  | 24,338,840,002        | MT  | 2,015,292  | 15,531,568,318        |
| Revenue from export          | MT  | 37,030     | 283,133,185           | MT  | 55,221     | 356,103,585           |
| Revenue from empty bag sales | Pcs | 17,056,320 | 443,464,455           | Pcs | 17,875,000 | 428,542,165           |
|                              |     |            | <b>25,065,437,642</b> |     |            | <b>16,316,214,068</b> |
| Less: VAT                    |     |            | 3,232,474,560         |     |            | 2,081,753,214         |
|                              |     |            | <b>21,832,963,082</b> |     |            | <b>14,234,460,854</b> |

| 30 June 2023 |           | 30 June 2022 |           |             |
|--------------|-----------|--------------|-----------|-------------|
| USD          | BDT       | USD          | BDT       |             |
| Export       | 2,601,371 | 283,133,185  | 3,810,632 | 356,103,585 |

|  |              | Amount in Taka        |                       |
|--|--------------|-----------------------|-----------------------|
|  |              | 30 June 2023          | 30 June 2022          |
| <b>30.00 Cost of sales</b>                               | <b>Notes</b> |                       |                       |
| Opening stock of finished goods & WIP                    |              | 60,042,997            | 52,136,986            |
| Add : Cost of production                                 | 30.01        | 19,849,299,737        | 12,968,023,341        |
| Goods available for sale                                 |              | <b>19,909,342,734</b> | <b>13,020,160,327</b> |
| Less: Closing stock of finished goods, ghat & in transit | 10.00        | (96,242,904)          | (60,042,997)          |
|  |              | <b>19,813,099,831</b> | <b>12,960,117,330</b> |
| <b>30.01 Cost of production</b>                          |              |                       |                       |
| Raw materials consumption                                |              | 16,223,110,174        | 10,890,843,831        |
| Packing materials consumption                            |              | 1,366,640,581         | 893,087,600           |
| Salary & wages   |              | 285,975,548           | 185,004,792           |
| Gratuity   |              | 21,682,123            | 17,300,629            |
| Electric charges   |              | 1,196,389,615         | 614,749,845           |
| Paper & periodicals                                      |              | 8,216                 | 9,080                 |
| Gas Bill   |              | 76,096,694            | 48,815,034            |
| Travelling & conveyance                                  |              | 3,646,633             | 2,314,841             |
| Telephone charges  |              | 2,660,111             | 2,159,805             |
| Entertainment  |              | 2,130,753             | 1,898,318             |
| Repairs & maintenance                                    |              | 4,597,221             | 77,787,163            |
| Sapre parts consumption                                  |              | 65,731,345            | -                     |
| Contribution to PF                                       |              | 5,736,555             | 4,624,340             |
| Lab Expenses   |              | 826,165               | 971,885               |
| Computer Expense   |              | 3,317,039             | 1,433,360             |
| Legal & Professional Fee                                 |              | 89,850                | 53,678                |
| Medical expenses   |              | 506,646               | 517,496               |
| Canteen & food expenses                                  |              | 18,105,458            | 12,658,739            |
| Gift & presentations                                     |              | -                     | 17,908                |
| Training expenses  |              | 76,555                | -                     |
| Internet Expenses  |              | 350,216               | 202,052               |
| Postage & Stamp  |              | 5,380                 | 4,650                 |
| Stationery   |              | 6,478,657             | 5,193,055             |
| Labour charges   |              | 28,845,415            | 22,229,100            |
| Misc. expenses   |              | 671,633               | 3,440,806             |
| Pay loader expenses                                      |              | 4,526,421             | 3,925,991             |
| Donation & Subscription                                  |              | 500,500               | 529,700               |
| Fuel , Oil & Lubricant                                   |              | 12,248,002            | 5,556,503             |
| Depreciation- ROU  |              | 1,667,670             | 1,667,670             |
| Fire insurance   |              | 2,804,400             | 4,459,125             |
| Depreciation ( Annexure - A)                             |              | 513,874,162           | 166,566,345           |
|  |              | <b>19,849,299,737</b> | <b>12,968,023,341</b> |





| Amount in Taka |              |
|----------------|--------------|
| 30 June 2023   | 30 June 2022 |

**31.00 Other income / (loss) / Expenses**

|  |                   |                   |
|--|-------------------|-------------------|
| Bank interest income                   | 8,570,896         | 1,747,937         |
| Income from Office rent                | 10,320,380        | -                 |
| Interest charged to NCML               | 3,293,653         | 1,822,675         |
| Bad & doubtful expenses                | 9,377,561         | 7,198,553         |
| Income from financial assets -Lease    | 63,984            | 192,847           |
| Income from PF forfeiture              | 399,792           | 987,560           |
| Gain / (Loss) on sale of motor vehicle | 992,298           | 1,176,190         |
| Misc. income - H/O                     | 327,021           | 299,889           |
| Income/(expenses) from carrying        | 25,567,560        | 33,696,813        |
|  | <b>58,913,145</b> | <b>47,122,464</b> |

**32.00 Administrative expenses**

|                                     |                    |                    |
|-------------------------------------|--------------------|--------------------|
| Audit fee                           | 422,000            | 392,000            |
| Advertisement                       | 469,433            | 599,650            |
| Electric charges                    | 2,302,007          | 2,343,764          |
| Canteen & food expenses             | 5,837,562          | 3,985,742          |
| Gratuity                            | 6,573,265          | 3,691,541          |
| Computer expenses                   | 3,233,612          | 2,593,850          |
| Medical Expense                     | 10,431             | 40,265             |
| Bank charge                         | 365,176            | -                  |
| Office rent                         | -                  | 631,685            |
| Paper & periodicals                 | 18,019             | 11,804             |
| Postage & stamp                     | 334,965            | 222,152            |
| Donation & subscription             | 268,750            | 22,000             |
| Internet Expenses                   | 534,248            | 601,941            |
| Renewal, legal & professional fee   | 9,571,555          | 3,944,023          |
| Repairs & maintenance               | 1,234,548          | 1,396,403          |
| Salary & allowances                 | 53,943,936         | 48,565,630         |
| Stationery                          | 2,384,515          | 1,373,371          |
| Telephone charges                   | 821,509            | 888,767            |
| Travelling & conveyance             | 7,519,644          | 6,230,253          |
| Contribution to PF                  | 1,408,226          | 1,128,677          |
| Water charges                       | 317,227            | 352,161            |
| AGM Expenses                        | 85,000             | 145,000            |
| Miscellaneous expenses              | 3,821,873          | 4,199,942          |
| BIWTA expenses                      | 27,822,908         | 10,368,833         |
| BSTI License fee                    | 7,340,618          | 3,403,071          |
| Fuel & Lubricant                    | 112,819            | 42,660             |
| Board meeting expenses              | 290,000            | 400,000            |
| Training expenses                   | 16,200             | -                  |
| BSEC Fee                            | -                  | 711,500            |
| RJSC Fee                            | 2,804,255          | 4,941,980          |
| Amortization /office rent -ROU-ICAB | 7,773,763          | 7,545,506          |
| Amortization (Annexure - A)         | 231,347            | 156,162            |
| Depreciation ( Annexure - A )       | 9,670,290          | 9,092,955          |
|                                     | <b>157,539,702</b> | <b>120,023,288</b> |



