

এমআরএইচ দে এন্ড কোং
MRH DEY & CO.
Chartered Accountants

R.B. COURT (GR. FLOOR),
54, AGRABAD COMMERCIAL AREA,
CHITTAGONG.
TEL: (O) 721342, 725549, 717229

**PREMIER CEMENT MILLS LIMITED,
CHITTAGONG.**

ACCOUNTS FOR THE YEAR ENDED JUNE 30, 2007

Chittagong
December 06, 2007

AUDITORS' REPORT TO THE SHAREHOLDERS

We have examined the annexed Balance Sheet of **PREMIER CEMENT MILLS LIMITED**, Chittagong at June 30, 2007 along-with the annexed Statement of Manufacturing, Trading and Profit & Loss and for the year ended on that date with Books of Accounts and records as maintained by the company and produced before us for our verification and we report that:

- I) We have obtained all the information and explanations which we have required;
- II) In our opinion, the annexed Balance Sheet and the annexed Statement of Manufacturing, Trading and Profit & Loss and for the year are drawn up in conformity with the law;
- III) Such Balance Sheet exhibits a true and fair view of the company's affairs according to the best of our information and explanations given to us and as shown by the books of the company;

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- IV) In our opinion, Books of Account have been kept by the Company for the year under report as required by law.




(MRH Dey & Co.)
Chartered Accountants

PREMIER CEMENT MILLS LIMITED, CHITTAGONG

BALANCE SHEET AT JUNE 30, 2007

SL. NO. SUBJECT MATTERS	SCH. NO.	AT JUNE 30, 2007	AT JUNE 30, 2006
I. SOURCES OF FUNDS:			
1. SHARE HOLDERS FUND:			
A. SHARE CAPITAL :			
<u>Authorised :</u>			
1,00,00,000 Ordinary Shares of Tk.100/-each		<u>1,000,000,000.00</u>	<u>1,000,000,000.00</u>
<u>Issued, Subscribed & Paid-up :</u>			
4,00,00,000 Ordinary Shares of Tk.100/-each fully paid-up in cash		<u>400,000,000.00</u>	<u>400,000,000.00</u>
2. RESERVE & SURPLUS:			
a) Tax-holiday Reserve		<u>430,573.00</u>	<u>430,573.00</u>
		<u>430,573.00</u>	<u>430,573.00</u>
	TAKA :	<u>400,430,573.00</u>	<u>400,430,573.00</u>
II. APPLICATION OF FUNDS:			
1. FIXED ASSETS : (At cost less depreciation)	01	<u>288,277,225.82</u>	<u>297,849,954.42</u>
2. CAPITAL WORK-IN-PROGRESS		<u>42,507,268.00</u>	<u>42,507,268.00</u>
3. INVESTMENT WITH PPGL :		<u>17,455,000.00</u>	<u>-</u>
4. NET CURRENT ASSETS :			
A. CURRENT ASSETS AND LOANS & ADVANCES:			
a) Stock & Stores	05	81,213,657.00	79,490,811.00
b) Cash & Bank Balance	02	23,417,850.24	16,969,770.85
c) Advance, Deposits and pre-payments	04	72,971,140.73	44,037,480.16
d) Export Proceed Receivable		-	583,326.00
e) Loans & Others		<u>101,790,000.00</u>	<u>203,750,000.00</u>
		<u>279,392,647.97</u>	<u>344,831,388.01</u>
B. CURRENT LIABILITIES AND PROVISIONS :			
a) For Expenses	03	44,043,613.00	10,669,299.00
b) Bank Liability	06	198,920,301.42	289,647,753.44
c) For Other Finance	07	<u>1,900,000.00</u>	<u>2,050,000.00</u>
		<u>244,863,914.42</u>	<u>302,367,052.44</u>
NET CURRENT ASSETS: (A-B)		<u>34,528,733.55</u>	<u>42,464,335.57</u>
5. MISCELLANEOUS:			
a) Preliminary Expenses		182,700.00	182,700.00
b) Un-Allocated Revenue Expenditure		16,505,303.51	16,505,303.51
c) Profit & Loss Account		<u>974,342.12</u>	<u>921,011.50</u>
		<u>17,662,345.63</u>	<u>17,609,015.01</u>
	TAKA :	<u>400,430,573.00</u>	<u>400,430,573.00</u>

