

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
Tel: 58152001, 58155206, Fax: 880-2-58155091



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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 be 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.

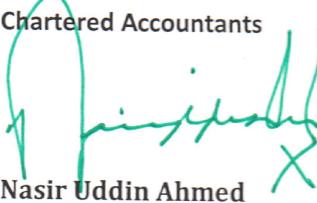


Report on Other Legal and Regulatory Requirements

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



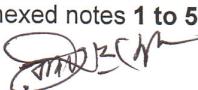
Nasir Uddin Ahmed
FCA,FCS,CGMA, ACMA(UK),FCA(ICAEW)
Deputy Managing Partner
ICAB Enrolment No: 535
DVC No: 2210270535AS393268

Dated: 27 October 2022
Dhaka, Bangladesh

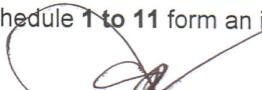
WATA CHEMICALS LIMITED
Statement of Financial Position
As at 30th June, 2022

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

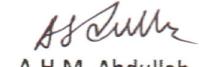
The annexed notes 1 to 54 and schedule 1 to 11 form an integral part of these financial statements.


Razi Uddin Ahmed
Chairman

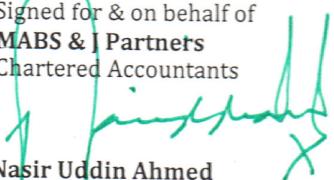

Md. Afzal Ahsan
Chief Finance Officer


Md. Nazrul Islam
Managing Director


Shamsul Huq
Company Secretary


A.H.M. Abdullah

Director
Signed for & on behalf of
MABS & J Partners
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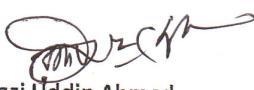
Signed in terms of our separate report of even date annexed.

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

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


Razi Uddin Ahmed
Chairman

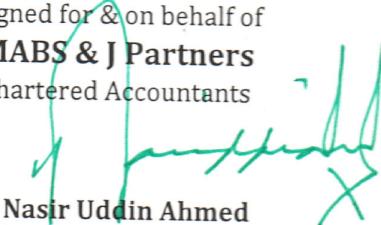

Md. Nazrul Islam
Managing Director


A.H.M. Abdullah
Director


Md. Ali Ahsan
Chief Finance Officer


Shamsul Huq
Company Secretary

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


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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 Changes in Equity
For the Year Ended 30th June 2022

Particulars	Amount in Taka				
	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

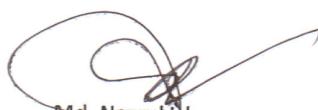
For the Year Ended 30th June 2021

Particulars	Amount in Taka				
	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

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



Razi Uddin Ahmed
Chairman



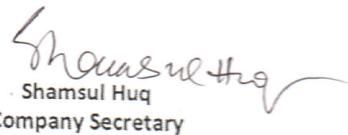
Md. Nazrul Islam
Managing Director



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Director



Md. Ati Ahsan
Chief Finance Officer



Shamsul Huq
Company Secretary

Dated: 27 October 2022
Dhaka, Bangladesh



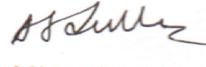
WATA CHEMICALS LIMITED
Statement of Cash Flows (Unaudited)
For the Year Ended 30th June 2022

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

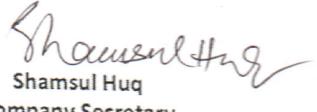
The annexed notes **1 to 54** and schedule **1 to 11** form an integral part of these financial statements.


Razi Uddin Ahmed
Chairman


Md. Nazrul Islam
Managing Director


A.H.M. Abdullah
Director


Md. Ali Ahsan
Chief Finance Officer


Shamsul Huq
Company Secretary

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, Narayangonj, 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



2.00 Property, Plant & Equipment (PPE)

At Cost / Revalued:

Opening Balance
Add: Addition during the year
Less: Disposal during the year

Amount in Taka	
30-Jun-22	30-Jun-21
1,397,455,075	1,398,013,176
1,697,564	2,961,182
	(3,519,283)
1,399,152,639	1,397,455,075
453,988,697	400,895,209
48,975,456	53,878,288
	(784,800)
502,964,153	453,988,697
896,188,486	943,466,378

Depreciation:

Opening Balance
Add: Depreciation charged during the year
Less: Disposal during the year

Written Down Value as on 30th June 2022

The details has been shown in "Schedule-01".

