

**Auditor's Report & Financial Statements  
of  
MOBARAKGANJ SUGAR MILLS  
LIMITED**

**For the Year Ended June 30, 2022**



**Independent Auditor's Report**  
**To the Bangladesh Sugar and Food Industries Corporation (BSFIC) Authority of**  
**Mobarakganj Sugar Mills Limited**

**Report on the Audit of the Financial Statements**

**Qualified Opinion**

We have audited the Financial Statements of **Mobarakganj Sugar Mills Limited**, which comprise the Statement of Financial Position as at June 30, 2022, Statement of Profit or Loss and Other Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year then ended June 30, 2022 and a summary of significant accounting policies and other explanatory information.

In our opinion, except for the effects of the matter described in the basis for qualified opinion section of our report, the accompanying financial statements of the company give a true and fair view of the financial position as at 30 June 2022, their financial performance and cash flows for the year ended and prepared in accordance with International Financial Reporting Standards (IFRSs), the Companies Act, 1994 and other applicable laws and regulations.

**Basis for Qualified Opinion:**

**1. The company incurred a net loss of Tk. (683,993,982) during the year ended 30 June 2022 and the accumulated loss of the company as on 30 June 2022 stands at Tk. (7,588,519,005). Net working capital is (6,393,164,918). Net operating cash flows is (462,039,819) and Bangladesh Sugar and Food Industries Corporation (BSFIC) has not provided any comfort letter from government or other fund provider to operate the company.** We also draw attention to the production difficulties, inability to pay creditors on due dates, inefficiency of key management and negative operating cash flows indicated by financial statements of the company. These events or conditions indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern and that the financial statements do not adequately disclose this matter.

**2. In Note no. 21.01 foreign loan total amounting of Tk. 25,334,248 which in 22,564,248 was not confirmed by us because the company did not provide us bank statements/related balance confirmation documents.**

**3. In Note no. 21.02 Local loan amounting of Tk. 97,488,486 which in 72,052,486 was not confirmed by us because the company did not provide us bank statement/related balance confirmation documents.**

**4. The company has made non-compliance with Policy no: 1.04 for preparation and finalization of accounts for the financial year 2021-2022. The company has not made joint reconciliation with BSFIC Current Account balance with the head office of the corporation and confirmation letter has not provided by the company of total amount of Tk. 3,080,041,301.**

**5. The company has Trade Debtors of Tk. 973,938, which should be written off as bad debt and the amount is material by nature.**



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

### Other Matters

During the course of our audit, we found that-

- i. As a public interested entity **Mobarakganj Sugar Mills Limited should comply with IFRS**. The company did not recognize deferred tax liability/assets following IAS-12. "Income tax" on taxable/deductible temporary differences.

### Report on Going Concern

We are required to report if we have concluded that the use of the going concern basis of accounting is inappropriate or there is an undisclosed material uncertainty that may cast significant doubt over the use of that basis for a period of at least twelve months from the date of the financial statements. However, note no. 1 to the Auditor's Report as on June 30, 2022 described the events or matters that may cast significant doubt on the company's ability to continue as going concern.

### Other Information

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

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

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

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to the board of directors of the company.

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

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



In preparing the financial statements, management is responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the company's financial reporting process.

### **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management but not for the purpose expressing an opinion on the effectiveness of the company's internal control.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the company's financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.



কাজী জহির খান এন্ড কোং  
KAZI ZAHIR KHAN & CO.  
Chartered Accountants  
In Practice Since 1980

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Always adding value

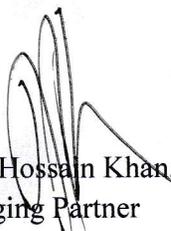
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the company audit. We remain solely responsible for our audit opinion.

### **Report on other Legal and Regulatory Requirements**

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

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

Place: Dhaka  
Dated: November 24, 2022

  
Nurul Hossain Khan, FCA  
Managing Partner  
KAZI ZAHIR KHAN & CO.  
Chartered Accountants  
DVC: 2211240240AS477832

MOBARAKGANJ SUGAR MILLS LIMITED

Statement of financial position

As at June 30, 2022

PARTICULARS	NOTES	MILLS	Farm	AMOUNTS (IN TAKA)	
		30.06.2022	30.06.2022	30.06.2022	30.06.2021
<b>Assets</b>					
<b>Non-Current assets:</b>					
		79,222,135	587,260	79,809,395	78,548,095
Property, Plant and Equipment	8.00	79,222,135	587,260	79,809,395	78,548,095
<b>Current Assets:</b>					
		334,389,786	186,890	334,576,676	488,081,697
Inventory	9.00	111,150,095	17,390	111,167,484	284,640,921
Stock of stores and spares	9.02	57,467,698	-	57,467,698	57,901,698
Work-in-Process	10.00	1,563,798	-	1,563,798	2,238,649
Trade Debtors	11.00	973,938	169,500	1,143,438	33,838,555
Loans, Advances	12.00	45,275,214	-	45,275,214	25,017,887
Interproject Current Account	13.00	(8,126,755)	-	(8,126,755)	27,257,298
Deposit & Prepayments	14.00	5,758,699	-	5,758,699	5,758,699
Current Account With Firm		25,009,726	-	25,009,726	26,323,419
Cash & Bank Balances	15.00	95,075,086	-	95,075,086	24,425,383
Store and transit		242,287	-	242,287	679,188
<b>Total Assets:</b>		<b>413,611,921</b>	<b>774,150</b>	<b>414,386,071</b>	<b>566,629,792</b>
<b>Equity and Liabilities:</b>					
<b>Equity:</b>					
Share Capital	16.00	30,755,000	-	30,755,000	30,755,000
Government Equity fund	17.00	2,421,784	-	2,421,784	2,421,784
Reserve and Surplus	18.00	2,584,062	-	2,584,062	2,584,062
Government Grants and Loans	19.00	41,082	-	41,082	54,149
Retained Earnings	20.00	(7,564,283,429)	(24,235,576)	(7,588,519,005)	(6,905,663,027)
		(7,528,481,500)	(24,235,576)	(7,552,717,076)	(6,869,848,032)
<b>Non-Current Liabilities:</b>					
Long Term Loan	21.00	1,239,361,553	-	1,239,361,553	1,025,145,459
		1,239,361,553	-	1,239,361,553	1,025,145,459
<b>Current Liabilities:</b>					
Sundry Creditors	22.00	259,899,266	-	259,899,266	281,860,340
Agricultural Loan	23.00	3,060,182,234	-	3,060,182,234	2,730,897,278
Provision & Accruals	24.00	302,609,067	-	302,609,067	330,513,509
Current Account With MKSM		-	25,009,726	25,009,726	26,323,419
BSFIC Current Account		3,080,041,301	-	3,080,041,301	3,041,737,815
		6,702,731,868	25,009,726	6,727,741,594	6,411,332,361
<b>Total Equity and Liabilities</b>		<b>413,611,921</b>	<b>774,150</b>	<b>414,386,071</b>	<b>566,629,792</b>

The annexed notes form an integral part of these financial statements.

  
GM (A) Managing Director

  
Director

Director

Subject to our separate report of even date.

