

AUDITORS' REPORT
&
AUDITED FINANCIAL STATEMENTS
OF
TAUFIKA FOODS AND AGRO INDUSTRIES LIMITED
House- 80, Road-2, Level-4A & 4B,
Banani (Chairman Bari), Dhaka-1213.
FOR THE YEAR ENDED JUNE 30, 2020.



ISLAM QUAZI SHAFIQUE & CO.
Chartered Accountants

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Md. Abdur Rahman FCA, ACS, LL.B

Independent Auditor's Report To the Shareholders of Taufika Foods and Agro Industries Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Taufika Foods and Agro Industries Limited (the "Company"), which comprise the Statement of Financial Position as at 30 June 2020 and Statement of Profit or Loss and Other Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year then ended 30 June 2020, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements of the Company give a true and fair view of the financial position of the Company as at 30 June 2020, and of its financial performance and its cash flows for the year then ended 30 June 2020 in accordance with International Financial Reporting Standards (IFRSs).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code), Bangladesh Securities and Exchange Commission (BSEC) and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code and the Institute of Chartered Accountants of Bangladesh (ICAB) Bye Laws. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

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

Key Audit Report	How our audit addressed the key audit matter
<p>Valuation of Inventories Refer to note 08 to the financial statements. Inventories represent BDT 264,612,631 which is about 14.06% of the total assets of the Company; inventories are thus a material item to the Financial statements. As described in the accounting policy note 3.09 to the financial statements, inventors are valued at the lower of cost or net realizable values. As such, management is required to make judgments in determining whether inventories are being appropriately valued. And also report that we</p>	<ul style="list-style-type: none"> • Tested the operating effectiveness of key controls over Inventories; including observing the process of management's Year-end inventory count. • Verified 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. • Performed cut-off tests to determine that the purchases and sales of the inventories have been captured in the correct accounting



<p>did not verify physically because of COVID-19. that we fully depended on internal report against inventory counting and valuation. Volume of inventories being held by the company at the reporting date and the complexities involved in the counting and presentation thereof, Inventories have been considered as a key audit matter.</p>	<p>period.</p> <ul style="list-style-type: none"> Reviewed the historical accuracy of inventory provisions and the level of write-downs.
<p>appropriateness of revenue recognition and disclosures on the impact of the initial application of IFRS 15.</p> <p>refer to note 24 to the financial statements. As described in accounting policy note 3.04 to the financial statements, the Company recognizes 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 942,869,150. The Company's primary customers are its corporate customer and retailers who are also entitled to get wholesale rate of goods invoiced. Given the significance and complexities involved in the accounting of revenue, appropriate recognition of revenue has been considered as a key audit matter.</p>	<ul style="list-style-type: none"> Assessed the environment of the measurement as well as other relevant systems supporting the accounting or revenue. Assessed manual as well as application controls supporting revenue recognition. Assessed the invoicing and measurement systems up to entries in the general ledger. Examined customer invoices and receipts of payment on a test basis. Assessed the design of the processes set up to account for the transactions in accordance with the new standard. Assessed whether the sufficiency of disclosures as required by the new standard have been met. Assessed whether the sufficiency of disclosures as required to be made to opening balances due to the adoption of the new standard.
<p>Implementation of IFRS 16 –Leases</p> <p>With reference to Note 3.30.01 to the financial statements, 'IFRS 16 – Leases' becomes effective for annual reporting beginning on or after 01 January 2019 which replaces the existing standard AS 17. Taufika Foods and Agro Industries Limited decided to adopt the modified retrospective approach for the transition accounting. The application of the new lease standard resulted in the recognition, for the 01 July 2019 opening balance sheet, of right of use asset of BDT 248.96 million (net value) and an increase in lease liabilities of BDT 29.97 million, the impact of the adaptation of the new standard is disclosed in Note 3.30.01 of the notes to the financial statements. We considered the implementation of IFRS 16 Leases as a key audit matter, since the balances recorded are material, management had to apply several judgments and estimates such as lease term, discount rates, measurement basis among others and Undertake a significant data extraction exercise to summarize</p>	<p>We obtained an understanding of the management's process for implementing IFRS 16 including financial controls designed by the management to mitigate the risks assessed by us independently. We tested those relevant controls and adopted a control rely strategy. Furthermore, to mitigate the inherent risk in this audit area, our audit approach included testing of the controls and substantive audit procedures, including:</p> <ul style="list-style-type: none"> Obtained and read the accounting policy for compliance with IFRS 16 Obtained listing of all contracts from the management and tested the contracts on a sample basis for impact under IFRS 16. In respect of the contracts selected for testing: Obtained and read bank borrowing rates correspondences Tested the assumptions used in the calculation model for the sample contracts selected for testing

ata for input into their lease calculation	<ul style="list-style-type: none">• Performed test of details on a sample basis on different categories of lease for valuation of the right of use of asset and lease Liability• Assessed the disclosures within the financial statements.
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Other information

responsible for the other information. The other information comprises all of the information in part other than the financial statements and our auditors' report thereon. The Annual Report is made available to us after the date of this auditor's report.

The financial statements does not cover the other information and we do not express any form of opinion thereon.

With our audit of the financial statements, our responsibility is to read the other information when it becomes available and, in doing so, consider whether the other information is consistent with the financial statements or our knowledge obtained in the audit or otherwise appears misstated.

Management and Those Charged with Governance for the Financial Statements and

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

In 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 alternative but to do so.

Management and those charged with governance are responsible for overseeing the Company's financial reporting process.

Responsibilities for the Audit of the Financial Statements

Our objective is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements

In conducting the audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:



Islam Quazi Shafique & Co.
Chartered Accountants

identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.

evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

include on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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

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

Other Legal and Regulatory Requirements

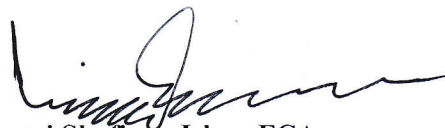
In accordance with the Companies Act, 1994, the Securities and Exchange Rules 1987, we also report that:

We have obtained all the information and explanations which to the best of our knowledge and belief are necessary for the purpose of our audit and made due verification thereof;

In our opinion, proper books of account as required by law have been kept by the Company so far as it appeared from our examination of those books;

The statement of financial position and statement of profit or loss and other comprehensive income together with the annexed notes dealt with by the report are in agreement with the books of account and returns;

The expenditures incurred were for the purpose of the Company's business;



Quazi Shafique Islam FCA
Islam Quazi Shafique & Co.
Chartered Accountants

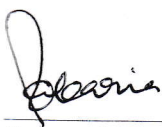
Dhaka
24, 2020




Taufika Foods and Agro Industries Limited
Statement of Financial Position
As at 30 June 2020

PARTICULARS	NOTES	Amount in Taka	
		30-Jun-20	30 June, 2019
ASSETS:			
A. Non-current Assets		1,189,064,839	1,075,014,606
Property, Plant & Equipments	4.00	904,292,073	1,062,410,969
BCU Assets	4.01	271,982,626	
Intangible Assets	5.00	738,640	1,011,625
Capital Work-in-progress Investment	6.00	-	11,592,013
	7.00	12,051,500	-
B. Current Assets		693,595,747	552,815,755
Inventories	8.00	264,612,631	218,927,157
Trade & Other Receivables	9.00	268,775,026	220,208,469
Inter-company Receivables	10.00	-	4,820,000
Advance, Deposits & Prepayments	11.00	55,633,223	50,029,126
Cash and Cash Equivalents	12.00	104,574,867	58,831,003
TOTAL ASSETS (A+B)		1,882,660,586	1,627,830,362
EQUITIES & LIABILITIES:			
C. Shareholders' Equity		701,050,672	424,813,632
Share Capital	13.00	550,000,000	65,450,000
Share Money Deposit	14.00	-	270,000,000
Retained Earnings	15.00	151,050,672	89,363,632
D. Non-current Liabilities		746,056,418	782,307,889
Deferred Tax Liability	16.00	64,656,247	62,882,919
Long-term Loan	17.00	462,409,397	470,464,036
Lease Liability	18.00	218,990,774	248,960,934
E. Current Liabilities		435,553,496	420,708,841
Current Portion of Long-term Loan	17.00	132,116,971	134,418,296
Current Portion of Lease Loan	18.00	56,658,657	62,240,233
Short-Term Loan	19.00	83,709,500	123,426,553
Trade & Other Payables	20.00	91,224,736	52,284,158
Liabilities for Expenses	21.00	15,846,626	14,143,704
Provision for WPPF	22.00	8,775,549	8,708,433
Provision for Income Tax	23.00	47,221,457	25,487,463
Total Equity & Liabilities:		1,882,660,586	1,627,830,362
Net Asset Value Per Share		12.75	12.66

The annexed notes from 1 to 39 form an integral part of these Financial Statements



Company Secretary


Managing Director


Chairman

Signed in terms of our separate report of even date annexed.

Place: Dhaka
Dated: September 24, 2020

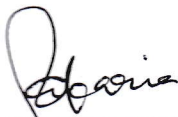

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Taufika Foods and Agro Industries Limited
Statement of Profit or Loss and other Comprehensive Income
For the period from 1 July 2019 to 30 June 2020

PARTICULARS	NOTES	Amount in Taka	
		30 June, 2020	30 June, 2019
Sales	24.00	942,869,150	922,889,785
Less: Cost of Goods Sold	25.00	552,392,597	537,504,916
Gross Profit		390,476,553	385,384,869
Operating Expenses:		149,280,037	134,508,705
Administrative Expenses	26.00	18,701,781	13,564,960
Marketing Expenses	27.00	130,578,256	120,943,746
Operating income		241,196,516	250,876,164
Financial Expenses		155,147,618	161,134,907
Finance cost	28.00	155,147,618	161,134,907
Profit before other income		86,048,898	89,741,257
Other Income	29.00	3,455,781	6,102,220
Net profit before WPPF		89,504,679	95,843,477
Provision for WPPF	22.00	4,262,128	4,563,975
Net Profit Before Tax		85,242,551	91,279,501
Income Tax Expense		23,189,490	29,634,215
Current Tax	23.00	21,733,994	23,173,852
Deferred Tax	16.00	1,455,496	6,460,363
Net Profit after Tax		62,053,062	61,645,286
Other Comprehensive Income		-	-
Total Comprehensive Income		62,053,062	61,645,286
Earnings per Share (Per value Tk. 10)		1.31	10.05

The annexed notes from 1 to 39 form an integral part of these Financial Statements


Company Secretary


Managing Director


Chairman

Signed in terms of our separate report of even date annexed.

