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## 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 2024, 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 2024 and its financial performance and its cash flows for the year then ended in accordance with the International Financial Reporting Standards (IFRSs), the Companies Act., 1994, the Securities and Exchange Rules 2020 and other applicable laws and regulations.

### Basis for Opinion

We conducted our audit in accordance with the 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
<b>Revenue Recognition</b>	
<p>The Company generates revenue by selling cement through both local and exports.</p> <p>The Company reported revenue of BDT 27,899,495,875 for the year ended 30 June 2024, which is 15.36% higher than previous year's revenue of BDT 24,183,479,554. 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. 46(B), the Company recognizes revenue when (or as) the Company satisfies a performance obligation by transferring a promised goods 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. 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><b>See Note No. 26 and 46(B) to the financial statements.</b></p>	<p>Our audit procedures for revenue recognition included the following:</p> <ul style="list-style-type: none"><li>■ Understanding the key controls related to the contracts with customers, goods delivery and invoicing process of the revenue;</li><li>■ 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;</li><li>■ Summarized of Mushak 9.1, Mushak 6.7, Mushak 6.8 month wise and cross checked with financial statements booked as revenue;</li><li>■ Reviewed the collection of trade and other receivables and its subsequent status as well;</li><li>■ Substantive procedures using sampling techniques to verify relevant supporting documents for the revenue recognized;</li><li>■ Obtained and verified supporting documents for sales transactions recorded;</li><li>■ Enquired that the Company did not offer any discount to dealers during the year;</li><li>■ Tested the timing of revenue recognition as well as cut off checked;</li><li>■ Reviewed age analysis and calculation of expected credit loss/allowance for bad and doubtful debts of trade and other receivables; and</li><li>■ Assessed whether the sufficient disclosure has been given.</li></ul>

## Key Audit Matters

## How our audit addressed the key audit matters

**Property, Plant and Equipments and Capital Work in Progress (CWIP)**

Items of property, plant, and equipments (PPE) are measured at cost less accumulated depreciation and accumulated impairment losses. The cost includes expenditures directly attributable to the acquisition of the assets, bringing them to the location and condition necessary for their intended operation. Any gain or loss on the disposal of PPE is recognized in profit or loss.

As of 30 June, 2024, the carrying amount of PPE is BDT 14,516,016,723, reflecting a significant increase from the previous year due to a substantial transfer of BDT 8,758,735,084 from Capital Work in Progress (CWIP). The Company's PPE consists of various asset types, including land and land development, buildings, plant and machinery, electrical equipment and tools, vessels, and motor vehicles, representing a significant portion of the Company's statement of financial position.

The carrying amount of CWIP as of June 30, 2024, is BDT 136,396,082, showing a decrease compared to the previous year, primarily due to the aforementioned transfer to PPE.

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.

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.

**See Note No. 04 and 06 to the financial statements.**

Our audit procedures for recognition and valuation of PPE included the following:

- 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; and
- Performing physical verification on sample basis.

**Loans and Borrowings**

The total long-term loan is BDT 491,701,019 and short-term loan is BDT 10,006,295,047. Total finance cost is BDT 1,200,481,754 for the year ended 30 June 2024. The Entity is legally bound to the interest cost and any default may cause reputational and legal issues.

**See Note No. 18, 22 and 32 to the financial statements.**

Our audit procedures for loans & borrowings included the following:

- Reviewed and checked the sanction letters, loan agreements and repayment schedules;
- Performed recalculation of finance costs and checked its' accuracy;
- Sent balance confirmations to respective banks and received confirmations from key banks with major transactions; and
- Reviewed the disclosure requirements with obtaining all terms and conditions of the loan.

**Other Information**

Management is responsible for the other information. The other information comprises the information included in the annual report but does not include financial statements and our auditor's report thereon. The annual report is expected to be made available to us after the date of this auditor's 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 the International Financial Reporting Standards (IFRSs), and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

### **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's 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 the 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 the International Standards on Auditing (ISAs), we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances;
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's 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 auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern; and
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

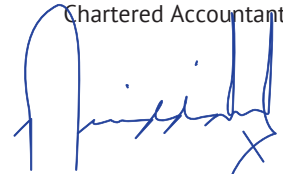
From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period, and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation 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 Note No. 1 to 49 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.: 2410270535AS858116


27 October 2024  
Dhaka, Bangladesh

**CROWN CEMENT PLC**  
**STATEMENT OF FINANCIAL POSITION**

As at 30 June 2024

Particulars	Notes	Amount in Taka	
		30 June 2024	30 June 2023
<b>ASSETS</b>			
Property, plant and equipments	4	14,516,016,723	6,283,448,197
Right-of-use asset	5	109,458,710	132,914,149
Capital work in progress	6	136,396,082	5,026,852,994
Intangible assets	7	16,674,340	21,577,088
Investment in associates	8	466,975,112	424,996,020
<b>Total Non-current assets</b>		<b>15,245,520,967</b>	<b>11,889,788,447</b>
Investment in shares	9	51,968,009	61,608,327
Inventories	10	3,275,227,892	2,188,559,289
Trade and other receivables	11	3,144,167,912	2,667,830,940
Advances, deposits and prepayments	12	1,132,580,414	1,244,006,334
Advance income tax	13	3,559,897,412	3,298,624,691
Short term investment in FDR	14	636,066,867	606,259,847
Cash and cash equivalents	15	333,507,445	893,903,481
<b>Total current assets</b>		<b>12,133,415,951</b>	<b>10,960,792,910</b>
<b>TOTAL ASSETS</b>		<b>27,378,936,918</b>	<b>22,850,581,357</b>
<b>Equity</b>			
Share capital	16	1,485,000,000	1,485,000,000
Share premium	17	2,956,560,000	2,956,560,000
Revaluation reserve		737,881,175	752,632,066
Retained earnings		3,283,920,927	2,560,517,275
<b>Total equity</b>		<b>8,463,362,102</b>	<b>7,754,709,341</b>
<b>Liabilities</b>			
Loans and borrowings	18	4,917,017,019	1,165,644,814
Employee benefits	19	280,432,454	287,332,790
Lease obligation	20	90,392,964	100,651,027
Deferred tax liabilities	21	603,455,284	565,421,181
<b>Non-current liabilities</b>		<b>5,891,297,721</b>	<b>2,119,049,813</b>
Loans and borrowings	22	10,006,295,047	9,348,366,829
Lease liabilities	20	28,835,932	34,944,228
Trade and other payables	23	528,799,469	1,679,250,049
Current tax liabilities	24	2,456,416,985	1,865,888,338
Unclaimed dividend	25	3,929,662	48,372,760
<b>Total current liabilities</b>		<b>13,024,277,095</b>	<b>12,976,822,204</b>
<b>Total liabilities</b>		<b>18,915,574,816</b>	<b>15,095,872,017</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>27,378,936,918</b>	<b>22,850,581,357</b>
<b>Net asset value per share (NAV)</b>		<b>56.99</b>	<b>52.22</b>

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.: 2410270535AS858116


27 October 2024  
Dhaka, Bangladesh

**CROWN CEMENT PLC****STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**

For the year ended 30 June 2024

Particulars	Notes	Amount in Taka	
		2023-2024	2022-2023
<b>Gross revenue</b>	26	<b>31,982,647,010</b>	<b>27,735,256,207</b>
VAT on sales		4,083,151,135	3,551,776,652
<b>Net revenue</b>		<b>27,899,495,875</b>	<b>24,183,479,554</b>
Cost of sales	27	(23,684,222,052)	(20,418,664,027)
<b>Gross profit</b>		<b>4,215,273,824</b>	<b>3,764,815,527</b>
Income from mother vessel	28	158,652,813	93,690,295
Administrative expenses	29	(299,999,020)	(271,147,546)
Selling and distribution expenses	30	(785,831,252)	(581,699,874)
<b>Operating profit</b>		<b>3,288,096,365</b>	<b>3,005,658,403</b>
Non-operating income/(loss)	31	2,160,190	6,818,923
Finance cost	32	(1,637,270,721)	(1,372,945,712)
Finance income	33	18,862,405	38,528,919
<b>Profit before contribution to WPPF</b>		<b>1,671,848,240</b>	<b>1,678,060,533</b>
Contribution to WPPF		(79,611,821)	(79,907,644)
<b>Net profit before income tax</b>		<b>1,592,236,419</b>	<b>1,598,152,888</b>
Share of profit from associates	34	41,979,092	40,214,356
<b>Net profit before income tax</b>		<b>1,634,215,511</b>	<b>1,638,367,245</b>
Income tax expenses	35	(632,845,267)	(1,027,921,043)
<b>Net profit after income tax</b>		<b>1,001,370,244</b>	<b>610,446,201</b>
<b>Other comprehensive income</b>			
Remeasurement of defined benefit liability		-	(3,763,680)
Tax expense on remeasurement of defined benefit liability		-	846,828
<b>Other comprehensive income for the period, net of tax</b>		<b>-</b>	<b>(2,916,852)</b>
<b>Total comprehensive Income/(loss) for the period</b>		<b>1,001,370,244</b>	<b>607,529,349</b>
<b>Earnings per share (EPS)</b>			
<b>Basic and diluted EPS (Per value of Tk. 10)</b>	<b>37</b>	<b>6.74</b>	<b>4.11</b>

