

## INDEPENDENT AUDITORS' REPORT

To the shareholders of M. I. Cement Factory Limited

We have audited the accompanying financial statements of **M. I. Cement Factory Limited** which comprise the statement of financial position as at 30 June 2013, statement of 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 relevant explanatory notes thereon.

### ***Management's Responsibility for the Financial Statements***

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Bangladesh Accounting Standards (BASs), Bangladesh Financial Reporting Standards (BFRSs) 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.

### ***Auditors' Responsibility***

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Bangladesh Standards on Auditing (BSAs). Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about 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 auditor's 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 auditor considers 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 prepared in accordance with the Bangladesh Accounting Standards (BASs) and Bangladesh Financial Reporting Standards (BFRSs), give a true and fair view of the financial position of M. I. Cement Factory Limited as at 30 June 2013 and the results of its financial performance and its cash flows for the year then ended and comply with the Companies Act 1994, the Securities and Exchange Rules 1987 and other applicable laws and regulations.

We also report that:

- a) 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;
- b) in our opinion, proper books of account as required by law have been kept by the Company so far as it appeared from our examination of those books;
- c) the statement of financial position and statement of comprehensive income along with the annexed notes 1 to 44 dealt with by the report are in agreement with the books of account; and
- d) the expenditure incurred and payments made were for the purposes of the Company's business.

Dhaka,  
26 October 2013

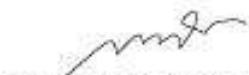
  
Chartered Accountants

## Statement of Financial Position


As at 30 June 2013


	Notes	30.06.2013 Taka	30.06.2012 Taka
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	4	4,082,860,704	2,770,455,941
Capital work-in-progress	5	92,183,867	1,365,071,599
Investment in associate companies	6	35,998,681	26,499,730
<b>Current assets</b>		<b>5,572,352,660</b>	<b>5,759,451,243</b>
Investment in shares	7	91,830,612	93,494,348
Inventories	8	432,775,981	442,126,977
Trade receivables	9	667,643,514	753,851,554
Current account with sister concerns	10	689,651,863	513,012,411
Other receivables	11	109,357,300	61,234,099
Advances and deposits	12	231,078,396	275,326,903
Advance income tax	13	494,888,145	717,452,042
Cash and cash equivalents	14	2,855,126,848	2,902,952,909
<b>TOTAL ASSETS</b>		<b>9,783,395,912</b>	<b>9,921,478,513</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' Equity</b>			
Share capital	15	1,485,000,000	1,350,000,000
Share premium	16	2,956,560,000	2,956,560,000
Retained earnings		932,436,118	871,919,154
Revaluation reserve		220,404,236	222,397,084
<b>LIABILITIES</b>			
<b>Non current Liabilities</b>			
Long term loan net off current portion	17	1,451,551,878	1,811,139,113
Liabilities for gratuity	18	13,831,163	9,907,118
Deferred tax liability	19.1	228,306,259	148,126,285
<b>Current Liabilities and Provision</b>		<b>2,495,306,258</b>	<b>2,551,429,759</b>
Trade payables	20	136,889,183	148,526,299
Other payables	21	65,020,563	47,471,216
Current portion of long term loan	22	500,039,618	286,076,000
Short term loan	23	1,486,345,228	1,351,027,085
Provision for tax liabilities	24	240,504,893	663,483,837
Liabilities for WPPF	25	44,054,330	37,173,812
Payable to IPO applicants		12,866,055	13,310,798
Unclaimed dividend		9,586,388	4,360,731
<b>TOTAL LIABILITIES</b>		<b>4,188,995,557</b>	<b>4,520,602,275</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>9,783,395,912</b>	<b>9,921,478,513</b>
<b>Net asset value per share</b>	36	<b>37.67</b>	<b>36.37</b>

The annexed notes 1 to 44 form an integral part of these financial statements.

  
 Alhaj Md. Khabiruddin Molla  
 Managing Director

  
 Mohammed Alamgir Kabir  
 Director

  
 Md. Almas Shimul  
 Director

  
 Md. Mozharul Islam, FCS  
 Company Secretary

As per our report of same date.

  
 Chartered Accountants
Dhaka  
26 October 2013



## Statement of Comprehensive Income

### For the year ended 30 June 2013

	Notes	2012-2013 Taka	2011-2012 Taka
Revenue	26	6,829,697,132	5,657,601,485
Cost of sales	27	(5,681,661,641)	(4,911,277,867)
<b>Gross profit</b>		<b>1,148,035,491</b>	<b>746,323,618</b>
Other operating income/(loss)	28	(13,478,551)	64,193,352
Administrative expenses	29	(112,012,132)	(89,366,970)
Selling and distribution expenses	30	(200,077,789)	(146,257,762)
<b>Operating profit</b>		<b>822,467,019</b>	<b>574,892,238</b>
Other non-operating income	31	18,503,603	27,829,589
Financial income	32	74,671,363	177,928,220
Share of profit from associates	34	9,498,951	6,294,730
<b>Profit before WPPF &amp; income tax</b>		<b>925,140,936</b>	<b>786,944,777</b>
Workers' profit participation fund		(44,054,330)	(37,173,812)
<b>Profit before income tax</b>		<b>881,086,606</b>	<b>749,770,965</b>
<u>Income tax expenses</u>			
Current tax	33	(134,862,516)	(134,681,334)
Deferred tax	33	(80,835,429)	(49,329,034)
<b>Net profit after tax for the year</b>		<b>665,368,662</b>	<b>565,760,597</b>
<b>Earnings per share (restated)</b>	35	<b>4.48</b>	<b>3.81</b>

The annexed notes 1 to 44 form an integral part of these financial statements.

  
**Alhaj Md. Khabiruddin Molla**  
 Managing Director

  
**Mohammed Alamgir Kabir**  
 Director

  
**Md. Almas Shimul**  
 Director

  
**Md. Mozharul Islam, FCS**  
 Company Secretary

As per our report of same date.

Dhaka  
 26 October 2013

  
 Chartered Accountants

**Statement of Changes in Equity**  
For the year ended 30 June 2013

Particulars	Share Capital		Retained Earnings		Share Premium		Revaluation Reserve		Total Equity	
	Taka		Taka		Taka		Taka		Taka	
Balance as on 01 July 2012	1,350,000,000		871,919,154		2,956,560,000		222,397,084		5,400,876,238	
Bonus shares issued 10%	135,000,000		(135,000,000)		-		-		-	
Cash dividend paid 35%	-		(472,500,000)		-		-		(472,500,000)	
Revaluation reserve realised	-		1,992,848		-		(1,992,848)		-	
Profit for the year 2012-2013	-		665,368,662		-		-		665,368,662	
Deferred tax liability on revaluation reserve	-		655,455		-		-		655,455	
<b>Total as on 30 June 2013</b>	<b>1,485,000,000</b>		<b>932,436,118</b>		<b>2,956,560,000</b>		<b>220,404,236</b>		<b>5,594,400,355</b>	
Balance as on 01 July 2011	1,000,000,000		803,370,870		2,956,560,000		224,494,818		4,984,425,688	
Bonus shares issued 35%	350,000,000		(350,000,000)		-		-		-	
Cash dividend paid 15%	-		(150,000,000)		-		-		(150,000,000)	
Revaluation reserve realised	-		2,097,734		-		(2,097,734)		-	
Profit for the year 2011-2012	-		565,760,597		-		-		565,760,597	
Deferred tax liability on revaluation reserve	-		689,953		-		-		689,953	
<b>Total as on 30 June 2012</b>	<b>1,350,000,000</b>		<b>871,919,154</b>		<b>2,956,560,000</b>		<b>222,397,084</b>		<b>5,400,876,238</b>	

  
**Alhaj Md. Khabiruddin Molla**  
Managing Director

  
**Mohammed Alamgir Kabir**  
Director

  
**Md. Almas Shimul**  
Director

  
**Md. Mozharul Islam, FCS**  
Company Secretary

## Statement of Cash Flows

### For the year ended 30 June 2013

	2012-2013 Taka	2011-2012 Taka
<b>Cash flows from operating activities</b>		
Cash received from customers	6,902,052,681	5,246,797,411
Cash received from other operating income	5,954,504	64,193,352
Cash received from non-operating income	16,702,317	27,849,874
Cash received from financial income	56,628,479	116,977,487
Cash paid to suppliers & employees	(5,493,792,801)	(4,601,959,504)
Cash paid for operating expenses	(215,184,642)	(200,826,844)
Income tax paid	(335,297,563)	(419,473,486)
<b>Net cash flows from operating activities</b>	<b>937,062,975</b>	<b>233,558,291</b>
<b>Cash flows from investing activities</b>		
Acquisition of property, plant and equipments	(254,215,090)	(792,840,884)
Proceeds from sale of property, plant and equipments	4,142,200	2,802,420
Payment made for capital work-in-progress	(80,557,443)	(1,294,590,343)
Investment in shares	405,290	(93,494,348)
Investment in associate companies	(176,639,452)	(156,849,470)
<b>Net cash used in investing activities</b>	<b>(506,864,495)</b>	<b>(2,334,972,626)</b>
<b>Cash flows from financing activities</b>		
Receipt of short term loan	135,318,163	743,150,871
Receipt/(repayment) of long term loan	(145,623,617)	1,557,704,892
Paid to IPO applicants	(444,744)	(18,217,532)
Dividend paid	(467,274,343)	(145,639,269)
<b>Net cash flows from financing activities</b>	<b>(478,024,541)</b>	<b>2,136,998,963</b>
<b>Net increase/ (decrease) in cash and cash equivalents</b>	<b>(47,826,061)</b>	<b>35,584,626</b>
Cash and cash equivalents at beginning of the year	2,902,952,909	2,867,368,280
<b>Cash and cash equivalents at end of the year (Note-14)</b>	<b>2,855,126,848</b>	<b>2,902,952,909</b>
<b>Net operating cash inflows per share (restated)</b>	<b>6.31</b>	<b>1.57</b>

  
**Alhaj Md. Khabiruddin Molla**  
 Managing Director

  
**Mohammed Alamgir Kabir**  
 Director

  
**Md. Almas Shimul**  
 Director

  
**Md. Mozharul Islam, FCS**  
 Company Secretary



## Notes to the Financial Statements

For the year ended 30 June 2013

### 1 Incorporation and legal status

M. I. Cement Factory Limited (hereinafter referred to as "the Company" or "MICFL") was incorporated on 31 December 1994 under the Companies Act 1994 as a Public Limited Company in Bangladesh. The Company subsequently went for Initial Public Offering of shares in January 2011 which was fully subscribed and issued. The Company was listed with Chittagong Stock Exchange Limited (CSE) on 5 May 2011 and Dhaka Stock Exchange Limited (DSE) on 18 May 2011.

