

Jyothy Kallol Bangladesh Limited

Auditor's Report and Financial Statements
for the year ended 31 March 2018

 **S. F. AHMED & CO.**
Chartered Accountants

(Member Firm of HLB International)



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CHARTERED ACCOUNTANTS

... Since 1958

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Independent Auditors' Report to the Shareholders of Jyothy Kallol Bangladesh Limited

We have audited the accompanying financial statements of Jyothy Kallol Bangladesh Limited, which comprise Statement of Financial Position as at 31 March 2018, 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 a summary of significant accounting policies and other explanatory notes.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards (IFRS) as adopted by The Institute of Chartered Accountants of Bangladesh. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud and error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing (ISA) as adopted by The Institute of Chartered Accountants of Bangladesh. These standards require that we comply with ethical requirements as well as plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

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

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

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Jyothy Kallol Bangladesh Limited as at 31 March 2018, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by The Institute of Chartered Accountants of Bangladesh and comply with the Companies Act, 1994 and other applicable laws and regulations in Bangladesh.

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 account as required by law have been kept by the company so far as it appeared from our examination of those books;
- c) the company's Statement of Financial Position and Statement of Profit or Loss and Other Comprehensive Income dealt with by this report are in agreement with the books of account.

Dated, Dhaka
8 May 2018



S. F. Ahmed
S. F. Ahmed & Co.
Chartered Accountants

Jyothy Kallol Bangladesh Limited

Statement of Financial Position

As at 31 March 2018

| ASSETS | Notes | Amount in Taka | |
|-------------------------------------|-------|-------------------|-------------------|
| | | 31-Mar-18 | 31-Mar-17 |
| Non-current assets | | | |
| Property, plant and equipment | 4 | 6,442,947 | 20,731,548 |
| | | 6,442,947 | 20,731,548 |
| Current assets | | | |
| Inventories | 5 | 11,586,213 | 5,525,323 |
| Accounts and other receivables | 6 | 510,441 | 429,915 |
| Advances, deposits and prepayments | 7 | 9,294,296 | 7,277,202 |
| Cash and cash equivalents | 8 | 67,887,281 | 57,091,350 |
| | | 89,278,232 | 70,323,790 |
| TOTAL ASSETS | | 95,721,179 | 91,055,338 |
| EQUITY AND LIABILITIES | | | |
| Equity | | | |
| Share capital | 9 | 113,139,080 | 113,139,080 |
| Retained earnings | | (30,154,536) | (26,178,617) |
| Share money deposit | 10 | 9 | 9 |
| | | 82,984,553 | 86,960,472 |
| Current liabilities | | | |
| Accounts and other payables | 11 | 8,398,719 | 774,113 |
| Accruals and provision | 12 | 4,337,907 | 3,320,753 |
| | | 12,736,626 | 4,094,866 |
| TOTAL EQUITY AND LIABILITIES | | 95,721,179 | 91,055,338 |

The annexed notes form an integral part of this financial statement.



Director



Chairman

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



Dated, Dhaka;
8 May 2018

S. F. Ahmed & Co.
S. F. Ahmed & Co.
Chartered Accountants


Jyothy Kallol Bangladesh Limited
Statement of Profit or Loss and Other Comprehensive Income
For the year ended 31 March 2018

| | Notes | Amount in Taka | |
|---------------------------------------|-------|-----------------------------------|-----------------------------------|
| | | 01 April 2017 to 31 March 2018 | 01 April 2016 to 31 March 2017 |
| Revenue | 13 | 78,654,618 | 88,756,861 |
| Less: Cost of sales | 14 | 58,499,977 | 61,430,932 |
| Gross profit | | 20,154,641 | 27,325,929 |
| Less: Operating expenses | 15 | 26,850,253 | 31,888,034 |
| Administrative expenses | 15.1 | 14,809,158 | 18,465,568 |
| Selling and distribution expenses | 15.2 | 12,041,095 | 13,422,466 |
| Profit/(Loss) from operations | | (6,695,612) | (4,562,105) |
| Add: Non operating income | 16 | 3,210,886 | 2,803,286 |
| Profit/(Loss) before Tax | | (3,484,726) | (1,758,819) |
| Less: Provision for income tax | 12.1 | 491,193 | 549,361 |
| Net Profit/(Loss) for the year | | (3,975,919) | (2,308,180) |

The annexed notes form an integral part of this financial statement.



