

AUDITOR'S REPORT

To the shareholders of
M.I. Cement Factory Limited

We have audited the accompanying financial statements M.I.Cement Factory Limited which comprise the statement of financial position as at 30 June 2011. Statement of comprehensive income, statement of change in equity and cash flow statement for the year than ended and a summary of significant accounting policies and other explanatory information for the year than ended.

Management Responsibilities for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Bangladesh Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statement that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

An audit involves performing procedure to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment including the assessment of the risk of Material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity'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 audit opinion.

Opinion

In our opinion, the financial statements referred to above give a true and fair view of the financial position of M.I.Cement Factory Limited as at 30 June 2011, and of its financial performance and its cash flows for the year than ended in accordance with Bangladesh Financial Reporting Standards and comply with the companies act 1994, Securities and Exchange Rules 1987 and other applicable laws and regulations.

We also report that:

Our examination and checking of records, relevant books of accounts, registers, schedules and financial statements were sufficient to enable us to form an informed and assessed opinion on the authenticity and accuracy of the financial statements;


(b) We have obtain all the information, and documents as required by us;

(c) The company's management has followed relevant provisions of laws and rules in managing the affairs of the company. Proper books of accounts, records and other statutory books have been properly maintained;

(d) The statement of financial position and the statement of comprehensive income are in agreement with the said books of account maintained by the company and examined by us; and

(e) The expenditure incurred and Payments made were for the purpose of the company's business for the year.

Dhaka,
20, October 2011



ACNABIN
Chartered Accountants

STATEMENT OF FINANCIAL POSITION

As at 30 June 2011

	Note	30.06.2011 Taka	30.06.2010 Taka
ASSETS			
Non-current Assets		2,232,034,924	1,147,167,252
Property, plant and equipment	4	1,118,455,992	1,069,098,640
Capital work in progress	5	1,113,578,932	78,068,612
Investment in Associate Companies	6	20,205,000	2,500,000
Current Assets		4,752,218,577	1,132,768,640
Inventories	7	587,645,695	352,650,104
Trade receivables	8	343,047,480	316,068,872
Current account with associate companies	9	356,162,941	189,628,891
Other receivables	10	303,651	4,812,864
Advance, deposit & prepayments	11	273,873,313	48,673,917
Advance income tax	12	323,817,217	160,755,959
Cash and bank balance	13	2,867,368,280	60,178,033
TOTAL ASSETS		7,004,458,502	2,282,435,892
EQUITY AND LIABILITIES			
Shareholders' Equity		5,028,493,703	1,335,997,883
Share capital	14	1,000,000,000	700,000,000
Share premium	15	2,956,560,000	-
Retained earnings		803,370,870	364,500,643
Revaluation reserve		268,562,833	271,497,240
LIABILITIES			
Non-current Liabilities		606,787,522	67,110,340
Long term borrowing net off current maturity	16	513,434,222	15,805,067
Liabilities for gratuity and WPPF	17	37,934,111	2,451,020
Deferred tax liability	18	55,419,189	48,854,253
Current Liabilities and Provision		1,369,177,277	879,327,669
Trade payables	19	110,537,447	359,115,797
Other payables	20	38,518,143	28,586,911
Current portion of long term borrowings	21	26,076,000	12,816,000
Short term loan	22	607,876,193	162,452,469
Provision for tax liabilities	23	554,641,164	316,356,492
Payable to IPO applicants		31,528,330	-
TOTAL LIABILITIES		1,975,964,799	946,438,009
TOTAL EQUITY AND LIABILITIES		7,004,458,502	2,282,435,892
Net Asset Value Per Share	33	62	16

The annexed notes form an integral part of the Statement of Financial Position.


Managing Director


Director


Director


Company Secretary

This is the Statement of Financial Position referred to in our separate report of even date.
Dhaka, 20 October 2011


ACNABIN
Chartered Accountants

STATEMENT OF COMPREHENSIVE INCOME

For the year ended 30 June 2011

	Note	30.06.2011 Taka	30.06.2010 Taka
Net Sales	24	4,022,271,063	3,127,352,627
Cost of goods sold	25	(3,254,014,308)	(2,425,806,260)
Gross profit		768,256,755	701,546,367
Other operating income	26	62,781,523	44,173,662
Administrative expenses	27	(68,181,658)	(47,717,350)
Selling and distribution expenses	28	(152,220,573)	(127,072,672)
Operating profit		610,636,047	570,930,007
Other non-operating income	29	196,619,465	8,925,801
Financial expenses	30	(92,430,813)	(48,483,129)
Profit before WPPF & Income Tax		714,824,699	531,372,679
Worker's Profit Participation Fund		34,039,271	-
Profit before income tax		680,785,428	531,372,679
<u>Income tax expenses</u>	31		
Current Tax		(238,284,672)	(183,374,365)
Deferred Tax		(6,564,936)	(15,890,390)
Net profit after tax for the year		435,935,820	332,107,924
Earning Per Share	32	5.36	4.08

The annexed notes form an integral part of the Statement of Comprehensive Income.


Managing Director


Director


Director


Company Secretary

This is the Statement of Comprehensive Income referred to in our separate report of even date,
Dhaka, 20 October 2011


ACNABIN
Chartered Accountants

STATEMENT OF CHANGES IN EQUITY

For the year ended 30 June 2011

(Figures are in Taka)

Particulars	Share Capital	Retained Earnings	Deposit against Shares	General Reserve	Share Premium	Revaluation Reserve	Total Equity
Balance as on 01 July 2010	700,000,000	364,500,643	-	-	-	271,497,240	1,335,997,883
Share issued to general public	300,000,000	-	-	-	-	-	300,000,000
Share premium	-	-	-	-	2,956,560,000	-	2,956,560,000
Adjustment	-	-	-	-	-	-	-
Revaluation Reserve	-	-	-	-	-	-	-
Revaluation Reserve realised	-	2,934,408	-	-	-	(2,934,408)	-
Net profit for the year	-	435,935,820	-	-	-	-	435,935,820
Total as on 30 June 2011	1,000,000,000	803,370,870	-	-	2,956,560,000	268,562,833	5,028,493,703
Balance as on 01 July 2009	200,000,000	427,525,557	84,456,000	28,338,312	-	-	740,319,869
Bonus share issued	426,560,000	(398,221,688)	-	(28,338,312)	-	-	-
Share issued other than in cash	73,440,000	-	(73,440,000)	-	-	-	-
Adjustment	-	-	(11,016,000)	-	-	11,016,000	-
Revaluation Reserve	-	-	-	-	-	263,570,090	263,570,090
Revaluation Reserve realised	-	3,088,850	-	-	-	(3,088,850)	-
Net profit for the year	-	332,107,924	-	-	-	-	332,107,924
Total as on 30 June 2010	700,000,000	364,500,643	-	-	-	271,497,240	1,335,997,883


Managing Director


Director

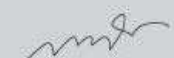

Director


Company Secretary

CASH FLOW STATEMENT

For the year ended 30 June 2011

	30.06.2011 Taka	30.06.2010 Taka
A. Cash flow from operating activities		
Cash received from customers	3,999,801,667	3,060,994,664
Cash received from other operating income	62,781,523	44,173,662
Cash received from non operating income	196,619,465	8,435,801
Cash paid to suppliers	(3,162,242,158)	(1,867,264,274)
Cash paid for operating expenses	(929,745,188)	(546,109,795)
Payment of financial expenses	(92,430,813)	(48,483,129)
Income tax paid	(163,061,258)	(64,460,191)
Net cash (used in)/flow from operating activities	(88,276,762)	587,286,737
B. Cash flow from investing activities		
Acquisition of property, plant and equipment	(135,882,724)	(67,896,252)
Proceeds from sale of property, plant and equipment	6,697,895	1,490,000
Payment made for capital work in progress	(1,035,510,320)	(77,880,401)
Investment in associate companies	(184,239,050)	(102,707,478)
Net cash used in investing activities	(1,348,934,199)	(246,994,132)
C. Cash flow from financing activities		
Receipt/ (repayment) of Short term loan	445,423,724	(175,688,317)
Receipt/ (repayment) of Long term loan	510,889,155	(131,948,724)
Proceeds from issue of share	3,288,088,330	-
Net cash flow from /(used in) financing activities	4,244,401,209	(307,637,041)
D. Net surplus in cash & bank balances during the year (A+B+C)	2,807,190,247	32,655,564
E. Cash and bank balances at beginning of the year	60,178,033	27,522,469
F. Cash and bank balances at end of the year	2,867,368,280	60,178,033
Net Cash flow per share	28.07	0.47


Managing Director


Director


Director


Company Secretary

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30th June 2011

1. INCORPORATION AND LEGAL STATUS

M.I. Cement Factory Limited was incorporated on 11 December, 1994 under the Companies Act 1994 as a public limited company. The plant, equipped with world famous O'Sepa Separator, initially went into operation with the daily production capacity of 600 metric tons in the year 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 in 2002 and third unit with capacity of 1400 tons per day in 2007.

