

**“পুঁজিবাজারে বিনিয়োগ ঝুঁকিপূর্ণ। জেনে ও বুঝে বিনিয়োগ করুন”**

**“Investment in capital market involves certain degree of risks. The investors are required to read the prospectus and risk factors carefully, assess their own financial conditions and risk-taking ability before making their investment decisions.”**

**“পুঁজিবাজারে বিনিয়োগ ঝুঁকিপূর্ণ। বিনিয়োগকারীগণ প্রোসপেক্টাস পড়ে এবং ঝুঁকির বিষয়গুলি সতর্কতার সাথে অনুধাবন করে নিজ আর্থিক অবস্থা ও ঝুঁকিগ্রহণ করার সক্ষমতা বিবেচনা করে বিনিয়োগ সিদ্ধান্ত গ্রহণ করবেন।”**

**QUALIFIED INVESTOR OFFER (QIO)  
OF  
5,000,000 ORDINARY SHARES**

**OFFER PRICE TK. 10.00 EACH AT PAR**

**TOTAL SIZE OF FUND TO BE RAISED TK. 50,000,000.00**

**ISSUE DATE OF THE PROSPECTUS: OCTOBER 23, 2023**

**OPENING AND CLOSING DATE OF SUBSCRIPTION:**

**Opening date of Subscription: November 27, 2023**

**Closing date of Subscription: December 03, 2023**

**PROSPECTUS  
OF**



**AGRO ORGANICA PLC**

Suite # 301 (3<sup>rd</sup> Floor), 65 Elephant Road, Dhaka-1205, Bangladesh.

**ISSUE MANAGER & UNDERWRITER**



**SHAHJALAL EQUITY MANAGEMENT LIMITED**

Al -Razi Complex, Suite# 901, Level-9, Block-C, 166-167,  
Shaheed Syed Nazrul Islam Sarani, Dhaka-1000, Bangladesh

**(a) Preliminary Information and Declarations:**

**i) Name(s), address(s), telephone number(s), web address(s), e-mail(s), fax number(s) and contact persons of the issuer, issue manager(s), underwriter(s), auditors, credit rating Company and valuer, where applicable;**

ISSUER:		
Name & Address	Contact Person	Telephone & Fax Number, Email, Web Address
<b>AGRO ORGANICA PLC</b> Suite # 301 (3 <sup>rd</sup> Floor), 65 Elephant Road, Dhaka-1205, Bangladesh.	<b>Mohammad Azhar Khan</b> Managing Director	Tel: +880-2-9634753, +88 02 9634754 Fax: Nil E-mail: info@agroorganica.com.bd Website: www.agroorganica.com.bd

ISSUE MANAGER:		
Name & Address	Contact Person	Telephone & Fax Number, E-mail, Web Address
<b>Shahjalal Equity Management Limited</b> Al -Razi Complex, Suite# 901, Level-9, Block-C, 166-167, Shaheed Syed Nazrul Islam Sarani, Dhaka-1000, Bangladesh.	<b>Md. Alamgir Hossain</b> Chief Executive Officer	Phone: +88 02 55111680-681 Fax: +88 02 55111682 E-mail: info@shahjalalequity.com Web: www.shahjalalequity.com

UNDERWRITERS:		
Name & Address	Contact Person	Telephone & Fax Number, E-mail, Web Address
<b>Shahjalal Equity Management Limited</b> Al -Razi Complex, Suite# 901, Level-9, Block-C, 166-167, Shaheed Syed Nazrul Islam Sarani, Dhaka-1000, Bangladesh.	<b>Md. Alamgir Hossain</b> Chief Executive Officer	Phone: +88 02 55111680-681 Fax: +88 02 55111682 E-mail: info@shahjalalequity.com Web: www.shahjalalequity.com

AUDITOR:		
Name & Address	Contact Person	Telephone & Fax Number, E-mail, Web Address
<b>Fames &amp; R</b> , Chartered Accountants, Sharaqa Mac, House # 3/1 & 3/2, Flat # 2/A, Bijoy Nagar, Dhaka-1000	<b>Fouzia Haque, FCA</b> Partner	Phone: Tel: +88-02-01819496565, Fax: N/A, Email: haque.fouzia@gmail.com Web: N/A

**Credit Rating Company & Valuer:**

The Company is not involved with Valuer; and Credit rating is not applicable for the issuer.

**ii) A person interested to get a prospectus may obtain from the issuer and the Issue Manager.**

**iii) "If you have any query about this document, you may consult the issuer, issue manager and underwriter"**

“এই প্রোসপেক্টাসে বর্ণিত তথ্য সম্পর্কিত যে কোন জিজ্ঞাসা আপনি প্রতিষ্ঠানটির উল্লেখিত ইস্যুয়ার, ইস্যু ব্যবস্থাপক এবং অবলেখকের সাথে যোগাযোগ করে জেনে নিতে পারেন।”

**(IV) "CONSENT OF THE BANGLADESH SECURITIES AND EXCHANGE COMMISSION HAS BEEN OBTAINED TO THE ISSUE-OFFER OF THESE SECURITIES UNDER THE SECURITIES AND EXCHANGE ORDINANCE, 1969, AND THE BANGLADESH SECURITIES AND EXCHANGE COMMISSION (QUALIFIED INVESTOR OFFER BY SMALL CAPITAL COMPANIES) RULES, 2022. IT MUST BE DISTINCTLY UNDERSTOOD THAT IN GIVING THIS CONSENT THE COMMISSION DOES NOT TAKE ANY RESPONSIBILITY FOR THE FINANCIAL SOUNDNESS OF THE ISSUER COMPANY, ANY OF ITS PROJECTS OR THE ISSUE PRICE OF ITS SECURITIES OR FOR THE CORRECTNESS OF ANY OF THE STATEMENTS MADE OR OPINION EXPRESSED WITH REGARD TO THEM. SUCH RESPONSIBILITY LIES WITH THE ISSUER, ITS DIRECTORS, CHIEF EXECUTIVE OFFICER, MANAGING DIRECTOR, CHIEF FINANCIAL OFFICER, COMPANY SECRETARY, ISSUE MANAGER, ISSUE MANAGER'S CHIEF EXECUTIVE OFFICER, UNDERWRITERS, AUDITOR(S), VALUER AND-OR CREDIT RATING COMPANY (IF ANY)."**

**(V) "RISKS IN RELATION TO THE FIRST ISSUE"**

"This being the first issue of the issuer, there has been no formal market for the securities of the issuer. The face value of the securities is tk. 10/- (ten) and the issue price is tk. 10/- (ten) each i.e., of the face value. The issue price has been determined and justified by the issuer and the issue manager as stated under the paragraph on "justification of issue price" should not be taken to be indicative of the market price of the securities after listing. No assurance can be given regarding an active or sustained trading of the securities or the price after listing."

**(VI) "GENERAL RISK"**

"Investment in securities involves a degree of risk and investors should not invest any funds in this offer unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in this offer. For taking an investment decision, investors must rely on their own examination of the issuer and the offer including the risks involved. The securities have not been recommended by the Bangladesh Securities and Exchange Commission (BSEC) nor does BSEC guarantee the accuracy or adequacy of this document. Specific attention of investors is invited to the statement of 'risk factors' of this prospectus"

**(VII) "THE AGRO ORGANICA PLC 'S ABSOLUTE RESPONSIBILITY"**

"The issuer, having made all reasonable inquiries, accepts responsibility for and confirms that this prospectus contains all material information with regard to the issuer and the issue, that the information contained in the prospectus are true, fair and correct in all material aspects and are not misleading in any respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which make this document as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect."

**(b) Availability of Prospectus:**

**i) Website addresses and e-mail addresses and names of contact persons of the institutions where the prospectus are available in soft form;**

The Prospectus and Abridge Version of the Prospectus in soft forms of AGRO ORGANICA PLC shall be obtained from the following address:

ISSUER		
Name & Address	Contact Persons	E-mail & Web Address
<b>AGRO ORGANICA PLC</b> Suite # 301 (3 <sup>rd</sup> Floor), 65 Elephant Road, Dhaka-1205, Bangladesh.	<b>Mohammad Azhar Khan</b> Managing Director	E-mail: info@agroorganica.com.bd Web: www.agroorganica.com.bd

ISSUE MANAGER		
Name & Address	Contact Person	E-mail & Web Address
<b>Shahjalal Equity Management Limited</b> Al -Razi Complex, Suite# 901, Level-9, Block-C, 166-167, Shaheed Syed Nazrul Islam Sarani, Dhaka-1000, Bangladesh.	<b>Md. Alamgir Hossain</b> Chief Executive Officer	E-mail: info@shahjalalequity.com Web: www.shahjalalequity.com

STOCK EXCHANGES		
Name & Address	Contact person	E-mail & Web Address
<b>Dhaka Stock Exchange Limited</b> DSE Library, 9/F Motijheel C/A, Dhaka-1000	<b>Afzalur Rahaman</b> Manager	E-mail: research@dsebd.org Web: www.dsebd.org
<b>Chittagong Stock Exchange PLC (CSE)</b> CSE Library, CSE Building, 1080, Sheikh Mujib Road, Agrabad, Chittagong-4100	<b>Mohammed Javed Sarwar</b> Assistant Manager	E-mail: javed@cse.com.bd Web: www.cse.com.bd

The Prospectus would also be available on the websites of **AGRO ORGANICA PLC** (Issuer) ([www.agroorganica.com.bd](http://www.agroorganica.com.bd)), **Shahjalal Equity Management Limited** (Issue Manager) ([www.shahjalalequity.com](http://www.shahjalalequity.com)), the **Bangladesh Securities and Exchange Commission** (BSEC) ([www.sec.gov.bd](http://www.sec.gov.bd)), **Dhaka Stock Exchange Limited (DSE)** ([www.dsebd.org](http://www.dsebd.org)) and **Chittagong Stock Exchange PLC (CSE)** ([www.cse.com.bd](http://www.cse.com.bd)) for reading and studying.

**(ii) Definitions and Acronyms/Elaborations**

Unless the context otherwise indicates, requires or implies, the following terms shall have the meanings set forth below in this Information Memorandum. References to statutes, rules, regulations, guidelines and policies will be deemed to include all amendments and modifications notified there to.

Acronyms	Elaboration
<b>A</b>	
AGM	Annual General Meeting
ALLOTMENT	Letter of Allotment of Shares
“ARTICLES” OR “ARTICLES OF ASSOCIATION” OR “AOA”	The Articles of Association of AGRO ORGANICA PLC as amended
<b>B</b>	
“Board” or “Board of Directors” or “our Board”	The Board of Directors of AGRO ORGANICA PLC as duly constituted from time to time including any committees thereof
BO A/C	Beneficiary Owner’s Account
BDT	Bangladeshi Taka
BB	Bangladesh Bank
BBA	Bachelor of Business Administration
BIDA	Bangladesh Investment Development Authority
BSEC	Bangladesh Securities and Exchange Commission
<b>C</b>	
CA	Chartered Accountants
CC	Current Charge
CIB	Credit Information Bureau
CIS	Collective Investment Scheme
CERTIFICATE	Share Certificate

<b>Acronyms</b>	<b>Elaboration</b>
COMMISSION	Bangladesh Securities and Exchange Commission
COMPANIES ACT	Companies Act, 1994
CS	Company Secretary
CSE	Chittagong Stock Exchange PLC (CSE)
CDBL	Central Depository Bangladesh Limited
CEO	Chief Executive Officer
CFO	Chief Financial Officer
COMPANY	AGRO ORGANICA PLC
<b>D</b>	
DSE	Dhaka Stock Exchange Limited
<b>E</b>	
EIs	Eligible Investors
EPB	Export Promotion Bureau
E-Mail	Electronic Mail
EFT	Electronic Fund Transfer
EPS	Earnings Per Share
EXCHANGES	Stock Exchanges
EURO	European Union Regional Currency
EPB	Export Promotion Bureau
<b>F</b>	
FC A/C	Foreign Currency Account
FCA	Fellow Chartered Accountants
FCS	Fellow Chartered Secretary
FDR	Fixed Deposit Receipt
FOB	Free on Board
FY	Fiscal Year
<b>G</b>	
GBP	Great Britain Pound
GSP	Global System of Preference
GP	General Public
GOB	Government of Bangladesh
<b>I</b>	
IAS	International Accounting Standards
ISA	International Standards on Auditing
IFRS	International Financial Reporting Standards
ICAB	The Institute of Chartered Accountants of Bangladesh
ISSUE MANAGER	Shahjalal Equity Management Limited
ISSUER	AGRO ORGANICA PLC
ISSUE	Qualified Investor Offer
<b>K</b>	
KRA	Key Result Area
<b>L</b>	
L/C	Letter of Credit
<b>M</b>	
MP	Market Price
MD	Managing Director
MS -Word	Microsoft Word
"Memorandum" or "Memorandum of Association" or "MOA"	The Memorandum of Association of AGRO ORGANICA PLC; as amended
MBA	Masters of Business Administration
M.COM	Master of Commerce
M.SC	Master of Science
MA	Masters of Arts
<b>N</b>	
NBR	National Board of Revenue
NAV	Net Asset Value

<b>Acronyms</b>	<b>Elaboration</b>
NRB	Non-Resident Bangladeshi
SEML	Shahjalal Equity Management Limited
NBFI	Non-Banking Financial Institution
<b>O</b>	
OFFERING PRICE	Price of the Share of AGRO ORGANICA PLC being offered
ORGANICA	AGRO ORGANICA PLC
OUR COMPANY	AGRO ORGANICA PLC
<b>P</b>	
PE	Price to Earnings
PE-RATIO	Price Earnings Ratio
POUND	United Kingdom Pound
<b>Q</b>	
QIO	Qualified Investor Offer
<b>R</b>	
R & D	Research & Development
RJSC	Registrar of Joint Stock Companies and Firms
REGISTERED OFFICE	Registered Office of AGRO ORGANICA PLC
RULES	Bangladesh Securities and Exchange Commission (Qualified Investor Offer by Small Capital Companies) Rules-2022
<b>S</b>	
SECURITIES MARKET	The Share Market of Bangladesh
SC	Share Certificate
STD ACCOUNT	Short-Term Deposit Account
SUBSCRIPTION	Application Money
SPONSORS	The Sponsors Shareholders of AGRO ORGANICA PLC
STOCKHOLDER	Shareholder
<b>T</b>	
TAKA/TK./BDT	Bangladeshi Taka
The Company/ Issuer/Organica	AGRO ORGANICA PLC
TT	Telephonic Transfer
TIN	Tax Identification Number
<b>U</b>	
USD	United States Dollar
UK POUND	United Kingdom Pound
<b>V</b>	
VAT	Value Added Tax
<b>W</b>	
WPPF	Workers Profit Participation Fund
WDV	Written Down Value

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	Where the issuer is a banking company, insurance company, non-banking financial institution, a declaration by the board of directors shall be included in the prospectus stating that all requirements as specified in the ব্যাংক কোম্পানী আইন, ১৯৯১ (১৯৯১ সালের ১৪ নং আইন), আর্থিক প্রতিষ্ঠান আইন, ১৯৯৩ (১৯৯৩ সালের ২৭ নং আইন), বীমা আইন, ২০১০ (২০১০ সনের ১৩ নং আইন) have been adhered to;	27
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**(b) Immediately preceding the table of contents, it shall be indicated that a prospectus may be obtained from the Issuer Company, issue manager, underwriter and stock exchange(s);**

The prospectus may be obtained from the websites of AGRO ORGANICA PLC (Issuer) ([www.agroorganica.com.bd](http://www.agroorganica.com.bd)), Shahjalal Equity Management Limited (Issue Manager) ([www.shahjalalequity.com](http://www.shahjalalequity.com)), the Bangladesh Securities and Exchange Commission (BSEC) ([www.sec.gov.bd](http://www.sec.gov.bd)), Dhaka Stock Exchange Limited (DSE) ([www.dsebd.org](http://www.dsebd.org)) and Chittagong Stock Exchange PLC (CSE) ([www.cse.com.bd](http://www.cse.com.bd)) for reading and studying.

**(C) The address and telephone number of the company, the issue manager, the underwriters, the auditor and the stock exchange(s)**

ISSUER:		
Name & Address	Contact Person	Telephone & Fax Number, Email, Web Address
<b>AGRO ORGANICA PLC</b> Suite # 301 (3 <sup>rd</sup> Floor), 65 Elephant Road, Dhaka-1205, Bangladesh.	<b>Mohammad Azhar Khan</b> Managing Director	Tel: +880-2-9634753, +88 02 9634754 Fax: Nil E-mail: <a href="mailto:info@agroorganica.com.bd">info@agroorganica.com.bd</a> Website: <a href="http://www.agroorganica.com.bd">www.agroorganica.com.bd</a>

ISSUE MANAGER:		
Name & Address	Contact Person	Telephone & Fax Number, E-mail, Web Address
<b>Shahjalal Equity Management Limited</b> Al -Razi Complex, Suite# 901, Level-9, Block-C, 166-167, Shaheed Syed Nazrul Islam Sarani, Dhaka-1000, Bangladesh.	<b>Md. Alamgir Hossain</b> Chief Executive Officer	Phone: +88 02 55111680-681 Fax: +88 02 55111682 E-mail: <a href="mailto:info@shahjalalequity.com">info@shahjalalequity.com</a> Web: <a href="http://www.shahjalalequity.com">www.shahjalalequity.com</a>

UNDERWRITERS:		
Name & Address	Contact Person	Telephone & Fax Number, E-mail, Web Address
<b>Shahjalal Equity Management Limited</b> Al -Razi Complex, Suite# 901, Level-9, Block-C, 166-167, Shaheed Syed Nazrul Islam Sarani, Dhaka-1000, Bangladesh.	<b>Md. Alamgir Hossain</b> Chief Executive Officer	Phone: +88 02 55111680-681 Fax: +88 02 55111682 E-mail: <a href="mailto:info@shahjalalequity.com">info@shahjalalequity.com</a> Web: <a href="http://www.shahjalalequity.com">www.shahjalalequity.com</a>

AUDITOR:		
Name & Address	Contact Person	Telephone & Fax Number, E-mail, Web Address
<b>Fames &amp; R</b> , Chartered Accountants, Sharaqa Mac, House # 3/1 & 3/2, Flat # 2/A, Bijoyagar, Dhaka-1000	<b>Fouzia Haque, FCA</b> Partner	Phone: Tel: +88-02-01819496565, Fax: N/A, Email: <a href="mailto:haque.fouzia@gmail.com">haque.fouzia@gmail.com</a> Web: N/A

STOCK EXCHANGES		
Name & Address	Contact person	E-mail & Web Address
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# CHAPTER – I

## RISK FACTORS AND MANAGEMENT'S PERCEPTIONS ABOUT THE RISKS

An investment in equity involves a high degree of risk. Investors should carefully consider all the information in this Prospectus, including the risks and uncertainties described below, before investing in our equity shares. Any of the following risks as well as other risks and uncertainties discussed in this Prospectus could have a material adverse effect on our business, financial condition and results of operations. In addition, the risks set out in this Prospectus may not be exhaustive and additional risks and uncertainties, not presently known to us, or which we currently deem immaterial, may arise or become material in the future. Unless otherwise stated in the relevant risk factors set forth below, we are not in a position to specify or quantify the financial or other risks mentioned herein.

Any investment is always associated with both internal and external risk factors having both direct and indirect effects on the investments made by the investor. Among those risks some can be averted, others are beyond control, which may cause loss. Before making any investment decision, investors need to consider the associated risk factors, the risk premium, and management perception. If any of the following risks happen in the business, operational results and financial conditions could suffer and investors could lose their investments partly or fully. The management of AGRO ORGANICA PLC perceives the following risk factors, both external and internal, which are enumerated hereunder:

### **Materiality**

The Risk factors have been determined based on their materiality. The following factors have been considered for determining the materiality:

- Some events may not be material individually but may be found material collectively.
- Some events may have a material impact qualitatively instead of quantitatively.
- Some events may not be material at present but may be having a material impact in the future.

### **a) Interest Rate Risks;**

Interest rate risk is the risk that the Company faces due to unfavorable movement in the interest rates. Changes in the government's monetary policy, along with increased demand for loans/investments tend to increase the interest rates. Such rises in interest rates mostly affect companies having floating-rate loans or companies investing in debt securities.

#### **Management Perception:**

The Management of the Company is always aware of the interest rate. If the interest rate increases the cost of the credit fund will increase. AGRO ORGANICA PLC has always been a cash-rich company and operates with low dependence on debt. Moreover, the company is confident of meeting its need for future expenses from its internal sources. In addition, the company emphasizes equity-based financing to reduce the dependence on bank borrowings. Therefore, the management perceives that the fluctuation of interest rates would have little impact on the performance of the company. The Company has been repaying borrowed funds continuously to reduce such interest risk.

### **b) Exchange Rate Risks;**

Exchange rate risk occurs due to changes in exchange rates in global trade. Therefore, fluctuations in the related foreign currency rates may affect adversely the Company's liquidity and profitability and expose a threat to the stability of the Company.

#### **Management Perception:**

There is no foreign exchange transaction of the company so these types of risks are not associated with ORGANICA.

### **c) Industry Risks;**

Industry risk refers to the risk of increased competition from foreign and domestic sources leading to lower prices, revenues, profit margins, market share etc. that could harm the business, financial condition and results of operation.

**Management perception:**

The Company continuously carries out research and development (R&D) to keep pace with customer choices and fashion.

**d) Market and Technology-related Risks;**

**Market risks:**

Any economic recession, changes in tastes and fashions of the consumers, national income and other related factors may cause to decline in the market demand for the Company's products.

**Management perception:**

ORGANICA always gives value to its customers' satisfaction and changes in tastes. Hence, ORGANICA has been dedicated to delivering any changes in customers' demand and new tests as well.

**Technology-related risks;**

Changes in technologies may hamper the cost efficiency of the Company.

**Management perception;**

ORGANICA applies the latest technology in the manufacturing process in production. ORGANICA is very concerned with using high-performance and sophisticated equipment. Not only sophistication but also strength is one of our priorities. In the case of new technologies, we have mastered adaptation techniques without hampering the cost efficiency of the Company.

**e) Potential or existing government regulations;**

The Company conducts its business under the Companies Act, 1994, different taxation policies adopted by NBR, Bangladesh Securities and Exchange Commission rules and rules adopted by other regulatory bodies. The existing Government rules and regulations are favorable to the Company. Any abrupt changes in the policies may adversely affect the profitability and the operation of the Company.

**Management perception:**

The agro-based sector is a vital sector for the growth of the economy of Bangladesh. Government incentives and subsidies are crucial to maintaining the sustainability and growth of this sector. The Government is aware of this fact. Hence, it is rationally expected that any undue tax or duty will not be imposed that may adversely affect the sector's sustainability. Rather, the Government is keen to support the industry. Finally, any changes in VAT, tax, or duty structure will affect all the operators in the industry. However, ORGANICA has greater resistance ability due to its cost-efficient operation process.

**f) Potential or existing changes in global or national policies;**

Changes in the existing global or national policies can have either a positive or a negative impact on the Company's profitability. The performance of the Company may be affected due to unavoidable circumstances in Bangladesh, as such any structural change in the Food & Allied industry, war, terrorism, political unrest, natural and man-made disasters like the one that happened with 'Rana Plaza' in Savar and 'Tazrin Garments' in Savar in the country which may adversely affect the economy in general.

**Management perception:**

The organization's management is always conscious of full compliance with the required compliance of local rules & regulations. The Company is striving to diversify its national client base through greater marketing initiatives. This will provide the Company with greater sustainability against changes in buyer-specific policy changes.

**g) History of non-operation, if any;**

History of non-operation indicates weak operational management of the Company. Non-operation leads to negative cash flow, incurring losses and bankruptcy in the worst-case scenario.

**Management Perception:**

As a manufacturer, ORGANICA takes its operation very seriously. They know if the operation is stopped for one day that can hamper supply to their customers. In any situation, they do not compromise their operation. Such a case is not happening in the history of ORGANICA.

**h) Operational risks;**

Operational risk is the risk of losses caused by flawed or failed processes, policies, systems or events that disrupt business operations. Due to the operational risk organization's people and processes may incur errors and contribute to ineffective operations.

**Management Perception:**

By evaluating operational risk, ORGANICA is always aware of practical remedial steps, which should be emphasized to eliminate exposures and ensure successful responses. We are also aware of monetary loss, competitive disadvantage, employee or customer-related problems, and business failure related to operational risk

**i) Risk relating to secondary trading of securities.**

The issue price will be determined based on applicable law and may not be indicative of the market price for the Equity Shares after the Issue. The market price of the Equity Shares could be subject to significant fluctuations after the Offer and may decline below the Issue Price.

**Management Perception:**

ORGANICA is a manufacturer, that sells and distributes its products to all over the country markets with name and fame. Hence, adding a substantial amount to its bottom line profit will enable a handsome dividend to its' shareholders. So, we can expect a good price for our shares in the secondary market. However, unavoidable market risk, or systematic risk, affects the performance of the entire market simultaneously.

# CHAPTER –II

## USE OF PROCEEDS

a) Usage of net proceeds of the offering indicating the amount to be used for each purpose;

**Sources of Fund:**

Issue Size (Number of Shares to be issued)	Issue Price	Amount in Taka
5,000,000 Shares	Tk. 10.00	50,000,000
Less: QIO Expenses (Approx.)		(2,409,000)
<b>Net QIO Proceeds</b>		<b>47,591,000</b>

**Use of the net proceeds from the QIO:**

Net proceeds from Qualified Investor Offer (QIO) will be used for the Construction of the Factory Building Expansion unit, Acquisition of Plant Machinery and QIO Expenses.

**The Details of which are stated as under:**

Sl. No.	Particulars	Amount in TK
1	Construction of Factory Building Expansion unit	8,412,500
2	Acquisition of Plant and Machinery	9,178,500
3	Working Capital	30,000,000
4	QIO Expenses	2,409,000
<b>Total</b>		<b>50,000,000</b>

**1. Construction of Factory Building Expansion unit:**

Sl. No.	Construction Material	Unit	Quantity	Rate	Amount in TK
1	Cement	Bag	2,500	600	1,500,000
2	Stone	Cft	2,000	270	540,000
3	Sylhet sand	Cft	2,000	70	140,000
4	Local Sand	Cft	4,000	35	140,000
5	Rod	Kg	33,500	95	3,182,500
6	Brick (Machine Made)	Pcs	15,000	14	210,000
7	Sanitary fittings				200,000
8	Pipe, fitting & Others				1,000,000
9	Labour cost				1,500,000
	<b>Total</b>				<b>8,412,500</b>

**2. Acquisition of Plant and Machinery:** (Placement of order after complement of the Factory Building Expansion Unit and will be available within 120 days from the date of placing the order).

Description	Brand	Model	QTY/ Set/ Lot	Unit Price Taka	Total Amount Taka
<b>Complete Sauce Processing Machine / Tomato Ketchup Processing Plant 500 Kgs</b>					
Ps- Fruit & Vegetable Washing Machine	-		1	753,300	753,300
Ps-Sorting/ Inspection Conveyor	-		1	284,580	284,580
Ps- Working Table	-		5	41,850	209,250
Ps-Screw Feeder	-		1	334,800	334,800
Ps-Pilp Mill/ Crusher (Senior)	-	PSF121	1	75,330	75,330
Ps-Pulp Collection Tank	-		1	58,590	58,590
Ps-Transfer Pump	-		4	125,550	502,200
Ps-Steam Jacketed Kettle	-	PSK110	4	125,550	502,200
Ps-Twin Pulper	-	PSTP114	1	493,830	493,830
Pulp Tank	-		1	58,590	58,590
Homogenizer	-	PS-500	1	585,900	585,900
Ps-Filling Tank	-		1	125,550	125,550
Ps-Steam Boiler	-		1	558,000	558,000
Ps-Rotary Bottle Washer	-		1	144,801	144,801

Description	Brand	Model	QTY/ Set/ Lot	Unit Price Taka	Total Amount Taka
Ps-Double Head Pneumatic	-		1	251,100	251,100
Ps-Crown Corking Machine	-	PSCC135	1	16,740	16,740
Compressor 3 Hp	-		1	100,440	100,440
Inter Connecting Ss Pipe Lines	-		1	167,400	167,400
MS Steam Lines	-		1	139,500	139,500
<b>Spice Processing Machine</b>	-				
Large Vertical Automatic Packaging Machine	-	HS-420	1	768,180	768,180
Four Liner Heads Weigher Of 205L Can Pack Isapgul Husk 25G & 50G	-	BLS-W-4A2.5L	1	427,800	427,800
Product Conveyor	-		1	87,420	87,420
Spare Parts Extra Forming For Hs-420	-		2	69,750	139,500
Spare Parts Gusset Device Hs-420	-		2	97,650	195,300
Punch Device			2	46,500	93,000
Loader (3 ton Telescopic boom loader)	EOUGEM	TL3000	1	1,767,000	1,767,000
Sub Total					<b>8,840,301</b>
Installation & Others					338,199
<b>Total</b>					<b>9,178,500</b>

### 03. Working Capital

Particulars	Taka
Raw Material (Local purchase)	30,000,000
<b>Total</b>	<b>30,000,000</b>

- b) The Prospectus shall also include a schedule mentioning the stages of implementation and utilization of funds received through a public offering, mentioning about the approximate date of completion of the project and the projected date of full commercial operation. The schedule shall be signed by the Chief Executive Officer or Managing Director and Chief Financial Officer of the issuer;

#### Declaration about the utilization of funds received through Qualified Investor Offer (QIO)

Sl. No.	Particulars	Amount to be utilized	Process made so far	Implementation Schedule of QIO Proceeds	Projected date of full commercial operation
1	Construction of Factory Building Expansion unit	8,412,500	The installation will be started after receiving of QIO Fund	Within 18 months after receiving QIO Proceed	Within 03 months of the completion of the project
2	Acquisition of Plant and Machinery	9,178,500			
3	Working Capital	30,000,000			
4	QIO Expenses	2,409,000		Within 1 month after receiving QIO Proceed	
<b>Total</b>		<b>50,000,000</b>			

Sd/-  
 Mohammad Azhar Khan  
 Managing Director  
 Dated: 09 March, 2023

Sd/-  
 Mohammad Shariful Islam  
 Chief Financial Officer

- (c) If there are contracts covering any of the activities of the issuer company for which the proceeds of sale of securities are to be used, such as contracts for the purchase of land or contracts for the construction of buildings, the prospectus shall disclose the terms of such contracts, and copies of the contracts shall be filed with the Commission as annexure to the prospectus.

There is no such contract yet to be engaged by the Company.

# CHAPTER –III

## DESCRIPTION OF BUSINESS:

- a) **The date on which the issuer Company was incorporated and the date on which it commenced operations and the nature of the business which the Company and its subsidiaries are engaged in or propose to engage in:**

AGRO ORGANICA PLC 100% manufacturing and marketing Agro-based Products. The company was incorporated as a Private Limited Company on 21 August 2011 under the Companies act 1994. Subsequently, the Company was converted into a Public Limited Company by shares and changed its name from AGRO ORGANICA (PVT.) LIMITED on 31 December 2019. The commercial operations of the company started on 07 October 2015. The principal activities of the company are manufacturing and marketing Agro based products. The company is specialized in manufacturing and marketing Aromatic Rice, Boiled Rice, Per Boiled Rice, Double Boiled Rice, Pickle, Jam & Jelly, Saffron, Isabgul, Ghee, Tea & spices in different categories etc.

- (b) **The prospectus shall contain the information in respect of its business operation, for example:**

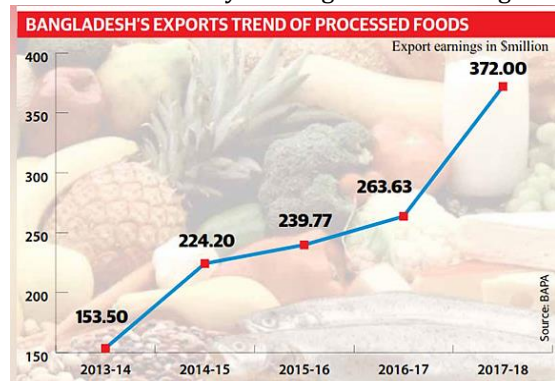
- i) **Principal products or services of the issuer and markets for such products or services;**

AGRO ORGANICA PLC 100% manufacturing and marketing Agro-based products. The principal activities of the company are manufacturing and marketing Agro-based products. The company is specialized in manufacturing and marketing Aromatic Rice, Boiled Rice, Per Boiled Rice, Double Boiled Rice, Pickle, Jam & Jelly, Saffron, Isabgul, Ghee, Tea & spices in different categories etc. The present market in Bangladesh is very much in favor of ORGANICA. The daily increasing demand for Agro-based products is a good indicator for the future market. Organica conducts its marketing activities all over Bangladesh. ORGANICA is manufacturing, sells and distributing its products all over the country and markets with name and fame. The Company provides services throughout the country in the local market.

### Local market, demand and supply forecasts for the sector:

Agriculture contributed a remarkable portion to the GDP and engaged more than 50% of the economically active population of Bangladesh. A major portion of farmers are share cropper and marginal, comparatively better portion owned not more than a few acres of land and their holdings are badly fragmented. The land of Bangladesh is fertile, but yields are low because of a lack of capital for input and service, modern technology and training. But the labor force is desperately dedicated to lifting production gradually higher. As a result, the agricultural movement has made a sustainable basement for the economy of Bangladesh. Among the

crops, Rice dominates the production of about 60% of all cropped land in Bangladesh and its cultivation is suitable for around the country. On the other hand, growers are usually favored to cultivate rice, as it is our main food. Though the agricultural economy was disrupted by the war of 1971, largely recovered and grew by an average of 2.7% annually during the 1980s and by an annual average of 2.9% during 1990–2000. Agricultural exports accounted for 1.1% of total exports in 2001. Frequent monsoons and cyclones keep the economy vulnerable. Crop output (in tons) in 1999 included rice production in 1999 was 29,857,000 tons, sugarcane, 6,951,000; wheat, 1,908,000; potatoes, 1,702,000; sweet potatoes, 398,000; tobacco, 37,000; and barley, 6,000. Fruit production in 1999 included 625,000 tons of bananas, 187,000 tons of mangoes, and 149,000 tons of pineapples. Coconut production totaled 89,000 tons that year; pulses, 668,000 tons. Agriculture is the single largest producing sector of the economy since it comprises about 18.6% of the country's GDP and employs around 45% of the total labor force. The performance of this sector has an overwhelming impact on major macroeconomic objectives like employment generation, poverty alleviation, human recourses development, food security & export diversification. A plurality of Bangladeshis earns their living from agriculture. Although rice and jute are the primary crops, wheat is assuming greater importance. Tea is grown in the northeast.





Maize and vegetables are assuming greater importance. Other Bangladeshi food crops are potato and sweet potatoes with a combined record production of 1.9 million tons in FY 1984; oilseeds, with an annual average production of 2,50,000 tons; and fruits such as bananas, jackfruits, mangoes and pineapples. Estimates of sugarcane production put annual production at more than 7 million tons per year, most of it processed into a course, unrefined sugar known as gur; and sold domestically. Bangladesh is the largest producer of the world's best Jute, which is also known as natural jute or raw jute. Rice being the staple food, its production is of major importance. Rice production stood at 36.30 million tons in the 2020-21 fiscal year. The infrastructure facilities (Such as electricity, gas, transportation and telecommunication) and labor costs are comparatively lesser than other countries as such the sector shows a high potential for growth and development. Business leaders, bankers, agronomists and researchers in Bangladesh believe that the northern region of the country has enormous potential for sustainable agro-processing enterprises. The Multipurpose Jamuna Bridge contributed a lot in improving communication to and from the northern region, creating wider scopes for increased production of cereals, fruits, vegetables and livestock as well as their marketing both at home and abroad. Soil conditions, topography and climate make the area ideal for large-scale and sustainable production of cereals, fruits and vegetables. Vegetables like potato, cauliflower, tomato, white gourd, bean, spinach, pea and baby corn are being produced in the region in larger quantities side by side with broccoli, carrot, celery, capsicum and strawberry. Most of these have huge earning prospects through exports. Potato flakes also have great international demand and their production technology is relatively simple and labor-intensive. Such an industry should have great prospects in Bangladesh. According to BAPA data, Agro-processed products include pickles, chutney, mango bars, jam jelly, juice, spices, aromatic rice, fine rice, tea, chanachur, peanuts, mustard oil, biscuits, zira cut supari, drinks, seeds, candy, puffed rice, flattened rice, flour, hair oil, isubgul, ghee, noodles, vermichili, kashundi, frozen vegetables, snacks, rose water, dried dal/ peas, potato crackers, honey, molasses, jardah (tobacco), diabetic firni mix, meat, sweets, milk powder, lassi, sesame seeds, black berry, potato flakes, sesame oil, sugar cane, puff corn, sesame bar and canned pineapple.

