

**Auditor's Report & Audited  
Consolidated Financial Statements of  
Premier Cement Mills Limited  
As at and for the year ended June 30, 2021**

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**TK Bhaban (12th Floor) 13 Karwan Bazar,  
Dhaka-1215, Bangladesh.**

Submitted By

**HFC** | **Hussain Farhad & Co.**  
*Chartered Accountants*

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INDEPENDENT AUDITOR'S REPORT  
To the shareholders of  
PREMIER CEMENT MILLS LIMITED

**Report on the Audit of the Financial Statements**

*Opinion*

We have audited the financial statements of Premier Cement Mills Limited and its subsidiary (the 'Group') as well as the separate financial statements of Premier Cement Mills Limited (the 'company'), which comprise the consolidated and separate statements of financial position as at June 30, 2021, and the consolidated and separate statement of profit or loss and other comprehensive income, consolidated and separate statement of changes in equity and consolidated and separate statement 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 and separate financial statements give a true and fair view of the consolidated financial position of the Group and the separate financial position of the Company as at June 30, 2021, and of its consolidated and separate financial performance and its consolidated and separate cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

*Basis for Opinion*

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *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) together with the ethical requirements that are relevant to our audit of the financial statements in Bangladesh, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.





**Key Audit Matters**

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

Key Audit Matter	Our response to the risk
<p><b>Revenue recognition</b></p> <p>At year end the Group reported total revenue of BDT 12,810,439,280. 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.</p> <p>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 substantive procedures in relation to the revenue recognition comprises the following:</p> <ul style="list-style-type: none"> <li>We assessed the appropriateness of revenue recognition accounting policy in line with IFRS 15 Revenue from contracts with customers; 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</li> </ul>

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Key Audit Matter	Our response to the risk
	<p>procedures to understand how revenue trends over the year among other parameters and performed a detailed testing on transactions around the year-end, to test revenues were recognized in the correct accounting period.</p> <ul style="list-style-type: none"> <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> </ul>
See note 3.14 and 27 to the consolidated financial statements	
<b>Cost of Sales</b>	
<p>At year end the Group reported total Cost of Sales of BDT 10,885,694,417. This is an area considered to be complex and judgmental due to presence of inventories in different forms and a complex production process. There is also a risk that 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>We have assessed the appropriateness of the Group's Cost of Sales recognition accounting policies. Tested the effectiveness of the Group's control over the calculation of inventories and material consumption for the period.</p> <p>Our substantive procedures in relation to the Cost of sales comprise the following:</p> <ul style="list-style-type: none"> <li>• Obtained supporting documents for cost of sales recorded on either side of year end after the year end date to determine whether 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 purchase.</li> <li>• We have reconciled purchase with VAT Mushak- 6.1 &amp; 9.1</li> <li>• Due to Covid-19 Pandemic situation, we have conducted virtual verification for stock taking as on 30 June 2021 which was conducted</li> </ul>

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Key Audit Matter	Our response to the risk
	<p>through ZOOM App on 01 July 2021. Subsequently, during the period of our audit, we have conducted physical verification of inventory on 28 September 2021.</p> <ul style="list-style-type: none"> <li>• Verifying a sample of L/C documents against the goods received and the cost shown on imported and exported goods.</li> <li>• Agreeing a sample of purchases against requisition, Good received notes, purchase register and supporting documentation;</li> <li>• Critically assessing 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> </ul>

See note 28 to the consolidated financial statements

**Capital work-in-progress**

<p>The Group's Capital Work-In-Progress for the year ended 30 June 2021 was BDT 9,549,526,026 which increased by BDT 1,344,201,053 compared to the previous financial year (30 June 2020 BDT 8,205,324,973), an increase of 16.38% from last year.</p> <p>As capital work in progress had a substantial increase over the year and has risks of fictitious additions, inaccurate valuation &amp; inappropriate recognition, significant judgment is required on the figure classified as Capital Work-In-Progress.</p>	<p>We have assessed the appropriateness of the Group's Capital Work in Progress in accordance to IAS 16 Property, Plant &amp; Equipment and IAS 23 Borrowing Cost.</p> <p>Our substantive procedures in relation to the Capital Work In Progress recognition comprises the following:</p> <ul style="list-style-type: none"> <li>• Assessed the client schedule and calculations made for the recording the total Capital Work in Progress.</li> <li>• Agreeing a sample of the construction costs capitalized to supporting documentation;</li> <li>• Agreeing the loan interest capitalized were in accordance with the requirements of</li> </ul>
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Key Audit Matter	Our response to the risk
	<p>IAS 23- Borrowing Costs.</p> <ul style="list-style-type: none"> <li>• Critically assessing manual journals posted to Capital Work-In-Progress to identify unusual or irregular items; and</li> <li>• Finally assessed the appropriateness and presentation of disclosures against relevant accounting Standards.</li> </ul>
See note 8 to consolidated financial statements	
<b>Deferred tax liability</b>	
<p>Company reported net deferred tax liability BDT 876,059,480 as at June 30, 2021. 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 to assess the carrying value of Deferred Tax liability 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 Company's key controls over the recognition and measurement of deferred tax assets and 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 expense.</li> <li>• We tested the mathematical accuracy in calculation of deferred tax.</li> <li>• We evaluated the reasonableness of key assumptions, timing of reversal of temporary differences and expiration of tax loss carry forwards, recognition and measurement of deferred tax liability.</li> <li>• We assessed the adequacy of 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> </ul>

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Key Audit Matter	Our response to the risk
	<ul style="list-style-type: none"> <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 Income Taxes.</li> </ul>
See note no 14 to the financial statements.	
<b>Preparation of consolidated financial statements</b>	
<p>Premier Cement Mills Limited has significant investments in Premier Power Generation Limited since 2006.</p> <p>Premier Cement Limited has determined that it has acquired significant control over Premier Power Generation Limited through the common directorship and holding 96% of shares in Premier Power Generation Limited thereby giving unrestricted control.</p> <p>Determination of significant control requires careful assessment of different elements.</p> <p>Furthermore, introduction of a subsidiary requires significant amendments in preparing the financial statements including preparation of consolidated financial statements which requires range of adjustments and additional disclosure requirements.</p>	<p>We have obtained an understanding of the consolidation process, including transactions undertaken between these Companies.</p> <p>We have carried out risk assessment pertaining to consolidation and the adjustments necessary to properly prepare the consolidated financial statements. We have also carried out an assessment of the inherent limitations to consolidation processes to address them.</p> <p>Finally, we have reviewed the appropriateness and presentation of disclosures against relevant accounting standards and guidelines.</p>
See note no 2.10 to the consolidated financial statements.	
<b>COVID -19 impact on Financial Statements</b>	
COVID 19 is a force majeure event, unique in nature has divested the	Auditor's and the firm under force majeure event applied best judgments



Key Audit Matter	Our response to the risk
<p>world and mankind. Efforts are underway to contain and recover.</p> <p>From early March 2020, there has been health related safety prioritized restrictions on auditor's travel, meetings and access to Bank resources / sites in some jurisdictions, limitation in providing supporting documents and explanations by the concerned resources of the Group.</p> <p>The Limited Companies (both publicly traded and other limited companies) is not operating diligently which leads to market risk due to COVID-19 Pandemic, the operational risk due to loss of business opportunities and operational and maintenance risk.</p> <p>Furthermore, to extend that there are Control deficiencies - A control deficiency exists when the design or operation of a control does not allow management to prevent or detect misstatements in a timely manner. Design deficiency occurs when: a requisite control is missing, or an existing control is ineffective because it is not properly designed.</p> <p>Economy is the lifeline of the Country, institutions, community, environment and individuals. Providing finance is neither fruitful nor rewarding, unless effective feedback provides transparency and accountability and assists in educating the market. That, in turn would assist improving the process itself; while also embedding the</p>	<p>under the force majeure compulsion and the circumstances in developing alternative audit procedures to gather sufficient explanations as practicable. Bangladesh Banks involvements and contributions and initiations on relevant material issues controls and remedies as appropriate and practicable were taken into cognizance as audit evidences.</p> <p>On collective success assurance upon COVID, Group is committed to visualize that authority always flows from top to bottom, responsibility flows from bottom to top and communicating across the organization that, accountability cannot be delegated and escaped.</p> <p>Auditor's extended professional skepticism and judgment-based assurances under the circumstances, and relatively practicable support in the interest of Country's business to a broader perspective.</p>

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Key Audit Matter	Our response to the risk
<p>proper cause and effect mindset within involved people and processes that is critical to achieving better results and further to improve the standard of submissions in the future. If these are not made sustainable; the money, time and resources will not be appropriately applied to defend the total investments. The Challenges ahead are huge, that would be addressed both by invention and discoveries and also with cognizance to the nature and nurture. Last but not the least, there is always light at the other end of a tunnel.</p>	

**Other Matter**

The consolidated and separate financial statements of Premier Cement Mills Limited for the year ended June 30, 2020, were audited by Hussain Farhad & Co., Chartered Accountants who expressed an unmodified opinion on those statements on November 12, 2020. The financial statements of Premier Power Generation Limited (Subsidiary) for the year ended June 30, 2021, were audited by Snehasish Mahmud & Co. Chartered Accountants, who expressed an unmodified opinion on those statements on October 25, 2021.

Moreover, In accordance with clause # 6 of BSEC notification SEC/CMRRCD/2009-193/150/admin dated August 18, 2013, revaluation report, as disclosed in annexure A, has been prepared and treated as per International Accounting Standard and International Financial Reporting Standard (IFRS) and other applicable laws, rules, regulations & guideline based on the report.



### *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 the 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 the 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 the 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 the 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 board of directors of the company. We have nothing to report in this regard.

### *Responsibilities of Management and Those Charged with Governance for the Consolidated and Separate Financial Statements and Internal Controls*

Management is responsible for the preparation and fair presentation of the consolidated and separate financial statements in accordance with International Financial Reporting Standards, the Companies Act, 1994, the Securities and Exchange Rules, 1987 and other applicable laws and regulations and for such internal control as management determines is necessary to enable the preparation of consolidated and separate 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 Consolidated and Separate Financial Statements***

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

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

- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast





significant doubt on the Group's and the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated and separate 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 Group and the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the 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 and the Securities and Exchange Rules 1987, we also report the following:

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

Firm Name : Hussain Farhad & Co., Chartered Accountants

Registration no : 4/452/ICAB-84

Signature of the auditor : .....

Name of the auditor: : M Farhad Hussain FCA, Partner/Enrollment No: 0452

DVC No : 2111080452AS789359

Place : Dhaka

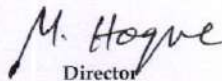
Date : 26<sup>th</sup> October 2021.

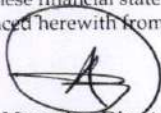
**Premier Cement Mills Limited**  
**Consolidated Statement of Financial Position**  
**As at 30 June 2021**

Particulars	Notes	30 June 2021	30 June 2020
		Taka	Taka
<b>ASSETS</b>			
Non-current assets			
Property, plant and equipment	4.00	9,007,271,708	6,008,764,554
Intangible assets	5.00	738,186	647,113
Right of use assets	6.00	21,750,698	28,715,783
Financial assets	7.00	2,055,793	1,879,484
Capital work -in - progress	8.00	9,549,526,026	8,205,324,973
Investment in associate	9.01	123,105,735	113,397,634
		<b>18,704,448,147</b>	<b>14,358,729,541</b>
<b>Current assets</b>			
Inventories	10.00	1,400,664,085	968,898,820
Trade and other receivables	11.00	2,485,703,023	2,492,404,124
Advances, deposits and pre-payments	12.00	3,620,935,964	3,338,925,653
Current account with associate (NCML)	9.02	120,064,838	108,350,423
Investment in FDR	13.00	158,399,335	146,395,233
Cash and bank balances	14.00	155,213,174	142,454,954
		<b>7,940,980,421</b>	<b>7,197,429,207</b>
<b>Total assets</b>		<b>26,645,428,568</b>	<b>21,556,158,748</b>
<b>EQUITY AND LIABILITIES</b>			
Equity			
Share capital	15.00	1,054,500,000	1,054,500,000
Revaluation reserve		3,108,832,875	492,313,479
Share premium		441,835,000	441,835,000
Retained earnings		3,812,563,441	3,256,487,345
		<b>8,417,731,316</b>	<b>5,245,135,824</b>
Non-controlling interest	16.00	17,830,077	16,324,924
		<b>8,435,561,393</b>	<b>5,261,460,748</b>
<b>Non-current liabilities</b>			
Loan from Directors	17.00	750,420,000	750,420,000
Deferred tax liabilities	18.00	876,059,479	460,779,528
Lease Liability- Long term portion	20.01	15,349,336	21,776,253
Long term loan	19.02	2,098,000,448	3,079,655,790
Defined contribution obligations (Gratuity)	21.00	139,148,889	136,452,062
		<b>3,878,978,153</b>	<b>4,449,083,633</b>
<b>Current liabilities</b>			
Trade and other payables	22.00	666,365,549	1,366,085,958
Short term bank loan	23.00	11,782,547,261	9,075,703,997
Current portion of long term loan	19.02	1,081,407,806	774,427,493
Lease Liability - Current portion	20.01	8,552,248	7,691,262
Liability for other finance	24.00	4,062,545	3,766,545
Workers' participation fund		36,014,874	14,702,667
Provision for taxation	25.00	751,938,739	603,236,444
		<b>14,330,889,022</b>	<b>11,845,614,367</b>
<b>Total equity and liabilities</b>		<b>26,645,428,568</b>	<b>21,556,158,748</b>
<b>Net assets value per share</b>	44.04	<b>79.83</b>	<b>49.74</b>

The annexed notes from 01 to 44 form an integral part of these financial statements  
The Separate financial statements of the company are attached herewith from page 52 to 76 .

  
**Company Secretary**

  
**Director**

  
**Managing Director**

As per our report of same date

Place: Dhaka  
Dated: 26 October 2021

  
**Hussain Farhad & Co.**  
Chartered Accountants

DVC No: **2111080452AS7893593**



**Premier Cement Mills Limited**  
**Consolidated Statement of Profit or Loss and Other Comprehensive Income**  
For the year ended 30 June 2021

Particulars	Notes	30 June 2021	30 June 2020
		Taka	Taka
Revenue	27.00	12,810,439,280	10,460,670,694
Cost of sales	28.00	(10,885,694,417)	(8,957,636,055)
<b>Gross profit</b>		<b>1,924,744,863</b>	<b>1,503,034,639</b>
Other income / (expenses)	29.00	2,240,782	72,606,324
Administrative expenses	30.00	(116,021,868)	(106,902,579)
Selling & distribution expenses	31.00	(410,015,544)	(431,467,249)
<b>Profit before interest and tax</b>		<b>1,400,948,233</b>	<b>1,037,271,135</b>
Share of profit from associate company	9.01	9,708,102	6,899,799
Finance costs	32.00	(616,215,149)	(688,697,437)
Contribution to WPPF		(36,014,874)	(14,702,667)
<b>Profit before tax</b>		<b>758,426,311</b>	<b>340,770,830</b>
Current tax expenses	25.00	(149,202,295)	(54,953,123)
Deferred tax income/(expenses)	18.00	44,194,453	(14,575,439)
<b>Profit for the year</b>		<b>653,418,470</b>	<b>271,242,268</b>
<b>Profit attributable to:</b>			
Owners of the company		651,913,317	269,410,397
Non-controlling interest	16.00	1,505,153	1,831,871
		<b>653,418,470</b>	<b>271,242,268</b>
<b>Other comprehensive income</b>			
Revaluation of property, plant & equipment		3,085,606,580	-
Income tax on other comprehensive income		(459,474,404)	-
		<b>2,626,132,176</b>	<b>-</b>
<b>Total comprehensive income for the year</b>		<b>3,279,550,646</b>	<b>271,242,268</b>
<b>Total comprehensive income attributable to:</b>			
Owners of the company		3,277,147,737	269,410,397
Non-controlling interest		2,402,908	1,831,871
<b>Total comprehensive income for the year</b>		<b>3,279,550,646</b>	<b>271,242,268</b>
<b>Basic earnings per share (par value of Tk. 10)</b>	33.00	<b>6.18</b>	<b>2.55</b>

The annexed notes from 01 to 44 form an integral part of these financial statements.  
The separate financial statements of the Company are attached herewith from page 52-76


  
Company Secretary

  
Director

  
Managing Director

As per our report of same date

Place: Dhaka  
Dated: 26 October 2021

  
Hussain Farhad & Co.  
Chartered Accountants

**Premier Cement Mills Limited**  
**Consolidated Statement of Changes in Equity**  
**For the year ended 30 June 2021**

Particulars	Amount in Taka						
	Share capital	Share Premium	Revaluation reserve	Retained earnings	Total	Non-controlling interest	Total equity
Balance at 30 June 2019	1,054,500,000	441,835,000	501,202,886	3,083,637,540	5,081,175,426	14,493,053	5,095,668,479
Net profit for the year	-	-	-	269,410,398	269,410,398	1,831,871	271,242,269
Dividend for the year 2018-19	-	-	-	(105,450,000)	(105,450,000)	-	(105,450,000)
Depreciation on revalued assets	-	-	(8,889,407)	8,889,407	-	-	-
<b>Balance at 30 June 2020</b>	<b>1,054,500,000</b>	<b>441,835,000</b>	<b>492,313,479</b>	<b>3,256,487,345</b>	<b>5,245,135,824</b>	<b>16,324,924</b>	<b>5,261,460,748</b>
Balance at 01 July 2020	1,054,500,000	441,835,000	492,313,479	3,256,487,345	5,245,135,824	16,324,924	5,261,460,748
Net profit for the year	-	-	-	651,913,317	651,913,317	1,505,153	653,418,470
Dividend for the year 2019-20	-	-	-	(105,450,000)	(105,450,000)	-	(105,450,000)
Assets revalued during the year	-	-	3,085,606,580	-	3,085,606,580	-	3,085,606,580
Deferred tax on revaluation surplus	-	-	(459,474,404)	-	(459,474,404)	-	(459,474,404)
Depreciation on revalued assets	-	-	(9,612,780)	9,612,780	-	-	-
<b>Balance at 30 June 2021</b>	<b>1,054,500,000</b>	<b>441,835,000</b>	<b>3,108,832,875</b>	<b>3,812,563,441</b>	<b>8,417,731,316</b>	<b>17,830,077</b>	<b>8,435,561,394</b>

Revaluation surplus amounting to Tk. 9,612,780 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**

