

**Auditor's Report  
and  
Financial Statements  
of  
Nialco Alloys Limited**

For the year ended June 30, 2022



# শফিক বসাক এন্ড কোং SHAFIQ BASAK & CO.

## CHATTOGRAM OFFICE:

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109, Agrabad Commercial Area,  
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basak@shafiqbasak.com

## CHARTERED ACCOUNTANTS

### Partners:

Md. Shafiqul Islam, FCA  
Sampad Kumar Basak, FCA  
Sarwar Mahmood, FCA  
Sheikh Zahidul Islam, MBA, FCA

## DHAKA OFFICE - (1):

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## Independent Auditor's Report Nialco Alloys Limited Report on the Audit of the Financial Statements

### Opinion

We have audited the financial statements of Nialco Alloys Ltd. which comprise the Statement of Financial Position as at 30 June 2022, Statements of profit or Loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects of the statement of financial position of Nialco Alloys Ltd. as at 30 June 2022, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs), the Companies Act 1994, the Securities and Exchange Rules 2020 and other applicable laws and regulations.

### Basis for Opinion

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

### 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.

We have fulfilled the responsibilities described in the Auditors' Responsibilities of the audit of the financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risk of material misstatements of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial statements.



INDEPENDENT MEMBER OF  
**ABACUS**  
WORLDWIDE

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## **Other Information**

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

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 and fair presentation of the financial statements in accordance with IFRSs, the Companies Act 1994, the Securities and Exchange Rules 2020 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.





- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management but not for the purpose expressing an opinion on the effectiveness of the company's internal control.
- 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 company's financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

#### Report on other Legal and Regulatory Requirements

In accordance with the Companies Act 1994, the Securities and Exchange Rules 2020 and other applicable laws and regulations, we also report the following:

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

Signed for and on behalf of  
Shafiq Basak & Co.  
Chartered Accountants



Sheikh Zahidul Islam FCA, MBA  
Partner  
DVC:2210251394AS107127

Date: October 25, 2022  
Place: Chattogram



IAS 1.51(a)  
IAS 1.10(a).51(b)  
IAS 1.51(c)

**NIALCO ALLOYS LIMITED**  
**Statement of Financial Position**  
**As at 30 June 2022**

IAS 1.51(d).(e) IAS 1.113	Particulars	Notes	Amount in Taka	
			30 June 2022	30 June 2021
<b>ASSETS</b>				
IAS 1.56	<b>Non-Current Assets</b>			
IAS 1.54(a)	Property Plant & Equipment	3.00	86,103,530	52,013,912
IAS 1.54(a)	Capital Work In Progress	4.00	-	-
			<b>86,103,530</b>	<b>52,013,912</b>
<b>Current Assets</b>				
IAS 1.54(g)	Inventories	5.00	156,682,694	198,911,232
IAS 1.54(h)	Accounts Receivable	6.00	132,826,260	218,889
IAS 1.77	Advance, Deposit & Prepayments	7.00	41,843,914	35,680,678
IAS 1.54(i)	Cash & Cash Equivalents	8.00	73,189,780	120,343,172
			<b>404,542,648</b>	<b>355,153,971</b>
	<b>TOTAL ASSETS</b>		<b>490,646,178</b>	<b>407,167,883</b>
<b>SHAREHOLDERS EQUITY AND LIABILITIES</b>				
<b>Shareholders Equity</b>				
IAS 1.79	Share Capital	9.00	285,000,000	285,000,000
IAS 1.78(e ),108	Retained Earnings	10.00	57,595,808	71,489,570
			<b>342,595,808</b>	<b>356,489,570</b>
<b>Non-Current Liabilities</b>				
IAS 1.55	Long Term Loan		-	-
IAS 1.54(o)	Deferred Tax Liabilities	11.00	1,466,682	504,189
			<b>1,466,682</b>	<b>504,189</b>
<b>Current Liabilities</b>				
IAS 1.61	Current Maturity of Term Loan		-	-
	Short Term Borrowings	12.00	142,216,540	36,184,814
IAS 1.54(k)	Accounts payable	13.00	-	10,340,477
IAS 1.70	Liabilities for Expenses	14.00	4,365,723	3,648,833
	Dividend Payable	14.03	1,425	
			<b>146,583,688</b>	<b>50,174,124</b>
	<b>TOTAL SHAREHOLDER'S EQUITY AND LIABILIT</b>		<b>490,646,178</b>	<b>407,167,883</b>
	<b>Net Asset Value (NAV) Per Share</b>	23.00	12.02	12.51

The accounting policies and annexed notes form an integral part of the financial statements.

  
Company Secretary

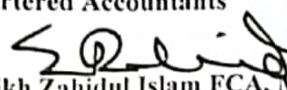
  
Chairman

  
Director

  
Managing Director

Signed as per our annexed report of even date.

Signed for and on behalf of  
**Shafiq Basak & Co.**  
Chartered Accountants

  
Sheikh Zahidul Islam FCA, MBA.  
Partner  
DVC:2210251394AS107127

Date: October 25, 2022  
Place: Chattogram



IAS 1.51(a)  
IAS 1.10(b),81A  
IAS 1.51(b),(c)

**NIALCO ALLOYS LIMITED**  
**Statement of Profit or Loss and other Comprehensive Income**  
**For the year ended 30 June 2022**

IAS 1.51(d),(e) IAS 1.113	Particulars	Notes	Amount in Taka	
			2021-2022	2020-2021
IAS 1.82(a)	Revenue	15.00	205,814,121	602,862,064
IAS 1.103	Less: Cost of Goods Sold	16.00	175,528,116	529,684,614
IAS 1.85	<b>Gross Profit</b>		<b>30,286,005</b>	<b>73,177,450</b>
	<b>Less: Operating Expenses</b>		<b>13,390,310</b>	<b>24,266,331</b>
IAS 1.82(b)	Administrative Expenses	17.00	7,376,969	8,329,938
IAS 1.82(b)	Selling & Distributing Expenses	18.00	6,013,341	15,936,393
IAS 1.54(h)	<b>Profit from Operation</b>		<b>16,895,695</b>	<b>48,911,119</b>
IAS 1.82(b)	Less: Financial Expenses	19.00	5,366,764	8,301,495
IAS 1.85	Add: Non operating Income	20.00	8,132,768	392,279
	<b>Profit/(Loss) before Contribution to WPPF</b>		<b>19,661,699</b>	<b>41,001,903</b>
IAS 1.99	<b>Less: Contribution to WPPF</b>		<b>936,271</b>	<b>1,952,472</b>
IAS 1.85	<b>Profit/(Loss) before Tax</b>		<b>18,725,428</b>	<b>39,049,430</b>
IAS 1.82(d)	<b>Less: Income Tax</b>		<b>4,119,190</b>	<b>4,157,159</b>
IAS 12.82(b)	Current Tax	21.01	3,156,697	4,030,658
IAS 12.82(b)	Deferred Tax	11.00	962,493	126,501
	<b>Profit after tax for the period</b>		<b>14,606,238</b>	<b>34,892,271</b>
IAS 1.82A	Other Comprehensive Income		-	-
	<b>Total Comprehensive Income</b>		<b>14,606,238</b>	<b>34,892,271</b>
IAS 33.66	<b>Earnings per share (EPS)</b>	22.00	<b>0.51</b>	<b>1.72</b>

The accounting policies and annexed notes form an integral part of the financial statements.