Though this sector has been raising, the growth of industrialization from the perspective of Agro product diversification is not at an expected level, due to previous different types of barriers. Presently this sector is moving on towards the achievement of the present suitable environment of GOB and directly by the cooperation of BSEC, BAPA and other stakeholders.

AGRO ORGANICA PLC is a full manufacturing industry and has been running for utmost diversification of Agro products with increased sustainable shelf life and quality of all types of ingredients. According to this principle, ORGANICA has marked a remarkable existence in the local and global markets. During near decay, ORGANICA has built up a skilled labor force with a sustainable network for cluster development between the growers and stakeholders for quality Agro products, smooth manufacturing and effective marketing and sales. So, in terms of internal capability, ORGANICA is stable to drive for any target, in this connection for extension of capacity and fulfill the increased demand of the market ORGANICA approached to raise their capital through the favor of the capital market. According to the achieved strength during the last ten-year ORGANICA is capable to take the challenge to ensure the dividend of all shareholders at least at the minimum rate or higher.

**ii) If the company has more than one product or service, the relative contribution to sales and income of each product or service that accounts for more than 10% of the company's total revenues;**

ORGANICA is 100% manufacturing and marketing Agro-based products. Among the various products the mentioned below products are contributing more than 10% of its revenue over the year.

Particulars	For the Period from 01.07.2021 to 31.03.2022	% on Total Sales	For the year ended 30.06.2021	% on Total Sales
Rice	230,457,355	63.61%	279,224,510	65.42%
Pickles	84,240,513	23.25%	94,589,280	22.16%

**iii) Names of associates, subsidiary/related holding company and their core areas of business;**

ORGANICA has no associates, subsidiary/related holding company.

**iv) How the products or services are distributed;**

On receiving orders from its customers, ORGANICA produces the products or arranges the products from the central depo and supplies them to the different destinations as per the requirements of the customers by the nearest depo or central depo. ORGANICA also process its sales with cash sales from sales center all over Bangladesh. ORGANICA also delivers the product to the super shop as per the order from the depo.

**v) Competitive conditions in the business;**

Bangladesh is the prime source of the cheapest labor in the world, gaining comparative advantages for its industries over its global competitors. Other overhead costs are also low in Bangladesh. As a result, the Company has been able to maintain the cost of products most competitive. Moreover, over the last few years, the Company has built a trustworthy relationship with its customers, which helps the Company avoid competition with others. ORGANICA is operating in a free economy regime. The company operates in a highly competitive business. The major competitors of the company are as follows:

**Listed Company (Main Market)**

Agricultural Marketing Company Ltd. (Pran)  
Golden Harvest Agro Industries Ltd.  
Fu Wang Food Ltd.

**Non-Listed Company**

BD Food Limited  
Square Food & Beverage Limited  
KHAASFOOD Limited

**vi) Sources and availability of raw materials and the names of the principal suppliers;**

Raw Material	Supplier Name	Address
Spice Supplier	As Rahman Traders	6/3 Moulovi Bazar, Dhaka-1100
Spice Supplier	M/s Laxmi Vander	15/A, Kazi Ziauddin Road, Babu Bazar, Dhaka-1100
Printing	Famous Printing & Packing Limited	Islam Lodge, House 14, Road 16/A, Gulshan-1, Dhaka

**vii) Sources of, and requirement for, power, gas and water; or any other utilities;**

**Power:** Total requirement of power for the smooth operation of the business is 550KVA which is met through Power Development Board Sherpur, and Diesel Generators. Capacities of different power generation sources are as follows:

SL No	Description	Source	Capacity
1	Electricity	Power Development Board	500KVA
2.	Generator	Own Source	1750KVA

**Water:** The requisite water supply is available from Sherpur City Corporation and its own Underground Submersible Pump installed in the factory premises.

**Contingency Plan in case of any disruption:**

To tackle the disruption of utilities, the Company has generator line, submersible pumps and UPS systems.

**viii) Names of the customers who purchase 10% or more of the company's products /services;**

There is no single customer of ORGANICA who accounts for 10% or more of the company's products or services.

**ix) Description of any contract which the company has with its principal suppliers or customers showing the total amount and quantity of transaction for which the contract is made and the duration of the contract;**

The company has not entered into any contract with any of its suppliers or customers except in the ordinary course of business.

**x) Description of any material patents, trademarks, licenses or royalty agreements;**

SL. No.	Name of Certificate/ license/ Registration/ NOC	License Issuer/Issuing Authority	Certificate / License No	Expiry Date	Remarks
1	Certificate of Incorporation	Registrar of Joint Stock Companies & Firms, Bangladesh	C-95022/11	N/A	
2	TIN Certificate	National Board of Revenue (Taxes Circle-003, Company, Taxes Zone 01)	7338261007 53	N/A	
3	VAT Reg. No.	National Board of Revenue (Customs, Excise and VAT	000145623- 0107	N/A	

SL. No.	Name of Certificate/ license/ Registration/ NOC	License Issuer/Issuing Authority	Certificate / License No	Expiry Date	Remarks
		Commissionerate, Dhaka (North) Sherpur Division			
4	Trade License	Dhaka South City Corporation	TRAD/DSCC/005283/2022	30.06.2023	
5	Trade License	Sherpur Powrosova	0730-00	30.06.2023	
6	Export Registration Certificate (ERC)	Office of the Chief Controller of Imports and Exports, Dhaka	260326210742920	30.06.2022	Applied for Renewal
7	Import Registration Certificate (IRC)	Office of the Chief Controller of Imports and Exports, Dhaka	2603611120012222	30.06.2022	Applied for Renewal
8	CM (Certification Marks) License for Jelly (Orange, Lychee, Strawberry & Grapes)	Bangladesh Standards and Testing Institution	284/G-01/2021	30.06.2022	Applied for Renewal
9	Factory License	Department of Factories and Establishment, Ministry of Labour and Employment	1623/Sherpur	30.06.2022	Applied for Renewal
10	Certificate of Copyright Registration	Bangladesh Copyright Office	CRA-20748	31.12.2077	
11	Fire License	Bangladesh Fire Service and Civil Defense	1836	30.06.2023	
12	CM (Certification Marks) License for Pickle (Mango, Alubokhara, Tamarind, Plum & others)	Bangladesh Standards and Testing Institution	M-314/G-01/2021	30.06.2024	
13	CM (Certification Marks) License for Ghee	Bangladesh Standards and Testing Institution	21966/G-02/2019	30.06.2022	Applied for Renewal

**xi) Number of total employees and number of full-time employees.**

Total number of employees are as follows:

Particulars	as on 31 March 2022
Salary below Tk. 8,200 per month	-
Salary Tk. 8,200 or above per month	112
<b>Total (A)</b>	<b>112</b>

**xii) Production or service rendering capacity and current utilization, where applicable.**

The production capacity and utilization of its are as follows:

Particulars	Quantity in MT
	1 July 2021 to 31 March 2022
Installed Capacity	5,347
Actual Production	3,777
<b>Capacity Utilization (%)</b>	<b>70.64%</b>

# CHAPTER –IV

## DESCRIPTION OF PROPERTY

The written down value of Property, Plant and Equipment owned by the Company as per audited accounts as of 31 March, 2022:

Particulars	Amounts in Taka WDV as on 31-Mar-22
Land & Land Development	146,230,329
Factory Building & Other Construction	115,212,195
Plant & Machinery	145,419,615
Generator	16,616,503
Fire Extinguisher	6,197,333
Furniture & Fixture	8,402,688
Computer and Computer Equipment	6,135,793
Office Equipment's	7,402,986
Motor Vehicle	15,849,520
<b>Total</b>	<b>467,466,962</b>

**a) Location and area of the land, building, principal plants and other property of the Company and the condition thereof;**

The entire above-mentioned assets are located at the Company's factory premises at Plot no-A-14, 15 and S-21 at BSCIC, Sherpur. All of the above-mentioned Property, Plant and Equipment are in working condition. Details are given as follows:

Sl. No	Name of the Assets	Location and Area	Condition of the Property
1	Land & Land Development	Plot no-A-14, 15 and S-21 at BSCIC, Sherpur	Working in good condition
2	Factory Building & Other Construction		
3	Plant & Machinery		
4	Generator		
5	Fire Extinguisher		
6	Furniture & Fixture	At Factory and Corporate Office	
7	Computer and Computer Equipment	At Factory and Corporate Office	
8	Office Equipment's	At Factory and Corporate Office	
9	Motor Vehicle	At Factory and Corporate Office	

**b) Whether the property is owned by the Company or taken on the lease;**

There is no Property of AGRO ORGANICA PLC under the lease agreement except for the rental lease.

**c) If the property is owned by the Company, whether there is a mortgage or other type of lien on the property, with the name of the mortgagor;**

The issuer company has no mortgage property against the loan the deed of personal property was kept as a security against the loan of the company as follows:

Mortgagee	Description of Property	Types of Loan	Deed No	Khatian no. & Plot no.	Area of Decimal/Sq.Ft	Mortgagor
NRB Bank Limited	Land with Factory Building	Long-term & Short Term	3945	S-21	33.28	Agro Organica PLC
			4608	A-14,15		

**d) If the property is taken on lease, the expiration dates of the lease with the name of the lessor,**

There is no property taken on the lease of AGRO ORGANICA PLC up to 31 March, 2022 except the rental lease.

# CHAPTER –V

## PLAN OF OPERATION AND DISCUSSION OF FINANCIAL CONDITION

- a) If the issuer has not started its commercial operation, the Company's plan of operations for the period which would be required to start commercial operation shall, among others, include:

This section is not applicable to the issuer because the issuer (AGRO ORGANICA PLC) started its commercial operation on 07 October 2015.

- b) If the issuer had been in operation, the issuer's revenue and results of operation, financial position and changes in financial position and cash flows for the last five years or from commercial operation, which is shorter, shall be furnished in tabular form, which shall, among others, include the following information:

Statement of Financial Position of the Company is as under

Particulars	Amount in Taka					
	31-Mar-22	30 Jun, 2021	30 June, 2020	30 June, 2019	30 June, 2018	30 June, 2017
<b>Assets</b>						
<b>Non-Current Assets:</b>	<b>469,257,921</b>	<b>478,160,408</b>	<b>467,943,676</b>	<b>421,874,192</b>	<b>398,960,659</b>	<b>366,836,620</b>
Property, Plant and Equipment	467,466,962	467,148,003	459,051,117	417,814,404	395,222,535	359,155,151
Right of Use Assets	1,207,625	4,550,646	7,929,173			
Intangible Assets	583,333	688,333				
Capital Work in progress		5,773,426	963,386	4,059,788	3,738,124	7,681,469
<b>Current Assets:</b>	<b>249,711,559</b>	<b>195,874,846</b>	<b>176,185,294</b>	<b>165,509,082</b>	<b>131,264,420</b>	<b>93,816,620</b>
Inventories	105,265,838	77,501,945	66,906,210	59,373,782	50,596,217	39,628,379
Trade and Other Receivables	96,877,232	81,472,964	70,114,341	58,448,396	50,157,333	36,130,818
Advance, Deposits and Prepayments	40,387,411	23,772,174	10,728,804	14,863,172	4,184,135	3,382,473
Cash and Cash Equivalents	7,181,078	13,127,763	28,435,939	32,823,733	26,326,734	14,674,950
<b>Total Assets</b>	<b>718,969,480</b>	<b>674,035,253</b>	<b>644,128,969</b>	<b>587,383,274</b>	<b>530,225,078</b>	<b>460,653,240</b>
<b>Shareholders' Equity &amp; Liabilities</b>						
<b>Shareholders' Equity:</b>	<b>562,277,987</b>	<b>519,439,449</b>	<b>469,613,325</b>	<b>75,184,604</b>	<b>35,538,912</b>	<b>8,626,708</b>
Share Capital	383,000,000	383,000,000	383,000,000	2,666,700	2,666,700	2,666,700
Retained Earnings	179,277,987	136,439,449	86,613,325	72,517,904	32,872,212	5,960,008
<b>Non-Current Liabilities:</b>	<b>32,950,282</b>	<b>69,360,804</b>	<b>34,559,742</b>	<b>374,917,636</b>	<b>377,182,797</b>	<b>342,729,072</b>
Share Money Deposit				347,333,300	347,333,300	333,101,733
Long Term Loan (Non-Current Portion)	4,286,688	41,616,881	5,392,638	6,741,239	13,464,637	
Lease Liability (Non-Current Portion)	126,857	679,301	4,274,446			
Deferred Tax Liability	28,536,737	27,064,622	24,892,658	20,843,096	16,384,860	9,627,339

Particulars	Amount in Taka					
	31-Mar-22	30 Jun, 2021	30 June, 2020	30 June, 2019	30 June, 2018	30 June, 2017
<b>Current Liabilities:</b>	<b>123,741,211</b>	<b>85,235,000</b>	<b>139,955,902</b>	<b>137,281,036</b>	<b>117,503,369</b>	<b>109,297,460</b>
Short Term Borrowings	81,437,859	36,885,360	94,553,735	100,153,365	89,005,902	85,051,367
Liabilities for Expenses	3,822,957	3,881,083	3,604,289	3,192,876	2,487,637	1,887,136
Liabilities for Income Tax	23,836,871	14,110,072	9,448,746	6,692,732	2,343,045	1,309,744
Long Term Loan (Current Portion)	535,569	9,135,413	5,901,644	5,333,536	2,282,364	
Lease Liability (Current Portion)	1,171,767	4,153,913	3,906,226			
Liability for WPPF	2,701,873					
Trade and Other Payables	10,234,316	17,069,159	22,541,262	21,908,527	21,384,421	21,049,213
<b>Total Shareholders' Equity &amp; Liabilities</b>	<b>718,969,480</b>	<b>674,035,253</b>	<b>644,128,969</b>	<b>587,383,274</b>	<b>530,225,078</b>	<b>460,653,240</b>
<b>Net Assets Value (NAV) per share</b>	<b>14.68</b>	<b>13.56</b>	<b>12.26</b>	<b>281.94</b>	<b>133.27</b>	<b>32.35</b>

\*\* The Company splits its share Tk. 10.00 from Tk. 100.00 as on 12.09.2013

#### AGRO ORGANICA PLC Comparative Statement of Comprehensive Income

Particulars	Amount in Taka					
	31-03-22	30-06-21	30-06-20	30-06-19	30-06-18	2016-2017
Revenue	362,302,910	426,837,845	408,746,323	384,587,584	298,521,430	218,169,280
Less: Cost of Goods Sold	(270,644,919)	(319,668,979)	(306,443,648)	(289,185,147)	(225,295,950)	(166,542,111)
<b>Gross Profit</b>	<b>91,657,991</b>	<b>107,168,866</b>	<b>102,302,675</b>	<b>95,402,437</b>	<b>73,225,480</b>	<b>51,627,169</b>
Operating Expenses	(29,966,178)	(36,546,410)	(34,665,687)	(31,508,177)	(25,129,175)	(20,763,934)
<b>Profit from Operation</b>	<b>61,691,812</b>	<b>70,622,456</b>	<b>67,636,988</b>	<b>63,894,260</b>	<b>48,096,305</b>	<b>30,863,235</b>
Add: Non-operating Income	156,108	788,735	1,676,986	1,514,300	611,207	121,342
Less: Financial Expenses	(4,931,586)	(9,061,925)	(10,835,706)	(15,687,304)	(13,169,811)	(9,350,655)
Less: Interest on Lease Liability	(177,009)	(522,510)	(600,743)			
<b>Profit before WPPF &amp; Income Tax</b>	<b>56,739,325</b>	<b>61,826,757</b>	<b>57,877,526</b>	<b>49,721,256</b>	<b>35,537,700</b>	<b>21,633,922</b>
WPPF Expenses	(2,701,873)					
<b>Profit before Income Tax</b>	<b>54,037,453</b>	<b>61,826,757</b>	<b>57,877,526</b>	<b>49,721,256</b>	<b>35,537,700</b>	<b>21,633,922</b>
<b>Income Tax Expenses</b>	<b>(11,198,914)</b>	<b>(12,000,63)</b>	<b>(10,681,292)</b>	<b>(10,075,564)</b>	<b>(8,625,497)</b>	<b>(8,264,579)</b>
Current Tax	(9,726,799)	(9,828,669)	(6,631,730)	(5,617,329)	(1,867,975)	(1,309,744)
Deferred Tax	(1,472,115)	(2,171,964)	(4,049,562)	(4,458,235)	(6,757,522)	(6,954,835)
<b>Net Profit after Tax</b>	<b>42,838,539</b>	<b>49,826,124</b>	<b>47,196,233</b>	<b>39,645,692</b>	<b>26,912,204</b>	<b>13,369,343</b>
Other Comprehensive Income/(Loss)						
<b>Total Comprehensive Income for the year</b>	<b>42,838,539</b>	<b>49,826,123</b>	<b>47,196,233</b>	<b>39,645,692</b>	<b>26,912,204</b>	<b>13,369,343</b>
<b>Earnings Per Share (EPS) Basic*</b>	<b>1.12</b>	<b>1.30</b>	<b>1.23</b>	<b>1.04</b>	<b>0.70</b>	<b>0.35</b>

\*Earnings Per Share has been calculated considering the latest Number of Shares i.e. 38,300,000

### Changes in Financial Position

Particulars	Share Capital	Retained Earnings	Total Equity
As at March 31, 2022	383,000,000	179,277,987	562,277,987
As at June 30, 2021	383,000,000	136,439,449	519,439,449
As at June 30, 2020	383,000,000	86,613,325	469,613,325
As at June 30, 2019	2,666,700	72,517,904	75,184,604
As at June 30, 2018	2,666,700	32,872,212	35,538,912
As at June 30, 2017	2,666,700	5,960,008	8,626,708

### Statement of Cash Flows:

Particulars	Amount in Taka					
	31-Mar-22	30-Jun-21	30-Jun-20	30-Jun-19	30-Jun-18	30-Jun-17
<b>A. Cash Flows from Operating Activities:</b>						
Received from Customers	346,898,642	415,479,222	397,080,378	376,296,522	284,494,915	201,302,234
Paid to Suppliers	(275,839,467)	(299,222,215)	(263,806,486)	(264,252,712)	(204,690,955)	(166,733,811)
Paid to Employees	(26,365,249)	(32,099,035)	(30,531,595)	(27,753,600)	(21,155,342)	(15,882,505)
Paid to Others	(18,557,186)	(21,583,142)	(21,716,815)	(24,051,767)	(18,130,005)	(13,544,200)
<b>Cash Generated from the operation</b>	<b>26,136,740</b>	<b>62,574,829</b>	<b>81,025,481</b>	<b>60,238,443</b>	<b>40,518,612</b>	<b>5,141,719</b>
Received from Non-Operating Income	156,108	788,735	1,676,986	1,514,300	611,207	121,342
Income Tax Paid	(6,913,684)	(7,284,162)	(5,167,343)	(3,875,716)	(1,267,642)	(1,058,173)
<b>Net Cash Generated from operation Activities</b>	<b>19,379,164</b>	<b>56,079,402</b>	<b>77,535,124</b>	<b>57,877,027</b>	<b>39,862,177</b>	<b>4,204,888</b>
<b>B. Cash Flows from Investing Activities</b>						
Acquisition of Property, Plant and Equipment	(3,921,590)	(5,818,990)	(24,416,864)	(8,642,287)	(15,880,560)	(8,054,555)
Paid for Capital Work In Progress	(11,383,535)	(32,647,500)	(35,922,226)	(34,525,674)	(33,093,125)	(91,295,882)
Acquisition of Intangible Assets	-	(700,000)	-	-	-	-
<b>Net Cash Used in Investing Activities</b>	<b>(15,305,125)</b>	<b>(39,166,490)</b>	<b>(60,339,090)</b>	<b>(43,167,961)</b>	<b>(48,973,685)</b>	<b>(99,350,437)</b>
<b>C. Cash Flows from Financing Activities</b>						
Net Payment for Financial Expenses	(4,931,586)	(9,061,925)	(10,835,706)	(15,687,304)	(13,169,811)	(9,350,655)
Net Payment for interest on the lease	(177,009)	(522,510)	(600,743)			
Received for Share Money Deposit				-	14,231,567	93,296,620
Net Received/(Payment) in Short-Term Loan	44,552,499	(57,668,375)	(5,599,630)	11,147,463	3,954,535	19,497,628
Net Received/(Payment) in Long-Term Loan	(45,930,037)	39,458,012	(780,492)	(3,672,226)	15,747,001	-
Net Received/(Payment) in Lease Liability	(3,534,591)	(4,426,290)	(3,767,257)		-	-
<b>Net Cash Provided from Financing Activities</b>	<b>(10,020,724)</b>	<b>(32,221,088)</b>	<b>(21,583,829)</b>	<b>(8,212,067)</b>	<b>20,763,292</b>	<b>103,443,593</b>
<b>D. Net Increase/(Decrease) of Cash and Cash Equivalents (A+B+C)</b>	<b>(5,946,685)</b>	<b>(15,308,176)</b>	<b>(4,387,794)</b>	<b>6,496,999</b>	<b>11,651,784</b>	<b>8,298,044</b>
E. Opening Cash & Cash Equivalents	13,127,763	28,435,939	32,823,733	26,326,734	14,674,950	6,376,906
<b>F. Closing Cash &amp; Cash Equivalents(D+E)</b>	<b>7,181,078</b>	<b>13,127,763</b>	<b>28,435,939</b>	<b>32,823,733</b>	<b>26,326,734</b>	<b>14,674,950</b>
<b>NET OPERATING CASH FLOWS PER SHARE (NOCFPS)</b>	<b>0.51</b>	<b>1.46</b>	<b>2.02</b>	<b>1.65</b>	<b>1.16</b>	<b>0.13</b>

**i. Internal and external sources of cash:**

The internal sources of cash of the Company are the share capital and retained earnings. The external sources of cash are bank loans.

Particulars	Amounts In Taka					
	31-Mar-22	30-Jun-21	30-Jun-20	30-Jun-19	30-Jun-18	30-Jun-17
<b>Internal Sources of Cash:</b>						
Paid up Capital	383,000,000	383,000,000	383,000,000	2,666,700	2,666,700	2,666,700
Retained Earnings	179,277,987	136,439,449	86,613,325	72,517,904	32,872,212	5,960,008
<b>Sub-Total</b>	<b>562,277,987</b>	<b>519,439,449</b>	<b>469,613,325</b>	<b>75,184,604</b>	<b>35,538,912</b>	<b>8,626,708</b>
<b>External Sources of Cash:</b>						
Share Money Deposit		-	-	347,333,300	347,333,300	333,101,733
Long Term Loan	4,822,257	50,752,294	11,294,282	12,074,775	15,747,001	-
<b>Sub-Total</b>	<b>4,822,257</b>	<b>50,752,294</b>	<b>11,294,282</b>	<b>359,408,075</b>	<b>363,080,301</b>	<b>333,101,733</b>
<b>Grand Total</b>	<b>567,100,244</b>	<b>570,191,743</b>	<b>480,907,607</b>	<b>434,592,679</b>	<b>398,619,213</b>	<b>341,728,441</b>

**ii. Any material commitments for capital expenditure and expected sources of funds for such expenditure:**

ORGANICA has not entered into any material commitments for Capital expenditure. However, the Company has the plan to enter the required material commitment for Capital expenditure to use of net QIO Proceeds as mentioned in "Use of Proceeds" of this Prospectus.

**iii. Causes for any material changes from period to period in revenues, cost of goods sold, other operating expenses and net income:**

The Company's revenue and other income, as well as operating expenses and net income, have continued to change due to increasing business volume.

Particulars	Amount in taka					
	31-Mar-22	30-Jun-21	30-Jun-20	30-Jun-19	30-Jun-18	30-Jun-17
Revenue	362,302,910	426,837,845	408,746,323	384,587,584	298,521,430	218,169,280
Gross Profit	91,657,991	107,168,866	102,302,675	95,402,437	73,225,480	51,627,169
<b>Net profit Before tax</b>	<b>54,037,453</b>	<b>61,826,757</b>	<b>57,877,526</b>	<b>49,721,256</b>	<b>35,537,700</b>	<b>21,633,922</b>
<b>Net profit After tax</b>	<b>42,838,539</b>	<b>49,826,124</b>	<b>47,196,233</b>	<b>39,645,692</b>	<b>26,912,204</b>	<b>13,369,343</b>

**Revenues:**

Production capacity has been increased every year by installing plants and machinery. As a result, period-to-period changes in revenues have arisen.

**Cost of goods sold:**

The increase in the cost of goods sold from period to period is in line with sales volume.

**Other operating expenses:**

The increase in operating expenses from period to period is in line with production and sale volume.

**Net income:**

Net income increased in the period to period is in line with sales volume.



**iv. Any seasonal aspects of the issuer's business;**

The requirement for Agro-based products is all around the year in almost the same volume, since the demand remains more or less the same in all seasons. Therefore, the seasonal aspect does not significantly affect the Company's business and AGRO ORGANICA PLC supplies its products to its permanent buyers, who provide sufficient purchase orders to work throughout the year. As a result, no seasonal aspects adversely affect the business of ORGANICA.

**v. Any known trends, events or uncertainties that may have a material effect on the issuer's future business;**

The known events that may affect the business operations of the Company are:

- ❖ Increased production cost;
- ❖ The entrance of new Technology;
- ❖ Increased competition;
- ❖ Govt. Policy changes towards the industry;
- ❖ Political unrest;
- ❖ Natural disaster.
- ❖ Trading system
- ❖ Lack of managerial knowledge
- ❖ Lack of research institutions
- ❖ Illegal competition
- ❖ Lack of proper control on imported product
- ❖ Lack of infrastructural support

**vi. Any changes in the assets of the Company used to pay off any liabilities:**

None of the operating assets of the Company has been disposed of to liquidate any liabilities of the Company.

**vii. Any loan is taken by the Issuer from its holding/ parent company or subsidiary company or loan given to a foreside company, giving full details of the same;**

The Company has no associate, subsidiary or holding Company. So no loan was taken from or given to aforesaid.

**viii. Any future contractual liabilities the issuer may enter into within the next one year, and the impact, if any, on the financial fundamentals;**

The Company has no plan to enter into any contract creating future liabilities for the Company except for those, which are created in the normal course of business activities.

**ix. The estimated amount, where applicable, of future capital expenditure;**

The Company does not have any plan for future capital expenditure except for those mentioned in the "Use of QIO Proceeds" section above in this prospectus.

**x. Any VAT, income tax, customs duty or other tax liability which is yet to be paid, including any contingent liabilities stating why the same was not paid prior to the issuance of the prospectus;**

**Value Added Tax (VAT):**

The Company has VAT registration number 000145623-0107 on the National Board of Revenue (Customs, Excise and VAT Commissionerate, Dhaka (North) Sherpur Division. VAT on the Company's product at 5.00% except rice is zero VAT as per Value Added Tax and Supplementary Duty Act 2012. Hence, no VAT liability is due.

**Income Tax:** ORGANICA has its TIN No. 733826100753 on the National Board of Revenue (Taxes Circle-003, Company, Taxes Zone 01) and is regular. Following is the summary of the last five years of income taxes of the company:

Accounting year	Assessment Year	Assessment Status
2021-2022 (31 March, 2022)	2022-2023	N/A
2020-2021	2021-2022	Assessment under process
2019-2020	2020-2021	Assessment under process
2018-2019	2019-2020	Assessment under process
2017-2018	2018-2019	Assessment under process

**Custom Duty:** ORGANICA pays all customs duty as per the Customs Act of the country there is no due in this regard.

**Contingent Liability:** There is no situation involving ORGANICA for which any liability for the companies is most likely to occur or which may create any possibility of the company's liability shortly.

- xii. **Details of any operating lease the company has entered into during the five years preceding the issuance of the prospectus, clearly indicating terms of the lease and how the company proposes to liquidate such lease;**

ORGANICA has 3 operating leases for Office Building in Elephant Road Dhaka & warehouse in Hazaribagh Dhaka. Details are as follows:

Particulars	Lessor	Address	Area	Period	Rent / Month
Office Building	Syed Majid Maksud, Syed Hamid Maksud	Suite #301 (3 <sup>rd</sup> Floor), 65 Elephant Road, Dhaka-1205	2,200 sqft	24 Month	64,000/ month
Office Building	Khelada Khanam	Suite #2B1 (2 <sup>nd</sup> Floor), 65 Elephant Road, Dhaka-1205	1,477 sqft	36 month	48,800/ Month
Warehouse	Mohammad Sohel Ahmed	Holding 47, Moneshar Road, Hazaribagh, Dhaka-1209	18,000 sqft	36 month	300,000/ Month

- xiii. **Any financial commitment, including lease commitment, the company had entered into during the past five years, giving details as to how the liquidation was or is to be in effect;**

There is no Such Commitment by the Company.

- xiv. **Details of all personnel related schemes for which the company has to make provision for in future years;**

The company considers its human resources as the most valuable assets and the profitability of the company largely depends on the effective and efficient use of human resources. The company provides various benefit packages to its employees in addition to monthly benefits of salary, wages and allowances. Lists of benefits provided for the employees are as follows:

The Company has accounted for and disclosed employee benefits in compliance with the provisions of IAS 19: Employee Benefits. The cost of employee benefits is charged off as revenue expenditure in the period to which the contributions relate. The Company's employee benefits include the following:

#### Short-term employee benefits

Short-term employee benefits include wages, Maternity Benefits, salaries, bonuses, house rent, medical fees termination benefits etc. Obligations for such benefits are measured on an undiscounted basis and are expensed as the related service is provided.

#### Employee Retirement Benefits

Obligations for the Company's contributions to defined contribution plans are recognized as expenses in the income statement as incurred.

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

The Company contributed 5% of its profit before tax after charging contribution to WPPF following the Bangladesh Labor Act, 2006 (Amended up to 2018) and payable to workers according to said law.

- xv. **Break down of all expenses related to the Qualified Investor Offer (QIO);**

The following amount, to be paid to the Issue Manager, Underwriter and other costs are as follows:

Sl. No	Particulars	Nature of Expenditure	Amount in Tk. (approx.)
<b>Issue Management Fees</b>			<b>345,000</b>
1	Manager to the Issue Fee	maximum 1% (one percent) on the QIO amount or taka 500 (Five hundred) thousand whichever is lower	300,000
2	VAT against Issue Management Fees	@ 15% on Issue Management Fees	45,000
<b>Listing Related Expenses</b>			<b>699,600</b>
3	Application Fee for Stock Exchanges (DSE & CSE)	At Actual	50,000
4	Listing Fee for Stock Exchanges (DSE & CSE)	0.025% on Tk. 10 crore of paid-up capital and 0.010% on the rest amount of paid-up capital	116,600
5	Annual Fee (DSE & CSE)	0.10% on Tk. 10 crore of paid-up capital and 0.05% on the rest amount of paid-up capital	533,000
<b>CDBL Fee &amp; Others</b>			<b>686,440</b>
6	Security Deposit	At Actual	500,000
7	Documentation Fee	At Actual	2,500

Sl. No	Particulars	Nature of Expenditure	Amount in Tk. (approx.)
8	Annual Fee	At Actual	100,000
9	Connection Fee	(Tk. 500 per Month X 12 Months)	6,000
10	Qualified Investor Offer Fee	@.015% of issue size+0.015% of Pre-QIO Paid up Capital	64,950
11	Demat Fee	0.00003 of Pre-QIO Paid-up Capital	12,990
<b>BSEC Fees</b>			<b>55,000</b>
12	Application Fee	Fixed	5,000
13	BSEC Consent Fee	@ 0.10% (zero-point one percent) on the amount of QIO	50,000
<b>Underwriting Commission &amp; Others</b>			<b>171,875</b>
14	Underwriting Commission	Commission @ 0.50% on underwritten amount including VAT	71,875
15	Auditor Certification	At Actual	100,000
<b>Printing &amp; Post QIO Expenses</b>			<b>451,085</b>
16	Publication of Prospectus	Estimated 800 copies (To be paid at actual)	200,000
17	Electronic Subscription System (ESS)	Estimated (To be paid at actual)	200,000
18	Stationery and Other Expenses	Estimated (To be paid at actual)	51,085
<b>Total</b>			<b>2,409,000</b>

**N.B.:** Actual cost will vary if the above-mentioned estimates differ and will be adjusted accordingly.

- xv. **If the issuer has revalued any of its assets, the name, qualification, work done to date by the valuer and the reason for the revaluation, showing the value of the assets prior to the revaluation, itemizing separately each asset revalued in a manner which shall facilitate comparison between the historical value and the amount shown after revaluation and giving a summary of the valuation report;**

AGRO ORGANICA PLC has not revalued any of its assets up to 31 March, 2022.

- xvi. **Where the issuer is a holding/ subsidiary Company, full disclosure about the transactions, including its nature and amount, between the issuer and its subsidiary/holding company, including transactions which had taken place within the last five years of the issuance of the prospectus or the prospectus or since the date of incorporation of the issuer, whichever is later, clearly indicating whether the issuer is a debtor or a creditor;**

AGRO ORGANICA PLC has neither subsidiary nor is operated under a holding Company nor does it have any associate Company. Hence, no transaction has taken place.

- xvii. **Where the issuer is a banking company, insurance company, non-banking financial institution, a declaration by the board of directors shall be included in the prospectus stating that all requirements as specified in the ব্যাংক কোম্পানী আইন, ১৯৯১ (১৯৯১ সালের ১৪নং আইন) আর্থিক প্রতিষ্ঠান আইন ১৯৯৩ (১৯৯৩ সালের ২৭নং আইন) বীমা আইন, ২০১০ (২০১০ সনের ১৩নং আইন) have been adhered to;**

This section is not applicable to this issue.

- xviii. **A special report from the auditors regarding any allotment of shares to the directors and subscribers to the Memorandum of Association and Articles of Association for any consideration otherwise than for cash;**

**CERTIFICATION REGARDING ANY ALLOTMENT OF SHARES TO ANY PERSON FOR ANY CONSIDERATION OTHERWISE THAN CASH**

This is to clarify that, Agro Organica PLC has not allotted any Shares other than Cash except for issuance of a Bonus Share as on 31<sup>st</sup> December, 2019 for 3,300,000 no. of Shares @ Tk. 10.00 each to the existing Shareholders. A table is given below regarding the allotment of shares to any person for any consideration otherwise than cash along with the issue price of the shares:

SL	Name of the Shareholders	Designation	No of Shares	Issue price
1	Mohammad Ahmed Khan	Chairman	215,749	10.00

SL	Name of the Shareholders	Designation	No of Shares	Issue price
2	Mohammad Azhar Khan	Managing Director	672,566	10.00
3	Md. Iqbal Hossain	Director	96,934	10.00
4	Begum Hena Khan	Director	259,181	10.00
5	Abu Mohammad Mahbubul Karim Majumder	Director	86,162	10.00
6	Mst. Nazia Bi Hasan	Shareholder	216,219	10.00
7	Mohammad Adyel Khan	Shareholder	64,795	10.00
8	Mohammad Amin Khan	Shareholder	64,795	10.00
9	Afifa Khan	Shareholder	43,197	10.00
10	Din Mohammad Shopon	Director	28,433	10.00
11	Mohammad Mohiuddin Sheikh (Sumon)	Shareholder	17,232	10.00
12	Salma	Shareholder	86,162	10.00
13	Rozina Akhter	Shareholder	86,162	10.00
14	Khadeja Begum	Shareholder	86,162	10.00
15	Ayesha Begum	Shareholder	86,162	10.00
16	Mst. Rahima	Shareholder	86,162	10.00
17	Heritage Capital Management Ltd.	Shareholder	303,290	10.00
18	Chittagong Pesticides & Fisheries Ltd.	Shareholder	199,896	10.00
19	Afzalur Rahman	Shareholder	186,110	10.00
20	Md. Majibur Rahman	Shareholder	8,616	10.00
21	Mohammad Shariful Islam	Shareholder	17,232	10.00
22	Zahida Sultana	Shareholder	17,232	10.00
23	Mohammad Raihanul Islam	Shareholder	8,616	10.00
24	Md. Masum Hossain	Shareholder	2,585	10.00
25	Dipankar Dass	Shareholder	2,154	10.00
26	Amit Debnath	Shareholder	2,154	10.00
27	Grainature Limited	Shareholder	257,769	10.00
28	Envotech Limited	Shareholder	86,211	10.00
29	Md. Atiqur Rahman	Shareholder	1,723	10.00
30	Md. Shahidul Islam	Shareholder	1,723	10.00
31	Md. Riyad Mahmood	Shareholder	4,308	10.00
32	Mahidul Mansur Khan	Shareholder	4,308	10.00
		<b>Total</b>	<b>3,300,000</b>	

Place: Dhaka  
Dated: 25 January, 2023

Sd/-  
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Chartered Accountants

**(xix) Any material information, which is likely to have an impact on the offering or change the terms and conditions under which the offer has been made to the public.**

There is no such material information likely to have an impact on the offering or change the terms and Conditions under which the offer has been made to the public.

