

**AUDITORS' REPORT  
AND  
STATEMENT OF ACCOUNTS  
OF**

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**ZEAL BANGLA SUGAR MILLS LTD**

**Dhaka**

**For the year ended 30 June, 2018**

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**মালেক সিদ্দিকী ওয়ালী**  
**MALEK SIDDIQUI WALI**  
**CHARTERED ACCOUNTANTS**



**Malek Siddiqui Wali**

—CHARTERED ACCOUNTANTS

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**AUDITORS' REPORT  
to the shareholders of  
ZEAL BANGLA SUGAR MILLS LTD**

We have audited the accompanying Statement of Financial Position of **ZEAL BANGLA SUGAR MILLS LTD** as at 30<sup>th</sup> June 2018 and the related Statement of Profit or Loss and Other Comprehensive Income, Statement of Changes in Equity, Statement of Cash Flows, and Notes for the year then ended, and a summary of significant accounting policies and other explanatory notes.

**Management's Responsibility for the Financial Statements:**

The Management is responsible for the preparation and fair presentation of these financial statements in accordance with Bangladesh Accounting Standard (BAS)/Bangladesh Financial Reporting Standards (BFRS), the companies Act 1994, Bangladesh Securities and Exchange Commission Rules 1987 and other applicable laws and regulation and for such internal control as management determines, which is necessary to enable the preparation of financial statements that are free from material misstatement, where due to fraud or error.

**Auditor's Responsibility:**

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments the auditor consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluation the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

**Our Observations:**

- 1) Due to the company has suffered recurring loss from operation that effectively made net capital deficiency of Tk. (3,087,274,375) in total and Tk.(489.12) per share at the year end.
- 2) The company is only able to earn Tk.53,000.00 (average) per M.Ton by selling of sugar though cost of production of sugar per M.Ton is Tk. 88,280.00, which effectively creates net loss of Tk. 35,280.00 per M.Ton.
- 3) An amount of Tk.121,737 appears to be doubtful of recovery but no provision was made for such long outstanding/doubtful book debts.

- 4) The accompanying financial statements have been prepared assuming that the company will continue as going concern but considering the above observations 1 to 3 described in the basis of observations paragraph herewith has exposed significant doubt, without government support, of the survival of the company as going for foreseeable future.

- 5) The Company yet to introduce deferred tax.

**Opinion:**

In our opinion, except for the effects described in observations paragraph, the financial statements prepared in accordance with Bangladesh Accounting Standard/Bangladesh Financial Reporting Standards (BFRS), give a true and fair view of the state of the company's affairs as at 30<sup>th</sup> June 2017 and of the results of its operations and its cash flows for the period then ended and comply with the Companies Act 1994, relevant schedule of Bangladesh Securities and Exchange Commission Rules 1987 and other applicable laws and regulations.

**We also report that:**

- 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 accounts 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 Statement of Profit or Loss and Other Comprehensive Income dealt with by the report are in agreement with the books of accounts ;
- d) The expenditures incurred and payments made were for the purpose of the company's business.

Dhaka  
October 28, 2018

  
**Malek Siddiqui Wali**  
Chartered Accountants



# ZEAL BANGLA SUGAR MILLS LTD

## Statement of Financial Position

As at 30 June, 2018



Particulars	Notes	As at 30 June 2018	*Restated As at 30 June 2017
		Taka	Taka
<b>Assets :</b>			
<b>Non-Current Assets</b>			
Property, Plant & Equipment	1.16	104,553,881	83,754,735
		<b>104,553,881</b>	<b>83,754,735</b>
<b>Current Assets</b>			
Stock and Stores	1.17	274,517,512	208,865,908
Book debts	1.18	34,238,994	48,465,479
Loans & Advances	1.19	90,978,570	76,363,150
Advance Income Tax	1.20	9,781,886	10,981,404
Deposits	1.21	1,442,978	1,283,103
Current Account with BSFIC Enterprises	1.22	3,337,558	3,161,453
Cash and Bank Balances	1.23	5,577,883	17,289,366
		<b>419,875,381</b>	<b>366,409,863</b>
<b>Total Assets</b>		<b>524,429,262</b>	<b>450,164,598</b>
<b>Equity &amp; Liabilities:</b>			
<b>Shareholders Equity</b>			
Share Capital	1.11	60,000,000	60,000,000
<b>Reserve and Surplus</b>			
Capital Reserve	1.12	1,815,056	1,815,056
Equity Fund	1.13	90,725,636	90,725,636
Grants ( Phase- I & II )	1.14	5	5
Retained Earnings / ( Loss )		(3,087,274,375)	(2,602,370,526)
		<b>(2,934,733,678)</b>	<b>(2,449,829,829)</b>
<b>Loan Fund</b>			
Loan from Bank	1.24	1,565,819,808	1,423,198,518
Long Term Loan ( Secured )	1.15	147,188,585	79,490,070
		<b>1,713,008,393</b>	<b>1,502,688,588</b>
<b>Current Liabilities</b>			
Creditors	1.25	167,785,337	162,046,908
Current Account with BSFIC	1.26	1,518,003,266	1,173,863,618
Current Account with BSFIC Enterprises	1.27	8,699,922	41,606,226
Provision for Leave Pay and Gratuity	1.28	5,429,837	13,906,850
Provision for doubtful Advances		783,879	783,879
Long term loan (Current Portion)	1.29	45,452,306	5,098,358
<b>Total Current Liabilities</b>		<b>1,746,154,547</b>	<b>1,397,305,839</b>
<b>Total Equity and Liabilities</b>		<b>524,429,262</b>	<b>450,164,598</b>
<b>Net Asset Value (NAV) Per Share</b>		<b>(489.12)</b>	<b>(408.30)</b>

\*The details of restatement is shown in notes 1.38

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

Company Secretary

Managing Director

Director

Director

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

Date: Dhaka

October 28, 2018

Malek Siddiqui Wali  
Chartered Accountants



# ZEAL BANGLA SUGAR MILLS LTD

Statement of profit and loss and other comprehensive income  
For the year ended 30 June, 2018


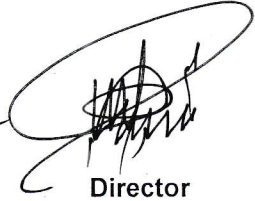
Particulars	Notes	For the Year ended June 30, 2018	*Restated For the Year ended June 30, 2017
		Taka	Taka
Sales	1.30	271,934,689	283,314,996
Less : Cost of Goods Sold	1.31	428,365,762	344,157,617
<b>Gross Profit / ( Loss ) for the year</b>		<b>(156,431,073)</b>	<b>(60,842,621)</b>
<b>Less : Operating Expenses</b>			
General Administrative Expenses	1.32	82,891,191	82,909,606
Selling and Distribution Expenses	1.34	943,629	4,995,487
Financial Cost	1.35	293,654,007	188,500,901
<b>Net Operating Expenxe</b>		<b>377,488,827</b>	<b>276,405,994</b>
<b>Operating Profit / (Loss) for the year</b>		<b>(533,919,900)</b>	<b>(337,248,615)</b>
Add : Income from Experimental Farm		(155,651)	415,265
Add : Miscellaneous Income	1.36	53,370,323	72,357,424
<b>Net Profit before Worker's Profit Participation Fund</b>		<b>(480,705,228)</b>	<b>(264,475,926)</b>
<b>Less : Worker's Profit Participation Fund</b>		<b>-</b>	<b>-</b>
<b>Net Profit / ( Loss ) for the Year</b>		<b>(480,705,228)</b>	<b>(264,475,926)</b>
Less : Current Tax	1.37	1,325,585	1,716,526
Less : Prior Year under provision		2,873,036	
<b>Net profit / (Loss) for the Year</b>		<b>(484,903,849)</b>	<b>(266,192,452)</b>
<b>Earning Per Share (EPS)</b>		<b>(80.82)</b>	<b>(44.37)</b>