Place: Dhaka

Dated: 26 October 2021



**Managing Director**



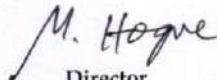


Premier Cement Mills Limited  
Consolidated Statement of Cash Flows  
For the year ended 30 June 2021



Particulars	Notes	30 June 2021	30 June 2020
		Taka	Taka
<b>Cash flows from operating activities</b>			
Receipt from customers		12,891,435,446	10,264,948,552
Payment to employees		(413,523,906)	(411,148,927)
Payment to suppliers		(10,746,136,380)	(7,966,706,206)
<b>Cash generated from operating activities</b>		<b>1,731,775,160</b>	<b>1,887,093,419</b>
Other income		(5,735,033)	42,363,041
Interest paid		(605,065,385)	(672,753,270)
Dividend Paid		(105,475,005)	(179,539,619)
Tax paid		(349,586,095)	(340,436,609)
<b>A. Net cash from operating activities</b>	44.05	<b>665,913,642</b>	<b>736,726,962</b>
<b>Cash flows from investing activities</b>			
Purchase of property, plant & equipment		(215,360,007)	(124,093,682)
Capital work-in-progress (WIP)		(1,355,571,302)	(3,017,973,901)
Sale of property, plant & equipment		4,788,246	5,072,836
Advance to Associate		(5,740,289)	(12,931,099)
Investment in FDR		(12,004,103)	(3,877,239)
<b>B. Net cash used in investing activities</b>		<b>(1,583,887,455)</b>	<b>(3,153,803,085)</b>
<b>Cash flows from financing activities</b>			
Receipt/(payment) from long term borrowings		(435,564,051)	491,048,842
Receipt/(payment) from short term borrowings		1,605,111,060	3,558,873,087
Loan from Directors		-	(1,530,000,000)
From other finance		296,000	376,073
Receipt/(payment) of lease finance		(239,110,976)	(130,035,991)
<b>C. Net cash from financing activities</b>		<b>930,732,033</b>	<b>2,390,262,011</b>
Net increase in cash and bank balances (A+B+C)		12,758,219	(26,814,112)
Cash and bank balances at the beginning of the year		142,454,954	169,269,065
<b>Cash and bank balances at the end of the year</b>		<b>155,213,173</b>	<b>142,454,953</b>
Effect of exchange rates on cash and cash equivalents		1,173,145	2,169,817
<b>Net operating cash flow per share (NOCFPS) (Note - 44.06)</b>		<b>6.31</b>	<b>6.99</b>

  
Company Secretary

  
Director

  
Managing Director

Place: Dhaka  
Dated: 26 October 2021

**Premier Cement Mills Limited**  
**Notes to the Consolidated Statement of Financial Statement**  
**For the year ended 30 June 2021**

**1 REPORTING ENTITY**

**1.01 Formation and legal status**

Premier Cement Mills Limited, (hereinafter referred to as PCML 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 PCML holds 96% of its shares and PCML 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 1400 MT per day at Issa Nagar, Karnafully, 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 Mukhtarpur, 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 Ordinance, 1984  
The Income Tax Rules, 1984  
The Value Added Tax Act, 1991  
The Value Added Tax Rules, 1991  
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 21	Defined benefit obligations (Gratuity)
Note 22	Trade and other payable
Note 25	Provision for taxation
Note 36	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 PCML. The Company has made 96% investments in its subsidiary. PCML 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 PCML. The company owns 18.67% of the equity share capital in NCML prior to current year PCML 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 PCML 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 2020 are consistent with those policies and methods adopted in preparing the financial statements for the year ended 30 June 2021.

#### **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	
	PCML	PPGL
Land and land development	0%	0%
Factory Building	3%	0%
Jetty Construction	3%	0%
Electric Installation	8%	0%
Plant & Machinery	8%	6%
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%
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".
- 3.1 Taxation**
- 3.10.1 Current tax**  
PCML has been maintaining provision for taxation @ 22.5% as per Income Tax Ordinance, 1984. Company also enjoys tax exemption on export sales as per Sixth Schedule (Section 28) of ITO 1984.
- 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 provided 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 Bangladesh 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 2021	30 June 2020
<b>4.00 Property, Plant &amp; Equipment</b>		
<b>FREE-HOLD</b>		
<b><u>Cost and Revaluation</u></b>		
Opening balance	7,621,658,554	7,224,769,701
Add: Addition during the year	3,300,966,586	135,739,682
Less: Disposal/Adjustment during the year	(8,500,000)	261,149,169
Closing balance	10,914,125,140	7,621,658,552
<b><u>Depreciation</u></b>		
Opening balance	1,612,894,001	1,124,121,757
Add: Charged during the year	295,841,377	305,262,465
Less: Disposal/Adjustment during the year	(1,881,946)	183,509,776
Closing balance	1,906,853,432	1,612,894,001
<b>Written Down Value</b>	<b>9,007,271,708</b>	<b>6,008,764,551</b>
<b>LEASEHOLD</b>		
<b><u>Cost</u></b>		
Opening balance	-	269,900,000
Add: Addition during the year	-	-
Less: Disposal/Adjustment during the year	-	269,900,000
Closing balance	-	-
<b><u>Depreciation</u></b>		
Opening balance	-	171,698,485
Add: Charged during the year	-	14,307,777
Less: Disposal/Adjustment during the year	-	(186,006,262)
Closing balance	-	-
<b>Written Down Value</b>	<b>-</b>	<b>-</b>
<b>Grand Total</b>	<b>9,007,271,708</b>	<b>6,008,764,551</b>
Details are shown in Annexure - A		

**5.00 Intangible Assets**

<b><u>Cost</u></b>		
Opening balance	1,023,563	1,023,563
Add: Addition during the year	-	-
Less: Disposal during the year	-	-
Closing balance	1,023,563	1,023,563
<b><u>Amortization</u></b>		
Opening balance	376,450	304,549
Add: Charged during the year	71,378	71,901
Less: Disposal during the year	-	-
Closing balance	447,828	376,450
<b>Written Down Value</b>	<b>575,735</b>	<b>647,113</b>

Details are shown in Annexure - A

**6.00 Lease Assets-Right of Use Assets**

<b><u>Cost</u></b>		
Opening balance	36,296,693.00	-
Add: Addition during the year	2,248,091	36,296,693
Less: Disposal during the year	-	-
Closing balance	<b>38,544,784</b>	<b>36,296,693</b>



	Amount in Taka	
	30 June 2021	30 June 2020
<u>Depreciation</u>		
Opening balance	7,580,910	-
Add: Charged during the year	9,213,176	7,580,910
Less: Disposal during the year	-	-
Closing balance	16,794,086	7,580,910
<b>Written Down Value</b>	<b>21,750,698</b>	<b>28,715,783</b>

<b>7.00 Financial Assets</b>		
Opening balance	1,879,484	-
Add: Addition during the year	-	-
Office space	153,417	1,635,452
Accommodation Building	22,892	244,032
Less: Disposal during the year	-	-
<b>Closing balance</b>	<b>2,055,793</b>	<b>1,879,484</b>

<b>8.00 Capital work-in-progress (WIP)</b>		
Opening capital work-in-progress	8,205,324,973	3,917,092,896
Add: Expenditure incurred during the year ( Note 8.01)	1,355,571,302	4,288,232,077
Total capital work-in-progress	9,560,896,275	8,205,324,973
Less: Capitalized during the year ( Note 8.01)	11,370,249	-
<b>Closing capital work -in - progress</b>	<b>9,549,526,026</b>	<b>8,205,324,973</b>

Particulars	Opening Balance at 30 June 2020	Addition during the year	Capitalized/ transferred during the year	Balance as at 30 June 2021
Godawn- Mongla	5,984,444	-	5,984,444	-
Project New	5,385,805	-	5,385,805	-
Project New-VRM	8,193,954,724	1,355,571,302	-	9,549,526,026
<b>Total</b>	<b>8,205,324,973</b>	<b>1,355,571,302</b>	<b>11,370,249</b>	<b>9,549,526,026</b>

8.02 For the Financial year ended 30 June 2021 Capital work in progress increased to BDT 9,549.52 Million compared to BDT 8,205.32 million of the previous year. During the year BDT 1,355.57 million was added for implementation of VRM project.

#### 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:

Opening balance	113,397,634	106,497,835
Share of profit from associate company - during the year	9,708,102	6,899,799
<b>Closing balance</b>	<b>123,105,735</b>	<b>113,397,634</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	108,350,423	1,364,425,536
Add : Payment during the year	339,276,954	393,901,383
Add : Interest	5,974,126	6,086,844
	<b>453,601,503</b>	<b>1,764,413,763</b>
Less : Adjustment during the year	333,536,665	1,656,063,340
<b>Closing balance</b>	<b>120,064,838</b>	<b>108,350,423</b>





10.00 Inventories

Inventories	Unit measurement	30 June 2021		30 June 2020	
		Quantity	Amount (Tk.)	Quantity	Amount (Tk.)
Clinker	MT	62,715	375,549,118	47,602	231,233,855
Gypsum	MT	34,327	103,255,464	47,802	129,753,793
Fly Ash	MT	90,186	230,226,407	10,201	25,144,395
Slag	MT	45,071	143,397,119	72,534	198,922,255
Lime Stone	MT	36,583	102,482,046	24,807	57,275,504
Grinding Aid	MT	78	4,270,966	48	2,945,601
Packing materials (P.P. & Paper Bag)	Pcs	1,235,180	24,469,468	9,735	216,389
Finished goods and WIP	MT	10,141	52,136,986	9,873	52,416,960
WIP- Bag Plant	Various	-	7,298,617	-	8,810,565
Stock at ghat	MT	-	-	375	2,079,018
Stock at ghat- Others	Bag	-	-	-	1,663,190
Stock in transit	MT	-	-	3,535	-
Raw material stock for Bag Plant	KG	2,782,787	307,314,916	1,782,429	190,404,955
Consumable stores	Various	-	50,262,978	-	68,032,340
<b>Total</b>			<b>1,400,664,085</b>		<b>968,898,820</b>

10.01 Raw materials reconciliation  
For 30 June 2021

Particulars	Opening		Receipt				R.M. sales at cost		Closing		Consumption	
	Quantity (MT)	Amount (Tk.)	Import		Local purchase		Quantity (MT)	Amount (Tk.)	Quantity (MT)	Amount (Tk.)	Quantity (MT)	Amount (Tk.)
			Quantity (MT)	Amount (Tk.)	Quantity (MT)	Amount (Tk.)						
Clinker	47,602	231,233,855	1,493,085	7,438,896,396	-	-	-	-	62,715	375,549,118	1,477,972	7,294,581,133
Gypsum	47,802	129,753,793	51,000	155,102,880	-	-	-	-	35,327	106,081,345	63,475	178,775,328
Fly Ash	10,201	25,144,395	215,440	534,634,360	-	-	-	-	90,186	230,226,407	135,455	329,352,348
Slag	72,534	198,922,255	195,297	539,313,529	-	-	-	-	45,071	143,397,119	222,761	594,838,665
Lime Stone	24,807	57,275,504	150,772	361,051,107	-	-	-	-	36,583	102,482,046	138,995	315,844,564
Grinding Aid	48	2,945,601	100	5,323,551	-	-	-	-	78	4,270,966	70	3,998,186
<b>Total</b>	<b>202,994</b>	<b>645,275,403</b>	<b>2,105,694</b>	<b>9,034,321,823</b>					<b>269,961</b>	<b>962,007,001</b>	<b>2,038,728</b>	<b>8,717,590,225</b>

Less - Duty draw back & VAT loss  
2,519,980

Total raw materials consumption  
8,720,110,205

Raw materials reconciliation  
For 30 June 2020

Particulars	Opening		Receipt				R.M. sales at cost		Closing		Consumption	
	Quantity (MT)	Amount (Tk.)	Import		Local purchase		Quantity (MT)	Amount (Tk.)	Quantity (MT)	Amount (Tk.)	Qty (MT)	Amount (Tk.)
			Qty (MT)	Amount (Tk.)	Quantity (MT)	Amount (Tk.)						
Clinker	43,946	218,789,248	1,183,271	6,084,074,109	-	-	22,000	111,675,634	47,602	231,233,855	1,157,615	5,959,953,868
Gypsum	28,385	72,973,047	66,800	186,488,432	-	-	-	-	47,802	129,753,793	47,384	129,707,686
Fly Ash	24,961	60,185,341	163,326	390,320,274	-	-	-	-	10,201	25,144,395	178,086	425,361,220
Slag	39,324	101,249,520	104,600	293,529,865	-	-	-	-	72,534	198,922,255	71,390	195,857,130
Lime Stone	33,277	76,672,015	149,584	354,332,391	-	-	-	-	24,807	57,275,504	158,054	373,728,903
Grinding Aid	139	8,529,969	-	-	-	-	-	-	48	2,945,601	91	5,384,368
<b>Total</b>	<b>170,033</b>	<b>538,399,141</b>	<b>1,667,581</b>	<b>7,308,745,071</b>			<b>22,000</b>	<b>111,675,634</b>	<b>202,994</b>	<b>645,275,403</b>	<b>1,612,620</b>	<b>7,090,193,175</b>

Less - Duty draw back & VAT loss  
(10,283,099)

Total raw materials consumption  
7,079,910,076

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 2021	9,735	216,389	-	-	53,175,192	727,988,286	1,235,180	24,469,468	35,626,347	478,431,019	16,323,400	225,304,188
30 June 2020	1,287,726	17,499,940	-	-	42,206,400	562,756,281	9,735	216,389	29,997,991	395,288,031	13,486,400	184,751,801



	Amount in Taka	
	30 June 2021	30 June 2020
<b>11.00 Trade &amp; other receivable</b>		
<b>Trade receivables:</b>		
Trade receivables (local)	2,475,916,865	2,457,552,428
Trade receivables (foreign)	621,220	10,669,765
Receivable on empty bag sales	54,826,426	69,573,852
	<u>2,531,364,511</u>	<u>2,537,796,045</u>
<b>Other receivables</b>		
Provision for VAT adjustment	31,738,888	31,738,888
Interest receivable on FDR	2,274,706	1,794,188
	<u>2,565,378,105</u>	<u>2,571,329,121</u>
Less: Provision for Bad & Doubtful expenses	(79,675,082)	(78,924,997)
<b>Total receivables</b>	<u><u>2,485,703,023</u></u>	<u><u>2,492,404,124</u></u>
<b>11.01 a) Dues within 3 months</b>	2,238,828,567	2,258,047,616
Dues over 3 months but within 6 months	89,976,832	160,682,157
Dues over 6 months	202,559,112	119,066,272
	<u>2,531,364,511</u>	<u>2,537,796,044</u>
<b>b) Provision for bad debts</b>		
Opening balance	78,924,996	78,924,996
Add :Provision for the year	750,086	-
	<u>79,675,082</u>	<u>78,924,996</u>
Less: Write off	-	-
<b>Closing balance</b>	<u><u>79,675,082</u></u>	<u><u>78,924,996</u></u>
c. As per Management decision 750,086 taka bad debt provision has been made.		
d. There is no such debt due by or to directors or other officers of the Company.		
e. Out of total receivable Tk. 77,09,45,000/- secured by bank guarantee.		
<b>11.02 Receivable Analysis</b>		
Gross Receivable	2,713,990,746	2,742,374,252
Less: Advance against Sales	182,626,235	204,578,207
<b>Net Receivable</b>	<u><u>2,531,364,511</u></u>	<u><u>2,537,796,045</u></u>
<b>12.00 Advances, deposits &amp; pre-payments:</b>		
Advances	3,350,406,703	3,163,173,136
Deposits	134,658,814	66,553,078
Prepayment	135,870,447	109,199,439
	<u><u>3,620,935,964</u></u>	<u><u>3,338,925,653</u></u>
<b>12.01 Advances</b>		
Advance income tax ( Note- 12.04 )	1,957,839,375	1,608,753,280
VAT current account	138,317,468	64,303,369
Advance for office space purchase	125,000,000	125,000,000
Advance against land	132,353,572	132,353,572
L/C Advance	316,745,020	340,416,596
Advance against expenses	1,243,737,585	741,678,418
Advance to employees	12,066,096	12,994,596
Advance against motor cycle loan	8,510,901	14,382,747
Advance to sister concern	(584,163,314)	123,290,558
	<u><u>3,350,406,703</u></u>	<u><u>3,163,173,136</u></u>



		Amount in Taka	
		30 June 2021	30 June 2020
<b>12.02</b>	<b>Deposits</b>		
	Transport Security Deposit	420,000	300,000
	Advance SD On Empty Bag Sale	500,000	500,000
	Bank Guaranty Margin For Tender - Deposit	2,207,743	3,114,933
	Bank Guaranty Margin - Titas Gas - PCML	1,065,295	1,065,295
	Bank Guaranty Margin - Titas Gas - PPGL	1,974,430	1,974,430
	Bank Guaranty Margin for Fly Ash Duty	213,979	-
	Pre-paid bank guarantee commission	320,606	475,032
	MRH Dey & Co.	120,938	120,938
	BOC Bangladesh LTD- Deposit	20,000	20,000
	BTCL- Deposit	65,800	65,800
	CDBL- Deposit	500,000	500,000
	DPDC- Deposit	34,200,000	9,200,000
	Munshigonj Polly Bidduth Samitee - Deposit	34,488,397	21,339,000
	Ranks Telecom Limited - Deposit	6,900	6,900
	Tender Deposit	3,839,518	7,097,368
	TGSL- Deposit	10,532	10,532
	Titas Gas Transmission & Distributon Co Ltd - PPGL	10,109,900	10,109,900
	Titas Gas Transmission & Distributon Co Ltd - PCML	44,594,776	10,652,950
		<u>134,658,814</u>	<u>66,553,078</u>
<b>12.03</b>	<b>Pre-payments</b>		
	BSTI Licence Fee- Pre Paid	3,043,915	3,000,980
	Pre-Paid Promotional Exp	107,761,271	88,938,401
	Vat Prepaid 10%	25,065,261	17,260,058
		<u>135,870,447</u>	<u>109,199,439</u>
<b>12.04</b>	<b>Movement of advance income tax</b>		
	Opening balance	1,608,753,280	1,269,237,384
	Add : Payment during the year	349,086,095	339,515,896
		<u>1,957,839,375</u>	<u>1,608,753,280</u>
	Less : Advance Income Tax refund	-	-
	Less : Adjustment during the year	-	-
	<b>Closing balance</b>	<u>1,957,839,375</u>	<u>1,608,753,280</u>

- 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 property to a third party for at a higher price i.e. BDT 20 crore 33 lakhs 13 thousands and 7 hundreds. After knowing that PCML'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 PCML after hearing of the case.



