

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 2023 and 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 respect, the financial position of the Company as at 30 June 2023 and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs), the Companies Act 1994, the Securities and Exchange Rules 1987 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) and we have fulfilled our other 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 we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. 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.

Key Audit Matters	How our audit addressed the key audit matters
Revenue Recognition	
<p>The Company generates revenue by selling cement through both local and exports.</p> <p>The Company reported revenue of BDT 24,183,479,554 for the year ended 30 June 2023, which is 20.86% higher than previous year's revenue of BDT 19,139,536,196. This increase in revenue was primarily driven by higher selling prices and an increase in the quantity of sales.</p> <p>As described in the policy Note No. 45(B), the Company recognizes 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 recognizes 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 allowances, trade discounts, rebates and Value Added Tax (VAT).</p> <p>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.</p>	<p>Our audit procedures for revenue recognition included the following:</p> <ul style="list-style-type: none">■ Understanding the key controls related to the contracts with customers, goods delivery and invoicing process of the revenue;■ Examined customer invoice (Mushak 6.3), sales account book (Mushak 6.2), VAT submission form (Mushak 9.1) and receipts of payment on a test basis;■ Summarized of Mushak 9.1, Mushak 6.7, Mushak 6.8 month wise and cross checked with financial statements booked as revenue;■ Reviewed the collection of trade and other receivables and its subsequent status as well;■ Substantive procedures using sampling techniques to verify relevant supporting documents for the revenue recognized;■ Obtained and verified supporting documents for sales transactions recorded;■ Enquired that the Company did not offer any discount to dealers during the year;

Key Audit Matters	How our audit addressed the key audit matters
<p>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.</p> <p>See Note No. 25 and 45(B) to the financial statements.</p>	<ul style="list-style-type: none"> ■ Tested the timing of revenue recognition as well as cut off checked; ■ Reviewed age analysis and calculation of expected credit loss/allowance for bad and doubtful debts of trade and other receivables; and ■ Assessed whether the sufficient disclosure has been given.
Property, Plant and Equipments and Capital Work in Progress (CWIP)	
<p>Items of property, plant and equipments (PPE) 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 recognized in profit or loss. PPE is a significant asset category of the Company and it's the carrying amount is as at 30 June 2023 is BDT 6,283,448,197. The Company's PPE comprises various types of assets, including land & land development, building, plant & machineries, Electrical equipment tools, Vessel, Motor vehicles etc. represents a significant amount in the Company's statement of financial position as at 30 June 2023.</p> <p>And the carrying amount of capital work in progress (CWIP) is as at 30 June 2023 is BDT 5,026,852,994, which occurred mainly for expansion of its production facilities named 6th Unit consisting of 330 TPH VRM cement grinding mill and will be transferred in PPE after completion of the project.</p> <p>The valuation of PPE requires significant management judgement and estimation, including the determination of useful lives of assets, assessing the residual values and estimating the cost of dismantling or assets retirement obligation.</p> <p>We identified the carrying value of property, plant and equipments as a key audit matter because of the high level of management judgement involved and because of its significance to the financial statements.</p> <p>See Note No. 4 and 6 to the financial statements.</p>	<p>Our audit procedures for recognition and valuation of PPE included the following:</p> <ul style="list-style-type: none"> ■ Reviewing basis of recognition, measurement and valuation of assets; ■ Assessing the design, implementation and operating effectiveness of key internal controls over the completeness, existence and accuracy of property, plant and equipments, including the key internal controls over the estimation of useful economic lives and residual values; ■ Testing the key controls over the Management's judgment in relation to the accounting estimates of the depreciable lives and residual values of property, plant and equipments; ■ Testing the accuracy and completeness of PPE additions, disposals, and impairment charges to ensure that all transactions are properly recorded in the accounting system; ■ Testing the capitalization of CWIP amount to PPE; ■ Checking ownership of the major assets, Capital Work in Progress (CWIP) and its transfer to PPE; ■ Reconcile on a sample basis the additional capitalized costs for the year to the underlying invoices and supporting documents; ■ Performing physical verification on sample basis.
Measurement of Deferred Tax Liability	
<p>The Company reported net deferred tax liability totaling BDT 565,421,181 as at 30 June 2023.</p> <p>Significant judgment is required in relation to deferred tax liability as their liability is dependent on forecasts of future profitability over a number of years.</p> <p>See Note No. 21 to the financial statements.</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> ■ Obtained an understanding, evaluated the design and tested the operational effectiveness of the Company's key controls over the recognition and measurement of deferred tax assets and liabilities and the assumptions used in estimating the future taxable expense of the Company. ■ Assessed the completeness and accuracy of the data used for the estimations of future taxable expense.

Key Audit Matters	How our audit addressed the key audit matters
	<ul style="list-style-type: none"> ■ Evaluated the reasonableness of key assumptions, timing of reversal of temporary differences and expiration of tax loss carry forwards, recognition and measurement of deferred tax liability. ■ Involved tax specialists to assess key assumptions, controls, recognition and measurement of deferred tax assets. ■ Assessed the adequacy of the Company's disclosures setting out the basis of deferred tax liability balances and the level of estimation involved. ■ Assisted in evaluating the tax implications, the reasonableness of estimates and calculations determined by Management. ■ Finally assessed the appropriateness and presentation of disclosures against IAS 12: Income Tax.

Other Information

Management is responsible for the other information. The other information comprises the information included in the Annual Report but does not include 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.

When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

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.

Auditors 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 the 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, where applicable, related safeguards.

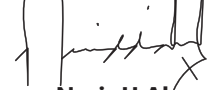
From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation 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 the Securities and Exchange Rules 2020, 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 (AICPA), ACMA (UK), FCA (England & Wales)
Deputy Managing Partner
ICAB Enrollment No: 535
DVC No.: 2310220535AS450114

22 October 2023
Dhaka, Bangladesh

CROWN CEMENT PLC.
STATEMENT OF FINANCIAL POSITION

As at 30 June 2023

Amount in BDT

Particulars	Notes	30 June	
		2023	2022
ASSETS			
Property, plant and equipments	4	6,283,448,197	6,383,937,488
Right-of-use asset	5	132,914,149	17,566,965
Capital work in progress	6	5,026,852,994	1,658,172,074
Intangible asset	7	21,577,088	26,659,836
Investment in associates	8	424,996,020	384,281,664
Total Non-current assets		11,889,788,447	8,470,618,027
Investment in shares	9	61,608,327	65,993,317
Inventories	10	2,188,559,289	1,630,861,109
Trade and other receivables	11	2,667,830,940	2,411,091,817
Advances, deposits and prepayments	12	1,244,006,334	248,266,519
Advance income tax	13	3,298,624,691	3,134,685,182
Short term investment in FDR	14	606,259,847	1,703,117,104
Cash and cash equivalents	15	893,903,481	222,653,961
Total current assets		10,960,792,910	9,416,669,008
TOTAL ASSETS		22,850,581,357	17,887,287,035
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		752,632,066	780,920,938
Retained earnings		2,560,517,275	2,080,535,163
Total equity		7,754,709,341	7,303,016,101
Liabilities			
Loans and borrowings	18	1,165,644,814	48,663,186
Employee benefits	19	287,332,790	255,124,771
Lease liabilities	20	100,651,027	-
Deferred tax liabilities	21	565,421,181	582,286,747
Non-current liabilities		2,119,049,813	886,074,705
Loans and borrowings	22	9,348,366,829	6,865,990,300
Lease liabilities	20	34,944,228	21,343,845
Trade and other payables	23	1,679,250,049	1,864,291,984
Current tax liabilities	24	1,865,888,338	814,612,448
Unclaimed dividend		48,372,760	131,957,652
Total current liabilities		12,976,822,204	9,698,196,229
Total liabilities		15,095,872,017	10,584,270,934
TOTAL EQUITY AND LIABILITIES		22,850,581,357	17,887,287,035
Net Asset Value Per Share (NAVPS)		52.22	49.18

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


Mollah Mohammad Majnu
Managing Director

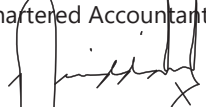

Md. Alamgir Kabir
Director


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 (AICPA), ACMA (UK), FCA (England & Wales)
Deputy Managing Partner
ICAB Enrollment No: 535
DVC No.: 2310220535AS450114

22 October 2023
Dhaka, Bangladesh

CROWN CEMENT PLC.
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
For the year ended 30 June 2023

