AUDITORS' REPORT

INDEPENDENT AUDITORS' REPORT

To the Shareholders of Crown Cement PLC.
Report on the audit of the financial statements

Opinion

We have audited the financial statements of Crown Cement PLC., which comprise the statement of financial position as at 30 June 2022, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at 30 June 2022, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) and other applicable laws and regulations.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code), we have fulfilled our ethical responsibilities in accordance with the IESBA code and the Institute of Chartered Accountants of Bangladesh (ICAB) Bye-Laws. We believe that the audit evidence has obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

Without modifying our opinion, we draw attention to Note No. 30.1 of the financial statements, the Company has translated its unsettled foreign currency liabilities (USD) at the exchange rate (BC Selling rate of Bangladesh Bank) of BDT 93.5/$1 on 30 June 2022 as per the requirements of IAS 21 — The Effects of Changes in Foreign Exchange Rate. Subsequently, up to 30 September 2022, foreign currency liabilities have been settled at the average rate of BDT 102.15/$1 as disclosed under Event after Reporting Period as per IAS 10 in Note No. 48.1 to the financial statements of the Company.

Key Audit Matters

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

1. Revenue and Trade and Other Receivables

See Note No. 25 and 11 to the Financial Statements

The Key Audit Matter	How the matter was addressed in our audit
Revenue recognition and collection have significant and wide influence on financial statements. The Company reported revenue and trade and other receivables amounting Taka 19,139,536,196 and Taka 2,411,091,817 respectively. Revenue is recognized when the amounts and the related costs are reliably measured and the performance obligation is completed through passing of control to the customers. While the risk and rewards are being transferred for the performance obligations at the delivery point and control has passed, there is a risk that the Company might misstate or manipulate sales quantity or price in the financial statements. There is also a risk that revenue may be overstated or understated through various discounts and incentives. However, the management of the Company informed us that they do not have any policy that allows to give any such incentives to dealers.	Our audit procedures included the following: ■ We assessed the reporting environment of the Company as well as other relevant systems supporting the accounting or revenue; ■ We examined customer invoice (Mushak 6.3), sales account book (6.2), VAT submission form (Mushak 9.1) and receipts of payment on a test basis; ■ We summarized of Mushak 9.1, Mushak 6.7, Mushak 6.8 month wise and cross checked with financial statements booked as revenue; ■ We obtained and verified supporting documents for sales transactions recorded; ■ We enquired that the Company did not offer any discount to dealers during the year;

The Key Audit Matter	How the matter was addressed in our audit
	■ We tested the timing of revenue recognition as well as cut off checked; ■ We reviewed the collection of trade and other receivables and its subsequent status as well; ■ We reviewed age analysis and calculation of expected credit loss/allowance for bad and doubtful debts of trade and other receivables; and ■ We assessed whether the sufficient disclosure has been given.

2. Loan (Long term and short term)

See Note No. 18, 22 and 30 to the Financial Statements

The Key Audit Matter	How the matter was addressed in our audit
Working capital of the Company is dependent on the short-term loan and bank overdraft. Most of the loans are floating interest bearing and, in the future, if the rates change (increases), the Company would require to make interest payment accordingly. The total long-term loan is Taka 89,222,224 and short-term loan is Taka 6,825,431,262. Total finance cost is Taka 781,515,441 which is 50.13% of the expenses (Administrative, selling and finance cost). That is indicating a major portion of the cost is interest cost. The Company is legally bound for the interest cost and any default may cause reputational and legal issues.	Our audit procedures included the following: ■ We sent balance confirmations to respective banks and also obtained few balance confirmations from certain banks with majority transactions; ■ We reviewed and checked the sanction letters and repayment schedules; ■ Cross checked with liability certificate provided by financial institutions, bank confirmations and financial statements booked as individual bank loan; ■ We performed recalculation of finance cost and checked its accuracy; and ■ We also reviewed the disclosure requirements with obtaining all terms and conditions of the loan.

Other Information

Management is responsible for the other information. The other information comprises all of the information in the financial statements and our auditors' report thereon. The annual report is expected to be made available to us after the date of this auditors' report.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

The other information comprises all of the information in the annual report other than the consolidated and separate financial statements and our auditors' report thereon.

Other Matter

The financial statements of Crown Cement PLC for the year ended 30 June 2021 were audited by Hoda Vasi Chowdhury & Co., Chartered Accountants, who expressed an unmodified opinion on those financial statements on October 27, 2021.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

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

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

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

As part of an audit in accordance with International Standards on Auditing (ISAs), we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control;

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances;

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern; and

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period, and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

In accordance with the Companies Act, 1994 and International Standards on Auditing (ISAs), we also report the following:

a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;

b) in our opinion, proper books of account as required by law have been kept by the Company so far as it appeared from our examination of those books;

c) the Company's statement of financial position and the statement of profit or loss and other comprehensive income along with the annexed Notes 1 to 48 dealt with by the report are in agreement with the books of account; and

d) the expenditures incurred were for the purposes of the Company's affairs.

Signed for & on behalf of
MABS & J Partners
Chartered Accountants

Nasir U Ahmed
FCA, FCS, CGMA, ACMA (UK), FCA (England & Wales)
Deputy Managing Partner
ICAB Enrollment No: 535
DVC No:2210260535AS308301

Dated: 26 October 2022
Dhaka, Bangladesh

Crown Cement PLC.
Statement of Financial Position

	Note	30 June 2022	30 June 2021
Assets			
Property, plant and equipments	4	6,383,937,488	6,915,719,747
Right-of-use asset	5	17,566,965	310,934,058
Capital work in progress	6	1,658,172,074	785,093,220
Intangible asset	7	26,659,836	31,742,584
Investment in associates	8	384,281,664	331,045,029
Non-current assets		**8,470,618,027**	**8,374,534,637**
Investment in shares	9	65,993,317	61,080,713
Inventories	10	1,630,861,109	1,687,722,887
Trade and other receivables	11	2,411,091,817	2,802,789,682
Advances, deposits and prepayments	12	248,266,519	319,259,375
Advance income tax	13	3,134,685,182	2,842,919,010
Short term investment	14	1,703,117,104	730,976,784
Cash and cash equivalents	15	222,653,961	169,999,455
Current assets		**9,416,669,008**	**8,614,747,906**
Total assets		**17,887,287,035**	**16,989,282,543**
Equity			
Share capital	16	1,485,000,000	1,485,000,000
Share premium	17	2,956,560,000	2,956,560,000
Revaluation reserve		780,920,938	798,804,134
Retained earnings		2,080,535,163	2,583,725,706
Total equity		**7,303,016,101**	**7,824,089,840**
Liabilities			
Loans and borrowings	18	48,663,186	140,575,975
Employee benefits	19	255,124,771	221,073,919
Lease liabilities	20	-	21,343,845
Deferred tax liabilities	21	582,286,747	616,606,407
Non-current liabilities		**886,074,705**	**999,600,147**
Loans and borrowings	22	6,865,990,300	6,677,180,578
Lease liabilities	20	21,343,845	296,732,909
Trade and other payables	23	1,996,249,636	816,862,255
Current tax liabilities	24	814,612,448	374,816,816
Total current liabilities		**9,698,196,229**	**8,165,592,557**
Total liabilities		**10,584,270,934**	**9,165,192,704**
Total equity and liabilities		**17,887,287,035**	**16,989,282,543**
Net Asset Value Per Share (NAVPS)		**49.18**	**52.69**

These financial statements should be read in conjunction with the annexed notes

Mollah Mohammad Majnu	**Md. Mizanur Rahman Mollah**	**Mohammad Ahasan Ullah, FCA**	**Md. Mozharul Islam, FCS**
Managing Director	Director	Chief Financial Officer	Company Secretary

As per our report of same date

Signed for & on behalf of
MABS & J Partners
Chartered Accountants

Nasir U Ahmed
FCA, FCS, CGMA, ACMA (UK), FCA (England & Wales)
Deputy Managing Partner
ICAB Enrollment No: 535
DVC No:2210260535AS308301

Dated: 26 October 2022
Dhaka, Bangladesh

Crown Cement PLC.
Statement of Profit or Loss and Other Comprehensive Income

	Note	For the year ended 30 June 2022	2021
Revenue	25	19,139,536,196	16,315,315,422
Cost of sales	26	(17,547,740,109)	(14,059,539,138)
Gross profit		**1,591,796,087**	**2,255,776,284**
Other operating income	27	59,365,034	84,757,244
General and administrative expenses	28	(260,154,554)	(229,377,829)
Marketing, selling and distribution expenses	29	(506,395,377)	(547,661,405)
Operating profit		**884,611,191**	**1,563,494,294**
Finance cost	30	(781,515,441)	(561,409,223)
Finance income	31	29,903,161	52,520,469
Net finance expenses		**(751,612,281)**	**(508,888,754)**
Profit before contribution to WPPF		**132,998,910**	**1,054,605,540**
Contribution to WPPF		(6,333,281)	(50,219,311)
Profit before income tax		**126,665,629**	**1,004,386,229**
Share of profit from associates	32	54,736,605	49,788,657
Profit before income tax		**181,402,234**	**1,054,174,886**
Income tax expenses	33	(410,667,868)	(194,953,338)
Profit for the year		**(229,265,634)**	**859,221,549**
Other comprehensive income			
Revaluation of property, plant and equipments		-	212,955,665
Deferred tax expense on revalued asset		-	(8,518,227)
Remeasurement of defined benefit liability (net of tax)		-	(6,507,821)
Other comprehensive income for the year, net of tax		**-**	**197,929,617**
Total comprehensive profit/(loss) for the year		**(229,265,634)**	**1,057,151,167**
Earnings per share (EPS)			
Basic and diluted earnings per share (per value of Tk.10)	35	(1.54)	5.79

These financial statements should be read in conjunction with the annexed notes.

Mollah Mohammad Majnu Managing Director	**Md. Mizanur Rahman Mollah** Director	**Mohammad Ahasan Ullah, FCA** Chief Financial Officer	**Md. Mozharul Islam, FCS** Company Secretary

As per our report of same date

Signed for & on behalf of
MABS & J Partners
Chartered Accountants

Nasir U Ahmed
FCA, FCS, CGMA, ACMA (UK), FCA (England & Wales)
Deputy Managing Partner
ICAB Enrollment No: 535
DVC No:2210260535AS308301

Dated: 26 October 2022
Dhaka, Bangladesh

Crown Cement PLC.
Statement of Changes in Equity

	Attributable to owners of the Company For the year ended 30 June				
	Share Capital	**Retained Earnings**	**Share Premium**	**Revaluation Reserve**	**Total Equity**
Year-2022					
Balance at 01 July 2021	1,485,000,000	2,583,725,706	2,956,560,000	798,804,134	7,824,089,839
Total comprehensive loss for the year :					
Net loss for the year	-	(229,265,634)	-	-	(229,265,634)
Other comprehensive loss for the year	-	-	-	-	-
Total comprehensive loss for the year		**(229,265,634)**	-	-	**(229,265,634)**
Cash dividend paid 20%	-	(297,000,000)	-	-	(297,000,000)
Excess depreciation on revalued assets	-	23,075,092	-	(23,075,092)	-
Deferred tax adjust on excess depreciation	-	-	-	5,191,896	5,191,896
Balance at 30 June 2022	**1,485,000,000**	**2,080,535,163**	**2,956,560,000**	**780,920,938**	**7,303,016,101**
Year-2021					
Balance as at 01 July 2020	1,485,000,000	1,854,089,572	2,956,560,000	591,466,142	6,887,115,714
Net profit for the year	-	859,221,549	-	-	859,221,549
Total comprehensive profit/(loss) for the year :					
Remeasurement of defined benefit (net of tax)	-	(6,507,821)	-	-	(6,507,821)
Deferred tax expense on revalued assets	-	-	-	(8,518,227)	(8,518,227)
Revaluation of property, plant and equipments	-	-	-	212,955,665	212,955,665
Total comprehensive income for the year		**852,713,728**	-	**204,437,438**	**1,057,151,166**
Cash dividend paid 10%	-	(148,500,000)	-	-	(148,500,000)
Excess depreciation on revalued assets	-	25,422,406	-	(25,422,406)	-
Deferred tax adjustment on excess depreciation	-	-	-	5,720,041	5,720,041
Deferred tax adjustment on revalued assets	-	-	-	22,602,918	22,602,918
Balance at 30 June 2021	**1,485,000,000**	**2,583,725,706**	**2,956,560,000**	**798,804,134**	**7,824,089,840**

