

**Independent Auditors' Report  
To the shareholder's  
of Chittagong Urea Fertilizer Limited**

We have audited the accompanying Financial Statements of "Chittagong Urea Fertilizer Limited" which comprise the Statement of Financial Position as at June 30, 2019, and the Statement of Profit or Loss and Other Comprehensive Income Statement of Change in Equity and Statement of Cash Flows for the year then ended June 30, 2019 and a summary of significant accounting policies and other explanatory information.

**Management responsibility for the financial Statements**

Management is responsible for the preparation of financial statements that give a true and fair in accordance with International financial reporting standards and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

**Auditor's Responsibility**

Our responsibility is to express an independent opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing (ISA). Those standards require that we comply with ethical requirement and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amount and disclosures in the financial statements. The procedures selected depend on our judgment, including the assessment of the risk of material misstatement of financial statements, whether due to fraud or error. In making those risk assessment, we consider internal control relevant to the entity's preparation of financial statements that give a true and fair view in order design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the equity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion.



**Basis for Qualified Opinion:**

1. Loan paid to Karnaphuli Paper Mills Ltd. Amount of Tk. 90,762,192 including interest of Tk. 47,362,192 (Refer to note-8) is considered doubtful of recovery. Out of this a sum Tk. 2,800,000 has been provided for as doubtful debts against overdue interest, but no provision has been made against remaining overdue interest and principal amount of Tk. 53,762,192
2. Deferred tax assets and liabilities have not been recognized in the financial statements as required under IAS-12
3. Provision for income tax has been made in the financial statements on the basis of profit before tax as per statement of profit or loss and other comprehensive income instead of taxable income (Note-3D) to be estimated as per the provision of Income Tax Ordinance, 1984.
4. 55,039 MT. urea valued at Tk. 421,194 as on 30 June 2016 found to be damaged or lost at a depot in 2015 is still shown as closing stock

**Qualified Opinion:**

In our opinion, except for the matters described in the basis of Qualified Opinion paragraphs, the financial statements give a true and fair view of the financial position of Chittagong Urea Fertilizer Limited as at June 30, 2019 and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards


**Other Matters**

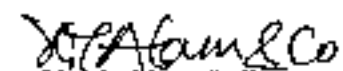
Chittagong Urea Fertilizer Ltd. Workers' and Employees' Union filed a writ petition against the company challenging the decision of re-fixing sale price of urea in 2009 and the Honorable High Court Division of the Supreme Court of Bangladesh granted a stay order on finalization of Financial Statements and conducting Annual General Meeting of the company. In 2016, the union withdrew the petition and the Honorable High Court Division vacated the stay order. Upon withdrawal of petition and vacation of stay order, the company has taken steps to finalize the Financial Statements and conduct the Annual General Meeting with permission of the court.

**We also report that:**

In accordance with the Companies Act 1994, we also report the following

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

  
S. R. Islam & Co.  
Chartered Accountants

  
K. M. Alam & Co.  
Chartered Accountants



**CHITTAGONG UREA FERTILIZER LIMITED**  
**STATEMENT OF FINANCIAL POSITION**  
**As at 30 June 2019**

	Notes	Amount in Taka	
		June 30, 2019	June 30, 2018
<b>SOURCES OF FUND:</b>			
Authorized Capital		10,000,000,000	10,000,000,000
<b>Paid up capital</b>			
7 Ordinary Shares of Tk. 100 each	4	700	700
Govt. Equity/Capital contribution	5	7,483,715,000	7,483,715,000
		7,483,715,700	7,483,715,700
<b>Reserve and Surplus:</b>			
Retained Earnings		(137,753,060)	(153,609,810)
<b>Total Shareholders' Equity</b>		<b>7,295,932,640</b>	<b>7,330,025,890</b>
<b>LONG TERM LIABILITIES</b>			
Foreign Currency Loan/ Grant	6	2,199,802,480	2,190,892,480
ADP Loan		39,474,240	39,474,240
Non-Development Govt. Loan (Voluntary Retirement)		4,500,000	4,500,000
<b>Total Long Term Liabilities</b>		<b>2,241,866,720</b>	<b>2,241,866,720</b>
<b>CAPITAL EMPLOYED</b>			
		<b>9,537,799,360</b>	<b>9,671,892,610</b>
<b>APPLICATION OF FUND:</b>			
Property, plant and equipment At Cost	7	20,082,912,708	20,430,956,385
Less: Accumulated Depreciation		18,054,727,924	16,389,370,058
<b>Total property, plant and equipment</b>		<b>2,308,184,782</b>	<b>2,041,686,327</b>
<b>OTHER LONG TERM ASSETS</b>			
Loans to Projects (Sister concerns)	8	415,376,062	415,376,062
House Building Loans	9	157,911,536	132,265,664
Investments - At cost	10	487,396,300	487,396,300
		<b>1,060,683,898</b>	<b>1,035,038,026</b>
<b>Total Fixed and Other Long Term Assets</b>		<b>3,368,870,880</b>	<b>3,076,648,353</b>
<b>CURRENT ASSETS</b>			
<b>Inventories</b>			
Raw Materials, Chemicals and Packing Materials	11	523,694,130	431,424,076
Stores, Spares and Accessories	12	2,000,275,562	1,824,338,646
Stores in Transit	13	881,575,748	220,716,759
Work-in-Process	14	26,718,620	23,517,685
Finished Goods	15	341,174,939	421,154,000
<b>Total Inventories</b>		<b>3,772,442,999</b>	<b>2,500,416,866</b>

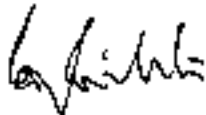


**OTHER CURRENT ASSETS**

Trade debtors	16	-	1,208,309
Other debtors	17	209,108,299	206,553,824
Advances, Deposits and Prepayments	18	149,335,777	156,082,765
Advances Income tax	19	438,277,891	415,122,944
Short Term loan to BC C	20	1,375,734,067	1,375,734,967
Current Account with Projects	21	218,340,855	239,855,207
Fixed Deposits with Banks	22	2,450,250,500	3,500,160,000
Cash and Cash equivalent	23	50,528,846	312,666,315
<b>Total Other Current Assets</b>		<b>4,889,676,534</b>	<b>6,217,524,231</b>
<b>Total Current Assets</b>		<b>8,762,019,533</b>	<b>8,717,940,101</b>

**CURRENT LIABILITIES**

Creditors for goods supplied	24	328,027,601	12,955,241
Creditors for expenses	25	445,844,860	457,933,799
Creditors for other finance	26	503,786,743	631,668,104
Current Account with BCIC	27	175,224,303	5,448,237
Current account with projects	28	73,206,383	49,364,455
Provision for W.P.P and Welfare Fund		4,814,448	28,913,597
Provision for income tax on turnover	29	15,233,215	15,233,215
Provision for income tax	30	1,050,337,338	1,040,599,060
<b>Total Current Liabilities</b>		<b>2,597,424,291</b>	<b>2,252,155,727</b>
<b>Net Current Assets</b>		<b>6,164,595,242</b>	<b>6,465,787,373</b>
Deferred expenses	31	4,333,438	29,458,604
<b>TOTAL ASSETS</b>		<b>9,517,799,360</b>	<b>9,571,892,810</b>



Company Secretary

**Md. Farukul Islam**  
Addl. Chief Accountant  
Chittagong Urea Fertilizer Ltd.  
Rangadia, Chattogram.



Managing Director

**Engr. Sudip Mazumder, P.Eng.**  
Managing Director  
Chittagong Urea Fertilizer Ltd.  
Rangadia, Chattogram-4000.



Director  
**Director (P & I)**  
BCIC  
Dhaka



S. R. Islam & Co.  
Chartered Accountants



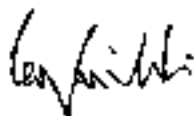
**K. M. Alam & Co.**  
Chartered Accountants

Date: 29 January, 2020  
Dhaka



**CHITTAGONG UREA FERTILIZER LIMITED**  
**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED JUNE 30, 2019**

	Notes	Amount in Taka	
		2018-2019	2017-2018
Sales Revenue			
Sale of Urea	32	1,408,420,102	1,461,578,800
Sale of Ammonia	32	9,227,498	43,138,909
<b>Net Local Sales Revenue</b>		<b>1,415,647,598</b>	<b>1,527,715,709</b>
Less: Cost of sales (Cost of sales statement attached at page-0)		1,180,381,050	1,278,905,543
<b>Gross (Loss)/Profit</b>		<b>235,265,948</b>	<b>248,810,166</b>
<b>Less: Other operating expenses:</b>			
Salaries and allowance (Admin)		196,661,345	176,347,551
Salaries and allowance (Sales)		6,555,378	6,978,252
General administrative expenses	33	85,451,202	87,158,643
Audit fees		120,000	160,000
Head Office Levy		150,686,000	53,244,000
Selling and distribution expenses	34	21,289,472	24,479,555
		<b>460,783,397</b>	<b>343,308,001</b>
<b>Operating (Loss)/Profit</b>		<b>(225,517,449)</b>	<b>(94,497,835)</b>
Add: Other/miscellaneous income	35	207,395,030	237,078,469
		(15,122,120)	142,580,634
Less: Financial expenses	36	1,472,872	1,652,849
<b>Net (Loss)/profit before charging Workers' Profit Participation and Welfare Fund</b>		<b>(19,594,992)</b>	<b>145,927,786</b>
Less: Workers' Profit Participation and Welfare Fund		-	6,710,847
<b>Net (Loss)/Profit before tax</b>		<b>(19,594,992)</b>	<b>139,216,939</b>
Less: Provision for income tax		9,738,253	60,331,352
<b>Net (Loss)/ Profit after tax</b>		<b>(29,333,250)</b>	<b>83,885,586</b>
Other comprehensive income			
		<b>(29,333,250)</b>	<b>83,885,586</b>



