

MABS & J Partners
Chartered Accountants

Member firm of Nexia International, UK

Auditor's Report & Audited Financial Statements
of
Wata Chemicals Limited

For the year ended 30 June 2022

17/B (3rd Floor), Monipuripara
Sangshad Avenue, Dhaka-1215, Bangladesh
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Independent Auditor's Report

To the Shareholders of Wata Chemicals Limited

Report on the Audit of the Financial Statements

Qualified Opinion

We have audited the financial statements of **Wata Chemicals Limited (the Company)**, which comprise the statement of financial position as at 30 June 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, except for the effects of the matters described in the Basis for Qualified Opinion section of our report, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at 30 June 2022, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs), the Companies Act 1994, the Securities and Exchange Rules 1987 and other applicable laws and regulations.

Basis for Qualified Opinion

1. Reference to Note # 02 to the financial statements, no depreciation has been charged on LABSA plant and BCP plant of the company on the ground that these plants have not been in use since 2008. However, as per Para 55 of IAS 16, a company should not cease the depreciation when the assets become idle or is retired from active use unless the assets are fully depreciated. As a result, depreciation for the current year has been undercharged by **Taka 6,056,250**.
2. Reference to Note # 12 to the financial statements, the Company has revalued its Property, Plant and Equipment in 2008 but the amount of surplus between depreciation based on the revalued carrying amount of the assets and depreciation based on the asset's original cost was not transferred from Revaluation Surplus to Retained Earnings for a total of 04 (Four) years from 2008-2011 as per Para 41 of IAS 16. Moreover, the Company has not maintained fixed assets register properly.
3. Reference to Note # 23 to the financial statements, provision for WPPF of **Taka 44,117,864** has been provided by the company and the same is shown under the head of "Workers Profit Participation Fund and Welfare Fund" as current liabilities in the financial statements as on 30 June 2021. However, the amount has not been distributed yet with a proportion of 80:10:10 to the Participatory Fund, Welfare Fund and Workers' Welfare Foundation Fund respectively as per the Labor Act 2006 as amended in 2013 although the company has executed Trust Deeds for the same. Moreover, the fund amount has been used by the company in its operation as internal source of financing without providing any interest for such usage as per section 240 (3) of the said Act.

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) and the Institute of Chartered Accountants of Bangladesh (ICAB) Bye Laws. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

Emphasis of Matters

Without modifying our opinion, we draw attention on the following matters:

1. Reference to Note # 1.14.00 of the financial statements, the company has translated its unsettled foreign currency liabilities (USD) at the exchange rate (BC Selling rate of Bangladesh Bank) of BDT 93.5/\$1 on 30 June 2022 as per the requirements of IAS 21 — The Effects of Changes in Foreign Exchange Rate. Subsequently, up to 30 September 2022, foreign currency liabilities have been settled at the average rate of BDT 102.15/\$1 as disclosed under Event after Reporting Period as per IAS 10 in note # 54.01 to the financial statements of the company.
2. Reference to Note # 51 to the financial statements, the company has disclosed the "Contingent Liabilities" of **Taka 41,427,896** against the claim from Commissioner of Customs Excise and VAT Directorate. The Company has filed an appeal to the Appellate Tribunal which is still pending.
3. As per Section 99 of the Labor Act 2006 as amended in 2013, it is required that "In the establishments wherein minimum of 100 permanent workers are employed, must introduce group insurance in the manner prescribed by rules". However, the company has not introduced yet group insurance for permanent employees despite being employed more than 100 permanent employees. This indicates non-compliance of the provision of the section 99 of the Labor Act 2006 as amended in 2013.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matters described in the Basis for Qualified Opinion section we have determined the matters described below to the Key Audit Matters to be communicated in our report. For each matter below our description of how our audit addressed the matters provided in that context.



01. Revenue Recognition

See Note 27.00 to the Financial Statements

The Key Audit Matter	How the matter was addressed in our audit
At the year end the Company reported the net sales revenue of Taka 953,804,600 are recognized when the Company transfers control over goods to the customer or satisfies the performance obligation to a customer. Recognition of the revenue of Wata has been considered complex due to several types of contract from local customers and the government for different product as well as high level comparing to last few years' performance.	We have reviewed the Company's revenue recognition policies, accounting guidelines and disclosures to assess conformity with IFRS 15 "Revenue from Contract with Customers". We have tested relevant internal control used to ensure the completeness, accuracy and timing of revenue recognized including sales during the year end to ensure cut off has been properly maintained. We have applied analytical and substantive procedure to establish, whether any revenue had been recognized where no corresponding accounts receivables or proceeds have been recorded in the general ledger.

2. Valuation of Property, Plant and Equipment

See Note 02 to the Financial Statements

The Key Audit Matter	How the matter was addressed in our audit
<p>The carrying value of the PPE was Taka 896,188,486 as at 30 June 2022. Expenditures are capitalized if they create new assets or enhance the existing assets, and expensed if they relate to repair or maintenance of the assets. Classification of the expenditures involves judgment. The useful lives of PPE items are based on management's estimates regarding the period during which the assets or its significant components will be used. The estimates are based on historical experience and market practice and take into consideration the physical condition of the assets.</p> <p>The valuation of PPE was identified as a key audit matter due to the significance of this balance to the financial statements and that there is significant measurement uncertainty involved in this valuation</p>	<p>Our audit included the following procedure:</p> <p>We assessed whether the accounting policies in relation to the capitalization of expenditures are in compliance with IAS and found them to be consistent.</p> <ul style="list-style-type: none"> We inspected a sample of invoices and L/C documents to determine whether the classification between capital and revenue expenditure was appropriate. We evaluated whether the useful lives determined and applied by the management were in line with historical experience and the market practice. <p>We checked whether the depreciation of PPE items was commenced timely, by comparing the date of the reclassification from capital work in progress to ready for use, with the date of the act of completion of the work.</p>

Other Information

Management is responsible for the other information. The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

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

Management is responsible for the preparation of financial statements in accordance with IFRSs, the Companies Act 1994, the Security and Exchange Rules 1987 and other applicable laws and regulations and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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 judgment 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 gives a true and fair view.

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.

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

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

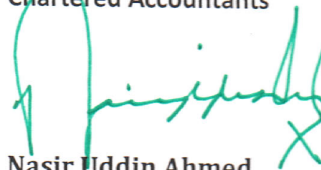


Report on Other Legal and Regulatory Requirements

In accordance with the Companies Act 1994 and the Securities and Exchange Rules 1987, we also report the following:

- a) We have obtained all the information and explanation 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 statement of financial position and statement of profit or loss with the report are in agreement with the books of account and returns; and
- d) The expenditure incurred was for the purpose of the Company's business.

Signed for & on behalf of
MABS & J Partners
Chartered Accountants



Nasir Uddin Ahmed
FCA, FCS, CGMA, ACMA(UK), FCA(ICAEW)
Deputy Managing Partner
ICAB Enrolment No: 535
DVC No: 2210270535AS393268

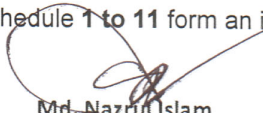
Dated: 27 October 2022
Dhaka, Bangladesh

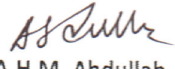
WATA CHEMICALS LIMITED
Statement of Financial Position
As at 30th June, 2022


Particulars	Notes	Amount in Taka	
		30-Jun-22	30-Jun-21
ASSETS			
NON-CURRENT ASSETS		1,747,568,114	1,735,737,576
Property, Plant and Equipment (PPE)	2.00	896,188,486	943,466,378
Capital Work-in-Progress (CWIP)-BMRE	3.00	845,988,799	786,110,248
Right-of-Use (ROU) Asset	4.00	5,390,830	6,160,950
CURRENT ASSETS		1,097,216,697	888,335,379
Inventories	5.00	174,092,613	109,239,794
Trade Receivables	6.00	627,414,177	435,570,160
Advance Income Tax	7.00	35,976,756	17,654,979
Advances, Prepayments & Deposits	8.00	248,613,909	294,502,098
Cash & Cash Equivalents	9.00	11,119,242	31,368,347
TOTAL ASSETS		2,844,784,812	2,624,072,956
SHAREHOLDER'S EQUITY & LIABILITIES			
SHAREHOLDER'S EQUITY		906,918,960	892,655,019
Share Capital	10.00	148,226,180	148,226,180
Share Premium	11.00	32,400,000	32,400,000
Revaluation Reserve	12.00	390,090,087	396,766,745
Retained Earnings	13.00	336,202,693	315,262,094
LIABILITIES			
NON-CURRENT LIABILITIES		557,534,096	546,159,138
Long Term Loan	14.00	502,631,077	494,136,963
Deferred Tax Liability	15.00	49,932,717	45,982,632
Lease Liability	16.00	4,970,302	6,039,543
CURRENT LIABILITIES		1,380,331,756	1,185,258,799
Bank Overdraft & Loans	17.00	1,162,301,848	954,295,861
Current Portion of Long Term Loan	18.00	116,930,416	112,117,776
Short term Loan (Unsecured)	19.00	2,453,403	(916,397)
Lease Liability	16.00	656,441	875,040
Trade Payables	20.00	8,502,742	27,776,472
Deposit against Sales	21.00	-	1,040,829
Liabilities for Expenses	22.00	24,422,127	25,202,635
Workers Profit Participation Fund & Welfare Fund	23.00	44,117,864	40,073,872
Provision for Taxation	24.00	18,198,265	22,061,365
Unclaimed Dividend Account	25.00	2,748,651	2,731,346
TOTAL LIABILITIES		1,937,865,852	1,731,417,937
TOTAL SHAREHOLDER'S EQUITY & LIABILITIES		2,844,784,812	2,624,072,956
Net Assets Value (NAV) Per Share in Taka	26.00	61.18	60.22

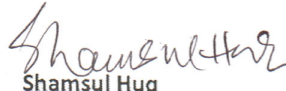
The annexed notes 1 to 54 and schedule 1 to 11 form an integral part of these financial statements.

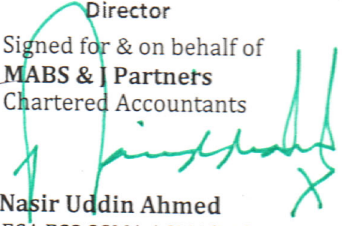

Razi Uddin Ahmed
Chairman


Md. Nazrul Islam
Managing Director


A.H.M. Abdullah
Director


Md. Ali Ahsan
Chief Finance Officer


Shamsul Huq
Company Secretary


Signed for & on behalf of
MABS & Partners
Chartered Accountants

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

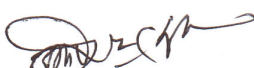
Nasir Uddin Ahmed
FCA, FCS, CGMA, ACMA(UK), FCA(ICAEW)
Deputy Managing Partner
ICAB Enrolment No: 535
DVC No: 2210270535AS393268


Dated: 27 October 2022
Dhaka, Bangladesh


WATA CHEMICALS LIMITED
Statement of Profit or Loss & Other Comprehensive Income
For the Year Ended 30th June 2022

Particulars	Notes	Amount in Taka	
		30-Jun-22	30-Jun-21
Revenue (Net of VAT)	27.00	953,804,600	569,812,320
Cost of Sales	28.00	(674,667,049)	(352,982,008)
Gross Profit		279,137,551	216,830,312
Administrative, Selling and Distribution Expenses	29.00	(68,569,557)	(47,063,922)
Operating Profit		210,567,995	169,766,390
Finance Expenses	30.00	(129,909,518)	(73,734,448)
Non Operating Income	31.00	4,265,360	6,919,694
Profit before contribution to WPPF & Welfare Fund		84,923,837	102,951,636
Contribution to WPPF & Welfare Fund		(4,043,992)	(4,902,459)
Profit before Tax		80,879,845	98,049,177
Income Tax Expenses	32.00	(20,921,725)	(7,091,864)
Profit after Tax		59,958,120	90,957,313
Other Comprehensive Income / Expenses			
Deferred Tax on Revaluation of PPE		(1,226,325)	(1,340,484)
Total Comprehensive Income		58,731,795	89,616,829
Earning Per Share (EPS) in Taka	33.00	4.05	6.14

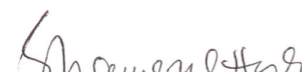
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Signed in terms of our separate report of even date annexed.


