

**MEGHNA PETROLEUM LIMITED**  
**AUDITORS' REPORT AND FINANCIAL STATEMENTS**  
**AS AT AND FOR THE YEAR ENDED 30 JUNE 2022**

**Khan Wahab Shafique Rahman & Co.**  
Chartered Accountants

**Hoda Vasi Chowdhury & Co**  
Chartered Accountants

INDEPENDENT AUDITORS' REPORT  
TO THE SHAREHOLDERS OF  
MEGHNA PETROLEUM LIMITED

**Opinion**

We have audited the accompanying financial statements of **MEGHNA PETROLEUM LIMITED** (the Company), which comprise the Statement of Financial Position as at **30 June 2022**, the Statement of Profit or loss and Other Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the period from 01 July 2021 to 30 June 2022, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to explanations given to us, the accompanying financial statements, prepared in accordance with International Financial Reporting Standards (IFRSs), give a true and fair view of the financial position of the company as at 30 June 2022 and of its financial performance and cash flows for the period from 01 July 2021 to 30 June 2022 and comply with the Companies Act, 1994, the Securities and Exchange Rules, 1987 and other applicable laws and regulations.

**Basis of opinion**

We conducted our audit in accordance with International Standard on Auditing (ISAs) as adopted by the Institute of Chartered Accountants of Bangladesh (ICAB). Our responsibilities under those standards are further described in "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) that are relevant to our audit of the financial statements in Bangladesh and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code.

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

**Emphasis of Matters**

- 01 While computing Gratuity liability, the requirement of IAS-19 about creating provision on the basis of Actuarial computation has not been followed. The company maintains a funded Gratuity scheme for its permanent employees in accordance with Gratuity rules and provision as on 30 June 2022 is Tk. 92,490,626.00.
- 02 As per IAS-36, Para-09 "An entity shall assess at the end of each reporting period whether there is any indication that an asset may be impaired. If any such indication exists, the entity shall estimate the recoverable amount of the asset". Here the company did not make any impairment test as per provision of IAS-36.
- 03 FRC notificatio-146/FRC/SS/2020/251 requires conversion of share money deposit into equity within six months from the date of deposit, but share money deposit of Taka 116,061,862 appearing in note- 14.00 has not been converted into equity.

However, our opinion is not modified in respect of the above matters.

**Key Audit Matters**

Key audit matters are those matters that, in the auditors' professional judgment, were of most significance in the audit of the financial statements for the year ended 30 June 2022. These matters, and any comments we make on the results of our procedures thereon, 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. For each matter below, our description of how our audit addressed the matter is provided in that context.

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

*Hoda*



SL	Key Audit Matters	How our audit addressed the key audit matters
1.	<p><b>Valuation of Inventories</b></p> <p>Inventory is carried in the financial statements at the lower of cost and net realizable value. The exercise for the assessment of the net realizable value involves the use of judgement and assumptions that may vary depending on technological and socio-economical conditions.</p> <p>Inventory is valued after considering operation gain/ (loss), transit gain/(loss) and conversion gain/ (loss) and is therefore considered a significant key audit matter. Please refer to note 3.05 and 8 to the financial statements.</p>	<ul style="list-style-type: none"> <li>• Verified a sample of inventory items to ensure that costs have been appropriately recorded.</li> <li>• Tested on a sample basis the net realizable value by comparing costs to recent selling prices and assessing the reasonableness of any resulting write down of inventory items.</li> <li>• Assessed whether appropriate provisions have been recognized for aged, damaged, slow moving or obsolete inventories by reviewing the age of inventories held and evaluating management's basis for determining the usability of inventories.</li> <li>• Performed cut-off tests to determine that the purchases and sales of the inventories have been recorded in the correct accounting period.</li> <li>• Reviewed the historical accuracy of inventory provisions and the level of write-downs.</li> </ul>
2.	<p><b>Revenue Recognition</b></p> <p><b>Appropriateness of revenue recognition and disclosures on the impact of the initial application of IFRS 15.</b></p> <p>Revenue recognition has significant and wide influence on financial statements.</p> <p>As described in the accounting policy note 3.14 to the financial statements, the company recognises revenue upon transfer of control as per the newly adopted IFRS 15 – Revenue from Contracts with Customers. The company has reported total revenue of BDT 219,582 billion. Refer to note 24 to the financial statements.</p> <p>This material item is subject to considerable inherent risk due to the complexity and identifying revenue and the high number of transactions from multiple locations from which revenue is being recognised. Against this background, the proper application of the accounting standards is considered to be complex and assumptions made by management.</p>	<ul style="list-style-type: none"> <li>• Undertaken audit procedures over the accuracy of recording of revenue including procedures related to the changes in revenue recognition resulting from the adoption of IFRS 15.</li> <li>• Assessed the environment of the measurement as well as other relevant systems supporting the accounting of revenue.</li> <li>• Assessed manual as well as application controls supporting revenue recognition.</li> <li>• Assessed the invoicing and measurement systems up to entries in the general ledger.</li> <li>• Examined customer invoices and receipts of payment on a test basis.</li> <li>• Tested the revenue charging model against the regulatory guidelines, contractual provisions and accounting standards, on a sample basis.</li> <li>• Assessed the design of the processes set up to account for the transactions in accordance with the new standard.</li> <li>• Assessed whether the sufficiency of disclosures as required by the new standard have been met.</li> </ul>

**Reporting on other information**

Management is responsible for the other information. The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. Our opinion on the financial statements of the Company does not cover the other information and, accordingly, we do not express any form of assurance 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 of the Company or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. Based on the information read and reviewed, we have nothing to report in this regard.



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

Management is responsible for the preparation and fair presentation of these financial statements of the Company in accordance with International Financial Reporting Standards (IFRSs), the Companies Act, 1994, the Securities and Exchange Rules, 1987 and other applicable laws and regulations and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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.

### Auditors' 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 auditors' 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:

- (a) 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.
- (b) 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.
- (c) evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- (d) 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 auditors' 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 auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- (e) 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.
- (f) 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.

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

We communicate with those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.



We determine those matters, from the matters communicated with those charged with governance, that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

**Report on other legal and regulatory requirements**


In accordance with the Companies Act 1994 and the Securities and Exchange Rules, 1987, we also report the following:

- i) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit and made due verification thereof;
- ii) in our opinion, proper books of account as required by law have been kept by the Company so far as it appeared from our examination of these books and;
- iii) the statement of financial position and statement of profit or loss and other comprehensive income dealt with by the report are in agreement with the books of account and returns;
- iv) the expenditure incurred was for the purposes of the Company's business.

**10 NOV 2022**

Chattogram,

For and on behalf of  
KHAN WAHAB SHAFIQUE RAHAMAN & CO.  
CHARTERED ACCOUNTANTS

  
Signed By:  
Mohammad Shaheed FCA (1016)  
Senior Partner  
DVC: 2211131016ASB66512

For and on behalf of  
HODA VASI CHOWDHURY & CO  
CHARTERED ACCOUNTANTS

  
Signed By:  
Showkat Hossain FCA (0137)  
Senior Partner  
DVC: 2211130137AS716625



**MEGHNA PETROLEUM LIMITED**

Statement of Financial Position

As at 30 June 2022

	Note(s)	30 June 2022	30 June 2021
		Taka	Taka
<b>Non-Current Assets</b>			
Property, Plant and Equipment	4.00	1,400,073,298	1,548,202,463
Right to use of Lease	4.02	32,296,446	22,951,288
Capital Work-in-Progress	5.00	197,076,949	175,756,234
Long Term Investment (FDR)	6.00	8,026,407,598	3,000,938,355
<b>Total Non-Current Assets</b>		<b>9,655,854,291</b>	<b>4,747,848,340</b>
<b>Current Assets</b>			
Short Term Investments - Depreciation Fund	7.00	1,436,779,672	1,366,743,580
Short Term Investments (FDR)	8.00	11,438,718,600	11,862,391,007
Inventories	9.00	9,758,399,713	13,652,091,827
Trade and Other Receivables	10.00	14,101,718,939	11,703,764,486
Advances, Deposits and Pre-payments	11.00	1,982,269,582	2,064,826,889
Cash and Cash Equivalents	12.00	33,623,869,212	23,264,000,383
<b>Total Current Assets</b>		<b>72,341,755,718</b>	<b>63,913,818,172</b>
<b>TOTAL ASSETS</b>		<b>81,997,610,009</b>	<b>68,661,666,512</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Share Capital	13.00	1,082,161,080	1,082,161,080
Share Money Deposit	14.00	116,061,862	116,061,862
General Reserve	15.00	14,355,000,048	13,255,000,048
Depreciation Fund Reserve	18.00	160,322,077	107,094,647
Retained Earnings	14.02	3,132,449,889	2,743,567,900
<b>Equity attributable to owners of the Company</b>		<b>18,845,994,956</b>	<b>17,303,885,537</b>
<b>Non-Current Liabilities</b>			
Defined Benefit Obligations - Gratuity	16.00	92,490,626	82,676,278
Deferred Tax Liabilities	17.00	48,909,632	49,328,305
Long Term Lease Liability	4.02	14,863,479	5,909,624
Long Term Borrowing	19.00	102,562,234	141,653,782
<b>Total Non-Current Liabilities</b>		<b>258,825,971</b>	<b>279,567,989</b>
<b>Current Liabilities</b>			
Short Term Borrowing	19.02	82,046,051	42,510,350
Creditors and Accruals	20.00	61,698,012,095	50,020,035,617
Provision for WPPF and Welfare Fund	21.00	208,300,980	191,786,840
Unclaimed Dividend	22.00	12,742,791	83,897,426
Income Tax Payable	23.00	891,687,165	739,982,753
<b>Total Current Liabilities</b>		<b>62,892,789,082</b>	<b>51,078,212,986</b>
<b>Total Liabilities</b>		<b>63,151,615,053</b>	<b>51,357,780,975</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>81,997,610,009</b>	<b>68,661,666,512</b>
Net Assets Value (NAV) Per Share	30.00	174.15	159.90

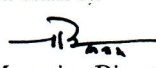
These financial statements should be read in conjunction with the annexed notes (01-46)

and were approved by the Board of Directors on 10 November 2022

and were signed on its behalf by:

  
Company Secretary

  
General Manager (A & F)

  
Managing Director

  
Director

  
Director

Signed in terms of our separate report of even date annexed

For and on behalf of  
KHAN WAHAB SHAFIQUE RAHAMAN & CO.  
CHARTERED ACCOUNTANTS

Signed By:  
Mohammad Shaheed FCA (1016)  
Senior Partner

DVC: 2211131016AS866512

For and on behalf of  
HODA VASI CHOWDHURY & CO  
CHARTERED ACCOUNTANTS

Signed By:  
Showkat Hossain FCA (0137)  
Senior Partner

DVC: 2211130137AS716625

10 NOV 2022

Chattoogram,



**MEGHNA PETROLEUM LIMITED**  
**Statement of Profit or Loss and Other Comprehensive Income**  
For the year ended 30 June 2022

	Note(s)	01 July 2021 to 30 June 2022	01 July 2020 to 30 June 2021
		Taka	Taka
<b>Gross Earnings on Petroleum Products</b>	24.00	2,198,142,666	2,270,825,278
Net Operational Gain / (Loss)	24.03	133,158,954	61,131,091
<b>Net Earnings on Petroleum Products</b>		<b>2,331,301,620</b>	<b>2,331,956,369</b>
Other Operating Income	24.05	243,332,839	219,814,306
<b>Total Income</b>		<b>2,574,634,459</b>	<b>2,551,770,675</b>
<b>Operating Expenses</b>			
Administrative, Selling and Distribution Expenses	25.00	(1,165,310,804)	(1,059,787,855)
Financial Expenses	26.00	(119,175,632)	(134,730,809)
Financing Charge through BPC	27.00	(151,002,193)	(143,610,247)
		<b>(1,435,488,629)</b>	<b>(1,338,128,911)</b>
<b>Total Operating Profit</b>		<b>1,139,145,830</b>	<b>1,213,641,764</b>
Non-operating Income	28.00	3,026,873,767	2,622,095,044
<b>Net Profit Before WPP&amp;WF</b>		<b>4,166,019,597</b>	<b>3,835,736,808</b>
Contribution to Workers' Profit Participation and Welfare Fund @ 5% on net profit	21.00	(208,300,980)	(191,786,840)
<b>Net Profit Before Income Tax</b>		<b>3,957,718,617</b>	<b>3,643,949,968</b>
Income tax (expenses)/benefits:			
Current Tax	23.00	(792,786,251)	(817,090,905)
Deferred Tax	17.00	418,673	(5,451,032)
		<b>(792,367,578)</b>	<b>(822,541,937)</b>
<b>Net Profit After Tax Transferred to Retained Earnings</b>		<b>3,165,351,039</b>	<b>2,821,408,031</b>
<b>Other Comprehensive Income</b>			
Items that will never be reclassified to profit or loss		-	-
Items that are or may be reclassified to profit or loss		-	-
		-	-
<b>Total Comprehensive Income</b>		<b>3,165,351,039</b>	<b>2,821,408,031</b>
<b>Earnings per share (EPS)</b>	29.00	<b>29.25</b>	<b>26.07</b>

These financial statements should be read in conjunction with the annexed notes (01-46)  
and were approved by the Board of Directors on 10 November 2022  
and were signed on its behalf by:

  
Company Secretary

  
General Manager (A & F)

  
Managing Director

  
Director


  
Director

Signed in terms of our separate report of even date annexed

**10 NOV 2022**

Chattogram,

For and on behalf of  
KHAN WAHAB SHAFIQUE RAHAMAN & CO.  
CHARTERED ACCOUNTANTS

  
Signed By:  
Mohammad Shaheed FCA (1016)  
Senior Partner  
DVC: 2211131016AS866512

For and on behalf of  
HODA VASI CHOWDHURY & CO  
CHARTERED ACCOUNTANTS

  
Signed By:  
Showkat Hossain FCA (0137)  
Senior Partner  
DVC: 2211130137AS716625



MEGHNA PETROLEUM LIMITED  
Statement of Changes in Equity  
For the year ended 30 June 2022

	Amount in Taka					
	Share Capital	General Reserve	Share Money Deposit	Depreciation Fund Reserve	Retained Earnings	Total Equity
<b>Balance as on 01 July 2020</b>	1,082,161,080	11,755,000,048	49,536,510	-	3,152,496,136	16,039,193,774
Add: Annual Development Program of GOB - Loan	-	-	66,525,352	-	-	66,525,352
Cash Dividend Paid during the Year	-	-	-	-	(1,623,241,620)	(1,623,241,620)
Transferred to General Reserve	-	1,500,000,000	-	-	(1,500,000,000)	-
Transferred to Depreciation Fund Reserve	-	-	-	107,094,647	(107,094,647)	-
Net Profit after Tax for the Year 2020-2021	-	-	-	-	2,821,408,031	2,821,408,031
<b>Balance as at 30 June 2021</b>	<b>1,082,161,080</b>	<b>13,255,000,048</b>	<b>116,061,862</b>	<b>107,094,647</b>	<b>2,743,567,900</b>	<b>17,303,885,537</b>
<b>Balance as on 01 July 2021</b>	1,082,161,080	13,255,000,048	116,061,862	107,094,647	2,743,567,900	17,303,885,537
Cash Dividend Paid during the Year	-	-	-	-	(1,623,241,620)	(1,623,241,620)
Transferred to General Reserve	-	1,100,000,000	-	-	(1,100,000,000)	-
Transferred to Depreciation Fund Reserve	-	-	-	53,227,430	(53,227,430)	-
Net Profit after Tax for the Year 2021-2022	-	-	-	-	3,165,351,039	3,165,351,039
<b>Balance as at 30 June 2022</b>	<b>1,082,161,080</b>	<b>14,355,000,048</b>	<b>116,061,862</b>	<b>160,322,077</b>	<b>3,132,449,889</b>	<b>18,845,994,956</b>
<b>Note(s)</b>	<b>13.00</b>	<b>15.00</b>	<b>14.00</b>	<b>18.00</b>	<b>14.02</b>	