Mollah Mohammad Majnu	**Md. Mizanur Rahman Mollah**	**Mohammad Ahasan Ullah, FCA**	**Md. Mozharul Islam, FCS**
Managing Director	Director	Chief Financial Officer	Company Secretary

Crown Cement PLC.
Statement of Cash Flows

	Note	For the year ended 30 June	
		2022	**2021**
Operating activities			
Cash received from customers		19,522,044,827	17,414,121,807
Cash received from other operating income		254,052,767	319,366,607
Cash paid to suppliers, employees and others		(16,138,038,287)	(13,712,575,855)
Cash generated from operating activities		**3,638,059,307**	**4,020,912,559**
Income tax paid		(394,491,499)	(397,405,492)
Net cash flows from operating activities		**3,243,567,808**	**3,623,507,067**
Investing activities			
Acquisition of property, plant and equipments		(112,498,590)	(411,323,388)
Proceeds from disposal of PPE		6,354,556	300,869,614
Payment for capital work in progress		(873,078,853)	(136,305,808)
Income from investment		(1,499,970)	(51,648,088)
Interest received		24,775,355	83,243,890
Investment in/encashment of FDR		(972,140,320)	777,882,586
Investment in shares		(66,371)	(10,187,926)
Net cash flows from investing activities		**(1,928,154,192)**	**552,530,881**
Financing activities			
Repayment of term loans and borrowings		(91,912,789)	(524,613,124)
Proceeds from/repayment of short term loans and borrowings		188,809,723	(2,870,938,115)
Repayment of lease liabilities		(402,979,028)	(289,642,806)
Interest paid		(709,140,358)	(587,875,237)
Payment of IPO application fund		(12,850,753)	13,765
Final Dividend paid		(234,685,906)	(104,731,930)
Net cash used in financing activities		**(1,262,759,110)**	**(4,377,787,446)**
Net (decrease)/increase in cash and cash equivalents		**52,654,506**	**(201,749,498)**
Opening cash and cash equivalents		169,999,455	371,748,953
Closing cash and cash equivalents		**222,653,961**	**169,999,455**
Net Operating Cash Flows Per Share (NOCFPS)		**21.84**	**24.40**

Mollah Mohammad Majnu	**Md. Mizanur Rahman Mollah**	**Mohammad Ahasan Ullah, FCA**	**Md. Mozharul Islam, FCS**
Managing Director	Director	Chief Financial Officer	Company Secretary

Crown Cement PLC.
Notes to the Financial Statements
For the year ended 30 June 2022

1.0 Reporting Entity

1.1 Company Profile

Crown Cement PLC. (hereinafter referred to as "the Company" or ''CCPLC'') was incorporated on 31 December 1994 under the Companies Act, 1994 as a public limited company in Bangladesh. The Company subsequently went for Initial Public Offering (IPO) of shares in January 2011 which was fully subscribed and issued. The Company was listed with Chittagong Stock Exchange Limited (CSE) on 5 May 2011 and Dhaka Stock Exchange Limited (DSE) on 18 May 2011.

The Registered Office of the Company is situated at West Mukterpur, Munshigonj and the Corporate Office is situated at Delta Life Tower, (3rd & 6th floor), Plot # 37, Road # 45 (South) and 90 (North), Gulshan-2, Dhaka-1212.

The Company has four Associate Companies namely Crown Power Generation Limited (CPGL), Crown Mariners Limited (CML), Crown Cement Concrete and Building Products Limited (CCCBPL) and Crown Transportation and Logistics Limited (CTLL).

1.2 Nature of business activities

The principal activities of the Company are manufacturing and marketing of Ordinary Portland Cement (OPC) and Portland Composite Cement (PCC), the Company has been marketing its products with the brand name “Crown Cement”. In addition to sale of Company's products in the local market, the Company also exports its products to India. The plant of the Company is equipped with state of the art vertical roller mill (VRM).

2.0 Basis of preparation of the financial statements

2.1 Statement of Compliance

In accordance with the requirement of the gazette notification issued by the Financial Reporting Council (FRC) on 22 November 2020, the financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs.)

The Company also complied with the requirements of following laws and regulations from various Government Bodies:

"i. Securities and Exchange Rules 1987;
ii. The Companies Act, 1994;
iii. The Income Tax Ordinance, 1984; and
iv. The Value Added Tax and Supplementary Duty Act, 2012."

"The title and format of this financial statements follow the requirements of IFRSs which are to some extent different from the requirement of the Companies Act, 1994. However, such differences are not material and in the view of management, IFRS format gives a better presentation to the Shareholders.

Details of the Company's accounting policies including changes during the year, if any, are included in Note No. 45.

2.2 Authorisation for issue

This financial statement is authorised for issue by the Board of Directors in its 236th Board of Directors meeting held on 26 October, 2022.

2.3 Reporting Period

The financial period of the Company covers period ended on 30 June 2022.

2.4 Comparative and reclassification

Comparative information has been disclosed for all numerical, narrative and descriptive information where it is relevant for understanding of the current period financial statements. Comparative figures have been rearranged/reclassified wherever considered necessary, to ensure better comparability with the current period financial statements and to comply with relevant IFRSs.

2.5 Functional and presentation currency

This financial statements are presented in Bangladeshi Taka (Taka/Tk./BDT) which is the Company's functional and presentation currency. All amounts have been rounded off to the nearest integer.

3.0 Use of judgements and estimates

In preparing this financial statement, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively.

a. Judgements

Information about judgements related to lessee accounting under IFRS 16 made in applying accounting policies that have the most significant effects on the amounts recognised in the financial statements is described in Note No. 45(J).

b. Assumptions estimation and uncertainties

Information about assumptions and estimation uncertainties at 30 June 2022 that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities in the next finacnial year is included in the following notes:

Note No. 4 Property plant equipments

Note No. 7 Intangible assets

Note No. 10 Inventories

Note No. 19 Employee benefit obligation

Note No. 21 Deferred tax liabilities

Note No. 24 Current tax liabilities

Note No. 37 Commitment and Contingent liabilities

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4.0 Property, plant and equipments, net

Particulars	Cost				Rate %	Accumulated Depreciation				Written down Value As at 30 June 2022	Written down Value As at 30 June 2021
	As at 1 July 2021	Addition during the year	Disposal during the year	As at 30 June 2022		As at 1 July 2021	Charged during the year	Disposal during the year	As at 30 June 2022		
	1	2	3	4=(1+2-3)	5	6	7	8	9=(6+7-8)	10=(4-9)	11=(1-6)
A. Cost											
Land & land developments	788,477,003	66,193,747	-	854,670,750	-	-	-	-	-	854,670,749	788,477,003
Building	1,042,680,310	16,820	-	1,042,697,130	5%	340,643,544	35,102,625	-	375,746,169	666,950,962	702,036,767
Plant & machineries	3,802,074,630	6,980,269	-	3,809,054,899	10%	1,802,759,108	203,858,533	-	2,006,617,641	1,802,437,258	1,999,315,522
Electrical equipments and tools	1,144,334,667	555,875	-	1,144,890,542	10%-20%	661,856,047	68,545,162	-	730,401,210	414,489,333	482,478,620
Vessel	1,820,264,934	-	-	1,820,264,934	10%	757,303,827	186,841,871	-	944,145,698	876,119,236	1,062,961,107
Air conditioners	35,342,440	4,005,591	-	39,348,031	15%	18,881,168	2,709,846	-	21,591,014	17,757,017	16,461,272
Decoration	73,725,312	-	-	73,725,312	20%	51,840,817	14,745,062	-	66,585,880	7,139,433	21,884,495
Office equipments	11,224,612	1,258,193	-	12,482,805	20%	10,594,839	287,253	-	10,882,092	1,600,714	629,773
Computer	50,908,617	3,242,006	-	54,150,623	33.33%	49,865,551	975,055	-	50,840,606	3,310,017	1,043,066
Furniture & fixtures	17,147,261	841,789	-	17,989,050	10%	9,096,628	833,602	-	9,930,230	8,058,820	8,050,633
Motor vehicles	1,013,918,732	29,404,300	18,666,378	1,024,656,653	10%-15%	536,479,390	65,841,450	13,270,515	589,050,325	435,606,328	477,439,342
Silo	896,130,666	-	-	896,130,666	5%-15%	323,911,693	33,550,140	-	357,461,834	538,668,832	572,218,972
Sundry assets	28,402,701	-	-	28,402,701	10%-20%	11,509,918	2,519,293	-	14,029,212	14,373,489	16,892,783
Sub total	**10,724,631,885**	**112,498,590**	**18,666,378**	**10,818,464,097**	**-**	**4,574,742,530**	**615,809,894**	**13,270,515**	**5,177,281,909**	**5,641,182,187**	**6,149,889,355**
B. Revaluation											
Land & land development	602,524,047	-	-	602,524,047	-	-		-	-	602,524,047	602,524,047
Factory and buildings	114,363,274	-	-	114,363,274	5%	40,291,193	3,703,604	-	43,994,797	70,368,477	74,072,081
Mother vessels	(104,480,613)	-	-	(104,480,613)	5%	-	-	-	-	(104,480,613)	(104,480,613)
Plant & machineries and others	326,325,419	-	-	326,325,419	10%-20%	132,610,543	19,371,488	-	151,982,031	174,343,388	193,714,876
Sub total	**938,732,127**	**-**	**-**	**938,732,127**	**-**	**172,901,736**	**23,075,092**	**-**	**195,976,827**	**742,755,300**	**765,830,391**
As at 30 June 2022	**11,663,364,012**	**112,498,590**	**18,666,378**	**11,757,196,224**	-	**4,747,644,265**	**638,884,986**	**13,270,515**	**5,373,258,737**	**6,383,937,488**	**6,915,719,747**
As at 30 June 2021	**11,629,368,953**	**411,323,388**	**377,328,329**	**11,663,364,012**	-	**4,123,557,444**	**677,580,666**	**53,493,844**	**4,747,644,265**	**6,915,719,747**	**6,915,719,747**

5.0 Right-of-use asset (RoU)

	2022	2021
i. Cost		
Balance at 1 July	649,073,628	382,056,982
Additions	106,246,119	267,016,646
Disposal/adjustment	-	-
Balance at 30 June	**755,319,747**	**649,073,628**
ii. Accumulated depreciation		
Balance at 1 July	338,139,570	67,127,406
Additions	399,613,213	271,012,164
Disposal/adjustment	-	-
Balance at 30 June	**737,752,782**	**338,139,570**
Carrying amount (i-ii)	**17,566,965**	**310,934,058**

A separate schedule of Right-of-use asset (RoU) is given in ***Annexure-A.***

6.0 Capital work in progress

	2022	2021
i. Cost		
Balance at 1 July	785,093,220	442,339,580
Additions	873,078,854	404,877,469
Balance at 30 June	**1,658,172,074**	**847,217,049**
Transfer/capitalized	-	(62,123,829)
Balance at 30 June	**1,658,172,074**	**785,093,220**

7.0 Intangible assets

	2022	2021
i. Cost		
Balance at 1 July	50,827,478	50,827,478
Additions	-	-
Balance at 30 June	**50,827,478**	**50,827,478**
ii. Accumulated amortization		
Balance at 1 July	19,084,894	14,002,146
Additions	5,082,748	5,082,748
Balance at 30 June	**24,167,642**	**19,084,894**
Carrying amount (i-ii)	**26,659,836**	**31,742,584**

8.0 Investment in associate and subsidiary companies

	2022	2021
(i) Investment in associate companies		
a. Crown Power Generation Limited		
Balance at 1 July	10,381,886	9,103,930
Add: Share of profit during the year	6,770,094	1,277,956
Balance at 30 June	**17,151,980**	**10,381,886**

	2022	2021
b. Crown Mariners Limited		
Balance at 1 July	292,973,804	264,936,242
Add: Share of profit during the year	28,660,396	28,037,562
Balance at 30 June	**321,634,200**	**292,973,804**
c. Crown Cement Concrete and Building Products Limited		
Balance at 1 July	26,189,369	5,716,230
Add: Share of profit during the year	15,528,047	20,473,139
Balance at 30 June	**41,717,415**	**26,189,369**
d. Crown Transportation and Logistics Limited 8(d)		
Balance at 1 July	-	-
Add: Share of profit from investment	3,778,068	-
Balance at 30 June	**3,778,068**	**-**
Sub-Total (i)	**384,281,664**	**329,545,059**

8(d) As share of losses of Crown Cement PLC. in Crown Transportation and Logistics Ltd. as on 30 June 2021 exceeded its interest thereof, Crown Cement PLC. discontinues recognising its share of further losses as per clause 38 of IAS 28 Investment in Associate and Joint Ventures is the year of 30 June 2021.