Nasir Uddin Ahmed
FCA, FCS, CGMA, ACMA (UK), FCA (ICAEW)
Deputy Managing Partner
ICAB Enrolment No: 535
DVC No: 2210270535AS393262

Dated: 27 October 2022
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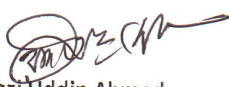
WATA CHEMICALS LIMITED
Statement of Changes in Equity
For the Year Ended 30th June 2022

Amount in Taka					
Particulars	Share Capital	Share Premium	Revaluation Reserve	Retained Earning	Total
Balance as at 01 July 2021	148,226,180	32,400,000	396,766,745	315,262,094	892,655,019
Profit after Tax during the period	-	-	-	59,958,120	59,958,120
Cash dividend for the year 20-21	-	-	-	(44,467,854)	(44,467,854)
Adj. of Realized Depreciation on Revaluation	-	-	(5,450,333)	5,450,333	-
Deferred Tax on Revaluation transferred to Revaluation Reserve	-	-	(1,226,325)	-	(1,226,325)
Balance as at 30th June'2022	148,226,180	32,400,000	390,090,087	336,202,693	906,918,960

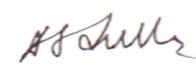
For the Year Ended 30th June 2021

Amount in Taka					
Particulars	Share Capital	Share Premium	Revaluation Reserve	Retained Earning	Total
Balance as at 01 July 2020	148,226,180	32,400,000	404,064,937	290,191,549	874,882,666
Profit after Tax during the period	-	-	-	90,957,313	90,957,313
Cash dividend for the year 19-20	-	-	-	(51,879,163)	(51,879,163)
Adj. of Realized Depreciation on Revaluation	-	-	(5,957,708)	5,957,708	-
Adjustment of Previous Years Deferred Tax Expenses	-	-	-	(19,965,313)	(19,965,313)
Deferred Tax on Revaluation transferred to Revaluation Reserve	-	-	(1,340,484)	-	(1,340,484)
Balance as at 30th June'2021	148,226,180	32,400,000	396,766,745	315,262,094	892,655,019

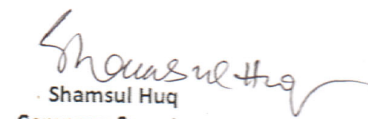
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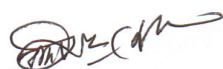
Dated: 27 October 2022
Dhaka, Bangladesh




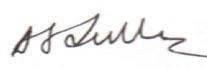
WATA CHEMICALS LIMITED
Statement of Cash Flows (Unaudited)
For the Year Ended 30th June 2022

Particulars	Notes	Amount in Taka	
		30-Jun-22	30-Jun-21
Cash Flows from Operating Activities:			
Cash receipts from Customers and others	34.00	900,553,142	563,664,302
Cash paid to Suppliers and others	35.00	(435,812,218)	(186,637,443)
Cash paid to employees and for expenses	36.00	(248,482,817)	(192,586,791)
Cash paid for VAT & Tax	37.00	(129,862,681)	(116,030,201)
Net Cash (used in)/generated from Operating Activities (A)		86,395,426	68,409,867
Cash Flows from Investing Activities:			
Acquisition of Fixed Assets	38.00	(61,576,115)	(110,405,348)
Paid of Lease Liability	38.00	(1,069,241)	(1,179,713)
Net Cash (used in)/generated from Investing Activities (B)		(62,645,356)	(111,585,061)
Cash Flows from Financing Activities:			
Loan Received	39.00	77,529,603	233,717,923
Loan Repaid	40.00	(58,436,982)	(111,585,803)
Dividend Paid	41.00	(44,450,548)	(53,226,364)
Net Cash (used in)/generated from financing activities (C)		(25,357,927)	68,905,756
Net Increase/(Decrease) in Cash and Cash Equivalents (A+B+C)		(1,607,857)	25,730,562
Effect of movements in exchange rate on cash held		(18,641,248)	(2,194,524)
Opening Cash & Cash Equivalents		31,368,347	7,832,309
Closing Cash & Cash Equivalent at Reporting Date		11,119,242	31,368,347
Net Operating Cash Flow Per Share (NOCFPS) in Taka	42.00	5.83	4.62

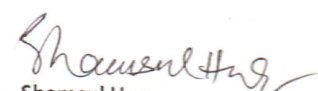
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Razi Uddin Ahmed
Chairman


Md. Nazrul Islam
Managing Director


A.H.M. Abdullah
Director


Md. Ali Ahsan
Chief Finance Officer


Shamsul Huq
Company Secretary

Dated: 27 October 2022
Dhaka, Bangladesh



WATA CHEMICALS LIMITED
Notes to the Financial Statements
As at and for the period ended 30th June'2022

1.00.00 Reporting Entity

1.01.00 Company Profile

"WATA CHEMICALS LIMITED" hereinafter referred as to the Company was incorporated in Bangladesh on August 19, 1981 under Companies Act, 1913 (Subsequently amended in 1994). Its shares are listed with Dhaka Stock Exchange Limited since 1992 & Chittagong Stock Exchange Limited since 1997.

The registered office of the company is at 17/B, Monipuripara (3rd Floor), Sangshad Avenue, Dhaka-1215. Its factory is situated at Murapara, Rupgonj, Narayanganj, Bangladesh.

1.02.00 Nature of Business

The Company produces Alum, Zinc Sulphate, Magnesium Sulphate, Sulphuric Acid, Basic Chrome Powder (BCP) and Linear Alkyl Benzene Sulphonic Acid (LABSA) for 100% local consumption.

1.03.00 Basis of Preparation of the Financial Statements

1.03.01 Statement of Compliance

In accordance with the requirement of the gazette notification issued by The Financial Reporting Council (FRC) on 22 November 2020, the financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs)

The Company also complied with the requirements of following laws and regulations from various Government bodies:

- i. Bangladesh Securities and Exchange Rules 1987;
- ii. The Companies Act, 1994;
- iii. The Income Tax Ordinance, 1984; and
- iv. The Value Added Tax and Supplementary Duty Act, 2012.

The title and format of this financial statements follow the requirements of IFRSs which are to some extent different from the requirement of the Companies Act, 1994. However, such differences are not material and in the view of management, IFRS format gives a better presentation to the shareholders.

According to the International Accounting Standards (IAS)-1 "Presentation of Financial Statements" the complete set of Financial Statements includes the following components":

- i. Statements of Financial Position as at 30 June 2022
- ii. Statement of Profit or Loss and Other Comprehensive Income for the year ended 30 June 2022
- iii. Statement of Changes in Equity for the year ended 30 June 2022
- iv. Statement of Cash Flows for the year ended 30 June 2022
- v. Notes to the Financial Statements and Other Explanatory Information

1.03.02 Authorisation for Issue

This financial statement is authorised for issue by the Board of Directors in its First Board of Directors meeting for the year 2022-2023 held on 27 October, 2022.



1.03.03 Reporting Period

These financial statements of the Company covers from **01 July 2021 to 30th June'2022**.

1.03.04 Comparative and Reclassification

Comparative information has been disclosed for all numerical, narrative and descriptive information where it is relevant for understanding of the current period financial statements. Comparative figures have been rearranged/reclassified wherever considered necessary, to ensure better comparability with the current period financial statements and to comply with relevant IFRSs.

1.03.05 Functional and Presentation Currency

This financial statements are presented in Bangladeshi Taka (Taka/TK/BDT) which is the Company's functional and presentation currency. All amounts have been rounded off to the nearest integer.

1.03.06 Use of judgements and estimates

In preparing this financial statement, management has made judgements, 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 to estimates are recognised prospectively.

a) Judgements

Information about judgements related to lessee accounting under IFRS 16 made in applying accounting policies that have the most significant effects on the amounts recognised in the financial statements is described in note 4.

b) Assumptions, Estimation and Uncertainties

Information about assumptions and estimation uncertainties at 30 June 2022 that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities in the next financial year is included in the following notes:

Note 02: Property, Plant and equipment

Note 05: Inventory

Note 24: Current Tax Liabilities

Note 15: Deferred Tax Liabilities

Note 51: Contingent Liabilities

1.04.00 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 financial statements. The measurement basis adopted by the Company is historical cost except for plant & machinery & equipment, building, land & land development and other assets which are stated in accordance with the policies mentioned in the respective notes.

1.05.00 Going Concern

When preparing financial statements, management makes an assessment of the Company's ability to continue as a going concern. The Company prepares financial statements on a going concern basis. In spite of working capital constant, the Company has adequate resources to continue in operation for the foreseeable future. For this reasons the directors continue to adopt going concern basis in preparing the financial statements.



1.06.00 Accrual Basis of Accounting

The Company prepares its financial statements, except for cash flow information, using the accrual basis of accounting. Since the accrual basis of accounting is used, the Company 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.

1.07.00 Materiality and Aggregation

The Company presents separately each material class of similar items. The Company presents separately 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.

1.08.00 Statement of Cash Flows

Cash Flow Statement is prepared in accordance with IAS 7-"Statement of Cash Flows". The Statement shows the structure of changes in cash and cash equivalents during the financial year. Statement of Cash Flows is prepared principally in accordance with IAS-7 "Cash Flow Statement" and the cash flow from the operating activities have been presented under direct method, paragraph 19 of IAS-7 which provides that "Enterprises are Encouraged to Report Cash Flow from Operating Activities Using the Direct Method".

1.09.00 Statement of Changes in Equity

Statement of Changes in Equity has been prepared in accordance with IAS 1 -"Presentation of Financial Statements".

1.10.00 Changes in Accounting Policies

The company changes its accounting policy only if the change is required by a IFRS or results in the financial statements providing reliable and more relevant information about the effects of transactions, other events or conditions on the company financial position, financial performance or cash flows. Changes in accounting policies is made through retrospective application by adjusting opening balance of each affected components of equity i.e. as if new policy has always been applied.

1.11.00 Changes in Accounting Estimates

Estimates arise because of uncertainties inherent within them, judgment is required but this does not undermine reliability. Effect of changes of accounting estimates is included in profit or loss account. The preparation of the financial statements are in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Company's accounting policies.

1.12.00 Segment Reporting

No segmental reporting is applicable for the company as required by IFRS 8: "Operating Segments" as the company operates in a single industry segment and within a single geographical territory.

1.13.00 Summary of Significant Accounting Policies

Accounting policies are determined by applying the relevant IFRS. Where there is no available guidelines of of IFRS, management uses its judgment in developing and applying an accounting policy that results in information that is relevant and reliable. The company selects and applies its

accounting policies for a period consistently for similar transactions, other events and conditions, unless a IFRS or specifically requires or permits categorization of items for which different policies may be appropriate. The accounting policies set out below have been applied consistently in all material respects to all periods presented in these financial statements.

1.14.00 Foreign Currency Transaction

Transactions in foreign currencies are translated to the respective functional currency (BDT) of the company at exchange rates at the date of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are retranslated to the functional currency at the exchange rates ruling at the statement of financial position date. Non-monetary assets and liabilities denominated in foreign currencies, stated at historical cost, are translated into (BDT) at the exchange rate ruling at the date of transaction. Foreign exchange differences arising on translation are recognised in profit or loss.

1.15.00 Revenue Recognition

The core principle of IFRS 15 is that an entity will recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. This core principle is delivered in a five-step model framework as follows;

- 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. However, the company has complied with the applicable requirements of IFRS 15 in recognizing revenue.

Moreover, the entity assesses whether it transfers control over time by following prescribed criteria for satisfying performance obligation. If none of the criteria is met then the entity recognizes revenue at point of time at which it transfers control of the goods to the customer.

Revenue is measured net of value added tax, trade discount, returns and allowances (if any). In case of cash delivery, revenue is recognised when delivery is made and cash is received by the Company

1.16.00 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.

Recognition and Initial Measurement

Trade receivables and debt securities issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus, for an item not at Fair value through profit or loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

Classification and Subsequent Measurement

Financial Assets

On initial recognition, a financial asset is classified as measured at:

- Amortised Cost;
- FVOCI – debt investment; and
- FVOCI – Equity Investment; or FVTPL.

Financial liability

All financial liabilities are recognised initially on the transaction date at which the Company becomes a party to the contractual provisions of the liability. The Company derecognises a financial liability when its contractual obligations are discharged or cancelled or expired. Financial liabilities include trade and other payables etc.

1.17.00 Cash and Cash Equivalents

Cash and cash equivalents include notes and coins in hand and at bank, which are not ordinarily susceptible to change in value. For the purpose of Balance Sheet and Cash Flow Statement, Cash in Hand and Bank balances represent cash and cash equivalents considering the IAS-1 “Presentation of Financial Statements” and IAS-7 “Cash Flow Statement”, which provide that Cash and Cash equivalents are readily convertible to known amounts of Cash and are subject to an insignificant risk of changes in value and are not restricted as to use.

1.18.00 Non-current Assets [Property, Plant & Equipment and Intangibles]

1.18.01 Recognition

The cost of an item of property, plant and equipment is recognized as an asset if, and only if, it is probable that future economic benefits will flow to the Company and the cost of the item can be measured reliably.

1.18.02 Measurement at Recognition

An item of property, plant and equipment that qualifies for recognition as an asset is measured at its cost. The cost of an item of property, plant and equipment is the cash price equivalent at the recognition date. The cost of a self-constructed asset is determined using the same principles as for an acquired asset.

1.18.3 Elements of Costs and Subsequent Costs

Cost includes purchase price (including import duties and non-refundable purchase taxes), directly attributable costs to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by the management and the initial estimate of the cost of dismantling and removing the item and restoring the site on which it is located. Costs of day to day servicing (repairs and maintenance) are recognized as expenditure as incurred. Replacement parts are capitalized, provided the original cost of the items they replace is derecognized.

1.18.04 Measurement of Property, Plant & Equipment after Recognition

Cost model

After recognition as an asset, an item of property, plant and equipment shall be carried at its cost less any accumulated depreciation.

Revaluation model

The revaluation model requires an asset, after initial recognition, to be measured at a revalued amount, which is its fair value less subsequent accumulated depreciation.

Where an asset's carrying amount is increased as a result of a revaluation, the increase is recognized in equity under the heading of revaluation reserve. However, the increase is recognized in profit or loss to the extent that it reverses a revaluation decrease of the same asset previously recognized in profit or loss.

Where an asset's carrying amount is decreased as a result of a revaluation, the decrease is recognized in profit or loss. However, the decrease is recognized in equity to the extent of any credit balance existing in the revaluation reserve in respect of that asset. The decrease recognized in equity reduces the amount accumulated under the heading of revaluation reserve.

The revaluation reserve included in equity in respect of an item of property, plant and equipment is transferred directly to retained earnings when the asset is derecognized. However, some of the surplus is transferred as the asset is used by the Company. In such a case, the amount of the revaluation reserve transferred would be the difference between depreciation based on the revalued carrying amount of the asset and depreciation based on the asset's original cost.

1.18.05 Derecognition of Property, Plant and Equipment

The carrying amount of an item of property, plant and equipment is derecognized on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the derecognition of an item of property, plant and equipment is included as other income in profit or loss when the item is derecognized.

1.18.06 Impairment of Assets

Entity applies periodic review to ensure that its assets are carried at no more than their recoverable amount. Which is hunger of an asset's or Cash generating unit's fair value less costs to sell and its value in use as prescribed in IAS36 "Impairment of Assets". However, the company has measured the carrying amount of non-financial assets considering possible impairment of assets and performed the impairment testing of assets under the scope of International Accounting Standards (IAS) 36 at the reporting date. In conducting asset impairment testing, the company has considered all the non-current assets under the scope of Impairment as single cash generating unit and Value in Use has been considered as its recoverable value. However, no impairment loss has been made on such assets in its financial statements for the year ended 30 June 2022 as the carrying amount of assets or its cash-generating unit did not exceed its recoverable amount.