|   | Amount in Taka     |                    |
|---|--------------------|--------------------|
|   | 30 June 2023       | 30 June 2022       |
| <b>33.00 Selling &amp; distribution expenses:</b> |                    |                    |
| Advertisement                                     | 170,865,794        | 178,529,431        |
| Car maintenance                                   | 803,645            | 767,839            |
| Contribution to PF                                | 3,999,239          | 3,106,979          |
| Entertainment                                     | 1,009,106          | 756,933            |
| Export expenses                                   | 3,220,308          | 2,475,362          |
| Godown expenses                                   | 1,859,210          | 2,130,013          |
| Gratuity  | 14,203,518         | 13,168,780         |
| Legal & professional fee                          | 391,550            | 529,430            |
| Medical expenses                                  | -                  | 66,070             |
| CSR Activities                                    | 1,092,301          | 711,811            |
| Postage & stamp                                   | 3,177,026          | 1,269,969          |
| Promotional expenses                              | 133,334,473        | 60,416,263         |
| Salaries & allowances                             | 225,197,159        | 158,395,375        |
| Cement test expenses                              | 1,005,180          | 912,297            |
| Stationery  | 2,127,024          | 1,207,339          |
| Telephone charges                                 | 7,377,816          | 4,846,663          |
| Travelling & conveyance                           | 60,690,251         | 44,950,439         |
| Tender expenses                                   | 19,495             | 79,146             |
| Labour charges                                    | 19,542,877         | 8,732,112          |
| Miscellaneous expenses                            | 743,067            | 381,949            |
| Depreciation ( Annexure - A )                     | 101,239,336        | 90,005,122         |
|   | <b>751,898,375</b> | <b>573,439,322</b> |
| <b>34.00 Financial expenses</b>                   |                    |                    |
| Bank charges                                      | 28,802,414         | 12,317,763         |
| Interest on WPPF                                  | 18,943,425         | 17,878,359         |
| Dividend paid against preference share            | 70,000,000         | -                  |
| Finance charges on lease                          | 14,848,928         | 1,753,869          |
| Bank loan interest                                | 550,327,590        | 538,350,121        |
|   | <b>682,922,357</b> | <b>570,300,112</b> |





| Amount in Taka |              |
|----------------|--------------|
| 30 June 2023   | 30 June 2022 |

### 35.00 Basic earnings per share (EPS):

The computation of EPS is given below :

Earnings attributable to the ordinary shareholders (NPAT)

Number of shares outstanding during the year

Basic earnings per share (par value of Tk. 10)

|               |                 |
|---------------|-----------------|
| (842,284,188) | (1,128,437,946) |
| 105,450,000   | 105,450,000     |
| <b>(7.99)</b> | <b>(10.70)</b>  |

### Diluted EPS

No diluted EPS was required to be calculated for the year since there was no scope for dilution of share during the year under review.

### 36.00 Related party disclosure

During the year the Company carried out a number of transactions with related parties in the normal course of business on an arms' length basis. Names of those related parties, nature of those transactions and their total value have been set out in accordance with the provisions of IAS-24: Related Party Disclosures.

| Name of related party          | Nature of relationship | Nature of transaction                 | Outstanding as on 01.07.2022 Taka | Transaction during the year (net) Taka | Outstanding as on 30.06.2023 Taka | Terms and conditions                        |
|--------------------------------|------------------------|---------------------------------------|-----------------------------------|--|-----------------------------------|---|
| Asia Insurance Ltd.            | Common directorship    | Providing insurance                   | (68,602)                          | -                                      | (68,602)                          | Arm's length transaction                    |
| Seacom Shipping Ltd.           | Common directorship    | C & F                                 | 2,534,600                         | 200,000                                | 2,734,600                         | Arm's length transaction                    |
| G P H Ispat Ltd.               | Common directorship    | Materials supply                      | 2,280                             | 57,964                                 | 60,244                            | Arm's length transaction                    |
| M I Cement Factory Ltd.        | Common directorship    | Materials supply                      | 7,071                             | (7,071)                                | -                                 | Arm's length transaction                    |
| Samuda Chemical Complex Ltd.   | Common directorship    | Materials supply                      | 68,680                            | 39,018                                 | 107,698                           | Arm's length transaction                    |
| Rupsha Edible Oil Refinery Ltd | Common directorship    | Loan taken to meet short term finance | 38,069,660                        | 337,000                                | 38,406,660                        | Arm's length transaction                    |
| National Cement Mills Limited  | Associate              | Loan to meet operational expenses     | 22,680,886                        | 158,989,878                            | 181,670,764                       | Arm length transaction/Mutual Understanding |
| National Cement Mills Limited  | Associate              | Investment in share                   | 112,508,363                       | 128,535,258                            | 241,043,620                       | Arm's length transaction                    |
| Delta Agrofood Industries Ltd  | Common directorship    | Loan given to meet short term finance | 13,609,671                        | 77,516                                 | 13,687,187                        | Arm's length transaction                    |

Note : Figures in bracket at closing date represent payables.



**37.00 Events after the reporting period**

The Board of Directors of the company in its meeting held on 28 October 2023 recommended 10% cash dividend for the year 2022-2023 which is subject to approval of the shareholders in the ensuing Annual General Meeting.

**38.00 Contingent liabilities**

There are contingent liabilities in respect of outstanding letter of credit for Tk. 4045.60 million & bank guarantee Tk. 2277 million.

|   | Amount in Taka       |                      |
|---|----------------------|----------------------|
|   | 30 June 2023         | 30 June 2022         |
| <b>Letter of Credit</b>                           |                      |                      |
| The City Bank Limited                             | -                    | 586,165,125          |
| Brac Bank Limited                                 | 1,326,645,587        | 95,190,039           |
| Jamuna Bank Ltd                                   | -                    | 45,610,142           |
| Trust Bank Limited                                | 573,856,723          | 269,838,744          |
| Social Islami Bank Ltd                            | 364,530,193          | 146,492,220          |
| Standard Bank                                     | 591,823,430          | 481,681,652          |
| Standard Chartered Bank                           | 520,447,411          | 340,442,742          |
| Pubali bank Ltd                                   | 668,297,844          | 1,320,522,022        |
|   | <b>4,045,601,188</b> | <b>3,285,942,686</b> |
| <b>Bank Guarantee</b>                             |                      |                      |
| Social Islami Bank Ltd                            | 17,240,496           | 15,232,824           |
| Trust Bank Limited                                | 1,982,000,000        | -                    |
| Community Bank Limited                            | 88,993,734           | -                    |
| Standard bank limited                             | 188,665,346          | 19,081,420           |
|   | <b>2,276,899,576</b> | <b>34,314,244</b>    |
| <b>Others:</b>                                    |                      |                      |
| Tax Demand by DCT of Subsidiary Company (PPGL) ** | 169,583,926          | -                    |
|   | <b>6,492,084,690</b> | <b>3,320,256,930</b> |

\*\* PPGL has tax demand of Tk. 169,583,926 through the order no 30(kong)/KA-2(Chatto)/2022 dated 19 September 2022, against A writ petition, being Writ Petition No. 5018 of 2023 filed for which judgement is pending for hearing in the Honorable High Court Division.

**39.00 Capital expenditure commitment**

There is no unprovided committed expenditure as at 30 June 2023.

**40.00 Remittance of foreign currency:**

No foreign currency was remitted during the year.

**41.00 Earnings in foreign currency:**

Export of 37,030 MT Cement were made in July 2022 to June 2023 to Indian state of Tripura & Assam as export in for US\$ 26,01,371 equivalent to BDT. 28,31,33,185.00

**42.00 Claims against the company not acknowledged as debt**

There is no claim against the company acknowledged as debt.