Place: Dhaka
Dated: September 24, 2020


Islam Quazi Shafique & Co.
Chartered Accountants



Taufika Foods and Agro Industries Limited
Statement of Changes in Equity
For the period from 1 July 2019 to 30 June 2020

Amount in Taka

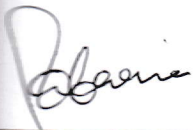
Particulars	Share Capital	Share Money Deposit	Retained Earnings	Total
Balance as on July 01, 2019	65,450,000	270,000,000	89,363,632	424,813,632
Share Capital	484,550,000	(270,000,000)	-	214,550,000
Prior year adjustments for IFRS 16				-
Prior year Office Rent adjustment.			240,000	240,000
Prior year Interest Expense adjustment			(106,571)	(106,571)
Prior year depreciation adjustment			(181,618)	(181,618)
Prior year DT adjustment			(317,832)	(317,832)
Share Money Deposit	-	-	-	-
Net Income for the year	-	-	62,053,062	62,053,062
Balance as on June 30, 2020	550,000,000	-	151,050,672	701,050,672

2018-19

Amount in Taka

Particulars	Share Capital	Share Money Deposit	Retained Earnings	Total
Balance as on July 01, 2018	54,500,000	270,000,000	27,718,346	352,218,346
Share Capital	10,950,000	-	-	10,950,000
Share Money Deposit	-	-	-	-
Net Income for the year	-	-	61,645,286	61,645,286
Balance as on June 30, 2019	65,450,000	270,000,000	89,363,632	424,813,632

The annexed notes from 1 to 39 form an integral part of these Financial Statements



Company Secretary



Managing Director



Chairman



Islam Quazi Shafique & Co.
Chartered Accountants

Place: Dhaka
Dated: September 24, 2020



Taufika Foods and Agro Industries Limited
Statement of Cash Flows
For the period from 1 July 2019 to 30 June 2020

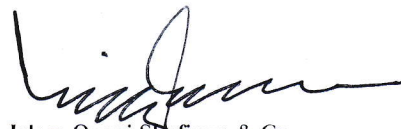
PARTICULARS	Note	Amount in Taka	
		30 June, 2020	30 June, 2019
Cash Flows from Operating Activities :			
Cash Received from Customers		894,302,593	843,233,225
Cash Received from other Sources		3,455,781	6,102,220
Cash Paid to Suppliers and Creditors		(508,309,670)	(575,173,437)
Cash Paid for Operating Expenses		(63,133,595)	(14,515,965)
Cash paid for Income Taxes		(10,635,851)	(12,149,869)
Net cash inflow/(outflow) from operating activities		315,679,258	247,496,174
Cash flow from Investing Activities:			
Acquisition of Property, Plant & Equipment		(228,078,889)	(158,162,154)
Increase Investment		(12,051,500)	
Capital Work in Progress		-	(5,160,213)
Net cash inflow/ (outflow) in Investing Activities		(240,130,389)	(163,322,367)
Cash flow from Financing Activities:			
Paid up capital		214,550,000	10,950,000
Bank Loan		(94,027,388)	(96,591,307)
Inter Company Receivable		4,820,000	(381,678)
Financial Expenses		(155,147,618)	(161,134,907)
Net cash inflow/(outflow) in financing activities		(29,805,006)	(247,157,892)
Increase(Decrease) in Cash and Cash Equivalent (A+B+C)		45,743,864	(162,984,085)
Opening of Cash and Cash Equivalent		58,831,003	221,815,089
Ending Cash and Cash Equivalent (D+E)		104,574,867	58,831,003
Net Operating Cash Flow Per Share (NOCFPS)		6.66	40.37

The annexed notes from 1 to 39 form an integral part of these Financial Statements


Company Secretary


Managing Director


Chairman


Islam Quazi Shafique & Co.
Chartered Accountants

Office: Dhaka
Date: September 24, 2020



Taufika Foods and Agro Industries Limited
Explanatory Notes to the Financial Statements
As at and for the period from 1 July 2019 to 30 June 2020

1.00 Corporate History of the Reporting Entity

1.01 Legal Status of the Entity

Taufika Foods and Agro Industries Limited (The Company) was incorporated in Bangladesh as a Private Limited Company under The Companies Act, 1994 vide Registration No. C-94700/11 dated August 07, 2011. Subsequently, the Company was converted into a public limited Company dated 08 July 2019.

The Company started its commercial operation on January 02, 2016. Its Corporate Head Office located at Plot-80, Road-02, Banani, Dhaka-1213 and Factory is located at Bashil, Kathali, Valuka, Mymensingh.

1.02 Corporate Business

The Company is an Ice-cream manufacturer and supplier in Bangladesh.

2.00 Basis of preparation, presentation and disclosures of financial statements

2.01 Statement of Compliance

The financial statements have been prepared under historical cost convention on a going concern basis following accrual basis of accounting in accordance with the International Accounting Standards (IASs), International Financial Reporting Standards (IFRSs), The Companies Act 1994 and Securities and Exchange Rules 1987.

2 Regulatory Compliances

The financial statements of the company under reporting have been prepared in accordance with Generally Accepted Accounting Principles and Practice in Bangladesh in compliance with The Companies Act 1994, The Securities and Exchange Rules 1987, The Listing Regulations of Dhaka Stock Exchange Ltd (DSE) & Chittagong Stock Exchange Ltd. (CSE), International Accounting Standards (IAS) as adopted by The Institute of Chartered Accountants of Bangladesh (ICAB), International Financial Reporting Standards (IFRS) as adopted by the The Institute of Chartered Accountants of Bangladesh (ICAB) and other applicable rules and regulations.

2.03 Other regulatory compliances

In addition, the Company is also required to comply with the following major legal provisions:

The Income Tax Ordinance, 1984

The Income Tax Rules, 1984

The Value Added Tax Act, 1991

The Value Added Tax Rules, 1991

The Value Added Tax (Amendment) Act, 2012

The Value Added Tax (Amendment) Rules, 2012

The Customs Act 1969

The Company Act 1994

The Bangladesh Labour Act 2006, and

Bangladesh Labour (Amendment) Act 2013



Taufika Foods and Agro Industries Limited
Explanatory Notes to the Financial Statements
As at and for the period from 1 July 2019 to 30 June 2020

2.4 Basis of measurement

These financial statements have been prepared under the 'historical cost' convention method.

2.5 Fundamental Accounting Concepts/ Assumption

The Financial Statements have been prepared based on Going Concern, Consistency and Accrual Concepts and such other convention as required by IAS-1 for Fair Presentation of Financial Statements.

2.6 Accrual basis of accounting

Taufika Foods and Agro Industries Limited prepare its financial statements, except for cash flow information, using the accrual basis of accounting. Since the accrual basis of accounting is used, the company recognizes items as assets, liabilities, equity, income and expenses (the elements of financial statements) when they satisfy the definitions and recognition criteria for those elements in the IAS or IFRS conceptual Framework.

2.7 Presentation of Financial Statements

The presentation of these financial statements is in accordance with the guidelines provided by IAS 1 'Presentation of Financial Statements'. The Financial Statement comprises

- a) a statement of financial position;
- b) a statement of profit or loss and other comprehensive income;
- c) a statement of changes in equity;
- d) a statement of cash flows; and
- e) notes, comprising a summary of significant accounting policies and explanatory information.

2.8 Authorization for issue

The financial statements have been authorized for issue by the Board of Directors on 22 September 2020.

2.9 Preparation and Presentation of Financial Statements of the Company

The Board of Directors are responsible for preparing and presenting the financial statements including adequate disclosures, who approved and authorized for issue of this financial statements.

2.10 Going Concern

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

2.11 Reporting Period

The period of the financial statements covers period from July 01, 2019 to June 30, 2020.

2.12 Provisions

In accordance with the guidelines as prescribed by IAS-37: Provisions, Contingent Liabilities and Contingent Assets, provisions are recognized in the following situations:

- a. when the company has an obligation (legal or constructive) as a result of past events;
- b. when it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
- c. reliable estimates can be made of the amount of the obligation.

Taufika Foods and Agro Industries Limited
Explanatory Notes to the Financial Statements
As at and for the period from 1 July 2019 to 30 June 2020

13 Events after the Reporting Period

In compliance with the requirements of IAS 10: Events After the Reporting Period, post statement of financial position events that provide additional information about the company's position at the reporting date are reflected in the financial statements and events after the reporting period there are adjusting events those are disclosed as follows:

- i. VAT payables are settled within August 25, 2020
- ii. The company did not declared any dividend in this financial year.

14 Functional and Presentational (Reporting) Currency

The financial statements are prepared and presented in Bangladesh Currency (Taka), Which is the company's functional currency. All financial information presented have been rounded off to the nearest Taka except where indicated otherwise.

Figures in brackets indicated negative balance.