 Director



 Chairman

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



Dated, Dhaka;
8 May 2018

S. F. Ahmed & Co.
S. F. Ahmed & Co.
 Chartered Accountants

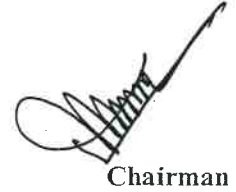
Jyothy Kallol Bangladesh Limited
Statement of changes in Equity
For the year ended 31 March 2018

Amount in Taka

| Particulars | Share capital | Share money deposit | Retained earnings | Total |
|--------------------------------|---------------|---------------------|-------------------|-------------|
| Balance at 01 April 2016 | 113,139,080 | 9 | (23,870,437) | 89,268,652 |
| Net profit/(loss) for the year | - | - | (2,308,180) | (2,308,180) |
| Balance at 31 March 2017 | 113,139,080 | 9 | (26,178,617) | 86,960,472 |

| Particulars | Share capital | Share money deposit | Retained earnings | Total |
|--------------------------------|---------------|---------------------|-------------------|-------------|
| Balance at 01 April 2017 | 113,139,080 | 9 | (26,178,617) | 86,960,472 |
| Net profit/(loss) for the year | - | - | (3,975,919) | (3,975,919) |
| Balance at 31 March 2018 | 113,139,080 | 9 | (30,154,536) | 82,984,553 |


Director


Chairman



Jyothy Kallol Bangladesh Limited

Statement of Cash Flows

For the year ended 31 March 2018

| | Amount in Taka | |
|--|-----------------------------------|-----------------------------------|
| | 01 April 2017 to 31 March 2018 | 01 April 2016 to 31 March 2017 |
| Cash flows from operating activities | | |
| Net profit before tax | (3,484,726) | (1,758,819) |
| Adjustments to reconcile changes in net current assets to net cash used by operating activities | | |
| Depreciation | 14,288,601 | 14,288,601 |
| Decrease/(Increase) in inventories | (6,060,891) | 3,038,384 |
| Decrease/(Increase) in advances, deposits and prepayments | (2,017,094) | (1,918,582) |
| Decrease/(Increase) in accounts and other receivables | (80,526) | 14,146 |
| Increase/(Decrease) in account and other payables | 7,624,607 | (708,436) |
| Increase/(Decrease) in accruals and provision | 525,961 | 845,434 |
| <i>Net cash flows from operating activities</i> | <u>10,795,931</u> | <u>13,800,728</u> |
| Cash flows from investing activities | | |
| Sale of property, plant and equipment | - | - |
| <i>Net cash used in investing activities</i> | <u>-</u> | <u>-</u> |
| Cash flows from financing activities | | |
| Proceed from issue of share capital | - | - |
| <i>Net cash flows from financing activities</i> | <u>-</u> | <u>-</u> |
| Net increase/(decrease) in cash and cash equivalents | 10,795,931 | 13,800,728 |
| Cash and cash equivalents at the beginning of the year | 57,091,350 | 43,290,622 |
| Cash and cash equivalents at the end of the year | <u>67,887,281</u> | <u>57,091,350</u> |


Director


Chairman



Jyothy Kallol Bangladesh Limited
Notes to the Financial Statement
as at and for the year ended 31 March 2018

1. Reporting entity

1.1 Company profile

Jyothy Kallol Bangladesh Limited is incorporated with the Registrar of Joint Stock Companies, Dhaka a private limited company under the Companies Act, 1994 vide Registration # C-87559/10 dated 14 October 2010. Registered office of the company is situated at 199, Tejgaon Industrial Area, Dhaka-1208. The objective of the Company is to undertake, carry on, run and conduct business and operations as a manufacturer, producer and distributor of consumer goods and consumer durables.

1.2 Principal activities

The company will engage in manufacturing, producing, marketing and distributing of fabric care products, household insecticides, all sorts of whitening products, washing products, soaps, detergents, liquids, bars, mosquito coils, pesticides, perfumes and all sorts of health care products throughout Bangladesh or outside Bangladesh.