These financial statements should be read in conjunction with the annexed notes (01-46)  
and were approved by the Board of Directors on 10 November 2022  
and were signed on its behalf by:

  
Company Secretary



  
General Manager (A & F)

  
Managing Director



  
Director

  
Director

**MEGHNA PETROLEUM LIMITED**

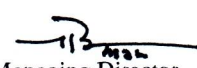
Statement of Cash Flows  
For the year ended 30 June 2022

Note(s)	01 July 2021 to 30 June 2022	01 July 2020 to 30 June 2021
	Taka	Taka
<b>A. Operating Activities</b>		
Payment Received from Customers	33.01 217,561,103,836	175,102,348,184
Payment Made to Suppliers, Employees and Others	33.02 (201,471,624,882)	(163,243,233,148)
Payment made for operating other expenses	33.03 (1,135,093,673)	(819,140,052)
<b>Cash from operation</b>	<b>14,954,385,281</b>	<b>11,039,974,984</b>
Payment Received from Non-Operating Income	33.04 3,026,873,767	2,622,095,044
Payment made for Financial Expenses	33.05 (269,144,142)	(278,341,056)
Income Tax Paid	33.06 (927,094,183)	(976,574,033)
<b>Net Cash Generated by Operating Activities</b>	<b>32 16,785,020,723</b>	<b>12,407,154,939</b>
<b>B. Investing Activities</b>		
Acquisition of Capital Expenditures	33.07 (127,251,790)	(1,730,796,461)
Short Term & Long Term Investments	33.08 (4,601,796,836)	(6,255,870,733)
<b>Net Cash Used in Investing Activities</b>	<b>(4,729,048,626)</b>	<b>(7,986,667,194)</b>
<b>C. Financing Activities</b>		
Share Money Deposit	33.09 -	66,525,352
(Repayment) / Receipt of Long term loan	33.10 -	99,788,028
Payment of Lease	33.11 (11,105,021)	(11,157,871)
Increase In Lease Liability	33.12 9,398,008	15,980,962
Dividend paid to shareholders	33.13 (1,619,781,166)	(1,652,669,744)
Deposited to CMSF fund	33.14 (74,615,089)	-
<b>Net Cash Used in Financing Activities</b>	<b>(1,696,103,268)</b>	<b>(1,481,533,273)</b>
<b>D. Net Increase of Cash and Cash Equivalents (A+B+C)</b>	<b>10,359,868,829</b>	<b>2,938,954,472</b>
<b>E. Opening Cash and Cash Equivalents</b>	<b>23,264,000,383</b>	<b>20,325,045,911</b>
<b>F. Closing Cash and Cash Equivalents (D+E)</b>	<b>33,623,869,212</b>	<b>23,264,000,383</b>
<b>Net Operating Cash Flow Per Share (NOCFPS)</b>	<b>31.00 155.11</b>	<b>114.65</b>


These financial statements should be read in conjunction with the annexed notes (01-46)  
and were approved by the Board of Directors on 10 November 2022  
and were signed on its behalf by:

  
Company Secretary

  
General Manager (A & F)

  
Managing Director

  
Director

  
Director



**MEGHNA PETROLEUM LIMITED**  
**Notes to the Financial Statements**  
**As at and for the year ended 30 June 2022**

**1.00 THE REPORTING ENTITY**

**1.01 Legal form of enterprise**

Meghna Petroleum Limited (hereinafter referred to as the company) was incorporated in Bangladesh on 27 December, 1977 as a Private Limited Company. All but six shares of the Company are held by the Bangladesh Petroleum Corporation (hereinafter referred to as BPC). Subsequently, it was converted into a Public Limited Company on 29 May 2007 vide special resolution dated 29 May 2007 under the Companies Act 1994. As resolved in the Board of BPC, the present owner of the shares, and also as per resolution taken in the EGM, the Company shall off load 12,000,000 ordinary shares of Tk 10 each to the general public / institutions at market price in accordance with regulation 5 of Stock Exchange (direct listing) regulations 2006, the Depository Act 1999 and regulations issued there under. The shares were floated for public offering on 14 January 2008.

The registered office and principal place of business of the company is located at 58-59, Agrabad Commercial Area, Chattogram, Bangladesh.

**1.02 Nature of the business**

The activities of the Company comprise the procurement, storage and marketing of Petroleum products and Lubricants, Bitumen, Liquefied Petroleum Gas (LPG) and Battery Water in Bangladesh.

**2.00 BASIS OF PREPARATION AND PRESENTATION OF THE FINANCIAL STATEMENTS**

**2.01 Statement of compliance**

The Financial Statements have been prepared in accordance International Financial Reporting Standards (IFRSs), the Companies Act 1994, the Securities and Exchange Rules 1987, relevant guidelines issued by the Bangladesh Securities and Exchange Commission (BSEC), Financial Reporting Act 2015 and other applicable laws and regulations. The titles and format of these financial statements follow the requirements of IFRSs which are to some extent different from the requirement of the Companies Act 1994. However, such differences are not material and, in the view of management, IFRSs titles and format give better presentation to the shareholders.

On 14 December 2017, the Institute of Chartered Accountants of Bangladesh (ICAB) has adopted International Financial Reporting Standards issued by the International Accounting Standards Board as IFRSs. As the ICAB previously adopted such standards as Bangladesh Financial Reporting Standards without any modification, this recent adoption will not have any impact on the financial statements of the Company going forward.

**2.02 Basis of reporting**

The financial statements are prepared and presented for external users by the company in accordance with identified financial reporting framework. Presentation has been made in compliance with the requirements of IAS 1 – “Presentation of Financial Statements”. The financial statements comprise of:

- a) A statement of financial position as at 30 June 2022.
- b) A statement of profit or loss and other comprehensive income for the year ended 30 June 2022.
- c) A statement of changes in equity for the year ended 30 June 2022.
- d) A statement of cash flows for the year ended 30 June 2022.
- e) Notes, comprising a summary of significant accounting policies and explanatory information.

Further more, as per IAS 1, the financial statements comparative information and a statement of financial position as at the beginning of the preceding period (in case of restatement) and also the disclosure of assets and liabilities under current and non-current classification separately.

**2.03 Other regulatory compliances**

The Company is also required to comply with the following major laws and regulations along with the Companies Act, 1994:

- a) The Income Tax Ordinance, 1984
- b) The Income Tax Rules, 1984
- c) The Value Added Tax and Supplementary Duty Act, 2012
- d) The Value Added Tax and Supplementary Duty Rules, 2016
- e) The Securities and Exchange Ordinance, 1969
- f) The Securities and Exchange Rules, 1987
- g) The Customs Act, 1969
- h) Bangladesh Labour Law, 2006
- i) Securities and Exchange Commission Act, 1993

**2.04 Authorization for issue**

The financial statements for the year ended June 30, 2022 have been authorized for issue by the Board of Directors on 10 November 2022



**2.05 Basis of measurement**

The Financial Statements have been prepared on going concern basis under the historical cost convention.

**2.06 Functional and presentation currency**

The financial statements are presented in Bangladesh Taka (BDT) which is the Company's functional currency. All financial information presented in BD Taka has been rounded off to the nearest integer BD Taka except when otherwise indicated.

**2.07 Cash Flows Statement**

Statement of Cash Flows is prepared principally in accordance with IAS-7 "Statement of Cash Flows" and the cash flows from operating activities have been presented under direct method. A reconciliation of net income or net profit with cash flows from operating activities making adjustments for non-cash items, for non-operating items and for the net changes in operating accruals as per requirement of Securities and Exchange Rules 1987.

**2.08 Going concern**

The Company has adequate resources to continue its operation for the foreseeable future and hence, the financial statements have been prepared on a going concern basis. As per Management's assessment there are no material uncertainties related to event or conditions which may cast significant doubt upon the company's ability to continue going concern.

**2.09 Reporting period**

These financial statements of the company cover one year from 1 July 2021 to 30 June 2022 and is followed consistently.

**2.10 Applicable accounting standards**

The following IASs and IFRSs are applicable for preparation and reporting of the Financial Statements for the period under review:

IAS - 1	Presentation of Financial Statements
IAS - 2	Inventories
IAS - 7	Statements of Cash Flows
IAS - 8	Accounting Policies, Changes in Accounting Estimates and Errors
IAS - 10	Events after the reporting Period
IAS - 12	Income Taxes
IAS - 16	Property, Plant and Equipment
IAS - 21	The Effects of Changes in Foreign Exchange Rates
IAS - 23	Borrowing Cost
IAS - 24	Related Party Disclosures
IAS - 33	Earnings Per Share
IAS - 36	Impairment of Assets
IAS - 37	Provisions, Contingent Liabilities and Contingent Assets
IFRS- 7	Financial Instruments: Disclosures
IFRS- 9	Financial Instruments
IFRS- 15	Revenue from Contract with Customers
IFRS- 16	Leases

**2.11 Use of estimates and judgments**

The preparation of the Financial Statements is in conformity with IAS and IFRS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Estimates and underlining assumptions are reviewed on an ongoing basis and actual results may differ from these estimates.

The estimates and underlining assumptions are based on past experience and various other factors that are believed to be reasonable under the circumstances, the result of which form the basis of making judgement about the carrying value of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

In particular, information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements is included in the following notes:

Note 4	: Property, Plant and Equipment
Note 4.02	: Right to use of Lease
Note 9	: Inventories
Note 10	: Trade and Other Receivables
Note 16	: Defined Benefit Obligations - Gratuity
Note 17	: Deferred Tax Liabilities
Note 23	: Income Tax Payable



## 2.12 Classification of current and non-current

The Company presents assets and liabilities in the statement of financial position based on current/non-current classification.

### An asset is current when it is:

- Expected to be realized or intended to sold or consumed in the normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realized within twelve months after the reporting period

Or,

- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

### A liability is current when:

- It is expected to be settled in the normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period

Or,

- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

## 2.13 Comparative Information and reclassification

Comparative information has been disclosed for all numerical information in the financial statements and also the narrative and descriptive information when it is relevant for understanding of the current period financial statements. To facilitate comparison, certain relevant balances pertaining to the previous period have been rearranged/reclassified wherever considered necessary to conform to current periods presentation.

## 3.00 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The specific accounting policies selected and applied by the Company's management for significant transactions and events that have material effect within the framework of IAS-1 "Presentation of Financial Statements", in preparation and presentation of financial statements have been consistently applied throughout the year and were also consistent with those used in earlier years.

For a proper understanding of the financial statements, these accounting policies are set out below in one place as prescribed by the IAS-1 "Presentation of Financial Statements". The recommendations of IAS-1 relating to the format of financial statements were also taken into full consideration for fair presentation.

Set out below is an index of the significant accounting policies, the details of which are available on the following:

- |         |                                                          |
|---------|----------------------------------------------------------|
| 3.01    | Consistency                                              |
| 3.02    | Property, plant and equipment                            |
| 3.03    | Capital work-in-progress                                 |
| 3.04    | Leases                                                   |
| 3.05    | Inventories                                              |
| 3.06    | Financial assets                                         |
| 3.07    | Financial liabilities                                    |
| 3.08    | Impairment                                               |
| 3.09    | Share capital                                            |
| 3.10    | General reserve                                          |
| 3.11    | Employee benefits                                        |
| 3.12    | Taxation                                                 |
| 3.13    | Provisions, contingent liabilities and contingent assets |
| 3.14    | Revenue                                                  |
| 3.15    | Other income - non-operating                             |
| 3.16    | Operating Segments                                       |
| 3.17    | Earnings per share (EPS)                                 |
| 3.18    | Foreign currency transactions                            |
| 3.02.04 | Depreciation Fund                                        |
| 3.19    | Events after the reporting period                        |
| 3.20    | General                                                  |

### 3.01 Consistency

Unless otherwise stated, the accounting policies and methods of computation used in preparation of Financial Statements for the year ended 30 June 2022 are consistent with those policies and methods adopted in preparing the Financial Statements for the year ended 30 June 2021.



**3.02 Property, plant and equipment**

**3.02.01 Recognition and measurement**

Items of property, plant and equipment, excluding freehold land are initially accounted for at cost less depreciation over their expected useful lives in accordance with IAS-16 Property, Plant and Equipment.

The cost of an item property, plant and equipment comprises its purchase price, import duties(if any) and non-refundable taxes (after deducting trade discount and rebates) and any other expenditures that are directly attributable to the acquisition of the assets and to bringing the assets to the location and condition necessary for it to be capable of operating in the intended manne. The cost of self constructed /installed assets includes the cost of materials used and direct labor and any other costs directly attributable to bringing the assets to the working condition for its intended use and the cost of dismantling and removing the items and restoring the site on which they are located.

Part of an item of property, plant and equipment having different useful lives, are accounted for as separate items (major components) of property, plant and equipment.

**3.02.02 Subsequent costs**

The cost of replacing or upgrading part of an item of property, plant and equipment is recognized in the carrying amount of the item if it is probable that the future benefit embodied within the part will flow to the company and its cost can be measured reliably. The costs of the day to day servicing of property, plant and equipment are recognized in profit or loss as incurred.

**3.02.03 Depreciation**

Depreciation is recognised in the statement of profit or loss and other comprehensive income on a straight-line basis over the estimated useful lives of each item of property, plant and equipment including leased assets except freehold land and land developments. Freehold Land and land developments and capital work-in progress are not depreciated.

Depreciation of an asset begins when it is available for use, i.e. when it is in the location and condition necessary for it to be capable of operating in the manner intended by management. Depreciation of an asset ceases at earlier of the date that the asset is classified as held for sale in accordance with IFRS 5 and the date that the asset is derecognized. The depreciation method used reflects the pattern in which the asset's economic benefits are consumed by the entity. After considering the useful life of assets as per IAS-16 "Property, plant and equipment", the annual depreciation have been applied equal to allocation of total cost over useful life of assets which is considered reasonable by the management.

The principal annual rates are as follows:

<u>Category of Assets</u>	<u>Rates of depreciation</u> (%)
Buildings	6.6
Plant & Machinery	6.6
Vehicle	6.6-20
Computer & Accessories	20
Furniture and Fixture	6.6
Filling and Service Station Facilities	6.6
Oil Tanker & Floating Equipment	6.6
Storage Tanks	6.6
Equipment and Fittings	6.6
Sundry Plants	6.6

Depreciation methods and useful lives are reassessed at the reporting date and adjusted if wherever required.

Upon retirement of assets, the cost and related accumulated depreciation are eliminated from the accounts and resulting gain or loss is charged or credited to statement of profit or loss and other comprehensive income.