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.: 2410270535AS858116

27 October 2024  
 Dhaka, Bangladesh



**CROWN CEMENT PLC**  
**STATEMENT OF CHANGES IN EQUITY**

For the year ended 30 June 2024

Particulars	Attributable to owners of the Company				Amount in Taka
	Share Capital	Retained Earnings	Share Premium	Revaluation Reserve	
<b>Balance at 1 July 2023</b>	1,485,000,000	2,560,517,275	2,956,560,000	752,632,066	7,754,709,341
<b>Total comprehensive income / (loss) for the period</b>					
Net income / (loss) for the period	-	1,001,370,244	-	-	1,001,370,244
Other comprehensive income / (loss) for the period	-	-	-	-	-
<b>Total comprehensive income / (loss) for the period</b>	-	<b>1,001,370,244</b>	-	-	<b>1,001,370,244</b>
Cash dividend 20%	-	(297,000,000)	-	-	(297,000,000)
Excess depreciation on revalued assets	-	19,033,408	-	(19,033,408)	-
Deferred tax adjust on excess depreciation	-	-	-	4,282,517	4,282,517
<b>Balance at 30 June 2024</b>	<b>1,485,000,000</b>	<b>3,283,920,927</b>	<b>2,956,560,000</b>	<b>737,881,175</b>	<b>8,463,362,102</b>
<b>Balance at 1 July 2022</b>	<b>1,485,000,000</b>	<b>2,080,535,163</b>	<b>2,956,560,000</b>	<b>780,920,938</b>	<b>7,503,016,101</b>
<b>Total comprehensive income / (loss) for the period</b>					
Net income / (loss) for the period	-	610,446,201	-	-	610,446,201
Other comprehensive income / (loss) for the period	-	(2,916,852)	-	-	(2,916,852)
<b>Total comprehensive income / (loss) for the period</b>	-	<b>607,529,349</b>	-	-	<b>607,529,349</b>
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
<b>Balance at 30 June 2023</b>	<b>1,485,000,000</b>	<b>2,560,517,275</b>	<b>2,956,560,000</b>	<b>752,632,066</b>	<b>7,754,709,341</b>

  
**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 2024

Particulars	Amount in Taka	
	2023-2024	2022-2023
<b>Operating activities:</b>		
Cash received from customer and others	27,780,811,210	24,031,967,951
Cash paid to suppliers, employees and others	(26,225,988,226)	(22,170,111,347)
Income tax paid	(595,157,986)	(493,542,736)
Income tax refund	333,885,265	329,603,227
<b>Net cash flows from operating activities</b>	<b>1,293,550,264</b>	<b>1,697,917,094</b>
<b>Investing activities:</b>		
Acquisition of property, plant and equipments	(384,782,399)	(504,415,685)
Advance against capital expenditure	-	(265,784,451)
Proceeds from disposal of PPE	7,538,951	1,370,944
Investment in associate Company	-	(500,000)
Payment for capital work in progress	(3,86,278,172)	(3,368,680,920)
Interest received	18,443,671	51,515,313
Investment in/encashment of FDR	(29,807,020)	1,096,857,257
Investment in shares	257,815	14,812
<b>Net cash flows from investing activities</b>	<b>(4,256,627,154)</b>	<b>(2,989,622,731)</b>
<b>Financing activities:</b>		
Proceeds from/repayment of term loans and borrowings	3,751,372,204	1,116,981,628
Proceeds from/repayment of short term loans and borrowings	657,928,219	2,482,376,528
Repayment of lease liabilities	(27,905,748)	(31,372,395)
Interest paid	(1,637,270,721)	(1,372,945,712)
Final dividend paid	(341,443,098)	(232,084,892)
<b>Net cash from financing activities</b>	<b>2,402,680,856</b>	<b>1,962,955,156</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>	<b>(560,396,035)</b>	<b>671,249,520</b>
Opening cash and cash equivalents	893,903,481	222,653,961
<b>Closing cash and cash equivalents</b>	<b>333,507,445</b>	<b>893,903,481</b>
<b>Net operating cash flows per share (NOCFPS)</b>	<b>8.71</b>	<b>11.43</b>



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 2024

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### **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, (3<sup>rd</sup> & 6<sup>th</sup> 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 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 2020;
- ii. The Companies Act, 1994;
- iii. The Income Tax Act, 2023; 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. 46

#### **2.2 Authorisation for issue**

These financial statement's have been authorized for issue by the Board of Directors in its 247<sup>th</sup> Board of Directors meeting held on 24 October 2024.

#### **2.3 Reporting period**

The financial period of the Company covers twelve month period ended on 30 June 2024.

#### **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**

These 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 these financial statement's, 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 are described in Note No. 46 (J).

#### b. Assumptions estimation and uncertainties

Information about assumptions and estimation uncertainties at 30 June 2024 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 and equipments

Note No. 7 Intangible assets

Note No. 10 Inventories

Note No. 19 Employee benefit obligation

Note No. 24 Current tax liabilities

Note No. 21 Deferred tax liabilities

Note No. 37 Commitment and Contingent liabilities

## CROWN CEMENT PLC SCHEDULE OF PROPERTY, PLANT AND EQUIPMENTS

For the year ended 30 June 2024

### 4 Property, plant and equipments

Particulars	Cost				Rate %	Accumulated depreciation				Written down value as at 30 June 2024	Written down value as at 30 June 2023	
	Opening balance as on 1 July 2023	Addition during the year	Transfer from Capital Work in Process	Disposal during the year		Closing balance as on 30 June 2024	Charged during the year	Disposal during the year	Closing balance as on 30 June 2024			
	1	2	3	4	5=(1+2+3-4)	6	7	8	9	10=(7+8-9)	11=(5-10)	12=(1-7)
<b>A. Cost</b>												
Land & land development	871,046,189	82,312,975	471,638,553	-	1,424,997,716	-	-	-	-	-	1,424,997,716	871,046,189
Building	1,175,145,699	-	1,175,509,891	-	2,350,655,589	5%	409,645,586	67,662,753	-	477,308,339	1,873,347,250	765,500,113
Plant & machineries	4,085,824,150	-	4,700,350,007	9,834,388	8,776,339,769	10%-20%	2,199,179,500	428,354,475	6,034,761	2,621,499,214	6,154,840,555	1,886,644,650
Electrical equipments and tools	1,173,362,282	-	770,509,479	-	1,943,871,760	10%-20%	792,000,784	101,558,179	-	893,558,963	1,050,312,797	381,361,497
Vessel	1,820,264,934	-	-	-	1,820,264,934	10%-15%	1,130,944,037	134,486,641	-	1,265,430,678	554,834,256	689,320,897
Air conditioners	40,599,137	13,539,531	-	-	54,138,667	15%	24,413,044	3,615,150	-	28,028,194	26,110,473	16,186,093
Office decoration	90,389,401	-	-	-	90,389,401	20%	74,946,081	4,590,196	-	79,536,277	10,853,124	15,443,319
Office equipments	15,362,402	-	1,713,636	-	17,076,037	20%	11,605,509	1,167,840	-	12,773,349	4,302,688	3,756,893
Computer	59,717,403	3,819,502	-	-	63,536,904	33.33%	53,001,113	3,841,559	-	56,842,672	6,694,232	6,716,290
Furniture & fixtures	18,637,782	531,092	-	-	19,168,873	10%	10,775,050	833,513	-	11,608,563	7,560,310	7,862,732
Motor vehicles	1,026,783,330	284,579,301	-	13,120,262	1,298,242,369	10%-15%	638,237,905	65,217,357	8,939,186	694,516,076	603,726,293	388,545,425
Silo	905,720,007	-	1,631,231,816	-	2,536,951,822	5%-15%	388,689,802	70,299,323	-	458,989,125	2,077,962,697	517,030,205
Other assets	28,402,701	-	7,781,705	-	36,184,406	10%-20%	16,171,342	2,307,862	-	18,479,204	17,705,202	12,231,359
<b>Sub total</b>	<b>11,311,255,415</b>	<b>384,782,399</b>	<b>8,758,735,084</b>	<b>22,954,650</b>	<b>20,431,818,248</b>		<b>5,749,609,755</b>	<b>883,934,847</b>	<b>14,973,947</b>	<b>6,618,570,655</b>	<b>13,813,247,593</b>	<b>5,561,645,660</b>
<b>B. Revaluation</b>												
Land & land development	602,524,047	-	-	-	602,524,047	-	-	-	-	-	602,524,047	602,524,047
Factory and buildings	114,363,274	-	-	-	114,363,274	5%	47,513,220	3,342,503	-	50,855,723	63,507,551	66,850,054
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%	169,416,370	15,690,905	-	185,107,275	141,218,144	156,909,049
<b>Sub total</b>	<b>938,732,127</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>938,732,127</b>		<b>216,929,590</b>	<b>19,033,408</b>	<b>-</b>	<b>235,962,998</b>	<b>702,769,129</b>	<b>721,802,537</b>
<b>Total: 2023-2024</b>	<b>12,249,987,542</b>	<b>384,782,399</b>	<b>8,758,735,084</b>	<b>22,954,650</b>	<b>21,370,550,375</b>		<b>5,966,539,346</b>	<b>902,968,255</b>	<b>14,973,947</b>	<b>6,854,533,653</b>	<b>14,516,016,723</b>	<b>6,283,448,197</b>
<b>Total: 2022-2023</b>	<b>11,757,196,225</b>	<b>504,415,685</b>	<b>-</b>	<b>11,624,368</b>	<b>12,249,987,542</b>		<b>5,373,258,737</b>	<b>603,621,082</b>	<b>10,340,474</b>	<b>5,966,539,345</b>	<b>6,283,448,197</b>	<b>6,383,937,488</b>

		Amount in Taka	
5	Right-of-use asset (RoU)	30 June 2024	30 June 2023
	<b>i. Cost</b>		
	Balance at 1 July	140,732,628	755,319,747
	Additions	-	140,732,628
	Disposal/adjustment	-	(755,319,747)
	<b>Closing balance</b>	<b>140,732,628</b>	<b>140,732,628</b>
	<b>ii. Accumulated depreciation</b>		
	Balance at 1 July	7,818,480	737,752,782
	Additions	23,455,438	25,385,444
	Disposal/adjustment	-	(755,319,747)
	<b>Closing balance</b>	<b>31,273,918</b>	<b>7,818,480</b>
	<b>Carrying amount (i-ii)</b>	<b>109,458,710</b>	<b>132,914,149</b>
6	Capital work in progress	30 June 2024	30 June 2023
	<b>i. Cost</b>		
	Balance at 1 July	5,026,852,994	1,658,172,074
	Additions	3,868,278,172	3,701,477,822
	<b>Closing balance</b>	<b>8,895,131,166</b>	<b>5,359,649,896</b>
	Transfer/capitalized	(8,758,735,084)	(332,796,902)
	<b>Closing balance</b>	<b>136,396,082</b>	<b>5,026,852,994</b>
7	Intangible assets	30 June 2024	30 June 2023
	<b>i. Cost</b>		
	Balance at 1 July	50,827,478	50,827,478
	Additions	200,000	-
	<b>Closing balance</b>	<b>51,027,478</b>	<b>50,827,478</b>
	<b>ii. Accumulated amortization</b>		
	Balance at 1 July	29,250,390	24,167,642
	Additions	5,102,748	5,082,748
	<b>Closing balance</b>	<b>34,353,138</b>	<b>29,250,390</b>
	<b>Carrying amount (i-ii)</b>	<b>16,674,340</b>	<b>21,577,088</b>
8	Investment in associate companies	30 June 2024	30 June 2023
	<b>a. Crown Power Generation Limited</b>		
	Balance at 1 July	12,898,348	17,151,980
	Add: Share of profit during the year	(4,494,204)	(4,253,633)
	<b>Closing balance</b>	<b>8,404,144</b>	<b>12,898,348</b>
	<b>b. Crown Mariners Limited</b>		
	Balance at 1 July	352,290,242	321,634,200
	Add: Share of profit during the year	39,897,491	30,656,041
	<b>Closing balance</b>	<b>392,187,733</b>	<b>352,290,242</b>
	<b>c. Crown Cement Concrete and Building Products Limited</b>		
	Balance at 1 July	51,724,785	41,717,415
	Add: Share of profit during the year	3,812,821	10,007,370
	<b>Closing balance</b>	<b>55,537,606</b>	<b>51,724,785</b>