# CHAPTER –VI

## DIRECTORS AND OFFICERS

- a) Name, Father's name, age, residential address, educational qualification, experience and position of each of the Directors of the Company and any person nominated/represented to be a director, showing the period for which, the nomination has been made and the name of the organization which has nominated him;

Sl. No	Name	Father's Name	Age	Residential Address	Educational Qualification	Experience	Position	Name of the Institutions and Nominated Director
1	Mohammad Ahmed Khan	Late Mohammad Amjad Khan	45	House# 20, Road# 5A, Sector# 11, Flat# A/2, Uttara, Dhaka-1230 Dhaka.	MBA	9 Years	Chairman & Director	-
2	Mohammad Azhar Khan	Late Mohammad Amjad Khan	38	367, Element Road, New Market, Dhaka, Bangladesh	MBA	10 years	Managing Director	-
3	Md. Iqbal Hossain	Late Md. Zakir Hossain	47	9, Kazi Ziauddin Road, Dhaka	B.Com	9 years	Director	-
4	Begum Hena Khan	Late Shah Mohammad	71	367/8B, Kazi Office Goli, Elephant Road, New Market, Dhaka	B.Com	8 years	Directors	-
5	Abu Mohammad Mahbubul Karim Majumder	Abu Taher Mojumder	41	68/1C, Khairunessa Road, Zigatola, Dhaka-1209	MBA	7 years		-
6	Din Mohammad Shopon	Md. Hannan Bepari	49	Mohonpur, Madangonj, Bander, Narayangonj	MBA	10 Years	Directors	-

- b) The date on which he first became a Director and the date on which his current term of office shall expire;

### Directorship tenure in the Company:

Sl. No	Name	Position	Date of becoming Director for the first time	Date of Expiration of Current Term
1	Mohammad Ahmed Khan	Chairman & Director	31/12/2019	13 <sup>th</sup> AGM in 2023
2	Mohammad Azhar Khan	Managing Director	21/08/2011	12 <sup>th</sup> AGM in 2022
3	Md. Iqbal Hossain	Director	31/12/2019	13 <sup>th</sup> AGM in 2023
4	Begum Hena Khan	Director	31/12/2019	12 <sup>th</sup> AGM in 2022
5	Abu Mohammad Mahbubul Karim Majumder	Director	31/12/2019	13 <sup>th</sup> AGM in 2023
6	Din Mohammad Shopon	Director	21/08/2011	12 <sup>th</sup> AGM in 2022

c) If any Director has any type of interest in other businesses, names and types of business of such organizations. If any Director is also a Director of another Company or owner or partner of any other concern, the names of such organizations;

**Directors interest in other Business:**

Name	Designation in Agro Organica Ltd.	Directorship/Ownership with other companies and Position	
Mohammad Ahmed Khan	Chairman & Director	N/A	N/A
Mohammad Azhar Khan	Managing Director	N/A	N/A
Md. Iqbal Hossain	Director	N/A	N/A
Begum Hena Khan	Director	N/A	N/A
Abu Mohammad Mahbubul Karim Majumder	Director	N/A	N/A
Din Mohammad Shopon	Director	N/A	N/A

d) Any family relationship among directors and top five officers;

NAME	DESIGNATION	RELATIONSHIP
Mohammad Ahmed Khan	Chairman	Elder Brother of Managing Director and son of Begum Hena Khan (Director)
Mohammad Azhar Khan	Managing Director	Younger Brother of the Chairman and son of Begum Hena Khan (Director)
Md. Iqbal Hossain	Director	No relation
Begum Hena Khan	Director	Mother of Chairman and MD
Abu Mohammad Mahbubul Karim Majumder	Director	No relation
Din Mohammad Shopon	Director	No relation

e) A very brief description of other businesses of the Directors.

Name	Designation in Agro Organica Ltd.	Directorship/ Ownership with other companies and Position	
Mohammad Ahmed Khan	Chairman	N/A	N/A
Mohammad Azhar Khan	Managing Director	N/A	N/A
Md. Iqbal Hossain	Director	N/A	N/A
Begum Hena Khan	Director	N/A	N/A
Abu Mohammad Mahbubul Karim Majumder	Director	N/A	N/A
Din Mohammad Shopon	Director	N/A	N/A

## SHORT BIO DATA OF DIRECTORS:

### **Mohammad Ahmed Khan, Chairman**

Mohammad Ahmed Khan is the Director as well as Chairman of Agro Organica PLC. He started his journey at the ending period of the last century in different types of business activities, which has made him a business person with diversified expertise. From the very beginning, he has gathered in-depth knowledge with an insight existence of the culture of the relevant company. After graduation (B.B.A), he joined Agro Organica PLC and tried hard to lift the organization from grass root level to the market leader. Today, ORGANICA is standing on a strong foundation through his effective acting. His vital role is the main associate to prove ORGANICA as a leading multi-category company in Bangladesh. His leadership and strong business acumen have earned him an admirable reputation within the business community.

### **Mohammad Azhar Khan, Sponsor Shareholder & Managing Director**

Mr. Mohammad Azhar Khan joined AGRO ORGANICA PLC in 2011 as one of the directors and has been appointed as Managing Director by the Board of Directors from the beginning. Under his inspirational leadership and proficient operations management skills, ORGANICA has transformed from a simple recipe producer to a multi-category food company. Before his joining ORGANICA, Mr. Mohammad Azhar Khan was Director at Lira Industrial Enterprise (Pvt.) Limited, where he was responsible for overseeing production and manufacturing management. Mr. Mohammad Azhar Khan with his extensive experience and in-depth knowledge has set examples and inspired the ORGANICA team to embrace new technology, discover upcoming marketing trends and invest in a human resource Development Company. He is truly the driving force behind his team of skilled professionals at ORGANICA. Mr. Mohammad Azhar Khan graduated with a Bachelor's Degree in Bangladesh and went to USA for higher practical education and training in business.

### **Md. Iqbal Hossain, Director**

Md. Iqbal Hossain is one of the directors of the company. He was born in 1974 at Dhaka. He is a result-driven, self-motivated and resourceful business person with a proven ability to develop and strengthen the management team to maximize company profitability and efficiency. Mr. Hossain is well experienced in leading and growing all sectors of a business to transform it into a dynamic and progressive organization. He possesses excellent communication skills and can establish sustainable and profitable relationships with customers, suppliers and stakeholders.

### **Begum Hena Khan, Director**

Begum Hena Khan is the director of Agro Organica PLC. She has started to contribute to ORGANICA in the last couple of year and is very closely involved with the day-to-day business. In the session of R&D and intervention of new recipes, she is the pioneer and most valuable contributor in ORGANICA. Till now, she has been looking at everything from purchase to sales with products quality by her outstanding quality. She is a personality of good command and control, that's why the production unit has been running uniformly by her effective and valuable direction. It's quite impossible to imagine ORGANICA without her.

### **Abu Mohammad Mahbubul Karim Majumder, Director**

Abu Mohammad Mahabubul Karim Majumder presently serves as a director of Agro Organica PLC. Mr. Majumder has over 16 years of experience in Agro business, capital market, financial and management consultancy services, professional training and services, and international qualifications assessment. He served as the Executive Director of the Chartered Institute of Management & Accountancy of Bangladesh (CIMAB), which is one of the renowned professional training institutes in the country. He was also the director of Marketing at the Canadian University of Bangladesh, a renowned Private University in the Country. Mahbubul Karim received both his MBA and Undergraduate Degree in Finance from the University of Dhaka. He is also a Certified Financial Consultant (Institute of Financial Consultants)

### **Md. Din Mohammad Shopon, Sponsor Director & Former Chairman**

Mr. Din Mohammad Shopon was the chair of the board of directors of AGRO ORGANICA PLC. He is the founder chairman of the same organization, which started in 2011 and still holds the leading position to lift the organization in agro-business in Bangladesh. Earlier, he was a rice trader and acted a vital role to spread the rice whole selling throughout the country, nevertheless, Mr. Shopon has dreamt a dream to convert the pack of rice into different SKU for better utilization in terms of consumer demand. He comes from a respectable Muslim family in Narayangonj District of Dhaka Division belonging to a traditional business society. Mr. Din Mohammad Shopon is a business graduate. Mr. Shopon deals with product quality and market. He is a pioneer in the rice business which has been adopted from his father. In Agro Organica, he is looking over the total marketing system and policy up-gradation, and market assessment to expand the market. Though he is a rice trader, from the beginning Agro Organica held the leading position to achieve the goal. He is a hardworking man and very much honest and sincere.

**f) Neither the company nor any of its directors of the issuer is loan defaulter in terms of the CIB report of the Bangladesh Bank;**

Neither the Company nor any of its Directors are a loan defaulter in terms of the CIB report of the Bangladesh Bank.

**g) Name with position, educational qualification, date of joining in the company, last five years' experience of the Chief Executive Officer, Chief Financial Officer, Company Secretary, Advisers, Consultants, Additional and Deputy Managing Directors and All Departmental Heads.**

Name	Designation	Educational Qualification	Overall Experience	Previous Employment
Mohammad Raihanul Islam	Vice President	M.Com(Accounting), ICMAB (Inter)	21 Years	Anwar Group of Industries
Mohammad Shariful Islam	Chief Financial Officer	MBA, M.Com, CA (CC)	20 Years	Artisti Group
Md. Majibur Rahman, FCMA	Company Secretary	FCMA	23 Years	Rahman Associate
Amit Debnath	Compliance Officer	MBA	5 Years	Argo BD Limited
Md. Maniruzzaman	Manager, Accounts & Finance	MSC, ACCA (UK)	10 Years	Ahmed Zaker & Co
Md Ataul Ahsan Ali	Deputy Manager, HR & Admin	MBA	10 Years	Nassa Group
Shahriar Mhaboob	Head of e-commerce, IT	CSE AIUB	8 Years	EKKbaz
Md. Badsha Hasan	R & D Chef	BSS	12 Years	
Md. Masum Hossain	Manager	MA	10 Years	ADA Trading
Md. Jahid Hasan	Manager	Diploma in Mechanical	7 Years	Supti Sweaters Limited
Md. Deloar Hossain	Mechanical		5 Years	
Md. Sohel Rana	QC	Intermediate	8 Years	



# CHAPTER –VII

## INVOLVEMENT OF DIRECTORS AND OFFICERS IN CERTAIN LEGAL PROCEEDINGS

- a) **Any bankruptcy petition filed by or against any company of which any officer or director of the issuer company filing the prospectus was a director, officer or partner at the time of the bankruptcy;**

No bankruptcy petition was filed by or against any company of which any officer or director of the issuer company filing the prospectus was a director, officer or partner at the time of the bankruptcy.

- b) **Any conviction of director, officer in a criminal proceeding or any criminal proceeding pending against him;**

No conviction of director, or officer in a criminal proceeding or any criminal proceeding pending against him.

- c) **Any order, judgment or decree of any court of competent jurisdiction against any director, officer permanently or temporarily enjoining, barring, suspending or otherwise limiting the involvement of any director or officer in any type of business, securities or banking activities;**

There is no order, judgment or decree of any court of competent jurisdiction against any director, or officer permanently or temporarily enjoining, barring, suspending or otherwise limiting the involvement of any director or officer in any type of business, securities or banking activities.

- d) **Any order of the Bangladesh Securities and Exchange Commission, or other regulatory authority or foreign financial regulatory authority, suspending or otherwise limiting the involvement of any director or officer director in any type of business, securities or banking activities.**

There is no order of the Bangladesh Securities and Exchange Commission, or other regulatory authority or foreign financial regulatory authority, suspending or otherwise limiting the involvement of any director or officer director in any type of business, securities or banking activities.

# CHAPTER –VIII

## CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS

- a. The Prospectus shall contain a description of any transaction during the last five years, or any proposed transactions certified by the auditors, between the issuer and any of the following persons, giving the name of the persons involved in the transaction, their relationship with the issuer, the nature of their interest in the transaction and the amount of such interest

### CERTIFICATION ON STATEMENT OF RELATED PARTY TRANSACTION OF AGRO ORGANICA PLC

This is to certify that the Financial Statement of AGRO ORGANICA PLC furnished for our audit does not have any transaction during the last five years or any proposed transaction between the issuer and any of the following persons.

- i. Any director or sponsor or executive officer of the issuer;  
 ii. Any person holding 5% or more of the outstanding shares of the issuer;  
 iii. Any related party or a connected person of any of the above persons;  
 Except the transactions described in the following table:

#### i. Director's remuneration

Name	Position	Amount in (BDT)					
		31 Mar 22	30 Jun 21	30-Jun-20	30-Jun-19	30-Jun-18	30-Jun-17
Mohammad Ahmed Khan	Chairman	-	-	-	-	-	-
Mohammad Azhar Khan	Managing Director	1,800,000	2,400,000	2,400,000	2,400,000	2,400,000	2,400,000
Md. Iqbal Hossain	Director	-	-	-	-	-	-
Begum Hena Khan		-	-	-	-	-	-
Abu Mohammad Mahbubul Karim Majumder	Director	-	-	-	-	-	-
Din Mohammad Shopon	Director	-	-	-	-	-	-
<b>Sub Total</b>		<b>1,800,000</b>	<b>2,400,000</b>	<b>2,400,000</b>	<b>2,400,000</b>	<b>2,400,000</b>	<b>2,400,000</b>

#### ii. Board meeting fees

Mohammad Ahmed Khan	Chairman	3,000	3,000	1,000	-	-	-
Mohammad Azhar Khan	Managing Director	3,500	3,500	3,000	3,000	3,000	3,000
Md. Iqbal Hossain	Director	3,000	3,000	3,000	3,000	3,000	3,000
Begum Hena Khan		2,500	2,500	1,000	-	-	-
Abu Mohammad Mahbubul Karim Majumder	Director	3,000	3,000	1,000	-	-	-
Md. Zia Uddin	Ex-Director	-	-	-	-	500	3,000
Din Mohammad Shopon	Director	2,000	3,500	3,000	2,000	2,500	3,000
<b>Sub Total</b>		<b>17,000</b>	<b>18,500</b>	<b>12,000</b>	<b>8,000</b>	<b>9,000</b>	<b>12,000</b>

Place: Dhaka  
 Date: 27 June, 2022

Sd/-  
 Fames & R  
 Chartered Accountants

**(d) Any member of the immediate family (including spouse, parents, brothers, sisters, children, and in-laws) of any of the above persons;**

Except for the above-mentioned transactions in (a) the Company neither entered into any transaction nor proposed any transaction during the last 02 (two) years between the issuer and any member of the immediate family.

**(e) Any transaction or arrangement entered into by the issuer or its subsidiary for a person who is currently a director or in any way connected with a director of either the issuer company or any of its subsidiaries/holding company or associate concerns, or who was a director or connected in any way with a director at any time during the last three years prior to the issuance of the prospectus;**

Except for the above-mentioned transactions in (a) the Company neither entered into any transaction nor proposed any transaction during the last 02 (two) years between the issuer and any transaction or arrangement entered into by the issuer or its subsidiary for a person who is currently a director or in any way connected with a director of either the issuer company or any of its subsidiaries/holding company or associate concerns, or who was a director or connected in any way with a director at any time during the last three years before the issuance of the prospectus.

**(f) Any loans either taken or given from or to any director or any person connected with the director, clearly specifying details of such loan in the prospectus, and if any loan has been taken from any such person who did not have any stake in the issuer, it's holding company or its associate concerns before such loan, rate of interest applicable, date of loan taken, date of maturity of the loan;**

Except for the above-mentioned transactions in (a) the Company neither entered into any transaction nor proposed any transaction during the last 02 (two) years between the issuer and loans either taken or given from or to any director or any person connected with the director, clearly specifying details of such loan in the prospectus, and if any loan has been taken from any such person who did not have any stake in the issuer, it's holding company or its associate concerns

**(g) Any director holding any position, apart from being a director in the issuer company, in any company, society, trust, organization, or proprietorship or partnership firm;**

Except for the above-mentioned transactions in (a) the Company neither entered into any transaction nor proposed any transaction during the last 02 (two) years between the issuer and Ony director holding any position, apart from being a director in the issuer company, in any company, society, trust, organization, or proprietorship or partnership firm.

**(h) All interests and facilities enjoyed by a director, whether pecuniary or non-pecuniary.**

None of the director facilities from the company except the remuneration & meeting attendance fee and fee permitted as per company act.

# CHAPTER –IX

## EXECUTIVE COMPENSATION

- a) The total amount of remuneration or salary or perquisites paid to the top five salaried officers of the issuer in the last accounting year and the name and designation of each such officer:

SL	Name	Designation	Salary / Remuneration Paid in Mar, 2022
1	Mohammad Azhar Khan	Managing Director	1,800,000
2	Mohammad Shariful Islam	Chief Financial Officer	1,620,000
3	Md. Majibur Rahman	Company Secretary	900,000
4	Mohammad Raihanul Islam	Vice President	1,035,000
5	Masum Hossain	Manager (Sales)	585,000
6	Amit Debnath	Head of Internal Audit & Compliance Officer	450,000

- b) Aggregate amount of remuneration paid to all directors and officers as a group during the last accounting year:

Particulars	Nature of Transaction	Amount in Taka Mar, 2022
Directors	Remuneration	1,800,000
	Board Meeting	17,000
Wages, Salary & Allowances	Salary & Allowance	11,173,635
Salary & Allowances		13,088,705

- c) The amount of remuneration paid to any director who was not an officer during the last accounting year;

No amount of remuneration was paid to any director who was not an officer during the last accounting year.

- d) Any contract with any director or officer providing for the payment of future compensation;

The Company has not entered into any contract with any of its Directors or Officers for any future compensation packages.

- e) If the issuer intends to substantially increase the remuneration paid to its directors and officers in the current year, appropriate information regarding thereto.

The Company has no plan for introducing any remuneration to its directors or increasing salaries for officers except for those that are paid as annual increments to their salaries.

# CHAPTER –X

## OPTIONS GRANTED TO DIRECTORS, OFFICERS AND EMPLOYEES

- (a) The following information shall be given in the prospectus in respect of any option held by each director, the salaried officers, and all other officers as a group, namely;
- i) The date on which the option was granted;
  - ii) The exercise price of the option;
  - iii) The number of shares or stock covered by the option;
  - iv) The market price of the shares or stock on the date the option was granted;
  - v) The expiration date of the option.

ORGANICA did not grant any options to its directors, officers and/or any other employees to issue shares.

- (b) If such options are held by any person other than the directors, and the officers of the issuer company, the following information shall be given in the prospectus, namely.
- I) The total number of shares or stock covered by all such outstanding options;
  - II) The range of exercise prices;
  - III) The range of expiration dates.

This section is not applicable for this issue.

# CHAPTER –XI

## TRANSACTION WITH THE DIRECTORS AND SUBSCRIBERS TO THE MEMORANDUM

- (a) The names of the directors and subscribers to the memorandum, the nature and amount of anything of value received by the issuer during the last five years or to be received by each of the above persons, directly or indirectly, from the issuer and the nature and amount of any assets, services or other consideration received or to be received by the issuer shall be stated in the prospectus;

The Directors and Subscribers to the Memorandum have not received any benefit except remuneration/salary received by the directors, directly or indirectly during the last five years, details of which are given below. The issuer has not received or to be received any assets, services or other consideration from its Directors and Subscribers to the Memorandum except allotment of shares against cash and other than cash as stated in the prospectus.

### i. Director's remuneration

Name	Position	Amount in (BDT)					
		31 Mar 22	30 Jun 21	30-Jun-20	30-Jun-19	30-Jun-18	30-Jun-17
Mohammad Ahmed Khan	Chairman	-	-	-	-	-	-
Mohammad Azhar Khan	Managing Director	1,800,000	2,400,000	2,400,000	2,400,000	2,400,000	2,400,000
Md. Iqbal Hossain	Director	-	-	-	-	-	-
Begum Hena Khan		-	-	-	-	-	-
Abu Mohammad Mahbubul Karim Majumder	Director	-	-	-	-	-	-
Din Mohammad Shopon	Director	-	-	-	-	-	-
<b>Sub Total</b>		<b>1,800,000</b>	<b>2,400,000</b>	<b>2,400,000</b>	<b>2,400,000</b>	<b>2,400,000</b>	<b>2,400,000</b>

### ii. Board meeting fees

Mohammad Ahmed Khan	Chairman	3,000	3,000	1,000	-	-	-
Mohammad Azhar Khan	Managing Director	3,500	3,500	3,000	3,000	3,000	3,000
Md. Iqbal Hossain	Director	3,000	3,000	3,000	3,000	3,000	3,000
Begum Hena Khan		2,500	2,500	1,000	-	-	-
Abu Mohammad Mahbubul Karim Majumder	Director	3,000	3,000	1,000	-	-	-
Md. Zia Uddin	Ex-Director	-	-	-	-	500	3,000
Din Mohammad Shopon	Director	2,000	3,500	3,000	2,000	2,500	3,000
<b>Sub Total</b>		<b>17,000</b>	<b>18,500</b>	<b>12,000</b>	<b>8,000</b>	<b>9,000</b>	<b>12,000</b>

- (b) If any assets were acquired or are to be acquired from the aforesaid persons, the amount paid for such assets and the method used to determine the price shall be mentioned in the prospectus, and if the assets were acquired by the said persons within two years prior to their transfer to the issuer, the cost thereof paid to the subscribers to the memorandum shall also have to be shown therein.

No assets were acquired or to be acquired from any of its Directors and Subscribers to the Memorandum.

# CHAPTER –XII

## TANGIBLE ASSETS PER SHARE

<b>A. Tangible Assets</b>	
Freehold Property, Plant and Equipment	467,466,962
Right of Use Asset	1,207,625
Inventories	105,265,838
Trade and other Receivables	96,877,232
Advances, Deposits and Prepayments	40,387,411
Cash and Cash Equivalents	7,181,078
<b>Total (A)</b>	<b>718,386,146</b>
<b>B. Liabilities</b>	
Non-Current Liabilities	32,950,282
Current Liabilities	123,741,211
<b>Total (B)</b>	<b>156,691,493</b>
<b>C. Net Tangible Assets (A-B)</b>	<b>561,694,653</b>
<b>D. Number of Shares</b>	<b>38,300,000</b>
<b>E. Net Tangible Assets Per Share (C/D)</b>	<b>14.67</b>

# CHAPTER –XIII

## OWNERSHIP OF THE COMPANY'S SECURITIES

- (i) The prospectus shall disclose, in tabular form, the name and address of any person who owns, beneficially or of record, 5% or more of the securities of the issuer, indicating the number of securities owned, whether they are owned beneficially or of record, and the percentage of the securities represented by such ownership;

SL. No.	Name	Designation	Address	BO ID	Total Shareholding	Shareholding %	Lock In
1	Mohammad Ahmed Khan	Chairman	367 Elephant Road, New Market, Dhaka.	1205950074457695	2,504,000	6.54%	2 Year
2	Mohammad Azhar Khan	Managing Director	367 Elephant Road, New Market, Dhaka.	1205950074457761	7,169,837	18.72%	2 Year
3	Din Mohammad Shopon	Director	65, Elephant Road, Dhaka-1205.	1201830074457114	966,000	2.52%	2 Year
4	Md. Shahidul Islam	Sponsor Shareholder	65, Elephant Road, Dhaka-1205.	1201830074456451	20,000	0.05%	2 Year
5	Md. Iqbal Hossain	Director	Village # Ghormora, Post Office # Modonganj-1414, Bandar, Narayanganj.	1205950074457951	1,125,017	2.94%	2 Year
6	Begum Hena Khan	Director	367/8 B, Kazi Officer Goli, Elephant Road, New Market, Dhaka.	1205950074457893	3,008,068	7.85%	2 Year
7	Abu Mohammad Mahbubul Karim Majumder	Director	68/1 C, Khairunnesa Road, Zigatola, Dhanmondi, Hazaribag Park, Dhaka.	1205950074420137	1,000,000	2.61%	2 Year
8	Mst. Nazia Bi Hasan	Shareholder	65, Elephant Road, Dhaka-1205.	1201830074456326	1,265,678	3.30%	1 Year
9	Mohammad Adeyl Khan	Shareholder	65, Elephant Road, Dhaka-1205.	1201830074456425	752,017	1.96%	1 Year
10	Mohammad Amin Khan	Shareholder	367 Elephant Road, New Market, Dhaka.	1201890034665900	752,017	1.96%	1 Year
11	Afifa Khan	Shareholder	65, Elephant Road, Dhaka-1205.	1201830074456516	501,346	1.31%	1 Year
12	Mohammad Mohiuddin Sheikh (Suman)	Shareholder	65, Elephant Road, Dhaka-1205.	1201830074457066	200,000	0.52%	1 Year
13	Salma	Shareholder	Flat #B-7, Firoza Rose, Eskaton Road, Dhaka- 1000	1203110068810231	980,000	2.56%	1 Year
14	Khadeja Begum	Shareholder	Mohabbat Ali Mollar Kand, P.O. : Balar Hat, P.S. : Shakhipur Bhedorganj, Shariatpur	1203110063628103	385,000	1.01%	1 Year
15	Mst. Rahima	Shareholder	Mohobbat Ali Mollar Kandi, Tarabunia	1605760075320731	850,000	2.22%	1 Year
16	Mohon Kumar Saha	Shareholder	Flat # 12/A, Jahan Tower, 51/1, Purana Paltan Lane, Dhaka-1000.	1202950061782308	100,000	0.26%	1 Year
17	Md. Mohiuddin	Shareholder	B-113, C-1, AGB Colony, Motijheel, Dhaka	1203110074400472	100,000	0.26%	1 Year



SL. No.	Name	Designation	Address	BO ID	Total Shareholding	Shareholding %	Lock In
18	Mohammad Sazib Hossen Khan	Shareholder	Vill: Horgonj, P.O- Horgonj, Saturia, Manikgonj-1800	1205670072436807	100,000	0.26%	1 Year
19	Md. Feroz Uddin	Shareholder	Horinarayanpur, Pushpapara, Pabna	1201710068910530	50,000	0.13%	1 Year
20	Md. Motiur Rahman	Shareholder	562, East Kazipara, (2 <sup>nd</sup> Floor), Dhaka	1202530010947031	150,000	0.39%	1 Year
21	Md. Zillur Rahman Mridha	Shareholder	ABA Fashions Ltd. Sena Kalyan Commercial Complex. Block-F, Plot-9, Tongi, Gazipur	1604940056385728	50,000	0.13%	1 Year
22	Mafizur Rahman	Shareholder	89/K, R.K Mission Road, Gopibagh, 7 <sup>th</sup> Lane, Dhaka-1203	1201710051726866	100,000	0.26%	1 Year
23	Momotaj Begum	Shareholder	Vill- Vannara .P.O-Mouchak. P.S-Kaliakor. Dist.-Gazipur. Dhaka-1751	1202950073606250	250,000	0.65%	1 Year
24	Sayed Asma Ali	Shareholder	House 192, Road-11, 12/B, Mirpur-1216	1602110068178523	200,000	0.52%	1 Year
25	Md. Shajahan Hossain	Shareholder	454/C, Khilgaon, Dhaka-1219	1203110064588884	100,000	0.26%	1 Year
26	M. Enamul Mazid	Shareholder	Vill: Kenduai, P.O-Hirapur, Akhaura, Brahmanbaria, Chittagong	1201500041977467	300,000	0.78%	1 Year
27	Abdul Wadud	Shareholder	66, Golartek, P,S-Darussalam, Mirpur-1 Dhaka-1216	1202950073550941	50,000	0.13%	1 Year
28	Md. Abdullah Al Mamun	Shareholder	Vill; Madhar Baria, P.O-Pabna , Pabna Sadar , Pabna	1201710068598929	50,000	0.13%	1 Year
29	Md. Monzurul Hoque	Shareholder	Holding -159, Road-PC Culture-07 No. Mofizbagh Housing, Thana- Adabar, P.O-Mohammadpur, Dhaka	1202010015307891	50,000	0.13%	1 Year
30	A S M Mehedi Hasan	Shareholder	94/C, Bayezid Bostami Road, Dapa Idrakpur, Fatullah, Narayangonj-1421	1201710069311120	50,000	0.13%	1 Year
31	Mst. Roshonara Begum	Shareholder	Vill- Hazipur, P.O-Dupati Bazar, Chowgacha, Jessore	1202950073616994	50,000	0.13%	1 Year
32	Rina Akter	Shareholder	Holding 319, kuralia road, Chandpur Sadar, Chandpur-3600.	1203110073983893	200,000	0.52%	1 Year
33	Anupama Debi	Shareholder	Flat -02, Building-01, Wage Earners Housing, 92/2/A Asad Avenue, Mohammadpur, Dhaka	1605760063826200	50,000	0.13%	1 Year
34	Md. Afzalur Rahman	Shareholder	Rupayan Prime (7 <sup>th</sup> Floor) Plot:02, Road-07, Dhanmondi, Dhaka	1605760062191691	65,000	0.17%	1 Year
35	Md. Majibur Rahman	Shareholder	House # 46/2/C, Flat # A3, Jigatola Staff Quarter P. W. D. Road, Jigatola - 1209, Dhanmondi, Dhaka.	1201630068228314	100,000	0.26%	1 Year

SL. No.	Name	Designation	Address	BO ID	Total Shareholding	Shareholding %	Lock In
36	Zahida Sultana	Shareholder	199/A, Tajlen, Middle Paikpara, Mirpur, Dhaka	1201830074456615	20,000	0.05%	1 Year
37	Mohammad Raihanul Islam	Shareholder	65, Elephant Road, Dhaka-1205.	1201830074456714	200,000	0.52%	1 Year
38	Md. Masum Hossain	Shareholder	65, Elephant Road, Dhaka-1205.	1201830074457130	30,000	0.08%	1 Year
39	Dopankar Dass	Shareholder	65, Elephant Road, Dhaka-1205.	1201830074456631	25,000	0.07%	1 Year
40	Amit Debnath	Shareholder	65, Elephant Road, Dhaka-1205.	1201830074456575	25,000	0.07%	1 Year
41	Grainature Limited	Shareholder	65 Elephant Road, Dhaka-1205	1201830074458001	521,683	1.36%	1 Year
42	Envotech Limited	Shareholder	65 Elephant Road, Dhaka-1205	1201830074458095	1,150,567	3.00%	1 Year
43	Md. Atiqur Rahman	Shareholder	House # 70/1, Jonaki Road, East Ahamod Nagar, Mirpur - 1216.	1205000062695141	20,000	0.05%	1 Year
44	Md. Riyad Mahmood	Shareholder	19, Haji Mohsin Road By Lane-01, Khulna Sadar, Khulna	1602170067223494	50,000	0.13%	1 Year
45	Mahidul Mansur Khan	Shareholder	951, Shimultola, Dhaka Cantonment - 1206, Kafrul, Dhaka.	1203940072580553	50,000	0.13%	1 Year
46	Synergy Trading Limited	Shareholder	159/C Tejgaon I/A, Dhaka-1208	1606060073935647	1,500,000	3.92%	1 Year
47	Howa Nur Begum	Shareholder	2235 Zakir Hossain Road, Nasirabad Chittagong	1606060054792971	500,000	1.31%	1 Year
48	Bashir Ahamed	Shareholder	9/15 Baily Squire Officers, Dhaka-1200.	1202830062905875	100,000	0.26%	1 Year
49	Tasrin Mujib	Shareholder	House- 381/1/A, Road: North Goran, P.O: Khilgaon-1219, Dhaka	1605760066332895	100,000	0.26%	1 Year
50	Molla Mostofa Kamal	Shareholder	Kola- Degholia 7510, Lohagorah, Norail	1204290053869684	250,000	0.65%	1 Year
51	Md. Shariful Islam	Shareholder	Barkhada, Kustia Sadar, PO:-7000.	1204290062658625	50,000	0.13%	1 Year
52	Sumaiya Sweety Liza	Shareholder	225, West Kafrul, Dhaka-1207.	1203060073778329	100,000	0.26%	1 Year
53	R.K Enterprise	Shareholder	315, Lion Shopping Complex (2 <sup>nd</sup> Floor), Bijoy Sarani, Dhaka-1215.	1201700068928542	200,000	0.52%	1 Year
54	Nirjhor Alam	Shareholder	61, Road # 8, Rupali Housing, Mohammadpur, Dhaka-1205.	1201530062628385	50,000	0.13%	1 Year
55	Eleza Rahman	Shareholder	16/13 Block - B, Bank Colony, Savar, Dhaka-1340	1204340051503025	100,000	0.26%	1 Year
56	Md. Imran Hossain	Shareholder	H-1328, Chandrima North Race Course, Comilla Sadar, Comilla-3500, Chittagong	1201900039754698	200,000	0.52%	1 Year
57	SK. Sajib Ahamed	Shareholder	51/1 Manik Nagar, Sardar Bari, Dhaka	1602170067755881	100,000	0.26%	1 Year
58	Md. Ashaduzzaman	Shareholder	H-10(F1), 5 <sup>th</sup> Floor, L-2, Road-1, Sonali Residential Area, Halishohor, Chattagram	1201950068436063	50,000	0.13%	1 Year
59	Aftab Ul Islam	Shareholder	IOE (Bangladesh) Ltd., Z Tower, House- 04 (5 <sup>th</sup> floor), Road- 132, Gulshan- 01, Dhaka.	1203300006586551	300,000	0.78%	1 Year

SL. No.	Name	Designation	Address	BO ID	Total Shareholding	Shareholding %	Lock In
60	Zubi Bin Moosa	Shareholder	House-15, Road-84, Gulshan, Dhaka.	1201820074107414	300,000	0.78%	1 Year
61	Tareq Mahmud	Shareholder	Khanika 1245, Abdul Kader Sharak, Al Falah Goli, Khulsi, Chittagong.	1201840074499297	230,770	0.60%	1 Year
62	Ferdouse Begum	Shareholder	Apt # 7/B, Shajantower- 2/3, Segun Bagicha, Ramna, Dhaka-1217.	1201820067274907	150,000	0.39%	1 Year
63	Md. Mydul Haque Khan	Shareholder	36/3, Ahmed Nagar, Mirpur-1, Dhaka.	1201830062730968	100,000	0.26%	1 Year
64	Zafar Ahmad	Shareholder	House- 918 (4 <sup>th</sup> Floor), Road- 14, Adabar, Mohammadpur, Dhaka.	1202830006090687	100,000	0.26%	1 Year
65	Nazia Akter	Shareholder	House- 51, Road- 11, Niketon, Gulshan, Dhaka.	1202610048464551	100,000	0.26%	1 Year
66	Mohammad Ferdous Jaman	Shareholder	153-154, Tejgaon I/A, Dhaka.	1203710048456909	100,000	0.26%	1 Year
67	Mr. Samaresh Banik	Shareholder	House-154/1, Flat- A6, Amin Clarendia, Dhanmondi, Dhaka.	1204230033656585	100,000	0.26%	1 Year
68	Mashfiqul Haque Khan	Shareholder	House#36/3 Dawood Khan Masjid Road, East Ahmmad Nagar, Mirpur, Dhaka-1216.	1205590073956076	100,000	0.26%	1 Year
69	Muhammad Mahabob Rahman	Shareholder	Vill- Alishardl, P.O- Modangong, Banar, Narayanganj.	1201830074738819	100,000	0.26%	1 Year
70	Mohammad Iqbal	Shareholder	Sanowar Manjil, 339 Chandmiah Road, Khatib-Ar-Hat, Panchiaish, Chittagong.	1201840074498514	83,000	0.22%	1 Year
71	Pronoy Kanti Deb	Shareholder	Nipa Studio, Aliya Madrasah Road, Baniyachong, Hobigonj-3350.	1201730012852366	80,000	0.21%	1 Year
72	Wahidul Islam	Shareholder	20/10, Tajmahal Road, 4 <sup>th</sup> Floor, Mohammadpur, Dhaka	1205590070977010	50,000	0.13%	1 Year
73	Mst. Shahana Tasnin (Lopa)	Shareholder	Apt. A-1, House-1/11, Block-B, Lalmatia, Mohammadpur, Dhaka.	1205950075624712	100,000	0.26%	1 Year
74	Mrs. Sultana Yeasmin	Shareholder	24/1 (2 <sup>nd</sup> Floor), Block- A, Lane- 1, Mirpur-6, Dhaka-1216.	1205590000327918	50,000	0.13%	1 Year
75	Dr. Md. Zakir Hossain	Shareholder	PC4U, G-6, Planet Araf Zindabazar, Sylhet.	1203680000857701	50,000	0.13%	1 Year
76	Mst. Sharifa Begum	Shareholder	Plot- 10, Flat- N/4, Darul Aman Housing Society, Mirpur Commerce College Road, Dhaka-1216	1205590056647603	50,000	0.13%	1 Year
77	Muhammad Shamim Hossain	Shareholder	House# 22/O, Road# 01, Block# D, Bashundhara R/A, Dhaka.	1203680020342178	50,000	0.13%	1 Year
78	Yasmin Akhter	Shareholder	07, Ruposhi, Housing, Polytechnical College, Chittagong	1201830074457015	250,000	0.65%	1 Year