AUDITORS' REPORT TO THE SHAREHOLDERS

Please see annexed report of date

Chittagong
December 06, 2007

(Signature)
MRH Dey & Co.
Chartered Accountants

PREMIER CEMENT MILLS LIMITED, CHITTAGONG
STATEMENT OF MANUFACTURING, TRADING AND PROFIT & LOSS
FOR THE YEAR ENDED JUNE 30, 2007

<u>PARTICULARS</u>	<u>At June 30,</u> <u>2007</u>	<u>At June 30,</u> <u>2006</u>
NET SALES	1,359,935,040.00	999,097,333.00
LESS : COST OF GOODS SOLD	<u>1,295,968,313.00</u>	<u>944,146,980.00</u>
GROSS PROFIT FOR THE YEAR	<u>63,966,727.00</u>	<u>54,950,353.00</u>
LESS : ADMINISTRATIVE & OTHER EXPENSES		
Administrative Expenses	16,904,352.00	12,179,920.00
Selling & Distribution Expenses	7,264,469.00	6,980,415.00
Financial Expenses	<u>39,910,833.62</u>	<u>37,390,366.41</u>
	<u>64,079,654.62</u>	<u>56,550,701.41</u>
NET PROFIT/(LOSS) FOR THE YEAR	(112,927.62)	(1,600,348.41)
ADD: OTHE INCOME: INTEREST INCOME	<u>59,597.00</u>	<u>166,048.00</u>
	(53,330.62)	(1,434,300.41)
ADD: BALANCE BROUGHT FROWARD FROM LAST A/C	<u>(921,011.50)</u>	<u>513,288.91</u>
BALANCE CARRIED TO BALANCE SHEET	<u>(974,342.12)</u>	<u>(921,011.50)</u>
	TAKA :	

AUDITORS' REPORT TO THE SHAREHOLDERS
Please see annexed report of date

Chittagong
December 06, 2007



(Signature)
(MRH Dey & Co.)
Chartered Accountants

PREMIER CEMENT MILLS LIMITED, CHITTAGONG
SCHEDULE OF BALANCES AT JUNE 30, 2007

<u>FIXED ASSETS: SCH. NO. 01</u>	<u>C</u>	<u>O</u>	<u>S</u>	<u>T</u>
<u>PARTICULARS</u>	<u>At July 01,</u> <u>2006</u>		<u>Addition during</u> <u>the year</u>	<u>Total at June 30,</u> <u>2007</u>
Land & Land Development	55,785,420.00		-	55,785,420.00
Factory Building	82,711,827.00		8,870,500.00	91,582,327.00
Jetty Construction	47,841,097.00		-	47,841,097.00
Electric Installation	18,833,405.00		649,486.00	19,482,891.00
Plant & Machinery	135,708,475.11		10,743,063.40	146,451,538.51
Boundary Wall & Fencing	1,481,740.00		-	1,481,740.00
Furniture & Fixtures	1,276,221.00		551,600.00	1,827,821.00
Telephone & Fax Instollation	953,285.00		-	953,285.00
Loose Tools	772,058.07		-	772,058.07
Motor Vehicles	2,864,222.00		3,709,900.00	6,574,122.00
Office Building & Shed	10,188,476.00		-	10,188,476.00
Office Equipment	1,435,000.00		-	1,435,000.00
Tube-Well	84,061.00		-	84,061.00
Air Compressor	1,046,339.00		-	1,046,339.00
Lab Equipment	1,936,075.24		-	1,936,075.24
Office Decoration	725,200.00		-	725,200.00
TAKA:	<u>363,642,901.42</u>		<u>24,524,549.40</u>	<u>388,167,450.82</u>