(ii) Investment in subsidiary companies

	2022	2021
a. Ocean Vision Shipping Lines Limited		
Share money deposit	-	499,990
	-	**499,990**
b. Ocean Victory Shipping Lines Limited		
Share money deposit	-	499,990
	-	**499,990**
c. Ocean Voyager Shipping Lines Limited		
Share money deposit	-	499,990
	-	**499,990**
Sub-Total (ii)	**-**	**1,499,970**
Total investment in associate and subsidiary companies (i+ii)	**384,281,664**	**331,045,029**

Particulars	Purpose
Crown Power Generation Limited	Crown Power Generation Limited is supplying 100% of its power generation to CCPLC at BPDB Govt tariff, which is 7% of CCPLC's total consumption.
Crown Mariners Limited	Crown Mariners Limited has leased out its lighter vessel to CCPLC for carrying raw materials of CCPLC from Chittagong outer anchor to CCPLC factory, Muktarpur. CCPLC is paying lease rent to CML at price agreed by both parties.
Crown Cement Concrete and Building Products Limited	Crown Cement Concrete and Building Products Limited is buying 90% of Cement RM at market price from CCPLC Cement is 25% of CCCBPL total RM Cost.
Crown Transportation and Logistics Limited	Crown Transportation and Logistics Limited is providing transportation services to the customers of CCPLC. Customers are directly paying the freight bill to CTLL.

8.1 CCPLC owns 20% ordinary shares in Crown Power Generation Limited (CPGL), Crown Mariners Limited (CML), Crown Cement Concrete and Building Products Limited (CCCBPL) and Crown Transportation & Logistics Limited (CTLL). Remaining shares are owned by the directors of CCPLC and their close relatives. Additionally, CCPLC has trade relationship with the above-mentioned companies. Under the circumstances, CCPLC has reviewed the applicability of the provisions of IFRS 10: "Consolidated Financial Statements" or under IAS 28: "Investments in Associates and Joint ventures" to account for the investment in these companies.

As per para-5 of IFRS 10, an investor, regardless of the nature of its involvement with an entity (the investee), shall determine whether it is a parent by assessing whether it controls the investee. The first of the three elements of control focuses on the power over the investee, i.e. current ability of the investor's to direct the investee's relevant activities arises from rights. For the purpose of assessing power, only substantive rights (that is having the practical ability to exercise that right) shall be considered.

Following factors need to be considered in determining whether rights are substantive

i) Whether there are any barriers that prevent the holders from exercising their rights;
ii) Whether a mechanism is in place that provides the holders with the practical ability to exercise their rights collectively;
iii) Whether the holders would benefit from the exercise of their rights.

There is no such agreement or a mechanism is in place with other shareholders in writing which would enable CCPLC to control or direct the collective decision-making of the individuals holding voting's rights in the related entities, especially in the interest of CCPLC. Moreover, when the Company has an investment in a company where its directors have individual investment in the same company, in this case - two or more investors must act together to direct activities that affect returns if none of the investor has full control over the investee through individual capacity (IFRS 10.9). Hence, it can be concluded that CCPLC does not have absolute control over the associate companies.

As per IAS 28 "Investment in associates and joint ventures" when a company holds approximately 20% to 50% of a company's ordinary stock, it is considered to have significant influence. The equity method is the standard technique used when one company-the investor, has a significant influence over another company, the investee. The equity method is an accounting technique used by a company to record the profits earned through its investment in another company. With the equity method of accounting, the investor company reports the profit or loss earned by the other company on its income statement, in an amount proportional to the percentage of its equity investment in the other company. As a result, application of the equity method provides more informative reporting of the investor's net assets and profit or loss.

Therefore, the equity method of accounting as per IAS 28 is more appropriate for accounting of investment of CCPLC in the four associate companies, as it provides more informative reporting of the investor's net assets and profit or loss in this particular scenario.

8.2 Ocean Vision Shipping Lines Limited, Ocean Victory Shipping Lines Limited and Ocean Voyager Shipping Lines Limited have been formed in the financial year 2019-2020 with 99.99% investement from CCPLC. The operations of these companies have not been started since its incorporation and the Company in its 26th AGM approved the liquidation of these companies. Accordingly liquidation process completed with publication of gazette notification on 31 August 2021.

The above subsidiaries have not been consolidated considering the materiality of investment size and also their subsequent liquidation status. As per the Conceptual Framework for Financial Reporting, which sets the essential concepts of IFRS statements, the information is considered to be immaterial if, when omitted, it would not influence decision the users make about the entity based on the financial statements. Since the concept of materiality is valid throughout all standards, it is also applied here in the process of taking consolidation decision of those subsidiaries.

9.0 Investment in shares

	2022	2021
Balance at 1 July	61,080,713	44,723,353
Additions	204,573	15,203,816
Disposals during the year	(138,202)	(5,015,890)
Unrealized gain on fair valuation	4,846,233	6,169,434
Balance at 30 June	**65,993,317**	**61,080,713**

10.0 Inventories

	2022	2021
Raw materials	1,073,972,667	1,158,818,365
Finished goods	70,645,342	41,293,633
Material in transit	37,929,433	22,992,024
Stores and spares	448,313,666	464,618,864
Balance at 30 June	**1,630,861,109**	**1,687,722,887**

11.0 Trade and other receivables

	2022	2021
Trade receivables (note - 11.1)	2,246,808,354	2,638,724,004
Other receivables (note- 11.3)	164,283,463	164,065,678
Balance at 30 June	**2,411,091,817**	**2,802,789,682**

11.1 Trade receivables

	2022	2021
Trade receivables	2,356,073,663	2,758,781,811
Allowances for impairment of trade receivables (note-11.2)	(109,265,309)	(120,057,807)
Balance at 30 June	**2,246,808,354**	**2,638,724,004**

11.2 Allowances for impairment of trade receivables

	2022	2021
Balance at 1 July	120,057,807	43,929,927
Allowances for impairment of trade receivables	-	76,127,880
Reversal of impairment losses on financial assets	(10,792,498)	-
Balance at 30 June	**109,265,309**	**120,057,807**

11.3 Other receivables

	2022	2021
Interest receivable on short term investment - FDRs	16,578,123	11,450,318
Alunited Maritime Business (Pvt) Limited	2,956,940	2,956,940
Receivable against mother vessel income	59,730,160	73,917,756
Duty drawback receivable	85,018,240	75,740,664
	164,283,463	**164,065,678**

For the reason of changes in duty drawback policy, the Company could not be able to adjust duty drawback into VAT current account. So, this amount has considered as other receivables.

12.0 Advances, deposits and prepayments

		2022	2021
(A)	**Advances**		
	Advance to suppliers and others	104,149,623	177,754,136
	Advance to employees	10,554,509	10,746,948
		114,704,132	**188,501,084**
(B)	**Deposits**		
	Security deposit and other deposits	67,629,831	61,312,467
	Value Added Tax	26,670,952	18,770,852
	Margin for bank guarantee	5,848,702	6,197,716
	L/C margin deposits	7,386,456	4,322,745
		107,535,941	**90,603,781**
(C)	**Prepayments**		
	Prepaid expenses	26,026,446	40,154,511
		26,026,446	**40,154,511**
	Balance at 30 June (A+B+C)	**248,266,519**	**319,259,375**

13.0 Advance income tax

	2022	2021
Opening balance	2,842,919,010	2,445,513,518
Additions	394,491,499	397,405,492
Refund	(102,725,327)	-
Balance at 30 June	**3,134,685,182**	**2,842,919,010**

14.0 Short term investment

	2022	2021
One Bank Limited	385,269,037	369,394,691
Bank Alfalah Limited	131,117,280	124,851,305
Dhaka Bank Ltd.	950,000,000	-
Standard Chartered Bank Limited	236,730,788	236,730,788
Balance at 30 June	**1,703,117,104**	**730,976,784**

This represents Fixed deposit receipt account with various scheduled banks having maturity of three (03) months and above.

15.0 Cash and cash equivalents

	2022	2021
Cash in hand	929,103	1,232,590
Cash at banks	221,724,858	168,766,865
Balance at 30 June	**222,653,961**	**169,999,455**

Cash at banks represents balance with various scheduled banks held for the ordinary course of business.

16.0 Share capital

	2022	2021
Authorized capital		
500,000,000 Ordinary Shares of Taka 10 each	**5,000,000,000**	**5,000,000,000**

Issued, Subscribed & Paid-up capital

148,500,000 Ordinary Shares of Taka 10 each fully paid-up and share holding position is as under:

Sl. No.	Name	2022		Face Value (Taka)	
		% of Holding	Number of shares	2022	2021
1	Mohammed Jahangir Alam	15.50%	23,024,925	230,249,250	230,249,250
2	Late Alhaj Md. Khabir Uddin Mollah	15.75%	23,388,750	233,887,500	233,887,500
3	Md. Alamgir Kabir	9.70%	14,397,075	143,970,750	143,970,750
4	Mollah Mohammad Majnu	8.17%	12,127,500	121,275,000	121,275,000
5	Md. Mizanur Rahman Mollah	8.17%	12,127,500	121,275,000	121,275,000
6	Md. Almas Shimul	4.90%	7,276,500	72,765,000	72,765,000
7	Late Alhaj Md. Abdur Rouf	1.75%	2,598,750	25,987,500	25,987,500
8	Md. Ashrafuzzaman	1.75%	2,598,750	25,987,500	25,987,500
9	Md. Abdul Ahad	1.40%	2,079,000	20,790,000	20,790,000
10	General Public	32.92%	48,881,250	488,812,500	488,812,500
		100%	**148,500,000**	**1,485,000,000**	**1,485,000,000**

The transfer of the Shares of Late Alhaj Md. Khabir Uddin Mollah and Late Alhaj Md. Abdur Rouf is yet to be executed.

Shareholding range	Number of shareholders		Holdings	
	2022	2021	2022	2021
Less than 499 shares	20,286	22,853	2,374,472	2,729,733
500 to 5,000 shares	1,041	1,157	1,457,601	1,674,805
5,001 to 10,000 shares	66	84	476,264	609,215
10,001 to 20,000 shares	26	35	372,094	504,439
20,001 to 30,000 shares	11	15	263,958	360,621
30,001 to 40,000 shares	7	8	247,722	275,631
40,001 to 50,000 shares	5	8	237,213	384,766
50,001 to 100,000 shares	10	9	728,958	632,398
100,001 to 1,000,000 shares	25	30	10,856,532	11,422,558
Over 1,000,000 shares	18	18	131,485,186	129,905,834
	21,495	**24,217**	**148,500,000**	**148,500,000**

17.0 Share premium

	2022	2021

This represents share premium of Taka 3,048 million raised by issuing 30 million of ordinary shares at Taka 101.60 per share through IPO during the year 2010-2011. The break-up of the balance of share premium is given below:

	2022	2021
Share premium realized during the year 2010-2011	3,048,000,000	3,048,000,000
Income tax paid on share premium	(91,440,000)	(91,440,000)
	2,956,560,000	**2,956,560,000**

18.0 Loans and borrowings

This represents long-term loan net-off current maturity. The break-up is given below:

	2022	2021
Prime Bank Limited	48,098,909	100,235,711
Dhaka Bank Limited	564,277	40,340,265
Balance at 30 June	**48,663,186**	**140,575,975**

19.0 Employee benefits

	2022	2021
Balance at 1 July	221,073,919	198,049,350
Remeasurement of defined benefit liability	-	8,397,189
Current service cost addition	57,727,419	30,007,721
Payment/adjustments	(23,676,567)	(15,380,341)
	255,124,771	**221,073,919**

*A details breakdown of employee benefits is given in **Annexure-B**.*

20.0 Lease obligation

i) Lease liabilities recognised in statement of financial position

	2022	2021
Lease obligation - non current portion	-	21,343,845
Lease obligation - current portion	21,343,845	296,732,909
	21,343,845	**318,076,754**

ii) Amounts recognised in profit or loss

	2022	2021
Interest on lease liabilities	21,835,251	18,886,664
Amortization expenses		
Factory overhead	373,262,765	244,661,720
Administrative expenses	26,350,448	26,350,448
	421,448,464	**289,898,832**

iii) Amounts recognised in statement of cash flows

Total cash-outflow for leases	**402,979,028**	**289,642,806**

*A separate schedule of Lease obligation is given in **Annexure-A**.*

21.0 Deferred tax liabilities

Deferred tax liability has been recognised in accordance with the provision of IAS-12: "Income Taxes" based on temporary differences arising due to difference in the carrying amounts of the assets or liabilities and their tax base.