  
\_\_\_\_\_  
Company Secretary

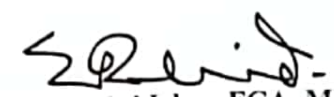
  
\_\_\_\_\_  
Chairman

  
\_\_\_\_\_  
Director

  
\_\_\_\_\_  
Managing Director

Signed as per our annexed report of even date.

Signed for and on behalf of  
Shafiq Basak & Co.  
Chartered Accountants

  
Sheikh Zahidul Islam FCA, MBA.  
Partner  
DVC:2210251394AS107127

Date: October 25, 2022  
Place: Chattogram



**NIALCO ALLOYS LIMITED**  
**Statement of Changes in Equity**  
**For the year ended 30 June 2022**

(Amount in Taka)

Particulars	Share Capital	Retained Earnings	Total Equity
Balance as at 01 July 2021	285,000,000	71,489,570	356,489,570
Net Profit for the Year	-	14,606,238	14,606,238
Less: Cash Dividend		28,500,000	28,500,000
<b>Balance as on 30 June 2022</b>	<b>285,000,000</b>	<b>57,595,808</b>	<b>342,595,808</b>

**NIALCO ALLOYS LIMITED**  
**Statement of Changes in Equity**  
**For the year ended 30 June 2021**

(Amount in Taka)

Particulars	Share Capital	Retained Earnings	Total Equity
Balance as at 01 July 2020	150,000,000	37,074,548	187,074,548
New share Issued	60,000,000	-	60,000,000
Share Issued Through QIO	75,000,000		75,000,000
Net Profit for the Year	-	34,892,272	34,892,272
Less: QIO Expense		477,250	477,250
<b>Balance as on 30 June 2021</b>	<b>285,000,000</b>	<b>71,489,570</b>	<b>356,489,570</b>

  
 Company Secretary

  
 Chairman

  
 Director

  
 Managing Director

Date: October 25, 2022

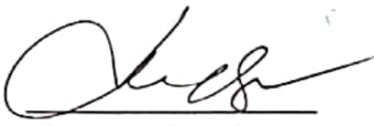
Place: Chattogram





**NIALCO ALLOYS LIMITED**  
**Statement of Cash Flows**  
**For the year ended 30 June 2022**

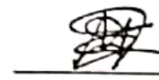
Particulars	Note	Amount in Taka	
		2021-2022	2020-2021
<b>A. Cash Flows from Operating Activities</b>			
Receipts from customers		73,206,751	652,665,104
Receipts from others Income		8,132,768	392,279
Dividend Payable		1,425	-
Payment to Suppliers	29.00	(129,814,350)	(426,343,777)
Operating expenses paid	30.00	(30,567,724)	(62,306,680)
Finance expenses paid		(33,866,764)	(8,778,745)
<b>Cash Generate from Operation</b>		<b>(112,907,893)</b>	<b>155,628,181</b>
Payment against Income Tax		(780,918)	(3,466,315)
<b>Net Cash Generate from Operating Activities</b>		<b>(113,688,811)</b>	<b>152,161,866</b>
<b>B. Cash Flows from Investing Activities</b>			
Acquisition of Property, Plant and Equipment		(39,496,306)	(23,090,000)
<b>Net Cash used in Investing Activities</b>		<b>(39,496,306)</b>	<b>(23,090,000)</b>
<b>C. Cash Flows from Financing Activities</b>			
Increase/(Decrease) Share Capital		-	135,000,000
Increase/(Decrease) Short Term Borrowing		106,031,726	(174,591,640)
Increase/(Decreases) Loan Liabilities (Long term)		-	-
<b>Net Cash Provided by Financing Activities</b>		<b>106,031,726</b>	<b>(39,591,640)</b>
<b>D. Net increase/(Decrease) in Cash and Cash Equivalent (A+B+C)</b>		<b>(47,153,391)</b>	<b>89,480,226</b>
<b>E. Cash and Bank Balances at beginning the period</b>		<b>120,343,172</b>	<b>30,862,945</b>
<b>F. Cash and Bank Balances at end of the period (D+E)</b>		<b>73,189,780</b>	<b>120,343,171</b>
<b>Net Operating Cash Flows (NOCF) Per Share</b>	24.00	<b>(3.99)</b>	<b>7.51</b>



Company Secretary



Chairman



Director



Managing Director

Date: October 25, 2022

Place: Chattogram





**Nialco Alloys Limited**  
**Notes to the Financial Statements**  
**For the year ended 30 June 2022**

**1.00 REPORTING ENTITY**

**1.01 Company Profile**

The Company "NIALCO ALLOYS LIMITED" as "NIALCO" or "The Company" was Incorporated on 21st June, 2011 vide Registration No.CH-8784 as a public limited company in Bangladesh under the Companies Act-1994. The company has listed a public limited Chittagong Stock Exchange Limited (CSE) on 30th May, 2021 and subsequently started trading of its share on 10th June, 2021.

**1.02 Registered Office of the Company**

The registered office & factory of the Company are located at Block-A, Plot-B28, BSCIC Industrial Area, Sagorika Road Pahartali Chittagong, and Jahanabad, Bhatiyari Shitakunda, Chittagong respectively

**1.03 Nature of the Business**

The principal activities of NIALCO ALLOYS LIMITED are to manufacture of high grade Bronze and Brass Ingots including Gum Metal, Phosphorus Bronze. Leaded Bronze Aluminum Bronze. Manganese Bronze, Sand Cast Brass (SCB) High Tensile Brass (HTB), Die Cast Brass (DCH), Master Alloys, Phosphorus Copper etc. conforming to BS, IS, JIS DIN, ASTM: UNI and as per all other International Standards

**2.00 BASIS OF PREPARATION**

**2.01 Statement of Compliance**

The Financial Statements of the Company are prepared on a going concern basis under historical cost convention and in accordance with the International Accounting Standards (IAS) and International Financial Reporting Standards (IFRS), the Companies Act 1994, the Securities and Exchange Rules 1987 and other applicable laws & regulation in Bangladesh.