Company Secretary

**Md. Farukul Islam**  
 Addl. Chief Accountant  
 Chittagong Urea Fertilizer  
 Rangadia, Chittagong



Managing Director

Signed in terms of our audit report dated 29 January 2020

**Eggr. Sudip Mazumder**  
 Managing Director  
 Chittagong Urea Fertilizer Ltd.  
 Rangadia, Chittagong-4000.

  
 Director  
 Director (P & I)  
 B.O.I.C  
 Dhaka



S. R. Islam & Co.  
 Chartered Accountants

  
 K. M. Alam & Co.  
 Chartered Accountants

Date: 29 January, 2020  
 Dhaka



**CHITTAGONG UREA FERTILIZER LIMITED**  
**STATEMENT OF COST OF SALES**  
**FOR THE YEAR ENDED JUNE 30, 2019**

	Amount in Taka	
	2018-2019	2017-2018
<b>VARIABLE COST</b>		
<b>Direct Material Cost</b>		
Raw materials consumed	307,814,517	267,931,128
Chemicals consumed	50,880,052	42,875,828
Packing materials consumed	72,357,332	64,965,516
<b>Total Material Cost</b>	<b>431,051,902</b>	<b>375,772,472</b>
<b>Direct/contract labour</b>	<b>41,376,230</b>	<b>25,206,767</b>
<b>Factory Overhead (Variable)</b>		
Indirect material consumed	15,500,898	24,324,000
Natural gas usage as fuel	247,563,148	149,481,771
Oil and lubricants	6,400,674	8,597,754
Spare and accessories	13,411,675	11,830,436
Stores consumed	473,043	362,716
Repairs and maintenance	4,202,941	5,592,801
Other factory overhead (Note-37)	58,225,636	42,878,341
<b>Total Variable Factory Overhead</b>	<b>343,962,013</b>	<b>243,867,830</b>
<b>Total Variable Cost</b>	<b>816,390,145</b>	<b>644,846,069</b>
<b>FIXED COST</b>		
<b>Direct factory salary and wages</b>	<b>203,216,723</b>	<b>182,225,803</b>
<b>Fixed Factory Overhead</b>		
Indirect salary and wages	249,104,370	223,373,565
Electricity	28,805,644	28,740,880
Oil and lubricants	2,743,146	3,664,756
Spare and accessories	8,941,117	7,753,624
Stores consumed	202,733	155,450
Repairs and maintenance	9,993,529	15,383,203
Overhauling/timaround expenses	17,585,173	18,038,651
Factory insurance	11,513,308	11,254,979
Factory depreciation (Note-7)	150,642,026	127,029,930
Other factory overhead (Note-37)	24,598,416	18,376,432
<b>Total Fixed Factory Overhead</b>	<b>503,729,462</b>	<b>463,791,470</b>
<b>Total Fixed Cost</b>	<b>706,946,185</b>	<b>646,017,273</b>
<b>Net Manufacturing Cost</b>	<b>1,523,336,330</b>	<b>1,290,863,342</b>
Add: Opening Work-in-process	23,517,685	11,559,885
	<b>1,546,854,015</b>	<b>1,302,423,228</b>
Less: Closing Work-in-process	25,718,620	23,517,685
<b>Cost of Goods Manufactured</b>	<b>1,521,135,395</b>	<b>1,278,905,543</b>
Add: Opening stock of finished goods	421,194	421,194
<b>Total Cost of Goods available for sale</b>	<b>1,521,556,589</b>	<b>1,279,326,737</b>
Less: Closing stock of finished goods	341,174,939	421,194
<b>COST OF SALES</b>	<b>1,180,381,650</b>	<b>1,278,905,543</b>



**CHITTAGONG UREA FERTILIZER LIMITED  
STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED JUNE 30, 2019**

	Share Capital	Govt. equity/Capital contribution	Reserve and surplus	Total
	Taka	Taka	Taka	Taka
Balance as on 01 July 2017	700	7,483,715,000	(236,399,088)	7,247,316,612
Retrospective Adjustments (Note-38)	-	-	(1,176,308)	(1,176,308)
Net Profit after tax for the year 2017-18	-	-	83,885,586	83,885,586
<b>Shareholders' Equity at the end of the year</b>	<b>700</b>	<b>7,483,715,000</b>	<b>(153,689,810)</b>	<b>7,330,025,890</b>
Balance as on 01 July 2018	700	7,483,715,000	(163,689,810)	7,330,025,890
Retrospective Adjustments (Note-38)	-	-	(4,760,000)	(4,760,000)
Net Profit after tax for the year 2018-19	-	-	(29,333,250)	(29,333,250)
<b>Shareholders' Equity at the end of the year</b>	<b>700</b>	<b>7,483,715,000</b>	<b>(187,783,060)</b>	<b>7,295,932,640</b>



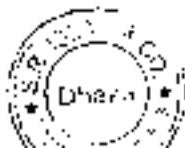
**A. Farukul Islam**  
Ist Chief Accountant  
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Rangadia, Chittagong.



**Engr. Sudip Mazumdar, P.Eng.**  
Managing Director  
Chittagong Urea Fertilizer Ltd.  
Rangadia, Chattogram-4000.



**Director (P & I)**  
B/C/C  
Dhaka

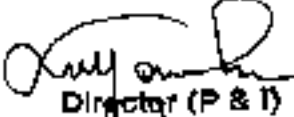


**CHITTAGONG UREA FERTILIZER LIMITED**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED JUNE 30, 2019**

	Amount in Taka	
	2018-2019	2017-2018
<b>Cash flows from Operating activities</b>		
Net profit before tax	(19,594,982)	134,216,038
Adjustment to reconcile net profit tax & PPE to net cash		
Depreciation	165,357,867	151,868,214
Retrospective adjustment	(4,760,000)	(1,175,311)
	<b>141,002,874</b>	<b>284,908,842</b>
<b>Increase/(Decrease) in Current Assets &amp; Liabilities:</b>		
Inventories	(1,272,024,130)	(141,620,788)
Advance Income tax	(23,154,947)	(15,821,300)
Trade Debtors	1,208,309	-
Other debtors	(2,554,475)	(1,327,342)
Advance, Deposits and Prepayments	16,746,988	19,434,840
Current account with BCIC	159,776,060	17,827,637
Current account with project	23,514,352	16,798,844
Fixed deposits with Bank	(349,850,000)	(20,000,000)
Creditors for goods supplied	345,921,760	10,739,551
Creditors for expenses	(22,088,939)	(3,388,954)
Provision for WDPF	(24,095,149)	6,770,947
Creditors for other finance	(127,851,360)	64,705,250
Current account with project	23,891,528	(367,811)
	<b>129,116,403</b>	<b>(4,778,211)</b>
<b>Net Cash Flow From Operating Activities</b>	<b>270,119,277</b>	<b>280,132,831</b>
<b>Cash flow from Investing activities</b>		
Purchased/acquisition of fixed assets	(431,956,321)	(99,094,702)
Deferred exp	25,125,447	33,546,566
<b>Net Cash Flow From Investing Activities</b>	<b>(406,830,874)</b>	<b>(65,548,136)</b>
<b>Cash Flows from Financing Activities</b>		
Paid up capital		
House Building Loans	(25,625,872)	(34,864,357)
ADP	101	36,474,240
Long term loans and advances	-	(88,474,240)
<b>Net cash flow from Financing Activities</b>	<b>(25,625,872)</b>	<b>(84,854,357)</b>
<b>Net Increase/(Decrease) in cash during the year</b>	<b>(162,337,470)</b>	<b>129,030,168</b>
<b>Check:</b>		
Cash and Cash equivalent at the beginning of the year	312,866,315	183,836,146
Cash and Cash equivalent at the end of the year	150,528,845	312,866,315
	<b>(162,337,470)</b>	<b>129,030,168</b>

  
**Md. Farukul Islam**  
 Addl. Chief Accountant  
 Chittagong Urea Fertilizer Ltd.  
 Rangadia, Chittagong.

  
**Engr. Sudip Mazumder, PEng.**  
 Managing Director  
 Chittagong Urea Fertilizer Ltd.  
 Rangadia, Chattogram-4000.

  
**Director (P & I)**  
 BCIC  
 Dhaka





**CHITTAGONG UREA FERTILIZER LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**AS AT AND FOR THE YEAR ENDED JUNE 30, 2019**

**1.00 CORPORATE STATUS AND ACTIVITIES**

Chittagong Urea Fertilizer Limited was incorporated on November 22, 1990 as a private company limited by shares (Registration no- C-8540/379 of 1980) registered under the Companies Act 1913 (since repealed by the Companies Act 1994) with the Registrar of Joint Stock Companies and Firms which is fully owned by the Government of the People's Republic of Bangladesh and operated under the supervision of Bangladesh Chemical Industries Corporation (BCIC), with an Authorized Share Capital of Tk 10,000,000,000 divided into 100,000,000 ordinary shares of Tk 100 each.

The principal activities of the company throughout the year were manufacturing and marketing of Urea and Ammonia (Intermediary product). The attainable capacity of the company is 561,000 M.T. of Urea per annum.

**2.00 BASIS OF PREPARATION**

**2.01 Statement of compliance**

These financial statements have been prepared in accordance with Bangladesh Accounting Standards (BAS), Bangladesh Financial Reporting Standards (BFRS) and Interpretations of BASs & BFRSs.

**2.02 Presentation of Financial statements**

The financial statements have been presented in the format prescribed by BCIC which is consistent with that prescribed by the Companies Act, 1994.

**2.03 Regulatory compliance**

The company is required to comply with amongst others, the following rules and regulations:

- (i) The Companies Act 1994
- (ii) The Income Tax Ordinance 1984
- (iii) The Income Tax Rules 1984
- (iv) The Value Added Tax (VAT) Act 1991
- (v) The Value Added Tax (VAT) Rules 1991, etc.

**2.04 Basis of measurement**

These financial statements have been prepared on a going concern basis under historical cost convention.

**2.05 Functional and presentation currency**

These financial statements are presented in Bangladesh Taka (Taka / Tk) which is the company's functional and presentation currency. The figures of financial statements have been rounded off to the nearest Taka.

**2.06 Reporting period**

The financial period of the Company covers one year from July 1 to June 30 which is consistently followed.

**2.07 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. Actual results may differ from these estimates. Estimates and assumptions are reviewed on an ongoing basis.



## 2.08 Comparative information

Comparative information has been disclosed in respect of the year 2017-2018 for all numeric information in the financial statements and also the narrative and descriptive information where it is relevant for understanding of the current year's financial statements.

Figures for the year 2017-2018 have been rearranged, wherever necessary, to ensure comparability with the current year.

## 2.09 Going Concern

The company has adequate resources and intention to continue its operation in foreseeable future. Hence, the Financial Statements have been prepared on a going concern basis.

## 2.10 Authorization for issue

Consequent upon the order by the Honorable High Court division of the Supreme Court of Bangladesh in connection with a writ petition (No.844 of 2010) by the Chittagong Urea Fertilizer Limited Workers' and Employees' Union against the company, the financial statements of the company could not be approved and issued. And the Annual General Meeting (AGM) could not be convened by the company within the prescribed date.

Subsequently in 2018 the petitioner withdrew the writ petition and the Honorable High Court discharged the rule and the Stay Order, previously issued, has been vacated. Resultantly, the financial statements of the company have been authorized for issue by the Board of Directors on 28 March, 2018.

## 3.00 SIGNIFICANT ACCOUNTING POLICIES

### 3.01 Foreign currency

Transactions in foreign currency are translated to the Bangladesh Taka at exchange rates at the dates of transactions. Monetary assets and liabilities denominated in foreign currencies at reporting date are re-translated into Bangladesh Taka at the exchange rates ruling at the reporting date. Non-monetary assets and liabilities denominated in foreign currencies are stated at historical cost, and translated into Bangladesh Taka at the exchange rate ruling at the date of transaction. Foreign exchange differences arising on translation are recognized in the Statement of Profit & Loss and Other Comprehensive Income.

### 3.02 Property, plant and equipment

#### 3.02:01 Recognition and measurement

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses.

Cost includes expenditures that are directly attributable to the acquisition of the asset. The cost of self-constructed/installed assets includes the cost of materials and direct labor, any other cost directly attributable to bringing the asset to a working condition for its intended use, and the cost of dismantling and removing the items and restoring the site on which they are located and capitalized borrowing costs. Purchased software that is integral to the functionality of the related equipment is capitalized as part of that equipment.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

The gain or loss on disposal of an item of property, plant and equipment is determined by comparing the proceeds from disposal with the carrying amount of the property, plant and equipment, and is recognized net within other income/other expenses in profit or loss.

#### 3.02:02 Subsequent cost

The cost of replacing part of an item of property, plant and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the company and its cost can be measured reliably. The costs of the day-to-day servicing of property, plant and equipment are recognized in profit and loss as incurred.



### 3:02:03 Depreciation

Depreciation on Property Plant Equipment excepting land and land development is calculated on the straight line method applying the rate so as to write off the cost of the assets over their estimated useful lives. In respect of additions, fully year's depreciation is charged on Property, Plant and Equipment acquired during any part of the year while no depreciation is charged on assets disposed during the year. The principal annual rates are as follows:

<u>Category</u>	<u>Rates</u>
Building and structure	2.5% and 4%
Other construction	5% to 10%
Plant and machinery	4%
Equipment and loose tools	7.5% to 12.5%
Communication Equipment	12.5% to 20%
Other Equipment	12.50%
Office Equipment	12% to 25%
Motor vehicles	20%
Furniture and fixtures	10%
Household and commercial furnishing	20%
Sundry assets	10% to 25%

### 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.

#### 3:03:01 Financial assets

The Company initially recognizes receivables and deposits on the date that they are originated. All other financial assets are recognized initially on the date at which the company becomes a party to the contractual provisions of the transaction.

