

AUDITOR'S REPORT

&

AUDITED FINANCIAL STATEMENTS

OF

**SETABGANJ SUGAR MILLS LIMITED
SETABGANJ, DINAJPUR
FOR THE YEAR ENDED ON JUNE 30, 2022**

ARTISAN

CHARTERED ACCOUNTANTS
SONARGAON TERRACE (2ND FLOOR),
HOUSE # 52, ROAD # 13/C, BLOCK # E,
BANANI, DHAKA-1213.

**INDEPENDENT AUDITOR'S REPORT
TO THE DIRECTORS OF
SETABGANJ SUGAR MILLS LTD.**

Qualified Opinion

We have audited the accompanying financial statements of **Setabganj Sugar Mills Limited** (an enterprise of Bangladesh Sugar and Food Industries Corporation) hereinafter referred to as "**the company**", which comprise of the Statements of Financial Position as at 30th June 2022, the Statement of Profit or Loss and Other Comprehensive Income, Statement of Changes in Equity, Statements of Cash flows for the year ended 30th June, 2022 and a summary of significant accounting policies and other explanatory notes.

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

01. Material uncertainty relating to "Going Concern" basis:

According to ISA 570 *Going Concern* and Auditor's professional judgment, following indications are the significant threat on the application of 'Going concern basis' for this entity.

Financial Indications

- Fixed-term borrowings approaching maturity without realistic prospects of renewal or repayment.
- Risk of withdrawal of financial support by creditors.
- Adverse key financial ratios.
- Substantial operating losses.
- Inability to pay creditors on due dates.

Operational Indications

- Stoppage of production.
- Risk of non availability of raw materials (i.e. sugarcane).
- Emergences of successful competitors.

02. Bank Statements for corroborating liabilities for long term loan not produced to us. In absences of which we could not verify the figure and the state of the loan.
03. We visited the shops in person but we found inconsistency between money receipts and shop rent. We also found inconsistency between office copy and customer copy of money receipt of shop rent. It was specially noticed that the shop rent amounting to TK. 33,96,388 was expected to realize so far but it was adjusted amounting to TK.12,84,408 dated 2nd October 2018 by the name of Mr. Abu Taleb SACDO (retired) amounting to TK.80,900 & Late Osman Gani junior officer (Land) retired amounting to TK. 12,03,508. So, We found unrealizable amount of TK.21,11,980 as well as it was not treated in accounts too. The authorized persons in this respect could not provide any authentic evidence.
04. We also moved to visit leased land of the farm in person. We found discrepancy whenever leased land remeasured, most of the cases we found much land than leased land. So, we think that in this way, the mill is being suffered with huge financial sufferings.
05. We also found some disparity in respect of quarter rent. As a result, someone are taking undue privilege as well someone are being lesser. In fact, the mill is being financially loser.
06. Tax Deducted at Sources (TDS) as amounting to **Taka 60, 88,222**. has to be deposited to the Government Treasury Accounts within the time specified in Rule- 13 and in a manner specified in Rule-14 of Income Tax Rule 1984. But the company did not deposit the amount.
07. VAT Deducted at Sources (VDS) amounting to **Taka 71,07,251**. has to be deposited to the Government Treasury Accounts as per section 49 of Value Added Tax and Supplementary Duty Act 2012. But the company did not deposit the amount.

We conducted our audit in accordance with international Standards on auditing (ISAs). Our responsibilities under those standards are further described in the Author's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the company in accordance with the International Ethics Standards Board for Accountants Code of Ethics for Professional Accountants (IESBA Code) and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide basis for our opinion.

Emphasis of Matter- "Substances over Form"

We draw attention to Annexure- A of the accompanying financial statements shown that the value of the land for 3860.50 acres amounting to **Taka 9,24,094** (Taka 6,50,149 for Mills & Taka 2,73,945 for Farms). The lands were acquired a couple of decades ago and the value of the lands

shown in the accounts at the value of the period of acquiring. For inflations and rising of market value, the values of

the lands are supposed to be much higher. Revaluations of the land should be made with sufficient regularity to ensure that the carrying amount does not differ materially from that which would be determined using fair value and to comply with accounting concept "*Substances Over Form*".

Other Matters

During the course of our audit, we found that-

- The Company did not file Income Tax Return for the income year: 2020-21 (Assessment Year- 2021-22). As per u/s 75(5) of ITO, 1984 every person has to file his return of income within the Tax Day specified in u/s- 2 (62A) or within the time extended by the DCT u/s- 75(6).
- The company did not submit Return of Withholding Tax. As per 75A of ITO, 1984 the company has to submit withholding tax return on 31st July and 31st January of the financial year for which the tax was deducted and collected. But the company did not submit any withholding tax return during the year.
- Several forms mentioned below, as per the requirements of Companies Act 1994, were not found in, the Setabganj Sugar Mills Limited.

Form Name	Particulars
Form XI	List of Persons Consenting to be Directors.
Form X	Consents of Directors to Act.
Form XI	Agreement to Take Qualification Shares in Proposed.
Form XII	Particulars of the Directors, Manager and Managing Agents and others.
Schedule X	Annual summary of share capital and list of shareholders, Directors: to be filed within 21 days of AGM.
As required by RJSC	Documents regarding Qualification Shares of the Directors.

In absence of which, we would not be able to ensure whether the above requirements were complied with or not.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current year. These matters were addressed in the context of our audit of the financial statements as a whole and in forming our opinion thereon and we do not provide a separate opinion on these matters.

Revenue	How our audit addressed the key audit matters
<p>Revenue recognition has significant and wide influence on financial statements. The Company reported revenue for the amount of Taka 22,149,737. Revenue is recognized when the amounts and the related costs are reliably measured and the performance obligation is completed through passing of control to the customers. While the risk and rewards are being transferred for the performance obligations at the delivery point and control has passed, there is a risk that the Company might misstate or manipulate sales quantity or price in the financial statements. There is also a risk that revenue may be overstated or understated through various discounts and incentives. However, the management of the Company informed us that they do not have any policy that allows to give any such incentives to customers.</p>	<ul style="list-style-type: none"> ➤ We assessed the reporting environment of the Company as well as other relevant systems supporting the accounting of revenue; ➤ We examined customer invoice (Mushak 6.3), sales account book (6.2), VAT submission form (Mushak 9.1) and receipts of payment on a test basis; ➤ We obtained supporting documents for sales transactions recorded; ➤ We enquired that the Company did not offer any discount to dealers during the year; ➤ We assessed whether the sufficient disclosure has been given; and ➤ We tested the timing of revenue recognition as well as cut off checked.

Reporting on Other Information

Management is responsible for the other information. The other information comprises all of the information in the financial statements and our auditors' report thereon. The annual report is expected to make available all events that are likely to affect the auditors' report. 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 identified above when it becomes available 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. The other information comprises all of the information other than the consolidated and separate financial statements and our auditors' report thereon

Responsibilities of management and those charged with governance for the financial statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with IFRSs 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, managements are 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 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 risk of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. the risk of not
- detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company 's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of managements use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainly exists related to events or conditions that may cast significant doubt on the company's ability to continue as going concern. If we conclude that a material uncertainly exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit

evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.

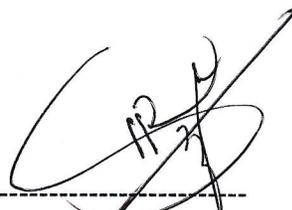
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on Other Legal and Regulatory Requirements

In accordance with the Companies Act, 1994 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 account as required by law have been kept by the company so far as it appeared from our examination of those books;
- c) The company's financial position and statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows dealt with by the report are in agreement with the books of account;
And
- d) The expenditure incurred was for the purposes of the company's business.



