

## Independent Auditors' Report to the Shareholders of Jyothy Kallol Bangladesh Limited

We have audited the accompanying financial statements of Jyothy Kallol Bangladesh Limited, which comprise Statement of Financial Position as at 31 March 2016, Statement of Profit or Loss and Other Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year then ended and a summary of significant accounting policies and other explanatory notes.

### Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards (IFRS) as adopted by The Institute of Chartered Accountants of Bangladesh. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud and error.

### Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing (ISA) as adopted by The Institute of Chartered Accountants of Bangladesh. These standards require that we comply with ethical requirements as well as plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

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

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

### Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Jyothy Kallol Bangladesh Limited as at 31 March 2016, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by The Institute of Chartered Accountants of Bangladesh and comply with the Companies Act, 1994 and other applicable laws and regulations in Bangladesh.

We also report that:

- we have obtained all the information and explanations which to the best of our knowledge and belief were 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 company's Statement of Financial Position and Statement of Profit or Loss and Other Comprehensive Income dealt with by this report are in agreement with the books of account.

Dated, Dhaka  
30 April 2016




*S. F. Ahmed*  
S. F. Ahmed & Co.  
Chartered Accountants

**Jyothy Kallol Bangladesh Limited**  
**Statement of Financial Position**  
**As at 31 March 2016**

	Notes	Amount in Taka	
		31-Mar-16	31-Mar-15
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant & equipment	4	35,020,149	49,491,076
Deferred expenses	5	-	2,521,111
		<b>35,020,149</b>	<b>52,012,187</b>
<b>Current assets</b>			
Inventories	6	8,563,707	17,434,450
Accounts and others receivable	7	444,061	285,849
Advances, deposits and prepayments	8	5,358,620	6,859,111
Cash and cash equivalents	9	43,290,622	19,681,751
		<b>57,657,010</b>	<b>44,261,161</b>
<b>TOTAL ASSETS</b>		<b>92,677,159</b>	<b>96,273,348</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Share capital	10	113,139,080	99,929,280
Retained earnings		(23,870,437)	(19,007,735)
Share money deposit	11	9	13,207,359
		<b>89,268,652</b>	<b>94,128,904</b>
<b>Current liabilities</b>			
Accounts & others payable	12	1,482,550	777,415
Accruals and provision	13	1,925,957	1,367,029
		<b>3,408,507</b>	<b>2,144,444</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>92,677,159</b>	<b>96,273,348</b>

*The annexed notes form an integral part of this Financial Statement.*

  
 \_\_\_\_\_  
 Director

  
 \_\_\_\_\_  
 Chairman

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



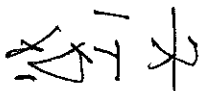
Dated, Dhaka;  
 30 April 2016

*S. F. Ahmed & Co.*  
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 S. F. Ahmed & Co.  
 Chartered Accountants

**Jyothy Kallol Bangladesh Limited**  
**Statement of Profit or Loss and Other Comprehensive Income**  
**For the year ended 31 March 2016**

	Notes	Amount in Taka	
		01 April 2015 to 31 March 2016	01 April 2014 to 31 March 2015
Revenue from sales	14	93,219,027	98,014,211
Less: Cost of sales	15	63,595,621	67,163,250
<b>Gross profit</b>		<b>29,623,406</b>	<b>30,850,961</b>
Other operating income		-	-
<b>Total operating income</b>		<b>29,623,406</b>	<b>30,850,961</b>
Less: Operating expenses	16	36,394,536	41,405,865
Administrative expenses	16.1	23,283,146	25,517,216
Selling & distribution expenses	16.2	13,111,390	15,888,649
<b>Profit/(loss) from operations</b>		<b>(6,771,130)</b>	<b>(10,554,904)</b>
Add: Non operating income	17	2,192,232	1,714,155
Less: Financial expenses		-	-
<b>Profit/(loss) before tax</b>		<b>(4,578,898)</b>	<b>(8,840,749)</b>
Less: Provision for income tax	13.1	286,234	299,185
<b>Net profit/(loss) for the year</b>		<b>(4,865,132)</b>	<b>(9,139,934)</b>