  
Nurul Hossain Khan, FCA  
Managing Partner  
KAZI ZAHIR KHAN & CO.  
Chartered Accountants  
DVC: 2211240240AS477832

MOBARAKGANJ SUGAR MILLS LIMITED  
Statement of Profit or Loss and other Comprehensive Income  
For the year ended 30 June, 2022

Particulars	Notes	Amount in Taka	
		2021-2022	2020-2021
		<b>534,947,435</b>	<b>711,984,138</b>
<b>A. SALES</b>			
Sugar	25.00	436,812,339	541,844,813
Molasses	25.00	96,068,255	162,209,218
Pit	25.00	-	4,263,783
Sales of Farm Product	25.00	2,066,841	3,666,324
<b>B. LESS: COST OF SALES</b>			
<b>(i) Opening Finished Goods:</b>		<b>284,623,531</b>	<b>320,398,120</b>
Sugar	26.04	201,775,140	249,276,600
Molasses	26.04	82,848,391	62,175,879
Pit	26.04	-	8,945,640
<b>(ii) Cost of Production</b>		<b>533,390,477</b>	<b>879,951,770</b>
(Transferred from Manufacturing Account)	26.00	531,323,636	876,285,446
Cultivation Expense		2,610,409	4,727,107
Gross Profit (Loss) carried down from FARM		(543,568)	(1,060,783)
<b>(iii) Cost of Goods available for Sale (i+ii)</b>		<b>818,014,008</b>	<b>1,200,349,890</b>
<b>(iv) Closing Finished Goods:</b>		<b>111,150,095.90</b>	<b>284,623,531</b>
Sugar	26.04	43,680,720	201,775,140
Molasses	26.04	67,469,374	82,848,391
Pit	26.04	2	
<b>Cost of Goods Sold (iii-iv)</b>		<b>706,863,912</b>	<b>915,726,359</b>
		<b>(171,916,477)</b>	<b>(203,742,221)</b>
<b>C. GROSS PROFIT/(LOSS) FOR THE YEAR (A-B)</b>		<b>512,996,325</b>	<b>759,508,855</b>
<b>D. Less: Administration, Financial &amp; Selling Overhead</b>			
Administration Expenses	28.00	82,830,497	118,102,711
Selling and Distribution Expenses	29.00	8,813,405	6,864,799
Finance Cost	30.00	421,352,423	634,541,345
		<b>(684,912,803)</b>	<b>(963,251,076)</b>
<b>E. Operating Profit/ (Loss) for the year (C-D)</b>		<b>4,133,699</b>	<b>3,347,287</b>
<b>F. NON OPERATING INCOME:</b>			
Misc. Income	27.00	2,932,279	2,528,330
Net Profit/ (Loss) From Farm		1,201,420	818,957
<b>G. PROFIT/(LOSS) BEFORE TAX</b>		<b>(680,779,104)</b>	<b>(959,903,789)</b>
Provision for tax		3,214,878	4,265,077
<b>H. NET PROFIT/( LOSS) DURING THE YEAR (E+F)</b>		<b>(683,993,982)</b>	<b>(964,168,866)</b>

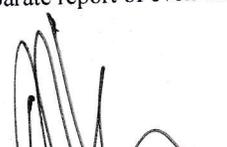
The annexed notes form an integral part of these financial statements.

  
GM (Fin) Managing Director

  
Director

Director

Subject to our separate report of even date.

  
Nurul Hossain Khan, FCA  
Managing Partner  
KAZI ZAHIR KHAN & CO.  
Chartered Accountants  
DVC: 2211240240AS477832

Place: Dhaka  
Dated: November 24, 2022



MOBARAKGANJ SUGAR MILLS LIMITED  
Statement of Profit or Loss and Other Comprehensive Income (FARM)  
For the year ended 30 June, 2022

Particulars	Amount in Taka	
	2021-2022	2020-2021
<b>A. Direct Income:</b>	<b>59,700</b>	<b>1,381,123</b>
Sales of cane		1,313,423
Sales Proceeds of other Crops	59,700	67,700
<b>B. Direct Expenditure:</b>	<b>603,268</b>	<b>2,441,906</b>
Salary & Wages	530,588	1,889,282
Fuel and Power	5,114	-
Administrative Overhead	67,566	64,440
Weeding & Mulching		-
Harvesting		460,046
Irrigation		-
Plantation		-
Ploughing		-
Fertilizer		5,025
Pest Control		-
Farm Seeds		-
Others Seeds		23,113
Repair & Maintenance		-
<b>C. Gross Profit/(Loss) (A-B)</b>	<b>(543,568)</b>	<b>(1,060,783)</b>
<b>D. Indirect Income:</b>	<b>2,007,141</b>	<b>2,285,201</b>
Land Lease	1,463,518	1,344,792
Shop Rent	29,150	48,245
Other Income		113,348
Pond Lease	5,000	-
Sales of Firewood	509,473	778,816
<b>E. Indirect Expenditure:</b>	<b>262,153</b>	<b>405,461</b>
Depreciation	4,373	4,373
Wood Sales Cost	247,640	401,088
Others Expenses	10,140	-
<b>Other Income: (D-E)</b>	<b>1,744,988</b>	<b>1,879,740</b>
<b>Profit /(Loss) for the Year (C+D-E)</b>	<b>1,201,420</b>	<b>818,957</b>

Managing Director  
GM (Finance)

Director

Director

Subject to our separate report of even date.

Nurul Hossain Khan, FCA  
Managing Partner  
KAZI ZAHIR KHAN & CO.  
Chartered Accountants  
DVC: 2211240240AS477832

Place: Dhaka  
Dated: November 24, 2022



**MOBARAKGANJ SUGAR MILLS LIMITED**

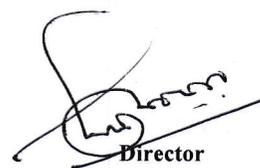
**Statement of change in equity**  
**As at June 30, 2022**

Particulars	Share Capital	Govt. Equity Fund	Reserve and surplus	Government Grants and Loans	Retained earning	Total
Balance as on 01.07.2021	30,755,000	2,421,784	2,584,062	54,149	(6,905,663,026)	(6,870,014,035)
Add: Prior year adjustment	-	-	-	-	1,138,004	1,138,004
Less: Adjustment	-	-	-	(13,067)	-	(13,067)
Comprehensive Income/( Loss) for the year	-	-	-	-	(683,993,982)	(683,993,982)
Balance as on 30.06.2022	<b>30,755,000</b>	<b>2,421,784</b>	<b>2,584,062</b>	<b>41,082</b>	<b>(7,588,519,004)</b>	<b>(7,552,883,080)</b>

**STATEMENT OF CHANGES IN EQUITY**  
**As at June 30, 2022**

Particulars	Share Capital	Govt. Equity Fund	Reserve and surplus	Government Grants and Loans	Retained earning	Total
Balance as on 01.07.2021	30,755,000	2,421,784	2,584,062	67,216	(5,945,899,810)	(5,910,071,748)
Add: Prior year adjustment	-	-	-	-	4,239,646	4,239,646
Less: Adjustment	-	-	-	(13,067)	166,004	(13,067)
Comprehensive Income/( Loss) for the year	-	-	-	-	(964,168,866)	(964,168,866)
Balance as on 30.06.2022	<b>30,755,000</b>	<b>2,421,784</b>	<b>2,584,062</b>	<b>54,149</b>	<b>(6,905,663,026)</b>	<b>(6,870,014,035)</b>