	2022	2021
Balance at 30 June 2021-deferred tax liability	532,253,380	603,417,504
Add: Deffered tax (income)/expense during the year	(29,127,765)	(71,164,124)
	503,125,615	532,253,380
Deferred tax on revaluation		
Opening balance	84,353,027	104,157,760
Less: Deferred tax adjustment on revalued assets	-	(22,602,918)
Add: Addition during the year	-	8,518,227
Less: Deferred tax adjustment on excess depreciation	(5,191,896)	(5,720,041)
	79,161,132	84,353,027
Balance at 30 June 2022- deferred tax liability	**582,286,747**	**616,606,407**

21.1 Details of deferred tax calculation

	Carrying amount on balance sheet date	Tax Base	(Taxable)/ deductible temporary difference
For the year ended 30 June 2022			
Property, plant and equipments	5,641,182,187	3,037,312,445	(2,603,869,742)
Provision for gratuity	255,124,771	-	255,124,771
Allowance for doubtful debt and impairment allowance	109,265,309	-	109,265,309
Right of use asset	29,739,904	33,105,719	3,365,815
			(2,236,113,847)
Applicable tax rate			22.5%
Deferred tax liability as on 30 June 2022			(503,125,616)
Deferred tax liability as on 30 June 2021			(532,253,380)
Deferred tax income for the year ended 30 June 2022			**29,127,765**
For the year ended 30 June 2021			
Property, plant and equipments	6,149,889,356	3,449,670,140	(2,700,219,216)
Provision for gratuity	221,073,919	-	221,073,919
Allowance for doubtful debt and impairment allowance	120,057,807	-	120,057,807
Right of use asset	32,041,754	25,558,668	(6,483,085)
			(2,365,570,579)
Applicable tax rate			22.5%
Deferred tax liability as on 30 June 2021			(532,253,380)
Deferred tax liability as on 30 June 2020			603,417,504
Deferred tax income for the year ended 30 June 2021			**71,164,124**

22.0 Loan and borrowings

This represents short-term loans and the current portion of long-term loans and borrowings. The break-up is given below:

i. Short term loans and borrowings

	2022	2021
Cash credit - hypothecation	62,240,798	166,522,226
Loan against trust receipts	197,973,573	163,043,961
Time loan	2,116,793,618	1,652,550,755
Offshore loan	4,409,828,256	3,939,555,109
Security overdraft	38,595,016	1,222,548
Balance at 30 June	**6,825,431,262**	**5,922,894,599**

ii. Current portion of long term loans and borrowings

	2022	2021
Standard Chartered Bank	-	112,250,806
Prime Bank Limited	40,302,238	544,430,100
Dhaka Bank Limited	256,800	97,446,047
Pubali Bank Limited	-	159,025
Balance at 30 June	**40,559,038**	**754,285,978**
Balance at 30 June	**6,865,990,300**	**6,677,180,578**

23.0 Trade and other payables

	2022	2021
Trade payables	1,689,186,582	360,259,880
Other payables	307,063,055	456,602,375
	1,996,249,636	**816,862,255**

Trade payable includes Tk. 1,133,449,161 payable against the freight of imported materials.

23.1 Other payables

	2022	2021
Payable to employees provident fund	7,038,442	4,067,026
Provision for contribution to WPPF (note 23.2)	6,333,281	50,219,311
Withholding VAT and Tax payable	25,066,525	113,213,927
Advance against motor car and motorcycle	41,511,996	36,999,386
Payable against IPO applicant fund	-	12,850,753
Unclaimed dividend payable	131,957,652	69,643,559
Liabilities for expenses	95,155,157	169,608,414
Balance at 30 June	**307,063,055**	**456,602,375**

23.2 Provision for contribution to WPPF

	2022	2021
Balance at 1 July	50,219,311	-
Additions	6,333,281	50,219,311
Payments	(50,219,311)	-
Balance at 30 June	**6,333,281**	**50,219,311**

24.0 Provision for current tax liabilities

	2022	2021
Balance at 1 July	374,816,816	108,699,353
Additions	439,795,632	266,117,462
Adjustments	-	-
Balance at 30 June	**814,612,448**	**374,816,816**

25.0 Revenue

	2022	2021
Revenue from domestic operation	19,000,755,447	15,842,352,474
Revenue from export operation	138,780,749	472,962,948
	19,139,536,196	**16,315,315,422**

25.1 Revenue from domestic operation-net

	2022	2021
Cement sales	19,000,755,447	15,795,372,377
Empty bag sales	-	46,980,097
Domestic sales	**19,000,755,447**	**15,842,352,474**

25.2 Quantity wise sales

	UoM	2022	2021
Domestic sales (Cement)	MT	2,933,259	2,675,171
Domestic sales (Empty Bags)	PCS	-	3,389,070
Export sales	MT	18,460	72,915
		2,951,719	**6,137,156**

26.0 Cost of sales

	2022	2021
Opening stock of raw materials (note-26.1)	1,024,146,104	1,150,240,988
Purchase of raw materials (note-26.2)	14,504,737,004	11,324,329,775
Closing stock of raw materials (note-26.3)	(900,509,089)	(1,024,146,104)
Raw material consumed (note-26.4)	**14,628,374,019**	**11,450,424,658**
Packing material	969,813,944	754,648,201
Manufacturing overhead (note-26.5)	1,988,181,432	1,874,037,556
Cost of production	**17,586,369,395**	**14,079,110,415**
Opening finished goods	41,293,633	57,706,027
Cost of goods available for sale	**17,627,663,028**	**14,136,816,442**
Closing finished goods	(70,645,342)	(41,293,633)
Cost of sales	**17,557,017,686**	**14,095,522,809**
Duty draw back for export	(9,277,576)	(35,983,671)
	17,547,740,109	**14,059,539,138**

26.1 Opening stock of raw materials

	UoM	Quantity		Amount	
		2022	2021	2022	2021
Clinker	MT	76,422	115,474	372,922,892	618,016,133
Gypsum	MT	15,337	26,056	47,366,391	81,610,354
Slag	MT	87,946	91,923	265,863,044	281,852,687
Fly ash	MT	58,717	4,589	152,090,309	11,892,454
Lime stone	MT	42,269	25,343	95,722,580	61,996,887
Cement grinding aid	MT	877	877	84,271,644	84,271,644
Izonil	MT	61	90	5,909,244	8,645,036
Bulk cement purchase	MT	-	-	-	-
Bags	PCS	-	115,374	-	1,955,793
				1,024,146,104	**1,150,240,988**

26.2 Purchase of raw material

	UoM	Quantity 2022	Quantity 2021	Amount 2022	Amount 2021
Clinker	MT	1,640,694	1,538,823	10,225,060,061	7,454,571,849
Gypsum	MT	83,500	101,688	334,854,152	312,913,943
Slag	MT	498,705	654,833	1,855,333,288	1,975,607,143
Fly ash	MT	362,637	270,882	988,265,934	701,637,157
Lime stone	MT	330,502	262,905	988,628,581	590,769,164
Cement grinding aid	MT	510	-	56,431,520	-
Izonil	MT	-	-	-	-
Bulk cement	MT	153,570	27,365	45,878,071	150,361,005
Bags	PCS	534,600	7,965,857	10,285,398	138,469,514
				14,504,737,004	**11,324,329,775**

26.3 Closing stock of raw material

	UoM	Quantity 2022	Quantity 2021	Amount 2022	Amount 2021
Clinker	MT	89,831	76,422	554,432,696	372,922,892
Gypsum	MT	3,187	15,337	12,325,251	47,366,391
Slag	MT	54,995	87,946	198,850,348	265,863,044
Fly ash	MT	3,103	58,717	8,398,072	152,090,309
Lime stone	MT	11,681	42,269	33,977,513	95,722,580
Cement grinding aid	MT	877	877	88,968,913	84,271,644
Izonil	MT	37	61	3,556,296	5,909,244
Bulk cement	MT	-	-	-	-
Bags	PCS	-	-	-	-
				900,509,089	**1,024,146,104**

26.4 Consumption of raw material

	UoM	Quantity 2022	Quantity 2021	Amount 2022	Amount 2021
Clinker	MT	1,627,285	1,577,874	10,043,550,257	7,699,665,091
Gypsum	MT	95,650	112,407	369,895,292	347,157,906
Slag	MT	531,656	658,809	1,922,345,985	1,991,596,786
Fly ash	MT	418,251	216,754	1,131,958,171	561,439,302
Lime stone	MT	361,091	245,979	1,050,373,647	557,043,470
Cement grinding aid	MT	510	-	51,734,251	-
Izonil	MT	24	28	2,352,948	2,735,792
Bulk cement	MT	153,570	27,365	45,878,071	150,361,005
Bags	PCS	534,600	8,081,231	10,285,398	140,425,307
				14,628,374,019	**11,450,424,659**

26.5 Manufacturing overhead

	2022	2021
Wages, salaries and allowances	156,287,831	144,981,442
Bedding and uniform	656,702	479,033
BIWTA expense	8,318,574	6,952,166
Computer accessories	511,589	422,801
Contribution to provident fund	5,562,750	5,339,634
Conveyance	282,794	186,011
Depreciation	375,014,802	402,561,885
Amortization on RoU assets	267,016,646	244,661,720
Directors' remuneration	7,346,820	7,346,820
Donation and subscription	-	-
Electricity and power	1,000,602,199	942,988,253
Entertainment	3,943,162	3,654,621
Festival bonus	15,214,318	15,214,234
Fuel for motor vehicle and motorcycle	2,726,139	2,676,320
Gratuity	19,938,069	11,241,365
Insurance premium	3,804,313	3,911,322
Group insurance premium	816,370	858,985
Labour charges	12,081,532	9,753,089
Leave fare assistance	2,110,230	2,121,367
Lubricants, diesel oil, gear oil and fuel etc.	19,510,478	17,421,289
Medical expenses	292,013	239,347
Gift and presentation	61,000	3,351,072
Mobile phone bill	738,931	686,004
Office maintenance	1,397,501	1,099,382
Rent, rates and taxes	4,838,021	4,507,713
Overtime	7,101,268	3,876,164
Printing, stationeries, schedule and forms	1,133,811	1,103,097
Quality testing expenses	1,336,641	366,740
BIS expenses	1,330	33,585
Registration, license and renewals	417,239	594,648
Repair and maintenance, vehicle and motorcycle	1,876,386	1,456,182
Spare parts and store expenses	65,653,611	32,845,683
Training and education	30,830	3,536
Travelling expenses	958,953	248,121
Professional fees	598,580	853,926
	1,988,181,432	**1,874,037,556**

27.0 Other operating income/(expense)

	2022	2021
Income from mother vessel (note-27.1)	42,118,538	72,361,552
Net non-operating income (note-27.2)	17,246,496	12,395,692
	59,365,034	**84,757,244**

27.1 Income from mother vessel

	2022	2021
Income from mother vessel operation	228,525,089	258,751,968
Depreciation	(186,406,551)	(186,390,416)
	42,118,538	**72,361,552**

27.2 Net non-operating income

	2022	2021
Non-operating income (note-27.3)	11,390,826	18,920,752
Non-operating expenses (note-27.4)	5,855,670	(6,525,060)
	17,246,496	**12,395,692**

27.3 Non-operating income

	2022	2021
Sales of scrap	3,355,347	4,456,217
Other income	5,675,119	14,222,849
Dividend on share	2,360,360	241,686
	11,390,826	**18,920,752**

27.4 Net non-operating expenses

	2022	2021
Realized profit on sale of share	50,744	10,270,376
Unrealized profit on investment on share	4,846,233	6,169,434
Profit or (Loss) on disposal of property, plant and equipments	958,693	(22,964,870)
	5,855,670	**(6,525,060)**

28.0 General and administrative expenses

	2022	2021
Salaries and allowances	126,591,091	102,019,585
Advertisement and publicity	917,728	834,494
Annual general meeting expenses	649,512	619,625
Audit fees	778,000	700,000
Professional fees	2,171,003	2,678,746
Amortization of intangible assets	5,082,748	5,082,748
Bedding and uniform	26,250	208,000
Board meeting attendance fees	770,028	1,205,040
Computer accessories	820,588	179,768
Contribution to provident fund	3,766,579	3,345,396
Conveyance	1,394,630	1,259,479
Corporate social responsibility (CSR)	66,000	45,820
Depreciation	25,016,120	30,427,280
Amortization on RoU assets	26,350,448	26,350,448
Donation and subscription	810,000	613,000
DSE/ CSE/ CDBL expenses	1,300,000	1,300,000

