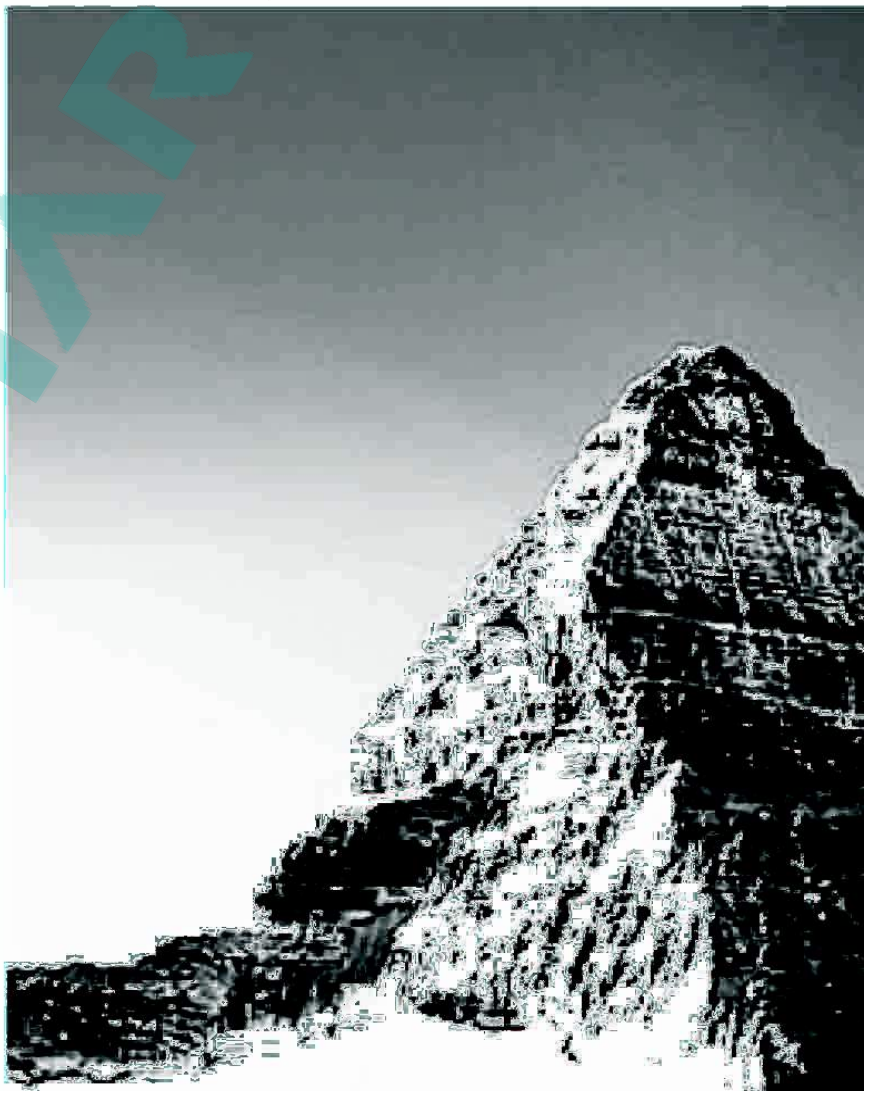
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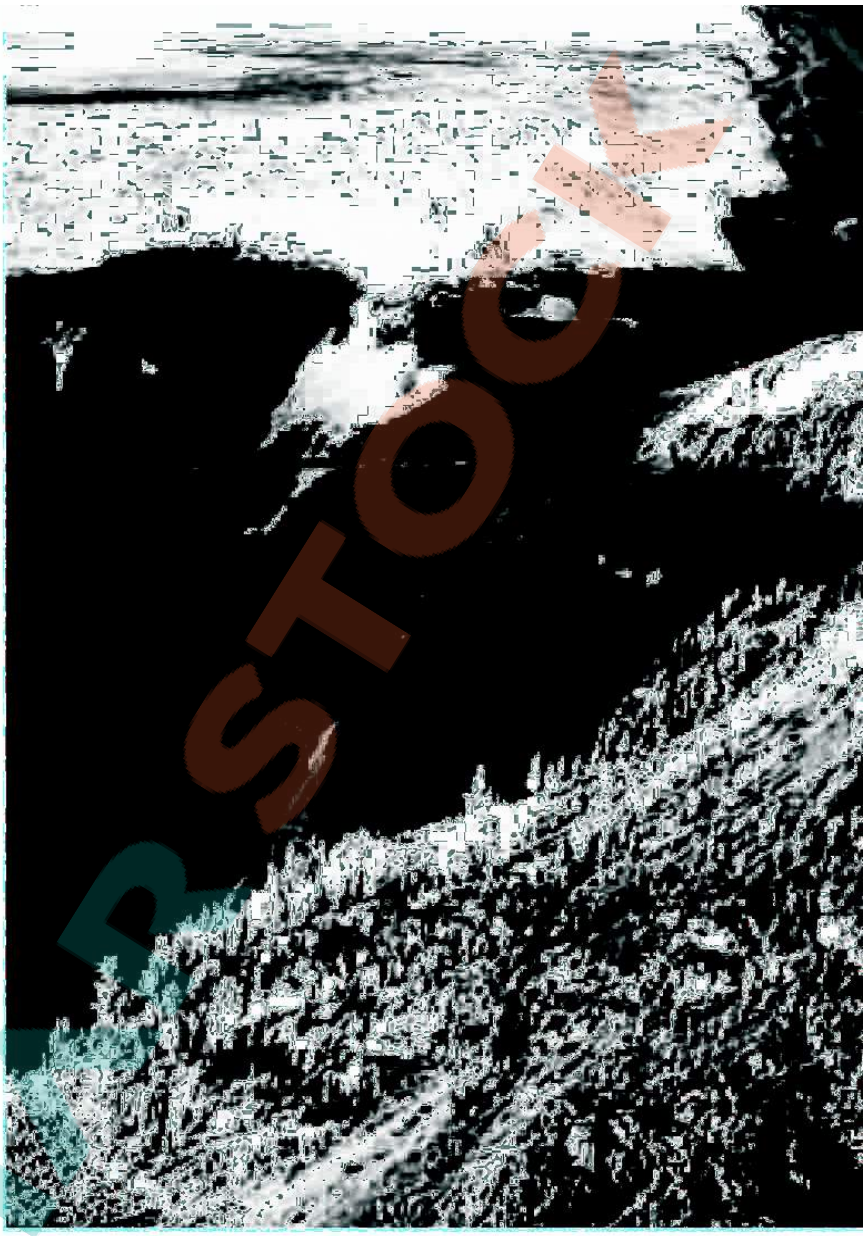


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KOHINOOR CHEMICAL

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KOHINOOR CHEMICAL COMPANY (BANGLADESH) LTD.

STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2018

(Figures in BDT)

PARTICULARS	NOTE	AS AT 30-06-2018	AS AT 30-06-2017
ASSETS:			
I. Non-Current Assets:			
Property, Plant and Equipment	4.00	307,824,838	312,849,492
Goodwill	5.00	0	7,144,400
Total Non-Current Assets:		**307,824,838**	**319,993,892**
II. Current Assets:			
Investment in Marketable Securities	6.00	185,134,228	147,542,355
Inventories	7.00	750,731,088	478,086,812
Accounts Receivable	8.00	2,327,760	2,167,018
Advances, Deposits & Pre-payments	9.00	471,032,537	315,975,211
Short Term Investment (FDR)	10.00	30,086,724	28,680,150
Related Party Transaction	11.00	3,793,304	3,890,602
Cash and Cash Equivalents	12.00	183,199,401	234,473,700
Total Current Assets:		**1,626,305,043**	**1,210,815,848**
Total Assets (A)=(I+II):		**1,934,129,881**	**1,530,809,740**
SHAREHOLDERS' EQUITY & LIABILITIES:			
III. Shareholders' Equity:			
Share Capital	13.00	140,156,250	121,875,000
Revaluation Reserve	14.00	7,143,605	7,143,605
FVOCI reserve		37,588,366	0
Retained Earnings	15.00	542,989,305	425,054,997
Total Shareholders' Equity:		**727,877,526**	**554,073,602**
IV. Non-Current Liabilities:			
Long Term Loan	16.00	326,089,784	326,089,784
Total Non-Current Liabilities:		**326,089,784**	**326,089,784**
V. Current Liabilities:			
Short Term Loan	17.00	142,909,410	30,888,539
Sundry Creditors	18.00	313,551,201	404,740,938
Accrued Liabilities	19.00	362,284,032	155,485,384
Dividend Payable	20.00	15,024,180	13,733,281
Provision for Gratuity	21.00	15,963,367	16,780,235
Deferred Tax Liability	22.00	30,430,380	29,017,977
Total Current Liabilities:		**880,162,570**	**650,646,354**
Total Shareholders' Equity & Liabilities (B)= (III+IV+ V):		**1,934,129,881**	**1,530,809,740**
Contingent Liability	23.00	**268,101,570**	**268,101,570**
Net Asset Value (NAV)/Total No. of Shares		**51.93**	**39.53**
Per Value (Tk.)		**10**	**10**

1.00 The Annexed notes from 01 to 40 form an integral part of the financial statements.
2.00 Figures have been rounded off to the nearest taka.
3.00 Previous year's figures have been rearranged for comparison, where required.

Sd/-
Managing Director

Sd/-
Director

Sd/-
Company Secretary

Signed in terms of our separate report of even date annexed.