  
 GM/Fin Managing Director

  
 Director

Director



**MOBARAKGANJ SUGAR MILLS LIMITED**  
**Statement of cash flows**  
**For the year ended 30 June, 2022**

Particulars	Amount in Taka	
	2021-2022	2020-2021
<b>A. CASH FLOW FROM OPERATING ACTIVITIES:</b>		
Net Profit/ (Loss) during the year	(683,993,982)	(964,168,866)
Prior Year Adjustment	1,138,004	4,405,651
Depreciation on Fixed Assets	9,550,227	13,187,906
<b>Opening Profit before Change in Working Capital</b>	<b>(673,305,751)</b>	<b>(946,575,309)</b>
<b>CHANGE IN WORKING CAPITAL:</b>		
Increase/Decrease in Inventory	173,473,437	35,805,503
Increase/Decrease in Stock of stores and spares	434,000	3,168,356
Increase/Decreased in Work in Process	674,851	(789,565)
Increase/Decrease in Sundry Debtors	32,695,117	(32,693,062)
Increase/Decrease in Loans & Advance	(20,257,326)	47,189,670
Increase/Decrease in Store and transit	436,901	(687,968)
Increase/Decrease in Creditors	(21,961,073)	(81,705,621)
Increase/Decrease in BSFIC Current account	38,303,486	531,769,825
Increase/Decrease in Provision & Accruals	(27,904,446)	(57,922,981)
Increase/ Decrease in Current Account With MKSM	(1,313,693)	(742,849)
Increase/Decrease in Imprest Money	-	1,000
Increase/Decrease in Government Grants	(13,067)	(13,067)
Increase/ Decrease in Inter project Current Account	35,384,053	(32,203,598)
Increase/ Decrease in Current Account With Firm	1,313,693	742,849
	<b>211,265,932</b>	<b>411,918,491</b>
	<b>(462,039,819)</b>	<b>(534,656,818)</b>
<b>A) Net Cash flows from Operating Activities</b>		
<b>B. CASH FLOW FROM INVESTING ACTIVITIES:</b>		
Increase/Decreased Property, Plant & Equipment	(10,811,528)	(10,392,364)
<b>B) Net Cash flows from Investing Activities</b>	<b>(10,811,528)</b>	<b>(10,392,364)</b>
<b>C. CASH FLOW FROM FINANCE ACTIVITIES:</b>		
Increase/ Decrease in Agricultural Loan	329,284,956	221,722,562
Increase/ Decrease in Long Term Loan(secured)	214,216,094	343,843,481
<b>C) Net Cash flows from Finance Activities</b>	<b>543,501,050</b>	<b>565,566,043</b>
<b>D) Net Cash flows from Total Activities (A+B+C)</b>	<b>70,649,703</b>	<b>20,516,861</b>
E) Opening Cash and Bank Balance	24,425,383	3,908,522
F) Closing Cash and Bank Balance (D+E)	<b>95,075,086</b>	<b>24,425,383</b>

Managing Director

Director

Director



MOBARAKGANJ SUGAR MILLS LIMITED  
Statement of fund flows (Consolidated)  
For the year ended 30 June, 2022

Particulars	Amount in Taka	
	30.06.2022	30.06.2021

**SOURCE OF FUND:**

Net Profit/ (Loss) after Taxation	(683,993,982)	(964,168,866)
Depreciation for the Current Year	9,550,227	13,187,907
Prior Year Adjustment	1,138,004	4,239,646
<b>Fund from Operation:</b>		
Decrease in Fixed Assets	-	-
Decrease in Work-in-Progress	-	-
<b>Increase in Long term Loan:</b>		
Increase in Local Loan	-	-
Increase in Foreign Loan	-	-
Increase in Govt. Loan	170,000,000	318,521,138
<b>A. Total Sources of Fund:</b>	<b>(503,305,751)</b>	<b>(628,220,176)</b>

**APPLICATION OF FUND:**

Decrease in Local Loan	-	-
Decrease in Grant and Loans	-	-
Increase in Fixed Assets	10,811,528	10,392,364
Provision for Turnover Tax	3,214,878	4,265,077
<b>B. Total Application of Fund</b>	<b>14,026,406</b>	<b>14,657,441</b>
Release of working capital (A-B)	<b>(517,332,157)</b>	<b>(642,877,617)</b>

  
GM (Finance) Managing Director

  
Director

Director



MOBARAKGANJ SUGAR MILLS LIMITED  
MANUFACTURING ACCOUNTS  
For the year ended 30 June 2022

Particulars	Amount in Taka	
	2021-2022	2020-2021
<b>A. Opening Work-in-Process</b>	2,238,649	1,449,084
<b>B. MATERIAL CONSUMED:</b>	<b>229,599,117</b>	<b>587,860,770</b>
Cost of Production Direct Materials	229,599,117	587,860,770
Other Production Material	-	-
<b>C . FACTORY OVERHEAD:</b>	<b>301,049,668</b>	<b>287,844,704</b>
Salary and Wages (Permanent)	244,493,980	220,782,571
Insurance	468,271	304,057
Repair and Maintenance	30,523,022	22,795,336
Power and Fuel	17,461,526	31,450,798
Depreciation	8,102,868	12,511,942
Others Factory Overhead	-	-
<b>D. TOTAL (A+B+C)</b>	<b>532,887,434</b>	<b>877,154,558</b>
<b>E. CLOSING WORK IN PROCESS</b>	<b>1,563,798</b>	<b>2,238,649</b>
<b>Cost of Production (D-E) Carried Forward to Trading, Profit &amp; Loss Account</b>	<b>531,323,636</b>	<b>874,915,909</b>

Managing Director

Director

Director

GM (Finance)



**MOBARAKGANJ SUGAR MILLS LIMITED**  
**Notes to the Financial Statements**  
**For the year ended June 30, 2022**

**1.00 BACKGROUND OF THE COMPANY:**

Mobarakganj Sugar Mills Limited is a public limited company incorporated in 1964 and started commercial operation in the year 1959 having installed crushing capacity of 1,000 TCD and Subsequently increased to 1,500 TCD. The company was nationalized as per P.O-27 of 1972 and was placed under Bangladesh Sugar and Food Industries Corporation (BSFIC) for its control, supervision and direction. As Per Performance Report Year 2021-2022 Mobarakganj Sugar Mills Limited Has Total Land 207.93 Acres. Which in Factory Land 20.61 Acres, Pond and Railway Side 23.98 Acres, Colony area 38.22 Acres, Experimental Farm 107.00 Acres, Sub-zone office and Cane Purchase Center 18.12 Acres.

**2.00 MAIN ACTIVITIES OF THE COMPANY:**

The main activities of the company are to produce sugar from sugarcane and molasses as by products. Both sugar and molasses were sold out in the local market.

Mobarakganj Sugar Mills Limited is a Public Limited Company incorporated in the year 1964. It is situated at Naldanga in the district of Jhenidha. The company was nationalized as per Nationalization Order of 1972 and placed under BSFIC for its control, supervision and direction.

**3.00 ACCOUNTING POLICY:**

The accounts have been prepared in accordance with historical cost convention under accrual basis of accounting.

**3.01 Depreciation:**

Depreciation has been charged on fixed assets following straight line method.

**3.02 Valuation of Inventories:**

- a) Stores and Spares have been valued at weighted average price.
- b) Store in transit:  
This include cost incurred for import of materials/spares.
- c. Work in Process:  
Work in process has been valued at as per previous practice.
- d. Finished Product:  
Valuation of sugar has been made fixed by Govt.
- e. Stock of Molasses:  
Stock of molasses has been valued at selling price

**3.03 Employee Benefit Plan:**

Employees including officers and workers are allowed gratuity equal to two months basic pay on the date. Further the mill operates contributory provident fund scheme for permanent and seasonal employees.

**4.00 The presentation of the financial statements in accordance with the guide lines provided by IAS:**

- 1 Statement of financial position as at 30th June, 2022.
- 2 Statement of Profit or Loss and other comprehensive income for the year ended 30th June, 2022.
- 3 Statement of Cash Flows for the year ended 30th June, 2022.
- 4 Statement of changes in equity for the year ended 30th June, 2022.
- 5 Notes comprising significant accounting policies and other explanatory information.



**5.00 SERVICE & SUPPORT OF BSFIC:**

The mill avails some administrative and other services from BSFIC in those areas where common services can efficiently be provided by BSFIC. This includes internal auditing, special auditing, administrative and technical support, arrangement of finance and supplies etc. BSFIC usually charges head office overheads upon factory towards their services. Total sum of Tk. 7,312,353 was charged to Mill as "**Head office expenses**" for the year under audit.