\*The details of restatement is shown in notes 1.38

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

  
Company Secretary

  
Managing Director

   
Director Director

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

Date: Dhaka  
October 28, 2018

  
Malek Siddiqui Wali  
Chartered Accountants

**ZEAL BANGLA SUGAR MILLS LTD.**  
Statement of Changes in Equity  
For the year ended 30 June, 2018

Particulars	Paid up Capital Taka	Capital Reserve Taka	Equity Fund Taka	Grants Taka	Accumulated Losses Taka	Total Taka
Balance as on 1st July 2017	60,000,000	1,815,056	2,518,496	5	(2,602,370,526)	(2,538,036,969)
Prior year Adjustment	-	-	-	-	-	-
Addition / ( Adj ) during the year	-	-	-	-	(484,903,849)	(484,903,849)
Net profit for the year	-	-	-	-	(3,087,274,375)	(3,022,940,818)
<b>Balance as on 30 June 2018</b>	<b>60,000,000</b>	<b>1,815,056</b>	<b>2,518,496</b>	<b>5</b>	<b>(3,087,274,375)</b>	<b>(3,022,940,818)</b>

Particulars	Paid up Capital Taka	Capital Reserve Taka	Equity Fund Taka	Grants Taka	Accumulated Losses Taka	Total Taka
Balance as on 1st July 2016	60,000,000	1,815,056	2,518,496	5	(2,336,178,074)	(2,271,844,517)
Prior year Adjustment	-	-	-	-	-	-
Addition / ( Adj ) during the year	-	-	-	-	(266,192,452)	(266,192,452)
Net profit for the year	-	-	-	-	(2,602,370,526)	(2,538,036,969)
<b>Balance as on 30 June 2017</b>	<b>60,000,000</b>	<b>1,815,056</b>	<b>2,518,496</b>	<b>5</b>	<b>(2,602,370,526)</b>	<b>(2,538,036,969)</b>

\*The details of restatement is shown in notes 1.38

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

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

  
Company Secretary

  
Managing Director

  
Director

  
**Malek Siddiqui Wali**  
Chartered Accountants


Dhaka  
October 28, 2018




# ZEAL BANGLA SUGAR MILLS LTD

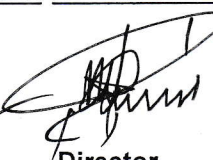
Statement of cash flows  
For the year ended June 30, 2018

	For the Year ended June 30, 2018	For the Year ended June 30, 2017
Particulars	Taka	Taka
<b>A. Cash Flows from Operating Activities</b>		
Cash received from customers	285,060,780	291,955,996
Cash paid to Suppliers and other exp.	(546,651,740)	(502,701,963)
Cash paid for Bank Interest	(148,862,694)	(140,844,017)
Cash paid for VAT & TDS	-	(5,540,212)
<b>Net Cash Generated from Operating Activities</b>	<b>(410,453,654)</b>	<b>(357,130,196)</b>
<b>B. Cash Flows From Investing Activities</b>		
Loan to cane growers	(40,960,392)	(32,068,764)
Realisation from cane growers	35,774,210	34,189,961
Purchase of Fixed Assets	(27,275,713)	(23,950,425)
<b>Net Cash used in Investing Activities</b>	<b>(32,461,895)</b>	<b>(21,829,228)</b>
<b>C. Cash Flows from Financing Activities</b>		
Cash received from Bank	142,621,290	138,855,595
Other Long term loan	108,052,463	7,078,767
Balance with BSFIC	180,530,314	245,175,399
<b>Net Cash Generated from Financing Activities</b>	<b>431,204,067</b>	<b>391,109,761</b>
<b>Net Cash Increase/ Decrease (A+B+C)</b>		
Cash and Cash Equivalents at Beginning of period	(11,711,483)	12,150,337
Cash and Cash Equivalents at end of period	17,289,366	5139029
	<b>5,577,883</b>	<b>17,289,366</b>

  
Company Secretary

  
Managing Director

  
Director

  
Director

Signed as per our annexed report of even date.

Dated ; Dhaka  
October 28, 2018

  
Malek Siddiqui Wali  
Chartered Accountants

**ZEAL BANGLA SUGAR MILLS LTD**  
**Restated Statement of Financial Position**  
As at 30 June, 2017


Particulars	Foot Note	Restated balance as at 30 June 2017 Taka	Effect of Restatement Taka	Amount as per audited financial statement June 30, 2017 Taka
<b>Assets :</b>				
<b>Non-Current Assets</b>				
Property, Plant & Equipment		83,754,735	-	83,754,735
		<b>83,754,735</b>	<b>-</b>	<b>83,754,735</b>
<b>Current Assets</b>				
Stock and Stores		-	-	208,865,908
Book debts		48,465,479	-	48,465,479
Loans & Advances		76,363,150	-	76,363,150
Advance Income Tax		10,981,404	-	10,981,404
Deposits		1,283,103	-	1,283,103
Current Account with BSFIC Enterprises		3,161,453	-	3,161,453
Cash and Bank Balances		17,289,366	-	17,289,366
		<b>157,543,955</b>	<b>-</b>	<b>366,409,863</b>
<b>Total Assets</b>		<b>241,298,690</b>	<b>-</b>	<b>450,164,598</b>
<b>Equity &amp; Liabilities:</b>				
<b>Shareholders Equity</b>				
Share Capital		60,000,000	-	60,000,000
<b>Reserve and Surplus</b>				
Capital Reserve		1,815,056	-	1,815,056
Equity Fund		90,725,636	-	90,725,636
Grants ( Phase- I & II )		5	-	5
Retained Earnings / ( Loss )	A	(2,602,370,526)	58,338,192	(2,660,708,718)
		<b>(2,449,829,829)</b>	<b>58,338,192</b>	<b>(2,508,168,021)</b>
<b>Loan Fund</b>				
Loan from Bank		1,423,198,518	-	1,423,198,518
Long Term Loan ( Secured )		79,490,070	-	79,490,070
		<b>1,502,688,588</b>	<b>-</b>	<b>1,502,688,588</b>
<b>Current Liabilities</b>				
<b>Creditors</b>	B	162,046,908	7,239,996	154,806,912
Current Account with BSFIC	C	1,305,019,994	(65,578,188)	1,239,441,806
Current Account with BSFIC Enterprises		41,606,226	-	41,606,226
Provision for Leave Pay and Gratuity		13,906,850	-	13,906,850
Provision for doubtful Advances		783,879	-	783,879
Long term loan (Current Portion)		5,098,358	-	5,098,358
<b>Total Current Liabilities</b>		<b>1,528,462,215</b>	<b>(58,338,192)</b>	<b>1,455,644,031</b>
<b>Total Equity and Liabilities</b>		<b>581,320,974</b>	<b>-</b>	<b>450,164,598</b>

A: The net impact for restating the profit & loss statement is responsible for restating the Retained Earnings balance.

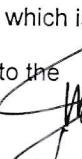
B: The impact of accrued rental expense for the month of June 30,2017 is adjusted to the Creditors which is shown to the restated statement.

C: The impact of accrued selling & distribution expenses for the month of June 30,2017 is adjusted to the Current Account with BSFIC which is shown to the restated statement.

  
Company Secretary

  
Managing Director

  
Director

  
Director



**ZEAL BANGLA SUGAR MILLS LTD**  
Restated Statement of profit and loss and other comprehensive income  
For the year ended 30 June, 2017

Particulars	Foot Note	Restated amount for the Year Taka	Effect of Restatement Taka	Amount as per audited financial statement June Taka
Sales		283,314,996	-	283,314,996
Less : Cost of Goods Sold	A	344,157,617	4,638,752	339,518,865
<b>Gross Profit / ( Loss ) for the year</b>		<b>(60,842,621)</b>	<b>4,638,752</b>	<b>(56,203,869)</b>
<b>Less : Operating Expenses</b>				
General Administrative Expenses	A	82,909,606	2,601,244	80,308,362
Selling and Distribution Expenses	B	4,995,487	4,421,812	573,675
Financial Cost		188,500,901	-	188,500,901
<b>Net Operating Expenditure</b>		<b>276,405,994</b>	<b>7,023,056</b>	<b>269,382,938</b>
<b>Operating Profit / (Loss) for the year</b>		<b>(337,248,615)</b>	<b>-</b>	<b>(325,586,807)</b>
Add : Income from Experimental Farm		415,265	-	415,265
Add : Miscellaneous Income	C	72,357,424	70,000,000	2,357,424
<b>Net Profit before WPPF</b>		<b>(264,475,926)</b>		<b>(322,814,118)</b>
<b>Less : Worker's Profit Participation Fund</b>		<b>-</b>		<b>-</b>
<b>Net Profit / ( Loss ) for the Year</b>		<b>(264,475,926)</b>		<b>(322,814,118)</b>
Less: Minimum tax on turn over		1,716,526	-	1,716,526
<b>Net profit / (Loss) for the Year</b>		<b>(266,192,452)</b>	<b>58,338,192</b>	<b>(324,530,644)</b>

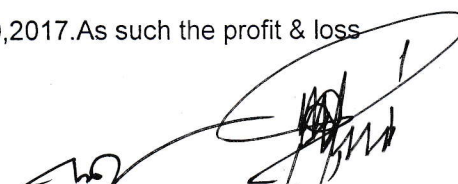
**A :** The rental expense of TK.4638752 for the months of June 2017 were not accrued in concerned year's statements. The said expense has been paid during the year and financial statements have been restated in this respect.

