

**“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 প্রসপেক্টাস পড়ে এবং ঝুঁকির বিষয়গুলি সতর্কতার সাথে অনুধাবন করে নিজ নিজ আর্থিক অবস্থা ও ঝুঁকি গ্রহণ করার সক্ষমতা বিবেচনা করে বিনিয়োগ সিদ্ধান্ত গ্রহণ করবেন।”

**PROSPECTUS OF  
Web Coats PLC.**



**Manager to the Issue**



**Sonali Investment Limited**  
(A Subsidiary of Sonali Bank PLC)

**Qualified Investor Offer (QIO) for BDT 50,000,000**

**Offer Price BDT 10.00 each**

**Total Size of Fund to be Raised BDT 50,000,000**

Opening date of subscription: February 04, 2024

Closing date of subscription: February 08, 2024

**Names of the Underwriters:**

Shahjalal Equity Management Limited

**ISSUE DATE OF THE PROSPECTUS: January 08, 2024**

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

**(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:**

Name and Address	Contact Person	Telephone Number, FAX Number, E-Mail, Web Address
<b>ISSUER</b>		
<b>Web Coats PLC.</b> <b>Registered &amp; Corporate Office:</b> Corporate Office: Motaleb Mansion (3rd Floor),2, R. K. Mission Road, Dhaka-1203, Bangladesh. <b>Factory :</b> Lakirchar, Ruhitpur, Keranigonj, Dhaka, Bangladesh.	<b>Mr. Md. Shahijalal Parvez</b> Chief Financial Officer	Tel: +880-2-47113932, 9588985, Fax: +88-02-9554104 E-mail: info@webcoatsltd.com Web: www.webcoatsltd.com
<b>ISSUE MANAGER</b>		
<b>Sonali Investment Ltd.</b> Borak Biz Centre (1 <sup>st</sup> & 2 <sup>nd</sup> floor) 70, Dilkusha C/A, Dhaka-1000.	<b>Mr. Shawkat Jahan Khan, FCMA</b> Chief Executive Officer	Phone:+88- 02223355975, 02223350555 Email:sonaliinvestmentltd@gmail.com Web:www.sonaliinvestment.com.bd
<b>UNDERWRITER(S)</b>		
<b>Shahjalal Equity Management Limited</b> Al-Razi Complex, 166-167 Shaheed Syed Nazrul Islam Sarani, Level-9, Suite-901, Block-C, Dhaka-1000	<b>Mr. Md. Alamgir Hossain</b> Chief Executive Officer	Phone: +88-02-55111680, 55111681 Email: <a href="mailto:info@shahjalalequity.com">info@shahjalalequity.com</a> Fax: +88-0255111682 Web: www.shahjalalequity.com
<b>AUDITOR</b>		
<b>FAMES &amp; R</b> <b>Chartered Accountants</b> Sharaqa Mac, House: 3/1 & 3/2, Flat: 2/A, Bijoyagar, Dhaka-1000	<b>Fouzia Haque, FCA(Enroll.1032),</b> Partner	Phone:01819496565 Fax: Email:haque.fouzia@gmail.com
<b>VALUER</b>		
<b>G. Kibria &amp; Co.</b> <b>Chartered Accountants</b> Sadharan Bima Sadan (5 <sup>th</sup> Floor) 24-25 Dilkusha C/A, Dhaka-1000	<b>Mr. A.K. Gulam Kibria FCA</b> Partner	Phone: +88-02-223355324, +88-02-48812331 +88-02-48812332 Email: gkibria@gkibriaandco.com Web: www.gkibriaandco.com

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

**(ii) Declaration:**

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 প্রসপেক্টাসে বর্ণিত তথ্য সম্পর্কিত যে কোন জিজ্ঞাসা আপনি প্রতিষ্ঠানটির উল্লেখিত ইস্যুয়ার, ইস্যু-ব্যবস্থাপক এবং অবলোকেবর 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 COMPANY) 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) AND/OR VALUER (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 BDT 10.00 (BDT Ten), and the issue price is BDT 10.00 (BDT Ten), i.e., of the face value. The issue price as determined 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 making an investment decision in this offer. For making an investment decision, investors must rely on their own examination of the issuer and the offer including the risks involved. Given the emerging nature of small capital companies, there may be a higher investment risk attached to the securities being offered. The securities to be traded on the Small Capital (SME) Plat form may be more susceptible to high market volatility than securities traded on the Main Board and no assurance is given that there will be an active market for trading of such securities. 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’ given on page number(s) 10-12.

**(vii) ‘Web Coats 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 is 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 is available in soft form;

Issuer	Contact Person	Website and E-mail Address
Web Coats PLC.	Mr. Md. Shahijalal Pervez Chief Financial Officer	Web: www.webcoatsltd.com E-mail: info@webcoatsltd.com
Issue Manager	Contact Person	Website and E-mail Address
Sonali Investment Ltd.	Mr. B. M. Neamul Hasan Issue Management Department	Phone: +88- 02223355975, 02223350555 Email:sonaliinvestmentltd@gmail.com Web:www.sonaliinvestment.com.bd
Stock Exchange(s)	Contact Person	Website and E-mail Address
Dhaka Stock Exchange Ltd.	Mr. Mohammed Mahfuzur Rahman Assistant General Manager & Head of Index Management, Data Services and Publication Department	Web: www.dsebd.org Email: imdsp@dse.com.bd
Chittagong Stock Exchange Ltd.	Mr. Mohammad Javed Sarwar Assistant Manager	Web: www.cse.com.bd Email: javed@cse.com.bd

Prospectus would also be available on the website of the Bangladesh Securities and Exchange Commission (BSEC) ( [www.sec.gov.bd](http://www.sec.gov.bd)) and at the library room of the BSEC for reading and studying upon approval.

**(ii) Definitions and Acronyms or Elaborations;**

<b>ACRONYMS/ELABORATIONS</b>		
<b>A</b>		
AGM	:	Annual General Meeting
Allotment	:	Letter of Allotment of Shares
WCPLC	:	Web Coats PLC.
“Articles” or “Articles of Association” or “AoA”	:	The Articles of Association of Web Coats PLC.
<b>B</b>		
BB	:	Bangladesh Bank
BDT	:	Bangladeshi Taka
BIDA	:	Bangladesh Investment Development Authority
BMRE	:	Balancing, Modernization, Rehabilitation & Expansion
BO Account	:	Beneficial Owners Account
BSEC	:	Bangladesh Securities and Exchange Commission
BOD	:	Board of Directors
<b>C</b>		
CDBL	:	Central Depository Bangladesh Limited
CIB	:	Credit Information Bureau
CFO	:	Chief Financial Officer
Commission	:	Bangladesh Securities and Exchange Commission
Company	:	Web Coats PLC.
Companies Act	:	Companies Act, 1994
Corporate Office	:	Head Office of the Company
CSE	:	Chittagong Stock Exchange Limited
<b>D</b>		
DCT	:	Deputy Commissioner of Taxes
DSE	:	Dhaka Stock Exchange Limited
<b>E</b>		
E-mail	:	Electronic Mail
EPS	:	Earnings Per Share
EIs	:	Eligible Investors
EGM	:	Extraordinary General Meeting
<b>F</b>		
FC Account	:	Foreign Currency Account
FCA	:	Fellow Chartered Accountants
FDR	:	Fixed Deposit Receipt
FY	:	Financial Year
<b>G</b>		
GBP	:	Great Britain Pound
GDP	:	Gross Domestic Product
GP	:	General Public
<b>I</b>		
Issue	:	Qualified Investor Offer (QIO)
Issuer	:	Web Coats PLC.
Issue Manager	:	Sonali Investment Limited
IFRS	:	International Financial Reporting Standards
IAS	:	International Accounting Standards

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

<b>L</b>		
L/C	:	Letter of Credit
<b>M</b>		
MD	:	Managing Director
MOA or Memorandum of Association	:	The Memorandum of Association of Web Coats PLC.
<b>N</b>		
NBFI	:	Non-Bank Financial Institution
NAV	:	Net Asset Value
NBR	:	National Board of Revenue
NRB	:	Non-Resident Bangladeshi
NOC	:	No Objection Certificate
<b>O</b>		
Our Company	:	Web Coats PLC.
Offer Price	:	Price of the share of Web Coats PLC.
<b>P</b>		
SIL	:	Sonali Investment Limited
P/E	:	Price to Earnings Ratio
<b>Q</b>		
QIO	:	Qualified Investor Offer
<b>R</b>		
RJSC	:	Registrar of Joint Stock Companies and Firms
Rules	:	Bangladesh Securities and Exchange Commission (Qualified Investor Offer by Small Capital Companies) Rules, 2022
<b>S</b>		
Sponsors	:	The sponsor shareholders of Web Coats PLC.
Securities	:	Shares of Web Coats PLC.
Securities Market	:	The Share Market of Bangladesh
SME	:	Small & Medium Enterprise
STD A/C	:	Short Term Deposit Account
Subscription	:	Application Money
<b>T</b>		
The Company / Issuer	:	Web Coats PLC.
TIN	:	Tax Identification Number
Tk.	:	Bangladeshi Taka
<b>U</b>		
UK Pound	:	United Kingdom Pound
USD	:	United States Dollar
<b>V</b>		
VAT	:	The Value Added Tax
<b>W</b>		
WDV	:	Written Down Value
WPPF	:	Workers' Profit Participation Fund
<b>Y</b>		
Y-o-Y	:	Year on Year

**(a) TABLE OF CONTENTS**

SECTION - I .....	10
RISK FACTORS AND MANAGEMENT’S PERCEPTION ABOUT THE RISKS .....	10
SECTION - II .....	13
USE OF PROCEEDS .....	13
SECTION - III .....	17
DESCRIPTION OF BUSINESS .....	17
SECTION - IV .....	22
DESCRIPTION OF PROPERTY .....	22
SECTION - V .....	25
PLAN OF OPERATION AND DISCUSSION OF FINANCIAL CONDITION .....	25
SECTION - VI .....	36
DIRECTORS AND OFFICERS .....	36
SECTION - VII .....	40
INVOLVEMENT OF DIRECTORS AND OFFICERS IN CERTAIN LEGAL PROCEEDINGS .....	40
SECTION - VIII .....	42
CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS .....	42
SECTION - IX .....	45
EXECUTIVE COMPENSATION .....	45
SECTION - X .....	48
OPTIONS GRANTED TO DIRECTORS, OFFICERS AND EMPLOYEES .....	48
SECTION - XI .....	49
TRANSACTION WITH THE DIRECTORS AND SUBSCRIBES TO THE MEMORANDUM .....	49
SECTION - XII .....	51
TANGIBLE ASSETS PER SHARE .....	51
SECTION - XIII .....	53
OWNERSHIP OF THE COMPANY’S SECURITIES .....	53
SECTION - XIV .....	57
DETERMINATION OF OFFERING PRICE .....	57
SECTION - XV .....	59
DESCRIPTION OF SECURITIES OUTSTANDING OR BEING OFFERED .....	59
SECTION - XVI .....	61
FINANCIAL STATEMENTS .....	61
ADDITIONAL DISCLOSURES .....	117
PART- I .....	118
ABOUT THE INDUSTRY .....	118
PART - II .....	127

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

CONDITIONS IMPOSED BY THE COMMISSION IN THE CONSENT LETTER .....	127
PART- III.....	131
DECLARATION AND DUE DILIGENCE CERTIFICATES .....	131
PART - IV.....	136
ABOUT THE ISSUER .....	136
PART - V .....	139
CORPORATE DIRECTORY OF THE ISSUER.....	139
PART – VI .....	141
DESCRIPTION OF THE ISSUER .....	141
PART - VII.....	157
MANAGEMENT’S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION .....	157
PART – VIII .....	163
VALUATION REPORT OF SECURITIES PREPARED BY THE ISSUE MANAGER.....	163
PART – IX .....	167
DEBT SECURITIES .....	167
PART – X.....	169
PARTIES INVOLVED AND THEIR RESPONSIBILITIES .....	169
PART - XI.....	171
MATERIAL CONTRACTS .....	171
PART - XII.....	176
OUTSTANDING LITIGATIONS, FINE OR PENALTY .....	176
PART - XIII .....	178
DESCRIPTION OF THE ISSUE .....	178
PART - XIV .....	180
MARKETS FOR THE SECURITIES BEING OFFERED .....	180
PART - XVI .....	182
APPLICATION PROCEDURE .....	182
PART - XVII .....	184
FINANCIAL STATEMENTS AS ON JUNE 30, 2023 .....	184



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

**(b) A prospectus may be obtained from the issuer company, issue manager, underwriter and stock exchange(s);**

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

Name	Address	Contact Details
<b>ISSUER</b>		
<b>Web Coats PLC.</b>	<b>Registered &amp; Corporate Office:</b> Corporate Office: Motaleb Mansion (3rd Floor), 2, R. K. Mission Road, Dhaka-1203, Bangladesh.  <b>Factory:</b> Lakirchar, Ruhitpur, Keranigonj, Bangladesh.	Tel: +880-2-47113932, 9588985, Fax: +88-02-9554104
<b>ISSUE MANAGER</b>		
<b>Sonali Investment Ltd.</b>	Borak Biz Centre (1 <sup>st</sup> & 2 <sup>nd</sup> floor) 70, Dilkusha C/A, Dhaka-1000.	Phone: +88- 02223355975, 02223350555
<b>UNDERWRITER</b>		
<b>Shahjalal Equity Management Limited</b>	Al-Razi Complex, 166-167 Shaheed Syed Nazrul Islam Sarani, Level-9, Suite-901, Block-C, Dhaka-1000	Phone: +88-02-55111680, 55111681
<b>AUDITOR</b>		
<b>FAMES &amp; R Chartered Accountants</b>	Sharaqa Mac, House: 3/1 & 3/2, Flat: 2/A, Bijoy Nagar, Dhaka-1000	Phone: 01819496565 Email ID: haque.fouzia@gmail.com
<b>Stock Exchanges</b>		
<b>Dhaka Stock Exchange Ltd.</b>	DSE Head Office: Dhaka Stock Exchange Ltd. Stock Exchange Building 9/F Motijheel C/A Dhaka-1000	Tel: 02223384601 - 07 Fax: 02223384727
<b>Chittagong Stock Exchange Ltd.</b>	Chittagong Stock Exchange PLC. CSE Building, 1080, Sk. Mujib Road Agrabad, Chittagong, Bangladesh	Tel: +880 2333314632-3, +880 2333320871-2, +880 2333326801-5 Fax: +880 2333314101, +880 2333326810

“পুঁজিবাজারে বিনিয়োগ ঝুঁকিপূর্ণ। জেনে ও বুঝে বিনিয়োগ করুন”

**SECTION - I**

---

**RISK FACTORS AND MANAGEMENT'S PERCEPTION ABOUT THE RISKS**

---

**a) Interest rate risks:**

Interest rate risk is associated with the fluctuations in market interest rates which cause a company's cost of debt to increase. Changes in the Government's monetary policy also tend to increase interest rates. A high rate of interest may adversely affect the operating results and financial performance of the Company with additional financial charges and squeezes the profit of the company.

**Management perception:**

Management of Web Coats PLC. always emphasizes to manage its finance to an optimum capital structure of the company so that the cost of capital & debt remains minimum. The management always prefers to take loan with reasonable competitive rate. The company has loan in small scale. Hence, the company is not highly exposed to interest rate risk.

**b) Exchange rate risks:**

Foreign exchange risk also is known FX risk of currency is a financial risk that exists when a financial transaction is denominated in a currency other than that of the base currency of the company. This risk arises when investment's value changed due to the changes in the currency exchange rate.

**Management perception:**

The company receives the entire export proceeds in foreign currency and makes the import payments in foreign currency as well. For a given depreciation of Taka against a particular foreign currency like US Dollar, the import payment and export proceeds will both be higher in terms of Taka. In case of an appreciation of Taka against the same currency, the opposite will occur. Hence, the company has a natural hedge against exchange rate risk.

**c) Industry risks:**

Industry risk is related to the factors affecting the company. The factors are the change in supply and demand of the product, changes of laws, government policy to the sector and competitor's rivalry.

**Management Perception:**

Web Coats PLC. is aware of the above fact. Industry risk is inherent in any kind of business. At the moment industry is favoring for operating business.

**d) Market and technology-related risks:**

Market risk is the risk that any change in the market such as demand of the product, foreign exchange rates fluctuation, prices of the product, increase of competition, a squeeze of business through the cancellation of work order, shifting of the buyer to another market will affect the company's business. The objective of market risk management is to manage and control market risk exposures within acceptable parameters.

**Management perception:**

Market risk dealt with efficiently by the experienced management of Web Coats PLC.

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

The Company operates under Companies Act, Taxation policy adopted by NBR, Bangladesh Securities and Exchange Commission (BSEC)'s Rules and Rules adopted by other regulatory bodies. Any abrupt changes in the policies formed by those bodies will impact the business of The Company adversely.

**Management perception:**

The economy of Bangladesh has been developing over the decades because of business-friendly Rules and Regulations adopted by the various regulatory bodies of the country. Unless any adverse policies are taken, which may materially affect the industry as a whole, the business of The Company will not be affected. The government emphasizes the growth of the local industry to meet the local need. Our government is encouraging the industry with investment-friendly policy measures.

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

Changes in the existing global or national policies can have either positive or negative impacts for the company. Any scarcity or price hike or global or national policy change may hamper the profitability.

**Management perception:**

Nowadays global and national policies do not change without prior notice. For potential changes in policies, local and global leaders consider different issues including industry's opinion. We are optimistic that if any policies change unpredictably, we can improvise with new policies without hampering our smooth operation.

**g) History of Non-Operation, if any:**

Not Applicable.

**h) Operational Risk**

Operational risk is the possibility of suffering a financial setback due to internal procedures, personnel, and system failures or uncontrollable outside factors. Due to a lack of internal controls and compliance within the bank, operational risk can also result from mistakes and fraud.

**Management's Perception**

The operational risk management process at WCPLC explains how the company controls its operational risk by identifying, assessing, monitoring, controlling, and mitigating the risk, addressing operational risk events, and putting in place any additional procedures necessary to comply with regulatory requirements. Different levels of management within the business operation are given the duty of operational risk management. Information systems are used to create suitable, frequent management reporting as well as to track the discovery and evaluation of operational risks. In order to track important developments, risk assessment includes a regular review of the risks that have been identified.

**i) Risk Relating to Secondary Trading of Securities**

The Secondary Market offers many opportunities for investing. However, secondary market exhibits a higher risk than the loans that would be seen in the Primary Market. The earnings and return expectations, the risk components of secondary market largely correspond to those of QIO. Secondary market can have liquidity risks. The liquidity risk recedes if a sufficiently solvent issuer guarantees repayment of the invested capital at any time. Due to the short maturity, the liquidity sensitivity of these instruments is lower than that of bank deposit.