1.18.07 Depreciation

The depreciation charge for each period is recognized in profit or loss unless it is included in the carrying amount of another asset. Depreciation of an asset begins when it is installed and available for use, i.e. when it is in the location and condition necessary for it to be capable of operating in the manner intended by management. Depreciation of an asset ceases at the earlier of the date that the asset is classified as held for sale and the date that the asset is derecognized. Depreciation has been charged using Reducing Balance Method (RBM) on additions from the date of acquisition, when the related assets are put into use and no depreciation is charged on assets disposed of during the year. Expenditure for maintenance and repairs are expensed, major replacements, renewals and betterment are capitalized.



Depreciation is calculated based on the cost/revalued amount of items of fixed assets [property, plant & equipment] less their estimated residual values using reducing balance method (RBM) over their useful lives and recognized in profit and loss. Land is not depreciated. Rates of depreciation considering the useful life of respective assets are as follows:

Particulars	Rate
Plant & Machinery	10%
Factory Building	5%
Boundary Wall	15%
Motor Vehicles and Bi-cycle	10%
Furniture & Fixtures	10%
Office Equipments	10%
Laboratory Equipments	15%
Computer	10%
Generator	10%

Depreciation has been charged to Statement of Profit or Loss and other Comprehensive Income consistently.

1.19.00 Valuation of Inventories

Inventories are assets held for sale in the ordinary course of business, in the process of production for such sale or in the form of materials or supplies to be consumed in the production process. Inventories are stated at the lower of cost or net realizable value in compliance to the requirements of Para 10 of IAS-2. Costs including an appropriate portion of fixed and variable overhead expenses are assigned inventories by the method most appropriate to the particular class of inventory. Net realizable value represents the estimated selling price for the inventories less all estimated cost of completion and cost necessary to make the sale. Item wise valuation is as follows:

Category of Inventories	Basis of Valuation
Raw & Packing Materials	At Weighted average cost
Work-in Progress	At Weighted average cost
Finished Goods	At Weighted average cost

1.20.00 Other Provisions, Accruals and Contingencies

1.20.01 Recognition of Provisions, Accruals and Contingencies

A provision is recognized when the Company has a present obligation (legal or constructive) as a result of a past event; it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; a reliable estimate can be made of the amount of the obligation. 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 amount due to employees.

1.20.02 Measurement of Provision

The amount recognized as a provision is the best estimate of the expenditure required to settle the present obligation at the end of the reporting period.

1.21.00 Workers' Profit Participation Fund (WPPF) & Welfare Fund

As per Bangladesh Labour Law, 2006 as amended in 2013 all companies fall within the scope of WPPF (which includes Company) are required to provide 5% of its profit after charging such expense to their eligible employees within the stipulated time. As required by Law, the Company has maintained WPPF and kept sufficient provision against profit participation fund.

1.22.00 Taxation

The tax expense for the period comprises current tax and deferred tax. Tax is recognized in the income statement, except in the case it relates to items recognized directly in equity.

1.22.01 Current Tax

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantially enacted at the reporting date and any adjustment to the tax payable in respect of previous years. Provision for current income tax has been made on taxable income of the company as per following rates: The Company is "Publicly Traded Company" as per the Finance Act, 2019 and the rate of Minimum tax applicable is .60%.

Type of Income	2021-2022	2020-21
Business income	22.50%	22.50%
Capital gain	10% to 15%	10% to 15%
Minimum Tax Section 16BBB+82C(4)	0.60%	0.60%

1.22.02 Deferred Tax

Deferred tax is recognized on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit and are accounted for using the Statement of Financial Position as liability method. Deferred tax liabilities are generally recognized for all taxable temporary differences and deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized.

Principles of Recognition

Deferred tax is recognized as income or an expense amount within the tax charge, and included in the net profit or loss for the period. Deferred tax relating to items dealt with directly in equity is recognized directly in equity.

1.23.00 Share Capital and Reserves

1.23.01 Capital

Authorized Capital

Authorized Capital is the maximum amount of share capital that the Company is authorized to raise as per its Memorandum and Articles of Association.

Paid-up Capital

Paid-up Capital represents total amount of shareholders' capital that has been paid in full by the shareholders. Shareholders are entitled to receive dividend as approved from time to time in the Annual General Meeting.



1.23.02 Share Premium

Premium received amounting of Tk. 32,400,000 as against 162,000 ordinary share of Tk. 200 each of the share in the year 1997.

The Share Premium shall be utilized in accordance with provisions of the Companies Act, 1994 and as directed by the Securities and Exchange Commission in this respect. The section 57 of the Companies Act, 1994 provides that the Company may apply the Share Premium Account as follows:

- i. in paying up un-issued shares of the Company to be issued to members of the Company as fully paid bonus shares;
- ii. in amortized off the preliminary expenses of the Company;
- iii. in amortized off the expenses or the commission paid or discount allowed on any issue of shares or debentures of the Company; and
- iv. in providing for the premium payable on the redemption of any redeemable preference shares or of any debenture of the Company.

1.23.03 Assets Revaluation Reserve

This represents the difference between the book value and the re-valued amount of Building and other Construction and Plant & Machineries of the Company as assessed by professional valuers in the year 2008. The reserve is not distributable.

1.24.00 Expenses

1.24.01 Management and Other Expenses

Expenses incurred by the Company are recognized on an accrual basis.

1.25.00 Earnings Per Share (EPS)

Measurement

The Company calculates basic earnings per share amounts for profit or loss attributable to ordinary equity holders of the parent entity. Basic earnings per share is calculated by dividing profit or loss attributable to ordinary equity holders of the parent entity (the numerator) by the weighted average number of ordinary shares outstanding (the denominator) during the period.

Presentation

The Company presents in the statement of profit or loss and comprehensive income earnings per share. The Company present earnings per share with equal prominence for all periods presented. The Company presents earnings per share, even if the amounts are negative (i.e. a loss per share).

1.26.00 Employee Benefits

According to para-05 of IAS 19, employee benefits are given below :

a) Short-term Employee Benefits

- i) Paid Wages, Salaries and no Social Security Contributions;
- ii) Paid 20 (Twenty) days Annual (Casual Leave), 14 (Fourteen) days Medical (Sick Leave), 06 (Six) days Earn Leave, 120 (One Hundred Twenty) days Maternity Leave and General Holidays as per Govt declaration;
- iii) Paid Festival Bonuses and 05 (Five) percent WPPF(Workers Profit Participation Fund) as profit-sharing; and



- iv) No non-monetary benefit for current employees except lunch facility and accidental medical facilities at work station.

b) Post-employment Benefits

- i) No retirement benefit; and
- ii) No other post employment benefits such as post-employment life insurance and post-employment medical care.

c) Other Long-term Employee Benefits, such as the followings

- i) No long-term paid absences such as long-service leave or sabbatical leave;
- ii) No jubilee or other long-service benefits; and
- iii) No long-term disability benefits; and

d) Termination Benefits

No termination benefits but paid onetime financial benefit due to death of any employee on the basis of financial condition of employee but not less than 06 (six) months salary avail in the last month.

1.27.00 Leases

Implementation of IFRS 16 and its relevant assumptions and disclosures IFRS 16: "Leases" has come into force on 1 January 2019, as adopted by the Institute of Chartered Accountants of Bangladesh (ICAB). Wata Chemicals Limited applied IFRS 16 where the Company measured the lease liability at the present value of the remaining lease payments, discounted it using incremental borrowing rate at the date of initial application, and recognised a right-of-use asset at the date of the initial application on a lease by lease basis.

Right-of-use assets

The Company recognises right-of-use assets at the date of initial application of IFRS 16. Right-of-use assets are measured at cost, less any accumulated depreciation. Right-of-use asset is depreciated on a straight-line basis over the lease term. The right-of-use asset is presented under property, plant and equipment.

Lease liabilities

At the commencement date of the lease, the Company recognises lease liability measured at the present value of lease payments to be made over the lease term using incremental borrowing rate of 9% at the date of initial application. Lease liability is measured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease interest on the lease liability in each period during the lease term shall be the amount that produces a constant periodic rate of interest on the remaining balance of the lease liability.

However, the Company has only lease agreement for rental its Head Office with the Landlord for 10 years with effect from 01 July 2019 has been considered for lease as IFRS 16 and recognized in the financial statements accordingly.

1.28.00 Compliance with Financial Reporting Standards as Applicable in Bangladesh

The Companies complied, as per Para 12 of Securities & Exchange Rule 1987, with the following International Accounting Standards (IASs) as adopted by The Institute of Chartered Accountants of Bangladesh (ICAB) in preparing the financial statements of the Company subject to departure where we have followed :



SN	Standard Number	Title of Standards	Compliance Status
01	IAS 01	Presentation of Financial Statements	Complied
02	IAS 02	Inventories	Complied
03	IAS 07	Statement of Cash Flows	Complied
04	IAS 08	Accounting Policies, Changes in Accounting Estimates and Errors	Complied
05	IAS 10	Events after the Reporting Period	Complied
06	IAS 12	Income Taxes	Complied
07	IAS 16	Property, Plant & Equipment	Complied
08	IAS 19	Employee Benefits	Complied
09	IAS 23	Borrowing Costs	Complied
10	IAS 24	Related Party Disclosures	Complied
11	IAS 33	Earnings per Share	Complied
12	IAS 36	Impairment of Assets	Complied
13	IAS 37	Provisions, Contingent Liabilities and Contingent Assets	Complied
14	IFRS 9	Financial Instruments	Complied
15	IFRS 15	Revenue from Contracts with Customers	Complied
16	IFRS 16	Leases	Complied

1.29.00 Standards issued but not yet effective

In January 2018, the Institute of Chartered Accountants of Bangladesh (ICAB) has adopted International Financial Reporting Standards issued by the International Accounting Standards Board as IFRSs. As the ICAB previously adopted such standards as Bangladesh Financial Reporting Standards without any modification, this adoption does not have any impact on the financial statements of the Company.

A number of new standards are effective for annual periods beginning after 1 April 2020 and earlier application is permitted; however, the Company has not early adopted the new or amended standards in preparing this financial statements.

The following amended standards and interpretations are effective from 1 April 2020

- Amendments To References To Conceptual Framework in IFRS Standards.
- IFRS 17: Insurance Contracts.
- IAS 1 and IAS 8: Definition of Material
- IAS 1: Classification of Liabilities as Current or Non-current
- IAS 16: Proceeds before Intended Use
- IAS 37: Costs of Fulfilling a Contract
- IFRS 9: Fees in the '10 per cent' test for derecognition of financial liabilities
- IAS 41: Taxation in fair value measurements
- IAS 8: Definition of Accounting Estimates



		Amount in Taka	
		30-Jun-22	30-Jun-21
2.00 Property, Plant & Equipment (PPE)			
At Cost / Revalued:			
Opening Balance		1,397,455,075	1,398,013,176
Add: Addition during the year		1,697,564	2,961,182
Less: Disposal during the year		-	(3,519,283)
		1,399,152,639	1,397,455,075
Depreciation:			
Opening Balance		453,988,697	400,895,209
Add: Depreciation charged during the year		48,975,456	53,878,288
Less: Disposal during the year		-	(784,800)
		502,964,153	453,988,697
Written Down Value as on 30th June 2022		896,188,486	943,466,378
The details has been shown in "Schedule-01".			
3.00 Capital Work-In-Progress (CWIP)-BMRE			
Opening Balance		786,110,248	318,999,166
Add: Addition during the year		59,878,551	467,111,082
		845,988,799	786,110,248
Less: Adjustment / Transfer to Non-current Assets		-	-
Closing Balance		845,988,799	786,110,248
N.B. It is to be noted that BMRE Project cost will be capitalized after successfully completion of test Production in compliance with the relevant IAS/IFRS.			
4.00 Right-of-Use (ROU) Asset			
Cost			
Opening Balance		7,701,189	7,701,189
Add: Addition during the year		-	-
		7,701,189	7,701,189
Depreciation			
Opening Balance		1,540,239	770,119
Add: Depreciation charged during the year		770,120	770,120
		2,310,359	1,540,239
Written Down Value as on 30th June 2022		5,390,830	6,160,950
5.00 Inventories			
Raw Materials Stock		74,385,513	36,745,940
Finished Goods Stock		8,923,112	8,471,011
Materials-In-Transit	Note: 5.01	89,468,233	60,482,502
Stores & Spares	Note: 28.02	1,315,755	3,540,341
		174,092,613	109,239,794
Raw Materials (M. Ton)		1,282,447	1,707,541
Finished Goods (M. Ton)		435,365	704,895
Total (M. Tons)		1,717,812	2,412,436
a) Raw materials stock with quantity and value are shown in "Schedule-02".			
b) Finished goods stock with quantity and value are shown in "Schedule-03".			
5.01 Materials-In-Transit			
LC Margin Account		65,072,946	37,877,070
Lc No - 0121020320 (3000 MT Sulphar)		(13,750)	
Lc No - 0122020005 (2000 MT Sulphar)		(44,000)	
Lc No - 0122010125 (500 MT Sulphar)		151,138	
Lc No - 0122010192 (500 MT Sulphar)		1,517,638	
Lc No - 0122020020 (1000 MT Sulphar)		164,619	
Lc No - 0122020055 (550 MT Sulphar)		(11,000)	
Lc No - 0122020061 (1000 MT Sulphar)		17,254	
Lc No - 122020100 (945.20 MT Sulphur)		33,097,844	
Lc No - 121020102 (1000 MT Sulphur)		114,540	237,160
Lc No - 122020105 (1000 MT Sulphur)		(22,000)	
Lc No - 122020130 (1000 MT Hydrate)		(13,287,527)	
Lc No - 122020133 (1000 MT Hydrate)		2,168,610	
Lc No - 122020153 (1000 MT Hydrate)		541,922	
Lc No - 121020107 (2000 MT Sulphur)			401,906
Lc No - 121020121 (1000 MT Sulphur)			21,242,851
Lc No - 121020153 (200 MT LAB)			340,022
Lc No - 121020172 (1000 MT Sulphur)			226,657
Lc No - 120020284 (1000 MT Hydrate)			156,837
		89,468,233	60,482,502

6.00 Trade Receivables**Opening Balance**

Add: Sales during the year

Less: Received during the year

Closing Balance

Amount in Taka	
30-Jun-22	30-Jun-21

435,570,160	353,867,470
1,040,308,738	655,999,059
1,475,878,898	1,009,866,529
(848,464,722)	(574,296,369)
627,414,177	435,570,160

(a) Name wise Accounts receivable as on 30th June 2022 are shown in Schedule-05.