Gradually with the increase of demand the management undertook further expansion program for 4th unit of the plant raising the total production capacity to 5800 metric tons per day. The 4th unit expansion would be completed within 2011.

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 in preparation and presentation of financial statements within the framework of Bangladesh Accounting Standards (BAS)-1 "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 except land & land development and factory building, and therefore do not take into consideration of inflation. The company classified the expenses using the function of expenses method as per BAS-1.

(c) Compliance of laws and regulation

The financial statements have been prepared and the disclosures of information made in accordance with the requirements of the Companies Act 1994, The Securities and Exchange Rules 1987, BASs, BFRSs and other applicable laws and regulations. On the basis of these regulations, Bangladesh Financial Reporting Standards (BFRS) which cover Bangladesh Accounting Standards 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 ascertaining assumption in the process of applying the company's accounting policies and reported amount of assets, liabilities, income and expenses.

(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	12	Income tax
BAS	16	Property, Plant and Equipments
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	26	Accounting and Reporting of Retirement Benefit Plans.
BAS	28	Investments in Associates.
BAS	33	Earning Per Share
BAS	37	Provisions, contingent Liabilities and Assets
BAS	38	Intangible Assets.

STATUS OF BFRS APPLIED

SI #	Name of the BFRS/IFRS	BFRS #	Status
1	Share- based Payments	2	N/A
2	Business Combinations	3	N/A
3	Insurance contracts	4	N/A
4	Non- current assets Held for sale and Discontinued Operations	5	N/A
5	Exploration for and Evaluation of Mineral Resources	6	N/A
6	Financial Instruments: Disclosure	7	N/A
7	Operating Segments	8	N/A

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 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 are charged / credited to the profit and loss account, to the extent that this treatment does not contradict with Schedule IX of The Companies Act 1994.

(a) The company has not incurred any expenditure in foreign currency for the period from 01.07.2010 to 30.06.2011 on account of royalty ,know-how, professional consultancy fees and interest.

(b) Foreign exchange earning USD 10,195,965 equivalent to BDT 726,935,410 in respect of export has been calculated on F.O.B basis.

(c) The company has not earned any foreign exchanges for royalty, know-how, professional and consultancy fees.

3.3 IMPAIRMENT OF ASSETS

In accordance with the provision of BAS-36: Impairment of Assets, the carrying amount of non-financial assets, other than inventories 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 and impairment losses are recognised in profit and loss account. No such indication of impairment has been observed till to date.

3.4 PROPERTY, PLANT AND EQUIPMENTS

Tangible fixed assets are accounted for according to BAS 16 (Property, Plant and Equipment) at historical cost less cumulative depreciation and the capital work-in-progress is stated 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.

Any gain or loss arising on derecognition of the assets (calculated as the difference between the net disposal proceeds and carrying amount of the assets) is recognised in other income in the income statement in the year of disposal of the assets.

Land is not depreciated. Depreciation on other assets is calculated using the reducing balance method to allocate their cost 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 of depreciation (%)
Buildings	5%
Plant and machinery	10%
Furniture and equipment	10% - 20%
Transport and vehicles	10% - 15%
Other assets	10% - 20%

3.5 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.

3.6 TRADE AND OTHER RECEIVABLES

Trade account receivables are carried at original invoice amount all the receivables are considered to good and realisable.

3.7 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 having insignificant risk of changes in value of these current assets.

3.8 BORROWINGS

Borrowing costs 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.

3.9 EMPLOYEE BENEFITS

(a) Defined contribution plan

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 process 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 employees and partly from the company at predetermined rate. Separate accounts are maintained for this fund.

(b) Defined benefits plan

This represents a unfunded gratuity scheme for its permanent employees. Employees are entitled to gratuity benefit after completion of minimum Six years of service in the company. The gratuity is calculated on the latest applicable basic pay and is payable at the rate of one month basic pay for every completed year of service.

Though no valuation was done to gratuity actuarial liabilities as per the IAS 19: Employee Benefits, such valuation is not likely to yield a result significantly different from the current provision.

(c) 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.

(d) Workers Profit Participation Fund (WPPF)

The company recognize a provision and expenses for Workers Profit Participation @ 5% of net profit as per act.

3.10 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 are recognized by making the best estimate of the amounts in accordance with BAS 37 (Provisions, Contingent Liabilities and Contingent assets).

3.11 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.

3.12 REVENUE RECOGNITION

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

3.13 ADVERTISING AND PROMOTIONAL EXPENSES

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

3.14 REPAIR, UPKEEP AND MAINTENANCE EXPENSES

These are usually charged out as revenue expenses.

3.15 ALLOCATION OF DEPRECIATION

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

3.16 INCOME TAX

(a) Current tax

Provision is made at the ruling rate of tax as per Income Tax Ordinance, 1984 applied on 'taxable profit'.

(b) 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 is 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.

3.17 CASH FLOW STATEMENT

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

3.18 GENERAL

- i. Figures have been rounded off to the nearest Taka.
- ii. Previous year's figures have been rearranged wherever considered necessary to conform to the current year's presentation.

4. PROPERTY, PLANT AND EQUIPMENT

A. Cost

Opening balance

Add: Addition during the year

Less: Disposal during the year

Total (A)

B. Accumulated depreciation

Opening balance

Add: Charged during the year

Less: Adjustment for disposal during the year

Total (B)

C. Written down value (A-B)

A schedule of property, plant and equipment is given in Annexure-A.

5. CAPITAL WORK IN PROGRESS

Capital machinery

Sub station

Packing house

Building construction of 4th unit

Plant & machinery

Clinker silo construction

Cement silo construction

Pilling work

Ball mill construction

Work in Progress has been increased due to construction of 4th unit expansion of the cement plant,clinker silo,Cement silo and sub-station etc.

6. INVESTMENT IN ASSOCIATE COMPANIES

Investment in shares of Crown Power Generation Ltd.

Investment in shares of Crown Mariners Ltd.

Investment in shares of Crown Cement Concrete and Building Products Ltd.

Investment in shares of Crown Transportation & Logistics Ltd.

30.06.2011 Taka	30.06.2010 Taka
1,491,511,235	1,164,044,892
135,882,724	331,466,342
1,627,393,959	1,495,511,234
6,697,895	4,000,000
1,620,696,064	1,491,511,234
422,412,595	349,362,838
83,967,240	76,049,757
506,379,834	-
425,412,595	-
4,139,762	3,000,000
502,240,072	422,412,595
1,118,455,992	1,069,098,640
746,761,085	5,820,519
7,362,800	-
2,750,764	-
62,085,716	55,028
5,527,307	30
161,117,873	69,693,312
63,957,137	19,300
6,267,285	2,474,800
57,748,966	5,623
1,113,578,932	78,068,612
2,000,000	2,000,000
17,205,000	500,000
500,000	-
500,000	-
20,205,000	2,500,000

Crown Power Generation Ltd. Crown Mariners Ltd. Crown Cement Concrete and Building Products Ltd.,and Crown Transportations & Logistics Ltd. are associate companies of M.I. Cement Factory Limited. The company holds 50% shares of Crown Power Generation Ltd., 20% of Crown Mariners Ltd., 20% of Crown Cement Concrete and Building Products Ltd., and 20% of Crown Transportation & Logistics Ltd. The investments made by M.I. Cement Factory Limited to these associate companies have been accounted for under cost method in accordance with BAS 28. Commercial operation of these companies has not yet been started.

7. INVENTORIES

	Quantity	
Closing stock		
Clinker	MT	22,650
Gypsum	MT	7,495
Slag	MT	23,835
Fly ash	MT	4,851
Lime stone	MT	2,670
Cement bags	PCS	980,672
Spare parts		
Finished cement	MT	0.30

Raw materials in transit

Clinker
Gypsum
Slag
Fly ash
Spare parts

8. TRADE RECEIVABLES

Corporate
Dealers
Distributors
Other customers
Transport bill
Sundry debtors against others

30.06.2011 Taka	30.06.2010 Taka
104,654,829	133,252,916
18,947,419	22,443,099
52,036,688	32,368,996
10,991,536	42,442,053
4,296,881	15,029,042
10,880,193	6,616,958
23,128,821	20,237,263
1,669	86,049
224,938,036	272,476,376
344,496,818	58,370,576
212,941	-
9,478,946	17,666,485
8,518,956	4,066,707
-	69,961
362,707,659	80,173,729
587,645,695	352,650,104
151,712,779	156,561,198
108,264,143	64,382,182
8,276,495	28,846,521
66,568,023	56,221,151
8,176,040	3,088,630
50,000	6,969,190
343,047,480	316,068,872

Trade receivables have been stated at their nominal value. Trade receivables are accrued in the ordinary course of business. All receivables has been considered as good and releasable.