The registered office of the Company is situated at West Mukterpur, Munshigonj and the corporate office is situated at House # 01 & 07, Road # 95, Block # CEN(A), North Avenue, Gulshan-2, Dhaka-1212.

The Company has four associate companies namely Crown Power Generation Ltd. (CPGL), Crown Mariners Ltd. (CML), Crown Cement, Concrete and Building Products Ltd. (CCCBPL) and Crown Transportation & Logistics Ltd. (CTLL).

### 2 Nature of activities

The principal activities of the Company are manufacturing and marketing of Ordinary Portland Cement (OPC) and Portland Composite Cement (PCC) and the Company has been marketing its products with the brand name "Crown Cement". In addition to sale of Company's products in the local market, the Company also exports its products to India. The plant of the Company is equipped with world famous O-Sepa Separator.

### 3 Summary of significant accounting and valuation policies

The accounting policies applied in the preparation of the financial statements are set out below. These policies have been applied to all the years presented.

#### 3.1 Basis of preparation of the financial statements

##### (a) Accounting standards

The financial statements of the Company have been prepared in accordance with Bangladesh Accounting Standards (BAS) and Bangladesh Financial Reporting Standards (BFRS) and the requirements of Securities and Exchange Rules 1987, the Companies Act 1994 and other applicable laws and regulations.

##### (b) Accounting convention

The financial statements are prepared under the historical cost model except land & land development and factory buildings which have been measured under revaluation model. The Company classified the expenses using the function of expenses method as per BAS-1 "Presentation of financial statements".

#### **(c) Critical accounting estimates, assumptions and judgments**

The preparation of financial statements, complying BFRS, requires the use of certain critical accounting estimates. It also requires management to exercise their judgment in ascertaining assumption in the process of applying the Company's accounting policies and reported amount of assets, liabilities, income and expenses. Such estimates are prepared on the assumption of going concern and are established based on currently available information. Changes in facts and circumstances may result in revised estimates and actual results could differ from the estimates.

Significant estimates are made by management in the preparation of the financial statements include assumptions used for depreciation, allowance for receivables, deferred taxes, provisions for employees benefits and current tax liability.

#### **(d) Re-arrangement of figures**

Previous year figures have been re-arranged wherever necessary to conform to the current year's presentation.

### **3.2 Foreign currency translation/transaction**

Foreign currency transactions are recorded at the applicable rates of exchange prevailing at the transaction date in accordance with BAS-21 "The effects of changes in foreign exchange rates" and the resultant gain/loss is recognised in the financial statements. Monetary assets and liabilities denominated in foreign currencies are translated at the rates prevailing on the reporting date. Exchange differences at the statement of financial position date are recognized in the statement of comprehensive income.

### **3.3 Property, plant and equipments (PP&E)**

Tangible fixed assets are accounted for according to BAS-16 (Property, plant and equipments) either at historical cost or at revaluation less cumulative depreciation and the capital work-in-progress is stated at cost. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the assets' carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. Repair and maintenance costs are charged to the statement of comprehensive income during the financial period in which they are incurred.



## ANNUAL REPORT 2013

Depreciation on assets other than land is calculated using the reducing balance method or straight line method over their estimated useful lives at the following rates:

Category of PP&E	Current Year		Last Year	
	Rate (%)	Depreciation Method	Rate (%)	Depreciation Method
Mother vessel	5	Straight line	N/A	N/A
Buildings	5	Reducing balance	5	Reducing balance
Plant and machinery	10	Reducing balance	10	Reducing balance
Furniture	10	Reducing balance	10	Reducing balance
Decoration	20	Straight line	10	Reducing balance
Equipment	20	Straight line	15	Reducing balance
Computers	33.33	Straight line	20	Reducing balance
Transport and vehicles	10-15	Reducing balance	10-15	Reducing balance
Other assets	10-20	Reducing balance	10-20	Reducing balance

In respect of addition of fixed assets, depreciation is charged from the month of addition while no depreciation is charged in the month of disposal.

Useful lives of decoration, equipment and computers have been changed from the year under review and rates of depreciation have also been changed as mentioned above. Method of depreciation has been changed from reducing balance to straight line method as indicated above for the aforesaid assets. Had these assets been depreciated using reducing balance method using previous rates, the depreciation and ultimately profit would have been higher to the extent of Tk. 17,771,872.

In accordance with the provision of BAS-36: Impairment of Assets, no impairment has been observed till reporting date.

### 3.4 Inventories

Inventories are valued in accordance with BAS-2 (Inventories) at the lower of cost and net realizable value. The cost of inventories is based on weighted average method. The cost of finished goods comprises raw materials, packing materials, direct labour, other direct and related production overheads and related depreciation.

### 3.5 Trade and other receivables

Trade receivables are initially accounted for based on original invoice amount and in subsequent reporting period, it is presented net of allowance due to probable loss from uncollectibility.

### 3.6 Cash and cash equivalents

It includes cash in hand and bank deposits having insignificant risk of changes in value of these current assets.

### **3.7 Employee benefits**

#### **(a) Defined contribution plan**

The Company operates a equal contributory provident fund for its permanent employees, provision for which is being made monthly as per the rules. The fund is recognized by the National Board of Revenue (NBR) and is administered by a Board of Trustees. This is a funded scheme and separate accounts are maintained for this fund.

#### **(b) Defined benefits plan**

This represents an unfunded gratuity scheme for its permanent employees. Employees are entitled to gratuity benefit after completion of minimum six years of service in the Company. The gratuity is calculated at the rate of one month latest basic pay for every completed year of service.

No actuarial valuation was done for liability on account of gratuity. However, the management believes that such valuation is not likely to yield a result significantly different from the current provision.

#### **(c) Group insurance benefit**

The entitled employees of the Company are covered under a group insurance scheme and insurance premium is being charged to statement of comprehensive income.

#### **(d) Workers' profit participation fund (WPPF)**

The Company recognizes a provision and expenses for Workers' Profit Participation @ 5% of net profit as per relevant Act.

### **3.8 Trade and other payables**

Liabilities are recorded at the amount payable for settlement in respect of goods and services received by the Company.

### **3.9 Provisions**

Provisions are recognized in accordance with BAS-37 (Provisions, Contingent Liabilities and Contingent assets). The Company recognises a provision when there is a present obligation, legal or constructive, as a result of past events and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the amount of the obligation can be made.

### **3.10 Revenue recognition**

- (a)** The Company recognizes sales when products are dispatched from the Company premises and risks and rewards are also transferred to the buyers;

- (b) Income from export earned in foreign currency (amounting to USD 88,13,865 equivalent to Tk. 705,111,379) has been calculated on F.O.B basis;
- (c) Interest income on bank deposits is recognized upon credited to the bank accounts;
- (d) Income from mother vessel, when it is being chartered out, is recognized after netting off related expenses;
- (e) Dividend income from investment in shares is recognized on cash receipt basis;
- (f) Other income is recognized on accrual basis.

### **3.11 Advertising and promotional expenses**

All costs associated with advertising and promotional activities are charged out in the year in which they are incurred.

### **3.12 Allocation of directors' remuneration**

Directors' remuneration is allocated to different departments like administration, factory and selling and distribution on the basis of the functions performed by them for the Company.

### **3.13 Allocation of depreciation**

Depreciation is allocated to factory, administrative and selling & distribution overheads on the basis of utilization of assets by the function of the Company.

### **3.14 Income tax**

#### **(a) Current tax**

Provision is made at the ruling rate of tax as per the Finance Act 2013.

#### **(b) Deferred tax**

Deferred tax is recognized using the balance sheet method. Deferred tax arises due to temporary difference, deductible or taxable, for the events or transaction is recognized in the income statement. A temporary difference is the difference between the tax base of an asset or liability and its carrying amount/reported amount in the statement of financial position. Deferred tax assets or liability is the amount of income tax recoverable or payable in future period(s) recognized in the current period. The deferred tax liability/expense does not create a legal liability/recoverability to and from the income tax authority.

### **3.15 Cash flows statement**

Cash flows statement is prepared principally in accordance with BAS-7 (Cash Flows Statement) and the cash flows from operating activities have been presented under direct method.



### 3.16 Investment in associate companies

Associate companies are those where M. I. Cement Factory Ltd. has direct investment and significant influence over their financial and operating policy decisions of the investee but has not control or joint control over implementation of those policies.

Investment in associates companies are measured under equity method and recognised in the statement of financial position at cost less proportionate share of post acquisition profit or loss in associates companies to the extent that it does not exceed the investment at cost.

### 3.17 Date of authorisation

The Board of Directors has authorised the financial statements on 26 October 2013 for publication.

### 3.18 General

These financial statements are presented in Bangladesh Taka which is functional and presentation currency of the Company. Figures have been rounded off to the nearest Taka.

## 4 Property, plant and equipments

### A. Cost

	30.06.2013 Taka	30.06.2012 Taka
Opening balance	3,447,412,459	1,620,696,064
Add: additions during the year	1,607,660,265	1,835,938,561
	5,055,072,724	3,456,634,625
Less : disposals during the year	4,569,124	9,222,166
<b>Total (A)</b>	<b>5,050,503,600</b>	<b>3,447,412,459</b>

### B. Accumulated depreciation

Opening balance	676,956,518	502,240,072
Add: charged during the year	294,173,034	176,245,301
	971,129,552	678,485,374
Less: adjustment for disposal during the year	3,486,656	1,528,856
<b>Total (B)</b>	<b>967,642,896</b>	<b>676,956,518</b>

### C. Carrying amount (A-B)

<b>4,082,860,704</b>	<b>2,770,455,941</b>
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A separate schedule of property, plant and equipments is given in Annexure-A.