**B :** The cost of invoice for consumed packing materials of Tk.4421812 has not been received until completion of financial year 2017. The referred expenses are now being charged to selling & distribution expense for the year ended June 30, 2017 by restating the concerned financial statements.

**C :** The company received subsidy from govt. this year in respect of June 30, 2017. As such the profit & loss statement has been restated.

  
Company Secretary

  
Managing Director

  
Director

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

# ZEAL BANGLA SUGAR MILLS LTD

Dewanganj, Jamalpur

## NOTES TO THE ACCOUNTS

For the year ended June 30, 2018

### 1.00 LEGAL STATUS AND ACTIVITIES OF THE COMPANY:

#### 1.01.1 Domicile, Legal Form and Country of incorporation:

Zeal Bangla Sugar Mills Ltd was incorporated on May 16, with RJSC Reg. Number C1913 in the year 1963 as a public Limited company under the Company Act 1913. The Company is listed with the Dhaka Stock Exchange (DSE).

#### 1.01.2 Nature of Business Activities:

The main activities of the company during the year under audit were to produce sugar from sugarcane and molasses as by-product. Both sugar and molasses were sold out in the local market to growers, employees, Ministry of defense and others.

##### i) Address of Registered Office and Mills:

The registered office of the Company and the mill is located at Dewanganj, Jamalpur.

##### ii) Number of Employees:

The total number of employees at the end of the year is 717. Details are as under :

<u>Particulars</u>	<u>Number of Employees</u>
Permanent	334
Seasonal	306
Master role	77
Total	<u>717</u>

### 1.02 SPECIFIC ACCOUNTING POLICIES- DISCLOSURE UNDER BAS -1 "PRESENTATION OF FINANCIAL STATEMENTS"

#### 1.02.1 Basis of Measurement used in preparing the Financial Principle:

The elements of financial statements have been measured on " Historical Cost " convention and on accrual basis in accordance with Generally Accepted Accounting principle and practice in Bangladesh in compliance with the company Act, 1994, the Securities and exchange rules 1987, listing regulation of DSE and International Accounting Standards (IAS) as adopted by the ICAB, as Bangladesh Accounting Standards (BAS).

#### 1.02.2 Recognition of Property, Plant and Equipment and Depreciation-BAS-16:

Property, Plant and Equipment are stated at their cost less accumulated depreciation in accordance with BAS 16 -"Property, Plant & Equipment". Cost represents cost of acquisition or construction and capitalization as per requirements of Companies Act, 1994. Expenditure for repairs and maintenance are recognized as expenses; major, replacements, renewals and betterments are capitalized.

#### 1.02.3 Depreciation:

No depreciation is charged on Land and Land development and additional fixed assets during the year. Fixed assets have been depreciated under reducing Balance Method at the rates varying from 2.5% to 10% depending on the nature and usefulness of the assets.

#### 1.02.4 Inventories -BAS-2:

Inventories comprise raw materials, work in process, finished goods, packing materials, stores and spares, Molasses and goods in transit. The valuation of stores & spares has been made at weighted average cost price. Store in transit has been valued at actual price. The value of work in process has been calculated at 100% of raw material. The valuation of finished sugar has been made at net realizable value and molasses has been made at net realizable value.

#### 1.02.5 Trade Debtors:

These are carried at original invoice amount. This is considered good and collectible.



#### **1.02.6 Creditors and Accrued Expenses:**

Liabilities are recognized for amounts to be paid in the future for goods and services received, whether or not billed by the supplier.

#### **1.03 Taxation:**

##### **Income Tax**

Tax provision has been made during the period on the basis of Turnover as per Section 82C para 4 of Income Tax Ordinance, 1984 since the company sustained loss.

##### **Deferred Tax**

No deferred Tax assets or deferred Tax liabilities have been accounted for till this period in compliance with BAS-12 as per previous practice consistently being followed by the company.

#### **1.04 Borrowing Cost:**

Borrowing costs are charged as expenses under the head Interest on Loan (BAS-23)

#### **1.05 Revenue Recognition:**

Sales are recognized when products are delivered. Sales comprise sales of sugar and molasses and sales are shown in the financial statements of the company after excluding VAT and other duty (BAS-18).

#### **1.06 Cash Flow Statement:**

Cash flow statement is prepared in accordance with BAS-7 -"Cash Flow Statement" and the cash flow from the operating activities have been presented under direct method as outline in the Securities and Exchange Rules 1987 and considering the provisions of paragraph 19 of BAS-7 which provides that "Enterprise are to report Cash Flows from Operating Activities using the Direct Method".

#### **1.07 VAT:**

The company's trading income is subject to VAT and these VAT liabilities are accounted for as per VAT Act 1991 maintaining a VAT Current Account.

#### **1.08 Accounting of Sugar Cane Wastage:**

Sales proceeds of Bagasse's and Mud are included in the miscellaneous income.

#### **1.09 ADDITIONAL INFORMATION ON FINANCIAL STATEMENTS:**

##### **1.09.1 Responsibilities for preparation and presentation of Financial Statements:**

The Board of Directors is responsible for the preparation and presentation of Financial Statements under Section 183 of the Companies Act 1994 and as per the provisions of "The Framework for the preparation of Financial Statements" issued by the Bangladesh Accounting Standards (BAS).

##### **1.09.2 Components of the Financial Statements:**

According to the Bangladesh Accounting Standard BAS 1 "Presentation of Financial Statements " the complete set of Financial Statements includes the following components:

- i) Statement of Financial Position as at June 30, 2018.
- ii) Statement of Profit and Loss and Comprehensive Income for the period ended June 30, 2018.
- iii) Statement of Changes in Equity for the period ended June 30, 2018.
- iv) Cash Flows Statement for the period ended June 30, 2018.
- v) Accounting policies and Explanatory notes as notes to the Accounts.

##### **1.09.3 Reporting Period:**

Financial Statements of the company covers one financial year from 01.07.2017 to 30.06.2018.

##### **1.09.4 Reporting Currency and Level of precision:**

The figure in the Financial Statements represent Bangladesh currency (Tk.), which have been rounded off the nearest taka except where indicates otherwise.

##### **1.10.1 Comparative Information:**

Previous year's figure has been arranged in line with current year's figures to make the financial data comparative for fair presentation of Financial Statements.

##### **1.10.2 Contingent Liabilities:**

All known liabilities as of balance sheet date have been provided for and included in the financial statements. There are no contingent liabilities of Zeal Bangla Sugar Mills Ltd.

##### **1.10.3 Post Balance Sheet Events:**

There were no material events occurring after the balance sheet date.