**3.02.04 Depreciation Fund**

- Meghna Petroleum Limited depreciation fund was formed on 10 October 2019 as per direction of জ্বালানি ও খনিজ সম্পদ বিভাগের স্মারক নং - 28.00.000.029.01.008.18-356 date 24-12-2018 and বিপিসি স্মারক নং - 28.03.0000.00.024.08.092.18-297 dated 30-01-2019 and subsequently approved by the Meghna Petroleum Limited Board of Directors in their Board Meeting No. 579 held on 25 August 2019 (17th on 2019) with effect from 01 July 2018.
- The objective of the fund is to accumulate the depreciation charged to the assets of the company in each financial year and use the fund for replacement of depreciated Asset(s) / Procurement / Acquisition of new asset(s) / new plant / new business.



- c) Five percent of the income of the fund are distributed among the employees and workers who are in active service of the company equally.
- d) Income of the fund are not distributable to the shareholders of Meghna Petroleum Limited
- e) Meghna Petroleum Limited depreciation fund has been made as per the resolution of the meeting of the Board of Directors of the Meghna Petroleum Limited held on 25 August 2019 and meeting no- 579 (17th of 2019) .

### 3.03 Capital work-in-progress

Property, plant and equipment under construction/acquisition is accounted for as capital work-in-progress until construction/acquisition is completed and measured at cost.

### 3.04 Leases

At inception of a contract, the company assess/determines whether the contract is or contains a lease. A contract is or contains a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. At inception or on a reassessment of an arrangement that contains a lease, the entity separates payments and other considerations required by the arrangement into those for the lease and those for other elements on the basis of their relative fair values.

#### i) As a Lessee

The company recognizes a right-of-use and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payment made at or before the commencement date, plus any initial direct cost incurred and an estimate of the cost to dismantle and remove the underlining assets or to restore the underlining asset or the site on which it is located.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term unless the lease transfers ownership of the underlining assets to the company by the end of the lease term or the cost of the right-of-use asset reflects that the company will exercise the purchase option. In that case, the right-of-use asset will be depreciated over the useful life of the underlining asset, which is determined on the same basis as those of property plant and equipment.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate, the company uses its borrowing rate as the discount rate.

#### ii) As a lessor

There is neither an agreement nor a contract that contains a lease as a lessor and is not required to make any adjustments on transitions to IFRS 16 "Leases" for leases in which it acts as a lessor.

### B) Right-of-use of assets

Cost				Depreciation				Carrying Amount	
As on 01 July 2021	Addition during the year	Disposal/ adjustment during the year	As on 30 June 2022	As on 01 July 2021	Charged during the year	Disposal/ Adjustment during the year	As on 30 June 2022	As on 30 June 2022	As on 30 June 2021
35,328,186	19,469,346	-	54,797,532	12,376,898	10,124,188	-	22,501,086	32,296,446	35,328,186

#### C) Lease Liability

	30 June 2022	30 June 2021
Opening Balance	15,980,962	-
Lease Obligation	19,469,346	26,551,980
Less: Paid during the year	(10,071,338)	(10,571,018)
Closing Balance	<u>25,378,970</u>	<u>15,980,962</u>

#### D) Lease Liability Maturity Analysis

Lease Liability- non current portion	10,515,491	5,909,624
Lease Liability- current portion	14,863,479	10,071,338
	<u>25,378,970</u>	<u>15,980,962</u>

#### E) Amount recognized in profit and loss

Interest on lease liability	1,033,683	534,003
	<u>1,033,683</u>	<u>534,003</u>

#### F) Amount recognized in statement of cash flows

Capital expenditure at acquisition of right-of-use of assets	19,469,346	25,366,224
Less: Lease Liabilities	(25,378,970)	(14,795,206)
Add: Interest paid during the year	1,033,683	534,003
Total cash outflow for lease	<u>(4,875,941)</u>	<u>11,105,021</u>



**3.05 Inventories**

**Nature of inventories**

Inventories comprise petroleum products, lubricants, LPG, bitumen, receptacles and stores and spares etc.

**Valuation of inventories**

Inventories are measured at lower of cost and net realizable value in accordance with IAS-2 "Inventories". Net realizable value is based on estimated selling price in the ordinary course of business less any further costs expected to be incurred to make the sale.

Basis of valuation are as follows:

<u>Category</u>	<u>Basis of valuation</u>
Petroleum Products :	Weighted Average Cost or ERI. Transfer Price or net realizable value whichever is lower.
Other Products and Store & Spares :	Weighted Average Cost

**3.06 Financial assets**

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

The company derecognizes a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred.

Financial assets include Short Term Investments, Trade and Other Receivables, Advances, Deposits and Prepayments and Cash and cash equivalents.

**3.06.01 Trade and other receivables**

Accounts and other receivables are initially recognized at cost which is the fair value of the consideration given in return. After initial recognition, these are carried at cost less impairment losses, if any, due to un-collectability of any amount so recognized.

Provision for doubtful debts is made based on the company policy. Bad debts are written off on consideration of the status of individual debtors.

**3.06.02 Short term investments**

Short term investments include Fixed Deposits Receipts (FDRs) which are held with various banks in the name of the Company for more than Three months. These FDRs are renewed upon maturity at the option of the company.

**3.06.03 Advances, deposits and prepayments**

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

Deposits are measured at payment value.

Prepayments are initially measured at cost. After initial recognition, prepayments are carried at cost less charges to profit or loss.

**3.06.04 Cash and cash equivalents**

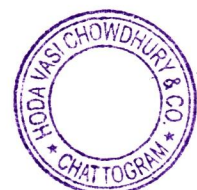
Cash and cash equivalents comprise cash in hand, cash at bank and short notice deposit (SND) are held with various banks for less than 3 months, highly liquid investments that are readily convertible to a known amount of cash, and that are subject to an insignificant risk of changes in value.

**3.07 Financial liabilities**

The company recognizes all financial liabilities on the trade date which is the date the company becomes a party to the contractual obligations of the instrument. The company derecognizes a financial liability when its contractual obligations are discharged, cancelled or expired. Financial liabilities comprise Trade Creditors and other financial obligations.

**3.07.01 Creditors and accruals**

The company recognizes a financial liability when its contractual obligations arising from past events are certain and the settlement of which is expected to result in an outflow from the company of resources embodying economic benefits.



**3.08 Impairment**

**3.08.01 Financial assets**

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

**3.08.02 Non-financial assets**

The carrying amounts of the company's non-financial assets, other than inventories and deferred tax assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists then the recoverable amount of the asset is estimated. An impairment loss is recognized if the carrying amount of an asset or its related cash-generating unit (CGU) exceeds its estimated recoverable amount.

**3.09 Share capital**

Paid-up-capital represents total amount contributed by the shareholders and bonus shares issued by the company to the ordinary shareholders. Incremental costs directly attributable to the issue of ordinary shares are recognized as expenses as and when incurred. Holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to vote at shareholders' meetings. In the event of a winding up of the company, ordinary shareholders rank after all other shareholders. Creditors are fully entitled to any proceeds of liquidation before all shareholders.

**3.10 General reserve**

The general reserve is created from time to time by transferring profits from retained earnings to meet future known or unknown requirements. As the general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the general reserve will not be reclassified subsequently to profit or loss.

**3.11 Employee benefits**

The Company maintains both defined contribution plan and defined benefit plan for its eligible permanent employees. Employees are covered under the Group Insurance Scheme.

**3.11.01 Defined contribution plan**

The Company maintains a recognized provident fund @ 10% of basic pay (Equally contributed by employee & employer) for all eligible permanent employees. The said fund is managed by the Board of Trustees.

**3.11.02 Defined benefit plan**

The Company operates a recognized funded gratuity scheme for its permanent employees. The said fund is managed by the Board of Trustees.

Service length	Payment basis
Less than Five (5) years	Nil
For 5 years and above	As per terms of Employees Gratuity Fund Scheme

**3.11.03 Workers' profit participation and welfare funds**

The company also recognizes a provision for Workers' profit participation and welfare funds @ 5% of net profit before tax in accordance with the provision of Section 234 (Kha), Chapter 15 of Bangladesh Labour Law 2006.

**3.12 Taxation**

**3.12.01 Current tax**

The company has been maintaining provisions for taxation using rates enacted at the reporting date as per Income Tax Ordinance, 1984. Current tax is the expected tax payable on the total income for the year using the applicable tax rate enacted or substantially enacted as of reporting date and any adjustment to the tax payable in respect of the previous year. The company qualifies as a publicly traded company; hence the applicable tax rate is 20.00% for the year.

**3.12.02 Deferred tax**

Deferred tax liabilities are the amount of income taxes payable in the future periods in respect of taxable temporary differences. Deferred tax assets are the amount of income taxes recoverable in future periods in respect of deductible temporary differences. Deferred tax assets and liabilities are recognized for the future tax consequences of timing differences arising between the carrying values of assets, liabilities, income and expenditure and their respective tax bases. Deferred tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantially enacted at the statement of financial position date. The impact of changes on the account in the deferred tax assets and liabilities has also been recognized in the statement of profit or loss and other comprehensive income as per IAS-12 "Income Taxes".

The deferred tax asset/income or liability/expense does not create a legal liability/recoverability to and from the income tax authority.



**3.13 Provisions, contingent liabilities and contingent assets**

A provision is recognized in the statement of financial position when the company has a legal or contractual obligation as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Contingencies arising from claims, litigations, assessments, fine, penalties etc. are recorded when it is probable that a liability has been incurred and the amount can be reasonably estimated. In accordance with IAS-37 "Provisions, Contingent Liabilities and Contingent Assets", contingent liabilities and commitments are disclosed in the financial statements.

**3.14 Revenue**

In compliance with the requirements of IFRS 15: Commission earnings from sales of petroleum products are measured at fair value of the consideration received or receivable. Commission on petroleum products are determined by Government through official gazette notification issued from time to time.

Revenue is recognized when the significant risk and reward of ownership have been transferred to the buyer, recovery of the consideration is possible, the associated costs and possible return of goods can be estimated reliably, and the amount of the revenue can be measured reliably.

**3.15 Other income - non-operating**

Other non-operating income includes land rent, service charges, filling and power station rent, MPL products handling, interest income on delayed payment, interest income from SND and FDR, profit on disposal of assets, commission and service charges and sale of scrap. Other non-operating income are recognized as revenue income as and when accrued / realized.

**3.16 Operating Segments**

Segment reporting is applicable for the company as required by the IFRS: 8 "Operating Segments" as the company operates in two segments and within a geographical segment. The business units based on its products have two reportable segments: are as follows:

Reportable Segments	Operations
Petroleum Products	Includes the company's earnings from marketing of Petroleum products, Bitumen and LPG.
Lubricating Oil & Grease	Includes the company's income from the trading of Lubricating oil and grease of BP and Castrol Brand.

An operating Segment is a component of the company from which it earns revenues and incurs expenses, including revenues that relate to transactions with any of the company's other components, whose operating results are reviewed regularly by the company's management committee (the chief operating decisions maker) to make the decision about resources allocated to each segment and assess its performance.

The company discussed its segment-wise performance under note-35.01 in Financial statements.

**3.17 Earnings per share (EPS)**

The company calculates Earnings per share (EPS) in accordance with IAS 33 "Earnings per share" which has been shown on the face of Statement of profit or loss and other Comprehensive Income.

**3.17.01 Basis of earnings**

The Company calculates earnings for the year attributable of the ordinary shareholders. As there is no preference dividend, minority interest or extra ordinary items, the net profit after tax for the year has been considered as fully attributable to ordinary shareholders.

**3.17.02 Basic earnings per share**

This has been calculated by dividing the basic earnings by the number of ordinary shares outstanding during the year.

**3.17.03 Diluted earnings per share**

Diluted earnings per share is required to be calculated for the year when there is scope for dilution exists.

**3.17.04 Re-stated earnings per share**

Issue of bonus share in any year requires re-stating the EPS of the prior year. In such a case, the EPS calculation for those and any prior financial statements presented are based on the new number of shares.



**3.18 Foreign currency transactions**

Transactions in foreign currencies are translated into Taka at the rates prevailing on the dates of the transactions. Monetary assets and liabilities in foreign currencies at the date of statement of financial position are retranslated into Bangladesh taka at the exchange rate prevailing on that date. All exchange differences if any, are recognized in the statement of profit or loss and other comprehensive income.

The company is exposed to currency risk on certain revenues and purchases of raw materials and equipment. Company's foreign currency transactions are denominated in USD and relate to import of capital machinery and raw materials.

**3.19 Events after the reporting period**

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

**3.20 General**

- i) Prior year's figures have been rearranged wherever considered necessary to ensure comparability with the current year.
- ii) Bracket figures denote negative.



4.00 Property, plant and equipment - at cost less accumulated depreciation

Amount in Taka

At Cost

	Freehold Land	Building	Plant & Machinery	Vehicles	Furniture & Fixture	Filling & Service Station Facilities	Oil Tanker & Floating Equipment	Storage Tanks	Computer & Accessories	Equipment & Fittings	Sundry Plants	Total
Balance as on 01 July 2020	9,868,682	660,022,625	1,377,300	106,453,284	16,314,642	632,174,621	38,253,796	965,866,479	32,633,236	72,119,970	342,661,086	2,877,745,721
Additions during 2020-2021	-	99,657,180	-	-	248,210	17,050,441	-	194,684,938	4,125,673	928,000	52,949,220	369,643,662
Adjustment made during 2020-2021	-	-	-	-	-	-	-	-	-	-	(629,167)	(629,167)
<b>Balance as at 30 June 2021</b>	<b>9,868,682</b>	<b>759,679,805</b>	<b>1,377,300</b>	<b>106,453,284</b>	<b>16,562,852</b>	<b>649,225,062</b>	<b>38,253,796</b>	<b>1,160,551,417</b>	<b>36,758,909</b>	<b>73,047,970</b>	<b>394,981,139</b>	<b>3,246,760,216</b>
Balance as on 01 July 2021	9,868,682	759,679,805	1,377,300	106,453,284	16,562,852	649,225,062	38,253,796	1,160,551,417	36,758,909	73,047,970	394,981,139	3,246,760,216
Additions during 2021-2022	-	-	-	-	282,760	12,175,407	-	11,364,605	673,875	1,807,661	192,667	26,496,975
Adjustment made during 2021-2022	-	-	-	-	-	-	-	-	-	-	-	-
<b>Balance as at 30 June 2022</b>	<b>9,868,682</b>	<b>759,679,805</b>	<b>1,377,300</b>	<b>106,453,284</b>	<b>16,845,612</b>	<b>661,400,469</b>	<b>38,253,796</b>	<b>1,171,916,022</b>	<b>37,432,784</b>	<b>74,855,631</b>	<b>395,173,806</b>	<b>3,273,257,191</b>