**2.02 Going Concern:**

The company has adequate resources to continue its operation for the foreseeable future. As such, the directors intended to adopt the going concern basis in preparing the financial statements. The current credit facilities and resources of the company provides sufficient fund to meet the present requirements of its existing business

**2.03 Accrual Basis:**

The financial statements have been prepared, except cash flow information, using the accrual basis of accounting

**2.04 Components of the Financial Statements:**

According to IAS-1 "presentation of the Financial Statements" the complete includes the following components

- a) Statement of Financial Position as at June 30, 2022
- b) Statement of Profit or Loss and other comprehensive income for the year ended June 30, 2022
- c) Statement of Changes in Equity for the year ended June 30, 2022,
- d) Statement of Cash Flows for the year ended June 30, 2022 and
- e) Notes, summary of significant accounting policies and other explanatory information.

**2.05 Accounting Policies & Estimates:**

The preparation of these financial statements is in conformity with IAS/IFRS, which management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Estimates and underlying assumptions are reviewed on an ongoing basis and used for accounting of certain terms such as provision for expenses and depreciation.

**2.06 Responsibility for Preparation and Presentation of Financial Statements:**

The Board of Directors is responsible for the preparation of financial statements under section 183 of the Companies Act 1994 and as per the provision of the Framework for the preparation and Presentation of Financial Statements issued by the International Accounting Standards (IASs).

**2.07 Statement of Cash flows:**

Statement of Cash flows have been prepared in accordance with IAS-7 "Statement of Cash Flows" and the cash flows from the operating activities have been presented under direct method considering the provisions of Paragraph 19 of IAS-7 which provides that "Enterprises are Encouraged to Report Cash Flows from Operating Activities Using the



## 2.08 Applicable accounting standards:

The following IAS and IFRS are applicable for the financial statements for the year under review

### IASs

IAS 1 Presentation of Financial Statement  
IAS-2 Inventories  
IAS-7 Statements of Cash flows  
IAS-8 Accounting Policies, Changes in Accounting Estimates and Errors;  
IAS-10 Events after the reporting Period  
IAS 12 Income Taxes  
IAS 16 Property, Plant and Equipment  
IAS 19 Employee Benefits  
IAS 21 The Effects of Changes in Foreign Exchange Rates  
IAS 23 Borrowing Costs  
IAS 24 Related Party Disclosures  
IAS 33 Earnings per Share  
IAS 36 Impairment of Assets  
IAS 37 Provisions, Contingent Liabilities and Contingent Assets

### IFRSs

IFRS 7 Financial Instruments Disclosures  
IFRS 9 Financial Instruments  
IFRS 13 Fair Value Measurement  
IFRS 15 Revenue from Contracts with Customers  
IFRS 16 Lease

## 2.09 Reporting Period

The financial period of the Company under audit covers 12 months period from 01 July 2021 to 30 June 2022

## 2.10 Property, Plant and Equipment

### 2.10.1 Recognition and Measurement

All Recognition Property, and Plant Measurement and Equipment are stat Kau cagAess accumulated depreciation as per LAS-16 "Property, Plant and Equipment". The cost of acquisition of an asset comprises of its purchase price and any directly attributable cost of bringing the asset to its working condition for its intended use inclusive of inward freight, duties and non- refundable taxes. The cost of replacing part of an item of property, plant and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the company and its costs can be measured reliably. The cost of the day to day maintaining cost on PPE is recognized in the statement of orifit or loss and other comprehensive income as incurred.

### 2.10.2 Depreciation

All items of Property, Plant and Equipment have been depreciated on reducing balance method. Depreciation has been charged on addition when the related property, plant and equipment are available for used. On disposal of an asset, depreciation is charged up to the month prior to the disposal. No depreciation is charged for Building & Civil construction and Plant & Machinery due to under construction. Depreciation rates are as follows:

Name of Assets	Rate
	2022
Land & Land Development	0%
Computer Abd Printer	10%
Plant & Machineries	10%
Furniture & Fixture	10%

### 2.10.3 Retirement and Disposals

An asset is derecognized on disposal or when no future economic benefits are expected from its use and subsequent disposal. Gain or loss arising from the retirement or disposal of an asset is determined as the difference between the net disposal proceeds and the carrying amount of the assets and is recognized as gain or loss from disposal of asset under other income in the Statement of Profit or Loss and Other Comprehensive income.



### **Impairment**

2.10.4 In accordance with the provision of IAS-36, the carrying amount of non-financial assets other than inventories of the company involved in the manufacturing of the products. If any such indication exists, then the asset's recoverable amount is estimated and impairment losses are recognized in the statement of comprehensive income. No such indication of impairment has been observed till the end of the period.

### **Borrowing Cost**

2.10.5 Interest and other cost incurred in the company in connection with the borrowing of fund are recognized as expenses in the year in which they are incurred unless such borrowings cost related to acquisition/construction of assets in progress that are required to capitalized as per IAS-23: Borrowing Cost.

### **2.10.6 Employees' Benefit**

The company maintains defined benefit plan for its eligible permanent employees. The eligibility is determined according to the terms and conditions set forth in the respective deeds. The company has accounted for and disclosed employee benefits in compliance with the provisions of IAS 19 - Employee Benefits. The cost of employee benefit is charged off as revenue expenditure in the period to which the contributions relate.

The company's employee benefits include the following:

#### **a) Short Term Employee Benefits**

Short-term employee benefits include wages, salaries, festival bonuses etc. Obligations for such benefits are measured on an undiscounted basis and are expensed as the related service is provided.

#### **b) Worker's profit participation fund (WPPF)**

The company makes a regular allocation of 5% on net profit before charging such expenses to this fund as per provisions of Labor Laws 2006.

### **2.10.7 Provisions**

A provision is recognized if, there is a present legal or constructive obligation as a result of past event and this can be measured reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. The expense relating to a provision is presented in the statement of profit or loss net of any reimbursement.

Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. If it is probable that an outflow of resources embodying economic benefits are required to settle the obligation, the provisions are reversed.

### **2.10.8 Revenue Recognition**

Revenue from contracts with customers is recognised when control of the goods are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods.

The Company has generally concluded that it is the principal in its revenue arrangements because it typically controls

The company recognizes revenue from the sale of goods is measured at the fair value of the consideration received or

Sales volume increases in comparison to previous year but Net profit after Tax does not increase in proportionate to that

### **2.10.9 Income Tax Expenses**

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the tax authority. Income tax expense comprises current and deferred tax. It is recognised in the statement of profit or loss and other comprehensive income except to the extent that it relates to items recognised directly in equity or in other comprehensive income.

#### **Current Tax**

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to tax payable or receivable in respect of previous years. The amount of current tax payable is the best estimate of the tax amount expected to be paid that reflects uncertainty related to income tax, if any.