**6.00 Provision for**

An amount of Tk. 3,145,500 has been charged as tax provision in financial statements during the year.

**7.00 General:**

Figure has been rounded of the nearest taka.

**7.01 Related Party Disclosure**

During the Year ended on June 30,2022 Company entered into a transaction with related party. The names of the related parties, nature of these transactions and amount thereof have been set out below in according to the paragraph 18 of IAS 24.

SL. No.	Name of the Related Party	Purpose	Amount
1	Managing Director	Salary & Allowance	11,51,675
2	Director of Company Board	Remuneration	1,35,000

**7.02** Interest has been Calculated Foreing Loan A/C NO-17100 (6%) and Local Loan A/C NO-17200 (5%) and Agriculture Loan A/C NO-18100 (8%)



**8.00 PROPERTY, PLANT AND EQUIPMENTS:**

**(A) Assets At cost (Mills):**

**Opening Balance**

Addition during the year

Less: Adjustment during the year

**Closing Balance**

**Accumulated Depreciation:**

Opening Balance

Addition during the year

Less: Adjustment during the year

Closing Balance

**Written Down Value**

Details have been shown in **Annexure- A**

Amount (In Taka)	
30.06.2022	30.06.2021

394,788,928	384,396,564
10,811,528	10,392,364
405,600,456	394,788,928
-	-
405,600,456	394,788,928

316,832,468	303,648,935
9,545,854	13,183,533
326,378,322	316,832,468
-	-
326,378,322	316,832,468
79,222,135	77,956,461

**(B) Assets At cost (Farm):**

Opening Balance

Addition during the year

**Closing Balance**

**Accumulated Depreciation:**

Opening Balance

Add: Addition during the year

Less: Adjustment during the year

Closing Balance

**Written Down Value**

1,258,536	1,258,536
-	-
1,258,536	1,258,536
1,258,536	1,258,536

666,903	662,530
4,373	4,373
671,276	666,903
-	-
671,276	666,903
587,260	591,633

**As Per Performance Report Year 2020-2021 Mobarakganj Sugar Mills Limited Has Total Land 207.93 Acres.**

**9.00 INVENTORIES:**

This is made up as follows

**(A) Mills**

Raw Goods

Stock of Finished Goods

**Total**

9.01

-	-
111,150,095	284,623,532
111,150,095	284,623,532

**9.01 STOCK OF FINISHED GOODS:**

Finished goods inventory is accounted as follows:

**Particulars**

Sugar

Molasses

Kacha Pit

Farm Stock

**Total**

43,680,720	201,775,140
67,469,374	82,848,391
1	1
17,390	17,390
111,167,484	284,640,922

Particulars	As at 30.06.22		Amount (In Taka)	
	M.Ton	Rate Per M.Ton	30.06.2022	30.06.2021
Sugar	590.28	74,000	43,680,720	201,775,140
Molasses	2,764.03	24,410	67,469,374	82,848,391
Kacha Pit	989.45		1	1
<b>Total</b>	<b>4,343.76</b>	<b>-</b>	<b>111,150,095</b>	<b>284,623,532</b>

Closing stock of Molasses ( Kacha pit) 989.450 M.Ton Valuation As Per IAS-2 Inventory Valuation method Which Value 1 tk.

**9.02 STOCK OF STORES AND SPARES :**

**Annexure-D**

		Amount (In Taka)	
		30.06.2022	30.06.2021
Construction Materials		180,151	81,954
Fuel, Oil and Lubricants		2,611,190	4,084,921
Production Materials		3,101,798	4,451,034
Loose Tools		663,112	717,805
Mechanical Spare Parts		33,778,814	33,330,989
Electrical Spare Parts		2,328,385	2,182,078
Stationary		-	491,574
Vehicle Spare Parts		4,141,578	3,276,051
Iron, Steel & Non Ferrous Materials		998,753	1,564,585
Pipe, Tubes & Fittings		1,214,317	963,521
Paint & Varnishes		180,692	147,253
General Hardware		207,683	192,779
Domestic Equipments		169,065	109,688
Cord, Ropes & Chain		88,885	182,373
Packing, Gaskets & Insulation Materials		168,079	194,616
Chemical & Lubricants		571,568	162,898
Miscellaneous		317,791	232,705
Refractories		880,793	560,052
Furniture & Fixture		2,495	4,310
Fertilizer & Biocides		5,862,548	4,970,512
<b>Total</b>		<b>57,467,698</b>	<b>57,901,698</b>

**10.00 WORK-IN- PROCESS:**

This is made up as follows

Cost of cane		1,487,928	2,143,379
Loading & Off Loading		48,945	64,630
Lime		17,325	19,040
Sulpher		9,600	11,600
<b>Total</b>		<b>1,563,798</b>	<b>2,238,649</b>

Cost of cane		1,487,928	2,143,379
Loading & Off Loading		48,945	64,630
Lime		17,325	19,040
Sulpher		9,600	11,600
<b>Total</b>		<b>1,563,798</b>	<b>2,238,649</b>

Work in process had been valued at weighted average material cost.

Particulars	As at 30.06.22		Amount in Taka	Amount in Taka
	M.Ton	Rate Per M.Ton		
Cost of cane	407.88	3,648	1,487,928	2,143,379
Loading & Off Loading	407.88	120	48,945	64,630
Lime	0.77	22,500	17,325	19,040
Sulpher	0.20	48,000	9,600	11,600
<b>Total</b>	<b>816.72</b>	<b>-</b>	<b>1,563,798</b>	<b>2,238,649</b>



**11.00 TRADE DEBTORS:**

This is made up as follows  
ARMY Credit Sugar Sale  
Head Office (Sales of Suger)  
Defalcation of Sugar  
Defalcation of Fertilizer  
**Total**

	32,450,530
	136,687
538,200	538,200
435,738	435,738
<b>973,938</b>	<b>33,561,155</b>

**TRADE DEBTORS Farm :**

Land Lease  
**Total**

169,500	277,400
<b>169,500</b>	<b>277,400</b>

Amount (In Taka)	
30.06.2022	30.06.2021
<b>37,148,459</b>	<b>52,275,186</b>

**12.00 LOAN/ ADVANCES:**

**A. Mills**

Advance against salaries (p)  
Others Loans and Advance  
Advance against TA/DA  
Advance against expenses  
Advance against supplies  
Realization of access Salary/wages  
Motor Cycle & Bi Cycle Loan  
Advance to cane dept/Procurement  
**Total**

Annexure-E  
Annexure-F  
  
Annexure-G  
Annexure-H  
Annexure-I

36,980,961	22,087,968
-	-
-	-
2,143,890	14,070
5,607,375	2,316,969
542,988	598,880
-	-
<b>45,275,214</b>	<b>25,017,887</b>

**13.00 INTER PROJECT CURRENT ACCOUNT**

Particulars	A/C No.	Amount (In Taka)	
		30.06.2022	30.06.2021
<b>Interproject Debit Amount</b>	13.1	1,028,224	32,651,558
<b>Interproject Credit Amount</b>	13.2	(9,154,979)	(5,394,259)
		<b>(8,126,755.0)</b>	<b>27,257,298</b>

**13.01 Interproject Debit Amount:**

Rangpur Sugar Mills Ltd.  
Rajshahi Sugar Mills Ltd.  
Carew and Co, (BD) Ltd.  
Faridpur Sugar Mills Ltd.  
Pabna Sugar Mills Ltd.  
Kushtia Sugar Mills Ltd.  
M/S Reinwick Jagneswar & Co.

