

**Independent Auditor's Report  
On the Financial Statements of  
Asian Consumer Care (Pvt.) Limited  
As at and for the year ended 31 March 2022**

**Submitted by:**  
Howladar Yunus & Co.  
Chartered Accountants

22 May 2022

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**Independent Auditor's Report**  
**To the Shareholders of Asian Consumer Care (Pvt.) Limited**  
**Report on the Audit of the Financial Statements**

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### Opinion

We have audited the financial statements of Asian Consumer Care (Pvt.) Limited ("the Company"), which comprise the Statement of Financial Position as at 31 March 2022, and the statement of Profit or Loss and Other Comprehensive Income, Statement of Changes in Equity, and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Company as at 31 March 2021, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs), the Companies Act 1994, and other applicable laws and regulations.

### Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Bangladesh, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with IFRSs, the Companies Act 1994, 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.



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 exercise professional judgement and maintain professional skepticism throughout the audit. We also:

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



- Evaluate the overall presentation, structure, and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

#### Report on Other Legal and Regulatory Requirements

In accordance with the Companies Act 1994, we also report the following:

- a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit and made do verification thereof;
- b) in our opinion, proper books of accounts as required by law have been kept by the Company so far as it appeared from our examination of these books; and
- c) the statements of financial position and statement of profit or loss and other comprehensive income dealt with by the report are in agreement with the books of account.



Muhammad Farooq FCA

Managing Partner

Howladar Yunus & Co., Chartered Accountants

Enrolment No. 0521

Firm Registration Number: [N/A]

DVC No.: 2205220521AS432985

Dated: Dhaka

22 May 2022

**Asian Consumer Care (Pvt.) Limited**  
**Statement of Financial Position**  
**As at 31 March 2022**

	Notes	Amount in BDT	
		31 March 2022	31 March 2021
<b>Assets</b>			
<b>Non-current assets</b>			
Property, Plant & Equipment	6.00	525,227,121	524,161,716
Capital Work in Progress		11,056,003	10,738,806
Right of use asset		801,089	10,414,156
		<u>537,084,212</u>	<u>545,314,677</u>
<b>Current assets</b>			
Investment in FDR	7.00	979,320,955	838,688,197
Advances, Deposits & Prepayments	8.00	37,019,508	27,975,017
Inventories	9.00	195,077,099	249,461,756
Interest Receivable		9,632,697	11,406,955
Trade Receivable	10.00	5,813,782	-
Cash & Cash Equivalents	11.00	37,527,363	41,013,106
		<u>1,264,391,404</u>	<u>1,168,545,031</u>
<b>Total assets</b>		<u><u>1,801,475,616</u></u>	<u><u>1,713,859,709</u></u>
<b>Shareholders' Equity &amp; Liabilities</b>			
<b>Shareholders' Equity</b>			
Share Capital	12.00	353,341,120	353,341,120
Share Premium	13.00	126,682,565	126,682,565
Retained Earnings	14.00	781,771,565	738,916,693
		<u>1,261,795,250</u>	<u>1,218,940,378</u>
<b>Non-current liabilities</b>			
Deferred Tax Liabilities	15.00	20,377,500	19,028,556
		<u>20,377,500</u>	<u>19,028,556</u>
<b>Current liabilities</b>			
Trade Payable	16.00	135,448,991	123,747,845
Liabilities and Payables for Expenses	17.00	235,130,133	245,538,708
Current Tax Liabilities	18.00	146,945,831	102,061,057
Advance from/Payable to Customers		1,777,911	4,543,164
		<u>519,302,866</u>	<u>475,890,774</u>
<b>Total Shareholders' Equity &amp; Liabilities</b>		<u><u>1,801,475,616</u></u>	<u><u>1,713,859,709</u></u>

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

  
Country Director

  
Director

  
Finance Controller

*Signed in terms of our report of same date annexed.*



Muhammad Farooq FCA  
 Managing Partner  
 Howladar Yunus & Co., Chartered Accountants  
 Enrolment No. 0521  
 Firm Registration Number: [N/A]  
 DVC No.: 2205220521AS432985


Dated: Dhaka  
 22 May 2022

Asian Consumer Care (Pvt.) Limited  
Statement of Profit or Loss and Other Comprehensive Income  
For the year ended 31 March 2022

	Notes	Amount in BDT	
		2021-2022	2020-2021
Revenue	19.00	1,587,970,890	1,660,414,751
Cost of Sales	20.00	873,303,395	860,256,924
<b>Gross Profit</b>		<b>714,667,495</b>	<b>800,157,828</b>
General & Administrative Expenses	21.00	252,094,892	273,631,864
Marketing Expenses	22.00	222,508,590	228,437,257
Sales & Distribution Expenses	23.00	112,213,489	145,778,583
Depreciation		33,902,471	32,732,989
<b>Operating Profit for the Year</b>		<b>93,948,053</b>	<b>119,577,135</b>
Other Income	24.00	38,340,213	49,379,448
<b>Profit before Income Tax</b>		<b>132,288,266</b>	<b>168,956,582</b>
Income Tax Expenses			
Corporate Income Tax	25.00	88,084,450	148,376,822
Deferred Tax		1,348,944	(1,820,795)
		<b>89,433,394</b>	<b>146,556,027</b>
<b>Net Profit after Income Tax</b>		<b>42,854,872</b>	<b>22,400,555</b>
Other Comprehensive Income		-	-
<b>Total Comprehensive Income</b>		<b>42,854,872</b>	<b>22,400,555</b>

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

  
Country Director

  
Director

  
Finance Controller

*Signed in terms of our report of same date annexed.*



Muhammad Farooq FCA  
Managing Partner  
Howladar Yunus & Co., Chartered Accountants  
Enrolment No. 0521  
Firm Registration Number: [N/A]  
DVC No.: 2205220521AS432985