	30.06.2013 Taka	30.06.2012 Taka
<b>5 Capital work-in-progress</b>		
Capital Machinery	3,394,024	63,118,456
Sub-station	61,051,481	8,232,400
Mother Vessel	-	1,293,720,743
Sub-station (33/11 KV line -DPDC)	9,190,501	-
Workshop for dump truck & pay loader	848,241	-
Fly ash silo construction	17,699,621	-
	<b>92,183,867</b>	<b>1,365,071,599</b>
<b>6 Investment in associate companies</b>		
(a) Crown Power Generation Limited (CPGL)	-	2,000,000
Less: share of loss to the extent of Tk. 12,410,315.50 being 50% interest in the shareholding but restricted to the extent of total investment	-	(2,000,000)
Net investment in CPGL	-	-
(b) Crown Cement Concrete and Building Products Limited (CCCBPL)	500,000	500,000
Less: share of loss to the extent of Tk. 3,511,430.00 being 20% interest in the shareholding but restricted to the extent of total investment	(500,000)	-
Net investment in CCCBPL	-	500,000
(c) Crown Transportation & Logistics Limited (CTLL)	-	500,000
Less: share of loss to the extent of Tk. 15,604,696.80 being 20% interest in the shareholding but restricted to the extent of total investment	-	(500,000)
Net investment in CTLL	-	-
Share of losses of associate companies are recognised in the financial statements to the extent it does not exceed the carrying amount of 'investment in associates':		
(d) Crown Mariners Limited (CML)	25,999,730	17,205,000
Less: share of profit from investment - 20% interest in the shareholding	9,998,951	8,794,730
Net investment in CML	35,998,681	25,999,730
<b>Total investment in associate companies</b>	<b>35,998,681</b>	<b>26,499,730</b>

6.1 Summarized key financial information of the associate companies are presented below in accordance with BAS 28: Investment In Associates:

Particulars	Crown Mariners Limited (CML)	Crown Transportation & Logistics Limited (CTLL)	Crown Cement Concrete and Building Products Limited (CCCBPL)	Crown Power Generation Limited (CPGL)
Financial statements (un-audited) as of	30.04.2013	31.03.2013	30.06.2013	30.06.2013
% of MICFL stake	20	20	20	50
Total assets	954,431,897	240,914,598	454,377,472	184,141,572
Total liabilities	742,768,491	316,438,082	469,434,621	205,550,024
Revenue	409,657,053	213,048,286	25,960,820	14,475,540
Profit or (loss)	49,994,755	(50,498,675)	(10,534,290)	(578,691)
Accumulated profit/(loss)	93,968,406	(78,023,484)	(8,034,290)	(24,820,631)
Unrecognized losses of associate companies	-	15,104,697	2,106,858	10,410,316

#### 7 Investment in shares

	30.06.2013 Taka	30.06.2012 Taka
Opening balance	93,494,348	-
Add: addition during the year	-	93,494,348
Less: disposal during the year	385,447	-
	<b>93,108,901</b>	<b>93,494,348</b>
Less: adjustment due to changes in fair value	1,278,289	-
	<b>91,830,612</b>	<b>93,494,348</b>

#### Break-up of investment in shares:

Name of shares	Rate (Taka)	Quantity	Cost (Taka)	Market Value (Taka)
Bank Asia Ltd.	23.56	23,650	557,194	456,445
Beximco Pharma Ltd.	69.27	13,915	963,892	726,363
Delta Life Insurance Ltd.	3944.49	350	1,380,570	2,022,965
Grameen Phone Ltd.	216.66	10,000	2,166,557	1,789,000
Jamuna Oil Co. Ltd.	210.63	143,000	30,120,090	32,761,300
Meghna Petroleum Ltd.	173.61	13,000	2,256,930	3,091,400
National Bank Ltd.	37.25	299,700	11,164,497	3,986,010
One Bank Ltd.	24.72	229,425	5,671,386	3,624,915
Prime Bank Ltd.	30.06	24,200	727,452	682,440
Rupali Bank Ltd.	90.47	29,590	2,677,007	1,955,899
Social Investment Bank Ltd.	19.09	55,000	1,049,950	825,000
Southeast Bank Ltd.	22.25	150,000	3,337,455	2,535,000
Square Pharma Ltd.	175.61	111,622	19,601,939	24,556,840
Titus Gas	73.33	155,925	11,433,980	12,817,035
			<b>93,108,901</b>	<b>91,830,612</b>



## ANNUAL REPORT 2013

			30.06.2013	30.06.2012
			Taka	Taka
<b>8 Inventories</b>				
<u>Particulars</u>	<u>Quantity</u>			
Clinker	MT	30,578.24	153,002,515	184,944,405
Gypsum	MT	5,867.33	16,297,346	22,929,656
Slag	MT	13,027.74	37,777,657	16,937,987
Fly Ash	MT	13,297.37	25,360,682	7,691,456
Lime Stone	MT	2,295.87	3,852,694	1,444,205
Bags	PCS	909,433	16,137,815	8,512,441
Stores & spare parts			75,941,932	23,965,043
Finished Cement	MT	0.20	1,268	1,417
			<b>328,371,909</b>	<b>266,426,611</b>
<u>Inventory in transit</u>				
Clinker			84,320,378	152,403,405
Gypsum			29,560	262,940
Slag			14,296,909	66,039
Fly ash			5,611,671	22,692,272
Spare parts			145,554	275,710
			<b>104,404,073</b>	<b>175,700,366</b>
			<b>432,775,981</b>	<b>442,126,977</b>
<b>9 Trade receivables</b>				
Corporate			269,981,570	197,693,218
Dealers			267,043,189	309,096,092
Distributors			29,385,573	115,145,732
Other customers			105,462,557	120,692,762
Transport bill			9,623,116	11,223,750
			<b>681,496,005</b>	<b>753,851,554</b>
Less: allowance for receivables			13,852,491	-
Trade receivable net of allowance			<b>667,643,514</b>	<b>753,851,554</b>

### Ageing of the above receivables is given below:

	up to 1 month	1-3 months	3- 6 months	above 6 months	Total
Corporate	195,736,638	29,697,973	26,998,157	17,548,802	269,981,570
Dealers	193,806,312	29,374,751	26,704,319	17,357,807	267,043,189
Distributors	21,304,541	3,232,413	2,938,557	1,910,062	29,385,573
Other customers	76,460,354	11,600,881	10,546,256	6,855,066	105,462,557
Transport bill	-	-	-	9,623,116	9,623,116
	<b>487,107,845</b>	<b>73,906,018</b>	<b>67,187,289</b>	<b>53,294,854</b>	<b>681,496,005</b>

### 10 Current account with sister concerns

Crown Power Generation Limited	204,306,124	217,583,193
Crown Polymer Bagging Limited	104,518,916	51,607,843
Crown Cement Concrete and Building Products Limited	126,612,392	1,892,627
Crown Transportation & Logistics Limited	143,602,710	126,118,291
Crown Cement Trading Company	15,943,288	24,803,833
Crown Mariners Limited	94,668,434	91,006,625
	<b>689,651,863</b>	<b>513,012,411</b>

Particulars	Purpose
Crown Power Generation Limited	Power generated is solely supplied to M. I. Cement Factory Limited at less than the competitive market price.
Crown Polymer Bagging Limited	All bags as produced will be supplied to M. I. Cement Factory Limited at less than competitive market price.

Particulars	Purpose
Crown Cement Concrete and Building Products Limited	This Company went into commercial production on 15 May 2013 and is involved in ready mix cement business using exclusively Crown Cement.
Crown Transportation & Logistics Limited	Crown Transportation & Logistics Limited is providing logistics service for carrying finished product to customer at a lower price than the market rate.
Crown Cement Trading Company	A partnership firm, occasionally involved in cement trading business.
Crown Mariners Limited	Crown Mariners Limited is providing logistics service for carrying raw materials from Chittagong port to factory ghat at less than competitive market price.

These represent temporary unsecured and interest-free loans to associate entities. The terms and conditions with respect to repayments are not fixed. However, the management anticipate that such loans will be realised anytime but not later than next 4 (four) years from the reporting date.

	30.06.2013 Taka	30.06.2012 Taka
<b>11 Other receivables</b>		
Interest income receivable on FDR	78,993,617	60,950,733
Alunited Maritime Business (Pvt.) Limited	30,167,288	-
Molla Salt Triple Refinery Limited	132,790	132,790
Crown Corporation	31,605	31,605
AK Trade International	10,000	10,000
N.K Enterprise	2,000	2,000
GPH Ispat Limited	-	106,971
	<b>109,357,300</b>	<b>61,234,099</b>
<b>12 Advances and deposits</b>		
<b>(a) Advances</b>		
Advance to parties/contractors	77,438,508	129,381,176
Advance to employee against works	39,531,223	34,908,867
Advance to employee against salary	1,777,483	145,556
Advance against rent	10,159,834	10,421,516
VAT current account	39,944,757	52,174,718
Advance to others	554,027	1,488,481
Advance against land purchase	5,585,000	5,585,000
	<b>174,990,832</b>	<b>234,105,314</b>
<b>(b) Deposits</b>		
Security deposit and other deposit	15,584,508	18,224,707
Margin for bank guarantee	3,363,796	2,913,681
L/C margin deposit	37,139,261	20,083,202
	<b>56,087,564</b>	<b>41,221,589</b>
	<b>231,078,396</b>	<b>275,326,903</b>
<b>13 Advance income tax</b>		
Opening balance	717,452,042	323,817,217
Add: paid during the year	335,297,563	419,473,486
	<b>1,052,749,605</b>	<b>743,290,703</b>
Less: adjustment made during the year (note 13.1)	557,861,460	25,838,661
	<b>494,888,145</b>	<b>717,452,042</b>

Advance income tax paid during the year represents tax deducted at source by appropriate authority on purchase of raw materials, tax deducted by customers on bills for cement supply, tax deducted at source from export sales and tax deducted at source from interest and dividend income.