The Company derecognizes a financial asset when the contractual rights or probabilities of receiving 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 assets are transferred.

Financial assets include cash and cash equivalents and trade debtors.

(a) Cash and cash equivalents

Cash and cash equivalents comprise cash in hand, cash at bank which are available for use by the Company without any restriction.

(b) Trade debtors

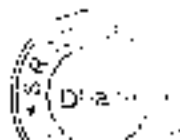
Trade and other debtors represent the amounts due from customers or parties for delivering goods or any other purposes. Trade and other debtors are initially recognized at cost which is the fair value of the consideration given in return. After initial recognition these are carried at cost less impairment losses due to uncollectibility of any amount so recognized.

#### 3:03:02 Financial liabilities

A financial liability is recognized when its contractual obligations arising from past event are certain and the settlement of which is expected to result in an outflow from the company of resources embodying economic benefits. The Company initially recognizes financial liabilities on the transaction date at which the company becomes a party to the contractual provisions of the liability. The Company derecognizes a financial liabilities when its contractual obligations are discharged or canceled or expired. Financial liabilities include trade creditors, payables against expenses and accruals, sundry creditors and other non-current liabilities.

### 3.04 Inventories

<u>Items</u>	<u>Basis of Valuation</u>
Raw materials, chemicals and packing materials	At moving average method
Stores, spares and accessories	At moving average method
Stores-in-Transit	At book value
Work-in-process	At predetermined cost
Finished Goods	At cost or net realizable value whichever is lower



### **3.05 Impairment**

#### **3:05:01 Property, plant and equipment**

The carrying amount of the company's assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists then the asset's recoverable amount is estimated. An impairment loss is recognized if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount.

#### **3:05:02 Receivables**

Company policy is to provide for impairment loss on debtors, if any receivables is not realized within three years from due date.

### **3.06 Employee benefits**

#### **3:06:01 Gratuity**

The Company maintains a Funded Gratuity Scheme for its permanent employees and payments to gratuity fund is made at two months basic salary for every completed year of services rendered by eligible employees as per corporation rules.

#### **3:06:02 Provident Fund**

The company operates a Recognized Provident Fund for its permanent employees for which each employee subscribes 10% of his basic salary and the company also contributes an equal amount to the Fund.

#### **3:06:03 Workers' Profit Participation and Welfare Fund**

Previous year accounts was not finalized due to wrt petition. That is why WPP and Welfare Funds profit was same as last year.

### **3.07 Provisions**

A provision is recognized in the financial statements when the Company has a legal or constructive obligation as a result of 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.

### **3.08 Revenue Recognition**

Sales are recognized when goods are delivered to the buyers.

### **3.09 Tax**

#### **3:09:01 Current tax expenses**

Income tax expenses are recognized in the Statement of Profit or Loss and Other Comprehensive Income as per the provisions of Income Tax Ordinance 1984. Provision for minimum income tax has been made @ 0.6% on Gross Receipt of the year as the company has been made net loss during the year.

#### **3:09:02 Deferred tax expenses**

Deferred tax has not been recognized in the financial statements as required under BAS-12.

### **3.10 Financial income and costs**

Financial income comprises interest income on funds invested. Interest income is recognized on cash basis. Financial costs comprise interest expenses on bank loans and bank charges. All financial costs are recognized in the Statement of Profit or Loss and other Comprehensive Income.



#### 4.00 SHARE CAPITAL

##### Authorised :

100,000,000 Ordinary shares of Tk. 100 each

##### Issued, Subscribed and Paid Up :

7 Ordinary Shares of Tk. 100 each

Details of issued share capital are as follows

<u>Name of Shareholder</u>	<u>No. of Shares</u>		<u>Amount in Taka</u>	
	<u>2019</u>	<u>2018</u>	<u>June 30, 2019</u>	<u>June 30, 2018</u>
Mr. Md. Haiul Quaium	1.00	1.00	100.00	100.00
Mr. Md. Ziaur Rahman Khan	1.00	1.00	100.00	100.00
Mr. Md. Mahabubul Islam	-	1.00	-	100.00
Mr. Md. Al Akkas	-	1.00	-	100.00
Eng. Mr. Gopirath Banik	1.00	1.00	100.00	100.00
Mr. Bijoy Kumar Biswas	1.00	1.00	100.00	100.00
Mr. Md. Monirul Islam	-	1.00	-	100.00
Mr. Md. Anon Ul Ahsan	1.00	-	100.00	-
Mr. Md. Rafiqul Islam	1.00	-	100.00	-
Mr. Abdur Rauf	1.00	-	100.00	-
	<u>7.00</u>	<u>7.00</u>	<u>700.00</u>	<u>700.00</u>

#### 5.00 GOVERNMENT EQUITY/ CAPITAL CONTRIBUTION

Total equity contribution received by the company from Government was Tk. 7,483,715,000 up to June 30, 2019 and the balance is made up as follows:

Government loan converted to equity	3,462,339,000	3,462,339,000
ADB loan converted to equity	51,348,000	51,348,000
OECD loan converted to equity	3,787,058,000	3,787,058,000
CIDA loan converted to equity	182,970,000	182,970,000
	<u>7,483,715,000</u>	<u>7,483,715,000</u>

No shares has yet been allotted to the Government of Bangladesh in return for the government contribution towards the equity of the company as envisaged in the agreement between the Government and the company to that effect.

#### 6.00 FOREIGN CURRENCY LOAN/GRANT

##### 6.1 Foreign Currency Loan

	<u>Foreign Currency</u>	
(a) ADFAED-576	DH	6,884,720
(b) SFC-3/146	SR	1,237,716,501
(c) IDA-1204-BD		154,258,845
(d) OECD-BUP-21	YFN	483,548,435
		<u>1,885,308,501</u>

##### 6.2 CIDA Grants-170/10/32

CMS	313,583,979	313,583,979
	<u>2,198,892,480</u>	<u>2,198,892,480</u>



7. PROPERTY, PLANT AND EQUIPMENT AT COST LESS DEPRECIATION

Particulars	COST				Rate of Depreciation	Accumulated Depreciation			Written Down Value as at 30.06.2019	
	Opening Balance as at 01.07.2018	Additions during the year	Adjustment Deletion	Total Cost as at 30.06.19		Opening Balances as at 01.07.2018	Charged for the year	Adjustment Deletion		Total Depreciation as at 30.06.2019
Land and land Development	255,240,795			255,240,795					255,240,795	
Building and Structure	7,425,855,976			9,425,435,275	2.5% to 4%	2,542,642,475	59,918,017		2,602,560,492	799,872,774
Other construction	504,786,002	305,945		504,991,947	5% to 10%	496,264,405	1,533,277		497,797,682	9,138,584
Plant and machinery	15,641,862,725	421,894,556		16,063,757,281	4%	14,813,935,077	60,247,463		14,874,182,540	1,199,718,739
Equipment and lease tools	427,121,896	1,545,000		428,666,896	7.5% to 12%	385,479,504	18,565,712		394,045,216	43,881,681
Communication Equipment	55,712,885	383,793		56,096,678	12.5% to 20%	55,191,483	232,476		55,423,959	572,498
Other Equipment	76,602			76,602	12.5%	75,653	113		74,835	3,797
Office Equipment	16,035,426	322,903		16,358,329	2% to 25%	15,285,085	274,570		15,559,730	601,268
Motor vehicles	44,822,002	147,005		44,969,007	20%	44,822,002	29,400		44,851,400	117,602
Furniture and Fixtures	43,238,071	161,645		43,399,716	10%	42,856,466	151,596		43,008,062	949,172
Household and commercial furnishing	8,638,575	252,280		8,890,855	20%	7,370,342	746,964		8,117,306	775,209
Sundry assets	4,582,156	3,283		4,585,439	10% to 20%	4,563,576	15,389		4,578,965	16,482
<b>June 30,2019</b>	<b>20,430,956,385</b>	<b>431,994,721</b>	<b>-</b>	<b>20,862,951,106</b>		<b>18,389,370,058</b>	<b>146,357,467</b>	<b>-</b>	<b>18,535,727,525</b>	<b>2,308,184,781</b>
<b>June 30,2018</b>	<b>20,330,981,483</b>	<b>99,954,702</b>	<b>-</b>	<b>20,430,936,185</b>		<b>18,237,401,444</b>	<b>141,858,718</b>	<b>-</b>	<b>18,379,260,162</b>	<b>2,061,706,324</b>

Allocation of Depreciation:

- a) Factory overhead (statement of cost of sales page 7)
- b) General administrative expenses:
  - Transport and vehicle (Notes-32)
  - Furniture and fixtures (Notes-32)
  - Drawings (Notes-32)

	2018-2019 ₹	2017-2018 ₹
a) Factory overhead	15,642,026.21	137,029,890
b) General administrative expenses:		
Transport and vehicle	19,777,840	14,838,281
Furniture and fixtures	29,400	1,039,235
Drawings	12,745,641	13,794,043
<b>Total</b>	<b>148,357,467</b>	<b>161,898,214</b>



	Amount in Taka	
	June 30, 2019	June 30, 2018
<b>8.00 LOANS TO PROJECTS (SISTER CONCERNS)</b>		
Running Project:		
Karnaphuli Paper Mills Limited		
Principal	40,000,000	40,000,000
Add: Interest for the year @ 7%	2,800,000	2,800,000
	42,800,000	42,800,000
Add: Accumulated interest for previous years	47,362,192	44,562,192
	90,162,192	87,362,192
Less: Provision against interest on loan due from Karnaphuli paper Mills Ltd	36,400,000	33,000,000
	53,762,192	54,362,192
Discontinued Projects		
Khuna Newspaper Mills Limited	283,336,421	283,336,421
Karnaphuli Rayon and Chemicals Limited	29,353,346	29,353,346
North Bengal Paper Mills Limited	45,324,044	48,324,044
	358,013,811	361,013,811
<b>Total</b>	<b>411,876,003</b>	<b>415,376,003</b>

Khuna Newspaper Mills Limited, Karnaphuli Rayon and Chemicals Limited and North Bengal Paper Mills Limited are currently not in operation. No interests have been charged on the loans receivable from these three Projects.

**9.00 HOUSE BUILDINGS LOANS** 467,911,536 132,286,664

Loan policy for purchase of and house building for its permanent workers, staffs and officers was approved by the BOIC in the 1443 Board Meeting held on 17 July, 2013 and a Committee has been formed.

On 21.07.2014 the committee (formed on 17.07.2013 by board meeting 1443) decided that house building loan amount of Tk 50,000,000 for the year ended 2014-2015, would be distributed to 109 workers, staffs and officers based on the criteria that, among others, the minimum 10 years continuous service years, age limit of 55 years and 50% of net payable of salary. This amount will be recovered from monthly wages/salaries of the respective workers/staffs/officers after six (06) months of disbursement of first installment of loan.

**10.00 INVESTMENT - AT COST**

Investment in Karnaphuli Fertilizer Company Limited (KAFCC) 487,388,300 487,388,300

Karnaphuli Fertilizer Company Limited is not listed with Stock Exchange. Hence market value or above investment can not be reliably ascertained. Break up value as on 30.06.2019 could not be ascertained due to absence of KAFCC's financial statements as at that date.