Dated: Dhaka  
22 May 2022

**Asian Consumer Care (Pvt.) Limited**  
**Statement of Changes in Equity**  
**For the year ended 31 March 2022**

	Amount in BDT			
Particulars	Share Capital	Share Premium	Retained Earnings	Total Equity
Balance as at 01 April 2020	353,341,120	126,682,565	716,516,138	1,196,539,823
Prior year adjustment for income tax	-	-	-	-
Total comprehensive income	-	-	22,400,555	22,400,555
<b>Balance as at 31 March 2021</b>	<b>353,341,120</b>	<b>126,682,565</b>	<b>738,916,693</b>	<b>1,218,940,378</b>
Balance as at 01 April 2021	353,341,120	126,682,565	738,916,693	1,218,940,378
Prior year adjustment for income tax	-	-	-	-
Total comprehensive income	-	-	42,854,872	42,854,872
<b>Balance as at 31 March 2022</b>	<b>353,341,120</b>	<b>126,682,565</b>	<b>781,771,565</b>	<b>1,261,795,250</b>

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

  
**Country Director**

  
**Director**

  
**Finance Controller**



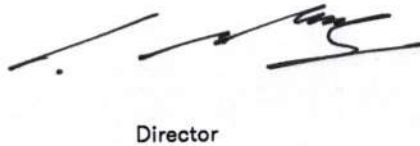


Asian Consumer Care (Pvt.) Limited  
Statement of Cash Flows  
For the year ended 31 March 2022

Particulars	Notes	Amount in BDT	
		2021-2022	2020-2021
<b>A. Cash flow from operating activities</b>			
Profit / (Loss) during the year		42,854,872	22,400,555
Depreciation	6.00	51,963,881	52,185,410
Increase / (decreases) of current liabilities		44,761,035	164,936,271
Increase / (decreases) of current assets		50,913,710	78,448,349
<b>Net cash used in Operating Activities</b>		<b>190,493,499</b>	<b>317,970,586</b>
<b>B. Cash flow from investment activities</b>			
Investment of FDR	7.00	(140,632,758)	(267,914,379)
Capital work in Progress		(317,197)	(747,296)
Dispose off / (Addition) of fixed assets		(53,029,286)	(45,682,719)
<b>Net cash used in investing activities</b>		<b>(193,979,241)</b>	<b>(314,344,395)</b>
<b>C. Cash flow from finance activities</b>			
Cash flow from finance activities		-	-
<b>Net cash from / used in financing activities</b>		-	-
<b>D. Net increase / (decrease) in cash and bank balance (A+B+C)</b>		<b>(3,485,743)</b>	<b>3,626,191</b>
<b>E. Opening cash &amp; bank balance</b>		<b>41,013,106</b>	<b>37,386,915</b>
<b>F. Closing cash &amp; bank balance (D+E)</b>		<b>37,527,363</b>	<b>41,013,106</b>
<b>Represented by:</b>			
Cash in hand		148,807	172,668
Cash at bank		37,378,556	40,840,438
		<b>37,527,363</b>	<b>41,013,106</b>

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

  
Country Director

  
Director

  
Finance Controller



**Asian Consumer Care (Pvt.) Limited**  
**Notes to the Financial Statements**  
**As at and for the year ended 31 March 2022**

**1.00 The company and its nature of business**

**1.01 Legal Form**

Asian Consumer Care (Pvt.) Limited (hereinafter referred to as "the Company") was incorporated in Bangladesh as a private company limited by shares under the Companies Act, 1994 on 16 July 2003 vide Registration No. C-49886 (181)/2003 of the Registrar of Joint Stock Companies and Firms (RJSC), Government of Bangladesh. The registered address of the company is located at Baratia Sutipara, 172 & 173, Kalampur, Dhamrai, Dhaka-1350, Bangladesh.

**1.02 Nature of business**

The main objective of the company is to manufacture and market coconut oil, hair oil, shampoo, and other products under the trademark 'Dabur' or other trademarks sub-licensed to it by DABUR INTERNATIONAL LIMITED, Analyst House, Post Box-16, 20-16, Peel Road, Douglas, Isle of Man, IM 99, IAP, United Kingdom (UK). The company's manufacturing unit is situated at Baratia Sutipara, 172 & 173, Kalampur, Dhamrai, Dhaka-1350, Bangladesh which is engaged in the manufacturing of hair oil, toothpaste, shampoo, and other consumer goods. Besides, the company is also engaged in the trading of Fast-moving Consumer Goods (FMCG).

**2.00 Basis of preparation of financial statements**

**2.01 Statement of Compliance**

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS), the requirements of the Companies Act, 1994, the Financial Reporting Act 2015, and other relevant local laws and regulations as applicable. IFRS comprises of -

- International Financial Reporting Standards (IFRS);
- International Accounting Standards (IAS);
- International Financial Reporting Standards Interpretations; and
- International Accounting Standards Interpretations.

**2.02 Reporting Period**

The financial year of the company has been determined to be from 01 April to 31 March each year. These financial statements cover one year from 01 April 2021 to 31 March 2022 consistently.

**2.03 Basis of Accounting**

The Company prepares its financial statements, except for cash flow information, using the accrual basis of accounting. When the accrual basis of accounting is used, an entity recognizes items as assets, liabilities, equity, income and expenses (the elements of financial statements) when they satisfy the definitions and recognition criteria for those elements in the framework.

**2.04 Going concern**

Management has considered all available information about the future which was obtained after the reporting date including measures taken by governments and banks to provide relief to affected entities in their assessment of going concern. As per management assessment the company had adequate resources to continue in operation for the foreseeable future and there are no material uncertainties related to the event on conditions that may cast significant doubt upon the company's ability to continue as going concern, and hence, the financial statements have been prepared on going concern basis.

## 2.05 Basis of Measurement

The financial statements have been prepared on a historical cost convention, as modified by derivative financial instruments that are stated at fair value.

## 2.06 Functional and presentational currency and level of precision

Transactions denominated in foreign currencies are translated into Bangladesh Taka at the rate of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into Bangladesh Taka at the exchange rates ruling at the statement of financial position date. Non-monetary assets and liabilities denominated in foreign currencies, which are stated at historical cost, are translated into Bangladesh Taka at the exchange rate ruling at the date of the transaction. Foreign exchange differences arising on translation are recognized in the respective head of income/expenses complying "IAS 21: The Effects of Changes in Foreign Exchange Rates".

## 2.07 Date of authorisation

The Board of Directors has authorised these financial statements on 17 May 2022.

## 2.08 Directors' responsibility statement

The Board of Directors takes the responsibility for the preparation and fair presentation of these financial statements.