SL. No.	Name	Designation	Address	BO ID	Total Shareholding	Shareholding %	Lock In
79	Kamrul Islam	Shareholder	Karnapuli Gas Distribution Company Ltd., 137/A, CDA Avenue, Sholashahar, Punchlaish, Chittagong.	1203730017246455	15,000	0.04%	1 Year
80	Md. Mozahidul Islam	Shareholder	Vill.-Baddapara, P.O- Sarail 3430, Brahamanbaria-3440	1201830074757696	15,000	0.04%	1 Year
81	Kazi Mahamudul Bari	Shareholder	House,-107, Sultan Ahmed Road, Maulvi Para, Khulna.	1201830074735063	50,000	0.13%	1 Year
82	Md. Jahirul Islam Jewel	Shareholder	124/50 1 <sup>st</sup> Floor, West Dhanmondi Housing, Bosila, Mohammadpuur, Dhaka	1205950068167374	50,000	0.13%	1 Year
83	Sarwat Binte Islam	Shareholder	Flat-B/2, 36B Minto Road, Dhaka-1217	1201700073817755	50,000	0.13%	1 Year
84	Sazia Mahmood	Shareholder	House-11/27, Road-Azam Road, Block-D, P.O-Mohammadpur-1207, Dhaka	1204280069176154	125,000	0.33%	1 Year
85	S. M Imran Azad	Shareholder	Akram Tower, 4 <sup>th</sup> Floor, Suite-5, Nazrul Islam Sarani, Bijoy Nagar, Dhaka	1204590074837510	50,000	0.13%	1 Year
86	Farjana Nasrin	Shareholder	Vill-East Sutar Para, Post-Dohar, PS-Dohar, Dhaka	1204490074249721	100,000	0.26%	1 Year
87	Helen Rahman	Shareholder	House-13/7/Ka, Asha Niketon, 5 <sup>th</sup> Floor, Dhaka	1605760068903299	100,000	0.26%	1 Year
88	Md. Alamgir Kabir	Shareholder	Vill-Khamar Boali, PO-Boali-5700, Gaibandha.	1605760063004224	50,000	0.13%	1 Year
89	Universal Trading	Shareholder	KA-04, Norda, Dhaka-1212	1605760068979875	150,000	0.39%	1 Year
90	Muhammad Farhad Ali Khandakar	Shareholder	Goal Para, Thakurgoan, Rangpur	1203680074817623	100,000	0.26%	1 Year
91	Muhammad Refayet Chowdhury	Shareholder	4 <sup>th</sup> Floor, House -33, Road-1, Block- A, Nikaton, Dhaka.	1205590067912008	100,000	0.26%	1 Year
92	Ashraf Mohammad Ali Chowdhury	Shareholder	House-45, Road-12/5, PO-Jigatola TSO, Dhanmondi, Dhaka-1209	1205870067163374	20,000	0.05%	1 Year
93	Farhana Tauhida	Shareholder	Rangs Ananda, APT-D8, House-48, Road-10/A, Dhanmondi R/A, Dhaka-1205	1203110069140064	400,000	1.04%	1 Year
94	Alvy Enterprise	Shareholder	House-120/A, Room-304, R.S Bhaban (2 <sup>nd</sup> Floor), Motijheel C/A, Dhaka-1000.	1201930073678855	200,000	0.52%	1 Year
95	Md. Rajib Ahmmed	Shareholder	H-12, R-3, Block-C, Aftabnagar, Badda, Dhaka-1212	1201710051804759	200,000	0.52%	1 Year
96	Mithila Yesmin Hoque	Shareholder	DR Tower, Level-13, 65/2/1Bir Protik Gazi Golam Dostogir Road, Purana Paltan, Dhaka-1000	1203680062580595	70,000	0.18%	1 Year

SL. No.	Name	Designation	Address	BO ID	Total Shareholding	Shareholding %	Lock In
97	A.S.M. Ahasan Habib Chowdhury	Shareholder	Century Tower, (Flat-D-8) Bara Moghbazar, Ramna, Dhaka-1216	1203110060434458	400,000	1.04%	1 Year
98	Abaci Investments Limited (MDA)	Shareholder	Plot-31, Road-02, Sector-05, Uttara, Dhaka-1230	1602770045524684	2,565,000	6.70%	1 Year
99	Md. Abdur Rashid	Shareholder	48/14, A Organ Prangon, Flat-6B, R.K Mission Road, Dhaka-1203	1202550074114021	50,000	0.13%	1 Year
100	Roksana Marium	Shareholder	166/20/D/1, Adarshapara, Mothertek, Basabo, Dhaka-1214.	1202550075517873	100,000	0.26%	1 Year
101	Md. Moneruzzaman	Shareholder	C/O-Nuruzzaman Mollah, S/3, Ideal Road, Sheikdi, Matuail, Jatrabari, Dhaka	1202550040662986	50,000	0.13%	1 Year
102	Rubel Chandra Paul	Shareholder	6/A/1, Segun Bagicha, Ground Floor, Dhaka-1000	1203490067331030	100,000	0.26%	1 Year
103	Md. Dulal Shaik	Shareholder	Medical Centre Bangladesh Bank, Motijheel, Dhaka-1000.	1203110075513741	100,000	0.26%	1 Year
104	Aslam Ahmed Khan	Shareholder	335/4, R-TV Road, West Rampura, Khilgaon, Dhaka.	1205820059760431	200,000	0.52%	1 Year
105	Mushfika Mahmud	Shareholder	Apt-B, House-07, Road-29, Sector-07, Uttara, Dhaka	1203680062654006	200,000	0.52%	1 Year
106	Mohammad Ali Imam	Shareholder	House-9/4, Flat-A2, 2 <sup>nd</sup> Lane Gopibagh, Motijheel, Dhaka	1601880058149741	100,000	0.26%	1 Year
107	Sosanta Kumar Podder	Shareholder	6/A/1, Topkhana Road, Ground Floor, Segun Bagicha, Dhaka-1000	1202050004221906	150,000	0.39%	1 Year
108	Bengal Assets Holdings Limited	Shareholder	91 Sk Mujib Road, Nahar Manjil, 1 <sup>st</sup> Floor, Agrabad, Chittagong	1205950067422023	360,000	0.94%	1 Year
109	Md. Harunoor Rashid	Shareholder	Southeast Bank Capital Service, Rupayan Trade Center, Level-10, 114 Kazi Nazrul Islam Avenue, Dhaka-1215	1605530058495219	100,000	0.26%	1 Year
110	Rasedul Islam	Shareholder	24/1, Eastern Housing, Karimulla Bag, Postogala, Shyampur, Dhaka-1204	1602510075347711	200,000	0.52%	1 Year
111	Md. Shahariar	Shareholder	House 10, Flat-7B, Road-08, Mirpur 11.5, Pallabi, Dhaka	1203110075590141	100,000	0.26%	1 Year
112	Mithun Kumer Ghosh	Shareholder	10/3 Arambagh, Motijheel, Dhaka-1000	1203110074458351	200,000	0.52%	1 Year
					<b>38,300,000</b>		

**List of 5% or more Securities of the Company:**

Sl. No	Name of Shareholder	Address	Number of Shares	Type of Ownership	Percentage of ownership
1	Mohammad Ahmed Khan	367 Elephant Road, New Market, Dhaka.	2,504,000	Chairman	6.54%
2	Mohammad Azhar Khan	367 Elephant Road, New Market, Dhaka.	7,169,837	Managing Director	18.72%
3	Begum Hena Khan	367/8B, Kazi Office Goli, Elephant Road, New Market, Dhaka-1205	3,008,068	Director	7.85%
4	Abaci Investments Limited (MDA)	Plot-31, Road-02, Sector-05, Uttara, Dhaka-1230	2,565,000	Shareholder	6.70%

*There is no event or intent of exercising warrant, option or right to convert any convertible instrument*

**(b) The number of shares of the issuer's securities owned by each director, each of the top ten salaried officers, and all other officers as a group, indicating the percentage of outstanding shares represented by the shares owned.**

Name of Shareholder	Type of Ownership	Number of Shares	Percentage of Ownership
Mohammad Ahmed Khan	Chairman	2,504,000	6.54%
Mohammad Azhar Khan	Managing Director	7,169,837	18.72%
Begum Hena Khan	Director	3,008,068	7.85%
Md.Majibur Rahman	Company Secretary	100,000	0.26%
Mohammad Raihanul Islam	Vice President	100,000	0.26%
Md. Masum Hossain	Manager (Marketing)	30,000	0.08%
Amit Debnath	Compliance Officer	25,000	0.07%
Dopankar Dass	Assistant Manager (Accounts)	25,000	0.07%
		<b>12,961,905</b>	<b>33.85%</b>

# CHAPTER – IXV

## DETERMINATION OF OFFERING PRICE

- a) If ordinary shares are being offered, the factors to be considered in determining the offering price shall be set forth in the prospectus;

The valuation report of securities offered is prepared and justified by the issue manager Shahjalal Equity Management Limited because of the financial and all other information pertinent to the Issue.

### Qualitative and Quantitative factors for valuation:

#### Qualitative Justification:

- Quality Products:** As a food & allied-based company ORGANICA has to maintain a good quality of products that increase their sales volume over the years and increase their Customer Satisfaction.
- Modern Machinery:** The Company has been using modern machinery that increases our productivity.
- Market Share:** Their market share has been increasing rapidly.
- Management:** Management is highly experienced and they are leading persons in their area.

#### Quantitative Justification:

The primary Valuation method for the Company is considered because of Net Assets Value-based valuation and Earnings-based valuation per share.

- b) If the issue price of the ordinary share is higher than the par value thereof, justification of the premium shall be stated regarding all of the following:

Sl. No	Valuation Methods	Fair Value (BDT)
Method-1	Net asset value (NAV) at historical cost (as on 31 March, 2022)	14.68
Method-2	i. Earning-based-value per Share (Considering average Sector P/E)	38.28
	ii. Earning-based-value per Share (Considering average Market P/E)	21.59
Method-3	Average market price per share of similar stocks	96.29
Method-4	Valuation regarding p/e multiple of similar stock	176.06

The detailed valuation working under the above-mentioned methods is furnished under the head of “valuation under different methods as prescribed in Bangladesh Securities and Exchange Commission (Qualified Investor Offer) Rules, 2022” described in this section.

### METHOD 1:

#### NET ASSET VALUE (NAV) AT HISTORICAL OR CURRENT COSTS PER SHARE

NAV per share is based on the information of the latest audited financial statements as of March 31, 2022. NAV per share at current costs is **BDT 14.68** which has been derived by dividing the net assets at the end of the period by the number of outstanding shares before QIO as shown in the table below:

Shareholder's Equity	Note	Amount in Taka Mar 31, 2022
Share Capital	A	383,000,000
Retained Earnings	B	179,277,987
<b>Total Share Holder's Equity</b>	C=A+B	<b>562,277,987</b>
No. of Shares Outstanding	D	38,300,000
<b>Net Tangible Assets Value Per Share</b>	<b>E=C/D</b>	<b>14.68</b>

### METHOD 2: I)

#### EARNING-BASED-VALUE PER SHARE (CONSIDERING AVERAGE SECTOR P/E)

Earning-based value per share based on historical information sourced from audited financial statements and statistics from Dhaka Stock Exchange Limited (DSE). The value was calculated by considering weighted net profit after tax for the last 5 (five) years as per audited financial statements and market earnings multiple. The weighted average Earnings per share (EPS) is BDT. **1.34** and the three months average DSE Sector P/E is **28.58** Therefore, Earning-based-value per share based on overall sector P/E has been derived as BDT. **38.28**.

Year	No. of Share	Net Profit After Tax	Weighted Average No. of Share (%)	Weighted Average Net profit after tax
31-Mar-22 (Annualize)	38,300,000	57,118,051	33.18%	18,951,382
30-Jun-21	38,300,000	49,826,124	33.18%	16,531,970
30-Jun-20	38,300,000	47,196,233	33.18%	15,659,390
30-Jun-19	266,670	39,645,692	0.23%	91,588
30-Jun-18	266,670	26,912,204	0.23%	62,172
<b>Total</b>	<b>115,433,340</b>	<b>220,698,304</b>	<b>100.00%</b>	<b>51,296,503</b>
Total Number of Shares outstanding				38,300,000
EPS Based On Weighted Average Net Profit After Tax				1.34
<b>Average Sector P/E (Average Market P/E of January, February &amp; March 2022)**</b>				<b>28.58</b>
<b>Historical Earning Based Value Per Share (WEPS X sector P/E)</b>				<b>38.28</b>

\* Net profit after tax in Quater-3 (for the period ended 31 March, 2022) have annualized for calculating the valuation of a security.

#### METHOD 2: I)

#### EARNING-BASED-VALUE PER SHARE (CONSIDERING AVERAGE MARKET P/E)

Earning-based value per share based on historical information sourced from audited financial statements and statistics from Dhaka Stock Exchange Limited (DSE). The value was calculated by considering weighted net profit after tax for the last 5 (five) years of audited financial statements and market earnings multiple. The weighted average Earnings per share (EPS) is **BDT 1.34** and the three months' average DSE Market P/E is **16.12** Therefore, Earning-based-value per share based on overall market P/E has been derived as **BDT 21.59**.

Year	No. of Share	Net Profit After Tax	Weighted Average No. of Share (%)	Weighted Average Net profit after tax
31-Mar-22 (Annualize)	38,300,000	57,118,051	33.18%	18,951,382
30-Jun-21	38,300,000	49,826,124	33.18%	16,531,970
30-Jun-20	38,300,000	47,196,233	33.18%	15,659,390
30-Jun-19	266,670	39,645,692	0.23%	91,588
30-Jun-18	266,670	26,912,204	0.23%	62,172
<b>Total</b>	<b>115,433,340</b>	<b>220,698,304</b>	<b>100.00%</b>	<b>51,296,503</b>
<b>Total Number of Shares outstanding</b>				<b>38,300,000</b>
<b>Diluted EPS Based On Weighted Average Net Profit After Tax</b>				<b>1.34</b>
<b>Average Market P/E (Average Market P/E of January, February &amp; March 2022)**</b>				<b>16.12</b>
<b>Historical Earning Based Value Per Share (WEPS X Market P/E)</b>				<b>21.59</b>

\* Net profit after tax in Quater-3 (for the period ended 31 March, 2022) have annualized for calculating the valuation of a security.

#### Calculation of Sector P/E and Market P/E

#### Information collected from DSE Monthly Review (January, February & March 2022)

Month	Average Sector P/E	Average Market P/E
30-Jan-22	32.36	16.58
28-Feb-22	30.75	16.15
31-Mar-22	22.64	15.63
<b>Average P/E Ratio</b>	<b>28.58</b>	<b>16.12</b>

#### METHOD 3:

#### AVERAGE MARKET PRICE PER SHARE OF SIMILAR STOCKS

Nature of the Business of AGRO ORGANICA PLC is similar to the business of Companies Listed in stock Exchanges under the Food & Allied Sector. Therefore, we have considered **Fu Wang Food Ltd, Golden Harvest Agro Industries Ltd. & Agricultural Marketing Company Limited** to calculate the average market price per share of Similar Stock for the last year. Tables of the calculation are given below:



SL. NO	DATE	Fu Wang Food Ltd.	Golden Harvest Agro Industries Ltd.	Agricultural Marketing Company Limited
1	29-Apr-21	14.50	14.40	189.40
2	31-May-21	15.20	14.1	194.90
3	30-Jun-21	16.40	16.60	192.00
4	29-Jul-21	20.60	18.90	202.70
5	31-Aug-21	23.30	21.00	218.90
6	30-Sep-21	20.40	20.50	277.90
7	31-Oct-21	17.10	18.60	217.90
8	30-Nov-21	13.80	16.50	208.50
9	30-Dec-21	15.30	16.50	292.50
10	31-Jan-22	22.20	18.60	357.30
11	28-Feb-22	19.80	17.60	344.30
12	31-Mar-22	24.40	18.10	335.60
<b>Average Price</b>		<b>18.58</b>	<b>17.62</b>	<b>252.66</b>
<b>Average Price of These 03 (Three Stocks)</b>			<b>96.29</b>	

**METHOD 4:  
VALUATION WITH REFERENCE TO P/E MULTIPLE OF SIMILAR STOCK**

The average month-end close price of the similar stock from April 2021 to March 2022 and earnings per share as per the last available published Annual Financial Statements, available on June 2021 have been considered.

Sl No.	Similar Stocks	Last 1 year average closing price (P)	Earnings Per Share (EPS)	P/E
1	Fu Wang Food Ltd.	18.58	0.05	371.60
2	Golden Harvest Agro Industries Ltd.	17.62	-0.72	-24.47
3	Agricultural Marketing Company Limited	252.66	5.37	47.05
<b>Average P/E (a)</b>				<b>131.39</b>
<b>5 years weighted average earnings per share of ORGANICA (b)</b>				<b>1.34</b>
<b>Fair value based on P/E multiple of similar stocks (BDT) (a*b)</b>				<b>176.06</b>

**Rationale for choosing these 3 companies:**

There are 21 listed companies in the capital market of the Food & Allied Sector. Among 21, ORGANICA has Taken three companies because ORGANICA's product mix and nature of business match these three companies.

**Justification of the Issue Price:**

Based on the above-mentioned valuation methodologies as per Bangladesh Securities and exchange commission (Qualified Investor Offer by Small Capital Companies) rules, 2022 the management of the company in consultation with the Issue Manager has set the issue price at Tk. 10.00 each at par value.

**Sources of information:**

1. Annual Report.
2. Monthly review published by Dhaka Stock Exchange Limited.
3. Companies website.

# CHAPTER –XV

## DESCRIPTION OF SECURITIES OUTSTANDING OR BEING OFFERED

All types of securities outstanding or being offered with date or proposed date of such issue and to whom those are offered, number of securities and issue or offer price along with the following information:

**(a) Describe any dividend, voting and preemption rights of any common stock outstanding or being offered;**

The Share Capital of the Company is divided into Ordinary Shares, carrying equal rights to vote and receive the dividend in terms of the relevant provisions of the Companies Act, 1994 and the Articles of Association of the Company. All Shareholders shall have the usual voting rights in person or by proxy in connection with, among others, the election of Directors & Auditors' and other usual agenda of the General Meeting – Ordinary or Extraordinary. On a show of hand, every shareholder presents in person and every duly authorized Nominee Director of a shareholder present at a General Meeting shall have one vote and on a poll, every shareholder present or by proxy shall have one vote for every share held by him or her. In the case of any additional issue of shares for raising further Capital, the existing shareholders shall be entitled to the Right Issue of shares in terms of the guidelines issued by the BSEC from time to time.

**(b) Describe the dividend, voting, conversion and liquidation rights, as well as redemption or sinking fund provisions, of any preferred stock outstanding or being offered;**

In terms of provisions of the Companies Act 1994, Articles of Association of the Company and other relevant rules in force, the shares of the Company are freely transferable. The Company shall not charge any fee for registering the transfer of shares. No transfer shall be made to a firm, an infant or a person of unsound mind.

**(c) If there are any limitations on the payment of dividends to common or preferred stockholders because of provisions in debt instruments or otherwise, explain such limitations;**

- i. The profit of the Company, subject to any special right relating thereto created or authorized to be created by the Memorandum and subject to the provisions of the Articles of Association, shall be divisible among the members in proportion to the amount of capital paid up on the shares held by them respectively.
- ii. The Company in general meetings may declare dividends, but no dividend shall exceed the amount recommended by the Directors. Also, no dividend shall be paid otherwise than out of the profit of the year or year other undistributed profits.
- iii. The Directors may retain any dividend on which the Company has a lien, to the extent of the debts, liabilities or engagements in respect of which the lien exists, and may apply the same in or towards the satisfaction of such debts liabilities or engagements.
- iv. No large dividend shall be declared that is recommended by the Directors, but the Company in its General Meeting may declare a smaller dividend. The declaration of Directors as to the amount of Net profit of the Company shall be conclusive.
- v. No dividend shall be payable except out of the profits of the Company or any other undistributed profits. The dividend shall not carry interest as against the Company.
- vi. The Directors may from time to time pay the members such interim dividend as in their judgment the financial position of the Company may justify.
- vii. A transfer of shares shall not pass the right to any dividend declared thereon before the registration of the transfer.
- viii. No limitation in payment of the dividend is stipulated in any debt instrument or otherwise.

**d) Describe any other material rights of the common or preferred stockholders.**

In terms of the provisions of the Companies Act 1994, Articles of Association of the Company and other relevant rules in force, the shares of the Company are transferable. The Company shall not charge any fee, other than Government duties for registering the transfer of shares. No transfer shall be made to a minor or person of unsound mind. The Directors shall present the financial statements as required under the law & International Accounting Standards. Financial statements will be prepared under the International Accounting Standards consistently applied throughout the subsequent periods and present to provide maximum disclosure as per law and International Accounting Standards to the shareholders regarding the financial and operational position of the Company. The shareholders shall have the right to receive all periodical statements and reports, audited as well as unaudited, published by the Company from time to time. The shareholder-holding minimum of 10% shares of paid-up capital of the Company shall have the right to requisition an extraordinary General Meeting of the Company as provided in section 84 of the Companies Act 1994.

# CHAPTER –XVI

## FINANCIAL STATEMENTS

- a) **The financial statements prepared and audited in adherence to the provisions of the Securities and Exchange Rules, 2020;**

**Independent Auditors' Report  
To the Shareholders of  
Agro Organica PLC  
Report on the Audit of the Financial Statements**

### Opinion

We have audited the Financial Statements of Agro Organica PLC which comprise the Statement of Financial Position as at March 31, 2022 and Statement of Profit or Loss & Other Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the period from July 01, 2021 to March 31, 2022 and Notes to the financial statements and other explanatory information there to.

In our opinion, the accompanying Financial Statements give a true and fair view, in all material respects, of the Financial Position of the company as at March 31, 2022 and its financial performance and its cash flows for the period from July 01, 2021 to March 31, 2022 in accordance with International Financial Reporting Standards (IFRSs), The Companies Act 1994, The Securities and Exchange Rules 2020 and other applicable laws and regulations.

### Basis for Opinion

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

### Key Audit Matters

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

Risk	Our response to the risks
<b>Revenue Recognition</b>	
<p>At period-end the reported total revenue of <b>Tk. 362,302,910/-</b></p> <p>The company generates revenue from the sale of goods to local customers.</p> <p>We identified revenue recognition as key audit matter as it is one of the key performance indicators of the Company, which give rise to an inherent risk of the existence and the accuracy of the revenue.</p>	<p>We have tested the design and operating effectiveness of key controls focusing on the following:</p> <ul style="list-style-type: none"> <li>➤ Obtaining an understanding of and assessing the design and operating effectiveness of controls designed to ensure that revenue is recognized in the appropriate accounting period.</li> <li>➤ Segregation of duties in invoice creation and modification and timing of revenue recognition.</li> <li>➤ Assessing the appropriateness of the Company's accounting policies for revenue recognition and compliance of those policies with applicable accounting standards.</li> <li>➤ Obtain supporting documentation for sale transactions recorded on either side of period-end to determine whether revenue was recognized in the current period.</li> </ul>

Risk	Our response to the risks
	<ul style="list-style-type: none"> <li>➤ Comparing a sample of revenue transactions recognized during the period with the sale invoices and other relevant underlying documentation.</li> <li>➤ Critically assessing manual journals posted to revenue to identify unusual or irregular items, and finally assessing the appropriateness and presentation of disclosures against relevant accounting standards.</li> </ul>
<i>Please see <b>note no.24</b> to the Statement of profit or loss &amp; other Comprehensive Income.</i>	
<b>Valuation of Inventory</b>	
<p>As at March 31, 2022 The reported amount of inventory is <b>Tk. 105,265,838/-</b> held in plants, warehouses.</p> <p>On the reporting date, inventories are carried at the lower of cost and net realizable value. As such, the company apply judgment in determining the appropriate values of Inventory in accordance with International Accounting Standards.</p> <p>Considering the risk as stated above the valuation of Inventory is a key audit matter to the Financial Statements.</p>	<p>We verified the appropriateness of management's assumptions applied in calculating the value of the inventory as per International Accounting Standards (IASs) by:</p> <ul style="list-style-type: none"> <li>➤ Evaluating the design and implementation of key inventory controls operating across the factory warehouse.</li> <li>➤ We have collected inventory count data sheet and relevant certification of inventories which indicates inventory items were maintained in good condition and maintaining all compliances.</li> <li>➤ Reviewing the historical accuracy of inventory provisioning and the level of inventory write-offs during the period</li> <li>➤ Obtained a detailed review with the subsequent sales to compare with the net realizable value.</li> </ul>
<i>Please see <b>note no. 08</b> to the Financial Statements</i>	
<b>Valuation of Freehold Property, Plant and Equipment (PPE)</b>	
<p>The carrying value of the Freehold PPE is <b>Tk. 467,466,962/-</b> as at March 31, 2022. The valuation of Freehold PPE was identified as a key audit matter due to the significance of this balance to the Financial Statements.</p> <p>The expenditures are classified as an asset, if it is probable that the future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably.</p> <p>The useful lives of Freehold PPE items are based on management's estimates regarding the period over which an asset is expected to be available for use. The estimates of the useful life of the assets is a matter of judgments based on the experience of the entity with similar assets and also take into consideration the physical condition of the assets.</p>	<p>Our audit included the following procedures:</p> <ul style="list-style-type: none"> <li>➤ We assessed whether the accounting policies in relation to the capitalization of expenditures are in compliance with IFRS and found them to be consistent.</li> <li>➤ We obtained a listing of capital expenditures incurred during the period and, on a sample basis, checked whether the items were procured during the period.</li> <li>➤ We verified the invoices and L/C documentation sample basis to segregate the capital and operating expenditure and found that the transactions are appropriately classified.</li> <li>➤ We evaluated whether the useful lives determined and applied by the management were in line with the nature of assets, the physical condition of the assets and its uses.</li> <li>➤ We checked whether the depreciation of PPE items was commenced from the date of ready-to-use and found the depreciation had been started accordingly.</li> </ul>
<i>Please see <b>note no. 4</b> to the Financial Statements</i>	

## **Other Information**

Management is responsible for the other information. The other information comprises all of the information in the annual report other than the Financial Statements and our auditor's report thereon. The directors are responsible for the other information.

### **Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.**

In connection with our audit of the Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information we are required to report that fact. We have nothing to report in this regard.

### **Responsibilities of Management and Those Charged with Governance for the Financial Statements and Internal Controls**

Management is responsible for the preparation and fair presentation of the Financial Statements in accordance with IFRSs, The Companies Act 1994, The Securities and Exchange Rules 2020 and other applicable laws and regulations and for such internal control as management determines is necessary to enable the preparation of Financial Statements that are free from material misstatement, whether due to fraud or error. The Companies Act, 1994 requires the management to ensure effective internal audit, internal control and risk management functions of the company.

In preparing the Financial Statements, management is responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concerned and using the going concern basis of accounting unless management either intends to liquidate the company or to cease operations or has no realistic alternative but to do so. Those charged with governance are responsible for overseeing the company's financial reporting process.

### **Auditor's Responsibilities for the Audit of the Financial Statements**

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

### **As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:**

- Identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the company to express an opinion on the Financial Statements we are responsible for the direction, supervision and performance of the company audit. We are solely responsible for our audit opinion.

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

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

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

#### ***Report on other Legal and Regulatory Requirements***

In accordance with the Companies Act 1994, and The Securities and Exchange Rules 2020 and relevant notifications issued by Bangladesh Securities and Exchange Commission, 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 accounts, records and other statutory books as required by law have been kept by the company so far as it appeared from our examinations of those books;
- c) The Statement of Financial Position, Statement of Profit or Loss & Other Comprehensive Income and Statement of Changes in Equity and Statement of Cash Flows of the Company dealt with by the report are in agreement with the books of accounts and returns; and
- d) The expenditure incurred was for the purpose of the Company's business.

Date: 26 June, 2022  
Place: Dhaka

Sd/-  
**Fouzia Haque, FCA**  
Partner  
**FAMES & R**  
Chartered Accountants  
DVC # 2207031032AS581517

**Agro Organica PLC**  
**Statement of Financial Position**  
**As at 31 March 2022**

Particulars	Notes	Amount in Taka	
		31 March 2022	30 June 2021
<b>ASSETS</b>			
<b>Non-Current Assets</b>		<b>469,257,921</b>	<b>478,160,408</b>
Freehold Property, Plant and Equipment	4.00	467,466,962	467,148,003
Right of Use Asset	5.00	1,207,625	4,550,646
Intangible Assets	6.00	583,333	688,333
Capital Work-in-Progress	7.00	-	5,773,426
<b>Current Assets</b>		<b>249,711,559</b>	<b>195,874,846</b>
Inventories	8.00	105,265,838	77,501,945
Trade and other Receivables	9.00	96,877,232	81,472,964
Advances, Deposits and Prepayments	10.00	40,387,411	23,772,174
Cash and Cash Equivalents	11.00	7,181,078	13,127,763
<b>Total Assets</b>		<b>718,969,480</b>	<b>674,035,253</b>
<b>SHAREHOLDERS' EQUITY AND LIABILITIES</b>			
<b>Shareholder's Equity</b>		<b>562,277,987</b>	<b>519,439,449</b>
Share Capital	12.00	383,000,000	383,000,000
Retained Earnings	13.00	179,277,987	136,439,449
<b>Non-Current Liabilities</b>		<b>32,950,282</b>	<b>69,360,804</b>
Long-Term Loan (Non-Current Portion)	14.00	4,286,688	41,616,881
Lease Liability (Non-Current Portion)	15.00	126,857	679,301
Deferred Tax Liability	16.00	28,536,737	27,064,622
<b>Current Liabilities</b>		<b>123,741,211</b>	<b>85,235,000</b>
Short Term Loan	17.00	81,437,859	36,885,360
Liabilities for Expenses	18.00	3,822,957	3,881,083
Liabilities for Income Tax	19.00	23,836,871	14,110,072
Long-Term Loan (Current Portion)	20.00	535,569	9,135,413
Lease Liability (Current Portion)	21.00	1,171,767	4,153,913
Liability for WPPF	22.00	2,701,873	-
Trade and Other Payables	23.00	10,234,316	17,069,159
<b>Total Current &amp; Non-Current Liabilities</b>		<b>156,691,493</b>	<b>154,595,804</b>
<b>Total Shareholders' Equity and Liabilities</b>		<b>718,969,480</b>	<b>674,035,253</b>
<b>Net Asset Value (NAV) per Share</b>	31.00	<b>14.68</b>	<b>13.56</b>

The accompanying notes form an integral part of these Financial Statements.

Sd/-  
Chairman

Sd/-  
Managing Director

Sd/-  
Chief Financial Officer

Sd/-  
Company Secretary

Signed as per our annexed report on even date.

Place: Dhaka  
Date: June 26, 2022

Sd/-  
**Fouzia Haque, FCA**  
**Partner**  
**FAMES & R**  
Chartered Accountants  
DVC No. 2207031032AS581517

**Agro Organica PLC**  
**Statement of Profit or Loss and Other Comprehensive Income**  
**For the period from 1 July 2021 to 31 March 2022**

Particulars	Notes	Amount in Taka			
		1 July 2021 to 31 Mar 2022	1 July 2020 to 31 Mar 2021	1 Jan 2022 to 31 Mar 2022	1 Jan 2021 to 31 Mar 2021
Revenue	24	362,302,910	318,155,602	120,769,730	106,109,000
Less: Cost of Goods Sold	25	(270,644,919)	(237,971,924)	(89,946,986)	(79,143,647)
<b>Gross Profit</b>		<b>91,657,991</b>	<b>80,183,678</b>	<b>30,822,744</b>	<b>26,965,352</b>
Operating Expenses	26	(29,966,178)	(26,975,222)	(9,857,226)	(8,767,688)
<b>Profit From Operation</b>		<b>61,691,812</b>	<b>53,208,456</b>	<b>20,965,518</b>	<b>18,197,664</b>
Add: Non-Operating Income	27	156,108	738,460	53,270	47,937
Less: Financial Expenses	28	(4,931,586)	(7,212,866)	(1,926,751)	(2,322,628)
Less: Interest in Lease	29	(177,009)	(421,846)	(37,797)	(120,878)
<b>Profit Before WPPF</b>		<b>56,739,325</b>	<b>46,312,204</b>	<b>19,054,240</b>	<b>15,802,096</b>
WPPF Expenses		(2,701,873)	-	(907,345)	
<b>Profit Before Income Tax</b>		<b>54,037,453</b>	<b>46,312,204</b>	<b>18,146,895</b>	<b>15,802,096</b>
<b>Income Tax Expenses</b>		<b>(11,198,914)</b>	<b>(8,845,691)</b>	<b>(3,558,514)</b>	<b>(3,253,204)</b>
Current Tax	19	(9,726,799)	(8,283,483)	(3,333,895)	(2,901,686)
Deferred Tax	16.01	(1,472,115)	(562,208)	(224,619)	(351,518)
<b>Net Profit after Tax</b>		<b>42,838,539</b>	<b>37,466,513</b>	<b>14,588,381</b>	<b>12,548,892</b>
Other Comprehensive Income		-	-	-	
<b>Total Comprehensive Income</b>		<b>42,838,539</b>	<b>37,466,513</b>	<b>14,588,381</b>	<b>12,548,892</b>
Earnings Per Share (EPS)	30	<b>1.12</b>	<b>0.98</b>	<b>0.38</b>	<b>0.33</b>

The accompanying notes form an integral part of these Financial Statements.

Sd/-  
Chairman

Sd/-  
Managing Director

Sd/-  
Chief Financial Officer

Sd/-  
Company Secretary

Signed as per our annexed report on even date.

Place: Dhaka  
Date: June 26, 2022

Sd/-  
**Fouzia Haque, FCA**  
**Partner**  
**FAMES & R**  
Chartered Accountants  
DVC No. 2207031032AS581517



**Agro Organica PLC**  
**Statement of Changes in Equity**  
**For the period ended 31 March 2022**

Particulars	(Amount in Taka)		
	Share Capital	Retained Earnings	Total
<b>Balance as at 1st July 2021</b>	383,000,000	136,439,449	519,439,449
Net profit for the year transferred from Statement of Profit or Loss & Other Comprehensive Income		42,838,539	42,838,539
<b>Balance as at 31st March 2022</b>	<b>383,000,000</b>	<b>179,277,987</b>	<b>562,277,987</b>

**For the period ended 31 March 2021**

Particulars	(Amount in Taka)		
	Share Capital	Retained Earnings	Total
<b>Balance as at 1st July 2020</b>	383,000,000	86,613,325	469,613,325
Net profit for the year transferred from Statement of Profit or Loss & Other Comprehensive Income		37,466,513	37,466,513
<b>Balance as at 31st March 2021</b>	<b>383,000,000</b>	<b>124,079,839</b>	<b>507,079,839</b>

The accompanying notes form an integral part of these Financial Statements.