	Amount in Taka	
	30 June 2024	30 June 2023
<b>d. Crown Transportation and Logistics Limited</b>		
Balance at 1 July	8,082,646	3,778,068
Investment in share capital	-	500,000
Add: Share of profit from investment	2,762,984	3,804,578
<b>Closing balance</b>	<b>10,845,630</b>	<b>8,082,646</b>
<b>Total (a+b+c+d)</b>	<b>466,975,112</b>	<b>424,996,020</b>

Particulars	Purpose
Crown Power Generation Limited	Crown Power Generation Limited supplies power to CCPLC at the Govt tariff the operation of CPGL remains closed from June 2023 due to low gas pressure.
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, Mukterpur. 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 CCCBPL's 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.

		Amount in Taka	
		30 June 2024	30 June 2023
<b>9</b>	<b>Investment in shares</b>		
	Balance at 1 July	61,608,327	65,993,317
	Additions: Share purchased	334,290	274,068
	Disposals during the year	(592,105)	(288,880)
	Unrealized loss on fair valuation	(9,382,503)	(4,370,178)
	<b>Closing balance</b>	<b>51,968,009</b>	<b>61,608,327</b>
<b>10</b>	<b>Inventories</b>		
	Raw materials	2,261,707,567	1,490,601,067
	Finished goods	234,941,100	128,170,441
	Material in transit	177,841,953	33,996,182
	Stores and spares	600,737,272	535,791,599
	<b>Closing balance</b>	<b>3,275,227,892</b>	<b>2,188,559,289</b>
<b>11</b>	<b>Trade and other receivables</b>		
	Trade receivables (Note No. - 11.1)	2,970,814,242	2,547,358,287
	Other receivables (Note No. - 11.3)	173,353,670	120,472,653
	<b>Closing balance</b>	<b>3,144,167,912</b>	<b>2,667,830,940</b>
<b>11.1</b>	<b>Trade receivables</b>		
	Trade receivables	3,103,529,247	2,664,078,660
	Allowances for impairment of trade receivables (Note No. - 11.2)	(132,715,005)	(116,720,373)
	<b>Closing balance</b>	<b>2,970,814,242</b>	<b>2,547,358,287</b>
<b>11.2</b>	<b>Allowances for impairment of trade receivables</b>		
	Balance at 1 July	116,720,373	109,265,309
	Allowances for impairment of trade receivables	15,994,632	7,455,065
	<b>Closing balance</b>	<b>132,715,005</b>	<b>116,720,373</b>
<b>11.3</b>	<b>Other receivables</b>		
	Interest receivable on short term investment - FDRs	4,010,464	3,591,729
	Alunited Maritime Business (Pvt) Limited	2,956,940	2,956,940
	Duty drawback receivable	166,386,266	113,923,984
	<b>Closing balance</b>	<b>173,353,670</b>	<b>120,472,653</b>
	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.		
<b>12</b>	<b>Advances, deposits and prepayments</b>		
	<b>(A) Advances</b>		
	Advance to suppliers and others	245,113,776	719,521,409
	<b>Closing balance</b>	<b>245,113,776</b>	<b>719,521,409</b>



		Amount in Taka	
		30 June 2024	30 June 2023
	<b>(B) Deposits</b>		
	Security deposit and other deposits	81,942,491	63,578,991
	VAT Current Account	148,288,639	17,979,278
	Deposit for LC Margin and BG Margin	616,946,372	432,660,084
	<b>Closing balance</b>	<b>847,177,502</b>	<b>514,218,353</b>
	<b>(C) Prepayments</b>		
	Prepaid expenses	40,289,136	10,266,572
	<b>Closing balance</b>	<b>40,289,136</b>	<b>10,266,572</b>
	<b>Closing balance (A+B+C)</b>	<b>1,132,580,414</b>	<b>1,244,006,334</b>
<b>13</b>	<b>Advance income tax</b>	<b>30 June 2024</b>	<b>30 June 2023</b>
	Opening balance	3,298,624,691	3,134,685,182
	Additions	595,157,986	493,542,736
	Refund	(333,885,265)	(329,603,227)
	<b>Closing balance</b>	<b>3,559,897,412</b>	<b>3,298,624,691</b>
<b>14</b>	<b>Short term investment in FDR</b>	<b>30 June 2024</b>	<b>30 June 2023</b>
	One Bank PLC	84,532,913	366,759,847
	Bank Asia PLC	41,533,954	39,500,000
	Woori Bank Limited	310,000,000	-
	Standard Chartered Bank Limited	200,000,000	200,000,000
	<b>Closing balance</b>	<b>636,066,867</b>	<b>606,259,847</b>
	This represents fixed deposit receipt account with various scheduled banks having maturity of 3 (three) months and above.		
<b>15</b>	<b>Cash and cash equivalents</b>	<b>30 June 2024</b>	<b>30 June 2023</b>
	Cash at banks (Note No. 15.01)	332,934,818	893,472,402
	Cash in hand (Note No. 15.02)	572,628	431,079
	<b>Closing balance</b>	<b>333,507,445</b>	<b>893,903,481</b>
	Cash at banks represents balance with various scheduled banks held for the ordinary course of business.		
<b>15.01</b>	<b>Cash at bank</b>	<b>30 June 2024</b>	<b>30 June 2023</b>
	Current Account	150,035,067	316,736,246
	SND Account	113,551,743	574,618,419
	USD Account	69,348,008	2,117,737
	<b>Closing balance</b>	<b>332,934,818</b>	<b>893,472,402</b>
<b>15.02</b>	<b>Cash in hand</b>	<b>30 June 2024</b>	<b>30 June 2023</b>
	Corporate Office	9,825	140,817
	Factory Office	562,803	290,262
	<b>Closing balance</b>	<b>572,628</b>	<b>431,079</b>

16	Share capital	Amount in Taka	
		30 June 2024	30 June 2023
<b>Authorized capital</b>			
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 2024		Face Value (Taka)	
		% of Holding	Number of shares	30 June 2024	30 June 2023
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
		<b>100%</b>	<b>148,500,000</b>	<b>1,485,000,000</b>	<b>1,485,000,000</b>

The transmission of the Shares of Late Alhaj Md. Khabir Uddin Mollah will be completed upon completion of legal formalities.

Shareholding range	Number of Shareholders		Holdings	
	30 June 2024	30 June 2023	30 June 2024	30 June 2023
Less than 499 shares	18,699	19,733	2,149,001	2,296,864
500 to 5,000 shares	930	1,052	1,294,035	1,428,634
5,001 to 10,000 shares	66	65	483,469	475,972
10,001 to 20,000 shares	28	30	429,707	431,732
20,001 to 30,000 shares	12	10	294,311	242,355
30,001 to 40,000 shares	6	6	215,672	215,972
40,001 to 50,000 shares	4	4	187,213	187,213
50,001 to 100,000 shares	8	9	582,701	696,406
100,001 to 1,000,000 shares	27	26	11,740,034	11,098,817
Over 1,000,000 shares	18	18	131,123,857	131,426,035
	<b>19,798</b>	<b>20,953</b>	<b>148,500,000</b>	<b>148,500,000</b>

17	Share premium	30 June 2024	30 June 2023
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-down 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)
<b>Closing balance</b>		<b>2,956,560,000</b>	<b>2,956,560,000</b>

	Amount in Taka	
	30 June 2024	30 June 2023
<b>18 Loans and borrowings</b>		
This represents long-term loan net-off current maturity. The break-down is given below:		
Prime Bank PLC	22,820,477	6,956,638
Dhaka Bank PLC	338,034,157	2,815,265
Bank Asia PLC	412,705,834	-
Eastern Bank PLC	818,606,897	-
State Bank of India	818,581,360	-
IDCOL	2,506,268,293	1,155,872,911
<b>Closing balance</b>	<b>4,917,017,018</b>	<b>1,165,644,814</b>
The Company has got sanction of a term loan facility amounting to BDT 270.00 Crore from IDCOL and BDT 250.00 Crore from EBL syndication loan respectively for expansion of newly installed VRM cement grinding mill.		
<b>19 Employee benefits</b>	<b>30 June 2024</b>	<b>30 June 2023</b>
Balance at 1 July	287,332,790	255,124,771
Remeasurement of defined benefit liability	-	3,763,680
Current service cost addition	93,767,236	58,499,442
Payment/adjustments	(100,667,572)	(30,055,104)
<b>Closing balance</b>	<b>280,432,454</b>	<b>287,332,790</b>
<b>20 Lease obligation</b>	<b>30 June 2024</b>	<b>30 June 2023</b>
<b>i) Lease liabilities recognised in statement of financial position</b>		
Lease obligation - non current portion	90,392,964	100,651,027
Lease obligation - current portion	28,835,932	34,944,228
	<b>119,228,896</b>	<b>135,595,255</b>
<b>ii) Amounts recognised in profit or loss</b>		
Interest on lease liabilities	11,539,389	4,891,177
<b>Amortization expenses</b>		
Administrative expenses	23,455,438	25,385,444
	<b>34,994,827</b>	<b>30,276,622</b>
<b>iii) Amounts recognised in statement of cash flows</b>		
Total cash-outflow for leases	<b>(27,905,748)</b>	<b>(31,372,395)</b>
<i>A separate schedule of Lease obligation is given in Annexure-A.</i>		
<b>21 Deferred tax liabilities</b>	<b>30 June 2024</b>	<b>30 June 2023</b>
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.		
<b>Opening balance-deferred tax liability</b>	478,923,940	503,125,615
Add: Deffered tax (income)/expense during the year (Note No. 21.1)	42,316,620	(24,201,675)
	521,240,560	478,923,940
<b>Deferred tax on revaluation</b>		
Opening balance	86,497,241	79,161,132
Add: Addition (Adjustment against revaluation of land and land development)	-	12,050,481
Less: Deferred tax adjustment on excess depreciation	(4,282,517)	(4,714,372)
	82,214,725	86,497,241
<b>Closing balance-deferred tax liability</b>	<b>603,455,284</b>	<b>565,421,181</b>