Amount in Taka	
30 June 2021	30 June 2020

- c) i) Initially PCML purchased the land from local land owner vide registration deed # 3503, 3504 & 3505 dt 31 October 2001. Subsequently PCML came to know that the land is khass and accordingly PCML 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), Narayanganj 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. PCML communicated with DC, Narayanganj on many occasions to complete the process but DC, Narayanganj was reluctant to comply with the order of the Ministry of Land. PCML filed a writ petition to the Honorable High Court for compliance of the order of the Ministry of Land by DC, Narayanganj (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, PCML 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 2021	30 June 2020
Moslem Awal Gong-Land Dag 1673.74.1730 (173 Dec)	39,228,855	39,228,855
Nazrul Islam Gong-Land (82+15) Dec	43,851,280	43,851,280
Nur Mohammed - Land	4,701,931	4,701,931
Saheb UddinMullah - Land 15 Dec DA91624 - 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	12,030,000	12,030,000
Wazuddin Gong	25,494,898	25,494,898
	<b>132,353,572</b>	<b>132,353,572</b>

#### 13.00 Investment in FDR

Standard Chartered Bank	138,231,497	134,949,124
Standard Bank Limited	2,828,130	2,692,472
Social Islami Bank Ltd	14,492,596	6,052,391
State Bank of India	2,847,112	2,701,246
	<b>158,399,335</b>	<b>146,395,233</b>

#### 14.00 Cash and bank balances:

Cash at bank	142,556,485	102,232,880
Cash in hand	12,656,689	40,222,074
	<b>155,213,174</b>	<b>142,454,954</b>

#### 14.01 Cash at bank:

Share Money Deposit - NCCBL	5,722,957	5,722,957
Current accounts	82,080,769	46,644,540
STD accounts	39,374,986	6,077,605
EFC accounts	15,377,773	43,787,778
	<b>142,556,485</b>	<b>102,232,880</b>

#### 14.2 Cash in hand:

Corporate office	55,750	6,774,548
Factory	3,759,192	4,726,361
Cash in Factory Logistics	8,307,004	28,158,032
Registered office	534,743	563,133
	<b>12,656,689</b>	<b>40,222,074</b>

Bank balances are reconciled & confirmed.



### 15.00 Ordinary share capital

Authorized:

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

Amount in Taka	
30 June 2021	30 June 2020
5,000,000,000	5,000,000,000
5,000,000,000	5,000,000,000

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 2021			30 June 2020
	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%	1,200,000	12,000,000	20,000,000
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	17%	18,005,024	180,050,240	162,505,080
12. Non-Resident Bangladeshi	0%	6,639	66,390	72,950
13. General Investor	36%	37,513,687	375,136,870	384,675,470
<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 30.06.2021	Holdings Share 30.06.2021	No. of Holders 30.06.2020	Holdings Share 30.06.2020
Less than 500 Shares	1740	303,103	1751	278,161
501 to 5,000 Shares	283	501,001	272	457,655
5,001 to 10,000 Shares	42	303,744	41	313,272
10,001 to 20,000 Shares	21	303,995	18	250,787
20,001 to 30,000 Shares	10	255,335	9	225,003
30,001 to 40,000 Shares	3	97,708	4	132,508
40,001 to 50,000 Shares	3	133,553	5	218,428
50,001 to 100,000 Shares	16	1,167,341	15	1,091,762
100,001 to 1,000,000 Shares	23	7,925,057	19	7,786,757
Over 1,000,000 shares	22	94,459,163	19	94,695,667
<b>Total</b>	<b>2163</b>	<b>105,450,000</b>	<b>2153</b>	<b>105,450,000</b>



	Amount in Taka	
	30 June 2021	30 June 2020
<b>16.00 Non-controlling interest</b>		
Opening balance	16,324,924	14,493,053
Add: 4% Shares of profit of PPGL	1,505,153	1,831,871
<b>Closing balance</b>	<b>17,830,077</b>	<b>16,324,924</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
Mr. Amirul Haque	255,270,000	255,270,000
Mr Mustafa Haider	255,150,000	255,150,000
	<b>750,420,000</b>	<b>750,420,000</b>

17.01 Long - term loan taken from above directors' and sponsors' for VRM project installation purpose.

**18.00 Deferred tax liabilities**

The tax effect of temporary differences that resulted in deferred tax assets or liabilities

Opening balance	460,779,529	446,204,090
Add: Deferred tax expense/(income) during the year	(44,194,453)	14,575,439
Deferred tax on revaluation surplus	459,474,404	-
<b>Closing balance</b>	<b>876,059,480</b>	<b>460,779,529</b>

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

(a) As at 30 June 2021

	Carrying amount	Tax base	Temporary difference
	Taka	Taka	Taka
Property, plant and equipment	3,449,056,652	1,378,743,457	2,070,313,195
Provision for gratuity	(139,148,890)	-	(139,148,890)
Provision for bad and doubtful debts	(79,675,082)	-	(79,675,082)
<b>Total</b>	<b>3,230,232,680</b>	<b>1,378,743,457</b>	<b>1,851,489,223</b>
Deferred tax liability @ 22.50%			416,585,075
Deferred tax on revaluation surplus			459,474,404
<b>Total deferred tax liability</b>			<b>876,059,479</b>

(b) As at 30 June 2020

Property, plant and equipment	3,582,732,069	1,524,236,895	2,058,495,174
Provision for gratuity	(136,452,063)	-	(136,452,063)
Provision for bad and doubtful debts	(78,924,996)	-	(78,924,996)
<b>Total</b>	<b>3,367,355,010</b>	<b>1,524,236,895</b>	<b>1,843,118,115</b>
<b>Deferred tax liability @ 25%</b>			<b>460,779,529</b>

**19.00 Long term loan**

Standard Bank Ltd	348,480,731	465,254,425
Standard Chartered Bank - VRM Project -ECA	1,985,952,407	1,985,911,014
Standard Chartered Bank - VRM Project - Commercial	408,350,100	727,181,850
IDLC Finance Limited	296,191,102	466,083,707
IPDC Finance Limited	54,082,232	73,290,083
United Finance Ltd	86,351,682	136,362,202
	<b>3,179,408,254</b>	<b>3,854,083,281</b>

19.01 The company availed EKF Guaranteed Euro foreign currency loan of ECA facility for US\$ 25 million and commercial facility US\$ 10 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 and 3.9% for commercial portion. 20 Crore taka has been availed from IPDC finance for VRM project.

		Amount in Taka	
		30 June 2021	30 June 2020
<b>19.02</b>	<b>Allocation of long term loan</b>		
	Long term portion	2,098,000,448	3,079,655,790
	Current portion	1,081,407,806	774,427,493
		<b>3,179,408,254</b>	<b>3,854,083,283</b>
<b>19.03</b>	Long-term loan decreased by 674.67 million mainly due to repayment of long term loan.		
<b>20.00</b>	<b>Lease Liability</b>		
	Chan Tara Mansion	13,258,805	13,881,503
	Office Space PPGL	1,875,289	-
	The Institute of Chartered Accountants of Bangladesh (ICAB)	8,767,490	15,586,012
		<b>23,901,584</b>	<b>29,467,515</b>
<b>20.01</b>	<b>Allocation of Lease Liability</b>		
	Long term portion	15,349,336	21,776,253
	Current portion	8,552,248	7,691,262
		<b>23,901,584</b>	<b>29,467,515</b>
<b>21.00</b>	<b>Defined benefit obligations (Gratuity)</b>		
	Opening balance	136,452,062	134,818,366
	Add :Provision for the year	15,668,161	10,574,574
		152,120,223	145,392,940
	Less: Payment made	12,971,334	8,940,877
	Closing balance	<b>139,148,889</b>	<b>136,452,062</b>
<b>22.00</b>	<b>Trade &amp; other payables</b>		
	Marketing expenses	2,818,724	2,373,964
	Pcking materials	52,931	52,931
	Liabilities for expenses	503,757,170	511,804,323
	Receipt against employee motor car	7,340,564	6,069,800
	TDS/VDS payable	17,026,347	14,262,236
	Suppliers liabilities against raw material import	-	668,835,000
	Unclaimed Dividend Account **	2,051,229	2,076,234
	Payable on Audit Fee Including VAT	362,000	392,000
	Provision for Electric Charges	25,286,666	47,471,399
	Provision for P F	(146,646)	421,834
	Provision for Stevedoring Charges	-	3,782,500
	Provision and other payable	107,816,564	108,543,738
		<b>666,365,549</b>	<b>1,366,085,959</b>
	All trade & other payables were incurred as usual in business operation & paid regularly.		
<b>22.01</b>	<b>**UNCLAIMED DIVIDEND ACCOUNT</b>		
	Opening Balance	2,076,234	76,165,854
	Dividend during the year	105,450,000	105,450,000
		107,526,234	181,615,854
	Payment during the year	105,475,005	179,539,619
		<b>2,051,229</b>	<b>2,076,235</b>

Year wise breakup of Unclaimed Dividend Account is follows:

Year	TAKA
2013-2014	1,582,400
2014-2015	1,714,820
2015-2016	1,962,333
2016-2017	1,695,646
2017-2018	1,897,612
2018-2019	76,165,854
2019-2020	2,076,235
2020-2021	2,051,229

Unclaimed dividend represents the dividend warrants issued but not presented to the Bank by the Shareholders within 30<sup>th</sup> June 2021 and the balance of unclaimed dividend was Tk. 20,51,229/- as on June 30, 2021.





Amount in Taka	
30 June 2021	30 June 2020

### 23.00 Short term bank loan

Brac Bank Ltd	856,769,397	748,857,584
City Bank Limited	1,538,152,998	1,491,132,450
Community Bank Ltd	288,734,710	-
Dutch Bangla Bank Ltd	530,934,973	445,878,590
HSBC	-	838,327,865
Jamuna Bank Ltd	96,581,722	526,445,187
Meghna Bank Ltd	999,395,326	-
Midland Bank Ltd.	-	227,248,762
NCC Bank Ltd	683,388,064	909,725,735
Pubali Bank Ltd	3,195,590,209	1,197,814,017
Rupali Bank Ltd	457,012,794	-
Social Islami Bank Ltd	187,996,956	113,355,625
Standard Bank Ltd	646,761,578	1,087,174,457
Standard Chartered Bank	1,190,316,931	1,489,743,725
Trust Bank Limited	1,110,911,604	-
	<b>11,782,547,261</b>	<b>9,075,703,997</b>

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

### 23.01 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.	66	100	4	10
Dutch-Bangla Bank Ltd.	-	60	15	-
Standard Bank Ltd.	25	80	15	50
Standard Chartered Bank	75	72	3	280
HSBC	55	82	2	-
NCC Bank Limited	25	100	20	-
Bank Asia Ltd	-	70	-	-
BRAC Bank Ltd	38	40	2	-
Jamuna Bank Ltd.	10	50	8	-
Social Islami Bank Ltd.	10	25	-	10
Pubali Bank Ltd	53	250	50	20
IPDC	-	-	-	10
UCB	20	80	10	-
United Finance Limited	-	-	-	20
IDLC	-	-	-	70
Midland Bank	20	-	-	-
Trust Bank Ltd.	30	120	10	-
Meghna Bank Ltd.	45	55	-	-
Community Bank Bangladesh Ltd	10	50	20	7
Agrani Bank Limited	-	100	50	152
Rupali Bank Ltd.	50	100	-	-
<b>Total</b>	<b>532</b>	<b>1,434</b>	<b>209</b>	<b>629</b>

Amount in Taka	
30 June 2021	30 June 2020

**23.02 Securities against bank loan facilities**

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

**24.00 Liability for other finance**

Security deposit - Customers	4,062,545	3,766,545
	<u>4,062,545</u>	<u>3,766,545</u>

**25.00 Provision for taxation**

Opening balance	603,236,444	549,204,034
Add : Current tax expenses	-	-
Current Year	148,702,295	54,032,410
Prior Year-PPGL	500,000	920,713
	<u>149,202,295</u>	<u>54,953,123</u>
	752,438,739	604,157,157
Less : Payment made / other adjustment	500,000	920,713
Less : AIT adjustment	-	-
Closing balance	<u>751,938,739</u>	<u>603,236,444</u>

**26.00 Reconciliation of effective tax rate of PCML**

Profit before tax	758,426,311	340,770,830
Profit excluding income tax	609,224,016	285,817,708
<b>Total income tax expense</b>	<u>19.67% 149,202,295</u>	<u>54,953,122</u>

**Factors affecting the tax charge for current period:**

Income tax using the Company's domestic tax rate	22.50%	170,645,920	85,192,708
Non-deductible expenses	-0.77%	(5,805,018)	(4,196,476)
Excess of tax depreciation over accounting depreciat	-0.54%	(4,132,057)	(13,296,519)
Exempted for export	-0.16%	(1,243,242)	(262,981)
Under/(over) provided in prior year	0.07%	500,000	920,713
Exempted income-PPGL	-1.13%	(8,578,986)	(11,679,372)
Tax on Profit of Associate Company	-0.29%	(2,184,323)	(1,724,950)
	<u>19.67%</u>	<u>149,202,295</u>	<u>54,953,123</u>





	Amount in Taka			Amount in Taka		
	30 June 2021			30 June 2020		
<b>27.00 Revenue</b>						
From Cement:						
Revenue from local sales	Unit	Quantity	Amount	Unit	Quantity	Amount
Less: VAT	MT	1,998,613	14,160,374,494	MT	1,607,066	11,651,228,304
			1,847,005,615			1,519,725,436
			12,313,368,879			10,131,502,868
Revenue from export	MT	33,701	204,417,004	MT	15,720	93,604,800
		2,032,314	12,517,785,883		1,622,786	10,225,107,668
Other revenue:						
Revenue from empty bag sales	Pcs	16,552,200	336,655,330	Pcs	13,486,400	270,898,328
Less: VAT			44,001,933			35,335,302
			292,653,397			235,563,026
			<b>12,810,439,280</b>			<b>10,460,670,694</b>

27.01 Total sales included 37,102.60 MT from Mongla Cement Factory and 8,192.00 MT from Heidelberg Cement Bangladesh Ltd which was purchased directly from them.

**27.02 Revenue from export**

	30 June 2021		30 June 2020	
	USD	BDT	USD	BDT
Export	2,419,136	204,417,004	1,107,749	93,604,800

27.03 The Revenue increased by 22 % due to increase of over all market demand in our country

**28.00 Cost of sales**

Opening stock of finished goods & WIP  
Add : Cost of production  
Goods available for sale  
Less: Closing stock of finished goods, ghat & in transit

	Amount in Taka	
	30 June 2021	30 June 2020
Notes		
	54,495,978	52,280,531
28.01	10,883,335,425	8,959,851,502
	<b>10,937,831,403</b>	<b>9,012,132,033</b>
10.00	(52,136,986)	(54,495,978)
	<b>10,885,694,417</b>	<b>8,957,636,055</b>

**28.01 Cost of production**

Raw materials consumption  
Packing materials consumption  
Salary & wages  
Gratuity  
Electric charges  
Paper & periodicals  
Gas Bill  
Travelling & conveyance  
Telephone charges  
Entertainment  
Repairs & maintenance  
Contribution to PF  
Cost of bag sale-outward  
Lab Expenses  
Computer Expense  
Legal & Professional Fee  
Medical expenses  
Canteen & food expenses  
Cost of Cement from Mongla Cement Factory Ltd.  
Cost of cement from Scan Cement Ltd.  
Gift & presentations  
Internet Expenses  
Postage & Stamp  
Stationery  
Labour charges  
Misc. expenses  
Pay loader expenses  
Donation & Subscription  
Fuel , Oil & Lubricant  
Training expenses  
Depreciation- ROU  
Fire insurance  
Depreciation ( Annexure - A)

8,720,110,205	7,079,910,076
478,431,019	395,288,031
170,556,648	176,945,935
9,193,517	4,036,669
596,089,723	446,396,856
12,064	10,805
56,287,813	61,254,455
1,657,606	2,000,787
1,717,553	1,863,496
451,560	914,056
95,648,561	87,124,958
4,149,862	4,468,599
225,304,188	184,751,801
722,390	898,783
1,239,203	743,900
68,300	10,000
269,767	587,012
14,938,283	22,971,407
240,236,064	267,191,419
46,946,347	-
58,198	-
344,738	310,117
1,370	7,150
3,697,866	5,946,057
21,784,201	23,481,620
1,384,075	483,630
3,813,754	2,872,324
313,000	348,000
5,838,540	5,592,056
-	100,319
1,667,670	1,667,670
9,669,075	3,729,250
170,732,265	177,944,264
<b>10,883,335,425</b>	<b>8,959,851,502</b>



Amount in Taka	
30 June 2021	30 June 2020

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

Bank interest income	5,746,093	3,947,452
Exchange gain / (loss)	6,845,864	(25,608,024)
Interest charged to NCML	5,974,126	6,086,844
Interest charged to Rupsha Edible Oil Ltd.	-	29,818,906
Profit/(loss) from raw materials sales	(92,452)	(5,751,575)
Income from financial assets -Lease	176,309	138,676
Income from PF forfeiture	1,437,314	993,294
Gain / (Loss) on sale of motor vehicle	-	(529,424)
Misc. income - H/O	340,639	2,850,417
Misc. income - Factory	26,823	1,464,943
Income/(expenses) from carrying	(18,213,934)	59,194,815
	<b>2,240,782</b>	<b>72,606,324</b>

Due to decrease of per bag cement carrying rate income from carrying has been turned into loss and as the interest not charged to Rupsha Edible Oil Refinery Ltd during the year, Other Income has been decreased significantly compare to previous year.