Accumulated Depreciation

Balance as on 01 July 2020	-	324,940,262	1,377,300	90,777,310	9,133,151	342,858,840	19,880,160	528,703,366	29,592,935	43,064,391	130,478,871	1,520,806,586
<b>Depreciation Rate</b>	<b>-</b>	<b>6.60%</b>	<b>6.60%</b>	<b>6.60-20%</b>	<b>6.60%</b>	<b>6.60%</b>	<b>6.60%</b>	<b>6.60%</b>	<b>20.00%</b>	<b>6.60%</b>	<b>6.60%</b>	<b>6.60%</b>
Charge for the year 2020-2021	-	41,440,839	-	7,266,784	820,416	31,078,136	1,454,812	66,434,534	2,017,919	3,467,570	23,811,682	177,792,692
Adjustment made during 2020-2021	-	-	-	-	-	-	-	-	-	-	(41,525)	(41,525)
<b>Balance as at 30 June 2021</b>	<b>-</b>	<b>366,381,101</b>	<b>1,377,300</b>	<b>98,044,094</b>	<b>9,953,567</b>	<b>373,936,976</b>	<b>21,334,972</b>	<b>595,137,900</b>	<b>31,610,854</b>	<b>46,531,961</b>	<b>154,249,028</b>	<b>1,698,557,753</b>
Balance as on 01 July 2021	-	366,381,101	1,377,300	98,044,094	9,953,567	373,936,976	21,334,972	595,137,900	31,610,854	46,531,961	154,249,028	1,698,557,753
<b>Depreciation Rate</b>	<b>-</b>	<b>6.60%</b>	<b>6.60%</b>	<b>6.60-20%</b>	<b>6.60%</b>	<b>6.60%</b>	<b>6.60%</b>	<b>6.60%</b>	<b>20.00%</b>	<b>6.60%</b>	<b>6.60%</b>	<b>6.60%</b>
Charge for the year 2021-2022	-	40,998,704	-	6,552,176	826,666	31,007,615	1,454,812	65,326,200	1,745,754	3,203,023	23,511,190	174,626,140
Adjustment made during 2021-2022	-	-	-	-	-	-	-	-	-	-	-	-
<b>Balance as at 30 June 2022</b>	<b>-</b>	<b>407,379,805</b>	<b>1,377,300</b>	<b>104,596,270</b>	<b>10,780,233</b>	<b>404,944,591</b>	<b>22,789,784</b>	<b>660,464,100</b>	<b>33,356,608</b>	<b>49,734,984</b>	<b>177,760,218</b>	<b>1,873,183,893</b>

Carrying Amounts

As at 30 June 2021	9,868,682	393,298,704	-	8,409,190	6,609,285	275,288,086	16,918,824	565,413,517	5,148,055	26,516,009	240,732,111	1,548,202,463
As at 30 June 2022	9,868,682	352,300,000	-	1,857,014	6,065,379	256,455,878	15,464,012	511,451,922	4,076,176	25,120,647	217,413,588	1,400,073,298

4.01 Depreciation appropriated to:

Administrative, selling and distribution expenses

Note	01 July 2021 to 30 June 2022	01 July 2020 to 30 June 2021
	Taka	Taka
25.00	174,626,140	177,792,692
	<b>174,626,140</b>	<b>177,792,692</b>



Note(s)	30 June 2022	30 June 2021
	Taka	Taka
<b>4.02 Right to use of Lease</b>		
<b>i) ROU Assets</b>		
<b>a) Cost</b>		
Opening Balance	35,328,186	-
Adjustment for lease as per IFRS 16	-	8,776,206
Adjusted opening balance	35,328,186	8,776,206
Additions/modifications as per IFRS-16*	19,469,346	26,551,980
Closing Balance	<b>54,797,532</b>	<b>35,328,186</b>
* Represents present value of future payment for 16.2694 acre of leased land from Chittagong Port Authority, 2.86 acre of lease land at Barishal Depot from BIWTA and 0.66 acre of leased land at Joypahar Chattogram from BPC.		
<b>b) Accumulated Depreciation and Impairment of Lease</b>		
Opening Balance	12,376,898	-
Amortization for adjustment as per IFRS 16	-	1,753,030
Adjusted opening balance	12,376,898	1,753,030
Amortization for the year	10,124,188	10,623,868
Closing Balance	<b>22,501,086</b>	<b>12,376,898</b>
<b>c) Carrying Amounts (a-b)</b>	<b>32,296,446</b>	<b>22,951,288</b>
<b>ii) Lease Liabilities</b>		
Opening Balance	15,980,962	-
Lease Obligation	19,469,346	26,551,980
Less: Paid/Adjustment during the year	(10,071,338)	(10,571,018)
Lease Liabilities	<b>25,378,970</b>	<b>15,980,962</b>
<b>a) Lease Liability Maturity Analysis</b>		
Lease Liability- non current portion	14,863,479	5,909,624
Lease Liability- current portion	10,515,491	10,071,338
	<b>25,378,970</b>	<b>15,980,962</b>
<b>b) Amount recognised in profit and loss</b>		
Interest on lease liability	1,033,683	534,003
	<b>1,033,683</b>	<b>534,003</b>
<b>c) Amount recognised in statement of cash flows</b>		
Capital expenditure at acquisition of right-of-use of assets	19,469,346	25,366,224
Less: Lease Liabilities	(9,398,008)	(14,795,206)
Add: Interest paid during the year	1,033,683	534,003
Total cash outflow for lease	<b>11,105,021</b>	<b>11,105,021</b>



	Note(s)	30 June 2022	30 June 2021
		Taka	Taka
<b>5.00 Capital Work-in-Progress</b>			
Opening balance		175,756,234	197,327,977
Add: Addition during the year	5.01	47,817,690	348,071,919
		223,573,924	545,399,896
Less: Capitalized during the year	5.01	(26,496,975)	(369,643,662)
		<b>197,076,949</b>	<b>175,756,234</b>

**5.01 Details of Capital Work in Progress**

Particulars	Opening Balance	Addition	Capitalized during the year	Closing Balance
Buildings	156,521,644	3,155,832	-	159,677,476
Furniture & Fixtures	-	282,760	(282,760)	-
Filling & Service Station Facilities	-	12,175,408	(12,175,408)	-
Storage Tanks	4,323,124	29,324,231	(11,364,605)	22,282,750
Computer & Accessories	-	673,875	(673,875)	-
Equipment & Fittings	9,730,503	2,152,741	(1,807,661)	10,075,583
Sundry Plant	5,180,963	52,843	(192,666)	5,041,140
<b>Total</b>	<b>175,756,234</b>	<b>47,817,690</b>	<b>(26,496,975)</b>	<b>197,076,949</b>

These costs include costs incurred initially to construct property, plant and equipment (PPE). Construction/acquisition costs are transferred to PPE when the construction/capitalisation criteria is fulfilled.

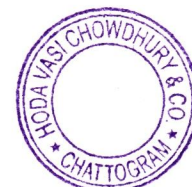
The tender for Meghna Bhaban Project was published in the e-GP portal on 26 July 2022 and the tender opened on 20 September 2022. Now technical evaluation of the submitted tenders (7 nos) is going on. After technical evaluation, the financial offer will be opened and the lowest bidder will be awarded to perform the construction work of the project after the necessary approval of the 2nd RDPP.

	Note(s)	30 June 2022	30 June 2021
		Taka	Taka
<b>6.00 Long Term Investment (FDR)</b>			
Sonali Bank Limited		514,232,762	2,000,623,287
Janata Bank Limited		530,311,782	-
Rupali Bank Limited		3,923,342,506	1,000,315,068
First Security Islami Bank Limited		2,056,876,712	-
Global Islami Bank Limited		1,001,643,836	-
		<b>8,026,407,598</b>	<b>3,000,938,355</b>
<b>7.00 Short Term Investments-Depreciation Fund</b>			
Standard Bank Limited		610,884,664	581,381,491
Mercantile Bank Limited		825,895,008	785,362,089
		<b>1,436,779,672</b>	<b>1,366,743,580</b>
<b>8.00 Short Term Investments (FDR)</b>			

Name of the Banks	Tenure		
AB Bank Limited	6 Months	60,700,274	-
Agrani Bank Limited	6 Months	1,760,185,403	2,672,832,259
Bangladesh Commarce Bank Limited	6 Months	252,367,124	-
Bangladesh Krishi Bank Limited	6 Months	673,498,241.00	150,501,370
Bank Alfala Bank Limited	6 Months	40,486,575	-
Basic Bank Limited	6 Months	2,473,708,346	-
Brac Bank Limited	6 Months	134,180,275.00	-
First Security Islami Bank Limited	6 Months	802,728,767	3,135,221,698
Jamuna Bank Limited	6 Months	101,785,207	-
Meghna Bank Limited	6 Months	222,784,402	-
Mercantail Bank Limited	6 Months	40,466,849	-
National Bank Limited	6 Months	121,400,547	-
Global Islami Bank Limited	6 Months	1,797,936,921	3,069,688,112

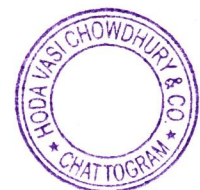


	Note(s)	30 June 2022	30 June 2021
		Taka	Taka
NRBC Bank Limited	6 Months	60,700,274	
Padma Bank Limited*	6 Months	92,169,863	97,669,959
Premier Bank Limited	6 Months	151,735,890	50,460,274
Rupali Bank Limited	6 Months	-	500,126,028
Simanto Bank Limited	6 Months	40,447,123	-
Social Islami Bank Limited	6 Months	312,552,877	-
Standard Bank Limited	6 Months	-	30,269,384
Trust Bank Limited	6 Months	40,466,849	-
United Commercial Bank Limited	6 Months	80,933,698	-
Union Bank Limited	6 Months	2,177,483,095	2,155,621,923
		<b>11,438,718,600</b>	<b>11,862,391,007</b>
*Previously as Farmers Bank Limited			
<b>9.00 Inventories</b>			
Stores & Spares	9.01	47,567,774	59,386,249
Product and Receptacles	9.02	9,710,831,939	13,592,705,578
		<b>9,758,399,713</b>	<b>13,652,091,827</b>
<b>9.01 Stores &amp; Spares</b>			
Terminal South-1		47,368,537	59,187,011
Terminal South-2		986	986
Terminal North		198,251	198,252
		<b>47,567,774</b>	<b>59,386,249</b>
<b>9.02 Product and Receptacles</b>			
Refined Products	24.04	9,234,471,925	12,820,979,399
LPG	24.04	248,450	300,940
Bitumen	24.04	3,754,806	3,038,876
Lubricants		314,445,735	546,758,880
Receptacles		9,371,571	5,828,446
		9,562,292,487	13,376,906,541
In - Transit		148,539,452	215,799,037
		<b>9,710,831,939</b>	<b>13,592,705,578</b>
<b>10.00 Trade and Other Receivables</b>			
Trade Receivables	10.01	641,870,591	777,164,711
Other Receivables	10.02	13,459,848,348	10,926,599,775
		<b>14,101,718,939</b>	<b>11,703,764,486</b>
<b>10.01 Trade Receivables</b>			
Bangladesh Railway		59,870,275	31,830,320
Defence Service		287,450,967	518,898,896
Power Development Board		110,883,195	108,294,182
Chittagong Port Authority		110,850,968	68,819,918
Chemical Industries Corporation		51,913,907	51,913,907
Bangladesh Ordinance Factories		12,141,849	61,084
Bangladesh Coast Guard (Chattogram)		84,833,177	81,933,913
Bangladesh Coast Guard (Khulna)		72,417	12,749
Bangladesh Inland Water Transport Corporation		4,469	-
Bangladesh Inland Water Transport Authority		4,030,758	4,030,758
Bangladesh Oil Gas Minerals Corporation (Petrobangla)		207,285	207,285



	Note(s)	30 June 2022	30 June 2021
		Taka	Taka
Bangladesh Biman		790,713	81,095
Bangladesh Road Transport Corporation		75,320	75,320
Adamji Jute Mills Limited		53,153	53,153
Agent and Dealer		87,386,450	78,830,144
Other Consumers		2,186,902	3,003,201
		<b>812,751,805</b>	<b>948,045,925</b>
Provision for doubtful debts		(170,881,214)	(170,881,214)
		<b>641,870,591</b>	<b>777,164,711</b>
<b>10.02 Other Receivables</b>			
Oil Sector	10.03	13,414,387,866	10,831,054,406
Others		51,260,414	101,345,301
Provision for doubtful debts*		(5,799,932)	(5,799,932)
		<b>13,459,848,348</b>	<b>10,926,599,775</b>
<b>10.03 Oil Sector</b>			
BPC Current Account		13,339,254,630	10,768,041,848
Other Companies		75,133,236	63,012,558
		<b>13,414,387,866</b>	<b>10,831,054,406</b>
<b>10.04 Ageing of Trade Receivable</b>			
Upto 6 months		623,080,999	739,140,486
Over 6 months but less than 12 months		8,420,882	37,797,661
12 months or above		181,249,924	17,110,778
		<b>812,751,805</b>	<b>794,048,925</b>
<b>11.00 Advances, Deposits and Pre-payments</b>			
Advances	11.01	1,861,342,236	1,944,134,397
Security Deposits	11.02	99,457,365	99,457,365
Pre-payments	11.03	21,469,981	21,235,127
		<b>1,982,269,582</b>	<b>2,064,826,889</b>
<b>11.01 Advances</b>			
Advance to Employees	11.01.01	157,617,144	130,149,338
Advance Income Tax	11.01.02	927,131,832	641,119,488
Against Expense		57,420,733	59,069,572
Mongla Oil Installation		718,116,188	718,116,188
Lube Blending Plant		1,014,800	1,014,800
Chittagong Customes Authority		-	374,938,818
Birol Poart Authority		41,539	-
Chittagong Port Authority		-	19,726,193
		<b>1,861,342,236</b>	<b>1,944,134,397</b>
<b>11.01.01 Advance to Employees</b>			
House Building & Land Purchase Finance Scheme		39,996,190	41,006,170
Against Salaries and Festivals		38,011	38,011
Car Purchase		11,590,557	5,646,668
Company's Business		7,942,290	6,405,347
Advance against Employee Taxes ( U/S 64)		98,050,096	77,053,142
		<b>157,617,144</b>	<b>130,149,338</b>

Advance to employees represents amount of advances recoverable in cash or adjustment against salary of employees of the Company.