**43.00 Capacity utilization:****43.01 Cement :**

Actual average monthly production is 2,39,218 MT against average monthly capacity of 5,71,200 MT i.e. capacity utilization is 41.88%.

**44.00 Number of employees**

Manager & Above  
Below Manager

**Total number of employees**

All employees received salary more than Tk. 7,000 per month.

| Persons      | Persons      |
|--------------|--------------|
| 126          | 105          |
| 1,719        | 1,598        |
| <b>1,845</b> | <b>1,703</b> |





#### 45.00 Financial risk management

International Financial Reporting Standard IFRS 7 - Financial Instruments: Disclosures - requires disclosure of information relating to: both recognised and unrecognised financial instruments, their significance and performance, accounting policies, terms and conditions, net fair values and risk information- the Group's policies for controlling risks and exposures.

The management has overall responsibility for the establishment and oversight of the group's risk management framework. The group's risk management policies are established to identify and analyse the risks faced by the group, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies, procedures and systems are reviewed regularly to reflect changes in market conditions and the group's activities. This note presents information about the group's exposure to each of the following risks, the group's objectives, policies and processes for measuring and managing risk, and the group's management of capital. The company has exposure to the following risks from its use of financial instruments.

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

#### 45.01 Credit risk

Credit risk is the risk of a financial loss to the group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the group's receivables from distributors, institutional and export customers etc.

Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis.

In monitoring credit risk, debtors are grouped according to their risk profile, i.e. their legal status, financial condition, ageing profile etc. Accounts receivable are related to sale of cement & empty cement bag.

The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the statement of financial position.

##### a) Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was:

|                                  | Amount in Taka       |                      |
|----------------------------------|----------------------|----------------------|
|                                  | 30 June 2023         | 30 June 2022         |
| <b>Trade receivable</b>          |                      |                      |
| Local customers                  | 1,498,848,442        | 2,693,201,296        |
| Foreign customers                | 13,986,878           | 28,541,621           |
| Advance, deposit and prepayments | 5,414,521,891        | 3,894,788,583        |
| Cash and bank balances           | 292,997,193          | 211,747,674          |
|                                  | <b>7,220,354,404</b> | <b>6,828,279,174</b> |

The maximum exposure to credit risk for accounts receivable as at 30 June 2023 by geographic regions was:

|            |                      |                      |
|------------|----------------------|----------------------|
| Bangladesh | 1,498,848,442        | 2,693,201,296        |
| Asia       | 13,986,878           | 28,541,621           |
|            | <b>1,512,835,320</b> | <b>2,721,742,917</b> |

##### b) Impairment losses

|                                     |                   |                   |
|-------------------------------------|-------------------|-------------------|
| Opening balance                     | 71,915,124        | 79,675,082        |
| Provision during the year           | (11,562,231)      | (7,759,958)       |
| Reversal/Adjustment during the year | -                 | -                 |
| <b>Closing balance</b>              | <b>60,352,893</b> | <b>71,915,124</b> |



c) Credit exposure by credit rating as on 30 June 2023

| Particulars                      | Credit rating | Amount             | Percentage (%) |
|----------------------------------|---------------|--------------------|----------------|
| Trade receivable                 | NR            | 1,512,835,320      | 21%            |
| Advance, deposit and prepayments | NR            | 5,414,521,891      | 75%            |
| <b>Cash and bank balances</b>    |               |                    |                |
| Cash in hand                     |               | 19,327,003         | 0.27%          |
| <b>Cash at bank</b>              |               | <b>243,010,432</b> | <b>3.37%</b>   |
| AB Bank Ltd                      | AA-           | 4,697,214          | 1.93%          |
| Al-Arafah Islami Bank Ltd.       | AA            | 11,189,436         | 4.60%          |
| Agrani Bank Ltd                  | A+            | 5,993,786          | 2.47%          |
| Bank Asia Ltd.                   | AA1           | 1,378,022          | 0.57%          |
| Brac Bank LTD                    | AA+           | -                  | 0.00%          |
| Brac Bank LTD                    | AAA           | -                  | 0.00%          |
| City Bank Ltd                    | AA1           | 313,708            | 0.13%          |
| Community Bank                   | A+            | 9,739              | 0.00%          |
| Dutch Bangla Bank Ltd            | AAA           | 555,997            | 0.23%          |
| Eastern Bank Ltd                 | AA+           | 359,961            | 0.15%          |
| Hongkong Shanghai Banking Corp.  | AAA           | 6,750              | 0.00%          |
| ICB Islamic Bank CD              |               | 8,204              | 0.00%          |
| IFIC Bank Ltd.                   | AA            | 6,005,606          | 2.47%          |
| Islami Bank Bangladesh Ltd       | AAA           | 15,820,911         | 6.51%          |
| Janata Bank Ltd                  | A+            | 8,118,490          | 3.34%          |
| Jamuna Bank Ltd.                 | AA1           | 8,449,994          | 3.48%          |
| Mercantile Bank Ltd.             | AA            | 1,082,941          | 0.45%          |
| Midland Bank Ltd                 | A+            | 31,359             | 0.01%          |
| Mutual Trust bank Ltd.           | AA            | 2,615,450          | 1.08%          |
| Modhumoti Bank Ltd               | AA3           | 4,759              | 0.00%          |
| National Bank Ltd.               | AA-           | 4,094,094          | 1.68%          |
| NCC Bank Ltd.                    | AA            | 798,308            | 0.33%          |
| NRB Bank Ltd                     | A+            | 7,443              | 0.00%          |
| One Bank Limited.                | AA            | 1,937,471          | 0.80%          |
| Premier Bank Ltd.                | AA+           | 7,528,670          | 3.10%          |
| Prime Bank Limited.              | AA            | 82,966             | 0.03%          |
| Pubali Bank Ltd.                 | AA+           | 301,939            | 0.12%          |
| Rupali Bank Ltd.                 | A-(AAA)       | 1,653              | 0.00%          |
| Shahjalal Islami Bank Ltd        | AA            | 21,358             | 0.01%          |
| Social Islami Bank Ltd.          | AA+           | 94,864,978         | 39.04%         |
| Meghna Bank Ltd CD               | AA-           | 9,729,026          | 4.00%          |
| Sonali Bank Ltd.                 | A+            | 2,205,707          | 0.91%          |
| Southeast Bank Ltd               | AA            | 1,255,280          | 0.52%          |
| Standard Chartered Bank          | AAA           | 2,886,898          | 1.19%          |
| Standard Bank Ltd.               | AA+           | 1,974,914          | 0.81%          |
| State Bank of India              | AAA           | 40,328             | 0.02%          |
| Trust Bank Ltd.                  | AA1           | 702,096            | 0.29%          |
| United Commercial Bank Ltd.      | AA            | 9,894,937          | 4.07%          |
| Uttara Bank Ltd.                 | AA            | 38,040,039         | 15.65%         |





**(ii) Foreign exchange rate sensitivity analysis for foreign currency expenditures**

A strengthening or weakening of the Taka, as indicated below, against the USD at 30 June 2023 would have increased/(decreased) equity and profit or loss by the amounts shown below. This analysis is based on foreign currency exchange rate variances that the Group considered to be reasonably possible at the reporting date. The analysis assumes that all other variables, in particular interest rates, remain constant. The analysis is performed on the same basis for 30 June 2022 albeit that the reasonably possible foreign exchange rate variances were different, as indicated below:

| Sensitivity for foreign currency expenditures | Amount in Taka              |                         |
|---|-----------------------------|-------------------------|
|   | Strengthening profit/(loss) | Weakening profit/(loss) |
| At 30 June 2023 USD                           | (2,556,653)                 | (6,721,442)             |

**b) Interest rate risk**

Interest rate risk is the risk that arises due to changes in interest rates on borrowings. Short term bank borrowings are, however, not significantly affected by fluctuations in interest rates. The group has not entered into any type of derivative instrument in order to hedge interest rate risk as at the reporting date.