Particulars	Notes	Amount in BDT	
		2022-2023	2021-2022
Revenue	25	24,183,479,554	19,139,536,196
Cost of sales	26	(20,418,664,027)	(17,547,740,109)
Gross profit		3,764,815,527	1,591,796,087
Income from mother vessel operation	27	93,690,295	42,118,538
Administrative expenses	28	(271,147,546)	(260,154,554)
Selling and distribution expenses	29	(581,699,874)	(506,395,377)
Operating profit		3,005,658,403	867,364,694
Non-operating income	30	6,818,923	17,246,496
Finance cost	31	(1,372,945,712)	(781,515,441)
Finance income	32	38,528,919	29,903,161
Net finance expenses		(1,327,597,870)	(734,365,784)
Profit before contribution to WPPF		1,678,060,533	132,998,910
Contribution to WPPF		(79,907,644)	(6,333,281)
Profit before income tax		1,598,152,888	126,665,629
Share of profit from associates	33	40,214,356	54,736,605
Profit before income tax		1,638,367,245	181,402,234
Income tax expenses	34	(1,027,921,043)	(410,667,868)
Profit for the period		610,446,201	(229,265,634)
Other comprehensive income			
Remeasurement of defined benefit liability		(3,763,680)	-
Tax expense on remeasurement of defined benefit liability		846,828	-
Other comprehensive income for the period, net of tax		(2,916,852)	-
Total comprehensive profit/(loss) for the period		607,529,349	(229,265,634)
Earnings Per Share (EPS)			
Basic and diluted EPS (Per value of Tk. 10)	36	4.11	(1.54)

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


Mollah Mohammad Majnu
Managing Director


Md. Alamgir Kabir
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
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Deputy Managing Partner
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22 October 2023
Dhaka, Bangladesh

CROWN CEMENT PLC.
STATEMENT OF CHANGES IN EQUITY
 For the year ended 30 June 2023

Particulars	Attributable to owners of the Company					Total Equity
	Share Capital	Retained Earnings	Share Premium	Revaluation Reserve	Amount in BDT	
Balance at 1 July 2022	1,485,000,000	2,080,535,163	2,956,560,000	780,920,938	7,303,016,101	
Total comprehensive profit/(loss) for the period						
Net profit / (loss) for the period	-	610,446,201	-	-	610,446,201	
Other comprehensive profit/(loss) for the period	-	(2,916,852)	-	-	(2,916,852)	
Total comprehensive profit/(loss) for the period	-	607,529,349	-	-	607,529,349	
Cash dividend 10%	-	(148,500,000)	-	-	(148,500,000)	
Excess depreciation on revalued assets	-	20,952,763	-	(20,952,763)	-	
Deferred tax adjustment against revaluation of land & land development	-	-	-	(12,050,481)	(12,050,481)	
Deferred tax adjust on excess depreciation	-	-	-	4,714,372	4,714,372	
Balance at 30 June 2023	1,485,000,000	2,560,517,275	2,956,560,000	752,632,066	7,754,709,341	
Balance at 1 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 period:						
Net profit / (loss) for the period	-	(229,265,634)	-	-	(229,265,634)	
Other comprehensive loss for the period	-	-	-	-	-	
Total comprehensive loss for the period	-	(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	


 Mollah Mohammad Majnu
 Managing Director


 Md. Alamgir Kabir
 Director


 Mohammad Ahasan Ullah, FCA
 Chief Financial Officer


 Md. Mozharul Islam, FCS
 Company Secretary

CROWN CEMENT PLC.
STATEMENT OF CASH FLOWS
For the year ended 30 June 2023

Particulars	Amount in BDT	
	2022-2023	2021-2022
Operating activities:		
Cash received from customers	23,882,929,622	19,522,044,827
Cash received from other operating income	149,038,329	252,552,797
Cash paid to suppliers, employees and others	(22,170,111,347)	(16,240,763,614)
Income tax refund	329,603,227	102,725,327
Income tax paid	(493,542,736)	(394,491,499)
Net cash flows from operating activities	1,697,917,094	3,242,067,838
Investing activities:		
Acquisition of property, plant and equipment	(504,415,685)	(112,498,590)
Advance against capital expenditure	(265,784,451)	-
Proceeds from disposal of PPE	1,370,944	6,354,556
Investment in associate companies	(500,000)	-
Payment for capital work in progress	(3,368,680,920)	(873,078,853)
Interest received	51,515,313	24,775,355
Investment in/encashment of FDR	1,096,857,257	(972,140,320)
Investment in shares	14,812	(66,371)
Net cash flows from investing activities	(2,989,622,731)	(1,926,654,222)
Financing activities:		
Proceeds from/repayment of term loans and borrowings	1,116,981,628	(91,912,789)
Proceeds from/repayment of short term loans and borrowings	2,482,376,528	188,809,723
Repayment of lease liabilities	(31,372,395)	(402,979,028)
Interest paid	(1,372,945,712)	(709,140,358)
Payment of IPO application fund	-	(12,850,753)
Final dividend paid	(232,084,892)	(234,685,906)
Net cash used in financing activities	1,962,955,156	(1,262,759,110)
Net (decrease)/increase in cash and cash equivalents	671,249,520	52,654,506
Opening cash and cash equivalents	222,653,961	169,999,455
Closing Cash and cash equivalents	893,903,481	222,653,961
Net Operating Cash Flows Per Share (NOCFPS)	11.43	21.83


Mollah Mohammad Majnu
Managing Director


Md. Alamgir Kabir
Director


Mohammad Ahasan Ullah, FCA
Chief Financial Officer


Md. Mozharul Islam, FCS
Company Secretary

CROWN CEMENT PLC.
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 30 June 2023

1 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. Bangladesh 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 240th Board of Directors meeting held on 22 October 2023.

2.3 Reporting period

The financial period of the Company covers year ended on 30 June 2023.

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 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 2023 that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities in the next financial 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

Note No. 21 Deferred tax liabilities

Note No. 24 Current tax liabilities

Note No. 39 Commitment and Contingent liabilities

CROWN CEMENT PLC.
SCHEDULE OF PROPERTY, PLANT AND EQUIPMENTS
As at 30 June 2023

4 Property, plant and equipments, net

Amount in BDT

Particulars	Cost				Depreciation Rate %	Accumulated Depreciation				Written down value as at 30 June 2023	Written down value as at 30 June 2022	
	As at 1 July 2022	Addition during the period	Disposal during the period	As at 30 June 2023		As at 1 July 2022	Charged during the period	Disposal during the period	As at 30 June 2023			
												1
A. Cost												
Land & land development	854,670,750	16,375,439	-	871,046,189	-	-	-	-	-	-	871,046,189	854,670,749
Building	1,042,697,130	132,448,568	-	1,175,145,699	5%	375,746,169	33,899,417	-	409,645,586	-	765,500,113	666,950,962
Plant & machineries	3,809,054,899	276,769,251	-	4,085,824,150	10%-20%	2,006,617,641	192,561,859	-	2,199,179,500	-	1,886,644,650	1,802,437,258
Electrical equipments and tools	1,144,890,542	28,471,739	-	1,173,362,282	10%-20%	730,401,210	61,599,575	-	792,000,784	-	381,361,497	414,489,333
Vessel	1,820,264,934	-	-	1,820,264,934	10%-15%	944,145,698	186,798,339	-	1,130,944,037	-	689,320,897	876,119,236
Air conditioners	39,348,031	1,251,106	-	40,599,137	15%	21,591,014	2,822,030	-	24,413,044	-	16,186,093	17,757,017
Decoration	73,725,312	16,664,088	-	90,389,401	20%	66,585,880	8,360,202	-	74,946,081	-	15,443,319	7,139,433
Office equipments	12,482,806	2,879,596	-	15,362,402	20%	10,882,092	723,417	-	11,605,509	-	3,756,893	1,600,714
Computer	54,150,623	5,566,780	-	59,717,403	33.33%	50,840,606	2,160,507	-	53,001,113	-	6,716,290	3,310,017
Furniture & fixtures	17,989,050	648,732	-	18,637,782	10%	9,930,230	844,820	-	10,775,050	-	7,862,732	8,058,820
Motor vehicles	1,024,656,654	13,751,045	11,624,368	1,026,783,330	10%-15%	589,050,325	59,528,054	10,340,474	638,237,905	-	388,545,425	435,606,328
Silo	896,130,666	9,589,341	-	905,720,007	5%-15%	357,461,834	31,227,968	-	388,689,802	-	517,030,205	538,668,832
Sundry assets	28,402,701	-	-	28,402,701	10%-20%	14,029,212	2,142,131	-	16,171,342	-	12,231,359	14,373,489
Sub total	10,818,464,098	504,415,685	11,624,368	11,311,255,415		5,177,281,909	582,668,320	10,340,474	5,749,609,755		5,561,645,660	5,641,182,187
B. Revaluation												
Land & land development	602,524,047	-	-	602,524,047	0%	-	-	-	-	-	602,524,047	602,524,047
Factory and buildings	114,363,274	-	-	114,363,274	5%	43,994,797	3,518,424	-	47,513,220	-	66,850,054	70,368,477
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%	151,982,031	17,434,339	-	169,416,370	-	156,909,049	174,343,388
Sub total	938,732,127	-	-	938,732,127	-	195,976,827	20,952,763	-	216,929,590	-	721,802,537	742,755,300
Grand Total	11,757,196,225	504,415,685	11,624,368	12,249,987,542	-	5,373,258,737	603,621,082	10,340,474	5,966,539,345	-	6,283,448,197	6,383,937,488