103	-	-
105	523,494	-
108	349,346	25,312,673
113	-	-
116	-	-
107	-	354,972
137	155,383	6,983,913
	<b>1,028,224</b>	<b>32,651,558</b>

**13.02 Interproject Credit Amount:**

Pauchagar Sugar Mills Ltd.  
Takurgaon Sugar Mills Ltd.  
Rajshahi Sugar Mills Ltd.  
North Bangla Sugar Mill :Ltd.  
Joypurhat Sugar Mills Ltd.  
Kushtia Sugar Mills Ltd.  
Zeal Bangla Sugar Mills Ltd.  
Setabgonj Sugar Mills Ltd.

101	(151,216)	-
102	(186,054)	-
105	-	(3,668,251)
106	(573,705)	-
107	(23,857)	-
109	(4,473,078)	-
110	-	-
114	(1,628,263)	-

**KAZI ZAHIR KHAN & CO.**  
CHARTERED ACCOUNTANTS

Shympur Sugar Mills Ltd.	115	(342,692)	
Pabna Sugar Mills Ltd.	116	(1,193,836)	
M/S Reinwick Jagneswar & Co.	137		
Rangpur Sugar Mills Ltd.	103	(434,567)	(719,334)
Faridpur Sugar Mills Ltd.	113	(145,151)	(1,006,674)
Shipping Office Chittagong	141		
M/S Natore Sugar Mills Ltd.	143	(2,560)	
<b>Total</b>		<b>(9,154,979)</b>	<b>(5,394,259)</b>

**14.00 DEPOSITS & PREPAYMENTS:**

**A. Mills**

Deposit	14.01	401,599	401,599
Prepayment	14.02	5,357,100	5,357,100
<b>Total:</b>		<b>5,758,699</b>	<b>5,758,699</b>

**Amount (In Taka)**

<b>30.06.2022</b>	<b>30.06.2021</b>
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**14.01 Deposits:**

This is made up as follows:

Security Deposit for Insurance	236,449	236,449
Deposit for PBS Line	150,150	150,150
Security Deposit to Bangladesh Oxyzen Ltd.	15,000	15,000
<b>Total:</b>	<b>401,599</b>	<b>401,599</b>

**14.02 Prepayments:**

VAT for Molasses	-	-
Advance to M/S North Bengal Sugar Mill Ltd.	307,100	307,100
Tax of Army & Navy sugar sales	5,050,000	5,050,000
<b>Total:</b>	<b>5,357,100</b>	<b>5,357,100</b>

**15.00 CASH IN HAND & AT BANK:**

Cash in Hand:	40,371	21,730
Cash at Bank:	95,034,715	24,403,653
	<b>95,075,086</b>	<b>24,425,383</b>

**Sonali Bank Ltd**

	<b>A/C Number</b>		
Current account MKSM	1000024	7,596,317	717,079
STD account MKSM	10000003	337,276	1,683,031
STD account H/O	736000346	73,515,213	328,307
Current account MKSM	1000035	10,425,218	4,186,675
Growers W.F	2001539	88,585	86,801
Growers Loan collection A/C		31,497	31,062
Rupali Bank MKSM	20000074	3,040,609	17,370,698
<b>Total:</b>		<b>95,034,715</b>	<b>24,403,653</b>

**16.00 SHARE CAPITAL:**

**16.01 Authorized Capital:**

**A. Mills**

5,000,000 Ordinary Shares @ tk. 10.00 each	50,000,000	50,000,000
--	------------	------------

**16.02 Issued, Subscribed and Paid Up Capital:**

3,075,500 Ordinary Shares @ tk. 10.00 each fully paid in cash	30,755,000	30,755,000
<b>Total:</b>	<b>30,755,000</b>	<b>30,755,000</b>



**17.00 GOVT. EQUITY FUND:**

**A. Mills**

SM & RFS (40%)  
Integrated sugar cane development project (ICDP)  
**Total:**

1,926,484	1,926,484
495,300	495,300
<b>2,421,784</b>	<b>2,421,784</b>

**18.00 RESERVE & SURPLUS:**

**A. Mills**

**Opening Balance**  
Addition during the year  
  
Less: Adjustment during the year  
**Closing Balance**

2,584,062	2,584,062
-	-
2,584,062	2,584,062
-	-
<b>2,584,062</b>	<b>2,584,062</b>

Amount (In Taka)	
<b>30.06.2022</b>	<b>30.06.2021</b>

**19.00 GOVERNMENT GRANT & LOANS:**

**A. Mills**

Intensive Cane Development Scheme Phase-I  
Intensive Cane Development Scheme Phase II  
**Total:**

28,005	28,005
13,077	26,144
<b>41,082</b>	<b>54,149</b>

**20.00 RETAINED EARNINGS:**

**A. Mills**

**Opening Balance**  
Add: Prior year adjustment  
  
Add: Profit/ (loss) made during the year

<b>(7,588,519,005)</b>	<b>(6,905,663,027)</b>
(6,880,226,031)	(5,919,477,854)
1,138,004	4,239,646
(6,879,088,027)	(5,915,238,208)
(685,195,402)	(964,987,823)
<b>(7,564,283,429)</b>	<b>(6,880,226,031)</b>

**B. Farms**

**Opening Balance**  
**Add: Prior year adjustment**  
Add: Profit/ (loss) made during the year

(25,436,996)	(26,421,957)
	166,004
1,201,420	818,957
<b>(24,235,576)</b>	<b>(25,436,996)</b>

**21.00 LONG TERM LOAN:**

**A. Mills**

Foreign Loan  
Govt. of Bangladesh Loan (2018-2019)  
Govt. of Bangladesh Loan (2019-2020)  
Local Loan  
Govt. of Bangladesh Loan (2020-2021)  
Govt. of Bangladesh Loan (2021-2022)  
Interest payable on long term loan

25,334,248	25,334,248
100,800,000	100,800,000
272,576,400	272,576,400
97,488,486	97,488,486
318,521,138	318,521,138
170,000,000	-
254,641,281	210,425,187
<b>1,239,361,553</b>	<b>1,025,145,459</b>

**21.01 Foreign Loan:**

**A. Mills**

NI Bank Netherland  
Danish Credit  
Indian State Credit  
Belgium Credit  
**Total**

1,192,489	1,192,489
340,759	340,759
21,031,000	21,031,000
2,770,000	2,770,000
<b>25,334,248</b>	<b>25,334,248</b>



**21.02 Local Loan:**

**A. Mills**

ADB Loan (BMRE)	38,195,000	38,195,000
SMRFS Loan (60%)	1,547,294	1,547,294
ADB Loan (BIDC)	269,007	269,007
Loan from Govt. Golden Handshake (Unsecured)	64,358,041	64,358,041
Less: Paid Last year	(6,880,856)	(6,880,856)
<b>Total</b>	<b>97,488,486</b>	<b>97,488,486</b>

**21.03 Interest payable on long term loan**

**A. Mills**

<b>Opening Balance</b>	210,425,187	185,102,844
Addition during the year	44,216,094	25,322,343
	254,641,281	210,425,187
Less: Adjustment during the year	-	-
<b>Closing Balance</b>	<b>254,641,281</b>	<b>210,425,187</b>

Amount (In Taka)	
30.06.2022	30.06.2021

**22.00 SUNDRY CREDITORS**

**A. Mills**

Salary, Wages and Gratuity Payable	Note-22.01	127,533,588.20	132,992,363
Security and Other Deposit	Note-22.02	983,657.00	1,179,409
Providend Fund & Other Fund	Note-22.03	68,008,430.31	63,978,041
Supply Goods and Service Payable	Note-22.04	49,226,401.55	58,045,826
Source Vat and Tax Payable	Note-22.05	7,689,397.56	9,900,123
Other Sundry Creditors	Note-22.06	6,457,791.82	15,764,578
<b>Total (A)</b>		<b>259,899,266</b>	<b>281,860,340</b>