Entertainment	2,844,886	2,674,443
Festival Bonus	10,859,973	10,281,778
Fuel for motor vehicle and motorcycle	3,579,928	3,527,341
Gratuity	13,320,366	6,607,012
Insurance premium	-	158,368
Group insurance premium	262,524	292,932
Internet	1,019,980	1,164,508
Leave fare assistance	1,658,008	1,348,813
Gift and presentation	968,849	845,127
Mobile phone bill	1,065,905	1,078,697
Office maintenance	5,164,941	4,437,244
Rent and rates	8,408,265	8,395,914
Labour charge	137,108	-
Medical expenses	3,000	-
Overtime	171,995	217,727
Printing, stationeries, schedule and forms	1,824,798	1,767,520
Registration, license and renewals	1,088,097	1,036,023
Repair and maintenance, vehicle and motorcycle	3,115,517	2,887,973
Software maintenance fees	3,905,291	1,510,012
Telephone/fax expenses	32,184	26,579
Training and education	454,636	782,302
Travelling expenses	1,043,119	866,747
Utility expenses	2,714,460	2,601,340
	260,154,554	**229,377,829**

29.0 Marketing, selling and distribution expenses

	2022	2021
Salaries and allowances	191,014,734	162,255,199
Advertisement and publicity	84,154,542	82,042,383
Bad debt expense	(10,792,498)	76,127,880
BIS expense	666,670	200,330
BSTI fees	2,402,904	2,092,559
C&F expenses for export	415,575	2,134,500
Computer accessories	584,370	367,010
Contribution to provident fund	6,882,248	6,257,424
Conveyance	12,421,984	11,637,637
Corporate social responsibility (CSR)	92,845	358,300
Carriage expense	9,839,565	7,716,207
Depreciation	52,447,513	58,201,085
Directors' remuneration	7,346,820	7,346,820
Donation and subscription	78,000	198,000
Entertainment	8,185,977	10,986,723
Festival bonus	18,232,263	16,161,309
Fuel for motor vehicle and motorcycle	8,840,184	8,622,006
Gratuity	24,468,984	12,159,344
Group insurance premium	741,103	777,205
Gift and presentation	2,742,683	2,787,110
Insurance premium	378,728	375,250

Labour charges	38,115,514	34,464,272
Leave fare assistance	2,747,695	2,609,290
Medical expenses	49,917	-
Mobile phone bill	6,181,961	5,876,711
Office maintenance	1,867,369	2,117,430
Rent, rates and taxes	5,776,171	7,230,396
Outstation allowance/ house rent/ TA-DA	6,816,838	5,802,129
Overtime	1,227,569	275,411
Printing stationeries, schedule and forms	2,849,435	2,714,243
Promotional expenses	2,347,081	1,121,973
Quality testing expenses	1,241,871	748,002
Registration, license and renewals	9,349,433	9,878,335
Repair and maintenance, vehicle and motorcycle	2,728,687	2,387,267
Training and education	-	72,415
Travelling expenses	3,950,642	3,559,251
	506,395,377	**547,661,405**

30.0 Finance cost

	2022	2021
Exchange loss/ (gain) on foreign currency (note-30.1)	499,729,893	2,878,590
Bank charge and commission	10,554,238	12,747,800
Bank interest	249,396,058	526,896,168
Interest on lease obligation	21,835,251	18,886,664
	781,515,441	**561,409,223**

30.1 Exchange loss/ (gain) on foreign currency

	2022	2021
Transaction loss/(gain)-realized	232,589,915	1,398,697
Translation loss/(gain)-unrealized	267,139,978	1,479,893
	499,729,893	**2,878,590**

31.0 Finance income

	2022	2021
Interest income from FDRs	**29,903,161**	**52,520,469**

32.0 Share of profit from associates

	2022	2021
Crown Power Generation Limited	6,770,094	1,277,956
Crown Mariners Limited	28,660,396	28,037,562
Crown Cement Concrete and Building Products Limited	15,528,047	20,473,139
Crown Transportation and Logistics Limited	3,778,068	-
	54,736,605	**49,788,657**

Share of profit or loss from investment in associates is not considered in computation of current tax expense since, these are separate entities having separate Taxpayer Identification Number (TIN) and being taxed separately. Income from investment in associates will be taken into account for tax computation upon receipt of the dividend from respective entities.

33.0 Income tax

	2022	2021
Major components of tax expenses		
In compliance with the requirements of para -79 of IAS-12: Income tax, the major components of tax expenses are given below:		
Current tax expenses (note-33.1)	439,795,632	266,117,462
Deferred tax expenses (note-33.2)	(29,127,765)	(71,164,124)
	410,667,868	**194,953,338**

33.1 Reconciliation of tax expenses with accounting profit and applicable effective tax rate

	%	2022	%	2021
Net profit before tax		**126,665,629**		**1,004,386,229**
Statutory tax rate	22.50%	28,499,766	22.50%	225,986,901
Income tax on income from other than cement business	35.77%	45,307,373	9.17%	92,145,922
Income tax on cement business U/S 82C and other adjustment	288.94%	365,988,492	-5.18%	(52,015,361)
Effective tax rate	**347.21%**	**439,795,632**	**26.50%**	**266,117,462**

Current tax expenses

Current tax has been charged at the rate applicable to the company, subject to provision of section 82C taking higher income of- (a) at the rate of 0.60% of total gross receipts, (b) tax deducted at source on cement export U/S 53BBBB, tax deducted at source for corporate sales U/S 52, tax collected at import stage U/S 53 and tax deducted at source of bank interest income U/S 53F, (c) at the applicable tax rate on taxable income. The company recognised current tax expense of BDT 439,795,632 which is 347.21% of profit before tax.

33.2 Deferred tax expenses

The tax effects of temporary differences arise from tax base and accounting base of relevant assets and liabilities.

34.0 Financial instruments - Fair values and risk management

A. Accounting classifications and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

Further, for the current year the fair value disclosure of lease liabilities is also not required.

		Carrying amount						
	Note	**Fair value-hedging instruments**	**Mandatorily at FVTPL – others**	**FVOCI – debt instruments**	**FVOCI – equity instruments**	**Financial assets at amortized cost**	**Other financial liabilities**	**Total**
30 June 2022								
Financial assets measured at fair value								
Investment in shares	9	-	65,993,317	-	-	-	-	65,993,317
Financial assets not measured at fair value								
Trade and other receivables	11	-	-	-	-	2,411,091,817	-	2,411,091,817
Cash and cash equivalents	15	-	-	-	-	222,653,961	-	222,653,961
Short term Investment	14	-	-	-	-	1,703,117,104	-	1,703,117,104
		-	**-**	**-**	**-**	**4,336,862,882**	**-**	**4,336,862,882**
Financial liabilities not measured at fair value								
Trade and other payables	23	-	-	-	-	-	(1,996,249,636)	(1,996,249,636)
Long term loan borrowings	18	-	-	-	-	-	(48,663,186)	(48,663,186)
Short term loan borrowings	22	-	-	-	-	-	(6,865,990,300)	(6,865,990,300)
		-	**-**	**-**	**-**	**-**	**(8,910,903,122)**	**(8,910,903,122)**
30 June 2021								
Financial assets measured at fair value								
Investment in shares	9	-	61,080,713	-	-	-	-	61,080,713
Financial assets not measured at fair value								
Trade and other receivables	11	-	-	-	-	2,802,789,682	-	2,802,789,682
Cash and cash equivalents	15	-	-	-	-	169,999,455	-	169,999,455
Short term Investment	14	-	-	-	-	730,976,784	-	730,976,784
		-	**-**	**-**	**-**	**3,703,765,921**	**-**	**3,703,765,922**
Financial liabilities not measured at fair value								
Trade and other payables	23	-	-	-	-	-	(816,862,255)	(816,862,255)
Long term loan borrowings	18	-	-	-	-	-	(140,575,975)	(140,575,975)
Short term loan borrowings	22	-	-	-	-	-	(6,677,180,578)	(6,677,180,578)
		-	**-**	**-**	**-**	**-**	**(7,634,618,808)**	**(7,634,618,808)**

The Company has not disclosed the fair values for financial instruments such as trade and other receivables, cash and cash equivalents and trade and other payables because their carrying amounts are a reasonable approximation of fair values.

B. Financial risk management

The Company has exposure to the following risks arising from financial instruments:

- credit risk [see (B)(ii)];

- liquidity risk [see (B)(iii)]; and

- market risk [see (B)(iv)].

i. Risk management framework

The Company's Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company's risk management policies are established to identify and analyze the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies, procedures and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

ii. Credit risk

Credit risk is the risk of a financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers.

Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. In monitoring credit risk, receivables are grouped according to their risk profile, i.e. their legal status, financial condition, aging profile etc. Trade and other receivables are mainly related to the interest receivables and other fees.

The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the statement of financial position.

(a) Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was:

	Note	2022	2021
Trade and other receivables	**11**	2,411,091,817	2,802,789,682
Cash and cash equivalents	**15**	222,653,961	169,999,455
Short term investment	**14**	1,703,117,104	730,976,784
		4,336,862,882	**3,703,765,921**

(a.1) Trade and other receivables

The exposure to credit risk for trade and other receivables at the end of the reporting year by external and intercompany was:

	Note	2022	2021
Trade receivables	**11**	2,246,808,354	2,638,724,004
Other receivables	**11**	164,283,463	164,065,678
		2,411,091,817	**2,802,789,682**

(a.1) Trade receivables

The exposure to credit risk for Trade receivables at the end of the reporting year by external customer was:

	Note	2022	2021
Trade receivables	**11**	2,246,808,354	2,638,724,004
		2,246,808,354	**2,638,724,004**
The aging of trade receivables (gross) at 30 June			
Past due 1-30 days		1,012,095,196	1,015,716,405
Past due 31-90 days		723,519,240	906,906,224
Past due 91-180 days		382,981,563	538,089,645
Past due 181-365 days		102,313,089	140,415,355
Past due over 365 days		135,164,576	157,654,183
Gross trade receivable		**2,356,073,663**	**2,758,781,812**
Less: Loss allowance		(109,265,309)	(120,057,807)
Net trade receivable		**2,246,808,355**	**2,638,724,005**

Expected credit loss assessment for corporate and individual customers

The following table provides information about the exposure to credit risk and ECLs for trade receivables from individual customers as at 30 June 2022.

30 June 2022	Average Loss Rate	Gross carrying amount	Loss allowance
Current (not past due)	0%	1,012,095,196	-
Past due up to 90 days	2%	723,519,240	14,401,166.40
Past due 91-180 days	5%	382,981,563	19,057,479
Past due 181-365 days	15%	102,313,089	15,273,552
Past due over 365 days	45%	135,164,576	60,533,110
		2,356,073,663	**109,265,308**

The following table provides information about the exposure to credit risk and ECLs for trade receivables from individual customers as at 30 June 2021.

30 June 2021	Average Loss Rate	Gross carrying amount	Loss allowance
Current (not past due)	0%	1,015,716,405	-
Past due up to 90 days	2%	906,906,224	18,138,124
Past due 91-180 days	5%	538,089,645	26,904,482
Past due 181-365 days	10%	140,415,355	14,041,535
Past due over 365 days	39%	157,654,183	60,973,665
		2,758,781,812	**120,057,806**

Loss rates are based on actual credit loss experience over the past years. These rates are multiplied by scalar factors to reflect differences between economic conditions during the period over which the historical data has been collected, current conditions and the Company's view of economic conditions over the expected lives of the receivables.

(a.2) Cash and cash equivalents

The exposure to credit risk for cash and cash equivalents at the end of the reporting year was:

	Note	2022	2021
Cash in hand	**15**	929,103	1,232,590
Cash at bank	**15**	221,724,858	168,766,864
		222,653,961	**169,999,454**

iii. Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company maintains sufficient cash and cash equivalents to meet expected operational expenses for periods which the Company thinks appropriate. The Company also monitors the level of expected cash inflows on trade and other receivables together with expected cash outflows on trade and other payables. This excludes the potential impact of extreme circumstances that cannot reasonably be predicted such as natural disasters.

Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include contractual interest payments and exclude the impact of netting agreements.

Particulars	From 6 to 12 months Taka	More than one year and less than 5 years (Taka)
Trade payables	1,689,186,582	-
Other payables	307,063,055	-
Unclaimed dividend	131,957,652	-
Current tax liabilities	814,612,448	-
Short term loan from banks	6,825,431,262	-
Long term borrowing	40,559,038	48,663,186
Balance at 30 June 2022	**9,808,810,036**	**48,663,186**

iv. Market risk

Market risk is the risk that changes in market prices – e.g. foreign exchange rates, interest rates and equity prices – will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

(a) Currency risk

The Company is exposed to currency risk on sales, purchases and borrowings incurred in foreign currencies. The Company's foreign currency transactions are denominated in USD, EUR and GBP.