## 2.09 Use of estimates and judgments

The preparation of the financial statements in conformity with International Financial Reporting Standards (IFRS) requires management to make judgment, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. The actual result may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the year in which the estimates are revised and in any future periods affected.

### Judgements

Information about judgments made in applying accounting policies that have the most significant effect on the amount recognized in the financial statements is included in the following notes:

Note # 3.01 Depreciation

### Assumption and estimation uncertainties

Information about assumption and estimation uncertainties that have a significant risk of resulting in a material adjustment in the year is included in the following notes:

Note # 15.01 Provision for income tax

Note # 17 Liabilities and payables for expenses

## 3.00 Significant accounting policies and disclosures

### 3.01 Property, Plant & Equipment

#### (a) Recognition and measurement

Property, Plant & Equipment are accounted for according to "IAS 16: Property, Plant and Equipment" at historical cost less accumulated depreciation.

Capital Work in Progress ('CWIP') comprises of cost of assets not ready for intended use as on the Balance sheet date. CWIP is not depreciated until such time as the relevant asset is completed and ready for its intended use.



**(b) Subsequent cost**

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

**(c) Depreciation**

Assets are depreciated following the reducing balance method. Depreciation on assets is charged on a day basis of its use or operation. The depreciation rates for the current year are as follows:

<u>Particulars</u>	<u>Rate</u>
Building & Pavement	10.00%
Plant & machinery	13.91%
Office equipment	13.91%
Computer	40.00%
Furniture & fixture	18.10%
Other assets	18.10%
Vehicles	25.89%

**(d) Current versus non-current classification**

The Company presents assets and liabilities in statement of financial position based on current/non-current classification.

An asset is current when it is:

- i) expected to be realized or intended to be sold or consumed in normal operating cycle, or
- ii) expected to be realized within twelve months after the reporting period, or
- iii) held primarily for the purpose of trading, or
- iv) cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when it is:

- i) expected to be settled in normal operating cycle, or
- ii) due to be settled within twelve months after the reporting period, or
- iii) held primarily for the purpose of trading, or
- iv) there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.



#### **(e) Impairment of assets**

Assets that are subject to depreciation and amortisation are tested for impairment annually or more frequently whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. Recoverable amount is higher of an asset's or cash generating unit's fair value and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash flows from other assets or group of assets (cash generating units). Non financial assets that suffered impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

#### **(f) Disposal of Property, Plant & Equipment**

On disposal of Property, Plant & Equipment, the cost and accumulated depreciation are eliminated and gain or loss on such disposal is reflected in the statement of comprehensive income, which is determined with reference to the net book value of the assets and net sales proceeds.

### **3.02 Financial instruments**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Non-derivative financial instruments comprise deposits, trade and other receivables, cash and cash equivalents, trade and other payables, share capital and interest-bearing borrowings.

#### **(a) Financial assets**

The Company initially recognises loans and receivables and deposits on the date that they are originated. All other financial assets are recognised initially on the trade date, which is the date that the Company becomes a party to the contractual provisions of the instrument.

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred. Any interest in transferred financial assets that is created or retained by the Company is recognised as a separate asset or liability.

Financial assets and liabilities are offset and the net amount presented in the Statement of Financial Position when, and only when, the Company has a legal right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

#### **• Cash & bank balances**

Cash and cash equivalents comprise cash in hand & cash at the bank. Cash comprises cash at the bank which is available for use by the Company without any restriction.

#### **• Advances, other receivables & prepayments**

##### **Advances**

Advances are initially measured at cost. After initial recognition, advances are carried at cost less deduction, adjustment.

##### **Other receivable**

Other receivable is stated net of provisions, if any.



## Prepayments

Prepayments are initially measured at cost. After initial recognition, Prepayments are carried at cost less charges to Statement of profit or loss and other comprehensive income.

### ● Accounts receivable

Accounts receivable is stated net of provisions, if any.

## Impairment of financial assets

The adoption of "IFRS 9: Financial Instruments" has fundamentally changed the Company's accounting for impairment losses for financial assets by replacing "IAS 39: Financial Instruments: Recognition and Measurement" incurred loss approach with a forward-looking expected credit loss (ECL) approach. IFRS 9 requires the Company to record an allowance for ECLs for all debt financial assets not held at FVTPL. The Company has applied the standard's simplified approach and has calculated ECLs based on lifetime expected credit losses. The Company has established a provision matrix that is based on the Company's historical credit loss experience as adjusted for forward-looking factors.

ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive. The shortfall is then discounted at an approximation to the asset's original effective interest rate.

The Company considers a financial asset in default when contractual payment is 120 days past due. However, in certain cases, the Company may also consider a financial asset to be in default when internal or external information indicates that the Company is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Company.

## (b) Financial liabilities

All financial liabilities are recognised initially on the trade date, which is the date that the Company becomes a party to the contractual provisions of the instrument. The Company derecognises a financial liability when its contractual obligations are discharged, cancelled or expire.

### ● Trade payables

Trade payables and other financial liabilities are recognized when contractual obligations arising from past events are certain and the settlement of which is expected to result in an outflow from the company of resources embodying economic benefits.

## (c) Leases

The determination of whether an arrangement is or contains a lease is based on the substance of the arrangement at the inception date: whether fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset, even if that right is not explicitly specified in an arrangement. Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risk and rewards of ownership to the lessee. All other leases are classified as operating leases.

### The Company as lessee

Leased assets are initially recognized as an asset of the Company at their fair value at the inception of the lease or, if lower, at the present value of minimum lease payments. The corresponding liability to the lessor is included in the statement of financial position as a lease obligation. Lease payments are apportioned between finance expenses and reduction of lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance expenses are immediately recognized in profit or loss, unless they are directly attributable to qualifying assets, in which case they are capitalized.

### 3.03 Share capital

Paid up capital represents the total amount of shareholders capital that has been paid in full by the ordinary shareholders. Holders of ordinary shares are entitled to receive dividends as declared from time to time.

### 3.04 Consideration on credit risk

Management believes that there is no significant consideration of credit risk in the accounts receivable.

