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CONFIDENTIAL

AUDIT REPORT & ACCOUNTS

In the matter of

M.I. CEMENT FACTORY LIMITED
WEST MUKTERPUR, MUNSHIGONJ

For the year ended 30th June, 2008.

A.K. AZAD & CO.
Chartered Accountants

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(10th Floor), Suite No. 1106
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**AUDITORS' REPORT
TO THE SHAREHOLDERS OF M.I. CEMENT FACTORY LIMITED**

We have audited the accompanying balance sheet of M.I. Cement Factory Limited as of 30 June 2008 and the related income statement and cash flow statement for the year then ended.

Respective responsibilities of management and auditors

The company's management is responsible for preparing these financial statements, which give a true and fair view, in accordance with Generally Accepted Accounting Standards Principles (GAAP) and the Bangladesh Accounting Standards. Our responsibility is to express an independent opinion on these financial statements on our audit.

Basis of Opinion

We conducted our audit in accordance with Bangladesh Standards on Auditing (BSA). Those standards require that we plan and perform the audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence relevant to the amounts and disclosures in the financial statements. An audit also includes an assessing the accounting principles used and significant estimates made by the managements, as well as evaluating the overall financial statements presentation. We believe that our audit provides a reasonable basis for our opinion.

Opinion

In our opinion, the financial statements, prepared in accordance with Bangladesh Accounting Standards (BAS) and Bangladesh Financial Reporting Standards (BFRS), give a true and fair view of the state of the company's affairs as at 30 June 2008 and of the results of its operations and its cash flows for the year then ended and comply with the companies Act 1994, the securities & exchange Rules 1987 and other applicable laws and regulations.

Matter to our opinion in the above paragraph, we state that:

1. 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 there of;
2. in our opinion proper books of account as required by law have been kept by the company so far appears from our examination of such books;
3. the company's balance sheet and profit and loss account dealt with by the report are in agreement with the books of accounts; and
4. the expenditure incurred were for the purposes of the company's business.

Dhaka


A.K. AZAD & CO.
Chartered Accountants

A.K. AZAD & CO.

Chartered Accountants


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M.I. CEMENT FACTORY LIMITED

BALANCE SHEET AS AT 30 JUNE 2008


ASSETS	Notes	2007-2008	2006-2007
Non current assets		804,629,227	485,719,975
Property, plant & equipment	4	780,285,997	484,033,243
Capital work-in-progress	5	24,343,230	1,686,732
Investment in associate company	6	58,199,165	-
Current Assets		744,562,813	259,441,694
Inventories	7	196,214,956	42,388,466
Trade debtors	8	918,775,918	46,175,854
Other debtors	9	9,132,662	-
Advance, prepayments and deposits	10	56,433,122	110,952,401
Advance income tax & advance VAT	11	140,096,388	55,352,482
Cash and cash equivalents	12	23,909,767	4,572,491
Total Assets		1,607,391,205	745,161,669
EQUITY			
Shareholder's Equity		552,588,064	372,817,181
Share capital	13	200,000,000	200,000,000
Deposit against share	14	34,456,000	-
General reserve		28,338,312	-
Retained earnings		239,793,752	144,478,869
Reserved for tax-holiday		-	28,338,312
LIABILITIES			
Non-current liabilities		193,188,646	72,726,138
Long term loan	15	183,526,752	72,726,138
Deferred tax liability		9,661,894	-
Current Liabilities		861,614,494	299,618,350
Trade payables	16	82,640,214	-
Others payables	17	14,982,785	6,518,663
Current portion of long term loan	18	85,788,400	-
Short term loan	19	634,558,083	293,099,687
Provisions for tax liability		43,645,013	-
Total Equity & Liabilities		1,607,391,205	745,161,669

The annexed notes forms an integral part of these financial statements


Managing Director

As per our report of same date

Dhaka


Director

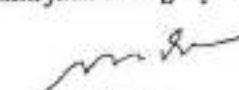
A.K. Azad & Co.
Chartered Accountants

M.I. CEMENT FACTORY LIMITED

**INCOME STATEMENT
FOR THE YEAR ENDED 30 JUNE 2008**


	Notes	Amount in Taka	
		2007-2008	2006-2007
Sales (net off VAT)	20	1,927,191,900	1,433,979,896
Cost of sale	21	(1,717,283,067)	(1,257,600,369)
Gross profit		209,908,833	176,379,527
Other operating income	22	30,891,306	-
		240,800,139	176,379,527
Administrative expenses	23	(14,674,793)	(55,232,384)
Distribution & selling expenses	24	(24,851,835)	(14,067,845)
Operating profit		201,273,511	107,079,298
Other non-operating income	25	430,599	-
Financial expenses	26	(53,082,320)	(52,087,356)
Profit before income tax		148,621,790	54,991,942
<u>Provision for income tax</u>			
Provision for current year		(43,045,013)	-
Provision for deferred tax		(9,861,894)	-
Net profit after tax		95,314,883	54,991,942

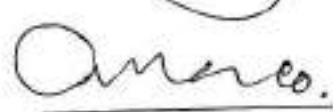
The annexed notes forms an integral part of these financial statements.