15 Comparative Information and Rearrangement Thereof

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

16 Principal Accounting Policies

The specific accounting policies selected and applied by the company's directors for significant transactions and events that have material effect in preparation and presentation of financial statements within the framework of IAS-1 "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 the format of financial statements were also taken into full consideration for fair presentation:

IAS 1	Presentation of Financial Statements
IAS 2	Inventories
IAS 7	Statement of Cash Flows
IAS 8	Accounting Policies, Changes in
IAS 10	Events After the Reporting Period
IAS 12	Income Taxes
IAS 16	Property, Plant & Equipment
IAS 18	Revenue
IAS 19	Employees Benefits
IAS 23	Borrowing Costs
IAS 24	Related Party Disclosures
IAS 33	Earnings Per Share
IAS 37	Provisions, Contingent Liabilities and
IAS 38	Intangible Assets
IAS 39	Financial Instruments: Recognition
IFRS 01	First-time Adoption of International
IFRS 07	Financial Instruments: Disclosures
IFRS 13	Fair Value Measurement
IFRS 16	Leases

Taufika Foods and Agro Industries Limited
Explanatory Notes to the Financial Statements
As at and for the period from 1 July 2019 to 30 June 2020

3.00 Summary of Significant Accounting Policies

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 the format of financial statements were also taken into full consideration for fair presentation.

3.01 Property, Plant & Equipment (PPE)

i) Recognition of Property, Plant & Equipment

These are capitalized at cost of acquisition and revalued amount and subsequently stated at cost less accumulated depreciation. The cost of acquisition comprises of purchase price, including import duties and non-refundable Taxes and any directly attributable cost of bringing the assets to its working condition for its intended use. Expenditure incurred after the assets have been put into operation, such as repairs and maintenance is normally charged off as revenue expenditure in the period in which it is incurred. In situation where it can be clearly demonstrated that the expenditure has resulted in an increase in the future economic benefit expected to be obtained from the use of the PPE, the expenditure is capitalized as an additional cost of the PPE.

On retirement or otherwise disposal of PPE, the cost and accumulated depreciation are eliminated and any gain or loss on such disposal is reflected in the income statement which is determined with reference to the net book value of PPE and the net sales proceeds.

ii) Depreciation

Depreciation on all PPE other than Land & Land development has been charged when the PPE was available for use and is computed using the Reducing balance method so as to write off the assets over their expected useful life. Office space is depreciated as per lease contract.

After considering the useful life of PPE as per IAS-16, the annual depreciation rates have been applied as under which is considered reasonable by the management.

Particulars	30 June, 2020	30 June 2019
Land & Land Development	0%	0%
Building & Civil Works	5%	5%
Plant and Machinery	10%	10%
Furniture and Fixtures	10%	10%
Freezer	10%	10%
Office Equipment	10%	10%
Motor Vehicles	20%	20%
Computer Software	50%	50%

3.02 Capital Work-in-progress

Capital work-in-progress represents the cost incurred for acquisition and/or construction of property, plant and equipment that were not ready for use at the end of the period 30 June 2020 and these are stated at cost. Previous year's capital work in progress TK 11,592,013 adjusted with plant and machinery in addition of this year.

3.03 Impairment of assets

All Fixed assets have been reviewed and it was confirmed that no such fixed assets have been impaired during the year and for this reasons, no provision has been made for impairment of assets.

Taufika Foods and Agro Industries Limited
Explanatory Notes to the Financial Statements
As at and for the period from 1 July 2019 to 30 June 2020

3.04 Revenue Recognition

As per IFRS-15 "Revenue from Contracts with Customers", Revenue is too recognized when it is probable that the economic benefits associated with the transaction will flow to the organization and the amount of revenue can be measured reliably. The Company recognizes revenue at the point of raising invoices to the customers/clients. Turnover is shown net of return and discount. Sales revenue is recognized on accrual basis as and when goods are delivered.

Other Income

All other income is recognized when the Company's right to receive such income has been reasonably determined and all conditions precedent is satisfied.

3.05 Long Term Loan

Long Term loans are non-current liabilities arising from loans taken from different banks which are repayable within more than one year.

3.06 Short term loan and bank overdraft

Short term loans are current liabilities arising from loans taken from different banks which are repayable within one year. Bank overdrafts are repayable on demand which were taken to meet up the working capital requirement.

3.07 Liability for expenses

Liabilities are recognized for amounts to be paid in future for goods and services, whether or not billed by the suppliers.

3.08 Advances, deposits and pre-payments

Advances, Deposits & Pre-payments are unsecured but considered good.

i) Advances

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

ii) Deposits

Deposits are measured at payment value.

iii) Prepayments

Prepayments are initially measured at cost. After initial recognition, prepayments are carried at cost less charge to profit and loss accounts.

3.09 Inventories

Inventories comprise Raw Materials, Packaging Material, Finished Goods and Work in process. They are stated at the lower of cost or net realizable value in accordance with IAS 2 "Inventories" after making due allowance for any obsolete or slow moving item. The costs of inventories are assigned by using weighted average cost method. Net realizable value of Work in Process is determined after deducting the estimated cost of completion and estimated cost necessary to make the sale from estimated selling price.

Taufika Foods and Agro Industries Limited
Explanatory Notes to the Financial Statements
As at and for the period from 1 July 2019 to 30 June 2020

3.10 Basis of valuation of inventories

<u>Category</u>	<u>Basis of</u>
Finished products and work-in-process	At the lower of cost and net realizable value. The cost includes allocation of production overheads that relate to bringing the inventories to their present condition and location.
Raw and packaging materials	At the lower of cost and net realizable value.
Spares accessories & others	At the lower of cost and net realizable value.
Goods in transit	At cost including related charges.

3.11 Finance Costs:

Finance costs comprise interest expense on bank loan and other borrowings and are recognized in the income statement using effective interest method.

3.12 Finance Income:

Finance income comprise of interest income receivable from FDR from Trust Bank Ltd. and Shimanto Bank Ltd. And also interest received from bank current accounts.

3.13 Employees' benefit schemes

i) Defined contribution fund (Provident fund)

The Company maintains an equal contributory recognized provident fund @10% for its eligible permanent employees. The provident fund is being considered as defined contribution plan being managed by a separate Board of Trustees.

ii) Workers' profit participation and welfare fund

The Company recognizes a provision for workers' profit participation and welfare fund (WPPF) @ 5% of income before tax and it has been managing, disbursing and investing as per provisions of the Bangladesh Labour (Amendment) Act, 2013. The Company is making the payment within nine months at the end of the relevant financial year. 80% of the Fund is being paid to eligible employees, 10% to Government Workers Welfare Foundation and remaining 10% to Taufika Foods and Agro Industries Limited Employees Welfare Fund as per

iii) Group insurance scheme

The Company operates a group insurance scheme for its permanent employees as per provision of the Bangladesh Labor (Amendment) Act, 2013. The permanent employees include full time permanent employees and workers of the Company. Payment in this regard has been accounted for in the accompanying financial statements

3.14 Statement of Cash flows

Cash Flow Statement is prepared in accordance with IAS-7: Statement of Cash Flows under Direct Method as prescribed by Bangladesh Securities and Exchange (BSEC) rule 1987

3.15 Cash and Cash Equivalents

Cash and cash equivalents consist of bank balances, cash in hand and cash equivalents like demand draft, pay orders etc in hand that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Taufika Foods and Agro Industries Limited
Explanatory Notes to the Financial Statements
As at and for the period from 1 July 2019 to 30 June 2020

3.16 Trade receivables

Trade receivables are recognized and stated at original invoiced amounts and carried at anticipated realizable values. Bad debts are written off when it is established that they are irrecoverable. No bad debt incurred in the period.

3.17 Trade payables

Trade payables are stated at cost which approximates the fair value of the consideration to be paid for goods and services received.

3.18 Provisions

All provision is recognized on the balance sheet date if, as a result of a past event. The company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefit will be required to settle the obligation.

3.19 Borrowings Costs

Financial Expenses (Borrowing Costs) incurred during the year was recognized as revenue expenses in accordance with IAS-23 "Borrowings Costs". No borrowing cost incurred during the period.

3.20 Income Tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in the income statement, except to the extent that it relates to items recognised other comprehensive income or directly in equity. In this case, the tax is recognised in other comprehensive income or directly in equity, respectively.

i) Current Tax

Necessary provision for tax has been made as per Income Tax Ordinance 1984. Current tax is the expected tax payable on the taxable income for the financial year, using tax rates enacted or subsequently enacted after the reporting date and any adjustment to tax payable in respect of previous years. Provision for taxation is calculated on the basis of applicable current tax rate and non-compliance with Finance Act on the accounting profit made by the company as per ITO 1984 in compliance with IAS-12 "Income Taxes".

ii) Deferred Tax

Deferred Tax assets and liabilities are measured using tax rates and tax laws that have been enacted or subsequently enacted at the balance sheet date. The impact on the account of changes in the deferred tax assets and liabilities for the year ended June 30, 2020 has been recognized in the statement of Profit or Loss and other comprehensive income as per IAS-12 "Income Taxes".

3.21 Contingent Liabilities and Assets

Contingent liabilities are current or possible obligations, arising from past events and whose existence is due to the occurrence or non- occurrence of one or more uncertain future events, which are not within the control of the company. In accordance with IAS 37 provisions, contingent liabilities and contingent assets, there were no contingent liabilities and assets.

- i. the company has transferred to the buyer the significant risks and rewards of ownership of the goods;
- ii. the company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- iii. the amount of revenue can be measured reliably;
- iv. it is probable that the economic benefits associated with the transaction will flow to the company; and
- v. the cost incurred or to be incurred in respect of the transaction can be measured reliably.

Taufika Foods and Agro Industries Limited
Explanatory Notes to the Financial Statements
As at and for the period from 1 July 2019 to 30 June 2020

3.22 VAT

The Company's net sales is considered with 15% applicable VAT and 5% supplementary duty.

3.23 Statement of Changes in Equity

Statement of changes in equity is prepared in accordance with IAS-1 "Presentation of Financial Statements". This statement reflects information about the increase or decrease in net assets or wealth.

3.24 Related party disclosures

The Company carried out a number of transactions with related parties in the normal course of business and on an arms' length basis. The information as required by IAS-24: "Related Party Disclosures" has been disclosed in a separate note to the financial statements.