2. Basis of preparation of financial statements

2.1 Basis of measurement

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 Jyothy Kallol Bangladesh Limited is historical cost. Under the historical cost, assets are recorded at the amount of cash or cash equivalents paid or the fair value of the consideration given to acquire them at the time of their acquisition. Liabilities are recorded at the amount of proceeds received in exchange for the obligation, or in some circumstances, at the amounts of cash or cash equivalents expected to be paid to satisfy the liability in the normal course of business.

2.2 Reporting framework and compliance thereof

These financial statements have been prepared in accordance with International Financial Reporting Standards as adopted in Bangladesh by the Institute of Chartered Accountants of Bangladesh as BFRS and the Companies Act 1994 and other applicable laws and regulations.

The title and format of these financial statements follow the requirement of IFRS which are to some extent different from the requirement the Companies Act 1994. However, such differences are not material and in view of management, IFRS titles and formats give better presentation to the shareholders.

2.3 Functional and presentation currency

These financial statements are prepared in Bangladesh Taka (Taka/Tk), which is the Company's functional currency. All financial information presented in Taka has been rounded off to the nearest integer.



2.4 Reporting period

The financial period of the company covers one year from 1 April 2017 to 31 March 2018 consistently.

2.5 Comparative information and rearrangement thereof

Comparative figures have been re-arranged wherever considered necessary to ensure better comparability with the current period without causing any impact on the profit and value of assets and liabilities as reported in the financial statements.

2.6 Use of estimates and judgments

The preparation of financial statements 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. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions of accounting estimates are given prospective effect in the financial statements as required by IAS 8: "Accounting Policies, Changes in Accounting Estimates and Errors".

2.7 Going concern

The company has adequate resources to continue in operation for foreseeable future. For this reason the directors continue to adopt going concern basis in preparing the accounts. The current resources of the company provide sufficient fund to meet the present requirements of its existing businesses and operations.

2.8 Statement of Cash Flows

The Statement of Cash Flows has been prepared in accordance with the requirements of IAS 7: Statement of Cash Flows.

2.9 Events after the reporting period

In compliance with the requirements of IAS 10: Events After the Reporting Period, post statement of financial position events that provide additional information about the company's position at the statement of financial position date are reflected in the financial statements and events after the statement of financial position date that are not adjusting events are disclosed in the notes when material.

2.10 Date of authorization for issue of the financial statements

On 08 May 2018 the Board of Directors reviewed the financial statements and authorized for issue.

3. Significant accounting policies

3.1 Property, plant and equipment

Items of property, plant & equipment is recognized where it is probable that future economic benefits will flow to the entity and their cost can be measured reliably.



Measurement at recognition

An item of property, plant & equipment qualifying for recognition is initially measured at its cost. Cost comprises:

- Purchase price, including all non recoverable duties and taxes but net of discounts.
- Costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by the management.

Subsequent costs

- Repairs and maintenance expenditure is recognized as expenditure as incurred.
- Replacement parts are capitalized, provided the original cost of the items they replace is derecognized.

Depreciation

Depreciation is commenced when the asset is in the location and condition necessary for it to be capable of operating in the manner intended. Property plant and equipment of Jyothy Kallol Bangladesh Limited are depreciated using straight-line method whereby there is a constant charge each year, on the assumption that equal amounts of economic benefit are consumed in each year of the assets life. Each significant part of an item of Property, plant & equipment is depreciated separately, using their useful lives. The residual value and useful life of an asset are reviewed in each year end. Depreciation is expressed in terms of percentage of cost of the related assets. The list of Property, plant & equipment and related depreciation rates are given below:

| <u>Asset Type</u> | <u>Depreciation rate (%)</u> |
|-----------------------|------------------------------|
| Plant and machinery | 20 |
| Equipments | 20 |
| Electrical equipments | 20 |
| Furniture & Fixtures | 10 |

Impairment

The carrying amounts of its assets are reviewed at each balance sheet date to determine whether there is any indication of impairment loss. If any such indication exists, recoverable amount is estimated in order to determine the extent of the impairment loss, if any. Impairment loss is recorded on judgmental basis, for which provision may differ in the future years based on the actual experience.

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.

3.2 Financial instruments

Financial instruments are recognized in the statement of financial position when the Company has become a party to the contractual provisions of the instruments.



Cash and cash equivalents

Cash and cash equivalents include cash on hand, balance and deposits with licensed financial institutions that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Advances

Advances with no stated interest are measured at the original amount if the effect of discounting is immaterial. -

Accounts payables

Trade payables are stated at cost which approximates the fair value of the consideration to be paid in the future for goods and services rendered.

