



AHMED ZAKER & Co.
CHARTERED ACCOUNTANTS

**Independent Auditors' Report
and
Financial Statements**

Bangladesh Building Systems Limited
For the year ended 30 June, 2020

Auditor:



Ahmed Zaker & Co.

Chartered Accountants

An Independent Member Firm of Geneva Group International (GGi)

Green City Edge (Level - 10), 89, Kakrail, Dhaka-1000, Bangladesh.

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Independent Auditors' Report

To the shareholders of Bangladesh Building Systems Limited

Report on the Audit of the Financial Statements.

Qualified Opinion

We have audited the financial statements of **Bangladesh Building Systems Limited** ("the Company"), which comprise the Statement of Financial Position as at 30 June 2020, and Statement of Profit or Loss and Other Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, except for the effects of the matter described in the Basis for Qualified Opinion section of our report, the accompanying financial statements give a true and fair view of the financial position of the company as at 30 June 2020 and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Basis for Qualified Opinion:

1. The company has taken full contract price as revenue which is non-compliance with the requirement of IFRS: 15 "Revenue from Contracts with Customers". In most of the contracts with parties there is a warranty clause. But the company did not keep any deferred income in the financial statements for fulfillment of warranty obligation. As a result, the revenue is overstated.
2. As referred in note: 8.00 in the financial statements, "Inventories" were carried at BDT 979,759,504 at the reporting date. Inventories were physically verified at the reporting date. The company did not consider obsolete and damaged items during valuation and also valuation of finished goods has been calculated at selling price. As a result, closing inventories are overstated.

Emphasis of Matters

We draw attention on the matter disclosed:

1. As disclosed in note: 4.00 to the financial statements, property, plant and equipment of BDT 1,006,777,562 was reported in the statement of financial position. We could not verify the fixed assets in absence of fixed assets register, identification number, Purchase date, cost, accumulated depreciation, WDV etc. against individual assets. The company also did not carry out any fixed assets physical inventory at the year end.
2. The company made a provision of BDT 7,191,824 for WPPF at 5% on net operating profit of the year ended 30th June 2019. Out of this amount 10% is to be transferred to Workers Welfare Fund and 10% is to be transferred to Workers Welfare Foundation Fund

maintained by Govt. exchequer. The company did not comply with this statutory requirement.

3. Out of Total receivables of TK. 935,573,335 we sent balance confirmation requests to 20 parties covering tk. 286,010,252. We received reply from 13 parties confirming their balance Tk 220,760,585. Remaining confirmations from 7 parties for an amount of tk. 263,933,667 was not received. No provision has been made in these financial statements for doubtful receivable amount.

Key Audit Matters

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

Risk	Our response to the risk
Revenue recognition	
<p>During the year, the Company recognized sales turnover of BDT 87,58,76,708 which has decreased by BDT -75,48,67,992as compared with previous year.</p> <p>Sales revenue recognized by the Company comprises multiple streams. At first, when contract is signed steel component is delivered to customer upon completion of production, related portion of revenue is recognized based on point of delivery and rest part of contract consideration is recognized when relevant performance obligations are satisfied.</p> <p>We considered sales revenue as an item of significant audit areas during our audit because of its predominance in determining the financial performance of the Company.</p> <p>The company did not keep any deferred income in the financial statements for fulfillment of warranty obligation. As a result, the revenue is overstated.</p>	<p>Our audit procedures included the following to test the design and operating effectiveness of key control focusing on:</p> <ul style="list-style-type: none"> ➤ Segregation of duties in invoice creation and modification. ➤ Timing of revenue recognition considering step by step procedure. ➤ Obtaining understanding and documenting the process of revenue recognition and measurement followed by the Company. ➤ Tracing performance obligations stipulated and contract value in the contract with invoice and delivery challan issued to evaluate point of recognition and measurement. ➤ Testing occurrence and accuracy of sales revenue recognized by inspecting source documents such as contract made with the customer, delivery challan and VAT challan. ➤ Finally assessing the appropriateness and presentation

	of disclosure notes with IFRS 15: Revenue from contracts with customers.
See note no. 20, Revenue in the financial statements	
Valuation of closing inventories	
<p>Closing inventories aggregating to BDT 97,97,59,504 was recognized in the statement of financial position as on 30 June 2020. Compared with previous year, this has increased by BDT 23,56,86,975.</p> <p>Closing inventories were all held at factory premises of the Company. Since determining valuation of these inventories involves management judgements which results in estimation uncertainty, we considered this an area of significant audit attention to be emphasized during the audit.</p> <p>The company did not consider obsolete and damaged items during valuation and valuation of finished goods has been calculated at selling price. As a result, closing inventories are overstated.</p>	<p>Our audit responses comprise the following procedures:</p> <ul style="list-style-type: none"> ➤ Evaluating the design and implementation of key inventory control operating across factory premises. ➤ Attending and observing the physical inventory at the reporting date. ➤ Evaluating compliance with instructions of management count procedures during the count. ➤ Inspecting physical stock counting report as on 30 June 2020 and reconciling count results to closing inventories listings and performing test count on selected items to test completeness, accuracy and existence of inventories. ➤ Reviewing composition of cost of inventories comprising raw materials, work-in-process and finished goods and comparing net realizable value on selected samples to test their valuation.
See note no. 8, Inventories in the financial statements	
Property, plant and equipment	
<p>Property, plant and equipment (PPE) were recognized at carrying value aggregating to BDT 1,006,777,562 representing over 22% of total assets of the Company as on 30 June 2020. Addition to Fixed Assets during the year was BDT 17,296,747.</p> <p>PPE comprises both owned and assets</p>	<p>Our audit procedures performed during the audit to address the risks identified consist of the following:</p> <ul style="list-style-type: none"> ➤ Obtaining and documenting detailed understanding regarding procurement process of PPE and



<p>procured under finance lease. Items of PPE are subject to recognition and measurement criteria only after satisfactorily meeting relevant requirement as per IAS 16: Property, plant and equipment, we identified this element of the assets as an area with higher risk of material misstatement which would require significant audit attention during our audit.</p> <p>We could not verify the fixed assets in absence of fixed assets register, identification number, Purchase date, cost, accumulated depreciation, WDV etc. against individual assets.</p>	<p>identified relevant control points and their implementation.</p> <ul style="list-style-type: none"> ➤ Reviewing recognition, measurement and valuation basis of PPE in compliance with requirement of IAS 16: Property, plant and equipment. ➤ Inspecting supporting documents for the acquisition of PPE made during the year to test the accuracy and ownership. ➤ Physically inspected the existence of sample PPEs during our audit at the factory premises. ➤ Assessing the appropriateness and presentation of disclosures notes to the financial statements with the requirement of IAS 16 and other relevant IFRSs.
<p>See note no. 4, Property, plant and equipment in the financial statements</p>	
<p>Measurement of current year income tax and deferred tax</p>	
<p>During the year, the Company recognized current year income tax of Tk. 45,689,565 and deferred tax Tk. 3,223,581 respectively in the statement of profit or loss and other comprehensive income. Both of these expenses have increased significantly compared to corresponding expense recognized in the last year.</p> <p>Determination of both current year income tax and deferred tax involves compliance with the Income Tax Ordinance (ITO) 1984 and latest finance act along with IAS 12: Income Tax, there is a higher risk of material misstatement that amount charged in profit or loss might be over/understated.</p>	<p>Our audit responses adopted during the audit to address the risk identified comprise the following:</p> <ul style="list-style-type: none"> ➤ Obtained and documented management procedures involved in determining both current year income tax and deferred tax. ➤ Obtained understanding and reviewed relevant section of the ITO and SRO to test the accuracy of rate applied by the Company. ➤ Reviewed rate of depreciation used in determining tax depreciation in compliance with the latest finance act which is used to determine taxable profit and deferred tax.

	<ul style="list-style-type: none"> ➤ Re-performed detailed calculation of current year income tax and deferred tax as given by the Company. ➤ Inspected latest assessment order completed and compared amount of tax paid by the Company with amount recognized in the financial statements.
See note no. 29, income tax expenses in the financial statements	
Bank Loan	
<p>In the financial statement the company short term & long-term bank loan of over taka 961,740,519 & 304,601,698 was reported by the company at the reporting date.</p> <p>Loan liability were considered as key audit matter because this external form of credit facilities availed by the company require fulfillment of several terms and conditions as mentioned in loan sanction letter issued by lending bank.</p>	<p>Our substantive audit procedures adopted during the audit includes the following test or details.</p> <ul style="list-style-type: none"> ➤ Our substantive audit procedure adopted during the audit includes the following test or details ➤ Inspecting relevant board minutes in support of bank loan reported in the financial statement. ➤ Agreeing outstanding balances with confirmation letter received from the bank. ➤ Agreeing finance costs charged by the company with loan statements provided by bank to test accuracy and completeness of expenses in relation to bank loan

Other Information

Management is responsible for the other information. The other information comprises all the information in the annual report other than the financial statements and our auditor's report thereon. The directors are responsible for the other information.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially

inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information we are required to report that fact. We have nothing to report in this regard.

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRSs, the Companies Act 1994, the Securities and Exchange Rules 1987 and other applicable laws and regulations and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. The companies Act, 1994 require the management to ensure effective internal audit, internal control and risk management factions of the company.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

As part of an audit in accordance with ISAs, we exercised professional judgment and maintained professional skepticism throughout the audit. We also:

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



- Obtained an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in circumstances.
- Evaluated the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Concluded on the appropriateness of management's use of the going concern basis accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluated the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and event in a manner that achieves fair presentation.
- Obtained sufficient appropriate audit evidence regarding the financial information of the entity to express an opinion on the financial statements. We are solely responsible for our audit opinion.

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

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

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

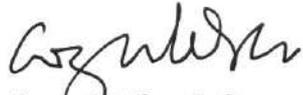


Report on Other Legal and Regulatory Requirements

In accordance with the Companies Act 1994, and the Securities and Exchange Rules 1987 and relevant notifications issued by Bangladesh Securities and Exchange Commission, 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 and records as required by law have been kept by the Company so far as it appeared from our examination of those books;
- c) The Statement of Financial Position, Statement of Profit or Loss and Other Comprehensive Income of the Company dealt with by the report are in agreement with the books of account and returns;
- d) The expenditures incurred were for the purposes of the Company's business.

Place: Dhaka
Dated: 22 October, 2020


Ahmed Zaker & Co.
Chartered Accountants
(Zayed A Mirdha, FCA)
Partner.



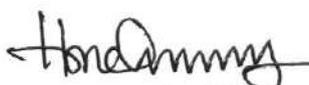
Bangladesh Building Systems Limited

Statement of Financial Position

As at June 30, 2020

Particulars	Notes	Amount in Taka	
		30-Jun-20	30-Jun-19
ASSETS			
Non-current assets		1,909,625,324	1,791,764,069
Property, plant and equipment	4.00	1,006,777,562	1,050,050,059
Intangible asset	5.00	1,588,267	376,041
Investment in associate company	6.00	824,363,067	664,441,541
Work in Progress for new office space	7.00	76,896,428	76,896,428
Current assets		2,638,937,870	2,403,253,739
Inventories	8.00	979,759,504	831,404,215
Goods in transit	9.00	8,783,377	6,503,408
Advances, deposits and prepayments	10.00	693,635,783	646,008,374
Trade & other receivables	11.00	935,573,335	911,166,632
Cash and cash equivalents	12.00	21,185,870	8,171,110
TOTAL ASSETS		4,548,563,194	4,195,017,808
EQUITY AND LIABILITIES			
Shareholders' equity		2,436,406,338	2,327,668,711
Share capital	13.00	1,551,711,744	1,410,647,040
Retained earnings	14.00	884,694,594	917,021,671
Non-current liabilities		526,830,001	384,986,045
Long term loan	15.00	304,601,698	160,691,323
Deferred tax liability	16.00	222,228,303	224,294,722
Current liabilities		1,585,326,855	1,482,363,051
Accounts and other payables	17.00	34,810,637	38,958,436
Accruals and provisions	18.00	368,632,687	330,470,025
Short term loan	19.00	961,740,519	1,035,382,970
Current portion of long term loan	15.00	220,143,012	77,551,620
TOTAL EQUITY AND LIABILITIES		4,548,563,194	4,195,017,808
Number of share used to calculate NAV		155,171,174	155,171,174
Net asset value per share	31.00	15.70	15.00

The accompanying notes (01 to 32) form an integral part of this financial statement and are to be read in conjunction therewith.