Md. Selim Reza, FCA
Enrollment No- 0939
ARTISAN

Chartered Accountants

Date: 31.12.2022
Place: Dhaka

SETABGANJ SUGAR MILLS LIMITED

STATEMENT OF FINANCIAL POSITION

AS AT JUNE 30, 2022

AMOUNT IN TAKA

SL. NO.	PARTICULARS	NOTE S	AMOUNT IN TAKA			TOTAL 2020-2021
			MILLS 2021-2022	FARM 2021-2022	TOTAL 2021-2022	
ASSETS						
A Non-current Assets						
	Property, Plant & Equipment	04	72,725,631	30,604,626	103,330,256	112,576,797
	Cane Development Scheme Phase-II	05	-	-	-	-
	Farm & Other Subsidiary Undertakings		313,240,808.71	-	313,240,809	385,741,720
			385,966,440	30,604,626	416,571,065	498,318,517
B Current Asstes						
	Inventories	06	41,886,650.26	186,495	42,073,146	75,480,637
	Trade and Other Receivables	07	184,266.54	8,633,125.27	8,817,392	3,944,810
	Inter Company Project Current Account	08	112,220,905.78	-	112,220,906	99,002,303
	Advance, Deposit and Prepayments	09	25,885,036	1,524,372.29	27,409,408	36,836,193
	Cash and Cash Equivalents	10	18,546,197	-	18,546,197	1,307,943
			198,723,056	10,343,993	209,067,049	216,571,886
	Total Assets (A+B)		584,689,496	40,948,619	625,638,114	714,890,403
EQUITY & LIABILITIES :						
C Shareholders Equity						
	Share Capital	11	2,200,000	-	2,200,000	2,200,000
	Government Equity Fund	12	122,677,970	-	122,677,970	122,677,970
	Reserve and Surplus	13	17,163,861	4,360,774.33	21,524,635	14,584,637
	Retained Earnings	14	(6,224,526,735)	(302,271,765)	(6,526,798,500)	(5,816,453,189)
			(6,082,484,904)	(297,910,990)	(6,380,395,894)	(5,676,990,582)
D Long Term Liability						
	Grants From Various State	15	3,510,115	-	3,510,115	3,510,115
	Loan	16	2,355,857,992	-	2,355,857,992	2,193,581,999
	Inter Unit Payable (Mills)		-	-	-	385,741,720
			2,359,368,107	-	2,359,368,107	2,582,833,835
E Current Liabilities						
	Accounts Payable	17	858,575,144	338,859,609.02	1,197,434,753	426,522,587
	Inter Project Current Account	18.01	37,433,854.96	-	37,433,855	40,203,020
	Head Office Current Account	18.02	3,411,797,294	-	3,411,797,294	3,342,321,543
			4,307,806,293	338,859,609	4,646,665,902	3,809,047,150
	Total Liabilities (D+E)		6,667,174,400	338,859,609	7,006,034,009	6,391,880,985
	Total Equity and Liabilities (C+D+E)		584,689,496	40,948,619	625,638,114	714,890,403

The annexed Notes 1 to 24 and Annexure- A to J form an integral part of these financial statements.


General Manager (Finance)


Managing Director


Director

Signed in terms of our report even date.

Date: 31.12.2022

Place: Dhaka


MD. SELIM REZA, FCA

Enrollment No- 939

ARTISAN
Chartered Accountants



SETABGANJ SUGAR MILLS LIMITED
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED JUNE 30, 2022

AMOUNT IN TAKA

SL. NO	PARTICULARS	NOTES	MILLS	FARM	TOTAL	TOTAL
			2021-22	2021-22	2021-22	2020-2021
	Gross Revenue	19	22,149,737	22,491,015.00	44,640,752	165,171,911
	Less: Cost of Goods Sold	20	133,245	26,235,943.63	26,369,189	206,363,327
	Gross Profit/ (Loss)		22,016,492	(3,744,929)	18,271,563	(41,191,416)
	Operating Expenses					
	Administrative Expenses	21	93,025,829	24,735,187.02	117,761,016	230,245,946
	Selling Expenses	22	8,970	-	8,970	799,037
	Total Operating Expenses		93,034,799	24,735,187	117,769,986	231,044,983
	Total Profit/ (Loss) From Operation		(71,018,307)	(28,480,116)	(99,498,423)	(272,236,399)
	Add: Other Income	23	8,257,059	63,448,957	71,706,016	49,714,429
	Less: Finance Cost	24	149,318,832	-	149,318,832	338,872,862
	Net Profit/ (Loss) Before Income Tax		(212,080,080)	34,968,841	(177,111,239)	(561,394,832)
	Less: Income Tax Expenses		-	-	-	782,696
	Net Profit/ (Loss) After Income Tax		(212,080,080)	34,968,841	(177,111,239)	(562,177,528)

The annexed Notes 1 to 24 and Annexure- A to J form an integral part of these financial statements.


General Manager (Finance)


Managing Director


Director

Signed in terms of our report even date.

Date: 31.12.2022
Place: Dhaka


MD. SELIM REZA, FCA
Enrollment No- 939
ARTISAN
Chartered Accountants



SETABGANJ SUGAR MILLS LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED JUNE 30, 2022

[A] FOR MILLS

AMOUNT IN TAKA

Particulars	Share Capital	Govt. Equity Fund	Capital reserve	Retained Earnings	Total (Taka) 2021-2022	Total (Taka) 2020-2021
Balance as on June 30, 2021	2,200,000	122,677,970	10,223,863	(5,479,226,986)	(5,344,125,153)	(4,787,485,859)
Addition during the year	-	-	6,939,998	-	6,939,998	-
Net profit after tax for the year	-	-	-	(212,080,080)	(212,080,080)	(558,074,537)
Prior year adjustment	-	-	-	(533,219,669)	(533,219,669)	1,435,243
Balance as on June 30, 2022	2,200,000	122,677,970	17,163,861	(6,224,526,735)	(6,082,484,904)	(5,344,125,153)

[B] FOR FARMS

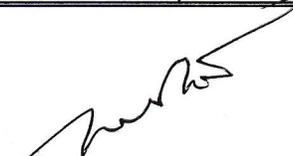
AMOUNT IN TAKA

Particulars	Share Capital	Govt. Equity Fund	Capital reserve	Retained Earnings	Total (Taka) 2021-2022	Total (Taka) 2020-2021
Balance as on June 30, 2021	-	-	4,360,774.33	(337,226,203)	(332,865,429)	(327,848,246)
Net profit after tax for the year	-	-	-	34,968,841.15	34,968,841.15	(4,102,991)
Prior year adjustment	-	-	-	(14,402)	(14,402)	(914,192)
Balance as on June 30, 2022	-	-	4,360,774	(302,271,765)	(297,910,990)	(332,865,429)

[C] GRAND TOTAL [A+B] (TAKA)	2,200,000	122,677,970	21,524,635	(6,526,798,500)	(6,380,395,894)	(5,676,990,582)
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General Manager (Finance)


Managing Director


Director


MD. SELIM REZA, ICA
Enrollment No- 939
ARTISAN
Chartered Accountants

Date: 31.12.2022
Place: Dhaka



SETABGANJ SUGAR MILLS LIMITED
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2022

S.L.	PARTICULARS	Amount in Taka	
		2021-2022	2020-2021
A)	CASH FLOW FROM OPERATING ACTIVITIES:		
	Net Profit/(Loss) for the year	(177,111,239)	(562,177,528)
	Prior year adjustment	(31,498,182)	1,017,235
	Depreciation	9,246,539	15,354,695
	(Increase)/Decrease in Cane Development Scheme Phase-II	-	-
	(Increase)/Decrease in inventories	33,407,491	139,144,393
	(Increase)/Decrease in Debtors	(4,872,582)	34,817,465
	(Increase)/Decrease in Inter Company Project	(13,218,602)	(97,259,165)
	(Increase)/Decrease in Advance & Prepayment	9,426,787	40,039,789
	(Increase)/Decrease Inter unit receivables(Farm & Subsidiary)	68,834,629	(3,666,282)
	(Increase)/Decrease Inter unit payable (Mill)	(385,741,720)	3,666,282
	(Increase)/Decrease inter project current accounts	(2,769,165)	(10,913,073)
	(Increase)/Decrease Head Office current accounts	166,552,797	232,772,656
	(Increase)/Decrease in Accounts Payable	770,912,167	30,624,115
	Net cash flow from operating activities	443,168,920	(176,579,418)
B)	CASH FLOW FROM INVESTING ACTIVITIES:		
	Purchase of fixed assets	-	(3,602,229)
	Net Cash Flow from Investing Activities	-	(3,602,229)
C)	CASH FLOW FROM FINANCING ACTIVITIES:		
	(Increase)/Decrease in Loan	155,272,976	175,818,752
	(Increase)/Decrease in Grants from Various States	(581,203,641)	-
	Net Cash Flow from Financing Activities	(425,930,665)	175,818,752
D)	Net Cash InFlow /Outflow (A+B+C)	17,238,255	(4,362,895)
E)	Opening Cash and Bank balance	1,307,943	5,670,837
F)	Cash in hand & bank at the end of the year (D+E)	18,546,197	1,307,943