Managing Director

As per our report of same date.

Dhaka


Director


A.K. Azad & Co.
Chartered Accountants

CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 JUNE 2008

	2007-2008 Taka	2006-2007 Taka
Net profit before tax	✓148,621,790	54,991,942
<u>Unadjusted non cash items</u>	✓38,925,904	43,045,059
Depreciation	187,547,694	98,037,001
A. CASH FLOWS FROM OPERATING ACTIVITIES		
<u>(Increase) \ Decrease in Current assets</u>		
Inventories	✓(153,826,490)	34,384,500
Trade Debtors	✓(272,600,063)	(2,317,786)
Other Debtors	✓(9,132,662)	-
Advance, prepayments and deposits	✓54,501,398	(28,982,625)
Advance Income Tax & Advance VAT	✓(84,743,906)	-
	(465,801,723)	3,084,089
<u>Increase \ (Decrease) in Current Liabilities</u>		
Trade payables	✓82,640,214	2,101,617
Others Payables	✓8,464,122	-
	91,104,336	2,101,617
	(187,149,693)	103,222,707
Net cash flow from Operating Activities		
B. CASH FLOW FROM INVESTING ACTIVITIES		
Acquisition of fixed assets	(335,160,778)	(191,035,658)
Capital work-in-progress	✓(22,656,498)	-
Investment in Associates Company	(58,199,165)	-
Net cash used in Investing Activities	(416,016,440)	(191,035,658)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Deposit Against Share	✓84,456,000	-
Short Term Loan	✓341,458,396	55,472,388
Long Term Loan taken	✓196,589,014	33,024,449
Net cash flow financing Activities	622,503,409	88,496,837
NET INCREASE \ (DECREASED) IN CASH AND CASH EQUIVALENTS	19,337,276	683,886
Cash and cash equivalents at beginning of the year	✓4,572,491	3,888,605
Cash and cash equivalents at end of the year	23,909,767	4,572,491

M.I. CEMENT FACTORY LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2008**

Particulars	Share Capital	Retained Earnings	Deposit against Shares	General Reserve	Taxholiday Reserve	Total Equity
	Tk.	Tk.				Tk.
Balance as on June 30, 2008	200,000,000	144,478,869	-	-	28,338,312	372,817,181
Profit for the year to 30.06.2008		95,314,883				95,314,883
Deposit Against Share			84,456,000			84,456,000
Transferred to General Reserve					(28,338,312)	(28,338,312)
General Reserve this year				28,338,312		28,338,312
Total as on 30.06.2008	200,000,000	239,793,752	84,456,000	28,338,312	-	552,588,064


A. K. AZAD & CO
Chartered Accountants

M.I. CEMENT FACTORY LIMITED

**Notes to the Financial Statements
For the year ended 30 June 2008**

1 Corporate history of reporting entity

The foundation stone of the M.I. Cement factory Ltd. was laid down on December 11, 1998. The plant, equipped with the world famous O'Sepa Separator, initially went into operation with the daily production capacity of 600 metric tons in 2000 and marketed its product with the brand name "Crown Cement". From the very beginning, it has maintained an uncompromising policy of producing high quality cement. As a result, it has gained huge popularity in the market. Due to increase of demand, the company has set up its second unit with the production capacity of 800 metric tons per day within two years time (September 2002).

Gradually with the increase of demand management undertook further expansion program for 3rd unit of the plant there by raising the total production capacity to 2800 metric tons per day.

The registered office of the company is situated at West Mukterpur, Munshigonj and the operational head quarter is at Sena Kallyan Bhaban, (19th floor), 195, Motijheel C/A, Dhaka-1000.

2 Nature of activities

The principal activities of the company through-out the year continued to be manufacturing and marketing of Ordinary Portland Cement and Portland Composite Cement.

3 Summary of significant accounting and valuation policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless other wise stated. The specific Accounting Policies selected and applied by the company's management for significant transactions and events that have a material effect within the framework of BAS-1 "Presentation of Financial Statements" in preparation and presentation of financial statements. Compared to the previous year, there were no significant changes in the accounting and valuation principles affecting the financial position and performance of the company. Accounting and valuation methods are disclosed for reasons of clarity.



3.1 Basis of preparation of the financial statements

(a) Accounting standards

The financial statements of the company have been prepared in accordance with Bangladesh Accounting Standards (BAS) and Bangladesh Financial Reporting Standards (BFRS).

(b) Accounting convention

The financial statements are prepared under the historical cost convention. The company classified the expenses using the function of expenses method as per BAS-1

(c) Legal compliance

The financial statements have been prepared and the disclosures of information made in accordance with the requirements of the Companies Act 1994, the Securities & Exchange Rules 1987, BASs and BFRSs. On the basis of these regulations, Bangladesh Accounting Standards (BAS) & Bangladesh Financial Reporting Standards (BFRS) were applied with the applicable standards at the balance sheet date.