(b) Classification schedule as required by schedule XI of Companies Act 1994 is as follows:

Ageing of the above debtors' balances is as follows:

Below 180 days

Above 180 days

626,509,665	434,665,648
904,512	904,512
627,414,177	435,570,160

I. Accounts Receivable considered good in respect of which the company is fully secured.

II. Accounts Receivable considered doubtful or bad.

626,509,665	434,665,648
904,512	904,512
Total	627,414,177
	435,570,160

The company has also assessed whether there is any significant credit risk involved as per IFRS 9 and the requirement of providing Expected Credit Loss as per the IFRS. However, no such allowance has been provided as more than 99% of the Trade Receivable is recoverable in time and below 180 days aged.

7.00 Advance Income Tax (AIT)**Opening Balance**

Add : Tax Deduction at Import

Add : Tax Deduction from Sale

Add : Income Tax Paid in Cash

Less : Adjustment during this period

Closing Balance

17,654,979	23,766,599
27,297,562	10,213,878
8,692,379	7,454,290
4,392,900	18,776,270
58,037,821	60,211,036
22,061,065	(42,556,057)
35,976,756	17,654,979

8.00 Advances, Prepayments & Deposits

Advance against Salary

Advance against Capital Expenditures

Bank Guarantee Margin with Agrani Bank

Security & Earnest Money Deposit

FDR at IPDC Finance

VAT Deduction at Import (Not Adjusted)

VAT Deposit Against (10% of Claim)

VAT Deposit

Note:-8.01

Note:-8.02

Note:-8.03

2,231,164	1,178,311
205,851,459	268,433,846
3,387,850	1,919,697
11,027,990	4,095,859
10,000,000	10,000,000
3,623,230	3,623,230
4,142,790	4,142,790
8,349,426	1,108,365
248,613,909	294,502,098

8.01 Advance against Salary

Advance against Salary

Advance against Expenses

513,083	450,083
1,718,081	728,228
2,231,164	1,178,311

8.02 Advance against Capital Expenditure

Advance payment to suppliers

Asset in Transit

LC No 0120020041 (LABSA Capital Machinery)

LC No. 121020380 (Machinery) at Sight.

LC No. 121010411 (Acid Cooler) at Sight

LC No. 122020152 (Machinery) 180d UPAS

LC No 119010157 (Capital Machi & Equipment)

LC No 119010107 (Acid Resistance Bricks)

LC No 118020228 (Spare Parts)

LC No 119010132 (Acid Pump & Blower)

LC No 119010410 (Adbestor Cement Sheet)

86,641,028	160,134,966
119,210,431	108,298,880
9,357,530	9,357,530
5,821,756	-
5,066,913	-
22,883	-
79,401,901	79,401,901
1,125,096	1,125,096
7,323,768	7,323,768
10,058,433	10,058,433
1,032,152	1,032,152
205,851,459	268,433,846

The details of Advance Payment to Suppliers has been shown in "Schedule-08".



8.03 VAT Deposit

Opening Balance

Add: Deposit during the year

VAT Cash Deposit

VAT Deduction at Import

AT Deduction at Import

VAT on (Gas & Electricity Bill)

Total Deposit

Less: Adjustment during the year

Closing Balance

Amount in Taka	
30-Jun-22	30-Jun-21
	1,108,365
89,479,839	79,585,763
51,150,000	64,500,000
13,878,730	4,378,805
23,303,644	8,979,625
1,147,466	1,727,333
90,588,204	80,375,410
(82,238,778)	(79,267,045)
8,349,426	1,108,365

9.00 Cash & Cash Equivalents**Cash in hand**

Cash (Head Office)

Cash (Factory)-Current

Cash at Bank

Agrani Bank, Principal Branch, CD A/c No 0200000982200

Agrani Bank, Principal Branch, CD A/c No 0200018008016

BD Krishi Bank CD A/c No. 1001 0210040946

Jamuna Bank CD A/c No. 00110210015998

Jamuna Bank CD A/c No. 01030210004758

Prime Bank A/c No.2127115015947

Basic Bank, A/c-01010069

BDBL Account, CD-001133003901

BDBL CD A/c 6521111019973

Brac Bank Ltd. Asad Gate Br. CD A/c

Dutch-Bangla Bank, CD-10123000271

Janata Bank Limited-Dilkusha Corporate Br.

Uttara Bank, CD-21303

5,293,028	2,529,646
337,256	234,272
4,955,772	2,295,374
5,826,214	28,838,701
2,436,892	19,153,713
165,990	-
6,450	5,260
50,842	-
1,879,070	52,899
1,211,992	9,551,851
20,213	20,213
13,947	13,947
3,014	3,014
6,000	6,000
2,434	2,434
24,533	24,533
4,838	4,838
11,119,242	31,368,347

(a) Few Bank accounts are inoperative and carried on accounts for number of years without movement.

10.00 Share Capital

Paid-up Capital (1,620,000 Ordinary Shares of Tk. 10 each)

Add: Issue of Right Share in year 1995

Add: Issue of Bonus Share in year 1997

Add: Issue of Bonus Share in year 2012

Add: Issue of Bonus Share for year 2013

Add: Issue of Bonus Share for year 2014

Add: Issue of Bonus Share for year 2015-2016

Add: Issue of Bonus Share for year 2016-2017

Add: Issue of Bonus Share for year 2017-2018

Add: Issue of Bonus Share for year 2018-2019

16,200,000	16,200,000
16,200,000	16,200,000
8,100,000	8,100,000
8,100,000	8,100,000
14,580,000	14,580,000
15,795,000	15,795,000
7,897,500	7,897,500
4,343,620	4,343,620
27,364,830	27,364,830
29,645,230	29,645,230
148,226,180	148,226,180

11.00 Share Premium

32,400,000	32,400,000
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The above share premium has been carried forward in the financial statements since 1995. This represents premium @ Tk. 200 per share collected on issue of right shares of 162,000.

12.00 Revaluation Reserves**Opening Balance**

Less: Depreciation on Revaluation

Less: Deferred Tax on Revaluation Depreciation

Closing Balance

396,766,745	404,064,937
(5,450,333)	(5,957,708)
(1,226,325)	(1,340,484)
390,090,087	396,766,745

(a) One consultant, namely, Dr. Engg. Khurshad-ul-Islam Phd. in Industrial & Process Engineering (Germany) of Bangladesh. Bangladesh Resources Management and Development Company revalued company's Plant & Machinery and Equipment in the Middle of year 2008 on replacement cost basis.

Another civil Engineering Consultant revalued Land at present market price and Building including other civil construction at replacement cost basis in the year 2008.



Amount in Taka	
30-Jun-22	30-Jun-21

- (b) Revaluation reserve was taken into accounts as per Board's decision:

Details of Revaluation Reserve are as under:

Machinery and Equipment	483,200,000	483,200,000
Land	89,266,750	89,266,750
Building & Other Civil Construction	80,200,149	80,200,149
Revaluation Value (Net of Depreciation)	652,666,899	652,666,899
Other Assets	4,205,463	4,205,463
Total Revaluation at replacement cost	656,872,362	656,872,362
Less: Written down value as on 31.12.2008	165,442,789	165,442,789
Revaluation Reserve	491,429,573	491,429,573
Less: Depreciation Adjustment	91,269,290	85,818,959
For the year 2012	12,978,569	12,978,569
For the year 2013	11,817,372	11,817,372
For the year 2014	10,765,461	10,765,461
For the year 2015	9,812,209	9,812,209
For the period 2016 (6 months)	4,474,096	4,474,096
For the year 2016-2017	8,556,441	8,556,441
For the year 2017-2018	7,809,323	7,809,323
For the year 2018-2019	7,131,491	7,131,491
For the year 2019-2020	6,516,288	6,516,288
For the year 2020-2021	5,957,708	5,957,708
For the year 2021-2022	5,450,333	-
Less: Deferred Tax Adjustment on Depreciation on Revaluation	(10,070,195)	(8,843,870)
Balance as on 30th June 2022	390,090,088	396,766,745

- (c) Details of depreciation calculation on revalued assets have been shown in **Schedule-10**
 (d) Depreciation on Revalued assets had been recognised in statement of profit or loss and other Comprehensive Income in line with Para-41 of IAS-16 and transfer has been made between revaluation reserve and retained earning in compliance with the requirement of the IAS 16 since 2012

13.00 Retained Earnings

Accumulated Profit (Opening Balance)	315,262,094	290,191,550
Net Profit/(Loss) after tax for the period	59,958,120	90,957,313
Cash Dividend for the year 2020-2021	(44,467,854)	(51,879,163)
Adjustment of previous years deferred tax expenses	-	(19,965,313)
Adjustment of Realized Depreciation on Revaluation	5,450,333	5,957,708
	336,202,693	315,262,094

14.00 Long Term Loan

Opening Balance	606,254,739	508,028,074
Agrani Bank Term Loan	558,804,685	508,028,074
Term Loan from IPDC Finance	47,450,054	-
Add: Addition During the period	64,640,735	102,575,149
Agrani Bank Term Loan (Interest)	59,813,096	50,776,611
Term Loan from IPDC Finance Interest	4,827,640	51,798,538
Less: Payment during the period	51,333,982	4,348,484
Agrani Bank Term Loan	38,288,530	-
Term Loan from IPDC Finance	13,045,452	4,348,484
Less: Transferred to Current Liability during the period	116,930,416	112,117,776
Agrani Bank Term Loan	103,884,964	103,884,964
Term Loan from IPDC Finance	13,045,452	8,232,812
Closing Balance	502,631,077	494,136,963
Agrani Bank Term Loan	476,444,287	454,919,721
Term Loan from IPDC Finance	26,186,790	39,217,242

- a) Agani Bank sanctioned Project Loan of Tk. 50.91 crore vide letter no. প্রাণ/অন/প্রকল্প/উন্নয়ন কেন্দ্রিক্যালস /11/2018 dated 18 December 2018 for financing BMRE project cost at 70:30 debt equity ratio and repayable in 30 (Thirty) quarterly installment with interest @ of 9% p.a (as per MOU). Considering Corona Virus (Covid - 19) Pandemic effect, Agani Bank revised project loan repayment period and instalment size vide letter no. প্রাণ/অন/প্রকল্প/উন্নয়ন কেন্দ্রিক্যালস/299/2021 dated 06 April 2021 against our proposal, total instalment 28 nos and the 1st instalment will be started 13 / 04 / 2021 each amounting tk.2,59,71,241/- on quarterly basis.
- b) IPDC Finance Ltd. sanctioned Project Loan of Tk. 5.00 crore vide letter no. IPDC/WCL/2021/34661 dated February 04, this loan is repayable in 60 (Sixty) monthly installment (each amounting Tk10,87,121/-) with interest @ of 11% p.a (as per MOU) starting from March 10, 2021 upto February 10, 2026.



		Amount in Taka	
		30-Jun-22	30-Jun-21
15.00 Deferred Tax Liability			
Deferred tax liability on taxable temporary differences between carrying amount as per accounts and tax base amounts has been calculated into accounts in line with IAS-12.			
a) Deferred Tax Recognised on Taxable Temporary Difference		48,706,392	44,642,148
b) Deferred Tax Recognised on Depreciation of Revaluation Increases		1,226,325	1,340,484
Closing Balance of Deferred Tax Liability		49,932,717	45,982,632
Computation of deferred tax liability on taxable temporary differences and deferred on revaluation increase are shown at Schedule-09			
16.00 Lease Liability			
Opening Balance		6,914,583	8,094,296
Add: Addition during the period			
Interest Expense		597,760	647,487
		7,512,343	8,741,783
Less: Paid during the period		1,885,600	1,827,200
Closing Balance		5,626,743	6,914,583
Lease Liability-Long Term		4,970,302	6,039,543
Lease Liability-Current		656,441	875,040
		5,626,743	6,914,583
17.00 Bank Overdraft and Loans			
Agrani Bank CC Hypo, Principal Branch		665,705,203	664,089,838
Agrani Bank Incentive Loan, Principal Branch	Note:-17.01	194,365,336	193,564,634
UPAS Loan Liability	Note:-17.02	302,231,309	96,641,389
		1,162,301,848	954,295,861
17.01 Agrani Bank Incentive Loan under Stimulus Package			
During Pandemic Corona Virus (COVID 19) crisis, the Government has declared various Stimulus Packages as working capital loan for industries, SME and other who are affected by COVID 19. Under this package, Agrani Bank has sanctioned working capital loan of Taka 19.00 crore in favor of the Company on 15 June 2020 according to BRPD Circular 08 dated 12 April 2020. This loan carries interest at rate of 9%.			
17.02 Agrani Bank UPAS loan was Tk.302,231,309/- for 180 days deferred to make payment to the consignor against each invoice value with interest & Handlling cost for materials arriving at factory till 30th June 2022.			
18.00 Current Portion of Long Term Loan			
Agrani Bank Term Loan		103,884,964	103,884,964
Term Loan from IPDC Finance		13,045,452	8,232,812
		116,930,416	112,117,776
19.00 Short Term Loan (Unsecured)			
Loan from Managing Director :			
Opening Balance		(916,397)	331,603
Add: Loan received during the year		10,472,800	-
Less : Loan paid during the year		(7,103,000)	(1,248,000)
		2,453,403	(916,397)
20.00 Trade Payables			
Opening Balance			
Add: Purchase/addition during the year (local)		27,776,472	2,615,050
		301,083,056	481,259,773
Less: Payment / adjustment during the year		328,859,528	483,874,822
		(320,356,787)	(456,098,350)
Closing Balance		8,502,742	27,776,472
The details has been shown in "Schedule-07".			
21.00 Deposit against Sales			
Dohar Chemicals		-	382,747
Dhaka Chemicals		-	658,083
		-	1,040,830
The details has been shown in "Schedule-06".			