Note(s)	30 June 2022	30 June 2021
	Taka	Taka
<b>11.01.02 Advance Income Tax</b>		
Opening balance	641,119,488	713,986,232
Add: Paid/deducted during the year	927,094,183	951,737,761
	1,568,213,671	1,665,723,993
Less: Adjusted during the year	(641,081,839)	(1,024,604,505)
Closing balance	<b>927,131,832</b>	<b>641,119,488</b>
<b>11.02 Security Deposits</b>		
Eastern Lubricants Blenders Limited	2,500,000	2,500,000
Standard Asiatic Oil Company Limited	5,000,000	5,000,000
Liquefied Petroleum Gas Limited	90,279,141	90,279,141
Electricity & Telephone	439,319	439,319
Bangladesh Railway	199,781	199,781
Karnafuly Gas Distribution Company	61,920	61,920
Mongla custom Authority	300,000	300,000
Others	677,204	677,204
	<b>99,457,365</b>	<b>99,457,365</b>
<b>11.03 Pre-payments</b>		
Rent & Rates	21,469,981	21,235,127
	<b>21,469,981</b>	<b>21,235,127</b>
<b>12.00 Cash and Cash Equivalents</b>		
Cash in Hand	12.01 4,605,000	4,075,000
Cash at Banks	12.02 33,619,264,212	20,744,893,530
Fixed Deposit Receipts (FDRs)	12.03 -	2,515,031,853
	<b>33,623,869,212</b>	<b>23,264,000,383</b>
<b>12.01 Cash in Hand</b>		
Head Office	350,000	350,000
Main Installation	500,000	300,000
Aligonj Depot	20,000	20,000
Baghabari Depot	125,000	125,000
Barishal Burge	100,000	100,000
Bhairab Bazar Depot	125,000	125,000
Bogra LPG Supply Point	100,000	70,000
Chandpur Depot	100,000	100,000
Chilmari Burge	20,000	20,000
Daulatpur Depot	320,000	320,000
Dhaka Office	600,000	500,000
Emergency POL Depot	125,000	125,000
Fatullah Depot	200,000	200,000
Godnail Depot	300,000	300,000
Harian Depot	50,000	50,000
Jhalakati Depot	125,000	125,000
Khulna Depot	20,000	20,000
MMSC Dhaka	500,000	300,000
Moglabazar Depot	100,000	100,000
Mongla oil Depot	500,000	500,000
Natore Depot	50,000	50,000
Parbotipur Depot	125,000	125,000
Rangpur Depot	75,000	75,000
Sreemongal Depot	75,000	75,000
	<b>4,605,000</b>	<b>4,075,000</b>



Note(s)	30 June 2022	30 June 2021
	Taka	Taka
<b>12.02 Cash at Banks</b>		
AB Bank Limited	3,233,411,269	1,802,921,645
Agrani Bank Limited	58,608,687	89,804,679
Bank Asia Limited	109,882,600	94,089,335
CITI Bank N.A. Limited	11,915,122	13,667,514
Dutch Bangla Bank Limited	17,889,382	20,552,861
Eastern Bank Limited	3,995,500,150	1,673,524,238
First Security Islami Bank Limited	2,737,533,023	4,615,312,428
IFIC Bank Limited	2,600,156,662	1,485,280,319
HSBC Bank Limited	191	191
Janata Bank Limited	377,911,996	261,740,820
Mercantile Bank Limited	4,000,371,250	2,868,061,767
National Bank Limited	2,917,684,030	1,861,441,924
NRB Bank Limited	519,132	373,856
NRB Commercial Bank Limited	1,626,074,339	327,913,688
NCC Bank Limited	1,639,296,211	244,286,101
One Bank Limited	4,036,191,349	2,773,593,416
Prime Bank Limited	105,321,490	183,094,702
Pubali Bank Limited	3,763,999,770	810,461,448
Sonali Bank Limited	112,743,509	54,234,574
Southeast Bank Limited	1,004,900,322	475,918,700
Standard Chartered Bank Limited	140,582,444	197,571,654
The City Bank Limited	358,780,076	212,462,699
United Commercial Bank Limited	344,571,945	207,352,111
Uttara Bank Limited	425,419,263	471,232,860
	<b>33,619,264,212</b>	<b>20,744,893,530</b>
<b>12.03 Fixed Deposit Receipts (FDRs)</b>		
<b>Name of the Banks</b>	<b>Tenure</b>	
Basic Bank Limited	3 Months	1,962,533,223
Janata Bank Limited	3 Months	502,383,562
National Bank Limited	3 Months	-
NRB Global Bank Limited	3 Months	50,115,068
Rupali Bank Limited	3 Months	-
		<b>2,515,031,853</b>



13.00 Share Capital

No. of Shares	Authorised Capital:	30 June 2022	30 June 2021
		Taka	Taka
<u>400,000,000</u>	Ordinary shares of Tk 10 each	<u>4,000,000,000</u>	<u>4,000,000,000</u>
	<b>Issued, Subscribed and Paid-up Capital</b>		
3	Ordinary Shares of Tk. 10 each fully paid-up in cash	30	30
5,000,000	Ordinary Shares of Tk. 10 each issued for consideration other than cash on 29 February 1984	50,000,000	50,000,000
4,500,002	Ordinary Shares of Tk. 10 each issued as bonus share on 25 June 2005	45,000,020	45,000,020
950,000	Ordinary Shares of Tk. 10 each issued as bonus share on 28 June 2007	9,500,000	9,500,000
29,549,995	Ordinary Shares of Tk. 10 each issued as bonus share on 27 August 2007	295,499,950	295,499,950
4,000,000	Ordinary Shares of Tk. 10 each issued as bonus (10% stock dividend) share on 27 June 2009	40,000,000	40,000,000
2,200,000	Ordinary Shares of Tk. 10 each issued as bonus (5% stock dividend) share on 26 June 2010	22,000,000	22,000,000
2,310,000	Ordinary Shares of Tk. 10 each issued as bonus (5% stock dividend) share on 7 May 2011	23,100,000	23,100,000
14,553,000	Ordinary Shares of Tk. 10 each issued as bonus (30% stock dividend) share on 25 February 2012	145,530,000	145,530,000
18,918,900	Ordinary Shares of Tk. 10 each issued as bonus (30% stock dividend) share on 26 January 2013	189,189,000	189,189,000
16,396,380	Ordinary Shares of Tk. 10 each issued as bonus (20% stock dividend) share on 17 January 2014	163,963,800	163,963,800
9,837,828	Ordinary Shares of Tk. 10 each issued as bonus (10% stock dividend) share on 16 January 2015	98,378,280	98,378,280
<u>108,216,108</u>		<u>1,082,161,080</u>	<u>1,082,161,080</u>

13.01 Composition of Share Holdings

Name of Shareholders	As at 30 June 2022		As at 30 June 2021	
	No. of Shares	Holding (%)	No. of Shares	Holding (%)
Bangladesh Petroleum Corporation	63,486,782	58.67	63,486,782	58.67
Institutions (Financial & Others)	36,348,891	33.59	34,725,497	32.09
Foreigner	84,004	0.08	377,544	0.35
Individuals	8,296,431	7.66	9,626,285	8.89
<b>Total</b>	<b>108,216,108</b>	<b>100.00</b>	<b>108,216,108</b>	<b>100.00</b>

13.02 Classification of Shares by Holding

Class by number of shares	As at 30 June 2022			As at 30 June 2021		
	No. of Holders	No. of Shares	Holding (%)	No. of Holders	No. of Shares	Holding (%)
Less than or equal 500	6,403	730,663	0.68	7,270	877,504	0.81
501 to 5,000	1,763	2,736,090	2.53	2,200	3,481,507	3.22
5,001 to 10,000	145	1,048,280	0.97	188	1,361,295	1.26
10,001 to 20,000	80	1,116,968	1.03	94	1,355,903	1.25
20,001 to 30,000	39	980,203	0.91	32	780,723	0.72
30,001 to 50,000	36	1,469,359	1.36	30	1,176,771	1.09
50,001 to 100,000	35	2,449,136	2.26	36	2,543,782	2.35
100,001 to 1,000,000	45	13,342,792	12.32	47	12,446,153	11.50
From 1,000,001 and above	8	84,342,617	77.94	8	84,192,470	77.80
	<b>8,554</b>	<b>108,216,108</b>	<b>100.00</b>	<b>9,905</b>	<b>108,216,108</b>	<b>100.00</b>



Note(s)	30 June 2022	30 June 2021
	Taka	Taka
<b>14.00 Share Money Deposit</b>		
Opening Balance	116,061,862	49,536,510
Add: Annual Development Program of GOB - Loan	-	66,525,352
Closing Balance	<u>116,061,862</u>	<u>116,061,862</u>
<b>14.01</b> Conversion of share money deposit is under process and in this regard a committee has been formed. Detailed information regarding share money deposit is stated under note 19.01.		
<b>14.02 Retained Earnings</b>		
Opening Balance	2,743,567,900	3,152,496,136
Cash Dividend Paid during the Year	22.01 (1,623,241,620)	(1,623,241,620)
Transferred to General Reserve	15.00 (1,100,000,000)	(1,500,000,000)
Transferred to Depreciation Fund Reserve	18.00 (53,227,430)	(107,094,647)
Net Profit after Tax for the Year	3,165,351,039	2,821,408,031
Closing Balance	<u>3,132,449,889</u>	<u>2,743,567,900</u>
<b>15.00 General Reserve</b>		
Opening balance	13,255,000,048	11,755,000,048
Transferred during the year	14.02 1,100,000,000	1,500,000,000
Closing balance	<u>14,355,000,048</u>	<u>13,255,000,048</u>
<b>16.00 Defined Benefit Obligations - Gratuity</b>		
Opening balance	82,676,278	84,198,926
Add: Provision made during the year	92,490,626	82,676,278
	175,166,904	166,875,204
Less: Payment made during the year	(82,676,278)	(84,198,926)
Closing balance	<u>92,490,626</u>	<u>82,676,278</u>
<b>17.00 Deferred Tax Liabilities</b>		
Deferred tax liability has been calculated below at the applicable tax rate on the difference between the carrying value and tax written down value of property, plant and equipment.		
Opening balance	49,328,305	43,877,273
Add: Provision / (adjustment) during the year	(418,673)	5,451,032
Closing balance	<u>48,909,632</u>	<u>49,328,305</u>

Reconciliation of deferred tax liabilities/(assets) are as follows-

	Carrying amount	Tax base	Taxable/ (Deductible) temporary difference
	Taka	Taka	Taka
<b>As at 30 June 2022</b>			
Property, plant and equipment - except freehold	1,442,786,681	1,240,349,314	202,437,367
Right to use of Lease Assets	32,296,446	-	32,296,446
Gratuity	92,490,626	(82,676,278)	9,814,348
			<u>244,548,161</u>
Applicable tax rate			20.00%
			<u>48,909,632</u>
<b>As at 30 June 2021</b>			
Property, plant and equipment - except freehold	1,538,333,781	1,340,525,509	197,808,272
Right to use of Lease Assets	22,951,288	-	22,951,288
Gratuity	82,676,278	(84,198,926)	(1,522,648)
			<u>219,236,912</u>
Applicable tax rate			22.50%
			<u>49,328,305</u>

\*Leasehold land has not been taken into computation since the accounting base and the tax base are same, and no temporary difference exist.



	Note(s)	30 June 2022	30 June 2021
		Taka	Taka
<b>18.00 Depreciation Fund Reserve</b>			
Opening Balance		107,094,647	-
Accretion made during the year	18.01	53,227,430	107,094,647
Closing Balance		<u>160,322,077</u>	<u>107,094,647</u>

Meghna Petroleum Limited depreciation fund has been made as per the resolution of the meeting of the Board of Directors of the Meghna Petroleum Limited held on 25 August 2019 and meeting no- 579 (17th of 2019) .

**18.01 Details of Depreciation Fund Reserve**

Earmarked Investment in Standard Bank Ltd as on 30.06.2020		-	70,278,757
Earmarked Investment in Standard Bank Ltd & Mercantile Bank Ltd		70,036,092	77,005,702
		<u>70,036,092</u>	<u>147,284,459</u>
Less: Worker's Profit Participation Fund		3,501,805	7,364,223
		<u>66,534,287</u>	<u>139,920,236</u>
Less: Provision for Taxation 24.91% for the year 2021		-	16,424,145
Less: Provision for Taxation 22.42% for the year 2021 and 20.00% for the year 2022		13,306,857	16,401,444
		<u>53,227,430</u>	<u>107,094,647</u>

**19.00 Long Term Borrowing**

<b>Opening Balance</b>		141,653,782	64,406,498
Add: Annual Development Program of GOB - Loan		-	99,788,028
Current Portion of Annual Development Program of GOB - Loan (Note: 16.02)		(39,091,548)	(22,540,744)
		<u>102,562,234</u>	<u>141,653,782</u>

19.01 By letter reference no: 20.494.014.01.12.069.2011/279 dated 23.10.2011 the Planning Commission of Government of Bangladesh directed MPL, POCL & JOCL to construct 04 (four) nos tanks by each marketing company and exchange one of the tank with each aforesaid marketing company. At the end of such exchange MPL is left with 04 (four) tanks having storage capacity, cost of construction, year of capitalization are as under Long term borrowing represent fund from Government of Bangladesh (GOB) for the construction of :

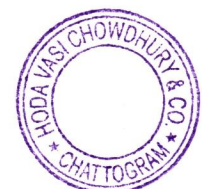
Year of Description	Number of tanks	Cost (Taka)	Capitalization
-Main Installation 10,000 M.T. each	02 nos cost	Tk 14,56,95,619	2015
-Godenail Depot 8,000 M.T.	01 No cost	Tk 6,58,38,779	2015
-Baghabar Depot 10,000 M.T.	01 No cost	Tk 12,60,74,686	2014

Out of the total construction cost MPL shall bear 15% whereas GOB shall finance 85%. Out of 85% cost 60% shall be long term loan bearing 5% interest with a grace period of 05 years repayable within 20 years and balance 40% of cost shall be converted as equity of the Company.

The Company has provided due interest to be paid to GOB and awaiting from decision for BPC to issue share certificate in respect of 40% of the Cost of Tank.

**19.02 Short Term Borrowing**

Opening Balance		42,510,350	9,898,268
Add: Current Portion of Annual Development Program of GOB - Loan		39,091,548	22,540,744
Add: Current Portion of Lease Liability		10,515,491	10,071,338
		<u>92,117,389</u>	<u>42,510,350</u>
Less: Payment During the year		(10,071,338)	-
		<u>82,046,051</u>	<u>42,510,350</u>



	Note(s)	30 June 2022	30 June 2021
		Taka	Taka
<b>20.00 Creditors and Accruals</b>			
For Trading Supplies & Services	20.01	54,916,885,104	42,897,778,270
For Expenses	20.02	655,468,123	1,749,829,323
For Other Finance	20.03	6,125,658,868	5,372,428,024
		<b>61,698,012,095</b>	<b>50,020,035,617</b>
<b>20.01 For Trading Supplies &amp; Services</b>			
Bangladesh Petroleum Corporation		53,929,124,881	29,692,836,383
Padma Oil Company Limited		180,574,345	175,401,561
Jamuna Oil Company Limited		205,225,629	216,362,149
Tanker Parties		230,283,239	172,027,062
Chattogram Port Authority		84,070,711	99,601,613
BP London		9,834,067	9,834,067
Other Parties		277,772,232	12,531,715,435
		<b>54,916,885,104</b>	<b>42,897,778,270</b>
<b>20.02 For Expenses</b>			
Bangladesh Petroleum Corporation		423,406,170	1,684,053,663
For Others		232,061,953	65,775,660
		<b>655,468,123</b>	<b>1,749,829,323</b>
<b>20.03 For Other Finance</b>			
Bangladesh Petroleum Corporation		2,229,063,503	2,162,667,016
For Others		3,896,595,365	3,209,761,008
		<b>6,125,658,868</b>	<b>5,372,428,024</b>
<b>21.00 Provision for WPPF and Welfare Fund</b>			
Opening balance		191,786,840	216,141,375
Add: Provision made during the year		208,300,980	191,786,840
		<b>400,087,820</b>	<b>407,928,215</b>
Less: Paid during the year		(191,786,840)	(216,141,375)
Closing balance		<b>208,300,980</b>	<b>191,786,840</b>
<b>22.00 Unclaimed Dividend</b>			
Opening balance		83,897,426	113,325,550
Add: Provision made during the year	22.01	1,623,241,620	1,623,241,620
		<b>1,707,139,046</b>	<b>1,736,567,170</b>
Less: Paid / adjusted during the year	22.01	(1,619,781,166)	(1,652,669,744)
Less: Fund transferred to CMSF	22.01	(74,615,089)	-
Closing balance		<b>12,742,791</b>	<b>83,897,426</b>



22.01 Dividend unclaimed for the years

Year	Balance as on 01 July 2021	Provision	Payment	CMSF	30 June 2022 Taka	30 June 2021 Taka
2006-2007	3,261,591	-	(6,480)	(3,255,111)	-	3,261,591
2007-2008	6,433,325	-	(225)	(6,433,100)	-	6,433,325
2008-2009	1,937,601	-	-	(1,937,601)	-	1,937,601
2009-2010	1,483,438	-	-	(1,483,438)	-	1,483,438
2010-2011	3,676,919	-	(379)	(3,676,540)	-	3,676,919
2011-2012	6,498,858	-	(631)	(6,498,227)	-	6,498,858
2012-2013	11,059,757	-	(1,462)	(11,058,295)	-	11,059,757
2013-2014	13,503,138	-	(9,851)	(13,493,287)	-	13,503,138
2014-2015	9,168,347	-	(27,293)	(9,141,054)	-	9,168,347
2015-2016	8,783,526	-	(17,904)	(8,765,622)	-	8,783,526
2016-2017	4,389,800	-	(18,756)	(4,371,045)	-	4,389,800
2017-2018	4,566,277	-	(64,507)	(4,501,770)	-	4,566,277
2018-2019	4,254,233	-	(113,047)	-	4,141,186	4,254,233
2019-2020	4,880,616	-	(635,344)	-	4,245,272	4,880,616
2020-2021	-	1,623,241,620	(1,618,885,287)	-	4,356,333	-
	<b>83,897,426</b>	<b>1,623,241,620</b>	<b>(1,619,781,166)</b>	<b>(74,615,089)</b>	<b>12,742,791</b>	<b>83,897,426</b>

\* Subsequently Tk. 1,64,976.50 has been paid thereof from 01 July 2022 to 31 October 2022.

