

**Independent Auditors' Report  
AND AUDITED FINANCIAL STATEMENTS**

**OF**

**OLYMPIC INDUSTRIES LIMITED  
As at and for the year ended 30 June 2018**

## INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF OLYMPIC INDUSTRIES LIMITED

### Report on the Financial Statements

We have audited the accompanying financial statements of Olympic Industries Limited which comprise the Statement of Financial Position as at 30 June 2018 and the 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 comprising a summary of significant accounting policies and other explanatory information.

### Management's responsibility for the financial statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards (IFRSs) and International Accounting Standards (IASs), the Companies Act 1994, the Securities 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.

### Auditors' responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

### Opinion


In our opinion, the financial statements give a true and fair view of the financial position of the Company as at 30 June 2018, 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 1987 and other applicable laws and regulations.

### Report on other Legal and Regulatory requirements

In accordance with the requirements of the Companies Act 1994 and the Securities and Exchange Rules 1987, we report that:

- i) 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;
- ii) In our opinion, proper books of accounts as required by law have been kept by the company so far as it appeared from our examination of those books;
- iii) The company's Statement of Financial Position and Statement of Profit or Loss and Other Comprehensive Income dealt with by this report are in agreement with the books of accounts; and
- iv) The expenditures incurred and payment made were for the purpose of the company's business for the year.

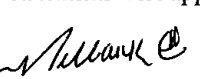
Dhaka, October 23, 2018

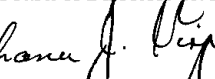
  
**SHAFIQ BASAK & CO.**  
Chartered Accountants

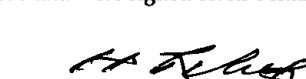
OLYMPIC INDUSTRIES LIMITED  
Statement of Financial Position  
As at 30 June 2018

Particulars	Notes	Amount in Taka	
		30 June 2018	30 June 2017
<b>ASSETS</b>			
<b>Non-current Assets:</b>			
Property, Plant & Equipment (at cost less accumulated depreciation )	02.00	2,243,553,821	1,907,118,367
Capital Work-in-progress	03.00	930,608,133	450,255,126
Intangible Assets	04.00	1	6,452,865
		<b>3,174,161,955</b>	<b>2,363,826,358</b>
<b>Current Assets:</b>			
Inventories	05.00	1,306,910,332	889,663,238
Trade & Other Receivables	06.00	178,459,954	163,380,305
Advances, Deposits & Pre-payments	07.00	1,725,403,875	1,360,608,025
Investments	08.00	3,970,700,921	4,095,492,162
Cash & Cash Equivalents	09.00	461,316,250	247,347,709
		<b>7,642,791,332</b>	<b>6,756,491,439</b>
<b>Total Assets</b>		<b>10,816,953,287</b>	<b>9,120,317,797</b>
<b>EQUITY &amp; LIABILITIES</b>			
<b>Shareholders' Equity:</b>			
Share capital	10.00	1,999,388,860	1,999,388,860
Retained earnings (As per Statement of Changes in Shareholders' Equity)		4,304,804,859	3,413,462,226
		<b>6,304,193,719</b>	<b>5,412,851,086</b>
<b>Non-current Liabilities:</b>			
Long-term loan - Non- Current Portion	11.00	361,912,071	176,148,442
Lease Finance - Non- Current Portion	12.00	4,634,269	14,971,692
Deferred Tax Liability	13.00	123,429,925	107,703,766
		<b>489,976,265</b>	<b>298,823,900</b>
<b>Total Equity &amp; Non - current liabilities</b>		<b>6,794,169,984</b>	<b>5,711,674,986</b>
<b>Current Liabilities &amp; Provisions:</b>			
Short-term loans and overdraft	14.00	1,571,406,579	846,439,265
Long-term loan-Current portion	11.00	174,225,982	144,803,219
Lease finance-Current portion	12.00	9,248,053	25,410,811
Interest payable	15.00	98,923	406,227
Creditors for goods	16.00	456,418,351	529,203,787
Creditors for services	17.00	12,580,993	15,780,537
Accrued expenses	18.00	104,782,112	58,898,027
Advance against sales	19.00	87,988,924	131,633,278
Liabilities for other finance	20.00	94,875,855	53,816,000
Provision for taxation	21.00	1,149,733,308	1,138,136,995
Unclaimed dividend	22.00	160,773,483	111,632,675
Employee benefit obligations	23.00	200,650,740	352,481,990
		<b>4,022,783,303</b>	<b>3,408,642,811</b>
<b>Total liabilities</b>		<b>4,512,759,568</b>	<b>3,707,466,711</b>
<b>Total Equity &amp; Liabilities</b>		<b>10,816,953,287</b>	<b>9,120,317,797</b>

The annexed notes 01 to 43 and Annexures A&B form an integral part of these financial statements. These financial statements were approved by the Board of Directors on 23-10-2018 and were signed on its behalf by:

  
Mubarak Ali  
Managing Director

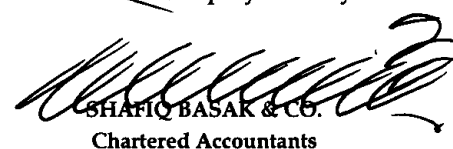
  
Noorbhanu Virji  
Director

  
Md. Harun-Al-Rashid  
Chief Financial Officer

  
Md. Nazimuddin  
Company Secretary

Signed in terms of our separate report of even date annexed

Dhaka, October 23, 2018

  
SHAFIQ BASAK & CO.  
Chartered Accountants

**OLYMPIC INDUSTRIES LIMITED**  
**Statement of Profit or Loss and Other Comprehensive Income**  
**for the year ended 30 June 2018**

Particulars	Notes	Amount in Taka	
		30 June 2018	30 June 2017
Revenue	24.00	12,928,501,078	11,290,557,541
Cost of sales	25.00	(8,707,718,622)	(7,523,115,147)
Gross profit		4,220,782,456	3,767,442,394
<b>Operating expenses</b>			
Administrative expenses	26.00	(328,563,859)	(292,089,909)
Selling expenses	27.00	(1,497,230,341)	(1,322,222,891)
		(1,825,794,200)	(1,614,312,800)
Profit from operations		2,394,988,256	2,153,129,594
Finance cost	28.00	(155,519,117)	(118,234,767)
		2,239,469,139	2,034,894,827
Other income	29.00	285,926,925	299,186,803
Profit / (Loss) for the year		2,525,396,064	2,334,081,630
Net changes in fair value of investment in shares of Listed Companies	08.01	(5,777,080)	(157,010)
		2,519,618,984	2,333,924,620
Contribution to Workers Profit Participation & Welfare Funds	23.01	(119,981,856)	(111,139,268)
Profit before tax		2,399,637,128	2,222,785,352
Income tax expenses		(608,569,508)	(579,534,678)
Current tax	21.00	(592,843,349)	(565,599,025)
Deferred tax		(15,726,159)	(13,935,653)
Profit after taxation		1,791,067,620	1,643,250,674
Other Comprehensive Income		-	-
Total Comprehensive Income for the year		1,791,067,620	1,643,250,674
Profit/(Loss) for the year		<u>1,791,067,620</u>	<u>1,643,250,674</u>
Basic & Diluted Earnings Per Share (EPS) (Par value Tk 10.00)	30.00	8.96	8.22
Number of shares used to compute EPS		199,938,886	199,938,886

The annexed notes 01 to 43 and Annexures A&B form an integral part of these financial statements. These financial statements were approved by the Board of Directors on 23-10-2018 and were signed on its behalf by:

  
Mubarak Ali  
Managing Director


  
Noorbanu Virji  
Director

  
Md. Harun-Al-Rashid  
Chief Financial Officer

  
Md. Nazimuddin  
Company Secretary

Signed in terms of our separate report of even date annexed

Dhaka, October 23, 2018

  
SHAFIQ BASAK & CO.  
Chartered Accountants

**OLYMPIC INDUSTRIES LIMITED**  
**Statement of Changes in Shareholders' Equity**  
**for the year ended 30 June 2018**

Particulars	Amount in Taka		
	Share Capital	Retained Earnings	Total
Balance as on 01 July 2016	1,904,179,870	2,627,092,490	4,531,272,360
Transactions with the shareholders			
Cash dividend for 2016	-	(761,671,948)	(761,671,948)
Stock dividend for 2016	95,208,990	(95,208,990)	-
Net profit for the year ended 30 June 2017	-	1,643,250,674	1,643,250,674
<b>Balance as on 30 June 2017</b>	<b>1,999,388,860</b>	<b>3,413,462,226</b>	<b>5,412,851,086</b>

No of Shares at Balance Sheet Date 199,938,886


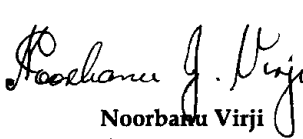


Net Asset Value (NAV) Per share (Note-31.00) 27.07

Balance as on 01 July 2017	1,999,388,860	3,413,462,226	5,412,851,086
Transactions with the shareholders			
Cash dividend for 2017	-	(899,724,987)	(899,724,987)
Net profit for the year ended 30 June 2018	-	1,791,067,620	1,791,067,620
<b>Balance as on 30 June 2018</b>	<b>1,999,388,860</b>	<b>4,304,804,859</b>	<b>6,304,193,719</b>

No of Shares at Balance Sheet Date 199,938,886

Net Asset Value (NAV) Per share (Note-31.00) 31.53

The annexed notes 01 to 43 and Annexures A&B form an integral part of these financial statements. These financial statements were approved by the Board of Directors on 23-10-2018 and were signed on its behalf by:

 <b>Mubarak Ali</b> Managing Director	 <b>Noorbanu Virji</b> Director	 <b>Md. Harun-Al-Rashid</b> Chief Financial Officer	 <b>Md. Nazimuddin</b> Company Secretary
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Signed in terms of our separate report of even date annexed

Dhaka, October 23, 2018


  
**SHAFIQ BASAK & CO.**  
Chartered Accountants


OLYMPIC INDUSTRIES LIMITED


Statement of Cash Flows  
for the year ended 30 June 2018  
[refer to accounting policy note # 1 (p)  
and note # 32.01]


Particulars	Notes	Amount in Taka	
		30 June 2018	30 June 2017
<b>A. Cash Flows from Operating Activities</b>			
Cash received from customers & others		12,873,666,075	11,077,744,283
Cash paid to suppliers and employees		(11,368,359,111)	(9,410,191,043)
Cash generated from operations		1,505,306,964	1,667,553,240
Bank charges		(6,823,122)	(4,164,994)
Income taxes paid		(585,270,408)	(674,720,508)
<b>Net Cash generated from operating activities</b>		<b>913,213,434</b>	<b>988,667,738</b>
<b>B. Cash Flows from Investing Activities</b>			
Acquisition of capital assets		(1,107,872,044)	(650,537,658)
Investments		118,983,970	(525,232,358)
Proceeds from sale of fixed assets		1,010,810	-
Interest received		280,887,954	292,692,297
<b>Net Cash used in investing activities</b>		<b>(706,989,310)</b>	<b>(883,077,719)</b>
<b>C. Cash Flows from Financing Activities</b>			
Short-Term Loan		724,967,314	632,272,882
Long-Term Loan		215,186,392	(12,154,257)
Related parties		32,888,827	-
Interest paid		(129,273,611)	(113,779,972)
Lease finance		(26,500,181)	(15,029,765)
Liabilities for Other Finance		41,059,855	(11,025,901)
Dividend paid		(850,584,179)	(720,234,023)
<b>Net Cash from Financing Activities</b>		<b>7,744,417</b>	<b>(239,951,036)</b>
<b>Increase/(Decrease) in Cash &amp; Cash Equivalents (A+B+C)</b>		<b>213,968,541</b>	<b>(134,361,017)</b>
Cash & cash equivalents at opening		247,347,709	381,708,726
<b>Cash &amp; cash equivalents at closing</b>		<b>461,316,250</b>	<b>247,347,709</b>
<b>Net Operating Cash Flow per Share</b>	Note-32.00	<b>4.57</b>	<b>4.94</b>
<b>Number of shares used to compute Net Operating Cash Flow per Share</b>		<b>199,938,886</b>	<b>199,938,886</b>

The annexed notes 01 to 43 and Annexures A&B form an integral part of these financial statements. These financial statements were approved by the Board of Directors on 23-10-2018 and were signed on its behalf by:

  
Mubarak Ali  
Managing Director

  
Noorbanu Virji  
Director

  
Md. Harun-Al-Rashid  
Chief Financial Officer

  
Md. Nazimuddin  
Company Secretary

Signed in terms of our separate report of even date annexed

Dhaka, October 23, 2018

  
SHAFIQ BASAK & CO.  
Chartered Accountants

**OLYMPIC INDUSTRIES LIMITED**  
**Accounting Policies and Explanatory Notes**  
**As at and for the year ended June 30, 2018**

**01.00 Significant accounting policies and other material information:**

**a) Company information**

**i) Legal form of the enterprise:**

Olympic Industries Ltd. (Formerly Bengal Carbide Limited) (the "Company"), is a company incorporated and domiciled in Bangladesh as a public limited company. The company was incorporated in Bangladesh on 26th June, 1979 bearing registration number C-7096/826 of 1978-1979.

It commenced commercial operation in 1982 and went for public issue of shares in 1984. The shares of the Company are listed in Dhaka Stock Exchange Ltd. and Chittagong Stock Exchange Ltd. in Bangladesh.

**ii) Nature of business activities:**

The Company is engaged in manufacturing and marketing of dry cell batteries, biscuits, candy and confectionery items, cartons and plastic products.