### **Deferred Tax**

The company has decided to adopt policy of recognition of deferred tax in accordance with the IAS 12, deferred tax is provided using the balance sheet approach method for temporary difference arising between the carrying value of fixed assets as per accounts and the corresponding income tax written down value. Deferred tax is calculated at the effective income tax rate prevailing at the statement of financial position date.

#### **2.10.10 Finance Income and Expenses**

Finance income comprises interest on financial deposits with banks. Finance income is recognised on an accrual basis and shown under Statement of profit or loss and other comprehensive income. Finance costs comprise interest expense on overdraft and borrowings from bank.

#### **2.10.11 Basic Earnings**

This represents earnings for the period attributable to the ordinary shareholders. As there was no minority interest or extra ordinary items, the net profit after tax for the period has been considered as fully attributable to ordinary shareholders. Calculated as per IAS 33.

#### **2.10.11 Materiality and aggregation**

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

#### **2.10.12 Events after the Reporting Period**

Events after the reporting period are those events, favorable and unfavorable, that occur between the end of the reporting period and the date when the financial statements are authorized for issue.

Two types of events can be identified:

- **Adjusting Events:** Those that provide evidence of conditions that existed at the end of the reporting period.

- **Non adjusting Events:** Those that are indicative of conditions that arose after the reporting period.

The company has taken close look whether any events after the reporting period exist that need to take into account during the preparation of Financial Reports. No event after the reporting period exists and management of the company has prepared the financial reports in accordance.

#### **2.10.13 Advances, Deposits and Prepayments**

Advances are initially measured at cost. After initial recognition advances are carried at cost less deductions, adjustments or charges to other account heads such as PPE, inventory and others.

#### **Cash and Cash Equivalents**

2.10.14 According to IAS 7 Statement of Cash Flows, cash comprises cash in hand, short term deposit and highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in values. No foreign exchange gain or loss has been considered in Cash and Cash Equivalents.

#### **2.10.15 Accrual Basis**

The financial statements have been prepared, except cash flow information, using the accrual Basis of accounting.

#### **2.10.16 Other Regulatory Compliance**

As required, Coppertech Industries Ltd. complies with the following major legal provisions in addition to the Companies Act 1994 and other applicable laws and regulations:

- a) The Income Tax Ordinance 1984
- b) The Income Tax Rules 1984
- c) Securities and Exchange Rules 1987
- d) The Labour Act 2006 (as amendment in 2015)
- e) The Value Added Tax Act 1991
- f) The Value Added Tax Rules 1991
- g) The Customs Act 1969



**2.10.17 Accounting Policies & Estimates**

The preparation of these financial statements is in conformity with IASs/IFRSs which require management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Estimates and underlying assumptions are reviewed on an ongoing basis and used for accounting of certain terms such as provision for expenses and depreciation.

**Responsibility for Preparation and Presentation of Financial Statements**

**2.10.18** The Board of Directors is responsible for the preparation and presentation of financial statements under section 183 of the Companies Act, 1994 and as per the provision of "The Framework for the preparation and Presentation of Financial Statements" issued by the International Accounting Standards Board (IASB).

**2.10.19 Comparative Information**

Comparative information has been disclosed in the respect of previous year for all numeric information in the financial statements and also the narrative and descriptive information where it is relevant for understanding of the current year's financial statement.

**2.10.20 Capacity**

The Company works on continuous operation basis and given the current installed machine configurations and planned expansions, there is sufficient capacity to meet forecast future demand in a variety of specification. The Directors regularly review the production capability of the Company and are satisfied that the current and future capacities are adequate. Plans are in place to meet any anticipated future demand.

**2.10.21 Segmental Reporting**

As required by IFRS-8 "Operating Segments", if an entity operates business activities that may earn revenues or incur expenses, whose operating results are regularly reviewed by the chief operating decision maker and for which discrete financial information is available.

The company considers the operation on aggregate basis and manages the operations as a single operating segment. Hence it is felt that such segment reporting is not required to be disclosed.

**2.10.22 Related Party Disclosure**

The company carried out a number of transactions with related parties in the normal course of business and on arms' length basis. The information as required by IAS-24: Related Party Disclosures has been disclosed in a separate note (note no 30.01) in the Financial Statement.

**2.10.23 Events after the Reporting Period**

There are no events identified after the date of the statement of financial position which require adjustment or disclosure in the accompanying financial statements.

**General**

- i) The figure has been rounded off to the nearest taka.
- ii) The financial Statements have been prepared covering one year from 01 July 2018 to 30 June 2019.
- iii) Because of these rounding off, in some instance the total may not match the sum of individual balance.



Particulars	Amount in Taka		
	30 June 2022	30 June 2021	
<b>3.00 Property, Plant and Equipment</b>			
<b>A. At Cost</b>			
Opening Balance	61,816,895	29,441,395	
Add: Addition during the period	39,496,306	32,375,500	
Less: Disposal during the period	-	-	
<b>Total Cost</b>	<b>101,313,201</b>	<b>61,816,895</b>	
<b>B. Accumulated Depreciation</b>			
Opening Balance	9,802,983	7,280,060	
Add: Depreciation charged for the period	5,406,688	2,522,923	
Less: Adjustment on disposal	-	-	
<b>Total Charge</b>	<b>15,209,671</b>	<b>9,802,983</b>	
<b>Written down value (A-B)</b>	<b>86,103,530</b>	<b>52,013,912</b>	
Details are shown in Annexure-A			
<b>4.00 Capital Work in Progress</b>			
Opening Balance	-	9,285,500.00	
Add: Addition during the period	-	-	
Less: Transferred to appropriate asset category	-	9,285,500.00	
<b>Closing Balance</b>	<b>-</b>	<b>-</b>	
<b>5.00 Inventories</b>			
Raw Material	Note- 16.01	144,087,364	184,603,532
Work in Progress	Note- 16.00	6,845,210	7,565,120
Finished Goods	Note- 16.00	5,750,120	6,742,580
		<b>156,682,694</b>	<b>198,911,232</b>
<b>6.00 Accounts Receivables</b>			
Trade Receivables		132,696,053	-
FDR Interest Receivables	Note- 6.01	130,206	218,889
		<b>132,826,260</b>	<b>218,889</b>
More than six months		-	-
Less than six months		-	-
		<b>-</b>	<b>-</b>

The classification of receivables as required by the Schedule XI of the Companies Act, 1994 are given below:

i) Receivables considered good and in respect of which the company is fully secured.		
ii) Receivables considered good for which the company holds no security other than the debtor's personal security.	-	-
iii) Receivables considered doubtful or bad.		
iv) Receivable due by directors or other officers of the company or any of them either severally or jointly with any other person or receivables due by firms or private companies respectively in which any director is a partner or a director or a member.		
v) Receivables due by companies under the same management.		
vi) The maximum amount due by directors or other officers of the company at any time during the period.		
<b>Total</b>	<b>-</b>	<b>-</b>