Sd/-  
Chairman

Sd/-  
Managing Director

Sd/-  
Chief Financial Officer

Sd/-  
Company Secretary

Place: Dhaka  
Date: June 26, 2022

**Agro Organica PLC**  
**Statement of Cash Flows**  
**For the period from 1 July 2021 to 31 March 2022**

Particulars	Notes	Amount in Taka	
		1 Jul 2021 to 31 Mar 2022	1 Jul 2020 to 31 Mar 2021
<b>A. Cash Flows from Operating Activities</b>			
Received from Customers	33.14	346,898,642	304,833,094
Paid to Suppliers	33.15	(275,839,467)	(224,614,622)
Paid to Employees	33.16	(26,365,249)	(23,594,495)
Paid to Others	33.17	(18,557,186)	(15,663,650)
<b>Cash Generated from Operation</b>		<b>26,136,740</b>	<b>40,960,327</b>
Received from Non-Operating Income		156,108	738,460
Income Tax paid		(6,913,684)	(5,467,537)
<b>Net Cash Generated from Operating Activities</b>		<b>19,379,164</b>	<b>36,231,250</b>
<b>B. Cash Flows from Investing Activities</b>			
Acquisition of Property, Plant and Equipment	33.18	(3,921,590)	-
Capital Work in Progress	33.19	(11,383,535)	(30,903,450)
<b>Net cash inflow/(outflow) from Investing Activities</b>		<b>(15,305,125)</b>	<b>(30,903,450)</b>
<b>C. Cash Flows from Financing Activities</b>			
Net Payment for Financial Expenses		(4,931,586)	(7,212,866)
Net Payment for Interest on Lease		(177,009)	(421,846)
Net Received/(Payment) in Short-Term Loan		44,552,499	(58,346,250)
Net Received/(Payment) in Long-Term Loan	33.20	(45,930,037)	38,518,698
Net Received/(Payment) in Lease (Principal)		(3,534,591)	(3,289,754)
<b>Net cash inflow/(outflow) from Financing Activities</b>		<b>(10,020,724)</b>	<b>(30,752,018)</b>
<b>D. Net Increase/(Decrease) Cash and Cash Equivalents (A+B+C)</b>		<b>(5,946,685)</b>	<b>(25,424,218)</b>
E. Opening Cash and Cash Equivalents		13,127,763	28,435,939
<b>F. Closing Cash and Cash Equivalents (D+E)</b>		<b>7,181,078</b>	<b>3,011,721</b>
<b>Net Operating Cash Flows Per Share (NOCFPS)</b>	32.00	<b>0.51</b>	<b>0.95</b>

The accompanying notes form an integral part of these Financial Statements.

Sd/-  
Chairman

Sd/-  
Managing Director

Sd/-  
Chief Financial Officer

Sd/-  
Company Secretary

Place: Dhaka  
Date: June 26, 2022

**Agro Organica PLC**  
**Notes, comprising summary of significant accounting policies**  
**and other explanatory information**  
For the period ended 31 March 2022

**1.00 Reporting Entity**

**1.01 Background of the Company**

Agro Organica PLC incorporated as a Private Limited Company on 21<sup>st</sup> August 2011 vide Registration No. C- 95022 under the Companies Act. 1994. The Registered office of the Company is situated in Dhaka, Bangladesh. The Company has changed its name to Agro Organica PLC from Agro Organica (Pvt) Limited and converted into Public Company Limited by shares on 31<sup>st</sup> December 2019. The Company started its commercial operation on 7<sup>th</sup> October 2015.

**1.02 Address of the Registered & Corporate Office**

The Registered Office of the Company is situated at Suite # 301 (3<sup>rd</sup> Floor), 65 Elephant Road, New Market, Dhaka-1205, Bangladesh and the industrial units are established at Nohata (BSCIC Industrial Area), Sherpur.

**1.03 Nature of Business Activities**

The principal activities of the Company are manufacturing and marketing of Agro products in the various categories of Rice, Saffron, Isabgol, Spices, Ghee, Jelly, and Pickles which are sold in the local market.

**1.04 Date of Authorization**

The Financial Statements of Agro Organica PLC for the period ended 31 March 2022 were authorized for issue in accordance with a resolution of the Board of Directors on 26<sup>th</sup> June 2022.

**1.05 Reporting Period**

The financial period of the company covers 9 (Nine) months period from 1<sup>st</sup> July 2021 to 31<sup>st</sup> March 2022.

**2.00 Basis of Preparation and Presentation of Financial Statements**

**2.01 Basis of Preparation of Financial Statements**

The Financial Statements of the Company are prepared on a going concern basis under historical cost convention and in accordance with the International Accounting Standards (IASs) and International Financial Reporting Standards (IFRSs), the Companies Act 1994, The Securities and Exchange Rules, 2020 and other applicable laws & regulations in Bangladesh.

**2.02 Statement of Compliance**

The Financial Statements of the Company under-reporting have been prepared under the historical cost convention ongoing concern, period consistency and accrual basis concept in accordance with Generally Accepted Accounting Principles (GAAP) and practices in Bangladesh in compliance with the Companies Act 1994, The Securities and Exchange Rules, 2020 and International Accounting Standards (IAS), International Financial Reporting Standards (IFRS) as adopted by the Institute of Chartered Accountants of Bangladesh (ICAB) and other applicable laws and regulations of the Country.

**2.03 The Company also complies with amongst others, the following laws and regulation**

The company is also required to comply with the following major laws and regulations in addition to the Companies Act, 1994:

- The Income Tax Ordinance 1984;
- The Income Tax Rules 1984;
- The Value Added Tax and Supplementary Duty Act 2012;
- The Value Added Tax and Supplementary Duty Rules 2016;
- The Customs Act, 1969
- Bangladesh Labor Law, 2006 (Amended 2013);
- The Securities and Exchange Ordinance, 1969.
- The Securities and Exchange Rules, 2020.

**2.04 Applicable Accounting Standards**

The following IASs and IFRSs are applicable to the Financial Statements of the Company for the period under audit:

**IASs:**

IAS 1	Presentation of Financial Statements;
IAS 2	Inventories;
IAS 7	Statement of Cash Flows;
IAS 8	Accounting Policies, Changes in Accounting Estimates and Errors;
IAS 10	Events after the reporting Period;
IAS 12	Income Taxes;
IAS 16	Property, Plant and Equipment;
IAS 19	Employee Benefits;
IAS 21	The Effects of Changes in Foreign Exchange Rates;
IAS 23	Borrowing Costs;
IAS 24	Related Party Disclosures;
IAS 33	Earnings per Share;
IAS 34	Interim Financial Reporting;
IAS 36	Impairment of Assets;
IAS 37	Provisions, Contingent Liabilities and Contingent Assets;
IAS 38	Intangible Assets.

**IFRSs:**

IFRS 1	First-time Adoption of International Financial Reporting Standards;
IFRS 7	Financial Instruments: Disclosures
IFRS 8	Operating Segments;
IFRS 9	Financial Instruments;
IFRS 13	Fair Value Measurement;
IFRS 15	Revenue from Contracts with Customers;
IFRS 16	Leases.

**2.05 Going Concern**

The company has adequate resources to continue in operation for the foreseeable future and hence, the Financial Statements have been prepared on a going-concern basis. As per management assessment, there is no material uncertainties related to event or condition which may cast significant doubt upon the company's ability to continue as a going concern.

**2.06 Accrual Basis**

The Financial Statements have been prepared, except for cash flows information, using the accrual basis of accounting.

**2.07 Currency Presentation**

**2.07.1 Functional and Presentational Currency and Level of Precision**

The Financial Statements are prepared and presented in Bangladesh Taka (Taka/Tk./BDT) which is the Company's functional currency. All financial information is presented in Taka and has been rounded off to the nearest Taka.

**2.08 Materiality and Aggregation**

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

**2.09 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. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised and in any future periods affected. In particular, information about significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amount recognized in the Financial Statements. The account judgments, estimates and assumptions are being used in the following heads of Accounts for the preparation of Financial Statements:

Note: 3.02.1	Recognition, Measurement and Disclosure of Property, Plant and Equipment
Note: 3.02.2	Depreciation on Property, Plant and Equipment

Note: 3.02.7	Revaluation of Property, Plant & Equipment
Note: 3.02.8	Impairment of Assets
Note: 3.05	Inventories (Provision for Damage & Obsolete)
Note: 3.07.3	Trade and other Receivables
Note: 3.07.5	Trade and other Payables
Note: 3.09	Provision, Contingent Liabilities and Contingent Assets
Note: 3.11	Revenue recognition
Note: 3.15	Employees Benefits
Note: 3.16	Financial Expenses
Note: 3.24	Income Taxes (Current and Deferred Tax)

## 2.10 Components of Financial Statements

The presentation of these Financial Statements is in accordance with the guidelines provided by IAS-1: "Presentation of Financial Statements". A complete set of Financial Statements comprises:

- Statement of Financial Position;
- Statement of Profit or Loss and Other Comprehensive Income;
- Statement of Changes in Equity;
- Statement of Cash Flows; and
- Notes, comprising summary of significant accounting policies and explanatory information to the accounts.

## 3.00 Summary of Significant Accounting Policies

The accounting policies set out below have been applied consistently (otherwise as stated) to all periods presented in these Financial Statements.

### 3.01 Property, Plant and Equipment

#### 3.01.1 Recognition, Measurement and Disclosure

Property, plant and equipment are measured at cost less accumulated depreciation and impairment of losses if any. The cost of an item of property, plant and equipment comprises of its purchase price and any directly attributable inward freight, duties and non-refundable taxes. Where parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items of property, plant and equipment. The Company recognizes in the carrying amount of an item of property, plant and equipment the cost of replacing part of such an item when that cost is incurred if it is probable that the future economic benefits embodied within the item will flow to the entity and the cost of the item can be measured reliably. All other costs are recognized in the income statement as an expense as incurred. In accordance with the allowed alternative treatment of *IAS 23 "Borrowing Cost"*, finance costs have been capitalized for qualifying assets (if any).

#### 3.01.2 Depreciation on Freehold Property, Plant and Equipment

Depreciation on Freehold Property, Plant and Equipment is computed using the reducing balance method to write off the assets over their expected useful life. No depreciation is charged on Land & Land Development and Capital Work-in-progress. After considering the useful life of assets as per IAS-16 Property, Plant & Equipment the annual depreciation rates applied under which is considered reasonable by the management. Depreciation rates vary from 5% to 15%. Depreciation of an asset begins when it is available for use i.e. when it is in the location and condition necessary for it to be capable of operating in the manner intended by the management. The cost and accumulated depreciation of depreciable assets retired or otherwise disposed of are eliminated from the assets and accumulated depreciation and any gain or loss on such disposal is reflected in operations for the period.

Category	Rate (%)
Land & Land Development	0%
Building & Other Construction	5%
Plant & Machinery	10%
Generator	10%
Fire Extinguisher	10%
Furniture and Fixture	10%
Computer and Computer Equipment	15%
Office Equipment's	10%
Motor Vehicle	10%

- The Company used branded plant and machinery in its production process mainly German, Turkish and China machineries. With small maintenance, the life of the assets can be strengthened and can be modified as per the requirement of the company. That is why the depreciation on plant and machinery is 10%. The factory building's lifetime is also considered 20 years which is very reasonable. That is why, the rate is 5% as considered for charging depreciation on Buildings and other construction. And Other Fixed Asset's lifetime is considered 10 years except for computer equipment, which is considered 7 years which is very reasonable.

#### **Depreciation on Land and Land Development**

The Company operated its business by using freehold land. The land asset is not depreciated because it is considered to have an infinite useful life. The Company developed this land to use the property for the factory. As there, the Company has not charged any depreciation on land and land development.

#### **3.01.3 Depreciation on Right of Use Assets**

Depreciation on Right of Use Assets is computed from the commencement date to the end of the useful life as per the lease agreement. The company calculated depreciation on Right of Use Assets for the following tenor:

<b>Category</b>	<b>Rate (%)</b>
Office Space (2 <sup>nd</sup> Floor) - Elephant Road	33.33% or 3 years
Office Space (4 <sup>th</sup> Floor) - Elephant Road	50.00% or 2 years
Warehouse - Hazaribag	33.33% or 3 years

#### **3.01.4 Disposal of Property, Plant and Equipment**

An asset is derecognized upon disposal or when no future economic benefits are expected from its use and subsequent disposal. Gains or losses arising from the retirement or disposal of an asset is determined as the difference between the net disposal proceeds and the carrying amount of the asset is recognized as gain or loss from the disposal of the asset under other income in the statement of comprehensive income. However, no such disposal of Property, Plant and Equipment was made during the period ended on 31 March 2022.

#### **3.01.5 Maintenance Activities**

The company incurs maintenance costs all its major items of property, plant and equipment. The Repair and Maintenance costs are charged as expenses when incurred.

#### **3.01.6 Subsequent Costs**

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

#### **3.01.7 Revaluation of Property, Plant & Equipment**

As per IAS- 16 paragraph 34: Property, Plant and Equipment, "the frequency of revaluations depends upon the changes in fair values of the items of property, plant and equipment being revalued. When the fair value of a revalued asset differs materially from its carrying amount, a further revaluation is required. Some items of property, plant and equipment experience significant and volatile changes in fair value, thus necessitating annual revaluation. Such frequent revaluations are unnecessary for items of property, plant and equipment with only insignificant changes in fair value. Instead, it may be necessary to revalue the item only every three or five years. However, no such revaluation of Property, Plant & Equipment was made as on the Balance Sheet date, i.e., 31 March 2022.

#### **3.01.8 Impairment of Assets**

The Management of the Company takes physical stocks periodically and recognized the assets were made accordingly considering the usable condition, wear and tear of the assets as follows:

- The valuation of Property, Plant & Equipment has been made on the basis of the usable condition of the assets as per IAS-36 Impairment of Assets.
- The management of the Company conducted physical verification of Property, Plant & Equipment on 31 March 2022.

Property, Plant & Equipments are consisting of Building & other construction, Plant & Machinery, Generator, Fire Extinguisher, Furniture & Fixture, Computer & Computer Equipment, Office Equipment and Motor Vehicle are valued at lower of cost and net realizable value as per IAS 16: Property, Plant & Equipment Costs

include expenditure incurred in acquiring the assets and other costs incurred in bringing them to their existing location and condition. Impairment of the assets is made as and when assets became obsolete or unusable for which the management of the company is giving decisions from time to time. The management of the Company reviews the carrying amounts of its assets (Balance Sheet Date) to determine whether there is any indication of impairment in accordance with IAS-36: 'Impairment of Assets. During the period at the Balance Sheet date, there was no indication of impairment of assets; as such, no adjustment was given in the Financial Statements for impairment during the period ended on 31 March 2022.

### **3.02 Intangible Asset Recognition and measurement**

Intangible assets that are acquired by the Company and have finite useful lives are measured at cost less accumulated amortization and accumulated impairment loss, if any. Intangible assets are recognised when all the conditions for recognition as per IAS 38: Intangible assets are met. The cost of an intangible asset comprises its purchase price, import duties and non-refundable taxes and any directly attributable cost of preparing the asset for its intended use.

#### **Subsequent costs**

Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditures are recognized in the statement of profit or loss and other comprehensive income as incurred.

#### **Amortization**

Software is amortized over 5 years from the month immediately following the month in which the asset comes into use.

### **3.03 Capital Work in Process**

Property, plant and equipment under construction/ acquisition are accounted for as capital work-in-progress until construction/ acquisition is complete and measured at cost. No depreciation is charged on Capital Work-in-progress. In Addition, as per IAS 23, the Interest expense on the bank loan taken for the acquisition of plant and machinery has been capitalized (if any) since the assets could not make ready for use during the reporting period.

### **3.04 Inventories**

Inventories consisting of raw & packing materials, work in process, and finished goods are valued at lower cost and net realisable value as per IAS 2: Inventory. Cost of inventories include expenditure incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their existing location and condition. The cost of inventories is determined by using the weighted average cost formula. Where necessary, allowance is provided for damaged, obsolete and slow-moving items to adjust the carrying amount of inventories to the lower cost and net realisable value. Net realisable value is based on the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

#### **Impairment of Inventories**

Impairment of inventory is made as and when inventory became obsolete or unusable or for slow-moving items for which the management of the company is giving decisions from time to time. Based on the sales cycle of slow-moving items, the sales prices of the products may decrease over time. The management of the Company reviews the carrying amounts of its inventory (Balance Sheet Date) to determine whether there is any indication of impairment in accordance with IAS-2: 'Inventories'. When the sales price moves below the inventory cost prices, the loss on sales is recognized immediately in the Financial Statements. However, there was no indication of impairment of inventory during the quarter; and as such, no adjustment was given in the Financial Statements for impairment.

### **3.05 Borrowing cost**

Interest and other costs incurred in the Company in connection with the borrowing of funds are recognized as expenses in the period in which they are incurred unless such borrowings cost related to the acquisition /construction of assets in progress that are required to be capitalized as per IAS-23: Borrowing Cost.

### **3.06 Financial Instruments**

#### **3.06.1 Derivative**

According to IFRS 7 “Financial Instruments Disclosure”, the company was not a party to any derivative contract (Financial instruments) at the Balance Sheet date, such as forward exchange contracts, currency swap agreements or contracts to hedge currency exposure related to the import of capital machinery to be leased to leases in future.

#### **3.06.2 Non-Derivation Financial Instruments**

Non-derivative financial instruments comprise trade receivables, trade payables, cash and cash equivalents and share capital.

#### **3.06.3 Trade and Other Receivables**

Trade receivables are recognized initially at invoice value and subsequently measured at the remaining amount less allowance for doubtful receivables at the period end, if any.

#### **3.06.4 Cash and Cash Equivalents**

Cash and cash equivalents consist of cash in hand and with banks on current and deposit accounts and short-term investments which are held and available for use by the company without any restriction. There is an insignificant risk of change in the value of the same.

#### **3.06.5 Trade and other Payables**

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

#### **3.06.6 Share Capital**

Ordinary shares capitals are classified as equity.

### **3.07 Statement of Cash Flows**

Statement of Cash Flows is prepared principally in accordance with IAS-7 “**Statement of Cash Flows**” and the cash flow from the operating activities have been presented under direct method as prescribed by the Securities and Exchange Rules 2020, considering the provision of paragraph 19 of IAS-7 which provides that “Enterprises are Encouraged to Report Cash Flows from Operating Activities Using the Direct Method” as well as Indirect Method in the notes to the Financial Statements.

### **3.08 Provision, Contingent Liabilities and Contingent Assets**

The Financial Statements are prepared in conformity with IAS 37 “Provision, contingent Liabilities and Contingent Assets”, which requires management to ensure that appropriate recognition criteria and measurement bases are applied to provision for outstanding expenses, contingent liability, assets and that sufficient information is disclosed in the notes to the accounts to enable its users for their understanding about its nature, timing and amount. In accordance with the guidelines as prescribed by IAS-37 provisions were recognized in the following situations:

- When the company has a present obligation as a result of the past event.
- When it is probable that an outflow of resources embodying economic benefits will be required to settle the obligations and
- Reliable estimate can be made about the sum of the obligation.

We have shown the provision in the Statement of Financial Position at an appropriate level with regard to an adequate provision for risks and uncertainties. The sum of provision estimated and booked represents the reliable estimate of the probable expenses incurred but not paid, which is required to fulfill the current obligation on the Balance Sheet Date.

### **3.09 Loans and Borrowings**

Principal amounts of loans and borrowings are stated at their outstanding amounts. Borrowings repayable after twelve months from the reporting date are classified as non-current liabilities whereas the portion payable within twelve months, unpaid interest and other charges are classified as current liabilities.

### **3.10 Revenue Recognition**

“As per IFRS-15: “**Revenue from Contracts with Customers**” an entity shall account for a contract with a customer only when all of the following criteria are met:



- a) The parties to the contract have approved the contract (in writing, orally or in accordance with other customary business practices) and are committed to performing their respective obligations;
- b) The entity can identify each party's rights regarding the goods or services to be transferred;
- c) The entity can identify the payment terms for the goods or services to be transferred;
- d) The contract has commercial substance (i.e. the risk, timing or amount of the entity's future cash flows is expected to change as a result of the contract); and
- e) The entity will probably collect the consideration to which it will be entitled in exchange for the goods or services that will be transferred to the customer."

Considering the five steps model, the Company recognizes revenue at the time of delivery when (or as) the Company satisfies a performance obligation by transferring a promised good to a customer. Goods are considered as transferred when (or as) the customer obtains control of those goods. Revenue from the sale of goods is measured at the fair value of the consideration received or receivable net of returns and allowances, trade discounts, rebates and Value Added Tax (VAT).

### **Sale of goods**

The revenue from the sale of goods is recognized when the significant risks and rewards of ownership of the goods have been passed to the buyer when the buyer assures by giving acceptance on the delivery of goods. The revenue represents the invoice value of goods supplied to the customers measured at the fair value of the consideration received or receivable.

### **Impact of adoption of IFRS-15 'Revenue from contract with Customers' and IFRS-16 "Leases"**

**IFRS-15 "Revenue from Contract with Customers"**  
The management of the Company has introduced IFRS-15 'Revenue from contract with Customers' instead of IAS-18 'Revenue' from 1<sup>st</sup> July 2018. The Management of the Company has assessed the difference between IFRS-15 'Revenue from contract with Customers' instead of IAS-18 'Revenue' and concluded that there are no differences that would impact any numerical amount and disclosures in the financial statement. For better presentation, the management reconciled the Statement of Profit or Loss and Other Comprehensive Income, Statement of Cash Flows as well as Statement of Financial Position of the company with the effect of IFRS-15 Para c (8) which is shown in **Annexure – I**.

## **3.11 Impairment**

### **i) Financial assets**

The Company shall recognize loss allowances for Expected Credit Losses ECLs (if any) on:

- Financial assets measured at amortised cost;
- Debt investments (if any) measured at FVOCI; and
- Contract assets (if any).

Loss allowances for financial assets (if any) measured at amortised cost are deducted from the gross carrying amount of the assets. Except for the following, which are measured at 3-month ECLs?

- Bank balances for which credit risk (i.e., the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward-looking information.

### **ii) Non-financial assets**

The carrying amounts of the Company's non-financial assets (other than inventories) are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated to determine the extent of the impairment loss (if any). Where it is not possible to determine the recoverable amount of an individual asset, the Company estimates the recoverable amount of the Cash Generating Unit (CGU) to which the asset belongs. An impairment loss is recognized if the carrying amount of an asset or its CGU exceeds its recoverable amount. The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. The value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU. Impairment losses are recognized in profit or loss. An impairment loss is reversed only to the extent that the asset's carrying amount does

not exceed the carrying amount that would have been determined, net of depreciation if no impairment loss had been recognized. However, no such impairment was found in financial assets during the period for which the company needs to make provision for impairment.

### 3.12 Other Income

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

### 3.13 Employees Benefits

The Company has accounted for and disclosed employee benefits in compliance with the provisions of IAS 19: Employee Benefits. The cost of employee benefits is charged off as revenue expenditure in the period to which the contributions relate. The Company's employee benefits include the following:

#### Short-term employee benefits

Short-term employee benefits include wages, salaries, bonuses, house rent, medical fees termination benefits etc. Obligations for such benefits are measured on an undiscounted basis and are expensed as the related service is provided.

#### Employee Retirement Benefits

Obligations for the Company's contributions to defined contribution plans are recognized as expenses in the income statement as incurred.

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

The Company contributed 5% of its profit before tax after charging contribution to WPPF following the Bangladesh Labor Act, 2006 (Amended up to 2018) and payable to workers according to said law.

### 3.14 Financial Expenses

Finance Expenses comprise interest expenses on loans and bank charges. All borrowing costs are recognized in the profit or loss account using the effective interest method except to the extent that they are capitalized (If any) during the construction period of the assets in accordance with IAS-23 "Borrowing Cost". The Company did not capitalize on any finance expenses during the period.

### 3.15 Earnings per Share (EPS)

The Company calculates its Earning per Share (EPS) in accordance with *IAS 33 "Earnings per Share"* which has been shown on the face of the Statement of Comprehensive Income and the computation of EPS.

#### Basic Earnings Per Share

The company presents its Basic Earnings per Share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the company by the weighted average number of ordinary shares outstanding during the Period.

#### Basic Earnings

This represents earnings for the period attributable to the ordinary shareholders. As there are no preference dividends, minority interest or extraordinary items, the net profit for the period has been considered as fully attributable to ordinary shareholders.

#### Diluted Earnings per Share

Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and weighted average number of ordinary shares outstanding, for the effect of all dilutive potential ordinary shares. However, the dilution of EPS does not apply to these Financial Statements as there were no potential ordinary shares during the relevant period.

#### Weighted Average Number of Ordinary Shares outstanding during the period

The basis of computation of the number of shares is in line with the provisions of IAS-33: Earning per share. Therefore, the total number of shares outstanding during the period is multiplied by a time-weighting factor which is the number of days the specific shares were outstanding as a proportion of the total number of days in the period.

### 3.16 Responsibility for the Preparation and Presentation of Financial Statements:

The Management is responsible for the preparation and presentation of Financial Statements under Section 183 of the Companies Act, 1994 and as per the Provision of “The Framework for the Preparation and Presentation of Financial Statements” issued by the International Accounting Standard Board (IASB) as adopted by The Institute of Chartered Accountants of Bangladesh (ICAB).

### 3.17 Risk Exposure

#### Financial Risk Management Policies

The company's financial risk management is governed by direct monitoring of its management. The company's financial assets include inter alia trade and other receivables, cash and short-term deposits that arise directly from its operations and financial liabilities include inter alia trade and other payables and loans and borrowings. The main purpose of these financial liabilities is to finance the company's operations. The Company's activities are mainly exposed to the following internal, external, quantitative and qualitative risks from its use of financial instruments:

- i. Market Risk;
- ii. Credit Risks;
- iii. Liquidity risks.

#### Risk Management Framework

The management is responsible for the establishment and oversight of the company's risk management policies that are established to identify and analyzed the risks faced by the company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Management discloses the risk exposures and how they arise as well as its objectives, policies and processes for managing the risk and the methods used to measure the risk. The company has exposures to the following risks from its use of financial instruments.

#### i) Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk. The objective of market risk management is to manage and control market risk exposures within acceptable parameters while optimizing the return.

#### ii) Credit Risk

Credit risk is the potential financial loss resulting from the failure of a customer or counterparty to settle its financial and contractual obligations to the company as and when they fall due. Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. Credit evaluations are performed on all customers requiring credit over a certain amount. At the reporting date there were no significant concentrations of credit risk. The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the statement of financial position. However, due to the large number of parties comprising the group's customer base, Management does not anticipate material losses from its debt collection.

Particulars	31 March 2022	30 June 2021
Trade Receivables (Taka)	96,877,232	81,472,964
Cash and Cash Equivalent (Taka)	7,181,078	13,127,763
<b>Total</b>	<b>104,058,310</b>	<b>94,600,727</b>
<b>Cash and Cash Equivalent (Taka)</b>		
Cash in Hand	3,426,744	3,265,733
Cash at Bank	3,754,334	9,862,030
<b>Total</b>	<b>7,181,078</b>	<b>13,127,763</b>

#### iii) Liquidity Risk

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

maintain short-term lines of credit with scheduled commercial banks to ensure payment of obligations if there is insufficient cash to make the required payment. The requirement is determined in advance through cash flow projections and credit lines facilities with banks are negotiated accordingly. Relevant non-derivative financial liabilities at the reporting date are as follows;

<b>Particulars</b>	<b>31 March 2022</b> (Amount in Taka)	<b>30 June 2021</b> (Amount in Taka)
Long-Term Loan (Note-14.00)	4,822,257	50,752,294
Lease Liability (Note-15.00)	1,298,624	4,833,215
Liabilities for Expenses (Note-18.00)	3,822,957	3,881,083
Trade and Other Payables (Note-23.00)	10,234,316	17,069,159
<b>Total</b>	<b>20,178,154</b>	<b>76,535,751</b>

#### **Fair Values**

The fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction. The fair value of trade and other short-term receivables are taken to approximate their carrying value. The fair value of financial assets and liabilities approximates their carrying value.

#### **Technical Risk**

Technical risks are those events or issues associated with the scope definition, research and development (R & D), design, construction, and operation definition that could affect the actual level of performance vs that specifies in the project mission need and performance requirements documents. Examples of technical risks include new and changing technology and changing regulatory requirements.

#### **Cost Risk**

Cost risk is the risk associated with the ability of the project to achieve the planned life-cycle costs. Thus, it includes both design/construction and operating costs. Two major elements of cost risk are (1) the accuracy and completeness of the cost estimates for the planned activities and (2) the risk that cost performance will be affected adversely by a failure to manage technical risks. An example of cost risk would be having all proposals for a significant contract come in over the estimated budget for that item.

### **3.18 Risk and Uncertainties for the use of Estimates in Preparing Financial Statements**

The preparation of Financial Statements in conformity with International Accounting Standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statement and revenues and expenses during the period reported. The actual result could differ from those estimates. Estimates are used for accounting as described in note no. 2.10.

### **3.19 Events after the Reporting Period**

As per IAS-10 "Events after the reporting period" are those events favorable and unfavorable that occurred between the end of the reporting period and the date when the Financial Statements are authorized for the issue. There were no material events that occurred after the reporting period which could affect the values in the Financial Statements.

### **3.20 Related Party Transactions**

The company, in the normal course of business, has carried out some transactions with other entities that fall within the definition. The objective of Related Party Disclosure IAS 24 is to ensure that an entity's Financial Statements contain the disclosures necessary to draw attention to the possibility that its financial position and profit or loss may have been affected by the existence of related parties and by transactions and outstanding balances with such parties. Parties are considered to be related if one party can control the other party or exercise significant influence or joint control over the other party in making financial and operating decisions. The Company transacts with related parties and recognizes as per IAS 24 'Related Party Disclosures'. Related party transactions have been disclosed under Note – 33.08.

### **3.21 Comparative Amounts**

Certain comparative amounts have been re-classified & rearranged to conform to the current quarter's presentation and all numerical information in the current financial statements as below:

- Statements of Financial Position as of the end of the preceding financial period
- Statements of Comprehensive Income for the comparison of the preceding fiscal quarter.
- Statements of Changes in Equity for the comparison of the preceding financial period
- Statement Cash Flows for the comparison of the preceding financial period

Narrative and descriptive information for comparative information has also been disclosed whenever it is relevant for the understanding of the current Period financial statements.

#### **Rearrangement of Financial Statement:**

The previous year's figure has been rearrangement whenever considered necessary to ensure comparability with the current period presentation as per IAS: 8 "Accounting Policies, Changes in Accounting Estimates and Errors".

### **3.22 Income Tax (Current & Deferred Tax)**

Income tax on the profit or loss for the Period comprises current and deferred tax. Income tax is recognized in the income statement except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity.

#### **3.24.1 Current Tax and VAT**

Current tax is the expected tax payable on the taxable income for the period/year and any adjustment to tax payable in respect of previous years/periods as per the provisions of Income Tax Ordinance, 1984 and duly amended by the Finance Act from time to time.

#### **The effective current tax rate of the Company is provided as follows:**

Corporate Tax applicable for the Company (as per Income Tax Ordinance 1984):

- |   |       |
|---|-------|
| a) Tax Rate on Agricultural Income-as per SRO No.199-law / income tax / 2015; |       |
| On 1 <sup>st</sup> 10 Lac   | 3%    |
| On Next 20 Lac  | 10%   |
| On Rest amount  | 15%   |
| b) Tax Rate on Non-Agricultural Income:                                       | 30%   |
| c) Tax Rate on Other Income   | 30%   |
| d) Tax on Dividend Income   | 20%   |
| Or, Minimum Tax Rate  | 0.60% |

Whichever is higher as applicable for calculation and repayment of income tax.

#### **3.24.2 Deferred Tax**

Deferred tax is recognized using (in accordance with the IAS-12) the Balance Sheet method. Deferred tax arises due to temporary difference deductible or taxable for the events or transaction is recognized in the income statements. A temporary difference is a difference between the tax bases of an asset or liability and its carrying amount/reported amount in the Balance Sheet. Deferred tax assets or liability is the amount of income tax recoverable or payable in the future period(s) recognized in the current period. The deferred tax liability/expenses do not create a legal liability/recoverability to and from the income tax authority.

#### **The effective current tax rate of the Company is provided as follows:**

Corporate Tax applicable for the Company (as per Income Tax Ordinance 1984):

- |   |     |
|---|-----|
| a) Tax Rate on Agricultural Income-as per SRO No.199-law/income tax/2015: | 15% |
| b) Tax Rate on Non-Agricultural Income:                                   | 30% |

#### **3.24.3 Value Added Tax**

VAT on the Company's product at 5.00% except rice is zero VAT as per Value Added Tax and Supplementary Duty Act 2012.

### **3.23 Operating Segments**

Segment results for periods ended on 31 March 2022 and 2021. An operating segment is a component of the company that engages in business activities from which it may earn revenues and incur expenses. All operating segments are regularly reviewed by the chief operating decision maker of the company, to make decisions about resources to be allocated to the segment and to assess its performance to the extent discrete financial information is available. The company is performing based on Two products and management has identified two operating segments such as (i) Agro Products (Rice) and (ii) Non-Agro.

Product (all products Except Rice) as operating segments as per IFRS-8. The following are selected segment financial data for the periods indicated:

Particulars	31-Mar-2022			31-Mar-2021		
	Agro Product	Non-Agro Product	Total	Agro Product	Non-Agro Product	Total
Revenue	230,457,355	131,845,555	362,302,910	208,544,110	109,611,492	318,155,602
Interest Expenses	3,249,528	1,859,067	5,108,595	5,004,389	2,630,324	7,634,712
Depreciation Expenses	15,331,437	8,771,175	24,102,612	19,675,444	10,341,480	30,016,924
Amortization Expenses	66,789	38,211	105,000	7,647	4,019	11,667
Income Tax Expenses	7,123,520	4,075,394	11,198,914	5,798,159	3,047,532	8,845,691
Net Profit Before Tax	34,372,698	19,664,755	54,037,453	30,356,647	15,955,557	46,312,204

Due to the varying nature of the business total non-current assets, total non-current liabilities, total assets and total liabilities could not be allocated based on segment-wise operation.

### 3.24 Advance, Deposits and Prepayments

Advances are initially measured at cost. Since initial recognition advances are carried at cost fewer deductions, adjustments or charges to other account heads such as Property, Plant and Equipment, inventory or expenses. Deposits are measured at payment value. Prepayments are initially measured at cost. After initial recognition prepayments are carried at cost less charges to the profit and loss account.

### 3.25 Cash and Cash Equivalents

According to IAS -7 "Statement of Cash Flows" cash comprises cash in hand, demand deposit and cash equivalent which are short-term highly liquid investments that are readily convertible into cash and which are subject to an insignificant risk of change balances and call deposits, Bank Balances in Value. IAS -1 "Presentation of Financial Statements" provides that cash and cash equivalents are not restricted in use. Consideration of the provisional of IAS-7 and IAS-1, Cash in Hand and Bank Balances has been treated as Cash and Cash Equivalents.

### 3.26 Other Current Assets

Other current assets (if any) have a value on realization in the ordinary course of the company's business which is at least equal to the amount at which they are stated in the Statement of Financial Position.

### 3.27 Sources of Information

During our course of preparation and presentation of the Financial Statements it has been considered the relevant financial documents and collected information throughout the accounting period ended 31 March 2022 after overlooking the head of accounts.

### 3.28 Bad and Doubtful Debts

The Management recognized the bad and doubtful debts when a debt is unrecoverable through the Board of Director's approval. Since the management made sales through 100% confirmed orders by the customers and duly collected by the marketing team. Hence, no bad debts had occurred and therefore no provision was made against the receivables.

### 3.29 Implication of COVID-19 on our business:

The COVID-19 pandemic has developed rapidly in 2020-2021. The resulting impact of the virus on the operations and measures taken by the Bangladesh Government to contain the virus has negatively affected the company's results in the reporting period.

### 3.30 General

- (i) Wherever considered necessary, the previous quarter's figures have been rearranged for comparison.
- (ii) Figures appearing in the Financial Statements have been rounded off to the nearest Taka.
- (iii) Prior year figures have been shown to ensure comparability with the current year.
- (iv) Bracket figures are denoting negative.

Amount in Taka	
31 March 2022	30 June 2021

#### 4.00 Freehold Property, Plant and Equipment

##### A. Cost:

Opening Balance		570,089,184	536,432,734
Purchase during the year / period		3,921,590	5,818,990
Transferred from CWIP	(Note - 7.00)	17,156,961	27,837,460
<b>Total Assets Value at cost</b>		<b>591,167,735</b>	<b>570,089,184</b>

##### B. Accumulated Depreciation:

Opening Balance		102,941,181	77,381,617
Add: Depreciation Charged during the year / period		20,759,591	25,559,564
<b>Total Charge</b>		<b>123,700,773</b>	<b>102,941,181</b>
<b>Written Down Value (A-B) as on 31.03.2022</b>		<b>467,466,962</b>	<b>467,148,003</b>

Details of Property Plant & Equipment along with depreciation charged thereon as on March 31, 2022 have been shown in **Annexure-A**. Full amount of Depreciation has been charged to Manufacturing Overhead, Marketing & Selling Expenses and Administrative Expenses.