Ageing of the above receivables is given below:

Particulars	up to 1 month	1-3 months	3-6 months	above 6 months	Total
Corporate	99,456,258	28,669,098	18,890,587	4,696,836	151,712,779
Dealers	70,124,535	35,597,955	2,541,653	-	108,264,143
Distributors	6,107,574	2,168,921	-	-	8,276,495
Other customers	62,925,380	3,642,643	-	50,000	66,618,023
Transport bill	3,114,876	1,461,294	511,240	3,088,630	8,176,040
Total	241,728,623	71,539,911	21,943,480	7,735,466	343,047,480

9. CURRENT ACCOUNT WITH ASSOCIATE COMPANIES

194,258,667
Crown Polymer Bagging Ltd.
Crown Mariners Limited
Crown Cement Trading Company
Crown Cement Concrete and Building Products Ltd.
Transportation & Logistics Ltd.

Crown Power Generation Ltd.

171,668,294	
49,053,881	9,695,000
84,737,640	8,265,597
24,795,403	-
(225,000)	-
3,542,350	-
356,162,941	189,628,891

Particulars

Crown Power Generation Ltd.
Crown Polymer Bagging Ltd.
Crown Mariners Limited
Crown Transportation & Logistics Ltd.

Purposes

Full power will be supplied to M.I.Cement Factory Limited at less than the competitive market price.

Full produced bags will be supplied to M.I.Cement Factory Limited at less than competitive market price.

Crown Mariners Limited will provide logistics service for carrying raw materials from Chittagong port to factory ghat at less than competitive market price.

Crown transportation & logistics will provide logistics service for carrying finished product to customer at a lower price than the market rate.

10. OTHER RECEIVABLES

	30.06.2011 Taka	30.06.2010 Taka
Crown Corporation	31,605	31,605
AK Trade International	10,000	10,000
GPH Ispat Ltd.	127,256	118,056
N.K Enterprise	2,000	2,000
Molla Salt triple refinery Ltd.	132,790	-
Others	-	4,651,203
	303,651	4,812,864

11. ADVANCE, DEPOSIT AND PREPAYMENTS

Advance to parties/contractors *	164,491,458	461,103
Advance to employee against works*	16,405,891	4,156,277
Advance to employee against salary	252,917	287,321
Advance against rent	536,500	249,832
VAT current account	30,030,941	4,485,461
Security deposit and other deposit	17,547,507	16,332,864
Advance to others	558,725	1,275,245
Margin for bank guarantee	2,809,079	2,302,238
L/C margin deposit	35,655,295	19,123,576
Advance against land purchase	5,585,000	-
	273,873,313	48,673,917

Advance to Party/Contractors and advance to employee against works increased significantly due to huge amount paid to suppliers for construction at unit-IV, Cement Silo, Clinker Silo and Sub-station etc.

12. ADVANCE INCOME TAX

Opening balance	160,755,959	96,295,768
Paid during the year	163,061,258	64,460,191
	323,817,217	160,755,959

Advance Tax paid during the year represents tax deducted at source by creditors on purchase of raw materials, tax deducted by customers on bill for cement supply, tax deducted at source from export sales, tax deducted at source from interest income.

13. CASH AND BANK BALANCE

Cash in Hand

Cash in hand- Head Office	6,037,124	5,168,130
Cash in hand- Factory	2,927,775	659,120
	8,964,899	5,827,250

Cash At Bank

One Bank Limited	33,709	24,056
South East Bank Limited	9,912	11,062
Mercantile Bank Limited	147,242	5,924
Jamuna Bank Limited	12,507	13,657
State Bank of India	113,652	46,295
AB Bank Limited	8,718	77,406
The City Bank Limited	261,981	3,246
National Bank Limited	410,827	211,554
Dutch Bangla bank Limited	1,541,258	980,624
Prime Bank Limited	16,972,103	42,751
United Commercial Bank Limited	118,505	11,037
Mutual Trust Bank Limited	131,032	131,647
Pubali Bank limited	811,107	53,863
Janata Bank Limited	605,293	102,129
Dhaka Bank Limited	113,889	471,103
Shahjalal Islami Bank Limited	577,366	107,139
Uttara bank Limited	364	9,264
HSBC	30,859	-
Brac Bank Limited	132,668,241	-
	154,568,565	2,302,755
Fixed deposit receipts (FDR)	2,703,834,816	52,048,028
	2,867,368,280	60,178,033

FDR includes an amount of Taka 15,839,949 is held under lien with one bank as margin against bank guarantee in favour of Custom Authority. It also includes a FDR for an amount of Taka 30,000,000 made as on 20 May 2010 vide FDR#037491/3033369009 as against L/C Margin at the time of opening L/C for unit-IV Cement Plant.

14. SHARE CAPITAL

Authorised capital

500,000,000 Ordinary Shares of Tk. 10/- each

30.06.2011 Taka	30.06.2010 Taka
5,000,000,000	5,000,000,000

Issued, subscribed & paid-up capital

100,000,000 ordinary shares of Tk. 10/- each fully paid-up and share holding position is as under:

Name	No. shares	Holding %		
Md. Jahangir Alam	15,505,000	15.51%	155,050,000	155,050,000
Alhaj Md. Khabiruddin Molla	14,000,000	14.00%	140,000,000	140,000,000
Md. Alamgir Kabir	9,695,000	9.70%	96,950,000	96,950,000
Mrs. Al-Haj Rokeya Begum	7,000,000	7.00%	70,000,000	70,000,000
Molla Mohammad Maznu	7,000,000	7.00%	70,000,000	70,000,000
Md. Mizanur Rahman	7,000,000	7.00%	70,000,000	70,000,000
Md. Almas Shimul	4,900,000	4.90%	49,000,000	49,000,000
Alhaj Md. Abdur Rouf	1,750,000	1.75%	17,500,000	17,500,000
Md. Ashrafuzzaman	1,750,000	1.75%	17,500,000	17,500,000
Md. Abdul Ahad	1,400,000	1.40%	14,000,000	14,000,000
General public	30,000,000	30.00%	300,000,000	-
	100,000,000	100%	1,000,000,000	700,000,000

The company increased its paid-up share capital from 700 million to 1000 million by issuing 30 million ordinary shares to general public as per special resolution at its Extra-ordinary general meeting held on 04 April 2010.

15. SHARE PREMIUM

Share premium

Less: Income tax on share premium

3,048,000,000	-
91,440,000	-
2,956,560,000	-

16. LONG TERM BORROWING NET OFF CURRENT MATURITY

Project loan for unit iv: Syndication loan

Hire purchase loan: Prime Bank Ltd.

485,840,265	-
53,669,957	28,621,067
539,510,222	28,621,067
26,076,000	12,816,000
513,434,222	15,805,067

Less: Current portion of long term borrowing (Note: 21)

17. LIABILITIES FOR GRATUITY AND WPPF

Gratuity:

Opening balance

Provision for the year

2,451,020	-
1,455,421	2,451,020
3,906,440	2,451,020
11,600	-
3,894,840	2,451,020

Less: Paid during the year

WPPF (Worker's Profit participation Fund):

Provision for WPPF

34,039,271	-
37,934,111	2,451,020

18. DEFERRED TAX LIABILITY

Opening balance

Provision for the year

48,854,253	32,963,863
6,564,936	15,890,390
55,419,189	48,854,253

Deferred tax liability arises due to taxable temporary difference between Accumulated Accounting Depreciation and Accumulated tax depreciation and calculated as per existing applicable rate.

A separate schedule of deferred tax is given in Annexure-B.