Sd/-
(Toha Khan Zaman & Co.)
Chartered Accountants

Dated, Dhaka
31 October 2018

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KOHINOOR CHEMICAL COMPANY (BANGLADESH) LTD.

STATEMENT OF PROFIT OR LOSS AND
OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 JUNE 2018

(Figures in BDT)

PARTICULARS	NOTE	AS AT 30-06-2018	AS AT 30-06-2017
Turnover (Net of VAT)	24.00	3,661,324,088	3,393,185,456
Less: Cost of Goods Sold	25.00	(3,003,180,758)	(2,784,391,769)
Gross Profit:		**658,143,330**	**608,793,687**
Less: Operating Expenses:			
General & Administrative Expenses	26.00	59,044,957	54,883,450
Marketing, Selling & Distribution Expenses	27.00	369,289,894	345,362,350
Total Operating Expenses:		**428,334,851**	**400,245,800**
Operating Profit:		**229,808,479**	**208,547,887**
Less: Financial Expenses	28.00	(7,637,229)	(7,759,766)
Less: Impairment Charge on Goodwill	5.00	(7,144,400)	(2,381,466)
Net Profit after Financial Expenses		**215,026,850**	**198,406,655**
Income from Other Sources	29.00	6,945,587	7,851,077
Net Profit before Contribution to WPPF		**221,972,437**	**206,257,732**
Less: Contribution to WPPF and Welfare Fund	30.00	(10,570,116)	(9,821,797)
Net Profit before Tax:		**211,402,321**	**196,435,935**
Less: Provision for Income Tax @ 25%	31.00	(55,493,109)	(50,572,553)
Deferred Tax Income/(Expense)	32.00	(1,412,404)	932,223
Net profit after tax for the year		**154,496,808**	**146,795,605**
Other Comprehensive Income:			
Net profit after tax for the year		154,496,808	146,795,605
Item that will not be reclassified to profit or loss:			
Unrealized Gain on quoted shares		37,588,366	0
Total Comprehensive Income for the year		**192,085,174**	**146,795,605**
No. of Shares		**14,015,625**	**14,015,625**
Earnings per Share (EPS):	33.00	**11.02**	**10.47**

1.00 The Annexed notes from 01 to 40 form an integral part of the financial statements.
2.00 Figures have been rounded off to the nearest taka.
3.00 Previous year's figures have been rearranged for comparison, where required.

Sd/-	Sd/-	Sd/-
Managing Director	**Director**	**Company Secretary**

Signed in terms of our separate report of even date annexed.

Sd/-
(Toha Khan Zaman & Co.)
Chartered Accountants

Dated, Dhaka
31 October 2018

KOHINOOR CHEMICAL COMPANY (BANGLADESH) LTD.

CASH FLOWS STATEMENT
FOR THE YEAR ENDED JUNE 30, 2018

(Figures in BDT)

PARTICULARS		NOTE	AS AT 30-06-2018	AS AT 30-06-2017
A. OPERATING ACTIVITIES:				
Collection against Sales			4,233,170,120	3,393,185,456
Payment to Creditors			(3,576,180,049)	(2,393,645,386)
Payment for AIT, VAT & SD			(773,908,100)	(578,073,077)
Net Cash Flow from Operating Activities	**Taka:**		**(116,918,029)**	**421,466,993**
B. INVESTING ACTIVITIES:				
Acquisition of Property, Plant & Equipment			(22,710,799)	(14,032,484)
Investment in Fixed Deposit			(1,406,574)	(1,951,205)
Investment in Marketable Security			(1,360)	(3,349)
Dividend Income			3,443,802	3,967,520
Sales Proceeds of Marketable Security			0	2,865
Proceeds from Sale of Property, Plant & Equipment			247,000	866,936
Net Cash Flow from Investing Activities	**Taka:**		**(20,427,931)**	**(11,149,717)**
C. FINANCING ACTIVITIES:				
Payment of Loan			0	(234,090,590)
Proceeds from Short Term Loan			112,020,870	0
Bank Interest & Others Paid			(7,637,229)	(7,759,754)
Dividend Paid			(17,495,112)	(10,355,774)
Gratuity Payment			(816,868)	(461,658)
Net Cash Flow from Financing Activities	**Taka:**		**86,071,661**	**(252,667,776)**
D. Net Cash Inflow/(Outflow) (A+B+C)			**(51,274,299)**	**157,649,500**
E. Opening Cash and Bank Balances:			234,473,700	76,824,199
F. Closing Cash and Bank Balances:			**183,199,401**	**234,473,700**
Net Operating Cash Flow per Share			**(8.34)**	**30.07**

1.00 Annexed notes from 01 to 40 form an integral part of the financial statements.
2.00 Figures have been rounded off to the nearest taka.
3.00 Previous year's figures have been rearranged for comparison, where required.

Sd/-	Sd/-	Sd/-
Managing Director	**Director**	**Company Secretary**

Signed in terms of our separate report of even date annexed.

Sd/-
(Toha Khan Zaman & Co.)
Chartered Accountants

Dated, Dhaka
31 October 2018

KOHINOOR CHEMICAL COMPANY (BANGLADESH) LTD

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2018

1.00 BACKGROUND AND ACTIVITIES OF THE COMPANY:

1.01 Background of the Company:

Kohinoor Chemical Company Limited (KCCL) was a fully government owned industry under the direct control of Bangladesh Chemical Industries Corporation (BCIC) up to May 05 1988. It was transformed into a Public Limited Company under Companies Act, 1913 and was named as Kohinoor Chemical Company (Bangladesh) Limited and was incorporated with the Registrar of Joint Stock Companies vide registration No.C-17489(289)/88 date 05 May 1988. During transformation, its Paid-Up-Capital was determined at Tk. 50,000,000. The Government of the Peoples' Republic of Bangladesh has vested 51% of the share of the company to Bangladesh Chemical Industries Corporation. Out of the remaining 49% shares, 34% of the shares were sold to the public and the balance 15% shares was reserved for sale among the officers, staff and workers. Since these shares remained unsold, those were held in the account of the Government. Later, those 15% shares were handed over to the officers, staff and workers of KCCL on July 20, 1991. Subsequently, the ownership of the said 51% of the shares was transferred from BCIC to the Sponsor Director on 03-08-1993. The shares of the Company are publicly traded in Dhaka Stock Exchange Ltd. and Chittagong Stock Exchange Ltd.

1.02 Address of the Registered and Corporate Office:

The registered office of the company is located at 36, Shahid Tajuddin Ahmed Sarani, Tejgaon I/A, Dhaka -1208.

1.03 Nature of Business Activities:

The company is engaged in manufacturing and marketing of cosmetic and toiletries, i.e. soap, toothpaste, powders, shaving cream, hair oil etc.

1.04 Production Unit:

Production unit of the company is situated at 36, Tejgaon I/A, Dhaka -1208.

2.00 SIGNIFICANT ACCOUNTING POLICIES:

2.01 Basis of Preparation and Presentation of the Financial Statements:

Preparation and presentation of the Financial Statements and the disclosures of information made therein in accordance with the requirements of the Companies Act 1994, the Securities and Exchange Rules 1987, the Listing Regulations of Dhaka Stock Exchange as applicable and International Accounting Standards (IAS)'s adopted by the Institute of Chartered Accountants of Bangladesh (ICAB) and International Financial Reporting Standard (IFRS) as applicable to the company. The Statement of Profit or Loss and Other Comprehensive Income have been prepared according to IAS 1 'Presentation of Financial Statements' under Generally Accepted Accounting Principles (GAAP) and practices in Bangladesh. Cash Flows Statement of the company has been prepared under direct method in accordance with IAS 7.

2.02 Accounting Convention and Assumption:

The financial statements have been prepared under the historical cost convention as modified to include the revaluation of certain fixed assets which are stated at revalued amount. Accordingly, historical cost is used to determine the monetary amounts at which the elements of the financial statements are to be recognized and carried in the statement of financial position and statement of profit or loss and other comprehensive income.

2.03 Principle Accounting Policies:

The specific accounting policies have been selected and applied by the company's management for significant transactions and events that have a material effect on the financial statement. Financial Statements have been prepared and presented in compliance with the applicable IASs and IFRSs. Previous year's figures have been re-arranged where necessary for comparison. There were no significant changes in the accounting policies and valuation policies affecting the financial position and performance of the company. However, changes (as applicable) made to the presentation are explained in the notes for the respective items.

2.04 Application of accounting Standards:

The following IAS are applicable to the financial statements for the year under review:
IAS 1 Presentation of Financial Statements
IAS 2 Inventories
IAS 7 Cash Flows Statements
IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors
IAS 10 Events after the Balance Sheet Date
IAS 12 Income Tax
IAS 16 Properties, Plant and Equipment
IAS 18 Revenue
IAS 19 Employee Benefits
IAS 21The Effects of Changes of Foreign Exchange Rates
IAS 23 Borrowing Costs
IAS 24 Related Parties Disclosure
IAS 33 Earnings per Share
IAS 36 Impairment of Assets

2.05 Valuation of Inventories:

Inventories are stated at the lower of cost or net realizable value in compliance with the requirements of Para 21 and 25 of IAS 2.

Category of Stocks		Basis of Valuation
Raw Materials and Packing Materials	:	Moving average (weighted) cost
Work in Process	:	Actual Cost
Finished Goods	:	Actual Cost
Others	:	Actual Cost

Cost comprises of the value of materials and directly attributable labor cost, depreciation and production overheads. Physical verification of inventories has been carried out annually on the last day of the financial year of business as on 30 June 2018 and valuation has been done on the basis as stated above.