### 3.05 Employees' benefit schemes

The company maintains a defined contribution plan for its eligible permanent employees. The eligibility is determined according to the terms and conditions set forth in the respective deeds.

#### (a) Workers' profit participation fund (WPPF)

The Company provides 05% of its profit before charging such expense as WPPF in accordance with the Bangladesh Labour Act, 2006 (as amended up to date).

#### (b) Insurance scheme

The company has a Medclaim insurance scheme for its permanent employees, premium for which is being charged to Statement of profit or loss and other comprehensive income annually as per the insurance policy.

#### (c) Leave encashment

Permanent employees of the company are entitled to receive leave encashment on unveiled earn leave.

### 3.06 Revenue recognition

The company recognizes revenue as per "IFRS 15: Revenue from Contract with Customers". The company recognizes revenue when (or as) the entity satisfies a performance obligation. This core principle is delivered in a five-step model framework:

- i) Identify the contract(s) with a customer;
- ii) Identify the performance obligations in the contract;
- iii) Determine the transaction price;
- iv) Allocate the transaction price to the performance obligations in the contract;
- v) Recognise revenue when (or as) the entity satisfies a performance obligation.

#### (a) Sales of goods

Sales are recognized at the time of delivery of goods from the company's depots, when risk and reward of ownership of goods are transferred to the buyer. The control of the products is said to have been transferred to the customer when the products are delivered to the customer, the customer has significant risks and rewards of the ownership of the product or when the customer has accepted the product. Sales are stated net off of Supplementary duty and excluding VAT.

#### (b) Interest income

Interest income is recognized on accrual basis.

### 3.07 Inventories

Inventories are valued in accordance with "IAS 2: Inventories" at lower of cost and net realizable value. Cost is determined at the weighted average method. The cost of raw, packing and semi-finished goods (i.e. WIP) comprises of expenditure incurred in the normal course of business in bringing these items to their present location and condition. The cost of finished goods comprises of cost of raw materials, direct labour and production related overheads (based on normal capacity). Net realizable value is based on the estimated selling price less any further costs expected to be incurred to make the sales.

### 3.08 Provisions

In accordance with the guidelines as prescribed by "IAS 37: Provisions, Contingent Liabilities and Contingent Assets" provisions are recognised when all the following criteria are met:

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

Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of resources embodying economic benefits are required to settle the obligation, the provision are reversed.

### 3.09 Interest income and expenses

Interest income comprises interest income on investment in FDR. Interest expenses comprise interest expense on borrowings from bank.

### 3.10 Taxation

The Industrial unit is subject to tax at normal rate less Tax rebate @ 10% as per Para-1 of the S.R.O. 185-law/income tax/2014 dated 01 July 2014 of the Internal Resources Division, Ministry of Finance, Govt. of the People's Republic of Bangladesh as applicable. Advance Income Tax paid at the import stage for the trading of finished goods is considered as the final discharge of Tax liability for such income under section 82(C) of the Income Tax Ordinance 1984. Income tax expenses comprise current and deferred tax. Current tax and deferred tax are recognised in the statement of profit or loss and other comprehensive income except to the extent that it relates to an item recognized directly in equity in which case it is recognised in equity.

#### • Corporate Income Tax

Current tax is expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

#### • Deferred tax

Deferred tax is recognized in respect of temporary differences between the carrying amount of assets and liabilities for financial reporting purpose and the amounts used for taxation purposes.

Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

A deferred tax is recognised to the extent that it is probable that future taxable profit will be available against which temporary difference can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

### 3.11 Statement of cash flows

Statement of cash flows is prepared in accordance with "IAS 7: Statement of Cash Flow" and cash flow from operating activities has been presented under the indirect method.





### 3.12 Events after the reporting date

In accordance with "IAS 10: Events After the Reporting Period", the amount recognized in the financial statements are adjusted for the event after the reporting period that provides additional evidence of conditions that existed at the end of the reporting period. No adjustment is given in the financial statements for the event after the reporting period that is indicative of conditions that arose after the reporting period. Material non-adjusting events are disclosed in the financial statements.

### 3.13 Earning per share

The Company calculates its earnings per share in accordance with "IAS 33: Earnings Per Share".

#### Basic earnings

This represents earnings for the year attributable to ordinary shareholders. As there were no preference shares requiring returns or dividends, minority interest or extraordinary items, the net profit after tax for the year has been considered as fully attributable to the ordinary shareholders.

#### Basic earnings per share

This has been calculated by dividing the basic earnings by the weighted average number of ordinary shares outstanding during the year.

### 3.14 Offsetting

Financial assets and liabilities are offset and the net amount is reported in the financial statements only when there is a legally enforceable right to set-off the recognized amounts and the company intends to either to settle on the net basis, or to realize the assets and to settle the liabilities simultaneously.

### 3.15 Materiality and aggregation

The Company presents separately each material class of similar items and items of a dissimilar nature or function unless they are immaterial. Financial statements result from processing large numbers of transactions or other events that are aggregated into classes according to their nature or function.

### 3.16 Accruals, provisions and contingencies

#### (a) Accruals

Accruals are liabilities to pay for goods or services that have been received or supplied but have not been paid, invoiced or formally agreed with the supplier, including amounts due to employees. Accruals are reported as part of trade and other payables.

#### (b) Provisions

A provision is recognized in the statement of financial position when the Company has a legal or constructive obligation as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provision is ordinarily measured at the best estimate of the expenditure required to settle the present obligation at the reporting date. Where the Company expects some or all of a provision to be reimbursed, the reimbursement is recognized as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in profit or loss net of any reimbursement.



### (c) Contingencies

A contingent liability is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company, or a present obligation that arises from past events but is not recognized because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation, or the amount of the obligation cannot be measured with sufficient reliability.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company.

Contingent liabilities and assets are not recognized in the statement of financial position of the Company.

### 3.17 Related party transaction

Disclosures have been made in respect of the transactions in which one party has the ability to control or exercise significant influence over the financial and operating policies/decisions over the other, irrespective of whether a price is charged.

### 3.18 IFRS 16: Leases

"*IFRS 16: Leases*" provides a single lessee accounting model, requiring lessees to record all leases on the statement of financial position, unless the lease term is under 12 months or the underlying asset has a low value. Lessors continue to classify leases as operating or finance.