(b) Exposure to currency risk

The Company's exposure to foreign currency risk was as follows based on notional amounts:

Particulars	2022	
	USD	BDT
Assets		
Prime Bank Limited (ERQ)	382,154	35,731,371
The State Bank of India (ERQ)	0.14	13.09
Standard Chartered Bank	653	61,046
BRAC Bank Limited	-	-
Liability		
Short Term Loan	46,125,025	4,312,332,736

Particulars	2022	
	EUR	BDT
Liability		
Short Term Loan	984,262	97,495,521

Particulars	2022	
	USD	BDT
Commitment & contingencies		
BRAC Bank Limited	390,000	36,465,000
Bank Alfalah Limited	28,250	2,641,375
Bank Aisa Limited	14,937,731	1,396,677,849
Commercial Bank of Ceylon, PLC	69,115	6,462,253
The City Bank Limited	1,441,775	134,805,963
The Hong Kong and Shanghai Banking Corporation Limited	4,227,890	395,307,668
Dhaka Bank Limited	1,041,690	97,398,015
Dutch Bangla Bank Limited	-	-
Habib Bank Limited	-	-
Jamuna Bank Limited	118,800	11,107,800
One Bank Limited	-	-
Prime Bank Limited	996,000	93,126,000
Standard Chartered Bank	629,238	58,833,753
	23,880,489	**2,232,825,675**

Particulars	2022	
	EUR	BDT
Commercial Bank of Ceylon, PLC	67,920	6,727,505
Bank Aisa Limited	12,055	1,194,064
Dhaka Bank Limited	389,515	38,581,427
Eastern Bank Limited	15,805,223	1,565,507,354
	16,274,713	**1,612,010,349**

Particulars	Currency	FC Unit	BDT
Exchange rate as perBangladesh Bank BC selling rate	USD	1	93.50
	EURO	1	99.05
	GBP	1	114.90

Market risk

Market risk is the risk that changes in market prices – e.g. foreign exchange rates, interest rates and equity prices – will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

(a) Currency risk

The Company is exposed to currency risk on sales, purchases and borrowings incurred in foreign currencies. The Company's foreign currency transactions are denominated in USD, EUR and GBP.

Sensitivity analysis

A reasonably possible strengthening (weakening) of the US dollar, EURO or GBP against BDT at 30 June would have affected the measurement of financial instruments denominated in a foreign currency and affected equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

Effect in Taka	Profit or loss		Equity, net of tax	
	Strengthening	Weakening	Strengthening	Weakening
30 June 2022				
USD (5% movement)	(213,844,870)	213,844,870	(213,844,870)	213,844,870
EUR (5% movement)	(4,874,776)	4,874,776	(4,874,776)	4,874,776
30 June 2021				
USD (1% movement)	(81,728,084)	81,728,084	(81,728,084)	81,728,084
EUR (1% movement)	(83,294)	83,294	(83,294)	83,294
GBP (1% movement)	(1,217)	1,217	(1,217)	1,217
30 June 2020				
USD (1% movement)	(29,430,480)	29,430,480	(29,430,480)	29,430,480
EUR (1% movement)	(1,033,281)	1,033,281	(1,033,281)	1,033,281
GBP (1% movement)	(1,095)	1,095	(1,095)	1,095

(d) Market risk-interest rate risk

Interest rate risk is the risk that arises due to changes in interest rates on borrowings. The interest rate profile of the Company's interest-bearing financial instruments as reported to the management of the Company is as follows:

	30 June 2022	30 June 2021	30 June 2020
Fixed-rate instruments			
Short term loan	2,415,603,006	696,835,664	73,098,306
Long term loan	48,663,186	741,137,999	979,951,906
Variable-rate instruments			
Short term loan	4,409,828,256	5,226,058,934	8,720,734,408
Long term loan	40,559,038	153,723,955	439,523,172

Cash flow sensitivity analysis for interest rate change

A reasonably possible change in interest rates at the reporting date would have increased (decreased) equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency exchange rates, remain constant.

2022	Profit or loss		Equity, net of tax	
	1% Increase	1% Decrease	1% Increase	1% Decrease
Fixed-rate instruments				
Short term loan	24,156,030	(24,156,030)	24,156,030	(24,156,030)
Long term loan	486,632	(486,632)	486,632	(486,632)
Variable-rate instruments				
Short term loan	44,098,282.56	(44,098,283)	44,098,283	(44,098,283)
Long term loan	405,590.38	(405,590)	405,590	(405,590)

2021	Profit or loss		Equity, net of tax	
	1% Increase	1% Decrease	1% Increase	1% Decrease
Fixed-rate instruments				
Short term loan	6,968,357	(6,968,357)	6,968,357	(6,968,357)
Long term loan	7,411,380	(7,411,380)	7,411,380	(7,411,380)
Variable-rate instruments				
Short term loan	52,260,589.34	(52,260,589)	52,260,589	(52,260,589)
Long term loan	1,537,239.55	(1,537,240)	1,537,240	(1,537,240)

All payables of the company are interest free. Therefore no interest rate risk arises for the company as at 30 June 2022.

35.0 Earnings Per Share (EPS)

	2022	2021
Basic earnings per share :		
Earning attributable to ordinary shareholders	(229,265,634)	859,221,549
Weighted average number of ordinary shares (note-35.1)	148,500,000	148,500,000
	(1.54)	**5.79**

No diluted earnings per share is required to be calculated for the year as there was no convertible secutities for diliuting during the year.

35.1 Calculation of weighted average number of ordinary shares outstanding during the period from 01 July 2021 to 30 June 2022 is given below:

Nature of Share holdings	Number of shares	Days of share holding	No. of shares outstanding	
			2022	2021
Ordinary shares	148,500,000	365 days	148,500,000	148,500,000
	148,500,000		**148,500,000**	**148,500,000**

36.0 Net Asset Value Per Share (NAVPS)

	2022	2021
Net assets (total assets - total liabilities)	7,303,016,101	7,824,089,839
Number of ordinary shares	148,500,000	148,500,000
NAV per share	**49.18**	**52.69**

37.0 Cash flows from operating activities under the indirect method

	2022	2021
Reconciliation of net operating Cash flows		
Net profit before tax	**181,402,234**	**1,054,174,886**
Add: Items not involving movement of cash		
Depreciation on property, plant and equipments	638,884,986	677,580,666
Depreciation on RoU assets	399,613,213	271,012,168
Amortization on intangible assets	5,082,748	5,082,748
Loss on disposal of property, plant and equipments	(958,693)	22,964,870
Finance cost	781,515,441	561,409,223
Interest income	(29,903,161)	(52,520,469)
Profit or (Loss) on sale of share	4,846,233	(6,169,434)
Income from associate company	(54,736,605)	(49,788,657)
Provision for WPPF	6,333,281	50,219,309
Provision for Gratuity	57,727,419	38,404,910
	1,837,165,824	**1,518,195,333**
Cash generated from operations before changes in working capital	**2,018,568,058**	**2,572,370,220**
Changes in working capital:		
(Increase)/ decrease in inventories	56,861,778	80,344,348
(Increase)/ decrease in Trade receivables	382,508,631	1,098,806,385
(Increase)/ decrease in other receivables	(217,785)	(4,560,160)
(Increase) in advances, deposits and prepayments	70,992,857	106,713,440
Increase/(decrease) in trade payables	1,332,780,967	178,748,854
Increase in other payables	(149,539,320)	3,869,813
	1,693,387,127	**1,463,922,680**
Cash generated from operationg activities	**3,711,955,185**	**4,036,292,900**
Tax paid	(394,491,499)	(397,405,492)
WPPF paid	(50,219,311)	-
Gratuity paid	(23,676,567)	(15,380,341)
	(468,387,377)	**(412,785,833)**
Net cash inflows from operating activities	**3,243,567,808**	**3,623,507,067**

38.0 Commitments and contingent liabilities

	2022	2021
Commitments (note-38.1)	7,180,296,945	1,150,746,646
Contingent liabilities (note-38.3)	767,187,265	770,777,820
	7,947,484,210	**1,921,524,467**

38.1 Commitments

	2022	2021
Outstanding letters of credit (note-38.2)	1,048,838,228	1,076,650,712
Capital expenditure commitments including LC	6,131,458,717	74,095,934
	7,180,296,945	**1,150,746,646**

38.2 Outstanding letters of credit

	2022	2021
Commercial Bank of Ceylon PLC	13,189,757	85,010,823
The Hongkong and Shanghai Banking Corporation Limited	395,307,668	660,167,411
One Bank Limited	-	19,632,773
Bank Alfalah Limited	2,641,375	-
Bank Asia Limited	1,397,871,912	-
Eastern Bank Limited	1,565,507,354	-
Prime Bank Limited	93,126,000	6,116,400
Standard Chartered Bank	58,833,753	200,949,437
The City Bank Limited	134,805,963	49,173,562
Commercial Bank of Ceylon, PLC	-	-
BRAC Bank Limited	36,465,000	12,478,900
Dhaka Bank Limited	135,979,442	3,058,200
Dutch Bangla Bank Limited	-	11,087,759
Habib Bank Limited	-	752,763
Jamuna Bank Limited	11,107,800	28,222,684
	3,844,836,024	**1,076,650,712**

38.3 Contingent liabilities:

(i) Bank guarantee:

	2022	2021
One Bank Limited	3,513,260	4,033,656
Prime Bank Limited	23,907,318	26,977,478
Dhaka Bank Limited	3,133,318	3,133,318
	30,553,896	**34,144,451**

(ii) Tax and VAT claim:

	2022	2021
A) Claim of VAT Authority for declared wastage percentage relating to the different financial years against which various writ petitions have been filed by the Company before the Hon'ble High Court Dhaka.	65,820,031	65,820,031
B) As per section 82(C), sub section 2(ii) of the Income Tax Ordinance 1984, tax deducted under section 53 from import of raw materials by an industrial undertaking engaged in producing cement, iron or iron products shall be treated as minimum tax. To comply with the above mentioned rule, the Company has to consider total income tax deducted in import stage as current income tax. But the Company has not considered the amount deducted at source of Taka 1,116 million for the year 2019, 2020 and 2021 as current tax and accounted for Taka 445 million as current tax base on their computation. There exists a shortfall of provision of Taka 670 million. However, the Company have filed three writ petitions numbering 7591/2020, 7592/2020 and 9369/2021 challenging the aforesaid Rule which are under judgment.	670,813,338	670,813,338
	736,633,369	**736,633,369**
Total (i+ii)	**767,187,265**	**770,777,820**

All tax assesements have been finalised from the financial year 2006-2007 to 2016-2017.

39.0 Related parties transactions

During the year, the Company carried out a number of transactions with related parties within 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 IAS-24: Related party disclosure.

Individuals:

Name of the Individuals	Relationship	Nature of transactions	Transaction value (Taka)	
			2022	2021
Mohammed Jahangir Alam	Chairman	Cash dividend & board meeting attendance fees	41,536,535	23,153,263
Md. Alamgir Kabir	Director	Cash dividend, board meeting attendance fees & remuneration	33,334,891	21,872,233
Mollah Mohammad Majnu	Managing Director	Cash dividend, board meeting attendance fees & remuneration	29,267,990	19,602,658
Md. Mizanur Rahman Mollah	Director	Cash dividend & board meeting attendance fees	21,976,172	12,347,508
Md. Almas Shimul	Director	Cash dividend & board meeting attendance fees	13,244,372	7,496,508
Md. Asrafuzzaman	Shareholder	Cash dividend	4,677,750	2,598,750
Md. Abdul Ahad	Shareholder	Cash dividend	3,742,200	2,079,000

Entities:

Entities	Relationship	Nature of transactions	Transaction value (Taka)	
			2022	2021
Crown Power Generation Limited	Associate Company	Sale of power	99,573,305	77,512,362
Crown Polymer Bagging Limited	Common Director	Lease rent	117,364,800	213,376,313
Crown Mariners Limited	Associate Company	Lease rent	339,204,000	339,204,000
Crown Cement Concrete and Building Products Limited	Associate Company	Sale of cement	879,982,304	777,021,892
GPH Ispat Limited	Common Directorship	For MS rod purchased	245,792,941	36,897,193

40.0 Number of employees engaged for drawing remuneration

	Number of Employees	
	2022	2021
Disclosure as per requirement of schedule XI Part II of Para 3 is as follows:		
(a) Above Taka 14,000 per month	1,360	1,218
(b) Below Taka 14,000 per month	-	-
	1,360	**1,218**

	2022	2021
During the year the company paid as salaries, wages and benefits	514,554,822	439,563,871
Directors remuneration	14,693,640	14,693,640
Salary and benefits	529,248,462	454,257,511

41.0 Capacity and production

	Metric Ton	
	2022	2021
Installed capacity in metric tons (300 days basis)	3,324,000	3,324,000
Actual production in metric tons-during the year	2,948,253	2,718,526
% of capacity utilization	**88.70%**	**81.78%**

42.0 Number of Board Meetings held during the year 2022 and 2021

Quarter	Date of meeting		Number of directors attended	
	2022	2021	2022	2021
1st Quarter	–	–	–	–
	–	–	–	–
	–	–	–	–
2nd Quarter	27-Oct-21	8-Oct-20	7	7
	9-Nov-21	14-Nov-20	7	7
	18-Nov-21	26-Nov-20	7	7
3rd Quarter	30-Jan-22	30-Jan-21	6	7
	–	13-Feb-21	–	7
4th Quarter	25-Apr-22	25-May-21	6	7
	–	5-Jun-21	–	7

43.0 Basis of measurement

The financial statements of the Company have been prepared on historical cost basis except for net defined benefit (asset)/liability for which the measurement basis is the fair value of plan assets less the present value of the defined benefit obligation, as explained in note-19.