3.00 Capital Work-In-Progress (CWIP)-BMRE

Opening Balance

Add: Addition during the year

Less: Adjustment / Transfer to Non-current Assets
Closing Balance

786,110,248	318,999,166
59,878,551	467,111,082
845,988,799	786,110,248
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
Add: Addition during the year

7,701,189	7,701,189

Depreciation

Opening Balance
Add: Depreciation charged during the year

1,540,239	770,119
770,120	770,120
2,310,359	1,540,239
5,390,830	6,160,950

Written Down Value as on 30th June 2022

5.00 Inventories

Raw Materials Stock

Finished Goods Stock

Materials-In-Transit

Stores & Spares

Note: 5.01

Note: 28.02

74,385,513	36,745,940
8,923,112	8,471,011
89,468,233	60,482,502
1,315,755	3,540,341
174,092,613	109,239,794
1,282,447	1,707,541
435,365	704,895
1,717,812	2,412,436

Raw Materials (M. Ton)

Finished Goods (M. Ton)

Total (M. Tons)

- 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

Lc No - 0121020320 (3000 MT Sulphur)	65,072,946	37,877,070
Lc No - 0122020005 (2000 MT Sulphur)	(13,750)	
Lc No - 0122010125 (500 MT Sulphar)	(44,000)	
Lc No - 0122010192 (500 MT Sulphar)	151,138	
Lc No - 0122020020 (1000 MT Sulphur)	1,517,638	
Lc No - 0122020055 (550 MT Sulphar)	164,619	
Lc No - 0122020061 (1000 MT Sulphur)	(11,000)	
Lc No - 122020100 (945.20 MT Sulphur)	17,254	
Lc No - 121020102 (1000 MT Sulphur)	33,097,844	
Lc No - 122020105 (1000 MT Sulphur)	114,540	237,160
Lc No - 122020130 (1000 MT Hydrate)	(22,000)	
Lc No - 122020133 (1000 MT Hydrate)	(13,287,527)	
Lc No - 122020153 (1000 MT Hydrate)	2,168,610	
Lc No - 121020107 (2000 MT Sulphur)	541,922	
Lc No - 121020121 (1000 MT Sulphur)		401,906
Lc No - 121020153 (200 MT LAB)		21,242,851
Lc No - 121020172 (1000 MT Sulphur)		340,022
Lc No - 120020284 (1000 MT Hydrate)		226,657
		156,837
	89,468,233	60,482,502



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

6.00 Trade Receivables

Opening Balance

Add: Sales during the year

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

Less: Received during the year

Closing Balance

(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

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

Above 180 days

I. Accounts Receivable considered good in respect of which the company is fully secured.	626,509,665	434,665,648
II. Accounts Receivable considered doubtful or bad.	904,512	904,512
Total	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.

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

17,654,979 23,766,599

Add : Tax Deduction from Sale

27,297,562 10,213,878

Add : Income Tax Paid in Cash

8,692,379 7,454,290

4,392,900 18,776,270

Less : Adjustment during this period

58,037,821 60,211,036

Closing Balance

22,061,065 (42,556,057)

35,976,756 17,654,979

8.00 Advances, Prepayments & Deposits

Advance against Salary

Note:-8.01 2,231,164 1,178,311

Advance against Capital Expenditures

Note:-8.02 205,851,459 268,433,846

Bank Guarantee Margin with Agrani Bank

3,387,850 1,919,697

Security & Earnest Money Deposit

11,027,990 4,095,859

FDR at IPDC Finance

10,000,000 10,000,000

VAT Deduction at Import (Not Adjusted)

3,623,230 3,623,230

VAT Deposit Against (10% of Claim)

4,142,790 4,142,790

VAT Deposit

8,349,426 1,108,365

248,613,909 294,502,098

8.01 Advance against Salary

Advance against Salary

513,083 450,083

Advance against Expenses

1,718,081 728,228

2,231,164 1,178,311

8.02 Advance against Capital Expenditure

Advance payment to suppliers

Asset in Transit

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".