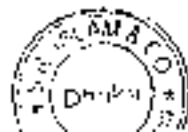
**11.00 RAW MATERIALS, CHEMICALS AND PACKING MATERIALS**

Raw Materials, Chemicals and Packing Materials.

Twine and thread	2,150,357	387,426
WPP and PE bags	18,010,571	13,283,315
Poly Bags	6,070,823	6,070,823
Process chemicals	26,471,016	15,062,142
Catalysts	300,925,473	225,077,954
Less on bags	78,852	70,052
Adjustment for Proposed write off against inventory shortage (Notes-25)	162,735,521	161,627,312
	616,549,313	426,476,126
Inventory in Plants		
Chemicals	700,187	2,737,655
WPP and PE bags	2,616,353	2,732,974
Life line	4,286	4,286
Sewing thread	4,118	4,118
Medical supplies	1,367,353	1,427,436
	5,144,217	6,942,469
	521,693,530	433,418,596

**12.00 STORES, SPARES AND ACCESSORIES**

	Amount in Taka	
	June 30, 2019	June 30, 2018
Spares and accessories for plant	844,251,437	750,606,821
Pipes, tubes and hoses	102,597,591	103,578,019
Laboratory instruments	54,502,523	35,996,759
Vehicles powered and non powered	201,465,650	132,055,216
Engine, turbine and components (Group 28)	311,323,373	228,136,635
Hardware materials for plant	52,190,205	53,750,617
Electrical spares and accessories	87,127,025	66,157,501
Engine accessories (group 29)	49,666,094	49,666,094



Electrical wire-distribution equipment	44,550.36	44,605,493
Bagging machinery spares	29,016,824	20,954,953
Expanded metal and stainless steel	20,185,853	20,724,104
Steam and drying equipment	73,558,087	75,000,681
Special industry machinery	18,612,059	20,205,067
Farm and sugar system	10,935,548	10,900,540
Bamboo	6,091,167	6,522,513
Metal working machinery	5,043,421	4,580,536
Lighting fixture and lamp	6,857,027	7,254,430
Construction, highway, maintenance equipment	4,736,840	4,714,866
Construction and building materials	10,605,150	14,231,782
Feeding for bagging plant	8,140,204	7,840,776
Pre-fabricated structures	8,338,130	6,597,123
Fuels, lubricants, oils and waxes	10,175,277	10,251,199
Machine tools	2,441,095	2,426,589
Communication equipment	655,270	1,317,225
Vehicles, equipment and components	600,713	607,697
Tires and tubes (Group 25)	1,083,373	1,307,785
Plumbing and heating	1,701,182	1,704,802
Refrigeration and air condition	995,494	516,345
Wooden plank	1,415,897	1,575,388
Mechanical power transmission	303,119	486,477
Lumber millwork, plywood and veneer	462,529	452,579
Fire fighting rescues	873,251	983,222
Tar and leather and fare	2,571	2,205
Brushes, paints, scales etc	40,180	35,245
Maintenance repairing shop equipment	160,159	150,159
Furniture and fixtures	9,235	9,235
Office equipment	13,656	47,207
Uniform and linen	253,156	271,216
Ropes, cables, chains and fittings	467,454	493,409
Measuring tools	37,603	37,884
Cleaning equipments and supplies	115,340	114,615
Telephones (Group 85)	1,676	10,372
Household and commercial furnishing	14,257	12,971
Containers, drums, cans and boxes	3,700	3,730
Domestic equipments	9,277	10,645
Agricultural machineries	637	835
	<b>2,000,275,562</b>	<b>1,824,338,648</b>

**13.00 STORES IN TRANSIT**

Spare and accessories	555,747,795	220,610,653
Materials, chemicals and catalyst	24,827,065	106,118
<b>Total (Schedule 2)</b>	<b>881,575,745</b>	<b>220,716,768</b>

**14.00 WORK-IN-PROCESS**

Ammonia - 1920 MT @ Tk. 14,131.11 (Schedule-1)	<b>25,748,820</b>	<b>23,517,685</b>
*Ammonia has been valued based on cost of production of 2017-2018		

Amount In Taka	
June 30, 2019	June 30, 2018

**15.00 FINISHED GOODS**

Bagged Urea (Schedule-1)	Metric Ton	Tk. Per MT		
Loose Urea	14,074.05	13,354	188,210,146	
Bagged Urea	10,605.43	14,000	148,475,600	
Bagged Urea (Depot)	55.04	7,052.04	421,194	421,194
			<b>341,174,939</b>	<b>421,194</b>

**16.00 TRADE DEBTORS**

<b>Local Debtors:</b>				
Bangladesh Agricultural Development Corporation (BADCO)			141,055	141,055
Deputy Commissioners/Thana/Upazila Nirbahi Officers			1,208,309	1,208,309
Foreign Debtors				
Agricultural Input Corporation, Nepal			5,483,671	5,483,671
			<b>6,833,035</b>	<b>6,833,035</b>
<b>Less: Provision for doubtful debts</b>				
Bangladesh Agricultural Development Corporation			141,055	141,055
Agricultural Input Corporation, Nepal			5,483,671	5,483,671
Deputy, Commissioners/Thana/Upazila Nirbahi Officers			1,208,309	-
			<b>6,833,035</b>	<b>5,574,726</b>
				<b>1,208,309</b>





**17.00 OTHER DEBTORS**

**(a) General**

Chittagong Port Authority (Berthing)	16,217,313	16,217,313
Insurance claim for losses	4,894,147	4,894,147
Export performance benefit	958,851	958,851
Other claim receivable	1,935,886	1,935,886
Duty and tax refund claim	71,104	71,104
	<u>24,046,475</u>	<u>24,046,475</u>

**(b) Sales and Store on loan**

Ayubganj Fertilizer and Chemical Company Limited (AFCCCL)	57,960,007	57,960,007
Jumuna Fertilizer Company Limited	25,372,000	25,372,000
Urea Fertilizer Factory Limited	17,181,312	17,181,312
Potash Fertilizer Factory Limited	8,708,540	8,708,540
Shajala Fertilizer Factory Company (NGFF)	6,753,157	6,753,157
United Bangladesh Limited (Formerly BOC Bangladesh Ltd)	8,694	8,694
Receivable against material issued on loan to KAFCO	584,689	584,689
	<u>117,578,829</u>	<u>117,578,829</u>

**(c) Others**

Interest Receivable against FDRs	73,370,600	73,370,600
Advance receivable against sale of fixed asset	5,393	5,393
	<u>73,376,000</u>	<u>73,376,000</u>

**Sub Total (a+b+c)** 214,951,297 214,406,824

**Less: (d) Provision for doubtful debts**

Insurance claim for loss	4,894,147	4,894,147
Export performance benefit	958,851	958,851
	<u>5,852,998</u>	<u>5,852,998</u>

**Grand Total (a+b+c-d)** 209,108,299 208,553,824

Amount in Taka	
June 30, 2019	June 30, 2018

**18.00 ADVANCES, DEPOSITS AND PREPAYMENTS**

**A. Advances:**

Advance to suppliers and parties (Schedule 2)	24,383,675	23,316,319
Advance against transportation cost	34,513,369	34,513,369
Advance against Contractors bill	43,624,739	43,624,739
Advance against Customs duty	2,600,076	651,485
Advance against Salary (Audit Objection)	21,639,345	31,749,574
Advance against Expenses	2,332,961	2,375,363
Advance against Local purchase	-	23,360
Advance against TA and DA	767,053	52,060
Advance to others	148,000	148,000
Advance to Ahmed Akter and Co. (C.A. Firm)	23,225	23,225
Advance against facilities	11,809,397	11,806,806
	<u>141,402,315</u>	<u>158,236,303</u>

**B. Deposits**

Customs and excise duty	1,000,000	1,930,000
United Bangladesh Ltd. (Formerly BOC (Bangladesh) Ltd)	21,000	21,300
Power Development Board (PDB)	3,547,522	3,547,522
Bangladesh Telecommunication Company Limited	1,510,730	1,510,730
Security deposits (Receivable)	1,750,705	1,760,209
	<u>7,840,461</u>	<u>7,840,461</u>
	<u>149,335,777</u>	<u>166,082,765</u>

**19.00 ADVANCE INCOME TAX**

438,277,891 415,122,944

This represents advance income tax deducted at source from import materials and interest on FDRs and BIDs.

**20.00 SHORT TERM LOAN TO BIC**

1,375,734,867 1,376,734,867



21.00 CURRENT ACCOUNT WITH PROJECTS

Name of Enterprise	Material Loan	Inter Project Current Account	2019 Total	2018 Total
	Taka	Taka	Taka	Taka
Polash Urea Fertilizer Factory Limited	1,245,595	-	1,245,595	16,461,423
Kamghatya Paper Mills Ltd	12,914	3,707,245	3,720,160	12,914
Chota Cement Company Ltd	101	1,150,852	1,150,953	1,273,514
DAP Fertilizer Co. Ltd (DAP 1)	-	202,007,851	202,007,851	216,093,118
TSP Complex Ltd	-	3,150,378	3,150,378	1,225,357
Kamghatya Rayon and Chemicals Co. Ltd	-	882,825	882,825	882,525
North Bengal Paper Mills Ltd	-	157,942	157,942	197,942
Chota Leather Company Ltd	-	21,840	21,840	21,840
BCIC (Maqura Paper Mills Ltd)	-	-	-	13,253
DC C (Synth. Paper and Pulp Mills Ltd)	-	-	-	13,810
Khulusi Hand Board Mills Ltd	-	16,577	16,577	16,577
Training Institute for Chemical Industries	-	1,452,928	1,452,928	1,298,572
Sheghar Fertilizer Factory Ltd	28,185	1,391,018	1,419,203	393,905
Fajla Rice and Cotton Manufacturing Co. Ltd	1,950	-	1,950	1,950
Jainuna Fertilizer Company Ltd	-	-	-	131,002
Chittagong Chemical Complex	-	1,053,653	1,053,653	893,175
	<b>1,288,746</b>	<b>215,051,109</b>	<b>216,340,855</b>	<b>230,855,207</b>

Amount in Taka	
June 30, 2019	June 30, 2018

22.00 FIXED DEPOSITS WITH BANKS

Fixed Deposits with Banks	2,455,322,180	2,535,172,160
Less: Provision for Bad debts - Eastern Bank Limited	5,072,180	5,072,160
	<b>2,450,250,000</b>	<b>2,530,100,000</b>

23.00 CASH AND CASH EQUIVALENT

Cash in hand	29,823	27,006
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Cash at Banks with

Bank Name	Ac. No.		
<b>Sonali Bank Limited</b>			
CLFI Branch, Chittagong	STD 02	9,934,063	16,489,405
Agaroad Branch, Chittagong	STD 5633U154	14,688,732	14,596,947
Local Office, Mujibet, Dhaka	STD 00073ER00624	1,423,452	1,367,172
Barisal Corporate Branch, Barisal	STD 004	3,175,859	3,175,600
Bhola Branch, Bhola	STD 15	6,850,719	6,860,733
Panakhali Branch, Panakhali	STD 2848	7,442,660	7,442,660
Rajshahi Bazar Branch, Jessore	STD 5	10,000	10,000
Symon Branch, Khulna	STD 4	2,704	2,735
		<b>13,980,650</b>	<b>14,962,307</b>