5 Right-of-use asset (RoU)

	Amount in BDT	
	30 June 2023	30 June 2022
i. Cost		
Balance at 1 July	755,319,747	649,073,628
Additions	140,732,628	106,246,119
Disposal/adjustment	(755,319,747)	-
Balance at 30 June	140,732,628	755,319,747
ii. Accumulated depreciation		
Balance at 1 July	737,752,782	338,139,570
Charged during the period	25,385,444	399,613,213
Disposal/adjustment	(755,319,747)	-
Balance at 30 June	7,818,480	737,752,782
Carrying amount (i-ii)	132,914,149	17,566,965

6 Capital work in progress

	30 June 2023	30 June 2022
i. Cost		
Balance at 1 July	1,658,172,074	785,093,220
Additions	3,701,477,822	873,078,854
Closing Balance	5,359,649,896	1,658,172,074
Transfer/capitalized	(332,796,902)	-
Closing Balance	5,026,852,994	1,658,172,074

7 Intangible assets

	30 June 2023	30 June 2022
i. Cost		
Balance at 1 July	50,827,478	50,827,478
Additions	-	-
Closing Balance	50,827,478	50,827,478
ii. Accumulated amortization		
Balance at 1 July	24,167,642	19,084,894
Charged during the period	5,082,748	5,082,748
Closing Balance	29,250,390	24,167,642
Carrying amount (i-ii)	21,577,088	26,659,836

8 Investment in associate companies

	30 June 2023	30 June 2022
a. Crown Power Generation Limited		
Balance at 1 July	17,151,980	10,381,886
Add: Share of profit during the year	(4,253,633)	6,770,094
Closing Balance	12,898,348	17,151,980

	Amount in BDT	
	30 June 2023	30 June 2022
b. Crown Mariners Limited		
Balance at 1 July	321,634,200	292,973,804
Add: Share of profit during the year	30,656,041	28,660,396
Closing Balance	352,290,242	321,634,200
c. Crown Cement Concrete and Building Products Limited		
Balance at 1 July	41,717,415	26,189,369
Add: Share of profit during the year	10,007,370	15,528,047
Closing Balance	51,724,785	41,717,415
d. Crown Transportation and Logistics Limited		
Balance at 1 July	3,778,068	-
Investment in share capital	500,000	-
Add: Share of profit from investment	3,804,578	3,778,068
Closing Balance	8,082,646	3,778,068
Total	424,996,020	384,281,664

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 1.42% 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 market 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 CCC&BPL 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 reimbursing the relevant delivery cost component 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 and 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.

9 Investment in shares

	Amount in BDT	
	30 June 2023	30 June 2022
Balance at 1 July	65,993,317	61,080,713
Additions	274,068	204,573
Disposals during the year	(288,880)	(138,202)
Unrealized gain on fair valuation	(4,370,178)	4,846,233
Closing Balance	61,608,327	65,993,317

10 Inventories

	30 June 2023	30 June 2022
Raw materials	1,490,601,067	1,001,912,040
Finished goods	128,170,441	142,705,970
Material in transit	33,996,182	37,929,433
Stores and spares	535,791,599	448,313,666
Closing Balance	2,188,559,289	1,630,861,109

11 Trade and other receivables

	30 June 2023	30 June 2022
Trade receivables (Note No. - 11.1)	2,547,358,287	2,246,808,354
Other receivables (Note No.- 11.3)	120,472,653	164,283,463
Closing Balance	2,667,830,940	2,411,091,817

11.1 Trade receivables

	30 June 2023	30 June 2022
Trade receivables	2,664,078,660	2,356,073,663
Allowances for impairment of trade receivables (Note No.- 11.2)	(116,720,373)	(109,265,309)
Closing Balance	2,547,358,287	2,246,808,354

11.2 Allowances for impairment of trade receivables

	Amount in BDT	
	30 June 2023	30 June 2022
Balance at 1 July	109,265,309	120,057,807
Allowances for impairment of trade receivables	7,455,065	-
Reversal of impairment losses on financial assets	-	(10,792,498)
Closing Balance	116,720,373	109,265,309

11.3 Other receivables

	30 June 2023	30 June 2022
Interest receivable on short term investment - FDRs	3,591,729	16,578,123
Alunited Maritime Business (Pvt) Limited	2,956,940	2,956,940
Major shipping PTE services Ltd.	-	59,730,160
Duty drawback receivable	113,923,984	85,018,240
Closing Balance	120,472,653	164,283,463

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 Advances, deposits and prepayments

	30 June 2023	30 June 2022
(A) Advances		
Advance to suppliers and others	719,521,409	114,704,132
Closing Balance	719,521,409	114,704,132
(B) Deposits		
Security deposit and other deposits	63,578,991	67,629,831
Vat Current Account (VAT)	17,979,278	26,670,952
LC Margin deposit and BG Margin	432,660,084	13,235,158
Closing Balance	514,218,353	107,535,941
(C) Prepayments		
Prepaid expenses	10,266,572	26,026,446
Closing Balance	10,266,572	26,026,446
Closing Balance	1,244,006,334	248,266,519

13 Advance income tax

	30 June 2023	30 June 2022
Opening balance	3,134,685,182	2,842,919,010
Additions	493,542,736	394,491,499
Refund	(329,603,227)	(102,725,327)
Closing Balance	3,298,624,691	3,134,685,182

14 Short term investment in FDR

	30 June 2023	30 June 2022
One Bank Limited	366,759,847	385,269,037
Bank Alfalah Limited	-	131,117,280
Bank Asia Limited	39,500,000	-
Dhaka Bank Ltd.	-	950,000,000
Standard Chartered Bank Limited	200,000,000	236,730,788
Closing Balance	606,259,847	1,703,117,104

This represents fixed deposit receipt account with various scheduled banks having maturity of 3 (three) months and above.

15 Cash and cash equivalents

	Amount in BDT	
	30 June 2023	30 June 2022
Cash in hand	431,079	929,103
Cash at banks	893,472,402	221,724,858
Closing Balance	893,903,481	222,653,961

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

16 Share capital

	30 June 2023	30 June 2022
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 shareholding position is as under:

Sl. No.	Name	30 June 2023		Face Value (Taka)	
		% of Holding	Number of shares	30 June 2023	30 June 2022
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	Mohammed 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	Mohammad 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 transmission of the Shares of Late Alhaj Md. Khabir Uddin Mollah and Late Alhaj Md. Abdur Rouf will be completed upon completion of legal formalities.

Shareholding range	Number of Shareholders		Holdings	
	30 June 2023	30 June 2022	30 June 2023	30 June 2022
Less than 499 shares	19,733	20,286	2,296,864	2,374,472
500 to 5,000 shares	1,052	1,041	1,428,634	1,457,601
5,001 to 10,000 shares	65	66	475,972	476,264
10,001 to 20,000 shares	30	26	431,732	372,094
20,001 to 30,000 shares	10	11	242,355	263,958
30,001 to 40,000 shares	6	7	215,972	247,722
40,001 to 50,000 shares	4	5	187,213	237,213
50,001 to 100,000 shares	9	10	696,406	728,958
100,001 to 1,000,000 shares	26	25	11,098,817	10,856,532
Over 1,000,000 shares	18	18	131,426,035	131,485,186
	20,953	21,495	148,500,000	148,500,000

17 Share premium

	Amount in BDT	
	30 June 2023	30 June 2022
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:		
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)
Closing Balance	2,956,560,000	2,956,560,000

18 Loans and borrowings

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

	30 June 2023	30 June 2022
Prime Bank Limited	6,956,638	48,098,909
IDCOL	1,155,872,911	-
Dhaka Bank Limited	2,815,265	564,277
Closing Balance	1,165,644,814	48,663,186

The Company has got sanction of a term loan facility amounting to BDT 270.00 Crore from IDCOL for expansion of its production facilities named 6th Unit consisting of 330 TPH VRM cement grinding mill.

19 Employee benefits

	30 June 2023	30 June 2022
Balance at 1 July	255,124,771	221,073,919
Remeasurement of defined benefit liability	3,763,680	-
Current service cost addition	58,499,442	57,727,419
Payment/adjustments	(30,055,104)	(23,676,567)
Closing Balance	287,332,790	255,124,771

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

20 Lease obligation

	30 June 2023	30 June 2022
i) Lease liabilities recognised in statement of financial position		
Lease obligation - non current portion	100,651,027	-
Lease obligation - current portion	34,944,228	21,343,845
	135,595,255	21,343,845
ii) Amounts recognised in profit or loss		
	30 June 2023	30 June 2022
Interest on lease liabilities	4,891,177	21,835,251
Amortization expenses		
Factory overhead	-	373,262,765
Administrative expenses	25,385,444	26,350,448
	30,276,622	421,448,464

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

21 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.