The products are sold in local market as well as abroad.

Plastic products and cartons are mainly used for the company's own consumption and are sold outside at a limited scale.

**iii) Address of registered office, corporate office and factories of the Company:**

**Registered Office:** Lolati, Kanchpur, P.S. Sonargaon, in the district of Narayanganj

**Corporate Office:** 62-63, Motijheel Commercial Area, Dhaka 1000.

**Factories:** Kanchpur and Lolati, P.S. Sonargaon and at Madanpur., P.S. Bondar both in the district of Narayanganj.

**b) Reporting period**

The financial period of the Company covers one year from July 01 to June 30.

**c) Functional and presentation currency**

These financial statements are presented in Bangladesh Taka (Tk.), which is both functional currency and presentation currency of the Company.

**d) Level of precision**

The figures in the financial statements have been rounded off to the nearest Taka.

**e) Components of financial statements**

The financial statements include the following components as per IAS 1: "Presentation of Financial Statements".

- i. Statement of Financial Position;
- ii. Statement of Profit or Loss and Other Comprehensive Income;
- iii. Statement of Changes in Equity,
- iv. Statement of Cash Flows;
- v. Accounting Policies and Explanatory Notes.

**f) Comparative information**

Comparative information has been disclosed with respect to the year 2017 for all numerical information of the financial statements as well as narrative and descriptive information when it is relevant for understanding of the current period's financial statements.

Previous year's figures have been rearranged, reclassified and restated, wherever considered necessary, to conform to current year's presentation.

**g) Consistency of presentation**

The presentation and classification of all items in the financial statements have been retained from one period to another period except where it is apparent that another presentation or classification would be more appropriate with regard to the selection criteria and application of accounting policies or changes required by another IFRSs.

As required under the provision of the International Financial Reporting Standards in the presentation of financial statements, Profit or Loss and Other Comprehensive Income for the preceding year have separately reflected the results of continuing operations and discontinued operations.

For the year under review, no such disclosure is required because there was no discontinuation of business during the year and in the preceding year.

**h) Statement of compliance**

The financial statements have been prepared and information has been disclosed in accordance with the requirements of the Companies Act, 1994 and Bangladesh Financial Reporting Standards (IFRSs) as long as applicable to the Company.

IFRSs comprise of:

- International Financial Reporting Standards (IFRSs)
- International Accounting Standards (IASs)
- Interpretations

**i) Other regulatory compliance**

As required, Olympic Industries Limited also complies with the following major regulatory provisions in addition to the Companies Act, 1994, the Securities and Exchange Rules 1987 and other applicable laws and regulations:

The Income Tax Ordinance 1984

The Income Tax Rules 1984

The Securities and Exchange Commission Ordinance 1969

The Securities and Exchange Commission Act 1993

The value Added Tax Act 1991

The value Added Tax Rules 1991

The Customs Act. 1969

Bangladesh Labor Law 2006



**j) Accounting assumptions**

**Accrual basis of accounting**

The financial statements have been prepared, excepting Statement of Cash Flows and Bank Deposits, under accrual basis of accounting in accordance with applicable International Accounting Standards which do not vary from the requirements of the Companies Act, 1994 and other laws and rules as applicable in Bangladesh.

**Going concern**

The Financial Statements are prepared on a going concern basis. As per management's assessment, there is no material uncertainty relating to events or condition which may cast doubt upon the company's ability to continue as a going concern.

**k) Basis of measurement**

The financial statements have been prepared under historical cost basis except for the following material items in the Statement of Financial Position.

Non-Derivative financial instruments, available for sale, are measured at fair value.

**l) Use of estimates and judgments**

The preparation of Financial Statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. The estimates and underlying assumptions are based on past experience and various other factors that are believed to be reasonable under the circumstances, the result of which form the basis of making judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of revision and future periods if the revision affects both current and future periods.

**m) Management of capital**

Capital consists of total equity attributable to the Shareholders. The Board of Directors monitors the level of capital. The Company's policy is to maintain a strong capital base so as to maintain investors, creditors and market confidence and to sustain future development of the business. No changes were made in the objectives, policies or processes for managing capital during the year. The Company is not subject to any externally imposed capital requirement.

**n) Application of International Financial Reporting Standards (IFRS)**

The Accounting and Financial Reporting Standards that are applicable for the financial statements for the year under review, include the following:

IAS 1	Presentation of Financial Statements
IAS 2	Inventories
IAS 7	Statement 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 17	Leases

IAS 18	Revenues
IAS 19	Employee Benefits
IAS 20	Accounting for Government Grants and Disclosure for Government Assistance
IAS 21	The Effects of Changes in Foreign Exchange Rates
IAS 23	Borrowing Costs
IAS 24	Related Party Disclosures
IAS 26	Accounting and Reporting by Retirement Benefit Plans
IAS 32	Financial Instruments: Presentation
IAS 33	Earnings per Share
IAS 36	Impairment of Assets
IAS 37	Provisions, Contingent Liabilities and Contingent Assets
IAS 38	Intangible Assets
IAS 39	Financial Instruments: Recognition and Measurement
IFRS 5	Non-Current Assets Held for Sale and Discontinued Operations.
IFRS 7	Financial Instruments: Disclosures
IFRS 8	Operating Segments
IFRS 9	Financial Instruments
IFRS 13	Fair Value Measurement
IFRS 15	Revenue from Contracts with Customers

New Standards and amendments to Standards adopted by the Institute of Chartered Accountants of Bangladesh subsequent to 30 June 2018, that are applicable to the company will be taken into consideration in due course.

**o) Inventories**

Inventories are valued at lower of cost and net realizable value. Cost of inventories includes expenditure incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their existing location and condition. Cost of inventories is determined by using the weighted average cost formula. Where necessary, allowance is provided for damaged, obsolete and slow moving items to adjust the carrying value of inventories to the lower of cost and net realizable value. Net realizable value is based on estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

**p) Statement of Cash Flows**

The Statement of Cash Flows has been prepared in accordance with the requirements of IAS 7: Statement of Cash Flows. The cash generating from Operating Activities has been reported using the Direct Method.

However, a reconciliation statement of the net profit with cash flows from operating activities making adjustment for non-cash items, for non-operating items and for the net changes in operating activities, has been made as required under the provision of a notification issued on 20 June 2018 by the Bangladesh Securities & Exchange Commission (note-32.01)

Cash & cash equivalents comprise Short Term Deposit, highly liquid investment and current deposit.

**q) Accounting Policies, Changes in Accounting Estimates and Errors**

**i) Accounting Policies**

Accounting policies are the specific principles, bases, conventions, requirements and practices used by an entity in preparing and presenting its Financial Statements.

An existing accounting policy should only be changed where a new accounting will result in reliable and more relevant information being presented.

Any changes in accounting policy required to be accounted for retrospectively except where it is not practicable to determine the effect in prior periods.

**ii) Accounting Estimates**

The preparation of Financial Statements requires many estimates to be made on the basis of latest available, reliable information.

The effect of a change in accounting estimates therefore, is recognized prospectively.

**iii) Prior Period Error**

A prior period error is where an error has occurred even though reliable information was available when those financial statements were authorized for issue.

IAS 8 requires retrospective restatement of Financial Statements to adjust prior period errors as if the prior period error had never been occurred.

**r) Events after the Reporting Period**

Events after the reporting period that provide additional information about the Company's position at the date of Statement of Financial Position or those that indicate the going concern assumption is not appropriate are reflected in the Financial Statements. Events after the reporting period that are not adjusting events are disclosed in the notes when material.

**s) Taxation**

**i) Current Tax:**

Current Tax provision is maintained at the rate of 25% on Business income, at the rate of 25% on non operating income, at the rate of 20% on dividend income and at the rate of 10% on capital gain, if any, taking into consideration due allowances and possible ad-backs as per rules.

**ii) Deferred Tax**

Deferred tax is recognized in compliance with IAS 12 "Income Taxes", providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and amounts used for taxation purposes. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity.

A deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which the deductible temporary differences can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

**t) Property, Plant and Equipment**

**i) Recognition and Measurement**

Items of property, plant and equipment, excluding freehold land, freehold building and leasehold buildings, are measured at cost less accumulated depreciation and accumulated impairment losses, if any. Freehold land is measured at Cost Model. The cost of an item of property, plant and equipment comprises its purchase price, import duties and non-refundable taxes (after deducting trade discount and rebates) and any costs directly attributable to bringing the assets to the location and condition necessary for it to be capable of operating in the intended manner.

ii) **Subsequent Costs**

The cost of replacing or upgrading 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 cost can be measured reliably. The costs of the day-to-day servicing of property, plant and equipment are recognized in the Statement of Comprehensive Income as incurred.

iii) **Depreciation**

Depreciation is charged for the year on Straight Line Method on all fixed assets other than land. For additions during the year, depreciation is charged for the remaining days of the year and for disposal, depreciation is charged up to the date of disposal.

The rate of depreciation varies according to the estimated useful lives of the items of property, plant and equipment.

The rates of depreciation and amortization of each class of assets are as follows:

<b>Depreciation</b>	<b>Rate (in %)</b>
Building & Other Construction	5-25%
Plant and Machinery	10-15 %
Office Equipment	10-25 %
Furniture & Fixture	10%
Transport	20 %
<b>Amortization</b>	
ERP Software (Useful Life of 5 Years)	20 %

iv) **Major Maintenance Activities**

The Company incurs maintenance costs for all of its major items of property, plant and equipment. Repairs and maintenance costs are charged as expenses when incurred.

v) **Gain or Losses on Disposal**

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss on disposal or retirement of an item of property, plant and equipment is calculated as the difference between sales proceeds and the carrying amount of the asset and is recognized as Other Income / Other Expenses.

vi) **Capital Work in Progress**

Capital Work in Progress consists of acquisition costs, directly attributable borrowing cost for capital components and related installation cost, until the date when the asset is ready to use for its intended purpose. In case of import of components, Capital Work in Progress is recognized when risks and rewards associated with such assets are transferred to the Company.

u) **Leases**

A Finance Lease is a lease that transfers substantially all the risks and rewards incidental to ownership of an asset. Title may or may not be transferred eventually. Financial leases are capitalized at the commencement of the lease term at amounts equal to the fair value of the leased property or, if lower, the present value of the minimum lease payments.

Assets under Finance Leases are recognized in the Statement of Financial Position and the future lease payments are recognized as Lease Liability. Expenses for the period correspond to depreciation of the leased assets and interest costs for the lease finance are charged in the Statement of Comprehensive Income.

**v) Revenues**

Revenues are recognized when the risk and reward of the ownership are transferred to the buyer, recovery of the consideration is probable, the associated cost and possible return can be estimated reliably, and there is no continuing management involvement with the goods delivered.

**w) Employee Benefit**

The employees enjoy benefits from statutorily formed Workers Profit Participant and Welfare Funds.

Other than usual short-term benefits like salaries, wages & allowances, bonus, leave, and others, the employees enjoy the followings:

**i) Provident Fund:**

The Company operates a Contributory Provident Fund for its eligible employees. It is funded by the equal contribution from the employees as well as the company. The Fund is recognized by the National Board of Revenue, Government of the people's Republic of Bangladesh.

It is administered by a Board of Trustees.

**ii) Gratuity Fund**

The company maintains a gratuity scheme and provision is made annually for the employees. A Fund, namely, Olympic Industries Ltd.'s Employees' Gratuity Fund established in accordance with Part-C of First Schedule of the Income Tax Ordinance 1984, has been accorded due recognition by the National Board of Revenue, Government of the People's Republic of Bangladesh.

The Fund is administered by a Board of Trustees.

Benefits like Pension Scheme, Share Based Payments have not been introduced by the company.

**x) Accounting for Government Grants and Disclosure for Government Assistance**

A government grant (cash subsidy) that becomes receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the entity with no future related cost is recognized in profit or loss of the period on Cash basis consistently.

**y) Foreign Currency Transactions**

Foreign currencies are converted into Bangladesh Taka at rates ruling on the date of transaction and the balance in hand at the close of the business, at the rate prevailing on the Statement of Financial Position date in accordance with the provision under IAS 21 "The Effects changes in Foreign Exchange Rates".

**z) Borrowing Cost**

Borrowing cost that can be directly attributable to a qualifying asset is capitalized during construction period. A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use or sale. The borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are those borrowing cost that would have been avoided if the expenditure or the qualifying asset had not been made. All other borrowing costs are recognized in Statement of Comprehensive Income in the period in which they are incurred.

Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognized in profit or loss as finance cost.

**aa) Transaction with Related Parties**

The company carried out a number of transactions with related parties in the course of business and on arms length basis. Transactions with related parties have been recognized and disclosed according to IAS 24, "Related Party Disclosures".

**bb) Financial Instruments**

**a) Non-Derivatives Financial Assets**

The Company initially recognizes receivables and deposits on the date that they are originated. All other financial assets are recognized initially on the date at which the company becomes a party to the contractual provisions of the transaction.

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

Financial assets include Accounts receivables comprising trade and other receivables, advances, deposits and prepayments, loans and advances, investments, cash and cash equivalents, and available-for-sale financial assets.

**i) Accounts Receivables**

Accounts receivables comprise Trade and Other receivables. Trade Receivables represent the amounts due from distributors and institutional customers.

These are stated at original invoice amount without making any provision for doubtful debts. Provision for doubtful debts is made as and when it is applicable and is reflected in the financial statements or notes to the accounts.

Other receivables include accrued interest on fixed and short-term deposits at balance sheet date, invested by the company.