23.00 Income Tax Payable

Opening balance		739,982,753	972,332,625
Add: Provision made during the year	23.01	792,786,251	817,090,905
		1,532,769,004	1,789,423,530
Less: Previous year provision transfer during the year		-	(24,836,272)
Less: Paid/adjusted during the year		(641,081,839)	(1,024,604,505)
<b>Closing balance</b>		<b>891,687,165</b>	<b>739,982,753</b>

30 June 2022		30 June 2021	
Rate	Taka	Rate	Taka

23.01 Reconciliation of effective tax

Profit before tax		3,957,718,617	3,643,949,968
Total income tax expense	20.03%	792,786,251	817,090,905

Factors affecting the tax charge:

Factors affecting the tax charge for current year:

Income tax using the Company's domestic tax rate	20.00%	791,543,723	22.50%	819,888,743
Difference between accounting and fiscal depreciation	-0.03%	(1,101,042)	-0.14%	(5,007,973)
Difference between gratuity provision and payment	0.05%	1,962,870	-0.01%	(342,596)
Inadmissible expenses	0.01%	380,700	0.07%	2,552,731
	<b>20.03%</b>	<b>792,786,251</b>	<b>22.42%</b>	<b>817,090,905</b>



23.02 Computation of Current Tax Expenditures

Net Profit before Income Tax as per Audited Financial Statements

Less: Items for separate consideration

Non-operating Income

Add: Expenses for separate consideration

Accounting depreciation for separate consideration

Provision for Gratuity

Entertainment

Less: Allowable expenses

Tax depreciation u/s 29 (1) (viii) of the ITO, 1984

Payments of Gratuity

Add: Inadmissible Expenses

Subscription and CSR

**Business Income for the current year**

Allowable entertainment expenses

**Taxable business income**

Other Income for the current year

**Taxable income**

Tax Payable on Taxable Income	Rate	Taxable Income	Provision for TAX
On Business Income	20.00%	937,057,492	187,411,498
On Other Income	20.00%	3,026,873,767	605,374,753
<b>Total Income Tax payable as per calculation</b>			<b>792,786,251</b>

30 June 2022		30 June 2021	
Rate	Taka	Rate	Taka

Current Tax Charge During the year

i) Calculation of regular Tax liability

On Taxable Income	20.00%	187,411,498	22.50%	227,119,520
On Other Income	20.00%	605,374,753	22.50%	589,971,385
<b>Total Regular Tax Expenses</b>		<b>792,786,251</b>		<b>817,090,905</b>

ii) Minimum Tax U/S 82C (4) a

Gross Earnings on Petroleum Products	2,198,142,666	2,270,825,278
Net Operational Gain / (Loss)	133,158,954	61,131,091
Other Operating Income	243,332,839	219,814,306
Non-operating Income	3,026,873,767	2,622,095,044
<b>Gross Receipt</b>	<b>5,601,508,226</b>	<b>5,173,865,719</b>
Minimum Tax rate U/S 82C (4) a	0.60%	0.60%
	<b>33,609,049</b>	<b>31,043,194</b>

iii) As Per Section 82 C (2) b

On Local Sales U/S 52	203,166,455	119,791,897
On Import Stage U/S 53	113,783,032	116,115,033
On Interest from SND & FDR U/S 53F	252,650,853	234,734,409
Presumptive Tax - on Renewal	563,000	440,500
	<b>570,163,340</b>	<b>471,081,839</b>
<b>Therefore, provision for current tax liability</b> (higher one among i, ii, iii)	<b>792,786,251</b>	<b>817,090,905</b>



	Note(s)	01 July 2021 to 30 June 2022	01 July 2020 to 30 June 2021
		Taka	Taka
<b>24.00 Gross Earnings on Petroleum Products</b>			
Turnover	24.02	219,582,566,496	177,823,341,755
Less: Cost of goods sold	24.02	(217,384,423,830)	(175,552,516,477)
		<b>2,198,142,666</b>	<b>2,270,825,278</b>

**24.01 Gross Earnings on Petroleum Product**

Products	01 July 2021 to 30 June 2022			01 July 2020 to 30 June 2021		
	Gross Earnings	Operational Gain/(Loss)	Net Earnings	Gross Earnings	Operational Gain/(Loss)	Net Earnings
<b>Major Products</b>						
MS	160,788,480	(11,338,915)	149,449,565	123,055,863	(18,375,768)	104,680,095
HOBC	141,510,064	14,741,977	156,252,041	92,831,390	9,690,228	102,521,618
HSD	1,016,597,577	81,614,263	1,098,211,840	979,571,354	47,189,587	1,026,760,941
FO	211,486,969	40,498,319	251,985,288	174,442,354	18,426,865	192,869,219
SKO	32,336,302	7,095,378	39,431,680	30,762,010	3,360,611	34,122,621
JBO	1,795,072	1,252,663	3,047,735	3,189,466	1,573,607	4,763,073
MTT	289,800	-	289,800	1,282,976	15,624	1,298,600
<b>Sub Total</b>	<b>1,564,804,264</b>	<b>133,863,685</b>	<b>1,698,667,949</b>	<b>1,405,135,413</b>	<b>61,880,754</b>	<b>1,467,016,167</b>
<b>Minor Products</b>						
Lubricants	615,291,884	(330,806)	614,961,078	841,998,401	-	841,998,401
LPG ( Cylinder)	6,008,759	(373,925)	5,634,834	6,462,031	(749,665)	5,712,366
Bitumen	12,037,759	-	12,037,759	17,229,433	-	17,229,433
<b>Sub Total</b>	<b>633,338,402</b>	<b>(704,731)</b>	<b>632,633,671</b>	<b>865,689,865</b>	<b>(749,665)</b>	<b>864,940,200</b>
<b>Grand Total</b>	<b>2,198,142,666</b>	<b>133,158,954</b>	<b>2,331,301,620</b>	<b>2,270,825,278</b>	<b>61,131,091</b>	<b>2,331,956,367</b>

**24.02 Turnover and Cost of Goods Sold**

Products	01 July 2021 to 30 June 2022			01 July 2020 to 30 June 2021		
	Quantity MT	Turnover Tk.	Cost of Goods Sold Tk.	Quantity MT	Turnover Tk.	Cost of Goods Sold Tk.
<b>Major Products</b>						
MS	154,219	17,885,207,486	(17,724,419,006)	125,447	14,519,431,957	(14,396,376,094)
HOBC	148,856	17,111,672,001	(16,970,161,937)	116,783	13,401,386,839	(13,308,555,449)
HSD	1,862,677	160,431,639,294	(159,415,041,717)	1,802,152	132,790,867,025	(131,811,295,671)
FO	216,555	15,122,090,814	(14,910,603,845)	199,266	7,965,925,521	(7,795,321,009)
SKO	30,282	2,818,316,441	(2,785,980,139)	4,860	231,884,944	(228,047,102)
JBO	4,190	436,617,943	(434,822,871)	33,513	2,691,780,862	(2,661,018,852)
MTT	99	9,576,000	(9,286,200)	4,610	480,444,270	(477,254,804)
SBPS	-	-	-	437	42,407,576	(41,124,600)
<b>Sub Total</b>	<b>2,416,878</b>	<b>213,815,119,979</b>	<b>(212,250,315,715)</b>	<b>2,287,068</b>	<b>172,124,128,994</b>	<b>(170,718,993,581)</b>
<b>Minor Products</b>						
Lubricants	10,517	4,732,390,506	(4,117,098,622)	10,595	4,459,402,654	(3,617,404,253)
LPG (Cylinder)	3,265	136,592,638	(130,583,879)	3,746	157,876,562	(151,414,531)
Bitumen	18,517	898,463,373	(886,425,614)	26,535	1,081,933,545	(1,064,704,112)
<b>Sub Total</b>	<b>32,299</b>	<b>5,767,446,517</b>	<b>(5,134,108,115)</b>	<b>40,875</b>	<b>5,699,212,761</b>	<b>(4,833,522,896)</b>
<b>Grand Total</b>	<b>2,449,177</b>	<b>219,582,566,496</b>	<b>(217,384,423,830)</b>	<b>2,327,944</b>	<b>177,823,341,755</b>	<b>(175,552,516,477)</b>



24.03 Net Operational Gain/(Loss)

LOCATIONS	MS		HOBC		LSFO		HSD		FO		SKO		MTT		JBO		LUBE		LPG/BIT/E/D		TOTAL	
	VOL. In Ltr.	Taka	VOL. In Ltr.	Taka	VOL. In Ltr.	Taka	VOL. In Ltr.	Taka	VOL. In Ltr.	Taka	VOL. In Ltr.	Taka	VOL. In Ltr.	Taka	VOL. In Ltr.	Taka	VOL. In Ltr.	Taka	VOL.	Taka	VOL. In Ltr.	Taka
Main Installation	(87,029)	(6,954,362)	122,074	10,105,471	25,881	1,857,414	1,101,720	79,487,982	272,385	16,912,111	-	-	68,221	5,042,674	-	-	(824)	(296,216)	9,069	801,609	1,511,497	106,956,684
Mongla Oil Installat.	-	-	-	-	-	-	10,924	772,578	862	60,408	-	-	-	-	-	-	-	-	-	-	11,786	832,986
Chandpur	-	-	-	-	-	-	7,890	602,982	-	-	-	-	4,538	337,335	-	-	-	-	-	-	12,428	940,317
Daulatpur	7,809	624,144.5	31,940	2,643,488	-	-	57,825	4,126,767	278,516	17,307,109	(154)	(76,985)	6,349	461,907	-	-	(21)	(7,438)	1,199	105,980	383,463	25,184,972
Jalakati	4,133	330,254.5	-	-	-	-	45,132	3,252,083	-	-	(200)	(99,980)	2,540	176,784	-	-	(1)	(386)	-	-	51,604	3,658,756
Godenail	16,464	1,314,875.9	22,054	1,825,034	-	-	75,559	5,476,699	69,102	4,361,275	-	-	7,401	542,867	-	-	(1)	(794)	-	-	190,579	13,519,957
Baghabari	(70,169)	(5,606,703.9)	(4,629)	(383,314)	-	-	(236,350)	(16,763,055)	-	-	(394)	(196,961)	(7,851)	(542,393)	-	-	-	-	-	-	(319,393)	(23,492,427)
Bhairab	-	-	-	-	-	-	72,499	5,297,182	-	-	-	-	81	6,803	-	-	(7)	(2,724)	-	-	72,573	5,301,261
Sreemangal	1,027	82,033.1	434	35,927	-	-	(1,840)	(159,754)	-	-	-	-	461	29,779	-	-	(1)	(419)	-	-	81	(12,434)
Fatullah	6,841	546,322.8	15,007	1,241,872	-	-	25,048	1,789,456	-	-	-	-	8,135	609,879	-	-	(1)	(330)	3,904	345,075	58,934	4,532,275
Barisal	-	-	5,823	482,026	-	-	49,555	3,588,874	-	-	-	-	3,066	232,885	-	-	-	-	-	-	58,444	4,303,785
Chilmari	-	-	-	-	-	-	(1,093)	(78,047)	-	-	-	-	-	-	-	-	-	-	-	-	(1,093)	(78,047)
Horian	-	-	-	-	-	-	(2,257)	(155,060)	-	-	-	-	-	-	-	-	(22)	(7,504)	-	-	(2,279)	(162,563)
Natore	-	-	-	-	-	-	(952)	(73,002)	-	-	-	-	-	-	-	-	(40)	(13,462)	-	-	(992)	(86,464)
E.Pol	631	50,356.7	9,074	750,886	-	-	9,516	753,076	-	-	-	-	-	-	-	-	(5)	(1,157)	-	-	19,218	1,553,161
Parbatipur	1,936	154,032.6	(1,152)	(93,461)	-	-	(62,299)	(4,623,812)	-	-	-	-	2,282	164,753	-	-	-	-	-	-	(59,233)	(4,400,487)
Mongla Bazar	(17,974)	(1,435,958.0)	(17,928)	(1,484,276)	-	-	(10,355)	(740,833)	-	-	-	-	124	6,378	-	-	(1)	(376)	-	-	(46,134)	(3,655,064)
Rangpur	(5,555)	(443,910.7)	(4,585)	(379,676)	-	-	(13,340)	(939,852)	-	-	-	-	543	25,727	-	-	-	-	-	-	(23,137)	(1,737,712)
Total : 2021-2022	(141,886)	(11,338,915)	178,112	14,741,977	25,881	1,857,414	1,127,182	81,614,263	620,865	38,640,903	(748)	(373,925)	95,690	7,095,378	-	-	(922)	(330,806)	14,172	1,252,663	1,918,346	133,158,954
Total : 2020-2021	(229,812)	(18,375,768)	116,947	9,690,228	16,186	764,077	773,473	47,189,587	482,539	17,662,788	54,151	3,360,611	212	15,624	17,803	1,573,607	(1,591)	(537,207)	(2,016)	(749,665)	1,229,484	61,131,091



24.04 Quantitative Reconciliation with value of Petroleum, Oil and Lubricant Products are as follows :

Product	Opening Inventory as at 01 July 2021	Purchase	Operation Gain/(Loss)	Transit Gain/(Loss)	Sub Total	Sales at Natural	Conversion Gain/(Loss)	Sales at 30o C	Closing Inventory as at 30 June 2022	Average Unit price Taka	Value of Closing Inventory as at 30 June 2022
1	2	3	4	5	6=(2+3+4+5)	7	8	9=(7-8)	10=(6-9)	11	10=(10*11)
MS (In Liter)	8,755,243	215,547,671	(141,886)	(500,754)	223,660,274	219,453,645	(493,737)	219,947,382	3,712,892	79.86	296,511,555
HOBC (In Liter)	6,276,808	205,801,661	178,112	(329,897)	211,926,684	203,635,097	(407,251)	204,042,348	7,884,336	82.76	652,507,647
HSD (In Liter)	169,973,656	2,126,456,815	1,127,182	(3,447,906)	2,294,109,747	2,209,135,120	(1,429,741)	2,210,564,861	83,544,886	75.71	6,325,183,243
FO (In Liter)	4,845,954	236,562,940	620,865	(160,793)	241,868,966	223,090,677	879,023	222,211,654	19,657,312	72.45	1,424,172,254
SKO (In Liter)	8,553,280	34,496,988	95,690	(42,375)	43,103,583	38,397,907	(34,915)	38,432,822	4,670,761	76.86	358,994,691
MTT	-	126,000	-	-	126,000	126,000	-	126,000	-	-	-
LSFO (In Ltr)	5,858,660	5,803,570	25,881	-	11,688,111	11,221,684	20,668	11,201,016	487,095	90.45	44,057,743
JBO (In Liter)	1,474,670	4,880,444	14,172	(7,937)	6,361,349	4,856,002	(6,140)	4,862,142	1,499,207	88.74	133,044,792
<b>TOTAL (2021-2022)</b>	<b>205,738,271</b>	<b>2,829,676,089</b>	<b>1,920,016</b>	<b>(4,489,662)</b>	<b>3,032,844,714</b>	<b>2,909,916,132</b>	<b>(1,472,093)</b>	<b>2,911,388,225</b>	<b>121,456,489</b>	<b>-</b>	<b>9,234,471,925</b>
<b>TOTAL (2020-2021)</b>	<b>243,291,767</b>	<b>2,711,609,308</b>	<b>1,231,499</b>	<b>(4,176,109)</b>	<b>2,951,956,465</b>	<b>2,744,882,967</b>	<b>(1,335,227)</b>	<b>2,746,218,194</b>	<b>205,738,271</b>	<b>-</b>	<b>12,820,979,399</b>
LPG (Cylinder)	602	261,863	(748)	-	261,717	261,220	-	261,220	497	500	248,450
Bitumen(In MT)	64.196	18,514.080	-	-	18,578	18,517	-	18,517	61.276	61,277	3,754,806

Conversion gain/(loss) in column 8 arises due to difference between sales at 30°C and natural temperature is adjusted with products cost where as products receipts/purchase (column-4) is calculated on 30°C.