19. TRADE PAYABLES

Suppliers
Customers
Others

30.06.2011 Taka	30.06.2010 Taka
109,105,820	357,885,611
1,413,974	1,203,893
17,653	26,293
110,537,447	359,115,797

Ageing of the above trade payables is as below:

Particulars	up to 1 month	1-3 months	3- 6 months	above 6 months	Total
Suppliers	27,505,210	65,120,541	8,911,170	7,568,899	109,105,820
Customers	210,081	-	-	1,203,893	1,413,974
Others	17,653	-	-	-	17,653
Total	27,732,944	65,120,541	8,911,170	8,772,792	110,537,447

20. OTHER PAYABLES

Creditor for other finance (Note: 20.1)
Creditor for revenue expenses (Note: 20.2)

13,907,290	6,569,561
24,610,853	22,017,350
38,518,143	28,586,911

20.1 Creditor for other finance

Security deposit
Advance against sales
VAT deduction at source
Tax deduction at source
Payable to employees provident fund
Advance against motor cycle
Employee tax payable

6,352,188	2,806,706
60,400	60,400
4,816,585	328,802
1,871,376	254,864
161,382	2,691,773
555,219	427,016
90,140	-
13,907,290	6,569,561

20.2 Creditor for revenue expenses

Salaries, wages & overtime payable
Audit and professional fees
Electricity-factory
Others

8,658,107	5,784,900
313,500	235,125
10,713,616	11,427,831
4,925,630	4,569,494
24,610,853	22,017,350

21. CURRENT PORTION OF LONG TERM BORROWINGS

Hire Purchase loan

Prime Bank Limited

26,076,000	12,816,000
26,076,000	12,816,000

22. SHORT TERM LOAN

Cash Credit (Hypothecation)

One Bank Limited
Prime Bank Limited

19,741,458	23,909,052
5,716,693	10,759,150

Loan against Trust Receipts

One Bank Limited
Prime Bank Limited
State Bank of India

25,458,151	34,668,202
29,375,505	25,328,991
542,770,799	69,404,156
-	22,424,957

Time loan- One Bank Limited

572,146,304	117,158,104
10,271,738	10,626,163
607,876,193	162,452,469

22.1 The company has been enjoying the following facilities from various banks under the terms and conditions given below:

Name of the Bank	Type of loan	Limit of Loan	Purpose of Loan	Tenor	Nature
One Bank Limited	Cash Credit Hypothecation	50,000,000	Working Capital	One Year	Revolving
One Bank Limited	Loan against Trust Receipts	350,000,000	Working Capital	120 days	Revolving
One Bank Limited	Revolving Time loan	100,000,000	Working Capital	120 days	Revolving
One Bank Limited	Letter of credit (non funded)	600,000,000	Working Capital	120 days	Revolving
One Bank Limited	Bank guarantee	10,000,000	To issue guarantee for tender and utilities facilities	One Year	Revolving
Prime Bank Limited	Cash Credit Hypothecation	20,000,000	Working Capital	One Year	Revolving
Prime Bank Limited	Loan against Trust Receipts	250,000,000	Working Capital	90 days	Revolving
Prime Bank Limited	Letter of credit (non funded)	250,000,000	Working Capital	90 days	Revolving
Prime Bank Limited	Bank guarantee	20,000,000	To issue guarantee for tender and utilities facilities	One Year	Revolving
State Bank of India	Loan against Trust Receipts	30,000,000	Working Capital	120 days	Revolving
HSBC	Offshore Banking	40,000,000	Working Capital	180 days	Revolving

23. PROVISION FOR TAX

Opening balance
Provision during the year

30.06.2011 Taka	30.06.2010 Taka
316,356,492	132,982,127
238,284,672	183,374,365
554,641,164	316,356,492

Return for the income year 2007-2008 has been submitted and assessment is under process.

Provision for writ petition against VAT

The management of the company thinks that as the matter is sub-judice, provision for VAT would not be required as per opinion of the tax/ VAT advisor of the company.

24. NET SALES

Domestic sales net of VAT
Export sales
Net sales

3,295,335,653	2,745,840,683
726,935,410	381,511,944
4,022,271,063	3,127,352,627

24.1 Domestic sales Net of VAT

Cement
Clinker

3,203,382,762	2,745,840,683
91,952,891	-
3,295,335,653	2,745,840,683

Quantity wise schedule of sales relating to the financial statements for the year ended 30 June 2011 as required under Schedule XI, Part-II of the Companies Act 1994 are given below:

24.2 Quantity wise sales

Particulars	01-07-2010 to 30-06-2011		01-07-2009 to 30-06-2010	
	Quantity	Metric Ton	Quantity	Metric Ton
Domestic Sales	598,795	3,295,335,653	503,273	2,745,840,683
Export Sales	120,970	726,935,410	68,100	381,511,944
Total	719,765	4,022,271,063	571,373	3,127,352,627

25. COST OF GOOD SOLD

Opening stock of raw materials
Add: Purchased of raw materials during the year
Less: Closing stock of raw materials

Raw material consumed

(Note-25.1)

Add: Factory overhead

(Note-25.5)

Cost of production

Add: Opening finished goods

Cost of goods available for sale

Less: Closing finished goods

Cost of goods sold

Less: Duty draw back for export

Cost of goods sold

252,153,063	168,765,842
2,901,967,171	2,239,833,629
201,807,546	252,153,063
2,952,312,688	2,156,446,408
343,046,441	293,308,791
3,295,359,129	2,449,755,199
86,049	20,585
3,295,445,178	2,449,775,784
1,669	86,049
3,295,443,509	2,449,689,735
41,429,201	23,883,475
3,254,014,308	2,425,806,260

25.1 Raw materials consumed

Opening stock of raw materials

	Quantity	
Clinker	MT	31,014.00
Gypsum	MT	10,045.00
Slag	MT	14,224.00
Fly ash	MT	25,766.00
Lime stone	MT	16,704.00
Bags	PCS	599,353.00

133,252,916	69,896,320
22,443,099	10,948,095
32,368,996	50,491,121
42,442,053	21,648,235
15,029,042	8,690,946
6,616,958	7,091,124
252,153,063	168,765,842

Add: Purchased during the year

	Quantity	
Clinker	MT	528,111.36
Gypsum	MT	27,827.00
Slag	MT	74,100.00
Fly ash	MT	67,557.00
Lime stone	MT	6,985.16
Bags	PCS	13,944,808.00

2,349,948,097	1,745,833,871
79,091,667	65,831,418
159,659,244	151,814,130
149,704,714	119,365,060
10,550,827	27,213,644
153,012,622	129,775,506
2,901,967,171	2,239,833,629

Less: Closing stock of raw materials

	Quantity	
Clinker	MT	22,650.00
Gypsum	MT	7,495.00
Slag	MT	23,835.00
Fly ash	MT	4,851.00
Lime stone	MT	2,670.00
Bags	PCS	980,672.00

104,654,829	133,252,916
18,947,419	22,443,099
52,036,688	32,368,996
10,991,536	42,442,053
4,296,881	15,029,042
10,880,193	6,616,958
201,807,546	252,153,063
2,952,312,688	2,156,446,408

Raw materials consumed

25.2 As per nature of the company's manufacturing process and packing system there is no scope of having packed finished cement in the stock. Cement is only packed at the time of delivery by trucks i.e. the cement is packed in the bag when trucks arrive at the factory for tacking delivery. As per company's policy any bags of cement remained undelivered in the stock is considered as finished product. Thus the above amount represents the cost of 6(six) bags of cement remained undelivered to the trucks on 30 June 2011.

Particulars in respect of opening stock, sales and closing stock of finished goods

Year	Opening		Closing		Sales for the year	
	Quantity	Value	Quantity	Value	Quantity	Value
2010-2011	20.2	86,049	0.30	1,669	719,765	4,022,271,063
2009-2010	4.80	20,585	20.20	86,049	571,373	3,127,352,627

25.2.a Finished goods movement in Taka and quantities

Particulars	01.07.2010 -30.06.2011		01.07.2009 -30.06.2010	
	Quantity (Metric Ton)	Amount in Taka		
Opening stock	20.20	86,049	4.80	20,585
Add: Production during the period	719,745.46	3,295,359,129	571388.40	2,449,755,199
Goods available for sale	719,765.66	3,295,445,178	571393.20	2,449,775,784
Less: Cost of goods sold	719,765.36	3,295,443,509	571373.00	2,449,689,735
Closing stock	0.30	1,669	20.20	86,049

25.3 Analysis of raw materials consumption

2010-2011

Particulars	Opening		Closing		Consumed for the year	
	MT/Pcs	Amount	MT/Pcs	Amount	MT/Pcs	Amount
Clinker (MT)	31,014	133,252,916	22,650	104,654,829	536,475	2,378,546,184
Gypsum (MT)	10,045	22,443,099	7,495	18,947,419	30,377	82,587,347
Slag (MT)	14,224	32,368,996	23,835	52,036,688	64,489	139,991,552
Fly ash (MT)	25,766	42,442,053	4,851	10,991,536	88,472	181,155,231
Lime stone (MT)	16,704	15,029,042	2,670	4,296,881	21,019	21,282,988
Bags (Pcs)	599,353	6,616,958	980,672	10,880,193	13,563,489	148,749,387