**(i) Profile**

As at 30 June 2023, the interest rate risk profile of the group's interest bearing financial instruments was:

|                          | Carrying Amount in Taka |                |
|--------------------------|-------------------------|----------------|
|                          | 30 June 2023            | 30 June 2022   |
| Fixed rate instrument    |                         |                |
| Financial asset          | 592,896,775             | 36,211,354     |
| Financial liability      | 21,378,988,551          | 18,517,051,568 |
| Variable rate instrument |                         |                |
| Financial asset          | Nil                     | Nil            |
| Financial liability      | Nil                     | Nil            |

**(ii) Cash flow sensitivity analysis for variable rate instruments**

There being no variable rate instruments, sensitivity analysis has not presented.



#### 45.02 Liquidity risk

Liquidity risk is the risk that the group will not be able to meet its financial obligations as they fall due. The group's approach to managing liquidity (cash and cash equivalents) 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 group's reputation. Typically, the group ensures that it has sufficient cash and cash equivalents to meet expected operational expenses, including financial obligations through preparation of the cash flow forecast, based on time line of payment of financial obligations and accordingly arrange for sufficient liquidity/fund to make the expected payments within due dates. Moreover, the group seeks to maintain short term lines of credit with scheduled commercial banks to ensure payment of obligation in the event that there is insufficient cash to make the required payment. The requirement is determined in advance through cash flow projections and credit lines with banks are negotiated accordingly. In extreme stressed conditions, the group may get support from the subsidiary and associate company in the form of inter-company loan.

The following are the contractual maturities of financial liabilities:

| Category of Liabilities           | Carrying amount | Maturity period | Nominal Interest rate | Contractual cash flows | Within 6 months or less | Within 6-12 months |
|-----------------------------------|-----------------|-----------------|-----------------------|------------------------|-------------------------|--------------------|
|                                   | Taka            |                 |                       | Taka                   | Taka                    | Taka               |
| Trade and other payables          | 3,035,224,326   | December. 2023  | N/A                   | 3,035,224,326          | 3,035,224,326           | -                  |
| Short term bank loan              | 13,521,999,500  | December. 2023  | 7%~11%                | 13,521,999,500         | 13,521,999,500          | -                  |
| Current portion of long term loan | 894,524,704     | 30 June 2024    | 1.60%~12.50%          | 894,524,704            | 447,262,352             | 447,262,352        |
| Liability for other finance       | 16,614,948      | 30 June 2024    | N/A                   | 16,614,948             | 8,307,474               | 8,307,474          |
| Contribution to WPPF              | -               | -               | N/A                   | -                      | -                       | -                  |

#### 45.03 Market risk

Market risk is the risk that any change in market prices, such as foreign exchange rates and interest rates will affect the group's income or the value of its holdings of financial instruments

##### a) Currency risk

The group is exposed to currency risk on certain revenues and purchases such as clinker, gypsum, slag, fly ash, lime stone and equipment purchases. Majority of the group's foreign currency transactions are denominated in USD and relate to procurement of capital items from abroad. The group maintains USD bank accounts where 50% of export proceeds are deposited and certain import payments and foreign currency loan instalment & interest their on are made there from.

##### i) Exposure to currency risk

Foreign currency monetary assets and liabilities

Assets  
Trade receivables  
Cash at bank

Liabilities

Trade and other payables

Net exposure

The following significant exchange rates are applied during the year:

Exchange rate of US Dollar

|                            | 30 June 2023<br>(USD) | 30 June 2022<br>(USD) |
|----------------------------|-----------------------|-----------------------|
| Assets                     |                       |                       |
| Trade receivables          | 128,509               | 305,421               |
| Cash at bank               | 37,616                | 485,337               |
|                            | <b>166,124</b>        | <b>790,758</b>        |
| Liabilities                |                       |                       |
| Trade and other payables   | Nil                   | Nil                   |
| Net exposure               |                       |                       |
| Exchange rate of US Dollar | <b>108.84</b>         | <b>93.45</b>          |





#### 45.04 Accounting classification and fair value

Fair value of financial assets and liabilities together with carrying amount shown in the statement of financial position are as follows:

|   | Amount in Taka  |               |
|---|-----------------|---------------|
|   | Carrying amount | Fair value    |
| <b>Assets carried at fair value through profit and loss</b> | Nil             | Nil           |
| <b>Held to maturity assets</b>                              |                 |               |
| Short term investment                                       | 16,076,203      | 16,076,203    |
| <b>Loans and receivables</b>                                |                 |               |
| Trade and other receivable                                  | 1,489,957,904   | 1,489,957,904 |
| Advances, deposits & pre-payments                           | 5,767,837,004   | 5,767,837,004 |
| Cash and bank balances                                      | 292,997,193     | 292,997,193   |
| Available for sale financial assets                         | Nil             | Nil           |
| Liabilities carried at fair value through profit and loss   | Nil             | Nil           |
| <b>Liabilities carried at amortized cost</b>                |                 |               |
| Trade and other payables                                    | 3,035,224,326   | *N/A          |
| Short term bank loan  | 13,521,999,500  | *N/A          |
| Long term loan  | 5,933,596,294   | *N/A          |
| Redeemable Preference Share                                 | 1,510,420,000   | *N/A          |
| Lease Liability   | 28,868,053      | *N/A          |
| Current portion of long term loan                           | 894,524,704     | *N/A          |
| Liability for other finance                                 | 16,614,948      | *N/A          |
| Contribution to WPPF  | -               | *N/A          |

\* Determination of fair value is not required as per the requirements of IFRS/IFRS 7 : Financial Instruments: Disclosures (ref: Para 29). However, fair value of such instruments is not likely to be significantly different from the carrying amounts of such instruments.



| Amount in Taka |              |
|----------------|--------------|
| 30 June 2023   | 30 June 2022 |

**46.00 Others**

**46.01 Directors' remuneration**

Salary, allowances and benefits

|   |   |
|---|---|
| - | - |
| - | - |

Monthly remuneration payment has been stopped from January 2021 as per BSEC Notification no. BSEC/CMRRCD/2006-158/207/Admin/80 dated 03 June 2018.

**46.02 Directors' fees for attending board meeting**

Tk. 10,000 paid to each director for attending board meetings.

**46.03 Receivable from director**

No amount is lying as receivable from the directors.