General Manager (Finance)


Managing Director


Director



MD. SELIM REZA, FCA
Enrollment No- 939
ARTISAN
Chartered Accountants

SETABGANJ SUGAR MILLS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022

1.00 BACKGROUND OF THE COMPANY:

1.01 Legal Status:

Setabganj Sugar Mills Limited. is a Public Limited Company incorporated in 1981. Its manufacturing plant is located in the district of Dinajpur. The company was nationalized as per Nationalization Order of 1972 and subsequently was placed under Bangladesh Sugar and Food Industries Corporation (BSFIC) for its control, supervision and direction.

1.02 MAIN ACTIVITIES OF THE COMPANY:

The main activities of the company were to produce sugar from sugarcane and molasses as by-product. Sugar was sold all over in Bangladesh based on fixed price set by the Ministry of Industry.

2.00 SIGNIFICANT ACCOUNTING POLICIES & OTHER MATERIAL INFORMATIONS:

2.01 Reporting Framework and Compliance Thereof

These financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs) as adopted by the Institute of Chartered Accountants of Bangladesh (ICAB), the Companies Act, 1994 and other relevant local laws and regulations.

2.02 Other Regulatory Compliance

The company is also required to comply with the following Statutes:

1. The Income Tax Ordinance, 1984
2. The Income Tax Rules, 1984
3. The Value Added Tax and Supplementary Duties Act, 2012
4. The Value Added Tax and Supplementary Duties Rules, 2016
5. Bangladesh Labour Act, 2006 Amended in 2013
6. Bangladesh Labour Rules, 2015
7. The Public Procurement Rules, 2008
8. The Financial Reporting Act, 2015

2.03 Date of Authorization for Issue

These financial statements were authorized for issue by the Board of Directors on *22th November, 2022*.

2.04 Basis of Measurement

Measurement is the process of determining the monetary amounts at which the elements of the financial statements are to be recognized and carried in the statement of financial position and profit or loss and other comprehensive income. The measurement basis adopted by the company is historical cost of property, plant and equipment, financial assets and inventories as disclosed in the accounting policies.

2.05 Functional and presentational currency and level of precision

These financial statements are presented in Bangladesh Taka (Taka /Tk/BDT) except where indicated otherwise, which is both functional currency and presentation currency of the company / group. The figures of financial statements have been rounded off to the nearest BDT.

2.06 Use of judgments and estimates

In preparing these financial statements, management has made judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.



2.07 Reporting period

The financial period of the company covers twelve months period from the 1 July 2021 to 30 June 2022 .

2.08 Comparative information and rearrangement thereof

Comparative figures have been re-arranged wherever considered necessary to ensure better comparability with the current period without causing any impact on the profit and value of assets liabilities as reported in the financial statements.

2.09 Components of Financial Statements

The Financial Statements comprise of following statements :

- * Statement of Financial Position ;
- * Statement of Profit or Loss and Other Comprehensive Income;
- * Statements of Cash Flows;
- * Statement of Change in Equity;
- * Notes, comprising significant accounting policy and other explanatory information;

2.10 Accrual basis of accounting

These financial statements have been prepared on a accrual basis of accounting, except for cash flow information. The items of assets, liabilities, equity, income and expenses (the elements of financial statements) have been recognized when they satisfy the definitions and recognition criteria applicable for these elements as mentioned in the Framework.

2.11 Materiality and aggregation

These financial statements present separately each material class of similar items. Dissimilar nature or functional items are presented separately unless they are immaterial. Financial statements result from processing large numbers of transactions or other events that are aggregated into classes according to their nature or function.

2.12 Offsetting

The Company reports separately both assets and liabilities, and income and expenses, unless required by an applicable accounting standard or offsetting reflects the substance of the transaction and such offsetting is permitted by applicable accounting standard.

2.13 Events after the reporting period

Events after the reporting period are those events, favourable and unfavourable, that occur between the end of the reporting period and the date when the financial statements are authorized for issue. Two types of events can be identified : adjusting events :- those that provide evidence of conditions that existed at the end of the reporting period . Non-adjusting events:- those that are indicative of conditions that arose after the reporting period. Amounts recognized in the financial statements are adjusted for events after the reporting period that provide evidence of conditions that existed at the end of reporting period . No adjustment is given in the financial statements for events after the reporting period that are indicative of conditions that arose after the reporting period . Material non adjusting events are disclosed in the financial statements , if applicable.

3.00 Significant Accounting Policies:

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

3.01 Inventories

- i) Store and spares are valued at the weighted average cost .
- ii) Store - in- transit are valued at cost incurred up to the Financial Position date.
- iii) Stock of sugar is valued at the cost or net realizable value (selling price) whichever is lower.
- iv) Stock of molasses also valued at the cost or net realizable value (selling price) whichever is lower.
- v) Work in process is valued at average cost.



3.02 Cash Flow Statement

Cash flow statement is prepared in accordance with IAS-7 under indirect method.

3.03 Going Concern Basis

The financial statements has been prepared on going concern basis though the production of the company was not running. Loss during the year was *TK.212,080,080.15* and accumulated loss amount stands at *TK.622,45,26,735.15* as of the financial position date. Government is monitoring the activities of the company . The management assumes that the company will be able to run its operation in the foreseeable future.

3.04 Depreciation

Depreciation charged on Fixed Assets at Straight Line Method at the rates prescribed by BSFIC varying from **2.5% to 25%** depending on the nature and the useful lives of the assets . Depreciation is charged for full year in the year of acquisition or capitalization irrespective of the date of acquisition or installation .

3.05 Subsequent costs:

The cost replacing part of an item of property, plant and equipment will recognize in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the concern and its cost can be measured reliably. The cost of the day to day servicing of the property, plant and equipment are recognized in the Statement of Comprehensive Income as Incurred.

3.06 Related Party

Provisions were made considering risk and uncertainties at the best estimate of the probable expenditure that would require to meet the current obligation on the Balance Sheet date.

3.10 Advance, Deposite and Prepayments :

Advance are initially measured at the cost after initial recognition advances are carried at cost less deductions, adjustment or charges to other account, Deposits are measured at payment value. Prepayments are initially measured at cost . After initial recognition prepayments are carried at cost less charges to profit and loss account.

3.11 Cash and Cash equivalents:

Cash and cash equivalents include cash in hand , cash at bank which are held and available for use by the concern.

3.12 Current tax:

Provision for current tax has been made in the Accounts.

3.12.1 Deferred Tax :

No deferred tax calculations required to be provided as no tax assessment has been made up to the year of our audit.

3.13 Contingent Liabilities

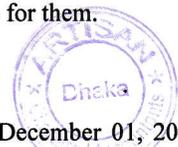
All known liabilities as of Financial Position date have been provided for and included in the financial statements.

3.14 Accounts receivables:

Accounts receivables are initially recognized at cost which is the fair value of the consideration given for them.

3.15 Suspension of Sugar Production of the Mills

Accounting to the order by Ministry of Industry ref. no. 36.00.0000.064.20.011.20.116 on dated December 01, 2020, Bangladesh Sugar & Food Industry Corporation Ref. No. 36.04.0000.031.36.001.18.24 Date 02 December, 2020 has decided that Setabganj Sugar Mills Ltd. will not thresh the sugarcane to reduce the losses of the sugar corporation for the year 2021-2022. Corporation has decided to produce sugarcane in the farm which will be transfered for thresh in the



3.16 Sales

Sales comprise of sale of sugar and molasses where in sales of molasses are shown in the financial statements of the company after deducting VAT and Tax.