**30.00 Administrative expenses**

Audit fee	392,000	392,000
Advertisement	590,125	394,200
Bad & Doubtful expenses	982,378	-
Electric charges	2,048,516	1,750,961
Canteen & food expenses	2,503,198	3,141,653
Gratuity	3,577,711	2,101,400
Computer expenses	2,197,583	1,459,162
Medical Expense	165,791	35,605
Bank charge	156,105	215,169
Office rent	631,684	2,565,931
Paper & periodicals	2,350	17,561
Postage & stamp	110,384	99,021
Donation & subscription	18,000	59,000
Internet Expenses	487,147	491,075
Renewal, legal & professional fee	4,437,417	3,584,571
Repairs & maintenance	2,074,820	1,786,395
Salary & allowances	50,009,666	43,411,022
Directors' remuneration	600,000	2,400,000
Stationery	1,492,703	1,098,687
Telephone charges	1,228,706	982,309
Training expenses	-	17,112
Travelling & conveyance	4,527,093	3,658,206
Contribution to PF	915,347	997,304
Vehicle maintenance	-	2,826,192
Water charges	261,301	245,450
AGM Expenses	144,397	671,730
Miscellaneous expenses	6,381,993	4,948,885
BIWTA expenses	12,865,855	9,940,152
BSTI License fee	475,979	2,287,780
Fuel & Lubricant	53,969	30,972
Board meeting expenses	338,424	110,000
Guest house expenses	-	6,720
Depreciation -ROU-ICAB	7,545,506	5,913,240
Amortization (Annexure - A)	71,378	71,901
Depreciation ( Annexure - A )	8,734,343	9,191,213
	<b>116,021,868</b>	<b>106,902,579</b>





	Amount in Taka	
	30 June 2021	30 June 2020
<b>31.00 Selling &amp; distribution expenses:</b>		
Advertisement	45,467,849	14,354,717
Car maintenance	69,992	177,794
Contribution to PF	3,058,932	3,568,285
Entertainment	128,871	539,915
Export expenses	1,096,727	339,457
Godown expenses	1,824,992	246,490
Gratuity	2,896,933	4,436,505
Legal & professional fee	457,290	550,620
Medical expenses	42,315	536,249
CSR Activities	1,039,000	999,659
Postage & stamp	741,556	275,312
Promotional expenses	61,726,325	104,971,092
Salaries & allowances	149,189,468	147,636,807
Cement test expenses	670,115	1,962,105
Stationery	1,457,511	1,029,824
Telephone charges	5,309,629	5,152,500
Travelling & conveyance	41,128,999	36,632,344
Tender expenses	102,321	316,704
Computer expenses	26,275	49,375
Labour charges	9,632,217	7,920,151
Miscellaneous expenses	76,978	469,680
Depreciation ( Annexure - A )	83,871,249	99,301,664
	<b>410,015,544</b>	<b>431,467,249</b>
<b>32.00 Financial expenses</b>		
Bank charges	11,989,929	9,383,363
Interest on WPPF	17,072,679	16,099,321
Finance charges on lease	2,542,299	2,678,612
Bank loan interest	584,610,242	660,536,141
	<b>616,215,149</b>	<b>688,697,437</b>



Amount in Taka	
30 June 2021	30 June 2020

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

The computation of EPS is given below :

Earnings attributable to the ordinary shareholders (NPAT)	651,913,317	269,410,397
Number of shares outstanding during the year	105,450,000	105,450,000
Basic earnings per share (par value of Tk. 10)	<u>6.18</u>	<u>2.55</u>

During the year net profit increased compared to previous year due to increase revenue by 22% resulting in EPS increase to BDT 6.18 in the FY 2020-21 from 2.55.

#### 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.

### 34.00 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 01.07.2020 Taka	Transaction during the year (net) Taka	Outstanding as on 30.06.2021 Taka	Terms and conditions
Asia Insurance Ltd.	Common directorship	Providing insurance	(1,936,382)	(1,132,220)	(3,068,602)	Arm's length transaction
Seacom Shipping Ltd	Common directorship	C & F	1,634,600	600,000	2,234,600	Arm's length transaction
Aryan Stevedore Ltd.	Common directorship	Stevedoring service	(47,160,904)	(65,085,003)	(112,245,907)	Arm's length transaction
G P H Ispat Ltd.	Common directorship	Materials supply	2,280	-	2,280	Arm's length transaction
M I Cement Factory Ltd.	Common directorship	Materials supply	2,303,261	(1,930,890)	372,371	Arm's length transaction
Samuda Chemical Complex Ltd.	Common directorship	Materials supply	280,695	-	280,695	Arm's length transaction
Rupsha Tank Terminal & Refinery Ltd	Common directorship	Loan taken to meet short term finance	44,375,124	-	44,375,124	Arm's length transaction
Rupsha Edible Oil Refinery Ltd	Common directorship	Loan taken to meet short term finance	123,290,558	(707,453,872)	(584,163,314)	Arm's length transaction
National Cement Mills Limited	Associate	Loan to meet operational expenses	108,350,423	11,714,415	120,064,838	Arm length transaction/Mutual Understanding
National Cement Mills Limited	Associate	Investment in share	113,397,634	9,708,102	123,105,736	Arm's length transaction
Delta Agrofood Industries Ltd	Common directorship	Loan given to meet short term finance	1,038,152	565,999	1,604,151	Arm's length transaction

**Note : Figures in bracket at closing date represent payables.**

### 35.00 Events after the reporting period

The Board of Directors of the company in its meeting held on 26th October 2021 recommended 20% cash dividend for the year 2020-2021 which is subject to approval of the shareholders in the ensuing Annual General Meeting.





35.01 In January 2020, the World Health Organization has declared the outbreak of a novel coronavirus (COVID-19) as a "Public Health Emergency of International Concern," which continues to spread throughout the world including business locations of the Company has adversely impacted global commercial activities and contributed to significant declines and volatility in financial markets. However, management are ensuring that staffs are trained with safety guidelines provided by Government in this pandemic situation. The coronavirus outbreak and government responses are creating disruption in global supply chains and adversely impacting many industries. Therefore, the full extent to which coronavirus may impact the Company's results of operations, liquidity or financial position is uncertain. The outbreak could have a continued material adverse impact on economic and market conditions and trigger a period of global economic slowdown. The rapid development and fluidity of this situation precludes any prediction as to the ultimate material adverse impact of the coronavirus outbreak. Nevertheless, the outbreak presents uncertainty and risk with respect to the Company, its performance, and its financial results.

36.00 **Contingent liabilities**

There are contingent liabilities in respect of outstanding letters of credit for Tk. 1064.66 million & bank guarantee Tk. 5046 million

**Letter of Credit**

The City Bank Limited	130,672,838	175,302,820
Trust Bank Limited	268,812,500	-
Social Islami Bank Ltd	23,644,400	75,255,875
Standard Bank	108,151,519	43,081,543
Standard Chartered Bank	126,097,500	-
Public bank Ltd	407,286,000	390,544,904
	<u>1,064,664,757</u>	<u>684,185,142</u>

**Bank Guarantee**

Social Islami Bank Ltd	31,383,153	38,268,335
Standard bank limited	19,081,420	19,081,420
	<u>50,464,573</u>	<u>57,349,755</u>
	<u>1,115,129,330</u>	<u>741,534,897</u>

37.00 **Capital expenditure commitment**

There is no unprovided committed expenditure as at 30 June 2021

38.00 **Remittance of foreign currency:**

No foreign currency was remitted during the year.

39.00 **Earnings in foreign currency:**

Export of 33,701 MT Cement were made in July 2020 to June 2021 to Indian state of Tripura & Assam as export in for US\$ 2,419,136 equivalent to BDT. 204,417,004.00

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

There is no claim against the company acknowledged as debt.

41.00 **Capacity utilization:**

41.01 **Cement :**

Actual average monthly production is 1,66,607.32 MT against average monthly capacity of 200,000 MT i.e. capacity utilization is 82.80%.

42.00 **Number of employees**

	Persons	Persons
Manager & Above	98	87
Below Manager	1,457	1,565
<b>Total number of employees</b>	<u>1,555</u>	<u>1,652</u>

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



#### 43 Financial risk management

Bangladesh 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

##### 43.01 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 2021	30 June 2020
<b>Trade receivable</b>		
Local customers	2,530,743,291	2,527,126,280
Foreign customers	621,220	10,669,765
Advance, deposit and prepayments	3,350,406,703	3,163,173,136
Cash and bank balances	155,213,174	142,454,954
	<b>6,036,984,388</b>	<b>5,843,424,135</b>

The maximum exposure to credit risk for accounts receivable as at 30 June 2021 by geographic regions was:

Bangladesh	2,530,743,291	2,527,126,280
Asia	621,220	10,669,765
	<b>2,531,364,511</b>	<b>2,537,796,045</b>

##### b) Impairment losses

Opening balance	78,924,996	78,924,996
Provision during the year	750,086	-
Reversal/ Adjustment during the year	-	-
Closing balance	<b>79,675,082</b>	<b>78,924,996</b>





c) Credit exposure by credit rating as on 30 June 2021

Particulars	Credit rating	Amount	Percentage (%)
Trade receivable	NR	2,531,364,511	42%
Advance, deposit and prepayments	NR	3,350,406,703	55%
<b>Cash and bank balances</b>			
Cash in hand		12,656,689	0.21%
<b>Cash at bank</b>		<b>142,556,485</b>	<b>2.36%</b>
AB Bank Ltd	AA3	214,837	0.15%
Al-Arafah Islami Bank Ltd.	AA	1,545,710	1.08%
Agrani Bank Ltd	AAA	-	0.00%
Bank Asia Ltd.	AA2	1,379,220	0.97%
Brac Bank LTD	AA+	3,522,460	2.47%
City Bank Ltd	AA2	224,194	0.16%
Community Bank	A	106,178	0.07%
Dutch Bangla Bank Ltd	AA+	935,216	0.66%
Eastern Bank Ltd	AA+	33,443	0.02%
Hongkong Shanghai Banking Corp.	AAA	1,785,063	1.25%
ICB Islamic Bank CD		9,640	0.01%
IFIC Bank Ltd.	AA	315,157	0.22%
Islami Bank Bangladesh Ltd	AAA	3,057,111	2.14%
Jamuna Bank Ltd.	AA2	942,299	0.66%
Mercantile Bank Ltd.	AA	845,752	0.59%
Midland Bank Ltd	A2	31,454	0.02%
Mutual Trust bank Ltd.	A1	228,140	0.16%
Modhumoti Bank Ltd	A2	7,412	0.00%
National Bank Ltd.	AA	1,109,185	0.78%
NCC Bank Ltd.	AA	6,640,720	4.66%
One Bank Limited.	AA	199,184	0.14%
Premier Bank Ltd.	AA+	959,320	0.67%
Prime Bank Limited.	AA	1,706,224	1.20%
Pubali Bank Ltd.	AA	1,289,883	0.90%
Rupali Bank Ltd.	AAA	9,908,658	6.95%
Shahjalal Islami Bank Ltd	AA	2,305,871	1.62%
Social Islami Bank Ltd.	AA	77,509,823	54.37%
Meghna Bank Ltd CD	AA-	2,556,895	1.79%
Sonali Bank Ltd.	AAA	285,210	0.20%
Southeast Bank Ltd	AA	126,115	0.09%
Standard Chartered Bank	AAA	11,292,440	7.92%
Standard Bank Ltd.	AA+	3,029,346	2.13%
State Bank of India	AA3	79,251	0.06%
Trust Bank Ltd.	AA2	5,797,688	4.07%
United Commercial Bank Ltd.	AA	985,672	0.69%
Uttara Bank Ltd.	AA	1,591,717	1.12%



**(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 2021 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 2020 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 2021 USD	(18,833)	18,833

**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 2021, the interest rate risk profile of the group's interest bearing financial instruments was:

	Carrying Amount in Taka	
	30 June 2021	30 June 2020
Fixed rate instrument		
Financial asset	205,553,071	160,075,279
Financial liability	14,985,857,099	12,959,254,794
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.





#### 43.02 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	666,365,548.91	December. 2021	N/A	666,365,549	666,365,549	-
Short term bank loan	11,782,547,261.17	December. 2021	7%~11%	11,782,547,261	11,782,547,261	-
Current portion of long term loan	1,081,407,806.00	30 June 2021	1.60%~12.50%	1,081,407,806	540,703,903	540,703,903
Liability for other finance	4,062,545.00	30 June 2021	N/A	4,062,545	2,031,273	2,031,273
Contribution to WPPF	36,014,874.27	31 March 2021	N/A	36,014,874	-	36,014,874

#### 43.03 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 installment & 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 2021 (USD)	30 June 2020 (USD)
Trade receivables	7,313	125,749
Cash at bank	181,021	516,061
	<b>188,334</b>	<b>641,810</b>
Trade and other payables	Nil	Nil
Net exposure		
	<b>84.95</b>	<b>84.85</b>



#### 43.04 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	44,628,244	44,628,244
<b>Loans and receivables</b>		
Trade and other receivable	2,485,703,023	2,485,703,023
Advances, deposits & pre-payments	3,620,935,964	3,620,935,964
Cash and bank balances	155,213,174	155,213,174
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	666,365,549	*N/A
Short term bank loan	11,782,547,261	*N/A
Long term loan	2,098,000,448	*N/A
Lease Liability	23,901,584	*N/A
Current portion of long term loan	1,081,407,806	*N/A
Liability for other finance	4,062,545	*N/A
Contribution to WPPF	36,014,874	*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 2021	30 June 2020

#### 44.00 Others

##### 44.01 Directors' remuneration

Salary, allowances and benefits	600,000	2,400,000
	<u>600,000</u>	<u>2,400,000</u>

Out of 05 directors , 01 of them are maintaining full time office with Premier Cement Mills Ltd. Hence Monthly remuneration payment has been stoped from during the year from January 2021 as per BSEC Notification no. BSEC/CMRRCD/2006-158/207/ Admin/80 dated 03 June 2018.

##### 44.02 Directors' fees for attending board meeting

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

##### 44.03 Receivable from director

No amount is lying as receivable from the directors.

##### 44.04 Net asset value( NAV ) per share

Net Assets	8,417,731,316	5,245,135,824
Number of ordinary shares outstanding	105,450,000	105,450,000
Net asset value ( NAV ) per share	<u>79.83</u>	<u>49.74</u>

##### 44.05 Cash Flow Reconciliation

Net profit for the year	653,418,470	271,242,269
Depreciation	305,125,930	327,223,053
Other non-cash items	7,495,297	30,756,721
Non-operating items	(2,054,607,718)	(3,154,176,751)
Changes in net working capital	1,754,481,662	3,261,681,670
Net cash from operating activities	<u>665,913,641</u>	<u>736,726,962</u>

##### 44.06 Net operating cash flow per share (NOCFPS)

The computation of NOCFPS is given below

Net cash from operating activities	665,913,642	736,726,962
Number of shares outstanding during the year	105,450,000	105,450,000
Net operating cash flow per share (NOCFPS)	<u>6.31</u>	<u>6.99</u>

##### 44.07 Deferred Tax on depreciation of revaluation surplus:

###### Depreciation on revaluation of assets

Premier Cement Mills Ltd	10,068,413	10,837,369
Premier Power Generation Ltd	2,061,470	761,380
<b>Total</b>	<u>12,129,883</u>	<u>11,598,749</u>
Less: Deferred tax on PCML	2,517,103	2,709,342
Less: Deferred tax on PPGL	-	-
Depreciation adjusted with retaining earnings	<u>9,612,780</u>	<u>8,889,407</u>

##### 44.08 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.



Amount in Taka	
30 June 2021	30 June 2020

**44.09 Key Management Personnel Compensation :**

Catagories of key management compensation:

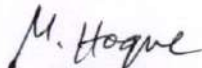
Short term employee benefits

- 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

600,000	2,400,000
338,424	110,000
Nil	Nil
Nil	Nil
Nil	Nil
Nil	Nil
Nil	Nil



Company Secretary



M. Hoque  
Director



Managing Director

Place: Dhaka

Dated: 26 October 2021



## Annexure - A

Amount in Taka	
30 June 2021	30 June 2020
9,007,271,708	6,008,764,554
<b>9,007,271,708</b>	<b>6,008,764,554</b>

## Property, plant and equipment

Freehold  
Leasehold

Freehold :  
Cost :

Category of assets	Cost			Rate	Depreciation			Written down value as on 30 June 2021
	Opening	Addition	(Disposal)/ Adjustment		Closing	Charged during the year	(Disposal)/ Adjustment	
Land & Land Development	1,842,947,583	51,851,097	-	0%	-	-	-	1,894,798,680
Factory Building	777,648,259	1,448,867	-	3%	101,449,089	20,248,046	-	121,697,135
Jetty Construction	65,871,565	-	-	3%	8,551,744	1,715,960	-	10,267,704
Electric Installation	150,672,791	3,172,007	-	8%	43,710,907	8,135,584	-	51,846,491
Plant & Machinery	2,637,188,712	29,082,646	-	7.5%, 6%	737,683,875	140,835,317	-	878,519,191
Boundary Wall & Fencing	5,104,881	-	-	5%	1,256,556	191,889	-	1,448,445
Furniture & Fixtures	10,159,820	105,615	-	10%	3,301,879	660,442	-	3,962,321
Telephone & Fax Installation	560,344	8,000	-	15%	311,717	79,517	-	391,234
Loose Tools	259,932	-	-	15%	144,599	17,253	-	161,852
Motor Vehicles	1,018,801,259	49,410,099	-	15%	488,734,305	79,326,314	-	568,060,619
Motor Vehicles-Employee Car	37,165,000	3,330,000	(8,500,000)	20%	6,069,800	3,226,641	(1,881,946)	24,580,505
Office Building & Shed	11,433,797	554,500	-	3%	1,304,438	308,073	-	1,612,511
Office Equipment	32,519,415	3,327,529	-	15%, 20%	12,863,476	3,066,350	-	15,929,826
Tube-Well	604,298	-	-	15%	320,618	42,435	-	363,083
Air Compressor	7,038,866	21,012,146	-	15%	3,536,661	782,995	-	4,319,656
Grinding Media	119,966,242	25,044,497	-	33%	81,346,217	13,388,981	-	94,735,198
Lab Equipment	8,840,619	-	-	10%	2,377,069	644,584	-	3,021,653
Vessel	114,153,525	2,995,000	-	10%	41,412,344	7,342,151	-	48,754,495
Portable Cement Silo	77,810,772	24,018,004	-	3%	6,015,590	2,279,774	-	8,295,364
Store House	-	-	-	-	-	-	-	-
Office Decoration	12,507,398	-	-	15%	3,989,802	1,274,257	-	5,264,060
Generator building	2,454,401	-	-	10%	1,005,102	144,930	-	1,150,032
<b>30 June 2021</b>	<b>6,933,709,479</b>	<b>215,360,007</b>	<b>(8,500,000)</b>		<b>1,545,385,787</b>	<b>283,711,494</b>	<b>(1,881,946)</b>	<b>1,827,215,335</b>
<b>30 June 2020</b>	<b>6,536,820,628</b>	<b>135,739,682</b>	<b>261,149,169</b>		<b>1,068,212,294</b>	<b>293,663,715</b>	<b>183,509,776</b>	<b>1,545,385,785</b>

Allocation :	Amount in Taka	
	30 June 2021	30 June 2020
Cost of Goods Sold	160,217,791	167,662,556
Administrative Expenses	8,727,856	9,183,580
Selling & Distribution Expenses	83,871,249	85,416,337
Bag plant	30,894,598	31,401,241
<b>TOTAL</b>	<b>283,711,494</b>	<b>293,663,714</b>