Amount in Taka	
30-Jun-22	30-Jun-21
1,108,365	789,647
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

8.03 VAT Deposit

Opening Balance	1,108,365
Add: Deposit during the year	
VAT Cash Deposit	89,479,839
VAT Deduction at Import	51,150,000
AT Deduction at Import	13,878,730
VAT on (Gas & Electricity Bill)	23,303,644
Total Deposit	1,147,466
Less: Adjustment during the year	
Closing Balance	90,588,204
	(82,238,778)
	8,349,426
	1,108,365

9.00 Cash & Cash Equivalents

Cash in hand

Cash (Head Office)	5,293,028
Cash (Factory)-Current	337,256
	4,955,772

5,293,028

2,529,646

Cash at Bank

Agrani Bank, Principal Branch, CD A/c No 0200000982200	2,436,892
Agrani Bank, Principal Branch, CD A/c No 0200018008016	165,990
BD Krishi Bank CD A/c No. 1001 0210040946	6,450
Jamuna Bank CD A/c No. 00110210015998	50,842
Jamuna Bank CD A/c No. 01030210004758	1,879,070
Prime Bank A/c No.2127115015947	1,211,992
Basic Bank, A/c-01010069	20,213
BDBL Account, CD-001133003901	13,947
BDBL CD A/c 6521111019973	3,014
Brac Bank Ltd. Asad Gate Br. CD A/c	6,000
Dutch-Bangla Bank, CD-10123000271	2,434
Janata Bank Limited-Dilkusha Corporate Br.	24,533
Uttara Bank, CD-21303	4,838

5,826,214

28,838,701

(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)	16,200,000
Add: Issue of Right Share in year 1995	16,200,000
Add: Issue of Bonus Share in year 1997	8,100,000
Add: Issue of Bonus Share in year 2012	8,100,000
Add: Issue of Bonus Share for year 2013	14,580,000
Add: Issue of Bonus Share for year 2014	15,795,000
Add: Issue of Bonus Share for year 2015-2016	7,897,500
Add: Issue of Bonus Share for year 2016-2017	4,343,620
Add: Issue of Bonus Share for year 2017-2018	27,364,830
Add: Issue of Bonus Share for year 2018-2019	29,645,230

16,200,000

16,200,000

8,100,000

8,100,000

14,580,000

15,795,000

7,897,500

4,343,620

27,364,830

29,645,230

148,226,180

148,226,180

32,400,000

32,400,000

11.00 Share Premium

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	396,766,745
Less: Deferred Tax on Revaluation Depreciation	(5,450,333)
Closing Balance	(1,226,325)

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. প্রশা/ঘন/প্রকর/ওমাও কেমিক্যালস /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. প্রশা/ঘন/প্রকর/ওমাও কেমিক্যালস/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

Add: Addition during the period	6,914,583	8,094,296
Interest Expense	597,760	647,487
Less: Paid during the period	7,512,343	8,741,783
Closing Balance	1,885,600	1,827,200
Lease Liability-Long Term	5,626,743	6,914,583
Lease Liability-Current	4,970,302	6,039,543
	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	194,365,336	193,564,634
UPAS Loan Liability	302,231,309	96,641,389
Note:-17.01	1,162,301,848	954,295,861
Note:-17.02		

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 & Handliling 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 :	(916,397)	331,603
Opening Balance	10,472,800	-
Add: Loan received during the year	(7,103,000)	(1,248,000)
Less : Loan paid during the year	2,453,403	(916,397)

20.00 Trade Payables

Opening Balance	27,776,472	2,615,050
Add: Purchase/addition during the year (local)	301,083,056	481,259,773
Less: Payment / adjustment during the year	328,859,528	483,874,822
Closing Balance	(320,356,787)	(456,098,350)
	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	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
22.01 Directors Remuneration Payable	Party Bill Payable / Provision for Exchange Loss	18,765,046	14,687,049
	Source VAT & Tax Payable	(1,215,741)	434,657
		24,422,127	25,202,635
22.02 Source Tax and VAT 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
	TDS on Party Bill	2,739,263	(2,954,100)
23.00 Workers Profit Participation Fund & Welfare Fund	TDS on Salary & Remuneration	783	57,479
	VAT Payable on Party Bill	(3,955,787)	3,331,278
		(1,215,741)	434,657
24.00 Provision for Taxation	Opening Balance	40,073,872	35,171,413
	Add: Addition during this period	4,043,992	4,902,459
	Less: Paid during this period	44,117,864	40,073,872
		44,117,864	40,073,872
	Closing Balance	22,061,365	58,269,573
25.00 Unclaimed Dividend Account	Add: Provision made during the period	18,197,965	22,061,065
	Less: Provision For Previous Years (Over) / Under	-	(15,726,404)
	Less: Adjustment during this period	40,259,330	64,604,234
	Closing Balance	(22,061,065)	(42,542,869)
		18,198,265	22,061,365
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	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 Sulphur		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	Note:-28.04	46,704,173
		51,181,827
	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
Crokeres & 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)	3,041,403	3,466,582
	68,569,557	47,063,922