		Amount in Taka	
		30-Jun-22	30-Jun-21
22.00 Liabilities for Expenses			
Audit Fee Payable		469,115	411,116
Welfare Expenses Payable		461,645	461,645
Directors Remuneration Payable	Note:-22.01	998,197	1,131,135
Festival Bonus Payable		-	2,053,466
Salaries & Wages Payable (Head Office & Factory)		3,589,491	3,561,951
Utilities Bill Payable		1,354,375	2,461,616
Party Bill Payable / Provision for Exchange Loss		18,765,046	14,687,049
Source VAT & Tax Payable	Note:-22.02	(1,215,741)	434,657
		24,422,127	25,202,635
22.01 Directors Remuneration Payable			
Md. Nazrul Islam (Managing Director)		574,571	574,571
A H M Abdullah		179,671	299,671
Mahamudul Hasan (Director)		88,893	142,893
Consultant Remuneration		155,062	114,000
		998,197	1,131,135
22.02 Source Tax and VAT Payable			
TDS on Party Bill		2,739,263	(2,954,100)
TDS on Salary & Remuneration		783	57,479
VAT Payable on Party Bill		(3,955,787)	3,331,278
		(1,215,741)	434,657
23.00 Workers Profit Participation Fund & Welfare Fund			
Opening Balance		40,073,872	35,171,413
Add: Addition during this period		4,043,992	4,902,459
		44,117,864	40,073,872
Less: Paid during this period		-	-
		44,117,864	40,073,872
24.00 Provision for Taxation			
Opening Balance		22,061,365	58,269,573
Add: Provision made during the period		18,197,965	22,061,065
Less: Provision For Previous Years (Over) / Under		-	(15,726,404)
		40,259,330	64,604,234
Less: Adjustment during this period		(22,061,065)	(42,542,869)
Closing Balance		18,198,265	22,061,365
25.00 Unclaimed Dividend Account			
1 Dividend Year - 2010		76	75,500
2 Dividend Year - 2011		92	100,080
3 Dividend Year - 2014		59	78,746
4 Dividend Year - 2015 -2016		148	166,186
5 Dividend Year - 2016 -2017		163	238,707
6 Dividend Year - 2017 -2018		253,290	280,086
7 Dividend Year - 2018 -2019		678,495	744,202
8 Dividend Year - 2019 -2020		965,578	1,047,840
9 Dividend Year - 2020 -2021		850,750	-
		2,748,651	2,731,347
The details has been shown in "Schedule-11".			
26.00 Net Assets Value (NAV) Per Share			
Net Assets Value	Note:-26.01	906,918,960	892,655,019
Number of shares outstanding		14,822,618	14,822,618
NAV Per Share		61.18	60.22
(Previous year's NAV restated on the basis of 14,822,618 shares)			
26.01 Net Assets Value (NAV)			
Total Assets		2,844,784,812	2,624,072,956
Less: Non-Current Liabilities		(557,534,096)	(546,159,138)
Less: Current Liabilities		(1,380,331,756)	(1,185,258,799)
		906,918,960	892,655,019



		Amount in Taka	
		30-Jun-22	30-Jun-21
27.00 Revenue			
Gross Sales	Note:-27.01	1,036,043,378	649,079,365
Less: VAT on Sales	Note:-27.03	(82,238,778)	(79,267,045)
		<u>953,804,600</u>	<u>569,812,320</u>
27.01 Gross Sales			
Sulphuric Acid		451,654,645	453,459,215
Alum Sulphate		178,871,433	154,400,150
Zinc Sulphate		241,988,600	24,750,000
Magnesium Sulphate		163,528,700	16,470,000
		<u>1,036,043,378</u>	<u>649,079,365</u>

(a) Product wise sales with quantity, rate, value and VAT thereon during the years have been shown in "Schedule-

27.02 Per Share Gross Sales

Gross Sales	1,036,043,378	649,079,365
Number of Shares	14,822,618	14,822,618
Per Share Sales	<u>69.90</u>	<u>43.79</u>

Post effect of Pandemic Corona Virus (COVID - 19) crisis, sales (Market Demand) have been fluctuated regularly. sales of Sulphuric Acid was decreased by Tk. 1,804,570/- against the same period of the previous year though sale of Alum Sulphate, Zinc Sulphate & Magnesium Sulphate were increased by Tk. 24,471,283/-, Tk. 217,238,600/- & 147,058,700/- respectively. But due to post pandemic Corona Virus (COVID - 19) digester which is unavoidable & beyond our control, the company try to continue consistency in sales & production process. Since value of gross sales has been increased and per share sale has also been increased. Price of Raw Materials imported from different countries are increased much more than previous year due to shortage of container, freight of ship, increase of port charge and unavailability of regular liner ship and at last Russia & Ukraine War. These increase huge amount of cost of sales. Since value of gross sales has been increased and per share sale has also been increased.

27.03 VAT on Sales

VAT on Sulphuric Acid Sale	58,917,342	59,125,107
VAT on Alum Sulphate Sale	23,321,436	20,141,938
VAT on Zinc Sulphate Sale (Exempted)	-	-
VAT on Magnesium Sulphate Sale (Exempted)	-	-
	<u>82,238,778</u>	<u>79,267,045</u>

(a) Product wise Sales with quantity, rate, value and VAT thereon during the period have been shown in "Schedule-

28.00 Cost of Sales

Raw Materials Consumed	Note:-28.01	546,127,130	219,332,107
Carriage Inward		1,903,762	89,840
Store & Spares used	Note:-28.02	11,600,560	4,271,797
Factory Overheads	Note:-28.03	115,487,699	116,284,314
Cost of goods manufactured		<u>675,119,150</u>	<u>339,978,058</u>
Opening Stock of Finished Goods		8,471,011	21,474,961
Cost of goods available for sales		<u>683,590,161</u>	<u>361,453,019</u>
Closing Stock of Finished Goods		(8,923,112)	(8,471,011)
		<u>674,667,049</u>	<u>352,982,008</u>

28.01 Raw Materials Consumed

Rock Sulphar	445,464,342	159,482,250
Alum Hydrate	56,377,102	45,613,657
Zinc Ash	33,315,110	9,781,201
Magnesium Powder	10,970,575	4,455,000
Linear Alkyl Benzene	-	-
	<u>546,127,130</u>	<u>219,332,107</u>



Amount in Taka	
30-Jun-22	30-Jun-21

- (a) Movement of raw materials stock showing opening stock, purchased and consumed during the year and closing stock with quantity and value have been shown in "Schedule-02".
- (b) Raw materials stock had been valued at weighted average purchase price.

28.02 Store & Spares Used

Opening Balance	3,540,341	1,656,082
Add: Purchase During the year	11,089,664	8,762,275
Store & Spares available for Used	14,630,005	10,418,357
Less: Used during the year	13,314,250	6,878,016
For Production	11,600,560	4,271,797
For BMRE (Capital WIP).	1,713,690	2,606,219
Closing Balance	1,315,755	3,540,341

28.03 Factory Overheads

Air & Water Test Fee	30,400	22,800
Gas Bill	5,626,973	8,051,236
Electric Bill	7,185,964	9,799,901
Packing Materials	2,167,900	1,866,250
Wages & Salaries including Overtime & Bonus	40,788,558	37,197,484
Chemical Purchase for ETP/ATP/LAB	4,027,480	2,969,695
Daily Labor & Wages (Misc. Work)	580,654	172,884
Fork Lift Expenses	879,790	448,390
Oxygen & L.P Gas Purchase	121,050	166,800
Labor Bill for Alum Breaking	2,955,094	2,446,450
Loading & Unloading charges (Inward & Outward)	1,321,553	977,030
Oil & Lubricant	120,120	99,320
Medical Expenses (Factory)	95,722	272,887
Repairs & Maintenance (General -Factory)	568,128	76,920
Repairs & Maintenance (Plant & Machinery)	1,954,140	334,440
Transport License Fee	360,000	200,000
Factory Depreciation	46,704,173	51,181,827
Note:-28.04	115,487,699	116,284,314

28.04 Factory Depreciation

Depreciation on Plant & Machinery	36,883,958	40,839,389
Depreciation on Factory Building	9,771,494	10,285,784
Depreciation on Factory Boundary Wall	20,405	24,006
Depreciation on Laboratory Equipment	28,316	32,648
	46,704,173	51,181,827



		Amount in Taka	
		30-Jun-22	30-Jun-21
29.00 Administrative, Selling and Distribution Expenses			
Salaries & Allowances including Eid Bonus (Office)		11,564,182	11,953,770
Annual Subscription to Listed Companies		483,072	548,053
Director Remuneration	Note:-29.01	9,108,000	9,108,000
Bank Charges and Commission		2,684,872	1,884,518
Business Development Expenses		-	615,480
Car Repairs & Maintenance		2,535,048	1,294,326
CDBL Line Charges		37,800	37,800
Charity & Donation (Factory & Office)		1,185,000	207,500
Computer Operating Expenses		233,842	340,910
Credit Rating Expenses		80,625	80,625
Consultant Remuneration		1,652,000	1,650,000
Conveyance (Office & Factory)		193,130	185,415
Crookes & Cutleries		-	4,465
Dish Bill (Factory & Office)		16,100	15,600
Electric Bill (Office)		603,557	496,195
Entertainment & Lunch Exp. (Office & Factory)		1,837,655	1,280,458
Exchange Loss		18,641,248	2,194,524
Gas Bill (Office)		23,720	25,709
Insurance Expenses		616,688	63,250
Internet Expenses (Factory & Office)		178,800	173,000
Land Survey Expenses		-	23,500
License Renewal Expenses		178,186	150,551
Loan Processing Expenses		-	266,903
Medical Expenses		32,996	586,618
Mobile Expenses (Office & Factory)		416,388	213,855
News Paper & Periodicals (Factory & Office)		11,981	11,100
Office Expenses (Factory & Office)		941,733	545,275
Audit Fee		454,749	396,744
Annual General Meeting & Board Meeting Expenses		575,250	449,900
Office Stationery (Factory & Office)		304,819	246,969
Oil & Fuel Expenses		1,500,123	1,562,843
Parking & Toll Charge		62,900	70,526
Photocopy Charge (Factory & Office)		47,079	69,156
Postage & Courier and Fax Exp.		17,264	10,100
Rates & Taxes		-	128
Renewal of Tax Token & Fitness Certificate		190,181	440,996
Repair & Maintenance-Office Equipment		283,903	74,950
Stamp Purchase		62,381	61,442
Telephone Bill (Office)		8,007	6,462
Travelling Expenses		337,988	6,585
Water Bill (Office & Factory)		21,414	39,403
Fish & Deer Upkeep (Factory)		617,045	394,030
Tree Plantation		7,730	62,610
Carriage Outward		5,198,400	3,490,750
Tender Documentation Charges		101,960	194,647
Advertisement & Publicity		1,076,456	787,551
Fine & Penalty		-	13,188
Loading & Unloading (Outward)		1,403,881	1,260,960
Depreciation (Office)	Note:-29.02	3,041,403	3,466,582
		68,569,557	47,063,922



		Amount in Taka			
		30-Jun-22	30-Jun-21		
29.01 Director Remuneration					
(i)	Md. Nazrul Islam, Managing Director	4,800,000	4,800,000		
(ii)	Mr. A.H.M Abdullah, Director	2,400,000	2,400,000		
(iii)	Mr. Mahmudul Hasan, Director	1,080,000	1,080,000		
(v)	EID Bonus (For Director'S)	828,000	828,000		
		9,108,000	9,108,000		
29.02 Depreciation (Office)					
Depreciation on Motor Vehicles		1,283,798	1,730,273		
Depreciation on Bi-Cycle		236	263		
Depreciation on Furniture & Fixture		376,894	406,842		
Depreciation on Office Equipment		517,727	460,423		
Depreciation on Computer		52,329	53,884		
Depreciation on Generator		40,300	44,778		
Depreciation on ROU Asset		770,120	770,120		
		3,041,403	3,466,583		
30.00 Finance Expenses					
Interest on Agrani Bank C.C (Hypo)		58,034,836	58,177,367		
Interest on Stimulus Package Loan		15,843,023	10,527,265		
Interest on Project Loan		38,890,312	-		
Interest on IPDC Loan		4,827,640	1,798,538		
Interest & Handling Exp. Of Materials Import (UPAS)		11,715,947	2,583,792		
Interest on Lease Liability		597,760	647,487		
		129,909,518	73,734,448		
31.00 Non-operating Income					
Fish Sale		2,713,100	587,250		
Misc. Sales Income		1,552,260	6,332,444		
		4,265,360	6,919,694		
32.00 Income Tax Expenses					
Major component of tax expenses					
In compliance with the requirements of para -79 of IAS-12:Income tax, the major components of tax expenses are given below:					
Current Tax Expense (Note:32.1)		18,197,965	6,334,661		
Deferred Tax Expense (Note:32.2)		2,723,760	757,203		
		20,921,725	7,091,864		
32.01 Reconciliation of Tax Expenses with Accounting Profit and Applicable Effective Tax Rate.					
	%	30-Jun-22	%	30-Jun-21	
Net profit befor tax		80,879,845		98,049,177	
Statutory Tax Rate		22.5%	18,197,965	22.5%	22,061,065
Income tax u/s 82C and other adjustment			-		(15,726,404)
Effective Tax Rate		22.5%	18,197,965		6,334,661

Current Tax Expense

Current tax has been charged at the rate applicable to the company, subject to provision of section 82C taking higher income of- (a) at the rate of 0.60% of total gross receipts, (b) tax deducted at source for corporate sales u/s 52, tax collected at import stage U/S 53; and tax deducted at source of bank interest income u/s 53F, (c) at the applicable tax rate on taxable income. The company recognised current tax expense of BDT 18,197,965 Taka which is also 22.50% of profit before tax.