## ANNUAL REPORT 2013

### 13.1 Adjustment made during the year

#### Assessment year

2007-08

2008-09

2009-10

2010-11

2011-12

30.06.2013 Taka	30.06.2012 Taka
-	25,838,661
56,117,467	-
95,390,047	-
179,703,497	-
226,650,449	-
<b>557,861,460</b>	<b>25,838,661</b>

### 14 Cash and cash equivalents (Note 3.6)

#### Cash in hand

Cash in hand-head office

Cash in hand-factory

1,687,161	10,021,418
470,452	970,087
<b>2,157,613</b>	<b>10,991,505</b>

#### Cash at bank

One Bank Limited

South East Bank Limited

Mercantile Bank Limited

Jamuna Bank Limited

State Bank of India

AB Bank Limited

The City Bank Limited

National Bank Limited

Dutch Bangla Bank Limited

Prime Bank Limited

United Commercial Bank Limited

Mutual Trust Bank Limited

Pubali Bank Limited

Janata Bank Limited

Dhaka Bank Limited

Shahjalal Islami Bank Limited

Uttara Bank Limited

The Hongkong And Shanghai Banking Corporation Limited

BRAC Bank limited

Islami Bank Bangladesh Limited

Eastern Bank Limited

One Bank Limited-dividend account

Dutch Bangla Bank Limited-dividend account

1,214,049	47,092
7,612	8,762
1,385,953	8,375
20,467	11,127
874,909	166,463
-	1,114,170
291,616	347,356
823,461	4,289,590
1,534,150	5,627,858
1,849,756	49,924
2,679,745	1,194,676
229,116	1,082,616
1,021,759	738,544
342,107	802,787
1,012,792	5,124,228
1,903,328	2,574,624
10,516	18,925
3,834,558	3,538,025
14,436,856	16,563,610
1,024,835	964,788
-	498,851
4,834,241	4,882,955
5,263,740	-
<b>44,595,567</b>	<b>49,655,346</b>
2,808,373,668	2,842,306,059
<b>2,855,126,848</b>	<b>2,902,952,909</b>

#### Term deposits

Term deposits include an aggregate amount of Taka 1,512,202,542 as lien against term loan taken from The Hong Kong Shanghai Banking Corporation Limited for purchasing of Mother Vessel and Taka 28,724,068.54 held under lien with One Bank Ltd. as security against bank guarantee in favour of Chittagong Custom House.



**15 Share capital**

30.06.2013	30.06.2012
Taka	Taka

Authorised Capital

500,000,000 Ordinary Shares of Tk. 10 each

**5,000,000,000      5,000,000,000**
Issued, Subscribed & Paid-up Capital

148,500,000 Ordinary Shares of Tk. 10 each fully paid-up and share holding position is as under:

Sl. No.	Name	No. Shares	Holding %	Value (Tk.)	Value (Tk.)
1	Md. Jahangir Alam	23,024,925	15.50%	230,249,250	209,317,500
2	Alhaj Md. Khabiruddin Molla	20,790,000	14.00%	207,900,000	189,000,000
3	Md. Alamgir Kabir	14,397,075	9.70%	143,970,750	130,882,500
4	Mrs. Al-Haj Rokeya Begum	10,395,000	7.00%	103,950,000	94,500,000
5	Molla Mohammad Majnu	10,395,000	7.00%	103,950,000	94,500,000
6	Md. Mizanur Rahman	10,395,000	7.00%	103,950,000	94,500,000
7	Md. Almas Shimul	7,276,500	4.90%	72,765,000	66,150,000
8	Alhaj Md. Abdur Rouf	2,598,750	1.75%	25,987,500	23,625,000
9	Md. Ashrafuzzaman	2,598,750	1.75%	25,987,500	23,625,000
10	Md. Abdul Ahad	2,079,000	1.40%	20,790,000	18,900,000
11	General Public	44,550,000	30.00%	445,500,000	405,000,000
		<b>148,500,000</b>	<b>100%</b>	<b>1,485,000,000</b>	<b>1,350,000,000</b>

The Company increased its paid-up share capital from Tk. 1,350 million to Tk. 1,485 million by issuing 13,500,000 ordinary shares as bonus share of Tk. 10 each to the shareholders as declared at 18th Annual General Meeting held on 23 December 2012.

Classification of shareholders by holdings:

Shareholding Range	No. of Shareholders	Holdings	No. of Shareholders	Holdings
	30.06.2013	30.06.2013	30.06.2012	30.06.2012
Less than 499 shares	76,259	10,322,555	82,884	11,089,126
500 to 5,000 shares	6,083	8,433,182	6,531	8,915,959
5,001 to 10,000 shares	429	3,025,598	372	2,667,088
10,001 to 20,000 shares	195	2,677,272	193	2,706,756
20,001 to 30,000 shares	63	1,556,466	68	1,661,704
30,001 to 40,000 shares	34	1,143,588	34	1,177,905
40,001 to 50,000 shares	27	1,259,594	27	1,194,110
50,001 to 100,000 shares	42	2,854,010	40	2,871,335
100,001 to 1,000,000 shares	28	5,158,524	25	6,691,517
Over 1,000,000 shares	12	112,069,211	11	96,024,500
<b>Total</b>	<b>83,172</b>	<b>148,500,000</b>	<b>90,185</b>	<b>135,000,000</b>

**16 Share premium**

This represents share premium of Tk. 3,048 million raised by issuing 30 million of ordinary shares @ Taka 101.60 per share through IPO during the year 2010-2011. The break-up of the balance of share premium is given below:

Share premium realised during the year 2010-2011	3,048,000,000	3,048,000,000
Less: income tax paid on share premium	(91,440,000)	(91,440,000)
<b>Closing balance</b>	<b>2,956,560,000</b>	<b>2,956,560,000</b>

**17 Long term loan net off current portion**
Project loan for unit IV and Mother vessel

Syndication loan	826,717,278	835,707,961
Term loan	1,110,843,797	1,227,502,500
	<b>1,937,561,075</b>	<b>2,063,210,461</b>

## ANNUAL REPORT 2013

### Hire purchase loan

Prime Bank Limited

30.06.2013 Taka	30.06.2012 Taka
14,030,421	34,004,653
<b>14,030,421</b>	<b>34,004,653</b>
<b>1,951,591,496</b>	<b>2,097,215,113</b>
500,039,618	286,076,000
<b>1,451,551,878</b>	<b>1,811,139,113</b>

Less: current portion of long term loan (Note -22)

### 17.1 Details of long term loan is presented below:

Sl. No.	Name of Lenders	Type and purpose of loan	Amount (Taka)	Tenure
1	One Bank Limited-Lead arranger Prime Bank Limited United Commercial Limited Shahjela Islami Bank Limited Eastern Bank Limited Bank Asia Limited Dutch Bangla Bank Limited National Bank Limited Jamuna Bank Limited Mutual Trust Bank Limited Saudi Bangladesh Industrial and Agricultural Investment Company Limited (SABINCO)	Syndication loan to import capital machinery of cement manufacturing unit.	826,717,278	5 years
2	The Hongkong and Shanghai Banking Corporation Limited	Term loan (one-off) to retire deferred import documents of ocean going vessel.	1,110,843,797	5 years
3	Prime Bank Limited	Hire purchase loan	14,030,421	5 years

### **Securities for syndicate loan:**

(a) Factory land measuring 621.05 decimal along with factory building and civil constructions (present and future) thereon with other syndicate lenders at West Mukterpur, Munshigonj has been placed as collateral against syndication loan.

(b) First ranking pari-passu charge with the Registrar of Joint Stock Companies & Firms on all fixed and floating assets of the borrower with other syndicate lenders.

(c) Assignment of benefits of all insurance policies on fixed assets of the project in favor of the syndicate lenders. The borrower shall obtain insurance policy on the project assets (factory building, plant and machinery, equipment) from an insurer acceptable to the lenders covering minimum 110% of loan amount.

(d) Personal guarantee of all the directors of the Company.

### **Securities for term loan:**

FDRs amounting to Tk. 1,512,202,542 with HSBC is lien as collateral against term loan.

### **Securities for hire purchase loan:**

Joint ownership of the vehicles to be procured duly insured covering 1st party comprehensive insurance.

### 18 Liabilities for gratuity

Opening balance  
Add: provision made during the year  
  
Less: adjustment made during the year  
**Closing balance**

30.06.2013 Taka	30.06.2012 Taka
9,907,118	3,894,840
5,414,926	6,012,278
<b>15,322,044</b>	<b>9,907,118</b>
1,490,882	-
<b>13,831,163</b>	<b>9,907,118</b>

## 19 Deferred tax liability

	30.06.2013 Taka	30.06.2012 Taka
Opening balance	104,748,223	55,419,189
Add: provision during the year	80,835,429	49,329,034
Closing balance	<b>185,583,652</b>	<b>104,748,223</b>

### 19.1 Details of deferred tax calculation

(a) The tax effects of temporary differences arise from tax base and accounting base of relevant assets and liabilities.