*The annexed notes form an integral part of this Financial Statement.*

  
 \_\_\_\_\_  
**Director**

  
 \_\_\_\_\_  
**Chairman**

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



Dated, Dhaka;  
30 April 2016

*S. F. Ahmed & Co.*  
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**S. F. Ahmed & Co.**  
 Chartered Accountants

**Jyothy Kallol Bangladesh Limited**  
**Statement of changes in Equity**  
**For the year ended 31 March 2016**

Amount in Taka

Particulars	Share capital	Share money deposit	Retained earnings	Total
<b>Balance at 01 April 2014</b>	99,929,280	13,207,359	(9,867,801)	103,268,838
Share money deposit during the year	-	-	-	-
Issue of share capital during the year	-	-	-	-
Net profit/(loss) for the year	-	-	(9,139,934)	(9,139,934)
<b>Balance at 31 March 2015</b>	<b>99,929,280</b>	<b>13,207,359</b>	<b>(19,007,735)</b>	<b>94,128,904</b>

Particulars	Share capital	Share money deposit	Retained earnings	Total
<b>Balance at 01 April 2015</b>	99,929,280	13,207,359	(19,007,735)	94,128,904
Share money deposit during the year	-	2,450	-	2,450
Issue of share capital during the year	13,209,800	(13,209,800)	-	-
Prior year adjustment	-	-	2,430	2,430
Net profit/(loss) for the year	-	-	(4,865,132)	(4,865,132)
<b>Balance at 31 March 2016</b>	<b>113,139,080</b>	<b>9</b>	<b>(23,870,437)</b>	<b>89,268,652</b>



**Jyothy Kallol Bangladesh Limited**  
**Statement of Cash Flows**  
**For the year ended 31 March 2016**

Amount in Taka	
01 April 2015 to 31 March 2016	01 April 2014 to 31 March 2015

**Cash flows from operating activities**

Net profit before tax	(4,578,898)	(8,840,749)
<b>Adjustments to reconcile changes in net current assets to net cash used by operating activities</b>		
Depreciation	14,302,264	14,313,985
Amortization	2,521,111	2,521,111
Loss on sale of property, plant and equipment	91,963	-
Decrease/(Increase) in inventories	8,873,173	(8,590,744)
Decrease/(Increase) in advances, deposits and prepayments	1,500,491	(645,565)
Decrease/(Increase) in accounts and others receivable	(158,212)	(213,780)
Increase/(Decrease) in accounts and others payable	705,135	(1,082,846)
Increase/(Decrease) in accruals and provision	272,695	(100,397)
<b>Cash used in operating activities</b>	<u>23,529,721</u>	<u>(2,638,986)</u>
Income tax paid	-	(252,428)
<b>Net cash used by operating activities</b>	<u>23,529,721</u>	<u>(2,891,414)</u>

**Cash flows from investing activities**

Acquisition of property, plant and equipment	-	(583,015)
Sale of property, plant and equipment	76,700	-
Decrease/(Increase) in capital work in progress	-	-
<b>Net cash used in investing activities</b>	<u>76,700</u>	<u>(583,015)</u>

**Cash flows from financing activities**

Increase/(Decrease) in share money deposits	(13,207,350)	-
Proceed from issue of share capital	13,209,800	-
<b>Net cash flows from financing activities</b>	<u>2,450</u>	<u>-</u>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<u>23,608,871</u>	<u>(3,474,429)</u>
Cash and cash equivalents at the beginning of the year	19,681,751	23,156,179
<b>Cash and cash equivalents at the end of the year</b>	<u>43,290,622</u>	<u>19,681,751</u>

*The annexed notes form an integral part of this Financial Statement.*

  
**Director**

  
**Chairman**



**Jyothy Kallol Bangladesh Limited**  
**Notes to the Financial Statement**  
**as at and for the period ended 31 March 2016**

**1. Reporting entity**

**1.1 Company profile**

Jyothy Kallol Bangladesh Limited is incorporated with the Registrar of Joint Stock Companies, Dhaka a private limited company under the Companies Act, 1994 vide Registration # C-87559/10 dated 14 October 2010. Registered office of the company is situated at 199, Tejgaon Industrial Area, Dhaka-1208. The objective of the Company is to undertake, carry on, run and conduct business and operations as a manufacturer, producer and distributor of consumer goods and consumer durables.