3.17 Brokerage , Discount and Commission

The company did not pay any brokerage or discount . No commission has been paid to sales agents during the audit period.

3.18 Post balance sheet events:

There were no material events occurring after the balance sheet date which should affect the financial statements .

3.19 Others:

- i) Previous year,s figures have been rearranged where considered necessary to conform the current year presentetion .
- ii) We got some confirmation of balance from their credit customers but not sufficient as required to have clear picture/ understanding where necessary.
- iii) Please check the management report obseryetion and comments given against different Heads of Accounts.



Note No.	Particulars	Annexure/ Note	Mills	Farm	Total	Total
			30.06.2022	30.06.2022	30.06.2022	30.06.2021
04	Property, Plant & Equipment					
	<u>At Cost:</u>					
	Opening Balances as on 01.07.2021		430,308,444	78,566,169.99	508,874,614	505,272,386
	Add: Addition During The Year		-	-	-	3,602,229
			430,308,444	78,566,170	508,874,614	508,874,615
	Less: disposal / Adjustment During The Year		-	-	-	-
	Closing Balances as on 30.06.2022 (Taka)		430,308,444	78,566,170	508,874,614	508,874,615
	<u>Less: Depreciation</u>					
	Opening Balances as on 01.07.2021		351,501,967	44,795,798	396,297,765	380,851,357
	Add: Charged During The Year		6,080,846	3,165,693	9,246,539	15,354,695
	Add: Prior Year Adjustment		-	53	53	91,766
			357,582,813	47,961,544	405,544,357	396,297,818
	Less: Disposal / Adjustment During The Year		-	-	-	-
	Closing Balances as on 30.06.2022 (Taka)		357,582,813	47,961,544.340	405,544,357	396,297,818
	Written Down Value as on 30.06.2022 (Taka)		72,725,631	30,604,626	103,330,256	112,576,797
	<i>Details of above furnished in Annexure- A.</i>					
05	Cane Development Scheme Phase-II					
	Opening Balances as on 01.07.2021		-	-	-	512,665
	Add: addition During The Year		-	-	-	-
			-	-	-	512,665
	Less: Prior Year Adjustment		-	-	-	(512,665)
	Closing Balances as on 30.06.2021 (Taka)		-	-	-	-
06	Inventories					
	Stock of Finished Goods	6.1	2,604,212	-	2,604,212	2,737,457
	Work - In- Process	6.2	-	-	-	19,714,904
	Stock of Stores & Spares	6.3	32,647,725	-	32,647,725	42,595,547
	Store Control (External)	6.4	-	186,495	186,495	3,798,016
	Store in Transit	6.5	6,634,713	-	6,634,713	6,634,713
	Total (Taka)		41,886,650	186,495	42,073,146	75,480,637

The above inventories were taken and valued by the management of the company.

6.1 Stock of Finished Goods

Sugar	-	-	-	133,245
Molasses (Steel Tank)	2,604,212	-	2,604,212	2,604,212
Total (Taka)	2,604,212	-	2,604,212	2,737,457

6.2 Work - In- Process

Cost of Sugar	-	-	-	-
Molasses	-	-	-	-
Work- in- Process (New Cane)	-	-	-	19,714,904
Total (Taka)	-	-	-	19,714,904

6.3 Stock of Stores & Spares

Construction Materials	60,883	-	60,883	7,783
Fuel and Lubricants	161,484	-	161,484	1,083,178
Production Materials & Chemical	252,489	-	252,489	876,696
Fertiliser and Insecticides	96,880	-	96,880	6,214,834
Loos Tools	251,647	-	251,647	311,307
Mechanical Spares parts	18,485,399	-	18,485,399	18,250,133
Transport Spares & Equipment	4,258,130	-	4,258,130	4,266,826

Note No.	Particulars	Annexure/ Note	Mills	Farm	Total	Total
			30.06.2022	30.06.2022	30.06.2022	30.06.2021
	Medical Supplies		-	-	-	1,310,788
	Stationary		-	-	-	3,451,152
	Misc. Stores		176,487	-	176,487	201,850
	Iron Steel & Ferrous Materials		973,544	-	973,544	33,236
	Pipe, Tube & Fittings		2,215,950	-	2,215,950	287,782
	Paints & Burnishes		21,500	-	21,500	5,737
	General Hardware Stores		282,959	-	282,959	54,639
	Domestic Equipment		5,737	-	5,737	521,281
	Cord, Ropes & Chain		55,220	-	55,220	115,445
	Packing, Gasket & Insulating Material		417,212	-	417,212	21,000
	Refactories		82,101	-	82,101	164,464
	Office Equipment		21,000	-	21,000	
	Total (Taka)		32,647,725	-	32,647,725	42,595,547

6.4 Store Control (External)

A. Fertilizer:

Uria	-	-	-	99,943
TSP	-	-	-	890,796
MOP	-	-	-	319,184
Sub- Total (Taka)	-	-	-	1,309,923

B. Insecticides

Zinc	-	-	-	90,808
Amocozim	-	-	-	16,162
Adfuran	-	-	-	131
Advistin	-	-	-	54,428
Farestin	-	-	-	210
Piriban	-	-	-	16,473
Brifar	-	-	-	1,044,496
Old Tyer Kanta	-	-	-	-
Amistertop Gobindo	-	-	-	-
Sulubar Gobindo	-	-	-	691,869
Boifertilizer	-	-	-	(201,217)
Furadan	-	-	-	592,361
Fendol	-	-	-	141,251
Non Judicial Stamp	-	-	-	-
Store Control Accounts	-	186,495	186,495	-
Mobil	-	-	-	9,408
Greeze	-	-	-	31,713
Sub- Total (Taka)	-	186,495	186,495	2,488,093

Grand- Total (Taka)

-	186,495	186,495	3,798,016
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6.5 Store in Transit

Opening Balances as on 01.07.2021	6,634,713	-	6,634,713	5,319,563
Add: addition During The Year	-	-	-	1,315,150
	6,634,713	-	6,634,713	6,634,713
Less: Adjustment during The Year	-	-	-	-
Closing Balances as on 30.06.2022 (Taka)	6,634,713	-	6,634,713	6,634,713

7 Trade and Other Receivables

Receivables for Mills	7.01	184,267	-	184,267	184,267
Receivables for Farm		-	-	-	-
Receivables for Land Lease Money	Annexure-B	-	8,460,484	8,460,484	2,889,728
Receivables for Shop Rent	Annexure-B	-	172,642	172,642	870,815
Total (Taka)		184,266.54	8,633,125	8,817,392	3,944,810



Note No.	Particulars	Annexure/ Note	Mills	Farm	Total	Total
			30.06.2022	30.06.2022	30.06.2022	30.06.2021

7.01 Details of receivables for Mills

Sl. No.	Particulars	Opening Balance as on 01st July, 2021	Addition during the year	Adjustment made during the year	Closing Balance as on 30th June, 2022
01	Assistant Collector of Customs, Ctg	144,284.39	-	-	144,284.39
02	Northern Distilleries, Jaipurhat	39,982.15	-	-	39,982.15
Total (Taka)		184,266.54	-	-	184,266.54

We noted that a sum of TK 1,44,284.39 from Assistant Collector of Customs, Ctg and Tk 39,982.15 from Northern Distilleries, Jaipurhat remained as receivables since more than 03 (three) years ago. For which a provision for bad debt in respect of the said two parties has been made as per instructions of head offices.