Particulars	For the Year ended June 30, 2018	For the Year ended June 30, 2017
	Taka	Taka
1.11 Share Capital :	60,000,000	60,000,000
1.11.1 Authorized Capital :		
50,000,000 Ordinary Shares of Tk 10 each	500,000,000	500,000,000
1.11.2 Issued, Subscribed & Paid Up Capital :	60,000,000	60,000,000

Name of Subscriber	No of Shares	%		
BSFIC	3,060,000	51.00%	30,600,000	30,600,000
General Public	2,940,000	49.00%	29,400,000	29,400,000
	6,000,000	100.00%	60,000,000	60,000,000

Classification of Shareholders by holding :

	No of Share Holders	Percentage	No of Shares
1 Less than 500 shares	4,773	6.28%	376,711
2 501 to 5,000 Shares	562	14.89%	893,329
3 5,001 to 10,000 Shares	57	6.64%	398,462
4 10,001 to 20,000 Shares	36	8.36%	501,347
5 20,001 to 30,000 Shares	14	* 5.77%	346,224
6 30,001 to 40,000 Shares	4	2.18%	130,818
7 40,001 to 50,000 Shares	-	0.00%	-
8 50,001 to 100,000 Shares	4	4.89%	293,109
9 100,001 to 1,000,000 Shares	-	0.00%	-
10 More than 1,000,000 Shares	1	51.00%	3,060,000
	5,451	100%	6,000,000



Particulars	For the Year ended June 30, 2018	For the Year ended June 30, 2017
	Taka	Taka
<b>1.12 Capital Reserve</b>		
Balance as on 1st July 2017	1,815,056	1,815,056
Add : Addition during the Year	-	-
	1,815,056	1,815,056
Less : Adjustment made during the Year	-	-
Balance as on 30th June 2018	<u>1,815,056</u>	<u>1,815,056</u>

### 1.13 Equity Fund

Received from Government for SM & RFS Integrated Cane Development Program	2,070,996	2,070,996
Quasi - Equity ( Note-1.15.1)	447,500	447,500
	88,207,140	88,207,140
	<u>90,725,636</u>	<u>90,725,636</u>

### 1.14 Grants

The above amount was received from Government for Intensive Cane Development Scheme:

Particulars

Balance as on 1st July 2017

Phase - I

Phase - II

-	-
5	5
<u>5</u>	<u>5</u>

Less : Amortized through depreciation on ICDS :

Phase - II

Balance as on 30th June 2018

-	-
<u>5</u>	<u>5</u>

### 1.15 Long Term Loan ( Secured )

SM & RFS (Seed Multiplication & Research Farm Scheme)	566,470	566,470
Cash Credit A/C # 213 (Block) (Note 1.15.2)	118,089,429	51,749,614
ADP loan for BMRE (Balancing, Modernization, Replacement and Extension of Mills (Note 1.15.3)	5,375,318	5,119,350
Golden Handshake loan received from BD Govt.(Note-1.15.4)	23,157,368	22,054,636
	<u>147,188,585</u>	<u>79,490,070</u>

	For the Year ended June 30, 2018	For the Year ended June 30, 2017
Particulars	Taka	Taka
<b>1.15.1 Quasi- Equity (Revaluation Reserve )</b>	<b>88,207,140</b>	<b>88,207,140</b>

The above amount represents the net valuation gain made by the company through calculating net worth by a professional firm M/S Basu Banarjee & Co Chartered Accountants on 24th March 1988

Summary of calculation is given below :

Calculation of revalued net worth :	Original Cost	Revalued Value
Total Assets	171,716,682	290,864,262
Less: Total Liabilities	144,672,950	142,657,522
Net Worth	<b>27,043,732</b>	<b>148,206,740</b>

The above net worth constituted as follows

Share Capital	60,000,000	-
Quasi- Equity Loan ( Revaluation Surplus )	88,207,140	-
	<b>148,207,140</b>	<b>-</b>

#### 1.15.2 Cash credit A/c No # 213

Balance as on 1st July 2017	56,847,972	51,063,203
Add. Loan received from Bank	95,900,000	-
Add: Interest Charged during the year	11,193,763	5,784,769
	163,941,735	56,847,972
Less : Repayment made during the year	400,000	
	163,541,735	56,847,972
Less: Current portion of this loan	45,452,306	5,098,358
Balance as on 30 June 2018	<b>118,089,429</b>	<b>51,749,614</b>



Particulars	For the Year ended June 30, 2018 Taka	For the Year ended June 30, 2017 Taka
<b>1.15.3 ADP Loan for BMRE</b>		
Opening Balance		
Add: Prior year Adjustment	5,119,350	4,875,572
Add: Interest Charged during the year	-	-
	255,968	243,778
	5,375,318	5,119,350
Less: Repayment made during the year	-	-
Closing Balance	5,375,318	5,119,350
<b>1.15.4 Golden Handshake Loan :</b>		
Opening Balance	22,054,636	21,004,416
Add: Prior Year Adjustment	-	-
Add: Interest Charged during the year	1,102,732	1,050,220
	23,157,368	22,054,636
Less: Repayment made during the year	-	-
Closing Balance	23,157,368	22,054,636
<b>1.16 Property, Plant &amp; Equipment :</b>		
Opening Balance		
Add: Addition during the year	260,524,962	236,544,537
Less: Disposal during the year	27,275,713	23,980,425
	-	-
Less: Accumulated Depreciation	287,800,675	260,524,962
Balance as on 1st July 2017	183,246,794	176,770,227
Add: Charged during the year	176,770,227	170,510,769
Add: Adjustment made during the year	6,476,567	3,423,666
Closing Balance	-	-
	104,553,881	83,754,735
A schedule of fixed Assets is given in Annexure - A.		
<b>1.17 Stock and Stores :</b>		
Stock of Spares		
Stores in Transit	49,890,878	38,041,941
Fertilizer and Insecticides	2,132,871	18,785,104
Finised Goods	12,299,807	9,711,460
Sugar 3,252.38 Ton @ 50,000 & 40 ton @ 130,000	209,772,124	142,032,790
Molasses 2,302.46 @ 18,221	167,819,000	102,418,000
Inventory Adjustment	41,953,124	39,614,790
Work in Process	-	-
Total	421,832	294,613
	274,517,512	208,865,908

	For the Year ended June 30, 2018	For the Year ended June 30, 2017
Particulars	Taka	Taka
<b>1.15.3 ADP Loan for BMRE</b>		
Opening Balance	5,119,350	4,875,572
Add. Prior year Adjustment	-	-
Add: Interest Charged during the year	255,968	243,778
	5,375,318	5,119,350
Less : Repayment made during the year	-	-
Closing Balance	<b>5,375,318</b>	<b>5,119,350</b>
<b>1.15.4 Golden Handshake Loan :</b>		
Opening Balance	22,054,636	21,004,416
Add. Prior Year Adjustment	-	-
Add: Interest Charged during the year	1,102,732	1,050,220
	23,157,368	22,054,636
Less : Repayment made during the year	-	-
Closing Balance	<b>23,157,368</b>	<b>22,054,636</b>
<b>1.16 Property, Plant &amp; Equipment :</b>		
Opening Balance	260,524,962	236,544,537
Add: Addition during the year	27,275,713	23,980,425
Less: Disposal during the year	-	-
	287,800,675	260,524,962
Less: Accumulated Depreciation	183,246,794	176,770,227
Balance as on 1st July 2017	176,770,227	170,510,769
Add: Charged during the year	6,476,567	3,423,666
Add: Adjustment made during the year	-	-
Closing Balance	<b>104,553,881</b>	<b>83,754,735</b>
A schedule of fixed Assets is given in Annexure - A.		
<b>1.17 Stock and Stores :</b>		
Stock of Spares	49,890,878	38,041,941
Stores in Transit	2,132,871	18,785,104
Fertilizer and Insecticides	12,299,807	9,711,460
Finised Goods	209,772,124	142,032,790
Sugar 3,252.38 Ton @ 50,000 & 40 ton @ 130,000	167,819,000	102,418,000
Molasses 2,302.46 @ 18,221	41,953,124	39,614,790
Inventory Adjustment	-	-
Work in Process	421,832	294,613
<b>Total</b>	<b>274,517,512</b>	<b>208,865,908</b>



		For the Year ended June 30, 2018	For the Year ended June 30, 2017
Particulars		Taka	Taka
1.18	<b>Book Debts</b>		
	Trade Debtors (Not-1.18.1)	34,090,257	48,316,742
	Sundry Debtors, Doubtful of recovery (Note-1.18.2)	121,737	121,737
	Mr. Mainul Hossain, Advocate	27,000	27,000
		<b>34,238,994</b>	<b>48,465,479</b>
1.18.1	<b>Trade Debtors</b>		
	<b>Sugar:</b>		
	Ministry of defense	34,090,257	48,107,372
	Trade Debtors Molasses	-	(150,270.00)
	Bagass: North Bengal Paper Mills Ltd.	-	359,640.00
		<b>34,090,257</b>	<b>48,316,742</b>
1.18.2	<b>Sundry debtors doubtful of recovery</b>		
	1. Mr. Shah Alam, Ex-CDA	61,231	61,231
	2. Mr. Jamat Ali, Ex-CDA	60,506	60,506
		<b>121,737</b>	<b>121,737</b>
1.19	<b>Loans &amp; Advance</b>		
	Advance against Motor-cycle & Bi-cycle	599,545	655,421
	Advance against Salary	17,438,429	11,704,866
	Advance to cane department	706,223	712,912
	Advance against Expenses	2,082,868	2,425,784
	Contractor current A/C.	46,920	167,532
	Cane Grower's Loan (Annexure-G)	69,917,968	60,653,320
	Advance Against TA/DA	186,617	43,315.00
	<b>Total</b>	<b>90,978,570</b>	<b>76,363,150</b>