2009-2010

Particulars	Opening		Closing		Consumed for the year	
	MT/Pcs	Amount	MT/Pcs	Amount	MT/Pcs	Amount
Clinker (MT)	19,700	69,896,320	31,014	133,252,916	414,613	1,682,477,275
Gypsum (MT)	5,216	10,948,095	10,045	22,443,099	24,571	54,336,414
Slag (MT)	22,471	50,491,121	14,224	32,368,996	71,635	169,936,256
Fly ash (MT)	13,426	21,648,235	25,766	42,442,053	58,484	98,571,242
Lime stone (MT)	8,542	8,690,946	16,704	15,029,042	23,020	20,875,548
Bags (Pcs)	502,796	7,091,124	599,353	6,616,958	10,946,457	130,249,673

**25.4 Break up of Raw Materials Purchased as per requirement of Para 8
Schedule XI, Part II, of the Companies Act 1994**

2010-2011

Items	Purchase in taka			Consumption in Taka	% of Consumption of total purchase
	Import	Local	Total		
Clinker	2,349,948,097	-	2,349,948,097	2,378,546,184	101%
Gypsum	79,091,667	-	79,091,667	82,587,347	104%
Slag	159,659,244	-	159,659,244	139,991,552	88%
Fly ash	149,704,714	-	149,704,714	181,155,231	121%
Lime stone	-	10,550,827	10,550,827	21,282,988	202%
Bags	-	153,012,622	153,012,622	148,749,387	97%
Total	2,738,403,722	163,563,449	2,901,967,171	2,952,312,688	102%

2009-2010

Items	Purchase in taka			Consumption in Taka	% of Consumption of total purchase
	Import	Local	Total		
Clinker	1,745,833,871	-	1,745,833,871	1,682,477,275	96%
Gypsum	65,831,418	-	65,831,418	54,336,414	83%
Slag	151,814,131	-	151,814,131	169,936,256	112%
Fly ash	119,365,060	-	119,365,060	98,571,242	83%
Lime stone	-	27,213,644	27,213,644	20,875,548	77%
Bags	-	129,775,507	129,775,507	130,249,673	100%
Total	2,082,844,480	156,989,150	2,239,833,630	2,156,446,408	96%

The Value of imported raw material is calculated on CIF basis.

25.5 Factory overhead

	30.06.2011 Taka	30.06.2010 Taka
C & F expense for import	17,937	-
Carrying charges	529,278	311,621
Computer accessories	561,216	111,980
Contribution to PF	119,609	87,379
Conveyance	204,793	161,032
Crockery & cutleries	31,688	340
Depreciation	55,495,670	58,084,142
Drinking water	130,695	64,933
Fuel for motor vehicle	699,936	1,000,250
Garage rent	84,700	-
Group insurance premium	-	105,672
Land rent/ Khazana	20,729	-
Labour charge	17,003,731	16,119,344
Legal fees	28,000	64,000
Annual milad	-	1,940
Medical expenses	142,527	26,932
Mobile phone bill employees	242,527	251,473
News paper, books & periodicals	6,928	1,656
Office maintenance	1,110,089	144,750
Overtime	6,147,573	3,718,577
Photocopy	10,420	1,111
Postage, telegrams & stamp	6,758	45
Registration, license & renewals	43,990	29,250
Wages and salary	35,517,814	27,595,103
Repair & maintenance-vehicle	1,478,291	561,171
Entertainment	1,876,520	908,864
Special allowances	348,550	250,904
Telephone/fax expenses	60,555	31,838
Office/House/Store-rent	405,230	-
Outstation & hotel allowance/house rent/TA-DA & others	186,921	61,780
Repair & maintenance-office	454,500	1,500
Insurance premium-others	148,381	379,283
Electricity bill	147,012,833	120,864,404
Lubricants, diesel oil, gear oil & fuel etc.	20,253,356	9,656,914
Quality testing expenses	727,564	1,057,680
Repair & maintenance - factory (Spare parts)	44,373,033	46,750,946
Bedding and uniform	189,303	63,165
Donation & subscription	595,650	72,500
Eid tips	11,950	73,851
Festival bonus	2,598,550	2,069,720
Gift & presentations	-	3,000
Gratuity	587,312	1,129,938
Printing, stationeries, schedule & forms	1,242,903	637,564
Traveling expense-Local	21,431	40,305
Traveling expense-Foreign	535,564	5,200
Promotional expense	772,855	205,800
Tea & coffee expense	457,750	219,366
Fuel for motor cycle	-	1,428
Miscellaneous expenses	-	2,000
Rent of hire vehicle	103,690	77,739
Leave encashment	185,816	159,776
Fooding and refreshment	261,325	140,625
	343,046,441	293,308,791

Factory overhead increased sharply due to increase in electricity bill & lubricant. Electricity bill increased due to increase in production quantity and production continued in peak hours. Peak hour rate is just double than the off peak hour rate.

26. OTHER OPERATING INCOME

Rent from covered van	
Rent from bulk carrier	
Rent from cargo vessels	
Rent from truck	
Interest income from FDR	

27. ADMINISTRATIVE EXPENSES

Annual milad	
Annual picnic	
Audit/professional/legal fees	
Bedding & uniform	
Carrying charges	
Computer accessories	
Consultancy fees	
Contribution to PF	
Conveyance-local	
Crockery & cutlery	
Depreciation	
Donation & subscription	
Drinking water	
Eid tips	
Electric goods	
Entertainment	
Fooding and refreshment	
Fuel for motor vehicle	
Fuel for motor cycle	
Garage rent	
Gardening & plantation	
Gift & presentation	
Internet	
Labour charge	
Medical expenses	
Meeting expenses	
Mobile phone bill-employee	
News paper, books & periodicals	
Office maintenance	
Office/house/store-rent	
Overtime	
Photocopy	
Postage, telegrams & stamp	
Printing, Stationeries, Schedule & forms	
Promotional expenses	
Publication, printing & supplies	
Registration, license & renewals	
Salary & allowances	
Traveling expense-local	
Traveling expense-foreign	
Tea/Coffee expenses	
Telephone/fax expenses-others	
Repair & maintenance-vehicle	
Special allowances-for others	
Insurance premium others	
Insurance premium on motor vehicle	
Mobile phone bill-directors	
Telephone/fax expenses	
Outstation & hotel allowance/house rent/Ta-DA & Others	
Repair & maintenance-office	
Training & education	
Miscellaneous expenses	
Security expenses	
ERP maintenance fees	
ISO certification	
Special allowances-for employee	
Advertisement & publicity	
Board meeting attendance fees	
Directors remuneration	
Festival bonus	
Gratuity	
Legal fees	
Loss on sale of assets	
Marketing survey	
Leave encashment	
C & F expense for import	
IPO expense	

30.06.2011	30.06.2010
Taka	Taka
41,150,032	32,987,218
10,603,410	6,073,236
45,200	603,200
6,360,620	2,021,625
4,622,261	2,488,383
62,781,523	44,173,662
408,930	478,156
1,327,695	1,406,973
2,309,345	1,819,658
64,860	55,490
-	15,650
31,540	442,080
-	258,000
234,160	127,880
163,566	68,652
100,199	46,326
6,831,935	3,513,444
724,862	1,957,571
91,525	79,280
101,100	35,200
6,045	26,638
1,156,874	884,141
98,280	73,134
603,519	408,374
10,344	-
87,300	16,500
78,000	34,500
202,375	81,278
292,200	283,916
101,587	11,803
9,020	9,855
98,340	15,289
307,399	199,150
13,350	17,672
656,433	565,602
5,272,831	3,313,809
55,670	136,028
2,976	33,805
96,187	84,745
715,381	926,837
10,776,530	5,192,481
484,816	-
1,823,928	170,596
12,691,117	6,947,661
360,851	89,117
1,795,670	2,013,911
208,710	191,726
-	64,723
736,305	633,082
172,017	24,873
103,218	-
823,632	21,962
131,981	112,242
124,166	188,760
17,550	131,130
134,243	185,073
114,000	110,718
188,183	55,873
69,600	69,600
30,000	330,000
29,260	-
20,266	-
1,482,637	767,486
165,000	287,500
11,036,600	7,759,900
1,025,482	557,464
435,355	669,495
120,000	47,434
647,133	-
18,010	5,490
161,570	104,007
-	12,000
-	3,545,611
68,181,658	47,717,350