**Management's Perception**

The Company understands the threat of a liquidity crisis. The company is operating using an effective working capital management strategy, which essentially is focused on the liquidity issue of the company. As a matter of fact, the company is maintaining the optimum level of liquid assets to avoid any sort of risks raised which may occur during trading in secondary market. The company is strictly controlling its inflows, outflows, and different use of liquid funds. So, the risk of the company is lowest.

“পুঁজিবাজারে বিনিয়োগ ঝুঁকিপূর্ণ। জেনে ও বুঝে বিনিয়োগ করুন”

**SECTION - II**

---

**USE OF PROCEEDS**

---

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

**(a) The prospectus shall show how the net proceeds of the offering shall be used, indicating the amount to be used for each purpose:**

Web Coats PLC. will raise capital from qualified investor through Qualified Investor Offer (QIO). Details particulars of QIO fund is given in the following table:

Source of fund:

Particulars	Amount in BDT
Number of Shares Issue Under QIO	5,000,000
Issue Price	BDT 10.00
<b>Total Amount</b>	<b>50,000,000</b>

Qualified Investor Offer (QIO) proceeds to be used in the following purpose:

Sl. No.	Particulars	Amount (BDT)
1	Machineries	22,250,000
2	Working Capital	10,780,000
3	Loan Repayment	14,270,000
4	QIO Expenses	2,700,000
	<b>Total</b>	<b>50,000,000</b>

Breakdown of use of net QIO proceeds:

**1. Business Expansion:**

Sl. No.	Particulars	Amount (BDT)
i.	Machineries	20,600,000
ii.	Machineries Installation	1,050,000
iii.	Duty (Port)	600,000
	<b>Total</b>	<b>22,250,000</b>

**i. Machineries & Accessories list**

Sl. No.	Particulars	Quantity	Unit Price	Total Price
1	Cast Coating Machine 1092 mm	02	10,300,000	20,600,000
	<b>Total</b>			<b>20,600,000</b>

**ii. Working Capital**

Sl. No.	Particulars	Required Amount in BDT
1	Purchase of raw materials and others	10,780,000
	<b>Total</b>	<b>10,780,000</b>

**2. Loan Re-Payments:**

Sl. No.	Particulars	Required Amount in BDT
1	Loan Re-Payments to Southeast Bank Limited	14,270,000
	<b>Total</b>	<b>14,270,000</b>

**3. Estimated QIO Expense:**

Sl. No.	Type of Fees	Nature of Expenditure	Amount in BDT
<b>A.</b>	<b>Issue Management Fees</b>		<b>575,000</b>
	Managers to the issue fees	Maximum Tk. 500,000	500,000
	VAT Against Issue management Fees	15% on issue management Fee	75,000
<b>B.</b>	<b>Bangladesh Securities and Exchange Commission Fees</b>		<b>100,000</b>
	Application fees	At actual	50,000
	BSEC Consent fees	0.10% of QIO amount	50,000
<b>C.</b>	<b>Fees Related to Listing with the Stock</b>		<b>5,76,170</b>

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

Sl. No.	Type of Fees	Nature of Expenditure	Amount in BDT
	<b>Exchange(s)</b>		
	<b>Dhaka Stock Exchange (DSE)</b>		
	Prospectus Scrutiny fee for DSE	At actual	25,000
	Initial Listing Fee for DSE	Up to BDT 10 crore of paid-up capital @ 0.10% and above BDT 10 crore of paid-up capital @ 0.05%	215,071
	Annual Listing Fee for DSE	Up to BDT 10 crore of paid-up capital @ 0.025% and above BDT 10 crore of paid-up capital @ 0.01%	48,014
	<b>Chittagong Stock Exchange (CSE)</b>		
	Prospectus Scrutiny fee for CSE	At actual	25,000
	Initial Listing Fee for CSE	Up to BDT 10 crore of paid-up capital @ 0.10% and above BDT 10 crore of paid-up capital @ 0.05%	215,071
	Annual Listing Fee for CSE	Up to BDT 10 crore of paid-up capital @ 0.025% and above BDT 10 crore of paid-up capital @ 0.01%	48,014
<b>D.</b>	<b>Underwriting Commission</b>		<b>71,875</b>
	Underwriting Commission	0.50% on underwritten amount	62,500
	VAT Against Underwriting Commission	15% on underwriting commission	9,375
<b>E.</b>	<b>CDBL Fees and Expenses</b>		<b>6,66,425</b>
	Security Deposit	At actual	500,000
	Documentation Fee	At actual	2,500
	Annual Fee	At actual	100,000
	Connection Fee(Tk. 500 Per Month*12)	At actual	6,000
	Qualified Investor Offer Fee	@.015% of issue size+.015% of Pre-QIO paid up capital	49,521
	Demat Fee	(0.00003 of pre-QIO)	8,404
<b>F.</b>	<b>Post QIO Expenses</b>		<b>450,000</b>
	Post Issue Management Fee	(Estimated; to be paid actual)	250,000
	Subscription Related Expenses	(Estimated; to be paid actual)	200,000
<b>G.</b>	<b>Prospectus Publication &amp; Others</b>		<b>200,000</b>
	Publication of Prospectus	(Estimated; to be paid actual)	200,000
<b>H.</b>	<b>Miscellaneous Expenses</b>		<b>60,530</b>
		(Estimated; to be paid actual)	
	<b>Total</b>	<b>A+B+C+D+E+F+G+H</b>	<b>2,700,000</b>

N.B Actual costs may vary if above mentioned estimates differ and will be adjusted accordingly.

**(b) The prospectus shall also include a schedule mentioning the stages of implementation and utilization of funds received through 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 and the chief financial officer of the issuer:**

**A SCHEDULE MENTIONING THE STAGES OF IMPLEMENTATION AND UTILIZATION OF FUNDS RECEIVED**

SL No.	Particulars	Progress made so far	Approximate date of Completion	Projected date of full commercial operation
1	Loan Re-Payments	The company will start the work after receipt of QIO fund.	Within 6 months after receiving QIO fund.	Immediately after receiving QIO fund.
2	Business Expansion	The company will start the work after receipt of QIO fund.	Within 24 months after receiving QIO fund.	Within 24 months after receiving QIO fund.

Sd/-  
**Sonali Reza**  
Chairman

Sd/-  
**Md. Reza-E-Selim**  
Managing Director

Sd/-  
**Md. Shahjialal Pervez**  
Chief Financial Officer

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

- (c) If there are contracts covering any of the activities of the issuer 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 issuer shall disclose the terms of such contracts, and copies of the contracts shall be enclosed as annexure to the prospectus:**

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

**Terms of contract:**

As per Annexure-E (B)(05)(C) of the Bangladesh Securities and Exchange Commission (Qualified Investor Offer by Small Capital Companies) Rules 2022 there is no contract covering any of the activities of the issuer company for which the proceeds of sale of securities from QIO is to be used.

Sd/-  
**Sonali Reza**  
Chairman

Sd/-  
**Md. Reza-E-Selim**  
Managing Director

Sd/-  
**Md. Shahijalal Pervez**  
Chief Financial Officer



“পুঁজিবাজারে বিনিয়োগ ঝুঁকিপূর্ণ। জেনে ও বুঝে বিনিয়োগ করুন”

**SECTION - III**

---

**DESCRIPTION OF BUSINESS**

---

**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:

<b>Date of Incorporation</b>	15 April 2013
<b>Date of Commercial Production</b>	01 January 2014
<b>Nature of Business</b>	The company is 100% export-oriented paper processing unit and the principal activities of the company are to carry on the business of manufacturing and exporting of all kinds of paper and board etc. by producing, processing and converting in its own plant.
<b>Subsidiary Company</b>	The company has no subsidiary company.

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

- (i) The principal products or services of the company and the markets for such products or services;

Principal Products of Web Coats PLC. are:

- |   |                |
|---|----------------|
| 1. Self-Adhesive Paper                  | 2. Photo Inlay |
| 3. Tissue Paper                         | 4. Gum Tape    |
| 5. Hang Tag                             | 6. Back Board  |
| 7. Size Tag                             | 8. Neck Board  |
| 9. Price Tag                            | 10. Paper Bent |
| 11. Self-Copy Computer Continuous Paper |                |

**Market of the Products:**

At present, it is manufacturing 10 plus products of paper based product such as self-adhesive, paper bent, tissue paper, neck board, size board, hang tag, size tag etc. A major portion of its revenue incurred by selling its products to the deem export by establishing extensive distribution channels across the country and abroad.

**Past Trend:** Last 5 years’ sales of the Web Coats PLC.:

Particulars	March 31, 2023	June 30, 2022	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018
Revenue	328,939,031	486,123,882	456,854,170	584,096,721	573,209,686	898,261,916

**Future Prospects:**

Web Coats PLC. now producing self-adhesive and other tag papers related RMG supported products for local export-oriented garments industries called (deem export). The market size of Bangladesh is big enough and growing rapidly. The proposed products are portable and hence this can be sold anywhere in Bangladesh as per demand for quality and fair price. Therefore, macro-level demand for self-adhesive and tag papers is considered as sufficient for the project. Future prospects regarding exports and local market of Web Coats PLC. are given below:

Particulars	2022-2023	2023-2024	2024-2025	2025-2026	2026-2027
Local Sales Revenue	Nil	Nil	Nil	Nil	Nil
Export	500,145,265	569,565,825	598,525,824	631,525,845	680,912,586
<b>Total Revenue</b>	<b>500,145,265</b>	<b>569,565,825</b>	<b>598,525,824</b>	<b>631,525,845</b>	<b>680,912,586</b>

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

- (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;**

Sl. No.	Name of the Product	% of contribution
01	Self-Adhesive Paper	70%

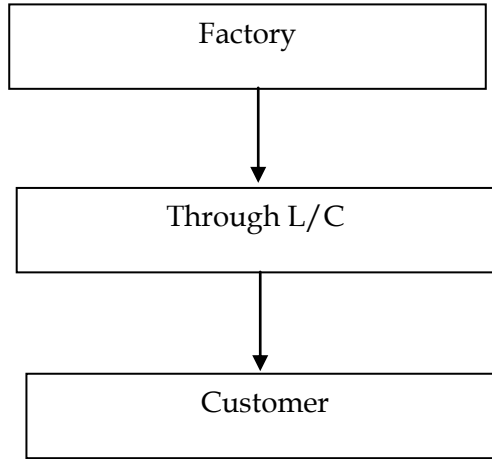
- (iii) **Names of associates, subsidiary/related holding company and their core areas of business;**

The company does not have any of associates, subsidiary/related holding company.

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

Web Coats PLC. has its own distribution network to distribute its products throughout the country. All products produced in the factory, are brought to the central distribution hub before delivery vehicles of the company distribute the products to different depots located across the country.

Company's product distribution systems are depicted below:



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

Bangladesh has a large and growing population with a high percentage of young and educated individuals, making it an attractive location for companies looking to tap into a skilled labor force. This demographic advantage, combined with the country's low cost of living and business-friendly policies, has made Bangladesh an increasingly popular destination for foreign investors. The company's commitment to ethical and sustainable practices also helps it to avoid negative publicity and maintain a positive brand image. However, the company operates in a highly competitive market, and it must continue to innovate and differentiate itself to stay ahead of its competitors. The market share data in terms of value and percentage for the leaders is given below:

Market Competitors	Value (in BDT)	Market Share %	Position
Tasihian Limited	60 crores	12%	3
Mercury Packaging & Accessories Ltd.	48 crores	10%	4
Loparex Coatings Industry	75 crores	15%	1
Euro Gold Accessories Ltd.	65 crores	13%	2
Astia Paper Mills Ltd.	40 crores	8%	5

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

Most of the raw materials and some primary packing materials of the Company are procured from aboard. The names of main suppliers are mentioned below:

Sl. No	Supplier Name	Address	Active Ingredients/Materials
1	Shandong GKO New Material Technology Co., Ltd.	Room 20N22, Building 3, Pangu World I/P, Jinhua Road, Linyi Economic and Development Zone, Shandong, China	CCK Paper
2	Pointer Investment (HK) Ltd.	Room C, 32/5, Lippo Centre, Tower 1, 89 Queensway, Hongkong	Pure Pulp CCK
3	Paperfix Trading Co. Ltd.	Room 803, Chevalier House, 45-51, Chatham Road South, Tsim Sha Tsui, Kowloon, Hong Kong.	CCK Paper
4	Dow Chemical Pacific (Singapore) Pvt. Ltd.	Office 111, PO Box 261627, Jebel All Free Zone, Dubai, UAE	LDPE
5	Firststar Group Company Limited	Block A, 1201 Central Int. Plaza, 19 Zhang Zhou 2 Road, Mqingdao, China	Self-Copy Paper
6	Tricell Publishing & Marketing Company Limited	1-1027, Xinghu City Life Plaza, No.11 Weizheng Road Suzhou Industrial Park, Jiangsu, CN	Pure pulp CCK
7	Hop Cheong Paper Trading Company	Room 315-316 and 318 3/F Park Fook Industrial Building, No.615-617 Tai Nan Street, Lai Chi Kok, Kowloon, Hong Kong.	Pure pulp CCK
8	P & F Korea Co. Ltd.	39-8, Bongdong-ro 95beon-gil, Dongducheon-si, Gyeonggi-do, South Korea.	One sided coated released paper
9	Bharat Kumar and Co. Pvt. Ltd.	24, Madan Mohan Talla Street, Kolkata, West Bengal, India.	Offset Paper
10	Guangzhou Lushan New Materials Co. Ltd.	No.22, Pubei Road, Huangpu, Guangzhou, China.	Hot Melt Adhesive

**Contingency plan in case of Disruption of supplier**

WCPLC is a manufacturer, promoter, distributor, and marketer of paper products with final formulations that are vertically integrated. Its business is mostly brand and product-driven. But maintaining a convoluted supply chain is a crucial component of its business plan. All elements must be made available with the proper quality, quantity, and sources in order for each brand to develop. Being a part of a highly regulated sector requires us to stay informed about at least three processes: first, if the information is originating from sources that have been verified; second, whether it is being processed properly; and third, how it is getting to the ultimate customers.

The Company always audits its vendors to ensure compliance with Good Manufacturing Practices (cGMP) and chooses a number of validated vendors, reducing the risk of supply shortages and preventing supply disruptions.

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

Utilities	Requirement	Source
Electricity	1000 KW / 1 MW	The company has REB connection of 1 MW from REB, Ruhitpur, Keraniganj
Gas	N/A	N/A

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

Utilities	Requirement	Source
Water	liter/hr	Water is drawn by own deep Tube well and stored in central storage tank (1 lac liter capacity) for Water Treatment Plan (WTP) and other regular usage. Area Lakirchor, Ruhitpur, Keraniganj.

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

To manage the disruption of utilities, The Company has REB connection of 500KVA (Diesel Generator/Standby/Perking).

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

The Company has many customers who contribute to the Company's revenue. Oishi Fashion (Pvt.) Ltd' is one of the customers that purchase about 13% of the total revenue.

**(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 no such contract with any supplier or customers.

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

The Company does not have any material patents, licenses or royalty agreements. It has several regulatory license and certificate in order to continue its operation.

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

WCPLC currently employs 144 people overall, including those in the corporate, field force and factory offices. All of those are permanent employees (full-time), No Employee on a daily basis, and there are no employed on a contract basis. It should be noted that no employees were paid less than Tk. 8,500.00 (Eight Thousand Five Hundred) just per month.

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

Capacity or Facility Creation (Per Annum)				
Types of Machines	Unit	Installed Capacity Yearly	Actual Production	Percentage of Capacity Utilization
Self-Adhesive Paper	Dzn	3,600,000	2,523,495	70%
Tissue Paper	Dzn	262,500	202,399	77%
Hang Tag	Dzn	225,000	166,332	74%
Size Tag	Dzn	225,000	177,607	79%
Price Tag	Dzn	225,000	169,211	75%
Self Copy Computer Continuous Paper	Dzn	262,500	193,886	74%
Photo Inlay	Dzn	300,000	218,065	73%
Gum Tape	Dzn	300,000	214,646	72%
Back Board	Dzn	750,000	538,798	72%
Neck Board	Dzn	450,000	343,140	76%
Paper Bent	Dzn	150,000	113,481	76%

“পুঁজিবাজারে বিনিয়োগ ঝুঁকিপূর্ণ। জেনে ও বুঝে বিনিয়োগ করুন”

**SECTION - IV**

---

**DESCRIPTION OF PROPERTY**

---

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

The written down value of property, plant and equipment's owned by the company as per audited accounts as on March 31, 2023 are stated below:

Sl. No.	Particulars	Written Down Value as at March 31, 2023
1	Land	120,375,000
2	Factory Building, Civil Construction and Others	60,174,748
3	Plant and Machinery	52,689,215
4	Electrical Equipment	4,269,029
5	Fire Equipment	1,761,750
6	Computer & Computer Equipment	461,755
7	Office Equipment	1,582,573
8	Vehicles	7,509,391
9	Generator	2,482,985
10	Deep Tubewel	460,688
11	Furniture and Fixture	2,147,140
12	Software	26,000
<b>As on 31 March 2023</b>		<b>253,940,274</b>

**(a) Location of the principal plants and other property of the company and the condition thereof:**

The entire above-mentioned assets are located at rented registered & corporate office: Motaleb Mansion (3rd Floor), 2, R.K. Mission Road, Dhaka-1203, and Factory: Lakirchar, Ruhitpur, Keranigonj, Dhaka. The above-mentioned plant and machinery was purchased in brand new condition. All the assets are in working condition.

The details of the location and area of the land are given in the following table-

Particulars	Location & Area	Condition of the Property
Land	Lakirchar, Ruhitpur, Keranigonj, Dhaka	Good condition
Factory Building, Civil Construction and Others	Lakirchar, Ruhitpur, Keranigonj, Dhaka	Good condition
Plant and Machinery	Lakirchar, Ruhitpur, Keranigonj, Dhaka	Purchased in brand new condition and working in good condition
Electrical Equipment	Lakirchar, Ruhitpur, Keranigonj, Dhaka	Working in good condition
Fire Equipment	Lakirchar, Ruhitpur, Keranigonj, Dhaka and Motaleb Mansion (3rd Floor), 2, R.K. Mission Road, Dhaka-1203	Working in good condition
Computer & Computer Equipment	Lakirchar, Ruhitpur, Keranigonj, Dhaka Motaleb Mansion (3rd Floor), 2, R.K. Mission Road, Dhaka-1203	Working in good condition
Office Equipment	Lakirchar, Ruhitpur, Keranigonj, Dhaka Motaleb Mansion (3rd Floor), 2, R.K. Mission Road, Dhaka-1203	Working in good condition
Vehicles	Lakirchar, Ruhitpur, Keranigonj, Dhaka Motaleb Mansion (3rd Floor), 2, R.K. Mission Road, Dhaka-1203	Running
Generator	Lakirchar, Ruhitpur, Keranigonj, Dhaka	Good condition
Deep Tubewel	Lakirchar, Ruhitpur, Keranigonj, Dhaka	Working in good condition
Furniture and Fixture	Lakirchar, Ruhitpur, Keranigonj, Dhaka Motaleb Mansion (3rd Floor), 2, R.K. Mission Road, Dhaka-1203	Working in good condition

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

<b>Particulars</b>	<b>Location &amp; Area</b>	<b>Condition of the Property</b>
Software	Lakirchar, Ruhitpur, Keranigonj, Dhaka Motaleb Mansion (3rd Floor), 2 R. K. Mission Road, Dhaka, Bangladesh.	Running

**(b) Whether the property is owned by the company or taken on lease:**

All the above-mentioned assets of the Company are in its own name except rented registered & corporate office at Motaleb Mansion (3rd Floor), 2, R.K. Mission Road, Dhaka-1203.