**22.01 Salary, Wages and Gratuity Payable: Tk. 127533588**

Particulars	Opening Balance	Addition During the year	Adjustment During the year	Closing Balance
Monthly Salary and Wages Payable	13,673,981	159,309,654	157,930,942	15,052,693
Overtime Payable	17,882,321	13,936,076	30,705,117	1,113,280
Gratuity Payable	94,528,963	32,608,104	15,787,518	111,349,549
Wages Commission -2015 Area Payable	6,907,099		6,889,032	18,067
<b>Total</b>	<b>132,992,363</b>	<b>205,853,834</b>	<b>211,312,609</b>	<b>127,533,588</b>

**22.02 Security and Other Deposit: Tk. 983657**

Particulars	Opening Balance	Addition During the year	Adjustment During the year	Closing Balance
Security Deposit	1,179,409	785,354	981,106	983,657
<b>Total</b>	<b>1,179,409</b>	<b>785,354</b>	<b>981,106</b>	<b>983,657</b>



22.03 Provident Fund & Other Fund: Tk. 68008430

Particulars	Opening Balance	Addition During the year	Adjustment During the year	Closing Balance
MKSM Provident Fund (P)	50,358,461	20,091,785	13,293,500	57,156,746
MKSM Provident Fund (S)	13,378,979	2,133,708	5,093,177	10,419,510
PF Fund Head Office & Other Mills	240,602	2,616,380	2,424,807	432,175
				-
<b>Total</b>	<b>63,978,041</b>	<b>24,841,873</b>	<b>20,811,484</b>	<b>68,008,430</b>

22.04 Supply goods and service Payable: Tk. 49226402

Particulars	Opening Balance	Addition During the year	Adjustment During the year	Closing Balance
Creditor for Goods Supply	58,000,058	1,700,769	10,512,412	49,188,415
Creditor for Expenses	45,768	11,115	18,896	37,987
Ripan Trade Link	-	690,330	690,330	-
<b>Total</b>	<b>58,045,826</b>	<b>2,402,214</b>	<b>11,221,638</b>	<b>49,226,402</b>

22.05 Source Vat and Tax Payable: Tk. 7689398

Particulars	Opening Balance	Addition During the year	Adjustment During the year	Closing Balance
Income Tax Deb. atCont. Bill	347,931	1,885,960	2,041,196	192,695
Vat From Suppliers and Others Bills	2,496,889	4,798,981	5,187,866	2,108,004
Vat on Sales of Molasses		7,205,122	7,205,122	-
Tax on Molasses sales		9,606,823	9,606,823	-
Tax Deduct at Sugar Sales	6,672,531	12,350,834	13,973,365	5,050,000
Salary Income Tax Payable	335,378	423,824	461,122	298,080
IT Deduct on Godown& House Rent	9,540	18,056	17,221	10,375
VAT on Godown& House	27,738	54,162	51,657	30,243
Vat Payble for Molasses Sales	10,117	14,410,226	14,420,343	0
<b>Total</b>	<b>9,900,123</b>	<b>50,753,988</b>	<b>52,964,713</b>	<b>7,689,398</b>

22.06 Others Creditor: Tk. 6457792

Particulars	Opening Balance	Addition During the year	Adjustment During the year	Closing Balance
Sundry Creditors for Expenses	750,868	627,396	471,462	906,802
Insurance Claim Payable		2,533,680	2,533,680	-
Refundable Loan to Growers	305,365	5,290	43,075	267,580
Epurjee Charge Payble	1,563,390	382,540	321,749	1,624,181
Growers Fund From Dhalta	85,085	40,131		125,215

Growers Welfare Fund	668,330		38,159	630,171
Cane Price Payble	26,371	195,976,974	196,003,345	(0)
Road Cess Payable	441			441
STP Subdery Payble	7,390,759	4,660,701	11,873,101	178,359
Trade Creditors Sugar Sales	4,023	174,520,977	174,525,000	-
A Army Mollases Sales		6,192,017	6,087,226	104,791
Trade Creditors Molasses	1,391,456.13	2,434,838	3,826,294	-
Wppf Reserve Fund	400.00			400
Workers Profit Part. Fund	58,311	2,000		60,311
Officer's Welfare Fund		748,477	664,623	83,854
General Club	115	167,375	69,849	97,641
Cane Price Payable (Seed)	210			210
Officer's Club	90,320	578,069	648,172	20,217
Electricity Bill Payable	430,353		430,353	-
MKSM Workers Union	10,914	272,970	265,100	18,784
MKSM Cooperative Society	170,200	1,783,400	1,851,200	102,400
Officer's Association	28,668	21,750		50,418
Revenue Stamp	6,980	136,170	134,560	8,590
Canteen, MKSM	261	88,885	74,136	15,010
Payable Against	255,945	29,278	4,887	280,336
Prakalpo Muldhon.Fund		14,900,000	14,900,000	-
Mosque Fund	55,767	159,690	131,600	83,857
Madrasha Fund	6,341	166,480	134,040	38,781
Manobik Kallayan Fund	503,700	3,556,520	3,857,360	202,860
Ladies Club	1,606	17,400	15,000	4,006
Audit Fee Payble	62,594	68,750		131,344
Welfare Fund	416,164	2,056,423	2,237,484	235,103
Factory Mosque	33,855	79,890	102,605	11,140
Sonchoy Kollan Somiti	31,518	337,999	348,734	20,783
Bissaws A. Razzak DM	3,435			3,435
Late Robiul Alam Jr Officer		2,025		2,025
Marking Fee Payable	1,254,561	284,166	551,138	987,589
A Kader D M RTd		4,885		4,885
Sales of Prokalpo Schedule	156,273			156,273
				-
<b>Total</b>	<b>15,764,578</b>	<b>412,837,145</b>	<b>422,143,931</b>	<b>6,457,792</b>

**23.00 AGRICULTURE LOANS**

**A. Mills**

Agriculture credit A/C	2014-2015	437,119,391	413,220,341
Agriculture credit A/C	2015-2016	538,831,232	500,760,858
Agriculture credit A/C	2016-2017	571,509,132	481,624,926
Agriculture Loan	2017-2018	643,048,300	574,895,434
Agriculture credit A/C	2018-2019	664,469,145	555,270,686
Cash Credit Loan (CC Loan)	<b>Note: 23.01</b>	205,205,033	205,125,033
<b>Total</b>		<b>3,060,182,234</b>	<b>2,730,897,278</b>

**23.01 Cash Credit Loan (CC Loan)**

CC Loan Hypo, Dhaka-13-14,0072	150,528,547	150,488,547
CC Loan Hypo, Dhaka-13-14,0089	54,676,487	54,636,486
	<b>205,205,033</b>	<b>205,125,033</b>

**24.00 PROVISION & ACCRUALS**

**A. Mills**

Provision for Turnover tax  
Provision for Leave Pay & Gratuity (P)  
Provision for Leave Pay & Gratuity (S)  
Recreation Allowance Payable

**Note: 24.01**

18,383,563	15,168,685
113,833,449	170,460,546
164,167,005	143,070,764
15,395	265,225
<b>296,399,412</b>	<b>328,965,219</b>
5,617,997	1,315,519
591,658	232,771
<b>6,209,655</b>	<b>1,548,290</b>
-	-
<b>302,609,067</b>	<b>330,513,509</b>

Add: Leave Encashment (P)  
Add: Leave Encashment (S)

Less: Leave Encashment (P)  
Less: Leave Encashment (S)

**Total**

**24.01 Provision for Turnover Tax**

Opening Balance  
Add: During the year

add: Adjustment

**Closing balance**

15,168,685	10,775,496
3,214,878	4,265,077
18,383,563	15,040,573
-	128,112
<b>18,383,563</b>	<b>15,168,685</b>