28. SELLING AND DISTRIBUTION EXPENSES

	30.06.2011 Taka	30.06.2010 Taka
Advertisement & publicity	30,787,348	29,436,271
Audit & professional fees	1,063,700	-
Contribution to PF	358,850	213,516
Conveyance -local	1,919,185	1,195,552
Depreciation	21,639,635	14,452,171
Fooding and refreshment	1,407,395	755,929
Lubricants, diesel oil, gear oil & fuel etc.	18,830,220	15,068,326
Insurance premium on motor cycle	14,013	16,620
Meeting expenses	2,519,974	518,549
Mobile phone bill-employee	652,969	693,792
Printing stationeries, schedule & forms	382,569	335,655
Salary & allowances	21,981,336	14,809,662
Traveling expense -local	183,595	30,934
Traveling expense -foreign	175,177	206,589
Telephone/fax expenses-others	2,843	11,121
Repair & maintenance- vehicle	12,747,376	8,356,734
Fuel for motor cycle	523,022	755,942
Insurance on motor vehicle	1,413,302	405,014
Outstation & hotel allowance/house rent/Ta-DA & others	662,272	276,658
Miscellaneous expenses	1,246,770	998,091
Repair & maintenance-office	4,050	-
Repair & maintenance-motor cycle	140,494	130,424
C&F expenses for export	5,786,800	2,488,100
Quality testing expenses	360,335	7,000
Marketing survey	-	46,885
Training & education	195,000	68,737
Fair & exhibition	294,000	718,442
Annual picnic	184,656	1,143,084
Consultancy fees	20,000	25,000
Donation & subscription	560,264	910,500
Eid tips	3,000	4,100
Electric goods	-	77,800
Entertainment	814,828	396,972
Festival bonus	1,606,786	1,213,988
Gift & presentations	373,946	192,981
Group insurance premium	-	214,906
Gratuity	432,754	651,587
Garage rent	21,900	-
Labour charges	413,650	215,008
Legal fees	20,080	95,110
News paper, books & periodicals	-	116
Office maintenance	46,250	14,615
Overtime	802,584	434,392
Photocopy	24,603	42,658
Postage, telegram & stamps	93,088	23,588
Promotional expenses	6,380,940	1,641,434
Registration, license & renewals	1,388,429	701,940
Special allowance	32,590	5,025
Tee/Coffee expense	-	625
Mobile phone bill-Directors	-	4,512
Rent of hire vehicle	242,711	137,236
Carriage expense	-	18,807,752
Leave encashment	260,995	130,853
Incentive-Others	8,622,551	1,711,450
C & F expense for import	-	4,704
Bad debts	-	50,500
Publication, printing & supplies	964,159	4,335,781
Medical expense	22,875	4,784
Other expense on motor vehicle	3,594,704	1,882,957
	152,220,573	127,072,672

29. OTHER NON-OPERATING INCOME

	30.06.2011 Taka	30.06.2010 Taka
Head Office	8,392,659	6,969,190
Sales of scrap	5,334,846	1,457,611
Other income	18,263,389	9,000
Exchange gain/ (loss)*	-	490,000
Profit on sale of fixed assets	164,628,571	-
Interest income from IPO proceeds	196,619,465	8,925,801

*Exchange gain raised from difference of exchange rate of IPO Application money of non residence Bangladeshi (NRB)

30. FINANCIAL EXPENSES

Bank charge & commission	3,491,707	1,623,008
Bank interest	88,939,106	46,860,121
	92,430,813	48,483,129

31. TAX EXPENSES

31.1 Major components of tax expenses

In compliance with the requirements of para-79 of BAS-12: Income Tax, the major components of tax expenses are given below:

Current tax expenses	238,284,672	183,374,365
Deferred tax expenses	6,564,936	15,890,390
	244,849,608	199,264,755

31.2 Reconciliation of tax expenses and product of accounting profit

In compliance with the requirements of para-81 (b) of BAS-12: Income Tax, the reconciliation of tax expenses and product of accounting profits are given below:

Accounting profit for the year ended 30 June 2011 and 2010	680,785,428	531,372,679
Tax on Accounting profits @ 37.50% from 01.07.2010 to 05.05.2011	216,126,059	199,264,755
Tax on Accounting profits @ 27.50% from 06.05.2011 to 30.06.2011	28,723,550	-
Add/Deduct: Effects of tax rate change	-	-
Add/Deduct: Effects of permanent difference	-	-
Add/Deduct: Effects of prior year's adjustments	-	-
Tax expenses for the year	244,849,608	199,264,755

32. EARNING PER SHARE (EPS)

Basic Earnings per share:

Earning attributable to ordinary shareholders (Taka)	435,935,820	332,107,924
Weighted average number of ordinary shares (calculation as below)	81,342,466	66,559,386
Earning Per Share (Taka)	5.36	4.99

Restated:

Earning attributable to ordinary shareholders (Taka)		332,107,924
Number of ordinary shares outstanding (Denominator)		81,342,466
Earnings per share (EPS)		4.08

Calculation of weighted average number of ordinary shares outstanding during the period from 01 July 2010 to 30 June 2011 is given below:

Nature of Share	Number of shares	Period	Days of share holding	Weighted average no. of shares outstanding 2010-2011	Weighted average no. of shares outstanding 2009-2010
Ordinary shares	20,000,000	01.07.2010 to 30.06.2011	365	20,000,000	20,000,000
Bonus share	42,656,000	01.07.2010 to 30.06.2011	365	42,656,000	42,656,000
Ordinary shares issued	30,000,000	13.02.2011 to 30.06.2011	138	11,342,466	-
Other than in cash	7,344,000	01.07.2010 to 30.06.2011	365	7,344,000	3,903,386
Total	100,000,000			81,342,466	66,559,386

33. NET ASSET VALUE (NAV) PER SHARE

Net Assets (Total Assets - Intangible Assets - Total Liabilities)
Weighted average number of ordinary shares
Net asset value (NAV) per share

Restated:

Net Assets
Weighted average number of ordinary shares
Net asset value (NAV) per share

	30.06.2011 Taka	30.06.2010 Taka
Net Assets (Total Assets - Intangible Assets - Total Liabilities)	5,028,493,703	1,335,997,883
Weighted average number of ordinary shares	81,342,466	66,559,386
Net asset value (NAV) per share	62	20
Restated:		
Net Assets	-	1,335,997,883
Weighted average number of ordinary shares	-	81,342,466
Net asset value (NAV) per share	-	16
34. CONTINGENT LIABILITIES/ OFF BALANCE SHEET ITEMS		
Commitments (Note: 34.1)	628,805,697	975,971,138
Contingent liabilities (Note: 34.2)	16,395,474	8,310,142
	645,201,171	984,281,280
34.1 Commitments		
Letter of credit		
Prime Bank Limited	162,887,697	258,048,138
One Bank Limited	465,918,000	717,923,000
	628,805,697	975,971,138
34.2 Contingent liabilities		
Bank guarantee		
One Bank Limited	1,533,106	3,673,106
Prime Bank Limited	14,862,368	4,637,036
	16,395,474	8,310,142

35. RELATED PARTIES TRANSACTIONS

During the year, the company carried out a number of transactions with related parties in the normal course of business. The name of the related parties and nature of these transactions have been set out in accordance with the provisions of BAS 24: Related Party Disclosure.

Name of Parties	Relationship	Nature transactions	Transactions value	
			2010-2011	2009-2010
Md. Jahangir Alam	Chairman	Bonus issue, other than cash & remuneration	1,293,350	111,950,000
Alhaj Md. Khabiruddin Molla	Managing Director	Bonus issue, other than cash & remuneration	1,293,350	101,200,000
Md. Alamgir Kabir	Director	Bonus issue, other than cash & remuneration	4,224,950	72,850,000
Molla Mohammad Maznu	Director	Bonus issue, other than cash & remuneration	4,224,950	53,600,000
Md. Mizanur Rahman Molla	Director	Bonus issue & other than cash	-	50,000,000
Md. Almas (Shimul)	Director	Bonus issue & other than cash	-	35,000,000
Alhaj Md. Abdur Rouf	Shareholder of the entity	Bonus issue & other than cash	-	12,500,000
Md. Asrafuzzaman	Shareholder of the entity	Bonus issue & other than cash	-	12,500,000
Md. Abdul Ahad	Shareholder of the entity	Bonus issue & other than cash	-	10,000,000
Mrs. Alhaj Rokeya Begum	Shareholder of the entity	Bonus issue & other than cash	-	50,000,000
Molla Brothers & Co.	Shareholder of the entity	Distributor of cement	401,925,425	526,166,622

Investment in Related Companies:

Name of the company	Relationship	Nature transactions	Transactions value	
			2010-2011	2009-2010
Crown Power Generation Ltd.	Associate Company	Pre operating expenses	22,590,373	85,505,746
Crown Polymer Bagging Ltd.	Associate Company	Pre operating expenses	39,358,881	7,006,732
Crown Mariners Ltd.	Associate Company	Pre operating expenses	76,472,043	10,194,900
Crown Cement Trading company	Associate Company	Pre operating expenses	24,795,403	-
Crown Cement concrete and building products Ltd.	Associate Company	Pre operating expenses	(225,000)	-
Crown Transaction & Logistics Ltd.	Associate Company	Pre operating expenses	4,042,350	-

36. NUMBER OF EMPLOYEES

The company had 718 permanent employees as at 30 June 2011 (2010:591) and a varying number of seasonal and temporary workers as required. All permanent employees receive remuneration in excess of Tk.36,000 per annum per employee.