2.06 Cash Flows Statements:

Cash Flows Statement has been prepared under direct method in accordance with IAS 7 'Cash Flows Statement'.

2.07 Accounting Policies, Changes in Accounting Estimates and Errors:

As per IAS 8, the preparation of financial Statements in conformity with the International Accounting Standards requires management to make judgment to estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses and for contingent assets and liabilities that require disclosure, during and at the end of the financial year under review.

During the financial year under review no remarkable change was found that make judgment to estimates and assumptions that affect the application of accounting policies and would have required reported amounts of assets, liabilities, income and expenses.

2.08 Events after the Balance Sheet Date

In compliance with the requirements of IAS 10 it may be noted that, no material transaction occurred after the balance sheet date but prior to preparation and signing of these financial statements.

2.09 Income Tax:

The company makes provision for income tax as per the requirements of the Income Tax Ordinance 1984. The applicable tax rate for the Company is 25% or 0.60 percent of Gross Receipt as per provision of Section 82C (4) of The Income Tax Ordinance 1984, whichever is higher. Provision for Deferred Tax as per the requirement by IAS 12 has been made in the financial statements. Income tax return of the company for the assessment year 2017-2018 has been duly filed but not yet assessed.

2.10 Property, Plant and Equipment:

Tangible fixed assets are accounted for according to IAS 16 Property, Plant and Equipment at historical cost less accumulated depreciation. Tangible assets are depreciated according to Reducing Balance method of depreciation.

2.11 Leases:

In compliance with the requirements of IAS 17 no financial and operating leases is accounted for during the year under review.

2.12 Revenue Recognition:

In compliance with the requirements of IAS 18 Revenue, the following principles of revenue recognition have been followed;

- Revenue receipts from customers against sales are recognized when products are dispatched to the customers, that is, when the significant risk and rewards of ownership have been transferred to the buyer, recovery of the consideration is probable, and the associated cost and possible return of goods can be estimated reliable.
- Interest income is accounted for on accrual basis.
- Dividends shall be recognized when the shareholder's right to receive payment is established.

2.13 Employee Benefits (IAS 19):

The company provides the benefits to its employees as regular salary, allowances, bonus, Provident Fund (PF), Gratuity and Worker Profit Participation Fund (WPPF). Provision at the rate of 5% has been made for Companies Profit (Workers Participation) Fund during the year. The Provision for Gratuity Fund has not been made during the current year.

2.14 The Effects of Changes of Foreign Exchange Rates:

Foreign currency transactions are recorded at the rates applicable on the date of transaction in accordance with IAS-21 (The Effects of Changes in Foreign Exchange Rates).

2.15 Borrowing Costs:

In compliance with the requirements of IAS-23 'Borrowing Costs' borrowing costs on short-term loan as retaining to operational period and overdraft facilities from Banks have been charged to statement of Profit and Loss.

2.16 Related Parties Disclosure:

In compliance with the requirements of IAS 24, the company carried out a number of transactions with related parties in the normal course of business. Related party disclosures have been made in a separate note to the accounts (Note No.11.00).

2.17 Earnings per Shares:

Earning of share (EPS) is calculated in accordance with IAS 33 'Earnings per Share' which has been shown on the face of Statement of Profit and Loss. The same has been calculated dividing profit available for ordinary shareholders by weighted average number of ordinary shares outstanding at the end of the year.

2.18 Impairment of Assets:

In compliance with the requirements of IAS 36, Impairment of Assets, the carrying amount of non-financial assets, other than inventories are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then recoverable amount of the assets is estimated and impairment losses are recognized in statements of Profit and Loss. No such indication of impairment existed on the reporting date.

2.19 Depreciation on Fixed Assets:

Depreciation is charged based on Reducing Balance method on a Quarterly Basis. Depreciation is charged on additions in available for use basis respective of the date of acquisition. Depreciation is charged at the rates varying from 2.5% to 20% depending on estimated useful lives of assets. No depreciation is charged for land.

The depreciation rate(s) are as follows:

Category of Fixed Assets	Rate (%)
Land & Land Development	0
Building	2.5-10
Plant & Machinery	10
Vehicles	20-25
Furniture & Fixtures	10
Office Equipment	10-25
Other Assets	20

2.20 Provision:

International Accounting Standards (IAS) 37 provides that, Provisions, Contingent Liabilities and Contingent Assets requires management to make estimates and assumption that affect the reported amounts of revenues, expense, assets and liabilities, and the disclosure requirements for contingent assets and liabilities during the period covered by and at the date of the financial statements.

In accordance with the requirements of IAS 37, provisions are recognized in the following situations:

- When the company has a present obligation as a result of past event.
- When it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
- Reliable estimate can be made of the amount of the obligation.

2.21 Intangible Assets:

In compliance with requirements of IAS 38 intangible assets are usually absorbed as revenue charges as and when incurred. The company has goodwill which defines as intangible assets and rest of the portion of goodwill amortized during the year.

2.22 Cash and Cash Equivalents:

Cash and Cash Equivalents include cash in hand, cash at banks, and cash in transits which are available for use by the company without any restrictions. There is an insignificant risk of change in value of the same.

2.23 Trade and Other Payable:

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

2.24 Repairs and Maintenance Charges:

These are usually charged as revenue expenditure in the period in which it is incurred.

2.25 Advertisement Expenses:

All costs associated with promotional activities are charged in the year those were incurred.

2.26 Insurance Coverage:

Assets, Inventories and materials of the company are covered by Fire Insurance Policy, Burglary and House-breaking Insurance Policy.

2.27 Revaluation Reserve:

Assets were revalued during the period of BCIC management and the balance of revaluation reserve is being carried forward in the balance sheet from that period.

2.28 Investment in Marketable Security:

Investment in Marketable Securities has been classified as "Fair value through other comprehensive income (FVOCI)" as per IFRS 9-Financial Instruments. Capital gain/loss from sale of shares has been charged in Income from Other Sources. Unrealized gain/loss has been charged in the Other Comprehensive Income.

2.29 Payable to Government (Interest):

Payable to Government (interest) represents interest payable to the Government (for the period up to 30-06-1983) on the price of 3,396 metric tons of fat given to the company out of US Relief & Rehabilitation Grant. This balance has been carried forward as long term and deferred liability since 1991-1992.

2.30 BCIC Current Account:

BCIC Current Account needed to be written off in the financial statement.

2.31 Contingent Liability:

Contingent Liability Tk.268,101,570 represents interest claimed on BCIC/Government Debentures issued by Kohinoor Chemical Company (BD) Ltd. The matter is pending with the Joint Dist. Courts, Dhaka for hearing and settlement.

2.32 Director Remuneration:

Disclosure as per requirement of schedule XI, Part II, Para 4 of Company Act 1994:
No director including independent director of the company has drawn any remuneration during the year under audit.

2.33 Payroll:

Disclosure as per requirement of schedule XI part II Para III of Company Act 1994:

Particulars	Total Person FY 2017-2018	Salary Above Tk. 5,000	Salary Bellow Tk. 5,000	Total Person FY 2016-2017
Officers	402	402	-	399
Staff	1,108	1,108	-	1,074
Workers	636	636	-	615
Total:	**2,146**	**2,146**	**-**	**2,088**

3.00 COMPLIANCE AND OTHERS:

3.01 Compliance with Local Laws:

The Financial Statements have been prepared in compliance with the requirements of The Companies Act 1994, The Securities and Exchange Rules 1987 and other relevant local laws and rules.

3.02 Compliance with International Accounting Standards (IAS)/IAS:

The Financial Statements have been prepared in compliance with the requirements of IAS/IFRS adopted by the Institute of Chartered Accounts of Bangladesh (ICAB) as IAS/IFRS and as applicable in Bangladesh.

3.03 Reporting Currency and Level of Precision:

The figures in the Financial Statements represent Bangladesh Currency (Taka), which have been rounded off to the nearest Taka except where indicated otherwise.

3.04 Comparative Information:

Comparative information has been disclosed in respect of the year 2016-2017 for all numerical information in the Financial Statements and also for the narrative and descriptive information when it is relevant for understanding of the current period's Financial Statements.

3.05 Reporting Period:

The financial period of the company covers year from 01 July 2017 to 30 June 2018 followed consistently.

3.06 Approval of Financial Statement:

The financial statements have been approved by the Board of Directors as on 31 October 2018.

4.01 PROPERTY, PLANT & EQUIPMENT: Tk. 307,824,838

The above amount has been arrived at as under:

Particulars	30-06-2018	30-06-2017
Opening Balance at 01-07-2017	774,877,477	762,088,509
Add: Addition during the year	22,710,799	14,032,484
Less: Adjustment during the year	14,139,217	1,243,516
Depreciable Value (A):	**783,449,061**	**774,877,477**
Opening Accumulated Depreciation at 01-07-2017	**462,027,986**	**439,129,414**
Add: Addition during the year	21,055,157	23,891,287
Less: Adjustment during the year	7,458,920	992,715
Accumulated Depreciation (B):	**475,624,223**	**462,027,986**
Written Down Value (A-B):	**307,824,838**	**312,849,492**

4.02 Details of fixed assets and depreciation there on are enclosed in Annexure-A/1.

4.03 During the year under audit the company management has purchased fixed assets for amounting to Tk. 22,710,799.

4.04 Depreciation for the Year: Tk. 21,055,157

Breakup of the above amount is given below:

Particulars	30-06-2018	30-06-2017
Factory Overhead	17,054,677	19,351,942
Administrative Overhead	2,316,067	2,628,042
Selling Overhead	1,684,413	1,911,303
Total Taka:	**21,055,157**	**23,891,287**

4.05 **Gain on Disposal of Property, Plant and Equipment: Tk. 199,460**
The above amount has been arrived at as under:

Original Cost	Accumulated Depreciation	Net Book Value	Sales Proceeds	Gain	
				2018	2017
557,000	509,460	47,450	247,000	199,460	616,135

4.06 7 (Seven) numbers of motorcycle were disposed of and for a gain of Tk.199,460.