**Amount (In Taka)**

<b>2021-2022</b>	<b>2020-2021</b>
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**25.00 REVENUE**

**A. Mills**

Sugar  
Molasses  
Pit

	Quantity (M. Ton)		Amount in Taka	
	2021-2022	2020-2021	2021-2022	2020-2021
Sugar	5,949.00	8,814.22	436,812,338.60	541,844,813
Molasses	4,010.97	7,250.42	96,068,255.09	162,209,218
Pit	-	346.17	-	4,263,783
<b>Total</b>	<b>9,960</b>	<b>16,411</b>	<b>532,880,593.69</b>	<b>708,317,814</b>

**B. Farm**

Sales of cane  
Sales proceeds of other Crops  
Land Lease  
Shop Rent  
Other Income  
Pond Lease  
Sales of Firewood

-	1,313,423
59,700	67,700
1,463,518	1,344,792
29,150	48,245
-	113,348
5,000	-
509,473	778,816
<b>2,066,841</b>	<b>3,666,324</b>

Total (A+B)

**534,947,435**      **711,984,138**

**Turnover in Quantity (M. Ton) 2021-2022**

	Opening stock	Production	Closing stock	Sales
	a	b	c	(a+b-c)
Sugar	3,203	3,337	590	5,949.00
Molasses	4,071	2,704	2,764	4,010.97
Pit	989	-	989	-
<b>Total</b>	<b>8,263</b>	<b>6,040</b>	<b>4,344</b>	<b>9,960</b>

**Turnover in Quantity (M. Ton) 2020-2021**

	Opening stock	Production	Closing stock	Sales
	a	b	c	(a+b-c)
Sugar	4,155	7,862	3,203	8,814
Molasses	4,377	6,945	4,071	7,250
Pit	1,336	-	989	346
<b>Total</b>	<b>9,868</b>	<b>14,807</b>	<b>8,263</b>	<b>16,411</b>



**26.00 COST OF GOODS SOLD**

**A. Mills**

**i. Direct Materials**

Raw Material consumption

Note-26.01

229,599,117	587,860,770
301,049,668	287,844,703

**ii. Manufacturing Overhead**

Note-26.02

**Cost of goods manufacturing (i+ii)**

<b>530,648,785</b>	<b>875,705,474</b>
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Opening work in process

Note-26.03

2,238,649	2,818,622
-----------	-----------

Closing work in process

Note-26.03

1,563,798	2,238,649
-----------	-----------

**Cost of production**

<b>531,323,636</b>	<b>876,285,447</b>
--------------------	--------------------

Opening finished goods

Note-26.04

284,623,532	320,398,119
-------------	-------------

Closing finished goods

Note-26.04

111,150,096	284,623,532
-------------	-------------

<b>395,773,628</b>	<b>605,021,651</b>
--------------------	--------------------

<b>704,797,072</b>	<b>912,060,034</b>
--------------------	--------------------

**Cost of goods sold**

**B. Farm**

**Direct Expense**

Wedding & Mulching

-	-
---	---

Harvesting

-	460,046
---	---------

Irrigation

-	-
---	---

Plantation

-	-
---	---

Ploughing

-	-
---	---

Fertilizeer

-	5,025
---	-------

Farm Seeds

-	-
---	---

Other seeds

-	23,113
---	--------

Repair & Maintenance

-	-
---	---

Fuel & power

5,114	-
-------	---

Wood Sale Cost

247,640	401,088
---------	---------

Farm Profit

-	-
---	---

<b>252,754</b>	<b>889,272</b>
----------------	----------------

**Amount (In Taka)**

<b>30.06.2022</b>	<b>30.06.2021</b>
-------------------	-------------------

**26.01 Raw Material consumption**

Opening Balance

-	-
---	---

Purchase during the year

229,599,117	587,860,770
-------------	-------------

Raw material available for consumption

<b>229,599,117</b>	<b>587,860,770</b>
--------------------	--------------------

**Closing Balance**

-	-
---	---

<b>229,599,117</b>	<b>587,860,770</b>
--------------------	--------------------

**26.02 Manufacturing overhead**

Salary and wages (P)

178,377,556	188,401,127
-------------	-------------

Salary and wages (S)

66,116,424	32,381,444
------------	------------

Repair & Maintenance

30,523,022	22,795,336
------------	------------

Fuel and power

17,461,526	31,450,798
------------	------------

Insurance

468,271	304,056
---------	---------

Depreciation

8,102,868	12,511,942
-----------	------------

<b>301,049,668</b>	<b>287,844,703</b>
--------------------	--------------------

**26.03 Work in process**

Particulars	As at 30.06.22		30.06.2022	30.06.2021
	M.Ton	Rate Per M.Ton		
Cost of cane	407.88	3,648.00	1,487,928	2,143,379
Loading & Off Loading	407.88	120.00	48,945	64,630
Lime	0.77	22,500.00	17,325	19,040
Sulpher	0.20	48,000.00	9,600	11,600
<b>Total</b>	<b>817</b>	<b>23</b>	<b>1,563,798</b>	<b>2,238,649</b>

**26.04 Finished goods**

Particulars	As at 30.06.22		30.06.2022	30.06.2021
	M.Ton	Rate Per M.Ton		
Sugar	590	74,000	43,680,720	201,775,140
Molasses	2,764	24,410	67,469,374	82,848,391
Kacha Pit	989	-	2	1
<b>Total</b>	<b>4,344</b>		<b>111,150,095.90</b>	<b>284,623,532</b>

**Finished goods in Quantity (M.T) 2021-22**

Product Type	Opening Stock	Excess Inventory	Production	Sales during the year	Closing Stock
Sugar	3,202.78	-	3,337	5,949.00	590.28
Molasses	4,071.58	258.81	2,445	4,010.973	2,764.417
Kacha Pit	989.45	-	-		989
<b>Total</b>	<b>8,265</b>	<b>259</b>	<b>5,782</b>	<b>9,960</b>	<b>4,345</b>

**Finished goods in Quantity (M.T) 2020-21**

Product Type	Opening Stock	Excess Inventory	Production	Sales during the year	Closing Stock
Sugar	4,155	-	7,852	8,804	3,203
Molasses	4,377	740	6,205	7,251	4,071.58
Kacha Pit	1,336			346	989.45
<b>Total</b>	<b>9,868</b>	<b>740</b>	<b>14,057</b>	<b>16,401</b>	<b>8,265</b>

Amount (In Taka)	
30.06.2022	30.06.2021

**27.00 MISCELLANEOUS INCOME**

**A. Mills**

Interest	-	-
House rent		-
Sales of empty container	12,344	22,640
Sales of Scrap material	1,879,403	1,431,190
Sales of Press Mad.	841,266	266,994
Transport Hire charge recovered		-
Tander From Sale	65,750	82,700
Other income	15,653	1,701
Sales of Bagasee	69,587	
MKSM Sonali Bank Office Rent	48,276	145,005
Security Forfeit		578,100
	<b>2,932,279</b>	<b>2,528,330</b>

**B. Farm**

Other Income	-	113,348
	-	<b>113,348</b>

**28.00 ADMINISTRATIVE EXPENSES**

**A. Mills**

Director Remuneration	160,000	135,000
Salary and wages	58,633,640	70,650,423
Guest House	338,085	-
Staff Welfare expenses	1,584,483	1,218,418
Training expenses	85,134	-
Preliminary and News Paper Expenses	23,339	-
Repair and Maintenance	1,606,475	8,067,861
Printing Stationary & office supplies	1,432,417	2,074,426