**ii) Loans and Advances**

Loans and Advances are Financial Assets with fixed or determinable payments that are not quoted in an active market. Such assets are recognized initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, Loans and Advances are measured at amortized cost using the effective interest method, less any impairment losses.

**iii) Investments**

The company invests its money to fixed deposit and other schemes as deemed fit for the company's benefit.

Investment in shares of listed companies and mutual funds is recognized at fair value based on the quoted market price of Dhaka Stock Exchange Ltd.

**iv) Advance, Deposits and Prepayments**

Advances are initially measured at cost. After initial recognition, advances are carried at cost less deductions, adjustments or any other changes.

Deposits are measured at payment value.

Prepayments are initially measured at cost. After initial recognition, prepayments are carried at cost less charges for the year.

**v) Cash and Cash Equivalents**

Cash and Cash Equivalents comprises cash in hand, cash in transit and cash at bank including fixed deposits, having maturity of three months or less, which are available for use by the company without any restrictions.

Bank overdrafts that are repayable on demand and form an integral part of the company's cash management are excluded from the component of cash and cash equivalent.

There is insignificant risk of changes in value of the same.

**b) Non-Derivative Financial Liabilities**

The Company recognizes all financial liabilities on the transaction date which is the date the company becomes a party to the contractual provisions of the instrument.

The Company derecognizes a financial liability when its contractual obligations are discharged, cancelled or expired.

Financial liabilities include Accounts Payable and Other payables, Loans and Borrowings and Finance Lease Obligations.

**i) Accounts and Other Payables**

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

The Company recognizes a financial liability at fair value less any directly attributable transaction costs. Subsequent to initial recognition these financial liabilities are measured at amortized cost using the effective interest method.

Accounts Payables represent the amounts due to suppliers of materials and service provider.

**ii) Loans and Borrowings**

Principal amounts of the loans and borrowings are stated at their amortized amount. Borrowings repayable after twelve months from the date of the Statement of Financial Position are classified as non-current liabilities, whereas the portion of borrowings repayable within twelve months from the date of the Statement of Financial Position, unpaid interest and other charges are classified as current liabilities.

**cc) Impairment of Assets**

**i) Non-Derivative Financial Assets**

A financial asset not classified at fair value through profit or loss is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

**ii) Loans and Receivables**

The Company considers evidence of impairment for loans and receivables at both a specific asset and collective levels. All individually significant receivables are assessed for specific impairment. Those found not to be specifically impaired are then collectively assessed for any impairment that has been incurred but not yet identified. Assets that are not individually significant are collectively assessed for impairment by grouping together assets with similar risk characteristics.

**iii) Non- Derivative non-Financial Assets**

In compliance with IAS 36 "Impairment of Assets", the carrying amounts of the Company's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. For intangible assets, that have indefinite useful lives or that are not yet available for use, the recoverable amount is estimated each year at the same time. An impairment loss is recognized if the carrying amount of an asset or its related cash generated unit (CGU) exceeds its estimated recoverable amount.

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less cost to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the assets or CGU. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGU.

Impairment losses are recognized in profit or loss. Impairment losses recognized in respect of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to the CGU (group of CGUs), and then to reduce the carrying amounts of the other assets in the CGU (group of CGUs) on a pro rata basis.

**dd) Provisions and Contingencies**

A provision is recognized in the Statement of Financial Position when the Company has a legal or constructive obligation as a result of a past event and it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provision is ordinarily measured at the best estimate of the expenditure required to settle the present obligation at the date of Statement of Financial Position. Where the Company expects some or all of a provision to be reimbursed, the reimbursement is recognized as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the Statement of Comprehensive Income net of any reimbursement. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.



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

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

Contingent liabilities and assets are not recognized in the Statement of Financial Position of the Company.

**ee) Intangible Assets**

**i) Recognition and Measurement**

Intangible assets are measured at cost less accumulated amortization and accumulated impairment loss, if any. Intangible asset is recognized when all the conditions for recognition are met as per IAS 38 "Intangible Assets". The cost of the intangible assets comprises its purchase price, import duties and non-refundable taxes and any directly attributable cost of preparing the asset for its intended use.

Intangible assets of immaterial amounts are charged in the comprehensive income at the time of incurrence of such expenses

**ii) Subsequent Expenditure**

Subsequent expenditure is capitalized only when it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. All other expenditures are recognized in the Statement of Comprehensive Income when incurred.

**iii) Amortization**

Amortization is recognized in the Statement of Profit or Loss on Straight Line Method over the estimated useful lives of intangible assets, from the date that they are available for use.

**ff) Financial Risk Management**

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

- Credit risks
- Liquidity risks
- Market risk

This note presents information about the Company's exposure to each of the above risks, the Company's objectives, policies and processes for measuring and managing risk, and the Company's management of capital.

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

- **Credit Risk**

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

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

In monitoring credit risk, debtors are grouped according to whether they are an individual or legal entity, ageing profile, maturity and existence of previous financial difficulties. Accounts and other receivables are mainly related to the Company's customers. The exposure of the Company to credit risk on accounts receivables is mainly influenced by the individual payment characteristics of the customers. Credit risk from this receivable is very minimal. Credit risk does not arise in respect any other receivables.

- **Liquidity Risk**

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's approach to managing liquidity (cash and cash equivalents) is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. Typically, the Company ensures that it has sufficient cash and cash equivalents to meet expected operational expenses, including financial obligations through preparation of the cash flow forecast, prepared based on time line of payment of the financial obligation and accordingly arrange for sufficient liquidity/fund to make the expected payment within due date.

The company possesses a strong capacity against its long term as well as short-term liabilities as assessed by National Credit Ratings Ltd.

The company gets its liquidity risk assessed by competent valuer every year.

- **Market Risk**

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

**gg) Risk and Uncertainties for Use of Estimates in Preparation of Financial Statements**

Preparation of Financial Statements in conformity with the International Financial Reporting Standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the Financial Statements and revenues and expense during the period reported. Actual results could differ from those estimates. Estimates are used for accounting of certain items such as depreciation and amortization and taxes.

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

The Board of Directors is responsible for the preparation and fair presentation of Financial Statements in accordance with International Financial Reporting Standards (IFRSs), Section 183 of the Companies Act, 1994 and other applicable laws and regulations.

Notes Sl. No.	Particulars	Note Ref.	Amount in Taka	
			30 June 2018	30 June 2017
<b>02.00</b>	<b>Property, Plant &amp; Equipment</b>			
	(Refer to accounting policy note-01.00(t) and Annexure-A)			
	Land and land development		221,991,351	213,080,584
	Factory buildings & other constructions		418,513,653	341,710,935
	Plant & machinery		1,502,126,493	1,297,766,909
	Office equipment		9,584,143	7,587,636
	Furniture & fixtures		18,896,106	14,827,916
	Transport & vehicles		72,442,075	32,144,387
			<b>2,243,553,821</b>	<b>1,907,118,367</b>

\* The measurement basis for determining the gross carrying amount, the depreciation method used & depreciation rates used have been disclosed in policy note no.-01.00(t)(iii).

\* The gross carrying amount and the accumulated depreciation at the beginning and end of the period & a reconciliation of the carrying amount at the beginning and end of the period showing additions, disposals and depreciation have been stated in Annexure-A named "Schedule of Property, plant & equipment".

\* 6.12 decimal land at Madanpur have been purchased by the company during the year under review for Tk 4,600,000. Further, land development cost of Tk 4,310,767 has been incurred during the year.

\* 490 decimal land was mortgaged against Term Loans received from United Commercial Bank Ltd. and The City Bank Ltd. (Note-11.01)

The said 490 decimal land is located at :

Madanpur	213	Decimal
Lolati	277	Decimal
	<u>490</u>	Decimal

\* Additions to Plant & Machinery of Tk.4,21,006,991 (2017 : Tk 384,368,502) as stated in Annex-A named Schedule of Property, Plant and Equipment include Tk 6,863,369 (2017 : Tk 8,586,356) being attributed borrowing costs in relation to the items of Plant & Machinery. (Transferred from Capital Work in Progress)

\* Other information as to assets held for sale, acquisition through business combination, effect for revaluation, impairment losses, restrictions of title, contractual commitment for acquisition, etc is not applicable for the year under review.

### 03.00 Capital Work in Progress

(Refer to accounting policy note-01.00(t)(vi))

Machinery	384,640,280	47,111,438
Civil Construction	545,967,853	403,143,688
	<b>930,608,133</b>	<b>450,255,126</b>

**03.01 Capital work in progress of Tk 930,608,133 (2017 : Tk. 450,255,126 ) has been reconciled as follows:**

Opening Balance at 01 July	450,255,126	278,962,060
Additions during the year -other than borrowing costs	997,002,076	557,337,556
Directly attributed borrowing costs capitalized during the year	8,024,824	8,704,381
	<b>1,005,026,900</b>	<b>566,041,937</b>
	<b>1,455,282,026</b>	<b>845,003,997</b>
Less : Net capitalization to fixed assets including borrowing cost	(524,673,893)	(394,748,871)
Closing Balance at 30 June	<b>930,608,133</b>	<b>450,255,126</b>

Notes Sl. No.	Particulars	Note Ref.	Amount in Taka	
			30 June 2018	30 June 2017
04.00 Intangible assets				
	(Refer to accounting policy note-01.00(ee) Represent Software (ERP) and arrived at as follows:			
	Cost at 01 July 2016		32,264,325	32,264,325
	Accumulated amortization (considering life to be 5 years):		(32,264,324)	(25,811,460)
	At 01 July 2017		(25,811,460)	(19,358,595)
	For the year		(6,452,864)	(6,452,865)
			1	6,452,865

Amortization for the year of Tk.64,52,864 as above has been allocated as expense to :

Factory overhead	Note-25.03	2,150,955	2,150,955
Administrative expenses	Note-26.00	2,150,954	2,150,955
Selling & distribution expenses	Note-27.00	2,150,955	2,150,955
		<u>6,452,864</u>	<u>6,452,865</u>

\* Other intangible assets of insignificant amounts are expensed when acquired

#### 05.00 Inventories

(Refer to accounting policy note-01.00(o))

Materials	974,513,025	602,981,862
In-transit	129,825,430	100,334,646
Work-in-process	13,549,153	11,345,717
Finished goods	102,254,862	125,758,881
Stores and spares	86,767,862	49,242,132
	<u>1,306,910,332</u>	<u>889,663,238</u>

#### 06.00 Trade and other receivables

Trade debtors	38,151,404	21,584,127
Other receivables being accrued interest on :	140,308,550	141,796,178
Fixed & Short Term deposits	131,328,050	141,796,178
Zero Coupon Bonds issued by IPDC Finance Ltd.	8,980,500	-
	<u>178,459,954</u>	<u>163,380,305</u>

01. Receivables are considered good in respect of which the company holds no security other than personal security of the relevant parties and security deposits of nominal amounts received from almost all of them.

02. No amount was due from the Directors (including Managing Director) Managing Agents, Managers and other Officers of the company and any of them severally or jointly with any other person.

03. This includes Tk. 1,274,471 (2017 : Tk. 1,437,091) due from Ambee Pharmaceuticals Ltd, an associated undertaking of the company. ( Note-33.00 )

04. Ageing of Trade debtors of Tk.38,151,404 that have subsequently been realized or adjusted in full, is as under:

Exceeding six months	1,772,340	1,871,649
Below six months	36,379,064	19,712,478
	<u>38,151,404</u>	<u>21,584,127</u>

05. Trade debtors include Tk.9,275,599 ( equivalent US\$ 112,819 ) (2017 :Tk 55,64,579 equivalent US \$ 69,678.30 ) being the amount receivable from overseas customers, which amount has subsequently been received/adjusted.

Notes Sl. No.	Particulars	Note Ref.	Amount in Taka	
			30 June 2018	30 June 2017

**07.00 Advances, deposits and prepayments**

Advances	Note-07.01	1,622,116,950	1,252,191,163
Deposits	Note-07.02	91,410,710	94,848,475
Pre-payments	Note-07.03	11,876,215	13,568,387
		<u>1,725,403,875</u>	<u>1,360,608,025</u>

**07.01 Advances :**

**Related Parties: (Note-33.00)**

Bengal Steel Works Ltd. (Associated undertaking)	-	11,276,491
Panther Steel Mills Ltd. (Associated undertaking)	-	21,442,980
	-	<u>32,719,471</u>

**Others:**

Income tax	1,028,747,137	1,024,723,765
Employees	19,713,337	20,377,741
Suppliers and contractors	573,656,476	174,370,186
	<u>1,622,116,950</u>	<u>1,219,471,692</u>
	<u>1,622,116,950</u>	<u>1,252,191,163</u>

- (a) Advances to related parties were secured by personal guarantee given by the Directors. During the year under review, the entire amount of principal along with interest thereon has been realized.
- (b) Maximum amount due during the year under review from associated undertaking was Tk. 32,888,827 (2017 : Tk.32,719,471).
- (c) Maximum amount due during the year under review from Officers of the company was Tk. 1,000,000 (2017 : Tk. 1,000,000).
- (d) No amount was due from the Directors (including Managing Director) and Managing Agents of the company and any of them severally or jointly with any other persons.