Managing Director


Director


Chief Financial Officer


Company Secretary

Place: Dhaka;
Date: 22 October, 2020


Ahmed Zaker & Co.
Chartered Accountants



Bangladesh Building Systems Limited
Statement of Profit or Loss and other Comprehensive Income
For the year ended June 30, 2020

Particulars	Notes	Amount in Taka	
		30-Jun-20	30-Jun-19
Revenue	20.00	875,876,708	1,630,744,700
Cost of Goods Sold	21.00	(794,922,908)	(1,254,580,254)
Gross Profit		80,953,800	376,164,446
Operating expenses		(102,914,725)	(108,616,213)
Administrative expenses	22.00	(80,468,134)	(84,602,961)
Selling and distribution expenses	23.00	(22,446,591)	(24,013,252)
Profit from operation		(21,960,925)	267,548,233
Others Income	26.00	94,309,381	545,061
Finance cost	27.00	(157,747,005)	(140,064,985)
Net profit from operation		(85,398,549)	128,028,309
Workers' profit participation fund & Welfare fund		(1,259,524)	(7,191,824)
Non Operating Income	28.00	57,937,320	-
Share of Profit from Associate		186,371,526	242,692,442
Net profit before tax		157,650,773	363,528,927
Income tax expenses	29.00	(48,913,146)	(84,307,966)
Net profit after tax		108,737,626	279,220,961
Total comprehensive income		108,737,626	279,220,961
Number of share used to calculate EPS		155,171,174	155,171,174
Earning per share(EPS)	24.00	0.70	1.80

The accompanying notes (01 to 32) form an integral part of this financial statement and are to be read in conjunction therewith.


Managing Director


Director


Chief Financial Officer


Company Secretary

Place: Dhaka;
Date: 22 October, 2020


Ahmed Zaker & Co.
Chartered Accountants

Bangladesh Building Systems Limited
Statement of Changes in Equity
 For the year ended June 30, 2020

Particulars	Amount in Taka		
	Share capital	Retained earnings	Total
Balance as at 01.07.2019	1,410,647,040	917,021,671	2,327,668,711
Issuance of bonus shares	141,064,704	(141,064,704)	-
Net profit after tax	-	108,737,626	108,737,626
Balance as at 30.06.2020	1,551,711,744	884,694,594	2,436,406,338

Statement of Changes in Equity
 For the year ended June 30, 2019

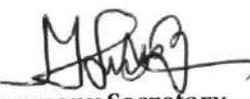
Particulars	Amount in Taka		
	Share capital	Retained earnings	Total
Balance as at 01.07.2018	1,282,406,400	766,041,350	2,048,447,750
Issuance of bonus shares	128,240,640	(128,240,640)	-
Net profit after tax	-	279,220,961	279,220,961
Balance as at 30.06.2019	1,410,647,040	917,021,671	2,327,668,711

The accompanying notes (01 to 32) form an integral part of this financial statement and are to be read in conjunction therewith.


 Managing Director


 Director


 Chief Financial Officer


 Company Secretary

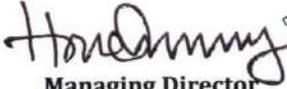
Place: Dhaka;
 Date: 22 October, 2020


Ahmed Zaker & Co.
 Chartered Accountants

Bangladesh Building Systems Limited
Statement of Cash Flows
For the year ended June 30, 2020

Particulars	Notes	Amount in Taka	
		30-Jun-20	30-Jun-19
Cash flows from operating activities			
Collections from customers		851,470,005	1,658,128,458
Payments for operating costs & other expenses		(988,429,481)	(1,562,941,004)
Proceeds from scrap sale		93,891,314	
Income Tax Paid and/or deducted at sources		(59,989,093)	(46,639,178)
Net cash generated from operating activities		(103,057,255)	48,548,276
Cash flows from investing activities			
Acquisitions of property, plant and equipment		(18,555,682)	(22,146,591)
Sale of Share of Associate		57,937,320	-
WIP for New Office Space		-	(76,896,428)
Dividend Income		21,160,000	18,400,000
Net cash used in investing activities		60,541,638	(80,643,019)
Cash flows from financing activities			
Others Income		418,067	545,061
Long Term Loan / (Repayment banks)/financial institutions		286,501,767	65,457,238
Borrowing / Repayment of Short Term Loan		(73,642,451)	100,794,004
Payment of Cash Dividend		-	(16,490,661)
Finance cost paid		(157,747,005)	(140,064,985)
Net cash provided by financing activities		55,530,378	10,240,657
Net changes in cash and cash equivalents		13,014,761	(21,854,086)
Cash and cash equivalents at the beginning of the year		8,171,110	30,025,196
Cash and cash equivalents at the end of the year		21,185,870	8,171,110
Number of share used to calculate NOCFPS		155,171,174	155,171,174
Operating cash flow per share	25.00	(0.66)	0.31

The accompanying notes (01 to 32) form an integral part of this financial statement and are to be read in conjunction therewith.


 Managing Director


 Director


 Chief Financial Officer


 Company Secretary

Place: Dhaka;
 Date: 22 October, 2020



Bangladesh Building Systems Limited

Notes to the Financial Statements
For the Year Ended June 30, 2020

1. Reporting entity

1.1 Legal form of the Company:

The Company was incorporated in 19 July, 2003 vide registration no- C-49909 as a 'Private' Company limited by shares and registered with the Registrar of Joint Stock Companies & Firms of Bangladesh under the Companies Act, 1994. It has started its commercial production in the year 2005. On 30 October, 2010 the Company registered itself as a Public Limited Company under the Companies Act, 1994.

The Company is listed with both Dhaka Stock Exchange Limited (DSE) and Chittagong Stock Exchange Limited (CSE) at 03 October, 2013 and 30 September, 2013 respectively and trading of the share of the Company has been started from 08 October, 2013.

Address of the Registered & Corporate Office:

The registered office of the Company is located at Factory Premises, Jaina Bazar, Dhaka Mymensingh Highway, Telehate, Sreepur, Gazipur, Corporate Office: Configure Bepari Tower (3rd floor), 64/Ga Middle Badda, Paragati Sarani, Dhaka-1212 and its factory is situated at Jaina Bazar, Dhaka Mymensingh Highway, Telehate, Sreepur, Gazipur.

1.2 Nature of Business Activities:

The principal activities of the Company throughout the year continued to be manufacturing and marketing of Pre-Engineered Steel Building (PEB) in Bangladesh to meet-up the growing demand especially in the industrial sector.

Bangladesh Building System Ltd. (BBSL) always eager for managing and seeking expertise and obtaining state-of-art technology to provide engineering solutions with world class quality and best customer services. It holds world class quality certification like "ISO 9001-2015" from international organizations. Usually, BBSL deals with pre-engineered steel buildings like factories, warehouses, hall rooms, workshops, aircraft hangers, office buildings, commercial showrooms, distribution centers, supermarkets, restaurants and residential buildings as well.

1.3 Investment in Associates:

An entity in which an investor has significant influence but which is neither a subsidiary nor an interest in a joint venture is classified as Investment in Associates. **Bangladesh Building Systems Limited** acquired 16.03% of shares of BBS Cables Limited. which was incorporated 12th April, 2009; vide Reg. No.-C-76109/09 under the Companies Act, 1994 as a Public Limited Company.





1.4 Date of Authorization:

The financial statements of **Bangladesh Building Systems Limited** for the year ended 30 June 2020 were authorized for issue in accordance with a resolution of the Board of Directors on October 22, 2020.

1.5 Reporting Period:

The reporting period of the company covers one year from 01st July 2019 to 30th June 2020.

2. Basis of presentation of Financial Statements

2.1 Basis of Measurement of Elements of Financial Statements

Measurement is the process of determining the monetary amounts at which the elements of the financial statements are to be recognized and carried in the statement of financial position and profit or loss and other comprehensive income. The measurement basis adopted by **Bangladesh Building Systems Limited** is historical cost for land, building and plant and machinery, inventories are at the lower of cost and net realizable value. Liabilities are recorded at the amount of proceeds received in exchange for the obligation, or in some circumstances (for example, income taxes), at the amounts of cash or cash equivalents expected to be paid to satisfy the liability in the normal course of business.

2.2 Statement of Compliance with Laws:

The Financial Statements have been prepared in accordance with the relevant laws and schedule of the SEC Rules 1987, the listing Regulation of the Stock Exchanges (DSE & CSE), 2015 and of the companies Act, 1994 and other relevant local laws as applicable.

2.3 Statement on Compliance of Accounting Standards:

The financial statements have been prepared and presented in accordance with the applicable International Accounting Standards (IAS) and International Financial Reporting Standard (IFRS) adopted by the Institute of Chartered Accountants of Bangladesh (ICAB).

2.4 Going Concern:

At each year end management of the Company makes assessment of going concern as required by IAS-1. The company has adequate resources to continue its operation for the foreseeable future and has wide coverage of its liabilities. The Directors continue to adopt going concern assumption while preparing the financial statements.



2.5 Offsetting

In compliance to IAS-1 and IAS-32, offsetting is done for a particular vendor or customer when the following conditions are met:

- Each of the two parties owes the other determinable amounts;
- The entity has the right to set off against the amount owed by other party;
- The entity intends to offset;
- The right of setoff is legally enforceable.”

2.6 Currency Presentation:

2.6.1 Functional and Presentational Currency and Level of Precision:

The financial statements are prepared in Bangladesh Taka (Taka/Tk./BDT) which is the Company's both functional currency and presentation currency. All financial information presented in Taka and has been rounded off to the nearest Taka.

2.6.2 Foreign Currency Translation:

Foreign currencies have been translated into Taka currency at the ruling rate on the transaction dates. Monetary assets and liabilities are reconverted at the rates prevailing at the reporting period. Non-monetary assets and liabilities are reported using the exchange rate at date of transaction. Differences arising on conversion are charged to the statement of comprehensive income.

2.7 Materiality and Aggregation

Each material class of similar items is presented separately in the Financial Statements. Items of a dissimilar nature or function are presented separately unless they are immaterial.

2.8 Use of estimates and judgments:

The preparation of financial statements in conformity with Bangladesh Financial Reporting Standards requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses and for contingent assets and liabilities that require disclosure, during and at the date of the financial statements.

Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions of accounting estimates are recognized in the period in which the estimate is revised and in any future periods affected as required by IAS 8: “Accounting Policies, Changes in Accounting Estimates and Errors”

In particular, significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements include depreciation, amortization, impairment, net realizable value of inventories, accruals, taxation and provision.



2.9 Presentation of Financial Statements

The presentation of these financial statements is in accordance with the guidelines provided by IAS 1: "Presentation of Financial Statements". A complete set of financial statements comprises:

The financial statements comprise of:

- (a) Statement of Financial Position asat June 30, 2020;
- (b) Statement of Profit or Loss and other Comprehensive Income for the year ended June 30, 2020;
- (c) Statement of Changes in Equity for the year ended June 30, 2020;
- (d) Statement of Cash Flows for the year ended June 30, 2020; and
- (e) Notes, comprising summary of significant accounting policies and explanatory information to the accounts for the year ended June 30, 2020.

3. Summary of Significant Accounting Policies:

The accounting policies set out below have been applied consistently (otherwise as stated) to all periods presented in these financial statements.

3.1 Accounting Convention and Basis:

The financial statements have been prepared in accordance with International Accounting Standards (IAS), International Financial Reporting Standards (IFRS), Securities and Exchange Rules 1987, the Companies Act, 1994 and other laws and regulations applicable in Bangladesh.

3.1.1 IFRS 15 Revenue from contracts with customers

"IFRS 15 establishes a comprehensive framework for determining whether, how much and when revenue is recognized. It replaced IAS 18 Revenue, IAS 11 Construction contracts and related interpretations. The Company has adopted IFRS 15 Revenue from contracts with customers. The adoption of this standard has no impact on the Company's financial statements. Deferred Income was not recognized according to IFRS 15.

3.2 Comparative information:

As required by the paragraph 38, 40, & 41 "presentation of financial statement"; comparative information in respect of the previous year has been presented in all numerical information in the financial statements. Previous year's balances have been reclassified as and where applicable for the fair presentation of Financial Statements.



3.3 Property plant and equipment

3.3.1 Recognition and measurement:

An item shall be recognized as property, plant and equipment if, and only if it is probable that future economic benefits associated with the item will flow to the entity, and the cost of the item can be measured reliably IAS 16.

Property, plant and equipment are initially recognized at cost and subsequently land, buildings & civil constructions and plant & machineries are stated at fair value. The property, plant and equipment are presented at cost/fair value, net of accumulated depreciation and/or accumulated impairment losses, if any. The cost of an item of property, plant and equipment comprises its purchase price, import duties and non-refundable taxes, after deducting trade discount and rebates, and any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the intended manner. The cost also includes the cost of replacing part of the property, plant and equipment and borrowing costs for long-term debt availed for the construction/Implementation of the PPE, if the recognition criteria are met.