**1.2 Principal activities**

The company will engage in manufacturing, producing, marketing and distributing of fabric care products, household insecticides, all sorts of whitening products, washing products, soaps, detergents, liquids, bars, mosquito coils, pesticides, perfumes and all sorts of health care products throughout Bangladesh or outside Bangladesh.

**2. Basis of preparation of financial statements**

**2.1 Basis of measurement**

Measurement is the process of determining the monetary amounts at which the elements of the financial statements are to be recognized and carried in the statement of financial position and profit or loss and other comprehensive income. The measurement basis adopted by Jyothy Kallol Bangladesh Limiter is historical cost. Under the historical cost, assets are recorded at the amount of cash or cash equivalents paid or the fair value of the consideration given to acquire them at the time of their acquisition. Liabilities are recorded at the amount of proceeds received in exchange for the obligation, or in some circumstances, at the amounts of cash or cash equivalents expected to be paid to satisfy the liability in the normal course of business.

**2.2 Reporting framework and compliance thereof**

These financial statements have been prepared in accordance with International Financial Reporting Standards as adopted in Bangladesh by the Institute of Chartered Accountants of Bangladesh as BFRS and the Companies Act 1994 and other applicable laws and regulations.

The title and format of these financial statements follow the requirement of BFRS which are to some extent different from the requirement the Companies Act 1994. However, such differences are not material and in view of management, BFRS titles and formats give better presentation to the shareholders.

**2.3 Functional and presentation currency**

These financial statements are prepared in Bangladesh Taka (Taka/Tk), which is the Company's functional currency. All financial information presented in Taka has been rounded off to the nearest integer.



## **2.4 Reporting period**

The financial period of the company covers one year from 1 April 2015 to 31 March 2016 consistently.

## **2.5 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.

## **2.6 Use of estimates and judgments**

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions of accounting estimates are given prospective effect in the financial statements as required by IAS 8: "Accounting Policies, Changes in Accounting Estimates and Errors".

## **2.7 Going concern**

The company has adequate resources to continue in operation for foreseeable future. For this reason the directors continue to adopt going concern basis in preparing the accounts. The current resources of the company provide sufficient fund to meet the present requirements of its existing businesses and operations.

## **2.8 Statement of Cash Flows**

The Statement of Cash Flows has been prepared in accordance with the requirements of IAS 7: Statement of Cash Flows.

## **2.9 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 statement of financial position date are reflected in the financial statements and events after the statement of financial position date that are not adjusting events are disclosed in the notes when material.

## **2.10 Date of authorization for issue of the financial statements**

On 30 April 2016 the Board of Directors reviewed the financial statements and authorized for issue.



### 3. Significant accounting policies

#### 3.1 Property, plant and equipment

Items of property, plant & equipment is recognized where it is probable that future economic benefits will flow to the entity and their cost can be measured reliably.

##### Measurement at recognition

An item of property, plant & equipment qualifying for recognition is initially measured at its cost. Cost comprises:

- Purchase price, including all non recoverable duties and taxes but net of discounts.
- Costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by the management.

##### Subsequent costs

- Repairs and maintenance expenditure is recognized as expenditure as incurred.
- Replacement parts are capitalized, provided the original cost of the items they replace is derecognized.

##### Depreciation

Depreciation is commenced when the asset is in the location and condition necessary for it to be capable of operating in the manner intended. Property plant and equipment of Jyothy Kallol Bangladesh Limited are depreciated using straight-line method whereby there is a constant charge each year, on the assumption that equal amounts of economic benefit are consumed in each year of the assets life. Each significant part of an item of Property, plant & equipment is depreciated separately, using their useful lives. The residual value and useful life of an asset are reviewed in each year end. Depreciation is expressed in terms of percentage of cost of the related assets. The list of Property, plant & equipment and related depreciation rates are given below:

<u>Asset Type</u>	<u>Depreciation rate (%)</u>
Plant and machinery	20
Equipments	20
Electrical equipments	20
Furniture & Fixtures	10

##### Impairment

The carrying amounts of its assets are reviewed at each balance sheet date to determine whether there is any indication of impairment loss. If any such indication exists, recoverable amount is estimated in order to determine the extent of the impairment loss, if any. Impairment loss is recorded on judgmental basis, for which provision may differ in the future years based on the actual experience.

##### Capital work-in-progress

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



### **3.2 Financial instruments**

Financial instruments are recognized in the statement of financial position when the Company has become a party to the contractual provisions of the instruments.