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

23 decimals of land with one storied factory shed building are mortgaged to Southeast Bank Limited against long term borrowings.

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

No Property is taken by the Company under lease agreement except rented registered and corporate office at Motaleb Mansion (3rd Floor), 2, R.K. Mission Road, Dhaka-1203.

**Details of the Lease Agreement**

<b>Name of the Lessor</b>	<b>Agreement Date</b>	<b>Expiry Date</b>	<b>Total Area</b>	<b>Rent Per Sft. (BDT)</b>	<b>Monthly Rent (BDT)</b>
Md. Reza-E-Selim	January 01, 2022	December 31, 2026	1000 sft	35/-	35,000/-



“পুঁজিবাজারে বিনিয়োগ ঝুঁকিপূর্ণ। জেনে ও বুঝে বিনিয়োগ করুন”

**SECTION - V**

---

**PLAN OF OPERATION AND DISCUSSION OF FINANCIAL CONDITION**

---

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

**(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 which shall, among others, include:**

**(i) Projected financial statements up to the year of commercial operation certified by the auditor of the issuer**

Web Coats PLC. has started its commercial operation on 01 January, 2014. Hence, such information would not be applicable to the company.

**(ii) Any expected significant changes in the number of employees.**

Web Coats PLC. has started its commercial operation on 01 January, 2014. Hence, such information would not be applicable to the company.

**(b) If the issuer had been in operation, the issuer’s revenue and results from 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:**

Revenue and results from operation:

Particulars	Amount in Taka					
	31-Mar-23	30 June 2022	30 June 2021	30 June 2020	30 June 2019	30-Jun-18
<b>Sales Revenue</b>	328,939,031	486,123,882	456,854,170	584,096,721	573,209,686	898,261,916
Less: Cost of Goods Sold	269,842,821	399,107,707	375,284,272	480,270,069	472,326,730	746,512,369
<b>Gross Profit</b>	<b>59,096,210</b>	<b>87,016,175</b>	<b>81,569,898</b>	<b>103,826,652</b>	<b>100,882,956</b>	<b>151,749,547</b>
Less: Administrative Expenses	12,348,687	14,143,960	13,054,291	12,666,342	11,722,140	12,159,024
Less: Selling & Distribution Expenses	3,531,524	4,226,599	3,987,538	3,876,277	3,527,565	3,832,085
<b>Operating Profit</b>	<b>43,215,999</b>	<b>68,645,616</b>	<b>64,528,069</b>	<b>87,284,033</b>	<b>85,633,251</b>	<b>135,758,438</b>
<b>Non-Operating Income/Expenditure</b>	<b>13,863,437</b>	<b>16,770,463</b>	<b>29,989,112</b>	<b>39,196,455</b>	<b>28,257,954</b>	<b>31,049,884</b>
Add: Other Income	3,083,453	3,581,717	5,055,433	5,917,682	5,418,953	1,854,080
Less: Financial Expenses	16,946,890	20,352,180	35,044,545	45,114,137	33,676,907	32,903,964
<b>Net Profit / (Loss) for the year Before WPPF</b>	<b>29,352,562</b>	<b>51,875,153</b>	<b>34,538,957</b>	<b>48,087,578</b>	<b>57,375,297</b>	<b>104,708,554</b>
Workers' Profits Participation Funds	1,397,741	-	-	-	-	-
<b>Net Profit / (Loss) before Tax</b>	<b>27,954,821</b>	<b>51,875,153</b>	<b>34,538,957</b>	<b>48,087,578</b>	<b>57,375,297</b>	<b>104,708,554</b>
Less: <b>Income Tax Expenses</b>	<b>3,194,424</b>	<b>8,094,415</b>	<b>5,321,080</b>	<b>8,395,171</b>	<b>11,075,066</b>	<b>18,648,461</b>
Current tax	4,103,078	8,383,967	4,586,368	7,185,082	8,377,578	16,297,855
Deferred tax (Income)/Expenses	(908,654)	-289,552	734,712	1,210,089	2,697,488	2,350,606
<b>Net Profit / (Loss) after Income Tax</b>	<b>24,760,397</b>	<b>43,780,738</b>	<b>29,217,877</b>	<b>39,692,407</b>	<b>46,300,231</b>	<b>86,060,093</b>
<b>Add: Other Comprehensive Income:</b>	<b>98,890,530</b>	-	-	-	-	-
Revaluation Reserve	101,949,000	-	-	-	-	-
Less: Deferred Tax Liabilities on Revaluation Reserve	3,058,470	-	-	-	-	-
<b>Total Comprehensive Income</b>	<b>123,650,927</b>	-	-	-	-	-
<b>Earnings Per Share Basic</b>	<b>0.90</b>	<b>15.64</b>	<b>10.43</b>	<b>14.18</b>	<b>16.54</b>	<b>30.74</b>

Statement of financial position:

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

Particulars	Amount in Taka					
	31-Mar-23	30 June 2022	30 June 2021	30 June 2020	30 June 2019	30-Jun-18
<b>ASSETS</b>						
<b>Non-Current Assets</b>	<b>253,940,274</b>	<b>159,265,772</b>	<b>169,651,369</b>	<b>178,538,260</b>	<b>171,392,976</b>	<b>164,903,103</b>
Property Plant and Equipment	253,914,274	159,233,772	169,611,369	169,728,583	166,364,254	134,012,606
Capital Work-in-Progress	-	-	-	8,761,677	4,972,722	30,826,497
Intangible Assets	26,000	32,000	40,000	48,000	56,000	64,000
<b>Current Assets</b>	<b>444,912,845</b>	<b>420,873,698</b>	<b>388,523,357</b>	<b>378,619,892</b>	<b>261,675,948</b>	<b>316,124,467</b>
Inventories	131,132,283	94,075,169	91,936,669	98,979,137	84,646,560	87,547,991
Trade and Other Receivables	101,836,666	189,842,774	169,495,406	155,322,447	69,023,489	116,176,627
Advances, Deposits & Prepayments	46,902,025	30,855,071	37,272,278	38,194,781	22,796,898	22,218,546
Cash and Cash Equivalents	151,370,348	106,100,684	89,819,004	86,123,527	85,209,001	90,181,303
<b>TOTAL ASSETS</b>	<b>685,181,596</b>	<b>580,139,470</b>	<b>558,174,726</b>	<b>557,158,152</b>	<b>433,068,924</b>	<b>481,027,570</b>
<b>EQUITY AND LIABILITIES</b>						
<b>Shareholders' Equity:</b>	<b>446,117,750</b>	<b>316,445,823</b>	<b>272,665,085</b>	<b>243,447,208</b>	<b>203,754,801</b>	<b>157,454,570</b>
Share Capital	280,141,000	28,000,000	28,000,000	28,000,000	28,000,000	28,000,000
Revaluation Reserve	98,890,530	-	-	-	-	-
Retained Earnings	67,086,220	288,445,823	244,665,085	215,447,208	175,754,801	129,454,570
<b>Non-Current Liabilities</b>	<b>14,789,242</b>	<b>8,480,184</b>	<b>20,004,470</b>	<b>43,661,330</b>	<b>70,523,372</b>	<b>22,495,327</b>
Long Term Loan Net-off Current Portion	4,159,242	-	11,234,734	35,626,306	63,698,437	18,367,880
Share Money Deposit	-	-	-	-	-	-
Deferred Tax Liabilities	10,630,000	8,480,184	8,769,736	8,035,024	6,824,935	4,127,447
<b>Current Liabilities</b>	<b>224,274,604</b>	<b>255,213,463</b>	<b>265,505,171</b>	<b>270,049,614</b>	<b>158,790,751</b>	<b>301,077,673</b>
Current Portion of Long Term Loan	3,350,481	-	35,231,350	27,323,011	71,114,994	15,535,724
Short Term Loan	194,586,172	228,954,769	212,125,784	226,536,972	72,490,775	261,165,721
Trade & Other Payables	3,504,400	485,652	-	200,585	1,287,571	3,926,419
Liabilities for Expenses	22,833,551	25,773,042	18,148,037	15,989,046	13,897,411	20,449,809
<b>TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES</b>	<b>685,181,596</b>	<b>580,139,470</b>	<b>558,174,726</b>	<b>557,158,152</b>	<b>433,068,924</b>	<b>481,027,570</b>
Net Asset Value Per Share with Revaluation	<b>15.92</b>	-	-	-	-	-
Net Asset Value Per Share without Revaluation	<b>12.39</b>	<b>113.02</b>	<b>97.38</b>	<b>86.95</b>	<b>72.77</b>	<b>56.23</b>

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

Statement of cash flows:

Particular	Amount in Taka					
	31-Mar-23	30 June 2022	30 June 2021	30 June 2020	30 June 2019	30-Jun-18
<b>A. Cash Flow from Operating Activities</b>						
Cash received from Customers	417,031,804	465,786,671	442,763,021	497,358,327	620,658,080	875,997,210
Cash paid to Suppliers	(298,262,517)	(345,256,865)	(321,441,561)	(467,540,666)	(438,265,634)	(712,806,074)
Cash paid to Employees	(25,433,934)	(33,131,307)	(30,776,784)	(32,411,293)	(31,273,998)	(32,704,542)
Cash Paid to Others	(14,613,252)	(15,295,739)	(15,201,489)	(14,279,653)	(14,727,933)	(16,365,405)
<b>Cash Generated from Operation</b>	<b>78,722,101</b>	<b>72,102,760</b>	<b>75,343,187</b>	<b>(16,873,285)</b>	<b>136,390,515</b>	<b>114,121,189</b>
Cash received from Other Income	2,956,754	3,480,823	4,847,894	6,281,385	5,022,050	1,210,402
Income Tax paid	(4,249,137)	(8,237,908)	(4,456,698)	(7,185,082)	(8,552,078)	(16,123,355)
<b>Net Cash Generated from Operating Activities</b>	<b>77,429,718</b>	<b>67,345,675</b>	<b>75,734,383</b>	<b>(17,776,982)</b>	<b>132,860,487</b>	<b>99,208,236</b>
<b>B. Cash Flow from Investment Activities</b>						
Acquisition of Property, Plant and Equipment	(523,480)	(1,171,150)	(549,078)	(16,871,503)	(3,946,115)	(3,536,427)
Capital Work in Progress	-	-	(3,501,901)	(4,335,641)	(14,206,182)	(35,807,816)
<b>Net Cash Used in Investing Activities</b>	<b>(523,480)</b>	<b>(1,171,150)</b>	<b>(4,050,979)</b>	<b>(21,207,144)</b>	<b>(18,152,297)</b>	<b>(39,344,243)</b>
<b>C. Cash Flow from Financing Activities</b>						
Received Share Money Deposit	6,021,000	-	-	-	-	-
Net Payment for Financial Expenses	(10,838,734)	(20,346,483)	(37,219,235)	(42,359,164)	(32,017,020)	(36,890,298)
Net Received/(Payment) in Short term loan	(34,368,597)	16,828,985	(14,411,188)	154,046,197	(188,674,946)	12,493,230
Net Received/(Payment) in Long term loan	7,509,723	(46,466,084)	(16,483,233)	(71,864,114)	100,909,827	16,825,651
<b>Net Cash Provided from Financing Activities</b>	<b>(31,676,608)</b>	<b>(49,983,582)</b>	<b>(68,113,656)</b>	<b>39,822,919</b>	<b>(119,782,139)</b>	<b>(7,571,417)</b>
<b>D. Net Increase/(Decrease) Cash and Cash Equivalents (A+B+C)</b>	<b>45,229,630</b>	<b>16,190,943</b>	<b>3,569,748</b>	<b>838,793</b>	<b>(5,073,949)</b>	<b>52,292,576</b>
<b>E. Cash and Cash Equivalents at Beginning of the year</b>	<b>106,100,684</b>	<b>89,819,004</b>	<b>86,123,527</b>	<b>85,209,001</b>	<b>90,181,303</b>	<b>37,759,343</b>
<b>F. Foreign Exchange gain/(Loss)</b>	<b>40,034</b>	<b>90,737</b>	<b>125,729</b>	<b>75,733</b>	<b>101,647</b>	<b>129,384</b>
<b>G. Cash and Cash Equivalents at end of the year (D+E+F)</b>	<b>151,370,348</b>	<b>106,100,684</b>	<b>89,819,004</b>	<b>86,123,527</b>	<b>85,209,001</b>	<b>90,181,303</b>

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

**(i) Internal and external source of cash:**

Particulars	31-03-2023	30-Jun-22	30-Jun-21	30-Jun-20	30-Jun-19	30-Jun-18
<b>Internal Sources of Cash</b>						
Share Capital	280,141,000	28,000,000	28,000,000	28,000,000	28,000,000	28,000,000
Retained Earnings	67,086,476	288,445,823	244,665,085	215,447,208	175,754,801	129,454,570
<b>Sub-Total</b>	<b>347,227,220</b>	<b>316,445,823</b>	<b>272,665,085</b>	<b>243,447,208</b>	<b>203,754,801</b>	<b>157,454,570</b>
<b>External Sources of Cash</b>						
Long Term Loans	7,509,723	-	46,466,084	62,949,317	134,813,431	33,903,604
Short Term Loans	194,586,172	228,954,769	212,125,784	226,536,972	72,490,775	261,165,721
Share Money Deposit	-	-	-	-	-	-
<b>Sub-Total</b>	<b>202,095,895</b>	<b>228,954,769</b>	<b>258,591,868</b>	<b>289,486,289</b>	<b>207,304,206</b>	<b>295,069,325</b>
<b>Grand Total</b>	<b>549,323,115</b>	<b>545,400,592</b>	<b>531,256,953</b>	<b>532,933,497</b>	<b>411,059,007</b>	<b>452,523,895</b>

**(i) Any material commitments for capital expenditure and expected sources of funds for such expenditure:**

The Company has not yet made any material commitment for capital expenditure except for those that are mentioned in Chapter (XXII) under the head 'Use of Proceeds' from QIO fund.

**(ii) 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 and increase in capacity utilization.

Particulars	Amount in Taka					
	31 March, 2023	30 June, 2022	30 June, 2021	30 June, 2020	30 June, 2019	30 June, 2018
<b>Sales Revenue</b>	<b>328,939,031</b>	<b>486,123,882</b>	<b>456,854,170</b>	<b>584,096,721</b>	<b>573,209,686</b>	<b>898,261,916</b>
Cost of Goods Sold	269,842,821	399,107,707	375,284,272	480,270,069	472,326,730	746,512,369
Operating Expenses	15,880,211	18,370,559	17,041,829	16,542,619	15,249,705	15,991,109
<b>Net Profit / (Loss) after Income Tax</b>	<b>24,760,397</b>	<b>43,780,738</b>	<b>29,217,877</b>	<b>39,692,407</b>	<b>46,300,231</b>	<b>86,060,093</b>

**Causes for material changes from period to period:**

▪ **Sales Revenue**

30 June, 2022: Sales revenue was increased by 6.41% in 30 June, 2022 from 01 July, 2021 due to business expansion in terms of geographical footprint in sales.

30 June, 2021: Sales revenue was decreased by 21.78% in 30 June, 2021 from 01 July, 2020 due to fluctuation in market demand.

30 June, 2020: Sales revenue was increased by 1.90% in 30 June, 2020 from 01 July, 2019 due to introducing new product in product line along with existing products.

30 June, 2019: Sales revenue was decreased by 36.19% in 30 June, 2019 from 01 July, 2018 due to fluctuation in market demand.

30 June, 2018: Sales revenue was increased by 104.72% in 30 June, 2018 from 01 July, 2017 due to increase in production and introduction of new product line against business expansion.

• **Cost of Goods Sold**

30 June, 2022: Cost of goods sold was increased by 6.35% in 30 June, 2022 from 01 July, 2021 due to business expansion in terms of geographical footprint in sales.

30 June, 2021: Cost of goods sold was decreased by 21.86% in 30 June, 2021 from 01 July, 2020 due to fluctuation in market demand.

30 June, 2020: Cost of goods sold was increased by 1.68% in 30 June, 2020 from 01 July, 2019 due to introducing new product in product line along with existing products.

30 June, 2019: Cost of goods sold was decreased by 36.73% in 30 June, 2019 from 01 July, 2018 due to fluctuation in market demand.

30 June, 2018: Cost of goods sold was increased by 103.83% in 30 June, 2018 from 01 July, 2017 due to increase in production and introduction of new product line against business expansion.

▪ **Operating Expenses**

The company has incurred business administrative and selling distribution expenses during the last five years which is regular and relevant with production and sales.

• **Net Profit / (Loss) after Income Tax**

30 June, 2022: Net profit after tax was increased by 49.84% due to business expansion in terms of geographical footprint in sales.

30 June, 2021: Net profit after tax was decreased by 26.39% due to significant increase in cost of goods sold and operating expense.

30 June, 2020: Net profit after tax was decreased by 14.27% due to significant increase in cost of goods sold and operating expense.

30 June, 2019: Net profit after tax was decreased by 46.20% due to fluctuation in market demand.

30 June, 2018: Net profit after tax was increased by 115.89% due to sales growth.

**(iv) Any seasonal aspects of the issuer's business:**

Web Coat's business is not seasonal in nature.

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

**(v) Any known trends, events or uncertainties that may have material effect on the issuer’s future business:**

There are no such known trends, events or uncertainties that may have a material effect on the issuer’s future business except natural disasters and political unrest.

**(vi) Any assets of the company used to pay off any liabilities:**

None of the assets of the company was used to pay off any liabilities of the company.

**(vii) Any loan taken from or given to any related party or connected person of the issuer with details of the same:**

The company did not give or receive any loan to any related party or a connected person of the issuer.

**(viii) Any future contractual liabilities the issuer may enter into within next one year, and the impact, if any, on the financial fundamentals of the issuer:**

The company does not have any contractual liabilities which would be exercised within next one year. Moreover, the company does not have any intention of entering into any contract for increasing its liabilities within the next year.

**(ix) The estimated amount, where applicable, of future capital expenditure:**

A detail of future capital expenditure for the upcoming years is given in the “use of proceeds” section of 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;**

The Company has pays VAT in time and submitted return accordingly.