#### 5.00 Right of Use Asset

##### A. Cost:

Opening Balance		12,832,665	13,820,440
Add: Addition during the year / period		-	1,078,833
Less: Adjustment during the year / period		-	(2,066,608)
<b>Total Assets Value at cost</b>		<b>12,832,665</b>	<b>12,832,665</b>

##### B. Accumulated Depreciation:

Opening Balance		8,282,020	5,891,267
Add: Depreciation Charged during the year / period		3,343,020	4,457,360
Less: Adjustment during the year / period		-	(2,066,608)
<b>Total Charge</b>		<b>11,625,040</b>	<b>8,282,020</b>
<b>Written Down Value (A-B) as on 31.03.2022</b>		<b>1,207,625</b>	<b>4,550,646</b>

The details of the Right of Use Asset have been shown in **Annexure- 'B'**

#### 6.00 Intangible Assets

##### A. Cost:

Opening Balance		700,000	-
Add: Addition during the year / period		-	700,000
<b>Total Assets Value at cost</b>		<b>700,000</b>	<b>700,000</b>

##### B. Accumulated Depreciation:

Opening Balance		11,667	-
Add: Amortization during the year / period		105,000	11,667
<b>Accumulated Amortization</b>		<b>116,667</b>	<b>11,667</b>
<b>Written Down Value (A-B) as on 31.03.2022</b>		<b>583,333</b>	<b>688,333</b>

The details of Intangible Assets have been shown in **Annexure- 'C'**

#### 7.00 Capital Work-in-Progress

##### Plant & Machinery

Opening Balance		5,773,426	963,386
Add: Addition made during the year / period		11,383,535	32,647,500
Less: Transfer to the appropriate asset category		(17,156,961)	(27,837,460)
<b>Closing Balance</b>		<b>-</b>	<b>5,773,426</b>

The amount of capital work-in-progress is transferred to the appropriate assets category and depreciated when the asset is completed for use.

#### 8.00 Inventories

Raw & Packing Materials	(Note - 25.01)	35,524,924	29,261,915
Work in Process	(Note - 25.00)	16,676,844	10,417,570
Finished Goods	(Note - 25.00)	53,064,070	37,822,460
		<b>105,265,838</b>	<b>77,501,945</b>

The Company maintains inventory based on its existing demand for products. The inventory of the Company increased due to the increase of current demand for products for promotional purposes and corporate customers due to COVID-19 reasons. The other reason for the increase in inventories due to the acceleration of business in other areas through the establishment of a marketing policy based on the market demand.

#### 9.00 Trade and other Receivables

Opening Balance		81,472,964	69,380,288
Add: Sales during the year / period	(Note - 24.00)	362,302,910	426,837,845
		<b>443,775,874</b>	<b>496,218,133</b>
Less: Collection/Realization during the year / period		346,898,642	414,745,169
<b>Closing Balance</b>		<b>96,877,232</b>	<b>81,472,964</b>

\*The Management recognized the bad and doubtful debts when the debt is not recoverable. The sales of the Company are mostly cash sales. Credit sales were also made to existing cash customers, especially for boosting sales and mitigate the urgent needs of customers. The Company did not face any doubt till today to collect any dues from its existing customers to date. Since the management made sales through 100% confirmed orders by the customers and duly collected by the marketing team. Hence, no bad debts or expected credit loss had occurred and therefore no provision was made against the receivables. The receivable of the Company increased due to the increase in current sales of the company for different products. The other reason for the increase in receivables due to the acceleration of sales in new areas is a policy of expanding the company business.

#### Ageing of Trade Receivables

More than six months	-	-
Less than six months	96,877,232	81,472,964
	<b>96,877,232</b>	<b>81,472,964</b>

#### The classification of receivables as required by the Schedule XI, Part 1, Para 4 of the Companies Act, 1994 are given below:

i) Receivables considered good in respect of which the company is fully secured.	-	-
ii) Receivables considered good for which the company holds no security other than the debtor's personal security.	96,877,232	81,472,964
iii) Receivables considered doubtful or bad.	-	-
iv) Receivable due by the director or other officers of the company or any of them either severally or jointly with any other person or receivables due by firms or private companies respectively in which any director is a partner or a director or a member.	-	-
v) Receivables due by companies under the same management.	-	-
vi) The maximum amount of receivables due by any directors or other officers of the company at any time during the year to be shown by way of a note.	-	-

#### 10.00 Advances, Deposits and Prepayments

Advance to Employees		427,500	322,500
Advance to Supplier and others		24,794,326	14,820,783
Advance Insurance		12,739	389,728
Advance Income Tax	(Note - 10.01)	14,197,846	7,284,162
Security Deposit		955,000	955,000
		<b>40,387,411</b>	<b>23,772,174</b>

\* The Company needs to pay advance to suppliers for booking & collecting raw materials at competitive prices which are less than the usual market prices. Since, the suppliers need to get immediate cash to smooth their operation and the agricultural loan may be cumbersome for some time we should adopt such a policy in advance. The usual purchase prices of raw materials from the usual market. This is a marketing strategy of the company.

#### The classification of Advances, Deposits & Prepayments as required by the Schedule XI, Part I, Para 6 of the Companies Act, 1994 are given below:

i) Advance, deposits & prepayment are considered good and in respect of which the company is fully secured.	40,387,411	23,772,174
ii) Advance, deposits & prepayments considered good for which the company holds no security.	-	-



iii) Advance, deposits & prepayments considered doubtful or bad.	-	-
iv) Advance, deposits & prepayment due by directors or other officers of the company or any of them either severally or jointly with any other person or Advance, deposits & prepayment due by firms or private companies respectively in which any director is a partner or a director or a member.	427,500	322,500
v) Advance, deposits & prepayment due by companies under the same management.	-	-
vi) The maximum amount due by directors or other officers of the company at any time during the year.	-	-

#### 10.01 Advance Income Tax

Opening Balance	7,284,162	5,167,343
Add: Addition during the year / period	6,913,684	7,284,162
	<b>14,197,846</b>	<b>12,451,505</b>
Less: Adjustment during the year / period	-	(5,167,343)
	<b>14,197,846</b>	<b>7,284,162</b>

\*The Company has adjusted the advance tax of the prior period in the subsequent accounting period following to section 74 of Income Tax Ordinance 1984 to attract payment of taxes against due and avoid penal interest as per the said ordinance.

#### 11.00 Cash and Cash Equivalents

##### 11.01 Cash in Hand

Cash in Hand as on March 31, 2022 was Tk. 3,426,744 which existed in Corporate Head Office Tk. 3,413,136 and at Factory Tk. 13,608.

##### 11.02 The Cash at Bank amount has been lying with several Bank accounts. We have verified the Bank Balance along with the Bank Statement and bank Re-Conciliation Statement and are found in the agreement. Details as under:

United Commercial Bank Ltd. A/C-71101000001078	1,768,982	2,329,607
Agrani Bank Limited A/C-0200002589401	425	770
Agrani Bank Limited A/C-0200012427265	-	2,058
Bank Asia A/C-6336000042 (SND)	2,768	7,832
Bank Asia A/C-08533000323	514,497	3,335,822
Janata Bank A/C- 19936	4,030	4,540
National Bank Ltd. A/C -1031000520317	1,488	1,253
Shahjalal Islami Bank. A/C-4050 11100000244	739,309	2,850,762
Shahjalal Islami Bank. A/C-4050 13100000010	400,361	1,328,882
NRB Bank A/C-1012010027482	101	446
NRB Bank A/C-1012010026366	322,373	58
	<b>7,181,078</b>	<b>13,127,763</b>

#### 12.00 Share Capital

##### 12.01 Authorized Capital:

100,000,000 ordinary shares of Tk. 10/- each	<b>1,000,000,000</b>	<b>1,000,000,000</b>
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##### 12.02 Issued, Subscribed, Called-up & Paid-up Capital

38,300,000 ordinary shares of Tk. 10/- each fully paid-up	383,000,000	383,000,000
	<b>383,000,000</b>	<b>383,000,000</b>

##### 12.03 A distribution schedule of the above shares is given below:

Name of Shareholder's	Designation	Percentage (%)	31 March 2022	30 June 2021
			No. of Share	No. of Share
Mohammad Ahmed Khan	Chairman	6.54%	2,504,000	2,504,000
Mohammad Azhar Khan	Managing Director	18.72%	7,169,837	7,805,837
Md. Iqbal Hossain	Director	2.94%	1,125,017	1,125,017
Din Mohammad Shopon	Director	2.52%	966,000	330,000
Begum Hena Khan	Director	7.85%	3,008,068	3,008,068
Abu Mohammad Mahbubul Karim Majumder	Director	2.61%	1,000,000	1,000,000
Other Shareholders		58.82%	22,527,078	22,527,078
<b>Total</b>		<b>100.00%</b>	<b>38,300,000</b>	<b>38,300,000</b>

<b>13.00 Retained Earnings</b>		
Opening Balance	136,439,449	86,613,325
Add: Net profit for the year / period	42,838,539	49,826,124
	<b>179,277,987</b>	<b>136,439,449</b>
<b>14.00 Long Term Loan</b>		
Opening Balance	50,752,294	11,294,282
Add: Addition during the year / period	4,692,890	40,189,087
Add: Interest during the year / period	886,954	1,858,846
Less: Payment during the year / period	(51,509,881)	(2,589,922)
	<b>4,822,257</b>	<b>50,752,294</b>
Less: Long-Term Loan (Current Portion) (Note-20)	535,569	9,135,413
<b>Long-Term Loan (Non-Current Portion)</b>	<b>4,286,688</b>	<b>41,616,881</b>
The details of Long Term Loan have been shown in <b>Annexure- 'E'</b>		
<b>14.01 Details of Bank Loan</b>		
Bank Name	: NRB Bank Limited	
Branch	: Principal Branch	
Sanction Amount	: BDT 4.65 Million	
Purpose	: To meet up marketing & branding expenditures.	
Sanction date	: 01-12-2021	
Securities	: Registered Mortgage of 33.22 decimal land at BSCIC Sherpur, factory building and machinery.	
Interest Rate	: 9% per annum.	
<b>15.00 Lease Liability</b>		
Opening Balance	4,833,215	8,180,672
Add: Addition during the year / period	-	1,078,833
Add: Interest during the year / period	177,009	522,510
Less: Payment during the year / period	(3,711,600)	(4,948,800)
	<b>1,298,624</b>	<b>4,833,215</b>
Less: Lease Liability (Current Portion)	1,171,767	4,153,913
<b>Lease Liability (Non- Current Portion)</b>	<b>126,857</b>	<b>679,301</b>
<b>16.00 Deferred Tax Liability</b>		
<b>Calculation of Deferred Tax</b>		
Written down value as per Accounting Base	467,466,962	467,148,003
Written Down value as per Tax Base	329,210,573	334,092,197
<b>Temporary Difference on Freehold PPE</b>	<b>138,256,390</b>	<b>133,055,806</b>
Carrying amount of Right of Use Assets	1,207,625	4,550,646
Less: Lease Obligations	343,624	3,878,215
<b>Temporary Difference on Right of Use Assets</b>	<b>864,002</b>	<b>672,431</b>
Written down value as per Accounting Base	583,333	688,333
Written Down value as per Tax Base	218,750	350,000
<b>Temporary Difference on Intangible Assets</b>	<b>364,583</b>	<b>338,333</b>
<b>Total Temporary Difference:</b>	<b>139,484,975</b>	<b>134,066,570</b>
Temporary Difference on Agro Product	88,725,035	87,702,327
Effective Tax Rate	15.00%	15.00%
<b>A. Deferred Tax Liability /(Assets) on Agro Product</b>	<b>13,308,755</b>	<b>13,155,349</b>
Temporary Difference on Non-Agro Product	50,759,940	46,364,243
Effective Tax Rate	30.00%	30.00%
<b>B. Deferred Tax Liability /(Assets) on Non-Agro Product</b>	<b>15,227,982</b>	<b>13,909,273</b>
<b>Closing Deferred Tax Liability /(Assets) (A+B)</b>	<b>28,536,737</b>	<b>27,064,622</b>
<b>16.01 Calculation of Deferred Tax Expense/ (Income)</b>		
Opening Balance	27,064,622	24,892,658
Add: Expenses/ (Income) of Deferred Tax during the year / period	1,472,115	2,171,964
	<b>28,536,737</b>	<b>27,064,622</b>
<b>17.00 Short Term Loan</b>		
NRB Bank Limited-Overdraft (A/C No. 1014020057333)	22,460,886	20,922,615
NRB Bank Limited - Time Loan	58,976,973	15,962,745
	<b>81,437,859</b>	<b>36,885,360</b>

**18.00 Liabilities for Expenses**

Wages, Salaries and Allowances	2,553,872	2,734,781
Director Remuneration	200,000	200,000
Fuel & Power	453,733	377,986
Telephone, Mobile Bill & Internet Bill	27,682	24,340
Utility bill	233,883	254,236
Audit Fee	287,500	230,000
Others	66,287	59,740
	<b>3,822,957</b>	<b>3,881,083</b>

**19.00 Liabilities for Income Tax**

Opening Balance	14,110,072	9,448,746
Add: Charged for the year / period	9,726,799	9,828,669
	<b>23,836,871</b>	<b>19,277,415</b>
Less: Adjustment during the year / period	-	(5,167,343)
<b>Closing Balance</b>	<b>23,836,871</b>	<b>14,110,072</b>

**20.00 Current Portion of Long Term Loan**

	535,569	9,135,413
	<b>535,569</b>	<b>9,135,413</b>

This amount represents the current portion of the long-term loan from the bank which is repayable within the next 12 months from the balance sheet date.

**21.00 Current Portion of Lease Liability**

	1,171,767	4,153,913
	<b>1,171,767</b>	<b>4,153,913</b>

This amount represents the current portion of the lease liability which are repayable within the next 12 month from the balance sheet date.

**22.00 Liability for WPPF**

Opening Balance	-	-
Add: Charge for the period/year	2,701,873	-
<b>Closing Balance</b>	<b>2,701,873</b>	<b>-</b>

**23.00 Trade and Other Payables**

Opening Balance	17,069,159	22,541,262
Add: Purchase during the year / period (Note - 25.01)	259,031,081	282,364,962
	<b>276,100,240</b>	<b>304,906,224</b>
Less: Payment during the year / period	265,865,924	287,837,065
<b>Closing Balance</b>	<b>10,234,316</b>	<b>17,069,159</b>

**Amount in Taka**

1 July 2021 to 31 Mar 2022	1 July 2020 to 31 Mar 2021	1 Jan 2022 to 31 Mar 2022	1 Jan 2021 to 31 March 2021
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**24.00 Revenue**

Sales (Net of VAT)	362,302,910	318,155,602	120,769,730	106,109,000
	<b>362,302,910</b>	<b>318,155,602</b>	<b>120,769,730</b>	<b>106,109,000</b>

**24.01 Details of Net Revenue are as follows**

Particulars	1 July 2021 to 31 Mar 2022	1 July 2020 to 31 Mar 2021	1 Jan 2022 to 31 Mar 2022	1 Jan 2021 to 31 March 2021
Rice	230,457,355	208,544,110	76,207,855	69,710,290
Saffron	3,039,638	2,550,705	1,020,210	847,762
Isabgol	3,165,120	2,613,120	1,081,371	869,760
Spices	5,946,164	4,865,307	2,026,952	1,615,765
Ghee	4,877,343	4,049,000	1,642,829	1,337,057
Jelly	30,576,777	25,294,011	10,377,840	8,401,897
Pickles	84,240,513	70,239,349	28,412,673	23,326,469
<b>Sales (Net off VAT)</b>	<b>362,302,910</b>	<b>318,155,602</b>	<b>120,769,730</b>	<b>106,109,000</b>

## 25.00 Cost of Goods Sold

Raw & Packing Materials Consumed	(Note-25.01)	252,768,072	205,421,424	83,799,767	68,696,518
Manufacturing Overhead	(Note-25.02)	40,464,214	36,345,501	13,406,710	11,935,033
<b>Cost of Manufacture</b>		<b>293,232,286</b>	<b>241,766,925</b>	<b>97,206,477</b>	<b>80,631,551</b>
Work in Process-Opening		10,417,570	9,874,833	10,595,476	10,127,238
Work in Process-Closing		(16,676,844)	(10,265,624)	(16,676,844)	(10,265,624)
<b>Cost of production available for Sales</b>		<b>286,973,012</b>	<b>241,376,134</b>	<b>91,125,109</b>	<b>80,493,165</b>
Finished Goods-Opening		37,822,460	34,268,845	52,269,422	35,684,652
Sample Expenses		(1,086,483)	(950,990)	(383,475)	(312,105)
Finished Goods-Closing		(53,064,070)	(36,722,065)	(53,064,070)	(36,722,065)
		<b>270,644,919</b>	<b>237,971,924</b>	<b>89,946,986</b>	<b>79,143,647</b>

## 25.01 Raw & Packing Materials Consumed

Opening Stock of Raw & Packing Materials		29,261,915	22,762,532	32,256,378	24,790,298
Add: Purchase during the year / period		259,031,081	210,370,654	87,068,313	71,617,982
<b>Raw &amp; Packing Materials available for Production</b>		<b>288,292,996</b>	<b>233,133,186</b>	<b>119,324,691</b>	<b>96,408,280</b>
Less: Closing Stock of Raw & Packing Materials		(35,524,924)	(27,711,762)	(35,524,924)	(27,711,762)
<b>Raw &amp; Packing Materials Consumed</b>		<b>252,768,072</b>	<b>205,421,424</b>	<b>83,799,767</b>	<b>68,696,518</b>

## 25.02 Manufacturing Overhead

Wages, Salaries and Allowances		11,173,635	9,731,960	3,528,516	3,046,660
Fuel & Power		2,525,111	1,923,641	881,030	641,195
Travel and Conveyance		123,190	113,908	41,275	37,917
Medical Expenses		169,293	167,354	54,135	55,516
R & D Expenses		737,424	649,538	245,486	216,629
Carriage Inward, Loading & Unloading Expense		1,514,267	1,231,034	512,310	419,538
Postage, Courier & Fax etc.		89,939	75,486	29,679	25,175
Insurance Expense		376,989	362,093	125,663	120,698
Entertainment Expense		277,840	253,344	92,896	84,441
Training Expense		254,963	226,430	85,783	75,560
Fumigation Expense		734,698	678,905	244,170	227,180
Rates & Taxes		111,958	100,125	37,680	33,690
Telephone, Mobile Bill & Internet Bill		35,100	34,200	11,700	11,100
Utility Expenses		1,509,708	1,617,197	449,143	543,048
Printing and Stationary Expense		214,412	190,164	71,311	63,480
Repairs and Maintenance Expenses		1,586,208	1,408,593	529,522	472,696
Depreciation on Freehold PPE (Annexure- A)		16,607,673	15,159,724	5,659,142	5,053,241
Depreciation on ROU Asset (Annex- B)		2,421,806	2,421,806	807,269	807,269
		<b>40,464,214</b>	<b>36,345,501</b>	<b>13,406,710</b>	<b>11,935,033</b>

## 26.00 Operating Expenses

Administrative Expenses	(Note-26.01)	13,601,918	12,377,656	4,498,024	4,005,552
Marketing, Selling & Distribution Expenses	(Note-26.02)	16,364,261	14,597,566	5,359,202	4,762,136
		<b>29,966,178</b>	<b>26,975,222</b>	<b>9,857,226</b>	<b>8,767,688</b>

## 26.01 Administrative Expenses

Salaries and Allowances		6,938,580	6,371,625	2,191,160	2,023,875
Directors Remuneration		1,800,000	1,800,000	600,000	600,000
Board Meeting Fees		17,000	13,500	6,000	6,000
Travel and Conveyance		220,662	203,147	78,642	67,852
Postage & Courier		17,942	16,238	6,348	5,410
Entertainment Expense		50,327	40,806	18,627	13,630
Audit fees (including VAT)		402,500	172,500	172,500	57,500
Repair and Maintenance Expense		14,320	11,795	5,340	3,940
Rates & taxes		606,327	603,956	203,828	201,754
Printing and Stationary Expense		381,184	349,913	132,764	116,102

Fuel & Power	250,440	232,099	86,438	78,054
Utility Expenses & Society Bill	478,961	427,990	142,517	121,925
Registration, Renewal & Legal Expenses	53,800	32,602	15,000	8,324
Miscellaneous Expenses	167,222	155,607	58,346	52,447
Telephone, Mobile Bill & Internet Bill	83,459	77,180	29,746	25,840
QIO related expense	55,000	-	55,000	-
Depreciation on Freehold PPE (Annexure- A)	1,037,980	947,483	353,696	315,828
Depreciation on ROU Asset (Annex- B)	921,214	921,214	307,071	307,071
Amortization on Intangible Assets (Annexure-C)	105,000	-	35,000	-
	<b>13,601,918</b>	<b>12,377,656</b>	<b>4,498,024</b>	<b>4,005,552</b>
<b>26.02 Marketing, Selling &amp; Distribution Expenses</b>				
Salaries and Allowances	6,150,125	5,582,500	1,942,125	1,760,740
Travel and Conveyance	416,461	362,297	141,518	120,731
Branding & Promotion	1,833,767	1,549,322	620,515	516,719
Telephone, Mobile Bill & Internet Bill	127,771	119,655	43,278	40,636
Fuel & Power	1,194,499	1,013,962	401,680	338,169
Sampling Expenses	1,086,483	950,990	383,475	312,105
Repairs and Maintenance Expenses	790,434	740,666	227,360	247,022
Postage & Courier	20,880	18,817	7,164	6,230
Printing and Stationary Expenses	25,514	21,500	9,184	7,165
Training Expenses	251,078	267,263	46,760	89,068
Depot Expenses	34,186	25,839	13,856	8,475
Entertainment	23,315	17,385	8,674	5,762
Carriage outwards	1,295,809	1,084,922	452,524	361,832
Depreciation on Freehold PPE (Annexure- A)	3,113,939	2,842,448	1,061,089	947,483
	<b>16,364,261</b>	<b>14,597,566</b>	<b>5,359,202</b>	<b>4,762,136</b>
<b>27.00 Non-Operating Income</b>				
Wastage Sales	155,837	146,642	53,270	47,937
Interest Income on SND	271	181	-	-
Interest Income on FDR	-	591,637	-	-
	<b>156,108</b>	<b>738,460</b>	<b>53,270</b>	<b>47,937</b>
<b>28.00 Financial Expense</b>				
Bank Charges	142,831	102,132	15,728	55,623
Interest on Long Term Loan	886,954	699,921	109,422	207,706
Interest on Short-Term Loan	3,901,801	6,410,813	1,801,601	2,059,299
	<b>4,931,586</b>	<b>7,212,866</b>	<b>1,926,751</b>	<b>2,322,628</b>
<b>29.00 Interest on Lease Liability</b>				
Interest on Lease Liability	177,009	421,846	37,797	120,878
	<b>177,009</b>	<b>421,846</b>	<b>37,797</b>	<b>120,878</b>
<b>30.00 Earnings per share- Basic</b>				
a) Net Profit After Tax	42,838,539	37,466,513	14,588,381	12,548,892
b) Weighted Average No. of Ordinary Shares (Note - 30.01)	38,300,000	38,300,000	38,300,000	38,300,000
<b>Basic Earnings Per Share (EPS) (a/b)</b>	<b>1.12</b>	<b>0.98</b>	<b>0.38</b>	<b>0.33</b>
<b>30.01 Calculation of Weighted Average Number of Ordinary Shares</b>				
Paid Up Capital (in Share)	38,300,000	38,300,000	38,300,000	38,300,000
	<b>38,300,000</b>	<b>38,300,000</b>	<b>38,300,000</b>	<b>38,300,000</b>
<b>31.00 Net Asset Value Per Share (NAV)</b>				
a) Net Asset Value (NAV)			562,277,987	507,079,839
b) Number of Outstanding Ordinary Shares during the year			38,300,000	38,300,000
<b>Net Asset Value Per Share (NAV) (a/b)</b>			<b>14.68</b>	<b>13.24</b>

**32.00 Net Operating Cash Flows Per Share (NOCFPS)**

a) Net Operating Cash Flows	19,379,164	36,231,250
b) Weighted Average No. of Ordinary Shares (Note - 30.01)	38,300,000	38,300,000
<b>Net Operating Cash Flows Per Share (NOCFPS) (a/b)</b>	<b>0.51</b>	<b>0.95</b>

**33.00 Other Commitments, Contingencies and relevant information**

The requirements of Schedule XI, Part II, Para 3, 4, 7 & 8 of the Companies Act. 1994

**33.01 The requirement of schedule XI part-II, Para 3 :**
**33.02 Employees**

Total number of employees at admin and marketing are as follows:

Particulars	31 March 2022	31 March 2021
Salary below Tk. 8,200 per month	-	-
Salary Tk. 8,200 or above per month	45	45
<b>Total (A)</b>	<b>45</b>	<b>45</b>

Total number of the employee at factory are as follows:

Particulars	31 March 2022	31 March 2021
Salary below Tk. 8,200 per month	-	-
Salary Tk. 8,200 or above per month	67	67
<b>Total (B)</b>	<b>67</b>	<b>67</b>
<b>Total Employee (A+B)</b>	<b>112</b>	<b>112</b>

**33.03 The requirement of schedule XI part-II, Para 3 (a) : Turnover**

Particulars	1 July 2021 to 31 March 2022	1 July 2020 to 31 March 2021
Rice	230,457,355	208,544,110
Saffron	3,039,638	2,550,705
Isabgol	3,165,120	2,613,120
Spices	5,946,164	4,865,307
Ghee	4,877,343	4,049,000
Jelly	30,576,777	25,294,011
Pickles	84,240,513	70,239,349
	<b>362,302,910</b>	<b>318,155,602</b>

**33.04 The requirement of schedule XI part-II, Para 3 (a) : Turnover in Quantities**

Particulars	Quantity in Cartoons, M.T, Pcs, Box, Kg etc.	
	1 July 2021 to 31 March 2022	1 July 2020 to 31 March 2021
Rice	3,071.40	2,809.18
Saffron	0.01	0.01
Isabgol	3.10	2.56
Spices	9.51	7.88
Ghee	5.03	4.28
Jelly	151.43	125.47
Pickles	315.80	263.31
	<b>3,556.27</b>	<b>3,212.70</b>

**33.05 The requirement of schedule XI part-II, Para 3 (d) (i) : Raw Materials Consumed**

Particulars	1 July 2021 to 31 March 2022	1 July 2020 to 31 March 2021
Raw Material(Value in BDT.)	252,768,072	205,421,424
Raw Material Quantities (KG, PCs etc.)	15,804,852	12,871,017

**33.06 The requirement of schedule XI part-II, Para 3 (d) (ii) : Finished goods**

Particulars	1 July 2021 to 31 March 2022	1 July 2020 to 31 March 2021
Opening Quantity (MT)	500.68	469.19
Production Quantity (MT)	3,777.17	3,255.83
Closing Quantity (MT)	721.58	512.32

**33.07 Directors interest in contracts with the company**

There was no transaction resulting in Director's interest with the company.

**33.08 The requirement of schedule XI part-II, Para 4 : Related Party Transaction**

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

Name & Designation	Particulars	Opening Balance as on 01.07.2021	Addition the During year	Adjusted / Paid during the year	Closing Balance as on 31.03.2022
Mohammad Ahmed Khan, Chairman	Board Meeting fee	-	3,000	3,000	-
Mr. Mohammad Azhar Khan, Managing Director	Remuneration	200,000	1,800,000	1,800,000	200,000
	Board Meeting fee	-	3,500	3,500	-
Md. Iqbal Hossain, Director	Board Meeting fee	-	3,000	3,000	-
Begum Hena Khan, Director	Board Meeting fee	-	2,500	2,500	-
Abu Mohammad Mahbubul Karim Majumder, Director	Board Meeting fee	-	3,000	3,000	-
Din Mohammad Shopon, Director	Board Meeting fee	-	2,000	2,000	-
<b>Total</b>		<b>200,000</b>	<b>1,817,000</b>	<b>1,817,000</b>	<b>200,000</b>

During the period from 01-07-2021 to 31-03-2022, there were 7 (Seven) Board Meetings held. The attendance status of all the meetings is as follows:

Name of Directors	Designation	No. of Meetings Attended
Mohammad Ahmed Khan	Chairman	6
Mohammad Azhar Khan	Managing Director	7
Md. Iqbal Hossain	Director	6
Begum Hena Khan	Director	5
Abu Mohammad Mahbubul Karim Majumder	Director	6
Din Mohammad Shopon	Director	4

**33.09 The requirement of schedule XI part-II, Para 7 : Capacity Utilization**

The production capacity and utilization of its are as follows:

Particulars	Quantity in MT	
	1 July 2021 to 31 March 2022	1 July 2020 to 31 March 2021
Installed Capacity	5,347	4,437
Actual Production	3,777	3,256
Capacity Utilization (%)	70.64%	73.38%

**33.10 As per Company Act, 1994 part-II, Schedule-XI (4) The profit and loss account will give by way of a note detailed information, showing separately the following payments provided or made during the financial year to the directors, including managing director, the managing agents or manager, if any, by the company, subsidiaries of the company and any other person:-**

Managerial Remuneration paid or payable during the year to the directors, including managing directors, a managing agent or manager.	1,817,000	1,813,500
Expenses reimbursed to Managing Agent	Nil	Nil
Commission or Remuneration payable separately to a managing agent or his associate	Nil	Nil
Commission received or receivable by the managing agent or his associate as selling or buying agent of other concerns in respect of contracts entered into by such concerns with the company.	Nil	Nil

The money value of the contracts for the sale or purchase of goods and materials or supply of services, entered into by the company with the managing agent or his associate during the financial year.	Nil	Nil
Any other perquisite or benefits in cash or in kind stating, approximate money value where applicable.	Nil	Nil
Other allowances and commissions including guarantee commission Pensions etc.	Nil	Nil
(i) Pensions	Nil	Nil
(ii) Gratuities	Nil	Nil
(iii) Payments from a provident fund, in excess of own subscription and interest thereon	Nil	Nil
Share-Based payments	Nil	Nil

**As per Para-18, IAS- 24:**

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

(a) Short-term employee benefits	1,800,000	1,800,000
(b) Post-employee benefits	Nil	Nil
(c) Other long term benefits	Nil	Nil
(d) termination benefits and	Nil	Nil
(e) share-based payment	Nil	Nil

<b>As per Para-18, IAS- 24:</b>		
Disclosure requirements of IAS 24 Para 18 minimum disclosure shall include:		
a) the amount of transaction	1,817,000	1,813,500
b) the amount of outstanding balance, including commitments	200,000	200,000
i) their terms & condition, including whether they are secured, and the nature of the consideration to be provided in the settlement	Remuneration and Board Meeting Fee	
ii) details of any guarantee given or received	Nil	Nil
c) Provisions for doubtful debts related to the amount of outstanding balance	Nil	Nil
d) the expenses recognized during the period in respect of bad or doubtful debts due from related parties	Nil	Nil

**Aggregated amount of Remuneration, Fees, Salary & Wages of employees are given below:**

Directors Remuneration	1,800,000	1,800,000
Board Meeting Attendances Fees	17,000	13,500
Wages, Salaries and Allowances	11,173,635	9,731,960
Salaries and Allowances	13,088,705	11,954,125
	<b>26,079,340</b>	<b>23,499,585</b>

**33.11 Reconciliation of Net Income or Net Profit with Cash Flows from Operating Activities (Indirect Method) the requirement of Bangladesh Securities and Exchange Commission notification no. BSEC/CMRRCD/2006-158/308/Admin/81, Dated 08 August 2018.**

Particulars	Amount in Tk.	
	1 July 2021 to 31 March 2022	1 July 2020 to 31 March 2021
Net Profit before Tax	56,739,325	46,312,204
<b>Adjustments to Reconcile net income to net cash provided by operating activities:</b>		
Depreciation on Fixed Assets	24,102,612	22,292,675
Amortization on Intangible Assets	105,000	-
Interest on Loan	4,931,586	7,212,866
Interest on Lease Liability	177,009	421,846
Increase in Inventories	(27,763,893)	(7,793,241)
Increase in Trade and other Receivables	(15,404,268)	(13,322,508)
Increase in Advance, Deposits and Prepayments	(9,701,554)	(8,279,356)
Increase/(Decrease) in Liabilities for Expenses	(58,126)	(19,680)
Increase/(Decrease) in Trade and other Payables	(6,834,843)	(5,126,019)
<b>Cash Generated from Operating Activities</b>	<b>26,292,848</b>	<b>41,698,787</b>
Income Tax Paid	(6,913,684)	(5,467,537)
<b>Net Cash Generated from Operating Activities</b>	<b>19,379,164</b>	<b>36,231,250</b>



### 33.12 Bank Guarantee

The company has no Bank Guarantee on the reporting date.

### 33.13 Capital Expenditure Commitment

The company has no Capital Commitment at the reporting date.