			Amount in Taka	
21.1	Details of deferred tax calculation	Carrying amount on balance sheet date	Tax Base	(Taxable)/deductible temporary difference
<b>For the year ended 30 June 2024</b>				
	Property, plant and equipments	13,813,247,593	11,090,564,500	(2,722,683,093)
	Provision for gratuity	280,432,454	-	280,432,454
	Allowance for doubtful debt and impairment allowance	132,715,005	-	132,715,005
	Net obligation	34,994,827	27,905,748	(7,089,079)
				<b>(2,316,624,712)</b>
	Applicable tax rate			22.5%
	Deferred tax liability as on 30 June 2024			(521,240,560)
	Deferred tax liability as on 30 June 2023			(478,923,940)
<b>Deferred tax (Expenses)/income</b>				<b>(42,316,620)</b>

Details of deferred tax calculation	Carrying amount on balance sheet date	Tax Base	(Taxable)/deductible temporary difference
<b>For the year ended 30 June 2023</b>			
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
Net obligation	30,276,622	31,372,395	1,095,774
			<b>(2,128,550,846)</b>
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)
<b>Deferred tax (Expenses)/income</b>			<b>24,201,675</b>

#### Deferred tax expenses

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

22	Loans and borrowings	30 June 2024	30 June 2023
This represents short-term loans and the current portion of long-term loans and borrowings. The break-down is given below:			
<b>i. Short term loans and borrowings</b>			
	Cash credit - hypothecation	469,675,242	214,455,601
	Loan against trust receipts	1,854,279,269	38,505,958
	Time loan	3,005,014,690	1,698,021,159
	Offshore loan (Raw Material)	3,806,333,820	5,639,392,544
	Offshore loan (Capital Machineries)	431,397,007	1,746,942,519
<b>Closing balance</b>		<b>9,566,700,028</b>	<b>9,337,317,780</b>
<b>ii. Current portion of long term loans and borrowings</b>			
	Prime Bank PLC	22,616,301	9,826,313
	Dhaka Bank PLC	56,700,553	1,222,735
	IDCOL	202,500,000	-
	Bank Asia PLC	31,838,643	-
	Eastern Bank PLC	62,969,761	-
	State Bank of India	62,969,762	-
<b>Closing balance</b>		<b>439,595,020</b>	<b>11,049,048</b>
<b>Closing balance (i+ii)</b>		<b>10,006,295,048</b>	<b>9,348,366,829</b>

		Amount in Taka	
<b>23</b>	<b>Trade and other payables</b>	<b>30 June 2024</b>	<b>30 June 2023</b>
	Trade payables	126,224,374	1,501,781,649
	Other payables (Note No. 23.1)	402,575,095	177,468,400
	<b>Closing balance</b>	<b>528,799,469</b>	<b>1,679,250,049</b>
<b>23.1</b>	<b>Other payables</b>	<b>30 June 2024</b>	<b>30 June 2023</b>
	Salaries wages & allowances	1,329,276	6,396,414
	Payable to employees provident fund	29,609,935	7,851,205
	Contribution to WPPF (Note No. 23.1.1)	79,611,821	79,907,644
	Advance against motor car and motorcycle	47,805,568	44,327,813
	Electricity and utility bill	115,970,676	29,921,069
	Liabilities for audit fees	893,500	805,000
	Advance received from customers	87,505,912	-
	Other revenue expenses	2,766,164	8,259,255
	Liabilities for others	37,082,243	-
	<b>Closing balance</b>	<b>402,575,095</b>	<b>177,468,400</b>
<b>23.1.1</b>	<b>Contribution to WPPF</b>	<b>30 June 2024</b>	<b>30 June 2023</b>
	Balance at 1 July	79,907,644	6,333,281
	Additions	79,611,821	79,907,644
	Payments	(79,907,644)	(6,333,281)
	<b>Closing balance</b>	<b>79,611,821</b>	<b>79,907,644</b>
<b>24</b>	<b>Current tax liabilities</b>	<b>30 June 2024</b>	<b>30 June 2023</b>
	Balance at 1 July	1,865,888,338	814,612,448
	<b>Additions:</b>		
	Current Year	590,528,647	504,708,348
	Previous years	-	546,567,542
	<b>Closing balance</b>	<b>2,456,416,985</b>	<b>1,865,888,338</b>
<b>25</b>	<b>Unclaimed dividend</b>	<b>30 June 2024</b>	<b>30 June 2023</b>
	Balance at 1 July	48,372,760	131,957,652
	Additions: Dividend approved at AGM	297,000,000	148,500,000
	Payments	(341,443,098)	(232,084,892)
	<b>Closing balance</b>	<b>3,929,662</b>	<b>48,372,760</b>
	Unclaimed dividend represents the dividend of Tk. 3,929,662 not presented to bank by the shareholders within 30 June 2024. The details of unclaimed dividends as on 30 June 2024 is as under:		
<b>25.1</b>	<b>Unclaimed dividend</b>	<b>30 June 2024</b>	<b>30 June 2023</b>
	FY: 2020-2021	1,457,069	1,496,827
	FY: 2021-2022	738,150	45,980,802
	FY: 2022-2023	1,734,443	-
	FY: 2019-2020	-	895,132
	<b>Closing balance</b>	<b>3,929,662</b>	<b>48,372,760</b>

		Amount in Taka	
		2023-2024	2022-2023
<b>26</b>	<b>Revenue</b>		
	Domestic revenue-gross (Note No. 26.1)	31,059,825,459	27,196,113,360
	Empty bag revenue-gross (Note No. 26.2)	244,333,242	34,174,306
	Export revenue	678,488,309	504,968,540
	<b>Total gross revenue</b>	<b>31,982,647,010</b>	<b>27,735,256,207</b>
	<b>VAT on revenue 15%</b>	<b>4,083,151,135</b>	<b>3,551,776,652</b>
	<b>Net revenue</b>	<b>27,899,495,875</b>	<b>24,183,479,554</b>
<b>26.1</b>	<b>Domestic revenue-gross</b>		
	<b>Gross revenue</b>	<b>31,059,825,459</b>	<b>27,196,113,360</b>
	Less: VAT	4,051,281,582	3,547,319,134
	<b>Net revenue from domestic</b>	<b>27,008,543,877</b>	<b>23,648,794,226</b>
<b>26.2</b>	<b>Empty bag revenue-gross</b>		
	<b>Gross revenue</b>	<b>244,333,242</b>	<b>34,174,306</b>
	Less: VAT	31,869,553	4,457,518
	<b>Net revenue from empty bag</b>	<b>212,463,689</b>	<b>29,716,788</b>
<b>26.3</b>	<b>Quantity wise sales (Bag/PCS)</b>		
	<b>a. Cement</b>		
	Domestic sales	68,095,991	62,194,985
	Export sales (Cement)	1,502,506	1,152,550
	<b>Total cement sales</b>	<b>69,598,497</b>	<b>63,347,535</b>
	<b>b. Empty bag</b>		
	Domestic sales (Empty Bags)	10,082,400	1,365,200
	<b>Total empty bag</b>	<b>10,082,400</b>	<b>1,365,200</b>
<b>26.4</b>	<b>Quantity wise sales (MT)</b>		
	<b>a. Cement</b>		
	Domestic sales	3,404,800	3,109,749
	Export sales	75,125	57,628
	<b>Total cement sales</b>	<b>3,479,925</b>	<b>3,167,377</b>
<b>27</b>	<b>Cost of sales</b>		
	Cost of sales-cement (Note No. 27.1)	22,224,583,609	19,284,161,014
	Cost of sales-cement bag (Note No. 27.2)	1,459,638,443	1,134,503,014
		<b>23,684,222,052</b>	<b>20,418,664,027</b>

		Amount in Taka	
27.1	Cost of sales-cement	2023-2024	2022-2023
	Opening stock of raw materials (Note No. 27.1.1)	1,284,957,521	900,509,089
	Purchase of raw materials (Note No. 27.1.2)	20,165,526,476	17,612,564,506
	Closing stock of raw materials (Note No. 27.1.3)	(2,017,387,265)	(1,284,957,521)
	Raw material consumed (Note No. 27.1.4)	<b>19,433,096,732</b>	<b>17,228,116,075</b>
	Manufacturing overhead (Note No. 27.1.5)	2,940,421,924	2,070,190,451
	Cost of production	<b>22,373,518,656</b>	<b>19,298,306,526</b>
	Opening finished goods	55,885,111	70,645,342
	Cost of goods available for sale	<b>22,429,403,767</b>	<b>19,368,951,868</b>
	Closing finished goods	(152,357,876)	(55,885,111)
	Cost of sales	<b>22,277,045,891</b>	<b>19,313,066,758</b>
	Duty draw back for export	(52,462,282)	(28,905,744)
	<b>Cost of sales-cement</b>	<b>22,224,583,609</b>	<b>19,284,161,014</b>

27.1.1	Opening stock of raw materials	Quantity (MT) 2023-2024	Quantity (MT) 2022-2023	Amount 2023-2024	Amount 2022-2023
	Clinker	50,011.71	89,830.81	340,615,352	554,432,696
	Gypsum	12,998.99	3,187.14	51,946,184	12,325,251
	Slag	101,371.96	54,995.27	405,360,317	198,850,348
	Fly ash	76,914.93	3,103.03	236,896,684	8,398,072
	Lime stone	49,081.71	11,680.57	161,109,893	33,977,513
	Cement grinding aid	877.06	877.06	88,968,913	88,968,913
	Izonil	0.62	36.82	60,177	3,556,296
		<b>291,256.98</b>	<b>163,710.70</b>	<b>1,284,957,521</b>	<b>900,509,089</b>