## Revaluation:

Category of assets	Cost			Rate	Depreciation			Written down value as on 30 June 2021
	Opening	Addition	Disposal		Closing	Charged during the year	Disposal/Adjustment	
Land & Land Development	455,504,566	3,063,162,694	-	0%	-	-	-	3,518,667,260
Factory Building	32,315,251	-	-	3%	4,565,046	832,506	5,397,552	26,917,699
Jetty Construction	3,132,068	-	-	3%	442,455	80,688	523,143	2,608,925
Electric Installation	-	-	-	8%	-	-	-	-
Plant & Machinery	195,599,942	22,443,886	-	7.5%, 6%	62,231,910	11,172,554	73,404,463	144,639,365
Boundary Wall & Fencing	245,141	-	-	5%	55,456	9,484	64,940	180,201
Furniture & Fixtures	-	-	-	10%	-	-	-	-
Telephone & Fax Installation	-	-	-	15%	-	-	-	-
Loose Tools	-	-	-	15%	-	-	-	-
Motor Vehicles	-	-	-	15%	-	-	-	-
Office Building & Shed	1,030,264	-	-	3%	145,541	26,542	172,083	858,181
Office Equipment	227	-	-	15%, 20%	153	15	168	59
Tube-Well	-	-	-	15%	-	-	-	-
Air Compressor	-	-	-	15%	-	-	-	-
Grinding Media	-	-	-	33%	-	-	-	-
Export of 49,746 MT Cement were n	-	-	-	10%	-	-	-	-
Vessel	-	-	-	10%	-	-	-	-
Portable Cement Silo	-	-	-	3%	-	-	-	-
Office Decoration	121,614	-	-	-	67,653	8,094	75,747	45,867
Software	-	-	-	15%	-	-	-	-
	-	-	-	10%	-	-	-	-
<b>30 June 2021</b>	<b>687,949,073</b>	<b>3,085,606,580</b>	<b>-</b>		<b>67,508,213</b>	<b>12,129,883</b>	<b>-</b>	<b>3,693,917,587</b>
<b>30 June 2020</b>	<b>687,949,073</b>	<b>-</b>	<b>-</b>		<b>55,909,463</b>	<b>11,598,750</b>	<b>-</b>	<b>620,440,860</b>

Allocation :	Amount in Taka	
	30 June 2021	30 June 2020
Cost of Goods Sold	10,514,474	9,859,257
Administrative Expenses	6,487	7,633
Bag Plant	1,608,922	1,731,859
<b>TOTAL</b>	<b>12,129,883</b>	<b>11,598,749</b>





Amount in Taka

Category of Assets	Cost			Depreciation			Written down value as on 30 June 2021
	Opening	Addition During the Year	Disposal/ Adjustment During the period	Closing	Charged During the Year	Disposal/ Adjustment During the period	
Land & Land Development	2,298,452,149	3,115,013,791	-	5,413,465,940	-	-	5,413,465,940
Factory Building	809,963,510	1,448,867	-	811,412,377	21,080,552	-	127,094,687
Jetty Construction	69,003,633	-	-	69,003,633	1,796,649	-	10,790,847
Electric Installation	150,672,791	3,172,007	-	153,844,798	8,135,584	-	51,846,491
Plant & Machinery	2,832,788,656	51,526,532	-	2,884,315,186	152,007,870	-	951,923,655
Boundary Wall & Fencing	5,350,022	-	-	5,350,022	201,373	-	1,513,385
Furniture & Fixtures	10,159,820	105,615	-	10,265,435	660,442	-	3,962,321
Telephone & Fax Installation	560,344	8,000	-	568,344	79,517	-	391,234
Loose Tools	259,932	-	-	259,932	17,253	-	161,852
Motor Vehicles	1,018,801,259	49,410,099	-	1,068,211,358	79,326,314	-	568,060,619
Motor Vehicles-Employee Car	37,165,000	3,330,000	(8,500,000)	31,995,000	3,226,641	(1,881,946)	7,414,495
Office Building & Shed	12,464,061	554,500	-	13,018,561	334,615	-	1,784,594
Office Equipment	32,519,642	3,327,529	-	35,847,171	3,066,365	-	15,929,993
Tube-Well	604,298	-	-	604,298	42,435	-	363,053
Air Compressor	7,038,866	21,012,146	-	28,051,012	782,995	-	4,319,656
Grinding Media	119,966,242	25,044,497	-	145,010,739	13,388,981	-	94,735,198
Lab Equipment	8,840,619	-	-	8,840,619	644,584	-	3,021,653
Vessel	114,153,525	2,995,000	-	117,148,525	7,342,151	-	48,754,495
Portable Cement Silo	77,810,772	24,018,004	-	101,828,776	2,279,774	-	8,295,364
Store House	-	-	-	121,614	8,094	-	75,747
Office Decoration	12,629,012	-	-	12,629,012	1,274,257	-	5,264,060
Generator Building	2,454,401	-	-	2,454,401	144,930	-	1,150,032
Software	-	-	-	-	-	-	-
<b>Grand Total as on 30 June 2021</b>	<b>7,621,658,554</b>	<b>3,300,966,587</b>	<b>(8,500,000)</b>	<b>10,914,125,139</b>	<b>295,841,377</b>	<b>(1,881,946)</b>	<b>1,906,853,431</b>
<b>Grand Total as on 30 June 2020</b>	<b>7,224,769,701</b>	<b>135,739,682</b>	<b>261,149,169</b>	<b>7,621,658,552</b>	<b>305,262,465</b>	<b>183,509,776</b>	<b>1,612,893,998</b>

Depreciation charge has been allocated to:

	Amount in Taka	
	30 June 2021	30 June 2020
Cost of Goods Sold	170,732,265	177,521,813
Administrative Expenses	8,734,343	9,191,213
Selling & Distribution Expenses	83,871,249	85,416,337
Bag plant	32,503,520	33,133,100
<b>TOTAL</b>	<b>295,841,377</b>	<b>305,262,463</b>

Note:

- Name of Valuer : M/S Hoda Vasi Chowdhury & Co.,
- Valuation method : Net asset value method.
- Date of Capitalization: Revaluation surplus capitalized on 01 July 2020.



Intangible Assets	C o s t				A m o r t i z a t i o n			Written down value as on 30 June 2021
	Opening	Addition	Disposal	Closing	Opening	Charged during the year	Disposal/ Adjustment	
Software	1,023,563	162,450	-	1,186,013	376,450	71,378	-	447,828
<b>Total 30 June 2021</b>	<b>1,023,563</b>	<b>162,450</b>	<b>-</b>	<b>1,186,013</b>	<b>376,450</b>	<b>71,378</b>	<b>-</b>	<b>447,828</b>
<b>Total 30 June 2020</b>	<b>1,023,563</b>	<b>-</b>	<b>-</b>	<b>1,023,563</b>	<b>304,549</b>	<b>71,901</b>	<b>-</b>	<b>376,450</b>

Amortization charge has been allocated to:

	A m o u n t i n T a k a	
	30 June 2021	30 June 2020
Administrative Expenses	71,378	71,901
<b>TOTAL</b>	<b>71,378</b>	<b>71,901</b>

Leasehold:

Cost:

Category of assets	C o s t				D e p r e c i a t i o n			Written down value as on 30 June 2021
	Opening	Addition	Disposal/(Adjustment)	Closing	Opening	Charged during the year	Disposal/ (Adjustment)	
Motor Vehicles	-	-	-	-	-	-	-	0
Plant & Machinery	-	-	-	-	-	-	-	(0)
<b>30 June 2021</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0</b>
<b>30 June 2020</b>	<b>269,900,000</b>	<b>-</b>	<b>-</b>	<b>269,900,000</b>	<b>171,698,485</b>	<b>14,307,777</b>	<b>186,006,262</b>	<b>-</b>

Depreciation charge has been allocated to:

	A m o u n t i n T a k a	
	30 June 2021	30 June 2020
Cost of production	-	422,450
Selling & distribution expenses	-	13,885,327
<b>TOTAL</b>	<b>-</b>	<b>14,307,777</b>

Lease Assets-Rights of Use

Category of assets	C o s t				D e p r e c i a t i o n			As at 30 June 2021
	Opening	Addition	Disposal	Closing	Opening	Charged during the year	Disposal/ Adjustment	
Accommodation Building	15,009,028	-	-	15,009,028	1,667,670	1,667,670	-	3,335,340
Office Floor	21,287,665	2,248,091	-	23,535,756	5,913,240	7,545,506	-	13,458,746
<b>30 June 2021</b>	<b>36,296,693</b>	<b>2,248,091</b>	<b>-</b>	<b>38,544,784</b>	<b>7,580,910</b>	<b>9,213,176</b>	<b>-</b>	<b>16,794,086</b>
<b>30 June 2020</b>	<b>-</b>	<b>36,296,693</b>	<b>-</b>	<b>36,296,693</b>	<b>-</b>	<b>7,580,910</b>	<b>-</b>	<b>7,580,910</b>

Particulars

	A m o u n t i n T a k a	
	30 June 2021	30 June 2020
Cost of production	1,667,670	1,667,670
Administrative expenses	7,545,506	5,913,240
<b>Total</b>	<b>9,213,176</b>	<b>7,580,910</b>






**Premier Cement Mills Limited**  
**Statement of Financial Position**  
**As at 30 June 2021**

Particulars	Notes	30 June 2021	30 June 2020
		Taka	Taka
<b>ASSETS</b>			
Non-current assets			
Property, plant and equipment	1.00	8,862,522,592	5,881,184,218
Intangible assets	2.00	738,185	647,113
Right of use assets	3.00	19,952,225	28,715,783
Financial assets	4.00	2,055,793	1,879,484
Capital work-in-progress	5.00	9,549,526,026	8,205,324,973
Investment in subsidiary	6.01	48,000,000	48,000,000
Investment in associate	7.01	123,105,736	113,397,634
		<b>18,605,900,557</b>	<b>14,279,149,205</b>
<b>Current Assets</b>			
Inventories	8.00	1,400,664,085	968,898,820
Trade and other receivables	9.00	2,485,703,024	2,492,404,124
Advances, deposits and pre-payments	10.00	3,607,913,032	3,325,748,296
Current account with associate (NCML)	7.02	120,064,838	108,350,423
Investment in FDR	11.00	158,399,335	146,395,233
Cash and bank balances	12.00	154,850,591	142,090,692
		<b>7,927,594,906</b>	<b>7,183,887,587</b>
<b>Total assets</b>		<b>26,533,495,463</b>	<b>21,463,036,792</b>
<b>EQUITY AND LIABILITIES</b>			
Equity			
Share capital	13.00	1,054,500,000	1,054,500,000
Revaluation reserve		3,077,225,226	481,088,245
Share Premium		441,835,000	441,835,000
Retained earnings		3,437,420,766	2,919,529,812
<b>Total Equity</b>		<b>8,010,980,992</b>	<b>4,896,953,058</b>
<b>Non-current liabilities</b>			
Deferred tax liabilities/(assets)	14.00	876,059,480	460,779,528
Long term loan	15.02	2,098,000,448	3,079,655,788
Lease Liability - Long term portion	16.01	13,881,818	21,776,253
Loan from Directors	22.00	750,420,000	750,420,000
Defined contribution obligations (Gratuity)	17.00	139,148,890	136,452,063
		<b>3,877,510,636</b>	<b>4,449,083,632</b>
<b>Current-liabilities</b>			
Trade and other payables	18.00	660,792,870	1,362,574,357
Short term bank loan	19.00	11,782,547,254	9,075,703,998
Current portion of long term loan	15.02	1,081,407,806	774,427,493
Lease Liability - Current portion	16.01	8,144,477	7,691,262
Current account with subsidiary (PPGL)	6.02	320,095,271	274,897,335
Liability for other finance	20.00	4,062,545	3,766,545
Workers' participation fund		36,014,874	14,702,667
Provision for taxation	21.00	751,938,739	603,236,444
		<b>14,645,003,836</b>	<b>12,117,000,100</b>
<b>Total liabilities</b>		<b>18,522,514,472</b>	<b>16,566,083,733</b>
<b>Total equity and liabilities</b>		<b>26,533,495,463</b>	<b>21,463,036,792</b>
<b>Net assets value per share</b>	35.00	<b>75.97</b>	<b>46.44</b>

The annexed notes from 01 to 41 form an integral part of these financial statements.

  
Company Secretary

  
Director

  
Managing Director

As per our report of same date

Place: Dhaka  
Dated: 26th October 2021

  
Hussain Farhad & Co.  
Chartered Accountants

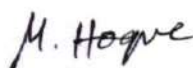
DVC: **2111080452AS789359**

**Premier Cement Mills Limited**  
**Statement of Profit or Loss and Other Comprehensive Income**  
**For the year ended 30 June 2021**

Particulars	Notes	30 June 2021	30 June 2020
		Taka	Taka
Revenue	23.00	12,810,439,280	10,460,670,694
Cost of sales	24.00	(10,930,326,327)	(9,010,685,280)
<b>Gross profit</b>		<b>1,880,112,953</b>	<b>1,449,985,414</b>
Other income/ (Expenses)	25.00	2,240,782	72,606,323
Administrative expenses	26.00	(109,705,983)	(100,570,841)
Selling & distribution expenses	27.00	(410,015,544)	(431,467,249)
<b>Profit before interest and tax</b>		<b>1,362,632,209</b>	<b>990,553,647</b>
Share of profit from associate company	7.01	9,708,102	6,899,799
Finance costs	28.00	(616,027,951)	(688,697,437)
Contribution to WPPF		(36,014,874)	(14,702,667)
<b>Profit before tax</b>		<b>720,297,485</b>	<b>294,053,342</b>
Current tax expenses	21.00	(148,702,295)	(54,032,410)
Deferred tax income/ (expenses)	14.00	44,194,453	(14,575,439)
<b>Profit for the year</b>		<b>615,789,644</b>	<b>225,445,493</b>
<b>Other comprehensive income</b>			
Revaluation of property, plant & equipment		3,063,162,694	-
Income tax on other comprehensive income		(459,474,404)	-
		<b>2,603,688,290</b>	-
<b>Total comprehensive income for the year</b>		<b>3,219,477,934</b>	<b>225,445,493</b>
<b>Basic earnings per share (par value of Taka 10)</b>	29.00	<b>5.84</b>	<b>2.14</b>

The annexed notes from 01 to 41 form an integral part of these financial statements.

  
 Company Secretary

  
 Director

  
 Managing Director

As per our report of same date

Place: Dhaka  
 Dated: 26th October 2021

  
 Hussain Farhad & Co.  
 Chartered Accountants

DVC: **2111080452AS789359**



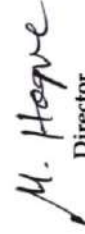
**Premier Cement Mills Limited**  
**Statement of Changes in Equity**  
**For the year ended 30 June 2021**

Particulars	Amount in Taka				
	Share capital	Share premium	Revaluation reserve	Retained earnings	Total equity
Balance at 01 July 2019	1,054,500,000	441,835,000	489,216,273	2,791,406,292	4,776,957,565
Net profit for the year	-	-	-	225,445,493	225,445,493
Assets revalued during the year	-	-	-	-	-
Depreciation on revalued assets	-	-	(8,128,027)	8,128,027	-
Deferred tax on revaluation surplus	-	-	-	-	-
Dividend for the year 2018-19	-	-	-	(105,450,000)	(105,450,000)
<b>Balance as at 30 June 2020</b>	<b>1,054,500,000</b>	<b>441,835,000</b>	<b>481,088,245</b>	<b>2,919,529,812</b>	<b>4,896,953,058</b>
Balance as at 01 July 2020	1,054,500,000	441,835,000	481,088,246	2,919,529,813	4,896,953,059
Net profit for the year	-	-	-	615,789,644	615,789,644
Depreciation on revalued assets	-	-	(7,551,310)	7,551,310	-
Assets revalued during the year	-	-	3,063,162,694	-	3,063,162,694
Deferred tax on revaluation surplus	-	-	(459,474,404)	-	(459,474,404)
Dividend for the year 2019-20	-	-	-	(105,450,000)	(105,450,000)
<b>Balance as at 30 June 2021</b>	<b>1,054,500,000</b>	<b>441,835,000</b>	<b>3,077,225,226</b>	<b>3,437,420,766</b>	<b>8,010,980,992</b>

Revaluation surplus amounting to Tk. 7,551,310 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

Dated: 26th October 2021




**Premier Cement Mills Limited**  
**Statement of Cash Flows**  
**For the year ended 30 June 2021**

Particulars	30 June 2021	30 June 2020
	Taka	Taka
<b>Cash flows from operating activities</b>		
Receipt from customers	12,817,140,381	10,188,854,282
Payment to employees	(406,306,406)	(403,934,427)
Payment to suppliers & others	(10,729,092,774)	(7,954,956,279)
<b>Cash generated from operating activities</b>	<b>1,681,741,200</b>	<b>1,829,963,576</b>
Other income	(5,735,033)	42,363,041
Bank charge & interest paid	(604,722,082)	(672,538,101)
Dividend Paid	(105,475,005)	(179,539,619)
Advance income tax refund	-	-
Tax paid	(349,086,095)	(339,515,896)
<b>A. Net cash from operating activities</b>	<b>616,722,985</b>	<b>680,733,001</b>
<b>Cash flows from investing activities</b>		
Purchase of property, plant & equipment	(211,365,607)	(124,093,682)
Sale of property, plant & equipment	4,788,246	5,072,836
Capital work-in-progress (WIP)	(1,355,571,302)	(3,017,973,901)
Loan from subsidiary	45,197,936	55,954,704
Advance to Associate	(5,740,289)	(12,931,099)
Investment in FDR	(12,004,103)	(3,877,239)
<b>B. Net cash used in investing activities</b>	<b>(1,534,695,119)</b>	<b>(3,097,848,381)</b>
<b>Cash flows from financing activities</b>		
Receipt/(payment) from long term borrowings	(435,564,051)	491,048,842
Receipt/(payment) from short term borrowings	1,605,111,060	3,558,873,087
From other finance	296,000	376,073
Receipt/(payment) of lease finance	(239,110,976)	(130,035,991)
Loan from Directors	-	(1,530,000,000)
<b>C. Net cash from financing activities</b>	<b>930,732,033</b>	<b>2,390,262,011</b>
Net Increase in cash and bank balances	12,759,899	(26,853,369)
Cash and bank balances at the beginning of the year	142,090,692	168,944,060
<b>Cash and bank balances at the end of the year</b>	<b>154,850,590</b>	<b>142,090,691</b>
<b>Effect of exchange rates on cash and cash equivalents</b>	<b>1,173,145</b>	<b>2,169,817</b>
<b>Net operating cash flow per share (NOCFPS) ( Note - 33)</b>	<b>5.85</b>	<b>6.46</b>