**07.02 Deposits**

Security and other deposits	48,848,290	47,129,390
VAT Deposits	34,966,453	36,449,483
Lease Deposits	5,349,563	5,595,613
Guarantee Margin	2,246,404	5,673,989
	<u>91,410,710</u>	<u>94,848,475</u>

**07.03 Prepayments**

Pre-paid insurance	8,233,046	7,691,921
Pre-paid rates & taxes being license fees to Bangladesh Standards & Testing Institution (BSTI)	3,643,169	5,876,466
	<u>11,876,215</u>	<u>13,568,387</u>

**07.04 Reconciliation of advances, deposit and prepayments**

**Advances**

These have been arrived at as follows :

Opening balance	1,252,191,163	859,021,303
Add : Additions during the year	2,057,384,184	1,582,764,162
	3,309,575,347	2,441,785,465
Less : Adjustments/recovery made during the year	(1,687,458,397)	(1,189,594,302)
	<u>1,622,116,950</u>	<u>1,252,191,163</u>

Notes Sl. No.	Particulars	Note Ref.	Amount in Taka	
			30 June 2018	30 June 2017
	<b>Deposits</b>			
	Opening balance		94,848,475	102,093,278
	Add : Additions during the year		2,047,401,893	1,226,313,065
			<b>2,142,250,368</b>	<b>1,328,406,343</b>
	Less : Recovery/ adjustments made during the year		(2,050,839,658)	(1,233,557,868)
			<b>91,410,710</b>	<b>94,848,475</b>
	<b>Prepayments</b>			
	Represent pre-paid insurance and rates & taxes and have been arrived at as follows :			
	Opening balance		13,568,387	12,652,858
	Add : Additions during the year		18,217,926	16,477,504
			<b>31,786,313</b>	<b>29,130,362</b>
	Less : Adjustments made during the year		(19,910,098)	(15,561,975)
			<b>11,876,215</b>	<b>13,568,387</b>

**08.00 Investments**

i) Fixed deposits with banks & other financial institutions (maturity period of which is more than 3 months)	3,832,314,513	4,073,484,034
ii) Shares of Listed Companies - as at fair value through Profit or Loss account (Note-08.01)	15,672,440	21,579,333
iii) Zero Coupon Bonds issued by IPDC Finance Ltd. (Note-08.02)	122,055,742	-
iv) Current account balance with brokerage house (City Bank Capital Resources Ltd.)	658,226	428,795
	<b>3,970,700,921</b>	<b>4,095,492,162</b>

**08.01 Shares of listed companies - as at fair value through profit or loss account**

(refer to accounting policy note-01.00(bb)(i) Financial instruments-investments)

Particulars	Qty of Shares	Cost	Fair Value	Fair Value Gain/(Loss)
Argon Denims Limited	100,000	3,191,130	2,610,000	(581,130)
Brac Bank Ltd.	30,000	2,312,883	2,136,000	(176,883)
The City Bank Ltd.	260,400	13,157,313	8,749,440	(4,407,873)
Golden Harvest Agro Industries Ltd.	5,000	204,182	188,000	(16,182)
IDLC Finance Ltd.	30,000	2,584,012	1,989,000	(595,012)
		<b>21,449,520</b>	<b>15,672,440</b>	<b>(5,777,080)</b>

Fair Value represents quoted price on 30 June 2018 of Dhaka Stock Exchange Ltd.

**08.02(i)** The company invested Tk.1,38,414,000 on 22 August 2017 in Non-Convertible Redeemable Zero Coupon Bonds issued by IPDC Finance Ltd. (formerly Industrial Promotion and Development Company of Bangladesh Ltd.)

The Bonds are redeemable six - monthly over a period of five years and according to the following schedule :

Series	Number of Bonds Subscribed	Subscription Amount	Redemption Amount	Date of Redemption
Class A	17	16,358,258	17,000,000	22 February 2018
Class B	17	15,740,741	17,000,000	22 August 2018
Class C	17	15,146,535	17,000,000	22 February 2019
Class D	17	14,574,760	17,000,000	22 August 2019
Class E	17	14,024,569	17,000,000	22 February 2020
Class F	17	13,495,148	17,000,000	22 August 2020
Class G	17	12,985,712	17,000,000	22 February 2021
Class H	17	12,495,507	17,000,000	22 August 2021
Class I	17	12,023,808	17,000,000	22 February 2022
Class J	17	11,569,914	17,000,000	22 August 2022
		<b>138,414,952</b>	<b>170,000,000</b>	

Notes Sl. No.	Particulars	Note Ref.	Amount in Taka	
			30 June 2018	30 June 2017

(ii) The investment amount of Tk. 122,055,742 as noted in 08(iii) has been arrived at as follows :

Subscribed on 22 August 2017	138,414,000	-
Less : Redemption during the year	(16,358,258)	-
	<b>122,055,742</b>	<b>-</b>

**09.00 Cash and cash equivalents**

(a) Cash in hand	10,190,879	7,900,396
(b) Cash at banks		
In current Accounts	72,001,493	59,888,255
In STD account	244,885,474	164,062,475
FDRs with banks & other financial institutions (Maturity period of which is 03 months or less)	Note-09.01 134,238,404	15,496,583
	<b>461,316,250</b>	<b>247,347,709</b>

**09.01** Fixed deposits with banks, maturity periods of which are 3 months or less than 3 months, at varying interest rates of 7.25% to 10.75% per annum, categorized as cash equivalents are:

Bank Name	Interest rate Per annum	Maturity date	Amount in Taka	
			30 June 2018	30 June 2017
Delta Brac Housing	10.75%	18-07-2018	30,000,000	-
Brac Bank Ltd.	9%	23-09-2018	100,000,000	-
The City Bank Ltd.	7.25%	28-08-2018	4,238,404	4,077,852
Habib Bank Limited	5%	16-08-2017	-	10,000,000
Bank Al-Falah Limited	4.75%	08-07-2017	-	1,418,731
			<b>134,238,404</b>	<b>15,496,583</b>

**10.00 Share Capital**

**a. Authorized Capital**

200,000,000 (2017:200,000,000) Ordinary shares of Tk.10 each	<b>2,000,000,000</b>	<b>2,000,000,000</b>
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**b. Issued, Subscribed and Paid Up Capital**

i. 7,948,070 Ordinary shares of Tk.10 each fully paid up in cash	79,480,700	79,480,700
ii. 2,054,720 Ordinary shares of Tk.10 each issued on merger	20,547,200	20,547,200
iii. 189,936,096 (2017 : 189,936,096) Ordinary Shares of Tk. 10 each issued as Bonus Shares	1,899,360,960	1,899,360,960
<b>Total 199,938,886 Ordinary shares of Tk. 10 each</b>	<b>1,999,388,860</b>	<b>1,999,388,860</b>

**b.i Ordinary Share Capital paid up in cash**

450,000 Ordinary Shares of Tk.10 each fully paid up in cash in 1979 & 1980	4,500,000	4,500,000
450,000 Ordinary Shares of Tk.10 each fully paid up in cash in 1984	4,500,000	4,500,000
1,350,000 Ordinary Shares of Tk.10 each (right issue at 1 : 1 in 1994)	13,500,000	13,500,000
79,570 Ordinary shares of Tk.100 each along with premium of Tk.1025/- per share (as right at 1:1 ratio) in 1995 which of present face value of Tk.10.00 each total to 795,700 Shares	7,957,000	7,957,000
490,237 Ordinary shares of Tk.100/- each along with premium of Tk.100/- (as right at 1:1 ratio) in 1998 which of present face value of Tk.10.00- each totals to 4,902,370 Shares.	49,023,700	49,023,700
	<b>79,480,700</b>	<b>79,480,700</b>

Notes Sl. No.	Particulars	Note Ref.	Amount in Taka	
			30 June 2018	30 June 2017
b.ii	2,054,720 Ordinary Shares of Tk.10 each issued in 2008 to the shareholders of erstwhile Tripti Industries Ltd. upon amalgamation with the company.		20,547,200	20,547,200
			<u>20,547,200</u>	<u>20,547,200</u>

**b.iii Bonus Share Capital**

450,000 Bonus Shares of Tk.10 each Issued from retained earnings at 2:1 in 1988.	4,500,000	4,500,000
2,700,000 Bonus Shares of Tk.10 each Issued from retained earnings at 1:1 in 1994.	27,000,000	27,000,000
2,065,230 Bonus Shares of Tk.10 each Issued from share premium at 3:1 in 1996.	20,652,300	20,652,300
4,130,460 Bonus Shares of Tk.10 each Issued from share premium at 2:1 in 1997.	41,304,600	41,304,600
3,869,690 Bonus Shares of Tk.10 each Issued from share premium at 5:1 in 2009.	38,696,900	38,696,900
11,609,080 Bonus Shares of Tk.10 each Issued from share premium and retained earnings at 2:1 in 2010.	116,090,800	116,090,800
17,413,625 Bonus Shares of Tk.10/- each issued from retained earning at 2:1 in 2011.	174,136,250	174,136,250
26,120,437 Bonus Shares of Tk.10/- each issued from retained earning at 2:1 in 2012.	261,204,370	261,204,370
39,180,656 Bonus Shares of Tk.10/- each issued from retained earning at 2:1 in 2013.	391,806,560	391,806,560
41,139,688 Bonus Shares of Tk.10/- each issued from retained earning at 10:3.5 in 2014.	411,396,880	411,396,880
31,736,331 Bonus Shares of Tk.10/- each issued from retained earning at 5:1 in 2015.	317,363,310	317,363,310
9,520,899 Bonus shares of Tk.10/- each issued from retained earning at 20:1 in 2016.	95,208,990	95,208,990
	<u>1,899,360,960</u>	<u>1,899,360,960</u>

**c. Composition of share holdings**

	30-June-18		30-June-17	
	No. of shares	%	No. of shares	%
Directors and Sponsors	55,517,626	27.77	57,827,413	28.92
Institutions	26,294,846	13.15	24,550,190	12.28
Foreign Investors	88,282,361	44.15	84,947,427	42.49
General Public	29,844,053	14.93	32,613,856	16.31
	<u>199,938,886</u>	<u>100.00</u>	<u>199,938,886</u>	<u>100.00</u>



- d. The distribution schedule showing the number of shareholders and their share-holdings in percentage has been disclosed below as a requirement of Listing Regulation of Dhaka and Chittagong Stock Exchanges.

Range of Holdings	No. of Shareholders	No. of Shares	Holdings %
Less than 500 shares	7,535	1,018,712	0.51
500 to 5000 shares	3,174	4,703,327	2.35
5001 to 10000 shares	248	1,793,795	0.90
10001 to 20000 shares	123	1,728,975	0.86
20001 to 30000 shares	51	1,273,625	0.64
30001 to 40000 shares	32	1,138,451	0.57
40001 to 50000 shares	13	575,566	0.29
50001 to 100000 shares	45	3,016,983	1.51
100001 to 1000000 shares	65	18,213,709	9.11
Over 1000000 shares	28	166,475,743	83.26
	<b>11,314</b>	<b>199,938,886</b>	<b>100.00</b>

**e. Market Price**

Share of the Company are listed in the Dhaka and Chittagong Stock Exchanges and quoted at Tk.224.75 per share (2017 : Tk.278.50) and Tk.225.20 per share (2017 : Tk.276.70) in the Dhaka and Chittagong Stock Exchanges respectively on 30 June 2018.

**f. Foreign Share Holders**

Particulars of foreign shareholders as on 30 June 2018 are as follows :

Particulars	Folio/BO ID	No. of Shares
REGENT MOGHUL FUND LTD.	96	8,860
IS HIMALAYAN FUND NV	1215	2,227
WI CARR (FAR EAST) LTD.	6263	6,210
UBS SECURITIES (EAST ASIA) LTD.	6660	405
MIDLAND BANK INT'L FINANCE CORP. LTD	7001	4,917
LLOYDS BANK PLC	7946	22
HBFS AC ARISAIG INDIA FUND L	1601620058579738	17,991,181
PICTET LUX A/C KFFCF	1601670058688536	23,055,952
CLSA GLOBAL MARKETS PTE LTD	1604300054134389	14,986,633
PICTET LUX A/C KFFCFE	1601670058688552	7,413,226
SCB SG A/C RWC F M E M F	1601670060552639	168,000
SSBT A/C MSIF INC. EMBNP	1601670062465699	16,295
JPMCB NA A/C THE WTLTWT	1601670062508121	1,498,400
NFM ENERGY LIMITED	1205200052717426	2,000
DB AG LONDON-GLBL MKTS EQTS	1601620015600831	268,812
BNYM AC FLORIDA RETIREMENT SYS	1601620020529694	385,000
BNYMSANVAAOPUBEMP RTMASS NMX	1601620033285299	13,590
MORGAN STANLEY AND CO INTL PLC	1601620043385440	1,043,826
BNYM EATON VANCE TR CO COM TR	1601620045001481	34,739
BNYM EATON VANCE TR CO CLTV IV	1601620045005635	405,982
ABERDEEN GLBL FRNTR MRKTS EQTY	1601620045767914	298,000
BNYM GHI HOLDINGS MAURITIUS	1601620059236671	172,430
CACEIS BANK, LB A/C BIS EFME	1601620064498382	40,000
HSBCPLCIFS AC MKC MEASA FOEICL	1601620064723735	33,390
NEWEDGE FINANCIAL HK LTD	1601670000542256	11,879
SSBT FOR SSB LUX GF	1601670014803863	2,076,707
SSBT A/C P EM Fund	1601670016201692	607,819
SSBT A/C Param Tax-Managed EMF	1601670016202702	351,256
SSBT A/C RSL TST CEB Fund:7QS2	1601670019399601	50,313