		For the Year ended June 30, 2018	For the Year ended June 30, 2017
Particulars		Taka	Taka
<b>1.20 Advance Income Tax</b>			
Financial Year :			
1991-1992		440,882	440,882
1992-1993		2,151,900	2,151,900
1993-1994		1,944,224	1,944,224
1994-1995		774,975	774,975
2015-2016		-	2,547,316
2016-2017		-	3,122,107
2017-2018		4,469,905	-
		<b>9,781,886</b>	<b>10,981,404</b>
Tax deducted at source from the sales of sugar supplied to Ministry of Defense of GOB was made @ 5% on total sales bill.			
<b>1.21 Deposits</b>			
<b>Value Added Tax (VAT)</b>			
Balance as on 1st July 2017		426,792	505,437
Add: Addition during the year		6,520,249	7,520,055
		6,947,041	8,025,492
Less : Adjustment/payment made during the year		6,360,374	7,598,700
Balance as on 30th June 2018		<b>586,667</b>	<b>426,792</b>
<b>Others</b>			
National Board of Revenue		677,811	677,811
Bangladesh Power Development Board		140,500	140,500
Bangladesh Oxygen Limited		37,000	37,000
Central Excise Land Custom		1,000	1,000
<b>Total:</b>		<b>856,311</b>	<b>856,311</b>
<b>Grand Total</b>		<b>1,442,978</b>	<b>1,283,103</b>
<b>1.22 Current account with BSFIC Ent.( Receivable)</b>			
Carew & Company Ltd		1,582,914	1,554,829
Setabgonj Sugar Mills Ltd		-	171,463
Shipping Office, Ctg.		54,536	54,536
Mokabarakganj Sugar Mills Ltd		875,365	875,365
Shympur Sugar Mills Limited,		824,743	505,260
		<b>3,337,558</b>	<b>3,161,453</b>
<b>1.23 Cash &amp; Bank Balances</b>			
<b>Cash in hand</b>		7,795	80,031
<b>Cash at Banks:</b>		5,570,088	17,209,335
STD A/C # 1, Sonali Bank , D.S. Mills Branch		717,831	3,306,018
Sales Collection A/C # P-2/5 with Sonali Bank, D.S. Mills Branch		3,059,776	2,661,671
Janata Bank, Dilkusha, Dhaka A/C # 513		556,309	542,519
Sonali Bank, Shilpa Bhaban Branch , Dhaka A/C # 662		1,475	1,475
Sonali Bank, Shilpa Bhaban Branch , Dhaka A/C # 338		133,612	1,101,925
Rupali Bank		1,101,085	9,595,727
		<b>5,577,883</b>	<b>17,289,366</b>



Particulars	For the Year ended June 30, 2018	For the Year ended June 30, 2017
	Taka	Taka
<b>1.24 Loan From Bank</b>		
Sonali Bank, D.S. Mills Branch, Loan A/C # 33	-	253,669,907
Sonali Bank, D.S. Mills Branch, Loan A/C # 34	295,923,646	282,640,280
Sonali Bank, D.S. Mills Branch, Loan A/C # 35	266,894,124	254,170,694
Sonali Bank, D.S. Mills Branch, Loan A/C # 36	295,561,193	301,533,637
Sonali Bank, D.S. Mills Branch, Loan A/C # 37	343,530,845	331,184,000
Sonali Bank, D.S. Mills Branch, Loan A/C # 38	363,910,000	-
	<b>1,565,819,808</b>	<b>1,423,198,518</b>

(Loan A/C No#,33,34,35,36,37,38 interest rate are 10%)

<b>1.24.1 Related Disclosure of Bank Loan</b>					
	A/C# 34	A/C# 35	A/C# 36	A/C# 37	A/C# 38
Initial Facility	243,764,000	235,906,000	273,403,000	331,184,000	363,910,000
Payment Terms	6 Months	6 Months	6 Months	6 Months	6 Months
Installment Size	45,000,000	45,000,000	45,000,000	40,000,000	60,000,000
No. of Installment Paid	2	1	6	5	5
Interest Rate	10%	10%	10%	10%	10%
Purpose	Cane Produce	Cane Produce	Cane Produce	Cane Produce	Cane Produce
Security	DP, BSFIC	DP, BSFIC	DP, BSFIC	DP, BSFIC	DP, BSFIC

<b>1.24.2 Reconciliation Bank Loan</b>					
A/C No.	Opening Balance	Receive. Loan	Interest Charged	Payment Loan	Closing Balance
A/C#33	253,669,907	-	31,729,034	285,398,941	-
A/C#34	282,640,280	-	25,283,366	12,000,000	295,923,646
A/C#35	254,170,694	-	23,723,430	11,000,000	266,894,124
A/C#36	301,533,637	-	27,527,556	33,500,000	295,561,193
A/C#37	331,184,000	-	28,046,845	15,700,000	343,530,845
A/C#38	-	-	-	-	363,910,000
<b>Total</b>	<b>1,423,198,518</b>	<b>-</b>	<b>136,310,231</b>	<b>357,598,941</b>	<b>1,565,819,808</b>

#### 1.25 Creditors

Creditors for goods supplied (Note-1.25.1)	33,146,977	12,046,164
Creditors for Expenses (Note-1.25.2)	3,451,829	4,922,631
Creditors for other finance (Note-1.25.3)	131,186,531	145,078,113
	<b>167,785,337</b>	<b>162,046,908</b>

Particulars	For the Year ended June 30, 2018	For the Year ended June 30, 2017
	Taka	Taka
<b>1.25.1 Creditors for goods supplied</b>		
Suppliers current A/C	33,131,977	12,001,164
Advance to cane A/C	15,000	45,000
	<b>33,146,977</b>	<b>12,046,164</b>
<b>1.25.2 Creditors for Expenses</b>		
Minimum tax on turn over	3,351,829	4,822,631
Audit fees	100,000	100,000
	<b>3,451,829</b>	<b>4,922,631</b>
*As the tax assesment is complete till 2106-2017,so no provision is shown here.		
<b>1.25.3 Creditors for other finance</b>		
Sundry Creditors	2,606,527	1,848,029
Unpaid cane price	659,928	619,469
Tax collection at source (Molasses)		
Tax deducted at source	-	
Welfare fund	1,260,594	713,532
VAT	137,935	30,439
Staff Security	23,033	23,033
Security deposit (contractors Suppliers Dealer)	3,846,818	3,899,633
Provident Fund (Permanent)	40,705,838	40,925,540
Provident Fund (Seasonal)	10,176,797	10,183,928
Provident Fund (Head Office)	663,125	2,625,444
Provident Fund (Other Mills)	339,445	42,997
Palli Sarak Meramot Monjari Tahabil	(291,651)	(291,651)
Education Cess	1,093,995	921,398
Suppliers Income Tax	243,246	323,394
Sugar Sales Income Tax	-	-
Palli Sarak Nirman Tahabil	1,784,790	1,795,691
Revenue Stamp	99,850	70,367
Interest Payable	58,518,047	65,750,225
Salary Payable	9,318,214	15,596,645
	<b>131,186,531</b>	<b>145,078,113</b>