**(xi) 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;**

Agreement Date	Expiry Date	Total Area	Rent Per Sft. (BDT)	Monthly Rent (BDT)
January 01, 2022	December 31, 2026	1000 sft	35/-	35,000/-

**(xii) 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;**

The Company has no any financial commitment.

**(xiii) 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 benefit of salary, wages and allowances. Lists of benefits are as under to employee:

Festival Bonus	:	The Company Pays two festival bonuses @ 75% of gross salaries.
Yearly Increment/Promotions	:	Employees are awarded with a minimum increment of at least 5-10% of salary and 5% promotion for extra ordinary performances.

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

Contribution to Workers' Profit Participation Fund(WPPF)	:	The board of directors of WCPLC approved workers profit participation fund i.e. 5% on profit after charging such contribution but before tax to this fund as per provision of Bangladesh Labour Act, 2006 (amendment up to 2018).
Maternity Benefit:	:	Female workers are entitled to maternity leave for 120 days with full remuneration twice during their service length with the company

**(xiv) Breakdown of all expenses related to the public issue:**

Sl.	Type of Fees	Nature of Expenditure	Amount in BDT
<b>A.</b>	<b>Issue Management Fees</b>		<b>575,000</b>
	Managers to the issue fees	Maximum Tk. 500,000	500,000
	VAT Against Issue management Fees	15% on issue management Fee	75,000
<b>B.</b>	<b>Bangladesh Securities and Exchange Commission Fees</b>		<b>100,000</b>
	Application fees	At actual	50,000
	BSEC Consent fees	0.10% of QIO amount	50,000
<b>C.</b>	<b>Fees Related to Listing with the Stock Exchange(s)</b>		<b>5,76,170</b>
	<b>Dhaka Stock Exchange (DSE)</b>		
	Prospectus Scrutiny fee for DSE	At actual	25,000
	Initial Listing Fee for DSE	Up to BDT 10 crore of paid-up capital @ 0.10% and above BDT 10 crore of paid-up capital @ 0.05%	215,071
	Annual Listing Fee for DSE	Up to BDT 10 crore of paid-up capital @ 0.025% and above BDT 10 crore of paid-up capital @ 0.01%	48,014
	<b>Chittagong Stock Exchange (CSE)</b>		
	Prospectus Scrutiny fee for CSE	At actual	25,000
	Initial Listing Fee for CSE	Up to BDT 10 crore of paid-up capital @ 0.10% and above BDT 10 crore of paid-up capital @ 0.05%	215,071
	Annual Listing Fee for CSE	Up to BDT 10 crore of paid-up capital @ 0.025% and above BDT 10 crore of paid-up capital @ 0.01%	48,014
<b>D.</b>	<b>Underwriting Commission</b>		<b>71,875</b>
	Underwriting Commission	0.50% on underwritten amount	62,500
	VAT Against Underwriting Commission	15% on underwriting commission	9,375
<b>E.</b>	<b>CDBL Fees and Expenses</b>		<b>6,66,425</b>
	Security Deposit	At actual	500,000
	Documentation Fee	At actual	2,500
	Annual Fee	At actual	100,000
	Connection Fee(Tk. 500 Per Month*12)	At actual	6,000
	Qualified Investor Offer Fee	@.015% of issue size+.015% of Pre-QIO paid up capital	49,521
	Demat Fee	(0.00003 of pre-QIO)	8,404
<b>F.</b>	<b>Post QIO Expenses</b>		<b>450,000</b>
	Post Issue Management Fee	(Estimated; to be paid actual)	250,000
	Subscription Related Expenses	(Estimated; to be paid actual)	200,000
<b>G.</b>	<b>Prospectus Publication &amp; Others</b>		<b>200,000</b>
	Publication of Prospectus	(Estimated; to be paid actual)	200,000
<b>H.</b>	<b>Miscellaneous Expenses</b>		<b>60,530</b>
		(Estimated; to be paid actual)	
	<b>Total</b>	<b>A+B+C+D+E+F+G+H</b>	<b>2,700,000</b>

N.B Actual costs may vary if above mentioned estimates differ and will be adjusted accordingly.



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

- (xv) If the issuer has revalued any of its assets, the name, qualification and experiences of the valuer and the reason for the revaluation, showing the value of the assets prior to the revaluation separately for each asset revalued in a manner which shall facilitate comparison between the historical value and the amount after revaluation and giving a summary of the valuation report along with basis of pricing and certificates required under the revaluation guideline of the Commission:

The issuer revalued its asset in 31<sup>st</sup> January, 2023. Brief details of the valuation are as follows:

Name of the valuer	Qualification of the valuer	Experiences
G. Kibria & Co. Chartered Accountants	Chartered Accountants, Asset Appraiser and Consultants	G. Kibria & Co. has more than 30+ years of enriched experience

**Reason of revaluation:**

The purpose of the valuation is to determine the fair value of the land owned by the Company impact of which will be incorporated in the financial statements of the Company.

**Particulars of the Property:**

Sl. No.	Particulars	Details
1	Valuation property	Land
2	Present usage of land	Factory Purpose
3	Place of survey	Lakirchar, Ruhitpur, Keranigonj Dhaka
4	Demarcation of land	BB wall
5	Approach road	North side: About 30 feet wide road
6	Nature of road	Carpeting Road
7	Ownership of road	Govt. Road
8	Area of land as per deed	147 Decimal
9	Area of land as per mutation & land tax	147 Decimal

**Details of the Land Valued:**

Sl. No.	Title Deed	Khatian No.	Dag No.	Area of land as per deed (Decimal)
1	<b>Deed No:</b> 4999 <b>Dated:</b> 11.05.2016	C.S-317 &84, SA 79, R.S-582 C.S-155, SA 360, R.S-1017 Mutation 582	C.S-961 & 956, SA 1163 & 1177, R.S-3434 & 3435	147 Decimal
<b>Total</b>				<b>147 Decimal</b>

Note: As per BSEC rules, no upward revaluation of an asset shall be made within two years of its acquisition.

**Summary of the Valuation:**

Sl. No.	Deed Number	Decimal	Acquisition Date	Acquisition Value (Tk.) As Per Deed	Market Value (Tk.) for Land Properties (As Per Deed - 147 Decimal)	Market Value (Tk.) for Land Properties (As Per Mutation 147 Decimal)
1	4999	147	11.05.2016	14,100,000	117,600,000	117,600,000
<b>Total</b>				<b>14,100,000</b>	<b>117,600,000</b>	<b>117,600,000</b>

**Basis of value**

Market value is applied as a basis of value. As per international Valuation Standards, market value is the estimated amount for which an asset should be exchanged on the valuation date between a willing buyer and a willing seller in an arm's length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion.

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

- (xvi) Where the issuer is a holding or subsidiary company, full disclosure about the transactions, including its nature and amount, between the issuer and its subsidiary or holding company, including transactions which had taken place within the last five years of the issuance of 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:

The company does not have any holding or subsidiary company.

- (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 ১৪ নং আইন), আর্থিক প্রতিষ্ঠান আইন, ১৯৯৩ (১৯৯৩ সালের ২৭ নং আইন), বীমা আইন, ২০১০ (২০১০ সনের ১৩ নং আইন) have been adhered to;

Not Applicable.

- (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;

Not Applicable.

“পুঁজিবাজারে বিনিয়োগ ঝুঁকিপূর্ণ। জেনে ও বুঝে বিনিয়োগ করুন”

(12) A report from the auditors regarding any allotment of shares to any person for any consideration otherwise than cash along with relationship of that person with the issuer and rationale of issue price of the shares;

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

This is to clarify that, **Web Coats PLC.** has not allotted any Shares other than Cash except issuance of a Bonus Share as on 27<sup>th</sup> November, 2022 for 24,612,000 and 7,00,000 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 Share	Issue Price (Tk.)
01	Md. Reza-E-Selim	Managing Director	6,153,000	10.00
02	Sonali Reza	Chairman	6,153,000	10.00
03	Rahat Reza Omi	Director	6,153,000	10.00
04	Jhinu Enterprise (PVT) Ltd	Director	6,153,000	10.00
05	Jhinu Enterprise (PVT) Ltd	Director	7,00,000	10.00
<b>Total</b>			<b>25,312,000</b>	

Place: Dhaka  
Dated: 12 July, 2023

Sd/-  
**FAMES & R**  
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 qualified investor offer;

There is no 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 qualified investor offer.

“পুঁজিবাজারে বিনিয়োগ ঝুঁকিপূর্ণ। জেনে ও বুঝে বিনিয়োগ করুন”

**SECTION - VI**

---

**DIRECTORS AND OFFICERS**

---

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

**(a) Name, age, qualification, experience and position of each of the directors of the company and any person nominated to be a director, showing the period for which, the nomination has been made and the name of the organization which has nominated him;**

Name	Father's Name	Age	Residential Address	Educational Qualification	Experience	Position
Sonali Reza	Ratan Miah	52	Diganta-3, 8/A, Road: Avoy Das Lane, P.O: Wari-1203, Sutrapur, Dhaka	S.S.C	25 Years	Chairman
Md. Reza-E-Selim	Abdul Latif Mollah	62	Diganta-3, 8/C, Road: Avoy Das Lane, P.O: Wari-1203, Sutrapur, Dhaka	B.Sc.	38 Years	Managing Director
Rahat Reza Omi	Md. Reza-E-Selim	31	Diganta-3, 8/C, Road: Avoy Das Lane, P.O: Wari-1203, Sutrapur, Dhaka	CSE	7 Years	Director
Jhinu Enterprise (Pvt) Ltd. (Represented by Ruhit Reza Opi)	Md. Reza-E-Selim	22	Road 6A, Avenue 7, House 1103, Mirpur DOHS, Dhaka	O' Level	2 Years	Nominated Director
Md. Rashidul Shukran Mia	Late Rafiqur Rashid Mia	55	House-09, Road-20/A Sector-04, Uttara, Dhaka	MA	27 Years	Independent Director

**(b) In the case of a director, the date on which he first became a director and the date on which his current term of office shall expire;**

Name	Position	Date of Becoming Director For The First Time	Date of Expiration of Current Term
Sonali Reza	Chairman	15.12.2015	15.12.2025
Md. Reza-E-Selim	Managing Director	15.04.2013	15.12.2025
Rahat Reza Omi	Director	04.07.2018	Next AGM
Jhinu Enterprise (Pvt) Ltd. (Represented by Ruhit Reza Opi)	Director	27.11.2022	Next AGM
Md. Rashidul Shukran Mia	Independent Director	28.02.2023	Next AGM

**(c) If any director is also a director of another company or owner or partner of any other concern, the names of such organizations;**

Sl.	Name	Designation in Web Coats PLC.	Directorship with Other Companies	
			Name of Companies	Position
01.	Sonali Reza	Chairman	Res Steel Pre Fabricate Building & Leaf Spring Mfg. Ind. Ltd.	Director
			Res Multi Products Ltd.	
			Jhinu Enterprise Pvt. Ltd.	
02.	Md. Reza-E-Selim	Managing Director	Res Steel Pre Fabricate Building & Leaf Spring Mfg. Ind. Ltd.	Director
			Res Multi Products Ltd.	
			Jhinu Enterprise Pvt. Ltd.	
03.	Rahat Reza Omi	Director	Res Multi Products Ltd.	Director
			Res Multi Products Ltd.	
			Jhinu Enterprise Pvt. Ltd.	

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

04.	Jhinu Enterprise (Pvt) Ltd. (Represented by Ruhit Reza Opi)	Director	-	-
05.	Md. Rashidul Shukran Mia	Independent Director	-	-

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

There is no such family relationship.

**(e) Short bio-data of each director;**

**Md. Reza-E-Selim, Managing Director, WEB COATS PLC.**

Md. Reza-E-Selim was born in 07 October, 1961 in an illustrious family of Jashore. His father was Abdul Latif Mollah, mother was Badrun Nessa and spouse is Sonali Reza. His residence address: House: Diganta-3, 8/C, Road: Avoy Das Lane, P.O: Wari-1203, Dhaka.

Md. Reza-E-Selim obtained his Bachelor of Science from Jashore City College, Jashore. He has vast experience of garments accessories business.

Md. Reza-E-Selim is the Managing Director of Web Coats PLC., 100% deemed export oriented ready-made garments back-ward linkage industry of RMG sector.

**Sonali Reza, Chairman, WEB COATS PLC.**

Sonali Reza was born in 17 March, 1971 in an illustrious family of Narail. Her father was Ratan Miah, mother was Zobeda Begum and spouse is Md. Reza-E-Selim. Her residence address: House: 3 (Diganta 3/8A), Road: Avoy Das Lane, P.O: Wari-1203, Dhaka.

Sonali Reza completed her S.S.C from Jashore Board. She has vast experience of garments accessories business.

Sonali Reza is the Chairman of WEB COATS PLC.

**Rahat Reza Omi, Director, WEB COATS PLC.**

Rahat Reza Omi was born in 27 July, 1992 in an illustrious family of Jessore. His father is Md. Reza-E-Selim, mother is Sonali Reza and spouse is Rafia Shukran Silvi. His residence address: House: 3, Road: 8/A, Diganta Avoy Das Lane, Wari TSO-1203, Sutrapur, Dhaka.

Rahat Reza Omi obtained his CSE from Manipal Institute of Technology, Manipal, Karnataka, India. He has vast experience of garments accessories business and has been working in this field for about 7 years.

Rahat Reza Omi is the Director of WEB COATS PLC.

**Jhinu Enterprise (Pvt) Ltd., Director, WEB COATS PLC.**

Jhinu Enterprise (Pvt) Ltd. was incorporated on 11 April, 1999 vide registration no. C-3307A as a private limited company in Bangladesh under the Companies Act, 1994 in Register of Joint Stock and Companies, Dhaka. Its registered address is 2, R.K Mission Road, Motaleb Mansion (3<sup>rd</sup> Floor), Dhaka. Jhinu Enterprise (Pvt.) Ltd. is the Director of WEB COATS PLC.

**Md. Rashidul Shukran Mia, Independent Director, WEB COATS PLC.**

Mr. Md. Rashidul Shukhran Mia was born in a prominent Muslim family of Magura. He has completed his graduation from University of Dhaka. He served in Bangladesh Army for 27 Years. He is an Independent Director of the Company.

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

**(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 or shareholders who hold 5% or more shares in the paid-up capital of the issuer is loan defaulter in terms of CIB report of 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.**

Sl. No.	Name	Designation	Qualification	Experience	Date of Joining
01	Md. Reza E Selim	Managing Director	B.Sc	38 years	01.01.2014
02	M S Pervez	Chief Financial Officer	M.Com LLb & CA (CC)	17 years	01.07.2020
03	Md. Shahjajan Patwary	Company Secretary	Masters in Mass Communication & Journalism, LLb	10 years	02.04.2018
04	Md. Amran Hossain	Advisers	M. Com. & LLb	12 years	01.07.2015
05	Md. Anwar Hossain Patwary	Had of Operation	M.Com	35 years	17.01.2014
06	Md. Ali Ashraf	Sales Manager	B. Com.	15 years	01.10.2013
07	Md. Jahirul Mridha	Deputy General Manager, Plant	B.Sc	10 years	10.01.2015
08	Md. Billal Hossain	Manager, HR & Admin	B.A	15 years	31.01.2007
09	Mr. Mustafizur Rahman	Dy. Manager, Quality Control	B.Com	5 years	01.09.2020
10	Mr. Nazrul Islam	Manager, Stock	B.Com	15 years	01.07.2017
11	Mr. Masud Alom	Floor In-charge	B.A	8 years	25.06.2021
12	Md. Jumman Hossain	Deputy Manager, Production	B.A	15 years	05.02.2013
13	Mr. Rishab Hasan	Sr. Lab Technician	M.Sc	5 years	01.07.2014
14	Hossen Ahammed Mazumdar	Sr. Accountant	M.Com	08 years	01.08.2015
15	Md. Obaydul Khandaker	Sr. Executive, Quality Assurance	B.Com	08 years	02.10.2015

“পুঁজিবাজারে বিনিয়োগ ঝুঁকিপূর্ণ। জেনে ও বুঝে বিনিয়োগ করুন”

**SECTION - VII**

---

**INVOLVEMENT OF DIRECTORS AND OFFICERS IN CERTAIN LEGAL  
PROCEEDINGS**

---



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

- (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 such bankruptcy petition filed by or against the issuer.

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

No such conviction of director, 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;**

No such order, judgment or decree of any court of competent jurisdiction against any director.

- (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.**

No such order.

“পুঁজিবাজারে বিনিয়োগ ঝুঁকিপূর্ণ। জেনে ও বুঝে বিনিয়োগ করুন”

**SECTION - VIII**

---

**CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS**

---

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

The prospectus shall contain a description of any transaction during the last two years, or any proposed transactions, 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, namely—

- (a) Any director or executive officer of the issuer;
- (b) Any director or officer;
- (c) Any person owning 5% or more of the outstanding shares of the issuer;
- (d) Any member of the immediate family (including spouse, parents, brothers, sisters, children, and in-laws) of any of the above persons;

This is to inform that the company has following transaction during the last two years, or any proposed transaction, between the issuer and any of the following persons:

1. Any director or sponsor or executive officer of the issuer;
2. Any person holding 5% or more of the outstanding shares of the issuer;
3. Any related party or connected person of any of the above persons;
4. Any member of the immediate family (including spouse, parents, brothers, sisters, children, and in-laws) of any of the above persons;

Except the following transaction:

**A. Remuneration, Bonus and Board Meeting Fee**

Name	Nature of Transaction	Amount in (BDT)			
		31 <sup>st</sup> March, 2023		30 <sup>th</sup> June, 2022	
		Total Amount	Accrued	Total Amount	Accrued
Sonali Reza	Remuneration	-	-	-	-
	Board Meeting Fee	6,000/-	-	3,500/-	-
Md. Reza-E-Selim	Remuneration	-	-	-	-
	Board Meeting Fee	6,000/-	-	3,500/-	-
	Office Rent	315,000/-	35,000/-	420,000/-	35,000/-
Rahat Reza Omi	Remuneration	900,000/-	100,000/-	1,200,000/-	100,000/-
	Board Meeting Fee	5,000/-	-	3,500/-	-
Jhinu Enterprise (Pvt) Ltd. (Represented by Ruhit Reza Opi)	Remuneration	-	-	-	-
	Board Meeting Fee	3,000/-	-	3,500/-	-
Md. Rashidul Shukran Mia	Remuneration	-	-	-	-
	Board Meeting Fee	2,000/-	-	-	-

- (e) Any transaction or arrangement entered into by the issuer or its subsidiary or associate or entity owned or significantly influenced by 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 or 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;

There is no transaction or arrangement entered into by the issuer or its subsidiary or associate or entity owned or significantly influenced by 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 or 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 the transaction mentioned in Section VIII (a).