Note(s)	01 July 2021 to 30 June 2022	01 July 2020 to 30 June 2021
	Taka	Taka
<b>24.05 Other Operating Income</b>		
Handling commission service charges & others	227,273,939	197,433,060
Transshipment gain/ loss from Tanker operation	-	10,013,612
Earning from Meghna Model Service Center	16,058,900	12,367,634
	<b>243,332,839</b>	<b>219,814,306</b>
<b>25.00 Administrative, Selling &amp; Distribution Expenses</b>		
Salaries	450,389,193	414,694,392
Employees welfare & Benefits	159,083,713	129,542,496
General expenses	216,842,919	185,703,155
Travel, Conveyance and Vehicle expenses	51,375,309	45,627,547
Rent, Rates, Taxes and Insurance	40,903,767	33,465,419
Repairs and Maintenance	11,773,222	12,556,451
Printing, Stationery and Office expenses	12,509,628	11,262,535
Postage, Telegram, Telephone & Telex	3,787,258	3,555,518
BPC rest house, Training center, Board meeting& Other expenses	10,547,792	8,035,481
Legal and Professional expenses	2,361,217	1,294,740
Entertainment	2,997,314	2,071,794
Advertisement and Sales promotion expenses	4,194,932	3,649,291
BPC service charge	777,778	700,000
Auditors' Remuneration	34.00 351,800	279,500
Directors' fees	2,408,000	2,928,000
Subscription and CSR	3,844,463	11,345,470
Product consumed for own utilities	6,412,171	4,659,506
Depreciation	4.01 174,626,140	177,792,692
Amortization/ Depreciation of Lease	4.02 10,124,188	10,623,868
	<b>1,165,310,804</b>	<b>1,059,787,855</b>
<b>26.00 Financial Expenses</b>		
Bank Charges	862,983	1,491,924
Interest on Lease Assets	1,033,683	534,003
Interest on Workers' Profit Participation & Welfare Fund	117,278,966	132,704,882
	<b>119,175,632</b>	<b>134,730,809</b>
<b>27.00 Financing Charge through BPC</b>		
Refined products	147,298,757	138,303,337
Bitumen	3,703,436	5,306,910
	<b>151,002,193</b>	<b>143,610,247</b>
<b>28.00 Non Operating Income</b>		
Interest on Bank Deposits	2,779,740,986	2,418,438,749
Interest on house building & land purchase finance scheme	576,875	-
Receipts against Jetty throughput charges from third parties	38,076,419	9,880,743
Other Receipts	208,479,487	193,775,552
	<b>3,026,873,767</b>	<b>2,622,095,044</b>
<b>29.00 Earnings Per Share (EPS)</b>		
<b>The composition of Earnings Per Share (EPS) is given below:</b>		
a) Earnings attributed to ordinary shareholders during the year	3,165,351,039	2,821,408,031
b) Number of ordinary shares at the year end	108,216,108	108,216,108
<b>Earnings Per Share (EPS) - Basic</b>	<b>29.25</b>	<b>26.07</b>



	30 June 2022	30 June 2021
	Taka	Taka
<b>30.00 Net Asset Value Per Share (NAV)</b>		
Total Assets	81,997,610,009	68,661,666,512
Less: Liabilities (*)	(63,151,615,053)	(51,357,780,975)
Net asset value (NAV)	18,845,994,956	17,303,885,537
Number of ordinary shares outstanding during the year	108,216,108	108,216,108
<b>Net Assets Value (NAV) Per Share</b>	<b>174.15</b>	<b>159.90</b>

\*During the year ended 30 June 2022 Share Money Deposit amounting to taka 116,061,862 by Government treated as non equity fund and considered as liability.

	01 July 2021 to 30 June 2022	01 July 2020 to 30 June 2021
	Taka	Taka
<b>31.00 Net operating cash flow per share</b>		
Net operating cash flows (from statement of cash flows)	16,785,020,723	12,407,154,939
Number of ordinary shares outstanding during the year	108,216,108	108,216,108
<b>Net operating cash flow per share</b>	<b>155.11</b>	<b>114.65</b>

**32.00 Reconciliation of cash flows from operating activities**

Profit before income tax	3,957,718,617	3,643,949,968
<b>Adjustment for</b>		
Depreciation charged	174,626,140	177,792,692
Amortization charged	10,124,188	10,623,868
Financial Expenses	119,175,632	134,730,809
Financing Charge through BPC	151,002,193	143,610,247
Non-operating Income	(3,026,873,767)	(2,622,095,044)
	<b>(2,571,945,614)</b>	<b>(2,155,337,428)</b>
<b>(Increase)/decrease in Current Assets</b>		
Advances, deposits and prepayments (Net of AIT)	(203,455,037)	(391,363,293)
Inventories	3,893,692,114	1,475,665,030
Trade and Other receivables	(2,397,954,453)	(3,001,938,968)
<b>Increase/(decrease) in Current Assets</b>		
Defined Benefit Obligation - Gratuity	9,814,348	(1,522,648)
Creditors and accruals	11,677,976,478	11,494,876,858
Provision for WPPF and Welfare Fund	16,514,140	(24,354,535)
	<b>12,996,587,590</b>	<b>9,551,362,444</b>
	<b>14,382,360,593</b>	<b>11,039,974,984</b>
Cash Received from Non-Operating Income	3,026,873,767	2,622,095,044
<b>Cash Payment for Financial Expenses</b>		
Financial Expenses	(119,175,632)	(134,730,809)
Financing Charge through BPC	(151,002,193)	(143,610,247)
Interest on Right of Use Asset Loan	1,033,683	-
	<b>(269,144,142)</b>	<b>(278,341,056)</b>
<b>Income tax paid</b>		
Provision made during the year	151,704,412	(232,349,872)
Increase in Provision for tax	(792,786,251)	(817,090,905)
Increase in advance income tax	286,012,344	72,866,744
	<b>(355,069,495)</b>	<b>(976,574,033)</b>
<b>Net cash flows generated by operating activities</b>	<b>16,785,020,723</b>	<b>12,407,154,939</b>



	30 June 2022	30 June 2021
	Taka	Taka
<b>34.00 Auditors' Remuneration</b>		
Audit Fee (Statutory)	230,000	200,000
Provident Fund	17,250	15,000
Gratuity Fund	17,250	15,000
WPP and WF	31,050	12,000
BPC Reconciliation	56,250	37,500
	<b>351,800</b>	<b>279,500</b>

**34.01** During the period ended 30 June 2022, there were 36 (Thirty Six) Board Meeting Held and The Attendance status of all the meeting as follows:

Sl	Name of The Directors	Position	Meeting Held	Attendance
1	Mr. Md. Anisur Rahman	Former Chairman	36	16
2	Mr. Md. Mahbub Hossain	Chairman	36	20
3	Mrs. Selina Akter	Former Director	36	11
4	Dr. Farhina Ahmed	Former Director	36	18
5	Mr. Syed Mehdi Hasan	Former Director	36	15
6	Mr. Khalid Ahmed	Director	36	6
7	Mr. Md. Asmaul Hossain	Independent Director	36	36
8	Mr. Md. Khalilur Rahman	Independent Director	36	36
9	Kazi Shahjahan	Director	36	20
10	Sheikh Mohammad Balayet Hossain	Director	36	35
11	Mr. Shah Md. Quamrul Huda	Former Director	36	16
12	Mr. Abul Fazal Md. Nafiul Karim	Director	36	35
13	Dr. Ashraf Uddin	Former Shareholder Director	36	2
14	Mr. Muhammad Zahangir Alam	Shareholder Director	36	8
15	Mir Saifullah-Al-Khaled	Former Managing Director	36	20
16	Mr. Md. Abu Saleh Iqbal	Former Managing Director	36	10
17	Mr. Md. Masudur Rahman	Managing Director	36	6

**35.00 Remuneration of Managing Director, Managers & Officers**

	01 July 2021 to 30 June 2022		01 July 2020 to 30 June 2021	
	Managing Director	Managers & Officers	Managing Director	Managers & Officers
Salary, Allowances & Bonus	1,130,078	130,601,359	1,239,138	124,892,727
<b>Housing</b>				
Rental	402,683	48,378,670	550,728	48,952,994
Utilities	195,042	19,282,750	258,939	18,353,598
	<b>597,725</b>	<b>67,661,420</b>	<b>809,667</b>	<b>67,306,592</b>
Leave Encashment	-	3,996,295	-	2,766,426
Provident Fund	15,298	8,310,391	-	8,370,387
	<b>1,743,101</b>	<b>210,569,465</b>	<b>2,048,805</b>	<b>203,336,132</b>



**33.00 Related Notes for Statement of Cash Flows**

**Cash flows from operating activities**

**33.01 Payment Received from Customers**

Note(s)	01 July 2021 to 30 June 2022 Taka	01 July 2020 to 30 June 2021 Taka	
Turnover	24.00	219,582,566,496	177,823,341,755
Net Operational Gain/(Loss)	24.03	133,158,954	61,131,091
Other Operating Income	24.05	243,332,839	219,814,306
(Increase)/ Decrease - Accounts Receivables	10.00	(2,397,954,453)	(3,001,938,968)
		<b>217,561,103,836</b>	<b>175,102,348,184</b>

**33.02 Payment Made to Suppliers, Employees and Others**

Cost of Sales	24.02	(217,384,423,830)	(175,552,516,477)
(Increase)/Decrease in Inventory	9.00	3,893,692,114	1,475,665,030
Increase /(Decrease) in Creditors & Accruals (Supplies)	20.01	12,019,106,834	10,833,618,299
		<b>(201,471,624,882)</b>	<b>(163,243,233,148)</b>

**33.03 Payment made for operating other expenses**

Administrative, Selling and Distribution Expenses	25.00	(1,165,310,804)	(1,059,787,855)
Increase /(Decrease) in Creditors & Accruals (For expenses)	20.02	(1,094,361,200)	(371,353,767)
Increase /(Decrease) in Creditors & Accruals (For finance)	20.03	753,230,844	1,032,612,326
(Increase) / Decrease in Advances, Deposits and Pre-payments	11.00	82,557,307	(318,496,549)
Advance Income Tax	11.01.02	286,012,344	(72,866,744)
Amortization/ Depreciation of Lease	25.00	10,124,188	10,623,868
Depreciation	25.00	174,626,140	177,792,692
Provision for Gratuity	16.00	92,490,626	82,676,278
Paid to Gratuity Fund	16.00	(82,676,278)	(84,198,926)
Paid to WPPF	21.00	(191,786,840)	(216,141,375)
		<b>(1,135,093,673)</b>	<b>(819,140,052)</b>
		<b>(202,606,718,555)</b>	<b>(164,062,373,200)</b>

**33.04 Payment Received from Non-Operating Income**

	28.00	3,026,873,767	2,622,095,044
		<b>3,026,873,767</b>	<b>2,622,095,044</b>

**33.05 Payment made for Financial Expenses**

Financial Expenses	26.00	(119,175,632)	(134,730,809)
Financing Charge through BPC	27.00	(151,002,193)	(143,610,247)
Interest on Right of Use Asset Loan	4.02	1,033,683	-
		<b>(269,144,142)</b>	<b>(278,341,056)</b>

**33.06 Income Tax Paid**

Increase/(decrease) in Provision for tax	23.00	151,704,412	(232,349,872)
Provision made during the period	23.02	(792,786,251)	(817,090,905)
(Increase)/decrease in advance for tax	11.01.02	(286,012,344)	72,866,744
		<b>(927,094,183)</b>	<b>(976,574,033)</b>

Net Cash Generated by Operating Activities

		<b>16,785,020,723</b>	<b>12,407,154,939</b>
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**Cash flows from investing activities**

**33.07 Acquisition of Capital Expenditures**

Depreciation Fund	7.00	(70,036,092)	(1,366,743,580)
Increase in ROU of Lease Assets	4.02	(9,398,008)	(15,980,962)
Addition in Capital work-in-progress	5.00	(47,817,690)	(348,071,919)
		<b>(127,251,790)</b>	<b>(1,730,796,461)</b>

**33.08 Short Term & Long Term Investments**

Net cash (used in)/generated by investing activities	6&8	(4,601,796,836)	(6,255,870,733)
		<b>(4,729,048,626)</b>	<b>(7,986,667,194)</b>

**Cash flows from financing activities**

33.09 Share Money Deposit	14.00	-	66,525,352
33.10 (Repayment) / Receipt of Long term loan	19.00	-	99,788,028
33.11 Payment of Lease	4.02	(11,105,021)	(11,157,871)
33.12 Increase In Lease Liability	4.02	9,398,008	15,980,962
33.13 Dividend paid to shareholders	22.01	(1,619,781,166)	(1,652,669,744)
33.14 Deposited to CMSF fund	22.01	(74,615,089)	-
Net cash provided by /(used in) financing activities		<b>(1,696,103,268)</b>	<b>(1,481,533,273)</b>



### 35.01 Operating Segment

For management purpose, the company is organized into business units based on its products and has two reportable segments, are as follows:

Reportable Segments	Operations
Petroleum Products	Includes the company's earnings from marketing of Petroleum products, Bitumen and LPG.
Lubricating Oil & Grease	Includes the company's income from the trading of Lubricating oil and grease of BP and Castrol Brand.