#### **Cash and cash equivalents**

Cash and cash equivalents include cash on hand, balance and deposits with licensed financial institutions that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

#### **Advances**

Advances with no stated interest are measured at the original amount if the effect of discounting is immaterial.

#### **Accounts payables**

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

### **3.3 Inventories**

Inventories includes raw materials, packing materials, work-in-progress, finished goods, stores and consumables items are valued at cost or net realizable value, whichever is lower. However, goods in transit are valued at cost.

Cost is ascertained on First-in-First out ('FIFO') basis and includes all applicable costs incurred in bringing goods to their present location and condition. Cost of work-in-progress, manufactured packing material and finished goods includes materials and all applicable manufacturing overheads. Traded goods are valued at lower of cost and net realizable value. Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on a FIFO basis.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated cost of completion and estimated cost necessary to make the sale.

### **3.4 Provisions**

Provisions are recognized in the financial statements in line with the International Accounting Standard (IAS) 37 "Provisions, Contingent Liabilities and Contingent Assets" when

- the company has a legal or constructive obligation as a result of past event.
- it is probable that an outflow of economic benefit will be required to settle the obligation.
- a reliable estimate can be made of the amount of the obligation.

### **3.5 Taxation**

Income tax for the year comprises current tax is based on the applicable tax law in Bangladesh. It is recognized in the statement of Profit or Loss and Other Comprehensive Income as tax expenses.



### **3.6 Revenue recognition**

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured. The following specific criteria must also be met before revenue is recognized.

#### **Sale of goods**

Revenue is recognized when all the significant risks and rewards of ownership of the goods have passed to the buyer, usually on delivery of the goods. The company collects Value Added Taxes (VAT) on behalf of the government and, therefore, these are not economic benefits flowing to the company. Hence, they are excluded from revenue. Revenue is net off trade discount given.

#### **Interest income**

Revenue is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.

### **3.7 Related party disclosures**

The company carried out a number of transactions with related parties in the normal course of business and on arms' length basis. The information as required by IAS 24: "Related party disclosures" have been disclosed in a separate note no. 18 to the accounts.

### **3.8 Integral components of the financial statements:**

In compliance with the International Accounting Standards (IAS-1), adopted as Bangladesh Accounting Standards (BAS-1) "Presentation of Financial Statements," the following components are annexed:

- a. Statement of Financial Position as at 31 March 2016.
- b. Statement of Profit or Loss and Other Comprehensive Income for the period from 1 April 2015 to 31 March 2016.
- c. Statement of Cash Flows for the period from 1 April 2015 to 31 March 2016.
- d. Statement of Changes in Equity for the period from 1 April 2015 to 31 March 2016.
- e. Notes to the Financial Statement as at and for the period from 1 April 2015 to 31 March 2016.

### **3.9 General**

- a. Accounting policies and explanatory notes form an integral part of this financial statement.
- b. The figures appearing in these financial statements have been rounded off to the nearest BDT.



4. Property, plant and equipment

Particulars	Cost			Rate (%)	Depreciation			Written Down Value as at March 2016	
	Opening Balance	Addition during the year	Disposal during the year		Closing Balance	Charged during the year	Disposal during the year		Closing Balance
Plant and machinery	65,481,372	-	-	20	20,681,182	13,096,274	-	33,777,456	31,703,916
Equipments	1,544,547	-	(162,650)	20	472,495	287,225	(62,352)	697,368	684,529
Electrical equipments	4,167,768	-	-	20	1,319,793	833,554	-	2,153,347	2,014,421
Furniture and fixtures	908,493	-	(84,575)	10	137,634	85,211	(16,210)	206,635	617,283
<b>Total 2016</b>	<b>72,102,180</b>	<b>-</b>	<b>(247,225)</b>		<b>22,611,104</b>	<b>14,302,264</b>	<b>(78,562)</b>	<b>36,834,806</b>	<b>35,020,149</b>
<b>Total 2015</b>	<b>71,519,165</b>	<b>583,015</b>	<b>-</b>		<b>8,297,119</b>	<b>14,313,985</b>	<b>-</b>	<b>22,611,104</b>	<b>49,491,076</b>