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

- (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, its holding company or its associate concerns prior to such loan, rate of interest applicable, date of loan taken, date of maturity of loan and present outstanding of such loan.**

No such loan was taken or given from or to Directors or any person connected with the Directors of Web Coats PLC.

- (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;**

Sl.	Name	Designation in Company Limited	Directorship with Other Companies	
			Name of Companies	Position
01.	Sonali Reza	Chairman	Jhinu Enterprise Pvt. Ltd.	Director & Member
			Res Multi Products Ltd.	
			Res Steel & Pre-Fabricated Ltd.	
02.	Md. Reza E Selim	Managing Director	Jhinu Enterprise Pvt. Ltd.	Director & Member
			Res Multi Products Ltd.	
			Res Steel & Pre-Fabricated Ltd.	
03.	Rahat Reza Omi	Director	Jhinu Enterprise Pvt. Ltd.	Director & Member
			Res Multi Products Ltd.	
04.	Jhinu Enterprise (Pvt.) Ltd. (Represented by Ruhit Reza Opi)	Director	-	-
05.	Md. Rashidul Shukran Mia	Independent Director	-	-

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

There is no interest and facilities enjoyed by directors except the ones that are described in the Executive Compensation of this prospectus.

“পুঁজিবাজারে বিনিয়োগ ঝুঁকিপূর্ণ। জেনে ও বুঝে বিনিয়োগ করুন”

**SECTION - IX**

---

**EXECUTIVE COMPENSATION**

---

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

- (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. No.	Name	Designation	Remuneration/salaries (Tk.)	Remuneration/salaries (Tk.)
			For the period ended 31-March-2023	For the year ended 30-June-2022
01	Md. Enamul Alam	Head of Admin & Operation	697,000	1,014,720
02	Md. Shahijalal Pervez	Chief Financial Officer	549,000	782,000
03	Md. Anwar Hossain Patwary	General Manager, Factory	6,08,742	885,386
04	Md. Shakhawat Hossain	Commercial Manager	509,484	741,306
05	Md. Shahjahan Patwary	Company Secretary	387,633	555,000

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

Sl. No.	Designation	Nature of Transaction	Amount (in Taka)
			For the year ended 30-June-2022
01	Chairman	Remuneration	-
		Board Meeting Fee	3,500
02	Managing Director	Remuneration	-
		Board Meeting Fee	3,500
		Office Rent	420,000
03	Director	Remuneration	1,200,000
		Board Meeting Fee	7,000
04	Officers and staffs (admin & selling)	Salary and Allowance	10,445,330
05	Factory Workers and Staffs	Salary and Wages	18,799,098

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

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

No such remuneration paid to any director except remuneration paid to Rahat Reza Omi, Director of the Company.

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

There is no such contract between the Company and any of directors or officers regarding any future compensation to be made to them.

- (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 substantially increasing remuneration to its directors and/or officers except for those that are paid as annual increment to their salaries.

“পুঁজিবাজারে বিনিয়োগ ঝুঁকিপূর্ণ। জেনে ও বুঝে বিনিয়োগ করুন”

**SECTION - X**

---

**OPTIONS GRANTED TO DIRECTORS, OFFICERS AND EMPLOYEES**

---

Web Coats PLC. did not grant any options to its directors, officers and/or any other employees for the purpose of issuing shares.



“পুঁজিবাজারে বিনিয়োগ ঝুঁকিপূর্ণ। জেনে ও বুঝে বিনিয়োগ করুন”

**SECTION - XI**

---

**TRANSACTION WITH THE DIRECTORS AND SUBSCRIBES TO THE MEMORANDUM**

---

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

- (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 of association have received the following benefits directly or indirectly from the issuer during the last five years:

**A. Remuneration, Bonus and Board Meeting Fee**

Name	Nature of Transaction	Amount in (BDT)											
		31 <sup>st</sup> March, 2023		30 <sup>th</sup> June, 2022		30 <sup>th</sup> June, 2021		30 <sup>th</sup> June, 2020		30 <sup>th</sup> June, 2019		30 <sup>th</sup> June, 2018	
		Total Amount	Accrued	Total Amount	Accrued	Total Amount	Accrued	Total Amount	Accrued	Total Amount	Accrued	Total Amount	Accrued
Md. Reza-E-Selim	Remuneration	-	-	-	-	-	-	-	-	-	-	-	-
	Board Meeting Fee	6,000	-	3,500	-	3,000	-	2,500	-	2,500	-	2,500	-
	Office Rent	315,000	35,000	420,000	35,000	360,000	30,000	360,000	30,000	360,000	30,000	360,000	30,000
Sonali Reza	Remuneration	-	-	-	-	-	-	-	-	-	-	-	-
	Board Meeting Fee	6,000	-	3,500	-	3,000	-	2,500	-	2,500	-	2,500	-
Rahat Reza Omi	Remuneration	900,000	100,000	1,200,000	100,000	1,200,000	100,000	1,200,000	100,000	1,200,000	100,000	1,200,000	100,000
	Board Meeting Fee	5,000	-	3,500	-	3,000	-	2,500	-	2,500	-	2,500	-
Jhinu Enterpris (Pvt.) Ltd	Remuneration	-	-	-	-	-	-	-	-	-	-	-	-
	Board Meeting Fee	3,000	-	3,500	-	3,000	-	2,500	-	2,500	-	2,500	-
Md. Rashidul Shukran Mia	Remuneration	-	-	-	-	-	-	-	-	-	-	-	-
	Board Meeting Fee	2,000	-	-	-	-	-	-	-	-	-	-	-

- (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:

There is no such transaction in the Company of Web Coats PLC.

“পুঁজিবাজারে বিনিয়োগ ঝুঁকিপূর্ণ। জেনে ও বুঝে বিনিয়োগ করুন”

**SECTION - XII**

---

**TANGIBLE ASSETS PER SHARE**

---

“পুঁজিবাজারে বিনিয়োগ ঝুঁকিপূর্ণ। জেনে ও বুঝে বিনিয়োগ করুন”

The prospectus shall show the net tangible asset backing per unit of the securities being offered at the date of the latest statement of financial position contained or referred to in the prospectus.

**Tangible Assets Per Share**

*BDT in Taka*

<b>ASSETS</b>	<b>March 31, 2023</b>
<b>Non-Current Assets</b>	
Property Plant and Equipment	253,914,274
Per Unit of the Securities Being Offered	5,000,000
<b>Tangible Assets Per Share</b>	<b>50.78</b>

“পুঁজিবাজারে বিনিয়োগ ঝুঁকিপূর্ণ। জেনে ও বুঝে বিনিয়োগ করুন”

**SECTION - XIII**

---

**OWNERSHIP OF THE COMPANY'S SECURITIES**

---

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

- (a) 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:

Name	Position	Address	BO ID No.	Number of Shares	Pre QIO- of Securities (%)
Md. Reza-E-Selim	Managing Director	House: Diganta-3, 8/C, Road: Avoy Das Lane, P.O: Wari-1203, Sutrapur, Dhaka	1606060075859200	5,853,000	20.89%
Sonali Reza	Chairman	House: 3 (Diganta 3/8A), Road: Avoy Das Lane, P.O: Wari-1203, Sutrapur, Dhaka	1606060075859385	6,853,000	24.46%
Rahat Reza Omi	Director	House: 3, Road: 8/A, Diganta Avoy Das Lane, Wari TSO-1203, Sutrapur, Dhaka	1606060075859144	5,853,000	20.89%
Jhinu Enterprise (Pvt.) Ltd.	Director	2, R. K. Mission Road, Motaleb Mansion (3 <sup>rd</sup> Floor), Dhaka-1000	1606060075859591	1,855,100	6.62%
<b>Total</b>				<b>20,414,100</b>	<b>72.87%</b>

- (b) There shall also be a table in the prospectus showing 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	Age	Experience	Number of Shares	Pre QIO-Securities (%)
Name: Md. Reza-E-Selim Address: House: Diganta-3, 8/C, Road: Avoy Das Lane, P.O: Wari-1203, Sutrapur, Dhaka BO ID No.: 1606060075859200 TIN No.: 298949279137	61 Years	38 Years	5,853,000	20.89%
Name: Sonali Reza Address: House: 3 (Diganta 3/8A), Road: Avoy Das Lane, P.O: Wari-1203, Sutrapur, Dhaka BO ID No.: 1606060075859385 TIN No.: 181622855990	52 Years	25 Years	6,853,000	24.46%
Name: Rahat Reza Omi Address: House: 3, Road: 8/A, Diganta Avoy Das Lane, Wari TSO-1203, Sutrapur, Dhaka BO ID No.: 1606060075859144 TIN No.:840276752930	30 Years	7 Years	58,53,000	20.89%
Name: Jhinu Enterprise (Pvt.) Ltd. Address: 2, R. K. Mission Road, Motaleb Mansion (3rd Floor), Dhaka-1000 BO ID No.: 1606060075859591 TIN No.: 648610322521	-	-	1,855,100	6.62%

**No such share is hold by top ten salaried officers, and all other officers as a group.**

- (c) Provisions for lock-in as per these Rules:

All issued ordinary shares of the issuer at the time of according to consent to QIO shall be subject to a lock-in period from the date of issuance of prospectus or commercial operation, whichever comes later, in the following manner:

- (a) Ordinary shares held by sponsors, directors or shareholders who hold 10% (ten percent) or more, for 2 (two) years;
- (b) Ordinary shares held by alternative investment funds or by foreign investors or by others for 1 (one) year:

- (d) Statement of securities to be locked in for each shareholder along with BO account number, lock-in period and number of securities to be locked-in:

Sl. No.	Name of Shareholder	Position	BO ID	Number of Shares	Lock-in Period (Year)
1	Md. Reza-E-Selim	Managing Director	1606060075859200	5,853,000	2 Years
2	Sonali Reza	Chairman	1606060075859385	6,853,000	2 Years
3	Rahat Reza Omi	Director	1606060075859144	58,53,000	2 Years
4	Jhinu Enterprise (PVT.) Ltd.	Director	1606060075859591	1,855,100	2 Years
5	F. M. Reazul Islam	Shareholder	1204030075747939	600,000	1 Year

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

Sl. No.	Name of Shareholder	Position	BO ID	Number of Shares	Lock-in Period (Year)
6	Howa Nur Begum	Shareholder	1606060054792971	1,247,900	1 Year
7	Molla Mostafa Kamal	Shareholder	1204290053869684	100,000	1 Year
8	Shahadat Hossan	Shareholder	1201820074436800	100,000	1 Year
9	Md. Abdul Kader	Shareholder	1205050075530868	150,000	1 Year
10	Fuad Hasan Al Masud	Shareholder	1201570000148698	300,000	1 Year
11	MRS. Eleza Rahman	Shareholder	1204340051503025	50,000	1 Year
12	Mohammed Abu Zafar	Shareholder	1204410073673702	400,000	1 Year
13	Md. Mizanur Rahman	Shareholder	1203680070157314	100,000	1 Year
14	Tamim Iqbal Khan	Shareholder	1204780075552711	200,000	1 Year
15	Md. Razib Al Mamun	Shareholder	1204480073713116	200,000	1 Year
16	Md. Rabiul Hossain	Shareholder	1602510046741063	302,500	1 Year
17	Md. Mohiuddin Mollah	Shareholder	1606060075951422	100,000	1 Year
18	Nazia Sultana	Shareholder	1202160074245873	50,000	1 Year
19	Mir Md Zainul Abedin Shebly	Shareholder	1205150055150387	50,000	1 Year
20	Fahmida Khanam	Shareholder	1606060070328159	50,000	1 Year
21	Syed Mamunul Alam	Shareholder	1204510024120950	50,000	1 Year
22	Khadija Thahera	Shareholder	1204510024120969	50,000	1 Year
23	Md. Nasir Uddin	Shareholder	1606060074817567	50,000	1 Year
24	T M Jobaer	Shareholder	1606060066302545	1,500	1 Year
				48,500	1 Year
25	Maleka Khayrunnessa	Shareholder	1606060067300556	600	1 Year
26	Belal Hossen	Shareholder	1204780075812515	100,000	1 Year
27	Md. Maruf Al Hasan	Shareholder	1204240072939081	100,000	1 Year
28	Nazma Rahman	Shareholder	1202210064479240	200,000	1 Year
29	Fuad N. A. Rahman	Shareholder	1606060067725921	150,000	1 Year
30	Farabi N. A. Rahman	Shareholder	1606060067725467	150,000	1 Year
31	Azmery Nurjahan	Shareholder	1204500075432799	100,000	1 Year
32	Synergy Trading Limited	Shareholder	1606060073935647	199,000	1 Year
33	Belal Hossain Patwary	Shareholder	1201830075479409	200,000	1 Year
34	Niger Sultana	Shareholder	1201960076062514	250,000	1 Year
35	Md. Ferdous Jaman	Shareholder	1203710048456909	300,000	1 Year
36	Nazia Akter	Shareholder	1202610048464551	300,000	1 Year
37	Mosammat Momena Begum	Shareholder	1203570040183580	1,000,000	1 Year
38	Md. Rashiduzzaman	Shareholder	1205150054201081	100,000	1 Year
39	Md. Hafizur Rahman	Shareholder	1201510002022222	25,000	1 Year
40	Md. Yearul Islam	Shareholder	1202550005146414	37,500	1 Year
41	Sazzad Hossain	Shareholder	1204430070279868	37,500	1 Year
42	Md. Masudur Rahman	Shareholder	1204220057496005	150,000	1 Year
<b>Total</b>				<b>28,014,100</b>	



“পুঁজিবাজারে বিনিয়োগ ঝুঁকিপূর্ণ। জেনে ও বুঝে বিনিয়োগ করুন”

**SECTION – XIV**

---

**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 issue is offered at par.

- (b) If the issue price of the ordinary share is higher than the par value thereof, justification of the premium shall be stated with reference to all of the followings:—**

- (i) net asset value per share at historical or current costs;**
- (ii) earning-based-value per share calculated on the basis of weighted average of net profit after tax for immediately preceding five years or such shorter period during which the issuer was in commercial operation;**
- (iii) projected earnings-based- value per share calculated on the basis of weighted average of projected net profit after tax for the immediate next three accounting years as per the issuer’s own assessment duly certified by the auditor of the issuer;**
- (iv) valuation multiple of similar stock or industry average (e.g., P/E multiple, etc.) in case of IQIO or if issuance is the RQIO, weighted average market price per share of common stock of the issuer for one year prior to such RQIO; and**
- (v) all other factors with justification which have been taken into account by the issuer for fixing the premium:**

The issue is offered at par.

“পুঁজিবাজারে বিনিয়োগ ঝুঁকিপূর্ণ। জেনে ও বুঝে বিনিয়োগ করুন”

**SECTION - XV**

---

**DESCRIPTION OF SECURITIES OUTSTANDING OR BEING OFFERED**

---

All types of securities outstanding or being offered with the 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) Dividend, voting and preemption rights:**

The Share Capital of the company is divided into Ordinary Shares, carrying equal rights to vote and receive a 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 General Meeting – Ordinary or Extraordinary. On a show of hand, every shareholder presents in person and every duly authorized representative 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 case of any additional issue of shares for raising further capital, the existing shareholders shall be entitled to Right Issue of shares in terms of the guidelines issued by the BSEC from time to time.

**(b) Conversion and liquidation rights:**

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 person of unsound mind.

**(c) Dividend policy:**

- 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 dividend shall be recommended by the Board of Directors time to time for distributing the accumulated profit.
- iii. 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.
- iv. 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.
- v. A transfer of shares shall not pass the right to any dividend declared thereon before the registration of transfer.
- vi. No limitation in payment of the dividend is stipulated in any debt instrument or otherwise.

**(d) Other rights of the securities holders:**

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 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 Standard. Financial statements will be prepared in accordance with the International Accounting Standards consistently applied throughout the subsequent periods and present with the objective of providing maximum disclosure as per law and International Accounting Standard to the shareholders regarding the financial and operational position of the company. The shareholders shall have the right to receive all periodical statement and reports, audited as well as un audited, 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 extra ordinary General Meeting of the company as provided for the section 84 of the Companies Act 1994.

“পুঁজিবাজারে বিনিয়োগ ঝুঁকিপূর্ণ। জেনে ও বুঝে বিনিয়োগ করুন”

**SECTION - 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 Web Coats PLC.  
Report on the Audit of the Financial Statements**

**Opinion**

We have audited the Financial Statements of “**Web Coats PLC.**” which comprise the Statement of Financial Position as at March 31, 2023 and Statement of Profit or Loss & Other Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the period then ended, and notes to the Financial Statements, including a summary of significant accounting policies and other explanatory information.

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, 2023 and its financial performance and its cash flows for the period then ended in accordance with International Financial Reporting Standards (IFRS), 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 (ISA). 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 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 informing our opinion thereon, and we do not provide separate opinion on these matters.