#### Deferred tax assets:

Provision for gratuity	3,423,213	-
Allowance for receivables	3,428,492	-
	6,851,704	-

#### Deferred tax liabilities

Property, plant and equipment	(192,435,356)	(104,748,223)
	<b>(185,583,652)</b>	<b>(104,748,223)</b>

#### Deferred tax liability on revaluation reserve

Opening balance	(43,378,062)	(44,068,015)
Less: transferred to retained earnings	655,455	689,953
Closing balance	<b>(42,722,607)</b>	<b>(43,378,062)</b>
Total	<b>(228,306,259)</b>	<b>(148,126,285)</b>

## 20 Trade payables

Suppliers	135,674,506	147,311,622
Others	1,214,677	1,214,677
Total	<b>136,889,183</b>	<b>148,526,299</b>

Ageing of the above trade payables is as below:

	up to 1 month	1-3 Months	3-6 months	Above 6 months	Total
Suppliers	100,738,321	22,725,480	6,783,725	5,426,980	135,674,506
Others	-	-	-	1,214,677	1,214,677
Total	<b>100,738,321</b>	<b>22,725,480</b>	<b>6,783,725</b>	<b>6,641,657</b>	<b>136,889,183</b>

## 21 Other payables

Creditor for other finance (Note 21.1)	26,427,588	12,105,996
Creditor for revenue expenses (Note 21.2)	38,592,975	35,365,220
	<b>65,020,563</b>	<b>47,471,216</b>

### 21.1 Creditor for other finance

Security deposits	3,783,535	2,867,627
Advance against sales	60,400	60,400
VAT deduction at source	5,610,830	6,316,332
Tax deduction at source	14,582,108	2,247,633
Payable to employees provident fund	1,493,636	5,130
Advance against motor cycle	719,476	425,428
VAT payable on board meeting attendance fees	115,500	36,750
Employee tax payable	62,103	146,696
	<b>26,427,588</b>	<b>12,105,996</b>



# ANNUAL REPORT 2013

## 21.2 Creditor for revenue expenses

Salaries, wages & overtime payable  
Audit fee  
Electricity bill  
Others

30.06.2013 Taka	30.06.2012 Taka
13,544,552	10,924,213
350,000	313,500
23,701,132	22,794,884
997,291	1,332,623
<b>38,592,975</b>	<b>35,365,220</b>

## 22 Current portion of long term loan

### Project loan for Unit-IV

Syndication loan  
Term loan

191,417,618	260,000,000
292,500,000	-
<b>483,917,618</b>	<b>260,000,000</b>

### Hire purchase loan

Prime Bank Limited

16,122,000	26,076,000
<b>500,039,618</b>	<b>286,076,000</b>

## 23 Short term loan

### Cash credit (Hypothecation)

One Bank Limited  
Prime Bank Limited  
The Hongkong and Shanghai Banking Corporation Limited  
Eastern Bank Limited

43,782,251	14,065,601
45,899,156	11,505,818
62,377,498	18,365,033
49,740,089	-
<b>201,798,995</b>	<b>43,936,451</b>

### Loan against trust receipts

One Bank Limited  
Prime Bank Limited  
Eastern Bank Limited  
The Hongkong and Shanghai Banking Corporation Limited

124,050,818	247,197,929
48,116,408	471,882,947
55,136,250	216,453,362
130,802,040	288,046,556
<b>358,105,517</b>	<b>1,223,580,794</b>

### Time loan

One Bank Limited  
Prime Bank Limited  
Eastern Bank Limited  
The Hongkong and Shanghai Banking Corporation Limited

18,875,244	83,509,820
215,173,722	-
123,681,030	-
41,610,000	-
<b>399,339,996</b>	<b>83,509,820</b>

### Offshore loan

Prime Bank Limited  
The Hongkong and Shanghai Banking Corporation Limited  
Eastern Bank Limited  
Jamuna Bank Limited

253,018,136	-
162,855,420	-
86,181,514	-
25,045,650	-
<b>527,100,720</b>	<b>-</b>

### **Total**

<b>1,486,345,228</b>	<b>1,351,027,065</b>
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**23.1** The Company has been enjoying the following short term facilities from various banks under the terms and conditions given below:

Sl. No	Name of the Bank	Type of loan	Limit of Loan	Purpose of Loan	Tenor	Nature
1	One Bank Limited	Cash Credit Hypothecation	50,000,000	Working Capital	One Year	Revolving
2	One Bank Limited	Loan against Trust Receipts	500,000,000	Working Capital	120 days	Revolving
3	One Bank Limited	Revolving Time loan	200,000,000	Working Capital	120 days	Revolving
4	One Bank Limited	Letter of credit (non funded)	750,000,000	Working Capital	120 days	Revolving
5	One Bank Limited	Bank guarantee	10,000,000	Issue guarantee for tender and utilities facilities	One Year	Revolving
6	Prime Bank Limited	Cash Credit Hypothecation	50,000,000	Working Capital	One Year	Revolving
7	Prime Bank Limited	Loan against Trust Receipts	520,000,000	Working Capital	90 days	Revolving
8	Prime Bank Limited	Revolving Time loan	130,000,000	Working Capital	90 days	Revolving
9	Prime Bank Limited	Letter of credit (non funded)	550,000,000	Working Capital	90 days	Revolving
10	Prime Bank Limited	Bank guarantee	50,000,000	To issue guarantee for tender and utilities facilities	One Year	Revolving
11	HSBC	Cash Credit Hypothecation	60,000,000	Working Capital	One Year	Revolving
12	HSBC	Loan against Trust Receipts	1,200,000,000	Working Capital	150 days	Revolving
13	HSBC	Letter of credit (non funded)	1,200,000,000	Working Capital	150 days	Revolving
14	HSBC	Bank guarantee	20,000,000	To issue guarantee for tender and utilities facilities	One Year	Revolving
15	Jamuna Bank Limited	Loan against Trust Receipts	190,000,000	Working Capital	180 days	Revolving
16	Jamuna Bank Limited	Letter of credit (non funded)	200,000,000	Working Capital	180 days	Revolving
17	Eastern Bank Limited	Letter of credit (non funded)	750,000,000	Working Capital	180 days	Revolving
18	Eastern Bank Limited	Cash Credit Hypothecation	50,000,000	Working Capital	One Year	Revolving
19	Eastern Bank Limited	Bank guarantee	20,000,000	To issue guarantee for tender and utilities facilities	One Year	Revolving
20	Eastern Bank Limited	Revolving Time loan	300,000,000	Working Capital	150 days	Revolving
21	Eastern Bank Limited	Loan against Trust Receipts	720,000,000	Working Capital	150 days	Revolving

## 24 Provision for tax liabilities

	30.06.2013 Taka	30.06.2012 Taka
Opening balance	663,483,837	554,641,164
Add: provision made during the year	134,882,516	134,681,334
	798,366,353	689,322,498
Less: adjustment made during the year (24.1)	557,861,460	25,838,661
	<b>240,504,893</b>	<b>663,483,837</b>

Return for the income years 2008-2009, 2009-2010, 2010-2011, 2011-2012 (Corresponding assessment years 2009-2010, 2011-2011, 2011-2012, 2012-2013) were filed and assessment orders (though appeals have been made before concerned authority) except for income year 2011-12 were received on 17 June 2012, 17 June 2012 and 29 July 2012 respectively.

### 24.1 Adjustment made during the year

#### Assessment years

2007-08	-	25,838,661
2008-09	56,117,467	-
2009-10	95,390,047	-
2010-11	179,703,497	-
2011-12	226,650,449	-
	<b>557,861,460</b>	<b>25,838,661</b>

## 25 Liabilities for WPPF

#### WPPF (Workers' Profit Participation Fund):

Opening balance	37,173,812	34,039,271
Less: payments made during the year	37,173,812	34,039,271
	-	-
Add: provision made during the year	44,054,330	37,173,812
Closing balance	<b>44,054,330</b>	<b>37,173,812</b>

## 26 Revenue

Domestic sales	6,124,585,753	4,956,551,600
Export sales	705,111,379	701,049,885
	<b>6,829,697,132</b>	<b>5,657,601,485</b>

In the year 2012-2013 revenue of the Company has increased by 20.72% as compared to the year 2011-2012. Domestic sales increased by 23.57%. However, the export sales increased by 0.58% during the year comparing previous year. During the year, the Company has contributed to national exchequer amounting to Tk. 918,687,863 as VAT.

#### Quantity wise sales are as follows:

Particulars	01-07-2012 to 30-06-2013		01-07-2011 to 30-06-2012	
	Quantity in Metric Ton	Amount in Taka	Quantity in Metric Ton	Amount in Taka
Domestic Sales	894,559	0	830,097	4,956,551,600
Export Sales	103,650	705,111,379	103,035	701,049,885
<b>Total</b>	<b>998,209</b>	<b>705,111,379</b>	<b>933,132</b>	<b>5,657,601,485</b>



**27 Cost of sales**

Opening stock of raw materials  
Add: purchased of raw materials during the year  
Less: closing stock of raw materials  
**Raw material consumed (note 27.1)**  
Factory overhead (note 27.5)  
Cost of production  
Add: opening finished goods  
**Cost of goods available for sale**  
Less: closing finished goods  
**Cost of sales**  
Less: Duty draw back for export  
**Cost of sales**

30.06.2013	30.06.2012
Taka	Taka
242,460,151	201,807,546
5,029,751,978	4,420,106,631
(252,428,709)	(242,460,151)
<b>5,019,783,419</b>	<b>4,379,454,025</b>
712,568,334	567,110,501
5,732,351,753	4,946,564,526
1,417	1,669
<b>5,732,353,170</b>	<b>4,946,566,195</b>
(1,268)	(1,417)
5,732,351,902	4,946,564,779
(50,690,261)	(35,286,912)
<b>5,681,661,641</b>	<b>4,911,277,867</b>

**27.1 Raw material consumed**

Opening stock of raw materials

	Quantity		
Clinker	MT	34,507	184,944,405
Gypsum	MT	7,520	22,929,656
Slag	MT	6,741	16,937,987
Fly ash	MT	3,066	7,691,456
Lime Stone	MT	914	1,444,205
Bags	PCS	588,882	8,512,441
			<b>242,460,151</b>
			<b>201,807,546</b>

Add: purchased during the year

	Quantity		
Clinker	MT	710,591	3,592,860,510
Gypsum	MT	45,670	135,989,023
Slag	MT	108,846	315,674,224
Fly ash	MT	89,274	173,605,964
Lime Stone	MT	13,116	22,212,896
Bulk cement purchase	MT	71,675	455,775,438
Bags	PCS	19,293,875	333,633,922
			<b>5,029,751,978</b>
			<b>4,420,106,631</b>

Less: closing stock of raw materials

	Quantity		
Clinker	MT	30,578	153,002,515
Gypsum	MT	5,867	16,297,346
Slag	MT	13,028	37,777,657
Fly Ash	MT	13,297	25,360,682
Lime Stone	MT	2,296	3,852,694
Bags	PCS	909,433	16,137,815
			<b>252,428,709</b>
			<b>242,460,151</b>

**Raw materials consumed**

<b>5,019,783,419</b>	<b>4,379,454,025</b>
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**27.2** As per nature of the Company's manufacturing process and packing system, there is no scope of having packed finished cement in the stock. Cement is only packed at the time of delivery by trucks i.e. the cement is packed in the bag when trucks arrive at the factory for tacking delivery.