<u>PARTICULARS</u>	<u>At July 01,</u> <u>2006</u>	<u>Provision for</u> <u>the year</u>	<u>Total at June 30,</u> <u>2007</u>	<u>WDV AT June 30,</u> <u>2007</u>	<u>Rate</u> <u>%</u>
Land & Land Development	-	-	-	55,785,420.00	-
Factory Building	15,412,757.00	7,616,957.00	23,029,714.00	68,552,613.00	10
Jetty Construction	9,010,769.00	3,883,033.00	12,893,802.00	34,947,295.00	10
Electric Installation	4,990,459.00	2,173,865.00	7,164,324.00	12,318,567.00	15
Plant & Machinery	31,395,222.00	17,258,447.00	48,653,669.00	97,797,869.51	15
Boundary Wall & Fencing	275,897.00	120,584.00	396,481.00	1,085,259.00	10
Furniture & Fixtures	211,874.00	161,595.00	373,469.00	1,454,352.00	10
Telephone & Fax Instollation	257,451.00	104,375.00	361,826.00	591,459.00	15
Loose Tools	147,103.00	93,743.00	240,846.00	531,212.07	15
Motor Vehicles	572,563.00	900,234.00	1,472,797.00	5,101,325.00	15
Office Building & Shed	2,376,525.00	1,171,793.00	3,548,318.00	6,640,158.00	15
Office Equipment	267,382.00	175,143.00	442,525.00	992,475.00	15
Tube-Well	22,970.00	9,164.00	32,134.00	51,927.00	15
Air Compressor	261,883.00	117,668.00	379,551.00	666,788.00	15
Lab Equipment	481,312.00	218,214.00	699,526.00	1,236,549.24	15
Office Decoration	108,780.00	92,463.00	201,243.00	523,957.00	15
TAKA :	<u>65,792,947.00</u>	<u>34,097,278.00</u>	<u>99,890,225.00</u>	<u>288,277,225.82</u>	

Depreciation has been charged as under :

Administrative	1,652,024.00
Cost of Production	<u>32,445,254.00</u>
	<u>34,097,278.00</u>

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CASH AND BANK BALANCES : SCH. NO.02

	At June 30, 2007	At June 30, 2006
Cash in Hand	370,595.91	91,227.03
Cash at Bank :		
Mercantile Bank Ltd. Ac.6689	-	787.11
One Bank Ltd.	7,157.63	1,290.63
Standard Chartred Bank	770,266.99	7,091,362.20
Southeast Bank Ltd. A/c-0509	-	7,807.34
The Premier Bank Ltd. A/c.5397	-	1,345,611.00
Standard Bank Ltd. A/c 00666(STD)	-	3,065,605.75
Standard Bank Ltd. A/c 6498	-	29,566.59
AB Bank Ltd. A/c.10461	-	1,510,802.20
Al-Arafa Islami Bank Ltd. Banani, # 6317	412,287.00	2,581.00
Standard Bank, Munshikhola, # 2803	-	1,585.00
Sonali Bank, Gulshan NNC # 2434	200,919.00	371,577.00
Prime Bank Ltd. Banani # 5623	529.00	137,069.00
Prime Bank Ltd. Agrabad, # 3472	1,640.00	5,000.00
National Bank Ltd. Gulshan # 3663	-	82,130.00
Islami Bank Ltd. Gulshan # 50817	-	3,216,019.00
AB Bank Ltd. Agrabad, # 3000	-	9,750.00
Bank Asia Ltd.	1,000.00	-
Dutch-Bangla Bank Ltd. # 16033	38,006.00	-
National Bank Ltd. # 173	1,030,770.00	-
Premier Bank Ltd. # 9182	283,526.00	-
Southeast Bank Ltd. # 5352	81,670.34	-
Standard Bank. # 0179	9,101,072.35	-
City Bank Ltd. # 4744	319,159.00	-
Mercantile Bank Ltd. # 2699	965,447.11	-
Uttara Bank Ltd. #1169	612,554.00	-
UCBL # 6358	57,993.00	-
Pubali Bank Ltd. # 39430	1,829,221.00	-
Islami Bank Ltd. # 6202	25,524.00	-
AB Bank. # 3736	7,308,511.91	-
	<u>23,047,254.33</u>	<u>16,878,543.82</u>
TAKA :	<u>23,417,850.24</u>	<u>16,969,770.85</u>