(d) Critical accounting estimates, assumptions and judgments

The preparation of the financial statements in conformity with BFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the company's accounting policies.

(e) Application of standards

The following BASs are applicable for the financial statements of the company for the year under audit.

- BAS 1 Presentation of Financial Statements
- BAS 2 Inventories
- BAS 7 Cash Flow Statements
- BAS 8 Accounting policies, Changes in Accounting Estimates and Errors
- BAS 10 Events after the Balance sheet Date
- BAS 16 Property, Plant and Equipment
- BAS 18 Revenue
- BAS 19 Employee Benefits
- BAS 21 The effects of Changes in Foreign Exchange Rates
- BAS 23 Borrowing Costs
- BAS 24 Related Party Disclosures



- BAS 33 Earning Per Share
BAS 37 Provisions, contingent Liabilities and Assets
BAS 38 Intangible Assets.

3.2 Foreign currency translation

Foreign currency transactions are recorded at the applicable rates of exchange ruling at the transaction date in accordance with BAS 21 'The Effects of Changes in Foreign Exchange Rates'. Foreign currency transactions are translated at the exchange rate ruling on the date of transaction. Foreign currency monetary assets and liabilities at the balance sheet date are translated at the rates prevailing on that date. Exchange differences at the balance sheet date and charged / credited to the profit and loss account, to the extent that this treatment does not contradict with the Schedule IX of Companies Act 1994

3.3 Property, plant and equipment

Tangible fixed assets are accounted for according to BAS 16 (Property, Plant and Equipment) at historical cost or revaluation (made 2009) less cumulative depreciation and the Capital work-in-progress is started at cost. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent cost are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

Land is not depreciated. Depreciation on other assets is calculated using the straight-line method to allocate their cost or revalued amounts over their estimated useful lives. In respect of addition of fixed assets, depreciation is charged from the month of addition. No depreciation is charged in the month of disposal. Rates of depreciation are as under:

Category of assets	Rate depreciation (%)
Buildings	5%
Plant and machinery	10%
Furniture and equipment	10% to 20%
Transport and vehicles	10% - 15%
Other assets	10% -20%



3.4 Inventories

Inventories are valued in accordance with BAS 2 (Inventories) at the lower of cost and net realizable value. The cost of finished goods comprises raw materials, direct labour, other direct and related production overheads (based on normal capacity) and production related depreciation. It excludes borrowing costs. Net realizable value is based on estimated selling price in the ordinary course of business less any further costs expected to be incurred to make the sale.

3.5 Trade and other receivables

Trade accounts receivable are carried at original invoice amount less an estimate made for doubtful debts based on a review of all outstanding amounts at the year end.

3.6 Cash and cash equivalents

It includes cash in hand, bank deposit and other short term highly liquid investments with original maturities of three months were held and available for use by the company without any restriction, and there was insignificant risk of changes in value of these current assets.

3.7 Borrowings

Borrowings are classified into both current and non-current liabilities. Moreover, in compliance with the requirements of BAS 23 (Borrowing Costs), interest and other costs incurred by the company in connection with the borrowing of funds are recognized as an expense in the period in which they are incurred.



3.8 Employee benefits

(a) Provident fund

The company operates a contributory provident fund for its permanent employees, provision for which is being made monthly as per the rules. The fund is under processed of getting recognition from the National Board of Revenue (NBR). The fund is administered by a Board of trustees and funded by contribution partly from the employee and partly from the company at predetermined rates. A separate accounts are maintained for this fund.

(b) Group insurance benefit

The permanent employees of the company are covered under a Group Insurance Scheme premium for which is being charged to income statement.

3.9 Liabilities

Liabilities are classified into current and non-current.

(a) Trade and other payables

Liabilities are recorded at the amount payable for settlement in respect of goods and services received by the company.

(b) Provisions

Provisions are liabilities of uncertain timings or amount. Provisions are recognized when the company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be repaid to settle the obligation and a reliable estimate of the amount of the obligation can be made.

Provisions for employee benefits and similar other liabilities are determined in accordance with BAS 19 and BAS 26. All remaining provisions re recognized by making the best estimate of the amounts in accordance with BAS 37 (provisions, contingent liabilities and contingent assets)

3.10 Contingent liabilities and assets

Contingent liabilities and assets are current or possible obligations or assets, arising from past events and whose existence is due to the occurrence or non-occurrence of one or more uncertain future events which are not within the control of the company. In accordance with BAS 37, they are disclosed in the notes to the financial statements.



3.11 Revenue recognition

- a. The company recognized sales when products are invoiced and dispatched to the buyers.
- b. Interest income on bank deposits and short-term investments is recognized on accrual basis.
- c. Other income is recognized on accrual basis.

3.12 Advertising and promotional expenses:

All costs associated with advertising and promotional activities are charged out in the year incurred.

3.13 Repair, upkeep and maintenance charges

These are usually charged out as revenue charges.