Particulars in respect of opening stock, sales and closing stock of finished goods are as follows:

	Opening		Closing		Sales for the year	
	Quantity	Value	Quantity	Value	Quantity	Value
Year 2012-2013	0.20	1,417	0.20	1,268	998,209	6,829,697,132
Year 2011-2012	0.30	1,669	0.20	1,417	933,132	5,657,601,485

# ANNUAL REPORT 2013

## 27.2.1 Finished goods movement in Taka and quantities

Particulars	01.07.2012 - 30.06.2013		01.07.2011 - 30.06.2012	
	Quantity (Metric Ton)	Amount (Taka)	Quantity (Metric Ton)	Amount (Taka)
Opening stock	0.20	1,417	0.30	1,669
Add: Production during the period	926,534.41	5,732,351,753	933,131.84	4,942,271,776
Goods available for sale	926,534.61	5,732,353,170	933,132.14	4,942,273,445
Less: Cost of goods sold	926,534.41	5,732,351,902	933,131.94	4,942,272,028
Closing stock	0.20	1,268	0.20	1,417

As per Company's policy any bags of cement remained undelivered in the stock is considered as finished product. Thus the above amount represents the cost of 4(four) bags of cement remained undelivered to the trucks on 30 June 2013.

## 27.3 Analysis of raw material consumption

2012-2013

Particulars	Opening		Closing		Consumed for the year	
	MT/Pcs	Amount (Taka)	MT/Pcs	Amount (Taka)	MT/Pcs	Amount (Taka)
Clinker (MT)	34,507	184,944,405	30,578	153,002,515	714,520	3,624,802,401
Gypsum (MT)	7,520	22,929,656	5,867	16,297,346	47,323	142,621,333
Slag (MT)	6,741	16,937,967	13,028	37,777,657	102,559	294,834,554
Fly ash (MT)	3,068	7,691,456	13,297	25,360,682	79,043	155,936,738
Lime Stone (MT)	914	1,444,205	2,296	3,852,694	11,734	19,804,407
Bulk cement purchase	-	-	-	-	71,675	455,775,438
Bags (Pcs)	588,882	8,512,441	908,433	16,137,815	18,973,124	326,008,548

2011-2012

Particulars	Opening		Closing		Consumed for the year	
	MT/Pcs	Amount (Taka)	MT/Pcs	Amount (Taka)	MT/Pcs	Amount (Taka)
Clinker (MT)	22,650	104,654,829	34,507	184,944,405	665,707	3,436,041,340
Gypsum (MT)	7,495	18,947,419	7,520	22,929,656	39,905	116,177,836
Slag (MT)	23,835	52,036,688	6,741	16,937,967	163,047	385,212,734
Fly ash (MT)	4,851	10,991,536	3,068	7,691,456	84,930	210,130,624
Lime Stone (MT)	2,670	4,296,881	914	1,444,205	8,384	13,248,329
Bags (Pcs)	980,672	10,680,193	588,882	8,512,441	17,722,665	218,643,165

## 27.4 Break up of raw materials purchase as per requirement of Para 8, Schedule XI, Part II, of the Companies Act, 1994

2012-2013

Items	Purchase in Taka			Consumption (Taka)	% of Consumption of total purchase
	Import	Local	Total		
Clinker	3,542,810,510	50,050,000	3,592,860,510	3,624,802,401	101%
Gypsum	135,989,023	-	135,989,023	142,621,333	105%
Slag	315,674,224	-	315,674,224	294,834,554	93%
Fly Ash	163,642,863	9,963,100	173,605,964	155,936,738	90%
Lime stone	-	22,212,896	22,212,896	19,804,407	89%
Bags	-	333,633,922	333,633,922	326,008,548	98%
Total	4,158,116,621	415,859,918	4,573,976,539	4,564,007,982	100%

2011-2012

Items	Purchase in Taka			Consumption (Taka)	% of Consumption of total purchase
	Import	Local	Total		
Clinker	3,516,330,916	-	3,516,330,916	3,436,041,340	98%
Gypsum	120,160,073	-	120,160,073	116,177,836	97%
Slag	350,114,033	-	350,114,033	385,212,734	110%
Fly Ash	206,830,544	-	206,830,544	210,130,624	102%
Lime stone	-	10,395,652	10,395,652	13,248,329	127%
Bags	-	216,275,413	216,275,413	218,643,165	101%
Total	4,193,435,566	226,671,065	4,420,106,631	4,379,454,026	99%

The value of imported raw material is calculated on CIF basis.

## 27.5 Factory overhead

Advertisement & publicity  
Annual mild & picnic  
Bedding and uniform  
BIWTA expense  
C & F expense for Import  
Carrying charges  
Computer accessories  
Contribution To PF  
Conveyance  
Crockery & cutlery  
Depreciation

2012-2013 Taka	2011-2012 Taka
-	257,188
508,195	1,757,801
584,063	626,677
2,685,758	19,514,250
-	48,154
492,600	569,865
216,254	392,905
959,032	196,520
293,702	230,680
-	12,815
209,552,237	149,545,037

	2012-2013 Taka	2011-2012 Taka
Directors remuneration	6,581,317	4,292,750
Donation & subscription	256,000	235,000
Electricity bill	315,168,725	240,747,742
Entertainment	4,168,519	3,938,462
Festival bonus	5,822,541	4,913,759
Fuel for motor vehicle and motor cycle	1,372,671	1,324,181
Gratuity	1,957,214	2,213,940
Insurance premium	1,319,903	843,112
Labour charge	16,599,593	6,696,967
Leave encashment	603,884	546,734
Legal fees & consultancy fees	201,240	197,650
Lubricants, diesel oil, gear oil & fuel etc.	17,106,070	19,983,815
Medical expenses	64,133	136,054
Gift & presentation	10,176,809	468,750
Mobile phone bill	381,259	602,460
News paper, books & periodicals	11,546	9,074
Office maintenance	751,185	1,699,790
Rent & rates	1,659,076	1,466,525
Outstation allowance/house rent/TA-DA	20,656	81,518
Overtime	3,820,373	7,160,627
Printing, stationeries, schedules & forms	1,369,014	1,551,223
Quality testing expenses	1,873,464	1,314,926
Registration, licence & renewals	106,380	1,489,768
Rent of hire vehicle	-	557,770
Repair & maintenance- vehicle	1,431,006	1,732,576
Spare parts & stores expenses	43,899,108	36,551,112
Telephone/fax expenses	68,036	72,994
Training & education	39,720	-
Travelling expense-foreign & local	1,905,092	300,442
Wages, salary and allowance	58,544,159	53,125,688
	<b>712,568,334</b>	<b>567,110,501</b>

Factory overheads increased due to increase in electricity tariff and depreciation of plant and machineries. In year 2012-13 depreciation increased due to charge of 12 month's depreciation on '4th unit's plant and machinery' compared to charge of 7 month's depreciation in year 2011-12.

## 28 Other operating income/(loss)

Loss from mother vessel operation (note - 28.1)	(18,697,299)	-
Rent from covered van	3,052,195	42,870,860
Rent from bulk carrier	928,081	12,006,519
Rent from cargo vessels	150,060	365,777
Rent from truck	1,086,422	8,950,196
	<b>(13,478,551)</b>	<b>64,193,352</b>

## 28.1 Loss from mother vessel operation

Income from mother vessel operation	30,816,073	-
Depreciation on vessel	(49,513,372)	-
	<b>(18,697,299)</b>	<b>-</b>

## 29 Administrative expenses

Advertisement & publicity	1,251,463	3,041,336
Annual general meeting expense	1,213,290	10,276,605
Annual miled & picnic	-	384,957
Audit & professional/legal fees	2,808,650	1,624,831
Bedding & uniform	152,090	106,515
Board meeting attendance fees	895,500	281,750
Carrying charges	23,600	88,660
Computer accessories	207,707	244,040
Contribution to PF	834,053	417,557
Conveyance	610,710	314,713
Corporate social responsibility(CSR)	1,031,592	1,256,000
Depreciation	18,495,577	8,181,022
Directors remuneration	7,800,000	2,607,400
Donation & subscription	952,600	421,065
Doubtful debt expense	13,940,391	17,300
DSE/CSE/CDBL expense	1,197,967	1,791,961
Entertainment	2,306,354	2,034,013
Festival bonus	2,820,178	1,744,018
Fuel for motor vehicle and motor cycle	1,113,102	1,154,549
Garage rent	21,000	82,500
Gratuity	1,777,512	1,763,716