<u>Particulars</u>	<u>Folio/BO ID</u>	<u>No. of Shares</u>
JPMCB NA Fr JPM LUX A/C MSIF	1601670030710793	230,467
SSBT A/C M.S.F.E.M.Fund, Inc.	1601670032351598	2,058,528
SSBT A/C RIIF PLC (JYFV)	1601670036865556	333,998
SSBT A/C RIIF PLC (JYFW)	1601670036869827	142,000
SSBT FR SS LX A/C GSFGSSMN11EP	1601670042631271	414,447
JPMCB NA A/C GST-GSN-11E FUND	1601670042903716	145,185
SSBT A/C IS MS 100 ETF	1601670045157411	1,003,138
SSBT A/C ABE INS CO F,LL	1601670045528963	449,000
JPMCB NA A/C KLPI.	1601670046485549	97,749
BBH A/C MEAF.	1601670048385557	1,416,833
JPMCB NA A/C FIMM, INC.	1601670052555595	12,000
RBC ISB A/C CS I FM FUND	1601670053468198	1,278,000
BBH A/C GPEMOF	1601670053849721	272,639
JPMCBNAFORJPM LUX A/CTRPFSFMEF	1601670053880589	386,302
JPMCB NA A/C T.RPIFMEF	1601670054453489	53,337
SSBT A/C FEMEIT	1601670055572468	56,472
JPMCB NA A/C FCIPLLC:FEMECEF	1601670056059188	62,416
JPMCB NA A/C CGFMF	1601670057331650	60,464
SSBT A/C FIDELITY FEMF	1601670060620623	86,192
SCB DIFC FOR FBG A/C MENAFI	1601670062737207	3,122,374
NTC A.C ABERDEEN FMICL	1601670062896713	224,000
NTC A/C FEET PLC	1601670064128222	1,447,551
EATON VANCE PARAMETRIC EM FUND	1604300050277626	150,698
GOVERNMENT OF NORWAY	1604300059169109	3,830,500
		<b>88,282,361</b>

**11.00 Long Term Loan (Secured)**

	Note Ref.	Amount in Taka	
		30 June 2018	30 June 2017
United Commercial Bank Ltd	Note-11.01	347,913,148	313,242,561
Union Capital Ltd.	Note-11.02	-	935,035
The City Bank Ltd.	Note-11.03	188,224,905	6,774,065
<b>Total Term Loan</b>		<b>536,138,053</b>	<b>320,951,661</b>
Less : Current portion of long term loan being payable within 1 year			
United Commercial Bank Ltd		127,957,384	142,959,453
Union Capital Ltd.		-	935,035
The City Bank Ltd.		46,268,598	908,731
<b>Long Term Loan - Current portion</b>		<b>174,225,982</b>	<b>144,803,219</b>
<b>Long Term Loan - Non - Current portion</b>		<b>361,912,071</b>	<b>176,148,442</b>

**11.01 Loan from United Commercial Bank Ltd (UCBL) - Term Loan**

The loan balance has been arrived as at		
Opening balance at 01 July	313,242,561	330,503,460
Received during the year	209,494,173	197,561,583
	522,736,734	528,065,043
Repayments made during the year	(174,823,586)	(214,822,482)
<b>Closing balance at 30 June</b>	<b>347,913,148</b>	<b>313,242,561</b>

Prevailing interest rates on the said loan at different periods were as follows :

- . 01-03-2016 to 30-11-2016 @ 10% per annum.
- . 01-12-2016 to 20-02-2018 @ 8.5% per annum.
- . 21-02-2018 to onward @ 9.5% per annum.
- . The loans are repayable, along with interest thereon, in monthly equal instalments.

**Security**

Term Loans from United Commercial Bank Ltd. and The City Bank Ltd., are secured against pari passue charge, of 490 decimal land of the company.

Notes Sl. No.	Particulars	Note Ref.	Amount in Taka	
			30 June 2018	30 June 2017
<b>11.02</b>	<b>Loan from Union Capital Ltd.</b>			
	The loan balance has been arrived as at follows :			
	Opening balance		935,035	2,602,458
	Received during the year		-	-
			<u>935,035</u>	<u>2,602,458</u>
	Repayments made during the year		(935,035)	(1,667,423)
	Closing balance		<u>-</u>	<u>935,035</u>

This loan, initially received in August 2014 in the aggregate sum of Tk 4,769,523 bearing interest @ 15.50 % per annum and due for repayment along with interest thereon, in monthly instalments comencing from December 2014 to December 2017, was duly been repaid.

**11.03 Loans from The City Bank Ltd. - Term Loan**

The loan balance has been arrived as at follows :

Opening balance at 01 July	6,774,065	-
Received during the year	192,068,206	6,774,065
	<u>198,842,271</u>	<u>6,774,065</u>
Less : Repayments made during the year	(10,617,366)	-
Closing balance	<u>188,224,905</u>	<u>6,774,065</u>

During the year under review, the company received loans from the bank in the aggregate sum of Tk 140,530,266 against sanctioned limit of Tk 25.00 crore and also Tk.51,537,940 against sanction limit of Tk.20.00 crore at an interest rate of 11.25% per annum.

As regard to security, refer to Note-11.01

**12.00 Lease Finance**

(i) This represents lease obligation for acquisition of lease hold assets and classified as under :

	30 June 2018		30 June 2017	
	Principal(Tk.)	Interest(Tk.)	Principal(Tk.)	Interest(Tk.)
<b>Classified as lease finance- Current portion</b>				
Due within one year	9,248,053	1,228,650	25,410,811	3,083,775
<b>Classified as lease finance-Non-Current portion</b>				
Due after one year but within five years	4,634,269	186,436	14,971,692	1,344,671
Due after five years	-	-	-	-
	<u>4,634,269</u>	<u>186,436</u>	<u>14,971,692</u>	<u>1,344,671</u>
	<u>13,882,322</u>	<u>1,415,086</u>	<u>40,382,503</u>	<u>4,428,446</u>

(ii) Obligation of interest of Tk.1,415,086 ( 2017 : Tk. 4,428,446 ) as stated above represents interest amount payable to the lessors from 01 July 2018 up to maturity of the leases, in terms of 'Repayment Schedules' as agreed between the measures and the company.

(iii) Lease obligation at year-end in the aggregate sum of Tk.13,882,322 (2017:Tk. 40,382,503) as stated above is due to:

International Leasing & Financial Services Ltd.	-	3,201,784
National Finance Ltd.	13,498,481	28,500,687
Union Capital Ltd.	-	8,296,191
People's Leasing & Financial Services Ltd. ( adjustable with lease deposits )	383,841	383,841
	<u>13,882,322</u>	<u>40,382,503</u>

Notes Sl. No.	Particulars	Note Ref.	Amount in Taka	
			30 June 2018	30 June 2017
(iv)	The above obligation of Tk.13,882,322 (2017:Tk. 40,382,503) has been arrived at as follows:			
	Opening Balance at 01 July		40,382,503	55,412,268
	Additions during the year		-	23,957,969
			40,382,503	79,370,237
	Less: Obligation liquidated during the year		(26,500,181)	(38,987,734)
	Closing Balance at 30 June		13,882,322	40,382,503
(v)	The net carrying amounts of the related assets acquired under lease finances are as follows and have been disclosed in Annexure-A to the accounts:			
	Plant & Machinery		44,226,231	55,121,811
	Transport & Vehicles		24,264,205	31,748,663
			68,490,436	86,870,474

**13.00 Deferred Tax Liability : Tk.123,429,925 (2017 : Tk.107,703,766)**

This has been calculated as under, based on the deductible/taxable temporary difference arising from the difference between the carrying amounts of the assets or liabilities and their tax bases in accordance with the provision of IAS 12 : Income Taxes

Particulars	2017-2018			2016-2017		
	Carrying amount on reporting date	Tax Base	Taxable temporary difference /(Deductible temporary difference)	Carrying amount on reporting date	Tax Base	Taxable temporary difference /(Deductible temporary difference)
Deferred tax relating to items of profit or loss						
Property, plant & equipment (Depreciable items)	2,021,562,470	1,467,460,870	554,101,600	1,694,037,783	1,220,895,293	473,142,490
Provision for gratuity	(60,381,902)	-	(60,381,902)	(42,327,426)	-	(42,327,426)
Net taxable temporary difference	<u>1,961,180,568</u>	<u>1,467,460,870</u>	<u>493,719,698</u>	<u>1,651,710,357</u>	<u>1,220,895,293</u>	<u>430,815,064</u>
Applicable tax rate			<u>25%</u>			<u>25%</u>
Deferred tax liability relating items of profit or loss at the end of the year (a)			<u>123,429,925</u>			<u>107,703,766</u>
Deferred tax liability relating items of profit or loss at the beginning of the year			<u>107,703,766</u>			<u>93,768,113</u>
Deferred tax income/(expense) recognized in profit or loss			<u>(15,726,159)</u>			<u>(13,935,653)</u>
Deferred tax assets relating to items directly recognized in other comprehensive income						
Gain/(loss) directly recognized in other comprehensive income			-			-
Applicable tax rate			<u>25%</u>			<u>25%</u>
Deferred tax liability/(assets) relating to items directly recognized in other comprehensive income at the end of the year			-			-
Deferred tax liability (assets) relating to items directly recognized in others comprehensive income at the beginning of the year (b)			-			-
Net deferred tax (assets) / liability (a+b)			<u>123,429,925</u>			<u>107,703,766</u>

Notes Sl. No.	Particulars	Note Ref.	Amount in Taka	
			30 June 2018	30 June 2017
<b>14.00</b>	<b>Short term loan and overdraft</b>			
	<b>Secured (From banking companies):</b>			
	<b>United Commercial Bank Ltd.</b>	<b>Note-14.01</b>		
	Loan on Trust Receipt ( LTR )		380,802,012	251,626,769
	Offshore banking		151,001,739	126,304,507
			<b>531,803,751</b>	<b>377,931,276</b>
	<b>The City Bank Ltd.</b>	<b>Note-14.01</b>		
	Loan on Trust Receipt ( LTR )		265,844,611	208,820,105
	Short Term Loan ( STL )		44,625,700	8,319,108
	Offshore banking		91,697,374	58,686,670
			<b>402,167,685</b>	<b>275,825,883</b>
	<b>Secured Overdraft (SOD)</b>			
	Brac Bank Ltd.	<b>Note-14.02</b>	371,065,709	-
	City Bank Ltd.	<b>Note-14.03</b>	261,927,670	-
	Habib Bank Ltd.		-	188,240,342
			<b>1,566,964,815</b>	<b>841,997,501</b>
	<b>Unsecured:</b>			
	Loan from Directors		1,967,088	1,967,088
	Loan from Others		2,474,676	2,474,676
			<b>1,571,406,579</b>	<b>846,439,265</b>
	<b>Securities</b>			
<b>14 .01</b>	Short term loans in the nature of Trust Receipt, Offshore Banking, etc. from United Commercial Bank Ltd. and The City Bank Ltd. are secured against creation of pari passu charges on the plant, machinery & equipments and stock & book debts of the company.			
<b>14 .02</b>	Secured Overdraft ( SOD ) from Brac bank Ltd is secured against lien of FDR's of an aggregate face value of Tk.45 crore, Overdraft limit being Tk.40 crore and interest rate thereon being 1% higher than the average interest rate against the Fixed deposits, pledged.			
<b>14 .03</b>	Secured Overdraft from The City Bank Ltd is secured against lien of FDR's of an aggregate face value of Tk.30 crore, Overdraft limit being Tk.30 crore and interest rate on thereon being 1% higher than the average interest rate against the fixed deposits pledged.			
<b>15.00</b>	<b>Interest Payable: Tk. 98,923 (2017 : Tk. 406,277)</b>			
	This represents provision for outstanding interest for the last month of the year on loan balances due to United Commercial Bank Ltd., which has subsequently been paid.			
<b>16.00</b>	<b>Creditors for Goods</b>			
	This represents amounts due to various suppliers of raw and packing and stores materials, the ageing of which liability is as follows:			
	Period exceeding six months		3,917,497	720,236
	Period below six months		452,500,854	528,483,551
			<b>456,418,351</b>	<b>529,203,787</b>
<b>17.00</b>	<b>Creditors for Services</b>			
	This represents amounts due to various service providers (e.g. Land lord for Head Office premises, Security Guard providers, Ad firm, Fuel suppliers etc.) the ageing of which liability is as follows:			
	Period exceeding six months		738,476	848,004
	Period below six months		11,842,517	14,932,533
			<b>12,580,993</b>	<b>15,780,537</b>

Notes Sl. No.	Particulars	Note Ref.	Amount in Taka	
			30 June 2018	30 June 2017
<b>18.00</b>	<b>Accrued Expenses</b>			
	Represent provision for the following expenses :			
	Audit fees		800,000	800,000
	Directors' remuneration & allowances		1,269,000	1,585,000
	Directors' board meeting attendance fees		1,457,250	778,500
	Salaries, wages & allowances		96,170,102	50,429,786
	Utility bills		5,029,235	4,762,627
	Marketing expenses		-	196,432
	Transport bills		-	129,157
	Sundry expenses		56,525	216,525
			<b>104,782,112</b>	<b>58,898,027</b>
	Ageing of the above liability is as under:			
	Period exceeding six months		778,500	216,525
	Period below six months		104,003,612	58,681,502
			<b>104,782,112</b>	<b>58,898,027</b>

**19.00 Advance against sales: Tk. 87,988,924 (2017 : Tk.131,633,278 )**

This represents advances received from distributors within 30 June 2018, against order placed by them, which liability has subsequently been liquidated.