3.3.2 Subsequent costs:

The cost of replacing part of item of property, plant, and equipment is recognized in the carrying amounts if it is probable that the future economic benefits embodied within the part will flow to the company and its cost can be measured reliably. The costs of the day-to-day servicing of property, plant equipment recognized in the statement in the comprehensive income as incurred.

3.3.3 Depreciation:

Depreciation on fixed assets is charged using 'reducing balance' method at the rates varying from 5% to 15%. Depreciation was charged as when assets were available for used.

No depreciation is charged on land and capital work in progress. The rates depreciation, applied on reducing balance method, for the comprehensive years are as follows:

Particulars	2019-2020	2018-2019
Land & Land Development	0%	0%
Building Factory	5%	5%
Plant & Machinery	10%	10%
Electrical Installation	15%	15%
Furniture and Fixture	10%	10%
Office equipment and Computer	15%	15%
Office Decoration	10%	10%
Vehicles	5%	5%

3.3.4 Intangible Assets:

Intangible assets include IT software which is used to maintain Company's accounts. It also includes Share Management Software and Website.

3.3.4.1 Recognition and Measurement:

Intangible assets are measured at cost less accumulated amortization and accumulated impairment loss, if any. It is recognized if it is probable that future economic benefits that are attributable to the asset will flow to the enterprise and cost of the assets can be measured reliably as required by IAS-38: Intangible assets. The cost of the Intangible assets comprises its purchase price and any costs directly attributable to the assets.

3.3.4.2 Subsequent Costs:

Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditures are recognized in the Statement of Comprehensive Income when incurred.

3.3.4.3 Amortization:

Amortization is recognized in the Statement of Comprehensive Income on diminishing balance method based on written down value at which the asset is carried in the books of account. Amortization continues to be provided until such time as the written down value is reduced to Taka one.

3.3.5 Capital work-in-progress:

Property, plant and equipment under construction/acquisition have been accounted for as capital work-in-progress until construction/acquisition is completed and measured at cost.

3.4 Capitalization of Borrowing Cost

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur in accordance with IAS 23: "Borrowing cost". Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

Recognition

Bangladesh Building Systems Limited capitalizes borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset as part of the cost of that asset. **Bangladesh Building Systems Limited** recognizes other borrowing costs as an expense in the period in which it incurs them.

Borrowing costs eligible for capitalization

The borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are those borrowing costs that would have been avoided if the expenditure on the qualifying asset had not been made.

To the extent that **Bangladesh Building Systems Limited** borrows funds specifically for the purpose of obtaining a qualifying asset, **Bangladesh Building Systems Limited** determines the amount of borrowing costs eligible for capitalization as the actual borrowing costs incurred on that borrowing during the period less any investment income on the temporary investment of those borrowings.

Commencement of capitalization:

Bangladesh Building Systems Limited begins capitalizing borrowing costs as part of the cost of a qualifying asset on the commencement date. The commencement date for capitalization is the date when the **Bangladesh Building Systems Limited** first meets all of the following conditions:

- it incurs expenditures for the asset;
- it incurs borrowing costs; and
- it undertakes activities that are necessary to prepare the asset for its intended use or sale.

Cessation of capitalization

Bangladesh Building Systems Limited ceases capitalizing borrowing costs when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are complete.

3.5 Impairment of Assets:

At each Balance Sheet date, the company reviews the carrying amounts of its assets to determine whether there is any indication of impairment In accordance with IAS -36 : "Impairment of Assets" During the year there was no indication of impairment of assets, as such no adjustment was given in the Financial statement for impairment

3.6 Investment:

Investment represents investment in shares in BBS Cables Ltd. All investments categorized under 'Investments available for sale' and held-to-maturity' are carried at cost.

3.7 Lease:

The Company transfer its Lease assets to Property plant and equipment with supporting of Bank Confirmation. The UCBL consider the lease liabilities as Loan liability for the remaining outstanding liabilities.



3.8 Financial Instruments:

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

3.8.1 Financial Assets:

The company initially recognizes receivable and deposit on the date that they are originated. All other financial assets are recognized initially on the date at whom the company becomes a party to the contractual provisions of the transaction.

Financial assets include cash and cash equivalents, account receivables, and long term receivables and deposit.

3.8.1.1 Trade and Other Receivables:

Trade and other receivable represent the amount due from customers of credit sales and also include receivable from employees and others. Account receivables are stated net of bad debt provision and unearned carrying charges.

3.8.1.2 Cash and Cash Equivalent:

Cash and cash equivalent comprise cash balances both in hand at bank, cash in transit and fixed deposit with original maturities of three months or less.

3.8.2 Financial Liability:

The company initially recognized debt securities issued and subordinated liabilities and the date that they are originated. All other financial leases obligations, loans and borrowings, account payables and other payables.

3.8.2.1 Payables:

The company recognizes a financial liability when its contractual obligations arising from the past events are certain and the settlement of which is expected to result in and outflow from the company of resources embodying economic benefit.

3.9 Inventories:

Inventories are assets held for sale in the ordinary course of business, in the process of production for such sale or in the form of materials or supplies to be consumed in the production process. Inventories are stated at the lower of cost or net realizable value in compliance to the requirements of Para 21 and 25 of IAS-2. Costs including an appropriate portion of fixed and variable overhead expenses are assigned inventories by the method most appropriate to the particular class of inventory. Net realizable value represents the estimated selling price for the inventories less all estimated cost of completion and cost necessary to make the sale. Item wise valuation is as follows:

Items	Basis of valuation
Raw Materials	Weighted Average Cost
Stores & Spares	Weighted Average Cost
Work-in-Process	Raw materials cost which includes all the materials issued to production floor.
Finished Goods	Weighted Average Cost



3.10 Cash and Cash Equivalents:

For the purpose of Balance Sheet and Cash Flow Statements, Cash in hand and Bank balances represent cash and cash equivalents considering the IAS-1 "Presentation of Financial Statements" and IAS-7 "Cash Flow Statement", which provide that Cash and Cash equivalents are readily convertible to known amounts of Cash and are subject to an insignificant risk of changes in value and are not restricted as to use.

3.11 Cash Flow Statement:

Cash Flow Statement is prepared principally in accordance with IAS-7 "Cash Flow Statement" and the cash flow from the operating activities have been presented under direct method as prescribed by the Securities and Exchange Rules, 1987 and considering the provision of paragraph 19 of IAS-7 which provides that "Enterprises are Encouraged to Report Cash Flow from Operating Activities Using the Direct Method".

3.12 Accounts Receivables:

Trade receivable is stated at nominal value which is the fair value of the consideration given in return. After initial recognition these are carried at nominal value less impairment losses due to non-collectability of any amount so recognized.

3.13 Provisions:

A provision is recognized on the balance sheet date if, as a result of past events, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.

3.14 Revenue Recognition:

Revenue from the sale of good is measured at the fair value of the consideration revised or receivable, net of returns and allowances and trade discounts. Revenue is recognized when significant risks and rewards of ownership have been transferred to the buyer, recovery of consideration is probable, the associated costs and possible return of goods can be estimated reliably, there is no continuing management involvement with the goods, and the amount of revenue can be measured reliably. This usually occurs at the time of delivery of goods along with invoice.

3.14.1 Other Income

All other income is recognized when the Organization's right to receive such income has been reasonably determined and all conditions precedent is satisfied.

3.15 Finance Cost:

Finance expense comprises interest expense on term loan, overdraft, and bank charge. Interest income fixed deposit and from saving or current account is net off with finance expenses. All finance expenses are recognized in the profit and loss account.

3.16 Earnings per Share:

The Company presents basic and diluted (when applicable) earnings per share (EPS) data for its ordinary shares.





3.16.1 Basic Earnings per Share:

Basic earnings per share are calculated by dividing the profit and loss attributable to the ordinary shareholders of the Company by the weighted average number ordinary share outstanding during the period.

3.16.2 Diluted Earnings Per Share:

For purpose of calculating diluted earnings per share, the number of ordinary shares shall be the weighted average number of ordinary shares calculated in accordance with IAS-33 paragraphs 19 & 26 plus the weighted average number of ordinary shares that would be issued on the conversion of all the dilutive potential ordinary shares into ordinary shares.

3.17 Dividend income on shares:

Dividend income on shares is recognized during the period in which it is declared and ascertained. During the Year the company did not receive any dividend from invest in shares of BBSCCL.

3.18 Commission / Brokerage to selling agent:

No commission was incurred or paid to neither any sales agent nor any brokerage or discount other than conventional trade discount was incurred or paid against sales.

3.19 Income Tax:

Income tax expenses comprise current and deferred tax. Income tax expenses are recognized in the Profit & Loss Account.

3.19.1 Current Tax:

Income tax expenses are recognized in Profit or Loss. Current tax is the expected tax payable on the taxable income for the year using tax rates. The company qualifies as a publicly traded company hence the applicable tax rate is 25%.

3.19.2 Deferred Tax:

Deferred Tax arises due to temporary/deductible difference between accounting and tax base depreciation. Deferred Assets/Liabilities is recognized as per International Accounting Standard (IAS-12).

3.20 Reclassification:

During period figures, wherever considered necessary, have been rearranged/restated/reclassified, for the purpose of comparison with current year's presentation without any impact on the profit and value of assets and liabilities as reported in the financial statements. The management of company reclassified its Lease Assets reclassified as Property, Plant & Equipment during the year.

3.21 Sources of Information:

During our course of preparation and presentation of the financial statements it has been considered the relevant financial documents and collected information throughout the accounting period ended 2019-2020 after overlooking of the head of accounts.



3.22 Related Party Disclosure:

During the year the Company carried out a number of transactions with related parties in the normal course of business on arm's length bases. Name of those related parties, nature of those transaction and their total value have been shown below in accordance with the provisions of IAS-24- "Related Party Disclosure."

3.23 Risk Exposure

3.23.1 Financial Risk Management:

The management of 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.

- Credit risk
- Liquidity risk
- Market risk
- Industry risk
- Operational risk
- Currency risk
- Interest rate risk

3.23.1.1 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 2019 substantial part of the receivables are those from its company related and subject to insignificant credit risk. Risk exposures from other financial assets i.e. Cash at bank and other external receivables are nominal.

3.23.1.2 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. In extreme stressed conditions the company may get support from the related company in the form of short term financing.

3.23.1.3 Market Risk:

Market risk refers to the risk of adverse market conditions affecting the sales and profitability of the company. Mostly, the risk arises from falling demand for the product or service which would harm the performance of the company. The company has strong marketing and brand management would help the company to increase their customer base.



3.23.2 Industry Risks:

Industry risk refers to the risk of increased competition from foreign and domestic sources leading to lower prices, revenues, profit margin, and market share which could have an adverse impact on the business, financial condition and results of operation. The company has strong marketing and brand management would help the company to increase their customer base.

3.23.3 Operational Risks:

Operational risk summarizes the risks a company undertakes when it attempts to operate within a given field or industry. Operational risk is the risk not inherent in financial, systematic or market-wide risk. It is the risk remaining after determining financing and systematic risk and includes risks resulting from breakdowns in internal procedures, people and systems. The Management is highly skilled and directly involved in operation and also has built strong supply chain management to operate the business smoothly.

3.23.4 Currency risk:

The company is exposed to currency risk on certain revenues and purchases such as revenue from foreign customers and import of raw material, machineries and equipment. Majority of the company's foreign currency transactions are denominated in USD and relate to procurement of raw materials, machineries and equipment from abroad. The management has procurement policy to purchase the Raw Material imported from abroad.

3.23.5 Interest rate risk:

Interest rate risk is the risk that arises due to changes in interest rates on borrowing. There was no foreign currency loan which is subject to floating rates of interest. Local loans are, however, not significantly affected by fluctuations in interest rates. The company has not entered into any type of derivative instrument in order to hedge interest rate risk as at the reporting date.

3.23.6 Employee Benefit:

The company maintains both defined contribution plan (Provident fund) for all its permanent employees. The eligibility is determined according to the terms and conditions set forth in the respective trust deeds.

3.23.7 Define contribution plan (Provident Fund):

Defined contribution plan is cost employment benefit plan under which the company provides benefits for all of its permanent employees. The recognized employees' provident Fund is being considered as defined contribution plan as it meets the recognition criteria specified for this purpose. All permanent employees contribute 10% of their basic salary to the provident fund and the company also makes equal contribution.



3.23.8 Short term employee benefits:

This relates to leave encashment and is measured on an undisclosed basis and expensed as the related service is provided. Provision is made for the annual leave encashment based on the latest basic salary. This benefit is applicable for employees as per services rule.

3.23.9 Workers' Profit Participation Fund:

Contribution to Workers' Profit Participation Fund has been made at 5% of the net profit in accordance with The Bangladesh Labor (Amendment) Act, 2013.

3.23.10 Festival bonus

Each employee entitled to get festival bonus as per terms of service rules.