	For the Year ended June 30, 2018	For the Year ended June 30, 2017
Particulars	Taka	Taka
<b>1.26 Current Account With BSFIC</b>		
Balance as on 1st July 2017	1,173,863,618	994,266,407
Add. Addition during the year	642,266,774	478,886,392
	1,816,130,392	1,473,152,799
Less: Adjustment during the year	298,127,126	299,289,181
Balance as on 30 June 2018	<u>1,518,003,266</u>	<u>1,173,863,618</u>
<b>1.27 Current account with BSFIC Enterprise(Payable)</b>		
<b>Name of Enterprise:</b>		
Joypurhat Sugar Mills Ltd	3,692,096	3,115,692
Setabgonj Sugar Mills Ltd	222,132	227,257
Panchagar Sugar Mills Ltd	344,372	338,944
Faridpur Sugar Mills Ltd.,	434,665	434,601
Rangpur Sugar Mills Ltd	163,634	106,214
Rajshahi Sugar Mills Ltd		4,141
Pabna Sugar Mills Ltd	501,896	688,684
Thakurgoan Sugar Mills Ltd	599,523	583,976
Renwick Jagswar & Co.	(8,355)	34,415,637
Kustia Sugar Mills Ltd.	989,431	
Natore Sugar Mills Ltd	145,444	100,365
North Bengal Sugar Mills Ltd.	1,615,085	1,590,715
	<u>8,699,922</u>	<u>41,606,226</u>
<b>1.28 Provision of Leave Pay and Gratuity</b>		
Balance as on 1st July 2017	13,906,850	22,644,054
Add. Provision for the year @ 25% of Basic Pay	129,172,286	72,355,055
	143,079,136	94,999,109
Less: Payment/Adjustment made during the year	137,649,299	81,092,259
Balance as on 30 June 2018	<u>5,429,837</u>	<u>13,906,850</u>
<b>1.29 Long Term Loan (Current Portion)</b>		
Cash Credit # 246	45,452,306	5,098,358
	<u>45,452,306</u>	<u>5,098,358</u>

Particulars	For the Year ended June 30, 2018	For the Year ended June 30, 2017
	Taka	Taka
<b>1.30 Sales</b>		
Quantity in Metric Ton		
1. Sugar 4081.30 (Annexure E)	229,532,194	244,065,020
2. Molasses 2613.96 (N.1.30.1) (Annexure F)	42,402,495	39,249,976
	<b>271,934,689</b>	<b>283,314,996</b>
<b>1.30.1 Molasses</b>		
Gross Sales	52,579,091	48,848,336
Less : VAT @ 15%&VDS@4%	8,056,472	7,598,700
IT@5%	2,120,124	1,999,660
	10,176,596	9,598,360
	<b>42,402,495</b>	<b>39,249,976</b>
<b>1.31 Cost of Goods Sold :</b>		
Stock as on 1st July 2017		
Sugar 1685.30ton @ tk 60,000& 20.00 ton@ 65,000	102,418,000	53,668,800
Molasses 20211.70 ton @ tk 19,692	39,614,790	48,836,458
	142,032,790	102,505,258
Add: Cost of Production (1.31.1)	496,105,096	383,685,149
	<b>638,137,886</b>	<b>486,190,407</b>
Less : Stock as on 30 June 2018		
Sugar 3252.38.3 ton @ tk 50,000 &40.00@130,000	167,819,000	102,418,000
Molasses 2302.46 ton @ 18,221	41,953,124	39,614,790
	209,772,124	142,032,790
	<b>428,365,762</b>	<b>344,157,617</b>
<b>1.31.1 Cost of production during the year</b>		
Opening Work in Process	294,613	215,424
Add. Purchase of Sugarcane	263,268,560	172,443,146
Other Direct Expenses:	-	-
Procurement Expenses (Note-1.31.1.1)	7,624,783	5,192,885
Production store and Packing Materials (Note-1.31.1.2)	8,641,901	6,915,547
Factory Salaries and Wages (Annexure-B) (Note- 1.31.1.3)	165,543,115	154,250,262
Factory Repairs and Maintenance (Note- 1.31.1.4)	25,415,510	23,684,429
Insurance	131,593	25,023
Fuel and Power (Note-1.31.1.5)	16,398,243	14,516,844
Depreciation (Annexure-c) (Note- 1.31.1.6)	6,012,702	3,178,260
Other Factory Overhead (Note- 1.31.1.7)	3,195,908	3,557,942
	232,963,755	211,321,192
Less: Closing work in process (Annexure -D)	421,832	294,613
	<b>496,105,096</b>	<b>383,685,149</b>



	For the Year ended June 30, 2018	For the Year ended June 30, 2017
Particulars	Taka	Taka
<b>1.31.1.1 Procurement Expenses</b>		
Loading and Unloading	6,553,188	4,263,906
Other Indirect Materials	368,188	363,582
Bonus for Cane Hauling	703,407	565,397
	<b>7,624,783</b>	<b>5,192,885</b>
<b>1.31.1.2 Production store and Packing Materials</b>		
Packing Materials	3,441,107	3,448,347
Lime	1,786,263	1,322,316
Sulfur	2,099,234	1,438,696
Other Chemicals	1,315,297	706,188
	<b>8,641,901</b>	<b>6,915,547</b>
<b>1.31.1.3 Factory Salaries and Wages (Annexure-B)</b>		
Cane Procurement	23,032,408	20,600,864
Transport	21,889,884	18,674,691
Mechanical	28,931,525	26,926,024
Chemical	15,158,614	13,968,704
Steam Genration	8,491,184	7,344,070
Power	5,694,461	4,451,329
Electrical Maintaince	8,284,866	7,177,370
Civil	4,035,052	3,479,304
Cane Development	50,025,121	51,627,906
	<b>165,543,115</b>	<b>154,250,262</b>
<b>1.31.1.4 Factory Repairs and Maintenance</b>		
Cane Procurement	199,380	177,840
Transport	6,008,365	6,749,605
Mechanical	11,960,580	9,749,201
Chemical	1,164,590	1,101,737
Steam Generation	2,189,017	2,567,048
Power	349,404	564,630
Electrical Maintenance	1,213,742	961,750
Civil	2,266,773	1,638,125
Cane Development	63,659	174,493
	<b>25,415,510</b>	<b>23,684,429</b>

	For the Year ended June 30, 2018	For the Year ended June 30, 2017
Particulars	Taka	Taka
<b>1.31.1.5 Fuel and Power</b>		
Transport	8,481,460	6,642,303
Mechanical	2,879,755	2,832,816
Chemical	15,316	15,848
Steam Generation	624,581	363,152
Power	1,105,575	1,517,384
Electrical Maintenance	3,148,743	3,136,441
Cane Development	142,813	8,900
	<b>16,398,243</b>	<b>14,516,844</b>
<b>1.31.1.6 Depreciation: (Annexure-c)</b>		
Cane Procurement	360,140	190,367
Transport	420,422	222,231
Mechanical	2,233,740	1,180,735
Chemical	1,027,132	542,933
Steam Generation	573,790	303,300
Power	592,057	312,956
Electrical Maintenance	624,828	330,278
Cane Development	180,593	95,460
	<b>6,012,702</b>	<b>3,178,260</b>
<b>1.31.1.7 Other Factory Overhead</b>		
Other Indirect Materials	* 165,526	141,271
Rent, Rate and Taxes	513,379	647,933
Cane Development Expenses	1,594,550	1,797,219
Traveling Expenses	737,913	895,688
Inaugural , Ceremonial and Entertainment	184,540	75,831
	<b>3,195,908</b>	<b>3,557,942</b>



Particulars	For the Year ended June 30, 2018	For the Year ended June 30, 2017
	Taka	Taka
<b>1.32 Administrative Expenses</b>		
Staff and Labor Welfare	780,824	1,230,265
Training Expenses	110,968	83,904
Repairs and Maintenance	919,617	638,570
Other Indirect Materials	332,991	348,074
Rent, Rate and Taxes	1,171,272	1,125,288
Travelling and Conveyance	310,147	366,111
Postage and Telegram	58,049	16,417
Inaugural, Ceremonial and Entertainment	726,390	435,743
Advertising and Publicity	1,445,070	1,547,168
Bank Charges	168,167	322,426
Insurance	3,276,648	2,578,931
Legal Expenses	123,970	140,113
Salary & Wages	Annexure-B Annexure-C	56,054,646
Depreciation	53,656,769	
AGM, Board Meeting Expenses	348,075	184,201
Miscellaneous Expenses	674,487	531,085
Audit Fees	25,931	18,370
Guest House Exp.	100,000	100,000
Head Office Overhead	146,307	134,563
	Note: 1.33	
	18,515,509	17,053,731
	<b>82,891,191</b>	<b>82,909,606</b>
<b>1.33 Head Office Overhead</b>		
The above amount represent expenses of the company incurred by BSFIC.		
	<b>18,515,509</b>	<b>17,053,731</b>
<b>1.34 Selling and Distribution Expenses</b>		
Stocking and Loading	804,989	4,913,847
Depreciation	115,790	61,205
Advertising and Publicity	22,850	20,435
	<b>943,629</b>	<b>4,995,487</b>