**20.00 Liabilities for Other Finance**

Taxes deducted at source	60,917,652	19,086,172
VAT deducted at source	804,124	2,357,584
Government Levy (Surcharges) payable	1,993,529	1,993,529
Debenture redemption money payable (TIL)	677,947	677,947
Security deposits	<b>9,206,553</b>	<b>8,086,539</b>
Other payables on account of employees	12,994,799	12,994,799
Sales proceeds of fraction shares	6,566,310	6,580,557
Unclaimed share warrant (fraction shares) (TIL)	35,343	35,343
Others on leased assets	302,000	302,000
Expenses under a project of Bangladesh Employeers' Federation	1,377,598	1,701,530
	<b>94,875,855</b>	<b>53,816,000</b>

**21.00 Provision for taxation**

**Represents :**

Provision for the assessment year 2016-2017	-	580,171,076
Provision for the assessment year 2017-2018	557,965,919	557,965,919
Provision for the assessment year 2018-2019	591,767,389	-
	<b>1,149,733,308</b>	<b>1,138,136,995</b>

This has been arrived at as follows :

Opening balance at 01 July	1,138,136,995	968,656,378
Add : Provision made during the year :		
for the assessment year 2015-2016	-	7,633,106
for the assessment year 2016-2017	1,075,960	-
for the assessment year 2017-2018	-	557,965,919
for the assessment year 2018-2019	591,767,389	-
	<b>592,843,349</b>	<b>565,599,025</b>
	<b>1,730,980,344</b>	<b>1,534,255,403</b>
Less: Payments made during the year against assessment year 2016-2017	<b>(581,247,036)</b>	<b>(396,118,408)</b>
	<b>1,149,733,308</b>	<b>1,138,136,995</b>

Notes Sl. No.	Particulars	Note Ref.	Amount in Taka	
			30 June 2018	30 June 2017
<b>22.00</b>	<b>Unclaimed dividend</b>			
	Years wise break up of the above is as follows:			
	1995		116,888	116,888
	1997		880,568	882,968
	2002		1,011,918	1,014,618
	2003		900,147	902,647
	2004		829,518	831,518
	2005		778,623	781,197
	2006		1,306,658	1,310,402
	2007		561,515	564,337
	2008		3,332,921	3,342,353
	2009		1,487,808	1,492,677
	2010		2,257,748	2,266,768
	2011		2,675,400	2,686,666
	2012		5,067,171	5,092,098
	2013		5,937,717	5,972,754
	2014		13,969,873	14,093,057
	2015		26,132,041	26,373,060
	2016		41,522,908	42,578,211
	2017		50,673,605	-
	In respect of erstwhile Tripti Industries Ltd (1988 to 2002)		1,330,456	1,330,456
			<b>160,773,483</b>	<b>111,632,675</b>
<b>22 .01</b>	<b>This has been arrived at as follows :</b>			
	Opening balance at 01 July		111,632,675	70,194,750
	Add : Net dividend for the year		775,240,964	658,203,283
			886,873,639	728,398,033
	Less : paid during the year		(726,100,156)	(616,765,358)
	Closing balance at 30 June		<b>160,773,483</b>	<b>111,632,675</b>
<b>22 .02</b>	The above figures represent the dividends for which the warrants are either lying with the shareholders and have not been presented as yet by them to the bank for encashment or have been returned to the company undelivered due to change of address of those shareholders and their new address have not yet been communicated to the company. Under instruction from SEC, press advertisements were made to collect the past dividend warrants but many shareholders are yet to turn up to collect their respective warrants.			
<b>23.00</b>	<b>Employee benefit obligations</b>			
	These comprise :			
	Workers Profit Participation and Welfare Funds	<b>Note-23.01</b>	139,711,544	309,485,305
	Contributory Provident Fund	<b>Note-23.02</b>	557,294	669,259
	Gratuity Fund	<b>Note-23.03</b>	60,381,902	42,327,426
			<b>200,650,740</b>	<b>352,481,990</b>
<b>23.01</b>	<b>Workers' Profit Participation &amp; Welfare Funds</b>			
	These represent obligation due to Workers' Profit Participation & Welfare Funds and Bangladesh Workers' Welfare Foundation Fund and the amount has been arrived at as follows:			
	Opening balance at 01 July 2017		309,485,305	265,075,252
	Add : During the year :			
	Contribution to the Funds for the year		119,981,856	111,139,268
	Interest for the year		19,729,688	43,578,795
			<b>139,711,544</b>	<b>154,718,063</b>
			<b>449,196,849</b>	<b>419,793,315</b>
	Less : Paid to the Funds during the year		(309,485,305)	(110,308,010)
	Closing balance at 30 June 2018		<b>139,711,544</b>	<b>309,485,305</b>



Notes Sl. No.	Particulars	Note Ref.	Amount in Taka	
			30 June 2018	30 June 2017
(i)	Contribution to the Workers' Profit Participation & Welfare Funds for the year under review allocated to :			
	Olympic Industries Ltd. Workers' Profit Participation Fund (80%)		95,985,484	88,911,414
	Olympic Industries Ltd. Workers' Welfare Fund (10%)		11,998,186	11,113,927
	Bangladesh Workers' Welfare Foundation Fund (10%)		11,998,186	11,113,927
			<u>119,981,856</u>	<u>111,139,268</u>

(ii) Number of beneficiaries entitled to the Fund for the year under review is as follows:

Male	2,736	2,435
Female	44	30
<b>Total</b>	<u>2,780</u>	<u>2,465</u>

(iii) Workers' Profit Participation & Welfare Funds.

As required by law, the company provides 5% of its net profit for each year before charging such expenses.

Such contribution to be allocated and payable to in percentage term is as follows:

(a) Workers' Profit Participation Fund of the company	80%	80%
(b) Workers' Welfare Fund of the company	10%	10%
(c) Bangladesh Workers' Welfare Foundation Fund	10%	10%

In terms of the provision of Section 234(1) (b) of Bangladesh Labour Act 2006 (as amended in 2013), the amounts under (a) & (b) above are due for payment to the Workers' Profit Participation & Welfare Funds within 9 months from the close of the company's accounting period. However, there is provision of utilization of the Fund's money by the company on payment of due interest as specified in the Act.

The amount under (c) above shall be paid by the company to the Workers' Welfare Foundation Fund, as formed under the provision of the Bangladesh Workers' Welfare Foundation Act 2006.

\* In terms of the provision under Chapter XV of the Bangladesh Labour Act 2006, a Board of Trustees of the company's Workers Profit Participation Fund has been formed on 22 November 2015.

\* Bangladesh Workers' Welfare Foundation Fund has been established under Section 14 of Bangladesh Workers Welfare Foundation Act 2006.

### 23.02 Defined benefit Plan: Contributory Provident Fund

The company operates a contributory Provident Fund for its eligible employees. The Fund is administered by a Board of Trustees and funded by the equal contribution from the employees as well as the company. The rate of such contribution, as existing, is 8% of the basic pay of the member to the Fund. The fund is recognized by the National Board of Revenue, Government of the People's Republic of Bangladesh.

This has been arrived at as follows:

Opening balance at 01 July	669,259	6,834
Add : Contribution to the Fund during the year		
Employees' contribution	2,322,190	2,129,129
Company's contribution (note-a)	2,322,190	2,129,129
	<u>4,644,380</u>	<u>4,258,258</u>
	5,313,639	4,265,092
Less : Paid during the year to the Fund	(4,756,345)	(3,595,833)
	<u>557,294</u>	<u>669,259</u>

(a) Company's contribution to the Fund during the year has been charged to :

Administrative expenses	Note-26.00	1,470,952	1,360,465
Selling & distribution expenses	Note-27.00	304,440	271,704
Factory overhead	Note-25.03	546,798	496,960
		<u>2,322,190</u>	<u>2,129,129</u>

Notes Sl. No.	Particulars	Note Ref.	Amount in Taka	
			30 June 2018	30 June 2017

### 23.03 Defined Benefit Plan: Gratuity Fund

- (i) The company maintains a gratuity scheme and provision is made annually for the employees. Gratuity provision at the end of each year is determined on the following basis:

Service length	Basis of provision
Up to 6 months	Nil
6 months to 10 years	1 (one) time of last months' basic pay multiplied by year (s) of service
More than 10 years	1.5 (one & half) times of last month's basic pay multiplied by year (s) of service

A Fund, namely, Olympic Industries Ltd.'s Employees' Gratuity Fund established on 28 October 2015, in accordance with Part-C of First Schedule of the Income Tax Ordinance 1984, has been accorded due recognition by the National Board of Revenue, Government of the People's Republic of Bangladesh.

The Fund is administered by a Board of Trustees.

- (ii) Obligation to the Gratuity Fund at 30 June 2018 is arrived at as follows:

Opening balance at 01 July		42,327,426	53,202,210
Add: Obligation as provided during the year and Charged to:			
Factory overhead	Note-25.03	16,822,140	15,762,262
Administrative expenses	Note-26.00	10,707,532	10,409,142
Selling & distribution expenses	Note-27.00	4,483,262	3,724,837
		32,012,934	29,896,241
		74,340,360	83,098,451
Less: Paid by the Company during the year to the Fund		(13,958,458)	(40,771,025)
Closing balance at 30 June		60,381,902	42,327,426

### 24.00 Revenue (Net of VAT)

	Qty.(Pcs/Mt)		Amount in Taka	
	30 June 2018	30 June 2017	30 June 2018	30 June 2017
Battery Unit (Pcs)	51,506,116	49,580,514	381,952,756	361,447,280
Biscuit & Conf. Unit (MT)	86,934.59	80,289.21	12,546,548,322	10,929,110,261
			<u>12,928,501,078</u>	<u>11,290,557,541</u>
<b>Turnover comprises :</b>				
Domestic sales			12,797,823,365	11,233,000,763
Export sales (1,031,860 Kg biscuit & confectionery items at US\$ 1,589,593 ) (2017: 468,325.74 Kg at US\$ 727,174.75)		Note-41.00	130,677,713	57,556,778
			<u>12,928,501,078</u>	<u>11,290,557,541</u>

\* Domestic sales include Tk.565,440 (2017 : Tk.238,080) being sales to associated undertakings (Note-33.00)

### 25.00 Cost of goods sold

Work-in-process (Opening)		11,345,717	7,891,555
Material Consumed	Note-25.01	7,473,934,416	6,586,916,535
Stores Consumed	Note-25.02	108,910,722	107,030,909
Factory Overhead	Note-25.03	812,489,322	693,799,899
Depreciation		291,083,579	243,509,610
Work-in-process (Closing)		(13,549,153)	(11,345,717)
<b>Cost of Goods Manufactured</b>		<u>8,684,214,603</u>	<u>7,627,802,791</u>
Finished Goods (Opening)		125,758,881	21,071,237
Finished Goods (Closing)		(102,254,862)	(125,758,881)
		<u>8,707,718,622</u>	<u>7,523,115,147</u>

Notes Sl. No.	Particulars	Qty.(Pcs/Mt)		Amount in Taka	
		30 June 2018	30 June 2017	30 June 2018	30 June 2017
	<b>Finished Goods</b>				
	<b>Opening Stock :</b>				
	Battery	1,033,392 pcs.	1,456,992 pcs.	5,112,055	5,864,550
	Biscuits	1,239.89 MT	155.21 MT	108,380,970	13,120,193
	Candy & snacks	68.78 MT	15.96 MT	12,265,856	2,086,494
				<u>125,758,881</u>	<u>21,071,237</u>
	<b>Closing Stock:</b>				
	Battery	1 766 688 pcs.	1,033,392 pcs.	8,835,913	5,112,055
	Biscuits	814.08 MT	1,239.89 MT	70,083,868	108,380,970
	Candy & snacks	146.87 MT	146.87 MT	23,335,081	12,265,856
				<u>102,254,862</u>	<u>125,758,881</u>
<b>25.01</b>	<b>Materials Consumed</b>				
	Opening Stock			602,981,862	401,199,956
	Purchases during the year			7,845,465,579	6,788,698,441
	Closing Stock			(974,513,025)	(602,981,862)
				<u>7,473,934,416</u>	<u>6,586,916,535</u>
<b>25.02</b>	<b>Stores Consumed</b>				
	Opening Stock			49,242,132	47,759,422
	Purchases during the year			146,436,452	108,513,619
	Closing Stock			(86,767,862)	(49,242,132)
				<u>108,910,722</u>	<u>107,030,909</u>
<b>25.03</b>	<b>Factory overhead</b>				
	Wages & salaries			470,104,052	422,246,291
	Company's contribution to provident fund	Note-23.02(a)		546,798	496,960
	Bonus			29,626,865	28,344,133
	Gratuity	Note-23.03(ii)		16,822,140	15,762,262
	Group insurance			871,643	1,412,715
	Repairs & maintenance			39,458,536	38,593,648
	Rent, rates, taxes & fees			7,368,000	6,136,418
	Insurance			13,805,530	11,675,862
	Power & fuel			135,144,013	93,319,163
	Vehicles repair & maintenance			1,966,509	5,898,647
	Printing & stationery			3,119,052	3,986,042
	Postage, telephone & telegram			431,957	458,602
	Travelling & conveyance			7,793,458	5,766,083
	Subs. newspaper & periodicals			19,219	13,842
	Entertainment			561,829	225,517
	Legal fees			226,300	196,555
	Factory maintenance expenses			11,805,145	6,124,902
	Transport & carriage			41,135,656	30,306,803
	Medical expenses			2,305,383	2,392,909
	Staff food			8,442,141	6,567,407
	Donation			416,000	207,000
	Technician expenses			2,108,153	2,379,465
	Labour handling charge			9,221,853	5,913,650
	Advertisement			192,500	268,500
	Research, training & development			6,845,635	2,955,568
	Amortization of intangible asset - Software (ERP)	Note-04.00		2,150,955	2,150,955
				<u>812,489,322</u>	<u>693,799,899</u>