3.3 Inventories

Inventories includes raw materials, packing materials, work-in-progress, finished goods, stores and consumables items are valued at cost or net realizable value, whichever is lower. However, goods in transit are valued at cost.

Cost is ascertained on First-in-First out ('FIFO') basis and includes all applicable costs incurred in bringing goods to their present location and condition. Cost of work-in-progress, manufactured packing material and finished goods includes materials and all applicable manufacturing overheads. Traded goods are valued at lower of cost and net realizable value. Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on a FIFO basis.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated cost of completion and estimated cost necessary to make the sale.

3.4 Provisions

Provisions are recognized in the financial statements in line with the International Accounting Standard (IAS) 37 "Provisions, Contingent Liabilities and Contingent Assets" when

- the company has a legal or constructive obligation as a result of past event.
- it is probable that an outflow of economic benefit will be required to settle the obligation.
- a reliable estimate can be made of the amount of the obligation.

3.5 Post employment benefits

Jyothy Kallol Bangladesh Limited operates a provident fund scheme where employees contribute 7% of their basic salary with equal contribution by the company. The company recognizes contributions payable as an expense in the period in which the employees provide services. A liability recognized where contributions arises in relation to an employee's service, but remain unpaid at the year end.



3.6 Taxation

Income tax for the year comprises current tax is based on the applicable tax law in Bangladesh. It is recognized in the statement of Profit or Loss and Other Comprehensive Income as tax expenses.

3.7 Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured. The following specific criteria must also be met before revenue is recognized.

Sale of goods

Revenue is recognized when all the significant risks and rewards of ownership of the goods have passed to the buyer, usually on delivery of the goods. The company collects Value Added Taxes (VAT) on behalf of the government and, therefore, these are not economic benefits flowing to the company. Hence, they are excluded from revenue. Revenue is net off trade discount given.

Interest income

Revenue is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.

3.8 Related party disclosures

The company carried out a number of transactions with related parties in the normal course of business and on arms' length basis. The information as required by IAS 24: "Related party disclosures" have been disclosed in a separate note no. 17 to the accounts.

3.9 Integral components of the financial statements:

In compliance with the International Accounting Standards (IAS-1), adopted as Bangladesh Accounting Standards (BAS-1) "Presentation of Financial Statements," the following components are annexed:

- a. Statement of Financial Position as at 31 March 2018.
- b. Statement of Profit or Loss and Other Comprehensive Income for the period from 1 April 2017 to 31 March 2018.
- c. Statement of Cash Flows for the period from 1 April 2017 to 31 March 2018.
- d. Statement of Changes in Equity for the period from 1 April 2017 to 31 March 2018.
- e. Notes to the Financial Statement as at and for the period from 1 April 2017 to 31 March 2018.

3.10 General

- a. Accounting policies and explanatory notes form an integral part of this financial statement.
- b. The figures appearing in these financial statements have been rounded off to the nearest BDT.



4. Property, plant and equipment

| Particulars | Cost | | | | Rate (%) | Depreciation | | | Written Down Value as at 31 March 2018 |
|------------------------|-------------------|--------------------------|--------------------------|-------------------|----------|-------------------------|--------------------------|-------------------|--|
| | Opening balance | Addition during the year | Disposal during the year | Closing balance | | Charged during the year | Disposal during the year | Closing balance | |
| Plant and machinery | 65,481,372 | - | - | 65,481,372 | 20 | 13,096,274 | - | 59,970,005 | 5,511,367 |
| Equipment | 1,381,897 | - | - | 1,381,897 | 20 | 276,381 | - | 1,250,131 | 131,767 |
| Electrical equipment | 4,167,768 | - | - | 4,167,768 | 20 | 833,554 | - | 3,820,454 | 347,314 |
| Furniture and fixtures | 823,918 | - | - | 823,918 | 10 | 82,392 | - | 371,419 | 452,499 |
| Total 2018 | 71,854,955 | - | - | 71,854,955 | | 14,288,601 | - | 65,412,008 | 6,442,947 |
| Total 2017 | 71,854,955 | - | - | 71,854,955 | | 14,288,601 | - | 51,123,407 | 20,731,548 |