		<b>Amount in Taka</b>	
		<b>31-Mar-2016</b>	<b>31-Mar-2015</b>
<b>5. Deferred expenses</b>			
Opening balance		2,521,111	5,042,222
Addition during the year		-	-
		<u>2,521,111</u>	<u>5,042,222</u>
Less: Amortization during the year		2,521,111	2,521,111
		<u>-</u>	<u>2,521,111</u>
<b>6. Inventories</b>			
Finished goods		1,106,385	8,426,258
Work in process		-	-
Materials		7,404,815	8,956,833
Raw materials		4,960,180	7,741,928
Packing materials		2,444,635	1,214,905
Goods in transit		52,507	51,358
		<u>8,563,707</u>	<u>17,434,450</u>
<b>7. Accounts and others receivable</b>			
<b>Accounts receivable</b>		<u>131,026</u>	<u>56,260</u>
Receivable from distributor		131,026	56,260
<b>Others receivable</b>		<u>313,035</u>	<u>229,589</u>
Interest receivable on fixed deposit receipts		313,035	229,589
		<u>444,061</u>	<u>285,849</u>
<b>8. Advances, deposits and prepayments</b>			
<b>Advances</b>		<u>5,358,620</u>	<u>6,614,556</u>
Advance income tax		4,414,513	3,140,394
VAT current account at factory		399,948	1,270,713
VAT current account at depot		359,637	552,903
Easy Jobs Training & Employment Services		-	-
Brothers Enterprise		-	314,778
MSI Consortium		12,000	-
Sazon Enterprise		22,522	23,725
Other advances		150,000	1,312,043
<b>Deposit</b>		-	<u>244,555</u>
L/C margin deposit		-	244,555
		<u>5,358,620</u>	<u>6,859,111</u>
<b>9. Cash and cash equivalents</b>			
Cash in hand		161,743	143,633
Cash at bank	9.1	10,512,808	4,629,088
Fixed deposit receipts	11.2	32,616,071	14,909,030
		<u>43,290,622</u>	<u>19,681,751</u>



Amount in Taka	
31-Mar-2016	31-Mar-2015

## 9.1 Cash at bank

Bank Asia Limited [A/c#02833000520]	3,512	2,442
Bank Asia Limited [A/c# 02836000113]	8,440,422	3,296,540
Pubali Bank Limited [A/C# 3677-901-24524]	2,058,301	1,317,796
The Premier Bank Limited [A/C# 102.131.0000190.8]	10,573	12,310
	<b>10,512,808</b>	<b>4,629,088</b>

## 9.2 Fixed deposit receipts

The Premier Bank Limited [FDR # 0102 24300050458]	4,119,765	3,816,334
The Premier Bank Limited [FDR # 0102 24300050496]	4,610,113	4,265,682
The Premier Bank Limited [FDR # 0102 24300050605]	4,503,652	4,167,208
The Premier Bank Limited [FDR # 0102 24300051007]	2,115,427	-
The Premier Bank Limited [FDR # 0102 24300051062]	2,641,745	-
The Premier Bank Limited [FDR # 0102 24300051076]	1,086,115	-
The Premier Bank Limited [FDR # 0102 24300050542]	2,870,821	2,659,806
The Premier Bank Limited [FDR # 0102 24300051158]	2,071,120	-
The Premier Bank Limited [FDR # 0102 24300051235]	2,038,250	-
The Premier Bank Limited [FDR # 0102 24300051257]	2,542,188	-
The Premier Bank Limited [FDR # 0102 24300051274]	1,016,875	-
The Premier Bank Limited [FDR # 0102 24300051292]	2,000,000	-
The Premier Bank Limited [FDR # 0102 24300051309]	1,000,000	-
	<b>32,616,071</b>	<b>14,909,030</b>

## 10. Share capital

### a) Authorized share capital

10,000,000 ordinary shares of Taka 10 each	<b>100,000,000</b>	<b>100,000,000</b>
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### b) Issued, subscribed, called & paid up share capital

11,313,908 ordinary shares of Taka 10 each fully called and paid in cash	<b>113,139,080</b>	<b>99,929,280</b>
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### c) Composition of shareholding at 31 March 2016

Name of the shareholders	No. of shares	% of share	Taka	Taka
Jyothy Laboratories Limited	8,485,431	75%	84,854,310	74,946,960
Kallol Enterprise Limited	2,828,477	25%	28,284,770	24,982,320
	<b>11,313,908</b>	<b>100%</b>	<b>113,139,080</b>	<b>99,929,280</b>