3.14 Basis of allocation of depreciation in different overheads is as follows:

Depreciation is allocated on the basis of utilization of assets by the function of the Company.

3.15 Income tax

(a) Provision for current year

Provision is made at the ruling rate of tax applied on estimated "taxable profit".

(b) Provision for deferred tax

Deferred tax is recognized using the balance sheet method. Deferred tax arises due to temporary difference deductible or taxable for the events or transaction recognized in the income statement. A temporary difference is the difference between the tax base of an asset or liability and its carrying amount/reported amount in the balance sheet. Deferred tax assets or liability is the amount of income tax recoverable or payable in future period(s) recognized in the current period. The deferred tax liability/expense does not create a legal liability/recoverability to and from the income tax authority.

3.16 Cash flow statement

Statement of Cash Flows is prepared principally in accordance with BAS 7 (cash flow statement) and the cash flow operating activities have been presented under indirect method.



4 Property, plant and Equipment Tk. 785,285,997

PARTICULARS	G			O			S	T			RATE	AS ON 01.07.2007		DEPRECIATION DURING THE YEAR		TOTAL 30.06.2008	WRITTEN DOWN VALUE AS ON 30.06.2008
	AS ON 01.07.2007	ADDITION DURING THE YEAR	DISPOSAL ADJUSTMENT	TOTAL COST 30.06.2008	CHARGED	ADJUST											
Land & Land Development	52,360,124	96,836,960	-	149,217,084	-	-	-	-	-	-	-	-	-	-	-	149,217,084	-
Factory & Laboratory	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Building, Godown, Store & Sheds, Internal Road	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Unit-I & II	143,753,792	200,360	-	143,954,152	5%	4,132,130	61,311,552	55	65,443,682	78,510,469	-	-	-	-	-	78,510,469	-
Unit-III	-	53,910,551	-	53,910,551	0%	-	-	0%	-	53,910,551	-	-	-	-	-	53,910,551	-
Plant & Machinery (Unit-I & II)	227,233,243	2,024,457	-	229,257,700	10%	10,460,026	124,857,443	10%	135,117,469	94,140,251	-	-	-	-	-	94,140,251	-
Capital Machinery - Unit-III	152,160,655	85,919,967	-	238,080,622	0%	-	-	0%	-	238,080,622	-	-	-	-	-	238,080,622	-
Fly Ash Utilizing System	-	38,887,220	-	38,887,220	15%	5,833,083	-	15%	5,833,083	33,054,137	-	-	-	-	-	33,054,137	-
Electric Tools	19,729	-	-	19,729	15%	2,959,355	-	15%	2,959,355	6,862	-	-	-	-	-	6,862	-
Generator	3,860,400	-	-	3,860,400	20%	772,080	-	20%	772,080	1,490,949	-	-	-	-	-	1,490,949	-
Electric Equipment	578,439	940,959	-	1,519,398	15%	227,909	-	15%	227,909	1,007,304	-	-	-	-	-	1,007,304	-
Water Pump	400,050	31,000	-	431,050	20%	86,210	-	20%	86,210	291,546	-	-	-	-	-	291,546	-
Setty & Jerry Construction	33,356,481	444,362	-	33,800,843	10%	3,380,084	-	10%	3,380,084	17,148,451	-	-	-	-	-	17,148,451	-
Electric Fan	40,310	27,350	-	67,660	10%	6,766	-	10%	6,766	60,894	-	-	-	-	-	60,894	-
Grabe Crane	3,054,124	-	-	3,054,124	15%	458,118	-	15%	458,118	979,001	-	-	-	-	-	979,001	-
Sundry Assets	1,402,172	-	-	1,402,172	15%	210,326	-	15%	210,326	767,371	-	-	-	-	-	767,371	-
Electronic Weigh Bridge	-	1,791,071	-	1,791,071	15%	268,661	-	15%	268,661	1,522,410	-	-	-	-	-	1,522,410	-
Quality Control Equipment	-	461,438	-	461,438	15%	69,216	-	15%	69,216	362,222	-	-	-	-	-	362,222	-
Pay Loader	9,235,440	-	-	9,235,440	15%	1,385,316	-	15%	1,385,316	5,579,638	-	-	-	-	-	5,579,638	-
Wheel Loader	-	6,481,648	-	6,481,648	15%	972,247	-	15%	972,247	5,563,401	-	-	-	-	-	5,563,401	-
Weigh Feeder	2,906,574	-	-	2,906,574	15%	435,986	-	15%	435,986	806,574	-	-	-	-	-	806,574	-
Cement Silo	25,035,550	-	-	25,035,550	10%	2,503,555	-	10%	2,503,555	16,425,823	-	-	-	-	-	16,425,823	-
Pump House	105,650	-	-	105,650	15%	15,848	-	15%	15,848	90,331	-	-	-	-	-	90,331	-
Laboratory Instrument	1,812,065	-	-	1,812,065	15%	271,810	-	15%	271,810	1,122,947	-	-	-	-	-	1,122,947	-
Boundary Wall	9,101,735	16,300	-	9,118,035	15%	1,367,705	-	15%	1,367,705	6,324,643	-	-	-	-	-	6,324,643	-
Sub Total	676,227,523	287,975,304	-	964,202,827	5%	28,258,436	218,364,381	5%	246,622,697	717,580,129	-	-	-	-	-	717,580,129	-
Air Conditioner	181,000	292,000	-	473,000	15%	70,950	-	15%	70,950	411,152	-	-	-	-	-	411,152	-
Office Decoration	1,165,765	689,961	-	1,855,726	10%	185,573	-	10%	185,573	1,288,102	-	-	-	-	-	1,288,102	-
Office Equipment	3,238,379	306,910	-	3,545,289	15%	531,793	-	15%	531,793	2,009,071	-	-	-	-	-	2,009,071	-
Motor Vehicles	11,112,568	102,000	-	11,214,568	15%	1,682,185	-	15%	1,682,185	4,981,106	-	-	-	-	-	4,981,106	-
Computer & Accessories	1,369,100	945,710	-	2,314,810	20%	462,962	-	20%	462,962	1,365,760	-	-	-	-	-	1,365,760	-
Furniture & Fixture	2,592,350	335,229	-	2,927,579	20%	585,516	-	20%	585,516	1,911,882	-	-	-	-	-	1,911,882	-
Construction of Mosque	340,532	-	-	340,532	15%	51,080	-	15%	51,080	264,636	-	-	-	-	-	264,636	-
Sub Total	19,949,692	2,771,810	-	22,721,502	15%	3,408,225	-	15%	3,408,225	12,261,711	-	-	-	-	-	12,261,711	-
Cargo Vessel	7,016,256	-	-	7,016,256	15%	1,052,438	-	15%	1,052,438	2,931,601	-	-	-	-	-	2,931,601	-
Covered van	15,647,464	30,777,413	-	46,424,877	15%	6,963,731	-	15%	6,963,731	33,907,177	-	-	-	-	-	33,907,177	-
Motor Cycles	480,800	632,070	-	1,112,870	15%	166,931	-	15%	166,931	808,169	-	-	-	-	-	808,169	-
Bulk Carrier	2,411,000	11,209,677	-	13,620,677	15%	2,043,101	-	15%	2,043,101	11,256,612	-	-	-	-	-	11,256,612	-
Ramp Construction	-	49,504	-	49,504	15%	7,426	-	15%	7,426	42,078	-	-	-	-	-	42,078	-
Service Silo	-	1,665,000	-	1,665,000	15%	249,750	-	15%	249,750	1,498,500	-	-	-	-	-	1,498,500	-
Sub Total	25,516,120	44,413,864	-	69,929,984	15%	10,489,491	-	15%	10,489,491	19,525,627	-	-	-	-	-	19,525,627	-
Total	721,733,335	335,160,778	-	1,056,894,113	5%	39,636,142.00	237,682,211	5%	276,608,115	780,285,997	-	-	-	-	-	780,285,997	-
2006-2007	530,697,677	191,035,658	-	721,733,335	5%	39,636,142.00	198,063,650	5%	237,703,092	484,033,243	-	-	-	-	-	484,033,243	-