Risk	Revenue Recognition
<b>Our response to the risk</b>	
<p>We identified revenue recognition as key audit matter and a significant risk of material misstatement because of the risk related to the timing and accuracy of the recognized amounts of revenue. The total net revenue generated for the period ended was Taka 328,939,031/-</p> <p>The timing of the revenue recognition and realization increases the risk of exposure of revenue to foreign exchange fluctuations.</p> <p>There is a risk that invoices may be issued to local customers or Government &amp; Non-Government Institutional customers erroneously. There is also a risk that revenue may be overstated /understated due to the timing differences.</p>	<ul style="list-style-type: none"> <li>➤ Obtaining an understanding of an 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 (if any) 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>➤ Obtaining supporting documents for sale transactions recognized during the year with the sale invoices and other relevant underlying documents.</li> </ul>

<p>We focused on this area as recognition of revenue involves significant judgment and estimates made by management including whether contracts contain multiple performance obligations which should be accounted for separately and the most appropriate method for recognition of revenue for identified performance obligations. This comprises allocation of consideration to the individual performance obligations of multi-element contracts as noted above, assessing whether performance obligations under supply and installation contracts are satisfied at a point in time or over time.</p>	<ul style="list-style-type: none"> <li>➤ We read a sample of contracts to assess whether the method for recognition of revenue was relevant and consistent with IFRS-15 and had been applied consistently. We focused on contract classification, allocation of income and cost to the individual performance obligations and timing of transfer of controls. Where a contract contained multiple elements, we considered Management's judgments as to whether they comprised performance obligations that should be accounted for separately and in such cases, challenged the judgments made in the allocation of the consideration to each performance obligation.</li> <li>➤ We evaluated and challenged the significant judgments and estimates made by management in applying the company's accounting policy to a sample specific contracts and separable performance obligations of contracts and we obtained evidence to support including details of contractual agreements, delivery records, receipts and project plans.</li> </ul>
<p><b><i>Please see to the Statement of profit or loss &amp; other Comprehensive Income.</i></b></p>	
<p><b>Valuation of Inventory</b></p>	
<p>As at March 31,2023 the reported amount of inventory is Taka 131,132,283/-held in factory warehouse.</p> <p>On the reporting date, inventories are carried at the lower of cost and net realizable value. As such, the companies 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>➤ Inventory counts and reconciling the results have been done by the management of the company.</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 year</li> </ul>
<p><b><i>Please see note no. 6.00 to the Financial Statements</i></b></p>	
<p><b>Valuation of Tangible Fixed Assets</b></p>	
<p>The carrying value of the tangible fixed assets are Taka 253,914,274/-as at March 31, 2023. The valuation of tangible fixed assets was identified as a key audit matter due to 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</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 year and, on a sample basis, checked whether the items were procured during the year.</li> </ul>

<p>and the cost of the item can be measured reliably.</p> <p>The useful lives of tangible fixed assets 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>	<ul style="list-style-type: none"> <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 tangible fixed assets items was commenced from the date of ready to use and found the depreciation had been started accordingly.</li> </ul>
<b><i>Please see note no. 6.00 to the Financial Statements</i></b>	
<b><i>Revaluation Surplus</i></b>	
<p>As at March 31, 2023 Company has shown Taka 98,890,530/- as revaluation surplus.</p> <p>Considering the risk as stated above the valuation of Land is a key audit matter to the Financial Statements.</p>	<p>Our audit included the following procedures:</p> <ul style="list-style-type: none"> <li>➤ We have collected the valuation report and physically visited the land to confirm the existence.</li> <li>➤ We also collected the relevant documents as supporting documents of land.</li> </ul>
<b><i>Please see note no. 11.00 to the Financial Statements</i></b>	
<b><i>Long Term Loan &amp; Short Term Loan</i></b>	
<p>As at March 31, 2023, the reported amount of total Term loan (Long &amp; Current portion) is Taka 7,509,723/- and Short-term Borrowings is Taka 194,586,172/- respectively.</p> <p>The company may face difficulties due to unfavorable movement in interest rate &amp; monetary policy that may result in short-term and cash flow crisis.</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 the proper use of loan</li> <li>➤ We verified sanction letter, loan schedule bank statements to confirm the loan outstanding and found that the balance had been reported in the Financial Statements accurately.</li> <li>➤ We checked the financial expenses and classification of loan and repayment schedule on a test basis as well.</li> <li>➤ We checked the recording date of transactions and found the recording date is in line with the loan disbursement date.</li> </ul>
<b><i>Please see note no. 13.00&amp;16.00 to the Financial Statements</i></b>	
<b><i>Recoverability Assessment of Trade Receivable</i></b>	
<p>The total amount of Account Receivable is Taka 101,836,666/- at 31 March, 2023. There are significant large numbers of individual customers. Customers in different business segments and jurisdictions are subject to their independent business risk.</p> <p>The increasing challenges over the economy and operating environment in developing the software and sale of service during the year have increased the risks of default on receivables from the customers. In particular, in the event of insolvency of customers, the company is exposed to potential risk of financial loss when the customers fail to meet their contractual obligations in accordance with the requirements of the agreements.</p> <p>Accordingly, we identified the recoverability of</p>	<p>Our audit procedures of assess the recoverability of trade receivables including the following:</p> <ul style="list-style-type: none"> <li>➤ Tested the accuracy of aging of receivables at year end on a sample basis;</li> <li>➤ Evaluating the Company's policy for making allowance for doubtful debts with reference to the requirements of the prevailing accounting standards;</li> <li>➤ Assessing the classification of account receivables in the debtors ageing report by comparison with sales invoice and other underlying documentation on a taste basis;</li> <li>➤ Assessed the recoverability of the debtors on a sample basis through our evaluation of management's assessment with reference to the credit profile of the customers, historical payment pattern of customers and</li> <li>➤ Inspecting subsequent bank receipts from</li> </ul>



receivables as a key audit matter because of the significance of receivables to company's Financial Position and because of the significant degree of management judgment involved in evaluating the adequacy of the allowance for doubtful debts.	customers and other relevant underlying documentation relating to account receivable balances at March 31,2023.
<b>Please see note no. 7.00 to the Financial Statements</b>	

#### **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 1987 and other applicable laws and regulations and for such internal control as management determines is necessary to enable the preparation of Financial Statements that are free from material misstatement, whether due to fraud or error. The Companies Act, 1994 require 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 concern and using the going concern basis of accounting unless management either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the company's financial reporting process.

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

We 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 1987 and relevant notifications issues 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 2023  
Place: Dhaka

Sd/-  
Fouzia Haque, FCA  
Partner  
**FAMES & R**  
Chartered Accountants  
DVC #2306261032A0147195

**WEB COATS PLC.**  
**STATEMENT OF FINANCIAL POSITION**  
AS AT MARCH 31, 2023

Particulars	Notes	Amount in Taka	
		31-Mar-2023	30-Jun-2022
<b>ASSETS</b>			
<b>Non-Current Assets</b>		<b>253,940,274</b>	<b>159,265,772</b>
Property, Plant and Equipment	4.00	253,914,274	159,233,772
Intangible Assets	5.00	26,000	32,000
<b>Current Assets</b>		<b>431,241,322</b>	<b>420,873,698</b>
Inventories	6.00	131,132,283	94,075,169
Trade and Other Receivables	7.00	101,836,666	189,842,774
Advances, Deposits & Prepayments	8.00	46,902,025	30,855,071
Cash and Cash Equivalents	9.00	151,370,348	106,100,684
<b>Total Assets</b>		<b>685,181,596</b>	<b>580,139,470</b>
<b>SHAREHOLDERS' EQUITY AND LIABILITIES</b>			
<b>Shareholders' Equity</b>		<b>446,117,750</b>	<b>316,445,823</b>
Share Capital	10.00	280,141,000	28,000,000
Revaluation Surplus	11.00	98,890,530	-
Retained Earnings	12.00	67,086,220	288,445,823
<b>Non-Current Liabilities</b>		<b>14,789,242</b>	<b>8,480,184</b>
Long Term Loan Net-off Current Portion	13.00	4,159,242	-
Share Money Deposit	14.00	-	-
Deferred Tax Liability	15.00	10,630,000	8,480,184
<b>Current Liabilities</b>		<b>224,274,604</b>	<b>255,213,463</b>
Current Portion of Long Term Loan	13.00	3,350,481	-
Short Term Loan	16.00	194,586,172	228,954,769
Trade & Other Payables	17.00	3,504,400	485,652
Liabilities for Expenses	18.00	22,833,551	25,773,042
<b>Total Liabilities</b>		<b>239,063,846</b>	<b>263,693,647</b>
<b>Total Shareholders' Equity and Liabilities</b>		<b>685,181,596</b>	<b>580,139,470</b>
<b>Net Asset Value (NAV) per Share with revaluation</b>	29.01	<b>15.92</b>	<b>113.02</b>
<b>Net Asset Value (NAV) per Share without revaluation</b>	29.02	<b>12.39</b>	<b>113.02</b>

The accounting policies and explanatory notes are an integral part of the financial statements.

Sd/-  
Chairman

Sd/-  
Managing Director

Sd/-  
Chief Financial Officer

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

Date : 26 June 2023  
Place : Dhaka

Sd/-  
FAMES & R  
Chartered Accountants  
DVC # 2306261032AO147195

**WEB COATS PLC.**  
**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**  
FOR THE PERIOD FROM JULY 01, 2022 TO MARCH 31, 2023

Particulars	Notes	Amount in Taka			
		01-Jul-2022 To 31-Mar-2023	01-Jul-2021 To 31-Mar-2022	01-Jan-2023 To 31-Mar-2023	01-Jan-2022 To 31-Mar-2022
Turnover	19.00	328,939,031	342,559,125	117,736,543	128,099,370
Cost of Goods Sold	20.00	269,842,821	281,326,013	96,496,657	105,148,174
<b>Gross Profit</b>		<b>59,096,210</b>	<b>61,233,112</b>	<b>21,239,886</b>	<b>22,951,196</b>
<b>Less: Operating Expenses</b>		<b>15,880,211</b>	<b>13,238,798</b>	<b>4,805,113</b>	<b>4,410,584</b>
Administrative Expenses	21.00	12,348,687	10,203,033	3,631,952	3,374,874
Selling and Distribution Expenses	22.00	3,531,524	3,035,765	1,173,161	1,035,710
<b>Profit from Operation</b>		<b>43,215,999</b>	<b>47,994,314</b>	<b>16,434,773</b>	<b>18,540,612</b>
<b>Add: Non-Operating Income</b>					
Other Income	23.00	3,083,453	2,669,672	1,032,603	909,932
<b>Less: Non-Operating Expenses</b>					
Financial Expenses	24.00	16,946,890	16,065,274	5,314,758	3,860,028
<b>Profit Before Contribution to WPPF and Income Tax</b>		<b>29,352,562</b>	<b>34,598,712</b>	<b>12,152,618</b>	<b>15,590,516</b>
Less: Contribution to WPPF	25.00	1,397,741	-	578,696	-
<b>Profit before Income Tax</b>		<b>27,954,821</b>	<b>34,598,712</b>	<b>11,573,922</b>	<b>15,590,516</b>
<b>Less: Income Tax Expenses</b>		<b>3,194,424</b>	<b>5,638,900</b>	<b>1,340,466</b>	<b>1,773,017</b>
Current Tax	26.00	4,103,078	6,036,236	1,284,402	1,663,067
Deferred Tax	27.00	(908,654)	(397,336)	56,064	109,950
<b>Net Profit After Tax</b>		<b>24,760,397</b>	<b>28,959,812</b>	<b>10,233,456</b>	<b>13,817,499</b>
<b>Add: Other Comprehensive Income</b>		<b>98,890,530</b>	<b>-</b>	<b>98,890,530</b>	<b>-</b>
Revaluation Surplus during the period		101,949,000	-	101,949,000	-
Less: Deferred Tax (Income)/ Expenses Revaluation Surplus		3,058,470	-	3,058,470	-
<b>Total Comprehensive Income for the period</b>		<b>123,650,927</b>	<b>28,959,812</b>	<b>109,123,986</b>	<b>13,817,499</b>
<b>Earnings Per Share (EPS)-Basic</b>	28.00	<b>0.90</b>	<b>1.06</b>	<b>0.37</b>	<b>0.50</b>

The accounting policies and explanatory notes are an integral part of the financial statements.

Sd/-  
Chairman

Sd/-  
Managing Director

Sd/-  
Chief Financial Officer

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

Date : 26 June 2023  
Place : Dhaka

Sd/-  
FAMES & R  
Chartered Accountants  
DVC # 2306261032AO147195

**WEB COATS PLC.**  
**STATEMENT OF CHANGES IN EQUITY**  
FOR THE PERIOD FROM JULY 01, 2022 TO MARCH 31, 2023

Particulars	Amount in Taka			
	Share Capital	Revaluation Surplus	Retained Earnings	Total
Balance as on 01 July 2022	28,000,000	-	288,445,823	316,445,823
Issuance of Share Capital	6,021,000	-	-	6,021,000
Issuance of Bonus Share	246,120,000	-	(246,120,000)	-
Addition of Revaluation Surplus	-	101,949,000	-	101,949,000
Deferred Tax (Income)/ Expenses on Revaluation Surplus	-	(3,058,470)	-	(3,058,470)
Adjustment of depreciation of Revaluation Surplus	-	-	-	-
Net profit/(loss) during the period	-	-	24,760,397	24,760,397
<b>Balance as on 31 March 2023</b>	<b>280,141,000</b>	<b>98,890,530</b>	<b>67,086,220</b>	<b>446,117,750</b>

FOR THE PERIOD FROM JULY 01, 2021 TO MARCH 31, 2022

Particulars	Amount in Taka			
	Share Capital	Revaluation Surplus	Retained Earnings	Total
Balance as on 01 July 2021	28,000,000	-	244,665,085	272,665,085
Net profit/(loss) during the period	-	-	28,959,812	28,959,812
<b>Balance as on 31 March 2022</b>	<b>28,000,000</b>	<b>-</b>	<b>273,624,897</b>	<b>301,624,897</b>

Sd/-  
Chairman

Sd/-  
Managing Director

Sd/-  
Chief Financial Officer

Date : 26 June 2023  
Place : Dhaka

**WEB COATS PLC.**  
**STATEMENT OF CASH FLOWS**  
FOR THE PERIOD FROM JULY 01, 2022 TO MARCH 31, 2023

Particulars	Notes	Amount in Taka	
		01-Jul-2022 To 31-Mar-2023	01-Jul-2021 To 31-Mar-2022
<b>Cash Flows from Operating Activities</b>			
Cash received from Customers		417,031,804	375,324,375
Cash paid to Suppliers		(298,262,517)	(212,537,958)
Cash paid to Employees		(25,433,934)	(22,485,457)
Cash Paid to Others		(14,613,252)	(9,682,942)
<b>Cash Generated from Operation</b>		<b>78,722,101</b>	<b>130,618,018</b>
Cash received from Other Income		2,956,754	2,675,195
Income Tax paid		(4,249,137)	(4,836,329)
<b>Net Cash Generated from Operating Activities</b>		<b>77,429,718</b>	<b>128,456,884</b>
<b>Cash Flows from Investing Activities</b>			
Acquisition of Property, Plant and Equipment		(523,480)	(1,171,150)
<b>Net Cash Used in Investing Activities</b>		<b>(523,480)</b>	<b>(1,171,150)</b>
<b>Cash Flows from Financing Activities</b>			
Received Share Money Deposit		6,021,000	-
Net Payment for Financial Expenses		(10,838,734)	(18,798,868)
Net Received/(Payment) in Short term loan		(34,368,597)	(57,954,368)
Net Received/(Payment) in Long term loan		7,509,723	(46,466,084)
<b>Net Cash Provided from Financing Activities</b>		<b>(31,676,608)</b>	<b>(123,219,320)</b>
<b>Net Increase/(Decrease) Cash and Cash Equivalents</b>		<b>45,229,630</b>	<b>4,066,414</b>
Cash and Cash Equivalents at Beginning of the period		106,100,684	89,819,004
Foreign Exchange Gain/(loss)		40,034	11,864
<b>Cash and Cash Equivalents at end of the period</b>		<b>151,370,348</b>	<b>93,897,282</b>
<b>Net Operating Cash Flows Per Share (NOCFPS)</b>	30.00	<b>2.80</b>	<b>4.69</b>

Sd/-  
Chairman

Sd/-  
Managing Director

Sd/-  
Chief Financial Officer

Date : 26 June 2023  
Place : Dhaka

## WEB COATS PLC.

### Notes, comprising significant accounting policies and other explanatory information

As at and for the Period from 01 July 2022 to 31 March 2023

#### 1.00 REPORTING ENTITY:

##### 1.01 Background of the Company

The Company namely “WEB COATS LTD.” was incorporated on 15 April, 2013 vide registration no. C-108543/13 as a private limited Company in Bangladesh under the Companies Act, 1994. Subsequently the Company has changed its name with “WEB COATS PLC.” from “WEB COATS LTD.” and converted into Public Limited Company in the EGM held on dated 24<sup>th</sup> February, 2023.

##### 1.02 Registered Office of the Company

The registered office is located at 2, R. K. Mission Road, Motaleb Mansion, 3<sup>rd</sup> Floor, Dhaka, Bangladesh.

##### 1.03 Nature of the Business

The company is 100% export-oriented accessories and the principal activities of the company are to carry on the business of manufacturing and exporting of all kinds of Producing, Processing, Converting plant for Manufacturing of Paper & Board etc.

#### 2.00 BASIS OF PREPARATION AND PRESENTATION OF FINANCIAL STATEMENTS

##### 2.01 Statements of Compliance

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), International Financial Reporting Standards (IFRSs), The requirements of Financial Reporting Act, 2015, the Securities and Exchange Rules, 2020, the Companies Act, 1994, Income Tax Ordinance, 1984, Income Tax Rules, 1984, Value Added Tax and Supplementary Duty Act, 2012, Bangladesh Labor Act, 2006 (Amended up to 2018) and other laws and regulations are applicable for the Company.

##### 2.02 Going Concern

Management has assessed the going concern assumptions during the preparation of the financial statements of the Company. Management assess that no events or conditions give rise to doubt about the ability of the Company to continue in operation in the foreseeable future. It has been concluded that it is reasonable to apply the going concern concept as the underlying assumption for the financial statements. The Company has adequate resources to continue its operation for the foreseeable future. The current credit facilities and resources of the Company provides sufficient fund to meet the present requirements of its existing business.

##### 2.03 Accrual Basis

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

##### 2.04 Components of the Financial Statements

According to IAS 1 Presentation of Financial Statements the complete set of financial

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

## 2.05 Accounting Policies & Estimates

The preparation of these financial statements is in conformity with IASs/IFRSs which require management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Estimates and underlying assumptions are reviewed on an ongoing basis and used for accounting of certain terms such as provision for expenses and depreciation.

## 2.06 Responsibility for Preparation and Presentation of Financial Statements:

The Board of Directors is responsible for the preparation of Financial Statements under section 183 of the Companies Act, 1994 and in accordance with an applicable financial reporting framework.

## 2.07 Statement of Cash flows

Statement of Cash Flows has been prepared in accordance with IAS 7 Statement of Cash Flows and the cash flows from the operating activities have been presented under direct method considering the provisions of Paragraph 19 of IAS 7 which provides that "Entities are encouraged to report cash flows from operating activities using the direct method" and as per requirement of the Securities and Exchange Rules, 2020.

As per Bangladesh Securities and Exchange Commission Notification No. BSEC/CMRRCD/2006/158 /208/Admin/81 dated 08 August 2018; Cash Flows from operating activities have been reconciled with net income using the indirect method.

## 2.08 Applicable accounting standards:

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

### 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 7	Financial Instruments: Disclosures;
IFRS 9	Financial Instruments
IFRS 13	Fair Value Measurement
IFRS 15	Revenue from Contracts with Customers

## 2.09 Property, Plant and Equipment:

### 2.09.1 Recognition and Measurement:

All Property, Plant and Equipment (PPE) are stated at cost less accumulated depreciation as per IAS 16 Property, Plant and Equipment. The cost of acquisition of an asset comprises of its purchase price and any directly attributable cost of bringing the



asset to its working condition for its intended use inclusive of inward freight, duties and non- refundable taxes.

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 costs can be measured reliably. The day to day maintaining cost on PPE is recognized in the Statements of Profit or Loss and other Comprehensive Income as incurred.

#### **2.09.2 Depreciation:**

Depreciation on Property, Plant and Equipment has been computed during the period using the reducing balance method. Depreciation has been charged on addition when the related Property, Plant and Equipment are available for use as per management intention. Depreciation has charged as following rates:

Name of Assets	Rate	
	31 March 2023	30 June 2022
Land	0%	0%
Factory Building, Civil Construction and Others	2.50%	2.50%
Plant and Machinery	10%	10%
Electrical Equipment	10%	10%
Fire Equipment	10%	10%
Computer & Computer Equipment	10%	10%
Office Equipment	10%	10%
Vehicles	20%	20%
Generator	10%	10%
Deep Tubewel	10%	10%
Furniture and Fixture	10%	10%

#### **2.09.3 Retirement and Disposals:**

An asset is derecognized on disposal or when no future economic benefits are expected from its use and subsequent disposal. Gain or loss 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 assets and is recognized as gain or loss from disposal of asset under other income in the statement of profit or loss and other comprehensive income. Depreciation has been charged on disposal assets up to the date of disposal. There is no such retirement or disposals of assets during the period.