Notes Sl. No.	Particulars	Note Ref.	Amount in Taka	
			30 June 2018	30 June 2017
<b>26.00</b>	<b>Administrative expenses</b>			
	Salaries & allowances		173,717,838	146,898,966
	Company's Contribution to Provident Fund	Note-23.02(a)	1,470,952	1,360,465
	Bonus		10,108,250	8,836,362
	Gratuity	Note-23.03(ii)	10,707,532	10,409,142
	Repairs & maintenance		6,080,980	2,876,740
	Rent		12,905,192	11,213,245
	Rates & taxes		981,912	423,179
	Research, training & development		19,000	-
	Electricity, gas & water		2,308,059	2,614,536
	Vehicles repairs & maintenance		9,231,039	6,067,942
	Petrol, oil & lubricant		6,149,497	5,404,730
	Printing & stationery		1,302,283	1,124,604
	Postages, telephone & telegram		6,377,313	5,051,991
	Travelling & conveyance		20,140,045	19,873,735
	Subs. newspaper & periodicals		2,268,273	4,965,455
	Entertainment		417,759	316,206
	Audit fees		800,000	800,000
	Legal & consultancy fees		5,634,709	4,732,946
	Directors' remuneration & allowances (including house accommodation Tk. 1,20,00,000 (2016 : Tk. 1,20,00,000))	Note-33.01	36,253,846	43,388,710
	Director's Board meeting attendance fees	Notes-26.01 & 33(vii)	678,750	102,750
	Office maintenances expenses		7,012,443	7,054,143
	Donation		5,942,300	422,300
	Medical expenses		718	110,000
	Advertisement		1,758,868	3,660,733
	Annual General Meeting expenses		4,145,347	2,230,074
	Amortization of intangible asset - Software (ERP)	Note-04.00	2,150,954	2,150,955
			<b>328,563,859</b>	<b>292,089,909</b>

**26.01** Break up of Directors' board meeting attendance fees is as follows:

Name of Directors	Position	Meeting held	Attended	Amount in Taka
Mr. Mohammad Bhai (Late)	Chairman	41	25	65,000
Mr. Mubarak Ali	Managing Director	41	41	225,000
Mr. Aziz Mohammad Bhai	Director	41	-	-
Mrs. Safinaz Bhai	Director	41	32	162,750
Mr. Munir Ali	Director	41	-	-
Mrs. Noorbanu Virji	Independent Director	41	14	112,250
Mrs. Begum Sakwat Banu	Independent Director	41	16	113,750
				<b>678,750</b>

<b>27.00</b>	<b>Selling Expenses</b>			
	Salaries & allowances		528,382,754	316,752,926
	Company's contribution to Provident Fund	Note-23.02(a)	304,440	271,704
	Bonus		25,377,538	23,280,556
	Gratuity	Note-23.03(ii)	4,483,262	3,724,837
	Repairs & maintenance		1,012,100	1,070,210
	Rent		8,617,652	8,186,859
	Rates, taxes & fees		318,215	222,859
	Group insurance		1,074,035	991,012
	Donation		100,000	-
	Electricity, gas & water		1,453,020	1,464,695
	Vehicle repairs & maintenance		5,001,149	3,531,903

Notes Sl. No.	Particulars	Note Ref.	Amount in Taka	
			30 June 2018	30 June 2017
	Petrol, oil & lubricant		18,588,762	4,996,945
	Printing & stationery		14,770,998	12,227,192
	Postage, telephone & telegram		1,769,941	2,150,309
	Travelling & conveyance		26,061,692	196,677,679
	Subscription newspaper & periodical		3,828	2,471
	Entertainment		356,276	400,107
	Legal fees		15,000	-
	Office maintenances expenses		579,471	942,412
	Sales promotion		368,055,224	316,547,364
	Transport/Carriage		398,529,359	331,962,695
	Medical expenses		207,573	388,636
	Advertisement		68,503,747	86,149,089
	Research, training & development		392,144	90,965
	Export expenses		21,121,206	8,038,511
	Amortization of intangible asset - Software (ERP)	Note-04.00	2,150,955	2,150,955
			<u>1,497,230,341</u>	<u>1,322,222,891</u>
28.00	Finance cost			
	Bank charges		6,823,122	4,164,994
	Interest	Note-28.01	148,695,995	114,069,773
			<u>155,519,117</u>	<u>118,234,767</u>
28.01	Interest			
	Interest on Term Loan with banks & other financial institutions			
	United commercial Bank Ltd.		27,265,825	22,292,460
	Union Capital Ltd.		42,728	288,158
	The City Bank Ltd		10,333,465	8,351
			37,642,018	22,588,969
	Interest on LIM, LTR, STL, Offshore Banking with banks		59,505,835	31,969,480
	Interest on Short Term Overdraft with:			
	The City Bank Ltd.		16,672,654	-
	Brac Bank Ltd.		10,840,799	-
	Habib Bank Ltd.		1,242,703	8,616,435
			28,756,156	8,616,435
			<u>125,904,009</u>	<u>63,174,884</u>
	Interest on balance with WPP & W. Funds		19,729,688	43,578,795
	Finance charges for leases		3,062,298	7,316,094
			<u>148,695,995</u>	<u>114,069,773</u>
29.00	Other Income			
	Export Promotion Benefit - Cash incentive received during the year		12,197,500	13,294,000
	Interest income on deposits with banks and other financial institutions			
	Fixed Deposits		261,576,467	272,019,420
	Short Term Deposits		8,201,617	9,435,087
	Zero Coupon Bonds issued by IPDC Finance Ltd.		9,622,242	-
			279,400,326	281,454,507
	Interest income on balance with related parties	Note-33.00	169,356	554,126
	Exchange (Loss) / Gain	Note-29.01	(9,888,224)	(224,235)
	Sale of by-product net of VAT Tk.203,373 (2017 : Tk 78,300)		1,355,817	522,000
	Rental income		1,040,000	960,000
	Gain on disposal of capital assets	Note-29.02	1,010,806	-
	Income / (Loss) on investment on portfolio management account maintained with City Bank Capital Resources Ltd. :			
	Realized (Loss) / Gain		(166,191)	1,821,377
	Dividend income		136,000	568,140
			(30,191)	2,389,517
	Other income including scrap sales		671,535	236,888
			<u>285,926,925</u>	<u>299,186,803</u>

Notes Sl. No.	Particulars	Note Ref.	Amount in Taka	
			30 June 2018	30 June 2017
29.01	Exchange (Loss) of Tk.98,88,224 (2017 : Tk. 224,235) has been arrived at as follows:			
	(i) Received against export sales		130,033,543	57,332,543
	Less : Sales recorded at rates of exchange ruling at transaction date		130,677,713	57,556,778
			<u>(644,170)</u>	<u>(224,235)</u>
	(ii) Exchange difference arising from offshore banking		<u>(9,244,054)</u>	<u>-</u>
			<u><u>(9,888,224)</u></u>	<u><u>(224,235)</u></u>
29.02	Gain / (loss) on disposal of Capital assets			
	a. Gain on disposal of Vehicle			
	Sale proceeds of 3 Nos. vehicles		325,810	
	Less : Book value thereof			
	Original cost		1,730,528	
	Accumulated depreciation		<u>(1,730,525)</u>	
			3	
			<u><u>325,807</u></u>	
	b. Gain on disposal of machinery			
	Sale proceeds		685,000	
	Less : Book value thereof			
	Cost		827,668	
	Accumulated depreciation		<u>(827,667)</u>	
			1	
			<u><u>684,999</u></u>	
	Total gain on disposal of capital assets	(a + b)	<u><u>1,010,806</u></u>	

Notes Sl. No.	Particulars	Note Ref.	Amount in Taka	
			30 June 2018	30 June 2017
<b>30.00</b>	<b>Earnings Per Share (EPS)</b>			
(a)	Earnings attributable to the Ordinary Shareholders (Net profit after Tax)		1,791,067,620	1,643,250,674
(b)	Weighted average number of ordinary Shares outstanding during the year		199,938,886	199,938,886
(c)	Earnings Per Share (EPS)		8.96	8.22
<b>Note :</b> Basic & Diluted Earnings Per Shares are the same as there was no potential dilutive shares outstanding during the years.				
<b>31.00</b>	<b>Net Asset Value</b>			
	Total Assets		10,816,953,287	9,120,317,797
	Total Liabilities		(4,512,759,568)	(3,707,466,711)
			<u>6,304,193,719</u>	<u>5,412,851,086</u>
	Number of Ordinary Shares of Tk.10 each at Balance Sheet date		199,938,886	199,938,886
	<b>NAV-Per Share</b>			
	On shares at balance sheet date		<u>31.53</u>	<u>27.07</u>
<b>32.00</b>	<b>Net Operating Cash Flow Per Share</b>			
	Cash flows from operating activities as per Statement of cash flows		913,213,434	988,667,738
	Number of Ordinary Shares of Tk.10 each at Balance Sheet date		199,938,886	199,938,886
	Net Operating Cash Flow-Per Share			
	On shares at Balance Sheet date		<u>4.57</u>	<u>4.94</u>
<b>32.01</b>	<b>Reconciliation of Net Profit with Cash Flows from Operating Activities</b>			
	making adjustment for Non-cash items, for Non-operating items			
	and for the Net changes in Operating Activities			
	(as required under the provision of Notification No.BSEC/CMRRCD/2006-158/208/ Admin/81			
	dated 20 June 2018 issued by Bangladesh Securities and Exchange Commission)			
	Net Profit before tax as per Profit or Loss and Other Comprehensive Income		2,399,637,128	2,222,785,352
	Adjustments for items not involving flow of cash			
	Depreciation		291,083,579	243,509,610
	Amortization		6,452,864	6,452,865
			297,536,443	249,962,475
	Bank charges		(6,823,122)	(4,164,994)
	Income taxes paid		(585,270,408)	(674,720,508)
			(592,093,530)	(678,885,502)
			2,105,080,041	1,793,862,325
	Adjustments for non-operating items :			
	Interest expenses		128,966,307	70,490,978
	Net changes in fair value of investment in shares		5,777,080	157,010
	Other adjustments (Investments activities & Related parties)		(273,727,175)	(234,264,844)
			(138,983,788)	(163,616,856)
	Adjustments for net changes in operating activities :			
	(Increase) / decrease in :			
	Inventories		(417,247,094)	(308,376,997)
	Advances :			
	Employees		664,404	(13,201,197)
	Suppliers & contractors		(399,286,290)	(100,812,437)
	Deposits		3,437,765	7,244,803
	Pre-payments		1,692,172	(915,529)
	Trade debtors		(16,567,277)	(4,280,282)
	<b>Increase / (Decrease) in:</b>			
	Creditors for goods		(72,785,436)	(49,617,361)
	Creditors for services		(3,199,544)	7,498,783
	Advance against sales		(43,644,354)	(225,711,146)
	Obligation against employee benefits		(151,831,250)	34,197,694
	Accrued expenses		45,884,085	12,395,938
			<u>(1,052,882,819)</u>	<u>(641,577,731)</u>
	<b>Net Cash Flows from Operating Activities</b>		<u>913,213,434</u>	<u>988,667,738</u>

### 33.00 Related party transactions

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 in terms of IAS 24 Related Party Transactions:

Sl. No.	Name of Related Parties	Nature of Transactions	Opening Balance at 01 July 2017	Transaction during the year		Closing Balance at 30 June 2018
			Debit / (Credit)	Debit	(Credit)	
(i)	Ambee Pharmaceuticals Ltd.	Receivables & Sales	1,437,091	565,440	(728,060)	1,274,471
(ii)	Bengal Steel Works Limited	Loans & Advances	11,276,491	12,892	(11,289,383)	-
(iii)	Panther Steel Mills Limited	Loans & Advances	21,442,980	156,464	(21,599,444)	-
(iv)	Mr. Mohammad Bhai Chairman [note-33.01 a(i)]	Interest income	-	169,356	-	-
(v)	Mr. Mubarak Ali, Managing Director [note-33.01 a(ii)]	Remuneration, Bonus & House Accommodation	-	11,653,846	(11,653,846)	-
(vi)	Ms. Sakwat Banu Independent Director [note-33.01 a(iii)]	Remuneration, Bonus & House Accommodation	-	22,000,000	(22,000,000)	-
(vii)	Directors (meeting Fees) (note : 26.01 & 18.00 )	Remuneration & Bonus	-	2,600,000	(2,600,000)	-
(viii)	Directors (Loan)	Board meeting attendance fees	(778,500)	-	(678,750)	(1,457,250)
		Loan from Directors	(1,967,088)	-	-	(1,967,088)

#### 33.01 (a) Short-term benefits :

	Directors Remuneration & Perquisites	Remuneration	Bonus	House Accommodation	Others	Total
(i)	Mr. Mohammad Bhai Chairman	6,000,000	1,153,846	4,500,000	-	11,653,846
(ii)	Mr. Mubarak Ali, Managing Director	12,000,000	2,500,000	7,500,000	-	22,000,000
(iii)	Ms. Begum Sakwat Banu Independent Director	2,400,000	200,000	-	-	2,600,000
	Total : Taka	20,400,000	3,853,846	12,000,000	-	36,253,846

The Chairman & the Managing Director of the company were also provided with full time use of company's cars with related expenses.

(b) Post-employment benefits, other long-term benefits, termination benefit and share based payments : None during the year under review or in the preceding year.