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

|  |               |               |
|--|---------------|---------------|
| Net Assets                               | 6,256,163,117 | 7,078,393,373 |
| Number of ordinary shares outstanding    | 105,450,000   | 105,450,000   |
| <b>Net asset value ( NAV ) per share</b> | <b>59.33</b>  | <b>67.13</b>  |

**46.05 Cash Flow Reconciliation**

|   |                    |                    |
|---|--------------------|--------------------|
| Net profit for the year                   | (842,369,890)      | (1,127,441,497)    |
| Depreciation                              | 656,000,794        | 308,003,814        |
| Other non-cash items                      | 45,835,003         | 10,197,418         |
| Non-operating items                       | 904,925,236        | (322,626,769)      |
| Changes in net working capital            | (148,481,116)      | 1,686,655,107      |
| <b>Net cash from operating activities</b> | <b>615,910,026</b> | <b>554,788,073</b> |

**46.06 Net operating cash flow per share (NOCFPS)**

The computation of NOCFPS is given below

|   |             |             |
|---|-------------|-------------|
| Net cash from operating activities                | 615,910,026 | 554,788,074 |
| Number of shares outstanding during the year      | 105,450,000 | 105,450,000 |
| <b>Net operating cash flow per share (NOCFPS)</b> | <b>5.84</b> | <b>5.26</b> |

**46.07 Deferred Tax on depreciation of revaluation surplus:**

**Depreciation on revaluation of assets**

|  |                   |                   |
|--|-------------------|-------------------|
| Premier Cement Mills Ltd                             | 8,695,366         | 9,355,807         |
| Premier Power Generation Ltd                         | 1,820,208         | 1,937,051         |
| <b>Total</b>   | <b>10,515,574</b> | <b>11,292,858</b> |
| Less: Deferred tax on PCML                           | 2,173,842         | 2,338,952         |
| Less: Deferred tax on PPGL                           | -                 | -                 |
| <b>Depreciation adjusted with retaining earnings</b> | <b>8,341,732</b>  | <b>8,953,906</b>  |

**46.08 Interests in subsidiaries**

The group does not have any unconsolidated structured entity.

There has been no changes in ownership interest in a subsidiary which may have resulted in loss of control.

**46.09 Key Management Personnel Compensation :**

Catagories of key management compensation:

Short term employee benefits

a)Directors' remuneration

b) Meeting attendance fee

c) Post-employment benefit


d) Other long term benefit

e) Share-based payment

f) Housing

g) Medical & welfare

|         |         |
|---------|---------|
| -       | -       |
| 290,000 | 400,000 |
| Nil     | Nil     |
| Nil     | Nil     |
| Nil     | Nil     |
| Nil     | Nil     |
| Nil     | Nil     |

  
Company Secretary

  
Director

  
Managing Director

Place: Dhaka, Bangladesh

Dated: 28 October 2023





Annexure - A

| Amount in Taka        |                      |
|-----------------------|----------------------|
| 30 June 2023          | 30 June 2022         |
| 21,602,793,007        | 9,122,715,645        |
| <b>21,602,793,007</b> | <b>9,122,715,645</b> |

Property, plant and equipment

|                   |                       |                      |
|-------------------|-----------------------|----------------------|
| Freehold          | 21,602,793,007        | 9,122,715,645        |
| Leasehold         | -                     | -                    |
| <b>Freehold :</b> | <b>21,602,793,007</b> | <b>9,122,715,645</b> |

Cost:

| Category of assets                 | Cost                 |                       |                        | Rate | Depreciation         |                         |                        | Written down value as on 30 June 2023 |
|------------------------------------|----------------------|-----------------------|------------------------|------|----------------------|-------------------------|------------------------|---------------------------------------|
|                                    | Opening              | Addition              | (Disposal)/ Adjustment |      | Closing              | Charged during the year | (Disposal)/ Adjustment |                                       |
| Land & Land Development            | 1,998,767,180        | 58,772,087            | -                      | 0%   | -                    | -                       | -                      | 2,057,539,267                         |
| Factory Building                   | 657,790,188          | 25,119,859            | -                      | 3%   | 119,645,618          | 16,337,640              | -                      | 135,983,258                           |
| Factory Building-BP                | 122,745,138          | 14,754,039            | -                      | 3%   | 21,776,353           | 3,262,255               | -                      | 25,038,608                            |
| VRM Factory Building               | -                    | 3,055,524,186         | -                      | 3%   | 71,469,303           | 71,469,303              | -                      | 72,469,303                            |
| VRM- Cg Factory Building           | -                    | 620,044,878           | -                      | 3%   | 9,173,267            | 9,173,267               | -                      | 610,871,611                           |
| Jetty Construction                 | 66,156,565           | 2,549,000             | -                      | 3%   | 10,404,810           | 1,710,170               | -                      | 56,590,585                            |
| VRM Jetty Construction             | 164,424,433          | 209,816,416           | -                      | 3%   | 5,171,331            | 5,171,331               | -                      | 204,645,085                           |
| Electric installation              | 2,689,149            | 3,105,426             | -                      | 7.5% | 51,340,882           | 8,837,925               | -                      | 107,351,052                           |
| VRM Electric installation -BP      | 1,248,972            | 11,938,121            | -                      | 7.5% | 8,879,638            | 1,432,346               | -                      | 10,312,184                            |
| VRM - Electric installation        | 906,116,126          | 906,116,126           | -                      | 5.0% | 20,229,733           | 20,229,733              | -                      | 885,886,392                           |
| Plant & Machinery                  | 2,177,726,990        | 295,777,801           | -                      | 7.5% | 843,495,162          | 91,604,181              | -                      | 935,099,343                           |
| VRM Plant & Machinery              | 503,086,659          | 117,705,401           | -                      | 7.5% | 167,836,417          | 15,436,187              | -                      | 183,272,604                           |
| VRM-Plant & Machinery              | -                    | 5,454,282,757         | -                      | 5%   | 190,990,206          | 190,990,206             | -                      | 190,990,206                           |
| Plant & Machinery Ctg- VRM Project | 1,523,751,737        | 1,523,751,737         | -                      | 5%   | 37,571,961           | 37,571,961              | -                      | 37,571,961                            |
| Boundary Wall & Fencing            | 6,927,881            | 42,000                | -                      | 5%   | 1,672,516            | 263,298                 | -                      | 1,935,814                             |
| Furniture & Fixtures               | 9,910,685            | 194,946               | -                      | 10%  | 4,348,909            | 560,953                 | -                      | 5,193,769                             |
| Furniture & Fixtures-BP            | 487,750              | -                     | -                      | 10%  | 247,497              | 24,025                  | -                      | 216,228                               |
| Telephone & Fax Installation       | 568,344              | -                     | -                      | 15%  | 417,801              | 22,520                  | -                      | 128,023                               |
| Loose Tools                        | 259,932              | 259,932               | -                      | 15%  | 176,564              | 12,471                  | -                      | 189,035                               |
| Motor Vehicles                     | 1,254,927,359        | 72,481,144            | (2,443,000)            | 15%  | 651,555,077          | 92,338,980              | (1,935,297)            | 742,558,760                           |
| Motor Vehicles-Employee Car        | 46,325,000           | 46,325,000            | -                      | 10%  | 8,308,990            | 3,710,390               | -                      | 34,305,620                            |
| Office Building & Shed             | 16,080,921           | 12,104,909            | -                      | 3%   | 1,981,728            | 14,830,914              | -                      | 12,019,380                            |
| VRM Office Building & Shed         | -                    | 562,177,300           | -                      | 3%   | 19,411,390           | 14,285,164              | -                      | 11,373,188                            |
| Office Equipment                   | 41,431,404           | 6,964,511             | -                      | 15%  | 3,686,269            | 3,686,269               | -                      | 547,892,136                           |
| Tube-Well                          | 770,288              | 770,288               | -                      | 15%  | 419,092              | 52,536                  | -                      | 25,296,256                            |
| Air Compressor                     | 28,051,012           | 129,907,752           | -                      | 15%  | 7,879,359            | 3,070,845               | -                      | 298,670                               |
| Grinding Media                     | 145,010,739          | -                     | -                      | 33%  | 111,326,127          | 11,115,923              | -                      | 147,008,560                           |
| Lab Equipment                      | 10,440,449           | 1,386,985             | -                      | 10%  | 3,664,528            | 684,338                 | -                      | 122,442,050                           |
| Vessel                             | 160,037,711          | 27,607,968            | -                      | 10%  | 57,137,802           | 11,703,446              | -                      | 4,348,866                             |
| Portable Cement Silo               | 122,233,116          | 17,120,674            | -                      | 3%   | 11,391,039           | 3,505,859               | -                      | 68,941,248                            |
| Office Decoration                  | 12,738,024           | 358,204               | -                      | 15%  | 6,352,412            | 998,611                 | -                      | 14,896,898                            |
| Generator building                 | 2,454,401            | -                     | -                      | 15%  | 1,280,469            | 117,393                 | -                      | 5,745,205                             |
| <b>30 June 2023</b>                | <b>7,551,041,328</b> | <b>13,126,913,078</b> | <b>(2,443,000)</b>     |      | <b>2,110,950,360</b> | <b>635,812,440</b>      | <b>(1,935,297)</b>     | <b>17,930,683,882</b>                 |
| <b>30 June 2022</b>                | <b>7,140,569,486</b> | <b>419,740,509</b>    | <b>(9,268,667)</b>     |      | <b>1,827,215,335</b> | <b>287,341,618</b>      | <b>(3,606,571)</b>     | <b>5,440,090,946</b>                  |