  
**Company Secretary**

  
**Director**

  
**Managing Director**

Place: Dhaka

Dated: 26th October 2021



	30 June 2021	30 June 2020
	Taka	Taka
<b>1.00 Property, Plant &amp; Equipment</b>		
<b>FREE-HOLD</b>		
<b><u>Cost and Revaluation</u></b>		
Opening balance	7,452,632,250	7,055,743,399
Add: Addition during the year	3,274,528,301	135,739,682
Less: Disposal/ Adjustment during the year	(8,500,000)	261,149,169
Closing balance	<u>10,718,660,551</u>	<u>7,452,632,250</u>
<b><u>Depreciation</u></b>		
Opening balance	1,571,448,033	1,090,956,561
Add: Charged during the year	286,571,873	296,981,694
Less: Disposal/ Adjustment during the year	(1,881,946)	183,509,776
Closing balance	<u>1,856,137,959</u>	<u>1,571,448,031</u>
<b>Details are shown in Annexure - A</b>		
<b>LEASEHOLD</b>		
<b><u>Cost</u></b>		
Opening balance	-	269,900,000
Add: Addition during the year	-	-
Less: Disposal during the year	-	269,900,000
Closing balance	<u>-</u>	<u>-</u>
<b><u>Depreciation</u></b>		
Opening balance	-	171,698,485
Add: Charged during the year	-	14,307,777
Less: Disposal during the year	-	(186,006,262)
Closing balance	<u>-</u>	<u>-</u>
<b>Written Down Value</b>	<u><u>8,862,522,592</u></u>	<u><u>5,881,184,219</u></u>
<b>Details are shown in Annexure - A</b>		
<b>2.00 Intangible Assets</b>		
<b><u>Cost</u></b>		
Opening balance	1,023,563	1,023,563
Add: Addition during the year	162,450	-
Less: Disposal during the year	-	-
Closing balance	<u>1,186,013</u>	<u>1,023,563</u>
<b><u>Amortization</u></b>		
Opening balance	376,450	304,549
Add: Addition during the year	71,378	71,901
Less: Disposal during the year	-	-
Closing balance	<u>447,828</u>	<u>376,450</u>
<b>Written Down Value</b>	<u><u>738,185</u></u>	<u><u>647,113</u></u>
<b>Details are shown in Annexure - A</b>		
<b>3.00 Lease Assets-Right of Use</b>		
<b><u>Cost</u></b>		
Opening balance	36,296,693	-
Add: Addition during the year	-	36,296,693
Less: Disposal during the year	-	-
Closing balance	<u>36,296,693</u>	<u>36,296,693</u>
<b><u>Depreciation</u></b>		
Opening balance	7,580,910	-
Add: Addition during the year	8,763,558	7,580,910
Less: Disposal during the year	-	-
Closing balance	<u>16,344,468</u>	<u>7,580,910</u>
<b>Written Down Value</b>	<u><u>19,952,225</u></u>	<u><u>28,715,783</u></u>
<b>4.00 Financial Assets</b>		
Opening balance	1,879,484	-
Add: Addition during the year	-	-
Office space	153,417	1,635,452
Accommodation Building	22,892	244,032
Less: Disposal during the year	-	-
Closing balance	<u>2,055,793</u>	<u>1,879,484</u>

30 June 2021	30 June 2020
Taka	Taka

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

Opening capital work-in-progress	8,205,324,973	3,917,092,896
Add: Expenditure incurred during the year ( Note 5.01)	1,355,571,302	4,288,232,077
<b>Total capital work-in-progress</b>	<b>9,560,896,275</b>	<b>8,205,324,973</b>
Less: Capitalized during the year ( Note 5.01)	11,370,249	-
<b>Closing capital work-in- progress</b>	<b>9,549,526,026</b>	<b>8,205,324,973</b>

#### 5.01 Expenditure incurred during the year

Particulars	Balance as at 01 July 2020	Addition/ Adjustment during the year	Capitalized/ transferred during the year	Balance as at 30 June 2021
Godawn- Mongla	5,984,444	-	5,984,444	-
Project New	5,385,805	-	5,385,805	-
Project New-VRM	8,193,954,724	1,355,571,302	-	9,549,526,026
<b>Total</b>	<b>8,205,324,973</b>	<b>1,355,571,302</b>	<b>11,370,249</b>	<b>9,549,526,026</b>

For the Financial year ended 30 June 2021 Capital work in progress increased to BDT 9,549.52 Million compared to BDT 8,205.32 million of the previous year. During the year BDT 1,355.57 million was added for implementation of VRM project.

#### 6.00 Investment and current account with subsidiary

##### 6.01 Investment with subsidiary

Premier Cement Mills Limited is the owner of 4,80,000 shares of Tk 100 each out of 5,00,000 shares of Tk 100 each i.e. 96% shares of Premier Power Generation Limited which is engaged in Producing electricity dedicatedly for Premier Cement Mills Limited.

##### 6.02 Current account with subsidiary

The current account balance is representing the net transaction with Premier Power Generation Limited for payment of loan installment, gas bill, electric charges and other expenses which are made-up of as follows :

Opening balance	(274,897,335)	(218,942,631)
Add : Payment during the year	74,295,064	76,109,128
Add : Interest charges during the year	-	-
	(200,602,271)	(142,833,503)
Less : Adjustment against electric charges	(119,493,000)	(132,063,832)
<b>Closing balance</b>	<b>(320,095,271)</b>	<b>(274,897,335)</b>

#### 7.00 Investment and current account with associate

##### 7.01 Investment with 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:

Opening balance	113,397,634	106,497,835
Add: Share of profit from associate company - during the period 18.67%	9,708,102	6,899,799
<b>Closing balance</b>	<b>123,105,736</b>	<b>113,397,634</b>

##### 7.02 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	108,350,423	1,364,425,536
Add : Payment during the year	339,276,954	393,901,383
Add : Interest charged during the year	5,974,126	6,086,844
	453,601,503	1,764,413,763
Less : Adjustment during the year	333,536,665	1,656,063,340
<b>Closing balance</b>	<b>120,064,838</b>	<b>108,350,423</b>







8.00 Inventories

Inventories	Measuring unit	30-Jun-21		30-Jun-20	
		Quantity	Amount (Tk.)	Quantity	Amount (Tk.)
Clinker	MT	62,715	375,549,118	47,602	231,253,855
Gypsum	MT	34,327	103,255,464	47,802	129,753,793
Fly Ash	MT	90,186	230,226,407	10,201	25,144,395
Slag	MT	45,071	143,397,119	72,534	198,922,255
Lime Stone	MT	36,583	102,482,046	24,807	57,275,504
Grinding Aid	MT	78	4,270,966	48	2,945,601
Packing materials (P.P. & Paper Bag)	Pcs	1,235,180	24,469,468	9,735	216,389
Finished goods and WIP	MT	10,141	52,136,986	9,873	52,416,960
WIP- Bag Plant	Various	-	7,298,617	-	8,810,565
Stock at ghat	MT	-	-	375	2,079,018
Stock at ghat- Others	Bag	-	-	3,535	1,663,190
Raw material stock for Bag Plant	KC	2,782,787	307,314,916	1,782,429	190,404,955
Consumable stores	Various	-	50,262,978	-	68,032,340
<b>Total</b>			<b>1,400,664,085</b>		<b>968,898,820</b>

8.01 Raw Materials Reconciliation:

Inventories	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	47,602	231,253,855	1,493,085	7,438,896,396	-	-	62,715	375,549,118	1,477,972	7,294,581,133
Gypsum	47,802	129,753,793	51,000	155,102,880	1,000	2,825,880	34,327	103,255,464	63,475	178,775,328
Fly Ash	10,201	25,144,395	215,440	534,634,360	-	-	90,186	230,226,407	135,455	329,552,348
Slag	72,534	198,922,255	195,297	539,313,529	-	-	45,071	143,397,119	222,761	594,858,665
Lime Stone	24,807	57,275,504	150,772	361,051,107	-	-	36,583	102,482,046	138,995	315,844,364
Grinding Aid	48	2,945,601	100	5,323,551	-	-	78	4,270,966	70	3,998,186
<b>Total</b>	<b>202,994</b>	<b>645,275,403</b>	<b>2,105,694</b>	<b>9,034,321,823</b>	<b>1,000</b>	<b>2,825,880</b>	<b>268,961</b>	<b>959,181,121</b>	<b>2,038,728</b>	<b>8,717,590,225</b>
										<b>2,519,980</b>
										<b>8,720,110,205</b>
										<b>Less - Duty draw back &amp; VAT Loss/ (Gain)</b>
										<b>8,720,110,205</b>

At 30 June 2020

Inventories	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	43,946	218,789,248	1,183,271	6,084,074,109	22,000	111,675,634	47,602	231,253,855	1,157,615	5,999,953,868
Gypsum	28,385	72,973,047	66,800	186,488,432	-	-	47,802	129,753,793	47,384	129,707,886
Fly Ash	24,961	60,185,341	163,326	390,320,274	-	-	10,201	25,144,395	178,086	425,361,220
Slag	39,334	101,249,520	104,600	293,529,865	-	-	72,534	198,922,255	71,390	195,857,130
Lime Stone	33,277	76,672,015	149,584	354,332,391	-	-	24,807	57,275,504	158,054	373,725,903
Grinding Aid	139	8,529,969	-	-	-	-	48	2,945,601	91	5,584,368
<b>Total</b>	<b>170,033</b>	<b>538,399,141</b>	<b>1,667,551</b>	<b>7,308,745,071</b>	<b>22,000</b>	<b>111,675,634</b>	<b>202,994</b>	<b>645,275,403</b>	<b>1,612,620</b>	<b>7,090,193,175</b>
										<b>Less - Duty draw back &amp; VAT Loss/ (Gain)</b>
										<b>(10,283,099)</b>
										<b>7,079,910,076</b>

8.02 Packing materials reconciliation

Year	Opening balances		Local purchase		Received from own factory		Closing Balance		Consumption- internal		Consumption- external	
	Quantity (Pcs)	Amount (Tk)	Quantity (Pcs)	Amount (Tk.)	Quantity (Pcs)	Amount (Tk.)	Quantity (Pcs)	Amount (Tk.)	Quantity (Pcs)	Amount (Tk.)	Quantity (Pcs)	Amount (Tk.)
At 30 June 2021	9,735	216,389	-	-	53,175,192	727,988,286	1,235,180	24,469,468	35,626,347	478,431,019	16,323,400	225,304,188
At 30 June 2020	1,287,726	17,499,940	-	-	42,206,400	562,756,281	9,735	216,389	29,997,991	395,288,031	13,486,400	184,751,801

	30 June 2021	30 June 2020
	Taka	Taka
<b>9.00 Trade &amp; other receivable</b>		
Trade receivables		
Trade receivables (local)	2,475,916,865	2,457,552,428
Trade receivables (foreign)	621,220	10,669,765
Receivable on empty bag sales	54,826,426	69,573,852
	<u>2,531,364,511</u>	<u>2,537,796,045</u>
<b>Other receivable</b>		
Provision for VAT adjustment	31,738,888	31,738,888
Interest receivable on FDR	2,274,706	1,794,188
Total receivables	<u>2,565,378,105</u>	<u>2,571,329,121</u>
Less: Provision for Bad & Doubtful expenses (Note 9.01)	<u>(79,675,082)</u>	<u>(78,924,997)</u>
	<u>2,485,703,023</u>	<u>2,492,404,124</u>
<b>9.01</b>		
<b>a) Aging of trade receivable</b>		
Dues with in 3 months	2,238,828,567	2,258,047,616
Dues over 3 months but within 6 months	89,976,832	160,682,157
Dues over 6 months	202,559,112	119,066,272
	<u>2,531,364,511</u>	<u>2,537,796,045</u>
<b>b) Provision for bad debts</b>		
Opening balance	78,924,996	78,924,996
Add :Provision for the year	750,086	-
	<u>79,675,082</u>	<u>78,924,996</u>
Less: Write off	-	-
<b>Closing balance</b>	<u>79,675,082</u>	<u>78,924,996</u>
<b>c) Receivable Analysis</b>		
Gross Receivable	2,713,990,746	2,742,374,252
Less: Advance against Sales	182,626,235	204,578,207
<b>Net Receivable</b>	<u>2,531,364,511</u>	<u>2,537,796,045</u>
d) There is no such debt due by or to directors or other officers of the Company.		
e) Out of total receivable Tk. 77,09,45,000/- secured by bank guarantee.		
<b>10.00 Advances, deposits &amp; pre-payments:</b>		
Advances	3,349,909,646	3,162,676,079
Deposits	122,132,940	53,872,778
Pre-payments	135,870,447	109,199,439
	<u>3,607,913,032</u>	<u>3,325,748,296</u>
<b>10.01 Advances</b>		
Advance income tax	1,957,348,145	1,608,262,050
VAT current account	138,316,441	64,302,342
Advance for office space purchase	125,000,000	125,000,000
Advance against land	132,353,572	132,353,572
L/C Advance	316,745,020	340,416,597
Advance against expenses	1,243,732,785	741,673,618
Advance to employee	12,066,096	12,994,596
Advance against motor cycle loan	8,510,901	14,382,747
Advance to/(from) sister concern	<u>(584,163,314)</u>	<u>123,290,558</u>
	<u>3,349,909,646</u>	<u>3,162,676,079</u>



	30 June 2021	30 June 2020
	Taka	Taka
<b>10.02 Deposits</b>		
Transport Security Deposit	420,000	300,000
Advance SD On Empty Bag Sale	500,000	500,000
Bank Guaranty Margin For Tender	2,207,743	3,114,933
Bank Guaranty Margin - Titas Gas	1,065,295	1,065,295
Bank Guaranty Margin for Fly Ash Duty	213,979	-
BOC Bangladesh LTD	20,000	20,000
BTCL	65,800	65,800
CDBL	500,000	500,000
DPDC	34,200,000	9,200,000
Munshigonj Polly Bidduth Samitee	34,488,397	21,339,000
Ranks Telecom Limited	6,900	6,900
Tender Deposit	3,839,518	7,097,368
TGSL- Deposit	10,532	10,532
Titas Gas Transmission & Distributon Co Ltd	44,594,776	10,652,950
	<b>122,132,940</b>	<b>53,872,778</b>
<b>10.03 Pre-payments</b>		
BSTI Licence Fee- Pre-Paid	3,043,915	3,000,980
Pre-Paid Promotional Exp	107,761,271	88,938,401
VAT Prepaid 10%	25,065,261	17,260,058
	<b>135,870,447</b>	<b>109,199,439</b>
<b>10.04 Movement of advance income tax</b>		
Opening balance	1,608,262,050	1,268,746,154
Add : Payment during the year	349,086,095	339,515,896
	<b>1,957,348,145</b>	<b>1,608,262,050</b>
Less : Advance Income Tax refund	-	-
Less : Adjustment during the year	-	-
Closing balance	<b>1,957,348,145</b>	<b>1,608,262,050</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 property to a third party for at a higher price i.e. BDT 20 crore 33 lakhs 13 thousands and 7 hundreds. After knowing that PCML'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 PCML after hearing of the case.
- c) i) Initially PCML purchased the land from local land owner vide registration deed # 3503, 3504 & 3505 date 31 October 2001. Subsequently PCML came to know that the land is khass and accordingly PCML 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), Narayanganj 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. PCML communicated with DC, Narayanganj on many occasions to complete the process but DC, Narayanganj was reluctant to comply with the order of the Ministry of Land. PCML filed a writ petition to the Honorable High Court for compliance of the order of the Ministry of Land by DC, Narayanganj (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, PCML filed suits as the seller was reluctant to give registration of the lands. The case against Nur Mohammed is yet to be disposed off.