## ANNUAL REPORT 2013

	2012-2013 Taka	2011-2012 Taka
Insurance premium on motor vehicle	788,683	590,766
Internet	730,210	239,670
Labour charge	41,320	171,800
Leave encashment	485,651	296,989
Loss on sale of assets	-	4,882,706
Medical expenses	-	106,790
Gift & presentation	4,859,171	5,107,842
Mobile phone bill	984,234	845,634
News paper, books & periodicals	18,982	26,182
Office maintenance	2,688,189	1,059,327
Office/house/store- rent	5,733,684	8,810,019
Overtime	107,239	132,279
Printing, stationeries, schedules & forms	1,938,394	1,788,048
Registration, license & renewals	1,096,699	1,072,247
Repair & maintenance- vehicle	1,043,948	707,402
Salary & allowances	28,332,619	20,676,179
Security expenses	15,024	379,583
Telephone/fax expenses	86,122	112,290
Training & education	16,000	48,526
Travelling expense -foreign and local	2,385,516	4,126,836
Utility expense of head office	1,254,950	180,207
Lubricants/diesel oil for generator	162,202	172,940
<b>30 Selling and distribution expenses</b>	<b>112,012,132</b>	<b>89,366,970</b>
Advertisement & publicity	78,609,129	27,760,692
Annual picnic	-	539,747
BIS expense	903,846	48,263
BSTI fees	1,691,900	1,691,900
C&F expenses for export	4,657,240	5,916,860
Consultancy & legal fees	98,000	-
Computer accessories	24,215	-
Contribution to PF	1,081,516	519,964
Conveyance-local	3,057,164	2,409,397
Corporate social responsibility (CSR)	800,000	-
Carriage expense	11,218,615	-
Depreciation	16,811,848	18,519,242
Directors remuneration	6,581,317	4,292,750
Donation & subscription	878,150	164,500
Entertainment	5,975,756	4,655,302
Fair & exhibition	-	163,000
Festival bonus	3,267,985	2,589,417
Fuel for motor vehicle and motor cycle	2,025,745	9,201,070
Gratuity	1,701,781	2,034,623
Garage rent	-	24,000
Group Insurance premium	179,033	149,481
Inauguration expense of unit-IV	-	10,117,296
Incentive-others	-	166,700
Insurance premium	155,458	2,244,484
Labour charges	7,873,685	294,158
Leave encashment	514,681	310,755
Medical expense	-	2,037
Mobile phone bill-employee	2,127,933	1,881,217
Office maintenance	30,850	179,494
Office/house/store- rent	18,000	-
Other expense on motor vehicle	-	107,008
Outstation allowance/house rent/TA-DA	1,445,245	643,633
Overtime	524,858	907,444
Printing, stationeries, schedules & forms	1,648,674	1,631,193
Promotional expenses	4,532,755	4,796,121
Quality testing expenses	589,192	434,084
Registration, license & renewals	2,204,461	520,135
Rent of hire vehicle	43,481	854,120
Repair & maintenance- vehicle & motor cycle	794,375	7,710,248
Salary & allowances	36,705,080	31,690,228
Telephone/fax expenses	11,398	6,016
Training & education	-	54,474
Travelling expense - foreign and local	1,483,623	1,006,564
Loss on sale of assets	-	8,184
	<b>290,877,789</b>	<b>146,257,762</b>

	2012-2013 Taka	2011-2012 Taka
<b>31 Other non-operating income</b>		
Head office		
Sales of scrap	9,816,771	8,466,881
Other income	8,259,796	7,444,925
Unrealized profit(loss) on investment on share	(1,258,446)	13,917,983
Profit on sales of assets	3,059,732	-
Dividend on share	825,750	-
	<b>18,503,603</b>	<b>27,829,589</b>
<b>32 Financial income</b>		
Interest income from FDR	343,336,668	378,482,228
Net exchange gain	81,865,871	4,058,540
Bank charge & commission	(2,881,896)	(3,086,559)
Bank interest	(347,649,281)	(199,525,889)
	<b>74,671,363</b>	<b>177,928,220</b>
<b>33 Income tax expenses</b>		
<b>Major components of tax expenses</b>		
In compliance with the requirements of para-79 of BAS-12: Income Tax, the major components of tax expenses are given below:		
Current income tax expenses	134,862,516	134,881,334
Deferred income tax expenses	80,835,429	49,329,034
	<b>215,717,944</b>	<b>184,010,368</b>
<b>33.1 Reconciliation of tax expenses and product of accounting profit</b>		
In compliance with the requirements of para-81 (b) of BAS-12: Income Tax, the reconciliation of tax expenses and product of accounting profits are given below:		
Accounting profit for the year ended June 30, 2013 and 2012	881,086,805	749,770,965
Less: share of profit of equity-accounted investees	9,498,951	6,294,730
	<b>871,587,854</b>	<b>743,476,235</b>
Tax on accounting profits @27.50% from 01.07.2012 to 30.06.2013	239,686,605	204,455,964
Deduct: 10% rebate for dividend paid	(23,968,660)	(20,445,596)
Add/deduct: effects of tax rate change	-	-
Add/deduct: effects of permanent difference	-	-
Add/deduct: effects of prior year's adjustments	-	-
Tax expenses for the year	<b>215,717,944</b>	<b>184,010,368</b>
<b>34 Share of profit from associates (from note 6)</b>		
Share of loss of Crown Power Generation Limited (CPGL)	-	(2,000,000)
Share of loss of Crown Cement Concrete and Building Products Limited (CCCBPL)	(500,000)	-
Share of loss of Crown Transportation & Logistics Limited (CTLL)	-	(500,000)
Share of profit of Crown Mariners Limited (CML)	9,998,951	8,794,730
	<b>9,498,951</b>	<b>6,294,730</b>
Share of profit or loss from investment in associate are not considered in computation of current tax expense. Since, these are separate entities having separate Taxpayer Identification Number (TIN) and being taxed separately. Income from investment in associates will be taken in to account upon receipt of the dividend from respective entities.		
<b>35 Earnings per share (IAS - 33)</b>		
Presentation of earnings per share (EPS) as on 30 June 2013 and 2012 as per BAS 33 is given below:		
Basic earnings per share:		
Earning attributable to ordinary shareholders (Taka)	665,368,662	585,760,597
Weighted average number of ordinary shares (calculation as below)	148,500,000	135,000,000
<b>Earnings per share (Taka)</b>	<b>4.48</b>	<b>4.19</b>
<b>Restated:</b>		
Earning attributable to ordinary shareholders (Taka)		585,760,597
Number of ordinary shares outstanding (denominator)		148,500,000
<b>Earnings per share (EPS Taka)</b>		<b>3.81</b>

Calculation of weighted average number of ordinary shares outstanding during the period from 01-07-2012 to June 2013 is given below:

Nature of Share holdings	Number of shares	Period	Days of share holding	No. of shares outstanding 2012-2013	No. of shares outstanding 2011-2012
Ordinary shares	135,000,000	01.07.2012 to 30.06.2013	365	135,000,000	100,000,000
Bonus share	13,500,000	01.07.2012 to 30.06.2013	365	13,500,000	35,000,000
<b>Total</b>	<b>148,500,000</b>	-	-	<b>148,500,000</b>	<b>135,000,000</b>

## ANNUAL REPORT 2013

### 36 Net asset value (NAV) per share

Net assets (Total Assets - Total Liabilities)  
Number of ordinary shares  
Net asset value (NAV) per share

Restated:

Net assets  
Number of ordinary shares  
Net asset value (NAV) per share

2012-2013 Taka	2011-2012 Taka
5,594,400,355	5,400,876,238
148,500,000	135,000,000
<b>37.67</b>	<b>40.01</b>
	5,400,876,238
	148,500,000
	<b>36.37</b>

### 37 Notes to the statement of cash flows

The statement of cash flows shows how the Company's cash and cash equivalents changed during the year through inflows and outflows. This statement has been prepared as per BAS-7 using the direct method. Net cash inflows from operating activities arrived after adjusting operating expenses paid, interest and taxes paid during the year. Net cash used in investing activities includes cash outflow for purchase of property, plant and other equipments after adjusting sales proceeds. Net cash inflow from financing activities mainly resulted from received of long term loan as well as short term loan.

#### 37.1 Cash received from customers

Gross cash received from customers is arrived at after adjusting accounts receivables with revenue for the year.

#### 37.2 Cash paid to suppliers

Cash paid to various suppliers arrived at after adjusting of raw materials and consumption cost of spare parts consumed with creditors for trade supplies.

#### 37.3 Cash paid for operating expenses

Cash paid for operating expenses arrived at after adjusting non-cash items and creditors for revenue expenses.

#### 37.4 Income tax paid

During the year, the Company paid Tk. 335,297,563 as advance income tax.

#### 37.5 Purchase of property, plant & equipment

Investment relate to outflows of cash and cash equivalents for fixed assets.

#### 37.6 Sale of property, plant & equipment

During the period the Company disposed of fixed assets Tk. 4,142,200.

#### 37.7 Dividend paid

In the year 2012-2013, the Company paid dividend of Tk. 467,274,343.

#### 37.8 Short term loan received

The item represents net increase of short term loan from various banks amounting to Tk. 135,318,163.

### 38 Contingent liabilities/ off balance sheet items

Commitments  
Contingent liabilities

607,461,790	638,265,887
79,294,453	87,921,231
<b>686,756,243</b>	<b>726,187,118</b>

#### 38.1 Commitments:

Letters of credit

Eastern Bank Limited  
The Hongkong And Shanghai Banking Corporation Limited  
Prime Bank Limited  
One Bank Limited  
Jamuna bank limited

312,407,810	173,647,500
136,813,812	135,418,649
-	187,525,398
130,358,468	141,774,341
27,881,700	-
<b>607,461,790</b>	<b>638,265,887</b>

#### 38.2 Contingent liabilities:

Bank guarantee

One Bank Limited  
Prime Bank Limited

2,533,106	2,533,106
10,941,316	19,568,094

Legal cases

Claim of VAT Authority for declared wastage percentage relating to the different financial years against which various writ petitions have been filed by the Company before the Hon'ble High Court Dhaka and the outcome of which is yet to be received.

65,820,031	65,820,031
<b>79,294,453</b>	<b>87,921,231</b>



### 39 Financial risk management

#### (a) Credit risk

Credit risk is the risk that one party to a financial instrument would cause a financial loss for the other party by failing to discharge an obligation. It mainly comprises of receivables from customer, trade and investment securities. To alleviate the credit risk against trade receivable the Company has a policy to obtain security instruments from customers.

#### (b) Liquidity risk

Liquidity risk is the risk that the Company might encounter difficulty in meeting the obligations associated with its financial liabilities that have to be settled by delivering cash or another financial assets or liabilities. The Company's approach to managing liquidity is to ensure that it will always have sufficient liquid assets to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to Company's reputations.