## 11. Share money deposit

Opening balance	13,207,359	13,207,359
Addition during the year	2,450	-
	<b>13,209,809</b>	<b>13,207,359</b>
Less: Transfer to share capital	13,209,800	-
	<b>9</b>	<b>13,207,359</b>



Amount in Taka	
31-Mar-2016	31-Mar-2015

## 12. Accounts & others payable

	1,379,728	644,382
<b>Accounts payable</b>		
A.S Enterprise	787,576	320,224
Ahmed Mashuque & Co.	-	8,050
Amar International	27,414	28,124
Brothers Enterprise	131,323	-
Easy Jobs Training & Employment Services	2,281	181,926
Eastern Packing & Printing	22,625	1
Infinite Packaging & Accessories	72,450	-
Kallol Enterprise Ltd.	10,674	10,674
Kallol Industries Ltd	743	743
Kallol Ltd.	15,204	15,204
Super Thai Plastic Ltd.	136,896	3
Trust Packaging & Accessories	1	1
TLRA Holdings Ltd.	172,542	79,433
<b>Others payable</b>	<b>102,821</b>	<b>133,033</b>
Advance received from distributor	102,821	133,033
<b>Total accounts &amp; others payable</b>	<b>1,482,550</b>	<b>777,415</b>

## 13. Accruals and provisions

<b>Accruals</b>		
Salaries and benefits	79,022	53,631
TDS Payable	75,878	3,612
VDS Payable	139,152	-
VAT Payable on Corporate Office Rent	18,000	-
VAT Payable on Depot Rent	10,800	-
	<b>322,852</b>	<b>57,243</b>
<b>Provisions</b>		
Audit fee	103,500	92,000
Distributor Claim		121,000
Power & Fuel Cost	194,704	100,000
Sales incentive/commission	95,200	182,800
Telephone, Fax, Internet.	60,632	64,515
Tour & traveling expenses	382,678	359,797
Trade Scheme (Primary)	198,228	107,744
Income tax	568,164	281,930
	<b>1,603,106</b>	<b>1,309,786</b>
<b>Total accruals and provisions</b>	<b>1,925,957</b>	<b>1,367,029</b>

### 13.1 Provision for income tax

Opening balance	281,930	235,173
Addition during the year	286,234	299,185
	568,164	534,358
Less: Adjustment during the year	-	252,428
	<b>568,164</b>	<b>281,930</b>



		Amount in Taka	
		01 April 2015 to 31 March 2016	01 April 2014 to 31 March 2015
<b>14. Revenue from sales</b>			
Sales		93,219,027	98,014,211
		<u>93,219,027</u>	<u>98,014,211</u>
<b>15. Cost of sales</b>			
Manufacturing	15.1	63,595,621	60,782,971
Trading	15.2	-	6,380,279
		<u>63,595,621</u>	<u>67,163,250</u>
<b>15.1 Manufacturing</b>			
Opening stock of finished goods		8,426,258	3,371,507
Add: Cost of goods manufactured	15.1.1	56,275,748	65,837,722
		64,702,006	69,209,229
Less: Closing stock of finished goods	6	1,106,385	8,426,258
		<u>63,595,621</u>	<u>60,782,971</u>
<b>15.1.1 Cost of goods manufactured</b>			
Opening work-in-process		-	-
Add: Cost of material consumed	15.1.2	31,520,384	41,402,752
		31,520,384	41,402,752
Less: Closing work-in-process		-	-
Cost of materials		31,520,384	41,402,752
Add: Manufacturing overhead	15.1.3	24,755,363	24,434,970
		<u>56,275,748</u>	<u>65,837,722</u>
<b>15.1.2 Cost of material consumed</b>			
Opening stock of material		8,956,833	5,364,638
Add: Purchase during the period	15.1.2.1	29,968,366	44,994,947
		38,925,200	50,359,585
Less: Closing stock of material	6	7,404,815	8,956,833
		<u>31,520,384</u>	<u>41,402,752</u>
<b>15.1.3 Manufacturing overhead</b>			
Salary & wages		1,819,671	1,938,837
Rent		6,372,000	6,372,000
Power & fuel cost		1,893,499	1,398,504
Factory maintenance expense		291,281	387,426
Repair & maintenance		137,125	119,888
Packing materials		23,290	10,475
Depreciation		14,218,497	14,207,840
		<u>24,755,363</u>	<u>24,434,970</u>