Directors emolument

Salary & benefits

30.06.2011 Taka	30.06.2010 Taka
11,036,600	9,600,000
840,000	840,000
719,765	571,373
86%	68%

37. CAPACITY AND PRODUCTION

Installed capacity in metric tons

Actual production in metric tons

% of capacity utilization

840,000	840,000
719,765	571,373
86%	68%

38. NUMBER OF BOARD MEETINGS HELD DURING THE YEAR 2010-2011

Quarter during 2010-2011	Date of meeting	No. of directors attended	Quarter during 2009- 2010	Date of meeting	No. of directors attended
1st Quarter	24 August 2010	6	1st Quarter	01 July 2009	5
				29 August 2009	6
2nd Quarter	09 October 2010	6	2nd Quarter	14 October 2009	6
	11 December 2010	6		02 December 2009	6
	13 February 2011	6		10 December 2009	6
				21 December 2009	6
3rd Quarter	16 March 2011	6	3rd Quarter	03 March 2010	6
				24 March 2010	6
4th Quarter	09 April 2011	6	4th Quarter	06 June 2010	6
	18 June 2011	6			

39. EVENTS AFTER THE REPORTING PERIOD

The following major events occurred since the financial statements date:

39.1 Syndication Loan

An agreement between the company and a numbers of Banks under the lead arrangement of One Bank Limited has been signed on 06 May 2010 for syndication loan amounting of Tk. 1158.53 million, from which an amount of Tk. 485.84 million has already been used for capital work-in-progress by the company.


Managing Director


Director


Director


Company Secretary

Dhaka,
20 October 2011

SCHEDULE OF PROPERTY, PLANT AND EQUIPMENTS

As at 30 June 2011

Annexure-A

(Figures are in Taka)

Sl. #	Particulars	C O S T			Total Cost as on 30.06.2011	Rate %	D E P R E C I A T I O N					Written Down Value as on 30.06.2011
		Cost as on 01.07.2010	During the year				Accumulated as on 01.07.2010	During the Year		Accumulated as on 30.06.11		
			Addition	Disposal/ Adjust.				Charged	Adjust			
		1	2	3	4=(1+2-3)	5	6	7	8	9=(6+7-8)	10=(4-9)	
a. Historical Cost												
Factory												
UNIT-I												
1	Land & Land Development	168,528,722	21,769,121	-	190,297,843	-	-	-	-	-	190,297,843	
2	Factory Buildings Unit-I & II	144,025,710	-	-	144,025,710	5	73,103,595	3,546,106	-	76,649,701	67,376,009	
3	Factory Buildings Unit-III	55,730,870	-	-	55,730,870	5	5,432,573	2,514,915	-	7,947,488	47,783,382	
4	Plant & Machineries Unit-I & II	230,398,329	-	-	230,398,329	10	153,220,832	7,717,750	-	160,938,582	69,459,747	
5	Plant & Machineries Unit-III	284,059,125	-	-	284,059,125	10	53,971,233	23,008,789	-	76,980,022	207,079,102	
6	Fly Ash Unloading System	39,293,447	-	-	39,293,447	10	12,190,552	2,710,290	-	14,900,841	24,392,606	
7	Electric Tools	19,729	-	-	19,729	15	14,766	744	-	15,510	4,219	
8	Generator	8,010,400	-	3,860,400	4,150,000	20	3,736,163	82,767	2,906,163	912,768	3,237,232	
9	Electric Equipment	14,631,557	317,560	-	14,949,117	15	4,387,179	1,584,291	-	5,971,470	8,977,647	
10	Water Pump	741,590	-	-	741,590	20	422,554	63,807	-	486,361	255,229	
11	Jetty Construction	38,218,726	219,000	-	38,437,726	10	20,740,580	1,769,715	-	22,510,295	15,927,431	
12	Electric Fan	75,960	-	-	75,960	10	19,674	5,629	-	25,303	50,657	
13	Grab Crane	3,054,124	-	-	3,054,124	15	2,346,738	106,108	-	2,452,846	601,278	
14	Sundry Assets	1,402,172	-	-	1,402,172	15	847,747	83,164	-	930,911	471,261	
15	Electronic Weighbridge	1,791,071	-	-	1,791,071	15	691,130	164,991	-	856,121	934,950	
16	Quality Control Equipment	1,491,438	-	-	1,491,438	15	444,757	157,002	-	601,759	889,679	
17	Pay-Loader	7,426,440	10,745,562	-	18,172,002	15	3,575,152	2,189,528	-	5,764,679	12,407,323	
18	Wheel Loader	12,214,833	-	-	12,214,833	15	3,361,083	1,328,062	-	4,689,146	7,525,687	
19	Weigh Feeder	7,268,845	10,651,411	-	17,920,256	15	2,373,171	2,332,063	-	4,705,233	13,215,023	
20	Cement Silo	25,035,550	-	-	25,035,550	15	13,167,893	1,780,149	-	14,948,041	10,087,509	
21	Pump House	679,196	-	-	679,196	5	52,804	31,320	-	84,124	595,072	
22	Laboratory Instruments	1,620,365	-	-	1,620,365	10	703,308	91,706	-	795,014	825,351	
23	Boundary Wall	9,972,630	-	-	9,972,630	5	3,479,602	324,651	-	3,804,254	6,168,376	
24	Dump Truck	2,448,724	-	-	2,448,724	15	367,309	312,212	-	679,521	1,769,203	
25	Tools & Instruments	800,000	-	-	800,000	15	120,000	102,000	-	222,000	578,000	
26	Sub Station	133,200	3,517,315	-	3,650,515	15	19,980	544,580	-	564,560	3,085,955	
27	Water Cooling Tower	70,000	-	-	70,000	15	10,500	8,925	-	19,425	50,575	
	Sub-Total	1,059,142,752	47,219,969	3,860,400	1,102,502,321		358,800,875	52,561,262	2,906,163	408,455,975	694,046,347	

SCHEDULE OF PROPERTY, PLANT AND EQUIPMENTS

As at 30 June 2011

Annexure-A

(Figures are in Taka)