3.25 Materiality and aggregation

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

3.26 Segment information

The Company is primarily engaged in the manufacturing and selling of similar type of products. The Company's business is not organized in such a way which may identify different products/ geographical components structurally. Hence segmentation within a wide portfolio of products/ geographical location is not a part of the regular internally reported financial information to the operating decision makers. Therefore, it is not possible to segment the Company's results by products/ geographic location which might involve a high degree of estimation.

3.27 Earnings per Share

This has been calculated in compliance with the requirements of IAS 33: "Earnings Per share" by dividing the basic earnings by the number of ordinary shares outstanding during the year.

3.28 Basic Earning

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

3.29 Changes in significant accounting policies - IFRS 16 Leases

30.01 IFRS 16 Leases

Nature and effect of Changes

Previously, TFAIL determined at contract inception whether an arrangement is or contains a lease under IFRIC 4. Under IFRS 16, TFAIL assesses whether a contract is or contains a lease based on the definition of a lease.

On transition to IFRS 16, TFAIL evaluated all types of contracts to assess whether a contract is or contains, a lease at the date of initial application.

As a Lessee

As a lessee, TFAIL previously classified leases as operating or finance leases based on its assessment of whether the lease transferred significantly all of the risks and rewards incidental to ownership of the underlying asset to TFAIL. Under IFRS 16, TFAIL recognises right-of-use assets and lease liabilities for all leases.

Taufika Foods and Agro Industries Limited
Explanatory Notes to the Financial Statements
As at and for the period from 1 July 2019 to 30 June 2020

(i) Leases classified as operating leases under IAS 17

At transition, lease liabilities were measured at the present value of the remaining lease payments, discounted at TFAIL's incremental borrowing rate as at 01 July 2019. Right-of-use assets are measured at an amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments.

(ii) Leases previously classified as finance leases

For leases that were classified as finance leases under IAS 17, the carrying amount of the right-of-use asset and the lease liability at 01 July 2019 are determined at the carrying amount of the lease asset and lease liability under IAS 17.

As at 01 July 2019:

Right-of-use assets of BDT 271,982,626 were recognised and presented separately in the statement of financial position. This includes the lease assets recognised previously under finance leases of BDT 261,085,525 that were reclassified from property, plant and equipment and Office rent were discounted at BDT 10,897,101.

When measuring lease liabilities, TFAIL discounted lease payments using its incremental borrowing rate 12% at 01 July 2019. And advance against the lease is BDT 11,50,000 which will be adjusted in covering last installments.

following summarises the impacts of adopting IFRS 16 on the TFAIL's statement of financial position as at at 30 June, 2020

Taufika, Foods and Agro Industries Limited

Impact On Statement of Financial Position As at 30 June 2020

PARTICULARS	Amount in Taka		
	Reported as per IFRS 16 as on 30-June-2020	Adjustments	As per IAS 17 as on 30-June-2020
Current Assets	1,189,064,839	8,536,063	1,180,528,776
Intangible Assets	271,982,625	271,982,625	
Plant & Equipments	904,292,074	(263,446,563)	1,167,738,636
Assets	738,640		738,640
Work-in-progress	-		-
	12,051,500		12,051,500
	-		-
Net Assets	693,595,747	-	693,595,747
Other Receivables	264,612,631		264,612,631
Trade Receivables	268,775,026		268,775,026
Other Receivables	-		-
Deposits & Prepayments	55,633,223		55,633,223
Cash Equivalents	104,574,867		104,574,867
	-		-
ASSETS (A+B)	1,882,660,586	8,536,063	1,874,124,523
LIABILITIES:			
Shareholders' Equity	701,050,672	(645,645)	701,696,317
Share Capital	550,000,000		550,000,000
Share Premium	-		-
Retained Earnings	151,050,672	(645,645)	151,696,317
	-		-
Current Liabilities	746,056,418	7,034,198	739,022,220
Tax Liability	64,656,247	(94,442)	64,750,689
Loan	462,409,397		462,409,397
Provision	218,990,774	7,128,640	211,862,134
	-		-
Net Liabilities	435,553,495	2,147,509	433,405,986
Portion of Long-term Loan	132,116,971		132,116,971
Portion of Lease Loan	56,658,657	1,925,897	54,732,760
Other Loan	83,709,500		83,709,500
Other Loan	-		-
Other Payables	91,224,736		91,224,736
Provision for Expenses	15,846,626		15,846,626
Provision for WPPF	8,775,549	(22,395)	8,797,944
Provision for Income Tax	47,221,457	244,007	46,977,450
	-		-
Liabilities & Liabilities:	1,882,660,586	8,536,062	1,874,124,523

a. The following summarises the impacts of adopting IFRS 16 on the TFAIL's statement of statement of profit or loss for the period from 01 July 2019 to 30 June, 2020.

Taufika Foods and Agro Industries Limited
Impact on Statement of Profit or Loss and other Comprehensive Income
For the period from 1 July 2019 to 30 June 2020

PARTICULARS	Amount in Taka		
	Reported as per IFRS 16 as on 30-June-2020	Adjustment	As per IAS 17 as on 30-June-2020
Sales	942,869,150		942,869,150
Less: Cost of Goods Sold	552,392,597	563,083	551,829,514
Gross Profit	390,476,553	(563,083)	391,039,636
Operating Expenses:	149,280,037	(1,263,663)	150,543,700
Administrative Expenses	18,701,781	(2,866,320)	21,568,101
Marketing Expenses	130,578,256	1,602,657	128,975,599
Operating income	241,196,516	700,580	240,495,936
Financial Expenses	155,147,618	1,170,864	153,976,754
Finance Cost	155,147,618	1,170,864	153,976,754
Profit before other income	86,048,898	(470,284)	86,519,182
Other Income	3,455,781		3,455,781
Net profit before WPPF	89,504,679	(470,284)	89,974,964
Provision for WPPF	4,262,128	(22,394)	4,284,522
Net Profit Before Tax	85,242,552	(447,890)	85,690,441
Income Tax Expense	23,189,490	(168,267)	23,357,756
Current Tax	21,733,994	244,007	21,489,987
Deferred Tax	1,455,496	(412,274)	1,867,770
	-		
Net Profit after Tax	62,053,062	(279,623)	62,332,685
Other Comprehensive Income	-		
Total Comprehensive Income	62,053,062	(279,623)	62,332,685

following summarises the impacts of adopting IFRS 16 on the TFAIL's statement of statement of cashflow for the period from 01 July 2019 to 30 June, 2020.

Taufika Foods and Agro Industries Limited
Impact on Statement of Cash Flows
For the period from 1 July 2019 to 30 June 2020

PARTICULARS	Note	Amount in Taka		
		Reported as per IFRS 16 as on 30-June-2020	Adjustment	As per IAS 17 as on 30-June-2020
Flows from Operating Activities :				
Received from Customers		894,302,593		894,302,593
Received from other Sources		3,455,781		3,455,781
Paid to Suppliers and Creditors		(508,309,670)		(508,309,670)
Paid for Operating Expenses		(63,133,595)	(2,880,000)	(66,013,595)
paid for Income Taxes		(10,635,851)		(10,635,851)
Cash inflow/(outflow) from operating activities		315,679,258.11	(2,880,000)	312,799,258
Flow from Investing Activities:				
Acquisition of Property, Plant & Equipment		(228,078,889)	2,361,039	(225,717,850)
Investment		(12,051,500)		(12,051,500)
Work in Progress		-		-
Cash inflow/ (outflow) in Investing Activities		(240,130,389)	2,361,039	(237,769,350)
Flow from Financing Activities:				
Capital		214,550,000		214,550,000
Loan		(94,027,388)	(651,903)	(94,679,291)
Company Receivable		4,820,000		4,820,000
Financial Expenses		(155,147,618)	1,170,864	(153,976,754)
Cash inflow/(outflow) in financing activities		(29,805,006)	518,961	(39,026,544)
(Decrease) in Cash and Cash Equivalent (A+B+C)		45,743,864	0	45,743,864
Change of Cash and Cash Equivalent		58,831,003	-	58,831,003
Cash and Cash Equivalent (D+E)		104,574,867	0	104,574,867

Taufika Foods and Agro Industries Limited
Explanatory Notes to the Financial Statements
For the year ended June 30, 2020

	Amount in Taka	
	2019-20	2018-19
Property, Plant & Equipment		
At Cost:		
Opening Balance	978,537,603	821,180,449
Addition During the Year	222,082,346	157,357,154
Closing balance	1,200,619,949	978,537,603
Accumulated Depreciation:		
Opening Balance	213,192,865	142,602,428
Addition During the Year	83,135,011	70,590,437
Closing Balance	296,327,876	213,192,865
Written Down Value	904,292,073	765,344,738

(Details of Property, Plant & Equipment are provided in the Annexure-A)

ROU Assets		
At Cost:		
Opening Balance	396,487,133	396,487,133
Addition During the Year	10,897,101	-
Closing balance	407,384,234	396,487,133
Accumulated Depreciation:		
Opening Balance	99,602,521	60,978,759
Addition During the Year	35,799,088	38,442,143
Closing Balance	135,401,609	99,420,902
Written Down Value	271,982,626	297,066,231

(Details of Property, Plant & Equipment are provided in the Annexure-A)

Intangible Assets		
At Cost:		
Opening Balance	2,385,996	1,580,996
Addition During the Year	310,437	805,000
Closing Balance	2,696,433	2,385,996
Accumulated Depreciation:		
Opening Balance	1,374,372	765,247
Addition During the Year	583,422	609,125
Closing Balance	1,957,793	1,374,372
Written Down Value	738,640	1,011,625

(Details Intangible Assets are provided in the Annexure-A)

Taufika Foods and Agro Industries Limited
Explanatory Notes to the Financial Statements
For the year ended June 30, 2020

Amount in Taka	
2019-20	2018-19
	11,592,013
-	11,592,013

Capital Work in Progress

Storage Box
Plant & Machinery

Previous year's capital work in progress TK 11,592,013 adjusted with Property, plant and machinery in addition of this year.