32.02 Deferred Tax Expense/(Income)

Carrying Value of Fixed Assets (WDV) at Balance Sheet Date	
Less: Revaluation Increase	
Net carrying Cost	
Less: Land Value	
Net Carrying cost (Net of Land & Land Development) (A)	
Right-of-Use (ROU) Asset (B)	
Lease Liability (C)	
Total Carrying Value at Balance Sheet Date (A+B-C)	
Less: Tax Based WDV (Estimated)	
Temporary Taxable Differences	
Deferred Tax on Depreciation on Revaluation-Increase	
Deferred Tax Liability on Temporary Taxable @ 22.5%	
Deferred Tax on Depreciation on Revaluation Increase through OCI	
Deferred Tax Liability on 30th June 2022	
Less: Opening Deferred Tax Liability	
Less: Adjustment of Previous years Deferred Tax Expenses	
Less: Deferred Tax on Revaluation Transferred to Revaluation Reserve	
Deferred Tax Expenses (Income) Recognised during the period	

Amount in Taka	
30-Jun-22	30-Jun-21
Amount in Taka	
30-Jun-22	30-Jun-21
896,188,486	943,466,378
(318,010,817)	(322,098,567)
578,177,668	621,367,811
(106,402,620)	(106,402,620)
471,775,048	514,965,191
5,390,830	6,160,950
(4,313,861)	(5,164,503)
472,852,017	515,961,639
(256,379,164)	(317,552,091)
216,472,853	198,409,548
48,706,392	44,642,148
1,226,325	1,340,484
49,932,717	45,982,632
(45,982,632)	(23,919,632)
-	(19,965,313)
(1,226,325)	(1,340,484)
2,723,760	757,203

33.00 Earning per share (EPS)

Basic Earning Per Share , as per IAS - 33 , is calculated as below:

$$\text{EPS} = \frac{\text{Net Profit After Tax}}{\text{Number of Share}}$$

Amount in Taka	
30-Jun-22	30-Jun-21
59,958,120	90,957,313
14,822,618	14,822,618
4.05	6.14

Post effect of Pandemic Corona Virus (COVID - 19) crisis, sales (Market Demand) have been fluctuated regularly. Net sales of Sulphuric Acid was decreased by Tk. 1,596,805/- against the same period of the previous year though net sale of Alum Sulphate, Zinc Sulphate & Magnesium Sulphate were increased by Tk. 21,291,785/-, Tk. 217,238,600/- & 147,058,700/- respectively. But due to post pandemic Corona Virus (COVID - 19) digester which is unavoidable & beyond our control, the company try to continue consistency in sales & production process. Since value of gross sales has been increased and per share sale has also been increased. Price of Raw Materials imported from different countries are increased much more than previous year due to shortage of container, freight of ship, increase of port charge and unavailability of regular liner ship and at last Russia & Ukraine War. The last blow was huge Exchange Loss in foreign payment. These increase huge amount of Cost of Sales. COGS thus increased by Tk. 321,685,041/-. As a result Net income after deduction of tax decreased by Tk.30,999,193/- which causes the significant deviation in EPS.



		Amount in Taka	
		30-Jun-22	30-Jun-21
34.00 Cash Receipts From Customers and Others			
Gross Sales		1,036,043,378	649,079,365
Non Operating Income		4,265,360	6,919,694
Trade Receivables: Decrease (Increase)		(191,844,017)	(81,702,690)
Loan & Advance - Net of VAT & Tax (Increase)		53,129,250	(10,415,932)
Deposit against Sales Increase / (Decrease)		(1,040,829)	(216,136)
		900,553,142	563,664,302
35.00 Cash paid to Suppliers and Others			
Raw Materials Purchase		583,766,702	164,726,626
Stores & Spares Purchase		9,375,974	10,628,525
Material in Transit: Increase / (Decrease)		28,985,731	33,837,495
Trade Payables-(Increase) / Decrease		(186,316,189)	(22,555,203)
		435,812,218	186,637,443
36.00 Cash paid to Employees and for Other Expenses			
Salaries & Allowances including Eid Bonus (Office)		52,352,740	11,953,770
Carriage Inward		1,903,762	89,840
Factory Overheads (Excl. Wages & Salary and Depreciation)		27,994,968	63,236,237
Administrative & Marketing Exp. (Excd. Salaries, Depr. & Exch. Loss)		35,322,723	29,449,046
Finance costs		129,909,518	73,086,961
Liabilities for Expenses: Decrease (Increase)		999,107	14,770,936
		248,482,817	192,586,791
37.00 Cash paid for VAT & Tax			
(a) Payment of VAT		89,479,839	79,585,763
VAT Deposit in Cash		51,150,000	64,500,000
VAT Paid at Import		13,878,730	4,378,805
AT Paid at Import		23,303,644	8,979,625
VAT on Utility Bill		1,147,466	1,727,333
(b) Payment of Tax		40,382,842	36,444,438
AIT on Import		27,297,562	10,213,878
AIT Deduction from Sale Bill		8,692,379	7,454,290
Payment of Tax in Cash		4,392,900	18,776,270
Total (A+B)		129,862,681	116,030,201
38.00 Acquisition of Non-current Assets			
Addition to Fixed Assets (Net of Adjustment)		1,697,564	2,176,382
Addition for Capital Work in Progress		59,878,551	108,228,966
Payment of Lease Liability		1,069,241	1,179,713
		62,645,356	111,585,061
39.00 Loan Received			
Loan from Agrani Bank		2,416,067	132,941,311
Project Loan from Agrani Bank (Interest)		59,813,096	100,776,611
Term Loan from IPDC Finance Interest		4,827,640	-
Loan from Managing Director		10,472,800	-
		77,529,603	233,717,922



		Amount in Taka	
		30-Jun-22	30-Jun-21
40.00 Loan Repaid			
Project Loan Payment to Agrani Bank		38,288,530	105,989,319
Term Loan Payment from IPDC Finance		13,045,452	4,348,484
Loan from Managing Director		7,103,000	1,248,000
		58,436,982	111,585,803
41.00 Dividend Paid			
Dividend Paid		44,450,548	54,958,557
Less: Sale of Fraction Share			-
Less: Sale of Fraction Share			(1,732,193)
		44,450,548	53,226,364
Unclaimed Dividend Account balance (Except last three years) amounting Tk. 5,50,450/- has been transferred to Capital Market Stabilization Fund (SND A/c No. 0010311521301 Community Bank Bangladesh Ltd., Gulshan Corporate Branch, Dhaka) after deducting TDS Complying with the Commission's Directive No. BSEC/CMRRCD/2021-386/03 - dated 14 January 2021 during the year.			
42.00 Net Operating Cash Flow Per Share (NOCFPS)			
Net Operating Cash Flows		86,395,427	68,409,867
Weighted average number of shares		14,822,618	14,822,618
		5.83	4.62
Though Collection from Sales and Trade Debtors was increased by Tk. 336,888,840/-, Payment for Raw Materials & Trade Creditors, Payment for Salaries & Wages & Others Expenses and Payment of VAT and Tax were also increased by Tk.249,174,775/-,Tk.55,896,026/- & Tk.13,832,480/- against the same period of the previous period. As a result Cash Flow from Operating Activities stand at TK.86,395,426/- which causes the significant deviation in NOCFPS.			
43.00 Reconciliation of Net Profit with Cash Flows from Operating Activities			
Profit before Tax		80,879,845	98,049,177
Adjustment for:			
Add: Depr. on Property, Plant and Equipment		48,975,456	51,363,215
Add: Depreciation of ROU Assets		770,120	770,120
Add: Interest on Lease Liability			647,487
Add: Contribution to WPFF		4,043,992	4,902,459
Add: Exchange Loss		18,641,248	2,194,524
Add / Less: (Incr.) / Decr. in Inventory		(64,852,819)	31,887,677
Add / Less: (Incr.) / Decr. in Trade Receivables		(191,844,017)	(81,702,690)
Add / Less: (Incr.) / Decr. in Loans, Adv. & Deposits (Excl. VAT)		135,368,028	68,851,113
Add / Less: Incr. / (Decr.) in Trade Payables		186,316,189	22,555,203
Add / Less: Incr. / (Decr.) in Deposits against Sales		(1,040,829)	(216,136)
Add / Less: Incr. / (Decr.) in Liabilities for Expenses		(999,107)	(14,862,081)
Cash Generated from Operations		216,258,108	184,440,068
Less: VAT & Income Tax Paid		(129,862,681)	(116,030,201)
Net Cash (used in) / generated from operating activities		86,395,427	68,409,867
44.00 Depreciation of Revaluation Adjustment			
Depreciation on Revaluation adjustment		5,450,333	5,957,708
		5,450,333	5,957,708

(a) Depreciation on partial revaluation increase of Plant & Machinery as well as Building had been charged during the period 2021-2022 amounting to Tk. 54,50,333/- and adjusted in statement of Changes in Equity. Details has been shown in "Schedule-10".



45.00 Provision of tax liability between accounts and Final Assessment

Assessment Year	Accounting Year	Tax Provision as per Accounts	Tax Liability as per Final Assessment	Difference of Tax Provision as per Final Assessment	Adjustment of Advance of Tax	Tax Liability Provision
2015-2016	2014	11,017,752	11,017,752	U/s 82BB	-	-
2016-2017	2016	14,853,225	14,853,225	U/s 82BB	-	-
2017-2018	2016-2017	11,633,292	11,633,292	U/s 82BB	-	-
2018-2019	2017-2018	15,697,637	15,697,637	U/s 82BB	-	-
2019-2020	2018-2019	46,838,132	46,838,132	U/s 82BB	-	-
2020-2021	2019-2020	42,542,869	42,542,869	U/s 82BB	-	-
2021-2022	2020-2021	22,061,365	22,061,365	U/s 82BB	22,061,065	300
2022-2023	2021-2022	18,197,965			-	18,197,965
Total		182,842,237	164,644,272	-	22,061,065	18,198,265

46.00 Appropriation of Dividend

- (a) Appropriation of cash dividend Tk. 4,44,67,854/-
Cash dividend has been appropriated on paid-up capital of Tk. 14,822,618/-@ 30% as per approval in the AGM held on **30 December 2021**.
- (b) Appropriation of Stock Dividend of 00/- shares.
Stock dividend has been appropriated on paid-up capital of Tk. 14,822,618/-@ 0% as per approval in the AGM held on **30 December 2021**.

47.00 Additional Information as per Requirement of the Companies Act, 1994

- (a) Total number of factory staffs (each received annual salaries & wages Tk. 16,000 & above) was 84 nos.
- (b) Total number of H/O staffs (each received annual salaries & wages Tk. 16,000 & above) was 17 nos.
- (C) Payment to Directors as Remuneration & Perquisite in the Period has been shown in Note-29.01.

48.00 Plant Capacity & Utilization

Name of Products	Attainable Capacity (Qty.M.Ton)		Actual Production	
	Annual	Yearly	(Qty M.Ton)	% of Capacity
Sulphuric Acid	48,000.000	48,000.000	43,612.800	90.86%
Alum Sulphate	18,000.000	18,000.000	6,468.000	35.93%
Zinc Sulphate	6,000.000	6,000.000	3,155.28	52.59%
Magnesium Sulphate	6,000.000	6,000.000	2,420.00	40.33%

49.00 Payment in Foreign Currency & Foreign Currency Earned

- (a) No payment in foreign currency (except import cost of materials) was made in the Period.
- (b) No foreign currency was earned in the Period.



50.00 Commission, Brokerage & Discount to the Selling Agent

Company had no selling agent as such no payment of commission, brokerage and discount was made.

51.00 Contingent Liability

Commissioner of Customs, Excise and VAT Directorate, Dhaka has raised claim amounting to Tk. 41,427,896 based on their audit objection vide letter dated 11.08.2014. Against this claim, company has filed appeal with Appellate Commissioner on deposit of amount Tk. 4,142,790. The case is still pending with appellate Tribunal. No additional liability had been accounted.

52.00 Related Parties & Transactions

Related parties and transactions are considered in line with IAS-24 as under:

Related parties disclosure, details of which are as follows

a) Short Term Employee Benefit:

i) Director Remuneration

Name	Designation	Amount in taka	
		30-Jun-22	
		Total	Payable
Md. Nazrul Islam	Managing Director	4,800,000	334,571
Mr. A.H.M. Abdullah	Director	2,400,000	179,671
Mr. Mahmudul Hasan	Director	1,080,000	88,893
Festival Bonus		828,000	240,000

ii) Top Five Salaried Officers

Name	Designation	Amount in taka	
		30-Jun-22	
		Total	Payable
Shamsul Huq	Company Secretary	1,084,680	79,833
Md. Ali Hasan	Chief Financial Officer	1,549,520	110,797
Md. Abu Taher Bhuyan	General Manager (Factory)	1,412,760	103,741
Md. Ashraful Alam	General Manager (F & A)	1,384,640	102,500
A S M Farhan Reza	Maintenance Eng. (Civil)	944,320	75,049

b) Post Employees Benefits : Nil

c) Others Long-Term Benefits: Nil

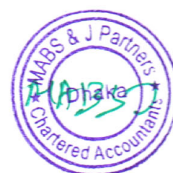
d) Termination Benefits: Nil

e) Share -Based Payment : Nil

f) Short Term Loan with Managing Director:

Short Term loan to Managing Director (Mr. Nazrul Islam) was free of interest.

g) Apart from the above, the company didn't made any transaction with related parties in normal course of business and or a arm's length basis.



53.00 Recent Events and Trends in our bussines view:


In the current global scenario, we are also experiencing massive price increase in the purchase (Import) of raw materials specially for "Sulphar" .Although the crisis mostly started later due to Corona Virus situation, its increase day by day which is beyond our control. As the raw material is a petroleum bye product, the war between Russia and Ukraine caused prices to raise further. Price of raw materials imported from Middle east and Russia are increased much more than the previous year due to shortage of container, freight of ship, increase of port charges of domestic and transshipment port, unavailability of regular liner vessel. Average price of main raw material sulphur has been increased by about 165% over the previous year. The last blow was huge Exchange Loss in foreign payment. These increased Cost of Goods Sold. As a result net income after deduction of tax decreased by Tk. 30,999,193, which causes the significant deviation in EPS.