	Amount in BDT	
	30 June 2023	30 June 2022
Opening Balance-deferred tax liability	503,125,615	532,253,380
Add: Deferred tax (income)/expense during the year (Note No. 21.1)	(24,201,675)	(29,127,765)
	478,923,940	503,125,615
Deferred tax on revaluation		
Opening balance	79,161,132	84,353,027
Add: Addition during the year(Adjustment against revaluation of land and land development)	12,050,481	-
Less: Deferred tax adjustment on excess depreciation	(4,714,372)	(5,191,896)
	86,497,241	79,161,132
Closing Balance-deferred tax liability	565,421,181	582,286,747

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 2023			
Property, plant and equipments	5,561,645,660	3,027,945,877	(2,533,699,783)
Provision for gratuity	287,332,790	-	287,332,790
Allowance for doubtful debt and impairment allowance	116,720,373	-	116,720,373
Right-of-use asset	30,276,622	31,372,395	1,095,774
			(2,128,550,846)
Applicable tax rate			22.5%
Deferred tax liability as on 30 June 2023			(478,923,940)
Deferred tax liability as on 30 June 2022			(503,125,616)
Deferred tax income for the year ended 30 June 2023			24,201,675
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

22 Loans and borrowings

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

	Amount in BDT	
	30 June 2023	30 June 2022
i. Short term loans and borrowings		
Cash credit - hypothecation	214,455,601	62,240,798
Loan against trust receipts	38,505,958	197,973,573
Time loan	1,698,021,159	2,116,793,618
Offshore loan (Raw Material)	5,639,392,544	4,409,828,256
Offshore loan (Capital Machineries)	1,746,942,519	-
Secured overdraft	-	38,595,016
	9,337,317,780	6,825,431,262

ii. Current portion of long term loans and borrowings

	30 June 2023	30 June 2022
Prime Bank Limited	9,826,313	40,302,238
Dhaka Bank Limited	1,222,735	256,800
Closing Balance	11,049,048	40,559,038
Closing Balance (i+ii)	9,348,366,829	6,865,990,300

23 Trade and other payables

	30 June 2023	30 June 2022
Trade payables	1,501,781,649	1,714,253,107
Other payables (Note No. 23.1)	177,468,400	150,038,877
Closing Balance	1,679,250,049	1,864,291,984

23.1 Other payables

	30 June 2023	30 June 2022
Salaries wages & allowances	6,396,414	6,723,398
Payable to employees provident fund	7,851,205	7,038,442
Provision for contribution to WPPF (Note No. 23.2)	79,907,644	6,333,281
Advance against motor car and motorcycle	44,327,813	41,511,996
Liabilities for other revenue expenses	8,259,255	4,366,604
Audit fees	805,000	778,500
Electricity and utility bill	29,921,069	83,286,655
Closing Balance	177,468,400	150,038,877

23.2 Provision for contribution to WPPF

	Amount in BDT	
	30 June 2023	30 June 2022
Balance at 1 July	6,333,281	50,219,311
Additions	79,907,644	6,333,281
Payments	(6,333,281)	(50,219,311)
Closing Balance	79,907,644	6,333,281

24 Current tax liabilities

	30 June 2023	30 June 2022
Balance at 1 July	814,612,448	374,816,816
Additions:		
Current Year	504,708,348	439,795,632
Previous years	546,567,542	-
Closing Balance	1,865,888,338	814,612,448

25 Revenue

	2022-2023	2021-2022
Domestic sales-net (Note No. 25.1)	23,678,511,014	19,000,755,447
Export sales	504,968,540	138,780,749
	24,183,479,554	19,139,536,196

25.1 Domestic sales-net

	2022-2023	2021-2022
Cement sales (Note No. 25.1.1)	23,648,794,226	19,000,755,447
Empty bag sales (Note No. 25.1.2)	29,716,788	-
Domestic sales	23,678,511,014	19,000,755,447

25.1.1 Cement sales

	2022-2023	2021-2022
Gross Revenue	27,196,113,360	21,850,868,764
Less: VAT	3,547,319,134	2,850,113,317
Net revenue cement sales	23,648,794,226	19,000,755,447

25.1.2 Empty bag sales

	2022-2023	2021-2022
Gross Revenue	34,174,306	-
Less: VAT	4,457,518	-
Net revenue bag sales	29,716,788	-

25.2 Quantity wise sales (MT)

	UoM	Amount in BDT	
		2022-2023	2021-2022
Domestic sales	MT	3,109,749	2,933,259
Export sales	MT	57,628	18,460
Domestic sales (Empty Bags)	PCS	1,365,200	-
		4,532,577	2,951,719

26 Cost of sales

	2022-2023	2021-2022
Cost of sales cement plant (Note No. 26.1)	19,284,161,014	16,577,926,165
Cost of sales Bag plant (Note No. 26.2)	1,134,503,014	969,813,944
	20,418,664,027	17,547,740,109

26.1 Cost of sales (Cement plant)

	2022-2023	2021-2022
Opening stock of raw materials (Note No. 26.1.1)	900,509,089	1,024,146,104
Purchase of raw materials (Note No. 26.1.2)	17,612,564,506	14,504,737,004
Closing stock of raw materials (Note No. 26.1.3)	(1,284,957,521)	(900,509,089)
Raw material consumed (Note No. 26.1.4)	17,228,116,075	14,628,374,019
Manufacturing overhead (Note No. 26.1.5)	2,070,190,451	1,988,181,432
Cost of production	19,298,306,526	16,616,555,451
Opening finished goods	70,645,342	41,293,633
Cost of goods available for sale	19,368,951,868	16,657,849,084
Closing finished goods	(55,885,111)	(70,645,342)
Cost of sales	19,313,066,758	16,587,203,742
Duty draw back for export	(28,905,744)	(9,277,576)
Cost of sales cement plant	19,284,161,014	16,577,926,165

26.1.1 Opening stock of raw materials

	UOM	Quantity (MT)		Amount	
		2022-2023	2021-2022	2022-2023	2021-2022
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
		163,711	281,630	900,509,089	1,024,146,104

26.1.2 Purchase of raw material

Amount in BDT					
UOM	Quantity (MT)		Amount		
	2022-2023	2021-2022	2022-2023	2021-2022	
Clinker	MT	1,659,850	1,640,694	11,362,142,574	10,225,060,061
Gypsum	MT	96,530	83,500	386,161,358	334,854,152
Slag	MT	743,318	498,705	2,993,398,548	1,855,333,288
Fly ash	MT	511,044	362,637	1,575,166,098	988,265,934
Lime stone	MT	371,297	330,502	1,223,140,023	988,628,581
Cement grinding aid	MT	-	510	-	56,431,520
Bulk cement	MT	10,156	7,679	72,555,906	45,878,071
Bags	PCS	-	534,600	-	10,285,398
		3,392,195	3,458,827	17,612,564,506	14,504,737,004

26.1.3 Closing stock of raw material

UOM	Quantity (MT)		Amount		
	2022-2023	2021-2022	2022-2023	2021-2022	
Clinker	MT	50,011.71	89,830.81	340,615,352	554,432,696
Gypsum	MT	12,998.99	3,187.14	51,946,184	12,325,251
Slag	MT	101,371.96	54,995.27	405,360,317	198,850,348
Fly ash	MT	76,914.93	3,103.03	236,896,684	8,398,072
Lime stone	MT	49,081.71	11,680.57	161,109,893	33,977,513
Cement grinding aid	MT	877.06	877.06	88,968,913	88,968,913
Izonil	MT	0.62	36.82	60,177	3,556,296
Bags	PCS	-	-	-	-
		291,257	163,711	1,284,957,521	900,509,089

26.1.4 Consumption of raw material

UOM	Quantity (MT)		Amount		
	2022-2023	2021-2022	2022-2023	2021-2022	
Clinker	MT	1,699,669.57	1,627,285.49	11,575,959,918	10,043,550,257
Gypsum	MT	86,718.14	95,649.70	346,540,425	369,895,292
Slag	MT	696,941.31	531,655.79	2,786,888,578	1,922,345,985
Fly ash	MT	437,232.10	418,251.17	1,346,667,485	1,131,958,171
Lime stone	MT	333,895.86	361,090.53	1,096,007,643	1,050,373,647
Cement grinding aid	MT	-	510.00	-	51,734,251
Izonil	MT	36.19	24.36	3,496,119	2,352,948
Bulk cement	MT	10,155.83	7,678.50	72,555,906	45,878,071
Bags	PCS	-	534,600	-	10,285,398
		3,264,649	3,576,746	17,228,116,075	14,628,374,019