Sl. #	Particulars	C O S T			D E P R E C I A T I O N						Written Down Value as on 30.06.2011 10=(4-9)
		Cost as on 01.07.2010	During the year		Total Cost as on 30.06.2011 4=(1+2+3)	Rate %	Accumulated as on 01.07.2010	During the Year		Accumulated as on 30.06.11 9=(6+7+8)	
			Addition	Disposal/ Adjust.				Charged	Adjust		
		1	2	3	4=(1+2+3)	5	6	7	8	9=(6+7+8)	10=(4-9)
UNIT- II	Administrative										
28	Air Conditioners	1,263,358	740,000	-	2,003,358	15	391,227	241,820	-	633,046	1,370,312
29	Decoration	8,277,453	-	2,262,495	6,014,958	10	1,454,536	456,042	809,751	1,100,827	4,914,131
30	Office Equipment	3,956,439	211,000	-	4,167,439	15	2,162,949	300,673	-	2,463,623	1,703,816
31	Motor Vehicles	18,721,566	25,246,450	575,000	43,393,016	15	9,087,462	5,145,833	423,848	13,809,447	29,583,569
32	Computer	2,796,536	827,792	-	3,624,328	20	1,572,612	410,343	-	1,982,955	1,641,373
33	Furniture & Fixtures	3,775,194	256,079	-	4,031,273	10	1,387,486	264,379	-	1,651,865	2,379,408
34	Construction of Mosque	380,532	-	-	380,532	5	123,646	12,844	-	136,491	244,041
	Sub-Total	39,171,078	27,281,321	2,837,495	63,614,904		16,179,918	6,831,935	1,233,599	21,778,254	41,836,650
UNIT - III	Selling & Distribution.										
35	Cargo Vessel	7,016,256	2,510,122	-	9,526,378	10	4,641,659	488,472	-	5,130,131	4,396,247
36	Covered Van	82,636,432	19,669,258	-	102,305,690	15	27,584,995	11,208,104	-	38,793,099	63,512,591
37	Motor Cycle	1,937,070	-	-	1,937,070	15	652,838	192,635	-	845,473	1,091,597
38	Bulk Carrier	31,303,058	12,160,338	-	43,463,396	15	9,719,589	5,061,571	-	14,781,160	28,682,236
39	Ramp Construction	49,504	-	-	49,504	10	15,421	3,408	-	18,829	30,675
40	Service Silo	2,988,582	-	-	2,988,582	10	702,695	228,589	-	931,284	2,057,298
41	Truck Open	3,696,412	27,041,716	-	30,738,128	15	1,025,755	4,456,856	-	5,482,611	25,255,517
	Sub-Total	129,627,314	61,381,434	-	191,008,748		44,342,952	21,639,635	-	65,982,587	125,026,161
	Total (a) [UNIT I+II+III]	1,227,941,145	135,882,724	6,697,895	1,357,125,974		419,323,745	81,032,832	4,139,762	496,216,815	860,909,159
b. Revaluation											
1	Land & Land Development	201,793,090	-	-	201,793,090	-	-	-	-	-	201,793,090
2	Factory Buildings Unit-I & II	43,218,530	-	-	43,218,530	5	2,160,927	2,052,880	-	4,213,807	39,004,723
3	Factory Buildings Unit-III	18,558,470	-	-	18,558,470	5	927,924	881,527	-	1,809,451	16,749,019
	Total (b)	263,570,090	-	-	263,570,090		3,088,850	2,934,408	-	6,023,258	257,546,833
	Total assets (a+b)	1,491,511,235	135,882,724	6,697,895	1,626,696,064		422,412,595	83,967,240	4,139,762	502,240,072	1,118,455,992
2009-2010:											
UNIT -I	Factory	1,036,570,520	287,942,322	1,800,000	1,322,712,842		305,155,583	58,084,142	1,350,000	361,889,725	960,823,117
UNIT -II	Administrative	25,915,797	13,255,281	-	39,171,078		12,666,474	3,513,444	-	16,179,918	22,991,160
UNIT -III	Selling & Distribution	101,558,575	30,268,739	2,200,000	129,627,314		31,540,781	14,452,171	1,650,000	44,342,952	85,284,362
	Total 2009-2010	1,164,044,892	331,466,342	4,000,000	1,491,511,234		349,362,838	76,049,757	3,000,000	422,412,595	1,069,098,640

SCHEDULE OF PROPERTY, PLANT AND EQUIPMENTS

For Tax Purpose (2010-2011)

(Figures are in Taka)

Sl. #	Particulars	Balance as on 01.07.2010		C O S T		Total Cost as on 30.06.2011	Rate %	D E P R E C I A T I O N				Accumulated as on 30.06.11	Written Down Value as on 30.06.2011
		1	2	3	4			5	6	7	8		
			Addition	Disposal/ Adjust.					Accumulated as on 01.07.2010	Charged	Adjust	9=(6+7-8)	10=(4-9)
a. At cost						4=(1+2+3)							
1	Factory	168,528,722	21,769,121	-	-	190,297,843	0	-	-	-	-	-	190,297,843
2	Land & Land Development	197,048,887	-	-	-	197,048,887	20	128,583,505	13,693,076	-	-	142,276,582	54,772,305
3	Office Building	1,202,265	-	-	-	1,202,265	10	325,814	87,645	-	-	413,459	788,806
4	Plant & Machineries	252,036,022	-	-	-	252,036,022	20	181,657,549	14,075,695	-	-	195,733,244	56,302,778
5	Plant & Machineries (Fixed)	249,220,351	-	-	-	249,220,351	20	87,546,776	32,334,715	-	-	119,881,491	129,338,860
6	Generator	8,010,400	-	3,860,400	-	4,150,000	18	3,579,791	102,638	2,906,163	-	776,266	3,373,734
7	Electric Instruments	2,892,969	-	-	-	2,892,969	18	1,297,878	287,116	-	-	1,584,995	1,307,974
8	Electric Equipment	13,549,388	-	-	-	13,866,948	15	3,976,751	1,483,530	-	-	5,460,280	8,406,668
9	Office Equipment	4,756,439	-	-	-	4,967,439	10	1,948,654	301,879	-	-	2,250,532	2,716,907
10	Furniture & Fixtures	3,775,194	-	-	-	4,031,273	10	1,387,486	264,379	-	-	1,651,865	2,379,408
11	Office Decoration	8,277,453	-	2,262,495	-	6,014,958	10	1,454,536	456,042	809,751	-	1,100,827	4,914,131
12	Crockeries	11,685	-	-	-	11,685	10	3,167	852	-	-	4,018	7,667
13	Deep Tubewell	431,050	-	-	-	431,050	18	334,902	17,307	-	-	352,209	78,841
14	Water Tanks	506,952	-	-	-	506,952	15	120,745	57,931	-	-	178,676	328,276
15	Jetty Making	38,218,725	-	-	-	38,437,725	15	23,312,032	2,268,854	-	-	25,580,886	12,856,839
16	Motor Vehicles	39,582,939	-	-	-	64,254,389	20	17,270,737	9,396,730	423,848	-	26,243,620	38,010,769
17	Motor Cycle	1,937,070	-	575,000	-	1,362,070	20	791,215	229,171	-	-	1,020,386	916,684
18	Electric Fan	75,960	-	-	-	75,960	15	28,074	7,183	-	-	35,257	40,703
19	Television	1,263,358	-	-	-	5,924	15	2,286	546	-	-	2,832	3,092
20	Air Conditioners	3,054,124	-	-	-	2,003,358	15	391,227	241,820	-	-	633,046	1,370,312
21	Graberry Crane	7,280,961	-	-	-	3,054,124	15	2,346,738	106,108	-	-	2,452,846	601,278
22	Cuttionvware Line	2,796,536	-	-	-	7,280,961	15	2,809,541	670,713	-	-	3,480,254	3,800,707
23	Computer	7,016,256	827,792	-	-	3,624,328	30	1,619,237	601,527	-	-	2,220,764	1,403,564
24	Cargo Vessel	67,070,195	2,510,122	-	-	9,526,378	20	5,348,500	835,576	-	-	6,184,076	3,342,302
25	Covered Van	1,307,655	46,710,974	-	-	113,781,169	20	30,569,853	16,642,263	-	-	47,212,116	66,569,053
26	Sundry Assets	60,879,076	-	-	-	1,307,655	15	811,274	74,457	-	-	885,731	421,924
27	Pay and Wheel Ladder	4,675,534	10,745,562	-	-	71,624,638	15	24,295,728	7,099,336	-	-	31,395,065	40,229,573
28	Sub Station	28,024,133	3,517,315	-	-	8,192,849	15	1,772,753	963,014	-	-	2,735,768	5,457,081
29	Boundary Wall	9,972,630	-	-	-	28,024,133	10	12,433,329	1,559,080	-	-	13,992,409	14,031,724
30	Internal Road	1,342,527	-	-	-	9,972,630	10	2,603,108	736,952	-	-	3,340,061	6,632,569
31	Air Compressor	31,303,058	-	-	-	1,502,428	1	297,631	12,048	-	-	309,679	1,192,749
32	Bulk Carrier	1,908,792	12,160,338	-	-	1,342,527	10	363,825	97,870	-	-	461,695	880,832
33	Laborer Instruments	3,111,803	-	-	-	43,463,396	10	6,873,805	3,658,959	-	-	10,532,764	32,930,632
34	Packing Machine	1,908,792	-	-	-	3,111,803	10	957,053	215,475	-	-	1,172,528	1,939,275
	Pump House	4,684,488	-	-	-	1,908,792	15	736,555	175,836	-	-	912,391	996,401
	Weight Feeder	10,651,411	-	-	-	679,196	10	93,688	58,551	-	-	152,238	526,958
						15,335,899	15	1,656,011	2,051,983	-	-	3,707,994	11,627,905
	Total	1,227,941,145	135,882,724	6,697,895	1,357,125,974	1,357,125,974		549,601,753	110,866,857	4,139,762	656,328,848	700,797,126	502,240,072
													556,328,848
													154,088,775
													48,917,909
													6,501,280
													55,419,189
													48,854,253
													6,564,936

Accumulated depreciation as per Accounts
Accumulated depreciation as per Tax
Taxable Temporary difference
Deferred Tax Liabilities @ 37.50% from 01.07.2010 to 05.05.2011
Deferred Tax Liabilities @ 27.50% from 06.05.2011 to 30.06.2011
Total Deferred Tax
Opening Provision of DTL
Provision to be made during the year