Particulars	For the Year ended June 30, 2018	For the Year ended June 30, 2017
	Taka	Taka
<b>1.35 Financial Cost</b>		
Cash Credit A/C # 213	11,193,763	5,784,769
Interest on ADP Loan	255,968	243,779
Golden Handshake Laon	1,102,732	1,050,220
Part of others income	(4,100,287)	(3,527,564)
Agril Credit A/C -32	-	13,038,164
Agril Credit A/C-33	19,346,660	23,863,735
Agril Credit A/C-34	24,243,368	27,439,236
Agril Credit A/C- 35	22,524,785	28,757,104
Agril Credit A/C- 36	27,415,406	27,902,886
Agri Credit A/C -37	29,270,386	12,787,382
Agril CreditA/C-38	6,277,448	-
Interest on BSFIC Loan	156,123,778	51,161,190
	<b>293,654,007</b>	<b>188,500,901</b>
<b>1.36 Miscellaneous Income</b>		
House Rent deduction from salary	1,021,591	978,825
Rent from Market	184,641	148,772
Sale of Bagasses and Press Mud	277,491	24,690
Forfeiture of Security Money	114,822	
Transport hire charge	14,592	1,000
Sundries Income	149,538	379,762
Electricity charge	861,790	786,659
Discount received	110,878	37,716
Interest Received	34,980	
Cash Subsidy Received	50,600,000	70,000,000
	<b>53,370,323</b>	<b>72,357,424</b>
<b>1.37 Minimum Tax On Turnover</b>		
Sugar Sales (without defence sales)	175,758,000	244,065,020
Molasses Sales (Net Value)	42,402,495	39,249,976
Experimental Firm		415,265
Other Income	2,770,323	2,357,424
Tax rate under 82C-4	220,930,818	286,087,685
	0.60%	0.60%
	<b>1,325,585</b>	<b>1,716,526</b>



### 1.38, Restatement\*

#### (a) Government Subsidy

The company received Government subsidy of Tk. 70,000,000 against loss of the company relating to the financial year 2016-17. The financial statement for 2016-17 (comparative financial statement of 2018) has been restated in this respect. The company's policy is to recognise the Government grant as other income of concerned year, that effectively reduced the net loss of Tk.70,000,000 for the year 2017 hence reduced the retained loss of the company by same.

\*Restatement separately enclosed in this report.

### 1.39 Production Capacity

Capacity of the Industry, actual production, Shortfall and achievement are as follows:

	M.Ton	%	M.Ton	%
Installed Capacity	10,160	100	10,160	100
Actual Production	5,609	55.20	4,669	45.95
Deficit/(excess)	4,552	44.80	5,491	54.05

### 1.40 Event after reporting period

The Board of Directors of the company has approved the financial statements were approved as on ..... and no dividend is recommended for the financial year June 30, 2018. Except the fact stated above, no circumstances have arisen that to be disclosed as note or adjusted in the financial statements.

### 1.41 Financial Instrument and related disclosure

#### 1.41.1 Financial instruments by category

##### Financial assets

	Year 2018	Year 2017
Book debts	34,238,994	48,465,479
Loans and advances	90,978,570	76,363,150
Cash and bank balances	5,577,883	17,289,366
Current account with BSFIC	3,337,558	3,161,453
	<b>134,133,005</b>	<b>145,279,448</b>

##### Financial liabilities

##### At amortised cost

Creditors	175,303,686	175,953,758
Bank Loan	1,758,460,699	1,507,777,946
Current account with BSFIC Enterprises	8,699,922	41,606,226
	<b>3,296,858,239</b>	<b>2,899,201,548</b>

#### 1.41.2 Financial risk management

The Board of Directors has overall responsibility for the establishment and oversight of the Company's financial risk management. The responsibility also includes developing and monitoring the Company's risk management policies. To assist the Board in discharging its oversight responsibility, management has been made responsible for identifying, monitoring and managing the Company's financial risk exposures. The Company's exposure to the risks associated with the financial instruments and the risk management policies and procedures are summarised as follows:

##### 1.41.2.1 Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss, without taking into account the fair value of any collateral. Concentration of credit risk arises when a number of counter parties are engaged in similar business activities or have similar economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations of credit risk indicate the relative sensitivity of the Company's performance to developments affecting a particular industry.

Credit risk of the Company arises principally from trade debts, loans and advances, and bank balances. The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date is as follows:

Accounts Receivable	34,189,866
Loans and advances	90,978,570
Cash & Bank Balances	5,577,883
	<b>130,746,319</b>

#### 1.41.2.2 Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. This arises because of the possibility that the Company could be required to pay its liabilities earlier than expected or would have difficulty in raising funds to meet commitments associated with financial liabilities as they fall due. The following are the contractual maturities of financial liabilities, including interest payments, excluding the impact of netting agreements:

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 Company's reputation. The Company manages liquidity risk by maintaining sufficient cash and bank balances and availability of financing through banking arrangements or other sources, which includes short-term borrowing and discounting of foreign receivables.

#### 1.41.2.3 Market risk

Market risk is the risk that changes in market prices, such as 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 returns.

#### 1.41.2.4 Price risk

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market. The company does not have any financial instrument that expose the price risk.

#### 1.42.2.5 Capital Risk Management

The objective of the Company when managing capital, i.e., its shareholders' equity is to safeguard its ability to continue as a going concern so that it can continue to provide returns for shareholders and benefits for other stakeholders; and to maintain a strong capital base to support the sustained development of its businesses. The Company manages its capital structure by monitoring return on net assets and makes adjustments to it in the light of changes in economic conditions. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividend paid to shareholders or issue new shares.

#### 1.43 Operating Segment

1.43.1 These financial statements have been prepared on the basis of single reportable segment.

1.43.2 All non current assets of the Company as at June 30, 2018 are located in Bangladesh.

1.43.3 The major customer of the company is Bangladesh Army, Bangladesh Police, Bangladesh RAB,

#### 1.44 Contingent Liability

The company have not any present obligation that its affect the smooth operation of the company in further period.

#### 1.45 Contingent Assets

There running a lawsuit between the person Mr. Jamat Ali & the Company that it creates provable assets for the company.

#### 1.46 Auditors Remuneration

The company pay yearly Tk. 100,000 as auditors remuneration for the purpose of accounts audit.

#### 1.47 Key Management Employee Benefit

\* Short term employee benefits (Salary & other allowances) :

Basic Salary	3,463,680
Medical Allowances	90,000
	<u>3,553,680</u>

Key management includes employees of the rank of Managing Director, General Manager equivalent and above.

The Company paid only the basic salary & medical allowances. No Utilities bill, conveyance, house rent is provide from the Company.

\* The Directors get 5000/- taka for board meeting fee.

#### 1.48 Related Party Disclosure :

The Zeal Bangla sugar mills, in normal course of business, carried out a number of transactions with other entities that fall within the definition of related party contained in international Accounting Standard 24 : Related party Disclosures. All transactions involving related parties arising in normal course of business are conducted on an arm's length basis at commercial rates on the same terms and conditions as applicable to the third parties. Details of transaction with related parties and balances with them as at 30th June 2018 were as follows :

Name related party	Nature of relation- ship	Opening Balance		Transaction during the year		Balance	
		Dr.	Cr.	Dr	Cr	Dr	Cr
Joypurhat Sugar Mills Ltd	Inter transaction	-	3,115,692		576,404		3,692,096
Setabgonj Sugar Mills Ltd	Inter transaction	171,463	227,257		(5,125)		222,132
Panchagar Sugar Mills Ltd	Inter transaction		338,944		5,428		344,372
Mobarakgonj Sugar Mills Ltd.		875,364		-		875,364	
Faridpur Sugar Mills Ltd.,	Inter transaction		434,601	-	434,601		434,665
Rangpur Sugar Mills Ltd	Inter transaction		106,214	-	57,420		163,634
Rajshahi Sugar Mills Ltd	Inter transaction		4,141	-	-		-
Carew & Co. Ltd.		1,554,829		28,085		1,582,914	
Pabna Sugar Mills Ltd	Inter transaction		688,684	-	(186,788)		501,896
Thakurgoan Sugar Mills Ltd	Inter transaction		583,976	-	15,547		599,523
Renwick Jagswar & Co.	Inter transaction		34,415,637	-	(34,423,992)		(8,355)
Kustia Sugar Mills Ltd.	Inter transaction		-	-	989,430		989,431
Natore Sugar Mills Ltd	Inter transaction		100,365	-	45,079		145,444
North Bengal Sugar Mills Ltd.	Inter transaction		1,590,715	-	24,370		1,615,085
Shyampur Sugar Mills	Inter transaction	505,260		319,483		824,743	
Shipping Office Chittagong	Inter transaction	54,536		-		54,536	
		3,161,452	41,606,226	347,568	(32,467,626)	3,337,557	8,699,922

\*Current account with BSFIC (receivable) Note : 1.22 & current BSFIC enterprises (Payable) Note : 1.27 are shown on the above.