**Janata Bank Limited**

CLFI Branch, Chittagong	STD 31	25,207,820	45,752,975
CLFI Branch, Chittagong	CD 213	1,780,354	3,842,396
Strand Road Branch, Chittagong	STD 10	15,771,152	16,455,430
Gabanta Main Branch	STD 90	91,762	91,762
Panai Branch, Durgam	STD 38	4,117	4,117
Kungam Branch	STD 43	5,975	5,975
Alamnagar Branch, Rangpur	STD 13	81,503	81,553
Readi Branch, Gopalgong	STD 18	3,301,516	3,301,616
		<b>45,844,407</b>	<b>71,915,512</b>

**Punali Bank Limited**

Agaroad Branch, Chittagong	STD 97	15,280,022	15,575,117
Puri Branch, Chittagong	STD 14	17,290,290	16,227,251
		<b>32,570,312</b>	<b>31,802,368</b>

**Utrara Bank Limited**

Agaroad Branch, Chittagong	STD 41 108	728,067	693,004
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**BASIC Bank Limited**

Agaroad Branch, Chittagong	STD 00000045	20,670,859	11,435,776
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**UCB Limited**

Agaroad Branch, Chittagong	STD 00413103000836	1,616,019	1,174,530
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**MCC Bank Limited**

Majhghai Branch, Chitagon

STD 002000207996

15 004 039

20 230 893

**Bank Asia Limited**

MCE S K Mujib Road, Chitagon

STD 0000000067

10 991 809

22,640 197

150 499,320

312,868 677

**150,528,845****312,868,315****24.00 CREDITORS FOR GOODS SUPPLIED**

Liabilities for Goods Supplied (Schedule-5)

- under

10,033 219

11 077,858

- unpaid

310,697 618

1,708,850

Cash purchase clearing

196 165

239,892

**328,927,001****12,665,247****Amount in Taka****June 30, 2019****June 30, 2018****25.00 CREDITORS FOR EXPENSES**

Liability for write off of inventory shortage

162,735,621

161,527 312

Incentive bonus

46,517 767

75,972 619

Provision for head office levy

43,850,676

43,650 878

Gas

25,424,312

23,010 676

Royalty and taxes

15 734,357

18,584 358

Gratuity

19 259,442

37 002 417

Provision for T/C/leave

66 303,810

49,000 810

Cleaning

6 459,248

5 783,142

BST marking fee

5,282,588

7,159,774

Income tax deducted from Salaries

998,993

967,985

Repair and maintenance - Fuel

8,021 358

6,185,710

Cash labour

1,131 125

4 935 549

Postal expenses

52,235

127 695

Handling charges

3 745 432

16,315 618

Club expenses

1 455 500

793 500

Extra duty

727 255

863 935

Janitation expenses

269 636

414 379

Other expenses

3,078 248

53,000

Audit fees

206 400

452 589

Repair and maintenance - vehicle

-

41 952

Uniform and linen

1,295 735

1,295 735

Telephone and telefax

76 721

70 629

Scholarship and grants

52,301

52 301

Boat hire charges

5 364

5 364

Entertainment

787

1,292

Festival Bonus

20 154,881

16 049 228

Unpaid salary and wages

2 133

2,130

Childcare subsidy

13,647

13 647

Ward and ward

3,095,400

3,095,400

Expense on School/College

-

24,660

Repair &amp; maint. (Plant)

405 593

550

Provision for Honorarium

146 700

1 500

Account by BAWC

-

4 972,079

Insurance

131 445

131 445

Natural Gas

510 793

-

Provision for TAYDAI

120,464

123,450

Electrical repair &amp; instal

5,000

-

Office rent

-

7 000

Transport Hire Charge

157,216

145 109

Cultural Activities

288 400

-

Plantation &amp; Gardening

130,580

-

Medical &amp; Medicine

188,952

-

Fine

-

100

**445 844,860****467,933,799****26.00 CREDITORS FOR OTHER FINANCE**

B/C and inter-branch payable on sales (Note 27.01)

731,554 991

102 354,157

Advance &amp; received against sale of Cheq (Note 27.02)

41 043,173

129 355 691

Other accounts payable and accrued liabilities (Note 27.03)

381 114 592

375 991 683

Withholding income tax and VAT from suppliers (Note 27.04)

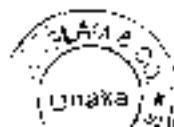
4 038 695

1 414 254

Deductions and withholding (Note 27.05)

108,279 273

22 528,317

**503,796 743****631,668,104**

		Amount in Taka	
		June 30, 2019	June 30, 2018
26.01	BCIC and Interproject payable on sales BCIC imposed Urea	(21,594,931)	102,354,157
		<u>(21,594,931)</u>	<u>102,354,157</u>
26.02	Advance Received Against Sale of Urea		
	Advance received from Dealers	160,650,553	75,762,964
	Rangpur Depot	23,244,324	23,244,324
	Siramou Depot	37,094,609	37,094,609
	Kungram Depot	13,030,800	13,030,800
	Gobandha Depot	10,255,398	10,255,398
	Dinajpur Depot	9,070,654	9,070,654
	Barisal Depot	12,551,175	12,551,175
	Bhola Depot	3,891,126	3,891,126
	Jessore Depot	8,541,769	8,541,770
	Talexmat Depot	22,131	22,131
	Pabna/Barisal Depot	50	90
		<u>41,048,173</u>	<u>128,359,681</u>
26.03	Other Accounts Payable and Accrued Liabilities		
	Security deposit by Urea dealers	300,147,200	251,447,200
	Banking charge clearing account	15,956,976	15,956,976
	Refundable security deposits	40,816,566	47,497,325
	River dues received from KAFCC	13,644,734	8,270,806
	River dues received from dealers	86,605	80,200
	Other account payable	4,732,841	4,555,561
	Shift allowance	255,207	95,067
	Provision for storage buffer fertilizer	404,656	404,655
	Annual overtime	2,434,593	229,475
	BCIC Engineers' Association	4,020	300
	KAFCC	2,508,304	1,044,335
	Advance against sale of Ammonia	108,531	109,521
		<u>381,114,392</u>	<u>376,991,685</u>
26.04	Withholding income tax and VAT from Suppliers		
	Income tax deducted at source from contractors	1,425,832	666,661
	Value added tax deducted at source	2,612,362	747,593
		<u>4,038,696</u>	<u>1,414,254</u>
		Amount in Taka	
		June 30, 2019	June 30, 2018
26.05	Deductions and withholding		
1a)	Deduction from Employees		
	Recovery of Provident Fund loan and interest	1,734,334	(1,063,345)
	Employees' Contribution to Provident Fund	30,737,767	435,898
	Recovery of Welfare Fund loan and interest	92,565	667,901
	Donation for death and disease	228,708	199,898
	Workers' profit Participation Fund loan	7,065,363	6,375,953
	Recovery of gross pension	79,649	73,548
	Recovery of welfare House funding loan and interest	529,659	525,759
	Revenue stamp	221,668	170,020
	Donation and gifts	7,001	9,351
	Grat scheme	61,156	24,456
	Subscription for chemical society	2,500	-
	Recovery of motorcycle loan	93,545	(30,451)
	Food rehabilitation	22,431	22,431
	Others	7,835	7,835
	Farewell	40,150	39,370
	Officers' association subscriber	12,030	5,583
	Optima subscription	4,533	-
	Taha Jalla Ushat	25,317	23,952
	Employee's club subscription	8,238	4,596
	Merent loan	9,569	8,375
	Union subscription	6,570	2,000



Panelty and liability	470	470
Mosque subscription	3,510	-
Co-operative subscription	210	210
Sports subscription	17,220	-
Ladies club subscription	2,090	-
Shakelohi puja	7,566	7,566
Freedom fighters' welfare contribution	330	330
Canteen Society	93,817	57,549
Haj scheme	57,737	23,542
Accountants accountants forum	36,700	18,000
Welfare fund subscription	(1,847,648)	(1,789,677)
Land Club subscription	56	56
Salary Income Tax	10,546	10,545
	<u>78,979,223</u>	<u>133,477</u>

(b) Recovery from concerned employees against audit objection

Uniform	4,077,505	5,012,742
House rent	5,114,361	4,543,942
Gas allowance	1,562,105	1,243,911
Project allowance recovery	577,500	525,834
Washing allowance	900,756	932,724
Lump sum grant	1,196,870	1,135,870
Incentive bonus	612,505	617,305
Electric bill	626,461	1,282,667
Wawalal	169,376	155,754
T.S.P (Audit objection)	27,676	22,676
Annual festive bonus	411,215	411,215
Earned money retained	9,655	9,858
Gas bill	554,603	300,344
Annual get-together	6,930	21,730
Merit scholarship	1,800	1,800
Co-termined against Eid holiday	450	450
Overtime	8,544,405	5,885,988
Tax/DA	420,352	-
House rent allowance	24,020	24,320
Income Tax	43,892	-
	<u>29,300,050</u>	<u>22,394,640</u>
Total (a+b)	<u>108,279,273</u>	<u>22,628,317</u>

27.00 CURRENT ACCOUNT WITH BDC

175,224,303      5,448,237

Amount in Taka  
June 30, 2018      June 30, 2017

28.00 CURRENT ACCOUNT WITH PROJECTS (PAYABLE)

Name of Enterprise	Material Loan	Inter project current account	2018 Total	2017 Total
	Taka	Taka	Taka	Taka
Palash Urea Fertilizer Factory Ltd	-	27,136,080	27,136,080	-
Ashuqani Fertilizer and Chemicals Company Ltd	2,846,122	4,277,456	7,123,578	8,991,526
Khulna Newspaper Mills Ltd.	-	4,994,930	4,994,930	1,954,930
Urea Fertilizer Company Ltd, Ghorehal	2,138,719	1,572,513	4,131,332	3,471,690
Usmania Glass Sheet Factory Ltd	1,628,064	-	1,628,064	2,037,169
Jamuna Fertilizer Company Ltd	227,958	24,826,865	25,154,823	23,806,596
Singhaat Fertilizer Factory Ltd	-	747,921	747,921	747,921
TSP Complex Ltd	1,286,728	-	1,286,728	1,286,728
Bangladesh Inorganic & Synthetic Fertilizer Factory Ltd	-	480,919	480,919	480,919
Karnaphuli Fertilizer Company Ltd	-	-	-	10,820
Karnaphuli Chemicals Company (Bangladesh) Ltd	-	-	-	700
Karnaphuli Paper Mills Ltd	-	-	-	3,515,621
	<u>8,249,391</u>	<u>65,036,791</u>	<u>73,286,183</u>	<u>40,364,456</u>



29.00 PROVISION FOR INCOME TAX ON TURNOVER

15,233,215

15,233,215

This amount represents income tax for the year 2005-07 and 2005-06 provided @ 0.25% and 0.50% on sale respectively

30.00 PROVISION FOR INCOME TAX

Income tax on taxable income has been provided in the financial statements @ 34.5% on profit before tax and minimum tax 0.5% on gross receipts for the income year 2018-2019 as per Statement of Profit or Loss and Other Comprehensive Income. Details are as below:

Accounting year 2009-2009 (Assessment year 2005-2010)	179,969,311	179,969,311
Accounting year 2010-2011 (Assessment year 2011-2012)	40,631,504	40,631,504
Accounting year 2011-2012 (Assessment year 2012-2013)	292,723,413	292,723,413
Accounting year 2012-2013 (Assessment year 2013-2014)	300,681,431	300,681,431
Accounting year 2013-2014 (Assessment year 2014-2015)	115,423,822	115,423,822
Accounting year 2013-2014 (Assessment year 2015-2016)	56,418,541	56,418,541
Accounting year 2015-2016 (Assessment year 2015-2017)	2,559,905	2,559,905
Accounting year 2016-2017 (Assessment year 2017-2018)	1,829,801	1,829,801
Accounting year 2017-2018 (Assessment year 2018-2019)	50,031,352	50,031,352
Accounting year 2018-2019 (Assessment year 2019-2020)	9,736,255	
	<u>1,050,327,338</u>	<u>1,049,599,000</u>