26.1.5 Manufacturing overhead

	Amount in BDT	
	2022-2023	2021-2022
Wages, salaries and allowances	172,898,960	156,287,831
Bedding and unifom	790,436	656,702
BIWTA expense	9,852,412	8,318,574
Computer accessories	1,025,829	511,589
Contribution to provident fund	6,371,528	5,562,750
Conveyance	319,203	282,794
Depreciation	353,701,841	375,014,802
Amortization on RoU assets	-	267,016,646
Lease rent	227,431,304	-
Directors Remuneration	7,346,820	7,346,820
Electricity and power	1,097,546,753	1,000,602,199
Entertainment	4,124,908	3,943,162
Festival bonus	26,565,640	15,214,318
Fuel for motor vehicle and motorcycle	2,735,921	2,726,139
Gratuity	22,370,295	19,938,069
Insurance premium	3,796,617	3,804,313
Group insurance premium	920,532	816,370
Labour charges	13,283,648	12,081,532
Leave fare assistance	2,604,637	2,110,230
Lubricants, diesel oil, gear oil and fuel etc.	25,479,424	19,510,478
Medical expenses	134,373	292,013
Gift and presentation	91,536	61,000
Mobile phone bill	841,362	738,931
Office maintenance	1,447,849	1,397,501
Rent, rates and taxes	4,813,660	4,838,021
Overtime	7,853,965	7,101,268
Printing, stationeries, schedule and forms	1,272,209	1,133,811
Quality testing expenses	794,168	1,336,641
BIS expenses	-	1,330
Registration, license and renewals	449,157	417,239
Repair and maintenance- vehicle	2,158,751	1,876,386
Spare parts and store expenses	68,255,470	65,653,611
Training and education	5,478	30,830
Telephone and fax expenses	37,671	-
Travelling expenses	991,756	958,953
Professional fees	1,876,339	598,580
	2,070,190,451	1,988,181,432

26.2 Cost of sales (Bag plant)

	Amount in BDT	
	2022-2023	2021-2022
Opening stock of raw materials (Note No. 26.2.1)	101,402,951	105,552,775
Purchase of raw materials (Note No. 26.2.2)	946,017,461	770,508,488
Closing stock of raw materials (Note No.26.2.3)	(205,643,546)	(101,402,951)
Raw material consumed (Note No. 26.2.4)	841,776,865	774,658,312
Manufacturing overhead (Note No. 26.2.5)	292,950,852	238,096,774
Cost of production	1,134,727,717	1,012,755,085
Opening finished goods	72,060,627	29,119,486
Cost of goods available for sale	1,206,788,344	1,041,874,571
Closing finished goods	(72,285,331)	(72,060,627)
Cost of sales bag plant	1,134,503,014	969,813,944

26.2.1 Opening stock of raw materials (Bag)

	UOM	Quantity		Amount	
		2022-2023	2021-2022	2022-2023	2021-2022
Polypropylene yarn grade	MT	251.37	542.29	32,332,186	61,342,646
Polypropylene lamination grade	MT	266.63	195.36	39,569,015	24,177,792
Calcium carbonate (Ca Co3)	MT	87.07	49.90	4,256,200	2,112,654
Master beige	MT	0.67	3.73	88,697	495,226
Low density polyethylene	MT	36.31	30.42	6,008,308	3,937,115
Printing ink	MT	7.72	1.54	2,796,335	526,567
Thinner	MT	6.67	20.90	1,167,751	3,464,162
Sewing thread	MT	3.99	0.08	1,018,213	15,388
Liner	MT	0.13	0.13	19,667	19,667
Kraft paper	MT	243.65	194.12	14,146,577	9,461,558
		904	1,038	101,402,951	105,552,775

26.2.2 Purchased during the year

	UOM	Quantity		Amount	
		2022-2023	2021-2022	2022-2023	2021-2022
Polypropylene yarn grade	MT	3,138.00	2,392.00	395,736,490	316,082,964
Polypropylene lamination grade (Coating)	MT	1,345.50	1,138.50	209,720,039	173,771,976
Calcium carbonate (Ca Co3)	MT	461.00	370.00	24,221,172	18,414,031
Master beige	MT	5.20	-	350,087	-
Low density polyethylene (LDPE)	MT	83.25	100.50	13,741,223	17,723,290
Printing ink	MT	65.35	48.93	27,896,841	17,765,085
Thinner	MT	87.36	93.72	19,047,570	16,615,247
Sewing thread	MT	101.07	57.83	20,439,360	14,775,875
Liner	MT	-	-	-	-
Kraft paper	MT	3,534.80	3,334.43	234,864,679	195,360,021
		8,822	7,536	946,017,461	770,508,488

26.2.3 Closing stock of raw materials

		Amount in BDT			
UOM	Quantity		Amount		
	2022-2023	2021-2022	2022-2023	2021-2022	
Polypropylene yarn grade	MT	659.15	251.37	83,248,732	32,332,186
Polypropylene lamination grade	MT	542.16	266.63	83,835,591	39,569,015
Calcium carbonate (Ca Co3)	MT	55.73	87.07	2,895,822	4,256,200
Master beige	MT	3.62	0.67	270,932	88,697
Low density polyethylene	MT	20.93	36.31	3,457,032	6,008,308
Printing ink	MT	12.43	7.72	5,221,407	2,796,335
Thinner	MT	9.45	6.67	2,031,786	1,167,751
Sewing thread	MT	22.93	3.99	4,683,856	1,018,213
Liner	MT	0.13	0.13	19,667	19,667
Kraft paper	MT	303.15	243.65	19,978,723	14,146,577
		1,630	904	205,643,546	101,402,951

26.2.4 Raw material consumed

		Quantity		Amount	
UOM		2022-2023	2021-2022	2022-2023	2021-2022
Polypropylene yarn grade	MT	2,730.22	2,682.92	344,819,944	345,093,423
Polypropylene lamination grade (Coating)	MT	1,069.97	1,067.23	165,453,463	158,380,753
Calcium carbonate (Ca Co3)	MT	492.33	332.83	25,581,551	16,270,484
Master beige	MT	2.24	3.06	167,853	406,529
Low density polyethylene (LDPE)	MT	98.64	94.60	16,292,499	15,652,096
Printing ink	MT	60.64	42.75	25,471,769	15,495,316
Thinner	MT	84.58	107.96	18,183,535	18,911,657
Sewing thread	MT	82.12	53.92	16,773,718	13,773,050
Liner	MT	-	-	-	-
Kraft paper	MT	3,475.30	3,284.90	229,032,534	190,675,002
		8,096	7,670	841,776,865	774,658,312

26.2.5 Factory overhead (Bag plant)

	2022-2023	2021-2022
Bedding and unifom	243,070	-
Conveyance	20,245	32,340
Contribution to PF	-	370,532
Electricity and power	50,855,504	45,386,064
Fooding and refreshment allowance	2,092,114	1,588,627
Festival bonus	6,942,897	3,877,981
Gift and presentation	149,000	218,455
Labour charges	7,213,115	6,723,706
Dormitory rent	-	1,776,585
Computer accessories	1,050	-
Leave fare assistance	592,145	566,053
Amortization on RoU assets	-	106,246,119
Lease rent	117,364,800	5,868,240
Mobile phone bill	64,657	69,191
Overtime	2,995,267	2,230,624
Office maintenance	353,279	60,738
Printing, stationeries, schedule and forms	424,870	484,325
Rent, rates and taxes	1,820,508	28,525
Repair & Maintenance	55,246,852	21,590,090
Salaries and allowances	46,130,513	40,661,166
Unloading charges	413,727	314,282
Travelling expenses	27,240	3,130
	292,950,852	238,096,774

27 Income from mother vessel

	Amount in BDT	
	2022-2023	2021-2022
Income from mother vessel operation	280,096,846	228,525,089
Less: Depreciation	(186,406,551)	(186,406,551)
	93,690,295	42,118,538

Income from mother vessel increased due to devaluation of Taka against US Dollar.