On 01 April 2019, the Company recognized lease liabilities in relation to leases that had previously been classified as operating leases under the principles of "*IAS 17: Leases*". These liabilities were measured at the present value of the remaining lease payments, discounted using the lessee's incremental borrowing rate as at 01 April 2019. The Company applied the simplified transition approach and did not restate comparative amounts for the prior year. Right-of-use assets are measured at the amount of the lease liability on adoption (adjusted for any prepaid or accrued lease expenses). The Company has elected not to reassess whether a contract entered into before the transition date is, or contains, a lease and relied on its previous assessment.

Leases are recognized at the commencement of the lease at the lower of the fair value of the leased asset or the present value of the minimum lease payments. Each lease payment is apportioned between the liability and finance charges using the effective interest method.

Rental obligations, net of finance charges, are included in lease liabilities in the statement of financial position. The property and equipment acquired under leases are depreciated over the shorter of the asset's useful life or the lease term if there is no reasonable certainty that the Company will obtain ownership at the end of the lease term.

### 3.19 New accounting standards not yet adopted

A number of standards and amendments to standards are issued but not yet effective for annual periods beginning after 01 April 2021 and earlier application is permitted. However, the company has not early applied the following new standards in preparing these financial statements.

These amendments have no material impact on the financial statements of the company.



### IFRS 17: Insurance Contract

"IFRS 17: Insurance Contract" establishes the principles for the recognition, measurement, presentation and disclosure of insurance contracts within the scope of the standard. The objective of IFRS 17 is to ensure that an entity provides relevant information that faithfully represents those contracts. This information gives a basis for users of financial statements to assess the effect that insurance contracts have on the entity's financial position, financial performance and cash flows.

IFRS 17 was issued in May 2017 and will be applicable to annual reporting periods beginning on or after 01 January 2023 replacing "IFRS 4: Insurance Contracts". This has not been applied in preparing the financial statements.

#### 4.00 Financial risk management policies

The management of the company has the overall responsibility for the establishment and oversight of the company's risk management framework. Financial risk management policies require establishing standard procedures to identify and analyze the main risks to which the company is exposed and continually deploying and managing risk management systems designed to eliminate or reduce the probability that risks will arise and to limit their impact.

The company is exposed to credit risk, liquidity risk and market risk.

#### 5.00 Comparative information /figures

Comparative information has been disclosed in respect of the year 2020-21 for all numerical information in the financial statements and also the narrative and descriptive information where it is relevant for understanding of the current year's financial statements. Certain figures for 2020-21 have been arranged wherever considered necessary, to ensure better comparability with the current year's financial and to comply with relevant IFRS.



Notes	Amount in BDT	
	31 March 2022	31 March 2021
<b>6.00 Property, Plant &amp; Equipment</b>		
Cost	958,743,035	905,713,749
Less: Accumulated depreciation	433,515,914	381,552,032
WDV	<u>525,227,121</u>	<u>524,161,716</u>
Property, Plant & Equipment represents the written down value of the capital assets held by the company as of the date of Statement of Financial Position. Detail has been given in Annexure - A.		
<b>7.00 Investment in FDR</b>		
State Bank of India, Bangladesh Operations	842,133,693	838,688,197
BRAC Bank Limited	127,000,000	-
Sonali Bank Limited	10,187,262	-
	<u>979,320,955</u>	<u>838,688,197</u>
<b>8.00 Advances, deposits &amp; prepayments</b>		
<b>Advances:</b>		
Advance to staff	1,098,971	848,467
Advance to C & F agent and Suppliers	24,043,565	20,518,575
<b>Deposits:</b>		
Bank guarantee margin	242,287	242,287
Rent	2,457,780	2,457,780
<b>Prepayments:</b>		
Prepaid expenses	9,176,905	3,907,908
	<u>37,019,508</u>	<u>27,975,017</u>
<b>9.00 Inventories</b>		
Raw materials	90,572,142	63,599,369
Packing materials	43,516,843	53,262,630
Stores and Spares	773,108	517,085
Finished goods	31,015,411	83,535,062
Work-in-progress	29,199,595	35,996,087
Material in transit	-	12,551,523
	<u>195,077,099</u>	<u>249,461,756</u>
<b>10.00 Trade Receivable</b>		
Nexus Sales & Distribution	3,656,172	-
Chaldal Limited	1,075,743	-
Nestle Bangladesh Limited	1,072,612	-
Others	9,254	-
	<u>5,813,782</u>	<u>-</u>
<b>11.00 Cash &amp; Bank Balances</b>		
Cash in hand	148,807	172,668
<b>Cash at bank:</b>		
HSBC Bank Bangladesh	821,659	10,455,350
BRAC Bank Limited	835,427	4,643,874
State Bank of India, Bangladesh Operations	594,527	300,683
Citibank, N.A. Bangladesh	117,591	117,741
Sonali Bank Limited	19,887	-
Standard Chartered Bank Bangladesh	34,989,466	25,322,791
	<u>37,527,363</u>	<u>41,013,106</u>



	Notes	Amount in BDT	
		31 March 2022	31 March 2021
<b>12.00 Share Capital</b>			
<b>Authorized Share Capital</b>			
50,000,000 Ordinary shares of BDT 10 each		500,000,000	500,000,000
<b>Issued, Subscribed and Paid-up Share Capital</b>			
35,334,112 Ordinary shares of BDT 10 each		353,341,120	353,341,120

Shareholding position of the company is as follows:

	No. of Shares	Nominal Value in BDT	Nominal Value in BDT
DABUR International Limited	26,853,925	268,539,250	268,539,250
ACI Limited (Ordinary shares)	8,480,187	84,801,870	84,801,870
	<b>35,334,112</b>	<b>353,341,120</b>	<b>353,341,120</b>

	No. of Right Shares	2022 Premium	2021 Premium
<b>13.00 Share premium</b>			
DABUR International Limited	19,255,750	96,278,750	96,278,750
ACI Limited (Ordinary shares)	6,080,763	30,403,815	30,403,815
		<b>126,682,565</b>	<b>126,682,565</b>

<b>14.00 Retained earnings</b>			
Opening retained earnings		409,250,455	386,849,900
Add: Net profit during the year		42,854,872	22,400,555
		<b>452,105,327</b>	<b>409,250,455</b>

<b>15.00 Deferred tax liabilities</b>			
Opening balance		19,028,556	20,849,351
Charged during the year		1,348,944	(1,820,795)
Previously overcharged		-	-
Net Charged during the year in P/L Account		1,348,944	(1,820,795)
Closing balance	15.01	<b>20,377,500</b>	<b>19,028,556</b>

**15.01 Computation of deferred tax liabilities**

The deferred tax has been recognised and measured in accordance with the provision of "IAS 12: Income Taxes".