NOTES TO THE FINANCIAL STATEMENTS

As at and for the year ended 30 June 2008

	As on 30.06.2008 Taka	As on 30.06.2007 Taka
✓ 5.0 Capital Work in Progress: Tk. 24,343,230		
Machinery in Transit	24,277,748	1,686,732
Machinery	35,000	-
Equipment	30,482	-
Weigh Feeder	24,343,230	1,686,732
✓ 6.0 Investment in Associates: Tk. 58,199,165		
Crown Power Generation Ltd	2,000,000	-
Deposit against shares	55,339,004	-
Crown Power Generation Ltd.	860,161	-
Crown Polymer Bagging Ltd.	56,199,165	-
	58,199,165	-
✓ 7.0 Inventories: Tk. 194,112,047		
I. Closing Stock		
Clinker	77,728,570	2,053,492
Gypsum	14,900,134	1,897,876
Slag	18,664,393	9,222,177
Fly-Ash	424,084	339,537
Lime Stone	1,601,453	1,075,594
Cement Bag	6,647,057	5,713,773
Spare Parts	3,752,320	98,558
Busting Bag	2,750	85,478
Finished Goods (cement)	123,720,760	20,486,485
II. Stock in Transit		
Clinker	67,757,650	20,239,468.00
Gypsum	-	152,011.00
Fly-Ash	2,376,976	1,414,422.00
Spare parts	-	96,080.00
Slag	2,359,570	-
	72,494,196	21,901,981
	196,214,956	42,388,466
✓ 8.0 Trade Receivables: Tk. 318,775,918		
Distributors	166,189,770	46,175,854
Dealers	55,687,353	-
Corporate	96,443,441	-
Transport bill	455,354	-
	318,775,918	46,175,854
✓ 9.0 Other Receivables: Tk. 9,132,662		
ICM	5,907,720	-
Crown corporation	31,605	-
AK Trade International	10,000	-
GPH Ispat Ltd.	10,600	-
SM Rahmat Ullah	50,000	-
Other receivables	3,122,737	-
	9,132,662	-