27.1.2	Purchase of raw materials	Quantity (MT) 2023-2024	Quantity (MT) 2022-2023	Amount 2023-2024	Amount 2022-2023
	Clinker	2,043,322.00	1,659,850.47	14,256,121,188	11,362,142,574
	Gypsum	102,711.00	96,530.00	440,312,774	386,161,358
	Slag	681,137.00	743,318.00	2,744,487,899	2,993,398,548
	Fly ash	477,990.00	511,044.00	1,557,632,830	1,575,166,098
	Lime stone	326,814.00	371,297.00	1,112,075,860	1,223,140,023
	Bulk cement	7,543.98	10,155.83	54,895,925	72,555,906
		<b>3,639,517.98</b>	<b>3,392,195.30</b>	<b>20,165,526,476</b>	<b>17,612,564,506</b>

27.1.3	Closing stock of raw materials	Quantity (MT) 2023-2024	Quantity (MT) 2022-2023	Amount 2023-2024	Amount 2022-2023
	Clinker	209,512.98	50,011.71	1,460,926,093	340,615,352
	Gypsum	37,439.52	12,998.99	159,276,975	51,946,184
	Slag	57,179.07	101,371.96	230,164,019	405,360,317
	Fly ash	5,513.30	76,914.93	17,829,681	236,896,684
	Lime stone	17,779.77	49,081.71	60,221,362	161,109,893
	Cement grinding aid	877.06	877.06	88,968,913	88,968,913
	Izonil	0.002	0.62	221	60,177
		<b>328,301.71</b>	<b>291,256.98</b>	<b>2,017,387,265</b>	<b>1,284,957,521</b>



27.1.4	Consumption of raw materials	Quantity (MT) 2023-2024	Quantity (MT) 2022-2023	Amount 2023-2024	Amount 2022-2023
	Clinker	1,883,820.73	1,699,699.57	13,135,810,447	11,575,959,918
	Gypsum	78,270.48	86,718.14	332,981,983	346,540,425
	Slag	725,329.88	696,941.31	2,919,684,197	2,786,888,578
	Fly ash	549,391.63	437,232.10	1,776,699,833	1,346,667,485
	Lime stone	358,115.94	333,895.86	1,212,964,390	1,096,007,643
	Izonil	0.62	36.19	59,956	3,496,119
	Bulk cement	7,543.98	10,155.83	54,895,925	72,555,906
		<b>3,602,473.25</b>	<b>3,264,649.01</b>	<b>19,433,096,732</b>	<b>17,228,116,075</b>

27.1.5	Manufacturing overhead	Amount in Taka	
		2023-2024	2022-2023
	Wages, salaries and allowances	202,535,486	172,898,960
	Bedding and unifom	1,536,593	790,436
	BIWTA expense	12,760,311	9,852,412
	Computer accessories	490,366	1,025,829
	Contribution to provident fund	7,246,530	6,371,528
	Conveyance	278,146	319,203
	Corporate social responsibility (CSR)	550,587	-
	Depreciation	700,264,345	353,701,841
	Lease rent	328,632,400	227,431,304
	Directors remuneration	7,254,488	7,346,820
	Electricity and power	1,455,557,603	1,097,546,753
	Entertainment	4,798,376	4,124,908
	Festival bonus	21,729,282	26,565,640
	Fuel for motor vehicle and motorcycle	3,242,296	2,735,921
	Gratuity	24,361,479	22,370,295
	Insurance premium	3,536,550	3,796,617
	Group insurance premium	265,210	920,532
	Labour charges	15,855,524	13,283,648
	Leave encashment	2,817,360	2,604,637
	Lubricants, diesel oil, gear oil and fuel etc.	28,770,151	25,479,424
	Medical expenses	121,904	134,373
	Gift and presentation	365,146	91,536
	Mobile phone bill	906,539	841,362
	Office maintenance	2,467,078	1,447,849
	Rent, rates and taxes	4,825,325	4,813,660
	Overtime	9,824,935	7,853,965
	Printing, stationeries, schedule and forms	1,308,930	1,272,209
	Quality testing expenses	1,425,898	794,168
	Registration, license and renewals	1,931,007	449,157
	Repair and maintenance- vehicle	2,186,214	2,158,751
	Spare parts and store expenses	90,398,358	68,255,470
	Training and education	25,100	5,478
	Telephone and fax expenses	-	37,671
	Travelling expenses	1,218,410	991,756
	Professional fees	934,000	1,876,339
		<b>2,940,421,924</b>	<b>2,070,190,451</b>

		Amount in Taka			
27.2	Cost of sales-empty bag		2023-2024	2022-2023	
	Opening stock of raw materials (Note No. 27.2.1)		205,643,546	101,402,951	
	Purchase of raw materials (Note No. 27.2.2)		1,108,176,067	946,017,461	
	Closing stock of raw materials (Note No. 27.2.3)		(244,320,303)	(205,643,546)	
	Raw material consumed (Note No. 27.2.4)		<b>1,069,499,310</b>	<b>841,776,865</b>	
	Manufacturing overhead (Note No. 27.2.5)		400,437,025	292,950,852	
	Cost of production		<b>1,469,936,336</b>	<b>1,134,727,717</b>	
	Opening finished goods		72,285,331	72,060,627	
	Cost of goods available for sale		<b>1,542,221,666</b>	<b>1,206,788,344</b>	
	Closing finished goods		(82,583,224)	(72,285,331)	
	<b>Cost of sales-empty bag</b>		<b>1,459,638,443</b>	<b>1,134,503,014</b>	
27.2.1	Opening stock of raw materials	Quantity (MT) 2023-2024	Quantity (MT) 2022-2023	Amount 2023-2024	Amount 2022-2023
	Polypropylene yarn grade	659.15	251.37	83,248,732	32,332,186
	Polypropylene lamination grade	542.16	266.63	83,835,591	39,569,015
	Calcium carbonate	55.73	87.07	2,895,822	4,256,200
	Master beige	3.62	0.67	270,932	88,697
	Low density polyethylene	20.93	36.31	3,457,032	6,008,308
	Printing ink	12.43	7.72	5,221,407	2,796,335
	Thinner	9.45	6.67	2,031,786	1,167,751
	Sewing thread	22.93	3.99	4,683,856	1,018,213
	Liner	0.13	0.13	19,667	19,667
	Kraft paper	303.15	243.65	19,978,723	14,146,577
		<b>1,629.68</b>	<b>904.19</b>	<b>205,643,546</b>	<b>101,402,951</b>
27.2.2	Purchase of raw materials	Quantity (MT) 2023-2024	Quantity (MT) 2022-2023	Amount 2023-2024	Amount 2022-2023
	Polypropylene yarn grade	3,912.00	3,138.00	522,031,715	395,736,490
	Polypropylene lamination grade	1,293.75	1,345.50	197,148,067	209,720,039
	Calcium carbonate	535.00	461.00	27,408,360	24,221,172
	Master beige	6.90	5.20	1,308,960	350,087
	Low density polyethylene	135.75	83.25	20,407,784	13,741,223
	Printing ink	87.13	65.35	38,432,104	27,896,841
	Thinner	105.44	87.36	23,603,621.06	19,047,570
	Sewing thread	129.71	101.07	14,660,128	20,439,360
	Kraft paper	4,016.72	3,534.80	263,175,327	234,864,679
		<b>10,222.40</b>	<b>8,821.53</b>	<b>1,108,176,067</b>	<b>946,017,461</b>
27.2.3	Closing stock of raw materials	Quantity (MT) 2023-2024	Quantity (MT) 2022-2023	Amount 2023-2024	Amount 2022-2023
	Polypropylene yarn grade	981.75	659.15	129,996,115	83,248,732
	Polypropylene lamination grade	491.97	542.16	75,295,873	83,835,591
	Calcium carbonate	26.26	55.73	1,347,099	2,895,822
	Master beige	3.55	3.62	532,497	270,932
	Low density polyethylene	42.22	20.93	6,431,227	3,457,032
	Printing ink	11.48	12.43	5,032,714	5,221,407
	Thinner	6.24	9.45	1,392,982	2,031,786
	Sewing thread	12.49	22.93	1,583,122	4,683,856
	Liner	0.13	0.13	19,667	19,667
	Kraft paper	346.15	303.15	22,689,007	19,978,723
		<b>1,922.24</b>	<b>1,629.68</b>	<b>244,320,303</b>	<b>205,643,546</b>

27.2.4	Raw material consumed	Quantity (MT) 2023-2024	Quantity (MT) 2022-2023	Amount 2023-2024	Amount 2022-2023
	Polypropylene yarn grade	3,589.40	2,730.22	475,284,332	344,819,944
	Polypropylene lamination grade	1,343.93	1,069.97	205,687,786	165,453,463
	Calcium carbonate	564.47	492.33	28,957,083	25,581,551
	Master beige	6.98	2.24	1,047,395	167,853
	Low density polyethylene	114.46	98.64	17,433,588	16,292,499
	Printing ink	88.08	60.64	38,620,798	25,471,769
	Thinner	108.65	84.58	24,242,425	18,183,535
	Sewing thread	140.15	82.12	17,760,862	16,773,718
	Kraft paper	3,973.73	3,475.30	260,465,042	229,032,534
		<b>9,929.85</b>	<b>8,096.03</b>	<b>1,069,499,310</b>	<b>841,776,865</b>
					<b>Amount in Taka</b>
27.2.5	Manufacturing overhead			2023-2024	2022-2023
	Bedding and unifom			93,195	243,070
	Conveyance			21,320	20,245
	Electricity and power			73,765,019	50,855,504
	Entertainment			2,700,853	2,092,114
	Festival bonus			14,943,837	6,942,897
	Gift and presentation			182,020	149,000
	Labour charges			9,992,251	7,213,115
	Computer accessories			1,118	1,050
	Leave encashment			1,045,699	592,145
	Lease rent			189,364,800	117,364,800
	Mobile phone bill			66,923	64,657
	Overtime			3,487,341	2,995,267
	Office maintenance			830,270	353,279
	Printing, stationeries, schedule and forms			920,362	424,870
	Rent, rates and taxes			1,820,334	1,820,508
	Repair & Maintenance			42,903,451	55,246,852
	Salaries and allowances			57,776,305	46,130,513
	Unloading charges			511,386	413,727
	Travelling expenses			10,542	27,240
				<b>400,437,025</b>	<b>292,950,852</b>
28	Income from mother vessel			2023-2024	2022-2023
	Income from mother vessel operation			292,786,845	280,096,846
	Less: Depreciation			(134,134,032)	(186,406,551)
				<b>158,652,813</b>	<b>93,690,295</b>
	Income from mother vessel increased due to devaluation of Taka against US Dollar.				
29	Administrative expenses			2023-2024	2022-2023
	Salaries and allowances			139,740,599	123,589,622
	Advertisement and publicity			1,116,460	1,196,782
	Annual general meeting expenses			1,036,474	826,144
	Audit and professional fees			4,791,028	4,672,733
	Amortization of intangible asset			5,102,748	5,082,748
	Bedding and unifom			243,370	238,589
	Board meeting attendance fees			1,100,040	806,696
	Computer accessories			393,790	1,005,623
	Contribution to provident fund			5,400,858	4,756,954
	Conveyance			1,821,463	1,755,179