**KAZI ZAHIR KHAN & CO.**  
CHARTERED ACCOUNTANTS

Rent, Rates & Taxes	2,295,459	2,391,884
Insurance	4,214,442	2,736,503
Depreciation	1,429,918	658,523
Cane Dev. Expenditure	907,053	1,023,836
Travelling & Conveyance	1,601,292	793,547
Postage Telegram & telephone	119,150	75,216
Inaugural ceremonies & Entertainment	472,343	680,879
Head office overhead	7,312,355	26,983,276
Bank charges	77,296	176,464
Professional & Legal expenses	279,502	297,714
Donation & subscription	6,000	4,500
Advertisement & Publicity	219,389	45,610
Misc. Expenses	32,725	88,631
<b>Total :</b>	<b>82,830,497</b>	<b>118,102,711</b>

**B. Farm**

Salaries/wages	530,588	1,889,282
Administrative overhead	67,566	64,440
Others Expenses	10,140	
Depreciation	4,373	4,373
	<b>612,667</b>	<b>1,958,095</b>
Total Administrative expenses	<b>83,443,164</b>	<b>120,060,806</b>

**29.00 SELLING, PROMOTION & DISTRIBUTION EXPENSES**

**Mills**

Salary and wages	784,949	2,943,768
Stocking, Loading, Docking & Handing Charge	2,424,867	3,354,103
IT On Sales of Sugar to Army/Navy	5,319,423	-
BSTI Marking Fee	284,166	566,928
	<b>8,813,405</b>	<b>6,864,799</b>

\*\*\* IT On Sales of Sugar to Army/Navy is source tax deducted by Bangladesh Army and Navy at source.

**30.00 FINANCE COST**

**Mills**

Interest expenses	421,352,423	634,541,345
	<b>421,352,423</b>	<b>634,541,345</b>



Mobarakanj Sugar Mills Limited  
Schedule of Fixed Assets  
For the year ended June 30, 2022

Annexure-A

Particulars	COST			Rate of Dep.	DEPRECIATION				Written Down Value as on 30.06.2022
	Value as on 01.07.2021	Addition during the year	Adjustment/ disposal during the year		Total Value as on 30.06.2022	Accumulated Dep. on 01.07.2021	Depreciation during the Year	Adjustment during the year	
<b>ILLS:</b>									
Land	1,997,279	-	-	1,997,279	0%	-	-	-	1,997,279
Building & Other Construction	47,271,361	-	-	47,271,361	2.5-5%	38,574,026.12	832,610	-	39,406,636.12
Plant & Machinery	132,240,469	7,312,198	-	139,552,667	5-10%	73,363,532.76	4,321,357	-	77,684,889.76
Equipments	16,691,756	-	-	16,691,756	15%	13,922,254.53	1,260,119	-	15,182,373.53
Furniture, Fixture & Officer Equip..	7,191,879	49,330	-	7,241,209	6-15%	6,101,947.76	291,465	-	6,393,412.76
Vehicles & Transport	74,108,176	3,450,000	-	77,558,176	25%	70,098,853.57	2,727,897	-	72,826,750.57
Indry Asset	1,506,111	-	-	1,506,111	20%	1,429,647.23	56,925	-	1,486,572.23
KSM Expansion A/C	98,165,200	-	-	98,165,200	5%	98,165,179.51	-	-	98,165,179.51
Instrumentation of Sugar Mill	10,559,609	-	-	10,559,609	5-10%	10,559,598.13	-	-	10,559,598.13
House Tools & Equip.	1,007,678	-	-	1,007,678	5%	995,583.00	6,262	-	1,001,845.00
D,S Phase-I	441,880	-	-	441,880	5-20%	413,875	-	-	413,874.75
D,S Phase-II	1,981,764	-	-	1,981,764	2.5-25%	1,955,620	13,067	-	1,968,686.66
Seed Mult. & Farm R. Scheme	1,578,967	-	-	1,578,967	2.5-15%	1,252,351	36,152	-	1,288,502.88
Integrated Cane Dev. Programme	46,800	-	-	46,800	0%	-	-	-	46,800
<b>Sub Total (A)</b>	<b>394,788,927</b>	<b>10,811,528</b>	<b>-</b>	<b>405,600,455</b>		<b>316,832,468</b>	<b>9,545,854</b>	<b>-</b>	<b>326,378,322</b>
<b>ARM:</b>									
Land	391,548	-	-	391,548	0%	-	-	-	391,548
Land Development	142,128	-	-	142,128	0%	-	-	-	142,128
Building & Other Construction	339,178	-	-	339,178	5%	294,003	1,435	-	295,438
Furniture, Fixture & Office Equip..	50,103	-	-	50,103	6%	50,102	-	-	50,102
Agriculture Equipment	130,485	-	-	130,485	10%	130,476	-	-	130,476
Indry Asset	185,687	-	-	185,687	10%	183,689	997	-	184,686
Tril Loose Tools	19,408	-	-	19,408	10%	8,635	1,941	-	10,576
<b>Sub-Total (B)</b>	<b>1,258,536</b>	<b>-</b>	<b>-</b>	<b>1,258,536</b>		<b>666,904</b>	<b>4,373</b>	<b>-</b>	<b>671,277</b>
<b>GRAND TOTAL (A+B)</b>	<b>396,047,464</b>	<b>10,811,528</b>	<b>-</b>	<b>406,858,992</b>		<b>317,499,372</b>	<b>9,550,227</b>	<b>-</b>	<b>327,049,599</b>

Depreciation has been charged at straight line method.



**MOBARAKGANJ SUGAR MILLS LTD**

Statement Showing Opening Stock, Production, Sales & Closing Stock of Sugar and the value there on

For the period from 01 July 2021 to 30 June 2022

ANNEXURE-I

Opening Stock M.Ton	Production M.Ton	Total M.Ton	Particular	Quantity Sold M.Ton	Rate Per Ton	Gross Value	Source Tax 5%	Sales	Closing Stock M.Ton
2020-21	2021-22								2020-21

**Sales From 2020-2021 & 2021-2022 Production**

3,202.78	3,336.50	6,539.28	Bangladesh Army	616.00	66,315.80	40,850,532.80	2,042,532.80	38,808,000.00	
			Bangladesh Army	1,993.00	77,895.00	155,244,735.00	7,762,735.00	147,482,000.00	
			Bangladesh Army	126.00	66,315.80	8,355,790.80	417,790.00	7,938,000.80	
			Bangladesh Navy	344.00	77,895.00	26,795,880.00	1,339,880.00	25,456,000.00	
			Police	282.70	63,000.00	17,810,100.00		17,810,100.00	
			Police	53.00	63,000.00	3,339,000.00		3,339,000.00	
			Police	95.35	74,000.00	7,055,900.00		7,055,900.00	
			Police	1,104.00	74,000.00	81,696,000.00		81,696,000.00	
			H.O	46.00	68,000.00	3,128,000.00		3,128,000.00	
			H.O	197.00	75,000.00	14,775,000.00		14,775,000.00	
			Free Sale	92.00	63,000.00	5,796,000.00		5,796,000.00	
			Free Sale	136.50	74,000.00	10,101,000.00		10,101,000.00	
			Free Sale (Packet)	0.30	68,000.00	20,400.00		20,400.00	
			Free Sale (Packet)	132.40	75,000.00	9,930,000.00		9,930,000.00	
			Workers	13.00	63,000.00	819,000.00		819,000.00	
			Workers	32.00	74,000.00	2,368,000.00		2,368,000.00	
			Growers	183.50	63,000.00	11,560,500.00		11,560,500.00	
			Growers	502.25	74,000.00	37,166,500.00		37,166,500.00	
3,202.78	3,336.50	6,539.28	Total	5,949.00		436,812,338.60	11,562,937.80	425,249,400.80	590.28