08 Inter Company Project Current A/C

	Annexure/ Note	Mills	Farm	Total	Total
		30.06.2022	30.06.2022	30.06.2022	30.06.2021
Natore Sugar Mills Ltd.		4,572,567.00	-	4,572,567.00	-
Carew & Co.		2,424,112.35	-	2,424,112.35	653,251
Mobarakganj Sugar Mills Ltd.		1,628,263.00	-	1,628,263.00	-
Shipping Office		5,076.78	-	5,076.78	5,077
Zeal Bangla Sugar Mills Ltd.		1,146,326.25	-	1,146,326.25	164,137
Faridpur Sugar Mills Ltd.		1,472,327.00	-	1,472,327.00	209,100
Rajshahi Sugar Mills Ltd.		13,600,952.64	-	13,600,952.64	-
North Bengal Sugar Mills Ltd.		1,237,912.42	-	1,237,912.42	30,942
Joypurhat Sugar Mills Ltd.		2,484,375.00	-	2,484,375.00	-
Thakurgaon Sugar Mills Ltd.		83,648,993.34	-	83,648,993.34	97,939,797
Total (Taka)		112,220,906	-	112,220,906	99,002,303

8.01

BREAK- UP OF THE FIGURES

Particulars	Opening Balance as on 01st July, 2021	Addition during the year	Adjustment made during the year	Closing Balance as on 30th June, 2022	Remarks
Carew & Co.	653,251	1,976,040	205,178	2,424,112	Receivables
Mobarakganj Sugar Mills Ltd.	(84,244)	1,712,507	-	1,628,263	"
Shipping Office	5,077	-	-	5,077	"
Zeal Bangla Sugar Mills Ltd.	164,137	982,189	-	1,146,326	"
Faridpur Sugar Mills Ltd.	209,100	1,263,227	-	1,472,327	"
Rajshahi Sugar Mills Ltd.	-	13,600,953	-	13,600,953	"
North Bengal Sugar Mills Ltd.	30,942	1,206,971	-	1,237,912	"
Thakurgaon Sugar Mills Ltd.	97,939,797	10,294,013	24,584,817	83,648,993	"
Joypurhat Sugar Mills Ltd.	(2,419,640)	4,935,815	31,800	2,484,375	"
Natore Sugar Mills Ltd.	(112,780)	5,185,347	500,000	4,572,567	"
Total Receivables (Taka)	96,385,639	41,157,061	25,321,795	112,220,906	"

Particulars	Opening Balance as on 01st July, 2021	Addition during the year	Adjustment made during the year	Closing Balance as on 30th June, 2022	Remarks
Panchagarh Sugar Mills Ltd.	(1,561,783)	-	122,943	(1,684,726)	Payables
Kushtia Sugar Mills Ltd.	(5,168,000)	38,640	213,665	(5,343,025)	"
Shyampur Sugar Mills Ltd.	(502,221)	-	-	(502,221)	"
Rangpur Sugar Mills Ltd.	(202,842)	-	44,145	(246,987)	"
Pabna Sugar Mills Ltd.	(1,326,510)	-	15,853	(1,342,363)	"
Renwick Janeswar & Co.	(28,827,000)	524,467	12,000	(28,314,533)	"
Total Payables (Taka)	(37,588,356)	563,107	408,606	(37,433,855)	"

i) Receivables from Shipping Office is outstanding over three years for which no provision has been made.

ii) No confirmation of outstanding receivables of fund sent.

iii) Inter Company reconciliation not made.



Note No.	Particulars	Annexure/ Note	Mills	Farm	Total	Total
			30.06.2022	30.06.2022	30.06.2022	30.06.2021
09	Advance, Deposit & Prepayments					
		Annexure/ Note	Mills	Farm	Total	Total
			30.06.2022	30.06.2022	30.06.2022	30.06.2021
	Loan for Motor Cycle	Annexure-C	528,678	-	528,678	897,399
	Loan for By Cycle	Annexure-D	25,154	-	25,154	37,327
	Growers Loan & Cane		16,622,876		16,622,876	
	Deposits		2,115,198		2,115,198	
	Advance Against T.A./ D.A		-	-	-	20,098
	Advance Against Expenses	Annexure-E	297,722	-	297,722	194,448
	Loan to Cane Growers		-	-	-	22,441,530
	Cane, Fertilizer & Insecticide Shortage		-	-	-	-
	Advance Against Suppliers	Annexure-J	261,074	-	261,074	28,783
	Advance Against Taxation		3,931,217	-	3,931,217	3,931,217
	Deposit and Prepayments		-	-	-	2,240,456
	Audit Objection		228,701	-	228,701	1,171,298
	Advance Against Salary	Annexure-F	600,751	1,524,372	2,125,123	4,670,217
	Sale of Sugar on Ration Shop		133,245	-	133,245	88,000
	Advance to Cane Deptt/ Procurement		481,315	-	481,315	481,315
	Advance Against Seeds Bill		25,000	-	25,000	-
	M/S BITAK		634,105	-	634,105	634,105
	Total (Taka)		25,885,036	1,524,372	27,409,408	36,836,193

No collection/ adjustment made during the year for previous year's outstanding Deposit & Prepayments.

10 Cash and Cash Equivalents

Cash in hand		2,477.06	-	2,477	5,946
cash at bank	10.1	18,543,720.30	-	18,543,720	1,301,997
Total (Taka)		18,546,197	-	18,546,197	1,307,943



ARTISAN
Chartered Accountants

Note No.	Particulars	Annexure/ Note	Mills	Farm	Total	Total
			30.06.2022	30.06.2022	30.06.2022	30.06.2021
10.1	Cash at Bank					
	Sonali Bank Mill Road, Setabgonj. A/C STD- 1286		1,198,845	-	1,198,845	123,716
	Sonali Bank Mill Road, Setabgonj. A/C STD- 032		16,908,433	-	16,908,433	919,923
	Sonali Bank Mill Road, Setabgonj. A/C STD- 087		39,596	-	39,596	29,493
	Sonali Bank Shilpohaban Corporate. A/C STD- 049		100,000	-	100,000	100,000
	Sonali Bank Shilpohaban Corporate. A/C STD- 0461		52,668	-	52,668	52,672
	Rupali Bank C/D- 3577		244,179	-	244,179	76,192
	Rupali Bank (Wallet Account)		-	-	-	-
	Sub- Total (Taka)		18,543,720	-	18,543,720	1,301,997
	Blocked Accounts					
	Habib Bank Ltd. Guarantee A/C		1,500	-	1,500	1,500
	Central Bank of India		189	-	189	189
	United Bank of India		1,195	-	1,195	1,195
	Sub- Total (Taka)		2,884	-	2,884	2,884
	Grand- Total (Taka)	Note: 10.1.1	18,546,604	-	18,546,604	1,304,881

10.1.1 Bank Reconciliation Statements for the year ended 30th June, 2022.

Name of the Bank Account	Balance as per Bank Statement	Add	less	Balance as per Cash Book
		Un-credited Cheques	Cheques issued but not presented	
Sonali Bank Mill Road, Setabgonj. A/C STD- 1286	1,485,436	-	286,592	1,198,844
Sonali Bank Mill Road, Setabgonj. A/C STD- 032	16,908,433	-	-	16,908,433
Sonali Bank Mill Road, Setabgonj. A/C STD- 087	39,596	-	-	39,596
Sonali Bank Shilpohaban Corporate. A/C STD- 049	Bank Statement not available	-	-	100,000
Sonali Bank Shilpohaban Corporate. A/C STD- 0461	52,668	-	-	52,668
Rupali Bank C/D- 3577	264,889	-	20,710	244,179
Rupali Bank (Wallet Account)	-	-	-	-
Sub- Total (Taka)	18,751,022	-	307,302	18,543,721
Blocked Accounts				
Habib Bank Ltd. Guarantee A/C	Bank Statement not available	-	-	1,500
Central Bank of India	Do	-	-	189
United Bank of India	Do	-	-	1,195
	-	-	-	2,884
Grand - Total (Taka)	-	-	307,302	18,546,604

11 Share Capital

Authorised Share Capital				
15,00,000 Ordinary Shares @ Tk. 10 each.	15,000,000	-	15,000,000	15,000,000
Total (Taka)	15,000,000	-	15,000,000	15,000,000
Issued, Subscribed & Paid Up Capital				
5000 no. of 6% Cumulative Preference Shares of Tk. 100 each.	500,000	-	500,000	500,000
1,70,000 Ordinary Shares of Tk. 10 each	1,700,000	-	1,700,000	1,700,000
Total (Taka)	2,200,000	-	2,200,000	2,200,000

- i) No Share Certificate found for Issued, Subscribed & Paid up shares and Qualification Shares of Directors.
ii) No documents of shares furnished to RJSC.