	Amount in Taka	
	2023-2024	2022-2023
Corporate social responsibility (CSR)	185,550	1,574,000
Depreciation	15,058,410	16,992,746
Amortization on RoU assets	23,455,438	25,385,444
Donation and subscription	657,000	1,910,000
DSE/CSE/CDBL expense	1,300,000	1,300,000
Entertainment	3,937,087	3,830,637
Festival Bonus	16,185,481	17,972,116
Fuel for motor vehicle and motorcycle	4,484,533	3,722,162
Gratuity	25,349,472	11,885,914
Insurance premium	33,005	28,750
Group insurance premium	172,817	544,801
Internet	1,720,904	1,185,359
Labour charges	423,321	696,000
Leave encashment	2,737,178	3,058,737
Mobile phone bill	1,687,763	1,270,889
Office maintenance	8,164,818	7,124,971
Rent, rates and taxes	10,605,648	11,733,963
Overtime	464,423	383,169
Printing, stationeries, schedule and forms	3,246,737	2,803,774
Registration, license and renewals	747,830	1,094,266
Repair and maintenance- vehicle	4,409,190	3,818,042
Software maintenance fees	7,834,837	4,271,584
Telephone and fax expenses	29,818	26,923
Training and education	1,450,294	533,087
Travelling expenses	1,673,243	1,113,017
Utility expenses	3,237,393	2,956,126
	<b>299,999,020</b>	<b>271,147,546</b>

### 30 Selling and distribution expenses

	2023-2024	2022-2023
Salaries and allowances	272,814,703	222,397,994
Advertisement and publicity	168,670,937	84,616,862
Bad debt expense	15,994,632	7,455,065
BIS expense	82,972	327,339
BSTI fees	11,970,367	6,058,950
BIWTA expense	874,128	-
C&F expenses for export	2,246,175	2,276,125
Computer accessories	1,980,084	1,330,648
Contribution to provident fund	10,507,402	8,626,607
Conveyance	16,848,011	14,335,141
Corporate social responsibility (CSR)	5,015,000	5,002,000
Depreciation	53,511,468	46,412,870
Directors' remuneration	7,254,488	7,346,820
Donation and subscription	-	154,130
Entertainment	9,492,297	8,879,432
Festival bonus	28,697,761	31,847,542
Fuel for motor vehicle and motorcycle	10,881,912	9,648,710
Gratuity	44,056,284	24,243,233
Group insurance premium	257,815	1,131,030
Gift and presentation	4,354,663	3,344,034
Labour charges	60,678,529	44,283,078
Leave encashment	4,518,204	4,938,885
Medical expenses	15,817	17,595

		Amount in Taka	
		2023-2024	2022-2023
	Mobile phone bill	8,431,104	7,091,667
	Office maintenance	3,320,284	2,231,245
	Rent, rates and taxes	5,820,707	5,819,166
	Outstation allowance/ house rent/ TA-DA	9,224,431	7,025,039
	Overtime	1,347,869	1,461,701
	Printing stationeries, schedule and forms	5,382,985	2,759,810
	Promotional expenses	2,836,052	2,720,217
	Quality testing expenses	818,580	1,046,910
	Registration, license and renewals	9,907,021	9,640,034
	Repair and maintenance- vehicle	3,844,765	3,304,769
	Training and education	74,321	78,000
	Insurance premium	73,130	-
	Travelling expenses	4,026,355	3,847,228
		<b>785,831,252</b>	<b>581,699,874</b>
<b>31</b>	<b>Non-operating income/(loss)</b>	<b>2023-2024</b>	<b>2022-2023</b>
	Non-operating income (Note No. 31.1)	11,590,207	11,195,075
	Non-operating loss (Note No. 31.2)	(9,430,017)	(4,376,152)
		<b>2,160,190</b>	<b>6,818,923</b>
<b>31.1</b>	<b>Non operating income</b>	<b>2023-2024</b>	<b>2022-2023</b>
	Sales of scrap	2,708,874	3,575,219
	Other income	3,207,490	5,914,987
	Forfeited provident fund	163,579	1,509,800
	Dividend on share	5,952,015	108,020
	Profit or (loss) on disposal of PPE	(441,751)	87,049
		<b>11,590,207</b>	<b>11,195,075</b>
<b>31.2</b>	<b>Non operating loss</b>	<b>2023-2024</b>	<b>2022-2023</b>
	Realized profit / (loss) on sale of share	(47,514)	(5,974)
	Unrealized profit /(loss) on investment on share	(9,382,503)	(4,370,178)
		<b>(9,430,017)</b>	<b>(4,376,152)</b>
<b>32</b>	<b>Finance cost</b>	<b>2023-2024</b>	<b>2022-2023</b>
	Exchange loss on foreign currency (Note No. 32.1)	403,437,131	790,559,735
	Bank charge and commission	21,812,447	11,064,406
	Bank interest	1,200,481,754	566,430,393
	Interest on lease obligation	11,539,389	4,891,177
		<b>1,637,270,721</b>	<b>1,372,945,712</b>
<b>32.1</b>	<b>Exchange loss/ (gain) on foreign currency</b>	<b>2023-2024</b>	<b>2022-2023</b>
	Transaction loss/(gain)-realized	270,583,926	621,786,805
	Translation loss/(gain)-unrealized	132,853,204	168,772,930
		<b>403,437,131</b>	<b>790,559,735</b>

		Amount in Taka	
33	Finance income	2023-2024	2022-2023
	Interest income from FDRs	18,862,405	38,528,919
34	Share of profit from associates	2023-2024	2022-2023
	Crown Power Generation Limited	(4,494,204)	(4,253,633)
	Crown Mariners Limited	39,897,491	30,656,041
	Crown Cement Concrete and Building Products Limited	3,812,821	10,007,370
	Crown Transport and Logistics Limited	2,762,984	3,804,578
		<b>41,979,092</b>	<b>40,214,356</b>

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.

35	Income tax	2023-2024	2022-2023
	<b>Major components of tax expenses</b>		
	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. 35.1)	590,528,647	504,708,348
	Current Tax expenses against previous years	-	546,567,542
	Deferred tax expenses (Note No. 21.1)	42,316,620	(23,354,847)
		<b>632,845,267</b>	<b>1,027,921,043</b>

### 35.1 Current tax expenses

Current tax has been charged at the rate applicable to the Company, subject to provision of Section 163 of Income Tax Act-2023 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 123, tax deducted at source for supply sales U/S 89, tax collected at import stage U/S 120 on RM import; and tax deducted at source from bank interest income U/S 102, (c) at the applicable tax rate on taxable income.

#### Reconciliation of tax expenses with accounting profit and applicable effective tax rate:

	% of effective tax rate		Amount	Amount
	2023-2024	2022-2023	2023-2024	2022-2023
<b>Net profit before tax</b>			<b>1,592,236,419</b>	<b>1,598,152,888</b>
Statutory tax rate	22.50%	22.50%	358,253,194	359,584,400
Income tax on income from other than cement business	0.43%	0.68%	6,802,431	10,825,907
Additional Income tax due to charging of minimum tax on cement business	14.16%	8.40%	225,473,022	134,298,041
<b>Effective tax rate</b>	<b>37.09%</b>	<b>31.58%</b>	<b>590,528,647</b>	<b>504,708,348</b>

### 36 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.

	Note	Fair value hedging instruments	Mandatorily at FVTPL – others	Carrying amount			Other financial liabilities	Total
				FVOCI – debt instruments	FVOCI – equity instruments	Financial assets at amortized cost		
<b>30 June 2024</b>								
<b>Financial assets measured at fair value</b>								
Investment in shares	9	-	51,968,009	-	-	-	-	51,968,009
<b>Financial assets not measured at fair value</b>								
Trade and other receivables	11	-	-	-	3,144,167,912	-	-	3,144,167,912
Cash and cash equivalents	15	-	-	-	333,507,445	-	-	333,507,445
Short term Investment	14	-	-	-	636,066,867	-	-	636,066,867
		-	-	-	<b>4,113,742,225</b>	-	-	<b>4,113,742,225</b>
<b>Financial liabilities not measured at fair value</b>								
Trade and other payables	23	-	-	-	-	(528,799,469)	(528,799,469)	(528,799,469)
Long term loan borrowings	22	-	-	-	-	(4,917,017,019)	(4,917,017,019)	(4,917,017,019)
Short term loan borrowings	22	-	-	-	-	(10,006,295,047)	(10,006,295,047)	(10,006,295,047)
		-	-	-	-	<b>(15,452,111,535)</b>	<b>(15,452,111,535)</b>	<b>(15,452,111,535)</b>
<b>30 June 2023</b>								
<b>Financial assets measured at fair value</b>								
Investment in shares	9	-	61,608,327	-	-	-	-	61,608,327
<b>Financial assets not measured at fair value</b>								
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
		-	-	-	<b>4,167,994,269</b>	-	-	<b>4,167,994,269</b>
<b>Financial liabilities not measured at fair value</b>								
Trade and other payables	23	-	-	-	-	(1,679,250,049)	(1,679,250,049)	(1,679,250,049)
Long term loan borrowings	18	-	-	-	-	(1,165,644,814)	(1,165,644,814)	(1,165,644,814)
Short term loan borrowings	22	-	-	-	-	(9,348,366,829)	(9,348,366,829)	(9,348,366,829)
		-	-	-	-	<b>(12,193,261,692)</b>	<b>(12,193,261,692)</b>	<b>(12,193,261,692)</b>