| | | Amount in Taka | | | |
|-----|--|----------------------|--------------------|--------------------|--------------------|
| | | 31-Mar-2018 | 31-Mar-2017 | | |
| 5. | Inventories | | | | |
| | Finished goods | - | 37,428 | | |
| | Materials | 11,446,781 | 4,714,738 | | |
| | Raw materials | 7,957,883 | 3,392,421 | | |
| | Packing materials | 3,488,898 | 1,322,316 | | |
| | Goods in transit | 139,432 | 773,157 | | |
| | | 11,586,213 | 5,525,323 | | |
| 6. | Accounts and other receivables | | | | |
| | Accounts receivable | 63,709 | 91,370 | | |
| | Receivable from distributor | 63,709 | 91,370 | | |
| | Other receivables | 446,732 | 338,545 | | |
| | Interest receivable on fixed deposit receipts | 446,732 | 338,545 | | |
| | | 510,441 | 429,915 | | |
| 7. | Advances ,deposits and prepayments | | | | |
| | Advances | | | | |
| | Advance income tax | 7,732,648 | 5,899,053 | | |
| | VAT current account at factory | 1,067,635 | 504,590 | | |
| | VAT current account at depot | 329,492 | 709,037 | | |
| | MSI Consortium | 12,000 | 12,000 | | |
| | Sazon Enterprise | 22,522 | 22,522 | | |
| | Other advances | 130,000 | 130,000 | | |
| | | 9,294,296 | 7,277,202 | | |
| 8. | Cash and cash equivalents | | | | |
| | Cash in hand | 336,756 | 218,221 | | |
| | Cash at bank | 8.1 16,059,407 | 10,464,126 | | |
| | Fixed deposit receipts | 8.2 51,491,118 | 46,409,004 | | |
| | | 67,887,281 | 57,091,350 | | |
| 8.1 | Cash at bank | | | | |
| | Bank Asia Limited [A/c#02833000520] | 1,012 | 1,012 | | |
| | Bank Asia Limited [A/c# 02836000113] | 11,091,741 | 8,594,076 | | |
| | Pubali Bank Limited [A/C# 3677-901-24524] | 4,944,995 | 1,844,231 | | |
| | The Premier Bank Limited [A/C# 102.131.0000190.8] | 21,659 | 24,807 | | |
| | | 16,059,407 | 10,464,126 | | |
| 8.2 | Fixed deposit receipts-Premier Bank | 51,491,118 | 46,409,004 | | |
| 9. | Share capital | | | | |
| a) | <i>Authorized share capital</i> | | | | |
| | 10,000,000 ordinary shares of Taka 10 each | 100,000,000 | 100,000,000 | | |
| b) | <i>Issued, subscribed, called & paid up share capital</i> | | | | |
| | 11,313,908 ordinary shares of Taka 10 each fully called and paid in cash | 113,139,080 | 113,139,080 | | |
| c) | <i>Composition of shareholding at 31 March 2018</i> | | | | |
| | Name of the shareholders | No. of shares | % of share | Taka | Taka |
| | Jyothy Laboratories Limited | 8,485,431 | 75% | 84,854,310 | 84,854,310 |
| | Kallol Enterprise Limited | 2,828,477 | 25% | 28,284,770 | 28,284,770 |
| | | 11,313,908 | 100% | 113,139,080 | 113,139,080 |