44.0 Standards issued but not yet effective

In January 2018, the Institute of Chartered Accountants of Bangladesh (ICAB) has adopted International Financial Reporting Standards issued by the International Accounting Standards Board as IFRSs. As the ICAB previously adopted such standards as Bangladesh Financial Reporting Standards without any modification, this adoption does not have any impact on the financial statements of the Company.

A number of new standards are effective for annual periods beginning after 1 July 2021 and earlier application is permitted; however, the Company has not early adopted the new or amended standards in preparing this financial statements.

The following amended standards and interpretations are effective form 1 July 2021

-Amendments to References to Conceptual Framework in IFRS Standards.
- IFRS 17: Insurance Contracts.
- IAS 1: Classification of Liabilities as Current or Non-current
- IAS 12: Deferred Tax related to Asset and Liabilities arising from a Single Transaction
- IAS 8: Definition of Accounting Estimates

45.0 Significant accounting policies

The Company has consistently applied the following accounting policies to all periods presented in this financial statement, except if mentioned otherwise.

Set out below is an index of the significant accounting policies, the details of which are available on the current and following pages:

Note	Particulars
A.	Foreign Currency Transaction
B.	Revenue Recognition
C.	Employee Benefits
D.	Finance Income and Finance Cost
E.	Income Tax
F.	Share Capital
G.	Inventories
H.	Accruals
I.	Intangible Assets
J.	Lease
K.	Cash and Cash Equivalent
L.	Financial Instruments
M.	Dividend to the Equityholders
N.	Property, Plant and Equipments
O.	Asset under Construction
P.	Provisions
Q.	Contingencies
R.	Earnings Per Share
S.	Events after the Reporting Date

A. Foreign Currency Transaction

Transactions in foreign currencies are translated to the respective functional currency (BDT) of the Company at exchange rates at the date of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are retranslated to the functional currency at the exchange rates ruling at the statement of financial position date. Non-monetary assets and liabilities denominated in foreign currencies, stated at historical cost, are translated into (BDT) at the exchange rate ruling at the date of transaction. Foreign exchange differences arising on translation are recognised in profit or loss.

B. Revenue Recognition

The Company recognises as revenue the amount that reflects the consideration to which the Company expects to be entitled in exchange for goods or services when (or as) it transfers control to the customer. To achieve that core principle, the Company follows the five-step model as below:

- Identify the contract with a customer;
- Identify the performance obligations in the contract;
- Determine the transaction price;
- Allocate the transaction price to the performance obligations in the contract; and
- Recognise revenue when (or as) the entity satisfies a performance obligation.

Considering the five steps model, the Company recognises revenue when (or as) the Company satisfies a performance obligation by transferring a promised good to a customer. Goods is considered as transfer when (or as) the customer obtains control of that goods. Then the Company recognises the net revenue from sale of goods in its financial statements.

Revenue from sale of goods is measured at the fair value of the consideration received or receivable net of returns and Value Added Tax (VAT)

C. Employee Benefits

i. Short-term employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

ii. Defined contribution plans (provident fund)

The Company operates a recognised provident fund in which employees employer contribute equally. The Company has no legal or constructive obligation to pay further amounts. Obligations for contributions to the recognised provident fund are recognised in profit or loss in the period during which related services are rendered by employees.

iii. Defined benefit plans (gratuity)

The Company operates an unfunded gratuity scheme, the provision in respect of which is made annually covering all its eligible employees. This scheme is qualified as a defined benefit plan.

The calculation is performed annually using the projected unit credit method. When the calculation results in a benefit to the Company, the recognised asset is limited to the total of any unrecognised past service costs and the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan. When the benefits of the plan are improved, the portion of the increased benefit related to past service by employees is recognised in profit and loss on a straight line basis over the average period until the benefits become vested. To the extent that the benefits vest immediately, the expense is recognised immediately in profit and loss. Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses, are recognised immediately in other comprehensive income. Relevant tax impacts of such remeasurements are also recognised under other comprehensive income.

iv. Workers' Profit Participation and Welfare Fund

The Company operates fund for workers as workers' profit participation and welfare fund ("the Fund") and provides 5% of its profit before tax as per provision of the Bangladesh Labour Act-2006. The Company recognises the contribution to the fund as short term employee benefits.

The Fund is governed by Bangladesh Labour Act, 2006 as amended up to 28 September 2015 and the trust deed.

D. Finance Income and Finance Cost

i. Finance income

Finance income comprises interest income on funds invested. Interest income is recognised as it accrues in profit or loss using the effective interest method.

ii. Finance cost

Finance costs comprise interest expense on borrowings and foreign exchange gain or loss. Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognised in profit or loss using the effective interest method.

E. Income Tax

Income tax expense comprises current and deferred tax. Current tax and deferred tax are recognised in profit or loss except to the extent that it relates to a business combination, or items recognised directly in equity or in other comprehensive income.

i. Current tax

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years. Provision for corporate income tax is made following the rate applicable for companies as per Finance Act, 2022 i.e. 22.5%, subject to provision of Section 82(C) minimum tax of the ITO 1984.

ii. Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to taxes levied by the same tax authority.

A deferred tax asset is recognised for unused tax losses, tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

F. Share Capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares, net of any tax effects, are recognised as a deduction from equity. Paid up share capital represents total amount contributed by the shareholders and bonus shares issued by the Company to the ordinary shareholders. Holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to vote at shareholders' meetings. In the event of a winding up of the Company, ordinary shareholders rank after all other shareholders and creditors and are fully entitled to any residual proceeds of liquidation.

G. Inventories

Inventories are measured at the lower of cost and net realisable value. The cost of inventories is based on weighted average cost method, and includes expenditure incurred in acquiring the inventories, production or conversion costs, and other costs incurred in bringing them to their existing location and condition. In the case of manufactured inventories and work in progress, cost includes an appropriate share of production overheads based on normal operating capacity. Stores and spares and material in transit are measured at cost.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated cost of completion and selling expenses.

H. Accruals

Accruals are liabilities to pay for goods or services that have been received or supplied but have not been paid, invoiced or formally agreed with the supplier, including amongst due to employees. Accruals are reported as part of trade and other payables.

I. Intangible Assets

i. Recognition and measurement

Intangible assets have finite useful lives and are stated at cost less accumulated amortisation and any impairment losses. Intangible assets are recognised in accordance with IAS 38 Intangible assets. Intangible assets include cost of acquisition of computer software, intellectual property, copyright and other costs incidental to such capital expenditure.

ii. Subsequent costs

Subsequent costs are capitalised only when they increase the future economic benefits embodied in the specific asset to which they relate. All other costs are recognised in profit or loss as incurred.

iii. Amortisation

Amortisation is recognised in profit or loss on straight line basis over the estimated useful lives of intangible assets from the date they are available for use. Intangible asset (Computer Software) is amortised at the rate of 10% to 33%.

iv. Derecognition

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of intangible assets, measured as the difference between the net disposal proceeds and the carrying amount of the assets, are recognised in profit or loss.

J. Lease

The lease liabilities is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate.

The lease liabilities is subsequently increased by the interest cost on the lease liabilities and decreased by lease payment made. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, a change in the estimate of the amount expected to be payable under a residual value guarantee, or as appropriate, changes in the assessment of whether a purchase or extension option is reasonably certain to be exercised or a termination option is reasonably certain not to be exercised.

The Company has elected not to recognise right-of-use assets and lease liabilities for leases of low-value assets and short-term leases. The Company recognises the lease payments associated with this leases as an expense on a straight-line basis over the lease term.

K. Cash and Cash Equivalents

Cash and cash equivalents comprise cash balances and call deposits with maturity of three months or less from the date of acquisition that are subject to an insignificant risk of changes in their fair value, and are used by the company in the management of its short term commitments.

L. Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

i. Recognition and initial measurement

Trade receivables and debt securities issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus, for an item not at Fair value through profit or loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

ii. Classification and subsequent measurement

Financial assets

On initial recognition, a financial asset is classified as measured at:

- amortised cost;
- FVOCI – debt investment; and
- FVOCI – equity investment; or FVTPL.

Financial assets are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in OCI. This election is made on an investment-by-investment basis.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets – Business model assessment

The Company makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. This include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of the assets;
- how the performance of the portfolio is evaluated and reported to the Company's management; the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- how managers of the business are compensated – e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Financial assets – Subsequent measurement and gains and losses

Financial assets at FVTPL	this assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.
Financial assets at amortised cost	this assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.
Debt investments at FVOCI	this assets are subsequently measured at fair value. Interest income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognised in profit or loss. Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.
Equity investments at FVOCI	this assets are subsequently measured at fair value. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are never reclassified to profit or loss.

Financial assets includes cash and cash equivalents, trade and other receivables, investment.

(a) Cash and cash equivalents

Cash and cash equivalents comprise cash balances and all cash deposits with maturities of three months or less that are subject to an insignificant risk of changes in their fair value, and are used by the Company in the management of its short-term commitments.

(b) Trade and other receivables

Trade and other receivables are recognised initially at fair value. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses.

(c) Short-term investment

Short-term investment consists of fixed deposits with original maturity of more than three months. The Company has the positive intent and ability to hold FDR to maturity, and such financial assets are carried as financial assets at amortised cost. Held-to-maturity financial assets are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, held-to-maturity financial assets are measured at amortised cost using the effective interest method, less any impairment losses.

iii. Financial liability

All financial liabilities are recognised initially on the transaction date at which the Company becomes a party to the contractual provisions of the liability.

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled or expired. Financial liabilities include trade and other payables etc.

(a) Trade and other payables

The Company recognises a trade and inter-company payables when its contractual obligations arising from past events are certain and the settlement of which is expected to result in an outflow from the entity of resources embodying economic benefits.

(b) Loans and borrowings

The Company derecognises loans and borrowings when its contractual obligations are discharged or cancelled, or expire. The Company also derecognises loans and borrowings when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

iv. Impairment

i. Non-derivative financial assets

The Company recognises loss allowances for Expected Credit Loss (ECL) on:

- financial assets measured at amortised cost;
- debt investments measured at FVOCI; and
- contract assets.

The Company measures loss allowances at an amount equal to lifetime ECLs, except for the following, which are measured at 12-month ECLs:

- debt securities that are determined to have low credit risk at the reporting date; and
- other debt securities and bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

Loss allowances for trade receivables and contract assets are always measured at an amount equal to lifetime ECLs.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward-looking information.

ii. Non-Financial Assets

The carrying amounts of the Company's 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 in order to determine the extent of impairment loss (if any). Where it is not possible to determine the recoverable amount of an individual asset, the Company estimates the recoverable amount of the Cash Generating Unit (CGU) to which the asset belongs. An impairment loss is recognised if the carrying amount of an asset or its CGU exceeds its recoverable amount.

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU.

Impairment losses are recognised in profit or loss. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation, if no impairment loss had been recognised.

M. Dividend to the Equityholders

The Company recognises a liability to make cash dividend when the distribution is authorised and the distribution is no longer at the discretion of the Company. As per the corporate laws in Bangladesh, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

N. Property, Plant and Equipments

i. Recognition and measurement

Property, plant, and equipments (PPE) is recognised as an asset if it is probable that future economic benefits associated with the asset will flow to the entity and the cost of the item can be measured reliably.