12 Government Equity Fund

Seed Multiplication and Research Firm Scheme (40%)	2,602,000	-	2,602,000	2,602,000
Integrated Cane Development Programme (ICDP)	999,970	-	999,970	999,970
ADP (Ext.)	119,076,000	-	119,076,000.00	119,076,000
Profit & Loss Appropriation Accounts	-	-	-	-
Total (Taka)	122,677,970	-	122,677,970.00	122,677,970

No confirmation of balances found. The figures remained unchanged over the period since the date of the fund was received.

13 Reserve and Surplus

This is Made up as follows:

Mills	17,163,861	-	17,163,861	10,223,863
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**ARTISAN
Chartered Accountants**

Note No.	Particulars	Annexure/ Note	Mills	Farm	Total	Total
			30.06.2022	30.06.2022	30.06.2022	30.06.2021
13.1	Profit on Sale of Fixed Assets		17,163,861	-	17,163,861	10,223,863
14	Retained Earnings					
	Opening Balance		(5,479,226,986)	(337,226,203)	(5,816,453,189)	(5,254,796,712)
	Add: addition During The Year		(212,080,080)	34,968,841	(177,111,239)	(562,177,528)
			(5,691,307,066)	(302,257,362)	(5,993,564,428)	(5,816,974,240)
	Less: Prior Year Adjustment		(533,219,669)	(14,402)	(533,234,071)	521,051
	Closing Balance (Taka)		(6,224,526,735)	(302,271,765)	(6,526,798,499)	(5,816,453,189)
15	Grants From Various State					
	Intensive Cane Development Scheme Phase- II (ICDS Phase- II)		512,665.00	-	512,665	512,665
	UK Grants		2,997,450.00	-	2,997,450	2,997,450
	Total (Taka)		3,510,115	-	3,510,115	3,510,115

No confirmation of balances found. The figures remained unchanged over the period since the date of the fund was received.

16 Loan

Foreign Loan	16.1	2,666,168	-	2,666,168	2,666,168
Government Loan:	16.2	12,890,557	-	12,890,557	12,890,557
Cash Credit With Sonali Bank, Dhaka (CC- 100)		224,881,652	-	224,881,652	224,801,652
Agriculture Loan	16.3	2,115,419,615.00	-	2,115,419,615.00	1,953,223,622
Total (Taka)		2,355,857,992	-	2,355,857,992	2,193,581,999

16.1 Foreign Loan

IDBI Loan	2,666,168	-	2,666,168	2,666,168
Total (Taka)	2,666,168	-	2,666,168	2,666,168

No confirmation of balances found. The figures remained unchanged over the period since the date of the fund was received.

16.2 Government Loan:

Annual Development Project (ADP- EXT)	1,312,950	-	1,312,950	1,312,950
Seed Multiplication and research Farm Scheme(60%)	507,632	-	507,632	507,632
Current Account (BIDC)	419,494	-	419,494	419,494
Opton Fund	10,237,515	-	10,237,515	10,237,515
ADP loan (Centrifugal Machine)	412,966	-	412,966	412,966
Total (Taka)	12,890,557	-	12,890,557	12,890,557

Note- 16.3.1

16.3.1

BREAK- UP OF THE FIGURES

Particulars	Opening Balance as on 1st July, 2021	Addition during the year	Adjustment made during the year	Closing Balance as on 30th June, 2022
RCD- 36 (2014-15)	292,693,445	35,118,500	-	327,811,945
RCD- 37 (2015-16)	365,158,356	36,821,421	-	401,979,777
RCD- 38 (2016-17)	422,919,944	35,624,754	-	458,544,698
RCD- 39 (2017-18)	443,433,541	24,307,850	-	467,741,391
RCD- 1817662000008 (2018-19)	429,018,336	30,323,468	-	459,341,804
Total (Taka)	1,953,223,622	162,195,993	-	2,115,419,615

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Chartered Accountants

Note No.	Particulars	Annexure/	Mills	Farm	Total	Total
			30.06.2022	30.06.2022	30.06.2022	30.06.2021
17 Accounts Payable						
	Provision for Bad and Doubtful Debts	17.1	239,533.39	-	239,533	239,533
	Provision for Leave Pay and Gratuity	17.2	444,866,127.00	7,670,656.81	452,536,784	40,246,307
	Other Payable	Annexure-G	49,629,934.47	-	49,629,934	43,281,601
	Trade Creditors	Annexure-H	93,353,775.39	-	93,353,775	99,718,702
	Employee Payable	17.3	48,597.29	-	48,597	330,222
	Gratuity Payable	17.4	104,484,367.11	-	104,484,367	70,913,296
	It Collection From Party		-	19,198	19,198	-
	Worker Profit Participation Fund		63,445.00	-	63,445	63,455
	Salary and Wages Payable		55,115,005.10	-	55,115,005	35,839
	Security Deposits		32,959.92	-	32,960	21,159
	Security Deposits (Outside Parties)	17.5	24,121,818.96	-	24,121,819	16,161,908
	Income Tax and VAT Collection	17.6	12,497,128.11	99,123	12,596,251	12,301,788
	Sundry Creditors			330,220,934	330,220,934	-
	STSM Provident Fund (Permanent)		59,409,876.26	-	59,409,876	48,841,767
	STSM Provident Fund (Permanent) for Other Project		6,217,596.96	-	6,217,597	3,741,670
	STSM Provident Fund (Seasonal)		8,194,979.13	-	8,194,979	5,848,058
	Salary and Wages Payable	17.7	-	-	-	83,627,584
	Rajaul Islam (Dokan)		100,000.00	-	100,000	100,000
	M.A. Sayed		100,000.00	-	100,000	100,000
	Joynal Abedin (Dokan)		100,000.00	-	100,000	100,000
	Payable for Turnover Tax		-	849,698	849,698	849,698
	Total (Taka)		858,575,144	338,859,609	1,197,434,753	426,522,587

17.1 Provision for Bad and Doubtful Debt

Opening Balance	239,533.39	-	239,533	239,533
Add: Addition During The Year	-	-	-	-
	239,533	-	239,533	239,533
Less: Adjustment during The Year	-	-	-	-
Closing Balance (Taka)	239,533	-	239,533	239,533

17.2 Provision for Leave Pay and Gratuity

Opening Balance	34,243,209	6,003,098	40,246,307	54,486,821
Add: Addition During The Year	513,721,700	1,667,559	515,389,259	30,047,887
	547,964,909	7,670,657	555,635,566	84,534,708
Less: Adjustment During The Year	103,098,782	-	103,098,782	(44,288,400)
Closing Balance (Taka)	444,866,127.00	7,670,656.81	452,536,784	40,246,307

17.3 Employee Payable

Opening Balance	330,222	-	330,222	436,171
Add: Addition During The Year	144,861	-	144,861	69,451
	475,083	-	475,083	505,622
Less: Adjustment during The Year	(426,486)	-	(426,486)	(175,400)
Closing Balance (Taka)	48,597	-	48,597	330,222