31 00 DEFERRED EXPENSES

Particulars	Over hauling	Short Shut down	Catalyst in store Production and Catalyst process	Durable Chemicals	Depot Maintenance Expenses	Techno Electric Feasibility Study	Total 2019	Total 2018
	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka
Opening balance as on 01 July 2015	3,503,645	8,169,564	15,546,119	1,410,621	689,819	118,815	29,456,884	53,055,479
Add. Expenses incurred during the year	51,594,300	-	26,792,336	8,507,683	689,819	-	84,894,219	72,863,248
	<u>55,097,945</u>	<u>8,169,564</u>	<u>42,338,455</u>	<u>6,507,583</u>	<u>689,819</u>	<u>118,815</u>	<u>114,353,103</u>	<u>135,868,725</u>
Less: Amortized during the year	54,039,178	7,250,120	42,311,065	5,749,310	125,426	44,565	110,019,665	108,409,841
Closing balance as at 30 June 2019	<u>558,767</u>	<u>939,444</u>	<u>27,389</u>	<u>758,273</u>	<u>564,393</u>	<u>74,250</u>	<u>4,333,438</u>	<u>29,456,884</u>

32 00 SALE OF UREA

Sales category	Quantity	Rate	2019	2018
	MT	Tk.	Taka	Taka
Sales from Factory	99,207	14,000	1,388,900,100	1,484,576,600
Sales to Tea Garden:	1,096	16,000	17,520,000	-
	<u>100,302</u>	<u>14,022</u>	<u>1,406,420,100</u>	<u>1,484,576,600</u>
Sale of ammonia			1,406,420,100	
Sale to DAP	750	0,022,72	6,767,045	45,637,811
Sale to various parties	75,40	32,632	2,460,453	2,501,088
Net	<u>625</u>	<u>11,179,43</u>	<u>9,227,498</u>	<u>43,138,909</u>



Amount in Taka	
2018-2019	2017-2018

### 33.00 GENERAL ADMINISTRATIVE EXPENSES

Depreciation on building (Note-7)	13,745,841	13,798,043
Levy for TICL	20,000,000	17,039,000
Vehicle running expenses - POL	6,580,371	7,300,792
Repair and maintenance- transport and vehicles	1,509,910	1,925,172
Advertising expenses	5,284,029	5,228,266
Water and ward/Security out post	11,160,018	13,130,320
Local travel cost	6,015,925	6,073,343
Uniform and livens	1,544,377	1,556,443
Printing and reproduction	-	69,135
Transport hire charges	2,777,608	2,529,584
Legal fees	202,029	35,829
Cultural activities/exhibitions	1,226,816	1,108,106
Entertainment and refreshment	687,183	708,559
Guest house expenses	1,525,615	1,225,693
Insurance on transport and vehicle	922,516	1,10,928
Expenses on club	466,050	561,300
Rent rates and taxes	602,956	506,055
Medical expenses	470,890	481,586
Board meeting expenses	1,087,975	1,495,745
Local conveyance	445,483	423,813
Canteen subsidy	287,989	293,146
Depreciation on furniture and fixtures (Note-7)	940,500	1,039,239
Depreciation on Transport & Vehicle (Note-7)	29,450	-
Periodicals and publications	293,571	170,347
Education and training	40,846	210,603
ITN and internet expenses	235,580	212,020
Telephone	223,952	155,327
Road hire charges	98,900	91,300
Gardening expenses	15,500	12,000
Honorarium and rewards	1,138,939	714,167
Games and sports	89,098	117,000
Picnic	357,960	347,376
Postage	137,730	109,079
Expenses on mosque	63,450	67,078
Other professional fees	174,375	117,250
Scholarship and grant	-	73,808
Insurance expenses	2,082	3,289
Natural gas (Domestic)	845,123	855,617
Expenses for school	560,816	305,737
Employees' death compensation	1,874,880	876,960
Stationary	302,955	341,197
BCIC Kira Sangaha	400,000	300,000
Foreign Travel Cost	122,066	-
	<b>85,467,202</b>	<b>83,198,643</b>

### 34.00 SELLING AND DISTRIBUTION EXPENSES

Handling and carrying charges	5,825,677	1,138,640
Fotukhal depot	1,676,438	3,897,565
Buffer depot- Jessore	-	578,865
Buffer depot- Bansal	2,874,350	3,874,901
Buffer depot- Bhola	3,410,385	5,470,244
Takerhal depot	2,325,517	4,184,615
Moxigla depot	2,089,900	1,170,059
TG Godwar Chittagong	3,463,863	4,154,649
	<b>21,289,472</b>	<b>24,479,555</b>





Amount In Taka	
2018-2019	2017-2018

### 35.00 OTHER MISCELLANEOUS INCOME

Interest on FDR	167,956,614	192,584,156
Bank interest on STD Account	11,129,347	9,764,911
Interest on Others (HBL)	5,438,918	4,312,820
Scrap sale	1,881,800	-
Forfeiture account	421,485	548,289
Sale of tender form	716,730	509,585
Other Income	9,241,953	1,638,048
House Rent Recovery	9,084,423	9,763,871
Berthing charges	-	18,185,019
Interest on Motorcycle Loan	51,000	-
Revenue from Scrap	2,474,058	1,411,972
	<b>207,395,330</b>	<b>237,078,469</b>

### 36.00 FINANCIAL EXPENSES

Bank charges and commission	1,472,872	1,662,849
	<b>1,472,872</b>	<b>1,662,849</b>

### 37.00 OTHER FACTORY OVERHEAD

Other factory Overhead (Variable- Page 7)	56,229,538	42,878,341
Other factory Overhead (Fixed - Page 7)	24,098,416	18,376,432
	<b>80,328,052</b>	<b>61,254,773</b>

### 37.01 Other Factory Overhead (Variable and Fixed)

Repair and maintenance- other construction	9,688,508	8,993,643
Royalty and taxes	1,315,938	2,346,365
Watch and ward security out post	26,040,042	26,700,660
Uniform and liveries	4,866,226	4,792,211
BST marking fees	500,000	1,500,000
Laboratory supplies	932,808	749,514
Sanitation expenses	4,975,391	4,382,244
Stationery and office supplies	1,593,109	907,015
Medical expenses	1,175,537	1,063,776
Handling charge	627,596	661,668
Expenses on club	1,197,926	1,350,300
Education and training	30,113	172,140
Safety materials and suppliers	374,474	65,359
Licensing renewal fee	301,742	374,765
Canteen subsidy	123,972	100,000
Games and sports	301,300	273,000
Picnic (Get Together)	839,720	809,410
Honarium and reward	2,319,737	1,640,429
Expenses for mosque	148,050	157,449
Employer's death compensation scheme	4,374,720	2,040,240
Scholarship and grants	-	164,300
Expenses for school	945,804	678,259
Natural gas (Domestic)	2,114,878	1,364,525
Occupancy Water	1,725,854	-
Plantation & Gardening	3,600	-
	<b>78,266,002</b>	<b>61,254,773</b>



Amount In Taka	
2016-2015	2017-2018

**38.00 RETROSPECTIVE ADJUSTMENTS**

Death compensation	-	(3,834,734)
Facility Advanced	-	(26,178)
KAFCO Turnaround	-	245,000
Pension Scheme	-	362,220
CD VAT	-	2,076,600
Cheque Collection	-	882
AFCCCL Sales price adjustment (2007-2008)	(4,780,000)	-
	<b>(4,780,000)</b>	<b>(1,176,308)</b>

**39.00 CONTINGENT LIABILITY**

There was no contingent liability of the Company at the reporting date

**40.00 CAPITAL COMMITMENT**

There was no Capital Commitment of the Company at the reporting date

**41.00 EVENTS AFTER THE REPORTING PERIOD**

There was a pending litigation against the company filed by Chittagong Urea Fertilizer Ltd. Workers' and Employees' Union against the re-fixation of selling price by the management of the Company which has since been withdrawn by the Union and these financial statements were not affected by the event. No other material events have occurred from the reporting date of issue of these financial statements which could affect the values and information stated in the financial statements.



42 BUDGET VARIANCE

	Budget	Actual	Variance Favourable/ (unfavourable)
A. Production (M Tons)			
Urea	120,000.00	125,251.60	(5,251.60)
B. Cost of Production (Figures in Lac)			
	Taka	Taka	Taka
	(In Lac)	(In Lac)	(In Lac)
Gross Sales Revenue Urea	16,800.00	14,064.20	2,735.80
Ammonia	-	92.27	(92.27)
<b>Net sales revenue</b>	<b>16,800.00</b>	<b>14,156.48</b>	<b>2,643.52</b>
Less: Cost of sales (42.1)	16,383.34	11,803.82	4,579.52
<b>Gross Profit</b>	<b>416.66</b>	<b>2,352.66</b>	<b>(1,936.00)</b>
Less: Other operating expenses			
Salaries and allowances	2,054.71	2,032.17	52.54
General administrative expenses	1,592.00	854.81	736.09
Audit fees	2.00	1.20	0.80
Head office management expenses	1,506.96	1,506.96	-
Research & Development Expenses	100.00	-	100.00
Selling and distribution expenses	480.62	212.69	267.93
<b>Sub-total</b>	<b>5,767.19</b>	<b>4,607.83</b>	<b>1,159.36</b>
<b>Operating loss</b>	<b>(5,350.53)</b>	<b>(2,255.17)</b>	<b>(3,095.36)</b>
Add: Miscellaneous income	2,685.00	2,073.95	611.05
<b>Total (Loss)/Profit</b>	<b>(2,665.53)</b>	<b>(181.22)</b>	<b>(2,484.31)</b>
Less: Financial expenses	30.00	14.73	15.27
<b>Net (Loss)/Profit before tax</b>	<b>(2,695.53)</b>	<b>(195.95)</b>	<b>(2,499.58)</b>
Less: Provision for income tax	-	97.38	197.38
<b>Net (Loss)/Profit after tax</b>	<b>(2,695.53)</b>	<b>(293.33)</b>	<b>(2,402.20)</b>