#### **2.09.4 Revaluation of Fixed Assets**

"As per IAS16: Property, Plant and Equipment paragraph 34, “the frequency of revaluations depends upon the changes in fair vales 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 of five years.

To comply with the above paragraph, The Company made its first valuation of Land, on 31 January 2023 by an independent valuer M/S. G. Kibria & Co. to reflect fair value

(Market Approach) thereof following ‘Current Cost Method’ as per IFRS-13 ‘Fair Value Measurement’.”

Particulars of Assets	Name of Valuer	Qualification of the Valuer	Date of Revaluation	Carrying amount of Assets	Value of the assets after revaluation	Revaluation Surplus in 30 June 2022
Land	M/S. G. Kibria & Co.	Chartered Accountants	31 January 2023	15,651,000	117,600,000	101,949,000
<b>Total</b>				<b>15,651,000</b>	<b>117,600,000</b>	<b>101,949,000</b>

The Company revalued its Property, Plant & Equipment (Fixed Assets) as per valuation guidelines issued by the Bangladesh Securities and Exchange Commission (BSEC) dated on 18 August 2013 clause 09 of Part A. For better understanding, a table showing below;

Name of PPE	Value at Cost as on 30 June 2022	Revalued amount as on 30 June 2022	Revaluation Surplus on 30 June 2022	Remarks
Land	15,651,000	117,600,000	101,949,000	As per (BSEC) valuation guideline dated on 18 August 2013 clause-8 Time-lag between two valuations for the same class of assets shall not be less than three years; provided that no upward revaluation of an asset shall be made within two years of its acquisition;

#### **2.09.5 Impairment**

The carrying amounts of all assets are reviewed at each balance sheet date to determine whether there is any indication of impairment loss. If any such indication exists, recoverable amount is estimated in order to determine the extent of the impairment loss.

For impairment test, management have considered all indicators (external and internal) and assessed that any asset mentioning in the (1) property, plant and equipment and (2) intangible assets:

1. Have not declined in market value;
2. The market interest rate has not increased;
3. No technological change has occurred;
4. No physical damage has occurred;
5. No asset become obsolescence; and
6. No asset becomes idle.

After considering the above indications, management have concluded that carrying amount of any asset did not exceed the market value of assets or value in use and that is why no impairment loss was recognized in the accounts.

#### **2.10 Intangible Assets:**

##### **a) Recognition and measurement**

Intangible assets that are acquired by the Company and have finite useful life are measured at cost less accumulated amortization and accumulated impairment loss, if

any. Intangible assets are recognized as an asset if, and only if: it is probable that expected future economic benefits that are attributable to the asset will flow to the Company; and the cost of the item can be measured reliably. 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.

**b) Subsequent cost**

Subsequent expenditure on intangible assets is capitalized only if it is probable that it will increase the future economic benefits associated with the specific asset.

**c) De-recognition**

Intangible assets are derecognized from the statement of financial position on disposal or when no future economic benefits are expected from their use or disposal. The gain or loss arising from the de recognition of an intangible asset is recognized in profit or loss at the time of de-recognition.

**d) Amortization**

Intangible assets are amortized on straight line method from the date when asset is available for use over its estimated useful life. The amount of amortization has been presented under the Statement of Profit or Loss and Other Comprehensive Income.

Rate of amortization on software is as under:

Items	31 March 2023	30 June 2022
Software	10%	10%

**2.11 Borrowing Costs**

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

**2.12 Revenue from Contracts with Customers**

Income arising in the course of an entity’s ordinary activities is Revenue.

IFRS 15 Revenue from Contracts with Customers says that, an entity recognizes revenue by applying the following five steps:

- i) Identify the contract with customers,
- ii) Identify the performance obligations,
- iii) Determine the transaction price,
- iv) Allocate the transaction price to the performance obligations in the contract,
- v) Recognize revenue when (or as) entity satisfies performance obligation.

**2.13 Valuation of Current Assets:**

**Trade and Other Receivables**

These are carried forward at their original invoiced value amount and represents net realizable value. Management considered the entire bills receivable as good and is collectable and therefore, no amount has been provided for as bad debt in the current period’s account.

**Inventories**

In compliance with the requirements of IAS 2 Inventories, the Inventories have been valued at Cost or Net Realizable value whichever is lower, which is consistent with the previous year’s practice. Net realizable value is based on estimated selling price in the ordinary course of

business less any further costs expected to be incurred to make the sales. The company did not pledge any inventories such as raw materials in taking of long-term loan.

#### **Advances, Deposits and Prepayments:**

Advances are initially measured at cost. After initial recognition, advances are carried at cost less deductions, adjustments or charges to other account heads such as PPE or inventory or expenses. Deposits are measured at payment value without any adjustment for time value.

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

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

Cash and cash equivalents comprise cash in hand, cash at bank and other short term deposits which are available for use by the Company without any restriction.

#### **2.14 Provisions**

In accordance with the guidelines as prescribed by IAS 37 provisions shall be recognized when

- an entity has a present obligation (legal or constructive) as a result of a past event;
- it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
- a reliable estimate can be made of the amount of the obligation.

#### **2.15 Employee Benefit**

The company maintains Short Term Employee Benefits as per IAS 19 Employee Benefits. The cost of employee benefit is charged of 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, festival bonuses etc. Obligations for such benefits are measured on an undiscounted basis and are expensed as the related service is provided.

#### **2.16 Functional and Presentational Currency**

The Financial Statements are prepared in Bangladeshi Taka which is the Company's functional currency.

#### **2.17 Income Tax:**

##### **Current Tax**

Current tax is the expected tax payable on the taxable income for the financial year, using tax rates enacted or subsequently enacted after the reporting date and any adjustment to tax payable in respect of previous years. Provision for taxation is calculated on the basis of applicable current tax rate as per ITO, 1984.

##### **Deferred Tax**

The Company recognized deferred tax as per IAS 12 Income Taxes. Deferred tax is recognized for all temporary timing difference arising between the carrying value of assets and liabilities and its tax base values. The rate prevailing at the Financial Position date is used for determine the deferred tax.

#### **2.18 Foreign Currency Transaction**

Foreign currency transactions are translated into Bangladeshi Taka at the exchange rates ruling at the transaction dates according to IAS 21: The Effect of Changes in

Foreign Exchange Rates”. Monetary assets and liabilities denominated in the foreign currencies are translated at prevailing rates on the balance sheet (financial position) date. Non-monetary assets and liabilities denominated in foreign currencies, which are related at historical cost, are translated into Bangladesh Taka at the exchange rate ruling at the date of transactions. Foreign exchange fluctuation gain/losses are charged to the statement of profit or loss and other comprehensive Income for the respective period.

### **2.19 Earnings Per Share**

The Company calculates its Earnings per Share (EPS) in accordance with IAS 33 Earnings per Share which has been shown on the face of the Statement of profit or loss and other comprehensive income.

#### **Basic Earnings**

This represents profit or loss at the end of the period attributable to ordinary shareholders of the entity.

#### **Earnings Per Share**

This has been calculated by dividing profit or loss attributable to ordinary shareholders of the entity by the weighted average number of ordinary shares outstanding during the period.

### **2.20 Financial Instruments**

A financial instrument is any contract that gives rise to a financial asset to one entity and a financial liability or equity instrument to another entity as per IFRS 9 Financial Instruments.

#### **Financial Assets**

Financial assets of the Company include cash and cash equivalents, equity instrument to another entity, trade receivables and other receivables. The Company initially recognizes a financial asset in its statement of financial position when, and only when, the Company becomes a party to the contractual provision of the instrument. The Company derecognize a financial asset when, and only when; the contractual rights to the cash flows from the financial asset expire or transfer the contractual rights to receive the cash flows of the financial asset.

#### **Financial Liabilities**

The Company initially recognizes a financial liability in its statement of financial position when, and only when, the Company becomes a party to the contractual provision of the instrument. The Company derecognizes a financial liability from its statement of financial position when, and only when, it is extinguished, that is when the obligation specified in the contract is discharged or cancelled or expires.

### **2.21 Events after the Reporting Period**

In compliance with the requirements of IAS 10 Events after the Reporting Period, events after the reporting period are those events, favorable and unfavorable, that occur between the end of the reporting period and the date when the Financial Statements are authorized for issue. Two types of events can be identified:

Adjusting Events - those that provide evidence of conditions that existed at the end of the reporting period.

Non-adjusting Events- those that are indicative of conditions that arose after the

reporting period.

## 2.22 Related Party Disclosures

The Company carried out a number of transactions with related parties in the normal course of business and on arms' length basis. The information as required by IAS 24 Related Party.

## 2.23 Risk exposure:

### Market risks

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

The Company is exposed to currency risk as most of the capital goods, machineries to be imported from outside Bangladesh, and will be invoiced in foreign currency.

### Credit risks

Credit risk is the risk of a financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. Credit risk mainly arises from trade receivables, interest receivables, advances and prepayments and cash at bank.

Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis.

### Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulties in meeting the obligation associated with its financial liabilities that are settled by delivering cash or other financial asset. The company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under normal and stressed conditions, without incurring unacceptable losses or risking damage to the company's reputation.

The company's aim to maintain the level of its cash and cash equivalents at amounts in excess of expected cash outflows on financial liabilities. The company also monitors the level of expected cash inflows on trade receivables together with expected cash outflows on trade and other payables.

### Interest Rate Risks

When interest rate fluctuates, it causes interest risk. Companies who have debt financing are exposed to this risk highly.

### Economic and Political risks

This risk can be described as the likelihood that an investment will be affected by macroeconomic conditions such as government regulation, exchange rates, or political stability. In other words, while financing a project, the risk that the output of the project will not produce adequate revenues for covering operating costs and repaying the debt obligations. In a nutshell, economic risk refers to the risk that a venture will be economically unsustainable due to various reasons.

## 2.24 Measurement of Fair Values

When measuring the fair value of an asset or a liability, the company uses market

observable data as far as possible. Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- a) Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- b) Level 2: inputs other than quoted prices included in level 1 that are observable for asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).
- c) Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability might be categorized in different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement. The Company recognizes transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

## **2.25 VAT**

As an 100% export-oriented industry, VAT is liable to determine 0% as per Value Added Tax and Supplementary Duty Act, 2012.

## **2.26 Right of Use Assets (RoU)**

The company recognizes the right use of assets (RoU) at the commencement date of the lease (i.e. the date the underlying asset is available for use. RoU assets are measured at cost less any accumulated depreciation and impairment of losses and adjusted cost incurred, and lease payment made at or before the commencement date less any lease term. The Right-of-use assets are depreciated on a straight line basis over the lease term or remaining period of the lease term. The company assessed all lease contracts live in 2022 and came up with the decision that no ROU requires to be recognized because the only lease rental agreement in connection with office rent is cancellable lease agreement. Thus, in accordance with para 5 of IFRS 16, management considers the lease agreement as short term lease and chose to recognize the monthly lease payments as an expenses in line with para 6 of the standard.

## **2.27 Interim Financial Reporting**

IAS 34 requires that condensed Interim Financial Statements contain at a minimum:

- a condensed statement of financial position;
- a condensed statement or condensed statements of profit or loss and other comprehensive income;
- a condensed statement of changes in equity;
- a condensed statement of cash flows; and
- Selected explanatory notes.

These Interim Financial Statements present selected explanatory notes that are intended to assist users in understanding the results of the operations of the company for the current interim period.

## **3.00 Additional Information on Financial Statements:**

### **3.01 Authorization date for issuance of Financial Statements**

The Financial Statements have been authorized by the Board of Directors 24 May 2023.

### **3.02 Comparative Information**

Comparative information has been disclosed in the respect of previous year for all

numeric information in the Financial Statements and also the narrative and descriptive information where it is relevant for understanding of the current period’s financial statement.

**3.03 General:**

- i) The figure has been rounded off to the nearest integer.
- ii) The Financial Statements have been prepared covering the period ended 31 March 2023.



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

		<b>Amount in Taka</b>	
		<b>31-Mar-2023</b>	<b>30-Jun-2022</b>
<b>4.00</b>	<b>Property, Plant and Equipment</b>		
	Property, Plant and Equipment (At Cost)	4.01 151,965,274	159,233,772
	Property, Plant and Equipment (At Revaluation)	4.02 101,949,000	-
		<b>253,914,274</b>	<b>159,233,772</b>
<b>4.01</b>	<b>Property, Plant and Equipment (At Cost)</b>		
	<b>Cost</b>		
	Opening Balance	230,358,017	229,186,867
	Add: Addition during the period	523,480	1,171,150
	<b>Total Assets Value at Cost</b>	<b>230,881,497</b>	<b>230,358,017</b>
	<b>Accumulated Depreciation</b>		
	Opening Balance	71,124,245	59,575,498
	Add: Depreciation charged during the period	7,791,978	11,548,747
	<b>Total Accumulated Depreciation</b>	<b>78,916,223</b>	<b>71,124,245</b>
	<b>Written Down Value as at 31 March 2023</b>	<b>151,965,274</b>	<b>159,233,772</b>
	The Details of the above is given in "Annexure - A"		
<b>4.02</b>	<b>Property, Plant and Equipment (At Revaluation)</b>		
	<b>Revaluation</b>		
	Opening Balance	-	-
	Add: Revalued adjustment during the period	101,949,000	-
	<b>Total Assets Value at Cost</b>	<b>101,949,000</b>	<b>-</b>
	<b>Accumulated Depreciation</b>		
	Opening Balance	-	-
	Add: Depreciation charged during the period	-	-
	<b>Total Accumulated Depreciation</b>	<b>-</b>	<b>-</b>
	<b>Written Down Value as at 31 March 2023</b>	<b>101,949,000</b>	<b>-</b>
	The Details of the above is given in "Annexure - A"		
	M/S. G. Kibria & Co. Chartered Accountants, Dhaka, Bangladesh, the valuer revalued the Land as at 30 June 2022 at 'Current Cost Accounting Method (CCA)'. Due to this revaluation, a net revaluation surplus amounting to Tk. 101,949,000 had arisen.		
<b>5.00</b>	<b>Intangible Assets</b>		
	<b>Cost</b>		
	Opening Balance	80,000	80,000
	Add: Addition during the period	-	-
	<b>Total Assets Value at Cost</b>	<b>80,000</b>	<b>80,000</b>
	<b>Accumulated Amortization</b>		
	Opening Balance	48,000	40,000
	Add: Amortization charged during the period	6,000	8,000
	<b>Total Accumulated Amortization</b>	<b>54,000</b>	<b>48,000</b>
	<b>Written Down Value as at 31 March 2023</b>	<b>26,000</b>	<b>32,000</b>
	The Details of the above is given in "Annexure - B"		
<b>6.00</b>	<b>Inventories</b>		
	Raw Materials	<b>20.01</b> 114,429,818	72,409,126
	Work in progress	<b>20.00</b> 7,025,474	7,269,122
	Finished Goods	<b>20.00</b> 9,354,171	13,871,801
	Spare Parts	<b>20.03</b> 322,820	525,120
	<b>Total</b>	<b>131,132,283</b>	<b>94,075,169</b>

**7.00 Trade and Other Receivables**

Trade Receivables	<b>7.01</b>	101,101,548	189,194,321
Other Receivables	<b>7.02</b>	735,118	648,453
<b>Closing Balance</b>		<b>101,836,666</b>	<b>189,842,774</b>

**7.01 Trade Receivables**

Opening Balance	189,194,321	168,857,110
Add: Export sales during the period	328,939,031	486,123,882
	<b>518,133,352</b>	<b>654,980,992</b>
Less: Realized during the period	417,031,804	465,786,671
<b>Balance as on 31 March 2023</b>	<b>101,101,548</b>	<b>189,194,321</b>

The details of Trade Receivables have been shown in Annexure-C

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

Particulars	Amount in Taka	
	31-Mar-2023	30-Jun-2022
i) Receivables considered good and in respect of which the company is fully secured.	101,836,666	189,842,774
ii) Receivables considered good for which the company holds no security other than the debtor's personal security.	-	-
iii) Receivables considered doubtful or bad.	-	-
iv) Receivables due by directors 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 due by directors or other officers of the company at any time during the period.	-	-
<b>Total:</b>	<b>101,836,666</b>	<b>189,842,774</b>

**Aging of Trade & Others Receivables:**

Less than Six Month	101,836,666	189,842,774
More than Six Month	-	-
	<b>101,836,666</b>	<b>189,842,774</b>

**7.02 Other Receivables**

Market to Market Gain/(Loss)	24,368	44,551
Interest Receivables from FDR and SND Accounts	710,750	603,902
	<b>735,118</b>	<b>648,453</b>

**8.00 Advances, Deposits & Prepayments**

Advance To Employees	896,500	1,125,420
Security Deposit to PBS (Palli Bidyut Samity)	1,291,732	1,291,732
Advance against Office Rent	100,000	100,000
L/C Margin	35,768,588	7,905,236
Advance Income Tax	<b>8.01</b>	8,559,776
Prepaid Insurance	<b>8.02</b>	285,429
<b>Total</b>	<b>46,902,025</b>	<b>30,855,071</b>

**8.01 Advance Income Tax**

Opening Balance	18,679,781	11,641,780
Add: Tax Paid for the assessment year 2018-2019	-	136,042
Add: Tax Paid for the assessment year 2020-2021	-	1,063,865

Cont...