#### 33.14 Received from Customers

Sales during the year / period	362,302,910	318,155,602
Add: Opening Receivables	81,472,964	70,114,341
Less: Closing Receivables	(96,877,232)	(83,436,849)
	<b>346,898,642</b>	<b>304,833,094</b>

#### 33.15 Paid to Suppliers

Purchase during the year / period	259,031,081	210,370,654
Add: Opening Payables	17,069,159	22,541,262
Less: Closing Payables	(10,234,316)	(17,415,243)
Add: Closing Advance to Supplier	24,794,326	12,553,582
Less: Opening Advance to Supplier	(14,820,783)	(3,435,633)
	<b>275,839,467</b>	<b>224,614,622</b>

#### 33.16 Paid to Employees

Salary, Wages Including Bonus	26,079,340	23,499,585
Add: Opening Payables	2,934,781	2,842,150
Less: Closing Payables	(2,753,872)	(2,720,740)
Add: Closing Advance to Employee	427,500	270,000
Less: Opening Advance to Employee	(322,500)	(296,500)
	<b>26,365,249</b>	<b>23,594,495</b>

#### 33.17 Paid to Others

Manufacturing overhead	29,290,579	26,613,541
Administrative Expenses	4,846,338	4,192,531
Selling Expenses	10,214,136	9,015,066
Add: Opening Payables	946,302	762,139
Less: Closing Payables	(1,069,085)	(863,869)
Add: Closing Advance	967,739	1,017,235
Less: Opening Advance	(1,344,728)	(1,829,328)
Less: Sample Expenses	(1,086,483)	(950,990)
Less: Depreciation	(24,102,612)	(22,292,675)
Less: Amortization	(105,000)	-
	<b>18,557,186</b>	<b>15,663,650</b>

#### 33.18 Acquisition of Property, Plant and Equipment

Purchase of Assets	3,921,590	-
Add: Opening Liability	-	-
Less: Closing Liability	-	-
	<b>3,921,590</b>	<b>-</b>

#### 33.19 Capital Work in Progress

Purchase of Assets	11,383,535	30,903,450
Add: Opening Liability	-	-
Less: Closing Liability	-	-
	<b>11,383,535</b>	<b>30,903,450</b>

#### 33.20 Received/(Payment) in Long term loan

Received in Long term loan	4,692,890	40,189,087
Interest on Long Term Loan	886,954	699,921
Paid in Long Term Loan (Principal + Interest)	(51,509,881)	(2,370,310)
	<b>(45,930,037)</b>	<b>38,518,698</b>

**Agro Organica PLC**  
**Schedule of Freehold Property, Plant & Equipment**  
**As at 31 March 2022**

**Annexure-A**  
*(Amount in Taka)*

Particulars	Cost			Rate of Depreciation (%)	Depreciation			Written Down Value as at 31 March 2022
	Balance as on 01 July 2021	Addition during the Year	Balance as on 31 March 2022		Balance as on 01 July 2021	Charge during the Year	Balance as on 31 March 2022	
Land & Land Development	146,230,329	-	146,230,329	0%	-	-	-	146,230,329
Building & Other Construction	147,925,801	-	147,925,801	5%	28,224,819	4,488,787	32,713,606	115,212,195
Plant & Machinery	191,393,080	17,156,961	208,550,041	10%	51,744,909	11,385,517	63,130,426	145,419,615
Generator	23,620,785	-	23,620,785	10%	5,656,998	1,347,284	7,004,282	16,616,503
Fire Extinguisher	8,621,167	-	8,621,167	10%	1,921,348	502,486	2,423,834	6,197,333
Furniture and Fixture	10,321,484	1,672,840	11,994,324	10%	2,994,939	596,697	3,591,636	8,402,688
Computer and Computer Equipment's	9,347,440	1,264,250	10,611,690	15%	3,847,840	628,057	4,475,897	6,135,793
Office Equipment's	9,074,746	984,500	10,059,246	10%	2,130,593	525,667	2,656,259	7,402,986
Motor Vehicle	23,554,353	-	23,554,353	10%	6,419,737	1,285,096	7,704,833	15,849,520
<b>Balance as on 31 March 2022</b>	<b>570,089,184</b>	<b>21,078,551</b>	<b>591,167,735</b>		<b>102,941,181</b>	<b>20,759,591</b>	<b>123,700,773</b>	<b>467,466,962</b>

Allocation of depreciation		
Particulars	Percentage	Amount in Tk.
Manufacturing Overhead	80%	16,607,673
Administrative Expenses	5%	1,037,980
Marketing & Selling Expenses	15%	3,113,939
<b>Total</b>	<b>100%</b>	<b>20,759,591</b>

**Agro Organica PLC**  
**Schedule of Freehold Property, Plant & Equipment**  
**As at June 30, 2021**

**Annexure-A**  
*(Amount in Taka)*

Particulars	Cost			Rate of Depreciation (%)	Depreciation			Written Down Value as at 30 June 2021
	Balance as on 01 July 2020	Addition during the Year	Balance as on 30 June 2021		Balance as on 01 July 2020	Charge during the Year	Balance as on 30 June 2021	
Land & Land Development	146,230,329	-	146,230,329	0%	-	-	-	146,230,329
Building & Other Construction	147,925,801	-	147,925,801	5%	21,924,768	6,300,052	28,224,819	119,700,982
Plant & Machinery	163,555,620	27,837,460	191,393,080	10%	39,143,540	12,601,369	51,744,909	139,648,171
Generator	23,620,785	-	23,620,785	10%	3,661,021	1,995,976	5,656,998	17,963,787
Fire Extinguisher	7,157,447	1,463,720	8,621,167	10%	1,299,457	621,891	1,921,348	6,699,819
Furniture and Fixture	9,086,634	1,234,850	10,321,484	10%	2,286,131	708,807	2,994,939	7,326,545
Computer and Computer Equipment	8,658,500	688,940	9,347,440	15%	2,974,917	872,922	3,847,840	5,499,600
Office Equipment's	6,643,266	2,431,480	9,074,746	10%	1,575,892	554,701	2,130,593	6,944,153
Motor Vehicle	23,554,353	-	23,554,353	10%	4,515,891	1,903,846	6,419,737	17,134,616
<b>Balance as at 30 June 2021</b>	<b>536,432,734</b>	<b>33,656,450</b>	<b>570,089,184</b>		<b>77,381,617</b>	<b>25,559,564</b>	<b>102,941,181</b>	<b>467,148,003</b>

Allocation of depreciation		
Particulars	Percentage	Amount in Tk.
Manufacturing Overhead	80%	20,447,651
Administrative Expenses	5%	1,277,978
Marketing & Selling Expenses	15%	3,833,935
<b>Total</b>	<b>100%</b>	<b>25,559,564</b>

**Agro Organica PLC**  
**Schedule of Right of Use Asset**  
**As at 31 March 2022**

**Annexure-B**  
*(Amount in Taka)*

Particulars	Cost				Rate of Depreciation (%)	Depreciation				Written Down Value as at 31 March 2022
	Balance as on 01 July 2021	Addition during the Year	Disposal/ Adjustment during the year	Balance as on 31 March 2022		Balance as on 01 July 2021	Charge during the Year	Disposal/ Adjustment during the year	Balance as on 31 March 2022	
Office Space (2 <sup>nd</sup> Floor) - Elephant Road	2,066,608	-	-	2,066,608	33.33%	746,275	516,652	-	1,262,927	803,681
Office Space (4 <sup>th</sup> Floor) - Elephant Road	1,078,833	-	-	1,078,833	50.00%	539,416	404,562	-	943,979	134,854
Warehouse - Hazaribagh	9,687,225	-	-	9,687,225	33.33%	6,996,328	2,421,806	-	9,418,134	269,090
<b>Balance as on 31 March 2022</b>	<b>12,832,665</b>	-	-	<b>12,832,665</b>		<b>8,282,020</b>	<b>3,343,020</b>	-	<b>11,625,040</b>	<b>1,207,625</b>

Allocation of depreciation	
Particulars	Amount in Tk.
Manufacturing overhead	2,421,806
Administrative Expenses	921,214
<b>Total</b>	<b>3,343,020</b>

As at June 30, 2021

(Amount in Taka)

Particulars	Cost				Rate of Depreciation (%)	Depreciation				Written Down Value as at 30 June 2021
	Balance as on 01 July 2020	Addition during the Year	Disposal/ Adjustment during the year	Balance as on 30 June 2021		Balance as on 01 July 2020	Charge during the Year	Disposal/ Adjustment during the year	Balance as on 30 June 2021	
Office Space (2 <sup>nd</sup> Floor) - Elephant Road	4,133,216	-	2,066,608	2,066,608	33.33%	2,124,014	688,869	2,066,608	746,275	1,320,333
Office Space (4 <sup>th</sup> Floor) - Elephant Road	-	1,078,833	-	1,078,833	50.00%	-	539,416	-	539,416	539,416
Warehouse - Hazaribag	9,687,225	-	-	9,687,225	33.33%	3,767,254	3,229,075	-	6,996,328	2,690,896
<b>Balance as at 30 June 2021</b>	<b>13,820,440</b>	<b>1,078,833</b>	<b>2,066,608</b>	<b>12,832,665</b>		<b>5,891,267</b>	<b>4,457,360</b>	<b>2,066,608</b>	<b>8,282,020</b>	<b>4,550,646</b>

Allocation of depreciation	
Particulars	Amount in Tk.
Manufacturing overhead	3,229,075
Administrative Expenses	1,228,286
<b>Total</b>	<b>4,457,360</b>

**Agro Organica PLC**  
**Schedule of Intangible Assets**  
**As at 31 March 2022**

**Annexure-C**

*(Amount in Taka)*

Particulars	Cost			Useful Life	Depreciation			Written Down Value as at 31 March 2022
	Balance as on 01 July 2021	Addition during the Year	Balance as on 31 March 2022		Balance as on 01 July 2021	Amortization during the year	Balance as on 31 March 2022	
Software	700,000	-	700,000	5 Years	11,667	105,000	116,667	583,333
<b>Balance as on 31 March 2022</b>	<b>700,000</b>	<b>-</b>	<b>700,000</b>		<b>11,667</b>	<b>105,000</b>	<b>116,667</b>	<b>583,333</b>

Allocation of depreciation	
Particulars	Amount in Tk.
Administrative Expenses	105,000
<b>Total</b>	<b>105,000</b>

**As at 30 June 2021**

*(Amount in Taka)*

Particulars	Cost			Useful Life	Depreciation			Written Down Value as at 30 June 2021
	Balance as on 01 July 2020	Addition during the Year	Balance as on 30 June 2021		Balance as on 01 July 2020	Amortization during the year	Balance as on 30 June 2021	
Software	-	700,000	700,000	5 Years	-	11,667	11,667	688,333
<b>Balance as at 30 June 2021</b>	<b>-</b>	<b>700,000</b>	<b>700,000</b>		<b>-</b>	<b>11,667</b>	<b>11,667</b>	<b>688,333</b>

Allocation of depreciation	
Particulars	Amount in Tk.
Administrative Expenses	11,667
<b>Total</b>	<b>11,667</b>

**Agro Organica PLC**  
**Income Tax Liabilities**  
**As at 31 March 2022**

Particulars	1 July 2021 to 31 March 2022		
	Agro Product	Non-Agro Product	Total
Revenue	230,457,355	131,845,555	362,302,910
Percentage of Revenue	63.61%	36.39%	
<b>Profit before Income Tax</b>	34,372,698	19,664,755	54,037,453
Less: Others Income		156,108	156,108
<b>Profit before Others Income and Tax</b>	<b>34,372,698</b>	<b>19,508,647</b>	<b>53,881,345</b>
<b>Add: Others Inadmissible Allowance</b>			
Accounting Depreciation	15,398,226	8,809,385	24,207,612
Interest on Lease Liability	112,594	64,415	177,009
	<b>49,883,518</b>	<b>28,382,448</b>	<b>78,265,965</b>
<b>Less: Admissible Allowance</b>			
Depreciation as per 3rd schedule	16,596,501	9,494,923	26,091,425
<b>Depreciation absorbed as per 3rd schedule</b>	<b>16,596,501</b>	<b>9,494,923</b>	<b>26,091,425</b>
Lease Payment (Principal + Interest)	2,360,913	1,350,687	3,711,600
<b>Total Taxable Income</b>	<b>30,926,104</b>	<b>17,536,837</b>	<b>48,462,940</b>
First 10 Lac @ 3%	30,000		
Next 20 Lac @ 10%	200,000		
Rest Amount@ 15%	4,188,916		
30% on Non-Agro Products		5,261,051	
<b>A. Tax on Taxable Income</b>	<b>4,418,916</b>	<b>5,261,051</b>	<b>9,679,967</b>
Others Income		156,108	
Tax Rate		30%	
<b>B. Tax on Others Income</b>	-	<b>46,832</b>	<b>46,832</b>
<b>Total Tax Expense ( A+B)</b>	<b>4,418,916</b>	<b>5,307,883</b>	<b>9,726,799</b>
Or			
<b>Tax deduction at source during the year</b>			<b>6,913,684</b>
Or			
<b>Minimum Tax u/s 82C</b>	1,382,744	792,010	2,174,754
<b>Whichever is higher</b>	<b>4,418,916</b>	<b>5,307,883</b>	<b>9,726,799</b>

**Agro Organica PLC**  
Calculation and Reconciliation of Finance Expenses  
For the period ended 31 March 2022

**Annexure-E**

Account No	Date of Received	Opening Balance	Loan Received	Day used	Interest	Interest Rate	Charge	Payment	Outstanding	Current Portion	Non- Current Portion
<b>Long Term Loan</b>											
06-1225632-01	28-09-2017	4,643,783	-	274	(899,783)	9.00%	-	3,744,000	-		-
1016112018179	15-12-2021	-	933,267	107	25,727			-	958,994	106,508	852,486
1016112018180	15-12-2021	-	927,670	107	25,573			-	953,242	105,869	847,373
1016112018181	15-12-2021	-	1,078,827	107	29,740			-	1,108,566	123,119	985,447
1016112018182	15-12-2021	-	1,753,127	107	48,328			-	1,801,455	200,073	1,601,382
1016102008117	11-03-2018	997,683	-	168	46,584	9.00%	-	1,044,267	-		-
1016102008210	22-03-2018	992,340	-	168	46,330	9.00%	-	1,038,670	-		-
1016102008411	11-04-2018	1,137,290	-	168	52,537	9.00%	-	1,189,827	-		-
1016102008558	30-04-2018	1,842,904	-	168	85,223	9.00%	-	1,928,127	-		-
1016110016779	31-03-2021	3,868,970	-	126	129,367	9.00%	-	3,998,337	-		-
1016110016780	31-03-2021	3,399,956	-	127	114,337	9.00%	-	3,514,293	-		-
1016110016781	31-03-2021	3,773,355	-	134	127,794	9.00%	-	3,901,149	-		-
1016110016782	31-03-2021	3,596,909	-	130	124,231	9.00%	-	3,721,139	-		-
1016110016783	31-03-2021	3,491,062	-	130	120,575	9.00%	-	3,611,637	-		-
1016110016784	31-03-2021	3,442,218	-	130	118,888	9.00%	-	3,561,106	-		-
1016110016785	31-03-2021	3,333,618	-	130	115,137	9.00%	-	3,448,755	-		-
1016110016786	31-03-2021	3,230,088	-	134	112,984	9.00%	-	3,343,072	-		-
1016110016788	31-03-2021	3,074,369	-	134	109,568	9.00%	-	3,183,937	-		-
1016110016789	31-03-2021	2,594,322	-	134	92,459	9.00%	-	2,686,781	-		-
1016110016790	31-03-2021	2,485,107	-	134	88,567	9.00%	-	2,573,674	-		-
1016110016794	31-03-2021	2,426,908	-	134	86,493	9.00%	-	2,513,401	-		-
1016110016795	31-03-2021	1,886,248	-	134	67,224	9.00%	-	1,953,472	-		-
1016110016799	31-03-2021	535,165	-	134	19,073	9.00%	-	554,238	-		-
<b>Total</b>		<b>50,752,294</b>	<b>4,692,890</b>		<b>886,954</b>			<b>51,509,881</b>	<b>4,822,257</b>	<b>535,569</b>	<b>4,286,689</b>

<b>Short Term Loan</b>											
1014020057333	31-05-2016	20,922,615	-	274	1,538,271	9.00%	-	-	22,460,886		
1016101017890	04-11-2021	-	6,000,000	148	223,979			-	6,223,979		
1016101017893	04-11-2021	-	5,800,000	148	216,513			-	6,016,513		
1016101017897	07-11-2021	-	5,400,000	145	197,439			-	5,597,439		
1016101017898	07-11-2021	-	5,300,000	145	193,783			-	5,493,783		



Account No	Date of Received	Opening Balance	Loan Received	Day used	Interest	Interest Rate	Charge	Payment	Outstanding	Current Portion	Non- Current Portion
1016101017906	08-11-2021	-	5,000,000	144	181,536			-	5,181,536		
1016101017911	08-11-2021	-	5,000,000	144	181,536			-	5,181,536		
1016101017918	08-11-2021	-	4,900,000	144	177,905			-	5,077,905		
1016101017921	08-11-2021	-	5,000,000	144	181,536			-	5,181,536		
1016101017924	09-11-2021	-	4,800,000	143	173,047			-	4,973,047		
1016101017925	09-11-2021	-	4,700,000	143	169,442			-	4,869,442		
1016101017930	09-11-2021	-	5,000,000	143	180,257			-	5,180,257		
1016101012798	30-09-2019	7,192,889	-	126	129,124	9.00%	-	7,322,013	-		
1016101012800	30-09-2019	8,769,856	-	126	157,433	9.00%	-	8,927,289	-		
<b>Total</b>		<b>36,885,360</b>	<b>56,900,000</b>		<b>3,901,801</b>		<b>-</b>	<b>16,249,302</b>	<b>81,437,859</b>		

**Agro Organica PLC**  
**Additional Disclosure of WPPF**  
**For the year ended 30 June 2017 to 2021**

**Additional disclosure regarding WPPF recognised previously**

In accordance with Labor Act-2006, if Agro Organica PLC have recognised WPPF previously the effect of Net Profit of the company as well as Earnings per Share from year ended 30 June 2017 to 2021 and for the period ended 31 March 2022 are shown below:

**Annexure-F**

Particular	Amount in BDT					
	01 July 2021 to 31 Mar 2022	01 July 2020 to 30 June 2021	01 July 2019 to 30 Jun 2020	01 July 2018 to 30 June 2019	01 July 2017 to 30 June 2018	01 July 2016 to 30 June 2017
Net Revenue	362,302,910	426,837,845	408,746,323	384,587,584	298,521,430	218,169,280
Cost of Goods Sold	(270,644,919)	(319,668,979)	(306,443,648)	(289,185,147)	(225,295,950)	(166,542,111)
<b>Gross Profit</b>	<b>91,657,991</b>	<b>107,168,866</b>	<b>102,302,675</b>	<b>95,402,437</b>	<b>73,225,480</b>	<b>51,627,169</b>
<b>Operating Expenses</b>	<b>(29,966,178)</b>	<b>(36,546,410)</b>	<b>(34,665,687)</b>	<b>(31,508,177)</b>	<b>(25,129,175)</b>	<b>(20,763,934)</b>
Administrative Expenses	(13,601,918)	(16,777,583)	(16,056,038)	(14,112,717)	(11,261,930)	(10,727,215)
Marketing, Selling & Distribution Expenses	(16,364,261)	(19,768,826)	(18,609,648)	(17,395,460)	(13,867,245)	(10,036,720)
<b>Profit from Operation</b>	<b>61,691,812</b>	<b>70,622,456</b>	<b>67,636,988</b>	<b>63,894,260</b>	<b>48,096,305</b>	<b>30,863,234</b>
Add: Non-Operating Income	156,108	788,735	1,676,986	1,514,300	611,207	121,342
Less: Financial Expenses	(4,931,586)	(9,061,925)	(10,835,706)	(15,687,304)	(13,169,811)	(9,350,655)
Less: Interest on Lease	(177,009)	(522,510)	(600,743)	-	-	-
<b>Profit Before Income Tax &amp; WPPF</b>	<b>56,739,325</b>	<b>61,826,757</b>	<b>57,877,526</b>	<b>49,721,256</b>	<b>35,537,700</b>	<b>21,633,922</b>
Less: WPPF Expenses	(2,701,873)	-	-	-	-	-
Considering WPPF Expenses for all periods		(2,944,131)	(2,756,073)	(2,367,679)	(1,692,271)	(1,030,187)
<b>Profit Before Income Tax as per FS</b>	<b>54,037,453</b>	<b>61,826,757</b>	<b>57,877,526</b>	<b>49,721,256</b>	<b>35,537,700</b>	<b>21,633,922</b>

Particular	Amount in BDT					
	01 July 2021 to 31 Mar 2022	01 July 2020 to 30 June 2021	01 July 2019 to 30 Jun 2020	01 July 2018 to 30 June 2019	01 July 2017 to 30 June 2018	01 July 2016 to 30 June 2017
<b>Profit Before Income Tax with Considering WPPF Expenses for all periods</b>	<b>54,037,453</b>	<b>58,882,626</b>	<b>55,121,453</b>	<b>47,353,577</b>	<b>33,845,429</b>	<b>20,603,735</b>
<b>Income Tax Expenses</b>	<b>(11,198,914)</b>	<b>(12,000,633)</b>	<b>(10,681,292)</b>	<b>(10,075,564)</b>	<b>(8,625,497)</b>	<b>(8,264,579)</b>
Current Tax	(9,726,799)	(9,828,669)	(6,631,730)	(5,617,329)	(1,867,975)	(1,309,744)
Deferred Tax	(1,472,115)	(2,171,964)	(4,049,562)	(4,458,235)	(6,757,522)	(6,954,835)
<b>Net Profit After Tax as per FS</b>	<b>42,838,539</b>	<b>49,826,124</b>	<b>47,196,233</b>	<b>39,645,692</b>	<b>26,912,204</b>	<b>13,369,343</b>
<b>Net Profit After Tax with Considering WPPF Expenses for all periods</b>	<b>42,838,539</b>	<b>47,476,338</b>	<b>45,006,863</b>	<b>37,788,842</b>	<b>25,293,112</b>	<b>12,339,156</b>
<b>Earnings Per Share(EPS) as per FS</b>	<b>1.12</b>	<b>1.30</b>	<b>1.23</b>	<b>1.13</b>	<b>0.78</b>	<b>0.42</b>
<b>Earnings Per Share with Considering WPPF Expenses for all periods</b>	<b>1.12</b>	<b>1.24</b>	<b>1.18</b>	<b>1.08</b>	<b>0.74</b>	<b>0.39</b>

**Agro Organica PLC**  
Status of Tax Payment and Tax Assessment

Particulars / Assessment Year	2017-2018	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023 (1 Jul 2021 to 31 Mar 2022)	Annexure-G	
							Total	
Tax Provision as per Financial Statements	1,309,744	1,867,975	5,617,329	6,631,730	9,828,669	9,726,799	34,982,246	
Tax as per assessment by DCT	Assessment under process					Return yet to be submitted	N/A	-
Status of appeal against order of DCT	N/A	N/A	N/A	N/A	N/A	N/A	N/A	
Tax as per order of tribunal	N/A	N/A	N/A	N/A	N/A	N/A	N/A	
Tax as per order of High Court	N/A	N/A	N/A	N/A	N/A	N/A	N/A	
Difference between provision as per financial statements Vs latest status / appeal	N/A	N/A	N/A	N/A	N/A	N/A	N/A	
Where you have recognised excess provision (i.e. in Income Statement or Equity Statement)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	
Advance Tax	-	-	-	-	-	-	-	
AIT	834,674	1,267,642	3,875,716	5,167,343	7,284,162	6,913,684	25,343,221	
Direct Deposits	-	-	-	-	-	-	-	

**Agro Organica PLC**  
Schedule of Deferred Tax Liabilities

Particulars	01 July 2021 to 31 March 2022	01 July 2020 to 30 June 2021	01 July 2019 to 30 June 2020
<b>Deferred Tax Liability</b>			
<b>Calculation of Deferred Tax</b>			
Written down values per Accounting Base	467,466,962	467,148,003	459,051,117
Written Down value as per Tax Base	329,210,573	334,092,197	337,737,989
<b>Temporary Difference on Freehold PPE</b>	<u>138,256,390</u>	<u>133,055,806</u>	<u>121,313,128</u>
Carrying amount of Right of Use Assets	1,207,625	4,550,646	7,929,173
Less: Lease Obligations	343,624	3,878,215	8,180,672
<b>Temporary Difference on Right of Use Assets</b>	<u>864,002</u>	<u>672,431</u>	<u>(251,499)</u>
Written down values per Accounting Base	583,333	688,333	-
Written Down value as per Tax Base	218,750	350,000	-
<b>Temporary Difference on Intangible Assets</b>	<u>364,583</u>	<u>338,333</u>	<u>-</u>
<b>Total Temporary Difference:</b>	<u><b>139,484,975</b></u>	<u><b>134,066,570</b></u>	<u><b>121,061,629</b></u>
Temporary Difference on Agro Product	88,725,035	87,702,327	82,584,979
Effective Tax Rate	15.00%	15.00%	15.00%
<b>A. Deferred Tax Liability /(Assets) on Agro Product</b>	<u><b>13,308,755</b></u>	<u><b>13,155,349</b></u>	<u><b>12,387,747</b></u>
Temporary Difference on Non-Agro Product	50,759,940	46,364,243	38,476,650
Effective Tax Rate	30.00%	30.00%	32.50%
<b>B. Deferred Tax Liability /(Assets) on Non-Agro Product</b>	<u><b>15,227,982</b></u>	<u><b>13,909,273</b></u>	<u><b>12,504,911</b></u>
<b>Closing Deferred Tax Liability /(Assets) (A+B)</b>	<u><b>28,536,737</b></u>	<u><b>27,064,622</b></u>	<u><b>24,892,658</b></u>
<b>Calculation of Deferred Tax Expense/ (Income)</b>			
Opening Balance	27,064,622	24,892,658	20,843,096
Add: Expenses/ (Income) of Deferred Tax during the year	1,472,115	2,171,964	4,049,562
<b>Closing Deferred Tax Liability /(Assets) (A+B)</b>	<u><b>28,536,737</b></u>	<u><b>27,064,622</b></u>	<u><b>24,892,658</b></u>

**Agro Organica PLC**
**Impact of adoption of IFRS-15 'Revenue from contracts with Customers' and IFRS-16 "Leases"**
**IFRS-15 "Revenue from Contract with Customers"**

The management of the Company has introduced IFRS-15 'Revenue from contract with Customers' instead of IAS-18 'Revenue' from 1<sup>st</sup> July 2018. The Management of the Company has assessed the difference between IFRS-15 'Revenue from contract with Customers' instead of IAS-18 'Revenue' and concluded that there are no differences that would impact any numerical amount and disclosures in the financial statement. For better presentation, the management reconciled the Statement of Profit or Loss and Other Comprehensive Income, Statement of Cash Flows as well as Statement of Financial Position of the company with the effect of IFRS-15 Para c (8) which is shown in **Annexure - I**.

**Impact on the Statement of Financial Position**

As at 31 March 2022

Particulars	As Reported	Adjustment (effect on IFRS-15)	Amount without adoption of IFRS-15
<b>Assets</b>			
Non-Current Assets	469,257,921	-	469,257,921
Current Assets	249,711,559	-	249,711,559
<b>Total Assets</b>	<b>718,969,480</b>	-	<b>718,969,480</b>
<b>Shareholder's Equity and Liabilities</b>			
Shareholder's Equity	562,277,987	-	562,277,987
Non-Current Liabilities	32,950,282	-	32,950,282
Current Liabilities	123,741,211	-	123,741,211
<b>Total Shareholder's Equity and Liabilities</b>	<b>718,969,480</b>	-	<b>718,969,480</b>

**Impact on the statement of Profit or Loss and other comprehensive Income**

For the period from 1 July 2021 to 31 March 2022

Particulars	As Reported	Adjustment (effect on IFRS-15)	Amount without adoption of IFRS-15
Revenue	362,302,910	-	362,302,910
Cost of Goods Sold	(270,644,919)	-	(270,644,919)
<b>Gross Profit</b>	<b>91,657,991</b>	-	<b>91,657,991</b>
Operating expenses	(29,966,178)	-	(29,966,178)
<b>Profit from Operation</b>	<b>61,691,812</b>	-	<b>61,691,812</b>
<b>Profit Before Income Tax</b>	<b>54,037,453</b>	-	<b>54,037,453</b>
Income Tax Expenses	(11,198,914)	-	(11,198,914)
<b>Net Profit after Income Tax</b>	<b>42,838,539</b>	-	<b>42,838,539</b>

**Impact on the Statement of Cash Flows**  
 For the period from 1 July 2021 to 31 March 2022

Particulars	As Reported	Adjustment (effect on IFRS-15)	Amount without adoption of IFRS-15
Net Cash Generated from Operating Activities	19,379,164	-	19,379,164
Net cash Used to Investing Activities	(15,305,125)	-	(15,305,125)
Net cash Generated from Financing Activities	(10,020,724)	-	(10,020,724)
<b>Net Increase/(Decrease) Cash and Cash Equivalents</b>	<b>(5,946,685)</b>	<b>-</b>	<b>(5,946,685)</b>
Cash and Cash Equivalents at the beginning of the year	13,127,763	-	13,127,763
<b>Cash and Cash Equivalents at the end of the year</b>	<b>7,181,078</b>	<b>-</b>	<b>7,181,078</b>

**IFRS-16 “Leases”**

The Management of the Company has assessed the difference between IFRS-16 'Leases' and IAS-17 'Leases'. The Company assesses the impact of IFRS-16 of numerical amounts and disclosures in the financial statement. For better presentation, the management reconciled the Statement of Profit or Loss and Other Comprehensive Income, Statement of Cash Flows as well as Statement of Financial Position of the company with the effect of IFRS-16 which is shown below:

**Impact on the statement of Financial Position**

As at 31 March 2022

Particulars	As Reported	Adjustment (effect on IFRS-16)	Amount without adoption of IFRS-16
<b>Assets</b>			
Freehold Property, Plant and Equipment	467,466,962	-	467,466,962
Right of Use Asset	1,207,625	1,207,625	-
Intangible Assets	583,333	-	583,333
Capital Work-in-Progress	-	-	-
Current Assets	249,711,559	-	249,711,559
<b>Total Assets</b>	<b>718,969,480</b>	<b>1,207,625</b>	<b>717,761,855</b>
<b>Shareholder's Equity and Liabilities</b>			
Share Capital	383,000,000	-	383,000,000
Retained Earnings	179,277,987	(90,999)	179,368,986
Non-Current Liabilities	32,950,282	126,857	32,823,425
Current Liabilities	123,741,211	1,171,767	122,569,444
<b>Total Shareholder's Equity and Liabilities</b>	<b>718,969,480</b>	<b>1,207,625</b>	<b>717,761,855</b>
<b>*Adjustment of Right of Use Asset</b>			
Written down value as per IAS-17			-
Written down value as per IFRS-16			1,207,625
<b>Excess of Written down value as per IFRS-16</b>			<b>1,207,625</b>

**\*Adjustment of Retained Earnings**

Adjustment for first-time adoption of IFRS-16	(100,813)
Adjustment for the year (2019-2020) adoption of IFRS-16	(150,686)
Adjustment for the year (2020-2021) adoption of IFRS-16	(31,070)
Adjustment for the period 01 July 2021 to 31 March 2022 adoption of IFRS-16**	191,570
<b>Deficit of Retained Earnings as per IFRS-16</b>	<b>(90,999)</b>

**\*\*Adjustment for the period 01 July 2021 to 31 March 2022 adoption of IFRS-16**

Rent Expenses as per IAS-17	3,711,600
Interest Expenses on Lease as per IFRS-16	(177,009)
Depreciation Expenses of ROU Assets(Office Space)as per IFRS-16(Annexure-B)	(3,343,020)
	<b>191,570</b>

**\*Adjustment of Non-Current Liabilities\***

Lease Liability (Non-Current Liabilities) as per IAS-17	-
Lease Liability (Non-Current Liabilities) as per IFRS-16	126,857
<b>Excess of Lease Liability as per IFRS-16</b>	<b>126,857</b>

**\*Adjustment of Current Liabilities\***

Lease Liability (Current Liabilities) as per IAS-17	-
Lease Liability (Current Liabilities) as per IFRS-16	1,171,767
<b>Excess of Lease Liability as per IFRS-16</b>	<b>1,171,767</b>

**Impact on the statement of Profit or Loss and other comprehensive Income**

For the period from 1 July 2021 to 31 March 2022

Particulars	As Reported	Adjustment (effect on IFRS-16)	Amount without adoption of IFRS-16
Revenue	362,302,910	-	362,302,910
Cost of Goods Sold	(270,644,919)	278,194	(270,923,113)
<b>Gross Profit</b>	<b>91,657,991</b>	<b>278,194</b>	<b>91,379,797</b>
Operating expenses	(29,966,178)	90,386	(30,056,564)
<b>Profit from Operation</b>	<b>61,691,812</b>	<b>368,580</b>	<b>61,323,233</b>
Non-Operating Income	156,108	-	156,108
Finance Cost	(5,108,595)	(177,009)	(4,931,586)
<b>Profit Before Tax &amp; WPPF</b>	<b>56,739,325</b>	<b>191,570</b>	<b>56,547,755</b>
WPPF Expenses	(2,701,873)	-	(2,701,873)
<b>Profit Before Income Tax</b>	<b>54,037,453</b>	<b>191,570</b>	<b>53,845,882</b>
Income Tax Expenses	(11,198,914)	-	(11,198,914)
<b>Net Profit after Income Tax</b>	<b>42,838,539</b>	<b>191,570</b>	<b>42,646,968</b>

**\*Adjustment of Cost of Goods Sold**

Rent Expenses as per IAS-17	2,700,000
Depreciation Expenses of ROU Assets (Warehouse) as per IFRS-16 (Annexure-B)	(2,421,806)
<b>Deficit of rent expenses as per IFRS-16</b>	<b>278,194</b>
<b>*Adjustment of Operating expenses</b>	
Rent Expenses as per IAS-17	1,011,600
Depreciation Expenses of ROU Assets (Office Space) as per IFRS-16 (Annexure-B)	(921,214)
<b>Deficit of rent expenses as per IFRS-16</b>	<b>90,386</b>
<b>*Adjustment of Finance Cost</b>	
Interest Expenses as per IAS-17	-
Interest Expenses of ROU Assets as per IFRS-16	(177,009)
<b>Excess of interest expenses as per IFRS-16</b>	<b>(177,009)</b>
<b>*Adjustment of Profit after Income Tax</b>	
Rent expenses as per IAS-17	3,711,600
Depreciation Expenses of ROU Assets as per IFRS-16	(3,343,020)
Interest Expenses of ROU Assets as per IFRS-16	(177,009)
<b>Excess of (expenses)/income as per IFRS-16</b>	<b>191,570</b>

**Impact on the Statement of Cash Flows**  
For the period from 1 July 2021 to 31 March 2022

Particulars	As Reported	Adjustment (effect on IFRS-16)	Amount without adoption of IFRS-16
Net Cash Generated from Operating Activities	19,379,164	(3,711,600)	15,667,564
Net cash Used to Investing Activities	(15,305,125)	3,343,020	(11,962,105)
Net cash generated from Financing Activities	(10,020,724)	368,580	(9,652,145)
<b>Net Increase/(Decrease) Cash and Cash Equivalents</b>	<b>(5,946,685)</b>	-	<b>(5,946,685)</b>
Cash and Cash Equivalents at the beginning of the year	13,127,763	-	13,127,763
<b>Cash and Cash Equivalents at the end of the year</b>	<b>7,181,078</b>	-	<b>7,181,078</b>
<b>*Adjustment of Net Cash Generated from Operating Activities</b>			
Rent paid in operating expenses as per IFRS-16			-
Rent paid in operating expenses as per IAS-17			3,711,600
<b>Excess payment of rent as per IFRS-16</b>			<b>(3,711,600)</b>
<b>*Adjustment of Net cash Used to Investing Activities</b>			
Depreciation Expenses of ROU Assets as per IFRS-16 (Annexure-B)			3,343,020
Depreciation Expenses of ROU Assets as per IAS-17			-
<b>Excess payment depreciation expenses of ROU Assets as per IFRS-16</b>			<b>3,343,020</b>
<b>*Adjustment of Net cash Generated from Financing Activities</b>			
Interest Expenses of ROU Assets as per IFRS-16			177,009
payment of lease liability as per IFRS-16			191,570
<b>*Adjustment lease liability as per IFRS-16</b>			<b>368,580</b>

**(b) Information as is required under section 186 of the কোম্পানি আইন, ১৯৯৪ relating to holding Company;**  
Not applicable for AGRO ORGANICA PLC, as it is not a holding company.

**(c) Selection ratios as specified in Annexure-D;**

**Agro Organica PLC**

Auditor's certificate regarding the calculation of EPS and Ratios

We have examined the following earnings per share (EPS) and other ratios of AGRO ORGANICA PLC for the period ended 31 March, 2022, and for the year ended 30 June 2021, 2020, 2019, 2018 and 2017, which have been produced by the management of the Company and provided to us. The preparation of the EPS and the other ratios is the responsibility of the Company's management. Our responsibility is to review them and certify whether they have been properly prepared using stated principles based on audited Financial Statements for the period ended 31 March, 2022 and for the year ended 30 June 2021, 2020, 2019, 2018 and 2017.

Based on the review, we certify that the Company has properly prepared the following EPS and other ratios using stated principles based on audited financial statements. Ratios pertinent to the prospectus are as specified in rule 4(1)(d)/Annexure-D of the Bangladesh Securities and Exchange Commission (Qualified Investor Offer by Small Companies) Rules, 2018.

Name of Ratio	For the year ended					
	31 Mar 2022	30 June 2021	30 June 2020	30 June 2019	30 June 2018	30 June 2017
<b>A. Liquidity Ratios</b>						
1 Current Ratio (Times)	2.02	2.30	1.26	1.21	1.12	0.86
2 Quick Ratio (Times)	0.84	1.11	0.70	0.66	0.65	0.46
<b>B. Operating Ratios</b>						
1 Accounts Receivable Turnover Ratio (Times)	4.06	5.63	6.36	7.08	6.92	7.88
2 Inventory Turnover Ratio (Times)	2.96	4.43	4.85	5.26	4.99	6.23
3 Assets Turnover Ratio (Times)	0.52	0.65	0.66	0.69	0.60	0.56
<b>C. Profitability Ratios</b>						
1 Gross Margin Ratio (%)	25.30%	25.11%	25.03%	24.81%	24.53%	23.66%
2 Operating Income Ratio (%)	17.03%	16.55%	16.55%	16.61%	16.11%	14.15%
3 Net Income Ratio (%)	11.82%	11.67%	11.55%	10.31%	9.02%	6.13%
4 Return on Assets Ratio (%)	6.15%	7.56%	7.66%	7.09%	5.43%	3.42%
5 Return on Equity Ratio (%)	7.92%	10.08%	17.33%	71.61%	121.87%	688.42%
6 Earnings Per Share (EPS)- Basic	1.12	1.30	1.23	1.13	0.78	0.42
7 EBITDA Margin	23.01%	23.77%	23.35%	22.27%	21.96%	19.05%
<b>D. Solvency Ratios</b>						
1 Debt to total Asset Ratio	0.12	0.14	0.18	0.19	0.20	0.18
2 Debt to Equity Ratio (Times)	0.16	0.18	0.24	1.49	2.95	9.86
3 Times Interest Earned Ratio (Times)	12.08	7.37	5.91	4.07	3.65	3.30
4 Debt Service Coverage Ratio	6.16	5.90	5.91	4.07	3.65	3.30
<b>E. Cash Flow Ratios</b>						
1 Net operating Cash Flow Per Share	0.51	1.46	2.02	1.65	1.16	0.13
2 Net operating Cash Flow Per Share/ EPS Basic	0.45	1.13	1.64	1.46	1.48	0.31

We have examined the calculation of the above ratios of AGRO ORGANICA PLC for the period ended 31 March, 2022 and for the year ended 30 June 2021, 2020, 2019, 2018 and 2017 and found them correct. Details of calculation Shown in Annexure-A.