Investment

FDR Investment

7.01

12,051,500	-
12,051,500	-

FDR Investment

Name of Bank

FDR No.

Tenure

Trust Bank

0022-0330059006

26.09.2020

10,000,000

Shimanto Bank

1001-343000092

17.01.2020

2,051,500

12,051,500

Inventories

Raw Materials

165,471,075

145,175,926

Work in Progress

15,544,814

4,587,500

Finished Goods

83,596,742

69,163,731

264,612,631

218,927,157

At the end of the year physical verification of Inventories were carried out.
(Details of Inventories are provided in the Annexures)

Trade & Other Receivables

Trade Receivables

9.01

268,775,026

220,208,469

268,775,026

220,208,469

Trade Receivables

Bogra Territory

19,728,817

18,363,536

Khulna Territory

15,002,878

2,532,374

Barisal Territory

14,580,658

5,310,438

Rangpur Territory

18,505,332

10,040,630

Chittagong Territory

25,615,125

22,791,782

Cumilla Territory

25,446,856

22,685,713

Uttara Territory

25,566,396

28,753,387

Rampura Territory

32,561,804

48,756,298

Natrabari Territory

16,263,307

4,963,401

Sylhet Territory

19,715,930

11,772,744

Faridpur Territory

15,676,718

5,208,155

Mosilla Territory

29,840,283

39,030,010

Cox's Bazar Territory

10,270,923

268,775,026

220,208,469

Taufika Foods and Agro Industries Limited
Explanatory Notes to the Financial Statements
For the year ended June 30, 2020

		Amount in Taka	
		2019-20	2018-19
Ageing of Trade receivables			
Due for 3 months	0.27	72,396,711	59,314,919
Due for 3 to 6 months	0.68	183,798,209	150,586,618
Due for above 6 months	0.05	12,580,107	10,306,932
		<u>268,775,026</u>	<u>220,208,469</u>

ation as per requirements of the Para 4 Part I, schedule XI, of the Companies Act, 1994 regarding Trade
as on June 30, 2020 are as follows:

Particulars	30 June, 2020	30 June, 2019
Receivables considered good in respect of which the company is fully secured.		
Receivables considered good in respect of which the company holds no security other than the debtor personal security.	268,775,026	220,208,469
Receivable considered doubtful or bad.		
Accounts Receivable due by any director or other officer of the company or any of them either severally or jointly with any other person or debts due firm or private companies respectively in which any director is a partner or a director or a member to be separately stated.		
Receivables due by companies under the same management to be disclosed with the names of the companies;		
The maximum amount of receivable due by any director or other officer of the company at any time during the year to be shown by way of a note.		

- i) Debt considered good and in respect of which the company can realize it fully.
- ii) Debts considered good for which the company holds no security other than the debtors personal security
- iii) Management considered the trade receivables are collectible and thus no provision had been made.
- iv) There is no such trade receivables due by or to director or other officers of the company.

Inter-company Receivables

Taufika Engineering Limited (TEL)		4,820,000
	-	<u>4,820,000</u>

Last year outstandings has been received during the period.

Advance, Deposits & Pre-payments

Advance	11.01	34,402,600	29,558,198
Deposit	11.02	19,882,424	19,007,104
Pre-payments	11.03	1,348,198	1,463,824
		<u>55,633,223</u>	<u>50,029,126</u>
Advance			
AIT & Source Tax	11.01.01	28,020,549	17,384,698
Advance to BSTI & Halal Sonod		760,567	1,023,500
Advance for Office Rent		1,150,000	1,150,000
Advance to Supplier		4,471,484	10,000,000
		<u>34,402,600</u>	<u>29,558,198</u>

Taufika Foods and Agro Industries Limited
Explanatory Notes to the Financial Statements
For the year ended June 30, 2020

		Amount in Taka	
		2019-20	2018-19
Deposit			
L/C margin	11.02.01	19,882,424	18,750,747
VAT Current Accounts		-	256,357
		19,882,424	19,007,104
Pre-payments			
Karnahuli Insurance Co. Ltd.		896,891	1,463,824
Metlife Insurance Co. Ltd.		115,499	-
Eastern Insurance Co. Ltd.		180,106	-
Sena Kalyan Insurance Co. Ltd.		155,702	-
		1,348,198	1,463,824
AIT & Source Tax			
Opening Balance		17,384,698	13,494,919
Addition During the Year		10,635,851	10,259,426
		28,020,549	23,754,345
Adjustment During the Year		-	(6,369,647)
Closing Balance		28,020,549	17,384,698
L/C margin			
Opening Balance		18,750,747	17,937,768
Addition during the year		19,882,424	18,750,747
Net Adjustment During the Year		(18,750,747)	(17,937,768)
Closing Balance		19,882,424	18,750,747

Disclosure as per Schedule-XI, Part -I, of The Companies Act, 1994

Advance, deposits & prepayments considered good & secured	55,633,223	50,029,126
Advance, deposit & prepayments considered Good without security		
Advance, deposit & prepayments considered doubtful & bad		
Advance, deposit & prepayments due by directors or other officers & staffs		
Advance, deposit & prepayments due from companies under same management		
Maximum advance due by directors or officers & staffs at any time		
Total	55,633,223	50,029,126

Taufika Foods and Agro Industries Limited
Explanatory Notes to the Financial Statements
For the year ended June 30, 2020

	Amount in Taka	
	2019-20	2018-19
Share Capital		
Authorized Capital		
(100,000,000 Ordinary shares of Tk.10 each)	<u>1,000,000,000</u>	<u>1,000,000,000</u>
Issued, Subscribed and Paid-up		
55,000,000 shares of Tk.10 each	<u>550,000,000</u>	<u>65,450,000</u>
Shareholding Position is as follows:		

Sl. No.	Name of shareholders	Percentage of Shareholdings		Number of Shares	
		2019-20	2018-19	2019-20	2018-19
1	Md. Ekramul Haque	60.00%	64.94%	33,000,000	4,250,000
2	Ms Shamima Nargis Haque	5.27%	17.57%	2,900,000	1,150,000
3	Taufika Engeneering Limited	21.00%	0.76%	11,550,000	50,000
4	Muhsinina Taufika Ekram	3.73%	0.76%	2,050,000	50,000
5	Abu Taher Muhammed	1.82%	15.28%	1,000,000	1,000,000
6	Md. Abdus Sultan	1.32%	0.08%	725,000	5,000
7	Zakir Hossain	0.18%	0.08%	100,000	5,000
8	Kazi Amdadul Haque	1.93%	0.08%	1,060,000	5,000
9	Rizvi Kaiser	0.02%	0.08%	10,000	5,000
10	Md. Saiful Islam Helaly	1.90%	0.08%	1,045,000	5,000
11	Md. Mizanur Rahman	0.01%	0.08%	5,000	5,000
12	Tahmina Chowdhury	0.37%	0.08%	205,000	5,000
13	Masuma Khatun	0.46%	0.08%	255,000	5,000
14	Hosne Ara Begum	1.99%	0.08%	1,095,000	5,000
	Total	100%	100%	55,000,000	6,545,000

Share Money Deposit		
Opening Balance	270,000,000	270,000,000
Add: Addition During the Period	-	-
Less: Adjustments	(270,000,000)	-
Closing Balance	<u>-</u>	<u>270,000,000</u>

Retained Earnings		
Opening Balance	89,363,632	27,718,346
Add: Profit During the Period	62,053,062	61,645,286
Add: Prior year Office Rent adjustment	240,000	-
Less: Prior year Interest Expence adjustment	(106,571)	-
Less: Prior year depreciation adjustment	(181,618)	-
Less: Prior year DT adjustment	(317,832)	-
Closing Balance	<u>151,050,672</u>	<u>89,363,632</u>

Taufika Foods and Agro Industries Limited
Explanatory Notes to the Financial Statements
For the year ended June 30, 2020

Amount in Taka	
2019-20	2018-19

Deferred Tax Liability

Opening Balance	62,882,919	56,422,556
Add: During the Year	1,455,496	6,460,363
Closing Balance	<u>64,656,247</u>	<u>62,882,919</u>
As on 30 June 2020		
WDV as per Accounts	1,092,651,849	979,061,103
WDV as per 3rd Schedule	893,709,550	799,395,620
Temporary Difference	<u>198,942,299</u>	<u>179,665,484</u>
Applicable Tax Rate	32.50%	35.00%
Deferred Tax Liability	64,656,247	62,882,919
Deferred Tax Liability	64,656,247	62,882,919

Long -term Loan

Long-term Loan from AB Bank Limited	17.01	514,278,279	604,882,332
Long-term Loan from Shimanto Bank Limited	17.02	80,248,088	-
		<u>594,526,368</u>	<u>604,882,332</u>

Current Portion Classification

Due within one year	132,116,971	134,418,296
Due after one year	462,409,397	470,464,036
	<u>594,526,368</u>	<u>604,882,332</u>

Loan from AB Bank Limited

A/C: 4005-788707-466	514,278,279	604,882,332
	<u>514,278,279</u>	<u>604,882,332</u>

Nature of Security of Loans:

Particulars	Details
Name of Bank & Financial Institute	AB Bank Limited
Type of Facility	Long Term Loan
Limit	BDT 741,100,000
Repayment	Monthly
Interest Rate	15.00%
Period of Loan	54 months
Expiry Date	Sunday, January 15, 2023
Renewal Status	Renewed
Securities	i. 271.50 decimal Project Land and Buildings ii. Personal guarantee of the directors
Purpose	To retire import documents of L/Cs to import brand new capital machinery

Taufika Foods and Agro Industries Limited
Explanatory Notes to the Financial Statements
For the year ended June 30, 2020

Amount in Taka	
2019-20	2018-19

2 Long-term Loan from Shimanto Bank Limited

1001741000052	17,754,865
1001741000061	2,430,147
1001741000070	3,143,141
1001741000089	6,488,188
1001741000098	2,181,376
1001741000105	1,920,341
1001741000114	17,971,098
1001741000123	16,588,706
1001741000141	5,596,796
1001741000150	6,173,430
	80,248,088