| Allocation :                    | Amount in Taka     |                    |
|---------------------------------|--------------------|--------------------|
|                                 | 30 June 2023       | 30 June 2022       |
| Cost of Goods Sold              | 504,752,686        | 156,773,996        |
| Administrative Expenses         | 9,665,604          | 9,087,442          |
| Selling & Distribution Expenses | 101,239,336        | 90,005,122         |
| Bag plant                       | 20,154,813         | 31,475,059         |
| <b>TOTAL</b>                    | <b>635,812,440</b> | <b>287,341,619</b> |



| Category of assets                 | Cost                 |          |          |                      | Rate     | Depreciation      |                         |                      | Written down value as on 30 June 2023 |         |
|------------------------------------|----------------------|----------|----------|----------------------|----------|-------------------|-------------------------|----------------------|---------------------------------------|---------|
|                                    | Opening              | Addition | Disposal | Closing              |          | Opening           | Charged during the year | Disposal/ Adjustment |                                       | Closing |
|                                    | Amount in Taka       |          |          |                      |          |                   |                         |                      |                                       |         |
| Land & Land Development            | 3,518,667,260        | -        | -        | 3,518,667,260        | 0%       | -                 | -                       | -                    | 3,518,667,260                         |         |
| Factory Building                   | 32,315,251           | -        | -        | 32,315,251           | 3%       | 6,205,083         | 783,305                 | 6,988,388            | 25,326,863                            |         |
| VRM Factory Building               | -                    | -        | -        | -                    | -        | -                 | -                       | -                    | -                                     |         |
| VRM- Ctg Factory Building          | 3,132,068            | -        | -        | 3,132,068            | 3%       | 601,411           | 75,920                  | 677,331              | 2,454,737                             |         |
| Jetty Construction                 | -                    | -        | -        | -                    | -        | -                 | -                       | -                    | -                                     |         |
| VRM Jetty Construction             | -                    | -        | -        | -                    | -        | -                 | -                       | -                    | -                                     |         |
| Electric Installation              | -                    | -        | -        | -                    | -        | -                 | -                       | -                    | -                                     |         |
| Electric Installation -BP          | -                    | -        | -        | -                    | -        | -                 | -                       | -                    | -                                     |         |
| VRM -Electric Installation         | -                    | -        | -        | -                    | -        | -                 | -                       | -                    | -                                     |         |
| Plant & Machinery                  | 218,043,828          | -        | -        | 218,043,828          | 7.5%, 6% | 83,765,876        | 9,616,959               | 93,386,835           | 124,656,993                           |         |
| Plant & Machinery-BP               | -                    | -        | -        | -                    | -        | -                 | -                       | -                    | -                                     |         |
| VRM-Plant & Machinery              | -                    | -        | -        | -                    | -        | -                 | -                       | -                    | -                                     |         |
| Plant & Machinery Ctg- VRM Project | 245,141              | -        | -        | 245,141              | 5%       | 73,950            | 8,560                   | 82,510               | 162,631                               |         |
| Boundary Wall & Fencing            | -                    | -        | -        | -                    | 10%      | -                 | -                       | -                    | -                                     |         |
| Furniture & fixtures               | -                    | -        | -        | -                    | 15%      | -                 | -                       | -                    | -                                     |         |
| Furniture & fixtures-BP            | -                    | -        | -        | -                    | 15%      | -                 | -                       | -                    | -                                     |         |
| Telephone & Fax installation       | -                    | -        | -        | -                    | 15%      | -                 | -                       | -                    | -                                     |         |
| Loose Tools                        | -                    | -        | -        | -                    | 15%      | -                 | -                       | -                    | -                                     |         |
| Motor Vehicles                     | -                    | -        | -        | -                    | 3%       | -                 | -                       | -                    | -                                     |         |
| Office Building & Shed             | 1,030,264            | -        | -        | 1,030,264            | 15%, 20% | 197,828           | 24,973                  | 222,801              | 807,463                               |         |
| VRM_ Office Building & Shed        | -                    | -        | -        | -                    | -        | -                 | -                       | -                    | -                                     |         |
| Office Equipment                   | 227                  | -        | -        | 227                  | 15%      | 180               | 9                       | 189                  | 38                                    |         |
| Tube-Well                          | -                    | -        | -        | -                    | 15%      | -                 | -                       | -                    | -                                     |         |
| Air Compressor                     | -                    | -        | -        | -                    | 33%      | -                 | -                       | -                    | -                                     |         |
| Grinding Media                     | -                    | -        | -        | -                    | 10%      | -                 | -                       | -                    | -                                     |         |
| Lab Equipment                      | -                    | -        | -        | -                    | 3%       | -                 | -                       | -                    | -                                     |         |
| Vessel                             | -                    | -        | -        | -                    | 3%       | -                 | -                       | -                    | -                                     |         |
| Portable Cement Silo               | -                    | -        | -        | -                    | 15%      | -                 | -                       | -                    | -                                     |         |
| Office Decoration                  | 121,614              | -        | -        | 121,614              | 15%      | 82,627            | 5,848                   | 88,475               | 33,139                                |         |
| Software                           | -                    | -        | -        | -                    | -        | -                 | -                       | -                    | -                                     |         |
| <b>30 June 2023</b>                | <b>3,773,555,653</b> | -        | -        | <b>3,773,555,653</b> |          | <b>90,930,955</b> | <b>10,515,574</b>       | <b>101,446,529</b>   | <b>3,672,109,124</b>                  |         |
| <b>30 June 2022</b>                | <b>3,773,555,653</b> | -        | -        | <b>3,773,555,653</b> |          | <b>79,638,096</b> | <b>11,292,859</b>       | <b>90,930,955</b>    | <b>3,682,624,698</b>                  |         |

| Allocation :            | Amount in Taka    |                   |
|-------------------------|-------------------|-------------------|
|                         | 30 June 2023      | 30 June 2022      |
| Cost of Goods Sold      | 9,121,475         | 9,792,349         |
| Administrative Expenses | 4,686             | 5,513             |
| Bag Plant               | 1,389,412         | 1,494,996         |
| <b>TOTAL</b>            | <b>10,515,574</b> | <b>11,292,858</b> |