Date: 27 June, 2022  
Place: Dhaka

Sd/-  
Fouzia Haque, FCA  
Partner  
FAMES & R  
Chartered Accountants



**Auditors' Certificate regarding the calculation of EPS and Ratios of AGRO ORGANICA PLC**

Name of Ratio			31 Mar, 2022		30 June 2021		30 June 2020		30 June 2019		30 June 2018		30 June 2017	
			Calculation	Result	Calculation	Result	Calculation	Result	Calculation	Result	Calculation	Result	Calculation	Result
<b>A. Liquidity Ratios</b>														
1	Current Ratio (Times)	Current Assets	249,711,559	<b>2.02</b>	195,874,846	<b>2.30</b>	176,185,294	<b>1.26</b>	165,509,082	<b>1.21</b>	131,264,420	<b>1.12</b>	93,816,620	<b>0.86</b>
		Current Liability	123,741,211		85,235,000		139,955,902		137,281,035		117,503,369		109,297,460	
2	Quick Ratio (Times)	Current Assets-Inventory-Advance	104,058,310	<b>0.84</b>	94,600,727	<b>1.11</b>	98,550,280	<b>0.70</b>	91,272,129	<b>0.66</b>	76,484,067	<b>0.65</b>	50,805,768	<b>0.46</b>
		Current Liability	123,741,211		85,235,000		139,955,902		137,281,035		117,503,369		109,297,460	
<b>B. Operating Ratios</b>														
1	Accounts Receivable Turnover Ratio (Times)	Sales	362,302,910	<b>4.06</b>	426,837,845	<b>5.63</b>	408,746,323	<b>6.36</b>	384,587,584	<b>7.08</b>	298,521,430	<b>6.92</b>	218,169,280	<b>7.88</b>
		Average Receivables	89,175,098		75,793,652		64,281,368		54,302,864		43,144,076		27,697,295	
2	Inventory Turnover Ratio (Times)	Cost of Sales	270,644,919	<b>2.96</b>	319,668,979	<b>4.43</b>	306,443,648	<b>4.85</b>	289,185,147	<b>5.26</b>	225,295,950	<b>4.99</b>	166,542,111	<b>6.23</b>
		Average Inventory	91,383,892		72,204,078		63,139,996		54,985,000		45,112,298		26,732,967	
3	Assets Turnover Ratio (Times)	Sales	362,302,910	<b>0.52</b>	426,837,845	<b>0.65</b>	408,746,323	<b>0.66</b>	384,587,584	<b>0.69</b>	298,521,430	<b>0.60</b>	218,169,280	<b>0.56</b>
		Average Total Assets	696,502,367		659,082,111		615,756,122		558,804,176		495,439,159		390,634,014	
<b>C. Profitability Ratios</b>														
1	Gross Margin Ratio (%)	Gross Profit	91,657,991	<b>25.30</b>	107,168,866	<b>25.11</b>	102,302,675	<b>25.03</b>	95,402,437	<b>24.81</b>	73,225,480	<b>24.53</b>	51,627,169	<b>23.66</b>
		Sales	362,302,910		426,837,845		408,746,323		384,587,584		298,521,430		218,169,280	
2	Operating Income Ratio (%)	Operating Profit	61,691,813	<b>17.03</b>	70,622,456	<b>16.55</b>	67,636,988	<b>16.55</b>	63,894,260	<b>16.61</b>	48,096,305	<b>16.11</b>	30,863,234	<b>14.15</b>
		Sales	362,302,910		426,837,845		408,746,323		384,587,584		298,521,430		218,169,280	
3	Net Income Ratio (%)	Profit After Tax	42,838,539	<b>11.82</b>	49,826,124	<b>11.67</b>	47,196,233	<b>11.55</b>	39,645,692	<b>10.31</b>	26,912,204	<b>9.02%</b>	13,369,343	<b>6.13%</b>
		Sales	362,302,910		426,837,845		408,746,323		384,587,584		298,521,430		218,169,280	
4	Return on Assets Ratio (%)	Profit After Tax	42,838,539	<b>6.15%</b>	49,826,124	<b>7.56%</b>	47,196,233	<b>7.66%</b>	39,645,692	<b>7.09%</b>	26,912,204	<b>5.43%</b>	13,369,343	<b>3.42%</b>
		Average Total Assets	696,502,367		659,082,111		615,756,122		558,804,176		495,439,159		390,634,014	

Name of Ratio			31 Mar, 2022		30 June 2021		30 June 2020		30 June 2019		30 June 2018		30 June 2017	
			Calculation	Result	Calculation	Result	Calculation	Result	Calculation	Result	Calculation	Result	Calculation	Result
5	Return on Equity Ratio (%)	Profit After Tax	42,838,539	7.92%	49,826,124	10.08 %	47,196,233	17.33 %	39,645,692	71.61 %	26,912,204	121.8 7%	13,369,343	688.4 2%
		Average Shareholders' Equity	540,858,718		494,526,387		272,398,965		55,361,758		22,082,810		1,942,037	
6	Earnings Per Share (EPS)- Basic	Profit After Tax	42,838,539	1.12	49,826,124	1.30	47,196,233	1.23	39,645,692	1.13	26,912,204	0.78	13,369,343	0.42
		Weighted Average Number of Shares	38,300,000		38,300,000		38,300,000		35,000,000		34,336,806		31,503,256	
7	EBITDA Margin (%)	EBITDA	83,353,659	23.01 %	101,439,782	23.77 %	95,430,698	23.35 %	85,662,988	22.27 %	65,557,158	21.96 %	41,558,473	19.05 %
		Net Sales	362,302,910		426,837,845		408,746,323		384,587,584		298,521,430		218,169,280	
<b>D Solvency Ratios:</b>														
1	Debt to total Asset Ratio	Total Debt	87,558,739	0.12	92,470,868	0.14	114,028,689	0.18	112,228,140	0.19	104,752,902	0.20	85,051,367	0.18
		Total Assets	718,969,480		674,035,253		644,128,969		587,383,274		530,225,078		460,653,240	
2	Debt to Equity Ratio	Total Debt	87,558,739	0.16	92,470,868	0.18	114,028,689	0.24	112,228,140	1.49	104,752,902	2.95	85,051,367	9.86
		Total Equity	562,277,987		519,439,449		469,613,325		75,184,604		35,538,912		8,626,708	
3	Times Interest Earned Ratio (Times)	Operating Profit	61,691,812	12.08	70,622,456	7.37	67,636,988	5.91	63,894,260	4.07	48,096,305	3.65	30,863,234	3.30
		Net Interest Expenses	5,108,595		9,584,434		11,436,449		15,687,304		13,169,811		9,350,655	
4	Debt Service Coverage Ratio	Net operating profit	61,691,812	6.16	70,622,456	2.27	67,636,988	5.91	63,894,260	4.07	48,096,305	3.65	30,863,234	3.30
		Total Debt Service	10,020,724		31,142,255		11,436,449		15,687,304		13,169,811		9,350,655	
<b>E Cash Flows Ratios</b>														
1	Net operating Cash Flow Per Share	Net Operating Cash Flow	19,379,164	0.51	56,079,402	1.46	77,535,124	2.02	57,877,027	1.65	39,862,177	1.16	4,204,888	0.13
		Weighted Number of Shares	38,300,000		38,300,000		38,300,000		35,000,000		34,336,806		31,503,256	
2	Net operating Cash Flow Per Share/ EPS	Net Operating Cash Flow Per share	0.51	0.45	1.46	1.13	2.02	1.64	1.65	1.46	1.16	1.48	0.13	0.31
		Earnings Per Share (EPS)- Basic	1.12		1.30		1.23		1.13		0.78		0.42	

\* The Company split its share as on 12/09/2013 to 10 from 100 each and Restated EPS & NAV is calculated based on Share as on 31 March, 2022.

Comparison ratios with the industry average ratios of the same periods:

AGRO ORGANICA PLC		Industry Average***	Remark/ Explanation
Particulars	30/06/2021	30/06/2021	
	Ratio	Ratio	
<b>1. Liquidity Ratios:</b>			
Current Ratio (Times)	2.30	1.97	Organica's Current Ratio is better than the industry average Current Ratio.
Quick Ratio (Times)	1.11	0.75	Organica's Ratio is better than the industry average ratio of quick assets are relatively higher.
<b>2. Operating Efficiency Ratios:</b>			
Accounts Receivable Turnover Ratio (Times)	5.63	12.12	Organica's Ratio is acceptable compared to the industry average ratio.
Inventory Turnover Ratio (Times)	4.43	3.75	Organica's Ratio is better than the industry average ratio.
Assets Turnover Ratio (Times)	0.65	1.61	Organica's Ratio is acceptable compared to the industry average ratio.
<b>3. Profitability Ratios:</b>			
Gross Margin Ratio (%)	25.11%	23.17%	Organica's Ratio is better than the industry average ratio.
Operating Income Ratio (%)	16.55%	3.13%	Organica's Ratio is better than the industry average ratio.
Net Income Ratio (%)	11.67%	-8.63%	Organica's Ratio is much better than the industry average ratio.
Return on Assets Ratio (%)	7.56%	1.25%	
Return on Equity Ratio (%)	10.08%	2.90%	
Earnings Per Share (Basic)	1.30	1.55	Organica's Ratio is acceptable compared to the industry average ratio.
EBITDA Margin (%)	23.77%	6.64%	Organica's Ratio is better than the industry average ratio.
<b>4. Solvency Ratios:</b>			
Debt to Total Asset Ratio	0.14	0.29	Organica's Ratio is better as the debt burden is lower than assets.
Debt to Equity Ratio (Times)	0.18	0.53	Organica's Ratio is better as the debt burden is lower than equity.
Times Interest Earned Ratio (Times)	7.37	1.23	Organica's Ratio is acceptable compared to the industry average ratio as operating profit is relatively sufficient to pay the financial expense.
Debt Service Coverage Ratio	2.27	1.06	Organica's Ratio is satisfactory as Net Operating profit is sufficient to pay the financial expense and long-term debt.
<b>5. Cash Flow Ratios:</b>			
Net Operating Cash Flow Per Share	1.46	7.22	Organica's Ratio is acceptable as Net Operating Cash Flow is positive.
Net Operating Cash Flow Per Share/ EPS	1.13	2.51	

\*\*The industry average ratio is calculated by using the ratio of 3 listed similar companies namely Fu wang Foods Limited, Golden Harvest Agro Industries Limited and Agriculture Marketing Company Limited for the year ended June 30, 2021 (Source: Annual Report)

Comparison ratios with the industry average ratios of the same periods:

AGRO ORGANICA PLC		Industry Average***	Remark/ Explanation
Particulars	30/06/2020	30/06/2020	
	Ratio	Ratio	
<b>1. Liquidity Ratios:</b>			
Current Ratio (Times)	1.26	2.13	Organica's Ratio is acceptable compared to the industry average ratio.
Quick Ratio (Times)	0.70	0.88	Organica's Ratio is acceptable compared to the industry average ratio of quick assets are relatively higher.
<b>2. Operating Efficiency Ratios:</b>			
Accounts Receivable Turnover Ratio (Times)	6.36	7.75	Organica's Ratio is acceptable compared to the industry average ratio.
Inventory Turnover Ratio (Times)	4.85	2.36	Organica's Ratio is better than the industry average ratio.
Assets Turnover Ratio (Times)	0.66	0.83	Organica's Ratio is acceptable compared to the industry average ratio.
<b>3. Profitability Ratios:</b>			
Gross Margin Ratio (%)	25.03%	27.92%	Organica's Ratio is acceptable compared to the industry average ratio.
Operating Income Ratio (%)	16.55%	12.82%	Organica's Ratio is acceptable compared to the average industry ratio.
Net Income Ratio (%)	11.55%	3.43%	Organica's Ratio is much better than the industry average ratio.
Return on Assets Ratio (%)	7.66%	2.22%	
Return on Equity Ratio (%)	17.33%	4.02%	
Earnings Per Share (Basic)	1.23	2.09	Organica's Ratio is acceptable compared to the average industry ratio.
EBITDA Margin (%)	23.35%	18.22%	Organica's Ratio is satisfactory with the industry average ratio as higher net operating profit.
<b>4. Solvency Ratios:</b>			
Debt to Total Asset Ratio	0.18	0.29	Organica's Ratio is better as the debt burden is lower than assets.
Debt to Equity Ratio (Times)	0.24	0.54	Organica's Ratio is better as the debt burden is lower than equity.
Times Interest Earned Ratio (Times)	5.91	2.63	Organica's Ratio is satisfactory as operating profit is relatively more sufficient to pay the financial expense.
Debt Service Coverage Ratio	5.91	2.11	Organica's Ratio is satisfactory as Net Operating profit is sufficient to pay the financial expense and long-term debt.
<b>5. Cash Flow Ratios:</b>			
Net Operating Cash Flow Per Share	2.02	5.60	Organica's Ratio is satisfactory as Net Operating Cash Flow is positive.
Net Operating Cash Flow Per Share/EPS	1.64	6.29	

\*\*The industry average ratio is calculated by using the ratio of 3 listed similar companies namely Fu wang Foods Limited, Golden Harvest Agro Industries Limited and Agriculture Marketing Company Limited for the year ended June 30, 2020 (Source: Annual Report)

**Comparison with the Industry average ratios of same periods:**

AGRO ORGANICA PLC		Industry Average***	Remark/ Explanation
Particulars	30/06/2019	30/06/2019	
	Ratio	Ratio	
<b>1. Liquidity Ratios:</b>			
Current Ratio (Times)	1.21	1.87	Organica's Ratio is acceptable compared to the industry average ratio of current assets are relatively higher.
Quick Ratio (Times)	0.66	0.72	Organica's Ratio is acceptable compared to the industry average ratio of quick assets are relatively higher.
<b>2. Operating Efficiency Ratios:</b>			
Accounts Receivable Turnover Ratio (Times)	7.08	8.50	Organica's Ratio is acceptable compared to the industry average ratio.
Inventory Turnover Ratio (Times)	5.26	2.74	Organica's Ratio is much better than the industry average ratio.
Assets Turnover Ratio (Times)	0.69	0.90	Organica's Ratio is acceptable compared to the average industry
<b>3. Profitability Ratios:</b>			
Gross Margin Ratio (%)	24.81%	31.26%	Organica's Ratio is acceptable compared to the industry average ratio.
Operating Income Ratio (%)	16.61%	20.21%	Organica's Ratio is acceptable compared to the average industry ratio.
Net Income Ratio (%)	10.31%	13.29%	Organica's Ratio is acceptable compared to the average industry ratio.
Return on Assets Ratio (%)	7.09%	4.96%	Organica's Ratio is much better than the industry average ratio.
Return on Equity Ratio (%)	71.61%	8.87%	
Earnings Per Share (Basic)	1.13	3.37	Organica's Ratio is acceptable compared to the average industry ratio.
EBITDA Margin (%)	22.27%	30.27%	Organica's Ratio is satisfactory with the industry average ratio as higher net operating profit.
<b>4. Solvency Ratios:</b>			
Debt to Total Asset Ratio	0.19	0.30	Organica's Ratio is better as the debt burden is lower than assets.
Debt to Equity Ratio (Times)	1.49	0.59	Organica's Ratio is acceptable compared to the average industry ratio
Times Interest Earned Ratio (Times)	4.07	3.51	Organica's Ratio is acceptable compared to the industry average ratio as operating profit is relatively sufficient to pay the financial expense.
Debt Service Coverage Ratio	4.07	3.36	Organica's Ratio is satisfactory as Net Operating profit is sufficient to pay the financial expense and long-term debt.
<b>5. Cash Flow Ratios:</b>			
Net Operating Cash Flow Per Share	1.65	12.38	Organica's Ratio is acceptable compared to the industry average ratio as Net Operating Cash Flow is positive.
Net Operating Cash Flow Per Share/EPS	1.46	2.11	

\*\*\*The industry average ratio is calculated by using the ratio of 3 listed similar companies namely Fu wang Foods Limited, Golden Harvest Agro Industries Limited and Agriculture Marketing Company Limited for the year ended June 30, 2019 (Source: Annual Report)

**Comparison with the Industry average ratios of same periods:**

AGRO ORGANICA PLC		Industry Average***	Remark/ Explanation
Particulars	30/06/2018	30/06/2018	
	Ratio	Ratio	
<b>1. Liquidity Ratios:</b>			
Current Ratio (Times)	1.12	1.95	Organica's Current Ratio is acceptable compared to the industry average current ratio because of relatively lower current liabilities.
Quick Ratio (Times)	0.65	0.80	Organica's Ratio is acceptable compared to the industry average ratio of quick assets are relatively higher.
<b>2. Operating Efficiency Ratios:</b>			
Accounts Receivable Turnover Ratio (Times)	6.92	6.95	Organica's Ratio is acceptable compared to the industry average ratio as collection period is shorter.
Inventory Turnover Ratio (Times)	4.99	2.53	Organica's Ratio is better than the industry average ratio as inventory is sold timely.
Assets Turnover Ratio (Times)	0.60	0.77	Organica's Ratio is acceptable compared to the industry average ratio
<b>3. Profitability Ratios:</b>			
Gross Margin Ratio (%)	24.53%	31.63%	Organica's Ratio is acceptable compared to the industry average ratio
Operating Income Ratio (%)	16.11%	19.95%	Organica's Ratio is satisfactory with the average industry ratio.
Net Income Ratio (%)	9.02%	14.20%	Organica's Ratio is acceptable compared to the industry average ratio
Return on Assets Ratio (%)	5.43%	4.37%	Organica's Ratio is much better than the industry average ratio.
Return on Equity Ratio (%)	121.87%	8.16%	
Earnings Per Share (Basic)	0.78	3.20	Organica's Ratio is acceptable compared to the industry average ratio
EBITDA Margin	21.96%	30.52%	Organica's Ratio is much better than the industry average ratio.
<b>4. Solvency Ratios:</b>			
Debt to Total Asset Ratio	0.20	0.31	Organica's Ratio is better as the debt burden is lower than assets.
Debt to Equity Ratio (Times)	2.95	0.64	Organica's Ratio is better as the debt burden is lower than equity.
Times Interest Earned Ratio (Times)	3.65	3.09	Organica's Ratio is satisfactory as operating profit is relatively more sufficient to pay the financial expense.
Debt Service Coverage Ratio	3.65	2.70	Organica's Ratio is satisfactory as Net Operating profit is sufficient to pay the financial expense and long-term debt.
<b>5. Cash Flow Ratios:</b>			
Net Operating Cash Flow Per Share	1.16	9.98	Organica's Ratio is acceptable compared to the industry average ratio as Net Operating Cash Flow is positive.
Net Operating Cash Flow Per Share/EPS	1.48	1.70	

\*\*The industry average ratio is calculated by using the ratio of 3 listed similar companies namely Fu wang Foods Limited, Golden Harvest Agro Industries Limited and Agriculture Marketing Company Limited for the year ended June 30, 2018 (Source: Annual Report)

**Comparison with the Industry average ratios of same periods:**

AGRO ORGANICA PLC		Industry Average***	Remark/ Explanation
Particulars	30/06/2017 Ratio	30.06.2017 Ratio	
<b>1. Liquidity Ratios:</b>			
Current Ratio (Times)	0.86	1.81	Organica's Current Ratio is acceptable compared to the industry average current ratio because of relatively lower current liabilities.
Quick Ratio (Times)	0.46	0.76	Organica's Ratio is acceptable compared to the industry average ratio of quick assets are relatively higher.
<b>2. Operating Efficiency Ratios:</b>			
Accounts Receivable Turnover Ratio (Times)	7.88	7.04	Organica's Ratio is better than the industry average ratio as higher Gross profit.
Inventory Turnover Ratio (Times)	6.23	2.57	Organica's Ratio is better than the industry average ratio as higher Gross profit.
Assets Turnover Ratio (Times)	0.56	0.73	Organica's Ratio is acceptable compared to the industry average ratio as higher Gross profit.
<b>3. Profitability Ratios:</b>			
Gross Margin Ratio (%)	23.66%	32.14%	Organica's Ratio is acceptable compared to the industry average ratio as higher Gross profit.
Operating Income Ratio (%)	14.15%	19.66%	Organica's Ratio is acceptable compared to the industry average ratio as higher operating profit.
Net Income Ratio (%)	6.13%	14.23%	Organica's Ratio is acceptable compared to the industry average ratio as a higher net profit.
Return on Assets Ratio (%)	3.42%	4.38%	Organica's Ratio is satisfactory with the average industry.
Return on Equity Ratio (%)	688.42%	8.14%	Organica's Ratio is better than the industry average ratio.
Earnings Per Share (Basic)	0.42	3.14	Organica's Ratio is acceptable compared to the industry average ratio as higher Gross profit.
EBITDA Margin %	19.05%	28.86%	Organica's Ratio is acceptable compared to the industry average ratio as higher Gross profit.
<b>4. Solvency Ratios:</b>			
Debt to Total Asset Ratio	0.18	0.34	Organica's Ratio is better as the debt burden is lower than assets.
Debt to Equity Ratio (Times)	9.86	0.73	Organica's Ratio is acceptable compared to the industry average ratio as higher Gross profit.
Times Interest Earned Ratio (Times)	3.30	3.49	Organica's Ratio is acceptable compared to the industry average ratio as operating profit is relatively sufficient to pay the financial expense.
Debt Service Coverage Ratio %	3.30	3.43	Organica's Ratio is satisfactory as Net Operating profit is sufficient to pay the financial expense and long-term debt.
<b>5. Cash Flow Ratios:</b>			
Net Operating Cash Flow Per Share	0.13	9.99	Organica's Ratio is acceptable compared to the industry average ratio as Net Operating Cash Flow is positive.
Net Operating Cash Flow Per Share/EPS	0.31	1.73	

\*\*The industry average ratio is calculated by using the ratio of 3 listed similar companies namely Fu wang Foods Limited, Golden Harvest Agro Industries Limited and Agriculture Marketing Company Limited for the year ended June 30, 2017 (Source: Annual Report)

**(d) Auditors report under Section 135(1), Para 24(1) of Part II of Schedule III of the কোম্পানি আইন, 1994. The report shall include comparative income statements, Balance Sheet, and aforementioned ratios for immediate preceding five accounting years of the issuer. If the issuer has been in commercial operation for less than five years, the above-mentioned inclusion and submission will have to be made for the period since commercial operation;**

We have examined the Financial Statements of AGRO ORGANICA PLC for the period ended 30 September 2021 and for the year ended 30 June 2021, 2020, 2019, 2018 and 2017. Financial Statements for the period ended 30 September 2021 and for the year ended 30 June 2021, 2020 were audited by us and for the year ended 30 June 2019, 2018, 2017 audited by Mohammad Ata Karim & Co. Chartered Accountants. In pursuance of Section-135 (1) and Para-24 (1) of Part-II of Schedule-III of the Companies Act, 1994, our report is as under:

1. AGRO ORGANICA PLC was incorporated as a private Limited Company as on 21 August 2011. The Company has changed its name by AGRO ORGANICA PLC instead of Agro Organica (Pvt.) Limited on 31 December 2019.
2. The AGRO ORGANICA PLC was converted to a Public Limited Company as on 31 December, 2019
3. The Financial Position of the Company over the last five years is as follows:

**a) Statement of Financial Position of the Company is as under**

**AGRO ORGANICA PLC  
Comparative Statement of Financial Position**

Particulars	Amount in Taka					
	31-Mar-22	30 Jun, 2021	30 June, 2020	30 June, 2019	30 June, 2018	30 June, 2017
<b>Assets</b>						
<b>Non-Current Assets:</b>	<b>469,257,921</b>	<b>478,160,408</b>	<b>467,943,676</b>	<b>421,874,192</b>	<b>398,960,659</b>	<b>366,836,620</b>
Property, Plant and Equipment	467,466,962	467,148,003	459,051,117	417,814,404	395,222,535	359,155,151
Right of Use Assets	1,207,625	4,550,646	7,929,173			
Intangible Assets	583,333	688,333				
Capital Work in progress		5,773,426	963,386	4,059,788	3,738,124	7,681,469
<b>Current Assets:</b>	<b>249,711,559</b>	<b>195,874,846</b>	<b>176,185,294</b>	<b>165,509,082</b>	<b>131,264,420</b>	<b>93,816,620</b>
Inventories	105,265,838	77,501,945	66,906,210	59,373,782	50,596,217	39,628,379
Trade and Other Receivables	96,877,232	81,472,964	70,114,341	58,448,396	50,157,333	36,130,818
Advance, Deposits and Prepayments	40,387,411	23,772,174	10,728,804	14,863,172	4,184,135	3,382,473
Cash and Cash Equivalents	7,181,078	13,127,763	28,435,939	32,823,733	26,326,734	14,674,950
<b>Total Assets</b>	<b>718,969,480</b>	<b>674,035,253</b>	<b>644,128,969</b>	<b>587,383,274</b>	<b>530,225,078</b>	<b>460,653,240</b>
<b>Shareholders' Equity &amp; Liabilities</b>						
<b>Shareholders' Equity:</b>	<b>562,277,987</b>	<b>519,439,449</b>	<b>469,613,325</b>	<b>75,184,604</b>	<b>35,538,912</b>	<b>8,626,708</b>
Share Capital	383,000,000	383,000,000	383,000,000	2,666,700	2,666,700	2,666,700
Retained Earnings	179,277,987	136,439,449	86,613,325	72,517,904	32,872,212	5,960,008
<b>Non-Current Liabilities:</b>	<b>32,950,282</b>	<b>69,360,804</b>	<b>34,559,742</b>	<b>374,917,635</b>	<b>377,182,797</b>	<b>342,729,072</b>
Share Money Deposit				347,333,300	347,333,300	333,101,733
Long Term Loan (Non-Current Portion)	4,286,688	41,616,881	5,392,638	6,741,239	13,464,637	
Lease Liability (Non-Current Portion)	126,857	679,301	4,274,446			



Particulars	Amount in Taka					
	31-Mar-22	30 Jun, 2021	30 June, 2020	30 June, 2019	30 June, 2018	30 June, 2017
Deferred Tax Liability	28,536,737	27,064,622	24,892,658	20,843,096	16,384,860	9,627,339
<b>Current Liabilities:</b>	<b>123,741,211</b>	<b>85,235,000</b>	<b>139,955,902</b>	<b>137,281,035</b>	<b>117,503,369</b>	<b>109,297,460</b>
Short Term Borrowings	81,437,859	36,885,360	94,553,735	100,153,365	89,005,902	85,051,367
Liabilities for Expenses	3,822,957	3,881,083	3,604,289	3,192,876	2,487,637	1,887,136
Liabilities for Income Tax	23,836,871	14,110,072	9,448,746	6,692,732	2,343,045	1,309,744
Long Term Loan (Current Portion)	535,569	9,135,413	5,901,644	5,333,536	2,282,364	
Lease Liability (Current Portion)	1,171,767	4,153,913	3,906,226			
Liability for WPPF	2,701,873					
Trade and Other Payables	10,234,316	17,069,159	22,541,262	21,908,527	21,384,421	21,049,213
<b>Total Shareholders' Equity &amp; Liabilities</b>	<b>718,969,480</b>	<b>674,035,253</b>	<b>644,128,969</b>	<b>587,383,274</b>	<b>530,225,078</b>	<b>460,653,240</b>
<b>Net Assets Value (NAV) per share</b>	<b>14.68</b>	<b>13.56</b>	<b>12.26</b>	<b>281.94</b>	<b>133.27</b>	<b>32.35</b>

b) Statement of Operating Result of the Company is as under:

**AGRO ORGANICA PLC**  
**Comparative Statement of Comprehensive Income**

Particulars	Amount in Taka					
	31-03-22	30-06-21	30-06-20	30-06-19	30-06-18	2016-2017
Revenue	362,302,910	426,837,845	408,746,323	384,587,584	298,521,430	218,169,280
Less: Cost of Goods Sold	(270,644,919)	(319,668,979)	(306,443,648)	(289,185,147)	(225,295,950)	(166,542,111)
<b>Gross Profit</b>	<b>91,657,991</b>	<b>107,168,866</b>	<b>102,302,675</b>	<b>95,402,437</b>	<b>73,225,480</b>	<b>51,627,169</b>
Operating Expenses	(29,966,178)	(36,546,410)	(34,665,687)	(31,508,177)	(25,129,175)	(20,763,934)
<b>Profit from Operation</b>	<b>61,691,812</b>	<b>70,622,456</b>	<b>67,636,988</b>	<b>63,894,260</b>	<b>48,096,305</b>	<b>30,863,234</b>
Add: Non-operating Income	156,108	788,735	1,676,986	1,514,300	611,207	121,342
Less: Financial Expenses	(4,931,586)	(9,061,925)	(10,835,706)	(15,687,304)	(13,169,811)	(9,350,655)
Less: Interest on Lease Liability	(177,009)	(522,510)	(600,743)			
<b>Profit before WPPF &amp; Income Tax</b>	<b>56,739,325</b>	<b>61,826,757</b>	<b>57,877,526</b>	<b>49,721,256</b>	<b>35,537,700</b>	<b>21,633,922</b>
WPPF Expenses	(2,701,873)					
<b>Profit before Income Tax</b>	<b>54,037,453</b>	<b>61,826,757</b>	<b>57,877,526</b>	<b>49,721,256</b>	<b>35,537,700</b>	<b>21,633,922</b>
<b>Income Tax Expenses</b>	<b>(11,198,914)</b>	<b>(12,000,633)</b>	<b>(10,681,292)</b>	<b>(10,075,564)</b>	<b>(8,625,497)</b>	<b>(8,264,579)</b>
Current Tax	(9,726,799)	(9,828,669)	(6,631,730)	(5,617,329)	(1,867,975)	(1,309,744)
Deferred Tax	(1,472,115)	(2,171,964)	(4,049,562)	(4,458,235)	(6,757,522)	(6,954,835)
<b>Net Profit after Tax</b>	<b>42,838,539</b>	<b>49,826,124</b>	<b>47,196,233</b>	<b>39,645,692</b>	<b>26,912,204</b>	<b>13,369,343</b>
Other Comprehensive Income/(Loss)						
<b>Total Comprehensive Income for the year</b>	<b>42,838,539</b>	<b>49,826,124</b>	<b>47,196,233</b>	<b>39,645,692</b>	<b>26,912,204</b>	<b>13,369,343</b>
<b>Earnings Per Share (EPS) Basic*</b>	<b>1.12</b>	<b>1.30</b>	<b>1.23</b>	<b>1.04</b>	<b>0.70</b>	<b>0.35</b>

**c) Dividend Declared**

Particulars	For the year ended					
	31 Mar 22	30-Jun-21	30-Jun-20	30-Jun-19	30-Jun-18	30-Jun-17
Cash Dividend	Nil	Nil	Nil	Nil	Nil	Nil
Stock Dividend (No. Share)	Nil	Nil	Nil	3,300,000	Nil	Nil

4. AGRO ORGANICA PLC was incorporated in Bangladesh as a Private Limited Company with the issuance of a Certificate of Incorporation bearing no C-95022/11 dated 21 August, 2011 by the Registrar of Joint Stock Companies & Firms. The Company split its share value from Tk. 100 to Tk. 10 on September 12, 2013. The Company has changed its name to AGRO ORGANICA PLC instead of Agro Organica (Pvt.) Limited and converted to a public company on 31 December 2019.
5. The Company started its commercial operation on 07 October 2015.
6. The Company has no subsidiary/Associated company as of the Financial Statements date.
7. No proceeds or part of the proceeds of the issue of shares would be applied directly by the company in the purchase of any business.
8. Figures have been rearranged where necessary and no material impact is found in the Financial Statements.

Dated : June 27, 2022  
Place: Dhaka

**Sd/-**  
Fouzia Haque, FCA  
Partner  
Fames & R  
Chartered Accountants

## Others

- a) **Declarations regarding regular in holding annual general meeting (AGM) per rule 3(1)(b) of the Bangladesh securities & exchange commission (qualified investor offer by small capital company) rules, 2022;**

We the management of AGRO ORGANICA PLC, declare that our company is Holding the Annual General Meeting (AGM) regulatory as per Section.81 of the Companies Act, 1994.

<b>Sd/-</b> Mohammad Ahmed Khan Chairman	<b>Sd/-</b> Mohammad Azhar Khan Managing Director	<b>Sd/-</b> Md. Iqbal Hossain Director	<b>Sd/-</b> Begum Hena Khan Director
<b>Sd/-</b> Abu Mohammad Mahbubul Karim Majumder Director			<b>Sd/-</b> Din Mohammad Shopon Director

Place: Dhaka  
Date: 30 June, 2022

- b) **Declarations regarding no way connected with the issuer and does not Hold any of its securities per rule 8(3) of the Bangladesh securities & Exchange commission (qualified investor offer by small capital Company) rules, 2022;**

We, the Issue Managers, declared that we do not have any connection with the Issuer, nor any connected persons of us are connected with the Issuer. Moreover, we do not have any connection with the connected persons of the Issuer nor hold any securities thereof.

**Sd/-**  
**Tarafder Jahangir Alam, FCA, ACS**  
Chief Executive Officer (Former)  
Shahjalal Equity Management Limited  
Dated: 03 July, 2022

- c) **Declarations regarding material change per rule 3(1)(e) of the Bangladesh securities & exchange commission (qualified investor offer by small capital company) rules, 2022;**

We, the issuer, declare that we did not make any material changes including raising of paid-up capital after the date of audited Financial Statements as included in the prospectus.

**Sd/-**  
**Mohammad Azhar Khan**  
Managing Director  
Dated: 30 June, 2022

- d) **Declarations regarding material change per rule 3(1) (f) of the Bangladesh securities & exchange commission (qualified investor offer by small capital company) rules, 2022;**

### MANAGEMENT DECLARATION

We, the management of Agro Organica PLC hereby declare that our company has prepared its Financial Statements following the international Financial reporting standards (IFRS) and audited the same following the International Standards on Auditing (ISA) as per the provisions of the Financial Reporting Act, 2015 (Act No. 16 of 2015) as well as following the provisions of the Companies Act, 1994 (Act No. XVIII of 1994) and other applicable legal requirements.

**Sd/-**  
**Mohammad Azhar Khan**  
Managing Director  
Dated: 31 January, 2023

- e) **Declarations regarding material change per rule 3(1) (g) of the Bangladesh securities & exchange commission (qualified investor offer by small capital company) rules, 2022;**

**MANAGEMENT DECLARATION**

We, the management of Agro Organica PLC declared that the company has complied with the Bangladesh Securities & Exchange Commission (Qualified Investor Offer by Small Capital Company) Rules, 2022, while preparing the prospectus.

Sd/-

**Mohammad Azhar Khan**

Managing Director

Dated: 31 January, 2023

- f) **Issuer Declaration in Connection with Issue Manager**

We, the Issuer, declared that we do not have any connection with the Issue Manager nor any connected persons of us connected with the Issue Manager. Moreover, we do not have any connection with the connected persons of the Issue Manager nor hold any securities thereof.

Sd/-

**Mohammad Azhar Khan**

Managing Director

Dated: 30 June, 2022

- g) **Director's declaration regarding loan defaulting**

This is to declare that, AGRO ORGANICA PLC (The Company) and all the Directors of the Company are not loan defaulters in terms of the CIB report in Bangladesh Bank.

Sd/-

Mohammad Ahmed Khan  
Chairman

Sd/-

Mohammad Azhar Khan  
Managing Director

Sd/-

Md. Iqbal Hossain  
Director

Sd/-

Begum Hena Khan  
Director

Sd/-

Abu Mohammad Mahbubul Karim Majumder  
Director

Sd/-

Din Mohammad Shopon  
Director

Place: Dhaka

Date: 30 June, 2022

- h) **Director's declaration regarding Statement Regarding Cost Audit**

This is to certify that, as per Section 220 (1) of the Companies Act, 1994, Cost Audit by order "Cost and Management Accountant" –within the meaning of the Cost and Management Accountants Ordinance, 1977 (LIII of 1977) is not applicable for –"AGRO ORGANICA PLC".

Sd/-

Mohammad Ahmed Khan  
Chairman

Sd/-

Mohammad Azhar Khan  
Managing Director

Sd/-

Md. Iqbal Hossain  
Director

Sd/-

Begum Hena Khan  
Director

Sd/-

Abu Mohammad Mahbubul Karim Majumder  
Director

Sd/-

Din Mohammad Shopon  
Director

Place: Dhaka

Date: 30 June, 2022