3.24 Events after the Reporting Period:

As per IAS-10 "Event after the reporting period" are those events favorable and unfavorable that occurred between the end of the reporting period and the date when the financial statements are authorized for the issue. There were no material events that occurred after the reporting period which could affect the values in financial statements.





SL. No	Particulars	Amount in Taka	
		30-Jun-20	30-Jun-19

4.00 Property, Plant & Equipment's: Tk.1,006,777,562

This is made up as follows:

Cost

Opening balance

Add: Addition during the year

1,610,357,305	1,588,210,714
17,296,747	22,146,591
1,627,654,052	1,610,357,305

Less: Disposal during the year

Closing balance

-	-
1,627,654,052	1,610,357,305

Depreciation

Opening balance

Add: Depreciation during the year

560,307,246	495,242,991
60,569,244	65,064,255
620,876,490	560,307,246

Less: Adjustment during the year

Closing balance

-	-
620,876,490	560,307,246

Written down value

1,006,777,562	1,050,050,059
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A schedule of Property, Plant & Equipment's are given in **Annexure-A**.

5.00 Intangible asset: Tk.1,588,267

This is made up as follows:

Cost

Opening balance

Add: Addition during the year

770,620	770,620
1,258,935	-
2,029,555	770,620

Less: Disposal during the year

Closing balance

-	-
2,029,555	770,620

Amortization

Opening balance

Add: Amortization during the year

394,579	354,503
46,709	40,076
441,288	394,579

Less: Adjustment during the year

Closing balance

-	-
441,288	394,579

Written down value

1,588,267	376,041
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A schedule of Property, Plant & Equipment's are given in **Annexure-C**.

6.00 Investment in associate companies: Tk.824,363,067

This is made up as follows

Particulars:

Opening balance

Share of net profit after tax of associate (Note- 6.1)

664,441,541	444,749,099
186,371,526	242,692,442
850,813,067	687,441,541

Adjustment/Disposal during the year

Cash Dividend received from associate

Closing Balance

(26,450,000)	(23,000,000)
824,363,067	664,441,541

6.01 Share of Profit of associate (Net of Tax)

This is made up as follows

Particulars:

Net profit attributable to the Shareholders' of associate

Percentage of holding

Share of net profit after tax of associate

1,162,642,083	1,455,863,480
16.03%	16.67%
186,371,526	242,692,442



SL. No	Particulars	Amount in Taka	
		30-Jun-20	30-Jun-19
	The company's investment in associates(BBSL has 16.03% equity interest in BBS Cables Ltd. i.e 28,095,000 Ordinary Shares of Tk. 10 each.) is accounted for the Financial Statements using the Equity Method in accordance with IAS 28: 'Investment in Associates & Joint Ventures'. Significant influence over an investee (associate) is presumed to exist in accordance with IAS 28.5-28.9. Investment in an associate is initially recognized at cost, and the carrying amount is increased or decreased to recognize the investor's share of the profit or loss of the investee after the date of acquisition. The investor's share of investee's profit or loss is recognized in the investor's profit or loss.		

7.00 Work in Progress for new office space: Tk.76,896,428

This is made up as follows

Particulars:

Opening balance

Add: Addition during the Year

76,896,428	-
-	76,896,428
76,896,428	76,896,428
-	-
76,896,428	76,896,428

Less: Adjustment made during the Year

Closing Balance

8.00 Inventories: Tk.979,759,504

This is made up as follows

Particulars:

Raw Material (Note-08.01)

Work-in-Process (Note-08.02)

Finished Goods (Note-08.03)

Total

620,413,736	574,765,420
50,944,446	182,886,200
308,401,322	73,752,595
979,759,504	831,404,215

8.01 Raw Materials: Tk.620,413,736

This is made up as follows

Particulars:	(MT/KG/PCS)	30-Jun-20	(MT/KG/SQM/PCS)	30-Jun-19
		Amount in Taka		Amount in Taka
Aluminum Foil	2,250	135,000	3,600	216,000
LDP	1,200	216,000	1,925	346,500
Fire Protected	-	-	200	36,000
Galvalume Steel Coils	323	33,804,885	278	29,197,560
Decking	135	15,137,920	151	16,903,600
Hot Roll Steel Sheet/Plate	6,799	509,876,175	6,483	486,222,750
Zink Aluminum Alloy Coated Steel Coils	411	61,243,756	254	41,843,010
Total		620,413,736		574,765,420

8.02 Work in process: Tk.50,944,446

This is made up as follows

Particulars:	(MT/KG/PCS)	30-Jun-20	(MT/KG/SQM/PCS)	30-Jun-19
		Amount in Taka		Amount in Taka
Purlin	78	8,213,310	263	27,586,965
Decking Sheet	17	1,994,100	110	12,696,575
Pre-fabricated I-Section	304	24,315,680	1,276	102,105,520
Roof Sheet	102	16,421,356	245	40,497,140
Total		50,944,446		182,886,200

Work-in-Progress: Considered the cost of raw-materials and 90% of labour and factory overhead as per degree of completion.



SL. No	Particulars	Amount in Taka	
		30-Jun-20	30-Jun-19

8.03 Finished Goods: Tk.308,401,322
This is made up as follows

Particulars:	30-Jun-20		30-Jun-19	
	(MT/KG/PCS)	Amount in Taka	(MT/KG/PCS)	Amount in Taka
Accessories		15695657		45,611,804
Decking Sheet	148	17,737,852	37	4,494,041
Erection Materials		97,726,338	-	-
Purlin	86	9,473,200	-	-
Pre-fabricated I-Section	1606	139,694,775	157	13,332,250
Roof Sheet	160	28,073,500	63	10,314,500
Total		308,401,322		73,752,595

9.00 Goods In Transit: Tk.8,783,377

Goods In Transit (MS Plate)
Total

8,783,377	6,503,408
8,783,377	6,503,408

10.00 Advances, deposits and prepayments: Tk.693,635,783

This is made up as follows:

Particulars:

Advance to Employees (Note-10.01)
Advance Income Tax
Advance to Factory
Advance to lease
Advance to Office space purchase
Fire Policy advance
Advance to Parties (Note-10.02)
Security Deposit
L/C advance Tax (AT)
VAT Current Account
Tender Security
L/C Margin
Bank Guarantee Margin
Total

967,067	955,462
421,181,189	361,192,096
142,125	38,135
430,000	430,000
183,167,010	183,167,010
1,908,845	1,358,871
10,442,826	40,085,832
2,549,851	2,738,571
-	2,576,988
62,630,339	21,982,120
1,073,851	200,000
2,671,093	25,298,518
6,471,587	5,984,771
693,635,783	646,008,374

This is unsecured and considered good.

Advance: These advances are un-secured but good and subsequently realized and/or adjusted.

Deposits: These balances represent security deposits made by the Company for electric connection & others. In the opinion of the Directors, all current assets, investments, loans and advances are on realization in the ordinary course of business, a value at least equal to the amounts at which they are stated in the Statement of Financial Position.

There is no claim against the Company, which can be acknowledged as debt.

No amount was due by the Directors and managing agents of the Company and any of them severally or jointly with any other person.

10.01 Advance to employees: Tk.967,067

This is made up as follows

Particulars:

Mr. Abdus Sattar
Akmol Hossain
Mr. Alomgir Hossain
Mr. Anisur Rahaman
Mr. Abul Hossen
Mr. Al-Mahmud
Mr. Annur Rahman
Mr. Anwar Hossain
Mr. Asit Saha
Mr. Ayub Ali

118,840	159,280
4,000	-
4,500	-
3,615	-
-	14,588
-	83,242
159,057	214,829
5,000	5,000
19,252	2,849
-	10,000



SL. No	Particulars	Amount in Taka	
		30-Jun-20	30-Jun-19
	Mr. Belayet Hossain	25,241	-
	Mr. Bijoy	51,630	45,630
	Mr. Jamal Uddin-Driver	5,000	5,000
	Mr. Jasim Sikder	-	11,596
	Mr. Milon	5,000	5,000
	Mr. Miraz Hossain	200,000	-
	Mr. Mofizuddin	-	51,646
	Mr. Mohsin	12,800	1,867
	Mr. Monirul Islam	4,000	4,000
	Mr. Nayan Kumar Biswas	17,935	5,000
	Mr. Nirob	113,700	150,691
	Mr. Nurul Alom	3,500	5,999
	Mr. Raihan Kabir	22,500	29,184
	Mr. Rasel Hossain	5,000	5,000
	Mr. Rashedur Rahman Sarker	-	5,960
	Mr. Sarowar Hossain	4,176	-
	Mr. Saiful (Office Assistant	40,000	-
	Mrs. Aysha Akter Eity	87,570	-
	Mr. Shahjalal Khandker	29,321	23,821
	Mr. Shakhawat Hossain	14,015	-
	Mr. Tanmoy Biswas	1,335	23,780
	Mr. Zilur for Erection	10,080	-
	Mrs. Ayesha Akter Eti	-	91,500
	Total	967,067	955,462

10.02 Advance to parties: Tk.10,442,826

This is made up as follows

Particulars:

A-One Iron Store	-	2,975,067
A-One Polymer Ltd.	-	5,642
Abound Business Inc. Ltd	2,178,909	-
Advanced Design & Technology	-	150,000
Al-Noor Hardware Store	-	70,650
Aveva Information Tech. India Pvt. Ltd.	-	839,085
Biswas Enterprise	21,590	26,640
BSRM Steel	-	28,639
Business Connection	-	6,975,402
Chistia Hardware Store	-	32,550
City Paper & Stationary	-	47,519
Daffodil Computers	-	26,000
Finaco NV	-	412,659
Global Iron Store	2,479,112	-
Global Printing Press	-	15,617
Manha Traders	-	44,000
Melody Entertainment	125,000	-
Mindhill Corporation	-	696,600
MJS Steel Centre	5,509,412	13,081,786
MS Sadiqul Enterprise	30,963	-
Navana Totoya	48,620	-
New Bahar & Sons	-	10,948,512
New Osmani Mill Store	-	30,350
Rana Enterprise	-	8,440
Reyes Limited (Civil)	-	3,504,799
Saj Industrial & Inspection Company	29,700	29,700
Skysealand Shipping Lines	-	100,000
Trust Engineering	19,520	19,520
Unique Iron Traders	-	15,515
Vikrampur Steel Ltd.	-	1,140
Total	10,442,826	40,085,832





SL. No	Particulars	Amount in Taka	
		30-Jun-20	30-Jun-19
11.00	Trade and other receivables: Tk.935,573,335		
	This is made up as follows		
	Particulars:		
	Trade Receivable (Note - 11.01)	935,573,335	911,166,632
	Total	935,573,335	911,166,632
11.01	Receivables from customers: Tk.935,573,335		
	This is made up as follows		
	Particulars:		
	AB.R-Spinning Mills Ltd.	6,018,144	6,718,144
	ACCL Club	10,758,368	3,184,198
	Ahad Community Center	111,550	122,000
	AKH ECO Apparels Ltd.	33,167,165	26,187,165
	Alomgir Akhondo Project	1,993,715	-
	Al-Amren Food Products Ltd.	7,038,200	7,588,200
	Amin Technical Center	826,909	-
	Apex Jute Mills Ltd.	810,545	914,211
	Asif Fashion Industries Ltd.	1,324,000	1,824,000
	Associated Building Corp. Ltd.	850,000	300,000
	Aziz Trade Engineering Ltd.	16,305,000	-
	Badhon Knit Fashion Ltd.	3,252,000	3,552,000
	Baly Integrated Solutions Ltd.	169,929	1,195,927
	Baly Yarn Dyeing Ltd.	684,233	770,937
	Bangladesh Erectors Ltd.	415,696	500,000
	Barobi Holdings Ltd	3,410,000	-
	Bashundhara BMPIL	-	400,776
	Bashundhara Indoor Stadium	6,352,730	8,052,730
	Bashundhara Multi Paper Inds. Ltd.	-	800,660
	BBS Cables Unit-2 Ltd.	-	37,216,658
	Benfix Steel Building Development	473,000	513,000
	Bengal Adhesive & Chemical Inds. Ltd.	700,000	1,200,000
	Bengal Cement Ltd.	46,400	11,278,392
	Bengal Feed & Fisheries Ltd.	1,859,500	2,500,000
	Bengal Group	2,965,722	3,465,722
	Bengal Group Mold Shed	2,376,828	2,864,000
	Bengal NFX Textiles Mills Ltd.	460,000	960,000
	Bhairob Power Ltd.	3,727,599	4,414,643
	BNA Bangabandhu Complex	7,820,001	8,320,000
	BSRM Wires Ltd.	12,283,358	24,569,532
	Butterfly Manufacturing Ltd.	29,475,990	22,895,000
	Cadet College Club Ltd	4,303,000	-
	Cantonment School & College Rangpur	745,120	1,900,000
	Chaity Composite Ltd.	24,050,000	34,050,000
	Chadpur Power Generation Ltd	21,708,268	-
	Civil Engineers LTd.	9,288,512	-
	Color & Stitches	1,527,298	2,027,298
	Consolidated Tea & Lands Co. (BD)	3,934,833	9,751,804
	Desh Unnayan Ltd.	707,978	745,400
	Edison Footwear Ltd.	2,083,169	2,750,000
	Eminance Electric Wires & Cables Ltd	496,606	-
	EON Group of Industries	6,870,000	16,370,000
	Executive Attire Ltd.	13,476,760	7,076,760
	Fahim Washing Plant	2,596,535	2,803,230
	Fakir Fashion Ltd.	11,942,714	1,504,329
	Fashion Globe Ltd.	1,968,000	2,468,000
	FB Fashion Ltd.	2,767,000	3,667,000
	Four H Group	19,300,000	-
	Galaxy Logistics Ltd.	783,897	1,733,896
	Gazi Auto Tyres	6,756,344	9,031,411
	Gazipur & Mirzapur Tea Estate Ltd.	2,202,840	3,558,448
	Globe Edible Oil Ltd.	222,868	251,000