5.00 GOODWILL: Tk. Nil

5.01 The above balance has been arrived at as under:

Particulars		30-06-2018	30-06-2017
Opening Balance		7,144,400	9,525,866
Less: Impairment Charge during the year		7,144,400	2,381,466
Closing Balance	**Taka:**	**-**	**7,144,400**

5.02 The valuation of goodwill has been done during period of BCIC management and since then the above amount has been appearing in the balance sheet. As such, subsequent periodic testing of goodwill to compare carrying value with fair value and determining whether there has been an impairment loss is not practical. Therefore, the Board of Directors meeting held on 12 April 2018 had decided to write-off the full amount of Goodwill for the year.

6.00 INVESTMENT IN MARKETABLE SECURITIES: Tk. 185,134,228

6.01 Breakup of the above amount is given below:

Particulars	Note	30-06-2018	30-06-2017
Investment in Marketable Security	6.02	185,126,630	147,539,625
BO Account at SJBIL		7,598	2,730
Total Taka:		**185,134,228**	**147,542,355**

6.02 Investment in Marketable Security: Tk. 185,126,630
Breakup of the above amount is given below:

Particulars	Number Of Shares	Market Value	Cost Value	
		30-06-2018	30-06-2018	30-06-2017
Beacon Pharma (Placement Share)	650000	11,570,000	6,190,476	6,190,476
National Bank Ltd.	1234316	12,096,297	24,137,280	24,137,280
Al Arafah Islami Bank Ltd.	1263400	28,679,180	26,424,663	26,426,023
Eastern Bank Ltd.	163012	5,509,806	6,720,000	6,720,000
Square Pharma	434225	127,271,348	84,065,846	84,065,846
Total Taka:		**185,126,630**	**147,538,265**	**147,539,625**

6.03 The above amounts have been classified as "Fair value through other comprehensive income (FVOCI)" and shown at market value of Tk. 185,126,630 per IFRS 9. Realized Capital gain from sale of shares during the year for an amount of Tk. 102.70 has been charged in Income from Other Sources. Unrealized gain of Tk. 37,588,366 has been charged in the Other Comprehensive Income.

7.00 **INVENTORIES: Tk. 750,731,088**

7.01 Breakup of the above amount is given below:

Particulars	Note	30-06-2018	30-06-2017
Raw Materials, Chemicals & Packing Materials	7.02	507,937,163	258,389,454
Work in Process	7.03	51,188,253	36,295,938
Finished Goods	7.04	72,638,980	78,665,637
Stores in Transit	7.05	34,799,705	30,258,045
Spares, Accessories & Stores	7.06	84,166,987	74,477,738
Total Taka:		**750,731,088**	**478,086,812**

7.02 Raw Materials, Chemicals & Packing Materials: Tk. 507,937,163

Breakup of the above amount is given below:

Particulars	30-06-2018	30-06-2017
Raw Materials:		
Soap	313,373,750	82,792,516
Cosmetic	41,077,438	32,387,334
Chemicals (Aromatic):		
Aromatic Chemical	92,828,546	88,004,192
Packing Materials:		
Soap	26,968,854	18,894,185
Cosmetic	22,202,114	25,398,886
Plant Stock:		
Aromatic Chemicals	11,486,462	10,912,341
Total Taka:	**507,937,163**	**258,389,454**

7.03 Work in Process: Tk. 51,188,253

Breakup of the above amount is given below:

Particulars	30-06-2018	30-06-2017
Raw Material of Soap	43,341,319	30,024,713
Raw Material of Detergent Powder	2,964,208	2,176,328
Raw Material of Cosmetic	4,882,726	4,094,897
Total Taka:	**51,188,253**	**36,295,938**

7.04 Finished Goods: Tk. 72,638,980

Breakup of the above amount is given below:

Particulars	30-06-2018		30-06-2017	
	Quantity (Pcs)	Amount	Quantity (Pcs)	Amount
Washing Soap	1,570,414	15,202,933	1,125,993	10,795,611
Toilet Soap	2,294,280	36,519,756	2,609,097	43,988,505
Tooth Paste	49,966	1,182,808	67,255	1,645,860
Powder	208,868	5,059,901	99,410	1,937,913
Shaving Cream	54,301	1,434,889	53,080	1,390,076
Snow/Cream	333,377	4,013,935	406,542	4,836,826
Hair Oil	24,628	1,089,796	24,079	1,034,139
Miscellaneous Cosmetics	99,851	2,152,921	117,022	3,391,073
Detergent Powder	462,729	5,622,698	678,766	8,822,895
Glycerin C.P.	4,492	103,692	23,751	567,088
Coconut Oil	5,707	255,651	5,707	255,651
Total Taka		**72,638,980**		**78,665,637**

7.05 Stores in Transit: Tk. 34,799,705

Store-in-Transit represents raw material purchased from abroad but not received till June 30, 2018. Store-in-Transit has been valued at actual cost incurred on the date of closure of the books of accounts.

7.06 Spares, Accessories & Stores: Tk. 84,166,987

Breakup of the above amount is given below:

Particulars	30-06-2018	30-06-2017
Spare & Accessories	74,734,532	67,432,917
Consumable Stores	9,432,455	7,044,821
Total Taka:	**84,166,987**	**74,477,738**

7.07 Physical inventory of all the stock & stores were conducted by the management of KCCL every end of the month. KCCL management has provided us all the store ledger and the management has valued and certified the inventory items.

7.08 Inventories are carried at the lower of cost and net realizable value as prescribed by IAS 2. Cost of inventories are determined on weighted average cost basis.

7.09 As the company deals in large number of items which vary in units, it is not feasible to disclose item-wise quantity statement of inventories.

8.00 ACCOUNTS RECEIVABLE: Tk. 2,327,760

8.01 Breakup of the above amount is given below:

Particulars	Note	30-06-2018	30-06-2017
Trade Receivable	8.02	696,310	864,675
Other Receivable	8.03	1,631,450	1,302,343
Total Taka:		**2,327,760**	**2,167,018**

8.02 Trade Receivable: Tk. 696,310

a. Breakup of the above amount is given below:

Particulars	30-06-2018	30-06-2017
Ahmedia Enterprise	10,312	10,271
Mostafa Traders	13,752	13,422
Sakil Enterprise	-	19,214
Shawapno	606,986	757,462
Others	65,260	64,306
Total Taka:	**696,310**	**864,675**

b. Aging of the above balance is given below: 696,310

Particulars	30-06-2018	30-06-2017
Below 180 days	696,310	864,675
Above 180 days	-	-
	696,310	**864,675**

Particulars	30-06-2018	30-06-2017
Accounts Receivable considered good in respect of which the company is fully secured	696,310	864,675
Accounts Receivable due by Common Management	-	-
Total Taka:	**696,310**	**864,675**

1. The above amount is receivable from distributors against sales.
2. The above receivables are considered good and covered by security deposits received from dealers.
3. No amount was due from the Directors, Managing Director and other officers of the Company and any of them or jointly with any other person.

8.03 Other Receivable: Tk. 1,631,450

Country-wise breakup of the above amount is given below:

Particulars	30-06-2018	30-06-2017
Accrued Interest on Fixed Deposit	1,631,450	1,302,343
Total Taka:	**1,631,450**	**1,302,343**

9.00 **ADVANCE, DEPOSIT & PREPAYMENTS: Tk. 471,032,537**

9.01 Breakup of the above amount is given below:

Particulars	Note	30-06-2018	30-06-2017
Advances to Employees and others	9.02	20,412,624	16,844,812
Advance against Tax	9.03	340,093,916	291,993,021
Advance against VAT & SD	9.04	110,525,997	7,137,378
Total Taka:		**471,032,537**	**315,975,211**

9.02 Advances to Employees and Others: Tk. 20,412,624

Details of the amount are given below:

Particulars	30-06-2018	30-06-2017
Advance:		
Advance against Salaries (Officer)	383,267	302,552
Advance against Salaries (Staff)	172,000	191,500
Advance against Wages (Workers)	453,541	316,041
Advance against Expenses	1,239,034	2,898,654
Advance against Supplies/ Purchase	5,821,538	6,102,978
Advance against Advertisement:		
Others	200,000	200,000
Deposit:		
Security against Telephone	26,500	26,500
Security against Electricity	5,450	5,450
Security against Gas	1,326,792	1,326,792
Other Deposits	4,376,237	4,359,981
Security against Bank Guarantee	937,363	937,363
Shipping Guarantee Margin	177,001	177,001
Advance against Motorcycle	5,293,901	0
Total Taka:	**20,412,624**	**16,844,812**

9.03 Advances against Tax: Tk. 340,093,916

The above amount has been arrived at as under:

Particulars	30-06-2018	30-06-2017
Opening Balance	291,993,021	282,469,536
Add: Addition during the year	98,673,448	51,245,813
	390,666,469	**333,715,349**
Less: AIT Adjustment during the year	(50,572,553)	(41,722,328)
Closing Balance Taka:	**340,093,916**	**291,993,021**

9.04 Advances against VAT & SD: Tk. 110,525,997

Details of the amount are given below:

Particulars	30-06-2018	30-06-2017
VAT on Import	107,031,029	0
VAT on Local Purchase	3,494,968	400
Deposit against SD	0	500,000
Deposit against VAT	0	6,636,978
Total Taka:	**110,525,997**	**7,137,378**

10.00 SHORT TERM INVESTMENT (FDR): Tk. 30,086,724

10.01 Breakup of the above amount is given below:

Particulars	FDR No.	30-06-2018	30-06-2017
The National Bank Ltd.	No.0103341/22132	21,718,436	20,705,385
The National Bank Ltd.	No.0103209/20846	2,885,413	2,751,701
The National Bank Ltd.	No.0103244/21191	2,050,256	1,947,605
Shahjalal Islami Bank Ltd.	No.1038/53300001650	3,382,619	3,225,459
Agrani Bank Ltd.	No.0249744/24103	50,000	50,000
Total Taka:		**30,086,724**	**28,680,150**

10.02 Details are shown in Annexure A/2.

11.00 RELATED PARTY TRANSACTION: Tk. 3,793,304

During the year, the Company carried out number of transactions with related parties in the normal course of business on an arm's length basis. Name of those related parties, nature of those transactions and their total value has been shown in the below table in accordance with IAS-24 "Related Party Disclosures": Breakup of the above amount is given below:

Particulars	Relationship	Nature of Transaction	30-06-2018	30-06-2017
Orion Infusion Ltd.	Sister-Concern	Inter-trade	1,235,592	1,335,158
Orion Pharma Ltd.			2,557,712	2,555,444
		Total Taka:	**3,793,304**	**3,890,602**

12.00 CASH AND CASH EQUIVALENTS: Tk. 183,199,401

12.01 Breakup of the above amount is given below:

Particulars	Note	30-06-2018	30-06-2017
Cash in Hand (Including All Depots)	12.02	11,805,792	6,853,534
Cash at Bank	12.03	63,456,193	68,707,560
Cash in Transit	12.04	107,937,416	158,912,606
Total Taka:		**183,199,401**	**234,473,700**

12.02 Cash in Hand: Tk. 11,805,792

a. Breakup of the above amount is given below:

Particulars	30-06-2018	30-06-2017
Head Office	11,771,152	6,818,894
Chittagong Depot	6,640	6,640
Khulna Depot	7,000	7,000
Bogra Depot	7,000	7,000
Barisal Depot	7,000	7,000
Sylhet Depot	7,000	7,000
Total Taka:	**11,805,792**	**6,853,534**

b. The management through balance confirmation certificate has confirmed the above balance as on 30 June 2018. Our audit team physically verified the cash balance as on June 30, 2018 and has found the exact amount in hand.

12.03 Cash at Bank: Tk. 63,456,193

Breakup of the above amount is given below:

Particulars	Account No.	30-06-2018	30-06-2017
Agrani Bank, Tejgaon Branch	STD-692988 (313)	306,023	298,322
Agrani Bank, Ramna Branch	STD-104332 (336)	0	416,639
Agrani Bank, Ramna Branch	STD-104270 (397)	0	683,914
Agrani Bank, Ramna Branch	CD-105365 (92015)	37,823	39,973
National Bank Ltd., Karwan Bazar Br.	SND-339	1,000,375	968,797
Shahjalal Islami Bank, Dhaka	Main A/C MSND-0061	24,961,584	28,749,933
Shahjalal Islami Bank, Dividend	MSND-151	158,026	260,367
Shahjalal Islamai Bank, Dividend	MSND-410	8,411,598	7,019,705
Islami Bank (Bd.) Ltd., Kawran Bazar Br.	CD-80203	0	306,526
BRAC Bank, Gulshan Br. Dhaka	Saving-769159001	5,106,465	2,679,961
Islami Bank (Bd.) Ltd., Kawran Bazar	MSND-6209	1,237,590	1,413,238
Al-Arafaha Islami Bank	MSND-4901	0	1,056
Shahjalal Islami Bank, Fraction	BO A/C SND-2652	1,082,322	563,644
Modhumati Bank, Motijheel Br.	SND-025	0	107,352
UCBL, Tejgaon Br.	SND-170	17,387,766	23,567,809
Shahjalal Islami Bank (KCCL WPPF)	SND-2748	3,661,140	1,630,323
State Bank of India	CD-05420503920201	105,480	0
Total Taka:		**63,456,193**	**68,707,560**

12.04 Cash in Transit: Tk. 107,937,416

Breakup of the above amount is given below:

Name of Office	30-06-2018	30-06-2017
Central Depot	24,952,683	61,706,859
Chittagong Depot	10,659,407	6,354,283
Khulna Depot	32,985,070	33,712,103
Bogra Depot	15,881,597	35,299,852
Barisal Depot	14,404,291	13,042,458
Sylhet Depot	9,054,368	8,797,051
Total Taka:	**107,937,416**	**158,912,606**

13.00 SHARE CAPITAL: Tk. 140,156,250

13.01 Authorized Capital: Tk. 500,000,000

Authorized capital consists of 50,000,000 ordinary shares of Tk. 10 each.

13.02 Issued, Subscribed, Called-up and Paid-up Capital: Tk. 140,156,250

a. The above amount represents the value of 14,015,625 shares of Tk.10 each fully paid up.

Particulars	30-06-2018	30-06-2017
5,000,000 Ordinary Shares of Taka 10 each issued for cash	50,000,000	50,000,000
9,015,625 Ordinary Shares of Taka 10 each issued as fully paid-up Bonus shares	90,156,250	71,875,000
Total Taka:	**140,156,250**	**121,875,000**

b. The movement of issued shares during the year 2017-2018 is as follows:

Particulars	Number of Shares	Amounts
Shares as on 30 June 2018	14,015,625	140,156,250
Total Taka:	**14,015,625**	**140,156,250**

c. Composition of Shareholding:

Category of Shareholder	30-06-2018			30-06-2017		
	No. of Share	No. of Shareholders	% of Total Shares	No. of Share	No. of Shareholders	% of Total Shares
Sponsors/Directors	6,829,106	6	48.72%	5,938,353	6	48.72%
Institutions	2,016,656	139	14.39%	1,971,937	1	16.18%
General Public	5,169,863	6,111	36.89%	4,277,210	6,434	35.10%
Total:	**14,015,625**	**6,256**	**100%**	**12,187,500**	**6,441**	100%

d. The sponsors/directors' shareholding positions of the company are as under:

Sl. No.	Particulars	Numbers of Shares 30-06-2018	Numbers of Shares 30-06-2017
01.	Mr. Mohammad Obaidul Karim	3,006,351	2,614,218
02.	Mr. Rezaul Karim	506,178	440,155
03.	Mr. Md. Ebadul Karim	1,096,991	953,905
04.	Mrs. Arzuda Karim	817,109	710,530
05.	Mrs. Nurun Nahar	701,352	609,871
06.	Mrs. Shirin Akhter	701,125	609,674
	Total:	**6,829,106**	**5,938,353**

e. Position of holding shares as on June 30, 2018 is as follows:

Range of Holdings	No. of Shareholders	No. of Shares	% of Holding 2018	% of Holding 2017
Less than 500 Shares	5687	821,260	5.86%	6.75%
501 to 5,000 Shares	512	649,576	4.63%	4.50%
5,001 to 10,000 Shares	23	147,445	1.05%	0.52%
10,001 to 20,000 Shares	8	109,306	0.78%	0.93%
20,001 to Above	26	12,288,038	87.67%	87.30%
Total:	**6,256**	**14,015,625**	**100.00%**	**100.00%**

14.00 REVALUATION RESERVE: Tk. 7,143,605

The company was revalued during BCIC management and the above balance is being carried forward in the financial statement from year to year.

15.00 RETAINED EARNINGS: Tk. 542,989,305

The above amount has been arrived at as under:

Particulars	30-06-2018	30-06-2017
Opening Balance	425,054,997	308,728,142
Add: Profit during the year	154,496,808	146,795,605
	579,551,805	**455,523,747**
Less: Dividend for the year	(36,562,500)	(30,468,750)
Closing Balance Taka:	**542,989,305**	**425,054,997**

16.00 LONG TERM LOAN: Tk. 326,089,784

16.01 Breakup of the above amount is given below:

Particulars	Note	30-06-2018	30-06-2017
Debenture	16.02	287,500,000	287,500,000
Payable to Govt. (Interest)	16.03	38,589,784	38,589,784
Total Taka:		**326,089,784**	**326,089,784**

16.02 Debenture: Tk. 287,500,000

Breakup of the above amount is given below:

Particulars	Rate of Interest	30-06-2018	30-06-2017
Govt. of Bangladesh	13.50%	103,500,000	103,500,000
BCIC	13.50%	184,000,000	184,000,000
Total Taka:		**287,500,000**	**287,500,000**

16.03 Payable to Government (Interest): Tk. 38,589,784

The above amount represents interest payable to the Government (for the period prior up to 30-06-1983) on the price of 3,396 metric tons of fat given to the company out of US Relief & Rehabilitation Grant. This balance has been carried forward as long term and deferred liability since 1991-1992.