Deferred tax liability are arrived at as follows:

	Carrying amount	Tax base	Temporary difference
Building & Pavement	132,463,522	134,388,784	(1,925,262)
Plant & machinery	193,443,144	131,050,195	62,392,949
Computer	11,724,926	3,158,071	8,566,855
Cylinder & Moulds	28,138,093	11,162,803	16,975,289
Office equipment	8,091,157	8,113,755	(22,598)
Furniture & fixture	11,203,578	16,071,769	(4,868,191)
Vehicles	4,590,881	6,087,710	(1,496,829)
Provision for gratuity & Leave Encashment	-	19,954,905	(19,954,905)
Temporary difference	<b>389,655,301</b>	<b>329,987,992</b>	<b>59,667,309</b>
Applicable tax rate			<b>30.0%</b>
Deferred tax liability			<b>20,377,500</b>

		Amount in BDT	
		31 March 2022	31 March 2021
<b>16.00</b>	<b>Trade creditors</b>		
	Creditors- Intercompany	35,707,990	32,806,852
	Creditors- Foreign & Services	57,098,173	49,568,937
	Creditors- Goods	39,207,519	40,218,684
	Creditors- Capital Goods	3,435,309	1,153,372
		<b>135,448,991</b>	<b>123,747,845</b>
<b>17.00</b>	<b>Liabilities and payables for expenses</b>		
	Outstanding expenses	178,437,863	168,565,968
	Employee benefits expenses	35,976,842	57,630,269
	Custom clearing A/C	7,343,259	3,119,272
	VAT and Supplementary Duty Payable	7,314,243	8,375,817
	Income Tax deducted at Source	3,241,275	2,501,026
	Lease Liabilities	917,675	3,054,232
	VAT deducted at source	1,898,976	2,292,124
		<b>235,130,133</b>	<b>245,538,708</b>
<b>17.01</b>	<b>Outstanding expenses</b>		
	Administrative expenses	22,419,093	26,198,632
	Sales, marketing & distribution expenses	137,693,043	133,946,933
	Audit fees	500,000	500,000
	Freight clearing & other vendors	17,825,727	7,920,403
		<b>178,437,863</b>	<b>168,565,968</b>
<b>17.02</b>	<b>Employee benefits expenses</b>		
	Salary & allowances	9,399,571	29,175,035
	Employees gratuity	10,963,015	10,783,523
	Workers' Profit Participation and Welfare Fund	6,622,366	8,447,829
	Leave encashment	8,991,890	9,223,882
		<b>35,976,842</b>	<b>57,630,269</b>
<b>18.00</b>	<b>Current tax liabilities</b>		
	Provision for Income Tax	281,544,616	198,198,154
	Advance Income Tax	(134,598,785)	(96,137,096)
		<b>146,945,831</b>	<b>102,061,057</b>
<b>18.01</b>	<b>Current tax liabilities</b>		
	Provision for income tax		
	Balance at 1st April	198,198,154	159,587,929
	Add: Provision for the year	83,346,462	148,376,822
	Less: Adjusted during the year	-	(109,766,597)
		<b>281,544,616</b>	<b>198,198,154</b>
<b>18.02</b>	<b>Advance Income Tax</b>		
	Balance at 1st April	96,137,096	155,819,839
	Add: Addition during the year	38,461,689	50,083,855
	Less: Adjustment during the year	-	(109,766,597)
		<b>134,598,785</b>	<b>96,137,096</b>

	Notes	Amount in BDT	
		2021-2022	2020-2021
<b>19.00 Revenue</b>			
Gross Sales		1,934,832,026	2,012,150,899
Less : VAT and SD		346,861,136	351,736,147
		<b>1,587,970,890</b>	<b>1,660,414,751</b>
Sale of manufacturing products		1,547,426,242	1,616,379,944
Sale of imported finished goods		40,544,648	44,034,807
		<b>1,587,970,890</b>	<b>1,660,414,751</b>
<b>20.00 Cost of sales</b>			
Opening Stock		249,461,756	222,409,648
Add: Purchased during the year		750,679,847	817,896,299
Less: Closing Stock		195,077,099	249,461,756
		805,064,504	790,844,192
Add: Factory Overhead	20.01	68,238,892	69,412,732
		<b>873,303,395</b>	<b>860,256,924</b>
<b>20.01 Factory overhead</b>			
Wages		11,222,720	12,421,642
Factory general expenses		748,106	951,955
Power and utility		9,524,103	11,168,856
Insurance		4,268,526	4,302,005
Factory depreciation		33,214,221	32,084,346
Lab & testing expenses		522,761	701,147
Repair & maintenance		8,738,455	7,782,781
		<b>68,238,892</b>	<b>69,412,732</b>
<b>21.00 General &amp; Administrative Expenses</b>			
Salaries and other benefits	21.01	175,515,186	197,695,102
Administration & general expenses	21.02	61,105,443	59,772,963
Technical Know-How Fees		15,474,262	16,163,799
		<b>252,094,892</b>	<b>273,631,864</b>
<b>21.01 Salaries and other benefits</b>			
Salary, allowances & Employment Expenses		163,756,027	184,236,503
Staff welfare		2,851,338	2,819,454
Insurance		2,285,456	2,191,316
Workers' Profit Participation & Welfare Fund		6,622,366	8,447,829
		<b>175,515,186</b>	<b>197,695,102</b>