SL. No	Particulars	Amount in Taka	
		30-Jun-20	30-Jun-19
	G M SONS	1,900,000	-
	Green Smart Shirts Ltd.	13,336,407	18,146,407
	Greentex Composite Mills	19,040,000	24,040,000
	G S Paper & Board Mills Ltd.	800,000	-
	Hashem Rice Mills Ltd.	5,874,418	9,221,276
	Impress New Tex AOP Shed	9,107,000	11,778,336
	Impress New Tex Composit Ltd.	12,539,212	16,477,716
	Index Companies Ltd.	14,020,461	3,371,469
	Infinia Group	23,961,620	-
	Infinia Spinning Mills Ltd.	7,523,347	15,947,347
	Ispahani Tea Ltd.	185,224	6,043,248
	Ispahani Summit alliance	152,072	173,816
	Italian Thai Development Pub. Co. Ltd.	-	4,751,821
	Jamuna Fashion Wears Ltd	50,000	-
	Jeans Manufacturing Co. Ltd	12,313,416	-
	Kamal & Brothers	752,000	752,000
	Karishma Services Ltd.	1,700,500	2,200,500
	Karooni Knit Composite Ltd.	1,304,743	2,085,155
	Kazi Farms Group Trading	166,810	247,023
	Kazi Firms wire house	4,348,204	4,703,204
	Kazi Pirganj Heatachari Ltd.	293,515	387,689
	K.K Internaitonal	-	250,000
	KM Bohumukhi Ltd.	4,829,121	5,329,121
	Knit Asia	400,000	900,000
	KSRM Power Plant	3,503,670	-
	KYCR Coil Industries Ltd.	4,897,949	8,726,911
	Laksum Inner Wear Ltd	505,000	880,000
	Lira Group	-	23,325,000
	Magnum Steel Industries Ltd.	1,045,523	1,378,285
	Majidsons Construction Ltd.	7,008,938	7,408,938
	Marico Bangladesh Ltd.	-	7,773,571
	Masafi Bread & Biscuit Industries Ltd.	5,700,000	-
	Mast Packing & Paper Ltd.	40,752	270,752
	MAX Industries Ltd.	700,000	700,000
	Mazidsons Construction Ltd	94,273	3,611,769
	Meghna Bangladesh Ltd.	211,784	339,800
	Meghna Group	9,011,263	1,061,263
	Meghna group utility bridge	362,108	374,318
	MN Convention Hall	3,535,000	4,235,000
	Monalisa Ceramics ltd	790,409	7,732,909
	Mondol Group	35,837,298	11,098,760
	Mongla Port Authority	2,280,480	17,196,480
	MS Nadim Enterprise	250,812	310,135
	M & U Trims Ltd.	30,000	-
	Naasa Real State Ltd.	10,000,000	8,038,850
	Nahee SS Pipe Industries Ltd	-	3,755,000
	Nafco Group	10,410,230	-
	Nextspaces Ltd.	9,292,984	14,514,817
	New Hope Feed Mills Ltd.	11,277,414	-
	Nihao Food Company Ltd.	500,000	-
	Nortex Spinning Mills Ltd	3,666,014	5,666,014
	Oriental Eco Woods Ltd.	-	821,000
	Oriental Real Estate Ltd.	-	223,890
	Pakija Dyeing & Printing	10,206,750	22,206,750
	Pakija Woven Fashion Ltd.	348,010	358,460
	Paragon Group	23,282,554	22,524,569
	Paramount BTRAC Energy Ltd.	1,591,191	1,691,191
	Paramount Textiles Ltd.	3,287,595	3,837,595
	PHP Integrated Steel Mills Ltd.	3,138,969	7,668,780
	Pledge Harbour Intl. School	2,240,800	2,540,800
	Prime Press & Puliction	1,500,000	1,000,000





SL. No	Particulars	Amount in Taka	
		30-Jun-20	30-Jun-19
	Purbachal Steel Mills Ltd.	700,000	-
	Q & Q Foods Ltd.	1,975,000	-
	Quazi Enterprises Ltd.	3,476,511	574,442
	Rabeya Convention Centre (Trading)	94,768	94,768
	Rahman & Nesa Hospital	2,100,000	3,100,000
	Rancon Auto Industries Ltd.	14,429,844	19,468,544
	Rancon Electronics Ltd.	29,175,768	35,711,420
	R.A Spinning Mills Ltd.	2,597,000	3,231,286
	R. B. Convention Center	205,262	205,262
	Reflex Packaging Ltd.	9,086,598	-
	Regent Fabrics Ltd.	761,213	1,528,466
	S Alom Group	28,492,875	-
	Sarah Resort Ltd.	1,694,025	2,507,000
	Shahida Trading Corporation	1,300,000	2,350,000
	Shamim Food & Beverage Ltd.	6,052,140	7,252,140
	Shamoli Poultry	2,728,640	3,228,640
	Shams Washing Ltd.	-	4,050,000
	Shetu Pesticids Ltd.	536,894	4,808,664
	Shiplu Textile & Spinning Mills Ltd	5,202,542	7,182,542
	Shirin Spinning Mills Ltd.	2,431,378	2,741,778
	Spectra Engineers Ltd.	10,553,863	1,798,000
	Square Consumer Products Ltd.	1,500,010	1,800,010
	SSP PVT Limited.	7,783,206	-
	Standard Group (Trading)	1,396,950	1,756,950
	Taiwan Food & Processing Inds. Ltd.	459,070	789,043
	Takken Alom Abenikko	1,022,811	-
	Talisman Sartorial Ltd	43,271,800	32,933,281
	Tharmex Group	21,662,575	21,062,575
	The Civil Engineers Ltd.	25,968,464	15,068,464
	Uniglory Cycle Components Ltd.	563,000	900,000
	Uniglory Paper & Packaging Ltd.	10,000,000	11,000,000
	Uniliance Textile Ltd	2,757,620	3,757,620
	Uniliver BD Ltd.	2,524,573	12,855,185
	Unique Designers Ltd	1,754,180	10,483,408
	Unitex Composite Mills Ltd.	10,416,210	11,416,211
	Urmi Group	-	8,652,346
	Vitacan Industries Ltd.	471,360	971,360
	Viyellatex Group	11,060,318	2,961,549
	Viyellatex group eco Fabrics-2	18,822,729	18,852,377
	Viyellatex Ltd (Dism. & Install RS)	3,324,174	3,502,391
	Viyellatex Spinning Mills Ltd.	45,431,656	48,160,640
	Xinpeng-Bir Industrial Co. Ltd.	7,234,144	4,336,064
	Total	935,573,335	911,166,632

The above amounts are unsecured but good and have been subsequently realized. No provision was made for bad debt during the year under review.

Aging of the above receivables is given below:

Particulars	upto 3 months	3-6 months	6 months & above	Total
Accounts Receivable	285,911,211	359,540,833	290,121,291	935,573,335

This is unsecured, considered good and is falling due within one year. Classification schedule as required by schedule XI of Companies Act 1994 are as follows:

SL	Particulars	Amount in BDT 30 June 2020	Amount in BDT 30 June 2019
I	Accounts receivable considered good in respect of which the company is fully secured	-	-
II	Accounts receivable considered good in respect of which the company holds no security other than the debtor personal security	935,573,335	911,166,632





SL. No	Particulars	Amount in Taka	
		30-Jun-20	30-Jun-19
III	Accounts receivable considered doubtful or bad	-	-
IV	Accounts receivable due by any director or other officer of the company	-	-
V	Accounts receivable due by Common management	-	-
VI	The maximum amount of receivable due by any director or other officer of the company	-	-
	TOTAL	935,573,335	911,166,632

12.00 Cash and cash equivalent: Tk.21,185,870

This is made up as follows

Particulars:

Cash in hand:

Cash at bank:

Term Deposits (FDR) (Note-12.01)

Short Term Deposit (STD) (Note-12.02)

Current & Collection Accounts (Note-12.03)

IPO Deposits Accounts (Note-12.04)

Total

	62,934	114,178
	21,122,936	8,056,932
	2,322,712	4,589,276
	11,359,740	1,697,689
	7,254,940	1,597,230
	185,544	172,737
	21,185,870	8,171,110

The bank balances have been confirmed and reconciled with respective bank statements.

Cash in hand has been verified by the Management & Auditor at the close date of the year and a cash custody certificate was furnished to the Auditors.

12.01 Term deposits (FDR): Tk.2,322,712

This is made up as follows

Particulars:

Eastern Bank Ltd., A/C No. 1015550002354

Eastern Bank Ltd., A/C No. 1045450439654

Total

-	4,589,276
2,322,712	
2,322,712	4,589,276

12.02 Short term deposits accounts (STD): Tk.11,359,740

This is made up as follows

Particulars:

Brac Bank Ltd., A/C No. STD-1507100399135001

Eastern Bank Ltd.

Brac Bank Ltd., A/C No. STD-1518202275049001

Dutch-Bangla Bank Ltd., A/C No. SND- 0103120000001023

United Commercial Bank Ltd. A/C No. SND- 00781301000000234

United Commercial Bank Ltd. A/C No. SND- 00781301000000223

Total

5,393	48,038
8,643	-
38,613	40,338
2,806,256	921,432
12,722	64,313
8,488,113	623,568
11,359,740	1,697,689

12.03 Current and collection accounts : Tk.7,254,940

This is made up as follows

Particulars:

Brac Bank Ltd., A/C No. CD-1507200399135002

Prime Bank Ltd. A/C No. CD-2126113001163

NRB Commercial Bank Ltd.

Total

968,204	971,739
20,502	21,077
6,266,234	604,414
7,254,940	1,597,230

12.04 IPO deposit accounts : Tk.185,544

This is made up as follows

Particulars:

United Commercial Bank Ltd. A/C No. SND- 007813200000245

United Commercial Bank Ltd. A/C No. USD- 00781410000038

Total

18,788	18,657
166,756	154,080
185,544	172,737.00



SL. No	Particulars	Amount in Taka	
		30-Jun-20	30-Jun-19
13.00	Share Capital : Tk.1,551,711,744		
	This is made up as follows		
	Particulars:		
	Authorized share capital		
	500,000,000 ordinary shares of BDT 10 each	<u>5,000,000,000</u>	<u>5,000,000,000</u>
	Issued, subscribed and paid up capital		
	141,064,704 Ordinary Shares of Tk. 10.00 each fully paid-up	1,410,647,040	1,282,406,400
	14,106,470 bonus share @ Tk. 10 each	141,064,704	128,240,640
	Total	<u>1,551,711,744</u>	<u>1,410,647,040</u>

Split of Face Value of Share:

A special resolution is passed and duly certified from RJSC dated 30 October, 2010 to adopt a new Articles of

Association. By the said special resolution, the Company's face value of share is reduced from Tk. 100 to Tk.10.