Amount in Taka

| Category of Assets                    | Cost                  |                          |                                       | Rate                  | Depreciation |                         |                                       | Written down value as on 30 June 2023 |
|---------------------------------------|-----------------------|--------------------------|---------------------------------------|-----------------------|--------------|-------------------------|---------------------------------------|---------------------------------------|
|                                       | Opening               | Addition During the Year | Disposal/Adjustment During the period |                       | Closing      | Charged During the Year | Disposal/Adjustment During the period |                                       |
| Land & Land Development               | 5,517,434,440         | 58,772,087               | -                                     | 5,576,206,527         | 0%           | -                       | -                                     | 5,576,206,527.00                      |
| Factory Building                      | 690,105,439           | 25,115,859               | -                                     | 715,225,298           | 3%           | -                       | -                                     | 142,971,646                           |
| Factory Building-BP                   | 122,745,138           | 14,755,039               | -                                     | 137,499,177           | 3%           | -                       | -                                     | 25,038,608                            |
| VRM Factory Building                  | -                     | 3,055,524,186            | -                                     | 3,055,524,186         | 3%           | -                       | -                                     | 71,469,303                            |
| VRM- C&G Factory Building             | -                     | 620,044,878              | -                                     | 620,044,878           | 3%           | -                       | -                                     | 2,983,054,882.54                      |
| Jetty Construction                    | 69,288,633            | 2,549,000                | -                                     | 71,837,633            | 3%           | -                       | -                                     | 9,173,267                             |
| VRM Jetty Construction                | -                     | 209,816,416              | -                                     | 209,816,416           | 3%           | -                       | -                                     | 12,792,311                            |
| Electric Installation                 | 164,424,433           | 3,105,426                | -                                     | 167,529,859           | 7.5%         | -                       | -                                     | 5,171,331                             |
| Electric Installation -BP             | 2,689,149             | 9,248,972                | -                                     | 11,938,121            | 7.5%         | -                       | -                                     | 60,178,807                            |
| VRM -Electric installation            | -                     | 906,116,126              | -                                     | 906,116,126           | 7.5%         | -                       | -                                     | 10,312,184                            |
| Plant & Machinery                     | 2,395,770,818         | 295,777,801              | -                                     | 2,691,548,619         | 7.5%         | -                       | -                                     | 1,625,937.29                          |
| Plant & Machinery-BP                  | 503,086,659           | 117,705,401              | -                                     | 620,792,060           | 7.5%         | -                       | -                                     | 885,886,392.21                        |
| VRM-Plant & Machinery                 | -                     | 5,454,282,757            | -                                     | 5,454,282,757         | 5%           | -                       | -                                     | 1,663,062,441.24                      |
| Plant & Machinery Ctg.-VRM Project    | -                     | 1,523,751,737            | -                                     | 1,523,751,737         | 5%           | -                       | -                                     | 437,519,455.70                        |
| Boundary Wall & Fencing               | 7,173,022             | 42,000                   | -                                     | 7,215,022             | 5%           | -                       | -                                     | 5,263,292,551.36                      |
| Furniture & Fixtures                  | 9,910,685             | 192,946                  | -                                     | 10,103,631            | 10%          | -                       | -                                     | 1,486,179,776.36                      |
| Furniture & Fixtures-BP               | 487,750               | -                        | -                                     | 487,750               | 10%          | -                       | -                                     | 5,193,759.45                          |
| Telephone & Fax Installation          | 568,344               | -                        | -                                     | 568,344               | 15%          | -                       | -                                     | 216,227.70                            |
| Loose Tools                           | 259,932               | -                        | -                                     | 259,932               | 15%          | -                       | -                                     | 128,023.42                            |
| Motor Vehicle                         | 1,253,927,359         | 72,481,144               | (2,443,000)                           | 1,323,965,503         | 15%          | (2,443,000)             | (1,935,297)                           | 70,896.91                             |
| Motor Vehicles-Employee Car           | 46,325,000            | -                        | -                                     | 46,325,000            | 10%          | -                       | -                                     | 581,406,742.59                        |
| Office Building & Shed                | 17,111,185            | 12,104,909               | -                                     | 29,216,094            | 3%           | -                       | -                                     | 34,305,620.00                         |
| Office Building & Shed                | -                     | 562,177,300              | -                                     | 562,177,300           | 3%           | -                       | -                                     | 12,180,650.68                         |
| Office Equipment                      | 41,431,631            | 6,964,511                | -                                     | 48,396,142            | 15%          | -                       | -                                     | 547,892,136.48                        |
| Tube-Well                             | 770,298               | -                        | -                                     | 770,298               | 15%          | -                       | -                                     | 23,099,849                            |
| Air Compressor                        | 28,051,012            | 129,907,752              | -                                     | 157,958,764           | 15%          | -                       | -                                     | 471,628                               |
| Grinding Media                        | 145,010,739           | -                        | -                                     | 145,010,739           | 33%          | -                       | -                                     | 10,950,204                            |
| Lab Equipment                         | 10,440,449            | 1,386,985                | -                                     | 11,827,434            | 10%          | -                       | -                                     | 122,442,050                           |
| Vessel                                | 160,037,711           | 27,607,968               | -                                     | 187,645,679           | 10%          | -                       | -                                     | 22,508,689.38                         |
| Portable Cement Silo                  | 122,333,116           | 17,120,674               | -                                     | 139,453,790           | 3%           | -                       | -                                     | 7,478,567.91                          |
| Office Decoration                     | 12,859,638            | 358,204                  | -                                     | 13,217,842            | 15%          | -                       | -                                     | 68,841,248                            |
| Generator building                    | 2,454,401             | -                        | -                                     | 2,454,401             | 15%          | -                       | -                                     | 14,896,898                            |
| <b>Grand Total as on 30 June 2022</b> | <b>11,324,596,981</b> | <b>13,126,913,078</b>    | <b>(2,443,000)</b>                    | <b>24,449,067,059</b> |              |                         | <b>(1,935,297)</b>                    | <b>21,602,793,007</b>                 |
| <b>Grand Total as on 30 June 2023</b> | <b>10,914,125,139</b> | <b>419,740,509</b>       | <b>(9,268,667)</b>                    | <b>11,324,596,981</b> |              |                         | <b>(3,606,571)</b>                    | <b>9,127,715,645</b>                  |

Depreciation charge has been allocated to:

|                                 | Amount in Taka     |                    |
|---------------------------------|--------------------|--------------------|
|                                 | 30 June 2023       | 30 June 2022       |
| Cost of Goods Sold              | 513,874,162        | 166,566,345        |
| Administrative Expenses         | 9,670,290          | 9,092,955          |
| Selling & Distribution Expenses | 101,239,336        | 90,005,122         |
| Bag plant                       | 21,544,225         | 32,970,055         |
| <b>TOTAL</b>                    | <b>646,328,014</b> | <b>298,634,477</b> |

Note:

i) Name of Valuer: M/S Hoda Vasi Chowdhury & Co.,

ii) Valuation method: Net asset value method.

iii) Date of Capitalization: Revaluation surplus capitalized on 01 July 2020.