Nature of Security of Loans:

Particulars	Details
Name of Bank & Financial Institute	Shimanto Bank Limited
Type of Facility	Long Term Loan
Limit	BDT TK 9.00 Crore
Repayment	Monthly
Interest Rate	12% p.a with monthly rest or as revised from time to time by SMBL
Period of Loan	60 months
Expiry Date	5 Years from the the date of 1st disbursement.
Renewal Status	Renewed
Securities	i. Joint Registration and comprehensive insurance of vehicles ii. Postdated Cheque covering each EMI
Purpose	To purchase glass top deep freezer, storage box for cold room, pick

Lease Liability

Lease Loan from Lankabangla	18.01	266,594,894	311,201,167
Office Space	18.02	9,054,537	
		275,649,431	311,201,167

Current Portion Classification

Due within one year		56,658,657	62,240,233
Due after one year		218,990,774	248,960,934
		275,649,431	311,201,167

Taufika Foods and Agro Industries Limited
Explanatory Notes to the Financial Statements
For the year ended June 30, 2020

Amount in Taka	
2019-20	2018-19

Lease Loan from Lankabangla

0013 7140000004	-	129,023
0013 7140000006	10,436,735	12,528,248
0013 7140000007	1,230,357	1,497,392
0013 7140000009	1,777,261	2,120,923
0013 7140000010	-	6,896,461
0013 7140000011	737,207	984,775
0013 7140000013	-	9,140,327
0013 7140000014	-	12,486,841
0013 7140000015	355,819	438,869
0013 7140000016	-	4,153,165
0013 7140000018	3,641,058	3,957,937
0013 7140000019	3,762,046	4,062,203
0013 7140000020	1,025,273	1,230,593
0013 7140000021	3,106,744	3,362,049
0013 7140000022	2,502,362	2,667,004
0013 7140000023	878,435	973,600
0013 7140000024	16,788,518	16,800,446
0011 7140000052	35,200,619	37,685,205
0011 7140000054	8,028,060	8,616,358
0011 7140000056	7,921,690	8,442,220
0011 7140000073	1,706,610	1,812,296
0011 7140000086	34,266,327	35,886,755
0011 7220000061	42,329,756	44,109,811
	90,900,016	91,218,665
	266,594,894	311,201,167

Nature of Security of Loans:

Particulars	Details
Name of Bank & Financial Institute	Lanka Bangla Finance Limited
Type of Facility	Lease Finance
Limit	BDT 316,200,725
Repayment	Quarterly
Interest Rate	11.00%
Period of Loan	60 months
Expiry Date	June, 2022
Renewal Status	N/A
Securities	i. Subsequent Charges/Hypothecation on all the Fixed Assets of TFAIL ii. Ownership of Leased Assets iii. Personal Guarantee of Directors iv. Corporate Guarantee of Taufika Engineering Limited (TEL)
Purpose	To procure Glass Top Deep Freezer and Try Cycle, Ref. Van & Cold Store



Taufika Foods and Agro Industries Limited
Explanatory Notes to the Financial Statements
For the year ended June 30, 2020

Amount in Taka	
2019-20	2018-19

Lease Liability (Office Space)

Office Space	10,897,101	-
Less: Adjustment for IFRS 16 for prior year	(133,429)	-
Less: Adjustment for IFRS 16 for Current year	(1,709,136)	-
	<u>9,054,537</u>	<u>-</u>

Current Portion Classification

Due within one year	1,925,897	-
Due after one year	7,128,640	-
	<u>9,054,537</u>	<u>-</u>

Short-term Loan

Short-term Loan AB Bank	19.01	15,765,273	15,323,885
Short-term Loan Trust Bank	19.02	67,944,227	108,102,668
		<u>83,709,500</u>	<u>123,426,553</u>

These loans are taken to finance import materials value and L/C related expenses. The average tenure of these facilities are normally 06 months with renewal option. The rate of interest/profit against these facilities range from 13% to 15%.

Short-term Loan AB Bank

SOD	15,765,273	15,323,885
	<u>15,765,273</u>	<u>15,323,885</u>

Short-term Loan Trust Bank

Loan Against Trust Receipt (LTR)	67,786,752	58,241,600
Overdraft (Working Capital)	157,475	10,291,606
Time Loan	-	39,569,462
	<u>67,944,227</u>	<u>108,102,668</u>

Trade & Other Payables

Trade Payables	20.01	12,494,356	12,710,470
Others Payables	20.02	78,730,381	39,573,688
		<u>91,224,736</u>	<u>52,284,158</u>

Taufika Foods and Agro Industries Limited
Explanatory Notes to the Financial Statements
For the year ended June 30, 2020

Amount in Taka	
2019-20	2018-19

Trade Payables

Bengal Flexipak	957,020	2,465,669
Bismillah Packaging & Printing	1,320,511	1,602,636
Brother's Printing & Packaging	-	240,637
Siam Chemical	1,274,796	200,000
Noorani Agro & Food Complex Ltd	741,758	252,843
Danish Condense Milk Ltd	-	200,000
R M Poly & Packaging	509,590	302,450
Jahanara Plastics Product	429,812	693,397
A K S Printing & Packaging	1,544,442	369,675
Emkay Enterprise	-	130,385
Famous Iberchem	80,959	148,141
Famous Printing & Packaging Ltd	-	1,258,558
MM Plastic	485,740	985,780
Mais Industries Ltd	1,424,526	587,850
PremiaFlex Plastic Ltd	840,890	650,000
International Television Channel LTD.	1,478,226	921,300
East West Media Group Ltd	-	144,782
Maasranga Communications Ltd.	7,200	207,000
MMX advertising communication	96,417	34,615
Totalplus Industries Ltd	904,700	1,314,752
RTR Traders	6,543	-
Opus Sign	353,049	-
Rivers Sign	38,179	-
	12,494,356	12,710,470

This represents amount payable to suppliers of raw materials, packing materials and finished goods. All suppliers were paid on a regular basis.

Ageing of Trade Payables

Due for 3 months	10,620,202	10,803,900
Due for 3 to 6 months	1,249,436	1,271,047
Due for above 6 months	624,718	635,524
	12,494,356	12,710,470

Others Payables

Payable for PPE	7,501,262	6,522,836
Upas-EBL Payable	17,155,346	33,050,852
VAT payable	54,073,773	-
	78,730,381	39,573,688

VAT payable has been paid within 25.08.2020

Taufika Foods and Agro Industries Limited
Explanatory Notes to the Financial Statements
For the year ended June 30, 2020

	Amount in Taka	
	2019-20	2018-19
Liabilities for Expenses		
Audit Fees	172,500	115,000
Electricity Bill Payable	1,592,283	2,351,717
Salary & Wages Payable	6,149,141	5,801,086
Tax Payable	-	1,870,347
Payable for PF	7,174,456	2,025,734
Interest Payable	-	765,820
Rent Payable	258,963	684,250
TDS Payable	349,283	29,750
Remuneration Payable	150,000	500,000
	15,846,626	14,143,704

All these payables are temporary in nature and repayable in demand. No interest/profit is charged for these payables. Its derived from taking different types of service.

Provision for WPPF :

Opening Balance	8,708,433	4,144,458
Add: Addition During the year	4,262,128	4,563,975
	12,970,561	8,708,433
Less: Paid During the year	(4,195,012)	-
Closing Balance	8,775,549	8,708,433

The management of Taufika Foods and Agro Industries Limited have already taken all necessary steps to maintain compliance and they take decision to deposit all amounts within one year.

Provision for Income Tax

Opening Balance		25,487,463	10,573,700
Current Year Provision		21,733,994	25,487,462
Previous Year Provision adj.	AY 2016-17 & 2017-18	-	1,311,172
Previous Year Provision adj.	AY 2018-2019	-	(3,624,782)
Total Current Year Provision		21,733,994	23,173,852
Adjustment During the year		47,221,457	33,747,553
Closing Balance		47,221,457	25,487,463

Tax Computation

Business Income	81,786,770	85,177,282
Other Income	3,455,781	6,102,220
Total Income	85,242,551	91,279,502
Acc. Dep	119,517,520	109,641,705
Tax Dep	(137,886,244)	(128,099,885)
Total Taxable Income	66,873,828	72,821,322
Applicable tax Rate	32.50%	35.00%
Current Year Tax	21,733,994	25,487,463



Taufika Foods and Agro Industries Limited
Explanatory Notes to the Financial Statements
For the year ended June 30, 2020

24.00 Sales

	Amount in Tk.	
	2019-20	2018-19
Gross Sales	1,138,514,499	1,061,323,254
Less: (SD+VAT)	195,645,349	138,433,469
Net Sales	942,869,150	922,889,785

Quantity wise Sales Information:

Item	2019-20	2018-19
Lolly (All Kinds) 62 MI Ice Cream	9,497,376	9,296,127
Chocobar 72 MI	80,021,172	78,325,526
Hidden Heart Single 50 MI	124,968,337	122,320,262
Hidden Heart Double 71 MI	-	-
Heart Beat Double 60 MI	-	-
Heart Beat Single 41 MI	-	-
Cruncy Bar Mega 82 MI	7,196,984	7,044,480
Cruncy Bar Mini 52 MI	32,983,479	32,284,560
Sheel & Core 62 MI	4,290,010	4,199,105
Malai Ice Cream 55 MI	11,816,828	11,566,430
Cup Regular 100 MI (All Flav.)	137,701,198	134,783,314
Cup Regular 50 MI (All Flav.)	5,050,708	4,943,684
1 Ltr. Container Ice Cream	42,534,217	41,632,918
750 MI Container Ice Cream	2,348,770	2,299,000
500 MI Container Ice Cream	51,091,686	50,009,055
250 MI Container Ice Cream	39,852,811	39,008,331
Hazel Beats 80 MI Ice Cream	4,407,396	4,314,003
Toffe Beats 80 MI Ice Cream	3,625,123	3,548,307
Chocoblast 100ML	8,476,785	8,297,162
Cone Maxi 121 MI (All Flav.)	129,460,517	126,717,253
Cone Mini 72 MI (All Flav.)	132,754,623	129,941,557
Round Shape Cake 1 Ltr.	1,407,885	1,378,052
Heart Shape Cake 1.5 Ltd.	283,367	277,362
Swirly Sundae 100 MI	3,797,986	3,717,507
Kulfi 50 MI Ice Cream	79,253,029	77,573,660
Double Sundy 1 Ltr. Ice Cream	9,697,994	9,492,494
Shahi Khajur Malai	3,107,741	3,041,888
Bulk Liter 9 per 1 Ltr	2,329,107	2,279,753
Lovello Swing Ball 100 ML Ice Cream	5,732,658	5,611,183
Lovello Ambrisia 1 Ltr. Ice Cream	245,192	239,996
Lovello Doi, Kheer Premium 1 Ltr Ice Cream	2,812,294	2,752,702
Lovello Shahi Shondesh, Black Forest Premium 1 Ltr.	783,204	766,608
Lovello Double Sundy Premium 500 ML Ice Cream	3,040,102	2,975,682
Lovello Doi, Kheer Premium 500 ML Ice Cream	2,300,572	2,251,823
Total	942,869,150	922,889,784



Taufika Foods and Agro Industries Limited
Explanatory Notes to the Financial Statements
For the year ended June 30, 2020

	Amount in Tk.	
	2019-20	2018-19
25.00 Cost of Goods Sold		
Raw Materials Consumed: Note- 25.01	434,968,042	435,296,598
Add: Factory Overhead Charges Note- 25.02	142,814,880	133,309,556
Cost of Production	577,782,922	568,606,155
Add: Opening Work in Process	4,587,500	732,580
	582,370,422	569,338,735
Less: Closing Work in Process	(15,544,814)	(4,587,500)
Cost of Goods Manufactured	566,825,608	564,751,235
Add: Opening Stock of Finished Goods	69,163,731	41,917,413
Cost of Goods available for Sale	635,989,339	606,668,648
Less: Closing Stock of Finished Goods	(83,596,742)	(69,163,731)
Cost of Goods Sold	552,392,597	537,504,916
25.01 Raw Materials Consumed		
The break-up of the amount is given bellow:		
Opening Stock	145,175,926	128,637,621
Purchase During the year	455,263,192	451,834,903
Raw Materials available for Use	600,439,117	580,472,524
Less: Closing Stock	(165,471,075)	(145,175,926)
Raw Materials Consumed	434,968,042	435,296,598
25.02 Manufacturing Overhead		
Electricity Bill	19,670,262	20,883,312
Fuel & Lubricants	14,675,764	14,421,237
Wages & Salary	50,042,147	45,632,714
Festival Bonus	7,232,782	7,022,119
Overtime and Other Allowance	2,402,922	2,117,685
Tour and Travles	2,293,754	1,882,750
Pool Car Expenses	357,380	235,836
Telecommunication Expenses(Tracking)	190,836	784,553
Factory Supplies	1,917,448	1,440,443
Loading & Unloading Expenses	95,913	205,840
Postage & Courier	7,990	9,400
Printing & Stationary	855,738	1,013,471
Food and Entertainment	747,610	697,868
Repair & Maintenance	3,268,774	2,956,025
Spare Parts	4,367,257	4,119,210
Insurance Expenses	2,568,026	1,409,007
Licenses Fees	1,337,201	-
Depreciation	30,878,989	28,478,087
	142,814,880	133,309,556

Taufika Foods and Agro Industries Limited
Explanatory Notes to the Financial Statements
For the year ended June 30, 2020

	Amount in Tk.	
	2019-20	2018-19
26.00 Administrative Expenses		
Salary & Allowance	7,820,591	7,039,030
Festival Bonus	1,344,833	1,173,172
Meeting Allowance	105,000	20,000
Provident Fund Expenses	1,007,938	459,770
Service Charge	303,417	44,250
Office rent	1,200,000	640,000
Director Remuneration	2,850,000	500,000
Office Vehicles expense	917,497	531,700
Entertainment Expense	200,872	236,890
Vehicle Insurance & Others	513,027	508,400
Audit Fees	287,500	115,000
Telephone, Mobile & Internet Bill	421,190	664,500
Postage & Couriers	236,589	136,520
Printing & Stationery	266,852	558,595
Legal & Statutory Expenses	165,000	153,869
Repair Maintenance of Head office	252,157	163,288
Credit Rating Fees	59,125	-
Depreciation	750,193	619,976
	18,701,781	13,564,960
27.00 Marketing & Selling Expenses		
Salary & Allowance	14,901,637	11,554,987
Festival Bonus	1,839,665	1,803,593
Provident Fund Expenses	1,566,423	806,801
Fuel & Toll for Vehicles	5,227,935	5,087,560
TA/DA and Other Allowances	2,510,115	2,387,400
Repair Maintenance & Others Vehicles Exp	2,023,913	1,972,650
Tour and Travles	785,845	850,740
Postage & Couriers	132,605	267,356
Incentive and Commission	588,783	486,391
Event Management Expenses	450,224	543,685
DITF Expense	3,395,701	2,880,000
Advertisement Expenses	9,267,072	11,758,940
Depreciation	87,888,339	80,543,643
	130,578,256	120,943,746
28.00 Finance Cost		
Bank Service Charges	1,076,757	502,450
Interest on Bank Loan	108,917,056	105,166,505
Interest on Lease Loan	43,982,941	55,465,952
Interest Expense on Office Space	1,170,864	-
	155,147,618	161,134,907
Consistent with prior periods banks charges and others bank loan interest expenses are included as finance costs		
29.00 Others Income		
Scrap Sale	1,146,750	1,385,000
Rent Received against Freezer	1,185,476	4,580,420
Rent income from Robi Tower	-	136,800
Interest income	1,123,556	-
	3,455,781	6,102,220



Taufika Foods and Agro Industries Limited
Explanatory Notes to the Financial Statements
For the period ended 30 June 2020

100 Earning per Share (EPS)

The Computation of EPS is given below:

Earning attributable to the Shareholders (net profit after tax)

Total number of Shares

Adjusted/Basic Earnings per Share (EPS) (Per value Tk. 10)

Amount in Taka	
30-Jun-20	30-Jun-19
62,053,062	61,645,286
47,433,055	6,131,000
<u>1.31</u>	<u>10.05</u>

For Current Year

Total Share	No of shares	No. of Days Used	Total No. of Days	Weighted Average
65,450,000	6,545,000	365	365	6,545,000
484,550,000	48,455,000	308	365	40,888,055
<u>550,000,000</u>	<u>55,000,000</u>			<u>47,433,055</u>

For Previous Year

Total Share	No of shares	No. of Days Used	Total No. of Days	Weighted Average
54,500,000	5,450,000	365	365	5,450,000
10,950,000	1,095,000	227	365	681,000
<u>65,450,000</u>	<u>6,545,000</u>			<u>6,131,000</u>

Net Asset Value (NAV) per Share

The Computation of NAV is given below:

Net Assets

Total number of Shares

Net Asset Value (NAV) per Share

701,050,672	424,813,632
55,000,000	33,545,000
<u>12.75</u>	<u>12.66</u>

Total number of shares

Paid-up-capital

Share money deposit

Total

of shares (Per value Tk. 10)

550,000,000	65,450,000
-	270,000,000
<u>550,000,000</u>	<u>335,450,000</u>
<u>55,000,000</u>	<u>33,545,000</u>

Net Operating Cash Flows per Share (NOCFPS)

The Computation of NOCFPS is given below:

Net Cash Generated from Operating Activities

Total number of Shares

Net Operating Cash Flows per Share (NOCFPS)

315,679,258	247,496,174
47,433,055	6,131,000
<u>6.66</u>	<u>40.37</u>

Related Party Transactions:

The company has related party transactions as per IAS-24 "Related Party Disclosures".

party transactions are as follows:

Name of the Related Party	Relationship	Nature of transaction	Opening Balance	Transaction during the year	Payment	Closing Balance
Taufika Engineering Limited	Intercompany	Advance	4,820,000	2,310,000	7,130,000	-
Ms. Shamima Nargis Haque	Chairman	Meeting Allowance	-	20,000	20,000	-
Md. Ekramul Haque	Managing Director	Remuneration and Meeting Allowance	500,000	2,890,000	3,240,000	150,000
Muhsinina Taufika Ekram	Director	Meeting Allowance	-	20,000	20,000	-
Imtiaz Lutful Baset FCMA, FCA	Independent Director	Meeting Allowance	-	25,000	25,000	-

4.00 Attendance Status of Board Meeting of Directors

During the year ended 2019-20 there were Eight Board Meetings were held. The attendance status of all the meetings is as follows

Name of the Directors	Designation	Meeting held	Attendance
Ms. Shamima Nargis Haque	Chairman	8	4
Md. Ekramul Haque	Managing Director	8	8
Kawsar Ahmed (Nominee Director of Taufika Engeeneering Limited)	Director	8	8
Muhsinina Taufika Ekram	Director	8	4
Imtiaz Lutful Baset FCMA, FCA	Independent Director	8	5

4.00 General:

All the figures in the financial statements represent Bangladeshi taka currency (BDT) rounded off to the nearest figure. The comparative information has been disclosed of 2019-2020 for all numerical information in the financial statements and also the narrative and descriptive information as found relevant for understanding of the current years financial statements. To facilitate comparison, certain relevance balances pertaining to the previous year have been rearranged or reclassified whenever considered necessary to conform to current year presentation.