The above balance has been received from the following :

Name	Designation	% of Shares		No. of Shares	
		30-06-2020	30-06-2019	30-06-2020	30-06-2019
Directors/Sponsors					
Engr. Md. Abu Noman Howlader	Chairperson	8.88	8.88	13,782,396	12,529,451
Engr. Hasan Morshed Chowdhury	Managing Director	3.38	3.38	5,245,150	4,768,319
Engr. Mohammad Ruhul	Director	3.08	3.08	4,786,861	4,351,692
Engr. Mohammad Badrul	Director	7.05	7.05	10,942,031	9,947,301
Mr. Md. Ashraf Ali Khan	Director	7.61	7.61	11,808,806	10,735,279
		30.01	30.01	46,565,244	42,332,042
Others					
Foreign investors		0.1	0.13	158,770	183,384
Institutions		35.52	33.55	54,934,562	47,327,208
General Shareholders		34.37	36.31	53,512,598	51,222,070
		69.99	69.99	108,605,930	98,732,662
		100	100	155,171,174	141,064,704

Range with shareholding position:

Range of holdings In number of shares	No. of shareholders		% of shareholders		Number of shares	
	2020	2019	2020	2019	2020	2019
1 to 500	2946	3,129	0.32	0.38	496,877	541,200
501 to 5,000	4546	4,753	5.67	6.53	8,803,687	9,217,586
5,001 to 10,000	1014	953	4.73	4.91	7,346,901	6,922,367
10,001 to 20,000	651	580	5.82	5.71	9,037,709	8,067,806
20,001 to 30,000	207	206	3.33	3.60	5,171,038	5,084,350
30,001 to 40,000	112	94	2.51	2.31	3,895,540	3,267,609
40,001 to 50,000	60	60	1.75	1.97	2,721,504	2,785,728
50,001 to 100,000	108	96	4.81	4.70	7,477,622	6,635,524
100,001 to 1,000,000	89	82	14.41	14.43	22,363,503	20,351,703
Over 1,000,000	22	20	56.62	55.43	87,856,793	78,190,831
Total	9,755	9,973	100	100	155,171,174	141,064,704

14.00 Retained earnings : Tk.884,694,594

This is made up as follows

Particulars:

Opening balance	917,021,671	766,041,350
Issuance of bonus shares	(141,064,704)	(128,240,640)
Net profit after tax	108,737,626	279,220,961
Closing Balance	<u>884,694,594</u>	<u>917,021,671</u>



SL. No	Particulars	Amount in Taka	
		30-Jun-20	30-Jun-19

15.00 Long Term Loan : Tk.304,601,698

This is made up as follows

Particulars:

Long term loan Lanka Bangla Finance
Term Loan-UCBL

108,198,419	101,358,072.00
416,546,291	136,884,871
524,744,710	238,242,943
220,143,012	77,551,620
304,601,698	160,691,323

Less: Current Maturity of Long Term Loan

Total

Terms & conditions of term loan:

The Company is enjoying term loan facility against expansion of Factory Building from UCBL, Mohakhali Branch. Terms & Conditions of the loan is as below:

Loan A/c Name and No.	Rate of Interest	Tenor	Repayment Term	Security
Term Loan -UCBL	11.00%	5 years	Monthly (Starting from 13 July 2016)	(a) A post dated cheque covering the Term Loan amount, 06 nos post dated MICR Cheques for each Term Loan (03 nos. cheques covering each EMI amount and 03 nos. cheques each amounting 20 times of EMI amount through an undertaking to the effect that these have been provided by you for repayment purpose. (b) Personal guarantee of all the directors. (c) Post dated cheques. (d) Registered mortgage supported by registered IGPA favouring the bank against all bank facilities on 99.00
Term loan- LankaBangla Finance	13.25%	12 Years	Monthly (Starting from 28 February 2020)	(a) Registered Mortgage Land and Floor. (b) Personal Guarantee of all the Directors. (c) Post dated Cheques.

16.00 Deferred tax : Tk.222,228,303

This is made up as follows

Particulars:

Opening balance
Adjustment/(Reduction) during the year on fixed assets at cost
Deferred Tax (Associate Income @ 20%)
Less: Adjustment of AIT of Dividend Income

224,294,722	174,795,878
3,223,581	5,560,356
-	48,538,488
(5,290,000)	(4,600,000)
222,228,303	224,294,722

Closing balance

DTL Calculation on Assets

Written Down Value as per Tax
Written Down Value as per Audited Accounts
Difference
Tax Rate
DTL on Assets as on 30 June 2020
DTL on Assets as on 30 June 2019
Diff. DTL for the year ended 30 June 2020

582,658,933
1,008,367,220
(425,708,287)
25%
(106,427,072)
(103,203,491)
(3,223,581)

17.00 Accounts & other payables: Tk.34,810,637

This is made up as follows

Particulars:

Sundry creditors for goods and service (Note - 17.01)
Sundry creditors -others (Note - 17.02)
Undistributed refund warrant
Advance against Project (Note - 17.03)
Undistributed dividend

14,733,541	14,385,274
11,765,630	14,640,263
4,779,160	4,779,160
2,560,567	4,182,000
971,739	971,739
34,810,637	38,958,436





SL. No	Particulars	Amount in Taka	
		30-Jun-20	30-Jun-19
17.01	Sundry creditors for goods and services: Tk.14,733,541 This is made up as follows		
	Particulars:		
	Asian Paints	594,965	1,367,047
	Bengal Tyre & Battery	33,350	-
	Berger Paints	109,582	81,676
	Chistia Hardware Store	76,047	-
	Connect Distribution Ltd.	64,081	340,565
	Desk Touch International	4,887	31,387
	Diamond Fiber Glass Technology	804,114	833,007
	Gazipur Gas Company	334,400	334,400
	Grambangla Tubes Ltd	1,738,562	-
	Khaja Engineering Works	2,111,631	548,210
	Lucky Steel Corporation	552,503	-
	Linde Bangladesh	1,047,975	1,031,364
	MI Cement Factory Ltd	-	606,000
	Mindhill Corporation	647,385	-
	Navana Welding Electrode Ltd.	-	373,075
	New Juthi Enterprise	2,500	45,000
	Parvez Enterprise	689,796	360,188
	RAK Paints	929,306	1,974,100
	Roxy Paints	-	133,759
	Shafiul Alam Special Steel Mills Ltd.	16,900	454,480
	Sharif Corporation bd ltd.	1,294,967	2,649,240
	Sharly Engineering works	2,184,556	1,661,376
	Shawon Enterprise	200,122	161,136
	Tahir Enterprise	920,485	1,399,265
	Steel Mark pipes ltd.	375,427	-
	Total	14,733,541	14,385,274

17.02 Sundry creditors- others: Tk.11,765,630

This is made up as follows

Particulars:

ABC Company	-	28,000
Al-Amin Kormo Songtha	160,009	429,835
Arwa Agro Industries	53,500	-
Arafat Steel Structure	-	-
Atlantic Traders	1,647,906	1,123,334
Aveva Information Tech India	419,850	-
Bangladesh Transport Agency	34,210	84,210
Bishwas Enterprise	58,590	60,717
Bismillah Automobiles	-	8,300
Bismillah ZM Poultry	59,519	45,959
Bismillah Transport Agency	3,532	-
City Paper & Stationary	78,020	-
Dhaka Stock Exchange Ltd	-	41,489
Digital Land Survey	800	-
Energypac Power Generation Ltd.	110,174	-
Evergreen Logistic Services	-	1,076,110
Flora Ltd	422,171	-
FM Engineering	-	49,000
Feroz Sound & Mike generator service	-	23,450
Headlight	58,827	30,870
Heilong International	93,810	-
Jara Enterprise	170,283	-
Kishorgonj Paper & Stationary	46,000	-
KL Smart Steel Erector	282,290	-
Kajol Automobiles workshop	-	11,120
Local Transport Agency	76,685	214,395



SL. No	Particulars	Amount in Taka	
		30-Jun-20	30-Jun-19
	M/S Anis Traders	-	191,425
	MS Mariam Enterprise	67,788	-
	MS Arafat Steel Structure	40,370	-
	MS Supa Enterprise	285,484	-
	Mahin Enterprise	2,615	-
	Mollah Engineering and Service	3,200	403,200
	Modern Tech Enterprise	119,060	-
	Multi Link International Co.	89,760	-
	N. Islam Transport Agency	2,443,583	4,896,982
	Naima Foundation	34,665	433,371
	Nahar Enterprise	115,345	532,428
	NDE Steel Structure	3,600	-
	New Gulshan Computers	-	6,877
	New Tokyo A/c & Electric Works	-	46,200
	Northern Engineering Works	-	2,000
	Nur Enterprise	81,899	36,595
	ORKO Advertisement	-	1,150
	Partex Furniture	52,785	52,785
	Rangpur Transport Agency	-	737,020
	Rubel Transport Agency	-	539,160
	R N Timber	66,950	-
	Refined Computer	-	8,700
	Rijon Enterprise	-	39,780
	RSK Marketing Ltd.	-	3,000
	Sadi Enterprise	180,530	188,130
	Sadia Paints Ltd	319,815	885,268
	Sadiqul Enterprise	-	16,743
	Sanji Automobiles Ltd.	83,500	83,500
	Shahid Trading Corporation	74,851	85,750
	Sima Enterprise	324,094	-
	Smart Printing Solutions	-	8,500
	Smart Technologies BD Ltd.	-	6,720
	Speed Motors Ltd.	-	24,810
	Star Tech Engineering Ltd	144,540	-
	Steel Express Ltd	2,924,364	-
	ST Thai Aluminium	43,242	43,242
	Tamim Enterprise	-	41,834
	Tax Deducted From Remuneration	138,000	140,000
	Tax Deducted From Salary	160,000	40,158
	Tiger Steel Bangladesh	189,414	-
	Union Steel Tubes Ltd.	-	1,918,146
	Total	11,765,630	14,640,263

17.03 Advance against project: Tk.2,560,567

This is made up as follows

Particulars:

Amin Technical Training Centre	-	990,000
Baly Plastic Industry & Ing. Sol	500,000	-
BD Food Ltd Trading	800,000	-
Eminence Electric Wires & Cables Ltd.	-	600,000
Bitopi Group	450,000	-
Marico Bangladesh	810,567	-
Spectra Engineers Ltd.	-	792,000
Thermax Group Color Cotton	-	1,800,000
Total	2,560,567	4,182,000



SL. No	Particulars	Amount in Taka	
		30-Jun-20	30-Jun-19
18.00	Accruals and provisions: Tk.368,632,687		
	This is made up as follows		
	Particulars:		
	Salary & Allowances	9,484,832	9,424,808
	Wages	7,033,102	8,378,217
	Electricity Bill-Factory	421,047	607,081
	Electricity Bill-Head Office	6,450	6,120
	Provident Fund	40,395,746	35,407,779
	Interest Payable	1,128,987	3,261,363
	Provision for income tax (Note - 18.01)	267,840,221	262,584,961
	Provision for tax (Associate Income @ 20%)	37,274,305	-
	Provision for VDS	3,443,472	3,320,372
	Provision for WPPF (Note - 18.02)	1,259,524	7,191,824
	Corporate Gov. Certificate Fee	57,500	-
	Audit Fees	287,500	287,500
	Total	368,632,687	330,470,025
	Most of the outstanding liabilities have subsequently been paid; No liabilities in the Statement of Financial Position are at a value less than the amount at which it is repayable at the date of the Statement of Financial Position.		
18.01	Provision for tax: Tk.267,840,220		
	This is made up as follows		
	Particulars:		
	Opening balance	262,584,960	232,375,839
	Provision for the year	5,255,260	30,209,121
	Total	267,840,220	262,584,960
	Under tax provision in respect of previous year comprises:		
	Income Year 2012-2013	7,596,024	7,596,024
	Income Year 2013-2014	3,760,110	3,760,110
	Income Year 2014-2015	88,970	88,970
	Income Year 2015-2016	87,991,226	87,991,226
	Income Year 2016-2017	97,394,201	97,394,201
	Income Year 2017-2018	35,545,308	35,545,308
	Income Year 2018-2019	30,209,121	30,209,121.25
	Income Year 2019-2020	5,255,260	-
	Total	267,840,221	262,584,961
18.02	Workers profit participation fund & welfare fund: Tk.1,259,524		
	This is made up as follows		
	Particulars:		
	Opening balance	7,191,824	7,609,062
	Addition during the year	1,259,524	7,191,824
	Less: Paid during the period	(7,191,824)	(7,609,062)
	Closing balance	1,259,524	7,191,824
	Calculation		
	Profit Before Tax & WPPF	-	128,028,309
	Cash Dividend received from investment in Associate	26,450,000	23,000,000
	Profit applicable for WPPF	26,450,000	151,028,309
	Contribution to WPPF at 5%	1,259,524	7,191,824



SL. No	Particulars	Amount in Taka	
		30-Jun-20	30-Jun-19
19.00	Short term loan: Tk.961,740,519 This is made up as follows		
	Particulars:		
	Import Loan-UCBL	362,215,156	693,133,083
	OD Work Order-UCBL	-	3,405,028
	Deffered Acceptance	113,774,507	-
	CC Hypo-UCBL	153,325,478	154,357,218
	Import Loan NRBC	151,506,289	100,619,935
	Time Loan- NRBC	80,198,685	42,363,851
	Over Draft (OD)-NRBC	100,720,404	37,130,063
	IDLC	-	4,373,792
		961,740,519	1,035,382,970

The details of the loan is as under:

Name of the Bank: United Commercial Bank Ltd.