K. AZAD & CO.

Chartered Accountants

CONTINUATION SHEET

10.0 Advance, Deposits & Pre-payments: Tk. 56,433,122

Advance to Party/Contractors
 Advance Against Works
 Advance Against Salary
 Advance Against Godown Rent
 Advance to Others
 Security Deposits
 Bank Guarantee
 LC Margin Deposit

31,354,708	107,853,315
10,798,921	-
25,350	-
2,000	-
446,497	-
7,364,118	2,569,145
673,268	497,583
5,768,262	32,358
<u>56,433,122</u>	<u>110,952,401</u>

11.0 Advance Income Tax & VAT Current Account: Tk. 140,096,388

VAT Current Account
 Advance Income Tax

42,907,908	8,171,459
97,488,480	47,181,013
<u>140,096,388</u>	<u>55,352,472</u>

12.0 Cash & Cash Equivalents: Tk. 23,909,767

Cash in hand- Head Office
 Cash in hand- Factory

One Bank
 Mutual Trust Bank
 State Bank of India
 UCBL
 Pubali Bank
 DBBL
 Janata Bank
 Standard Bank
 National Bank
 Mercantile Bank
 AB Bank
 South East Bank
 Jamuna Bank
 The City Bank
 Dhaka Bank
 Prime Bank

1,457,774	1,674,150
462,426	-
<u>1,920,195</u>	<u>1,674,150</u>
188,872	495,346
242,603	1,817,555
869,542	15,490
74,280	160,124
588,931	-
783,712	6,540
103,283	301,007
1,880	1,880
626,433	7,471
24,144	12,214
154,125	23,367
14,657	17,177
16,077	17,057
6,065	7,315
112,676	-
201,834	15,798
<u>4,090,320</u>	<u>2,898,341</u>
17,899,253	-
<u>23,909,767</u>	<u>4,572,491</u>

Fixed deposit -One Bank limited

13.0 Share Capital: Tk. 200,000,000

As per the disclosure requirements laid down in schedule under the rule 12(2) of the Securities & Exchange Rules 1987, the following are the part & parcel of Share capital:

13.1 Authorised Share Capital:

The total authorised number of ordinary shares are 10 million shares with a face value of TK. 100 per share.

13.2 Issued, Subscribed & Paid-up capital:

Number of Shares
 Subscribed & paidup share capital in Taka

2,000,000	2,000,000
200,000,000	200,000,000

As of June 30, 2008, the share capital amounts to Tk 200,000,000 & each divided into 2,000,000 ordinary shares of Tk.100 each. All issued shares are fully paid.



A. K. AZAD & CO.

Chartered Accountants

13.3 Position of Share Holding:

Name of share holders	No. of Shares	% of holding	44,300,000	44,300,000
Md. Jahangir Alam	443,000	22.15%	40,000,000	40,000,000
Alhaj Khabiruddin Molla	400,000	20.00%	27,700,000	27,700,000
Molla Mohammad Majnu	277,000	13.85%	20,000,000	20,000,000
Md. Alamgir Kabir	200,000	10.00%	20,000,000	20,000,000
Alhaj Md. Abdur Rauf	200,000	10.00%	20,000,000	20,000,000
Mizanur Rahman Molla	200,000	10.00%	14,000,000	14,000,000
Mrs. Rokeya Begum	140,000	7.00%	5,000,000	5,000,000
Md. Almas Shinul	50,000	2.50%	5,000,000	5,000,000
Md. Ashrafuzzaman	50,000	2.50%	4,000,000	4,000,000
Md. Abdul Ahad	40,000	2.00%	200,000,000	200,000,000
	2,000,000	100%		

14.0 Deposit Against share: Tk. 84,456,000

The amount contributed by the shareholder in consideration of 3.03 acre land to the company on the proportion of above holding.

15.0 Long Term Loan: Tk. 183,526,752

Term Loan
One Bank
Prime Bank
United Commercial Bank

51,789,530	56,492,195
94,377,726	
80,439,908	
226,657,165	56,492,195

Hire Purchase Loan
Prime Bank
Mercantile Bank

38,085,051	2,563,230
4,572,937	13,670,713
42,657,987	16,233,943
269,315,152	72,726,138
85,788,400	
183,526,752	72,726,138

Total Long Term Loan
Less: Current portion of long term loan (note-18)

16.0 Trade Payables: Tk. 82,640,214

Suppliers
Customers
Others

68,348,741	
13,970,815	
320,658	
82,640,214	

17.0 Other Payables TK. 14,982,785

Creditor for other finance (note-17.1)
Creditor for revenue expenses (note -17.2)

4,850,858	135,067
10,131,927	6,383,596
14,982,785	6,518,663

17.1 Creditor for other finance (note-17)
Security Deposit
Advance Against Sales
VAT deduction at source
Tax deduction at source
Payable to employees provident fund
Advance against motor cycle

2,118,036	
96,800	
645,359.00	
188,718	135,067
1,556,945	
245,000	
4,850,858	135,067

17.2 Creditor for revenue expenses (note -17.0)

Salaries & Wages
Audit / Professional/ Legal Fee
Electricity Bill
Telephone Bill
Mobile Bill
Others

2,467,561	45,000
400,000	6,272,420
6,275,866	56,305
38,515	9,871
6,788	
945,197	
10,131,927	6,383,596



A.K. AZAD & CO.