**1.49 SPECIFIC DISCLOSURE REQUIRED UNDER THE COMPANIES ACT, 1994 AND SECURITIES & EXCHANGE RULES 1987:**

**1.49.1 Payment of Remuneration to Directors and other officers of the Company:**

- a) During the period under review total amount of Tk.260,000/- was paid to the Managing Director and other seven directors of the company as remuneration.
- b) No amount was spent by the company for compensating any members of the board for special services rendered.
- c) No amount was paid to the directors during the period for services rendered by them other than the remuneration as paid above.
- d) No amount other than salaries & allowances were paid to the officers of the company except advance salary which is adjustable.

1.49.2 There was no claim against the company not acknowledge as debt as on the date of balance sheet.

1.49.3 There was no credit facility available to the company under any contract but not availed of as on 30th June, 2018 other than bank credit facilities and trade credit available in the ordinary course of business.

1.49.4 There was no amount due by Directors including Managing Director, Managers and other officers of the Company and any of them severally or jointly with other person.

1.49.5 No expenditure was incurred in foreign exchange on account of royalty, technical expert and professional advisory fees and interest during the year under audit.

**ZEAL BANGLA SUGAR MILLS LTD**  
Schedule of Fixed Assets  
For the Year Ended 30 June, 2018

SL.No.	Particulars	C O S T			Rate	D E P R E C I A T I O N					Written down Value as on 30.06.18
		Opening Balance as on 01.07.2017	Addition during the Period	Disposal during the Period		Total as on 30.06.18	Opening Depreciation as on 01.07.2017	Charged for the year	Adjustment for the year	Balance as on 30.06.18	
1	Freehold Land	14,107,800				14,107,800				-	14,107
	Building on Freehold Land	36,075,618	4,359,100		2.5%-5%	40,434,718	36,070,028	9,256.00		36,079,284	4,355
	1 No. Steel Tank ( BMRE )	3,420,000			2.50%	3,420,000	1,320,000	85,500.00		1,405,500	2,014
	Plant & Machinery	122,883,997	8,752,100		10%	131,636,097	85,398,291	419,462.7		89,592,918	42,041
	Office Equipment and	10,215,959	2,622,968		10%	12,838,927	9,173,713	170,939		9,344,652	3,491
	Vehicles & Transport	62,061,798	9,203,680		5%	71,265,478	36,874,398	166,936.4		38,543,762	32,721
	Furniture , Fixture & Office	3,301,890			10%	3,301,890	2,862,220	43,967		2,906,187	391
	Sundry Assets	2,137,607	2,337,865		10%	4,475,472	1,552,284	139,570		1,691,854	2,781
	<b>Total</b>	<b>254,204,669</b>	<b>27,275,713</b>			<b>281,480,382</b>	<b>173,250,934</b>	<b>6,313,223</b>		<b>179,564,157</b>	<b>101,911</b>
2	<b>Other Tangible Assets</b>										
	Seed Multiplication &	2,483,814			5%	2,483,814	124,190.00	124,190		248,380.00	2,231
	Integrated Cane	132,000			5%	132,000	6,600.00	6600		13,200.00	111
	ICDS- Phase -I ( Buildings )	646,875			5%	646,875	334,917	32,343		367,260	271
	ICDS- Phase -II ( Buildings )	3,053,380			5%	3,053,380	3,053,375			3,053,375	2,633
	<b>Total</b>	<b>6,316,069</b>				<b>6,316,069</b>	<b>3,519,082</b>	<b>163,133</b>		<b>3,682,215</b>	<b>2,633</b>
3	Cattle Feed Plant	4224			5%	4224	211	211		422	
	<b>Grand Total (1+2+3)</b>	<b>260,524,962</b>	<b>27,275,713</b>			<b>287,800,675</b>	<b>176,770,227</b>	<b>6,476,567</b>		<b>183,246,794</b>	<b>104,511</b>

(Annexu

# **ZEAL BANGLA SUGAR MILLS LTD**

## **Schedule of Salary & Wages**

For the year ended 30 June 2018

Annexure-B

Allocation	Note	30.06.2018	30-06-2017
Manufacturing (Cost of Goods Sold)	1.31.1.3	165,543,115	154,250,262
Administrative	P/L A/C	53,656,769	56,054,646
<b>Total</b>		<b>219,199,884</b>	<b>210,304,908</b>

## **Schedule Of Depreciation**

For the year ended 30 June 2018

Annexure-C

Allocation	Note	30.06.2018	30.06.2017
Manufacturing (Cost of Goods Sold)	1.31.1.6	6,012,702	3,178,260
Administrative	P/L Ac	348,075	184,201
Selling and Distribution	1.34	115,790	61,205
<b>Total</b>		<b>6,476,567</b>	<b>3,423,666</b>

## **Working In Process**

For the year ended 30 June 2018

Annexure-D

Particulars	Quantity/ Value
1. Cane Crushed (M.T)	83,351.41
2. Sugar Production (M.T)	5,608.50
3. Working In Process (M.T)	9.03
4. Recovery (%)	6.73
6. Cane under process (M.T)	134.19
7. Cost of Cane under the process (Tk.)	414,915.00
8. Cost of chemical under process (TK)	6,917.00
<b>Total work In Process Valuation (Tk.)</b>	<b>421,832.00</b>

## **Schedule of Sugar Sales**

For the year ended 30 June 2018

Annexure-E

Particulars	Quantity/ M.T	Value
1. Police	911.20	53,940,000
2. Ration	5.00	250,000
3. Free Sale	2106.00	111,127,200
4. H.O	160.72	10,440,800
5. Defence	839.00	53,774,194
6. Growers		
<b>Total :</b>	<b>4021.92</b>	<b>229,532,194</b>



### Schedule of Molasses Sales

For the year ended 30 June 2018

Annexure-F

Steel Tank (M.T.)	2,834.35
Net Value	42,402,495
VAT 19%	8,056,472
I.T 5%	2,120,124
Total Taka	52,579,091

### Cane Growers Loan

For the Year ended 30 June 2018

Annexure-G

Particulars	Parincipal	Interest	Total Loan	Recovery during the year 2017-2018	Balance as on 30-06-2018
2015-16	25,035,170		25,035,170	177,882	24,857,288
2016-17	32,068,764	3,527,564	35,596,328	35,596,328	-
2017-18	40,960,392	4,100,287	45,060,679	-	45,060,679
Total	98,064,326	7,627,851	105,692,177	35,774,210	69,917,967

Annexure H

**Stock of Spares**  
For the year ended 30 June 2018

Code No	Particulars	30.06.2018	30.06.2017
1.00.000	Construction Materials	174,417	244,155
2.00.000	Iron, Steel and Non-Ferus	1,701,376	2,128,492
3.00.000	Pipe, Tubes and Fitting	1,718,053	1,921,686
4.00.000	Refactories	2,505,596	2,242,661
5.00.000	Fuel, Oil, and Lubricant	4,462,893	2,582,858
6.00.000	Production Materials	2,377,433	2,162,570
7.00.000	Paints and Vernishes	37,437	59,384
8.00.000	General Hardware	468,335	344,675
9.00.000	Loose, Tools	205,689	162,805
10.00.000	Domestic Equipment	15,929	27,216
12.00.000	Cord, Rops and Chains	61,258	53,738
13.00.000	Packing Materials	304,622	323,900
14.00.000	Chemical and Lab Equipment	95,142	14,232
16.00.000	Printing and Stationary	687,825	777,777
17.00.000	Mechanical Spares	28,477,756	19,571,564
18.00.000	Electrical Spares	2,172,566	2,355,741
20.00.000	Miscellaneous Store Materials	1,264,008	1,471,997
21.00.000	Transport/Garag Spares	3,160,543	1,596,490
22.00.000	Fertilizer & Pesticides	12,299,807	-
	<b>Total</b>	<b>62,190,685</b>	<b>38,041,941</b>