Note:-29.02



	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)
<u>578,177,668</u>	<u>621,367,811</u>
(106,402,620)	(106,402,620)
<u>471,775,048</u>	<u>514,965,191</u>
5,390,830	6,160,950
(4,313,861)	(5,164,503)
<u>472,852,017</u>	<u>515,961,639</u>
(256,379,164)	(317,552,091)
<u>216,472,853</u>	<u>198,409,548</u>
48,706,392	44,642,148
1,226,325	1,340,484
<u>49,932,717</u>	<u>45,982,632</u>
(45,982,632)	(23,919,632)
-	(19,965,313)
(1,226,325)	(1,340,484)
<u>2,723,760</u>	<u>757,203</u>

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
<u>4.05</u>	<u>6.14</u>

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.



34.00 Cash Receipts From Customers and Others

Gross Sales
Non Operating Income
Trade Receivables: Decrease (Increase)
Loan & Advance - Net of VAT & Tax (Increase)
Deposit against Sales Increase / (Decrease)

Amount in Taka	
30-Jun-22	30-Jun-21
1,036,043,378	649,079,365
4,265,360	6,919,694
(191,844,017)	(81,702,690)
53,129,250	(10,415,932)
(1,040,829)	(216,136)
900,553,142	563,664,302

35.00 Cash paid to Suppliers and Others

Raw Materials Purchase
Stores & Spares Purchase
Material in Transit: Increase / (Decrease)
Trade Payables-(Increase) / Decrease

583,766,702	164,726,626
9,375,974	10,628,525
28,985,731	33,837,495
(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)
Carriage Inward
Factory Overheads (Excl. Wages & Salary and Depreciation)
Administrative & Marketing Exp. (Excd. Salaries, Depr. & Exch. Loss)
Finance costs
Liabilities for Expenses: Decrease (Increase)

52,352,740	11,953,770
1,903,762	89,840
27,994,968	63,236,237
35,322,723	29,449,046
129,909,518	73,086,961
999,107	14,770,936
248,482,817	192,586,791

37.00 Cash paid for VAT & Tax

(a) Payment of VAT
VAT Deposit in Cash
VAT Paid at Import
AT Paid at Import
VAT on Utility Bill

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

(b) Payment of Tax
AIT on Import
AIT Deduction from Sale Bill
Payment of Tax in Cash

40,382,842	36,444,438
27,297,562	10,213,878
8,692,379	7,454,290
4,392,900	18,776,270
129,862,681	116,030,201

38.00 Acquisition of Non-current Assets

Addition to Fixed Assets (Net of Adjustment)
Addition for Capital Work in Progress
Payment of Lease Liability

1,697,564	2,176,382
59,878,551	108,228,966
1,069,241	1,179,713
62,645,356	111,585,061

39.00 Loan Received

Loan from Agrani Bank
Project Loan from Agrani Bank (Interest)
Term Loan from IPDC Finance Interest
Loan from Managing Director

2,416,067	132,941,311
59,813,096	100,776,611
4,827,640	-
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)	53,226,364
	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 Compling 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 business view:

In the current global scenario, we are also experiencing massive price increase in the purchase (Import) of raw materials specially for "Sulphur" .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 Board 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