Note No.	Particulars	Annexure/	Mills	Farm	Total	Total
			30.06.2022	30.06.2022	30.06.2022	30.06.2021
17.4 Gratuity Payable						
	Opening Balance		70,913,295.51	-	70,913,296	45,198,890
	Add: Addition During The Year		52,106,346.00	-	52,106,346	40,406,761
			123,019,642	-	123,019,642	85,605,651
	Less: Adjustment during The Year		(18,535,274)	-	(18,535,274)	(14,692,355)
	Closing Balance (Taka)		104,484,367.11	-	104,484,367.11	70,913,295.51
17.5 Security Deposits (Outside Parties)						
	Opening Balance		16,161,908.00	-	16,161,908	15,847,423
	Add: Addition During The Year		10,316,122	-	10,316,122	3,078,150
			26,478,030	-	26,478,030	18,925,573
	Less: Adjustment during The Year		(2,356,211)	-	(2,356,211)	(2,763,665)
	Closing Balances (Taka)		24,121,819	-	24,121,819	16,161,908
17.6 Income Tax & Vat Collection						
	Opening Balance		12,202,665.56	99,122.44	12,301,788.00	10,496,251
	Add: Addition During The Year		2,753,464.32	-	2,753,464	8,820,969
			14,956,130	99,122	15,055,252	19,317,220
	Less: Adjustment during The Year		(2,459,001.77)	-	(2,459,002)	(7,015,432)
	Closing Balances (Taka)		12,497,128.11	99,122	12,596,251	12,301,788
17.7 Salary and Wages Payable						
	Opening Balance		82,608,464	1,019,120	83,627,584	73,820,675
	Add: Addition During The Year		-	-	-	180,024,068
			82,608,464	1,019,120	83,627,584	253,844,743
	Less: Adjustment during The Year		(82,608,464)	(1,019,120)	(83,627,584)	(170,217,159)
	Closing Balances (Taka)		-	-	-	83,627,584



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Chartered Accountants

Note No.	Particulars	Annexure/ Note	Mills	Farm	Total	Total
			30.06.2022	30.06.2022	30.06.2022	30.06.2021
18	Other Payable					
	Inter Company Current Account	18.1	37,433,855	-	37,433,855	40,203,020
	Head Office Current Account	18.2	3,411,797,294	-	3,411,797,294	3,342,321,544
	Total (Taka)		3,449,231,149	-	3,449,231,149	3,382,524,565
18.1	Inter Company Current Account (Payables)	8.01				
	Panchagarh Sugar Mills Ltd.		1,684,725.61	-	1,684,726	1,561,783
	Kushtia Sugar Mills Ltd.		5,343,025.20	-	5,343,025	5,168,000
	North Bengal Sugar Mills Ltd.		-	-	-	-
	Mobarakgonj Sugar Mills Ltd.		-	-	-	84,244
	Shyampur Sugar Mills Ltd.		502,221.00	-	502,221	502,221
	Rangpur Sugar Mills Ltd.		246,987.00	-	246,987	202,842
	Pabna Sugar Mills Ltd.		1,342,363.30	-	1,342,363	1,326,510
	Thakurgaon Sugar Mills Ltd.		-	-	-	-
	Joypurhat Sugar Mills Ltd.		-	-	-	2,419,640
	Rajshahi Sugar Mills Ltd		-	-	-	-
	Renwick Janeswar & Co.		28,314,532.85	-	28,314,533	28,825,000
	Natore Sugar Mills Ltd.		-	-	-	112,780
	Total (Taka)		37,433,854.96	-	37,433,855	40,203,020
	<i>Details of the fund furnished in Note- 8.01</i>					
18.2	Head Office Current Account					
	Opening Balance		3,342,321,544	-	3,342,321,544	3,109,548,887
	Add: addition During The Year		82,851,072	-	82,851,072	412,700,777
			3,425,172,616	-	3,425,172,616	3,522,249,664
	Less: Adjustment during The Year		(13,375,322)	-	(13,375,322)	(179,928,120)
	Closing Balances (Taka)		3,411,797,294	-	3,411,797,294	3,342,321,544
19	Revenue					
	Sales of Sugar	19.1	133,245	-	133,245	94,433,351
	Sale of Molasses	19.2	22,016,492	-	22,016,492	35,259,922
	Sugarcane Transfer to Mills		-	22,491,015	22,491,015	35,478,637
	Indirect Income		-	-	-	-
	Total (Taka)		22,149,737	22,491,015	44,640,752	165,171,911
19.01	Sale of Sugar					
			2021-2022		2020-2021	
			Qty. (MT)	Amount (TK.)	Qty. (MT)	Amount (TK.)
	Free Sale		-	-	1,093.00	65,598,000
	Ration		-	-	8.00	490,800
	Police		-	-	120.00	7,290,000
	Fire Service		-	-	20.50	1,261,050
	BGB		-	-	10.50	639,000
	Army		-	-	240.00	15,157,896
	Head Office		-	133,245	71.00	4,615,000
	Consumer		-	-	2.30	139,500
	Gross Sales (Taka)		-	133,245	1,565	95,191,246
	Less: Sales Return		-	-	-	-
	Less: Army Tax		-	-	-	(757,895)
	Net Sales Revenue (Taka)		-	133,245	1,565	94,433,351
	Average Selling Price		Per MT	-	Per MT	60,329
19.02	Sale of Molasses (Taka)	Annexure-I	-	22,016,492	2,308	35,259,922
	Average Selling Price		Per MT	-	Per MT	16,980
			Sugar	Molasses	Total (Taka)	
	Selling Price Per MT (Taka)		-	-	-	
	Cost of sales per MT		-	-	-	
	Gross Profit / (loss) Per MT		-	-	-	



Note No.	Particulars	Annexure/ Note	Mills	Farm	Total	Total
			30.06.2022	30.06.2022	30.06.2022	30.06.2021
20	Cost of Goods Sold					
	Raw Materials Consumed	20.1	-	-	-	-
	Other Materials Consumed	20.2	-	-	-	36,205,187
	Material Used		-	-	-	36,205,187
	Direct Wages		-	-	-	-
	Other Direct Expenses		-	-	-	370,807
	Prime Cost		-	-	-	36,575,994
	Add: Factory Overhead	20.3	-	26,235,944	26,235,944	45,889,762
	Manufacturing Cost (Finished & Unfinished)		-	26,235,944	26,235,944	82,465,755
	Add: Opening WIP		-	-	-	-
	Less: Closing WIP		-	-	-	-
	Cost of Production		-	26,235,944	26,235,944	82,465,755
	Add: Opening Finished Goods		2,737,457	-	2,737,457	126,635,028
	Cost of Goods Available for Sale		2,737,457	26,235,944	28,973,401	209,100,783
	Less: Closing Finished Goods		(2,604,212)	-	(2,604,212)	(2,737,457)
	Cost of Goods Sold (Taka)		133,245	26,235,944	26,369,189	206,363,327

20.1 Raw Materials Consumed

Opening Raw Materials	-	-	-	-
Add: Purchase	-	-	-	-
Available for Use	-	-	-	-
Less: Closing Raw Materials	-	-	-	-
Raw Materials Consumed (Taka)	-	-	-	-

No production made during the year.

20.1.1 Purchase of Raw Materials

Raw Materials	-	-	-	-
Total (Taka)	-	-	-	-

No production made during the year.

20.2 Other Direct Materials

Fertilizer & Insecticides	-	-	-	12,218,551
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Chartered Accountants

Note No.	Particulars	Annexure/ Note	Mills	Farm	Total	Total
			30.06.2022	30.06.2022	30.06.2022	30.06.2021
20.3	Factory Expenses					
	Salary & Allowances			-	76,647,021	18,922,730
	Repair and Maintenance (Outside Parties)			-	-	6,391,601
	Repair and Maintenance (Materials)			-	-	4,800,159
	Oil and Lubricant		-	-	-	-
	Coal, Wood and Fuel		-	-	-	1,268,599
	Power and Fuel		-	-	-	4,295,633
	Insurance		-	-	-	-
	Depreciation	Annexure- A	-	-	-	9,371,700
	Sugarcane Development Expenses		-	-	-	839,341
	Other Expenses		-	912,350	912,350	
	Variable Expenses		-	25,323,594	25,323,594	
	Total (Taka)		-	26,235,944	102,882,965	45,889,763

Details of above expenditures were verified with relevant registers/ ledger/ vouchers/ documents.