Amount in Taka	
01 April 2015 to 31 March 2016	01 April 2014 to 31 March 2015

### 15.1.2.1 Purchases during the year

HDPE blow	5,203,726	14,208,401
Plastic coloured master batches	308,262	595,079
Acid violet pest	8,289,144	12,675,711
Cap for ujala supreme 100ml	3,454,752	4,498,149
Cap for ujala supreme 50ml	2,759,751	3,272,394
PP cover for ujala supreme 100ml	409,680	476,860
PP cover for ujala supreme 50ml	431,520	418,540
PVC shrink labels for ujala supreme 100ml	4,046,154	4,248,856
PVC shrink labels for ujala supreme 50ml	3,889,659	3,435,707
Corrugated carton box for ujala supreme 100ml	623,250	682,500
Corrugated carton box for ujala supreme 50ml	508,400	482,750
Gum tape	44,068	-
	<b>29,968,366</b>	<b>44,994,947</b>

### 15.2 Trading

Purchase during the year:		
Hot melt glue for applicator machine	-	2,750
Margo original neem toilet soap	-	6,377,529
	-	<b>6,380,279</b>

### 16. Operating expenses

Administrative expenses	16.1	23,283,146	25,517,216
Selling & distribution expenses	16.2	13,111,390	15,888,649
		<b>36,394,536</b>	<b>41,405,865</b>





Amount in Taka	
01 April 2015 to 31 March 2016	01 April 2014 to 31 March 2015

### 16.1 Administrative expenses

Salary & allowances	15,868,889	17,521,192
Telephone, fax , mobile & internet	724,364	739,423
Staff welfare expenses	50,792	8,585
Entertainment	6,170	10,382
Rent	2,616,000	2,616,000
Hotel rent, fooding & other expenses	134,992	65,484
Rent a car & other expenses	210,915	620,547
Printing & stationery	205,778	244,107
Legal & professional expenses	88,028	142,795
Audit fee	93,900	92,000
License registration & renewal fee	125,265	136,382
Stamp, duties & taxes	2,655	24,701
Conveyance	158,115	183,369
Postage & courier	5,763	24,709
Register, books, newspaper & magazine	7,954	14,014
Insurance premium	3,772	3,772
Gift & donation	151,760	133,078
Computer accessories & others	7,600	33,730
Software & maintenance expenses	10,450	112,000
Amortization	2,521,111	2,521,111
Bank charge	28,830	34,486
Miscellaneous expenses	76,175	96,813
Office & depot maintenance expenses	-	14,180
Meeting, conference & training expenses O&A	8,137	18,211
Loss on disposal of property, plant and equipment	91,963	-
Depreciation	83,767	106,145
	<b>23,283,146</b>	<b>25,517,216</b>

### 16.2 Selling & distribution expenses

Distributor claim	581,433	1,409,642
Rent	1,569,600	1,569,600
Tour & traveling expenses	3,543,285	3,720,827
Freight	1,866,252	2,049,562
Service charge	690,000	600,000
Loading & unloading expenses	201,343	200,145
Outsourcing cost for dispatch S&D	362,500	360,000
Sales incentive/commission	366,430	532,800
Promotional expenses	3,789,015	1,733,537
Uniform, liveries & others	1,920	46,220
Advertisement	-	3,523,087
Meeting, conference & training expenses	139,613	143,229
	<b>13,111,390</b>	<b>15,888,649</b>



Amount in Taka	
01 April 2015 to 31 March 2016	01 April 2014 to 31 March 2015

**17. Non operating income**

Interest income on fixed deposit receipts & STD account	2,133,974	1,634,243
Other income	58,258	79,912
	<u>2,192,232</u>	<u>1,714,155</u>

**18. Related party disclosures**

During the year the company carried out a number of transaction with related parties in the normal course of business. Name of these related parties, nature of those transactions and their total value has been shown in the below table in accordance with the provisions of BAS 24 - "Related Party Disclosures".

Name of the Party	Relationship	Nature of transaction	Amount in Taka
Jyothi Laboratories Ltd.	Parent	Purchase of goods	7,969,501