Items of property, plant and equipments are measured at cost less accumulated depreciation and accumulated impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the assets, bringing the assets to the location and condition necessary for it to be capable of operating in the manner intended by management. Any gain or loss on disposal of an item of property, plant, and equipments is recognised in profit or loss.

ii. Subsequent costs

The subsequent cost of an item of property, plant, and equipments is capitalised only if it is probable that future economic benefits embodied within the item will flow to the Company and its costs can be measured reliably. The costs of the day-to-day servicing of property, plant, and equipments are recognised in profit or loss as incurred.

iii. Depreciation

Items of property, plant and equipments are depreciated from the month they are available for use while no depreciation is charged for the month in which an asset is disposed off.

No depreciation is charged on land and asset under capital works in progress (CWIP) as the land has unlimited useful life and CWIP has not yet been placed in service /commissioned.

Depreciation is calculated to write off the cost of items of property, plant and equipments less their estimated residual values using either the straight-line basis or reducing balance method over their estimated useful lives. Depreciation is generally recognised in profit or loss. Leased assets are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the Company will obtain ownership by the end of the lease term.

Depreciation methods, useful lives and residual values are reviewed at each reportings date and adjusted if appropriate. The estimated useful lives of the items of property, plant and equipment for the current and comparative period are as follows:

Category of PPE	Depreciation Method	Rate (%)	
		2022	2021
Building	Reducing balance	5%	5%
Plant & machineries	Reducing balance	10%	10%
Electrical equipments and tools	Reducing balance	10%-20%	10%-20%
Vessel	Straight line	10%	10%
Air conditioners	Reducing balance	15%	15%
Decoration	Straight line	20%	20%
Office equipments	Straight line	20%	20%
Computer	Straight line	33%	33%
Furniture & fixtures	Reducing balance	10%	10%
Motor vehicles	Reducing balance	10%-15%	10%-15%
Silo	Reducing balance	5%-15%	5%-15%
Sundry assets	Reducing balance	10%-20%	10%-20%

iv. Impairment

The carrying amount of the entity's 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, the assets' recoverable amounts are estimated. However, no such conditions that might be suggestive of a heightened risk of impairment of assets existed at the reporting date.

An impairment loss is recognised through the statement of comprehensive income whenever the carrying amount of an asset exceeds its recoverable amount.

The recoverable amount of an asset is calculated as the present value of estimated future cash flows, that will be generated by the use of that asset, discounted at an appropriate rate.

Impairment indicators comprise:

- reduced earnings compared to expected future outcome;
- material negative development trends in the sector or the economy in which the Company operates;
- damage to the asset or changed use of asset;

v. Derecognition

An asset is derecognised on disposal or when no future economic benefits are expected from its use and disposal. Gains or losses arising from the derecognition of an asset are determined as the difference between net disposal proceeds and the carrying amount of the assets and are recognised in profit or loss.

vi. Capitalisation of borrowing costs

As per the requirements of IAS 23 Borrowing Costs, directly attributable borrowing costs are capitalised during construction period for all qualifying assets. A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use or sale. The borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are those borrowing costs that would have been avoided if the expenditure on the qualifying asset had not been made. All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

O. Asset under Construction

Capital work-in-progress represents the cost incurred for acquisition and/or construction of items of property, plant and equipment that are not ready for use. Capital work-in-progress is recorded at cost to the extent of expenditure incurred to date of statement of financial position. The amount of capital work-in-progress is transferred to appropriate asset category and depreciated when the asset is completed and commissioned.

P. Provisions

A provision is recognised in the statement of financial position when the company has a legal or constructive obligation as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Provision is ordinarily measured at the best estimate of the expenditure required to settle the present obligation at the date of statement of financial position. Where the effect of time value of money is material, the amount of provision is measured at the present value of the expenditures expected to be required to settle the obligation.

Q. Contingencies

i. Contingent liability

A contingent liability is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company; or a present obligation that arises from past events but is not recognised because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or the amount of the obligation cannot be measured with sufficient reliability.

Contingent liabilities are not recognised in the statement of financial position of the Company. Moreover, contingencies arising from claims, litigations, assessments, fines, penalties, etc. are recorded when it is probable that a liability has been incurred and the amount can be reasonably estimated.

ii. Contingent asset

Contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity. The Company does not recognise contingent asset.

R. Earnings Per Share

The Company presents basic earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the year.

Diluted earnings per share is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding, for the effects of all dilutive potential ordinary shares. However, dilution of EPS is not applicable for this financial statements as there was no dilutive potential ordinary shares during the relevant periods.

U. Events after the Reporting Date

Events after statement of financial position date that provide additional information about the Company's position at the statement of financial position date are reflected in the financial statements. Events after statement of financial position date that are non-adjusting events are disclosed in the notes when material.

46.0 Going concern

The financial statements of the Company are prepared on a going concern basis. As per management assessment there are no material uncertainties related to events or conditions which may cast significant doubt upon Company's ability to continue as a going concern.

47.0 Operating segments

The Company is domiciled in Bangladesh. The revenue from cement is BDT 19,139.95 Million in 2022. The Company does not have any non-current assets that are located outside Bangladesh.

The Company is a primarily engaged in the manufacturing and sale of cement in Bangladesh and this forms the focus of the Company's internal reporting system. While the Company is selling cement in the market under two different categories (Ordinary Portland Cement (OPC), Portland Composite Cement (PCC), segmentation within a wide range of category is not part of the regular internally reported financial information to the chief operating decision maker. Therefore, it is not possible to segment the Company's results by product category without a high degree of estimation.

48.0 Events after the reporting period

48.1 Foreign exchange loss includes loss arising from the translation of foreign currency liabilities, mainly comprised of UPAS loan liabilities. Under IAS 21, closing rate has to be used to convert foreign currency assets and liabilities. Consistent with past practice, the BC selling rate of Tk. 93.50/USD as on 30.6.2022 has been used as the closing rate. Subsequently, up to 30 September 2022, the average settlement rate with different banks was BDT 102.15/USD. Had this rate been used for the translation of the total liabilities the additional translation loss would have been Tk 50.20 Crore.

48.2 The Board of Directors in their meeting held on 26 October 2022 have recommended cash dividend 10% i.e. Taka 1.00 (One) per share of Taka 10 (Ten) each aggregating to Taka 148,500,000 for the year ended 30 June 2022 subject to approval of the Shareholders' in the Annual General Meeting scheduled to be held on 27 December 2022. The financial statements for the year ended 30 June 2022 do not include the effect of the cash dividend which will be accounted for in the period when Shareholders' right to receive payment is established.

There is no other significant events after the reporting date that may affect the reported amounts in the financial statements of the Company for the year ended 30 June 2022.

Mollah Mohammad Majnu	**Md. Mizanur Rahman Mollah**	**Mohammad Ahasan Ullah, FCA**	**Md. Mozharul Islam, FCS**
Managing Director	Director	Chief Financial Officer	Company Secretary

Schedule of Leases
As at 30 June 2022

Leases as lessee (IFRS 16)

The company has taken leases for Head Office and vessel operations and cement bag manufacturing. The lease for the Head Office runs for 5 years and vessel operations and bag plant for 1 year with an option to renew. The leases for the Head Office was entered in 2017. Previously, these leases were classified as operating leases under IAS 17.

Information about leases for which the Company is a lessee is presented below:

i. RoU assets (At cost)

Particulars	2021-2022				2020-2021		
	Vessel	Office	Bag Plant	Total	Vessel	Office	Total
RoU asstets cost opening bal.	552,455,319	96,618,309	-	649,073,628	285,438,673	96,618,309	382,056,982
Addition (at cost)	-	-	106,246,119	106,246,119	267,016,646	-	267,016,646
RoU asset cost closing (A)	**552,455,319**	**96,618,309**	**106,246,119**	**755,319,747**	**552,455,319**	**96,618,309**	**649,073,628**
Accumulated depreciation opening bal.	285,438,674	52,700,896	-	338,139,570	40,776,954	26,350,452	67,127,406
Addition during the year	267,016,645	26,350,448	106,246,119	399,613,212	244,661,720	26,350,444	271,012,164
Accumulated depreciation closing bal. (B)	**552,455,319**	**79,051,344**	**106,246,119**	**737,752,782**	**285,438,674**	**52,700,896**	**338,139,570**
WDV (A-B)	**-**	**17,566,965**	**-**	**17,566,965**	**267,016,645**	**43,917,413**	**310,934,058**

ii. Lease obligation

Particulars	2021-2022				2020-2021		
	Vessel	Office	Bag Plant	Total	Vessel	Office	Total
Lease liability opening bal.	267,016,645	51,060,108	-	318,076,754	267,016,645	73,686,269	340,702,914
Interest	13,195,354	3,389,456	5,250,441	21,835,251	13,195,354	5,691,310	18,886,664
Payment	(280,212,000)	(33,105,719)	(111,496,560)	(424,814,279)	(280,212,000)	(28,317,470)	(308,529,470)
Advance adjustment	-	-	-	-	-	-	-
Addition	-	-	106,246,119	106,246,119	267,016,646	-	267,016,646
Lease Liability closing bal.	**-**	**21,343,845**	**-**	**21,343,845**	**267,016,645**	**51,060,108**	**318,076,754**

iii. Expenses

Particulars	Vessel	Office	Bag Plant	Total	Vessel	Office	Total
Interest	13,195,354	3,389,456	5,250,441	21,835,251	13,195,354	5,691,310	18,886,664
Depreciation	267,016,645	26,350,448	106,246,119	399,613,212	244,661,720	26,350,444	271,012,164
Total	**280,211,999**	**29,739,904**	**111,496,560**	**421,448,463**	**257,857,074**	**32,041,754**	**289,898,827**

iv. Extension options

Some property leases contain extension options exercisable by the Company. Where practicable, the Company seeks to include extension options in new leases to provide operational flexibility. The extension options held are exercisable only by the Company and not by the lessors. The Company assesses at lease commencement date whether it is reasonably certain to exercise the extension options. The Company reassesses whether it is reasonably certain to exercise the options if there is a significant event or significant changes in circumstances within its control.

B. Leases as lessor

The Company does not provide any lease facility to other entity.

Details breakdownn of employee benefits

As at 30 June 2022

Annexure-B

Employee benefits

A. Movement in net defined benefit asset and liability

The following table shows a reconciliation from the opening balances to the closing balances for net defined benefit (asset)/liability and its components.

	Defined benefit obligation		Fair value of plan assets		Net defined (asset)/liability	
	2022	2021	2022	2021	2022	2021
Balance at 1 July	221,073,919	198,049,350	-	-	221,073,919	198,049,350
Included in profit or loss						
Current service cost	57,727,419	30,007,721	-	-	57,727,419	30,007,721
Past service costs	-	-	-	-	-	-
Interest cost/(income)	-	-	-	-	-	-
	57,727,419	30,007,721	-	-	57,727,419	30,007,721
Included in OCI						
Actuarial (gain)/loss arising from:						
Return on plan assets	-	-	-	-	-	-
Financial assumption	-	-	-	-	-	-
Experience adjustment	-	8,397,189	-	-	-	8,397,189
	57,727,419	**38,404,910**	**-**	**-**	**57,727,419**	**38,404,910**
Other						
Contribution paid by the employer						
Benefits paid	(23,676,567)	(15,380,341)	-	-	(23,676,567)	(15,380,341)
	(23,676,567)	(15,380,341)	-	-	(23,676,567)	(15,380,341)
Balance at 30 June	**255,124,771**	**221,073,919**	**-**	**-**	**255,124,771**	**221,073,919**

B. Actuarial assumptions

The following were the principal actuarial assumptions at the reporting date.

	2022	2021
Financial assumptions:		
Discount rate	6.60%	6.60%
Salary escalation rate	8.00%	8.00%
Demographic assumptions:		
Withdrawal rate	3%-15%	3%-15%

Assumptions regarding future mortality have been used based on published statistics and mortality tables. Report on Bangladesh Sample Vital Statistics 2019 by Bangladesh Bureau of Statistics Published June 2020 were used in valuing the liabilities and benefits under the scheme.

C. Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below:

	2022	
	Decrease	
	Amount	%
Discount rate (-/+5% movement)	14,926,995	6.12%
Future salary growth ((-/+5% movement)	(18,012,781)	-6.79%

Although the analysis does not take of full distribution of cash flows expected under the plan, it does provide an approximation of sensitivity of the assumptions shown.