Particulars	Amount in Taka	
	30 June 2022	30 June 2021
<b>6.01 FDR Interest Receivables</b>		
Accrued Interest on FDR	130,206	218,889
	-	-
	<b>130,206</b>	<b>218,889</b>
<b>7.00 Advance, Deposit &amp; Prepayments</b>		
Advance Income Tax	-	-
Advance to Employees	67,745	80,482
Advance to CDBL	400,000	400,000
Advance Intercompany	39,331,487	31,581,715
L/C Margin in MTB	2,044,682	3,618,481
	<b>41,843,914</b>	<b>35,680,678</b>
<b>7.01 Advance Income Tax</b>		
Income Tax deduction at source - opening	-	-
Add: Advance income tax during the period	780,918	3,466,315
	<b>780,918</b>	<b>3,466,315</b>
Less: Adjustment during the period	780,918	3,466,315
	-	-
<b>7.02 Advance To Intercompany</b>		
Opening Balance	-	-
Add: Advance made during the Year (Note : 13.01)	39,331,487	31,581,715
	<b>39,331,487</b>	<b>31,581,715</b>
Less: Adjustment during the Year	-	-
	<b>39,331,487</b>	<b>31,581,715</b>

NIALCO Alloys limited is a company having two sister concerns (through common directorship) one is Marine Safety System and another is Chittagong Ship Breaking Ltd. NIALCO has a composite credit facility from Mutual Trust Bank Limited, Agrabad Branch for amounting Tk. 45.00 crore vide sanction letter No. MTB/CAD/Marine Safety System /2021/246, Dated: 14th January 2021.

As per Sanction letter sister concerns of NIALCO are also entitled to avail the limit time to time on need basis. Time to time they availed the limit and make deposit to repayment the loan amount from different sister concerns which should be balanced at the end of the year. As per Financial Statement of NIALCO shows a payment of Tk. 3,93,31,487.00 represents intercompany debit balance i.e; receivable from other company of the group as on 30th June 2022.

As per financial Statement of NIALCO there are intercompany transactions with sister concern and having common directors which it disclosed under related party transaction as per IAS -24 in the financial Statement as separate note.

**Disclosure as per Schedule XI, Part I, Para 4 of the Companies Act, 1994**

i) Advance, deposits & prepayment considered good and in respect of which the company is fully secured.	2,044,682	3,618,481
ii) Advance, deposits & prepayment considered good for which the company holds no security.		
iii) Advance, deposits & prepayment considered doubtful or bad.		
iv) Advance, deposits & prepayment due by directors or other officers of the company or any of them either severally or jointly with any other person or Advance, deposits & prepayment due by firms or private companies respectively in which any director is a partner or a director or a	67,745	80,482
v) Advance, deposits & prepayment due by companies under the same		
vi) The maximum amount due by directors or other officers of the company at any time during the period.		
<b>Total</b>	<b>2,112,427</b>	<b>3,698,963</b>

Particulars	Amount in Taka	
	30 June 2022	30 June 2021

### 8.00 Cash and cash equivalents

(i) Cash in hand	1,542,288	142,288
(ii) Cash at bank:		
Mutual Trust Bank Ltd. A/C No. 0005-0210020220	2,229,425	7,442,566
Mutual Trust Bank Ltd. A/C No. 0005-0260001264	177,465	159,761
Mutual Trust Bank Ltd. A/C No. 1301000000548	1,860,000	800,000
Eastern Bank Ltd. A/c No. 0011060785567	473,742	1,095,348
Midland Bank Ltd. A/c No. 0003-1090001613	5,775	6,925
Mutual Trust Bank Ltd. A/C No. 0005-0320003791	41,490,817	75,214,560
(iii) FDR		
Eastern Bank Ltd.	-	-
Mutual Trust Bank Ltd.	25,410,267	35,481,724
<b>Total</b>	<b>73,189,780</b>	<b>120,343,172</b>

The above balances are supported with bank statement and the cash balance has been physically counted and certified by management.

### 9.00 Share Capital

#### A. Authorized Capital

80,000,000 Ordinary Shares of Tk. 10/- each	800,000,000	800,000,000
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#### B. Issued, Subscribed & Paid-up Capital

28,500,000 Ordinary Shares of Tk. 10/- each fully paid up	285,000,000	285,000,000
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#### C. Shareholding Position

	Percentage	No. of Share	Amount
Sponsor/Director	73.14%	20,845,000	208,450,000
Companies, Financial Institution And Qualified Investors	26.32%	7,500,000	75,000,000
Other Shareholders	0.54%	155,000	1,550,000
<b>Total:</b>	<b>100.00%</b>	<b>28,500,000</b>	<b>285,000,000</b>

Details are shown in Annexure-B

### 10.00 Retained Earnings

Opening Balance	71,489,570	37,074,548
Net profit for the period	14,606,238	34,892,272
Less: QID Expense	(28,500,000)	(477,250)
	<b>57,595,808</b>	<b>71,489,570</b>

### 11.00 Deferred Tax Liability

Opening Balance	504,189	377,688
Add: Addition During the period	962,493	126,501
	<b>1,466,682</b>	<b>504,189</b>

### 12.00 Short Term Borrowings

Bank Loan	12.01	142,216,540	36,184,814
		<b>142,216,540</b>	<b>36,184,814</b>

#### 12.01 Bank Loan

Accepted liability	2,350,005	36,184,814
WC Under Stimulus Package	101,524,674	
Trust Receipt	38,341,861	-
	<b>142,216,540</b>	<b>36,184,814</b>

#### Terms and Conditions

Name of Bank	Mutual Trust Bank Ltd.
Nature	Short Term
Sanction Limit	450 Million
Purpose of Loan	To import ferrous and non ferrous items like aluminum, nickel, copper, bronze, brass scrap, zinc and other permissible items.
Margin	10%
Rate of Interest	9.00%
Mode of Adjustment	120 days to 360 days



Particulars	Amount in Taka	
	30 June 2022	30 June 2021
<b>13.00 Accounts Payable</b>		
Intercompany payable	13.01 -	-
Payable to Supplier	13.02 -	10,340,477
	-	<u>10,340,477</u>
<b>13.01 Intercompany payable</b>		
Opening Balance	(31,581,715)	5,687,305
Add: Addition during the period	57,358,029	106,008,974
Less: Paid/Adjustment during the period	(65,107,801)	(143,277,994)
	<u>(39,331,487)</u>	<u>(31,581,715)</u>

NIALCO Alloys limited is a company having two sister concerns (through common directorship) one is Marine Safety System and another is Chittagong Ship Breaking Ltd. NIALCO has a composite credit facility from Mutual Trust Bank Limited, Agrabad Branch for amounting Tk. 45.00 crore vide sanction letter No. MTB/CAD/Marine Safety System /2021/246, Dated: 14th January 2021.