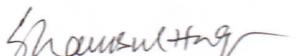
Md. Nazrul Islam
Managing Director



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
		As at 01.07.2021	Addition this period		As on 01.07.2021	Addition this year	
01	Land & Land Development	106,402,620	-	-	106,402,620	-	-
02	Plant & Machinery & Equip.	982,922,829	742,540	-	983,665,369	10%	400,446,953
03	Factory Building	263,310,331	-	-	263,310,331	5%	77,651,938
04	Boundary Wall	784,468	-	-	784,468	15%	668,840
04	Laboratory Equipment	526,744	45,200	-	571,944	15%	370,053
05	Motor Vehicles	28,241,826	-	-	28,241,826	10%	16,687,646
06	Bi-Cycle	5,200	-	-	5,200	10%	3,073
07	Furniture & Fixture	6,199,964	46,200	-	6,246,164	10%	2,846,418
08	Office Equipment	7,181,100	863,624	-	8,044,724	10%	3,242,897
09	Computer & Software	890,158	-	-	890,158	10%	419,202
10	Generator	989,835	-	-	989,835	10%	627,134
	Total	1,397,455,075	1,697,564		1,399,152,639	453,988,697	502,964,153
					48,975,456		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	Depreciable Value	Rate	Depreciation
Depreciation on Sulfuric Acid Plant Unit-1	53,026,055	-	53,026,055	10%	5,302,605
Depreciation on Sulfuric Acid Plant Unit-2	231,916,144	-	231,916,144	10%	23,191,614
Depreciation on Alum Sulphate Plant Unit-1	19,261,358	-	19,261,358	10%	1,926,136
Depreciation on Zinc Plant	17,258,433	-	17,258,433	10%	1,725,843
Depreciation on Magnesium Plant	30,274,143	-	30,274,143	10%	3,027,414
Depreciation on Utilities Plant	16,823,702	742,540	17,566,242	10%	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

Schedule-02

Particulars	Opening Stock		Purchased during the period		Adj. during the period		Consumption		Closing Stock	
	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 Qty. (M.Ton)	Input Ratio (Per Ton)	Consumption of RM		Value of Consumed Materials		
	Purchased Materials	Own Product Internal used			Purchased Qty. (M.Ton)	Own Product Internal used	Purchased Raw Materials used	Own Product Internal used	Average rate (Per M.Ton)
Sulphuric Acid	43,612.80	0.350	15,264.480	-	445,464,342	-	56,377,102	-	29,183
Aluminum Sulphate	6,468.00	0.290	1,875.720	-	3,884,916	-	33,315,110	-	30,056
Do	6,468.00	0.600			1,164,864				8,969
Zinc Sulphate	3,155.28	0.380			1,956,324				28,600
Do	3,155.28	0.620			398,930				8,969
Magnesium Sulphate	2,420.00	0.180			1,984,400				-
Do	2,420.00	0.820							17,797,273
Total	67,699.36	18,703.994	7,825,640	535,156,555	-	-	70,184,963	-	8,969

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

Particulars	Opening Stock		Purchased during the period		Adj. during the period		Consumption		Closing Stock	
	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
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	Qty. M.Ton	1-Jul-20	Qty. M.Ton	1-Jul-20	Qty. M.Ton	1-Jul-20	Qty. M.Ton	1-Jul-20	Qty. M.Ton
Sulphuric Acid	357.255	4,322,089	43,612.800		36,128.700		15.715		30-Jun-22	
Alumina Sulphate	203.500	2,411,475	6,468.000		6,316.850		354.650			140,945
Zinc Sulphate	66.720	973,311	3,155.280		3,157.000		65,000			7,607,243
Magnesium Sulphate	77.420	764,135	2,420.000		2,497.420		-			1,174,925
Total	704.895	8,471,011	55,656.080	7,825.640	48,099.970	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	Qty. M.Ton	1-Jul-20	Qty. M.Ton	1-Jul-20	Qty. M.Ton	1-Jul-20	Qty. M.Ton	1-Jul-20	Qty. M.Ton
Sulphuric Acid	1,956.822	15,200.779	43,015.000		40,031.767		357.255		31-Mar-21	
Alumina Sulphate	361.000	4,505,280	5,478.000		5,635.500		203.500			4,322,089
Zinc Sulphate	66.720	985,721	900.000		900.000		66.720			2,411,475
Magnesium Sulphate	77.420	783,181	900.000		738.000		900.000			973,311
Total	2,461.962	21,474,961	50,293.000	4,582.800	47,467.267	704.895	8,471,011			764,135



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)

216,472,853 198,409,548 89,162,240 48,810,153

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

48,706,392 44,642,148 22,290,560 12,202,538

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

1,226,325 1,340,484 1,629,072 1,782,873

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

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 1-Jul-21	Addition during the year	Total	Rate of Dep.	Depreciation for the period	Closing WDV	
						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