42 BUDGET VARIANCE - for Cost of Sales (Figures in lac Taka)

<u>Particulars</u>	<u>Budget</u>	<u>Actual</u>	<u>Variance</u> <u>Favourable</u> <u>(Unfavourable)</u>
<b>Variable Cost:</b>			
Raw Material Consumed	5,543.26	3,078.15	465.11
Chemical Consumed	1,207.07	508.80	698.27
Packing Material	1,378.83	723.57	655.26
<b>Total Material Cost</b>	<b>6,130.16</b>	<b>4,310.52</b>	<b>1,819.64</b>
<b>Direct/contract labour</b>	<b>-</b>	<b>413.76</b>	<b>(413.76)</b>
<b>Factory Overhead (Variable)</b>			
Indirect Material Consumed	-	156.01	(156.01)
Electricity (POB)	300.00	-	300.00
Gas	2,852.51	2,475.63	376.88
Oil and Lubricants	205.50	64.01	141.49
Spares, accessories and stores consumed	500.00	138.65	361.35
Repairs and maintenance and Overhauling	-	42.83	(42.83)
Other Variable Overhead	232.00	562.30	(330.30)
<b>Total Variable Overhead</b>	<b>4,084.61</b>	<b>3,439.62</b>	<b>644.99</b>
<b>Total Variable Cost</b>	<b>10,214.67</b>	<b>8,163.90</b>	<b>2,050.77</b>
<b>Fixed Cost:</b>			
Direct factory salary and wages	2,154.20	2,032.17	122.03
<b>Fixed Factory Overhead:</b>			
Indirect Salary and Wages	2,840.64	2,491.04	349.60
Spares, accessories and stores consumed	400.00	91.44	308.56
Overhauling exp.	400.00	175.85	224.15
Factory Insurance	150.00	115.13	34.87
Factory Depreciation	1,554.15	1,505.42	48.73
Repairs and maintenance	418.00	39.94	378.06
Other factory overhead	364.18	557.47	(193.29)
<b>Total Fixed Factory Overhead</b>	<b>6,526.97</b>	<b>5,037.29</b>	<b>1,489.68</b>
<b>Total Fixed Cost</b>	<b>8,681.17</b>	<b>7,069.46</b>	<b>1,611.71</b>
<b>Total manufacturing cost:</b>	<b>18,895.84</b>	<b>15,233.36</b>	<b>3,662.48</b>
Add: Opening work-in-process	222.83	236.18	(13.35)
<b>Total Goods in process</b>	<b>19,118.67</b>	<b>15,469.54</b>	<b>3,650.13</b>
Less: Closing work-in-process	222.63	257.18	(34.55)
Recovery Expenses	(2,512.50)	-	2,512.50
<b>Cost of Goods Manufactured</b>	<b>16,383.34</b>	<b>15,211.35</b>	<b>1,171.99</b>
Add: Opening stock of finished goods	4.21	4.21	(0.00)
<b>Total Cost of goods available for sale</b>	<b>16,387.55</b>	<b>15,215.57</b>	<b>1,171.98</b>
Less: Closing stock of finished goods	4.21	3,411.75	(3,407.54)
<b>Cost of Sales</b>	<b>16,383.34</b>	<b>11,803.82</b>	<b>4,579.52</b>



### 43 RATIO ANALYSIS

#### LIQUIDITY RATIO

Particulars	Workings	2019	2018	
1. Current	$\frac{\text{Current Assets}}{\text{Current Liabilities}}$	$\frac{8,762,019,535}{2,597,424,291}$	3.37	3.68
2. Acid Test Ratio	$\frac{\text{Quick Assets}}{\text{Current Liabilities}}$	$\frac{4,889,576,534}{2,597,424,291}$	1.92	2.7
3. Working Capital to Total Assets Ratio	$\frac{\text{Working Capital}}{\text{Total Assets}}$	$\frac{6,164,595,242}{9,537,799,360}$	0.65	0.65

#### INVENTORY RATIO

1. Finished Goods Turnover Ratio	$\frac{\text{Cost of Sales}}{\text{Average Finished Goods}}$	$\frac{1,180,381,650}{170,798,067}$	6.91 times	3036 times
2. Inventory Turnover Ratio	$\frac{\text{Cost of Sales}}{\text{Average Inventory}}$	$\frac{1,180,381,650}{3,136,430,934}$	0.38 times	0.53 times
3. Direct Material Turnover Ratio	$\frac{\text{Direct Materials Consumed}}{\text{Average Inventory}}$	$\frac{431,051,902}{5,022,652,434}$	0.09 times	0.18 times
4. Spares Turnover Ratio	$\frac{\text{Spares Consumed}}{\text{Average Inventory}}$	$\frac{13,411,675}{5,022,652,434}$	0.0027 Times	0.005 times
5. Assets Turnover Percentage	$\frac{\text{Sales X 100}}{\text{Total Assets}}$	$\frac{1,415,647,598}{9,537,799,360}$	14.84%	15.96%

#### PROFITABILITY PERCENTAGE

1. Gross Loss	$\frac{\text{Gross Profit X 100}}{\text{Sales}}$	$\frac{235,265,948}{1,415,647,598}$	16.67%	1825.64%
2. Net Profit	$\frac{\text{Net Profit before tax X 100}}{\text{Sales}}$	$\frac{(19,594,952)}{1,415,647,598}$	-1.38%	876.55%
3. Return on Capital Employed	$\frac{\text{Net Profit before tax plus interest expenses X 100}}{\text{Capital employed}}$	$\frac{(18,122,120)}{9,537,799,360}$	-0.19%	-1.42%
4. Return on Equity Employed	$\frac{\text{Net profit before tax X 100}}{\text{Total Equity}}$	$\frac{(19,594,952)}{(187,783,060)}$	10.43%	-87.35%

#### LEVERAGE RATIO

1. Debt to Equity Ratio	$\frac{\text{Long Term Debt}}{\text{Capital Employed}}$	$\frac{2,241,866,720}{9,537,799,360}$	0.24	0.73
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#### COST BREAK DOWN PERCENTAGE

1. Direct Materials to cost of Goods Manufactured	$\frac{\text{Direct Materials Consumed X 100}}{\text{Cost of Goods Manufactured}}$	$\frac{431,051,902}{1,521,135,395}$	28.34%	29.38%
2. Power & Fuel to cost of Goods Manufactured	$\frac{\text{Power & Fuel consumed X 100}}{\text{Cost of Goods Manufactured}}$	$\frac{253,963,620}{1,521,135,395}$	16.70%	12.36%



**CHITTAGONG UREA FERTILIZER LIMITED**  
**SCHEDULE OF FINISHED GOODS AND WORK IN PROCESS**  
As at 30 June 2019

**WORK-IN-PROCESS**

Schedule-1

Item	Opening Stock as on 01.07.2018			Production Quantity	Sales Quantity	Consumption Quantity	Shortage	Closing Stock as on 30.06.2019		
	Quantity	Price	Amount					Quantity	Price	Amount
	M.T.	Tk.	Tk.					M.T.	Tk.	Tk.
Ammonia	2,305	10,292.00	23,517,685	71,022	625	70,681.60	-	1,820	14,131.11	25,718,620

**FINISHED GOODS:**

Particulars	Bulk Urea (MT)	Bagged Urea	
		Factory (MT)	Depot (MT)
Opening Stock as on 01.07.2018	-	-	55,039
Adj. Production during the year	-	125,292	-
Total Urea available for the year	-	125,292	55,039
Less: Bagged Urea during the year	-	110,483	-
	-	14,809	55,04
Less: Sales during the year	-	100,302	-
Closing Stock as at 30.06.2019	-	10,180.80	55,04

**Value of Closing Stock**

Loose Urea	14,094.05	13,354	188,218.145
Bagged Urea	70,895.40	14,000	152,535.600
Bagged Urea (Depot)	55.04	7,652.64	421,154
			<u>341,174,939</u>



**CHITTAGONG UREA FERTILIZER LIMITED**  
**SCHEDULE OF STORE IN TRANSIT**  
**As at 30 June 2019**

**Schedule-2**

SL No.	Order No.	Date	Name Of Materials	Amount In Taka
				June 30, 2019
1	1261	02.12.10	Caustic Soda	5,503,445.00
2	1461	20.11.17	Boiler Re-Tubing	519,658,381.50
3	1482	31.01.19	Helical Gear Box Motor Complete Set	30,343.00
4	1480	01.12.18	Chlorinator and Spare Parts	30,665.00
5	1488	20.04.19	Spare parts for steam Turbine	39,580.00
6	1485	07.04.19	Spare parts for low pressure flooding pump	171,878.00
7	1486	18.04.19	Spare parts for Atlas Copco Compressor	76,403.00
8	1489	24.04.19	Spare parts for Mitozama Parallel Slide Valve	41,025.00
9	1490	27.04.19	Supply of 1200 kgs Vanadium penta-oxide	11,360.00
10	1492	09.05.19	Supply of 3 nos Tilting Check Valve	151,333.00
11	1493	18.05.19	Supply of Conveyor Belt & Splicet Material Lot	251,062.00
12	1494	25.05.19	Supply of 3 items Curved Conveyor Belt	59,191.00
13	1465	06.03.18	Potassium Carbonate	1,709,200.00
14	1469	07.04.18	Anti - Foaming Agent Ucon	1,061,728.75
15	1477	09.08.18	3 items Non- Chromate	6,283,262.25
16	1474	07.06.18	Di-Ethanol Amine (DEA)	1,045,281.00
17	1484	11.02.19	1000 kgs co-aglant aid	227,788.64
18	1464	04.02.18	4 item resin	14,383,087.50
19	1462	24.01.18	Light Weight Insulating Castable	791,413.09
20	1459	26.09.17	Spare parts for Cen. Pump	28,652,753.24
21	1467	24.03.18	Spare parts for Hedcon Gearbox	7,338,943.28
22	1468	27.03.18	Gearbox Complete Assembly	6,664,667.79
23	1471	26.04.18	Spare parts for Air Compressor	14,194,460.00
24	1466	14.03.18	Spare parts for Water Pump	97,430,773.91
25	1470	09.04.18	Instrument Air Compressor	19,991,430.80
26	1420	16.06.15	AVR	21,556,166.42
27	1460	07.11.17	Spare parts for steam Turbine	81,415,898.79
28	1472	28.04.18	Spare parts for Air Compressor	220,118.00
29	1473	28.04.18	Spare parts for Feed Gas Comp	34,272,009.00
30	1475	28.08.17	10KWDC Motor	953,956.00
31	1476	31.07.18	Spare Parts for Cent. Pump	13,972,956.41
32	1478	17.09.18	Boiler Feed Pump	1,773,965.00
33	1479	05.11.18	Diaphraagm valve	6,254.00
34	1481	01.01.19	Insulating Ceramic Fiber	11,979.00
35	1483	06.02.19	45 items Bearing	8,225.00
36	1414	19.03.15	Expert Service Cooling Tower	22,923.00
37	1426	30.07.15	DCS Boiler Main Service	1,611,840.63
<b>Total</b>				<b>881,575,748.00</b>



**CHITTAGONG UREA FERTILIZER LIMITED**  
**SCHEDULE OF ADVANCE TO SUPPLIERS AND PARTIES**  
As at 30 June 2019

Schedule-3

Name of the Parties	Amount In Taka	
	June 30, 2019	June 30, 2018
Limco (Bangladesh) Ltd (Formerly BOC (Bangladesh) Ltd)	1,588,356	1,465,375
Ekarabad Gas Company Limited	170,417	170,417
BISW Limited	2,197	1,126,779
M/S Various Bearing Centre, Chittagong	-	2,023
District Adjusted, Ansar and VDP, Bhola	144,138	18,807
District Adjusted, Ansar and VDP, Barisal	(8,635)	(8,635)
District Adjusted, Ansar and VDP, Gairamoni	(150)	1150
District Adjusted, Ansar and VDP, Jessore	4,499	4,499
District Adjusted, Ansar and VDP, Chittagong	3,199,097	517
District Adjusted, Ansar and VDP, Dinajpur	(2,159)	(2,159)
District Adjusted, Ansar and VDP, Patuakhali	120,280	117,902
District Adjusted, Ansar and VDP, Gopalganj	38,265	73,105
Eastern Cables Limited	80,708	123,378
Fibra Limited	57,758	57,908
Fim Publication	278,000	278,000
Fico Furniture Limited	(14,121)	(14,121)
Gas Wares Limited	1,096,782	18,877
Jumuna Oil Company Limited	1,543,320	2,787,411
Karnaphuli Paper Mills Limited	1,294,081	1,451,881
Karnaphuli Rayon and Chemicals Limited	949,034	949,034
Maher Industries Limited	65,800	65,800
Mr. Rafiqul Islam Chydholy Advocate	17,000	17,000
ISP Complex Limited	6,966,363	4,033,863
Mr. Infaul Rahman Advocate	-	(30,000)
Toma Construction and Company Limited	5,000,000	5,000,000
ENGG Resources Intl Ltd, Dhaka	-	15,404,868
MR. Jaygopal CHY Advocate	20,000	20,000
Jubilee Trade Centre	-	36,580
Trade technology works	-	147,582
Akin Enterprise	77,050	-
Allas Cupco, Dhaka Office	300,000	-
Garner Paints (BD) Ltd	51,766	-
Bangladesh Telecommunication Co. Ltd	47,500	-
KAFCO	740,302	-
Liton Brothers, Chittagong	43,680	-
MA Tractors & Suppliers, CTG	26,000	-
Navana Furniture Ltd	40,390	-
S. N. Engineering Works	106,224	-
Sena Kallayan Sangstha B U D C	294,000	-
<b>Total</b>	<b>24,383,628</b>	<b>33,316,319</b>