**Intangible Assets**

| Category of assets        | Cost             |                  |          | Rate | Amortization   |                         |                      | Written down value as on 30 June 2023 |
|---------------------------|------------------|------------------|----------|------|----------------|-------------------------|----------------------|---------------------------------------|
|                           | Opening          | Addition         | Disposal |      | Closing        | Charged during the year | Disposal/ Adjustment |                                       |
| Software                  | 2,683,913        | 419,750          | -        | 10%  | 603,989        | 231,347                 | 835,336              | 2,268,327                             |
| <b>Total 30 June 2023</b> | <b>2,683,913</b> | <b>419,750</b>   | <b>-</b> |      | <b>603,989</b> | <b>231,347</b>          | <b>835,336</b>       | <b>2,268,327</b>                      |
| <b>Total 30 June 2022</b> | <b>1,186,013</b> | <b>1,497,900</b> | <b>-</b> |      | <b>447,828</b> | <b>156,162</b>          | <b>603,990</b>       | <b>2,079,923</b>                      |

**Amortization charge has been allocated to:**

|                         | Amount in Taka |                |
|-------------------------|----------------|----------------|
|                         | 30 June 2023   | 30 June 2022   |
| Administrative Expenses | 231,347        | 156,162        |
| <b>TOTAL</b>            | <b>231,347</b> | <b>156,162</b> |

**Lease Assets-Rights of Use**

| Category of assets        | Cost              |                   |          | Rate | Amortization         |                         |                      | As at 30 June 2023 |
|---------------------------|-------------------|-------------------|----------|------|----------------------|-------------------------|----------------------|--------------------|
|                           | Opening           | Addition          | Disposal |      | Closing              | Charged during the year | Disposal/ Adjustment |                    |
| Accommodation Building    | 15,009,028        | -                 | -        |      | 5,003,010            | 1,667,670               | 6,670,680            | 8,338,348          |
| Office Floor              | 23,535,756        | 22,109,393        | -        |      | 21,004,252           | 7,773,763               | 28,778,015           | 16,867,134         |
| <b>Total 30 June 2023</b> | <b>38,544,784</b> | <b>22,109,393</b> | <b>-</b> |      | <b>26,007,262</b>    | <b>9,441,433</b>        | <b>35,448,695</b>    | <b>25,205,482</b>  |
| <b>Total 30 June 2022</b> | <b>38,544,784</b> | <b>-</b>          | <b>-</b> |      | <b>16,794,086.00</b> | <b>9,213,176</b>        | <b>26,007,262</b>    | <b>12,537,572</b>  |

**Particulars**

|                         | Amount in Taka   |                  |
|-------------------------|------------------|------------------|
|                         | 30 June 2023     | 30 June 2022     |
| Cost of production      | 1,667,670        | 1,667,670        |
| Administrative expenses | 7,773,763        | 7,545,506        |
| <b>Total</b>            | <b>9,441,433</b> | <b>9,213,176</b> |



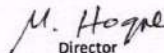


**Premier Cement Mills PLC**  
**Statement of Financial Position**  
**As at 30 June 2023**

| Particulars                                 | Notes | 30 June 2023          | 30 June 2022          |
|---|-------|-----------------------|-----------------------|
|   |       | Taka                  | Taka                  |
| <b>ASSETS</b>                               |       |                       |                       |
| <b>Non-current assets</b>                   |       |                       |                       |
| Property, plant and equipment               | 1.00  | 21,460,197,784        | 8,983,221,723         |
| Intangible assets                           | 2.00  | 2,268,327             | 2,079,923             |
| Right of use assets                         | 3.00  | 24,306,245            | 11,188,667            |
| Financial assets                            | 4.00  | 2,404,562             | 2,248,640             |
| Capital work -in - progress                 | 5.00  | 1,127,804,588         | 11,338,586,004        |
| Investment in subsidiary                    | 6.01  | 48,000,000            | 48,000,000            |
| Investment in associate                     | 7.01  | 241,043,620           | 112,508,363           |
|   |       | <b>22,906,025,126</b> | <b>20,497,833,319</b> |
| <b>Current Assets</b>                       |       |                       |                       |
| Inventories                                 | 8.00  | 2,351,539,649         | 1,157,965,676         |
| Trade and other receivables                 | 9.00  | 1,489,874,384         | 2,681,566,681         |
| Advances, deposits and pre-payments         | 10.00 | 5,755,053,840         | 4,178,962,148         |
| Current account with associate (NCML)       | 7.02  | 181,670,764           | 22,680,886            |
| Investment in FDR                           | 11.00 | 566,295,790           | 7,985,482             |
| Cash and bank balances                      | 12.00 | 292,984,654           | 211,384,324           |
|   |       | <b>10,637,419,082</b> | <b>8,260,545,198</b>  |
| <b>Total assets</b>                         |       | <b>33,543,444,208</b> | <b>28,758,378,517</b> |
| <b>EQUITY AND LIABILITIES</b>               |       |                       |                       |
| <b>Equity</b>                               |       |                       |                       |
| Share capital                               | 13.00 | 1,054,500,000         | 1,054,500,000         |
| Revaluation reserve                         |       | 3,063,469,462         | 3,070,208,371         |
| Share Premium                               |       | 441,835,000           | 441,835,000           |
| Retained earnings                           |       | 1,267,750,438         | 2,081,184,928         |
| <b>Total Equity</b>                         |       | <b>5,827,554,899</b>  | <b>6,647,728,299</b>  |
| <b>Non-current liabilities</b>              |       |                       |                       |
| Deferred tax liabilities/(assets)           | 14.00 | 1,039,826,234         | 884,763,060           |
| Long term loan                              | 15.02 | 5,933,596,294         | 2,667,902,847         |
| Lease Liability - Long term portion         | 17.01 | 19,141,140            | 11,346,323            |
| Loan from Directors                         | 24.00 | 240,000,000           | 240,000,000           |
| Redeemable Preference Share                 | 16.00 | 1,510,420,000         | 1,510,420,000         |
| Defined contribution obligations (Gratuity) | 18.00 | 192,799,775           | 157,969,950           |
|   |       | <b>8,935,783,443</b>  | <b>5,472,402,180</b>  |
| <b>Current-liabilities</b>                  |       |                       |                       |
| Trade and other payables                    | 19.00 | 3,023,071,889         | 605,608,363           |
| Unclaimed dividend                          | 20.00 | 1,888,555             | 2,637,434             |
| Short term bank loan                        | 21.00 | 13,521,999,500        | 13,747,746,354        |
| Current portion of long term loan           | 15.02 | 894,524,704           | 1,086,053,928         |
| Lease Liability - Current portion           | 17.01 | 8,705,419             | 2,534,598             |
| Current account with subsidiary (PPGL)      | 6.02  | 344,498,766           | 341,875,781           |
| Liability for other finance                 | 22.00 | 16,614,948            | 14,338,311            |
| Provision for taxation                      | 23.00 | 968,802,085           | 837,453,269           |
|   |       | <b>18,780,105,866</b> | <b>16,638,248,039</b> |
| <b>Total liabilities</b>                    |       | <b>27,715,889,310</b> | <b>22,110,650,219</b> |
| <b>Total equity and liabilities</b>         |       | <b>33,543,444,208</b> | <b>28,758,378,517</b> |
| <b>Net assets value per share</b>           | 37.00 | <b>55.26</b>          | <b>63.04</b>          |

The annexed notes from 01 to 43.04 form an integral part of these financial statements.

  
Company Secretary

  
Director

  
Managing Director

As per our report of same date

Signed for & on behalf of  
**MABS & J Partners**  
Chartered Accountants

  
**J C Biswas FCA**

Partner

ICAB Enrolment No: 0199

DVC No: 2310290199AS103762

Place: Dhaka, Bangladesh  
Dated: 28 October 2023