## 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:

		Amount in Taka	
	Note	30 June 2024	30 June 2023
Trade and other receivables	11	3,144,167,912	2,667,830,940
Cash and cash equivalents	15	333,507,445	893,903,481
Short term investment in FDR	14	636,066,867	606,259,847
		<b>4,113,742,224</b>	<b>4,167,994,268</b>

#### (a.1) Trade and other receivables

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

	Note	30 June 2024	30 June 2023
Trade receivables	11	2,970,814,242	2,547,358,287
Other receivables	11	173,353,670	120,472,653
		<b>3,144,167,912</b>	<b>2,667,830,940</b>

#### (a.1) Trade receivables

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

	Note	30 June 2024	30 June 2023
Trade receivables	11	2,970,814,242	2,547,358,287
		<b>2,970,814,242</b>	<b>2,547,358,287</b>

	Amount in Taka	
The aging of trade receivables (gross)	30 June 2024	30 June 2023
Past due 1-30 days	1,162,510,073	1,140,903,354
Past due 31-90 days	959,925,139	678,167,102
Past due 91-180 days	473,385,618	243,843,800
Past due 181-365 days	308,760,900	444,107,562
Past due over 365 days	198,947,518	157,056,841
<b>Gross trade receivables</b>	<b>3,103,529,247</b>	<b>2,664,078,660</b>
Less: Loss allowance	(132,715,005)	(116,720,373)
<b>Net trade receivables</b>	<b>2,970,814,243</b>	<b>2,547,358,287</b>

#### Expected credit loss assessment for corporate and individual customers

The following table provides information about the exposure to credit risk and Expected Credit Loss (ECL) for trade receivables from individual customers as at 30 June 2024:

	30 June 2024		30 June 2023		30 June 2024		30 June 2023	
	Average loss rate	Gross carrying amount	Average loss rate	Gross carrying amount	Loss allowances			
Current (not past due)	0%	1,162,510,073	0%	1,140,903,354	-	-		
Past due up to 90 days	2%	959,925,139	2%	678,167,102	19,198,503	13,563,342		
Past due 91-180 days	5%	473,385,618	5%	243,843,800	23,669,281	12,192,190		
Past due 181-365 days	10%	308,760,900	10%	444,107,562	30,876,090	44,410,756		
Past due over 365 days	30%	198,947,518	30%	157,056,841	58,971,131	46,554,084		
		<b>3,103,529,247</b>		<b>2,664,078,660</b>	<b>132,715,005</b>	<b>116,720,373</b>		

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

#### (a.2) Cash and cash equivalents

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

	Note	30 June 2024	30 June 2023
Cash in hand	15	572,628	431,079
Cash at bank	15	332,934,818	893,472,402
		<b>333,507,445</b>	<b>893,903,481</b>

#### iii. Liquidity risk

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

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

#### Exposure to liquidity risk

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

	Amount in Taka	
	From 6 to 12 months	More than one year and less than 5 years
Trade payables	126,224,374	-
Other payables	402,575,095	-
Unclaimed dividend	3,929,662	-
Current tax liabilities	2,456,416,985	-
Short term loan from banks	10,006,295,047	-
Long term borrowings	439,595,020	4,917,017,018
<b>Balance at 30 June 2024</b>	<b>13,435,036,182</b>	<b>4,917,017,017</b>

#### 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:

	30 June 2024	
	USD	BDT
<b>Assets</b>		
Prime Bank PLC (ERQ)	587,028	69,269,306
The State Bank of India (ERQ)	0.14	16.52
Standard Chartered Bank	653	77,042
HSBC	14	1,643
	<b>587,695</b>	<b>69,348,008</b>
<b>Liability</b>		
Short Term Loan	33,893,275	3,999,406,454
	<b>34,480,970</b>	<b>4,068,754,462</b>

	30 June 2024	
	EUR	BDT
<b>Liability</b>		
Short Term Loan	238,324,372	1,884,574

	30 June 2024	
	USD	BDT
<b>Commitments &amp; contingencies</b>		
BRAC Bank PLC	3,686,769	435,038,713
Commercial Bank of Ceylon PLC	1,581,806	186,653,049
The Hong Kong and Shanghai Banking Corporation Limited (HSBC)	858,275	101,276,450
Eastern Bank PLC	1,737,986	205,082,365
Dhaka Bank PLC	3,256,500	384,267,000
Prime Bank PLC	4,315,640	509,245,550
Shahjalal Islami Bank PLC	186,120	21,962,160
Woori Bank Limited	188,870	22,286,707
Standard Chartered Bank	1,070,571	126,327,378
	<b>16,882,538</b>	<b>1,992,139,371</b>

		Amount in Taka	
		30 June 2024	
		EUR	BDT
Prime Bank PLC		311,906	39,443,767
		FC Unit	BDT
Currency			
Exchange rate as per Bangladesh Bank BC selling rate.	USD	1	118.00
	EURO	1	126.46

### 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.

30 June 2024	Profit or loss		Equity, net of tax	
	Strengthening	Weakening	Strengthening	Weakening
USD (5% movement)	(203,437,723)	203,437,723	(203,437,723)	203,437,723
EUR (5% movement)	(11,916,219)	11,916,219	(11,916,219)	11,916,219
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

### (d) Market risk-interest rate risk

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

	30 June 2024	30 June 2023
<b>Fixed-rate instruments</b>		
Long term loan	61,315,614	61,315,614
<b>Variable-rate instruments</b>		
Short term loan	5,556,383,603	5,556,383,603
Long term loan	51,104,388	51,104,388

### 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.

30 June 2024	Profit or loss		Equity, net of tax	
	1% Increase	1% Decrease	1% Increase	1% Decrease
<b>Fixed-rate instruments</b>				
Long term loan	613,156	(613,156)	613,156	(613,156)
<b>Variable-rate instruments</b>				
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)

30 June 2023	Profit or loss		Equity, net of tax	
	1% Increase	1% Decrease	1% Increase	1% Decrease
<b>Fixed-rate instruments</b>				
Long term loan	613,156	(613,156)	613,156	(613,156)
<b>Variable-rate instruments</b>				
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)

All payables of the Company are interest free. Therefore no interest rate risk arises for the Company as at 30 June 2024.

		Amount in Taka	
37	Earnings per share	2023-2024	2022-2023
	<b>Basic earnings per share:</b>		
	Earning attributable to ordinary shareholders	1,001,370,244	610,446,201
	Weighted average number of ordinary shares (Note No. 37.1)	148,500,000	148,500,000
		<b>6.74</b>	<b>4.11</b>

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

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

Nature of Share holdings	Number of shares	Days of share holding	30 June 2024	30 June 2023
Ordinary shares	148,500,000	365 days	148,500,000	148,500,000
	<b>148,500,000</b>		<b>148,500,000</b>	<b>148,500,000</b>

38	Net Asset Value (NAV) per share	30 June 2024	30 June 2023
	Net assets (total assets - total liabilities)	8,463,362,102	7,754,709,341
	Number of ordinary shares	148,500,000	148,500,000
	<b>NAV per share</b>	<b>56.99</b>	<b>52.22</b>

39	Cash flows from operating activities under the indirect method	2023-2024	2022-2023
	<b>Net profit before tax</b>	<b>1,592,236,419</b>	<b>1,598,152,888</b>
	Depreciation on property, plant and equipment	902,968,255	603,621,082
	Amortization on ROU assets	23,455,438	27,290,874
	Amortization on intangible assets	5,102,748	5,082,748

		Amount in Taka	
		2023-2024	2022-2023
	Finance cost	1,637,270,721	1,372,945,712
	Loss on disposal of property, plant and equipments	(441,751)	(87,049)
	Profit on sale of share	9,382,503	4,370,178
	Interest income	(18,862,405)	(38,528,919)
	(Increase)/ decrease in inventories	(1,086,668,603)	(557,698,181)
	(Increase)/ decrease in Trade receivables	(423,455,955)	(300,549,933)
	(Increase)/ decrease in other receivables	(52,881,016)	43,810,810
	(Increase) in advances, deposits and prepayments	117,167,210	(713,258,373)
	Increase/(decrease) in trade payables	(1,375,557,275)	(212,471,458)
	Increase/(decrease) in other payables	225,106,695	29,176,223
	Income Tax paid	(595,157,986)	(493,542,736)
	Income tax refund	333,885,265	329,603,227
	<b>Net cash inflows from operating activities</b>	<b>1,293,550,263</b>	<b>1,697,917,094</b>
<b>40</b>	<b>Commitments and Contingent liabilities</b>	<b>30 June 2024</b>	<b>30 June 2023</b>
	Commitments (Note No. 40.1)	2,469,751,686	7,612,865,586
	Contingent liabilities (Note No. 40.3)	2,861,156,344	2,907,014,625
		<b>5,330,908,029</b>	<b>10,519,880,212</b>
<b>40.1</b>		<b>30 June 2024</b>	<b>30 June 2023</b>
	Outstanding letters of credit (Note No. 40.2)	2,430,307,919	3,876,718,580
	Capital expenditure commitments including outstanding LC	39,443,767	3,736,147,006
		<b>2,469,751,686</b>	<b>7,612,865,586</b>
<b>40.2</b>	<b>Outstanding letters of credit</b>	<b>30 June 2024</b>	<b>30 June 2023</b>
	Commercial Bank of Ceylon PLC	186,653,049	13,158,157
	The Hongkong and Shanghai Banking Corporation Limited (HSBC)	101,276,450	125,666,664
	Bank Alfalah PLC	-	17,632,080
	Bank Asia PLC	-	460,406,280
	Eastern Bank PLC	205,082,365	987,970,401
	Prime Bank PLC	508,065,550	167,276,076
	Standard Chartered Bank	126,327,378	888,044,063
	BRAC Bank PLC	435,038,713	191,587,243
	Dhaka Bank PLC	823,615,548	1,024,977,616
	Shahjalal Islami Bank PLC	21,962,160	-
	Woori Bank	22,286,707	-
		<b>2,430,307,919</b>	<b>3,876,718,580</b>
<b>40.3</b>	<b>Contingent liabilities</b>	<b>30 June 2024</b>	<b>30 June 2023</b>
	<b>(i) Bank guarantee:</b>		
	One Bank Limited PLC	1,533,106	3,389,464
	Prime Bank Limited PLC	6,764,809	124,245,796
	Dhaka Bank Limited PLC	87,038,398	13,559,334
	The Hongkong and Shanghai Banking Corporation Limited (HSBC)	2,700,000,000	2,700,000,000
		<b>2,795,336,313</b>	<b>2,841,194,594</b>