FOR EXPENSES: SCH. NO.03

Salary & Allowances	1,045,420.00	1,270,345.00
Electricity Bill Payable	4,602,009.00	2,688,942.00
Income Tax Payable on C & F Commission	9,249.00	9,249.00
Telephone & Mobile Bill Payable	85,788.00	72,843.00
MRH Dey & Co.	50,000.00	50,000.00
Income Tax Payable (Audit Fee)	-	3,000.00
Shah Cement	6,574,920.00	6,574,920.00
Dimond Cement	22,416,938.00	-
Seacom Shiping Lines	9,106,468.00	-
Income Tax Payable	38,205.00	-
Others	114,616.00	-
	<u>44,043,613.00</u>	<u>10,669,299.00</u>
TAKA :	<u>44,043,613.00</u>	<u>10,669,299.00</u>

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ADVANCE, DEPOSITS & PRE-PAYMENTS: SCH. NO.04

Advance Income Tax	1,849,500.16	1,823,022.16
Advance Office Rent	160,500.00	160,500.00
VAT Current Account	19,696,721.00	11,415,920.00
M. I. Cement	650,687.00	-
Dimond Cement	-	17,370,180.00
L/C Advances:		
L/C No. 1810/06/01/0073	-	2,760,747.00
L/C No. 1810/06/01/0076	-	2,052,936.00
L/C No. 1810/06/01/0092	-	853,768.00
L/C No. 1810/06/01/0093	-	342,125.00
L/C No. 1810/06/01/0100	-	2,406,315.00
L/C No. 1810/06/01/0094	-	559,911.00
L/C No. 1810/06/01/0066	-	1,035,739.00
L/C No. 1810/07/01/0032	783,992.00	-
L/C No. 1674/07/01/0081	1,264,125.00	-
L/C No. 1812/07/01/0094	422,277.00	-
L/C No. 1674/07/01/0055	40,636,796.57	-
L/C No. 1810/07/01/0090	779,000.00	-
L/C No. 1810/07/01/0089	15,000.00	-
L/C No. 1810/07/01/0076	3,456,225.00	-
Deposits:		
Grameen Phone	7,000.00	7,000.00
Ansar VDP Office	177,467.00	177,467.00
TGSL	1,050.00	1,050.00
BOC BD Ltd.	16,000.00	16,000.00
DESA	3,000,000.00	3,000,000.00
T & T Board	54,800.00	54,800.00
TAKA:	<u>72,971,140.73</u>	<u>44,037,480.16</u>

STOCK & STORES : SCH. NO. 05

Raw Materials:		
Fly Ash	9,218,040.00	3,946,659.00
Clinker	12,959,687.00	56,569,487.00
Gypsum	16,283,845.00	9,954,994.00
Slag	29,206,356.00	8,737,689.00
Lime Store	1,487,695.00	-
Packing Materials (P.P. Paper Bag)	12,058,034.00	281,982.00
TAKA :	<u>81,213,657.00</u>	<u>79,490,811.00</u>



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MRH DEY & CO.