Nature: CC Hypo (Working Capital)

Sanction Limit: Tk. 150,000,000

Nature: LTR (Working Capital)

Sanction Limit: Tk. 450,000,000

Nature: OD (Working Capital)

Sanction Limit: Tk. 190,000,000

Nature: Time Loan

Sanction Limit: Tk.100,000,000

Expiry Date: 30-04-2018

Interest Rate: 9.50% (Variable)

Security: Shipping documents, title imported goods and Bank Security.

Name of the Bank: NRBC Bank Ltd.

Nature: L/C Sight/Usance/UPAS

Sanction Limit: Tk. 2500.00 Lac

Nature: OD (Working Capital)

Sanction Limit: Tk. 1000.00 Lac

Nature: Time Loan

Sanction Limit: Tk. 500.00 Lac



SL. No.	Particulars	Amount in Taka	
		30-Jun-20	30-Jun-19
20.00	Sales Revenue: Tk.875,876,708		
	This is made up as follows		
	Particulars:		
	Sales Revenue-Local	871,144,337	1,626,710,225
	Sales Revenue-Deemed Export	4,732,371	4,034,475
	Total	875,876,708	1,630,744,700
As per BSEC Notification (No: BSEC/CMRRCD/2009-193/188/Admin/69-dated: 07 September 2016), the turnover of the Company has declined due to the customization of the product, the effects of the COVID-19 Pandemic of the Country & world and also slack industrialization during the year.			

21.00 Cost of goods sold: Tk.794,922,908

This is made up as follows

Particulars:

Raw and packing materials

Opening stock	(Note - 08.01)	574,765,420	492,511,206
Purchase	(Note- 21.01)	742,379,157	1,164,108,448
		1,317,144,577	1,656,619,654
Closing stock	(Note - 08.01)	(620,413,736)	(574,765,420)
		696,730,841	1,081,854,234
Manufacturing expenses	(Note - 21.02)	200,899,040	274,641,966
Cost of goods manufactured		897,629,881	1,356,496,200
Add: Opening Work in Process	(Note - 08.02)	182,886,200	100,526,675
		1,080,516,081	1,457,022,875
Less: Closing Work-in-Process	(Note - 08.02)	(50,944,446)	(182,886,200)
		1,029,571,635	1,274,136,675
Opening stock of finished goods	(Note - 08.03)	73,752,595	54,196,174
		1,103,324,230	1,328,332,849
Closing stock of finished goods	(Note - 08.03)	(308,401,322)	(73,752,595)
Total		794,922,908	1,254,580,254

21.01 Purchase: Tk.742,379,157

This is made up as follows

Particulars:

Raw materials

Total

	742,379,157	1,164,108,448
Total	742,379,157	1,164,108,448

21.02 Manufacturing Expenses: Tk.200,899,040

This is made up as follows

Particulars:

Computer Accessories Factory

Conveyance

Crane Maintenances

Depreciation of fixed assets (Note - 4.1)

Depreciation of lease assets (Note - 5.1)

Electrical Goods

Electricity Bill

Entertainment

Fabrication & Consumable Materials

Factory Insurance

Festival Bonus

Fire Fighting Refilling

Fuel for Generator & Vehicles

Implementation expenses

Labor Charges

Leave Encashment

Loading & Unloading

Medical Expenses

Miscellaneous Expenses

	80,015	139,350
	1,429,896	1,687,422
	2,060,959	16,856,961
	44,958,276	48,682,014
	11,726,303	12,406,441
	430,355	1,510,777
	3,516,634	6,778,239
	1,202,635	2,555,435
	1,503,380	7,115,187
	1,545,540	1,159,155
	8,474,598	16,201,947
	2,750	10,710
	1,722,700	5,389,278
	4,800,947	17,999,001
	103,972	132,580
	381,575	274,682
	514,898	1,304,588
	148,768	135,718
	91,000	50,500



SL. No.	Particulars	Amount in Taka	
		30-Jun-20	30-Jun-19
	Mobile Bill Factory	413,652	377,092
	Other Factory Overhead	1,366,496	11,717,721
	Out of Station allowance	4,660	283,509
	Painting Expenses	3,787,111	12,313,286
	Repair & Maintenances	318,595	2,103,528
	Research & Development	345,640	
	Safety Goods Factory	226,970	
	Salary & Wages	107,927,502	105,028,622
	Testing Charge	420,577	206,982
	Vehicles Maintenances Factory	1,194,136	1,600,241
	VIE Container Rent	198,500	621,000
	Total	200,899,040	274,641,966
22.00	Administrative Expenses: Tk.80,468,134		
	This is made up as follows		
	Particulars:		
	AGM holding expenses	557,260	612,620
	Amortization on Intangible Assets (Note - 6.1)	46,709	40,076
	Audit Fees	287,500	287,500
	Board Meeting Expenses	340,000	305,000
	Computer Accessories	914,733	850,300
	Software Maintainance	40,000	60,000
	Conveyance	2,704,299	2,445,840
	Corporate Governance Certificate Fees	57,500	50,000
	Corporate Social Responsibility	3,275,400	3,218,400
	Credit Rating fee	226,164	37,633
	Depreciation of fixed assets (Note - 4.1)	1,414,005	1,576,947
	Depreciation of leased assets (Note - 5.1)	228,695	196,203
	Directors Bonus	1,215,000	3,240,000
	Directors Remuneration	14,982,750	17,010,000
	Donation, Subscription & Gift	1,581,032	662,630
	Electricity Bill	35,597	57,332
	Entertainment	1,653,241	1,263,377
	Festival Bonus	2,271,500	4,438,800
	Fuel & Lubricant	2,196,430	2,500,783
	Leave Encashment	15,250	648,200
	Listing fee with Stock Exchanges	1,823,194	1,825,574
	Legal Expenses	125,720	307,000
	Medical Treatment	495,750	192,500
	Meeting Expenses	-	142,490
	Miscellaneous Expenses	3,355,661	3,250,270
	Mobile Bill	1,863,408	1,403,739
	Office Expenses-Chittagong	103,555	87,997
	Office Maintenances	1,939,181	2,417,394
	Office Rent	2,208,897	2,200,272
	Papers & Periodicals	9,980	12,375
	Postage & Stamp	94,256	124,078
	Registration & Renewal	959,062	934,087
	Salary & Allowances.	29,157,068	28,211,406
	Safety Goods	250,240	-
	Stationery & Photocopy	969,474	817,035
	Training & Development	20,450	16,200
	Telephone, Internet & Utility Bill	185,063	115,891
	Tree Plantation	339,750	558,700
	Vehicle Maintenance	2,524,360	2,484,312
	Total	80,468,134	84,602,961

(a) Auditors' fees represents audit fee for auditing the accounts for the year ended 30 June, 2020. Auditors were not paid any other fees.

(b) In addition to remuneration, Directors avail company vehicles for transportation purposes.

SL. No.	Particulars	Amount in Taka	
		30-Jun-20	30-Jun-19
23.00	Selling and distribution expenses: Tk.22,446,591		
	This is made up as follows		
	Particulars:		
	Advertisement	1,159,874	1,448,410
	Business Promotion	4,284,684	3,596,422
	Conveyance & Outstation Allowances	384,869	452,242
	Depreciation of fixed assets (Note - 4.1)	1,327,186	1,417,837
	Depreciation of lease assets (Note - 5.1)	914,780	784,813
	Entertainment	61,065	96,165
	Office Maintenance-Sales	237,100	110,820
	Festival Bonus	602,900	1,092,800
	Fuel & Lubricants	485,819	478,063
	Leave Encashment	7,750	25,475
	Marketing Promotional Expenses	3,896,712	6,041,798
	Mobile Bill	161,552	123,349
	Research & Development	325,450	-
	Salary & Allowances	7,842,948	7,375,379
	Tender Schedule Purchase	29,000	12,000
	Vehicle Maintenance	724,902	957,679
	Total	22,446,591	24,013,252

24.00 Earning per Share (EPS) Taka0 .70

This is made up as follows

Particulars:
Basic EPS

Net Profit attributable to the Ordinary Shareholders(Taka)	108,737,626	279,220,961
Weighted average number of shares outstanding during the year	155,171,174	141,064,704
	0.70	1.98

Restated Earnings per Share

Net Profit attributable to the Ordinary Shareholders(Taka)	108,737,626	279,220,961
Weighted average number of shares outstanding during the year	155,171,174	155,171,174
	0.70	1.80

As per BSEC Notification (No: BSEC/CMRRCD/2009-193/188/Admin/69-dated: 07 September 2016), Earning per Share(EPS) has stood Tk. .70 for the year ended on 30th June, 2020 as against Tk.1.80 for the year ended on 30th June, 2019 due to the decreasing of the Sales of the Company.

25.00 Net Operating Cash Flow per Share (NOCFPS): Tk. (0.66)

The Computation of NOCFPS is given below:

Net Cash Generated from Operating activities	(103,057,255)	48,548,276
Weighted average number of Shares outstanding	155,171,174	155,171,174
	(0.66)	0.31

As per BSEC Notification (No: BSEC/CMRRCD/2009-193/188/Admin/69-dated: 07 September 2016), Operating Cashflow (NOCFPS) has stood Tk. (.66) for the year ended on 30th June, 2020 as against Tk. 0.31 for the year ended on 30th June, 2019 due to the increasing of the payment & purchase compared to the sales and collection.

26.00 Others Income: Tk.94,309,381

This is made up as follows

Particulars:

Interest Income- FDR	417,342	545,061
Proceeds from scrap sale	93,891,314	-
(Gain) or Loss from fireign currency transaction	724.50	-
Total	94,309,381	545,061



SL. No.	Particulars	Amount in Taka	
		30-Jun-20	30-Jun-19
27.00	Finance cost: Tk.157,747,005 This is made up as follows		
	Particulars:		
	OD Work Order Interest	43,590	1,668,778
	Hypo Loan Interest	17,371,850	17,704,351
	Import Loan Interest	48,085,728	68,773,241
	Term Loan Interest	30,207,856	5,600,767
	IIDFC-Interest	-	4,543,358
	Interest on Time Loan UCBL	10,525,860	14,478,742
	Interest on Import loan NRBC	13,311,519	1,501,127
	Interest on Overdraft NRBC	7,250,275	-
	Interest on Time loan NRBC	5,371,035	-
	Interest on LBFL	14,569,516	5,770,936
	Interest on IDLC	-	3,280,996
	Interest on Transport loan	555,412	839,081
	Bank Commission, Lease Interest & Charges	10,454,365	15,903,608
	Total	157,747,005	140,064,985
28.00	Non Operating Income: Tk.57,937,320 Sale of Shares of Associate(BBS Cables Ltd.)	57,937,320	-
		57,937,320	-
29.00	Income tax expenses: Tk.48,913,146 This is made up as follows		
	Particulars:		
	Current tax expenses (Note - 29.01)	5,255,260	30,209,121
	Tax on Non Operating Income (Sale of Share)	3,160,000	-
	Tax on dividend income	37,274,305	-
	Deferred tax (liability)	3,223,581	54,098,844
	Total	48,913,146	84,307,966
29.01	Reconciliation of Minimum Turnover tax expense: Tk.5,255,260		
	Total Turnover	875,876,708	120,836,485
	Effective tax rate (Minimum Turnover Tax)	0.6%	25.0%
	Income tax charge for the year	5,255,260	30,209,121
30.00	Reconciliation of Net Profit with Cash Flows from Operating Activities: This is made up as follows:		
	Particulars:		
	Net Profit/(Loss) after Tax (As per Statement of Profit or Loss and Other Comprehensive Income)	108,737,626	279,220,961
	Add/(Less) Adjustments:	(211,794,881)	(230,672,686)
	Depreciation	60,569,244	65,104,331
	Change In Inventories	(148,355,289)	(151,678,651)
	Change In Goods In Transit	(2,279,969)	-
	Change in Advances, Deposits & Pre-payments	(47,627,409)	(155,306,598)
	Change in Accounts Receivable	(24,406,703)	27,383,758
	Change in Deferred Tax Liabilities	3,223,581	49,498,844
	Change in Accounts and other payables	(4,147,799)	1,032,530
	Change in Accruals and Provisions	38,162,662	36,465,618
	Finance Income	(371,358)	(545,061)
	Share Sale of Associate	(57,937,320)	-
	Share of Profit from Associate	(186,371,526)	(242,692,442)
	Financial Expenses	157,747,005	140,064,985
	Cash Flows from Operating Activities	(103,057,255)	48,548,275



Sl. No.	Particulars	Amount in Taka	
		30-Jun-20	30-Jun-19
31.00	Net Asset Value (NAV) per Share		
	Total Asset	4,548,563,194	4,195,017,808
	Less: Total outside Liability	2,112,156,856	1,867,349,096
	Net Asset	2,436,406,338	2,327,668,712
	Number of ordinary shares outstanding	155,171,174	155,171,174
	Net Assets Value (NAV) per Share	15.70	15.00

32.00 Other information

32.01 Transaction in foreign currency

Bangladesh Building systems Limited

CIF value of import:

Raw materials

Capital machinery/Spare parts

FOB value of export

	30-Jun-20	30-Jun-19
Raw materials	471,801,516	735,326,598
Capital machinery/Spare parts	-	-
FOB value of export	4,732,371	4,034,475

32.02 Contingent liabilities and commitments

Contingent liabilities

There are no claims against the company acknowledged as debts excepting claims, if any. i) An amount of Taka 2,241,595 claimed by Customs Authority on differential amount of sales against import duty Aluminum Foil with Bubble during the year 2007. The Company has made deposition several times to concern Customs Authority with proper grounds protesting the claim. As such the Company has filed petition to the High Court which is Subjudice.