	Amount in Taka	
	30 June 2024	30 June 2023
<b>(ii) Tax and VAT claim:</b>		
Claim of VAT Authority for declared wastage percentage relating to the different financial years against which various writ petitions have been filed by the Company before the Hon'ble High Court Dhaka.	65,820,031	65,820,031
	<b>65,820,031</b>	<b>65,820,031</b>
<b>Total (i+ii)</b>	<b>2,861,156,344</b>	<b>2,907,014,625</b>

#### 41 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:			Transaction value	
Name of the Individuals	Relationship	Nature of transactions	2023-2024	2022-2023
Mohammed Jahangir Alam	Chairman	Cash dividend, board meeting attendance fees	41,573,203	20,814,103
Md. Alamgir Kabir	Director	Cash dividend, board meeting attendance fees & remuneration	33,279,227	20,395,858
Mollah Mohammad Majnu	Managing Director	Cash dividend, board meeting attendance fees & remuneration	29,212,326	18,353,240
Md. Mizanur Rahman Mollah	Director	Cash dividend, board meeting attendance fees	22,031,174	11,079,756
Mohammed Almas Shimul	Director	Cash dividend, board meeting attendance fees	13,262,706	6,677,188
Md. Asrafuzzaman	Shareholder	Cash dividend	4,677,750	2,338,875
Md. Abdul Ahad	Shareholder	Cash dividend	3,742,200	1,871,100

Entities:			Transaction value	
Entities	Relationship	Nature of transactions	2023-2024	2022-2023
Crown Power Generation Limited	Associate Company	Sale of power	No transaction	16,759,508
Crown Polymer Bagging Limited	Common Director	Lease rent	189,364,800	117,364,800
Crown Mariners Limited	Associate Company	Lease rent	328,632,400	261,546,000
Crown Cement Concrete and Building Products Limited	Associate Company	Sale of cement	1,101,281,409	844,196,756
Crown Transportation and Logistics Ltd.	Associate Company	Not applicable	No transaction	No transaction
GPH Ispat Limited	Common Director	For MS rod purchased	121,147,700	275,904,870
Premier Cement PLC	Common Director	For cement purchased	38,693,894	No transaction

#### 42 Number of employees engaged for drawing remuneration

	Number of employee	
	2023-2024	2022-2023
<b>Disclosure as per requirement of schedule XI Part II of Para 3 is as follows:</b>		
(a) Above Taka 18,000 per month	1,597	1,480
(b) Below Taka 18,000 per month	-	-
	<b>1,597</b>	<b>1,480</b>



	Amount in Taka	
	2023-2024	2022-2023
During the year the company paid as salaries, wages and benefits	672,867,093	565,017,089
Directors remuneration	14,508,976	14,693,640
Salary and other benefits	687,376,069	579,710,729

#### 43 Capacity and production

	Metric Ton	
	2023-2024	2022-2023
Installed capacity in metric tons (300 days basis)	4,530,000	3,324,000
Actual production in metric tons-during the year	3,486,993	3,154,050
<b>% of capacity utilization</b>	<b>77%</b>	<b>95%</b>

Production capacity increased by 8,040 MT per day from newly installed 6<sup>th</sup> Unit started on January 2024.

#### 44 Number of Board Meetings held during the year 2023-24 and 2022-23.

Quarter	Date of meeting		Number of Directors attended	
	2023-2024	2022-2023	2023-2024	2022-2023
1st Quarter	30-Sep-23	3-Jul-22	7	7
	-	16-Jul-22	-	7
2nd Quarter	22-Oct-23	26-Oct-22	7	7
	12-Nov-23	-	6	-
	9-Dec-23	-	7	-
3rd Quarter	14-Jan-24	26-Jan-23	7	5
	29-Jan-24	-	6	-
4th Quarter	29-Apr-24	29-Apr-23	5	7

#### 45 Standards issued but not yet effective

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

- IFRS 17: Insurance Contracts-January 2023

#### 46 Significant accounting policies

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

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

Note	Particulars
A.	Foreign currency transaction
B.	Revenue recognition
C.	Employee benefits
D.	Finance income and finance cost
E.	Income tax
F.	Share capital
G.	Inventories
H.	Accruals
I.	Intangible assets

<b>Note</b>	<b>Particulars</b>
J.	Lease
K.	Cash and cash equivalent
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 receivables.

#### **C. Employee benefits**

##### **i. Short-term employee benefits**

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

##### **ii. Defined contribution plans (provident fund)**

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

##### **iii. Defined benefit plans (gratuity)**

The Company operates a 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) of 2013). The Company recognises the contribution to the fund as short term employee benefits.

The fund is governed by the Bangladesh Labour (Amendment) Act, 2013 (Act No. 30)

#### 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 2024 i.e 22.5%, subject to provision of section 163 of Income Tax Act-2023.

##### 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

<b>Financial assets at FVTPL</b>	this assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.
<b>Financial assets at amortised cost</b>	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.
<b>Debt investments at FVOCI</b>	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.
<b>Equity investments at FVOCI</b>	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 equipment for the current and comparative period are as follows:

Category of PPE	Depreciation Method	Rate (%)	
		2024	2023
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%
Furnitures & fixtures	Reducing balance	10%	10%
Motor vehicles	Reducing balance	10%-15%	10%-15%
Silo	Reducing balance	5%-15%	5%-15%
Other 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 equipments 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.

**S. 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 occurred after statement of financial position date that are non-adjusting events are disclosed in the notes when material.

**47 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.

**48 Operating segments**

The Company is domiciled in Bangladesh. The revenue from cement is BDT 27,899.50 Million in 2024. 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. 26.

**49 Events after the reporting period**

**49.1** The Board of Directors in their meeting held on 24 October 2024 have recommended a cash dividend of 21% i.e. Taka 2.10 (Two Point One) per share of Taka 10 (Ten) each aggregating to Taka 311,850,000 (Three Hundred Eleven Million and Eight Hundred -Fifty Thousand Only) for the year ended 30 June 2024 subject to the approval of the shareholders in the Annual General Meeting scheduled to be held on 18th December 2024 The financial statements for the year ended 30 June 2024 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 2024.



**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 2024

### Notes to the financial statements (continued)

#### 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)

	2023-2024	2022-2023			
	Office	Vessel	Office	Bag Plant	Total
<b>i. Cost</b>					
Opening balance	140,732,628	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)
<b>Closing balance</b>	<b>140,732,628</b>	<b>-</b>	<b>140,732,628</b>	<b>-</b>	<b>140,732,628</b>
<b>ii. Accumulated depreciation</b>					
Opening balance	7,818,479	552,455,319	79,051,344	106,246,119	737,752,782
Addition during the period	23,455,438	-	25,385,444	-	25,385,444
Disposal	-	(552,455,319)	(96,618,309)	(106,246,119)	(755,319,747)
<b>Closing balance</b>	<b>31,273,917</b>	<b>-</b>	<b>7,818,479</b>	<b>-</b>	<b>7,818,479</b>
<b>WDV (i-ii)</b>	<b>109,458,711</b>	<b>-</b>	<b>132,914,149</b>	<b>-</b>	<b>132,914,149</b>

#### ii. Lease obligation

	2023-2024	2022-2023			
	Office	Vessel	Office	Bag Plant	Total
<b>Opening balance</b>	<b>135,595,255</b>	<b>-</b>	<b>21,343,845</b>	<b>-</b>	<b>21,343,845</b>
Interest	11,539,389	-	4,891,177	-	4,891,177
Payment	27,905,748	-	31,372,395	-	31,372,395
Advance adjustment	-	-	-	-	-
Addition	-	-	140,732,628	-	140,732,628
<b>Closing baalance</b>	<b>119,228,896</b>	<b>-</b>	<b>135,595,255</b>	<b>-</b>	<b>135,595,255</b>

#### iii. Expenses

	Office	Vessel	Office	Bag Plant	Total
Interest	11,539,389	-	4,891,177	-	4,891,177
Depreciation	23,455,438	-	25,385,444	-	25,385,444
<b>Total</b>	<b>34,994,827</b>	<b>-</b>	<b>30,276,622</b>	<b>-</b>	<b>30,276,622</b>

#### 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 2024

**Annexure-B**

**Employee benefits**

**A. Movement in net defined benefit asset and liability**

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

	Defined benefit obligation		Fair value of plan assets		Net defined (asset)/liability	
	2024	2023	2024	2023	2024	2023
Balance at 1 July	287,332,790	255,124,771	-	-	287,332,790	255,124,771
Included in profit or loss						
Current service cost	93,767,236	58,499,442	-	-	93,767,236	58,499,442
Past service costs	-	-	-	-	-	-
Interest cost/(income)	93,767,236	58,499,442	-	-	93,767,236	58,499,442
Included in OCI						
Actuarial (gain)/loss arising from:						
Return on plan assets	-	-	-	-	-	-
Financial assumption	-	-	-	-	-	-
Experience adjustment	-	3,763,680	-	-	-	3,763,680
Other	93,767,236	62,263,122	-	-	93,767,236	62,263,122
Contribution paid by the employer						
Benefits paid	(100,667,572)	(30,055,104)	-	-	(100,667,572)	(30,055,104)
Balance at 30 June	280,432,454	287,332,790	-	-	280,432,454	287,332,790

**B. Actuarial assumptions**

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

	2024	2023
<b>Financial assumptions:</b>		
Discount rate	0.00%	8.80%
Salary increase rate	0.00%	10.00%
<b>Demographic assumptions:</b>		
Withdrawal rate	0.00%	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:

	2024	2023	Amount in Taka	%
Discount rate (-/+5% movement)	-	13,526,995		7.31%
Future salary growth (-/+5% movement)	-	(15,012,781)		-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.