As per Sanction letter sister concerns of NIALCO are also entitled to avail the limit time to time on need basis. Time to time they availed the limit and make deposit to repayment the loan amount from different sister concerns which should be balanced at the end of the year. As per Financial Statement of NIALCO it shows a payment of Tk. 3,93,31,487.00 represents intercompany debit balance i.e; receivable from other company of the group as on 30th June 2022.

As per financial Statement of NIALCO there are intercompany transactions with sister concern and having common directors which it disclosed under related party transaction as per IAS -24 in the financial Statement as separate note.

<b>13.02 Payable to Supplier</b>		
Opening Balance	-	-
Add: Addition during the period	-	10,340,477
Less: Adjustment during the period	-	-
	-	<u>10,340,477</u>
<b>14.00 Liabilities for Expenses</b>		
Salary & Allowance	14.01 482,313	567,079
Income Tax provision	2,375,780	564,343
WPPF	14.02 1,062,212	2,002,981
Security guard salary	25,000	25,000
Utility Bill	25,420	25,420
Audit Fees	200,000	120,000
Other Expenses	194,998	44,010
QIO Expenses	-	300,000
	<u>4,365,723</u>	<u>3,648,833</u>
<b>14.03 Dividend Payable (2020-2021)</b>	<u>1,425</u>	<u>-</u>





Particulars	Amount in Taka	
	30 June 2022	30 June 2021
<b>14.01 Income Tax provision</b>		
Opening Balance	564,343	1,405,152
Add: Addition during the period	3,156,697	4,030,658
Less: Adjustment during the period	1,345,261	4,871,467
	<u>2,375,780</u>	<u>564,343</u>
<b>14.02 Workers profit participation fund(WPPF)</b>		
Opening Balance	2,002,981	1,008,791
Add: Addition during the period	936,271	1,952,472
Add: Interest accrued on undistributed amount of last year	125,941	50,509
Less: Paid/Adjustment during the period	2,002,981	1,008,791
	<u>1,062,212</u>	<u>2,002,981</u>
<b>14.03 Payable Against Capital Work-In-Progress ( CWIP)</b>		
Opening Balance	-	1,285,500
Add: Addition during the period	-	-
Less: Adjustment during the period	-	(1,285,500)
	<u>-</u>	<u>-</u>
	<b>2021-2022</b>	<b>2020-2021</b>
<b>15.00 Revenue</b>		
Gross Sales (Export)	205,814,121	602,862,064
Less: VAT	-	-
	<u>205,814,121</u>	<u>602,862,064</u>
<b>Details are shown in Annexure-D</b>		
<b>16.00 Cost of Goods Sold</b>		
Raw Materials Consumption	16.01 158,331,151	503,961,768
Manufacturing overhead	16.02 15,484,595	11,079,561
<b>Cost of Manufacturing</b>	<b>173,815,746</b>	<b>515,041,329</b>
Work in Progress-Opening	7,565,120	14,265,350
Work in Progress-Closing	(6,845,210)	(7,565,120)
<b>Cost of goods Manufactured</b>	<b>174,535,656</b>	<b>521,741,559</b>
Finished goods-Opening	6,742,580	14,685,635
Finished goods-Closing	(5,750,120)	(6,742,580)
	<u>175,528,116</u>	<u>529,684,614</u>
<b>16.01 Raw Materials Consumption</b>		
Opening Balance	184,603,532	259,087,364
Add: Purchase during the period	117,814,983	429,477,936
	<b>302,418,515</b>	<b>688,565,300</b>
Less: Purchase discount	-	-
<b>Raw materials available for production</b>	<b>302,418,515</b>	<b>688,565,300</b>
Raw Materials-Closing	(144,087,364)	(184,603,532)
<b>Less: Consumption during the period</b>	<b>158,331,151</b>	<b>503,961,768</b>



Particulars	Amount in Taka	
	2021-2022	2020-2021

**16.02 Manufacturing overhead**

Wages, Salary & Allowance	2,542,320	2,765,272
Conveyance	212,135	235,182
Tours & Travel	420,500	418,766
Carriage Inward	165,180	381,515
Utility Bill Expenses	1,044,205	818,850
Entertainment	87,200	89,500
Internet Expenses	24,000	24,000
License & Renewal	133,070	178,515
Loading & Unloading Expenses	120,662	260,211
Insurance Expense	347,959	586,363
Medical Expenses	40,500	90,533
Mobile, Telephone & Fax Expenses	89,452	92,882
Printing & Stationery	52,205	65,812
Repairs & Maintenance	442,680	318,750
Store & Spares	450,956	362,511
C & F Expenses	3,190,828	-
Cutting Expenses	575,462	1,678,552
Scale charge	145,520	155,122
Uniform & Gloves	12,620	18,120
Miscellaneous Expenses	85,650	109,592
Depreciation (Annexure-A)	5,301,491	2,429,513
	<b>15,484,595</b>	<b>11,079,561</b>

**17.00 Administrative Expenses**

Salary & Allowance	2,365,300	2,942,500
Managing Directors remuneration	2,250,000	-
Conveyance	212,600	915,644
Paper & Periodical	12,520	28,122
Entertainment	125,463	140,130
Printing & Stationery	32,855	112,611
Fees and Renewals	92,100	175,100
Utility Bill	713,590	204,713
Audit Fee	200,000	191,667
Telephone, Mobile & Internet bill	45,522	65,522
Business Development expenses	185,720	445,689
Postage & Courier	32,711	42,511
Repairs & Maintenance	65,850	82,642
Photocopy charges	13,450	21,580
Advisory Fees	703,000	2,700,000
Listing Fees	68,500	-
Board Meeting Fees	55,000	-
Medical Expenses	22,520	42,655
Miscellaneous Expenses	35,321	85,692
Regulatory fees-CSE	39,750	39,750
Depreciation (Annexure-A)	105,197	93,410
	<b>7,376,969</b>	<b>8,329,938</b>