54.00 Event after the Reporting Period

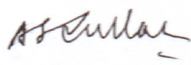
54.01 Foreign exchange loss includes loss arising from the translation of foreign currency liabilities, mainly comprised of UPAS loan liabilities. Under IAS 21, closing rate has to be used to convert foreign currency assets and liabilities. Consistent with past practice, the BC selling rate of Tk. 93.50/USD as on 30.06.2022 has been used as the closing rate. Subsequently, up to 30 September 2022, the average settlement rate with different banks varied from BDT 98.00/USD to BDT 102.00/USD. Had this rate been used for the translation of the total liabilities the additional translation loss would have been Tk 2.90 Crore.


54.02 The Borad of Directors in their meeting held on 27 October 2022 have recommended 20% Cash Dividend for General Public / Investor and 10% Cash Dividend for Directors on Paid Up Capital and no stock dividend for the year ended 30 June 2022 subject to approval of the shareholders in the Annual General meeting scheduled to be held on 29 December, 2022. The financial statements for the year ended 30 June 2022 do not include the effect of the dividend which will be accounted for in the next financial year.

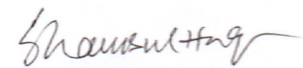
There is no other significant events after the reporting date that may affect the reported amounts in the financial statements of the Company for the year ended 30 June 2022.


Razi Uddin Ahmed
Chairman


Md. Nazful Islam
Managing Director


A.H.M. Abdullah
Director


Md. Ali Ahsan
Chief Finance Officer


Shamsul Huq
Company Secretary

Dated; Dhaka
October 27, 2022



WATA CHEMICALS LIMITED
Schedule of Property, Plant & Equipment (PPE)
As at 30th June, 2022

Schedule-01

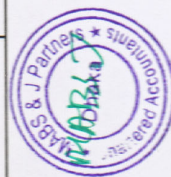
SL No.	Name of Assets	Cost / Revaluation			Rate	Depreciation				Written Down Value 30.06.2022
		As at 01.07.2021	Addition this period	Adjustment this period		As on 01.07.2021	Addition this year	Adjustment this year	As on 30.06.2022	
01	Land & Land Development	106,402,620	-	-	-	-	-	-	-	106,402,620
02	Plant & Machinery & Equip.	982,922,829	742,540	-	10%	363,562,995	36,883,958	-	400,446,953	583,218,416
03	Factory Building	263,310,331	-	-	5%	67,880,444	9,771,494	-	77,651,938	185,658,393
04	Boundary Wall	784,468	-	-	15%	648,435	20,405	-	668,840	115,628
04	Laboratory Equipment	526,744	45,200	-	15%	341,737	28,316	-	370,053	201,891
05	Motor Vehicles	28,241,826	-	-	10%	15,403,848	1,283,798	-	16,687,646	11,554,180
06	Bi-Cycle	5,200	-	-	10%	2,837	236	-	3,073	2,127
07	Furniture & Fixture	6,199,964	46,200	-	10%	2,469,524	376,894	-	2,846,418	3,399,746
08	Office Equipment	7,181,100	863,624	-	10%	2,725,170	517,727	-	3,242,897	4,801,827
09	Computer & Software	890,158	-	-	10%	366,873	52,329	-	419,202	470,957
10	Generator	989,835	-	-	10%	586,834	40,300	-	627,134	362,701
	Total	1,397,455,075	1,697,564	-		453,988,697	48,975,456	-	502,964,153	896,188,486

NB: (a) Depreciation has been charged following reducing balance method.

(b) Depreciation on addition has been charged for the period from the date of acquisition.

(c) Depreciation has been charged on Plant & Machinery which were in use as under:

Particulars	WDV	Addition	Rate	Depreciable Value	Depreciation
Depreciation on Sulfuric Acid Plant Unit-1	53,026,055	-	10%	53,026,055	5,302,605
Depreciation on Sulfuric Acid Plant Unit-2	231,916,144	-	10%	231,916,144	23,191,614
Depreciation on Alum Sulphate Plant Unit-1	19,261,358	-	10%	19,261,358	1,926,136
Depreciation on Zinc Plant	17,258,433	-	10%	17,258,433	1,725,843
Depreciation on Magnesium Plant	30,274,143	-	10%	30,274,143	3,027,414
Depreciation on Utilities Plant	16,823,702	742,540	10%	17,566,242	1,710,344
Total	368,559,835	742,540		369,302,375	36,883,958



WATA CHEMICALS LIMITED
Movement of Raw Materials Stock
For the Year Ended 30th June 2022

Particulars	Opening Stock 1-Jul-21		Purchased during the period Jul'21-Jun'22		Adj. during the period Jul'21-Jun'22		Consumption Jul'21-Jun'22		Closing Stock 30-Jun-22	
	Qty. (M.Ton)	Amount in Taka	Qty. (M.Ton)	Amount in Taka	Qty. (M.Ton)	Amount in Taka	Qty. (M.Ton)	Amount in Taka	Qty. (M.Ton)	Amount in Taka
Rock Sulphur	1,645.820	35,142,822	14,342.070	433,947,860	-	-	15,264.480	445,464,342	723.410	23,626,340
Alumina Hydrate	40.607	1,015,175	2,146.830	70,355,515	-	-	1,875.720	56,377,102	311.717	14,993,587
Zinc Ash	6.644	190,018	1,195.000	34,177,000	-	-	1,164.864	33,315,110	36.780	1,051,908
Magnesium Powder	14.470	397,925	395.000	10,862,500	-	-	398.930	10,970,575	10.540	289,850
Linear Alkyl Benzene	-	-	200.000	34,423,828	-	-	-	-	200.000	34,423,828
Total	1,707.541	36,745,940	18,278.900	583,766,702	-	-	18,703.994	546,127,130	1,282.447	74,385,513

Raw Materials consumption in relation with production (Input Ratio)
For the Year Ended 30th June 2022

Product Name	Raw Materials Used	Production	Input Ratio (Per Ton)	Consumption of RM			Value of Consumed Materials		
				Purchased Materials	Own Product Internal used		Purchased Raw Materials used	Own Product Internal used	Average rate (per M.Ton)
		Qty. (M.Ton)	Production	Qty. (M.Ton)	Qty. (M.Ton)	In Taka	In Taka	In Taka	
Sulphuric Acid	Rock Sulphar	43,612.80	0.350	15,264.480	-	445,464,342	-	29,183	
Aluminum Sulphate	Alumina Hydrate	6,468.00	0.290	1,875.720	-	56,377,102	-	30,056	
Do	Sulphuric Acid	6,468.00	0.600						
Zinc Sulphate	Zinc Ash	3,155.28	0.380	1,164.864	3,884.916	-	34,842,224	8,969	
Do	Sulphuric Acid	3,155.28	0.620		1,956.324	33,315,110	-	28,600	
Magnesium Sulphate	Magnesium Powder	2,420.00	0.180		-	-	17,545,467	8,969	
Do	Sulphuric Acid	2,420.00	0.820		1,984.400	-	-	-	
Total		67,699.36		18,703.994	7,825.640	535,156,555	17,797,273	8,969	
							70,184,963		

Movement of Raw Materials Stock
For the Year Ended 30th June 2021

Particulars	Opening Stock 1-Jul-20		Purchased during the period 30-Jun-21		Adj. during the period 30-Jun-21		Consumption 30-Jun-21		Closing Stock 31-Mar-21	
	Qty. (M.Ton)	Amount in Taka	Qty. (M.Ton)	Amount in Taka	Qty. (M.Ton)	Amount in Taka	Qty. (M.Ton)	Amount in Taka	Qty. (M.Ton)	Amount in Taka
Rock Sulphur	4,738.451	55,974,802	12,162.619	138,650,270	-	-	15,255.250	159,482,250	1,645.820	35,142,822
Alumina Hydrate	1,002.538	30,144,476	633.889	16,484,356	-	-	1,595.820	45,613,657	40.607	1,015,175
Zinc Ash	128.644	3,679,219	220.000	6,292,000	-	-	342.000	9,781,201	6.644	190,018
Magnesium Powder	56.470	1,552,925	120.000	3,300,000	-	-	162.000	4,455,000	14.470	397,925
Linear Alkyl Benzene	-	-	-	-	-	-	-	-	-	-
Total	5,926.103	91,351,422	13,136.508	164,726,626	-	-	17,355.070	219,332,107	1,707.541	36,745,940



WATA CHEMICALS LIMITED
Movement of Finished Goods Stock
For the Year Ended 30th June 2022

Schedule-03

Particulars	Opening Stock		Production during the period		Internal Used during the period		Sale during the period		Closing Stock	
	1-Jul-20		Jul'21-Jun'22		Jul'21-Jun'22		Jul'21-Jun'22		30-Jun-22	
	Qty. M.Ton	Amount in Taka	Qty. M.Ton	Amount in Taka	Qty. M.Ton	Amount in Taka	Qty. M.Ton	Amount in Taka	Qty. M.Ton	Amount in Taka
Sulphuric Acid	357.255	4,322,089	43,612.800	-	-	36,128.700	15.715	140,945	15.715	140,945
Alumina Sulphate	203.500	2,411,475	6,468.000	3,884.916	3,884.916	6,316.850	354.650	7,607,243	354.650	7,607,243
Zinc Sulphate	66.720	973,311	3,155.280	1,956.324	1,956.324	3,157.000	65.000	1,174,925	65.000	1,174,925
Magnesium Sulphate	77.420	764,135	2,420.000	1,984.400	1,984.400	2,497.420	-	-	-	-
Total	704.895	8,471,011	55,656.080	7,825.640	7,825.640	48,099.970	435.365	8,923,112	435.365	8,923,112

WATA CHEMICALS LIMITED
Movement of Finished Goods Stock
For the Year Ended 30th June 2021

Particulars	Opening Stock		Production during the period		Internal Used during the period		Sale during the period		Closing Stock	
	1-Jul-20		30-Jun-21		30-Jun-21		30-Jun-21		31-Mar-21	
	Qty. M.Ton	Amount in Taka	Qty. M.Ton	Amount in Taka	Qty. M.Ton	Amount in Taka	Qty. M.Ton	Amount in Taka	Qty. M.Ton	Amount in Taka
Sulphuric Acid	1,956.822	15,200,779	43,015.000	-	-	40,031.767	357.255	4,322,089	357.255	4,322,089
Alumina Sulphate	361.000	4,505,280	5,478.000	3,286.800	3,286.800	5,635.500	203.500	2,411,475	203.500	2,411,475
Zinc Sulphate	66.720	985,721	900.000	558.000	558.000	900.000	66.720	973,311	66.720	973,311
Magnesium Sulphate	77.420	783,181	900.000	738.000	738.000	900.000	77.420	764,135	77.420	764,135
Total	2,461.962	21,474,961	50,293.000	4,582.800	4,582.800	47,467.267	704.895	8,471,011	704.895	8,471,011



WATA CHEMICALS LIMITED

Sales (Net of VAT)

For the Year Ended 30th June 2022

Schedule-04

Particulars	Jul'21-Jun'22			
	Quantity	Gross Sale Value (Including VAT)	VAT on Sale	Sale Value (Net of VAT)
	(M. Ton)	In Taka	In Taka	In Taka
Sulphuric Acid	36,128.700	451,654,645	58,917,342	392,737,303
Alumina Sulphate	6,316.850	178,871,433	23,321,436	155,549,997
Zinc Sulphate (VAT Exempted)	3,157.000	241,988,600	-	241,988,600
Magnesium Sulphate (VAT Exempted)	2,497.420	163,528,700	-	163,528,700
Total	48,099.970	1,036,043,378	82,238,778	953,804,600

WATA CHEMICALS LIMITED

Sales (Net of VAT)

For the Year Ended 30th June 2021

Particulars	30-Jun-21			
	Quantity	Gross Sale Value (Including VAT)	VAT on Sale	Sale Value (Net of VAT)
	(M. Ton)	In Taka	In Taka	In Taka
Sulphuric Acid	40,031.767	453,459,215	59,125,107	394,334,108
Alumina Sulphate	5,635.500	154,400,150	20,141,938	134,258,212
Zinc Sulphate (VAT Exempted)	900.000	24,750,000	-	24,750,000
Magnesium Sulphate (VAT Exempted)	900.000	16,470,000	-	16,470,000
Total	47,467.267	649,079,365	79,267,045	569,812,320



WATA CHEMICALS LIMITED

Trade Receivables
As at 30th June, 2022

Schedule-05

Sl. No	Name of Customers	Amount in Taka	
		30-Jun-22	30-Jun-21
1	M/S Asad Trading	156,737,206	159,086,611
2	Afil Paper Mills Ltd.	18,991	55,201
3	Ashugong Fertilizer Chemical Co. Ltd.	-	3,283,000
4	Basundhara Paper Mills	384,512	384,512
5	BSK Chemical Industries Ltd.	703,950	3,673,950
6	Dhaka Chemicals	16,250	-
7	Friends Chemicals	1,888,075	1,661,525
8	Green Dot.Com Ltd.	215,275	474,188
9	H.K Enterprise	1,607,614	-
10	Leather Net BD	67,137	67,137
11	Modunaghat Water Treatment Plant	656,339	656,339
12	Mohara Division (CWASA)	1,824,966	-
13	M/s. Asad Trading Unit-2	115,779,424	60,755,672
14	M/s Aysha Trading Corporation	1,428,027	-
15	M/s. Dewan Enterprise	3,377,250	-
16	Dohar Chemicals	81,536	-
17	M/s. HH Enterprise	44,758	-
18	M/s. Jaman Enterprise.	736,997	736,997
19	M/S Masud Auto Parts & Chemicals	326,861	63,943
20	M/s. M.R. Chemicals	59,287,385	44,898,975
21	M/s Munshi Chemicals	50,612	63,580
22	M/s Tarek Enterprise	437,190	221,345
23	M/s. Zharna Chemical Supply Co.	8,038,638	10,413,535
24	Zharna Traders	12,094,364	9,235,739
25	Nazrul & Brothers	442,463	-
26	N.M. Corporation	381,890	1,599,390
27	Raima Chemicals Industry	2,000,234	2,000,234
28	Rajshahi WASA	-	89,516
29	Refa Chemicals	520,000	520,000
30	Rone Chemical/Trading House	8,877	15,361
31	Saidabad Water Treatment Plant.	58,881,000	35,432,000
32	Sheik Russel Pani Sodhonagar	14,372,600	6,508,032
33	Sheik Hasina Water Treatment Plant	8,394,623	6,520,079
34	SIM Fabrics	447,276	447,276
35	SM Chemicals	160,152,461	71,221,555
36	Sonali Chemicals	90,250	90,250
37	SS Chemicals Industries Ltd	167,580	167,580
38	Tamim Enterprise	23,790	123,790
39	Traigon International	19,465	19,465
40	Uttara Chemicals	15,599,961	14,975,033
41	Waste Chem International	108,353	108,353
Total		627,414,177	435,570,160