Particulars	Notes	From 6 to 12 months (Taka)	More than one year and less than 5 years
Trade payables	20	6,641,657	-
Other payables	21	1,214,677	-
Bank overdrafts	23	201,798,995	-
Short term loan from banks	23	1,284,546,233	-
Long term loan from banks (current portion)	17	500,039,818	1,451,551,878
<b>As at 30 June 2013</b>		<b>1,994,241,180</b>	<b>1,451,551,878</b>

#### (c) Market risk

Market risk is defined as the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. The objective of market risk management is to manage and control risk exposures within acceptable parameters while optimising the return. Market risk comprises three types of risks: Currency Risk, Interest Rate Risk and Commodity Risk.

##### i) Foreign currency risk

The risk that the fair value of future cash flows of a financial instrument might fluctuate because of changes in foreign exchange rates. The Company is exposed to currency risk on its certain short and long term debts and purchases that are denominated in foreign currencies.

Exposure to currency risk of the Company at reporting date are as follows:

Particulars	Balance at 30 June 2013	
	USD	BDT
<b>Assets</b>		
Prime Bank Limited (ERQ)	17,105	1,334,162
The Hongkong And Shanghai Banking Corporation Limited (ERQ)	49,161	3,834,558
The State Bank of India (ERQ)	9,485	739,842
Other Receivable - Alunited Maritime Business (Pvt.) Limited	387,017	30,187,288
<b>Liability</b>		
Term Loan - The Hongkong And Shanghai Banking Corporation Limited	14,241,587	1,110,843,797

Particulars	Balance at 30 June 2013	
	USD	BDT
<b>Commitment &amp; Contingencies</b>		
Prime Bank Limited (Offshore)	3,243,822	253,018,136
The Hongkong And Shanghai Banking Corporation Limited (Offshore)	2,087,890	162,855,420
Eastern Bank Limited (Offshore)	1,104,891	86,181,514
Eastern Bank Limited (Import)	706,875	55,136,250
Jamuna Bank Limited(Offshore)	321,098	25,045,650
<b>Conversion rate</b>	<b>1.00</b>	<b>78.00</b>

##### ii) Interest rate risk

Interest rate risk arises from the fluctuation of interest rate assigned with certain financial asset or liabilities. Exposure to interest risk of the Company at the reporting dates is only related with outstanding offshore loan/commitment having LIBOR plus interest rate.

##### iii) Commodity risk

Commodity risk arises from fluctuation of value of commodity in terms of price, quantity, cost and political condition of the market from or to which the Company procure or sell product respectively. Exposure to commodity risk of the Company at the reporting date may not be significant.

## ANNUAL REPORT 2013

Commodity risk arises from fluctuation of value of commodity in terms of price, quantity, cost and political condition of the market from or to which the Company procure or sell product respectively. Exposure to commodity risk of the Company at the reporting date may not be significant.

### 40 Related parties transactions

During the year, the Company carried out a number of transactions with related parties the normal course of business. The name of the related parties and nature of these transactions have been set out in accordance with the provisions of BAS 24: Related Party Disclosure.

Name of Parties	Relationship	Nature of transactions	Transactions value	
			2012-2013	2011-2012
Md. Jahangir Alam	Chairman	Bonus issue, cash dividend & remuneration	98,092,875	78,830,700
Alhaj Md. Khairuddin Molla	Managing Director	Bonus issue, cash dividend & remuneration	88,950,000	71,301,700
Md. Alamgir Kabir	Director	Bonus issue, cash dividend & remuneration	65,478,442	52,767,750
Molla Mohammad Majnu	Additional Managing Director	Bonus issue, cash dividend & remuneration	49,108,317	39,292,750
Md. Mizanur Rahman Molla	Director	Bonus issue, cash dividend	42,525,000	35,000,000
Mrs. Alhaj Rokeya Begum	Shareholder of the entity	Bonus issue, cash dividend	42,525,000	35,000,000
Md. Almas Shimul	Director	Bonus issue, cash dividend	29,767,500	24,500,000
Alhaj Md. Abdur Rouf	Shareholder of the entity	Bonus issue, cash dividend	10,631,250	8,750,000
Md. Asrafuzzaman	Shareholder of the entity	Bonus issue, cash dividend	10,631,250	8,750,000
Md. Abdul Ahad	Shareholder of the entity	Bonus issue, cash dividend	8,505,000	7,000,000
GPH Ispat	Shareholder of the entity	Purchased of MS rod	3,748,500	14,668,200
<b>Investment in related companies:</b>				
Crown Power Generation Ltd.	Associate Company	Pre operating expenses	(13,277,089)	23,324,526
Crown Polymer Bagging Ltd.	Associate Company	Pre operating expenses	52,911,073	2,553,963
Crown Mariners Ltd.	Associate Company	Pre operating expenses	3,661,809	6,268,985
Crown cement Trading Company	Associate Company	Pre operating expenses	(8,860,545)	8,430
Crown Cement Concrete and Building Products Ltd.	Associate Company	Pre operating expenses	124,719,765	2,117,627
Crown Transportation & Logistics Ltd.	Associate Company	Pre operating expenses	17,484,419	122,575,941

### 41 Number of employees

The Company had 702 permanent employees as at 30 June 2013 (2011-12: 729) and a varying number of seasonal and temporary workers. All permanent employees receive remuneration in excess of Tk.36,000 per annum per employee.

During the year the Company paid as salaries, wages and benefits (Note-27.5,29 and 30) of total Taka 123,581,858

#### Directors emolument

Salary & benefits

2012-2013 Taka	2011-2012 Taka
20,962,634	11,192,900

### 42 Capacity and production

Installed capacity in metric tons

Actual production in metric tons-during the year

% of capacity utilization

1,740,000	1,290,000
926,534	933,132
53%	72%

**43 Number of Board Meeting held during the year 2012-2013**

Quarter During 2012-2013	Date of meeting	No. directors attended	Quarter during 2011-2012	Date of meeting	No. directors attended
1st Quarter	12-Jul-2012	6	1st Quarter	9-Aug-2011	6
	26-Jul-2012	6		-	-
	15-Sep-2012	6		-	-
2nd Quarter	20-Oct-12	5	2nd Quarter	22-Oct-11	6
	15-Nov-12	6		-	-
	30-Dec-12	6		-	-
3rd Quarter	28-Jan-13	4	3rd Quarter	19-Jan-12	5
	24-Mar-13	8		11-Mar-12	5
4th Quarter	27-Apr-13	7	4th Quarter	26-Apr-12	5
	25-May-13	8		17-May-12	6
	22-Jun-13	5		16-Jun-12	7

**44 Subsequent events**

The Board of Directors in their meeting held on 28 October 2013 have recommended cash dividend @ 40% i.e. Tk. 4 (four) per share of Tk. 10 each aggregating to Tk. 594,000,000 for the year ended 30 June 2013 subject to approval of the shareholders' in the Annual General Meeting scheduled to be held on 24 December 2013. The financial statements for the year ended 30 June 2013 do not include the effect of the cash dividend which will be accounted for in the period when shareholders' right to receive payment is established.

There are no other events identified after the reporting date which require adjustments or disclosure in these accompanying financial statements.

  
**Alhaj Md. Khabiruddin Molla**  
 Managing Director

  
**Mohammed Alamgir Kabir**  
 Director

  
**Md. Almas Shimul**  
 Director

  
**Md. Mozharul Islam, FCS**  
 Company Secretary



## Schedule of Property, Plant and Equipments

### As at 30.06.2013

Annexure-A  
Figures are in Lakhs

Sl. No.	PARTICULARS	Cost		Balance as at 30.06.2013	Depreciation		Balance as at 30.06.2013	WRITTEN DOWN VALUE as at 30.06.13
		Balance as at 01.07.2012	During the year Addition		During the Year Charged	Adjustment		
		1	2	4=(1+2-3)	7	8	9=(6+7-8)	10=(4-9)
1	Land & Land Development	211,688,519	37,606,058	-	-	-	-	249,294,577
2	Factory Buildings	447,971,862	13,980,519	-	17,973,858	-	114,545,269	346,817,091
3	Plant & Machinery	1,403,262,393	24,647,614	-	100,391,774	-	434,219,259	993,710,748
4	Office Equipment and Furniture	32,744,348	7,688,872	-	5,937,147	-	20,445,109	19,988,111
5	Motor Vehicles	189,026,246	1,410,212	-	15,883,540	-	96,872,213	91,564,245
6	Mother Vessel	-	1,302,267,449	-	49,513,372	-	49,513,372	1,252,754,076
7	Other Assets	899,129,000	220,649,541	4,588,124	92,824,939	3,488,856	238,586,405	876,821,013
	<b>Total</b>	<b>3,183,842,369</b>	<b>1,607,660,265</b>	<b>4,786,933,510</b>	<b>291,524,731</b>	<b>3,486,656</b>	<b>956,183,648</b>	<b>3,830,749,861</b>
<b>b. Revaluation</b>								
1	Land & Land Development	207,793,080	-	-	7	8	9=(6+7-8)	10=(4-9)
2	Factory Buildings Unit-I & II	43,218,530	-	6,164,043	1,852,724	-	9,016,767	201,793,080
3	Factory Buildings Unit-III	18,658,470	-	18,558,470	795,578	-	3,442,480	35,201,763
	<b>Total</b>	<b>269,670,080</b>	<b>-</b>	<b>263,570,000</b>	<b>2,648,303</b>	<b>-</b>	<b>11,459,247</b>	<b>252,110,843</b>
	<b>Total assets(a+b)</b>	<b>3,447,472,459</b>	<b>1,607,660,265</b>	<b>5,050,503,600</b>	<b>294,173,034</b>	<b>3,486,656</b>	<b>967,642,896</b>	<b>4,082,860,704</b>
<b>2011-2012</b>								
	<b>Total 2011-2012</b>	<b>1,820,696,064</b>	<b>1,835,938,561</b>	<b>3,447,412,459</b>	<b>176,245,301</b>	<b>1,328,856</b>	<b>676,956,518</b>	<b>2,770,455,941</b>