| | | Amount in Taka | |
|---|------|------------------|------------------|
| | | 31-Mar-2018 | 31-Mar-2017 |
| 10. Share money deposit | | | |
| Opening balance | | 9 | 9 |
| Addition during the year | | - | - |
| | | <u>9</u> | <u>9</u> |
| Less: Transfer to share capital during the year | | - | - |
| | | <u>9</u> | <u>9</u> |
| 11. Accounts and others payables | | | |
| Accounts payable | | 7,981,892 | 675,658 |
| A.S Enterprise | | 296,474 | 322,236 |
| Amar International | | 18,302 | 28,587 |
| Brothers Enterprise | | 164,493 | 103,610 |
| Easy Jobs Training & Employment Services | | 225,026 | 2,281 |
| Ajmeer Enterprise | | 31,974 | 13,417 |
| Infinite Packaging & Accessories | | 162,811 | 104,938 |
| Kallol Enterprise Ltd. | | 10,674 | 10,674 |
| Kallol Industries Ltd | | 743 | 743 |
| Kallol Ltd. | | 15,204 | 15,204 |
| Super Thai Plastic Ltd. | | 110,400 | 73,968 |
| Kris Flexipacks Private Ltd. | | 3,119,211 | - |
| Colorquip | | 3,788,316 | - |
| Crystal Insurance Company Limited | | 2,713 | - |
| Sonali Agencies | | 35,551 | - |
| Others payable | | 416,828 | 98,455 |
| Advance received from distributor | | 416,828 | 98,455 |
| | | <u>8,398,719</u> | <u>774,113</u> |
| 12. Accruals and Provision | | | |
| Accruals | | | |
| Salaries and benefits | | 801,912 | 48,504 |
| PF payables contributed by employees | | 268,752 | - |
| PF Payable contributed by employer | | 268,752 | - |
| TDS Payable | | 45,083 | 171,046 |
| VDS Payable | | 25,460 | 74,229 |
| | | <u>1,409,959</u> | <u>293,779</u> |
| Provision | | | |
| Audit fee | | 115,000 | 115,000 |
| Power and fuel cost | | 350,147 | 255,121 |
| Sales incentive/commission | | 21,000 | 217,500 |
| Telephone, Fax, Internet. | | 39,567 | 42,836 |
| Tour and traveling expenses | | 364,478 | 425,461 |
| Trade Scheme (Primary) | | 429,038 | 853,531 |
| Income tax | 12.1 | 1,608,718 | 1,117,525 |
| | | <u>2,927,948</u> | <u>3,026,974</u> |
| | | <u>4,337,907</u> | <u>3,320,753</u> |
| 12.1 Provision for income tax | | | |
| Opening balance | | 1,117,525 | 568,164 |
| Addition during the year | | 491,193 | 549,361 |
| | | <u>1,608,718</u> | <u>1,117,525</u> |
| Less: Adjustment during the year | | - | - |
| | | <u>1,608,718</u> | <u>1,117,525</u> |



| | | Amount in Taka | |
|----------|---|-----------------------------------|-----------------------------------|
| | | 01 April 2017 to 31 March 2018 | 01 April 2016 to 31 March 2017 |
| 13. | Revenue | | |
| | Sales | 78,654,618 | 88,756,861 |
| | | <u>78,654,618</u> | <u>88,756,861</u> |
| 14 | Cost of sales | | |
| | Opening stock of finished goods | 37,428 | 1,106,384 |
| | Add: Cost of goods manufactured | 14.1 58,462,549 | 60,361,976 |
| | | <u>58,499,977</u> | <u>61,468,360</u> |
| | Less: Closing stock of finished goods | 5 - | 37,428 |
| | | <u>58,499,977</u> | <u>61,430,932</u> |
| 14.1 | Cost of goods manufactured | | |
| | Opening work-in-process | - | - |
| | Add: Cost of material consumed | 14.1.1 32,144,922 | 34,483,941 |
| | | <u>32,144,922</u> | <u>34,483,941</u> |
| | Less: Closing work-in -process | - | - |
| | Cost of materials | 32,144,922 | 34,483,941 |
| | Add: Manufacturing overhead | 14.1.2 26,317,627 | 25,878,035 |
| | | <u>58,462,549</u> | <u>60,361,976</u> |
| 14.1.1 | Cost of material consumed | | |
| | Opening stock of material | 4,714,738 | 7,404,815 |
| | Add: Purchase during the year | 14.1.1.1 38,876,966 | 31,793,863 |
| | | <u>43,591,703</u> | <u>39,198,678</u> |
| | Less: Closing stock of material | 5 11,446,781 | 4,714,738 |
| | | <u>32,144,922</u> | <u>34,483,941</u> |
| 14.1.2 | Manufacturing overhead | | |
| | Salary and wages | 1,964,755 | 2,074,653 |
| | Rent | 6,372,000 | 6,372,000 |
| | Power and fuel cost | 2,926,701 | 2,249,291 |
| | Factory maintenance expense | 53,408 | 256,675 |
| | Repair and maintenance | 782,266 | 704,719 |
| | Packing materials | - | 2,200 |
| | Depreciation | 14,218,497 | 14,218,497 |
| | | <u>26,317,627</u> | <u>25,878,035</u> |
| 14.1.1.1 | Purchases during the year | | |
| | HDPE blow | 9,159,650 | 9,344,723 |
| | Plastic coloured master batches | 294,957 | 647,537 |
| | Acid violet pest | 12,896,351 | 8,223,742 |
| | Cap for ujala supreme 100ml | 3,684,632 | 3,390,397 |
| | Cap for ujala supreme 50ml | 2,417,789 | 1,970,355 |
| | PP cover for ujala supreme 100ml | 440,880 | 429,840 |
| | PP cover for ujala supreme 50ml | 309,360 | 339,120 |
| | PVC shrink labels for ujala supreme 100ml | 4,612,111 | 3,378,856 |
| | PVC shrink labels for ujala supreme 50ml | 4,054,097 | 2,988,907 |
| | Corrugated carton box for ujala supreme 100ml | 604,300 | 677,050 |
| | Corrugated carton box for ujala supreme 50ml | 367,288 | 361,000 |
| | Gum tape | 35,551 | 42,336 |
| | | <u>38,876,966</u> | <u>31,793,863</u> |