Term loan commitment

The Company

At 30 June 2020 the company had annual commitment under Term Loan as set out below:

Term loan principal due within 1 year

220,143,012

Term loan principal due within 2 to 5 years

304,601,698

Term loan principal due above 5 years

-

Finance lease commitment

The Company

At 30 June 2020 the company had annual commitment under finance lease as set out below:

Lease expires within 1 year

-

Lease expires within 2 to 5 years

-

32.03 Related party transactions

The company has entered into transactions with other entities that fall within the definition of related party as contained in IAS-24 "Related Party Disclosures". Total transactions of the significant related party as of 30 June, 2020 are as follows:

Name of Company	Relationship	Nature of Transaction	Opening Balance	Addition	Outstanding as on 30 June, 2020	Received
BBS Cables Unit-2 Ltd.	Sister Concern	Receivables	37,216,659	-	-	37,216,659
Total			-	-	-	37,216,659

32.04 Transaction with key management personals

No.	Particulars	30-Jun-20	30-Jun-19
(a)	Managerial remuneration paid or payable during the year to the directors, including managing directors.	14,982,750	17,010,000
(b)	Any other perquisite or benefits in cash or in kind stating, approximate money value where applicable.	1,215,000	3,240,000
(c)	Other allowances and commission including guarantee commission	-	-
(d)	Pensions etc.	-	-
	(i) Pensions	-	-
	(ii) Gratuities	-	-
	(iii) Payments from a provident funds, in excess of own subscription and interest thereon	-	-
(e)	Share Based payments	-	-

Details are as follows:

The executive compensation received by 3 Directors name in Engr. Hasan Morshed Chowdhury, Engr. Mohammed Badrul Hassan, Engr. Mohammad Ruhul Majid as Managing Director, Director-Sales, Director-Implementation working in the Company respectively for the year ended 30 June, 2020 as per clause no 142 of the Articles of Associating of the Company and also approval of the Board Meeting of the company. Break up of the Directors remuneration/Board attendance fee are as follows:

Name of Directors	Designation	Gross Remuneration/Board attendance fee	Tax Paid	Net Total Payment
Engr. Md. Abu Noman Howlader	Chairperson	60,000	6,000	54,000
Engr. Hasan Morshed Chowdhury	Managing Director	5,849,250	606,000	5,243,250
Mr. Md. Ashraf Ali Khan	Director-Administration	40,000	4,000	36,000



Engr. Mohammad Badrul Hassan	Director-Sales & Marketing	5,264,250	486,000	4,778,250
Engr. Mohammad Ruhul Majid	Director-Implementation	5,244,250	724,000	4,520,250
Mr. Md. Anowar Hossain, FCMA	Independent Director	40,000	4,000	36,000
Mr. A.S.M Ali Kabir	Independent Director	40,000	4,000	36,000
Total		16,537,750	1,834,000	14,703,750

32.05 Disclosure as per requirement of Schedule XI, Part II, Para 3:

Requirements under Condition No.	Compliance status
3(i)(a) The turnover	Complied
3(i)(b) Commission paid to the selling agent	Not Applicable
3(i)(c) Brokerage and discount on sales, other than the usual trade discount	Not Applicable
3(i)(d)(i) The value of the raw materials consumed, giving item wise as possible	Complied
3(i)(d)(ii) The opening and closing stocks of goods produced	Complied
3(i)(e) In the case of trading companies, the purchase made and the opening and closing stocks	Complied
3(i)(f) In the case of companies rendering or supplying services, the gross income derived from services rendered or supplied	Not Applicable
3(i)(g) Opening and closing stocks, purchases and sales and consumption of raw materials with value and quantity break-up for the company, which falls under one or more categories i.e. manufacturing and/or trading	Complied
3(i)(h) In the case of other companies, the gross income derived under different heads	Not Applicable
3(i)(i) Work-in-progress, which have been completed at the commencement and at the end of the accounting period	Complied
3(i)(j) Provision for depreciation, renewals or diminution in value of fixed assets	Complied
3(i)(k) Interest on the debenture paid or payable to the Managing Director, Managing Agent and Manager	Not Applicable
3(i)(l) Charge of income tax and other taxation on profits	Complied
3(i)(m) Revised for repayment of share capital and repayment of loans	Complied
3(i)(n)(i) Amount set aside or proposed to be set aside, to reserve, but not including provisions made to meet any specific liability, contingency or commitment, know to exist at the date as at which the balance sheet is made up	Not Applicable
3(i)(n)(ii) Amount withdrawn from above mentioned reserve	
3(i)(o)(i) Amount set aside to provisions made for meeting specific liabilities, contingencies of commitments	Not Applicable
3(i)(o)(ii) Amount withdrawn from above mentioned provisions, as no longer required	Not Applicable
3(i)(p) Expenditure incurred on each of the following items, separately for each item: (i) Consumption of stores and spare parts (ii) Power and Fuel (iii) Rent (iv) Repairs of Buildings (v) Repairs of Machinery (vi) (1) Salaries, wages and bonus (2) Contribution to provident and other funds (3) Worksmen and staff welfare expenses to the extent not adjusted from any previous provision or reserve	Complied

32.06 Disclosure as per requirement of Schedule XI, Part II, Para 8:
Raw Materials, Spare parts, packing materials and capital machinery:

Items	Total Purchase(BDT)	Consumption (BDT)	% of consumption of Total Purchase
Raw Materials	742,379,157	696,730,841	94%
Total	742,379,157	696,730,841	

Capacity utilization

Details of Production Capacity utilization:

Particulars	Licensed Capacity (MT)	Installed Capacity (MT)	Actual Production (In MT)	Capacity Utilization
Annual Production	Not Mentioned in License	29,375	7,646	26.03%

32.07 Un-availed credit facilities

Un-availed credit facilities to the company as on June 30, 2020 are as under:

Bangladesh Building systems Limited

Bank & Branch Name	Nature of loan	Credit limit	Outstanding	Unavailed limit
United Commercial Bank (Mohakhali branch, Dhaka)	CC(Hypo)	150,000,000	153,325,478	
	LTR	274,600,000	273,962,419	637581
	OD(Work Order)	14,500,000	-	14,500,000
	Time Loan	90,400,000	88,252,736	2,147,264
	Lease Finance	209,900,000	67,527,676	142,372,324
	Term Loan	432,000,000	345,164,139	86,835,861
	Transport Loan	11,200,000	3,854,476	7,345,524
		1,182,600,000	932,086,924	253,838,554

NRBC Bank Ltd. (Gulshan -01 Branch, Dhaka)	CC (Hypo) Limit	100,000,000	100,720,404	
	LTR	150,000,000	151,506,289	
	Time Loan	80,000,000	80,198,685	
		330,000,000	332,425,378	

Lanka Bangla Finance Ltd.	Term Loan	100,000,000	100,000,000	-
		100,000,000	100,000,000	-



32.08 Employee details:

- i) During the year, there were 651 employees employed for the full year above at a remuneration of BDT 3,000 per month.
- ii) At the end of the year, there were 651 employees in the Company.

32.09 Rounding off

Amounts appearing in these financial statements have been rounded off to the nearest BDT and, wherever considered necessary.

32.10 Event after reporting period

The board of the directors of the company in their meeting held on 22nd October, 2020 has proposed 5% cash & 5% stock dividend for the year ended 30 June, 2020. Dividend is subject to approval by the shareholders at the forthcoming 17th Annual General Meeting (AGM) of the company.

Except the fact stated above, there is no material events after the reporting date that are not adjusting events came to management attention which may be needful for the stakeholders.


Managing Director


Director


Chief Financial Officer


Company Secretary

Bangladesh Building Systems Limited

Schedule of Fixed Assets
as at June 30, 2020

4. Property, plant and equipment

Particulars	Cost/Valuation				Rate	Depreciation			Annexure-A.	
	Balance as on 01.07.2019	Addition during the period	Disposal during the year	Balance as on 30.06.2020		Balance as on 01.07.2019	Charged during the Period	Disposal during the year	Balance as on 30.06.2020	Written Down Value as of 30.06.2020
At historical cost:										
Land & Land Development	235,640,396	14,785,600	-	250,425,996	-	-	-	-	250,425,996	
Factory Building & Other Construction	508,866,155	250,377	-	509,116,532	5%	133,912,758	18,405,139	-	356,798,635	
Plant & Machinery	761,238,265	823,730	-	762,061,995	10%	377,369,537	37,001,961	-	347,690,497	
Electrical Installation	31,532,342	-	-	31,532,342	15%	18,444,029	1,855,549	-	11,232,764	
Furniture & Fixtures	20,208,917	-	-	20,208,917	10%	12,829,418	710,734	-	6,668,765	
Office Equipment & Computer	14,362,575	1,437,040	-	15,799,615	15%	7,822,904	1,009,472	-	6,967,239	
Motor Vehicales	30,567,437	-	-	30,567,437	5%	5,881,334	1,211,354	-	23,474,749	
Office Decoration	7,941,218	-	-	7,941,218	10%	4,047,266	375,035	-	3,518,917	
Total of 30.06.2020	1,610,357,305	17,296,747		1,627,654,052		560,307,246	60,569,244		1,006,777,562	
Total of 30.06.2019	1,588,210,714	22,146,591		1,610,357,305		495,242,991	65,064,255		1,050,050,059	

4.1 Depreciation has been charged on different cost centers as under :

Particulars	Factory	Rate of Dep.	General and	Rate of	Selling &	Rate of	Total
At historical cost							
Factory and office building	18,405,139	100%	-	-	-	-	18,405,139
Plant and machinery	37,001,961	100%	-	-	-	-	37,001,961
Electrical Installation	927,775	50%	742,220	40%	185,555	10%	1,855,549
Furniture and fixture	248,757	35%	355,367	50%	106,610	15%	710,734
Office equipments	100,947	10%	302,842	30%	605,683	60%	1,009,472
Vehicle	-	-	242,271	20%	969,083	80%	1,211,354
Office Decoration	-	-	-	-	375,035	100%	375,035
Sub total	56,684,579		1,642,700		2,241,966		60,569,244
At revaluation							
Buildings and other constructions	-	100%	-	-	-	-	-
Plant and machinery	-	100%	-	-	-	-	-
Sub total	-		-		-		-
Grand total	56,684,579		1,642,700		2,241,966		60,569,244

As per Management decision that the depreciation on PPE is recognized in compliance with IAS-16, Para-55 onward.



Bangladesh Building Systems Limited

Schedule of Intangible Assets
as at June 30, 2020

5. Schedule of Intangible Asset

Particulars	Cost/Valuation				Rate	Amortization			Annexure-C.	
	Balance as on	Addition	Disposal for	Balance as on		Balance as on	Charged	Disposal for	Balance as on	Written Down
	01.07.2019	during the	the year	30.06.2020		01.07.2019	during the	the year	30.06.2020	Value as of
Accounting Software	380,000	-	-	380,000	10%	198,275	17,503	-	215,778	164,222
Share Management Software	250,000	-	-	250,000	10%	127,454	11,803	-	139,257	110,743
Website Development	140,620	-	-	140,620	10%	68,850	6,912	-	75,762	64,858
Aveva Bocad Roof and Wall(software)	-	1,258,935	-	1,258,935	10%	-	10,491	-	10,491	1,248,444
Total of 30.06.2020	770,620	1,258,935	-	2,029,555		394,579	46,709	-	441,288	1,588,267
Total of 30.06.2019	770,620	-	-	770,620		354,503	40,076	-	394,579	376,041

5.1 Amortization has been charged on different cost centers as under :

Particulars	Factory	Rate of Dep.
Intangible Asset	-	0%
Total	-	-

General and	Rate of
46,709	100%
46,709	

Selling and	Rate of
-	0%
-	

Total
46,709
46,709

The cost incurred for the purpose of Intangible assets includes IT software which is used to maintain Company's accounts. It also includes Share Management Software and Website.