28 Administrative expenses

	2022-2023	2021-2022
Salaries and allowances	123,589,622	126,591,091
Advertisement and publicity	1,196,782	917,728
Annual general meeting expenses	826,144	649,512
Audit and professional fees	4,672,733	2,949,003
Amortization of intangible asset	5,082,748	5,082,748
Bedding and unifom	238,589	26,250
Board meeting attendance fees	806,696	770,028
Computer accessories	1,005,623	820,588
Contribution to provident fund	4,756,954	3,766,579
Conveyance	1,755,179	1,394,630
Corporate social responsibility (CSR)	1,574,000	66,000
Depreciation	16,992,746	25,016,120
Amortization on RoU assets	25,385,444	26,350,448
Donation and subscription	1,910,000	810,000
DSE/CSE/CDBL expense	1,300,000	1,300,000
Entertainment	3,830,637	2,844,886
Festival Bonus	17,972,116	10,859,973
Fuel for motor vehicle and motorcycle	3,722,162	3,579,928
Gratuity	11,885,914	13,320,366
Insurance premium	28,750	-
Group insurance premium	544,801	262,524
Internet	1,185,359	1,019,980
Labour charges	696,000	137,108
Leave fare assistance	3,058,737	1,658,008
Gift and presentation	-	968,849
Mobile phone bill	1,270,889	1,065,905
Office maintenance	7,124,971	5,164,941
Rent, rates and taxes	11,733,963	8,408,265
Medical expenses	-	3,000
Overtime	383,169	171,995
Printing, stationeries, schedule and forms	2,803,774	1,824,798
Registration, license and renewals	1,094,266	1,088,097
Repair and maintenance- vehicle	3,818,042	3,115,517
Software maintenance fees	4,271,584	3,905,291
Telephone and fax expenses	26,923	32,184
Training and education	533,087	454,636
Travelling expenses	1,113,017	1,043,119
Utility expenses	2,956,126	2,714,460
	271,147,546	260,154,554

29 Selling and distribution expenses

	Amount in BDT	
	2022-2023	2021-2022
Salaries and allowances	222,397,994	191,014,734
Advertisement and publicity	84,616,862	84,154,542
Bad debt expense	7,455,065	(10,792,498)
BIS expense	327,339	666,670
BSTI fees	6,058,950	2,402,904
C&F expenses for export	2,276,125	415,575
Computer accessories	1,330,648	584,370
Contribution to provident fund	8,626,607	6,882,248
Conveyance	14,335,141	12,421,984
Corporate social responsibility (CSR)	5,002,000	92,845
Carriage expense	-	9,839,565
Depreciation	46,412,870	52,447,513
Directors' remuneration	7,346,820	7,346,820
Donation and subscription	154,130	78,000
Entertainment	8,879,432	8,185,977
Festival bonus	31,847,542	18,232,263
Fuel for motor vehicle and motorcycle	9,648,710	8,840,184
Gratuity	24,243,233	24,468,984
Group insurance premium	1,131,030	1,119,831
Gift and presentation	3,344,034	2,742,683
Labour charges	44,283,078	38,115,514
Leave fare assistance	4,938,885	2,747,695
Medical expenses	17,595	49,917
Mobile phone bill	7,091,667	6,181,961
Office maintenance	2,231,245	1,867,369
Rent, rates and taxes	5,819,166	5,776,171
Outstation allowance/ house rent/ TA-DA	7,025,039	6,816,838
Overtime	1,461,701	1,227,569
Printing stationeries, schedule and forms	2,759,810	2,849,435
Promotional expenses	2,720,217	2,347,081
Quality testing expenses	1,046,910	1,241,871
Registration, license and renewals	9,640,034	9,349,433
Repair and maintenance- vehicle	3,304,769	2,728,687
Training and education	78,000	-
Travelling expenses	3,847,228	3,950,642
	581,699,874	506,395,377

30 Non-operating income and expenses

	2022-2023	2021-2022
Non-operating income (Note No. 30.1)	11,195,075	12,349,519
Non-operating expenses (Note No. 30.2)	(4,376,152)	4,896,977
	6,818,923	17,246,496

30.1 Non-operating income

	Amount in BDT	
	2022-2023	2021-2022
Sales of scrap	3,575,219	3,355,347
Other income	5,914,987	5,675,119
Forfeited provident fund	1,509,800	-
Dividend on share	108,020	2,360,360
Profit or (Loss) on disposal of property, plant and equipments	87,049	958,693
	11,195,075	12,349,519

30.2 Non-operating expenses

	Amount in BDT	
	2022-2023	2021-2022
Realized profit / (Loss) on sale of share	(5,974)	50,744
Unrealized profit /(Loss) on investment on share	(4,370,178)	4,846,233
	(4,376,152)	4,896,977

31 Finance cost

	Amount in BDT	
	2022-2023	2021-2022
Exchange loss on foreign currency (Note No. 31.1)	790,559,735	499,729,893
Bank charge and commission	11,064,406	10,554,238
Bank interest	566,430,393	249,396,058
Interest on lease obligation	4,891,177	21,835,251
	1,372,945,712	781,515,441

31.1 Exchange loss/ (gain) on foreign currency

	Amount in BDT	
	2022-2023	2021-2022
Transaction loss/(gain)-realized	621,786,805	232,589,915
Translation loss/(gain)-unrealized	168,772,930	267,139,978
	790,559,735	499,729,893

32 Finance income

	Amount in BDT	
	2022-2023	2021-2022
Interest income from FDRs	38,528,919	29,903,161

33 Share of profit from associates

	Amount in BDT	
	2022-2023	2021-2022
Crown Power Generation Limited	(4,253,633)	6,770,094
Crown Mariners Limited	30,656,041	28,660,396
Crown Cement Concrete and Building Products Limited	10,007,370	15,528,047
Crown Transport and Logistics Limited	3,804,578	3,778,068
	40,214,356	54,736,605

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.

34 Income tax

Amount in BDT

	2022-2023	2021-2022
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 No. 34.1)	504,708,348	439,795,632
Current Tax expenses against previous years (Note No. 34.2)	546,567,542	-
Deferred tax expenses (Note No. 34.3)	(23,354,847)	(29,127,765)
	1,027,921,043	410,667,868

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

	%	%	Amount	Amount
	2022-2023	2021-2022	2022-2023	2021-2022
Net profit before tax			1,598,152,888	126,665,629
Statutory tax rate	22.50%	22.50%	359,584,400	28,499,766
Income tax on income from other than cement business	0.68%	35.77%	10,825,907	45,307,373
Income tax on cement business u/s 82(C) and other adjustment	8.40%	288.94%	134,298,041	365,988,492
Effective tax rate	31.58%	347.21%	504,708,348	439,795,632

Current tax expenses

Current tax has been charged at the rate applicable to the Company, subject to provision of section 82(C) 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 supply sales U/S 52, tax collected at import stage U/S 53 on RM import; and tax deducted at source from bank interest income U/S 53F, (c) at the applicable tax rate on taxable income.

34.2 Current tax expenses against previous years

As per section 82(C), sub-section 2(ii) of the Income Tax Ordinance 1984, tax deducted under section 53 from the 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 provisions, the concerned companies have to consider the total income tax deducted at the import stage as minimum income tax. However, Crown Cement PLC. and other peer companies filed writ petitions challenging the above provision of section 82(C). Initially the Company assessed that lawsuits might come in favor of it. Hence, the Company has considered, the amount deducted at the import stage of Taka 547 million for the years 2019-20, and 2020-21, as possible tax liability and accordingly disclosed the same as contingent liability as per para 27 of IAS 37- Provisions, contingent liabilities, and contingent assets. Based on subsequent hearings, communication with NBR, and experts' opinion, the Company assessed that the outcome of the lawsuits may not come in its favour and accordingly recognized the probable current tax liability of Taka 547 million during the current period as per para 14 of IAS 37- Provisions, contingent liabilities, and contingent assets.

34.3 Deferred tax expenses

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

35 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.

	Notes	Fair value- hedging instruments	Mandatorily at FVTPL – others	Carrying amount				Amount in BDT
				FVOCI – debt instruments	FVOCI – equity instruments	Financial assets at amortized cost	Other financial liabilities	
30 June 2023								
Financial assets measured at fair value								
Investment in shares	9	-	61,608,327	-	-	-	-	61,608,327
Financial assets not measured at fair value								
Trade and other receivables	11	-	-	-	-	2,667,830,940	-	2,667,830,940
Cash and cash equivalents	15	-	-	-	-	893,903,481	-	893,903,481
Short term Investment	14	-	-	-	-	606,259,847	-	606,259,847
		-	-	-	-	4,167,994,269	-	4,167,994,269
Financial liabilities not measured at fair value								
Trade and other payables	23	-	-	-	-	-	(1,679,250,049)	(1,679,250,049)
Long term loan borrowing	18	-	-	-	-	-	(1,165,644,814)	(1,165,644,814)
Short term loan borrowing	22	-	-	-	-	-	(9,348,366,829)	(9,348,366,829)
		-	-	-	-	-	(12,193,261,692)	(12,193,261,692)
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	-	-	-	-	-	(1,864,291,984)	(1,864,291,984)
Long term loan borrowing	18	-	-	-	-	-	(48,663,186)	(48,663,186)
Short term loan borrowing	22	-	-	-	-	-	(6,865,990,300)	(6,865,990,300)
		-	-	-	-	-	(8,778,945,471)	(8,778,945,471)

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, 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:

	Notes	30 June 2023	Amount in BDT 30 June 2022
Trade and other receivables	11	2,667,830,940	2,411,091,817
Cash and cash equivalents	15	893,903,481	222,653,961
Short term investment in FDR	14	606,259,847	1,703,117,104
		4,167,994,268	4,336,862,882

(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 inter Company was:

	Notes	30 June 2023	30 June 2022
Trade receivables	11	2,547,358,287	2,246,808,354
Other receivables	11	120,472,653	164,283,463
		2,667,830,940	2,411,091,817