Performance are measured based on segment profit before tax, that are reviewed by the company's management committee. Information regarding the result of each reportable segment is described below:

	Petroleum Products	Lubricating oil & Grease	Total
	Taka	Taka	Taka
Turnover	214,850,175,990	4,732,390,506	219,582,566,496
Cost of goods sold	(213,267,325,208)	(4,117,098,622)	(217,384,423,830)
	<b>1,582,850,782</b>	<b>615,291,884</b>	<b>2,198,142,666</b>
Operation Gain/(Loss)	133,489,760	(330,806)	133,158,954
Profit from operation	<b>1,716,340,542</b>	<b>614,961,078</b>	<b>2,331,301,620</b>
Other Operating Income	240,121,059	3,211,780	243,332,839
Total Income	<b>1,956,461,601</b>	<b>618,172,858</b>	<b>2,574,634,459</b>
Administrative, Selling and Distribution Expenses	(1,019,646,953)	(145,663,851)	(1,165,310,804)
Financial Expenses	(104,278,678)	(14,896,954)	(119,175,632)
Interest Expenses through BPC	(151,002,193)	-	(151,002,193)
<b>Total Operating Profit</b>	<b>681,533,777</b>	<b>457,612,053</b>	<b>1,139,145,830</b>
Non Operating Income	3,026,873,767	-	3,026,873,767
<b>Segment Profit</b>	<b>3,708,407,544</b>	<b>457,612,053</b>	<b>4,166,019,597</b>



**35.02 House Rent**

Managers and Officers are paid cash allowance.

**35.03 Transport**

- (i) The Managing Directors are provided with free use of Company's car.
- (ii) Other Managers and some officers are enjoying cash loan facilities, subject to limit.
- (iii) Other Officers are paid cash allowances.

**35.04 Telephone**

Residential telephone for mainly Company's business- for Managing Director and Managers, subject to limit.

**35.05 Medical**

The Managing Director, Managers and Officers are provided with free medical facilities according to Company policy.

**35.06 Insurance**

The Managing Director, Managers and Officers are provided with coverage for group insurance according to the company policy.

**35.07 Remuneration**

The Directors other than the Managing Director, who is an ex-officio director, are not paid any remuneration except for fees and expenses in connection with attending to Company's Board Meeting.

**36.00 Key management personnel compensation**

In accordance with the para 17 of IAS 24 related party disclosure during the year the amount of compensation paid to key management personnel including Board of Director is as follows:

	30 June 2022	30 June 2021
	Taka	Taka
Short term employee benefits	3,297,578	3,140,550
Post employment benefits	69,900,872	60,783,367
Other long term benefit	-	-
Termination benefit	-	-
Share-based payment	-	-
	<b>73,198,450</b>	<b>63,923,917</b>

Key management personnel compensation includes benefits for employees of the rank of General Manager and above. No remuneration is given to the Board of Directors apart from attendance fees in accordance with Board and Board Sub Committee meetings.

**37.00 Employees**

Number of employees whose salary was below Tk. 3,000  
Number of employees whose salary was or above Tk. 3,000

	30 June 2022	30 June 2021
	Number in Figure	
	-	-
	378	395
	<b>378</b>	<b>395</b>

**38.00 Value of Imports at C&F Basis**

Raw & Packing materials & Finished Products

	30 June 2022	30 June 2021
	Taka	Taka
	3,854,441,400	3,596,778,296
	<b>3,854,441,400</b>	<b>3,596,778,296</b>



39.00 Related Party Transactions

During the period the Company carried out a number of transactions with related parties in the normal course of business on an arms' length basis. Names of those related parties, nature of those transactions and their total value have been set out in accordance with the provisions of IAS-24: Related Party Disclosures.

Name of Party/Company	Relationship	Nature of Transactions	Balance as on 30 June 2022	Balance as on 30 June 2021
Bangladesh Petroleum Corporation	Parent Concern	Procurement of POI products base oil, Bitumin etc.	56,581,594,554 (Cr.)	42,873,223,009 (Cr.)
Bangladesh Petroleum Corporation	Parent Concern	Procurement of POI products base oil, Bitumin etc.	13,339,254,630 (Dr.)	10,768,041,847 (Dr.)
Padma Oil Company Limited	Subsidiary of BPC	Product Exchange & Others	136,765,906 (Cr.)	132,967,155 (Cr.)
Jamuna Oil Company Limited	Subsidiary of BPC	Product Exchange & Others	160,596,945 (Cr.)	177,819,449 (Cr.)
Standard Asiatic Oil Company Limited	Subsidiary of BPC	Blending of Lube & Others	37,874,718 (Cr.)	57,764,188 (Cr.)
Eastern Lubricants Blenders Limited	Subsidiary of BPC	Blending of Lube & Others	353,819 (Cr.)	2,671,400 (Cr.)
Liquefied Petroleum Gas Limited	Subsidiary of BPC	Product Supply & Others	11,639,742 (Cr.)	25,857,898 (Cr.)
Eastern Refinery Limited	Subsidiary of BPC	Product Supply on behalf of BPC & Others	6,614,429 (Dr.)	6,333,657 (Dr.)

Details of transactions

Name of Party/Company	Opening Balances	Provided during the year	Adjusted during the year	Closing Balance
Bangladesh Petroleum Corporation	42,873,223,009 (Cr.)	195,786,370,573 (Dr.)	209,494,742,118 (Cr.)	56,581,594,554 (Cr.)
Bangladesh Petroleum Corporation	10,768,041,847 (Dr.)	28,163,776,233 (Dr.)	25,592,563,450 (Cr.)	13,339,254,630 (Dr.)
Padma Oil Company Limited	132,967,155 (Cr.)	40,114,245 (Dr.)	43,912,996 (Cr.)	136,765,906 (Cr.)
Jamuna Oil Company Limited	177,819,449 (Cr.)	49,348,278 (Dr.)	32,125,774 (Cr.)	160,596,945 (Cr.)
Standard Asiatic Oil Company Limited	57,764,188 (Cr.)	467,049,851 (Dr.)	447,160,381 (Cr.)	37,874,718 (Cr.)
Eastern Lubricants Blenders Limited	2,671,400 (Cr.)	31,493,224 (Dr.)	29,175,643 (Cr.)	353,819 (Cr.)
Liquefied Petroleum Gas Limited	25,857,898 (Cr.)	145,123,469 (Dr.)	130,905,313 (Cr.)	11,639,742 (Cr.)
Eastern Refinery Limited	6,333,657 (Dr.)	280,772 (Dr.)	– (Cr.)	6,614,429 (Dr.)

40.00 Guarantee

There was no guarantee to third party on 30 June 2022.



**41.00 Capital expenditure commitment**

The tender for Meghna Bhaban Project was published in the e-GP portal on 26 July 2022 and the tender opened on 20 September 2022. Now technical evaluation of the submitted tenders (7 nos) is going on. After technical evaluation, the financial offer will be opened and the lowest bidder will be awarded to perform the construction work of the project after the necessary approval of the 2nd RDPP. The company has also made capital expenditure commitments in various projects Tk. 545,000,000.00 as on 30 June 2022.

**42.00 Contingent Liabilities**

**i) Status of pending litigation with the Income Tax authority**

A demand note amounting to Tk. 22,316,642 including Tk. 161,548 as interest has been issued by Income Tax Commissioner (Appeal) vide order no. 18/cir against income year 2014-2015.

**ii) Status of pending litigation with the VAT authority**

A demand note amounting to Tk. 356,315,152 has been issued by Customs, Excise and VAT, Agrabad Division, Chattogram vide certificate no: 01/2022 dated: 29 June 2022 as unpaid VAT for the year 2019-2020. By letter reference 28.23.0000.40141.010.22/40 dated 04 July 2022 the company management wrote to the commissioner, Customs, Excise & VAT Commissionerate refusing the claim by giving detailed explanation and references. No response was received from the concerned authority.

**43.00 Events after reporting period**

The Board of Directors in their meeting held on 10 November 2022 recommended 150 % cash dividend (Tk. 1,623,241,620) and transfer of Tk. 1,450,000,000 to General Reserve for the year ended on 30 June 2022.

**44.00 Financial risk management**

International Financial Reporting Standard IFRS 7 - Financial Instruments: Disclosures - requires disclosure of information relating to both recognized and unrecognized financial instruments, their significance and performance, accounting policies, terms and conditions, net fair values and risk information- the company's policies for controlling risks and exposures.

The management has overall responsibility for the establishment and oversight of the company's risk management framework. The company's risk management policies are established to identify and analyze the risks faced by the company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies, procedures and systems are reviewed regularly to reflect changes in market conditions and the company's activities. This note presents information about the company's exposure to each of the following risks, the company's objectives, policies and processes for measuring and managing risk, and the company's management of capital. The company has exposure to the following risks from its use of financial instruments.

- a) Credit risk
- b) Liquidity risk
- c) Market risk

**44.01 Credit risk**

Credit risk is the risk of a financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables. Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. In monitoring credit risk, debtors are grouped according to their risk profile, i.e. their legal status, financial condition, ageing profile etc. Accounts receivable are related to sale of petroleum products. The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the statement of financial position. Credit sales as compared to the total sales are insignificant. Government institutions are allowed to purchase on credit.

**44.02 Exposure to credit risk**

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was:

	<b>30 June 2022</b>	<b>30 June 2021</b>
	<b>Taka</b>	<b>Taka</b>
Trade and other receivables	14,101,718,939	11,703,764,486
Advance, deposit & prepayments	1,982,269,582	2,064,826,889
Long Term Investment	8,026,407,598	3,000,938,355
Cash and bank balance	33,623,869,212	23,264,000,383
Short Term Investment	11,438,718,600	11,862,391,007
	<b>69,172,983,931</b>	<b>51,895,921,120</b>



	30 June 2022	30 June 2021
	Taka	Taka
<b>44.03 Ageing of Trade Receivable</b>		
Upto 6 months	623,080,999	978,087,719
Over 6 months but less than 12 months	8,420,882	128,461,944
12 months or above	181,249,924	196,133,274
	<b>812,751,805</b>	<b>1,302,682,937</b>

As at 30 June 2022		
Credit rating	Taka	(%)
Trade and Other Receivables	14,101,718,939	19.97%
Advances, Deposits and Pre-payments	1,982,269,582	2.81%
Cash and Cash Equivalents and FDR (Note: 44.04.01)	54,525,775,082	77.22%
	<b>70,609,763,603</b>	<b>100.00%</b>
	<b>4,605,000</b>	<b>0.01%</b>

44.04.01 Cash in Hand

As at 30 June 2022		
Credit rating	Taka	(%)
	<b>54,521,170,082</b>	<b>77.21%</b>

Cash at Bank and FDR

AB Bank Limited	AA-	3,294,111,543	6.04%
Agrani Bank Limited	A+(AAA)	1,818,794,090	3.34%
Bangladesh Commarce Bank Limited	BBB-	252,367,124	0.46%
Bangladesh Krishi Bank Limited	BB-(AAA)	673,498,241	1.24%
Bank Alfala Bank Limited	AA	40,486,575	0.07%
Bank Asia Limited	AA2	109,882,600	0.20%
Basic Bank Limited	B+(A+)	2,473,708,346	4.54%
BRAC Bank Limited	AA1	134,180,275	0.25%
CITI Bank N.A. Limited	A+,Aa3,A+	11,915,122	0.02%
Dutch Bangla Bank Limited	AA+	17,889,382	0.03%
Eastern Bank Limited	AA+	3,995,500,150	7.33%
First Security Islami Bank Limited	A+	5,597,138,502	10.27%
Global Islami Bank Limited	A+	2,799,580,757	5.13%
HSBC Bank Limited	AAA	191	0.00%
IFIC Bank Limited	AA	2,600,156,662	4.77%
Jamuna Bank Limited	AA2	101,785,207	0.19%
Janata Bank Limited	A+(AAA)	908,223,778	1.67%
Meghna Bank Limited	AA-	222,784,402	0.41%
Mercantile Bank Limited	AA	4,866,733,107	8.93%
National Bank Limited	AA	3,039,084,577	5.57%
NCC Bank Limited	AA	1,639,296,211	3.01%
NRB Bank Limited.	A	519,132	0.00%
NRB Commercial Bank Limited	A	1,686,774,613	3.09%
One Bank Limited	AA	4,036,191,349	7.40%
Padma Bank Limited	BBB	92,169,863	0.17%
Prime Bank Limited	AA	257,057,380	0.47%
Pubali Bank Limited	AA+	3,763,999,770	6.90%
Rupali Bank Limited	A-(AAA)	3,923,342,506	7.20%
Simanto Bank Limited	A	40,447,123	0.07%
Social Islami Bank Limited	AA+	312,552,877	0.57%
Sonali Bank Limited	AA+(AAA)	626,976,271	1.15%
Southeast Bank Limited	AA	1,004,900,322	1.84%
Standard Bank Limited	AA+	610,884,664	1.12%
Standard Chartered Bank Limited	A,A1,A+	140,582,444	0.26%
The City Bank Limited	AA2	358,780,076	0.66%
Trust Bank Limited	AA2	40,466,849	0.07%
Union Bank Limited	A+	2,177,483,095	3.99%
United Commercial Bank Limited	AA	425,505,643	0.78%
Uttara Bank Limited	AA	425,419,263	0.78%



**44.05 Liquidity risk**

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

The following are the contractual or legal maturities of financial liabilities:

	<b>30 June 2022</b>	<b>30 June 2021</b>
	<b>Taka</b>	<b>Taka</b>
Creditors and Accruals	61,698,012,095	50,020,035,617
Provision for WPPF and Welfare Fund	208,300,980	191,786,840
Unclaimed Dividend	12,742,791	83,897,426
	<b>61,919,055,866</b>	<b>50,295,719,883</b>

**44.06 Market risk**

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

**44.07 Currency risk**

The company is exposed to currency risk on certain revenues and purchases of raw materials and equipment. Company's foreign currency transactions are denominated in USD and relate to import of capital machinery and raw materials.

**44.08 Exposure to currency risk**

There was no exposure to foreign currency risk on the reporting date.

**44.09 Interest rate risk**

Interest rate risk is the risk that arises due to changes in interest rates on borrowings. However the company do not have any outstanding bank borrowings on the reporting date except a long term borrowings from Government which interest rate is fixed and interest rate risk is insignificant.

**45.00 Significant Deviation**

**Significant Deviation in Earning per Share (EPS):**

EPS increased by 12.20% due to significant increase in Net Operating gain by Tk. 72,027,864 and No-operating income by Tk. 404,778,723.

**Significant Deviation in Net Operating Cash Flows per Share (NOCFPS):**

NOCFPS has increased by 35.29% from pervious year due to increase in payment receipt from customer and non operating income by Taka 42,458,755,652 and Taka 404,778,723 respectively while payment made for suppliers, employees and others Taka 37,519,672,278. Which result significant increase of Operating cash flows Taka 5,343,862,097 from previous year.

**46.00 GENERAL**

Figures appearing in these accounts have been rounded off to the nearest taka.

Previous year's phrases & amounts have been restated and re-arranged, wherever considered necessary, to conform to the presentation for the period under review.

  
Company Secretary

  
General Manager (A & F)

  
Managing Director

  
Director

  
Director