| | | Amount in Taka | |
|---|------|-----------------------------------|-----------------------------------|
| | | 01 April 2017 to 31 March 2018 | 01 April 2016 to 31 March 2017 |
| 15. Operating expenses | | | |
| Administrative expenses | 15.1 | 14,809,158 | 18,465,568 |
| Selling and distribution expenses | 15.2 | 12,041,095 | 13,422,466 |
| | | <u>26,850,253</u> | <u>31,888,034</u> |
| 15.1 Administrative expenses | | | |
| Salaries and benefits | | 10,787,322 | 13,823,079 |
| Telephone, fax ,mobile and internet | | 419,462 | 619,150 |
| Staff welfare expenses | | 1,676 | 23,507 |
| Rent | | 2,760,000 | 2,724,000 |
| Guest house rent and others | | - | 58,907 |
| Hotel rent, fooding and other expenses | | 67,784 | 189,271 |
| Printing and stationery | | 55,949 | 165,742 |
| Legal and professional expenses | | - | 54,450 |
| Audit fee | | 115,000 | 115,000 |
| License registration and renewal fee | | 158,349 | 97,132 |
| Stamp,duties and taxes | | - | 2,605 |
| Conveyance | | 50,287 | 133,733 |
| Postage and courier | | 3,898 | 2,094 |
| Register,books,newspaper and magazine | | 4,136 | 3,530 |
| Insurance premium | | 147,176 | 147,176 |
| Software and maintenance expenses | | 10,450 | 45,450 |
| Bank charge | | 95,785 | 60,425 |
| Miscellaneous expenses | | 61,780 | 62,402 |
| Office and depot maintenance expenses | | - | 1,042 |
| Computer accessories and others | | - | 66,769 |
| Depreciation | | 70,104 | 70,104 |
| | | <u>14,809,158</u> | <u>18,465,568</u> |
| 15.2 Selling and distribution expenses | | | |
| Rent | | 1,656,000 | 1,634,400 |
| Tour and traveling expenses | | 3,186,187 | 3,506,820 |
| Freight | | 1,639,107 | 1,747,838 |
| Service charge | | 690,000 | 690,000 |
| Loading and unloading expenses | | 195,805 | 206,939 |
| Outsourcing cost for dispatch S&D | | 368,040 | 366,000 |
| Sales incentive/commission | | 65,500 | 310,500 |
| Promotional expenses | | 4,135,262 | 4,825,226 |
| Uniform,liveries and others | | - | 4,160 |
| Meeting, conference and training expenses | | 105,194 | 130,583 |
| | | <u>12,041,095</u> | <u>13,422,466</u> |
| 16. Non operating income | | | |
| Interest income on fixed deposit receipts & STD account | | 3,191,788 | 2,725,892 |
| Other income | | 19,098 | 77,394 |
| | | <u>3,210,886</u> | <u>2,803,286</u> |



17. Related party disclosures

During the year the company carried out a number of transaction with related parties in the normal course of business on an arm's length basis. Name of these related parties, nature of those transactions and their total value has been shown in the below table in accordance with the provisions of BAS-24- "Related Party Disclosures".

| Name of the Party | Relationship | Nature of transaction | Amount in Taka |
|--------------------------|--------------|-----------------------|----------------|
| Jyothi Laboratories Ltd. | Parent | Purchase of goods | 17,038,172 |