		30 June 2021	30 June 2020
		Taka	Taka
<b>IV) Details of advance against land &amp; land development has given below:</b>			
<b><u>Name of Seller:</u></b>			
Moslem Awal Gong-Land Dag 1673.74.1730 (173 Dec)		39,228,855	39,228,855
Nazrul Islam Gong-Land (82+15) Dec		43,851,280	43,851,280
Nur Mohammed - Land		4,701,931	4,701,931
Saheb Uddin Mullah - 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		12,030,000	12,030,000
Wazuddin Gong		25,494,898	25,494,898
		<b>132,353,572</b>	<b>132,353,572</b>
<b>11.00 Investment in FDR</b>			
Standard Chartered Bank		138,231,497	134,949,124
Standard Bank Limited		2,828,130	2,692,472
Social Islami Bank Ltd		14,492,596	6,052,391
State Bank of India		2,847,112	2,701,246
		<b>158,399,335</b>	<b>146,395,233</b>
<b>12.00 Cash and bank balances:</b>			
Cash at bank	12.01	142,193,902	101,868,618
Cash in hand	12.02	12,656,689	40,222,074
		<b>154,850,591</b>	<b>142,090,692</b>
<b>12.01 Cash at bank:</b>			
Share Money Deposit - NCCBL		5,722,957	5,722,957
Current accounts		81,718,186	46,280,277
STD accounts		39,374,986	6,077,605
EFC accounts		15,377,773	43,787,778
		<b>142,193,902</b>	<b>101,868,618</b>
<b>12.02 Cash in hand:</b>			
Corporate office		55,750	6,774,548
Factory - General		3,759,192	4,726,361
Factory - Logistics		8,307,004	28,158,032
Registered office		534,743	563,133
		<b>12,656,689</b>	<b>40,222,074</b>
<b>12.03 Bank balances are reconciled &amp; confirmed.</b>			





13.00 Share capital

Authorized:

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

30 June 2021	30 June 2020
Taka	Taka

5,000,000,000	5,000,000,000
<b>5,000,000,000</b>	<b>5,000,000,000</b>

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
<b>1,054,500,000</b>	<b>1,054,500,000</b>

Share holding position

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

Name of shareholders	30 June 2021			30 June 2020
	Percentage	Number	Face value	Face value
1. Mohammed Amirul Haque	11%	11,599,500	115,995,000	115,995,000
2. Mohammad Mustafa Haider	10.88%	11,473,150	114,731,500	114,731,500
3. Md. Jahangir Alam	9.89%	10,425,313	104,253,130	104,253,130
4. Md. Alamgir Kabir	4.19%	4,416,562	44,165,620	44,165,620
5. Mohd. Almas Shimul	3.32%	3,504,375	35,043,750	35,043,750
6. Mohammed Zahurul Haque	2.71%	2,856,000	28,560,000	28,560,000
7. Ancient Properties Ltd.	2.00%	2,113,500	21,135,000	21,135,000
8. Zahur Ahamed	1.14%	1,200,000	12,000,000	20,000,000
9. Mohammed Abdur Rouf	1.11%	1,168,125	11,681,250	11,681,250
10. Mohd. Ashrafuzzaman	1.11%	1,168,125	11,681,250	11,681,250
11. Institute	17.07%	18,005,024	180,050,240	162,505,080
12. Non-Resident Bangladeshi	0.01%	6,639	66,390	72,950
13. General Investor	35.58%	37,513,687	375,136,870	384,675,470
<b>Total</b>	<b>100%</b>	<b>105,450,000</b>	<b>1,054,500,000</b>	<b>1,054,500,000</b>

13.01 Classification of shareholders by holdings

Shareholding Range	No. of Holders 30.06.2021	Holdings Share 30.06.2021	No. of Holders 30.06.2020	Holdings Share 30.06.2020
Less than 500 Shares	1,740	303,103	1,751	278,161
501 to 5,000 Shares	283	501,001	272	457,655
5,001 to 10,000 Shares	42	303,744	41	313,272
10,001 to 20,000 Shares	21	303,995	18	250,787
20,001 to 30,000 Shares	10	255,335	9	225,003
30,001 to 40,000 Shares	3	97,708	4	132,508
40,001 to 50,000 Shares	3	133,553	5	218,428
50,001 to 100,000 Shares	16	1,167,341	15	1,091,762
100,001 to 1,000,000 Shares	23	7,925,057	19	7,786,757
Over 1,000,000 shares	22	94,459,163	19	94,695,667
<b>Total</b>	<b>2,163</b>	<b>105,450,000</b>	<b>2,153</b>	<b>105,450,000</b>



30 June 2021	30 June 2020
Taka	Taka

**14.00 Deferred tax liabilities/(assets)**

The tax effect of temporary differences that resulted in deferred tax assets or liabilities

Opening balance	460,779,529	446,204,090
Add: Deferred tax expense/(income) during the year	(44,194,453)	14,575,439
Deferred tax on revaluation surplus	459,474,404	-
<b>Closing balance</b>	<b>876,059,480</b>	<b>460,779,529</b>

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

**(a) As at 30 June 2021**

Carrying amount	Tax base	Temporary difference
Taka	Taka	Taka
Property, plant and equipment	3,449,056,652	2,070,313,195
Provision for gratuity	(139,148,890)	(139,148,890)
Provision for bad and doubtful debts	(79,675,082)	(79,675,082)
<b>Total</b>	<b>3,230,232,680</b>	<b>1,851,489,223</b>
<b>Deferred tax liability @ 22.50%</b>		416,585,075
Deferred tax on revaluation surplus		459,474,404
<b>Total deferred tax liability</b>		<b>876,059,479</b>

**(a) As at 30 June 2020**

Carrying amount	Tax base	Temporary difference
Taka	Taka	Taka
Property, plant and equipment	3,582,732,069	2,058,495,174
Provision for gratuity	(136,452,063)	(136,452,063)
Provision for bad and doubtful debts	(78,924,996)	(78,924,996)
<b>Total</b>	<b>3,367,355,010</b>	<b>1,843,118,115</b>
<b>Deferred tax liability @ 25%</b>		<b>460,779,528.75</b>

**15.00 Long term loan**

Standard Bank Ltd	348,480,731	465,254,425
Standard Chartered Bank - VRM Project -ECA	1,985,952,407	1,985,911,014
Standard Chartered Bank - VRM Project - Commercial	408,350,100	727,181,850
IDLC Finance Ltd - VRM Project Loan	296,191,102	466,083,707
IPDC Finance Ltd - VRM Project Loan	54,082,232	73,290,083
United Finance Ltd	86,351,682	136,362,202
	<b>3,179,408,254</b>	<b>3,854,083,281</b>

**15.01** The company availed EKF Guaranteed Euro foreign currency loan of ECA facility for US\$ 25 million and commercial facility US\$ 10 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 and 3.9% for commercial portion. The Company also availed long term loan from IDLC and IPDC for an amount of Tk. 50 Crore and Tk. 10 Crore respectively for the VRM project.

**15.02 Allocation of long term loan**

Long term portion	2,098,000,448	3,079,655,788
Current portion	1,081,407,806	774,427,493
	<b>3,179,408,254</b>	<b>3,854,083,281</b>

**16.00 Lease Liability**

Chan Tara Mansion - Accomodation Building	13,258,805	13,881,503
The Institute of Chartered Accountants of Bangladesh - Office Space	8,767,490	15,586,012
	<b>22,026,295</b>	<b>29,467,515</b>





	30 June 2021	30 June 2020
	Taka	Taka
<b>16.01 Allocation of Lease Liability</b>		
Long term portion	13,881,818	21,776,253
Current portion	8,144,477	7,691,262
	<u>22,026,295</u>	<u>29,467,515</u>
<b>17.00 Defined benefit obligations (Gratuity)</b>		
Opening balance	136,452,063	134,818,366
Add :Provision for the year	15,668,161	10,574,574
	<u>152,120,224</u>	<u>145,392,940</u>
Less: Payment made	12,971,334	8,940,877
Closing balance	<u>139,148,890</u>	<u>136,452,063</u>
17.01 No provision for gratuity was made in the previous year because of having excess provision.		
<b>18.00 Trade &amp; other payables</b>		
Marketing expenses	2,818,724	2,373,964
Packing materials	52,931	52,931
Liabilities for expenses	503,646,688	511,693,834
Receipt against employee motor car	7,340,564	6,069,800
TDS/VDS payable	17,003,847	14,247,379
Suppliers liabilities against raw material import	-	668,835,000
Unclaimed dividend account**	2,051,229	2,076,234
Payable on Audit Fee Including VAT	270,000	300,000
Provision for Electric Charges	25,286,666	47,471,399
Provision for P F	(146,646)	421,834
Provision for Stevedoring Charges	-	3,782,500
Provision and other payable	102,468,867	105,249,482
	<u>660,792,870</u>	<u>1,362,574,357</u>

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

**18.01 \*\*UNCLAIMED DIVIDEND ACCOUNT**

Opening Balance	2,076,234	76,165,854
Dividend during the year	105,450,000	105,450,000
	<u>107,526,234</u>	<u>181,615,854</u>
Payment during the year	105,475,005	179,539,619
	<u>2,051,229</u>	<u>2,076,235</u>

Year wise breakup of Unclaimed Dividend Account is follows:

Year	Taka
2013-2014	1,582,400
2014-2015	1,714,820
2015-2016	1,962,333
2016-2017	1,695,646
2017-2018	1,897,612
2018-2019	76,165,854
2019-2020	2,076,235
2020-2021	2,051,229

Unclaimed dividend represents the dividend warrants issued but not presented to the Bank by the Shareholders within 30<sup>th</sup> June 2021 and the balance of unclaimed dividend was Tk. 20,51,229/- as on June 30, 2021.



19.00 Short term bank loan

	30 June 2021	30 June 2020
	Taka	Taka
Brac Bank Limited	856,769,397	748,857,584
City Bank Limited	1,538,152,998	1,491,132,450
Community Bank Limited	288,734,710	-
Dutch Bangla Bank Ltd	530,934,973	445,878,590
HSBC	-	838,327,865
Jumana Bank Ltd	96,581,722	526,445,187
Meghna Bank Ltd	529,780,356	-
Midland Bank Ltd	-	227,248,762
NCC Bank Ltd	683,388,064	909,725,735
Meghna Bank Ltd	469,614,970	-
Pubali Bank Ltd	3,195,590,202	1,197,814,017
Rupali Bank Ltd	457,012,794	-
Social Islami Bank Ltd	187,996,956	113,355,625
Standard Bank Ltd	646,761,578	1,087,174,457
Standard chartered Bank	1,190,316,931	1,489,743,725
Trust Bank Ltd	1,110,911,604	-
<b>Total Short Term Loan</b>	<b>11,782,547,254</b>	<b>9,075,703,997</b>

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

19.01 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 / OSE / EIF	L/C	OD / CC	Duty Loan / Long term loan / Lease
The City Bank Ltd.	66	100	4	10
Dutch-Bangla Bank Ltd.	-	60	15	-
Standard Bank Ltd.	25	80	15	50
Standard Chartered Bank	75	72	3	280
HSBC	55	82	2	-
NCC Bank Limited	25	100	20	-
Bank Asia Ltd	-	70	-	-
BRAC Bank Ltd	38	40	2	-
Jamuna Bank Ltd.	10	50	8	-
Social Islami Bank Ltd.	10	25	-	10
Pubali Bank Ltd	53	250	50	20
IPDC	-	-	-	10
UCB	20	80	10	-
United Finance Limited	-	-	-	20
IDLC	-	-	-	70
Midland Bank	20	-	-	-
Trust Bank Ltd.	30	120	10	-
Meghna Bank Ltd.	45	55	-	-
Community Bank Bangladesh Ltd	10	50	20	7
Agrani Bank Limited	-	100	50	152
Rupali Bank Ltd.	50	100	-	-
<b>Total</b>	<b>532</b>	<b>1,434</b>	<b>209</b>	<b>629</b>



	30 June 2021	30 June 2020
	Taka	Taka
<b>19.02 Securities against bank loan facilities</b>		
* Personal guarantee from all directors.		
* Hypothecation over stock.		
* First ranking pari passu charges over fixed assets.		
<b>20.00 Liability for other finance</b>		
Security deposit - Customers	4,062,545	3,766,545
	<b>4,062,545</b>	<b>3,766,545</b>
<b>21.00 Provision for taxation</b>		
Opening balance	603,236,444	549,204,034
Add : Current tax expenses	-	-
Current year	148,702,295	54,032,410
Prior Year	-	-
	<b>148,702,295</b>	<b>54,032,410</b>
	751,938,739	603,236,444
<b>Less : Payment made/ other adjustment</b>	-	-
Less : AIT adjustment	-	-
<b>Closing balance</b>	<b>751,938,739</b>	<b>603,236,444</b>
<b>22.00 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
Mr. Amirul Haque	255,270,000	255,270,000
Mr Mustafa Haider	255,150,000	255,150,000
	<b>750,420,000</b>	<b>750,420,000</b>



23.00 Revenue

From Cement:

Measure unit	30 June 2021		30 June 2020		
	Quantity	Amount	Quantity	Amount	
Revenue from local sales	MT	1,998,613	14,160,374,494	1,607,066	11,651,228,304
Less: VAT			1,847,005,615		1,519,725,436
			12,313,368,879		10,131,502,868
Revenue from export	MT	33,701	204,417,004	15,720	93,604,800
		2,032,314	12,517,785,883	1,622,786	10,225,107,668
<b>Other revenue:</b>					
Revenue from empty bag sale	Pcs	16,552,200	336,655,330	13,486,400	270,898,328
Less: VAT			44,001,933		35,335,302
			292,653,397		235,563,026
			12,810,439,280		10,460,670,694

23.01 Total sales included 37,102.60 MT from Mongla Cement Factory and 8,192.00 MT from Heidelberg Cement Bangladesh Ltd which was purchased directly from them.

23.02 Revenue from export

	30 June 2021		30 June 2020	
	USD	BDT	USD	BDT
Export	2,419,136	204,417,004	1,107,749	93,604,800

24.00 Cost of sales

	Notes	30 June 2021		30 June 2020	
		Taka	Taka	Taka	Taka
Opening stock of finished goods & WIP			54,495,978		52,280,531
Cost of production	24.01	10,927,967,335		9,012,900,727	
Goods available for sale			10,982,463,313		9,065,181,258
Closing stock of finished goods , ghat & in transit	8.00		(52,136,986)		(54,495,978)
			10,930,326,327		9,010,685,280

24.01 Cost of production

Raw materials consumption	8.01	8,720,110,205	7,079,910,076
Packing materials consumption	8.02	478,431,019	395,288,031
Salary & wages		168,184,148	174,556,935
Gratuity		9,193,517	4,036,669
Electric charges		715,582,723	578,445,831
Paper & periodicals		12,064	10,805
Travelling & conveyance		1,228,302	1,544,585
Telephone charges		1,693,357	1,840,173
Entertainment		439,991	524,313
Repairs & maintenance		89,220,125	80,923,067
Contribution to PF		4,149,862	4,468,599
Cost of bag sale-outward		225,304,188	184,751,801
Lab Expenses		722,390	898,783
Computer Expense		1,239,203	743,900
Legal & Professional Fee		68,300	10,000
Medical expenses		269,767	587,012
Canteen & food expenses		14,938,283	22,971,407
Cost of Cement from Mongla Cement Factory Ltd.		240,236,064	267,191,419
Cost of cement from Scan Cement Ltd.		46,946,347	-
Gift & presentations		58,198	-
Internet Expenses		344,738	310,117
Postage & Stamp		1,370	7,150
Stationery		3,593,069	5,860,927
Labour charges		21,784,201	23,481,620
Misc. expenses		1,384,075	483,630
Pay loader expenses		3,813,754	2,872,324
Donation & Subscription		313,000	348,000
Fuel , Oil & Lubricant		5,838,540	5,592,056
Training expenses		-	100,319
Depreciation- ROU		1,667,670	1,667,670
Fire insurance		9,669,075	3,729,250
Depreciation ( Annexure - A)		161,529,790	169,744,258
		10,927,967,335	9,012,900,727





	30 June 2021	30 June 2020
	Taka	Taka
<b>25.00 Other income / (loss) / Expenses</b>		
Bank interest income	5,746,093	3,947,452
Exchange gain / (loss)	6,845,864	(25,608,024)
Interest charged to NCML	5,974,126	6,086,844
Interest charged to Rupsha Edible Oil Ltd.	-	29,818,906
Profit/(loss) from raw materials sales	(92,452)	(5,751,575)
Income from financial assets -Lease	176,309	138,676
Income from PF forfeiture	1,437,314	993,294
Gain / (Loss) on sale of motor vehicle	-	(529,424)
Misc. income - H/O	340,639	2,850,417
Misc. income - Factory	26,823	1,464,943
Income/(expenses) from carrying	(18,213,934)	59,194,815
	<b>2,240,782</b>	<b>72,606,324</b>

Due to decrease of per bag cement carrying rate income from carrying has been turned into loss and as the interest not charged to Rupsha Edible Oil Refinery Ltd during the year, Other Income has been decreased significantly compare to previous year.

<b>26.00 Administrative expenses</b>		
Audit fee	300,000	300,000
Advertisement	590,125	394,200
Bad & Doubtful expenses	982,378	-
Electric charges	2,048,516	1,750,961
Canteen & food expenses	2,503,198	3,141,653
Gratuity	3,577,711	2,101,400
Computer expenses	2,197,583	1,459,162
Medical Expense	165,791	35,605
Office rent	631,684	2,005,931
Paper & periodicals	2,350	17,561
Postage & stamp	110,384	99,021
Donation & subscription	18,000	59,000
Internet Expenses	487,147	491,075
Renewal, legal & professional fee	4,094,697	3,406,371
Repairs & maintenance	2,074,820	1,786,395
Salary & allowances	45,164,666	38,585,522
Directors' remuneration	600,000	2,400,000
Stationery	1,458,910	1,062,913
Telephone charges	1,228,706	982,309
Training expenses	-	17,112
Travelling & conveyance	4,197,472	3,313,876
Contribution to PF	915,347	997,304
Vehicle maintenance	-	2,826,192
Water charges	261,301	245,450
AGM Expenses	144,397	671,730
Miscellaneous expenses	6,381,993	4,948,885
BIWTA expenses	12,865,855	9,940,152
BSTI License fee	475,979	2,287,780
Fuel & Lubricant	53,969	30,972
Board meeting expenses	338,424	110,000
Guest house expenses	-	6,720
Depreciation -ROU-ICAB	7,095,888	5,913,240
Amortization (Annexure - A)	71,378	71,901
Depreciation ( Annexure - A )	8,667,314	9,110,448
	<b>109,705,983</b>	<b>100,570,841</b>

	30 June 2021	30 June 2020
	Taka	Taka
<b>27.00 Selling &amp; distribution expenses:</b>		
Advertisement	45,467,849	14,354,717
Car maintenance	69,992	177,794
Contribution to PF	3,058,932	3,568,285
Entertainment	128,871	539,915
Export expenses	1,096,727	339,457
Godown expenses	1,824,992	246,490
Gratuity	2,896,933	4,436,505
Legal & professional fee	457,290	550,620
Medical expenses	42,315	536,249
CSR Activities	1,039,000	999,659
Postage & stamp	741,556	275,312
Promotional expenses	61,726,325	104,971,092
Salaries & allowances	149,189,468	147,636,807
Cement test expenses	670,115	1,962,105
Stationery	1,457,511	1,029,824
Telephone charges	5,309,629	5,152,500
Travelling & conveyance	41,128,999	36,632,344
Tender expenses	102,321	316,704
Computer expenses	26,275	49,375
Labour charges	9,632,217	7,920,151
Miscellaneous expenses	76,978	469,680
Depreciation ( Annexure - A )	83,871,249	99,301,664
	<u>410,015,544</u>	<u>431,467,249</u>
<b>28.00 Financial expenses</b>		
Bank charges	11,989,929	9,383,363
Interest on WPPF	17,072,679	16,099,321
Finance charges on lease	2,355,101	2,678,612
Bank loan interest	584,610,242	660,536,141
	<u>616,027,951</u>	<u>688,697,437</u>





30 June 2021	30 June 2020
Taka	Taka
615,789,644	225,445,493
105,450,000	105,450,000
<b>5.84</b>	<b>2.14</b>

**29.00 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)

**Profit after taxes increased compared to previous year due to increase in revenue by 22% resulting in EPS increase of BDT 5.84 in the FY 2020-21 from 2.14.**

**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.

**30.00 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 value have been set out in accordance with the provisions of IAS-24: Related party disclosure.