Chartered Accountants

18.0 Current Portion of Long Term Loan: Tk. 85,788,400

Term Loan:
One Bank
Prime Bank
United Commercial Bank

Hire Purchase Loan:
Prime Bank
Mercantile Bank

CONTINUATION SHEET

10,000,000	56,492,195
28,800,000	-
24,620,400	-
63,420,400	56,492,195
19,224,000	-
3,144,000	-
22,368,000	-
85,788,400	56,492,195

19.0 Short Term Loan: Tk. 634,558,083

Cash credit hypothecation
Time loan
Loan against trust receipt
Import loan

47,328,247	14,164,770
50,969,964	96,501,135
411,408,773	163,252,284
124,851,099	19,181,499
634,558,083	293,099,687



A.K. AZAD & CO.
Chartered Accountants

CONTINUATION SHEET

20.0 Sales: Tk. 1,927,191,900

✓ Local Sales
Less: VAT

Export Sales
Net Sales

21.0 Cost of sale: Tk. 1,717,283,067

Opening Stock of Raw Material
Raw Material Purchase
Closing Stock of Raw Material
Raw Material Consumed, Note-20.01
Opening stock of Busting Bag
Closing stock of Busting Bag

Manufacturing labour & overhead Note-21.2
Cost of Production
Opening Finished Goods
Closing Finished Goods

Less: Duty draw back for export
Net purchase

21.1 Raw Material Consumed

Opening Stock

Clinker
Gypsum
Slag
Fly Ash
Lime Stone
Bag

Purchase for the year

Clinker
Gypsum
Slag
Fly Ash
Lime Stone
Bag Purchase

Less: VAT paid

Raw Material Available for Consumption

Less: Closing Stock

Clinker
Gypsum
Slag
Fly Ash
Lime Stone
Bag

Raw Material Consumed

2007-2008 Taka	2006-2007 Taka
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2,084,154,861	1,649,076,860
271,846,261	215,096,964
1,812,308,400	1,433,979,896
114,883,500	
1,927,191,900	1,433,979,896

20,302,449	50,506,580
1,708,981,955	1,090,537,501
119,965,691	(20,302,449)
1,609,318,713	1,120,741,632
98,558	80,335
	(98,558)
1,609,417,271	1,120,723,409
109,455,377	115,710,746
1,718,872,648	1,236,434,155
85,478	21,251,692
(2,750)	(85,478)
1,718,955,376	1,257,600,369
1,672,309	-
1,717,283,067	1,257,600,369

2,053,492	28,428,068
1,897,876	2,390,837
9,222,177	4,189,067
339,537	12,391,089
1,075,594	1,518,987
5,713,773	1,588,532
20,302,449	50,506,580

1,436,449,915	1,005,863,816
55,908,951	31,074,135
56,520,876	57,542,990
62,247,602	34,171,826
8,524,027	27,402,408
89,330,584	93,604,591
1,708,981,955	1,249,069,767
	159,122,265
1,708,981,955	1,090,537,501
1,729,284,404	1,141,044,081

77,728,570	2,053,492
14,900,134	1,897,876
18,664,393	9,222,177
424,084	339,537
1,601,453	1,075,594
6,647,057	5,713,773
119,965,691	20,302,449
1,609,318,713	1,120,741,632



A.K. AZAD & CO.
Chartered Accountants

CONTINUATION SHEET

21.2 Manufacturing labour & overhead

Bedding & Uniform
Carrying Charges
Contribution To PF
Crockerie & Cutleries
Depreciation
Spare Parts & Stores-Expenses (note-21.2.1)
Fuel For Motor Vehicle
Labour Charge
Medical Expenses
Mobile Phone Bill-Employee
Overtime
Wages, Salary & Allowances
Repair & Maintenance- Vehicle
Telephone/Fax Expenses
Insurance Premium-Others
Electricity Bill
Lubricants, Diesel Oil, Gear Oil & Fuel Etc
Quality Testing Expenses
Repair & Maintenance -Factory

2007-2008 Taka	2006-2007 Taka
14,111	-
206,601	-
5,880	-
2,664	-
28,424,936	-
2,438,910	8,363,530
62,467	-
1,928,811	9,179,926
13,478	-
10,827	-
573,581	-
20,170,772	24,194,457
5,546,770	10,018,770
60,376	-
722,056	3,570,987
45,128,095	51,474,596
3,353,904	8,908,480
141,406	-
649,732	-
109,455,377	115,710,746