### 34.00 Salaries / Perquisites To Directors & Officers

The aggregate amounts paid / provided during the year in respect of Directors and Officers of the company as defined in the Securities and Exchange Rules, 1987 are disclosed below:

Particulars	2018 (Tk)		2017 (Tk)	
	Directors	Officers	Directors	Officers
	(Note-33.00)			
Board Meeting Fees	678,750	-	102,750	-
Remuneration/salaries & allowance	20,400,000	142,816,291	26,188,710	109,236,336
Bonus	3,853,846	8,671,680	5,200,000	7,591,861
Accommodation	12,000,000	-	12,000,000	-
Company's Contribution to Provident Fund	-	1,917,947	-	1,740,293

### 35.00 Production Capacity & Capacity Utilization Operative Units

Products	Unit	Installed Capacity		Utilization		Short Fall		Reason for Short Fall
		2018	2017	2018	2017	2018	2017	
Battery	Pcs	117,760,000	117,760,000	52,239,412	49,939,814	65,520,588	67,820,186	Less demand of UM-1 Battery
Biscuit & Confectionary items	MT	119,919.00	86,332.00	86,586.87	79,551.90	33,332.13	6,780.10	

### 36.00 The number of employees of the company that includes regular, contractual & casual ones, existed at 30 June 2018 was as under:

Corporate office	94	89
Marketing department	2,032	1,902
Factories	5,186	3,779
Total	<u>7,312</u>	<u>5,770</u>

### 37.00 Contingent Liabilities

#### a. The company had the following contingent liabilities as on 30 June 2018

	2018 (Tk in lac)	2017 (Tk. In lac)
Bank Guarantee issued by banks (Note-38.00)	216.72	563.80
SLC with United Commercial Bank Ltd.	1,762.56	1,944.63
ULC with United Commercial Bank Ltd.	1,227.44	558.45
Acceptance of bills (Overseas & Local)	1,511.98	1,263.05
Local L/C	-	1,518.96
Shipping Guarantee (UCBL)	39.80	-
	<u>4,758.50</u>	<u>5,848.89</u>
With The City Bank Ltd :		
Sight L/C	1,366.81	-
ULC (Accepted Import Liability)	916.97	-
	<u>2,283.78</u>	<u>-</u>
Grand Total	<u>7,042.28</u>	<u>5,848.89</u>

#### b. There may arise contingent liability for unassessed income tax cases pending with tax department.

### 38.00 Bank Guarantees

The following Bank Guarantees were issued on behalf of the company, to various beneficiaries as under:

Issuing Bank	Beneficiary	Guarantee Amount	Validity
United Commercial Bank Limited	Titas Gas Transmission & Distribution Co. Ltd.	3,656,000	06 June 2022
United Commercial Bank Limited	Titas Gas Transmission & Distribution Co. Ltd.	718,500	13 February 2022
United Commercial Bank Limited	Titas Gas Transmission & Distribution Co. Ltd.	412,364	11 October 2022
United Commercial Bank Limited	Titas Gas Transmission & Distribution Co. Ltd.	12,909,400	22 May 2023
United Commercial Bank Limited	Nitol Insurance Company Ltd.	200,000	28 July 2018
United Commercial Bank Limited	Phoenix Insurance Company Ltd.	200,000	23 September 2018
The City Bank Ltd.	Collector of Customs, Customs House Chittagong	1,344,733	Continuous
National Bank of Pakistan	Titas Gas Transmission & Distribution Co. Ltd.	412,364	15 October 2018
National Bank of Pakistan	Titas Gas Transmission & Distribution Co. Ltd.	601,414	22 April 2023
Habib Bank Limited	Titas Gas Transmission & Distribution Co. Ltd.	372,000	30 April 2020
Habib Bank Limited	Collector of Customs, Customs House Chittagong	845,411	Continuous
		<b>21,672,186</b>	

### 39.00 Capital Expenditure Commitment

The Board of Directors of the company adopted the following decisions with regard to capital expenditures:

Projects	Estimated cost (Tk.) in million
(i) Import of Noodles Manufacturing Line having an estimated annual capacity of 9,000 metric ton, complete with ancillary and packing machinery from Japan, to be funded by both bank and company's own sources.	187.00
(ii) Import of Snacks Manufacturing Line having an estimated annual capacity of 3,700 metric ton, complete with ancillary and packing machinery from India, backed by both bank financing and company's own sources.	77.00
(iii) Import of Carton Manufacturing Line having an estimated annual capacity of 66 million pcs carton, complete with corrugation and printing machinery from China, backed by both bank financing and company's own sources.	120.00
(iv) Construction of new Factory Building measuring 88,000 sft and a sub-station at Kutubpur factory premises, to be funded by company's own source.  The building will provide space for installation of new machinery for future projects.	250.00

#### **40.00 Financial risk management**

The Board of Directors of the company has overall responsibility for the establishment and oversight of the company's risk management framework. The Board is responsible for developing and monitoring the company's risk management policies.

Risk management policies, procedures and systems are reviewed regularly to reflect changes in market conditions and the company's activities. It also oversees the risk management strategies to achieve current and accurate compliance with operational and legal requirement and identification of foreseeable trends that could significantly impact the company's overall business activities.

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

- # Credit risk
- # Liquidity risk
- # Market risk

#### **40.01 Credit risk**

Credit risk is the risk of financial loss to the company if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the company's receivables. Management has a credit policy in place and exposure to credit risk is monitored on an ongoing basis. Risk exposures from other financial assets, i.e. Cash at bank and other external receivables are nominal.

#### **40.02 Liquidity risk**

Liquidity risk is the risk that the company will not be able to meet its financial obligations as they fall due. The company's approach to managing liquidity (cash and cash equivalents) is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the company's reputation. Typically, the company ensures that it has sufficient cash and cash equivalents to meet expected operational expenses, including financial obligations through preparation of the cash flow forecast, prepared based on timeline to payment of the financial obligation and accordingly arrange for sufficient liquidity/fund to make the expected payment within due date.

Present Credit Rating as assessed by National Credit Ratings Limited for Long Term Liability is AA+ (signifies very strong capacity) & for Short Term Liability is ST-1 (signifies strongest capacity) , which are valid upto 27 June 2019.

#### **40.03 Market risk**

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

##### **(a) Currency risk**

As at 30 June 2018, there was no exposure to currency risk as there were no foreign currency transactions made during the year under review other than in normal course of business and as disclosed in the accounts (notes 06.05, 24.00 & 29(i) )

##### **(b) Interest rate risk**

Interest rate risk is the risk that arises due to changes in interest rates on borrowing. There was no foreign currency loan which is subject to floating rates of interest. Local loans are, however, not significantly affected by fluctuations in interest rates. The company has not entered into any type of derivative instrument in order to hedge interest rate risk as at the reporting date.

**41.00 Foreign Exchange earned**

During the year under review, an aggregate sum of US\$ 1,589,593 (equivalent Tk. 130,677,713) (2017 : US\$ 727,174.75 (Equivalent Tk.57,556,778) was earned in foreign currency against export of biscuits and confectionery items ( referred to note : 24 to the accounts )

**42.00 Post Balance Sheet Events - Disclosure Under IAS-10 "Events After Reporting Period"**

**Non-adjusting events after the reporting period:**

**Dividend for the year :**


Subsequent to the Balance Sheet date, the Board of Directors recommended 48% ( forty eight percent) cash dividend i.e. Taka 4.80 (Taka four and paisa eighty) per fully paid Ordinary Share of Tk.10 each, which will be recognized in the accounts as and when approved by the shareholders in the Annual General Meeting.

**Adjusting events after the reporting period:**


There was no adjusting events after the reporting period.

**43.00 Approval of the Financial Statements**

These financial statements were authorized for issue in accordance with a resolution of the Company's Board of Directors on 23 October, 2018.

  
**Mubarak Ali**  
Managing Director

  
**Noorbanu Virji**  
Director

  
**Md. Harun-Al-Rashid**  
Chief Financial Officer



**Md. Nazimuddin**  
Company Secretary

Dhaka, October 23, 2018

OLYMPIC INDUSTRIES LIMITED  
SCHEDULE OF NON-CURRENT ASSETS

As at June 30, 2018

Schedule of Property, plant & equipment

Annexure -A

Particulars	Land & Land Development	Factory Building & Other construction	Plant & Machinery	Office Equipment	Furniture & Fixtures	Transport & Vehicles	Total 30 June 2018	Total 30 June 2017
<b>Cost</b>								
At 01 July 2017	213,080,584	707,500,809	2,259,853,046	23,795,715	28,621,181	109,530,002	3,342,381,337	2,863,136,745
Additions during the year	8,910,767	133,086,822	421,006,991	4,507,153	6,232,938	53,774,366	627,519,037	479,244,592
Sale of Fixed Asset	-	-	(827,668)	-	-	(1,730,528)	(2,558,196)	-
<b>Cost at 30 June 2018</b>	<b>221,991,351</b>	<b>840,587,631</b>	<b>2,680,032,369</b>	<b>28,302,868</b>	<b>34,854,119</b>	<b>161,573,840</b>	<b>3,967,342,178</b>	<b>3,342,381,337</b>
<b>Accumulated depreciation</b>								
At 01 July 2017	-	365,789,874	962,086,137	16,208,079	13,793,265	77,385,615	1,435,262,970	1,191,753,360
Depreciation for the year	-	56,284,104	216,647,406	2,510,646	2,164,748	13,476,675	291,083,579	243,509,610
Adjustment for disposal	-	-	(827,667)	-	-	(1,730,525)	(2,558,192)	-
<b>Carrying Value at 30 June 2018</b>	<b>221,991,351</b>	<b>418,513,653</b>	<b>1,502,126,493</b>	<b>9,584,143</b>	<b>18,896,106</b>	<b>72,442,075</b>	<b>2,243,553,821</b>	<b>1,907,118,367</b>
<b>Carrying Value at 30 June 2017</b>	<b>213,080,584</b>	<b>341,710,935</b>	<b>1,297,766,909</b>	<b>7,587,636</b>	<b>14,827,916</b>	<b>32,144,387</b>	<b>1,907,118,367</b>	<b>1,671,383,385</b>

This includes written down value of lease hold assets of Tk.68,490,436 ( 2017 : Tk.86,870,474 ) which is made up as follows:

Particulars	Land and Land Development	Factory Building & Other const.	Plant & Machinery	Office Equipment	Furniture & Fixtures	Transport & Vehicles	Total
Gross carrying amounts as on 01 July 2017	-	-	157,488,819	572,000	-	67,007,974	200,088,935
Additions during the year	-	-	-	-	-	-	24,979,858
Adjustment / Deletion of Fixed Asset	-	-	-	-	-	-	-
<b>Gross carrying amounts as on 30 June 2018</b>	<b>-</b>	<b>-</b>	<b>157,488,819</b>	<b>572,000</b>	<b>-</b>	<b>67,007,974</b>	<b>225,068,793</b>
Accumulated depreciation as on 01 July 2017	-	-	102,367,008	572,000	-	35,259,311	116,422,568
Depreciation for the year	-	-	10,895,580	-	-	7,484,458	18,380,038
Adjustment of Depreciation	-	-	-	-	-	-	-
<b>Accumulated depreciation as on 30 June 2018</b>	<b>-</b>	<b>-</b>	<b>113,262,588</b>	<b>572,000</b>	<b>-</b>	<b>42,743,769</b>	<b>138,198,319</b>
<b>Net carrying amounts as on 30 June 2018</b>	<b>-</b>	<b>-</b>	<b>44,226,231</b>	<b>-</b>	<b>-</b>	<b>24,264,205</b>	<b>86,870,474</b>
<b>Net carrying amounts as on 30 June 2017</b>	<b>-</b>	<b>-</b>	<b>55,121,811</b>	<b>-</b>	<b>-</b>	<b>31,748,663</b>	<b>83,666,367</b>

**OLYMPIC INDUSTRIES LIMITED**  
**UNIT-WISE RESULT**  
**FOR THE YEAR ENDED 30 JUNE 2018**  
**(AS PER REQUIREMENT OF THE SECURITIES AND EXCHANGE RULES, 1987)**

Particulars	Notes	Amount in Taka			
		Battery Unit	Biscuit & Other Units	30 June 2018	30 June 2017
Revenue	24.00	381,952,756	12,546,548,322	12,928,501,078	11,290,557,541
Cost of Goods Sold	25.00	(251,828,135)	(8,455,890,487)	(8,707,718,622)	(7,523,115,147)
Gross Profit		130,124,621	4,090,657,835	4,220,782,456	3,767,442,394
Operating Expenses		(53,940,292)	(1,771,853,908)	(1,825,794,200)	(1,614,312,800)
Administrative Expenses	26.00	(9,706,916)	(318,856,943)	(328,563,859)	(292,089,909)
Selling Expenses	27.00	(44,233,376)	(1,452,996,965)	(1,497,230,341)	(1,322,222,891)
Profit from Operations		76,184,329	2,318,803,927	2,394,988,256	2,153,129,594
Finance Cost	28.00	(4,594,574)	(150,924,543)	(155,519,117)	(118,234,767)
		71,589,755	2,167,879,384	2,239,469,139	2,034,894,827
Other income	29.00	8,447,273	277,479,652	285,926,925	299,186,803
		80,037,028	2,445,359,036	2,525,396,064	2,334,081,630
Net changes in fair value of investment in shares of listed companies				(5,777,080)	(157,010)
				2,519,618,984	2,333,924,620
Contribution to WPP & W Funds				(119,981,856)	(111,139,268)
Profit before Tax				2,399,637,128	2,222,785,352
Current Tax				(592,843,349)	(565,599,025)
Deferred Tax Income/ (Expense)				(15,726,159)	(13,935,653)
				(608,569,508)	(579,534,678)
Profit after Taxation				1,791,067,620	1,643,250,674
Other Comprehensive Income				-	-
Total Comprehensive Income				1,791,067,620	1,643,250,674