4.00 Disclosure as per requirement of Schedule XI, Part II of the Companies Act, 1994:

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

Employee position of the company as at 30 June, 2020:

Salary (Monthly)	Factory	Head Office	Sales & Marketing	Total Employees
Below BDT 6,000	-	-	-	-
Above BDT 6,000	203	20	20	243
Total	203	20	20	243

Disclosure as per requirement of Schedule XI, Part II, Para 4:

Name of Directors	Designation	Meeting allowance	Total Remuneration for the year ended 2019-20
Ms. Shamima Nargis Haque	Chairman	20,000	-
Md. Ekramul Haque	Managing Director	40,000	2,850,000
Kawsar Ahmed (Nominee Director of Taufika Engeeneering Limited)	Director	-	-
Imtiaz Lutful Baset FCMA, FCA	Independent Director	25,000	-
Muhsinina Taufika Ekram	Director	20,000	-

As per IAS- 24:

An entity shall disclose key management personnel compensation in total and for each of the following benefits:

- (a) Short-term employee benefits
- (b) Post-employee benefits
- (c) Other long term benefits
- (d) termination benefits and
- (e) Share- based payment

-	-
-	-
-	-
-	-
-	-
-	-

Events after Reporting Period:

In compliance with the requirements of IAS 10: Events After the Reporting Period, post statement of financial position events that provide additional information about the company's position at the reporting date are reflected in the financial statements and events after the reporting period there are adjusting events those are disclosed as follows:

- i. VAT payables are settled
- ii. The company did not



Disclosure as per requirements of Schedule XI, Part-II., Para-3 of the Companies Act. 1994

Requirements under condition No.	Compliance status of Disclosure Schedule XI, Part II, Para 3
3(ix)a) The turnover	Complied
3(ix)b) Commission paid to selling agents	Not Applicable
3(ix)c) Brokerage and discount of sales, other than the usual trade discount	Not Applicable
3(ix)d(i) The value of the raw materials consumed, giving item-wise as as possible	Complied
3(ii) (d)(ii) The opening and closing stocks of goods produced	Complied
3(ix)e) In the case of trading companies, the purchase made and the opening and closing stocks	Not Applicable
3(ix)f) In the case of Companies rendering or supplying services, the gross income derived from services rendered	Not Applicable
3(ix)g) Opening and closing stocks, purchases, sales and consumption of raw materials with value and quantity breakup for	Complied
3(ix)h) In the case of other companies, the gross income derived under different heads	Not Applicable
3(ix)i) Work-in-progress, which have been completed at the commencement and at the end of the accounting period	Complied
3(ix)j) Provision for depreciation, renewals or diminution in value of fixed assets	Complied
3(ix)k) Interest on the debenture paid or payable to the Managing Director, Managing Agent and the Manager	Not Applicable
3(ix)l) Charge for income tax and other taxation on profits	Complied
3(ix)m) Reserved for repayment of share capital and repayment of loans	Not Applicable
3(ix)n(i) Amount set aside or proposed to be set aside, to reserves, but not including provisions made to meet any specific	Not Applicable
3(ix)n(ii) Amount withdrawn from above mentioned reserve	Not Applicable
3(ox)i) Amount set aside to provisions made for meeting specific liabilities, contingencies of commitments.	Not Applicable
3(ox)ii) Amount withdrawn from above mentioned provisions, as no longer required.	Not Applicable
3(ox)p) Expenditure incurred on each of the following items, separately for each item:	Complied
(i) Consumption of stores and spare parts (ii) Power and Fuel (iii) Rent (iv) Repairs of Buildings (v) Repairs of Machinery	

Property, Plant & Equipment

Particulars	Cost			Rate of Dep. (%)	Depreciation		Written Down Value as on 30-06-2020	
	Balance as on 01-07-2019	Addition during the year	Balance as on 30-06-2020		Balance as on 01-07-2019	Charged during the year		Balance as on 30-06-2020
	Land & Land Development	84,361,490	-		84,361,490	-		-
Building & Civil Works	87,619,117	4,075,860	91,694,977	5%	3,760,138	18,214,428	73,480,549	
Plant and Machinery	322,941,438	49,030,602	371,972,040	10%	26,153,760	112,072,902	259,899,138	
Furniture and Fixtures	4,523,478	2,215,285	6,738,763	10%	448,669	1,593,103	5,145,660	
Freezer	359,260,070	147,473,310	506,733,380	10%	63,882,640	100,794,048	405,939,331	
Office Equipment	3,659,662	3,403,070	7,062,732	10%	604,966	1,080,589	5,982,143	
Motor Vehicles	116,172,349	15,884,219	132,056,568	20%	47,187,393	62,572,806	69,483,762	
Total as on 30.06.2020	978,537,603	222,082,346	1,200,619,949		213,192,865	296,327,876	904,292,073	
Total as on 30.06.2019	821,180,449	157,357,154	978,537,603		142,602,428	70,590,437	765,344,738	

Annexure - A

Right of Use Assets

Particulars	Cost			Rate of Dep. (%)	Depreciation		Written Down Value as on 30-06-2020	
	Balance as on 01-07-2019	Addition during the year	Balance as on 30-06-2020		Balance as on 01-07-2019	Charged during the year		Balance as on 30-06-2020
	Plant and Machinery	4,079,499	-		4,079,499	10%		348,797
Freezer	324,745,500	-	324,745,500	10%	25,444,781	95,742,470	229,003,030	
Motor Vehicles	67,662,134	-	67,662,134	20%	7,826,090	36,357,776	31,304,358	
Office Space	-	10,897,101	10,897,101	20%	181,618	2,361,039	8,536,063	
Total as on 30.06.2020	396,487,133	10,897,101	407,384,234		99,602,521	135,401,609	271,982,626	
Total as on 30.06.2019	396,487,133	-	396,487,133		60,978,759	99,420,902	297,066,231	



Particulars	Balance as on 01-07-2019	Addition during the year	Balance as on 30-06-2020	Rate of Dep. (%)	Balance as on 01-07-2019	Charged during the year	Balance as on 30-06-2020	Written Down Value as on 30-06-2020
Total as on 30.06.2020	2,385,996	310,437	2,696,433		1,374,372	583,422	1,957,793	738,640
Total as on 30.06.2019	1,580,996	805,000	2,385,996		765,247	609,125	1,374,372	1,011,625
Grand Total as on 30.06.2020	1,377,410,732	233,289,884	1,610,700,616		314,169,757	119,517,520	433,687,278	1,177,013,339
Grand Total as on 30.06.2019	1,219,248,578	158,162,154	1,377,410,732		204,346,434	109,641,705	313,988,139	1,063,422,593

Allocation of depreciation

Manufacturing Overhead
Administrative Expenses
Marketing & Selling Expenses
Total

Amount in Taka	Amount in Taka
<u>30.06.2020</u>	<u>30.06.2019</u>
30,878,989	28,327,437
750,193	688,204
87,888,339	80,626,065
<u>119,517,520</u>	<u>109,641,705</u>



Property, Plant & Equipment

Particulars	Cost			Rate of Dep. (%)	Depreciation			Written Down Value as on 30-06-19
	Balance as on 01-07-18	Addition	Balance as on 30-06-19		Balance as on 01-07-18	Charged during year	Balance as on 30-06-19	
	Land & Land Development	84,218,500	142,990		84,361,490	-	-	
Building & Civil Works	87,619,117		87,619,117	5.00%	3,850,780	14,454,290	73,164,827	
Plant and Machinery	274,248,179	48,693,259	322,941,438	10.00%	23,630,630	85,919,143	237,022,296	
Furniture and Fixtures	3,806,805	716,673	4,523,478	10.00%	808,800	1,144,434	3,379,044	
Freezer	276,104,070	83,156,000	359,260,070	10.00%	35,682,703	63,882,640	295,377,430	
Office Equipment	2,668,422	991,240	3,659,662	10.00%	320,624	604,966	3,054,696	
Motor Vehicles	92,515,356	23,656,993	116,172,349	20.00%	32,898,278	47,187,393	68,984,956	
Total as on 30.06.2019	821,180,449	157,357,154	978,537,603		142,602,428	213,192,865	765,344,738	
Total as on 30.06.2018	692,576,663	128,603,786	821,180,449		81,244,516	142,602,428	678,578,021	

Lease Assets

Particulars	Cost			Rate of Dep. (%)	Depreciation			Written Down Value as on 30-06-19
	Balance as on 01-07-18	Addition	Balance as on 30-06-19		Balance as on 01-07-18	Charged during year	Balance as on 30-06-19	
	Plant and Machinery	4,079,499			4,079,499	203,975	387,552	
Freezer	324,745,500		324,745,500	42,025,710	28,271,979	70,297,689	254,447,811	
Motor Vehicles	67,662,134		67,662,134	18,749,074	9,782,612	28,531,686	39,130,448	
Total as on 30.06.2019	396,487,133	-	396,487,133	60,978,759	38,442,143	99,420,902	297,066,231	
Total as on 30.06.2018	224,882,225	171,604,908	396,487,133	27,978,573	33,000,186	60,978,759	335,508,374	



Particulars	Balance as on 01-07-18	Addition	Balance as on 30-06-19	Rate of Dep. (%)	Charged during year	Written Down	
						Balance as on 01-07-18	Balance as on 30-06-19
Licence & Patent	1,580,996	805,000	2,385,996	50%	609,125	1,374,372	1,011,625
Total as on 30.06.2019	1,580,996	805,000	2,385,996		609,125	1,374,372	1,011,625
Total as on 30.06.2018	739,996	841,000	1,580,996		395,249	765,247	815,749
Grand Total as on 30.06.2019	1,219,248,578	158,162,154	1,377,410,732		109,641,705	313,988,139	1,063,422,593
Grand Total as on 30.06.2018	918,198,884	301,049,694	1,219,248,578	-	94,753,347	204,346,434	1,014,902,144

Allocation of depreciation

	Amount in Taka	Amount in Taka
Manufacturing Overhead	28,478,087	27,617,143
Administrative Expenses	619,976	517,025
Marketing & Selling Expenses	80,543,643	66,619,179
Total	109,641,705	94,753,347