**CHITTAGONG UREA FERTILIZER LIMITED**  
**SCHEDULE OF FIXED DEPOSITS**  
 As at 30 June 2019

Schedule-4

S/L	Bank name	FDR No.	Amount in Taka	
			June 30, 2018	June 30, 2019
1 00	<b>Bangladesh Krishi Bank</b>			
	Chittagong Corporate Branch	FDR 57329974988	20,000,000	20,000,000
		FDR 57442473012	20,000,000	20,000,000
		FDR 57452375136	50,000,000	50,000,000
		FDR 13777175435	-	150,000,000
		FDR 13779075454	-	50,000,000
		FDR 13779175455	180,000,000	180,000,000
		FDR 13779475458	80,000,000	80,000,000
		FDR 13779575459	30,000,000	30,000,000
		FDR 13959575518	20,000,000	-
		FDR 13959975522	20,000,000	-
		FDR 07929775284	50,000,000	50,000,000
		FDR 5728737701	10,000,000	10,000,000
		FDR 5728897802	10,000,000	10,000,000
	Chalpatry Branch	FDR 5729027815	10,000,000	13,000,000
		FDR 3095247856	20,000,000	23,000,000
		FDR 3095467860	30,000,000	33,000,000
		FDR 5729047816	10,000,000	13,000,000
		FDR 0065387909	30,000,000	33,000,000
		FDR 1365657920	-	-
		FDR 1385777948	-	30,000,000
		FDR 0085377908	10,000,000	10,000,000
		FDR 5351767977	10,000,000	13,000,000
		FDR 5979877927	10,000,000	10,000,000
		FDR 5979937943	10,000,000	10,000,000
		FDR 5979527982	20,000,000	20,000,000
		FDR 0086987950	-	-
		FDR 0086997957	-	-
		FDR 14015571005	10,000,000	-
	Khalungonj Branch	FDR 0886987954	-	70,000,000
		FDR 5379907920	-	30,000,000
		FDR 5979347944	10,000,000	10,000,000
		FDR 57318079511	10,000,000	10,000,000
		FDR 09872071018	50,000,000	50,000,000
		FDR 08872771019	50,000,000	50,000,000
	Tea Brand Branch	FDR 57298771629	30,000,000	30,000,000
		FDR 04750275102	80,000,000	80,000,000
		FDR 04550575105	100,000,000	100,000,000
	Agrabad Corporate Branch	FDR 04713074838	50,000,000	50,000,000
		FDR 04718674874	-	50,000,000
		FDR 04756475152	100,000,000	110,000,000
		FDR 04758575185	100,000,000	130,000,000
		FDR 4765875256	20,000,000	-
	Ghosahar Branch	FDR 00988971487	30,000,000	30,000,000
		FDR 13991271753	-	50,000,000
		FDR 13991471755	20,000,000	20,000,000
		FDR 13999171331	120,000,000	-
		FDR 14358971875	40,000,000	-
	Chalun Branch	FDR 2750057385	20,000,000	-
	Pachulla Dighir Par Branch	FDR 23914671827	10,000,000	-
	Paliya Branch	FDR 106347	-	-
		FDR 18326373298	10,000,000	-
	Amwara Branch	FDR 1055027115	-	-
	College Bazar Branch	FDR 1835847919	10,000,000	-
		FDR 1835767931	10,000,000	-
		FDR 1835307088	20,000,000	20,000,000



2.00	<b>Janata Bank Ltd.</b>			
	Lakshya East Corporate Branch	FDR 616443/55000242	40,000,000	40,000,000
		FDR 0456141/12484	-	100,000,000
		FDR 0456140/12476	-	200,300,000
		FDR 237199/1091	30,000,000	30,000,000
		FDR 391003/1095 4	10,000,000	10,000,000
	CUFL Branch	FDR 0423973/1239	30,000,000	30,000,000
		FDR 3423974/1240	20,000,000	20,000,000
	Foreign exchange branch	FDR 342189/12054	20,000,000	-
		FDR 0498219/1285	60,000,000	60,000,000
		FDR 0498254/1350-4	-	50,000,000
		FDR 0458288/1334	40,000,000	40,000,000
		FDR 0456300/1366	60,000,000	60,000,000
		FDR 040943/9121	20,000,000	20,000,000
		FDR 00425335/1500-4	-	80,000,000
		FDR 073043033215	-	130,000,000
	Strand Road Branch	FDR 0498005/9644	-	40,000,000
		FDR 0498005/9633	30,000,000	30,000,000
		FDR 3009/1/8916	10,000,000	10,000,000
	City Corporate Branch	FDR 263852/3879	-	10,000,000
	Charakbazar Branch	FDR 3411/05/2575	-	10,000,000
3.00	<b>BASIC Bank Ltd.</b>			
	Dewanganj Branch	FDR 06864/1897	20,000,000	20,000,000
	Asadganj Branch	FDR 018723/1395	20,000,000	20,000,000
		FDR 100845/1616	20,000,000	-
	Agrabad Branch	FDR 094328/7531	40,000,000	40,000,000
		FDR 094320/7526	40,000,000	40,000,000
		FDR 033187/908	20,000,000	20,000,000
		FDR 123779/655	20,000,000	-
	CEPZ Branch	FDR 033651/2518	20,000,000	20,000,000
	Jahilje Road Branch	FDR 010215/4814	20,000,000	20,000,000
	Khatunganj Branch	FDR 002934/221	20,000,000	20,000,000
		FDR 002935/2226	20,000,000	20,000,000
	Shilo, Shahar Branch	FDR 002441/3254	50,000,000	50,000,000
		FDR 065042/2418	20,000,000	20,000,000
	Fanatali Branch	FDR 082846/4518	20,000,000	20,000,000
		FDR 088800/8237	10,000,000	-
		FDR 091867/4518	20,000,000	20,000,000
4.00	<b>Sonal Bank Ltd.</b>			
	CUFL Branch	FDR 0456322	20,000,000	20,000,000
	Agrabad Cor. Branch	FDR 786170	-	100,000,000
		FDR 786171	-	100,000,000
		FDR 786172	-	20,000,000
5.00	<b>Agrani Bank Ltd.</b>			
		FDR 0050631/1487	40,000,000	40,000,000
	Strand Road Branch	FDR 17652/1785	100,000,000	-
		FDR 0572416/3650	-	150,000,000
	Amenal Khari Sarkar Branch	FDR 0573873/21/15	-	100,000,000
6.00	<b>Eastern Bank Ltd.</b>			
	FDR scheme addition in current year		250,000	100,000
	<b>Total</b>		<b>2,450,250,000</b>	<b>3,500,100,000</b>



**CHITTAGONG UREA FERTILIZER LIMITED**  
**SCHEDULE OF LIABILITIES FOR GOODS SUPPLIED (LOCAL)**  
As at 30 June 2019

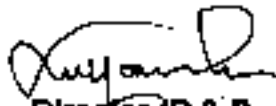
Name of the Parties	Schedule-6	
	Amount in Taka	
	June 30, 2019	June 30, 2018
BISF Limited	-	1 123 780
Eastern Cables Ltd.	1,264	(57,688)
Karnaphuli Paper Mills Ltd	30,665	198,485
Mrs Trade Linkers	253,000	253 000
BOC Bangladesh Ltd	(756,505)	(483,233)
Jamuna Oil Company Ltd	14,151	1 478,629
FIXCO Furniture Ltd	(46,220)	(46,220)
Mrs TSP Complex Ltd.	8 500,598	1 470,917
Mrs Prvaz Enterprise	6,751	6,751
Mrs Flora Limited	74,448	74 448
Mrs Business Machines	-	(121 658)
Mrs City Traders	14,223	14 223
Mrs J E Enterprise	-	50 000
Mrs Tech Valley Computer	22,863	22 863
Mrs A Akso Offset	16,875	16 875
Mrs An Scientific Stores	19,882	19,882
Mrs Gazi Wines Ltd	1,103,037	25,731
The General Electric Company BD Ltd	12,000	12 000
Mrs Hossain Brothers	11,800	11 850
Mrs A.A Enterprise	-	413 750
Mrs Masud & Brothers	8,064	8 054
Mrs Global Heavy Industries	63,000	63,000
Mrs Idrish & Brothers	8,525	8 525
Mrs Key-on Machinery Stores	5,194	5,194
Mrs Tech Village (Pvt) Ltd.	4,400	4 400
Mrs S M Awlia Enterprise	2,500	2,500
Mrs Bangladesh Carpet House	2,123	2,123
Mrs S Alam Engineer Works	2 060	2,060
Mrs Smla Enterprise	1,825	1,825
Mrs Brothers Engineers	3,095	3,195
Mrs A Arafat Papers	1,150	1 150
Mrs A Amin Motors	400	400
Mrs Amin & Brothers	19,593	19 593
Mrs Osmania Glass Sheet Factory Ltd.	-	318
Mrs Beban Enterprise	100	100
Mrs Zonee Enterprise	-	81



M/s Lucky Traders	83,838	125,035
M/s Nabi Electric Stores	58,633	58,533
M/s Rifat Enterprise	1389,638	(404,388)
M/s Sorali Motors	400	400
M/s Padma Stationery, Clg	112,505	112,505
M/s Power Sign Elect	6,550	6,550
Abdullah Scientific Store	3,528	3,528
Bangladesh Suppliers	4,500	4,500
Dhandari Machinery	-	98,240
Della Electric & Eng Works	47,040	47,040
Nippon Scientific Store	22,630	11,830
S S R Corporation	-	251
Bangladesh Chemical Complex	12,079	12,079
Eastern Tubes Ltd	-	(3,800)
Mohsen Awlia Drug House, Clg.	-	28,155
Eastern Type Writer	9,500	9,500
Jaina International	-	1,572
Masud Incorporation	46,636	48,636
Sagar Overseas International	393,500	393,500
Galaxy Enterprise	3,000	27,925
Sonia Enterprise	5,427,870	5,427,870
New Chanok	-	2
New Mital Printers	-	185,102
Mahboob Brothers	517,491	184,500
Bismillah Enterprise	1,640	1,640
M/S H K Enterprise	-	108,000
M/S Saikat Enterprise	5,950	5,950
Business solution BD	2,043	-
Graphic Machinery	260,000	-
Joy Enterprise, CTG	23,838	-
MAA Traders & Supters	25,000	-
Rangs Electronics	688,000	-
S R B Enterprise CTG	139,300	-
T. T. Enterprise	33,250	-
<b>Total</b>	<b>16,033,218</b>	<b>11,077,597</b>

  
**Md. Farukul Islam**  
 Addl. Chief Accountant  
 Chittagong Urea Fertilizer Ltd.  
 Rangadia, Chittagong.

  
**Engr. Sudip Mazumder, PEng.**  
 Managing Director  
 Chittagong Urea Fertilizer Ltd.  
 Rangadia, Chattogram-4000.

  
**Director (P & F)**  
 BGC  
 Dhaka