21 Administrative Expenses

Salary and Allowances	76,647,021	20,069,524	96,716,545	206,371,746
Staff Welfare Expenses	-	-	-	641,152
Rent, Rates & Taxes	1,251,580	-	1,251,580	945,738
Insurance	2,506,253	-	2,506,253	2,083,849
Legal Expenses	1,163,400	-	1,163,400	569,031
Repairs and Maintenance	-	74,231	74,231	3,632,824
Power And Fuel	3,529,757	-	3,529,757	
Land Development Tax	-	-	-	-
Audit Fees	-	-	-	-
Corporate Tax	132,898	-	132,898	-
Subscription & Donations	20,000	-	20,000	502,695
Satcking, Loading, Docking and Handling	19,322	-	19,322	79,634
Training Expenses	-	-	-	1,788,272
Admin Overhead	-	1,425,739	1,425,739	528,915
Printing and Stationary	19,046	-	19,046	1,097,351
T.A. / D.A.	503,635	-	503,635	27,500
Postage, Telegram and Telephone	2,660	-	2,660	0
Provision for Turnover Tax	-	-	-	503,770
Entertainment Expenses	386,957	-	386,957	4,336,796
Head Office Overhead	-	-	-	515,963
Bank Charges	-	-	-	104,050
Directors Remuneration	155,200	-	155,200	349,399
Misc. Expenses	519,684	-	519,684	5,982,995
Depreciation Expenses	6,080,846	3,165,693	9,246,539	184,267
Bad & Doubtful Debt	-	-	-	-
Tree Plantation Programme	-	-	-	-
Cane Development Expenses	87,570	-	87,570	-
Total (Taka)	93,025,829	24,735,187	117,761,016	230,245,946

Details of above expenditures were verified with relevant registers/ ledger/ vouchers/ documents.



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Chartered Accountants

Note No.	Particulars	Annexure/ Note	Mills	Farm	Total	Total
			30.06.2022	30.06.2022	30.06.2022	30.06.2021

Note- 22 Selling Expenses

Advertisement	8,970	-	8,970	799,037
Total (Taka)	8,970	-	8,970	799,037

Note- 23 Other Income

House Rent	-	-	-	1,165,244
Lease of Firm Land	-	34,698,093	34,698,093	28,469,084
Sale of Damage Scraps	-	-	-	574,096
Sale of Tender Schedule	-	-	-	42,500
Shop Rent	-	-	-	40,340
Sale of Horti Products	-	-	-	18,160
Transport Hire Change Recoveary	-	-	-	19,083,842
Misc. Income	8,257,059	28,750,864	37,007,923	321,162
Others	-	-	-	-
Total (Taka)	8,257,059	63,448,957	71,706,016	49,714,428

Note- 24 Finance Cost

Bank Charge	61,867	-	61,867	-
Interest on Loan & Overdraft of Head Office Current Account	149,256,965	-	149,256,965	338,872,862
Total (Taka)	149,318,832	-	149,318,832	338,872,862



Setabganj Sugar Mills Ltd.
Schedule of Property, Plant & Equipment
As on June 30, 2022 (Mill)

Annexure-A

S.L. No.	Particulars	AMOUNT IN TAKA						DEPRECIATION					W.D.V. as on 30/06/2022
		COST			Rate of Dep.			DEPRECIATION					
		Balance as on 01/07/2021	Addition during the year	Adjustment during the year	Total as on 30/06/2022	Rate of Dep.	Balance as on 01/07/2021	Prior Year Adjustment	Depreciation charged during the year	Adjustment during the year	Accumulated Dep. as on 30/06/2022	W.D.V. as on 30/06/2022	
1	2	3	4	5	6	7	8	9	10	11	12	13	
1	Land & Land Development.	650,149	-	-	650,149	-	-	-	-	-	-	650,149	
2	Building & Other Construction	70,251,382	-	-	-	0.0%	58,816,857	-	1,337,435	-	60,154,293	10,077,089	
3	Plant & Machineries	276,974,463	-	-	276,974,463	0%	210,547,601	-	4,602,956	-	215,150,557	61,823,906	
4	Factory Equipment	12,635,314	-	-	12,635,314	0%	12,635,300	-	-	-	12,635,300	14	
5	Furniture, Fixtures & Office Equipments	2,534,058	-	-	2,534,058	0%	2,517,432	-	5,771	-	2,523,203	10,855	
6	Vehicles & Transport	65,776,421	-	-	65,776,421	0%	65,776,410	-	-	-	65,776,410	10	
7	Sundry Assets	1,486,658	-	-	1,486,658	0%	1,208,366	-	134,684	-	1,343,050	143,608	
A	Total (Mill) as on 30/06/2022	430,308,443.64	-	-	360,057,062		351,501,967	-	6,080,846	-	357,582,813	72,725,831	

289609776.7

Allocation of Depreciation Expenses.

Factory Overhead (80%)	Taka
Administrative Overhead (20%)	6,080,846
Total (Taka)	6,080,846

That the operation of Mills has been suspended by the government. So, full depreciation has been charged to administrative expenses.



Setabganj Sugar Mills Ltd.
Schedule of Property, Plant & Equipment
As on June 30, 2022 (Farm)

S.L. No.	Particulars	AMOUNT IN TAKA										
		COST			DEPRECIATION							
		Balance as on 01/07/2021	Addition during the year	Adjustment during the year	Total as on 30/06/2022	Rate of Dep.	Balance as on 01/07/2021	Prior Year Adjustment	Depreciation charged during the year	Adjustment during the year	Accumulated Dep. as on 30/06/2022	W.D.V as 30/06/2022
3	4	5	6	7	8	9	10	11	12	13		
01	Land & Land Development.											
	Commercial Farm	273,945	-	-	273,945	-	-	-	-	-	-	273,945
	Modernization Farm	63,488	-	-	63,488	-	-	-	-	-	-	63,488
	Sub Total	337,433	-	-	337,433	-	-	-	-	-	-	337,433
02	Building & Other Construction											
	Commercial Farm	20,943,052	-	-	20,943,052	-	5,014,827	91,713	3,165,692.90	-	8,088,807	12,854,245
	Modernization Farm	2,327,558	-	-	2,327,558	5%	2,235,774	(91,766)	-	-	2,327,540	18
	Sub Total	23,270,610	-	-	23,270,610		7,250,601	(53)	3,165,693	-	10,416,347	12,854,263
03	Plant & Machineries											
	Commercial Farm	3,034,310	-	-	3,034,310	10%	2,748,548	-	-	-	2,748,548	285,762
	Modernization Farm	9,350,377	-	-	9,350,377		9,350,359	-	-	-	9,350,359	18
	Sub Total	12,384,687	-	-	12,384,687		12,098,908	-	-	-	12,098,908	285,780
04	Furniture, Fixtures & Office Equipments											
	Commercial Farm	30,638	-	-	30,638	15%	30,632	-	-	-	30,632	6
	Modernization Farm	5,378	-	-	5,378		5,377	-	-	-	5,377	1
	Sub Total	36,016	-	-	36,016		36,009	-	-	-	36,009	7
05	Vehicles & Transport											
	Commercial Farm	30,122,501	-	-	30,122,501	25%	24,830,256	-	-	-	24,830,256	5,292,245
	Modernization Farm	580,027	-	-	580,027		580,025	-	-	-	580,025	2
	Sub Total	30,702,527	-	-	30,702,527		25,410,281	-	-	-	25,410,281	5,292,247
06	Forest											
	Commercial Farm	11,834,896	-	-	11,834,896	-	-	-	-	-	-	11,834,896
	Modernization Farm	-	-	-	-	-	-	-	-	-	-	-
	Sub Total	11,834,896	-	-	11,834,896		-	-	-	-	-	-
	Total (Farm) as on 30/06/2022	78,566,170	-	-	78,566,170		44,795,799	(53)	3,165,693	-	47,961,545	30,604,625
	Add: Prior Year Adjustment	-	-	-	-	-	-	-	-	-	-	-
	Balance as on 30.06.2022	78,566,170	-	-	78,566,170		44,795,799	(53)	3,165,692.90	-	47,961,545	30,604,625
A	Grand Total (Mill+Farm) as on 30/06/2022	508,874,614	-	-	438,623,232		396,297,765	(53)	9,246,539	-	405,544,357	109,320,256