	Notes	Amount in BDT	
		2021-2022	2020-2021
<b>21.02 Selling, administration &amp; general expenses</b>			
Rent, Rates & Taxes		2,531,160	2,518,541
Vehicle repair and maintenance		1,065,811	636,451
Vehicle fuel expenses		335,829	110,827
General charges		2,769,931	2,441,734
Utilities expenses		2,878,024	3,008,628
Audit fees		500,000	500,000
Insurance expenses		214,050	127,980
Professional fees		11,627,969	12,329,668
Entertainment		75,659	123,971
Postage and telephone		2,764,856	3,104,815
Stationeries & office supplies		4,200,495	2,130,193
News paper & periodicals		62,774	59,259
Traveling & conveyance expenses		22,962,213	26,641,817
Overseas traveling		266,983	(31,112)
Guest house expenses		2,801,657	2,904,115
Security service charges		2,132,721	1,998,050
Interest expenses on Finance lease (RoU Asset)		257,184	284,647
Bank charges		3,658,129	883,379
		<b>61,105,443</b>	<b>59,772,963</b>
<b>22.00 Marketing Expenses</b>			
Advertisement Expenses		219,210,463	224,386,155
Promotional Expenses		3,298,127	4,051,102
		<b>222,508,590</b>	<b>228,437,257</b>
<b>23.00 Sales &amp; Distribution Expenses</b>			
Selling Expenses		79,842,453	112,515,377
Distribution Expenses		32,371,036	33,263,206
		<b>112,213,489</b>	<b>145,778,583</b>
<b>24.00 Other income</b>			
Interest income		35,625,893	46,876,371
Gain/(Loss) on sale/disposal of Assets		(193,822)	(932,501)
Scrap Sales		2,908,142	3,435,577
		<b>38,340,213</b>	<b>49,379,448</b>
<b>25.00 Corporate Income Tax</b>			
Income tax during the year		83,346,462	146,556,027
Tax paid on AY 2016-17		4,737,988	-
		<b>88,084,450</b>	<b>146,556,027</b>

The tax rate for the "Non-publicly Traded Company" is 30% as per the Income Tax Ordinance 1984.





	Notes	Amount in BDT	
		2021-2022	2020-2021
<b>26.00 Basic earnings per share (EPS)</b>			
Profit after tax		42,854,872	22,400,555
Number of shares	12.00	35,334,112	35,334,112
Basic EPS		1.21	0.63
<b>27.00 Particulars of employee</b>			
<i>Nationality:</i>			
Bangladeshi		122	127
Non-Bangladeshi		4	5
		126	132
<i>Employee Category:</i>			
Management		2	2
Staff		124	130
		126	132

All the permanent employees' received total remuneration in excess of BDT 36,000 per annum per employee.

<b>28.00 Capacity utilization</b>			
Installed capacity (in Cases)		862,111	802,756
Utilized capacity (in Cases)		493,083	572,221
Percentage of utilization (%)		57.19%	71.28%

	2021-2022		2020-2021	
	Quantity Kg/Pcs	Value BDT	Quantity Kg/Pcs	Value BDT
Raw materials	4,782,443	522,699,562	6,306,928	570,397,001
Packing materials	61,924,457	242,417,118	60,960,854	259,582,551

	2021-2022		2020-2021	
	Foreign currency (in USD)	Equivalent BDT	Foreign currency (in USD)	Equivalent BDT
Raw materials	3,654,386	312,074,116	3,216,655	273,254,821
Packing materials	54,324	4,639,516	150,396	12,776,169
Finished Goods	175,004	14,957,553	262,327	22,284,661
Capital machinery	167,717	14,332,222	62,939	5,346,683
Spare parts	-	-	13,884	1,179,440
Other	4,078	350,665	-	-
	4,055,508	346,354,073	3,706,201	314,841,774



### 31.00 Related party disclosures

#### (a) Related party transactions

During the year, the company made a number of transactions with related parties in the normal course of business. The name of related parties, nature of transactions, their total value and closing balance have been set out in accordance with the provisions of "IAS 24: Related Party Disclosures".

Amount in BDT

Name of the party	Relationship	Nature of Transaction	Purchase during the	Paid during the year	Outstanding	
					31 March 2022	31 March 2021
Dabur India Limited	Ultimate Holding Company	Purchase of goods	45,544,228	45,127,673	2,017,517	1,210,884
Dabur Nepal Private Limited	Fellow Subsidiary Company	Purchase of goods	13,783,063	13,908,714	2,052,411	2,178,062
Dabur International Limited	Holding Company	Technical Know-How Fees	15,474,262	12,910,512	31,638,062	29,027,826
			<b>74,801,553</b>	<b>71,946,900</b>	<b>35,707,990</b>	<b>32,416,773</b>

#### (b) Compensation of Key Management Personnel

The following disclosures are made in accordance with the provisions of "IAS 24: Related Party Disclosures", in respect of the compensation of key management personnel. Under "IAS 24 (Paragraph 9): Key Management Personnel" are those persons having authority and responsibility for planning, directing, and controlling the activities of the entity, directly or indirectly, including any directors (whether executive or otherwise) of the entity.

The remuneration to the Key Management Personnel is set out below.

Amount in BDT

Name of the Key Management	Relationship	Nature of transaction	Transaction value	Paid during the year	Outstanding	
					31 March 2022	31 March 2021
Biswajit Kumar Das	Director	Short-term employee benefits	20,012,247	20,012,247	-	-
		Post-employment benefits	-	-	-	-
Rakesh Kumar Agrawal	Director	Short-term employee benefits	5,049,366	5,049,366	-	-
		Post-employment benefits	-	-	-	-
Rakesh Kumar Agrawal	Director	Short-term employee benefits	3,031,386	3,031,386	-	-
		Post-employment benefits	-	-	-	-
			<b>28,092,999</b>	<b>28,092,999</b>	<b>-</b>	<b>-</b>

### 32.00 Directors' remuneration

#### 32.01 Directors' remuneration for attending board meeting.

No amount has been paid as remuneration to directors for attending board meetings.

#### 32.02 Directors' remuneration for special service rendered.

No remuneration has been paid to any director for special service rendered.

#### 32.03 Receivable from directors

Nothing is due from any director of the Company.

Amount in BDT

	31 March 2022	31 March 2021
Letter of credit	36,251,709	50,046,656
Disputes pending with judicial authorities	9,915,739	225,916,934
	<b>46,167,448</b>	<b>275,963,590</b>

### 32.00 Contingent Liability

Letter of credit

Disputes pending with judicial authorities

### 33.00 Capital expenditure commitment

Estimated Amount of contract remaining to be executed on Capital Account BDT 3,655,519.