16.04 The above long term loan was taken from Government since long. The loan facility was not taken from a lending institution, as such, current/non–current classification as per IAS 1 is not required.

17.00 SHORT TERM LOAN: Tk. 142,909,410

17.01 Breakup of the above amount is given below:

Particulars	Notes	30-06-2018	30-06-2017
Agrani Bank Ltd., Ramna Br. A/C No. 833887 (21)	17.02	120,877,245	1,667,281
Standard Bank Ltd., Gulshan Branch A/C No. 471	17.03	(780)	(780)
Shahjalal Islami Bank Ltd., Dhaka Main Br.		0	20,065,000
United Commercial Bank Ltd., Tejgaon Br. A/C No. OD-068	17.04	9,953,691	150,893
National Bank Ltd., Kawran Bazar Br., A/C No. SOD- 2572	17.05	12,079,254	9,006,146
Total Taka:		**142,909,410**	**30,888,539**

17.02 CC (Hypo) - Agrani Bank Limited: Tk. 120,877,245

Short term loan:

Purpose : Working Capital
Sanction Limit : Tk. 400,000,000
Interest rate : 10.50 %-14%

17.03 CC (Hypo) - Standard Bank Limited: Tk. (780)

Short term loan:

Purpose : Working Capital
Sanction Limit : Tk. 350,000,000
Interest rate : 10 %.

17.04 OD/CC - United Commercial Bank Limited: Tk. 9,953,691

Short term loan:

Purpose : Working Capital
Sanction Limit : Tk. 780,000,000
Interest rate : 9 %-9.50%

17.05 OD FO - National Bank Limited: Tk. 12,079,254

Continuous Loan:

Purpose : Working Capital
Sanction Limit : Tk. 14,000,000
Interest rate : 8.25%- 9.50%.

18.00 SUNDRY CREDITORS: Tk. 313,551,201

18.01 Breakup of the above amount is given below:

Particulars	Note	30-06-2018	30-06-2017
Creditors for Goods Supply	18.02	190,562,250	289,373,614
Creditors for Other Finance	18.03	21,256,261	20,618,852
Creditors for Expenses	18.04	62,181,222	55,814,091
Advance against Sales	18.05	709,795	728,641
BCIC Current Account	18.06	15,990,426	15,990,426
Creditors for Security Deposits		22,851,247	22,215,314
Total Taka:		**313,551,201**	**404,740,938**

AMAR STOCK

18.02 Creditors for Goods Supply: Tk. 190,562,250

Breakup of the above amount is given below:

Particulars	30-06-2018	30-06-2017
J M S Glass Industries	4,638,107	6,093,041
Polycon Ltd.	5,934,144	6,422,144
S.S. Packaging Industries Ltd.	0	8,454,841
Plasticon	4,853,322	12,026,000
The Merchants Ltd.	5,654,161	15,953,372
Bay Fishing Corporation Ltd.	0	39,111,599
Maritime Entrepreneurs (Pvt.) Ltd.	0	3,500,000
Hi-Tec Printing & Packaging Ltd.	7,919,794	11,259,395
Dana Engineering Int.	238,829	429,121
Golden Trading Co.	10,770,678	32,104,227
Unicorn Ind. Ltd.	8,140,386	5,737,051
Elite Printing & Packaging Ltd.	4,788,322	7,703,263
Padma Lamitube Ltd.	4,491,212	1,775,318
Sunimex Corporation	2,965,000	12,493,000
Union Chemicals	1,184,111	965,111
Kalyar Replica Ltd.	8,518,616	9,885,247
Karim Salt Crushing & R. Ind.	163,400	2,113,400
Piticon Industries	0	1,424,840
NRG Printing & Packaging	8,618,664	13,366,828
Zon Ron Ltd.	0	9,968,954
Laboni Chemical	0	4,133,512
Others	111,412,096	83,887,286
Creditors for Goods Supply (Spot Purchase)	271,408	566,064
Total Taka:	**190,562,250**	**289,373,614**

18.03 Creditors for Other Finance: Tk. 21,256,261

Breakup of the above amount is given below:

Particulars	30-06-2018	30-06-2017
Factory Union Fee	18,494	7,464
Salary Tax Deduction from Employees	119,890	403,578
Workers' Profit Participation Fund	11,373,384	11,151,128
Deduction of Tax at Source	2,245,615	5,524,550
Provision for Revenue Stamp	113,150	90,640
20% Reserve Fund for WPPF	3,572,035	1,607,675
Employees Contribution to P.F.	367,206	0
VAT deduction at Source	3,320,239	0
Others	126,248	1,833,817
Total Taka:	**21,256,261**	**20,618,852**

18.04 Creditors for Expenses: Tk. 62,181,222

Breakup of the above amount is given below:

Particulars	30-06-2018	30-06-2017
Provision for Gas	4,011,984	3,618,299
Provision for Electric Bill	925,646	769,754
Provision for Legal & Professional Fees	50,000	50,000
Provision for C&F Bill	1,333,277	803,485
Income Tax Provision	55,493,109	50,572,553
Provision for Employers Contribution to P.F.	367,206	0
Total Taka:	**62,181,222**	**55,814,091**

18.05 Advances against Sales: Tk. 709,795

Breakup of the above amount is given below:

Particulars	30-06-2018	30-06-2017
Narayon Store	50,645	51,253
P.P. Enterprise	51,693	50,365
Rokeya Enterprise	101,285	101,440
Howlader Store	101,324	102,455
Others	404,848	423,128
Total Taka:	**709,795**	**728,641**

18.06 BCIC Current Account: Tk. 15,990,426

The above amount represents accumulated balance of BCIC current account as on June' 30, 2018 and the amount is subject to confirmation.

19.00 ACCRUED LIABILITES: Tk. 362,284,032

Breakup of the above amount is given below:

Particulars	30-06-2018	30-06-2017
Liabilities for Payment against Import	362,284,032	155,485,384
Total Taka:	**362,284,032**	**155,485,384**

20.00 DIVIDEND PAYABLE: Tk. 15,024,180

The above amount has been arrived at as under:

Particulars	30-06-2018	30-06-2017
Opening Balance	13,733,281	12,744,898
Add: 15% Cash Dividend for the year	18,786,012	11,344,157
	32,519,293	24,089,055
Less: Dividend paid during the year	(17,495,112)	(10,355,774)
Closing Balance Taka:	**15,024,180**	**13,733,281**

21.00 PROVISION FOR GRATUITY: Tk. 15,963,367

21.01 The above amount has been arrived at as under:

Particulars		30-06-2018	30-06-2017
Opening Balance		16,780,235	17,241,893
Add: Addition during the year		0	0
		16,780,235	17,241,893
Less: Paid during the year		(816,868)	(461,658)
Closing Balance	**Taka:**	**15,963,367**	**16,780,235**

21.02 The company has an approved gratuity scheme which covers all permanent employees who meet eligibility requirements. The company has determined an amount of Tk. 15,963,367 as actual liability as on 30 June 2018. During the year under audit, no provision has been made.

22.00 DEFERRED TAX LIABILITY: Tk. 30,430,380

22.01 The above amount has been arrived at as under:

Particulars	30-06-2018	30-06-2017
Carrying value of Fixed Assets as Accounting base	195,175,125	200,199,779
Carrying value of Fixed Assets as Tax base	74,690,019	84,127,873
Less: Adjustments during the year	(1,236,415)	0
	73,453,604	84,127,873
Temporary Difference:	121,721,521	116,071,906
Deferred Tax Liability @ 25.00%	**30,430,380**	**29,017,977**

22.02 Deferred Tax Liabilities has been recognized in accordance with the provision of IAS 12 "Income Taxes" based on temporary differences arising due to differences in the carrying amount of assets or liabilities and its tax base.

23.00 CONTINGENT LIABILITY: Tk. 268,101,570

Contingent Liability Tk.268,101,570 represents interest claimed on BCIC/Government Debentures issued by Kohinoor Chemical Company (BD) Ltd. The above balance has been carried forward since long and remains pending with the honorable Judge Court for hearing and settlement. The Government of the People's Republic of Bangladesh represented by the Secretary, Ministry of Industries and Bangladesh Chemical Industries Corporation (BCIC) represented by the Chairman has filed Money Suit No. 31/2009 in the 4th Joint Dist. Court, Dhaka for recovery of money against Debentures issued to it by Kohinoor Chemical Co. (BD) Ltd. Kohinoor Chemical Co. (BD) Ltd. has also filed Title Suit No. 194/2013 in the 6th Joint District Court, Dhaka against wrong claim of Bangladesh Chemical Industries Corporation (BCIC). Both the cases are pending in the above courts for hearing and settlement.