Chartered Accountants

PREMIER CEMENT MILLS LIMITED, CHITTAGONG
ANNEXURE TO THE STATEMENT OF MANUFACTURING, TRADING AND PROFIT & LOSS
FOR THE YEAR ENDED JUNE 30, 2007

	At June 30, 2007	At June 30, 2006
COST OF GOODS SOLD:		
Cost of Production	1,295,968,313.00	944,146,980.00
Add:- Opening Stock of Finished Goods	-	-
	<u>1,295,968,313.00</u>	<u>944,146,980.00</u>
Less:-Closing Stock of Finished Goods	-	-
TAKA :	<u>1,295,968,313.00</u>	<u>944,146,980.00</u>
COST OF PRODUCTION :		
Raw Materials Consumed	1,093,954,062.00	783,339,377.00
Packing Materials Consumed	71,302,242.00	51,872,651.00
Salary & Wages	41,260,712.00	30,142,145.00
Electric Charges	49,565,344.00	41,303,978.00
Paper & Periodicals	19,630.00	6,720.00
Travelling & Conveyance	1,215,723.00	891,541.00
Entertainment	1,498,567.00	1,121,421.00
Repairs & Manitenance	2,318,211.00	1,567,341.00
Medical Expenses	50,150.00	42,140.00
Postage & Stamp	1,640.00	1,240.00
Uniform	65,295.00	59,670.00
Fuel, Oil & Lubricants	2,655,714.00	1,846,912.00
Carrying Charges	220,217.00	1,141,215.00
Printing & Stationery	105,998.00	167,189.00
Consumable Stores	801,706.00	567,192.00
Labour Charges	2,518,619.00	1,719,142.00
Misc. Expenses	213,820.00	121,917.00
Pay Leader Expenses	817,610.00	567,214.00
Depreciation	32,445,254.00	31,771,559.00
	<u>1,301,030,514.00</u>	<u>948,250,564.00</u>
Less: Adjustment on VAT	5,062,201.00	4,103,584.00
TAKA :	<u>1,295,968,313.00</u>	<u>944,146,980.00</u>
ADMINISTRATIVE AND OTHER EXPENSES:		
Salary & Allowances	2,412,000.00	2,077,350.00
Entertainment	320,570.00	234,148.00
Printing & Stationery	212,458.00	345,610.00
Travelling & Conveyance	815,990.00	710,046.00
Electric Charges	244,021.00	191,976.00
Office Rent	779,760.00	360,000.00
Telephone Charges	1,065,635.00	1,174,794.00
Water Charges	61,270.00	123,753.00
Postage & Stamp	45,340.00	38,650.00
Fuel & Lubricants	205,248.00	-
Vehicle Maintenance	215,318.00	348,645.00
Paper & Periodicals	8,550.00	8,245.00
Misc. Expenses	55,200.00	220,500.00
Repairs & Maintenance	355,770.00	264,380.00
Advertisement	8,405,198.00	3,952,600.00
Audit Fee	50,000.00	50,000.00
Depreciation	1,652,024.00	2,079,223.00
TAKA :	<u>16,904,352.00</u>	<u>12,179,920.00</u>



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MRH DEY & CO.

Chartered Accountants

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SELLING & DISTRIBUTION EXPENSES:

Salaries & Allowances	1,620,000.00	1,440,920.00
Fuel & Lubricants	450,370.00	-
Car Maintenance	215,340.00	350,698.00
Travelling & Conveyance	360,150.00	315,710.00
Entertainment	282,483.00	265,352.00
Printing & Stationery	214,150.00	445,314.00
Sample Expenses	3,892,375.00	2,846,285.00
Postage & Stamp	9,214.00	8,691.00
Carriage Outward	220,387.00	1,307,445.00
TAKA :	<u>7,264,469.00</u>	<u>6,980,415.00</u>

FINANCIAL EXPENSES : SCH. NO

Bank Charge & Interest	39,910,833.62	37,390,366.41
TAKA :	<u>39,910,833.62</u>	<u>37,390,366.41</u>