Particulars	Amount in Taka	
	2021-2022	2020-2021
<b>18.00 Selling &amp; Distributing Expenses</b>		
Salary & Allowance	1,985,545	2,202,575
C&F Expense - Export	952,500	3,498,667
Conveyance	89,320	132,642
Entertainment	100,520	135,200
Packing Expenses	180,645	790,198
Sales Promotion Expense	166,850	965,426
Carriage Outward	455,911	2,211,584
Export expenses	723,788	1,510,545
Freight charges	962,520	3,218,600
Postage & Courier	48,350	128,762
Loading & Unloading	120,423	452,521
Miscellaneous Expenses	12,540	25,244
Mobile, Telephone & Fax Expenses	69,130	119,130
Sample Expense	145,299	545,299
	<b>6,013,341</b>	<b>15,936,393</b>
<b>19.00 Financial Expenses</b>		
Bank Charges and Interest	5,240,823	8,250,986
Interest on WPPF (undistributed amount for the FY 2019-20)	125,941	50,509
	<b>5,366,764</b>	<b>8,301,495</b>
<b>20.00 Non operating Income</b>		
FDR interest	2,545,719	1,636,496
Realized gain / (loss) Note 20.01	1,514,479	(1,147,004)
Unrealized gain / (loss) Note 20.02	4,072,570	(97,212)
	<b>8,132,768</b>	<b>392,279</b>
<b>20.01 Realized gain / (loss)</b>		
Value of export collection on sales booking rate	73,555,959	607,625,583
Value of export collection on average realized rate	80,045,944	606,478,579
	<b>6,489,986</b>	<b>(1,147,004)</b>
Value of Import Bill Payment in booking rate	134,231,840	426,915,327
Value of Import Bill Payment in Average Rate	139,207,346	426,965,582
	<b>(4,975,507)</b>	<b>(50,255)</b>
	<b>1,514,479</b>	<b>(1,197,259)</b>
<b>20.02 Unrealized gain / (loss)</b>		
Value of Import Payable on closing rate	11,714,061	46,525,291
Value of Import Payable on average rate	12,015,070	46,622,504
	<b>(301,009)</b>	<b>(97,212)</b>
Value of closing receivable on sales booking rate	117,992,739	-
Value of closing receivable on year end Average rate	122,366,319	-
	<b>4,373,580</b>	<b>-</b>
	<b>4,072,570</b>	<b>(97,212)</b>
<b>21.00 Income Tax</b>		
Current Tax	3,156,697	4,030,658
Deferred Tax	1,466,682	504,189
	<b>4,623,379</b>	<b>4,534,847</b>





Particulars	Amount in Taka	
	2021-2022	2020-2021

#### 21.01 Current Tax

<b>Profit before tax as per account</b>	<b>18,725,428</b>	<b>39,049,431</b>
Profit from business (export)	16,179,709	37,412,935
Profit from Non-business source (other income)	2,545,719	1,636,496
<b>Profit from business (export)</b>	<b>16,179,709</b>	<b>37,412,935</b>
Less: QIO Expenses	-	477,250
Add: Accounting depreciation	5,406,688	2,522,923
Less: Tax depreciation	9,792,401	4,415,092
<b>Taxable profit from business (export)</b>	<b>11,793,996</b>	<b>35,043,516</b>
Tax on profit from business (export) @50% exclusion from total income under: para-28, Part-A, 6th schedule of ITO, 1984.	1,326,825	3,942,396
Tax on profit from non-business source in regular rate @22.50%	1,829,873	88,263
<b>A. Current Tax @ 22.5%</b>	<b>3,156,697</b>	<b>4,030,658</b>
Minimum Tax:		
Gross Receipts	205,814,121	602,862,064
<b>B. Minimum Tax @ 0.6%</b>	<b>1,234,885</b>	<b>3,617,172</b>
<b>C. TDS at Source</b>	<b>780,918</b>	<b>3,466,315</b>
Whichever is Higher from above calculation (A, B & C)	<b>3,156,697</b>	<b>4,030,658</b>

#### 21.02 Deferred Tax

Written down value as per 3rd schedule of ITO 1984	77,138,928	47,435,023
Written down value as per financial statements	86,103,530	52,013,912
Unrealized Gain/(Loss)	4,072,570	(97,212)
<b>Temporary difference</b>	<b>13,037,172</b>	<b>4,481,677</b>
Current Tax rate on Export Business Income (22.5/2=11.25%)	11.25%	11.25%
<b>Deferred Tax during the period</b>	<b>1,466,682</b>	<b>504,189</b>

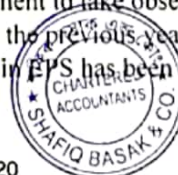
#### 22.00 Earnings per share (Basic)

A. Net Profit after Tax	14,606,238	34,892,272
B. Weighted average number of Share outstanding	28,500,000	20,272,603
<b>Earnings per Share (A/B)</b>	<b>0.51</b>	<b>1.72</b>

#### Restated EPS as per current outstanding number of share

<b>Earnings per share</b>		
A. Net Profit after Tax	14,606,238	34,892,272
B. Weighted average number of Share outstanding	28,500,000	28,500,000
<b>Earnings per Share (A/B)</b>	<b>0.51</b>	<b>1.22</b>

Significant deviation in EPS: Nialco Alloys Ltd. Is a 100% export oriented company. The demand for the goods of the company in the European was very sluggish and thus successful marketing deals could not be made hence the production cost was much higher then the offered sale price. In addition thr Russian federations inasion of Ukraine and its global effects on commodity markets, supply chains, inflation, and financial conditions have steepened the slowdown in global business . Volatility in dollar prices, and unstable market demands soaring management to take observe and proceed slowly strategy. Thus the turnover has dropped sharply compared to the previous year. On the other hand the fixed cost remain the same. Resuntantly, a significant deviation in EPS has been Occurred.



Particulars	Amount in Taka			
	2021-2022		2020-2021	
Particulars	Number of Share	Weight	Weighted average no of Shares	Weighted average no of Shares
Opening No. of Shares	28,500,000	365/365	28,500,000	10,690,411
<b>Total</b>	<b>28,500,000</b>		<b>28,500,000</b>	<b>10,690,411</b>

**23.00 Net Asset Value (NAV) Per Share**

Total Assets	490,646,178	407,167,883
Less: Total Liabilities	148,050,370	50,678,312
<b>A. Net Asset Value (NAV)</b>	<b>342,595,808</b>	<b>356,489,571</b>
B. Total Number of Share outstanding	28,500,000	28,500,000
<b>Net Asset Value (NAV) Per Share (A/B)</b>	<b>12.02</b>	<b>12.51</b>

**24.00 Net Operating Cash Flows Per Share (NOCFPS)**

Net Operating Cash Flows (Numerator)	(113,688,811)	152,161,866
Number of Ordinary Shares (Denominator)	28,500,000	20,272,603
<b>Net Operating Cash Flow Per Share (NOCFPS)</b>	<b>(3.99)</b>	<b>7.51</b>

Significant Deviation in NOCFPS :Receipts from customers have dropped around 10 times compared to last year. On the other hand, during the year payment to suppliers is almost doubled compare to receipts. As a result, the NOCFPS has deviated significantly.