Trade receivables

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

		Amount in BDT	
	Notes	30 June 2023	30 June 2022
Trade receivables	11	2,547,358,287	2,246,808,354
		2,547,358,287	2,246,808,354
The aging of trade receivables (gross)			
		30 June 2023	30 June 2022
Past due 1-30 days		1,140,903,354	1,012,095,196
Past due 31-90 days		678,167,102	723,519,240
Past due 91-180 days		243,843,800	382,981,563
Past due 181-365 days		444,107,562	102,313,089
Past due over 365 days		157,056,841	135,164,576
Gross trade receivables		2,664,078,660	2,356,073,663
Less: Loss allowance		(116,720,373)	(109,265,308)
Net trade receivables		2,547,358,287	2,246,808,356

Expected credit loss (ECL) 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 2023:

	30 June 2023		30 June 2022		30 June 2023	30 June 2022
	Average loss rate	Gross carrying amount	Average loss rate	Gross carrying amount	Loss allowances	
Current (not past due)	0%	1,140,903,354	0%	1,012,095,196	-	-
Past due up to 90 days	2%	678,167,102	2%	723,519,240	13,563,342	14,401,166
Past due 91-180 days	5%	243,843,800	5%	382,981,563	12,192,190	19,057,479
Past due 181-365 days	10%	444,107,562	15%	102,313,089	44,410,756	15,273,552
Past due over 365 days	30%	157,056,841	45%	135,164,576	46,554,084	60,533,110
		2,664,078,660		2,356,073,663	116,720,373	109,265,308

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:

	Notes	30 June 2023	30 June 2022
Cash in hand	15	431,079	929,103
Cash at bank	15	893,472,402	221,724,858
		893,903,481	222,653,961

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 can not 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	Amount in BDT	
	From 6 to 12 months	More than one year and less than 5 years
Trade payables	1,501,781,649	-
Other payables	177,468,400	-
Unclaimed dividend	48,372,760	-
Current tax liabilities	1,865,888,338	-
Short term loan from banks	9,337,317,780	-
Long term borrowing	11,049,048	1,165,644,814
Balance at 30 June 2023	12,941,877,975	1,165,644,814

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	30 June 2023	
	USD	BDT
Assets		
Prime Bank Limited (ERQ)	18,790	2,045,145
The State Bank of India (ERQ)	0.14	15.24
Standard Chartered Bank	653	71,062
The Hong Kong and Shanghai Banking Corporation Limited	14	1,515
Liability		
Short Term Loan	59,540,896	6,480,431,097
Particulars	30 June 2023	
	EUR	BDT
Liability		
Short Term Loan	6,604,295	781,948,527

Particulars	Amount in BDT	
	30 June 2023	
	USD	BDT
Commitment & contingencies		
BRAC Bank Limited	1,760,265	191,587,243
Bank Alfalah Limited	162,000	17,632,080
Bank Aisa Limited	4,230,120	460,406,280
Commercial Bank of Ceylon, PLC	120,895	13,158,157
The Hong Kong and Shanghai Banking Corporation Limited	1,154,600	125,666,664
Eastern Bank Limited	1,000,319	108,874,763
Dhaka Bank Limited	6,708,871	730,193,520
Prime Bank Limited	1,141,854	124,279,389
Standard Chartered Bank	8,159,170	888,044,063
	24,438,095	2,659,842,160

Particulars	30 June 2023	
	EUR	BDT
	Prime Bank Limited	372,340
Dhaka Bank Limited	5,765	682,585
Eastern Bank Limited	8,076,954	956,311,315

Particulars	Currency	FC Unit	BDT
Exchange rate as per Bangladesh Bank BC selling rate	USD	1	108.84
	EURO	1	118.40

Sensitivity analysis

A reasonably possible strengthening (weakening) of the US Dollar or EURO against BDT on 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.

	Profit or loss		Equity, net of tax	
	Strengthening	Weakening	Strengthening	Weakening
30 June 2023				
USD (5% movement)	(323,915,668)	323,915,668	(323,915,668)	323,915,668
EUR (5% movement)	(39,097,426)	39,097,426	(39,097,426)	39,097,426
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

(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:

	Amount in BDT	
	30 June 2023	30 June 2022
Fixed-rate instruments		
Short term loan	3,043,659,787	2,415,603,006
Long term loan	61,315,614	48,663,186
Variable-rate instruments		
Short term loan	5,556,383,603	4,409,828,256
Long term loan	51,104,388	40,559,038

Cash flows 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.

2023	Profit or loss		Equity, net of tax	
	1% Increase	1% Decrease	1% Increase	1% Decrease
Fixed-rate instruments				
Short term loan	30,436,598	(30,436,598)	30,436,598	(30,436,598)
Long term loan	613,156	(613,156)	613,156	(613,156)
Variable-rate instruments				
Short term loan	55,563,836	(55,563,836)	55,563,836	(55,563,836)
Long term loan	511,044	(511,044)	511,044	(511,044)
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	44,098,283	(44,098,283)	44,098,283	(44,098,283)
Long term loan	405,590	(405,590)	405,590	(405,590)

All payables of the Company are interest free. Therefore no interest rate risk arises for the Company as at 30 June 2023.

36 Earnings per share

	2022-2023	2021-2022
Basic earnings per share :		
Earning attributable to Ordinary Shareholders	610,446,201	(229,265,634)
Weighted average number of Ordinary Shares (Note No. 36.1)	148,500,000	148,500,000
	4.11	(1.54)

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

36.1 Calculation of weighted average number of ordinary shares outstanding during the period is given below:

Nature of Shareholding	Number of Shares	Days of Shareholding	No. of Shares Outstanding	
			30 June 2023	30 June 2022
Ordinary shares	148,500,000	365 days	148,500,000	148,500,000
	148,500,000		148,500,000	148,500,000

37 Net asset value (NAV) per share

	Amount in BDT	
	30 June 2023	30 June 2022
Net assets (total assets - total liabilities)	7,754,709,341	7,303,016,101
Number of ordinary shares	148,500,000	148,500,000
NAV per share	52.22	49.18

38 Cash flows from operating activities under the indirect method

	2022-2023	2021-2022
Net profit before tax	1,598,152,888	126,665,629
Add: Items not involving movement of cash		
Depreciation on property, plant and equipments	603,621,082	638,884,986
Amortization on ROU assets	27,290,874	399,613,213
Amortization on intangible assets	5,082,748	5,082,748
Loss on disposal of property, plant and equipments	(87,049)	(958,693)
Finance cost	1,372,945,712	709,140,358
Interest income	(38,528,919)	(29,903,161)
(Increase)/ decrease in inventories	(557,698,181)	56,861,778
(Increase)/ decrease in trade receivables	(300,549,933)	382,508,631
(Increase)/ decrease in other receivables	43,810,810	(217,785)
(Increase) in advances, deposits and prepayments	(708,888,195)	62,914,660
Increase/(decrease) in trade payables	(212,471,458)	1,332,780,967
Increase/(decrease) in other payables	29,176,223	(149,539,320)
Income tax paid	(493,542,736)	(394,491,499)
Income tax refund	329,603,227	102,725,327
Net cash inflows from operating activities	1,697,917,094	3,242,067,838

39 Commitments and contingent liabilities

	Amount in BDT	
	30 June 2023	30 June 2022
Commitments (Note No. 39.1)	7,612,865,586	7,180,296,945
Contingent liabilities (Note No. 39.3)	207,014,625	767,187,265
	7,819,880,212	7,947,484,210

39.1 Commitments

	30 June 2023	30 June 2022
Outstanding letters of credit (Note No. 39.2)	3,876,718,580	1,048,838,228
Capital expenditure commitments including outstanding LC	3,736,147,006	6,131,458,717
	7,612,865,586	7,180,296,945

39.2 Outstanding letters of credit

	30 June 2023	30 June 2022
Commercial Bank of Ceylon PLC	13,158,157	13,189,757
The Hongkong and Shanghai Banking Corporation Limited	125,666,664	395,307,668
Bank Alfalah Limited	17,632,080	2,641,375
Bank Asia Limited	460,406,280	1,397,871,912
Eastern Bank Limited	987,970,401	1,565,507,354
Prime Bank Limited	167,276,076	93,126,000
Standard Chartered Bank	888,044,063	58,833,753
The City Bank Limited	-	134,805,963
BRAC Bank Limited	191,587,243	36,465,000
Dhaka Bank Limited	1,024,977,616	135,979,442
Jamuna Bank Limited	-	11,107,800
	3,876,718,580	3,844,836,024

39.3 Contingent liabilities:

(i) Bank guarantee:

	30 June 2023	30 June 2022
One Bank Limited	3,389,464	3,513,260
Prime Bank Limited	124,245,796	23,907,318
Dhaka Bank Limited	13,559,334	3,133,318
	141,194,594	30,553,896

(ii) Tax and VAT claim:

	30 June 2023	30 June 2022
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
	65,820,031	736,633,369
Total (i+ii)	207,014,625	767,187,265

40 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:

Amount in BDT

Name of the Individuals	Relationship	Nature of transactions	Transaction value	
			2022-2023	2021-2022
Mohammed Jahangir Alam	Chairman	Cash dividend, board meeting attendance fees	20,814,103	41,536,535
Md. Alamgir Kabir	Director	Cash dividend, board meeting attendance fees & remuneration	20,395,858	33,334,891
Mollah Mohammad Majnu	Managing Director	Cash dividend, board meeting attendance fees & remuneration	18,353,240	29,267,990
Md. Mizanur Rahman Mollah	Director	Cash dividend, board meeting attendance fees	11,079,756	21,976,172
Mohammed Almas Shimul	Director	Cash dividend, board meeting attendance fees	6,677,188	13,244,372
Md. Asrafuzzaman	Shareholder	Cash dividend	2,338,875	4,677,750
Md. Abdul Ahad	Shareholder	Cash dividend	1,871,100	3,742,200

Entities:

Entities	Relationship	Nature of transactions	Transaction value	
			2022-2023	2021-2022
Crown Power Generation Limited	Associate Company	Sale of power	16,759,508	99,573,305
Crown Polymer Bagging Limited	Common Director	Lease rent	117,364,800	117,364,800
Crown Mariners Limited	Associate Company	Lease rent	261,546,000	339,204,000
Crown Cement Concrete and Building Products Limited	Associate Company	Sale of cement	844,196,756	879,982,304
GPH Ispat Limited	Common Directorship	For MS rod purchased	275,904,870	245,792,941

41 Number of employees engaged for drawing remuneration

	Number of Employees	
	30 June 2023	30 June 2022
Disclosure as per requirement of schedule XI Part II of Para 3 is as follows:		
(a) Above Tk. 18,000 per month	1480	1360
(b) Below Tk. 18,000 per month	-	-
	1480	1360
	2022-2023	2021-2022
During the year the Company paid as salaries, wages and benefits	565,017,089	514,554,822
Directors remuneration	14,693,640	14,693,640
Salary and benefits	579,710,729	529,248,462

42 Capacity and production

	Metric Ton	
	30 June 2023	30 June 2022
Installed capacity in metric tons (300 days basis)	3,324,000	3,324,000
Actual production in metric tons-during the year	3,154,050	2,948,253
% of capacity utilization	94.89%	88.70%

43 Number of Board Meetings held during the year 2022-23 and 2021-22

Quarter	Date of meeting		Number of directors attended	
	30 June 2023	30 June 2022	30 June 2023	30 June 2022
1 st Quarter	3-Jul-22	–	7	–
	16-Jul-22	–	7	–
2 nd Quarter	26-Oct-22	27-Oct-21	7	7
	–	9-Nov-21	–	7
	–	18-Nov-21	–	7
3 rd Quarter	26-Jan-23	30-Jan-22	5	6
4 th Quarter	29-Apr-23	25-Apr-22	7	6

44 Standards issued but not yet effective

A number of new standards are effective for annual periods beginning after 1st July 2022 and earlier application is permitted. However, the Company has not early adopted the new or amended standards in preparing these financial statements.

- IFRS 17: Insurance Contracts-January 2023

45 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:

Notes	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

Notes	Particulars
K.	Cash and cash equivalents
L.	Financial instruments
M.	Dividend to the equity holders
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-step 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 revenue from the sale of goods which is measured by the fair value of the consideration received or receivable.

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 has been operating a non-funded 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 (Amendment) Act, 2013 (Act No. 30). The Company recognises the contribution to the fund as short term employee benefits.

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

(a) 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.

Measurement of ECLs

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Company expects to receive). ECLs are discounted at the effective interest rate of the financial asset.

(b) 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 equity holders

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 reporting date and adjusted if appropriate. The estimated useful lives of the items of property, plant and equipments for the current and comparative period are as follows:

Category of PPE	Depreciation Method	Rate (%)	
		2023	2022
Buildings	Reducing balance	5%	5%
Plant & machineries	Reducing balance	10%-20%	10%
Electrical equipments and tools	Reducing balance	10%-20%	10%-20%
Vessels	Straight line	10%-15%	10%-15%
Air conditioners	Reducing balance	15%	15%
Decorations	Straight line	20%	20%
Office equipments	Straight line	20%	20%
Computers	Straight line	33%	33%
Furniture & fixtures	Reducing balance	10%	10%
Motor vehicles	Reducing balance	10%-15%	10%-15%
Silos	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 (EPS)

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.

5. 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 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 Operating segments

The Company is domiciled in Bangladesh. The revenue from cement is BDT 24,183.48 Million in 2023. 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. Apart from local sale, the Company exports cement outside Bangladesh, which contributes less than 10% of gross and net turnover. The breakup of local sale and export sales have been provided in Note No. 25.

48 Events after the reporting period

The Board of Directors in their meeting held on 22 October 2023 have recommended a cash dividend of 20% i.e. Tk. 2.00 (Two) per share of Tk. 10.00 (Ten) each aggregating to Tk. 297,000,000.00 for the year ended 30 June 2023 subject to the approval of the shareholders in the 29th Annual General Meeting scheduled to be held on 20 December 2023. The financial Statements for the year ended 30 June 2023 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.

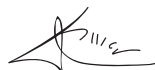
There is no other significant events after the reporting date that may affect the reported amounts in the financial statements of the Company for the year ended 30 June 2023.



Mollah Mohammad Majnu
Managing Director



Md. Alamgir Kabir
Director



Mohammad Ahasan Ullah, FCA
Chief Financial Officer



Md. Mozharul Islam, FCS
Company Secretary

CROWN CEMENT PLC.
SCHEDULE OF LEASES
As at 30 June 2023

A. 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 6 years and vessel operations and bag plant for 1 year with an option to renew. The lease 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)

Amount in BDT

Particulars	2022-2023			
	Vessel	Office	Bag Plant	Total
i. Cost				
Opening Balance	552,455,319	96,618,309	106,246,119	755,319,747
Addition during the period	-	140,732,628	-	140,732,628
Disposal	(552,455,319)	(96,618,309)	(106,246,119)	(755,319,747)
Closing Balance	-	140,732,628	-	140,732,628
ii. Accumulated depreciation				
Opening Balance	552,455,319	79,051,344	106,246,119	737,752,782
Addition during the period	-	25,385,444	-	25,385,444
Disposal	(552,455,319)	(96,618,309)	(106,246,119)	(755,319,747)
Closing Balance	-	7,818,479	-	7,818,479
WDV (i-ii)	-	132,914,149	-	132,914,149

ii. Lease obligation

Particulars	2022-2023			
	Vessel	Office	Bag Plant	Total
Opening Balance	-	21,343,845	-	21,343,845
Interest	-	4,891,177	-	4,891,177
Payment	-	31,372,395	-	31,372,395
Addition	-	140,732,628	-	140,732,628
Closing Balance	-	135,595,255	-	135,595,255

iii. Expenses

Particulars	Vessel	Office	Bag Plant	Total
Interest	-	4,891,177	-	4,891,177
Depreciation	-	25,385,444	-	25,385,444
Total	-	30,276,622	-	30,276,622

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.

CROWN CEMENT PLC.
DETAILS BREAKDOWN OF EMPLOYEE BENEFITS
As at 30 June 2023

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 plant assets		Net defined (asset)/liability	
	30 June 2023	30 June 2022	30 June 2023	30 June 2022	30 June 2023	30 June 2022
Balance at 1 July 2022	255,124,771	221,073,919	-	-	255,124,771	221,073,919
Included in profit or loss						
Current service cost	58,499,442	57,727,419	-	-	58,499,442	57,727,419
Past service costs	-	-	-	-	-	-
Interest cost/(income)	-	-	-	-	-	-
	58,499,442	57,727,419	-	-	58,499,442	57,727,419
Included in OCI						
Actuarial (gain)/loss arising from:						
Return on plan assets	-	-	-	-	-	-
Financial assumption	-	-	-	-	-	-
Experience adjustment	3,763,680	-	-	-	3,763,680	-
	62,263,122	57,727,419	-	-	62,263,122	57,727,419
Other						
Contribution paid by the employer	-	-	-	-	-	-
Benefits paid	(30,055,104)	(23,676,567)	-	-	(30,055,104)	(23,676,567)
	(30,055,104)	(23,676,567)	-	-	(30,055,104)	(23,676,567)
Balance at 30 June 2023	287,332,790	255,124,771	-	-	287,332,790	255,124,771

B. Actuarial assumptions

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

	Amount in BDT	
	30 June 2023	30 June 2022
Financial assumptions:		
Discount rate	8.80%	6.60%
Salary Increase rate	10.00%	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:

	Amount in BDT		
	30 June 2023	30 June 2022	%
	Decrease		
Discount rate (-/+5% movement)	13,526,995	20,999,203	7.31%
Future salary growth ((-/+5% movement)	(15,012,781)	(21,640,427)	(7.53)%

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.