### 34.00 Financial risk management

The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies, procedures and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

The company has exposure to the following risks from its use of financial instruments:

- Credit risks
- Liquidity risks
- Market risk

#### • Credit risk

Credit risk is the risk of a financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the company's receivables from customers.

Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis.

In monitoring credit risk, debtors are grouped according to their risk profile, i.e. their legal status, financial condition, ageing profile etc. Accounts and other receivables are mainly related to the Company's buyers. The company's exposure to credit risk on accounts receivables is mainly influenced by the individual payment characteristics of the credit purchaser. Credit risk does not arise in respect of any other receivables.

#### a) Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was:

	Amount in BDT	
	31 March 2022	31 March 2021
Advances, deposits & prepayments	36,777,221	27,732,730
Investment in FDR	979,320,955	838,688,197
Interest receivable	9,632,697	11,406,955
Bank balances (except cash in hand)	37,378,556	40,840,438
	<u>1,063,109,429</u>	<u>918,668,320</u>

#### b) Ageing of accounts receivables

The ageing of the gross account receivable at the reporting date was:

Invoiced 0 to 30 days	5,813,782	-
Invoiced 31 to 60 days	-	-
Invoiced 61 to 90 days	-	-
Invoiced 91 to 210 days	-	-
Invoiced 211 and above	-	-
	<u>5,813,782</u>	<u>-</u>

#### • Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities. The Company's approach to managing liquidity (Cash and Bank balances) is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when they fall due, under both normal and stressed conditions, without incurring unacceptable losses.

Typically, the Company ensures that it has sufficient cash and bank balances to meet expected operational expenses, including financial obligations through the preparation of the cash flow forecast, based on the timeline of payment of the financial obligation and accordingly arranging for sufficient liquidity/fund to make the expected payment within due date.

In extremely stressed conditions, the Company may get support from the shareholders in the form of shareholder's loan/capital contribution.



The following are the contractual maturities of financial liabilities :

31 March 2022					
Current liabilities	Carrying amount	Contractual cash flows	3 months or less	3-6 months	6-12 months
Trade payable	135,448,991	(135,448,991)	(135,448,991)	-	-
Liabilities and payables for expenses	235,130,133	(235,130,133)	(235,130,133)	-	-
Current tax liabilities	146,945,831	(146,945,831)	-	-	(146,945,831)
Advance from customers	-	-	-	-	-
	<b>517,524,955</b>	<b>(517,524,955)</b>	<b>(370,579,124)</b>	<b>-</b>	<b>(146,945,831)</b>

• **Market risk**

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

• **Currency risk**

*Transaction risk*

Transaction risk arises from the risk of adverse exchange rate movements occurring in the course of normal international transaction.

*Interest rate risk*

Interest rate risk arises from movement in interest rates. The company needs to manage interest rate risk so as to be able to repay debts as they fall due and to minimise the risks surrounding interest payments and receipts.

Country Director

Director

Finance Controller



Asian Consumer Care (Pvt.) Limited  
Schedule of Property, Plant & Equipment  
As at 31 March 2022

Particulars	Cost				Depreciation				Amount in BDT		
	Balance as at 01.04.2021	Addition during the year	Adjustment during the year	Balance as at 31.03.2022	Rate	Balance as at 01.04.2021	Charged during the year	Adjustment during the year	Balance as at 31.03.2022	Written down value as at 31.03.2022	Written down value as at 31.03.2021
Freehold land	135,571,820	-	-	135,571,820	0%	-	-	-	-	135,571,820	135,571,820
Building & pavement	299,408,053	-	-	299,408,053	10.00%	152,226,362	14,718,169	-	166,944,531	132,463,522	147,181,691
Plant & machinery	368,663,934	28,372,658	(478,156)	396,558,437	13.91%	174,074,998	29,336,263	[295,968]	203,115,293	193,443,144	194,588,936
Computer	13,727,719	12,149,227	[935,557]	24,941,389	40.00%	9,862,177	4,243,065	[888,779]	13,216,463	11,724,926	3,865,542
Cylinder & moulds	30,010,983	15,728,096	-	45,739,079	18.10%	13,723,028	3,877,968	-	17,600,986	28,138,093	16,287,955
Office equipment	13,339,711	1,583,684	[716,897]	14,206,498	13.91%	5,182,981	1,386,130	[453,771]	6,115,340	8,091,157	8,156,730
Furniture & fixture	24,544,860	1,599,248	[391,418]	25,752,690	18.10%	12,530,098	2,331,648	[312,633]	14,549,113	11,203,578	12,014,763
Vehicles	20,446,669	-	[3,881,600]	16,565,069	25.89%	13,952,389	1,610,392	[3,588,594]	11,974,188	4,590,881	6,494,279
<b>Sub Total</b>	<b>905,713,749</b>	<b>59,432,913</b>	<b>(6,403,627)</b>	<b>958,743,035</b>		<b>381,552,032</b>	<b>57,503,626</b>	<b>(5,539,745)</b>	<b>433,515,914</b>	<b>525,227,121</b>	<b>524,161,716</b>
Capital work-in-progress	10,738,806	59,750,110	[59,432,913]	11,056,003		-	-	-	-	11,056,003	10,738,806
Right of use asset	29,640,289	-	-	29,640,289	32.43%	19,226,133	9,613,067	-	28,839,200	801,089	10,414,156
<b>Grand Total</b>	<b>946,092,843</b>	<b>119,183,023</b>	<b>(65,836,540)</b>	<b>999,439,326</b>		<b>400,778,165</b>	<b>67,116,693</b>	<b>(5,539,745)</b>	<b>462,355,113</b>	<b>537,084,212</b>	<b>545,314,677</b>
<b>Total at 31 March 2021</b>	<b>899,662,826</b>	<b>49,618,158</b>	<b>[3,188,142]</b>	<b>946,092,842</b>		<b>338,979,689</b>	<b>64,817,334</b>	<b>[3,018,858]</b>	<b>400,778,165</b>	<b>545,314,677</b>	