**25.00 Disclosure as per requirement of Schedule XI, Part II, Note 5 of Para 3:**

Employee position of the company as at June 30, 2022:

Salary (Monthly)	Officer & Staff		Worker
	Factory	Head Office	
Number of employees whose salary below Tk. 3,000 per month	0	0	0
Number of employees whose salary above Tk. 3,000 per month	9	12	27
<b>Total</b>	<b>9</b>	<b>12</b>	<b>27</b>

Besides these mentioned above in the schedule the company hire 10 to 15 daily payment basis casual worker as on requirement to whom paid cash, all these casual worker are hired from Local area in reference of internal and external source without making any fixed contract

**26.00 Payment information to Directors as per requirement of schedule XI, part II, Para 4**

No Payment has been paid to directors within the period ending 30 June, 2022 in any of the following:

(a)	Managerial Remuneration paid or payable during the financial period to the directors, including managing director, a managing agent or manager.
(b)	Expenses reimbursed to the managing agent;
(c)	Commission or other remuneration payable separately to a managing agent or his associate;
(d)	Commission received or receivable by the managing agent or his associate as selling or buying agent of other concerns in respect of contracts entered into by such concerns with the company.;
(e)	The money value of the contracts for the sale or purchase of goods and materials or supply of services, entered into by the company with the managing agent or his associate during the financial period.
(f)	Any other perquisites or benefits in cash or in kind stating, approximate money value where practicable.
(g)	Other allowances and commission including guarantee commission.
(h)	Pensions etc.
(i)	Pensions
(ii)	Gratuities
(iii)	Payments from a provident funds, in excess of own subscription and interest thereon
(iv)	Compensation for loss of office
(v)	Consideration in connection with retirement from office.



Particulars	Amount in Taka	
	2021-2022	2020-2021

**27.00 Related Party Transaction:**

As per IAS 24: Related party disclosure and as defined in the Securities & Exchange Rules 1987 the related party transaction are as follows :

The Company carried out a number of transactions with related parties in the normal course of business, The nature of transactions and their values are shown below:

Name	Nature of transaction	Received	Payment	Balance
Marine Safety System	Intercompany loan	57,358,029	65,107,801	(39,331,487)

During the year Managing Directors of the company has received Tk 2,250,000 as remuneration by the approval 10th Annual General Meeting.

**28.00 Cash flow generated from operating activities under Indirect Method:**

Particulars	Amount (Tk.)
Profit before Tax	(9,774,572)
Add: Depreciation	5,406,688
	<b>(4,367,884)</b>
(Increase)/Decrease in Inventories	42,228,538
(Increase)/Decrease in Trade Receivable	(132,607,371)
(Increase)/Decrease in Advance, Deposit & Prepayments	(6,163,235)
Increase/(Decrease) in Creditors & Accruals	(11,999,367)
	(112,909,318)
Cash payment against Income Tax	(780,918)
<b>Net Cash Generate from Operating Activities</b>	<b>(113,690,236)</b>

**29.00 Payment to Suppliers**

COGS	175,528,116	529,684,614
Increase/(decrease) in inventory	(42,228,538)	(89,127,117)
(Increase)/decrease in Accounts payable and liabilities for expense	11,999,367	(3,134,160)
Less: Manufacturing overhead	(15,484,595)	(11,079,561)
<b>Paid to Suppliers</b>	<b>129,814,350</b>	<b>426,343,776</b>

**30.00 Operating expenses paid**

Office & administrative expenses	7,376,969	8,329,938
Selling & distribution expenses	6,013,341	15,936,393
Add: Worker profit participation Fund(WPPF)	936,271	1,952,472
Add: Factory overhead	15,484,595	11,079,561
	<b>29,811,176</b>	<b>37,298,364</b>
Increase/(Decrease) In Prepaid exp.( Advance)	6,163,235	27,531,239
Less: Non cash Depre.	(5,406,688)	(2,522,923)
Less: Preliminary expenses written off	-	-
	<b>30,567,724</b>	<b>62,306,680</b>

**31.00 Events after reporting period**

The Board of Directors of NIALCO ALLOYS LIMITED at its st meeting held on 25 October 2022 recommended a cash dividend amounting to BDT 14,250,000 being 5% of the paid-up capital (i.e. BDT 0.50 per share) for the year 2021-22. These dividends are subject to final approval by the shareholders at the forthcoming annual general meeting of the company.

**32.00 Bank Guarantee**

The company have no Bank Guarantee on the reporting date.

**33.00 Claim Acknowledgement**

There was no claim against the Company not acknowledged as debt as on June 30, 2021.

**34.00 Foreign currency earned**

The company has earned the entire sales proceeds in the form of foreign currency against export sales.

**35.00 Foreign currency payment**

The company incurred foreign currency expenses through import of raw materials.





**NIALCO ALLOYS LIMITED**  
**Schedule of Property, Plant & Equipment**  
**As at 30 June 2022**

Particulars	Cost			Rate of Dep.	Depreciation			Annexure-A Written Down Value as on 30.06.2022
	Balance as at 01.07.2021	Addition this period	Balance as on 30.06.2022		Balance as at 01.07.2021	Charged during the period	Balance as on 30.06.2022	
	Land and Land Development	17,857,500	-		17,857,500	0%	-	
Plant & Machineries	42,811,695	39,362,456	82,174,151	10%	9,639,776	14,941,267	67,232,884	
Computer & Printer	962,000	133,850	1,095,850	10%	133,492	223,090	872,760	
Furniture & Fixture	185,700	-	185,700	10%	29,715	45,314	140,386	
<b>Balance as on 30 June 2022</b>	<b>61,816,895</b>	<b>39,496,306</b>	<b>101,313,201</b>		<b>9,802,983</b>	<b>15,209,671</b>	<b>86,103,530</b>	

**Allocation of Depreciation:**

Manufacturing	5,301,491
Administration	105,197
<b>Total</b>	<b>5,406,688</b>



**NIALCO ALLOYS LIMITED**  
For the period ended 30 June, 2022

Annexure-B

Name wise Shareholding position

Sl.	Name of Subscriber	Position	No. of Share	Amount Subscribed (BDT)
1	Gazi Mokarram Ali Chowdhury	Chairman	9,340,000	93,400,000
2	Kamal Uddin Ahmed	Managing Director	10,635,000	106,350,000
3	Matin Uddin Ahmed	Director	570,000	5,700,000
4	Md. Ruhul Amin	Shareholder	300,000	3,000,000
5	Md. Belal Uddin	Shareholder	45,000	450,000
6	Farhana Islam	Shareholder	100,000	1,000,000
7	Satyajit Saha	Shareholder	10,000	100,000
8	Qualified Investors	Shareholder	7,500,000	75,000,000
	<b>Total</b>		<b>28,500,000</b>	<b>285,000,000</b>