24.00 TURNOVER (Net of VAT): Tk. 3,661,324,088

24.01 Breakup of the above amount is given below:

Particulars	30-06-2018	30-06-2017
Local Sales:		
Washing Soap	660,921,567	592,318,440
Toilet Soap	1,759,543,258	1,921,370,072
Snow & Cream	157,347,277	122,318,331
Tooth Paste	11,362,855	9,477,308
Powder	139,569,759	102,121,752
Hair Oil	70,548,151	56,386,221
Shaving Cream	14,557,646	15,335,506
Coconut Oil	0	47,984
Detergent Powder	1,364,756,024	1,063,218,557
Misc.	54,563,583	37,418,549
Gross Sales:	**4,233,170,120**	**3,920,012,720**
Less: VAT & SD	571,846,032	526,827,264
Total Taka:	**3,661,324,088**	**3,393,185,456**

24.02 This represents Sale of 188,357,968 products in 2017-2018, as against Sale of 177,503,243 products in 2016-2017

25.00 COST OF GOODS SOLD: Tk. 3,003,180,758

25.01 Breakup of the above amount is given below:

Particulars	30-06-2018	30-06-2017
Materials Consumed (Note-25.02)	2,735,919,762	2,735,919,762
Factory Overhead (Note-25.03)	276,126,653	276,126,653
Total Manufacturing Cost	**3,012,046,415**	**3,012,046,415**
Add: Opening Work-in-Process	36,295,938	36,295,938
Total Work-in-Process	**3,048,342,353**	**3,048,342,353**
Less: Closing Work-in-Process (Note-25.04)	51,188,253	51,188,253
Cost of Production	**2,997,154,100**	**2,997,154,100**
Add: Opening Finished Goods	78,665,638	78,665,638
Finished Goods available for Sale	**3,075,819,738**	**3,075,819,738**
Less: Closing Finished Goods (Note-25.05)	72,638,980	72,638,980
Cost of Goods Sold Taka:	**3,003,180,758**	**3,003,180,758**

25.02 Materials Consumed (Raw & Packing Material): Tk. 2,735,919,762

Purchase, issues and stock of raw materials and packing materials involve production of 5,108,613 Pcs finished goods in 2017-2018 as against 5,210,702 Pcs in 2016-2017. The measurement is in different units via kilogram, liter, pieces etc. In view of different units, the following table has been presented in value only:

Particulars	Opening Balance	Purchase for the year	Closing Balance	Materials Consumed during the year
Raw Materials	203,184,041	2,613,663,535	447,279,732	2,369,567,844
Packing Materials	44,293,072	371,229,811	49,170,966	366,351,918
Total Taka:	**247,477,113**	**2,984,893,346**	**496,450,698**	**2,735,919,762**
Pr. Year's Taka:	**556,374,384**	**2,245,033,229**	**247,477,113**	**2,553,930,500**

As per Part II of Schedule XI of the Companies Act 1994, the quantities of raw materials, purchase and stock should be expressed in quantitative denomination. However, disclosure of such information is not feasible as the company deals with large number of products both locally made and imported.

25.02.01 Closing Raw & Packing Material: Tk. 496,450,698

Breakup of the above amount is given below:

Particulars	30-06-2018	30-06-2017
Closing Raw & Packing Material	496,450,698	247,477,113
Total Taka:	**496,450,698**	**247,477,113**

25.03 Factory Overhead: Tk. 276,126,653

Breakup of the above amount is given below:

Particulars	30-06-2018	30-06-2017
Factory Overhead (Variable):		
Gas & Fuel for Generator	44,035,056	37,537,127
Electricity	12,274,654	9,161,424
Oil & Lubricants	3,242,156	2,991,535
Spares & Accessories	42,513,930	38,721,300
Store Consumed	25,301,437	24,687,040
Repair & Maintenance	913,900	1,000,575
Other Overhead	669,985	654,359
Factory Overhead (Fixed):		
Direct Factory Wages & Allowances	87,374,264	74,523,354
Factory Salaries & Allowances	32,225,465	30,701,774
Electricity, Gas & WASA	5,769,960	5,723,832
Repair & Maintenance	165,090	147,778
Depreciation	17,054,677	19,351,942
Other Factory Overhead (Note- 25.03.01)	4,586,079	3,921,363
Total Taka:	**276,126,653**	**249,123,403**

25.03.01 Other Fixed Factory Overhead: Tk. 4,586,079

Breakup of the above amount is given below:

Particulars	30-06-2018	30-06-2017
Repair & Maintenance (Factory Building)	2,844,860	2,237,745
Conveyance	829,838	800,011
Printing	139,938	138,483
Office Stationery	379,921	376,613
Medical Expenses	391,522	368,511
Total Taka:	**4,586,079**	**3,921,363**

25.04 Closing Working– In- Process: Tk. 51,188,253

Breakup of the above amount is given below:

Particulars	30-06-2018	30-06-2017
Raw Material of Soap	43,341,319	30,024,713
Raw Material of Detergent Powder	2,964,208	2,176,328
Raw Material of Cosmetic	4,882,726	4,094,897
Total Taka:	**51,188,253**	**36,295,938**

25.05 Closing Finished Goods: Tk. 72,638,980

Breakup of the above amount is given below:

Particulars	30-06-2018	30-06-2017
Washing Soap	15,202,933	10,795,611
Toilet Soap	36,519,756	43,988,505
Tooth Paste	1,182,808	1,645,860
Powder	5,059,901	1,937,913
Shaving Cream	1,434,889	1,390,076
Snow/Cream	4,013,935	4,836,826
Hair Oil	1,089,796	1,034,139
Miscellaneous Cosmetics	2,152,921	3,391,072
Detergent Powder	5,622,698	8,822,896
Glycerin C.P.	103,692	567,088
Coconut Oil	255,651	255,651
Total Taka:	**72,638,980**	**78,665,637**

26.00 GENERAL & ADMINISTRATIVE EXPENSES: Tk. 59,044,957

Breakup of the above amount is given below:

Particulars	30-06-2018	30-06-2017
Salaries & Allowances:		
Staff	17,367,096	14,727,959
Officers	25,648,058	23,778,909
Entertainment	299,800	256,000
Insurance Premium	1,244,187	1,514,851
Legal & Professional Fees	151,150	165,000
Printing	300,746	288,448
Office Stationery	346,420	333,822
News Papers & Magazine	110,225	107,315
Postage, Telegram, Telephone, Telex	278,831	275,680
Renewals, Rates & Taxes	1,222,030	1,830,089
Conveyance	1,282,439	1,239,736
Vehicle Running Expenses (Fuel)	2,714,342	2,653,491
Repair & Maintenance (Vehicles)	1,700,083	1,696,620
Audit Fee	230,000	220,000
A.G.M Expenses	450,000	450,000
Depreciation	2,316,067	2,628,042
Drinking Water	109,520	105,330
IT & Software Maintenance	1,929,560	2,167,721
Repair & Maintenance (General)	450,103	444,437
Land Revenue	894,300	0
Total Taka:	**59,044,957**	**54,883,450**



AMAR STOCK

27.00 MARKETING, SELLING & DISTRIBUTION EXPENSES: Tk. 369,289,894

Breakup of the above amount is given below:

Particulars	30-06-2018	30-06-2017
Salaries & Allowances:		
Officers	84,359,042	78,608,142
Staff	124,209,420	111,174,118
Entertainment	807,709	777,010
Carriage Outward	20,704,960	19,530,190
Publicity & Advertisement	122,293,850	117,728,068
Printing	299,429	297,075
Office Stationery	282,313	279,756
Conveyance	972,015	925,328
Electricity	97,961	101,923
Telephone	74,902	97,240
Postage & Telegram	169,756	166,920
Rates & Taxes	412,398	820,078
Rent	2,190,000	2,409,000
Insurance Premium	441,876	527,352
DD Commission	1,408,997	1,528,996
Newspaper & Magazine	17,980	17,920
Repair & Maintenance (Vehicles)	2,487,660	2,411,368
Vehicle Running Expenses (Fuel)	5,798,678	5,517,145
Loading & Unloading	467,985	425,538
Drinking Water	108,550	107,880
Depreciation	1,684,413	1,911,303
Total Taka:	**369,289,894**	**345,362,350**

28.00 FINANCIAL EXPENSES: Tk. 7,637,229

Breakup of the above amount is given below:

Particulars	30-06-2018	30-06-2017
Interest on Bank Loan	6,894,849	5,517,743
Bank Charges & Commission	742,380	2,242,023
Total Taka:	**7,637,229**	**7,759,766**

29.00 INCOME FROM OTHER SOURCES: Tk. 6,945,587

Breakup of the above amount is given below:

Particulars	30-06-2018	30-06-2017
Interest	3,302,223	3,267,905
Gain/(Loss) on Sale of Fixed Assets	199,460	616,135
Gain/(Loss) on Sale of Marketable Security	103	(483)
Dividend Income of Marketable Security	3,443,802	3,967,520
Total Taka:	**6,945,587**	**7,851,077**

30.00 CONTRIBUTION TO WORKERS PROFIT PARTICIPATION FUND (WPPF) AND WELFARE FUND: Tk. 10,570,116

30.01 Breakup of the above amount is given below:

Particulars	30-06-2018	30-06-2017
Contribution to WPPF and Welfare Fund	10,570,116	9,821,797
Total Taka:	**10,570,116**	**9,821,797**

30.02 As per provisions of Section 234 of the Bangladesh Labor Law 2006, 5% of net profit before tax is contributed to the above fund in the following proportions:

Particulars	Proportion	2017-2018
Contribution to Participatory Fund	80%	8,456,092
Contribution to Welfare Fund	10%	1,057,012
Contribution to Workers Welfare Foundation Fund	10%	1,057,012
	Total Taka:	**10,570,116**

31.00 PROVISION FOR INCOME TAX: Tk. 55,493,109

Breakup of the above amount is given below:

Particulars	Tax Rate	Income for the FY 2017-2018	Income Tax 2017-2018
Net Profit before WPPF & Tax excluding Income from Marketable Securities	25%	221,972,437	55,493,109
Dividend Income (Net of Tax)		3,443,802	0
Total Taka		**225,416,239**	**55,493,109**

32.00 DEFERRED TAX INCOME/ (EXPENSE): Tk. (1,412,404)

The above amount has been arrived at as under:

Particulars	30-06-2018	30-06-2017
Opening Balance	29,017,977	29,950,199
Less: Closing Balance during the year (Note-22.00)	30,430,380	29,017,977
Total Taka:	**(1,412,404)**	**932,223**

33.00 EARNINGS PER SHARE (EPS): Tk. 11.02

33.01 The above amount has been arrived at as under:

Particulars	30-06-2018	30-06-2017
Earnings attributable to Ordinary Shareholders	154,496,808	146,795,605
Weighted Average number of Ordinary Shares Outstanding (Note-33.02)	14,015,625	14,015,625
Diluted Earnings Per Share (EPS):	**11.02**	**10.47**

33.02 Calculation of Weighted Average ordinary shares outstanding during the year:

Particulars	No. of Shares	Fraction of Period	Bonus Fraction	Weighted Average Number of Shares	
				2017-2018	2016-2017
01 July 2017 to 14 December 2017	12,187,500	5.5/12	1.15	6,423,828	12,187,500
15 December 2017 to 30 June 2018	14,015,625	6.5/12		7,591,797	1,828,125
Total Restated Weighted Average ordinary shares:				**14,015,625**	**14,015,625**

33.03 The Board of Directors had recommended 15% Stock Dividend (i.e. Bonus Shares) for the year ended on June 30, 2017. Date of AGM: 14.12.2017. As such, Earnings per Share (EPS) has been computed by dividing the basic earnings by the Weighted Average number of ordinary shares outstanding as of 30 June 2018 in terms of International Accounting Standard (IAS-33). According to IAS-33, EPS for the year ended 30 June 2017 was restated for the issues of Bonus Share of 2017.

34.00 CLAIMS AGAINST THE COMPANY NOT ACKNOWLEDGED AS DEBT:

None as on 30.06.2018

35.00 CLAIMS AGAINST THE COMPANY NOT ACKNOWLEDGED AS RECEIVABLE:

None as on 30.06.2018

36.00 CREDIT FACILITIES NOT AVAILED:

There is no credit facility available of the Company that was not availed as on 30.06.2018 under any contract, other than those mentioned in the financial statements arising in the ordinary course of business.

37.00 DISCLOSURES AS PER REQUIREMENT OF SCHEDULE XI, PART II OF THE COMPANIES ACT, 1994:

37.01 Employee Position of Kohinoor Chemical Company (BD) Ltd. as per requirement of Schedule XI, Part II, Para 3:

The company engaged 2,146 (2,088 in 2017) permanent employees as required. All employees received total salary of above Tk. 5,000 per annum.

37.02 Capacity Utilization:

Production capacity and current utilization as required by the Companies Act 1994, Schedule-XI, Para-7. Actual production and utilization for major products groups are as follows:

Sl. No.	Major product Group/Unit	Capacity (In Metric Ton)	2017-2018		2016-2017	
			Actual Production (In Metric Ton)	Utilization (%)	Actual Production (In Metric Ton)	Utilization (%)
1	Washing Soap	14,500	6,899.78	47.58%	6,324.55	43.62%
2	Toilet Soap	20,500	6,535.74	31.88%	7,098.04	34.62%
3	Tooth Paste	125	27.46	21.97%	24.35	19.48%
4	Powder	400	360.57	90.14%	268.47	67.12%
5	Shaving Cream	110	31.31	28.46%	32.18	29.25%
6	Snow/Cream	500	176.38	35.28%	127.84	25.57%
7	Hair Oil	175	110.40	63.09%	80.90	46.23%
8	Miscellaneous Cosmetics	100	59.12	59.12%	51.10	51.10%
9	Detergent Powder	19,000	15,502.85	81.59%	12,089.32	63.63%
10	Glycerin C.P.	100	23.12	23.12%	17.53	17.53%
11	Coconut Oil	50	0	0%	0	0%
	Total	**55,560**	**29,726.72**		**26,114.27**	

38.00 EVENTS AFTER THE REPORTING PERIOD:

The Board of Directors in their meeting held on 31 October 2018 have recommended cash dividend @ 10% per share of Taka 1.00 each and Stock dividend @ 20% per share aggregating Taka 4,20,46,875.00 for the year ended 30 June 2018 subject to approval of the shareholders in the Annual General Meeting scheduled to be held on 10 December 2018. The financial statements for the year ended 30 June 2018 do not include the effects of the above dividend which will be accounted for in the period when shareholders' right to receive the payment will be established.

Except for the fact above, there is no material adjusting events after the reporting date that came to the management attention which may require disclosure to the stakeholders.

39.00 FINANCIAL RISK MANAGEMENT:

The management of the company has overall responsibility for the establishment and oversight of the company's risk management framework. Risk management policies, procedures and systems are reviewed regularly to reflect changes in market conditions and the company's activities. The company has exposure to the following risks for its use of financial instruments.

39.01 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. Management has a credit policy in place and exposure to credit risk is monitored on an ongoing basis. As at 30 June 2018 all of the Trade receivables are due for less than 180 days and subject to insignificant credit risk. Risk exposures from other financial assets. i.e. Cash at bank and other external receivables are nominal.

39.02 Liquidity Risk:

Liquidity risk is the risk that the company will not be able to meet its financial obligations as they fall due. The company's approach to managing liquidity (cash and cash equivalents) 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. Typically, the company ensures that it has sufficient cash and cash equivalent to meet expected operational expenses including financial obligations through preparation of the cash flow forecast with due consideration of time line of payment of the financial obligation and accordingly arrange for sufficient liquidity/fund to make the expected payment within due date. In extreme stressed conditions the company may get support from the related company in the form of short term financing.

39.03 Market Risk:

Market risk is the risk that any change in market prices such as foreign exchange rates and interest will affect the company's income or the value of its holdings financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters.

(a) Currency risk:

The company is exposed to currency risk on certain purchases since the company imports materials and machineries from abroad, unfavorable volatility of currency fluctuation may affect the profitability of the Company. The products of the company are sold in local currency and so will have no impact due to volatility of exchange rates.

(b) Interest rate risk:

Interest rate risk is the risk that arises due to changes in interest rates on borrowings. At present the Company has no borrowings which is subject to significant interest rate risk.



Annexure-A/1

KOHINOOR CHEMICAL COMPANY (BANGLADESH) LTD.

FIXED ASSETS SCHEDULE
AS AT 30 JUNE 2018

Sl. No.	PARTICULARS	VALUE AT COST				DEPRECIATION					Written Down Value
		Opening Balance	Addition for the year	Adjust for the year	Total Cost	Opening Balance	Rate	For the year	Adjustment	Accumulated	
1	Land & Land Develop.	112,649,713	0	0	112,649,713	0	0	0	0	0	112,649,713
2	Building	83,456,869	0	0	83,456,870	56,953,141	2.5%-10%	1,477,171	0	58,430,311	25,026,558
3	Plant & Machinery	473,268,980	22,366,099	0	495,635,081	332,740,245	10%	14,278,239	0	347,018,484	148,616,597
4	Vehicles	76,868,839	0	14,139,217	62,729,622	49,199,555	20%-25%	4,640,157	7,458,920	46,380,792	16,348,830
5	Furniture & Fixtures	6,061,428	0	0	6,061,428	5,595,415	10%	49,220	0	5,644,636	416,793
6	Office Equipment	10,433,512	99,400	0	10,532,911	9,397,077	10%-25%	206,951	0	9,604,028	928,884
7	Other Assets	12,138,136	245,300	0	12,383,436	8,142,554	20%	403,419	0	8,545,973	3,837,463
	Total Taka:	**774,877,477**	**22,710,799**	**14,139,217**	**783,449,061**	**462,027,986**		**21,055,157**	**7,458,920**	**475,624,223**	**307,824,838**
	Pr. Year's Taka:	**762,088,509**	**14,032,484**	**1,243,516**	**774,877,477**	**439,129,414**		**23,891,287**	**992,715**	**462,027,986**	**312,849,492**

Allocation of Depreciation:

Particulars	Proportion	Amount
Factory Overhead	81%	17,054,677
Administrative Overhead	11%	2,316,067
Selling, Marketing & Distribution Expenses	8%	1,684,413
Total:	**100%**	**21,055,157**

KOHINOOR CHEMICAL COMPANY (BANGLADESH) LTD.

FIXED DEPOSIT SCHEDULE
AS AT 30 JUNE 2018

Sl. No.	Name of Bank	FDR No.	Date of Issue	Date of Maturity	Interest Rate	Opening Balance	Interest Income		Closing Balance
							Addition during the year	Accrued during the year	
01.	The National Bank Ltd., Kawran Bazar Br.	0103341/22132	14-08-2005	14-08-2018	6.75%	20,705,385	1,013,051	1,282,745	21,718,436
02.	The National Bank Ltd. Kawran Bazar Br.	0103209/20846	11-12-2005	11-12-2018	7.30%	2,751,701	133,712	114,094	2,885,413
03.	The National Bank Ltd., Kawran Bazar Br.	0103244/21191	04-02-2006	04-02-2019	7.50%	1,947,605	102,652	64,071	2,050,256
04.	Shahjalal Bank Ltd., Main Branch	1038/53300001650	05-08-2003	05-08-2018	5.50%	3,225,459	157,160	170,540	3,382,619
05.	Agrani Bank Ltd., Tejgaon Branch	0249744/24103	11-09-2005	11-09-2018	0%	50,000	0	0	50,000
					Total Taka:	**28,680,150**	**1,406,575**	**1,631,450**	**30,086,724**