Deposit against Sales
As at 30th June, 2022

Schedule-06

SL. No	Name of Customers	Amount in Taka	
		30-Jun-22	30-Jun-21
1	Dohar Chemicals	-	382,747
2	Dhaka Chemicals	-	658,083
Total		-	1,040,830



WATA CHEMICALS LIMITED

Trade Payables
As at 30th June, 2022

Schedule-07

Sl. No	Particulars	Amount in Taka	
		30-Jun-22	30-Jun-21
1	Abir Shiping Limited (C & F)	6,744,407	15,148,259
2	Adarsh Furnace & Refractory Works	-	26,250
3	Amber IT Limited	-	76
4	Arthosuchak . Com	5,000	5,000
5	Bismillah Engineering Workshop	-	64,725
6	Bismillah Enterprise	-	31,858
7	Care Consultant	-	20,000
8	Electromach Engineering	231,880	312,228
9	Executive Technology Solution	-	251,024
10	Inovative Technology International	-	190,000
11	Kazi Enterprise	-	348,215
12	MM Corporation (C & F)	-	9,216,425
13	Mozid Engineering Workshop	-	260,718
14	M/s. Faiza Thai Glass Center	-	8,412
15	M/s Habib Enterprise	565,000	-
16	M/s Harun Rong Bitan	-	5,500
17	M/s Monowara Enterprise	270,008	-
18	M/s Nazrul Enterprise	-	206,300
19	Rongdhonu Industrial Engineering	-	48,000
20	Shawon Engineering	-	346,961
21	Sobuj Enterprise (Tiles Work)	-	11,339
22	Tara Beebi International	397,004	290,960
23	Technomax Engineering	-	132,421
24	Univision Engineering	-	146,000
25	Waterchem Technology	289,442	404,100
26	Water Ion Exchange	-	301,700
Total		8,502,741	27,776,472



WATA CHEMICALS LIMITED
Advance to Suppliers
As at 30th June, 2022

Schedule-08

Sl. No	Particulars	Amount in Taka	
		30-Jun-22	30-Jun-21
1	Abhishek Engineering & Chemicals	-	29,000
2	Achol Enterprise	-	53,680
3	Aesthetic Engineering Services	60,000	
4	Azmira Enterprise	278,560	
5	Akram Mill Store	2,000,000	2,000,000
6	Ambient Steel Ltd.	2,638,600	
7	Atik Chemicals	2,000,000	
8	BBS Cables Ltd.	138,014	138,014
9	Bengal Interior	1,200,488	1,200,488
10	Binary Kraft	2,951,488	2,951,488
11	BSRM Steel Ltd	1,302,400	1,302,400
12	Daily Share Bazar	12,000	12,000
13	Dhaka Engineering Works (Md. Shihab)	11,755,982	627,982
14	Didar Construction	-	404,500
15	Energytech Power Solution	374,000	374,000
16	Executive Technology Solution	73,962	-
17	F. Rahman Construction (Fazlur Rahman)	12,721,566	8,431,566
18	Jahangir Stone Corporation Ltd.	-	520,000
19	Jamuna Trading Corporation	5,123,996	1,068,216
20	Kazi Enterprise	234,785	-
21	Khakan SS & Thai Glass	200,000	-
22	Md. Manwar Eha Hashem (F. Beautification Work)	50,000	50,000
23	Marvelous IT	15,000	
24	Md.Mojnu (Tree Plantation Work)	211,700	211,700
25	Md. Najmul (Sanitary Engr.)	-	18,000
26	Md. Rezaul Karim (Turbine Consultant)	-	150,000
27	Meghna Seeds Crushing Mills Ltd.	-	802,000
28	MM Corporation (C & F)	313,066	
29	M/s. Amzad & Brothers	938,470	938,470
30	M/s Fahim Transport Agency	676,524	1,000,882
31	M/s. Joynal & Sons	837,750	487,750
32	M/s. LRD Enterprise	2,326,400	447,100
33	M/s. Moklesur Rahman & Brothers	1,825,700	1,825,700
34	M/s Nizam Enterprise	535,400	
35	M/s Noor Enterprise	1,933,275	
36	M/S Reza Construction	831,000	
37	M/S Shawon Enterprise	-	410,000
38	M/s. Sohel & Brothers (Pipe House)	720,000	
39	National Tradings.	333,300	333,300
40	New Boiler Museum	645,300	645,300
41	New Progoty Iron Traders	779,618	779,618
42	Nis Chemical	9,252,261	117,166,261
43	Nitol Motors Limited	300,000	300,000
44	Omad International	200,000	200,000
45	Pran RFL Group	140,000	20,000
46	Rajshahi Travels & Tours	352,000	-
47	Rangs Workshop Limited.	22,317	22,317
48	Rooftec Trade	6,767,811	5,747,241
49	Rudro International	225,000	225,000
50	Ruhul Amin / Contractor	2,956,800	2,956,800
51	S A Marine Collection	430,000	430,000
52	Serve & Solve Corporation	269,554	269,554
53	Shorifuddin (Pond Digging)	201,000	201,000
54	Sino Well Sailling Chemical Co. (BD) Ltd.	4,144,140	4,144,140
55	Soudi Radiator Engineering Works	170,000	170,000
56	Technaf Engineering Pvt. Limited.	-	186,000
57	Technomax Engineering	150,000	
58	Turbo Technology Ltd.	981,500	831,500
59	Water Ion Exchange	116,300	
60	Unique Cement Industries Ltd.	3,872,000	
61	Uttara Creadoor	52,000	52,000
Total		86,641,028	160,134,967



WATA CHEMICALS LIMITED
Calculation of Deferred Tax Liability
For the Year Ended 30th June 2022

Schedule-09

(a) Carrying amount at Balance Sheet date

i) Carrying Cost of Fixed Assets-WDV (Net of Land Value & Revaluation increase):

Particulars	Amount in Taka			
	30-Jun-22	30-Jun-21	30-Jun-20	30-Jun-19
Written Down Value (As per Schedule-1)	896,188,486	943,466,378	997,117,967	1,049,091,731
Less: Revaluation Increase	318,010,817	322,098,567	407,814,137	407,814,137
Plant & Machinery Increase	353,253,863	353,253,863	353,253,863	353,253,863
Factory Building Increase	54,663,662	54,663,662	54,663,662	54,663,662
Other Assets Value (Decrease)	-	-	(103,388)	(103,388)
Less: Depreciation of Revaluation	(89,906,708)	(85,818,958)	-	-
	578,177,668	621,367,811	589,303,830	641,277,594
Less: Land Value	(106,402,620)	(106,402,620)	(106,402,620)	(106,402,620)
Net WDV (Except Land Value & Revaluation)	471,775,048	514,965,191	482,901,210	534,874,974
ii) Carrying value of Right-of-use (ROU) asset	5,390,830	6,160,950	6,931,070	-
iii) Carrying value of Lease Obligation	(4,313,861)	(5,164,503)	(5,189,269)	-
Total Carrying value at Balance Sheet date (i+ii+iii)	472,852,017	515,961,639	484,643,011	534,874,974

(b) Carrying amount as Tax Base

Tax Based Fixed Assets-WDV as on 30th June 2022

As per Tax Depreciation Schedule as shown below (Including addition during year):

Particulars	Amount in Taka			
	30-Jun-22	30-Jun-21	30-Jun-20	30-Jun-19
Plant & Machinery	162,914,507	202,900,594	251,546,743	313,624,364
Factory Building	78,469,561	98,086,951	122,608,689	153,141,811
Motor Vehicle & Bi-cycle	5,965,999	7,457,499	12,056,357	12,309,082
Furniture & Fixture	3,339,230	3,664,056	3,902,123	2,080,180
Office Equipment (including computer)	5,255,651	4,975,988	4,815,743	4,258,885
Laboratory Equipment	415,708	443,868	522,198	614,350
Generator	18,508	23,135	28,919	36,149
	256,379,164	317,552,091	395,480,771	486,064,821

(c) Temporary Taxable Difference (a-b)

(d) Deferred Tax Liability on Temporary Taxable Difference (C*22.5%)

(e) Deferred Tax Recognised on Depreciation of Revaluation Charged for the Period @22.5% (Schedule-10)

(f) Deferred Tax Liability as on 30th June' 2022 (d+e)

216,472,853	198,409,548	89,162,240	48,810,153
48,706,392	44,642,148	22,290,560	12,202,538
1,226,325	1,340,484	1,629,072	1,782,873
49,932,717	45,982,632	23,919,632	13,985,411

Computation of Tax Based WDV of Fixed Assets As on 30th June 2022 (As per 3rd Schedule of ITO, 1984) Assessment Year-2022-2023						
Description of Assets	Opening WDV as on	Addition during the year	Total	Rate of Dep.	Depreciation for the period	Closing WDV
	1-Jul-21					30-Jun-22
Plant & Machinery	202,900,594	742,540	203,643,134	20%	40,728,627	162,914,507
Factory Building	98,086,951	-	98,086,951	20%	19,617,390	78,469,561
Motor Vehicles & Bi-Cycle	7,457,499	-	7,457,499	20%	1,491,500	5,965,999
Furniture & Fixture	3,664,056	46,200	3,710,256	10%	371,026	3,339,230
Office Equipment (Including Cor	4,975,988	863,624	5,839,612	10%	583,961	5,255,651
Laboratory Equipment	443,868	45,200	489,068	15%	73,360	415,708
Generator	23,135	-	23,135	20%	4,627	18,508
Total	317,552,091	1,697,564	319,249,655		62,870,491	256,379,164



WATA CHEMICALS LIMITED
Depreciation Adjustment with Revaluation Reserve

Schedule-10

Particulars	Plant & Machinery	Factory Building	Total
Revaluation Increase	353,253,863	54,663,662	407,917,525
Depreciation Charged on Revaluation Increase	102,453,863	54,663,662	157,117,525
Rate of Depreciation	10%	5%	
For the Year 31.12.2012	10,245,386	2,733,183	12,978,569
For the Year 31.12.2013	9,220,848	2,596,524	11,817,372
For the Year 31.12.2014	8,298,763	2,466,698	10,765,461
For the Year 31.12.2015	7,468,887	2,343,323	9,812,209
For the Period 30.06.2016 (6 Months)	3,360,999	1,113,097	4,474,096
For the Year 30.06.2017	6,385,899	2,170,542	8,556,441
For the Year 30.06.2018	5,747,308	2,062,015	7,809,323
For the Year 30.06.2019	5,172,577	1,958,914	7,131,491
For the Year 30.06.2020	4,655,320	1,860,968	6,516,288
For the Year 30.06.2021	4,189,788	1,767,920	5,957,708
For the Year 30.06.2022	3,770,809	1,679,524	5,450,333

- (a) Depreciation on Plant & Machinery had been charged on partial revaluation increase amounting to Tk. 102,453,863 against total revaluation increase of Tk. 353,253,863 which is equal to 29% of total revaluation increase on Plant & Machinery value.
- (b) Adjustment in respect of depreciation on revaluation increase for the year 2021-2022 for total amount of Tk.5,450,333/- had been made through "Change in Equity Statement".



WATA CHEMICALS LIMITED
Statement of Yearwise Unclaimed Dividend Account

Schedule-11

SL No.	Year of Dividend	Amount of Taka		
		Demat	Non Demat	Total
		Schedule-11 (A)	Schedule-11 (B)	
1	Dividend Year - 2010	-	73,626	73,626
2	Dividend Year - 2011	9,480	88,352	97,832
3	Dividend Year - 2014	19,856	57,428	77,284
4	Dividend Year - 2015 -2016	18,961	143,571	162,532
5	Dividend Year - 2016 -2017	76,760	157,928	234,688
6	Dividend Year - 2017 -2018	93,532	159,757	253,290
7	Dividend Year - 2018 -2019	59,834	618,661	678,495
8	Dividend Year - 2019 -2020	63,365	902,213	965,578
9	Dividend Year - 2020 -2021	76,131	774,619	850,750
Subtotal (A)		417,919	2,976,155	3,394,074

Yearwise Statement of Transfer to ICB

SL No.	Year of Dividend	Amount of Taka		
		Demat	Non Demat	Total
		Schedule-11 (A)	Schedule-11 (B)	
1	Dividend Year - 2010		73,550	73,550
2	Dividend Year - 2011	9,480	88,260	97,740
3	Dividend Year - 2014	19,856	57,369	77,225
4	Dividend Year - 2015 -2016	18,961	143,423	162,384
5	Dividend Year - 2016 -2017	76,760	157,765	234,525
Unclaimed Dividend Transferred Subtotal (B)				645,423
Less: TDS on Dividend				(94,973)
Unclaimed Dividend Account Net Transferred Subtotal (A)				550,450
Unclaimed Dividend Account Balance (A-B) = C				2,748,651