Name of related party	Nature of relationship	Nature of transaction	Outstanding as on 01 July 2020 Taka	Transaction during the year (Net) Taka	Outstanding balance as on 30 June 2021 Taka	Terms and conditions
Premier Power Generation Limited	Subsidiary	Loan to meet operational expenses	(274,897,335)	(45,197,936)	(320,095,271)	Mutual understanding
Premier Power Generation Limited	Subsidiary	Investment in share	48,000,000	-	48,000,000	Arm's length transaction
Asia Insurance Ltd.	Common directorship	Providing insurance	(1,936,382)	(1,132,220)	(3,068,602)	Arm's length transaction
Seacom Shipping Ltd	Common directorship	C & F	1,634,600	600,000	2,234,600	Arm's length transaction
Aryan Stevedore Ltd.	Common directorship	Stevedoring service	(47,160,904)	(65,085,003)	(112,245,907)	Arm's length transaction
G P H Ispat Ltd.	Common directorship	Materials supply	2,280	-	2,280	Arm's length transaction
National Cement Mills Limited	Associate	Loan to meet operational expenses	108,350,423	11,714,415	120,064,838	Arm length transaction/Mutual Understanding
National Cement Mills Limited	Associate	Investment in share	113,397,634	9,708,102	123,105,736	Arm's length transaction
M I Cement Factory Ltd.	Common directorship	Materials supply	2,303,261	(1,930,890)	372,371	Arm's length transaction
Samuda Chemical Complex Ltd.	Common directorship	Materials supply	280,695	-	280,695	Arm's length transaction
Delta Agrofood Industries Ltd	Common directorship	Loan given to meet short term finance	1,038,152	565,999	1,604,151	Arm's length transaction
Rupsha Edible Oil Refinery Ltd	Common directorship	Loan taken to meet short term finance	123,290,558	(707,453,872)	(584,163,314)	Arm's length transaction
Rupsha Tank Terminal & Refinery Ltd	Common directorship	Loan taken to meet short term finance	44,375,124	-	44,375,124	Arm's length transaction



**31.00 Events after the reporting period**

The Board of Directors of the company in its meeting held on 26 October 2021 recommended 20% cash dividend for the year 2020-2021 which is subject to approval of the shareholders in the ensuing Annual General Meeting.

- 31.01 In January 2020, the World Health Organization has declared the outbreak of a novel coronavirus (COVID-19) as a "Public Health Emergency of International Concern," which continues to spread throughout the world including business locations of the Company has adversely impacted global commercial activities and contributed to significant declines and volatility in financial markets. However, management are ensuring that staffs are trained with seafety guidelines provided by Government in this pandemic situation. The coronavirus outbreak and government responses are creating disruption in global supply chains and adversely impacting many industries. Therefore, the full extent to which coronavirus may impact the Company's results of operations, liquidity or financial position is uncertain. The outbreak could have a continued material adverse impact on economic and market conditions and trigger a period of global economic slowdown. The rapid development and fluidity of this situation precludes any prediction as to the ultimate material adverse impact of the coronavirus outbreak. Nevertheless, the outbreak presents uncertainty and risk with respect to the Company, its performance, and its financial results.

30 June 2021	30 June 2020
Amount	Amount

**32.00 Contingent liabilities**

There are contingent liabilities in respect of outstanding letters of credit for Tk. 1064.66 million & bank guarantee 31.38 million.

**Letter of Credit**

The City Bank Limited	130,672,838	175,302,820
Trust Bank Limited	268,812,500	-
Social Islami Bank Ltd	23,644,400	75,255,875
Standard Bank	108,151,519	43,081,543
Standard Chartered Bank	126,097,500	-
Public bank Ltd	407,286,000	390,544,904
	<b>1,064,664,757</b>	<b>684,185,142</b>
<b>Bank Guarantee</b>		
Social Islami Bank Ltd	31,383,153	38,268,335
	<b>31,383,153</b>	<b>38,268,335</b>
	<b>1,096,047,910</b>	<b>722,453,477</b>

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

The computation of NOCFPS is given below

Net cash from operating activities	616,722,985	680,733,001
Number of shares outstanding during the year	105,450,000	105,450,000
<b>Net operating cash flow per share (NOCFPS)</b>	<b>5.85</b>	<b>6.46</b>

**34.00 Cash Flow Reconciliation**

Net profit for the year	615,789,644	225,445,495
Depreciation	295,406,808	318,942,282
Other non-cash items	7,495,297	30,756,721
Non-operating items	(2,099,025,081)	(3,210,131,455)
Changes in net working capital	1,797,056,315	3,315,719,958
<b>Net cash from operating activities</b>	<b>616,722,983</b>	<b>680,733,001</b>





	30 June 2021	30 June 2020
	Amount	Amount
35.00 Net asset value( NAV ) per share		
Net Assets	8,010,980,992	4,896,953,058
Number of ordinary shares outstanding	105,450,000	105,450,000
Net asset value ( NAV ) per share	<u>75.97</u>	<u>46.44</u>

36.00 Remittance of foreign currency:  
No foreign currency was remitted during the year.

37.00 Earnings in foreign currency:  
Export of 33,701 MT Cement were made in July 2020 to June 2021 to Indian state of Tripura & Assam as export in for US\$ 2,419,136 equivalent to BDT. 204,417,004.00

38.00 Claims against the company not acknowledged as debt  
There is no claim against the company acknowledged as debt.

39.00 Capacity utilization

Actual average monthly production is 1,66,607.32 MT against average monthly capacity of 200,000 MT i.e. capacity utilization is 82.80%.

40.00 Number of employees

Manager & Above	97	85
Below Manager	1,452	1,555
<b>Total number of employees</b>	<u>1,549</u>	<u>1,640</u>

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

41.00 Others

41.01 Directors' remuneration

Salary, allowances and benefits	600,000	2,400,000
	<u>600,000</u>	<u>2,400,000</u>

Out of 05 directors , 01 of them are maintaining full time office with Premier Cement Mills Ltd. Hence Monthly remuneration payment has been stopped from during the year from January 2021 as per BSEC Notification no. BSEC/CMRRCD/2006-158/207/Admin/80 dated 03 June 2018.

41.02 Directors' fees for attending board meeting

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

41.03 Receivable from director

No amount is lying as receivable from the directors.

41.04 Financial risk management

Financial risk management in respect of separate financial statement does not vary significantly from the consolidated one.



Company Secretary



Director



Managing Director

Place: Dhaka

Dated: 26th October 2021



## Property, plant and equipment:

	30 June 2021	30 June 2020
Freehold	8,862,522,592	5,881,184,219
Leasehold	-	-
<b>Freehold :</b>	<b>8,862,522,592</b>	<b>5,881,184,220</b>
<b>Cost :</b>		

Category of assets	Cost			Rate	Depreciation			Written down value As at 30 June 2021
	Opening	Addition	(Disposal)/ Adjustment		Charged during the year	(Disposal)/ Adjustment	Closing	
Land & Land Development	1,842,947,583	51,851,097	-	-	-	-	1,894,798,680	
Factory Building	777,648,259	1,448,867	-	3%	20,248,046	-	121,697,135	
Jetty Construction	65,871,565	-	-	3%	1,715,960	-	10,267,704	
Electric Installation	150,672,791	3,172,007	-	7.5%	8,135,584	-	51,846,491	
Plant & Machinery	2,487,881,257	25,088,246	-	7.5%	133,848,035	-	836,070,699	
Boundary Wall & Fencing	5,104,881	-	-	5%	191,889	-	1,448,445	
Furniture & Fixtures	10,157,355	105,615	-	10%	3,300,869	-	3,961,165	
Telephone & Fax Installation	560,344	8,000	-	15%	311,717	-	391,234	
Loose Tools	259,932	-	-	15%	144,599	-	161,852	
Motor Vehicles	1,018,801,259	49,410,099	-	15%	79,326,314	-	568,060,619	
Motor Vehicles-Employee Car	37,165,000	3,330,000	(8,500,000)	15%	6,069,800	(1,881,946)	500,150,739	
Office Building & Shed	11,433,797	554,500	-	3%	1,304,438	-	7,414,495	
Office Equipment	32,078,888	3,327,529	-	15%	12,584,995	-	10,375,786	
Tube-Well	604,298	-	-	15%	320,618	-	19,787,481	
Air Compressor	7,038,866	21,012,146	-	15%	3,536,661	-	241,245	
Grinding Media	119,966,242	25,044,497	-	33%	81,346,217	-	23,731,356	
Lab Equipment	8,840,619	-	-	10%	2,377,069	-	50,275,541	
Vessel	114,153,525	2,995,000	-	10%	41,412,344	-	3,021,653	
Portable Cement Silo	77,810,772	24,018,004	-	3%	6,015,590	-	68,394,030	
Office Decoration	11,857,300	-	-	15%	1,230,990	-	93,533,412	
<b>30 June 2021</b>	<b>6,780,854,533</b>	<b>211,365,607</b>	<b>(8,500,000)</b>		<b>276,503,460</b>	<b>(1,881,946)</b>	<b>5,200,820,288</b>	
<b>30 June 2020</b>	<b>6,383,965,682</b>	<b>135,739,682</b>	<b>261,149,169</b>		<b>286,144,324</b>	<b>183,509,776</b>	<b>5,272,576,197</b>	

## Depreciation charge has been allocated to:

	30 June 2021	30 June 2020
Cost of Goods Sold	153,070,299	160,216,297
Administrative Expenses	8,667,314	9,110,448
Selling & Distribution Expenses	83,871,249	85,416,337
Bag plant	30,894,598	31,401,241
<b>TOTAL</b>	<b>276,503,460</b>	<b>286,144,323</b>





Revaluation:	Category of assets	Cost				Rate	Depreciation			Amount in Taka	
		Opening	Addition	Disposal/ Adjustment	Closing		Charged during the year	Disposal/ Adjustment	Closing	Written down value	
										As at 30 June 2021	
	Land & Land Development	455,504,566	3,063,162,694	-	3,518,667,260	0%	-	-	-	3,518,667,260	-
	Factory Building	32,315,251	-	-	32,315,251	3%	832,506	-	5,397,552	26,917,699	-
	Jetty Construction	3,132,068	-	-	3,132,068	3%	80,688	-	523,143	2,608,925	-
	Electric Installation	-	-	-	-	8%	-	-	-	-	-
	Plant & Machinery	179,550,427	-	-	179,550,427	8%	9,119,192	-	67,080,390	112,470,037	-
	Boundary Wall & Fencing	245,141	-	-	245,141	5%	9,484	-	64,940	180,201	-
	Furniture & Fixtures	-	-	-	-	10%	-	-	-	-	-
	Telephone & Fax Installation	-	-	-	-	15%	-	-	-	-	-
	Loose Tools	-	-	-	-	15%	-	-	-	-	-
	Motor Vehicles	-	-	-	-	15%	-	-	-	-	-
	Office Building & Shed	1,030,264	-	-	1,030,264	3%	26,542	-	172,083	858,181	-
	Office Equipment	-	-	-	-	15%	-	-	-	-	-
	Tube-Well	-	-	-	-	15%	-	-	-	-	-
	Air Compressor	-	-	-	-	15%	-	-	-	-	-
	Grinding Media	-	-	-	-	33%	-	-	-	-	-
	Export of 49,746 MT Cement were mac	-	-	-	-	10%	-	-	-	-	-
	Vessel	-	-	-	-	10%	-	-	-	-	-
	Portable Cement Silo	-	-	-	-	3%	-	-	-	-	-
	Office Decoration	-	-	-	-	15%	-	-	-	-	-
	Software	-	-	-	-	10%	-	-	-	-	-
	<b>30 June 2021</b>	<b>671,777,717</b>	<b>3,063,162,694</b>	<b>-</b>	<b>3,734,940,411</b>		<b>10,068,413</b>	<b>-</b>	<b>73,238,108</b>	<b>3,661,702,303</b>	<b>-</b>
	<b>30 June 2020</b>	<b>671,777,717</b>	<b>-</b>	<b>-</b>	<b>671,777,717</b>		<b>10,837,370</b>	<b>-</b>	<b>63,169,695</b>	<b>608,608,022</b>	<b>-</b>

Depreciation charge has been allocated to:

	30 June 2021 Taka	30 June 2020 Taka
Cost of Goods Sold	8,459,491	9,105,510
Administrative Expenses	-	-
Selling & Distribution Expenses	1,608,922	1,731,859
Bag Plant	10,068,413	10,837,369
<b>TOTAL</b>	<b>20,136,826</b>	<b>21,674,738</b>



Category of assets	Cost				Depreciation				Amount in Taka		
	Opening	Addition	Disposal	Closing	Rate	Opening	Charged during the year	Disposal/ Adjustment	Closing	Written down value	
										As at 30 June 2021	
Land & Land Development	2,298,452,149	3,115,013,791	-	5,413,465,940	0%	-	-	-	-	5,413,465,940	-
Factory Building	809,963,510	1,448,867	-	811,412,377	3%	106,014,135	21,080,552	-	127,094,687	684,317,690	-
Jetty Construction	69,003,633	-	-	69,003,633	3%	8,994,199	1,796,649	-	10,790,847	58,212,786	-
Electric Installation	150,672,791	3,172,007	-	153,844,798	8%	43,710,907	8,135,584	-	51,846,491	101,998,307	-
Plant & Machinery	2,667,431,684	25,088,246	-	2,692,519,930	8%	760,183,862	142,967,227	-	903,151,089	1,789,368,841	-
Boundary Wall & Fencing	5,350,022	-	-	5,350,022	5%	1,312,012	201,373	-	1,513,385	3,836,637	-
Furniture & Fixtures	10,157,355	105,615	-	10,262,970	10%	3,300,869	660,296	-	3,961,165	6,301,805	-
Telephone & Fax Installation	560,344	8,000	-	568,344	15%	311,717	79,517	-	391,234	177,110	-
Loose Tools	259,932	-	-	259,932	15%	144,599	17,253	-	161,852	98,080	-
Motor Vehicles	1,018,801,259	49,410,099	-	1,068,211,358	15%	488,734,305	79,326,314	-	568,060,619	500,150,739	-
Motor Vehicles-Employee Car	37,165,000	3,330,000	(8,500,000)	31,995,000	10%	6,069,800	3,226,641	(1,881,946)	7,414,495	24,580,505	-
Office Building & Shed	12,464,061	554,500	-	13,018,561	3%	1,449,979	334,615	-	1,784,594	11,233,967	-
Office Equipment	32,078,888	3,327,529	-	35,406,417	15%	12,584,995	3,033,941	-	15,618,936	19,787,481	-
Tube-Well	604,298	-	-	604,298	15%	320,618	42,435	-	363,053	241,245	-
Air Compressor	7,038,866	21,012,146	-	28,051,012	15%	3,536,661	782,995	-	4,319,656	23,731,356	-
Grinding Media	119,966,242	25,044,497	-	145,010,739	33%	81,346,217	13,388,981	-	94,735,198	50,275,541	-
Lab Equipment	8,840,619	-	-	8,840,619	10%	2,377,069	644,584	-	3,021,653	5,818,966	-
Vessel	114,153,525	2,995,000	-	117,148,525	10%	41,412,344	7,342,151	-	48,754,495	68,394,030	-
Potable Cement Silo	77,810,772	24,018,004	-	101,828,776	3%	6,015,590	2,279,774	-	8,295,364	93,533,412	-
Office Decoration	11,857,300	-	-	11,857,300	15%	3,628,156	1,230,990	-	4,859,146	6,998,154	-
<b>Grand total 30 June 2021</b>	<b>7,452,632,250</b>	<b>3,274,528,301</b>	<b>(8,500,000)</b>	<b>10,718,660,551</b>		<b>1,571,448,033</b>	<b>286,571,873</b>	<b>(1,881,946)</b>	<b>1,856,137,959</b>	<b>8,862,522,592</b>	
<b>Grand total 30 June 2020</b>	<b>7,055,743,399</b>	<b>135,739,682</b>	<b>261,149,169</b>	<b>7,452,632,250</b>		<b>1,090,956,561</b>	<b>296,981,694</b>	<b>183,509,776</b>	<b>1,571,448,031</b>	<b>5,881,184,219</b>	

Depreciation charge has been allocated to:

Particulars	30 June 2021		30 June 2020	
	Taka	Taka	Taka	Taka
Cost of production	161,529,790	169,321,807		
Administrative expenses	8,667,314	9,110,448		
Selling & distribution expenses	83,871,249	85,416,337		
Bag plant	32,503,520	33,133,100		
<b>Total</b>	<b>286,571,873</b>	<b>296,981,692</b>		

During the year Premier Cement Mills appointed Hoda Vasi Chowdhury & Co., (HVC), Chartered Accountants to revalue its property, plant and equipment. Accordingly HVC revalued the PPE using fair value method considering 1 July 2020 as valuation date. Among all the assets classes, HVC only recommends upward valuation adjustment of 3,063,162,694 for land.





Intangible Assets	Cost			Rate	Amortization			Written down As at 30 June 2021
	Opening	Addition	Disposal/ Adjustment		Closing	Charged during the year	Disposal/ Adjustment	
Software	1,023,563	162,450	-	10%	376,450	-	447,828	738,185
Grand total 30 June 2021	1,023,563	162,450	-		376,450	-	447,828	738,185
Grand total 30 June 2020	1,023,563	-	-		304,549	-	376,450	647,113

Amortization charge has been allocated to:

	30 June 2021	30 June 2020
Administrative Expenses	Taka 71,378	Taka 71,901
<b>TOTAL</b>	<b>71,378</b>	<b>71,901</b>

Leasehold :

Cost :

Category of assets	Cost			Rate	Depreciation			Written down value As at 30 June 2021
	Opening	Addition	Disposal/ (Adjustment)		Closing	Charged during the year	Disposal/ (Adjustment)	
Motor Vehicles	-	-	-	15%	-	-	-	-
Plant & Machinery	-	-	-	8%	-	-	-	-
30 June 2021	-	-	-		-	-	-	-
30 June 2020	269,900,000	-	269,900,000		171,698,485	14,307,777	186,006,262	-

Depreciation charge has been allocated to:

	30 June 2021	30 June 2020
Cost of production	Taka -	Taka 422,450
Selling & distribution expenses	-	13,885,327
<b>Total</b>	<b>-</b>	<b>14,307,777</b>

Lease Assets-Right of Use

Category of assets	Opening	Addition	Disposal	Closing	Opening	Charged during the year	Disposal/ Adjustment	Closing	As at 30 June 2021
Accommodation Building	15,009,028	-	-	15,009,028	1,667,670	1,667,670	-	3,335,340	11,673,688
Office Floor	21,287,665	-	-	21,287,665	5,913,240	7,095,888	-	13,009,128	8,278,537
30 June 2021	36,296,693	-	-	36,296,693	7,580,910	8,763,558	-	16,344,468	19,952,225
30 June 2020	-	36,296,693	-	36,296,693	7,580,910	7,580,910	-	7,580,910	28,715,783

Particulars

	30 June 2021	30 June 2020
Cost of production	Taka 1,667,670	Taka 1,667,670
Administrative expenses	7,095,888	5,913,240
<b>Total</b>	<b>8,763,558</b>	<b>7,580,910</b>