21.2.1 Spare parts consumed

Import cost of spare parts
Local
Less: VAT
Less: closing stock

6,424,008	5,817,611
596,368	2,545,919
7,020,376	8,363,530
829,146	-
6,191,230	8,363,530
3,752,320	-
2,438,910	8,363,530

22.0 Other operating income: Tk.30,891,306

Rent From Covered Van
Rent From Vassel
Rent From Bulk Carrier
Carriage Income
Interest Income

17,979,729	-
800,850	-
2,405,630	-
8,421,460	-
1,483,637	-
30,891,306	-

23.0 Administrative expenses: Tk. 14,674,793

Annual Milad
Audit/Professional /Legal Fees
Bedding & Uniform
Carrying Charges
Consultancy Fees
Contribution To PF
Conveyance -Local
Crockerie & Cutleries
Depreciation
Donation & Subscription
Drinking Water
Electric Goods

14,200	-
400,000	50,000
-	59,736
1,420	-
91,580	-
43,634	-
53,182	-
5,600	-
2,055,105	36,636,142
260,550	-
58,960	47,700
17,119	9,072



A.K. AZAD & CO.
Chartered Accountants

CONTINUATION SHEET

2007-2008 Taka	2006-2007 Taka
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Fuel For Motor Vehicle	328,709	-
Garage Rent	53,600	-
Gardening & Plantation	12,000	31,240
Gift & Presentation	35,204	-
Group Insurance Premium	41,565	-
Internet	40,447	42,000
Medical Expenses	23,953	19,479
Meeting Expenses	11,737	18,148
Mobile Phone Bill	173,153	148,103
News Paper, Books & Periodicals	24,971	20,450
Office/Mosque Maintenance	269,752	186,400
Entertainment	817,766	786,980
Office/House/Store- Rent	1,636,532	2,906,449
Photocopy	2,867	44,960
Postage, Telegrams & Stamp	80,053	53,834
Stationeries, Schedule & Forms	188,496	139,580
Promotional Expenses	266,346	155,681
Registration, Licence & Renewals	279,859	75,065
Salary & Allowances	4,321,090	8,654,880
Travelling Expense -Local & Foreign	1,240,588	574,294
Repair & Maintenance- Vehicle	559,098	460,523
Insurance Premium On Motor Vehicle	230,020	155,965
Telephone/Fax Expenses	348,261	425,291
Repair & Maintenance-Office	120,848	-
Training & Education	54,485	-
Laboratory Expenses	-	85,527
ISO Certificate	-	57,680
Rent rates & tax	-	47,600
Testing Expenses	-	34,535
Miscellaneous Expenses	152,013	307,069
Trade Marks Fee	360,000	-
	<u>14,674,793</u>	<u>55,232,384</u>

24.0 Selling and distribution expenses :Tk. 24,851,835

Advertisement & Publicity	8,126,288	6,958,952
Contribution To PF	83,905	-
Conveyance -Local	352,383	574,294
Depreciation	8,445,663	-
Entertainment	545,190	524,654
Fuel For Motor Vehicle	129,084	-
Insurance Premium On Motor Cycle	5,482	-
Medical Expenses	-	4,870
Meeting Expenses	93,631	12,099
Mobile Phone Bill-Employee	153,838	7,690
Postage, Telegrams & Stamp	-	5,982
Stationeries, Schedule & Forms	282,744	209,370
Salary & Allowances	3,552,278	455,520
Travelling Expense -Local	26,817	-
Repair & Maintenance- Vehicle	122,483	51,169
Fuel For Motor Cycle	216,445	-
Insurance Premium On Motor Vehicle	202,943	17,329
Telephone/Fax Expenses	-	22,384



A.K. AZAD & CO.
Chartered Accountants

CONTINUATION SHEET

2007-2008 Taka	2006-2007 Taka
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Outstation & Hotel Allowance/House Rent/Ta-DA & Others
Training & Education
Miscellaneous Expenses
Repair & Maintenance-Motor Cycle
Repair & Maintenance of truck, pay-loader, cargo vessel
C&F Expenses For Export
Lubricants, Diesel Oil, Gear Oil & Fuel Etc
Marketing Survey
BIS Expenses
Fair & Exhibition

25.0 Other non operating income :Tk. 430,599

Head Office:
Exchange gain/ (loss)
Other Income

26.0 Financial expenses: Tk. 53,082,320

Bank Interest
Bank Charge & L/C Charge

206,377	-
25,000	16,162
25,904	-
21,483	5,069,672
270,000	-
1,694,465	-
26,608	-
174,624	137,700
68,000	14,067,845
<u>24,851,835</u>	

20,194	-
394,405	-
<u>430,599</u>	

51,359,381	46,288,373
1,722,939	5,798,983
<u>53,082,320</u>	<u>52,087,356</u>