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

Add: Tax Paid for the assessment year 2022-2023		146,059	-
Add: Tax Paid at the time of Car Fitness Renewal		187,500	217,500
Add: AIT during the period		-	4,158,487
Add: AIT against FDR Interest Income		654,922	348,081
Add: AIT at the time of Export proceed realized		3,260,656	2,313,933
		<b>22,928,918</b>	<b>19,879,688</b>
Less: Adjustment for the assessment year 2018-2019		-	136,042
Less: Adjustment for the assessment year 2020-2021		7,185,082	1,063,865
Less: Adjustment for the assessment year 2022-2023		7,184,060	-
<b>Closing Balance</b>		<b>8,559,776</b>	<b>18,679,781</b>

**8.02 Prepaid Insurance**

Prepaid Insurance (Fire)	8.02 A	223,300	1,752,902
Prepaid Insurance (Raw Material)	8.02 B	62,129	-
<b>Closing Balance</b>		<b>285,429</b>	<b>1,752,902</b>

**8.02 A Prepaid Insurance (Fire)**

Opening Balance		1,752,902	3,116,891
Add: Paid during the period		-	2,037,609
		1,752,902	5,154,500
Less: Adjustment during the period		1,529,602	3,401,598
		<b>223,300</b>	<b>1,752,902</b>

**8.02 B Prepaid Insurance (Raw Material)**

Opening Balance		-	-
Add: Paid during the period		62,129	-
		62,129	-
Less: Adjustment during the period		-	-
<b>Closing Balance</b>		<b>62,129</b>	<b>-</b>

The Classification of Advance as required by the Schedule XI, Part I, Para 6 of the Companies Act, 1994 are given below:

Particulars	Amount in Taka	
	31-Mar-2023	30-Jun-2022
Advances, deposits & prepayments considered good and in respect of which the company is fully secured.	-	-
Advances, deposits and prepayments considered good for which the company holds no security other than the debtor's personal security.	46,005,525	29,729,651
Advances, deposits & prepayment considered doubtful or bad.	-	-
Advances, deposits & prepayments 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.	896,500	1,125,420
Advances, deposits & prepayments due by companies under the same management.	-	-
The maximum amount due by directors or other officers of the company at any time during the period.	-	-
<b>Total</b>	<b>46,902,025</b>	<b>30,855,071</b>

**9.00 Cash and Cash Equivalents**

Cash in hand		327,305	375,992
Cash at Bank	<b>9.01</b>	151,043,043	105,724,692
<b>Total</b>		<b>151,370,348</b>	<b>106,100,684</b>

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

**9.01 Cash at Bank**

FDR in Southeast Bank Ltd., A/c No. -0120	37,592,767	36,756,034
FDR in Southeast Bank Ltd., A/c No. -0125	15,139,730	14,811,571
FDR in Southeast Bank Ltd., A/c No. -0127	15,266,524	14,935,492
FDR in Southeast Bank Ltd., A/c No. -0175	1,993,447	1,951,247
FDR in Southeast Bank Ltd., A/c No. -0261	9,460,159	9,248,834
FDR in Southeast Bank Ltd., A/c No. -0265	5,599,313	5,475,438
FDR in Southeast Bank Ltd., A/c No. -0581	7,025,354	6,855,563
FDR in Southeast Bank Ltd., A/c No. -0752	5,298,601	-
FDR in IDLC, A/c No. -14601	1,500,000	-
United Commercial Bank Limited., A/c No. -6212	7,237	528,714
United Commercial Bank Limited., A/c No. -0707	10,372	1,248
Bank Asia Ltd., A/c No. -0010 (US DOLLAR)	149,014	265,246
Bank Asia Ltd., A/c No. -0034 (US DOLLAR)	221,642	197,262
Bank Asia Ltd., A/c No. -0910	96	564
Southeast Bank Ltd., A/c No. -0157	86,437	7,785,976
Mercantile Bank Ltd., A/c No. -7112	1,205	2,010
City Bank Ltd., A/c No. -36001	706	1,277
Eastern Bank Ltd., A/c No. -97097	299	298
Eastern Bank Ltd., A/c No. -95882	55,379	-
SBAC Bank Limited, A/c No. -06396	323,327	-
SBAC Bank Limited, A/c No. -00467	49,887,378	-
Southeast Bank Ltd., A/c No. -00004 (US DOLLAR)	-	1,954,961
Southeast Bank Ltd., A/c No. -00001 (US DOLLAR)	1,424,056	4,952,957
<b>Total</b>	<b>151,043,043</b>	<b>105,724,692</b>

**10.00 Share Capital**

**Authorized Share Capital**

150,000,000 Ordinary Shares of Taka 10/- each.	1,500,000,000	50,000,000
	<b>1,500,000,000</b>	<b>50,000,000</b>

**Issued, Subscribed, Called-up and Paid-up Share Capital**

28,00,000 Ordinary Shares of Tk 10/- each fully paid-up	28,000,000	28,000,000
6,02,100 Ordinary Shares of Tk. 10/- Each Fully Paid-Up Cash 2022	6,021,000	-
2,46,12,000 Ordinary Shares of Tk. 10/- each issued as fully paid-up bonus shares	246,120,000	-
	<b>280,141,000</b>	<b>28,000,000</b>

**The shareholding position of the company are as under:**

Names	Designation	No. of shares	Amount in Taka	
			31-Mar-2023	30-Jun-2022
Md. Reza-E-Selim	Managing Director	5,853,000	58,530,000	7,000,000
Sonali Reza	Chairman	6,853,000	68,530,000	7,000,000
Rahat Reza Omi	Director	6,053,000	60,530,000	7,000,000
Jhinu Enterprise (PVT) Ltd.	Director	1,855,100	18,551,000	7,000,000
Others	Shareholder	7,400,000	74,000,000	-
<b>Total</b>		<b>28,014,100</b>	<b>280,141,000</b>	<b>28,000,000</b>

**11.00 Revaluation Surplus**

Opening Balance	-	-
Add: Addition during the period	101,949,000	-
<b>Revaluation Surplus</b>	<b>101,949,000</b>	<b>-</b>
Deferred Tax (Income)/ Expenses on Revaluation Surplus	3,058,470	-
Less: Adjustment of depreciation of Revaluation Surplus	-	-
<b>Net balance of revaluation surplus</b>	<b>98,890,530</b>	<b>-</b>

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

<b>12.00 Retained Earnings</b>			
Opening Balance		288,445,823	244,665,085
Less: Issuance of Bonus Share		246,120,000	-
Add: Addition during the period		24,760,397	43,780,738
<b>Closing Balance</b>		<b>67,086,220</b>	<b>288,445,823</b>
<b>13.00 Long Term Loan Net-off Current Portion</b>			
Opening Balance		-	46,466,084
Add: Addition during the period		10,000,000	-
Less: Adjustment during the period		2,490,277	46,466,084
<b>Total Outstanding Balance</b>		<b>7,509,723</b>	-
Less: Current Portion of Long Term Loan		3,350,481	-
<b>Long Term Loan Net-off Current Portion</b>		<b>4,159,242</b>	-
<b>14.00 Share Money Deposit</b>			
Opening balance		-	-
Add: Deposit during the period		6,021,000	-
		<b>6,021,000</b>	-
Less: Allotment during the period		6,021,000	-
<b>Closing balance</b>		-	-
<b>15.00 Deferred Tax Liability</b>			
Deferred Tax Liability Excluding Revaluation Surplus	<b>15.01</b>	7,571,530	8,480,184
Deferred Tax Liability on Revaluation Surplus	<b>15.02</b>	3,058,470	-
		<b>10,630,000</b>	<b>8,480,184</b>
<b>15.01 Deferred Tax Liability Excluding Revaluation Surplus</b>			
Written down value as (Accounting Base)		151,991,274	159,265,772
Written Down value as (Tax Base)		88,895,187	97,591,706
<b>Temporary Difference</b>		<b>63,096,087</b>	<b>61,674,066</b>
Exemption of income @ 50% (Para 28, Part-A, Sixth Schedule, ITO 1984)		-	30,837,033
Effective Tax Rate		12.00%	27.50%
<b>Deferred Tax Liability</b>		<b>7,571,530</b>	<b>8,480,184</b>
Less: Opening Deferred Tax Liability		8,480,184	8,769,736
<b>Deferred Tax (Income)/ Expenses</b>		<b>(908,654)</b>	<b>(289,552)</b>
<b>15.02 Deferred Tax Liability on Revaluation Surplus</b>			
<b>Asset Name</b>	<b>WDV as on 31-Mar-2023</b>	<b>Rate</b>	<b>Deferred Tax Liability as on 31-Mar-2023</b>
<b>Deferred Tax Liability as on 30-Jun-2022</b>			
Land	101,949,000	4.00%	3,058,470
<b>Total:</b>	<b>101,949,000</b>		<b>3,058,470</b>
<b>Less: Opening Deferred Tax Liability</b>			-
<b>Deferred Tax (Income)/ Expenses</b>			<b>3,058,470</b>
<b>16.00 Short Term Loan</b>			
Southeast Bank Ltd.-Bank Overdraft		-	9,890,408
Southeast Bank Ltd.-Bank Overdraft WCSP		20,176,838	20,017,778
Southeast Bank Ltd.-Time Loan		-	7,757,440
Southeast Bank Ltd.-LTR		149,909,725	194,587,465
SBAC Bank Ltd.-IDBP		33,906,087	-
		<b>203,992,650</b>	<b>232,253,091</b>
Less: Interest Payable		9,406,478	3,298,322
<b>Total</b>		<b>194,586,172</b>	<b>228,954,769</b>

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

<b>17.00 Trade &amp; Other Payables</b>		
Trade Payable	3,450,000	485,652
Others Payables	54,400	-
<b>Total</b>	<b>3,504,400</b>	<b>485,652</b>
<b>18.00 Liabilities for Expenses</b>		
Wages, Salary & Allowances	2,462,974	2,454,983
Directors Remuneration	100,000	100,000
Factory Utility Bills	506,954	788,045
Office Rent	35,000	35,000
VAT on Office Rent	47,250	58,500
Utilities bills	12,708	13,682
Interest Payable on Loan	<b>18.01</b> 9,406,478	3,298,322
Income Tax Payable	<b>18.04</b> 8,689,446	18,955,510
Provision for WPPF	<b>18.05</b> 1,397,741	-
Audit Fees including VAT	175,000	69,000
<b>Total</b>	<b>22,833,551</b>	<b>25,773,042</b>
<b>18.01 Interest Payable on Loan</b>		
Long Term Loan	<b>18.02</b> -	-
Short Term Loan	<b>18.03</b> 9,406,478	3,298,322
<b>Total</b>	<b>9,406,478</b>	<b>3,298,322</b>
<b>18.02 Interest Payable on Long Term Loan</b>		
Opening Balance	-	443,283
Add: Charge for the period	783,123	1,903,064
	<b>783,123</b>	<b>2,346,347</b>
Less: Payment during the period	783,123	2,346,347
<b>Closing Balance</b>	<b>-</b>	<b>-</b>
<b>18.03 Interest Payable on Short Term Loan</b>		
Opening Balance	3,298,322	2,849,342
Add: Charge for the period	16,163,767	18,449,116
	<b>19,462,089</b>	<b>21,298,458</b>
Less: Payment during the period	10,055,611	18,000,136
<b>Closing Balance</b>	<b>9,406,478</b>	<b>3,298,322</b>
<b>18.04 Income Tax Payable</b>		
Opening Balance	18,955,510	11,771,450
Add: Charge for the period	<b>26.00</b> 4,103,078	8,383,967
	<b>23,058,588</b>	<b>20,155,417</b>
Less: Adjustment for the assessment year 2018-2019	-	136,042
Less: Adjustment for the assessment year 2020-2021	7,185,082	1,063,865
Less: Adjustment for the assessment year 2022-2023	7,184,060	-
<b>Closing Balance</b>	<b>8,689,446</b>	<b>18,955,510</b>
<b>18.05 Provision for WPPF</b>		
This is made up as follows:		
<b>Particulars</b>		
Opening balance	-	-
Add: Addition during the period	1,397,741	-
	<b>1,397,741</b>	<b>-</b>
Less: Payment during the period	-	-
<b>Closing balance</b>	<b>1,397,741</b>	<b>-</b>

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

Amount in Taka				
	01-Jul-2022 To 31-Mar-2023	01-Jul-2021 To 31-Mar-2022	01-Jan-2023 To 31-Mar-2023	01-Jan-2022 To 31-Mar-2022
<b>19.00 Turnover</b>				
Export	328,939,031	342,559,125	117,736,543	128,099,370
<b>Total</b>	<b>328,939,031</b>	<b>342,559,125</b>	<b>117,736,543</b>	<b>128,099,370</b>
<b>20.00 Cost of Goods Sold</b>				
Raw materials consumed	20.01 230,394,428	216,719,208	84,292,713	93,526,707
Manufacturing Overhead	20.02 34,960,316	32,864,473	11,361,404	11,489,593
<b>Cost of Manufacturing Overhead</b>	<b>265,354,744</b>	<b>249,583,681</b>	<b>95,654,117</b>	<b>105,016,300</b>
Add: Opening Work in process	7,269,122	19,535,792	7,452,085	5,545,120
Less: Closing Work in process	7,025,474	4,536,520	7,025,474	4,536,520
<b>Cost of goods Manufactured</b>	<b>265,598,392</b>	<b>264,582,953</b>	<b>96,080,728</b>	<b>106,024,900</b>
Add: Finished goods - Opening	13,871,801	20,916,926	9,865,742	3,125,450
Less: Sample Expenses	273,201	256,940	95,642	85,250
Less: Finished goods - Closing	9,354,171	3,916,926	9,354,171	3,916,926
<b>Total</b>	<b>269,842,821</b>	<b>281,326,013</b>	<b>96,496,657</b>	<b>105,148,174</b>
<b>20.01 Raw Materials Consumed</b>				
Opening Balance	72,409,126	50,831,310	136,093,649	70,060,102
Add: Purchase during the period	272,415,120	224,372,623	62,628,882	81,951,330
<b>Raw materials available for production</b>	<b>344,824,246</b>	<b>275,203,933</b>	<b>198,722,531</b>	<b>152,011,432</b>
Less: Closing balance	114,429,818	58,484,725	114,429,818	58,484,725
<b>Raw materials consumed</b>	<b>230,394,428</b>	<b>216,719,208</b>	<b>84,292,713</b>	<b>93,526,707</b>
<b>20.02 Manufacturing Overhead</b>				
Wages, Salaries and Allowances	13,669,297	12,695,211	5,136,622	4,539,408
Festival Bonus	612,250	657,221	-	-
Factory Utility Bills	7,176,781	4,455,791	1,664,629	1,785,883
Tiffin Allowance	379,271	301,099	143,587	103,469
Postage & Stamp	171,171	158,848	58,451	56,843
Printing & Stationery Expenses	65,963	57,352	24,058	19,894
Spare Parts	20.03 1,205,093	1,260,861	401,409	499,299
Power and Fuel	1,046,660	915,281	365,875	321,259
Fire Insurance	1,529,602	2,567,946	502,424	855,982
Conveyance	157,009	125,135	55,011	44,151
Freight, C & F Charges	1,363,418	1,302,554	467,584	461,216
Medical Expenses	69,718	62,215	25,124	21,721
Telephone and Mobile Bill	64,392	60,876	23,411	21,740
Repairs & Maintenance	46,411	43,681	16,279	15,228
Miscellaneous Expenses	78,821	75,841	29,058	27,055
Depreciation	Annexure - A 7,324,459	8,124,561	2,447,882	2,716,445
<b>Total</b>	<b>34,960,316</b>	<b>32,864,473</b>	<b>11,361,404</b>	<b>11,489,593</b>
<b>20.03 Spare Parts Consumed</b>				
Opening Balance	525,120	652,641	319,654	612,120
Add: Purchase during the period	1,002,793	1,050,732	404,575	329,691
	<b>1,527,913</b>	<b>1,703,373</b>	<b>724,229</b>	<b>941,811</b>
Less: Closing balance	322,820	442,512	322,820	442,512
<b>Spare Parts Consumption</b>	<b>1,205,093</b>	<b>1,260,861</b>	<b>401,409</b>	<b>499,299</b>
<b>21.00 Administrative Expenses</b>				
Salaries and Allowances	7,596,438	7,086,740	2,609,497	2,457,310
Festival Bonus	419,865	397,914	-	-
Directors Remuneration	900,000	900,000	300,000	300,000
Board Meeting Fee	22,000	10,000	8,000	4,000
Office Rent	362,250	327,750	120,750	120,750
Service Charge	138,460	140,800	47,125	50,073
Phone, Fax and Internet Bill	54,121	11,568	45,962	3,938
Postage & Stamps	14,371	12,740	5,231	4,490
Printing & Stationery	83,653	74,988	29,122	26,192

Cont....

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

Registration & Renewal		1,341,245	44,681	-	15,490
Travelling and Conveyance		82,518	68,478	28,756	24,001
Entertainment		56,689	46,262	19,907	16,113
Utility Bills		95,425	79,160	32,865	27,649
Audit Fees including VAT		175,000	51,750	58,334	17,250
Professional Fees		30,000	28,750	10,000	-
Miscellaneous Expenses		352,966	346,358	117,314	123,693
Fuel, Oil and Lubricants		84,425	78,571	29,748	27,196
Repairs & Maintenance		78,290	70,452	27,962	24,691
Bank Charge		143,292	74,345	35,214	14,445
Amortization of Intangible Assets	Annexure - B	6,000	6,000	2,000	2,000
Depreciation	Annexure - A	311,679	345,726	104,165	115,593
<b>Total</b>		<b>12,348,687</b>	<b>10,203,033</b>	<b>3,631,952</b>	<b>3,374,874</b>
<b>22.00 Selling and Distribution Expenses</b>					
Salaries and Allowances		2,314,347	1,949,572	795,435	696,365
Festival Bonus		136,648	102,668	-	-
Advertisement		4,500	2,300	-	-
Tours and Travelling Expenses		66,003	58,463	23,607	20,843
Sample Expenses		273,201	256,940	95,642	85,250
Delivery Expenses		48,569	39,433	17,746	14,008
Mobile Bill		21,168	17,920	7,507	6,374
Printing & Stationery		21,709	17,934	7,918	6,387
Conveyance		50,753	41,806	18,274	15,007
Entertainment		20,119	16,995	7,301	6,138
Miscellaneous Expenses		33,394	27,020	12,004	9,560
Repairs & Maintenance		17,938	14,846	6,347	5,319
Fuel, Oil and Lubricants		58,198	47,479	21,280	16,955
Business Development		309,137	269,526	108,017	95,707
Depreciation	Annexure - A	155,840	172,863	52,083	57,797
<b>Total</b>		<b>3,531,524</b>	<b>3,035,765</b>	<b>1,173,161</b>	<b>1,035,710</b>
<b>23.00 Other Income</b>					
Interest Income		2,938,983	2,600,650	966,056	885,345
Gain/(Loss) on foreign currency exchange rate change		144,470	69,022	66,547	24,587
<b>Total</b>		<b>3,083,453</b>	<b>2,669,672</b>	<b>1,032,603</b>	<b>909,932</b>
<b>24.00 Financial Expenses</b>					
Interest on Long Term Loan	18.02	783,123	1,903,064	220,324	-
Interest on Short Term Loan	18.03	16,163,767	14,162,210	5,094,434	3,860,028
<b>Total</b>		<b>16,946,890</b>	<b>16,065,274</b>	<b>5,314,758</b>	<b>3,860,028</b>
<b>25.00 Contribution to WPPF</b>					
Profit before Contribution to WPPF		29,352,562	-	12,152,618	-
Contribution to WPPF		<b>1,397,741</b>	-	<b>578,696</b>	-
As per Bangladesh Labour Act, 2006 (Amendment 2018) the amount is computed @ 5% net profit before Income Tax.					
<b>26.00 Current Tax</b>					
Current Tax	26.01	4,103,078	4,836,329	1,284,402	1,663,067
Add: Short provision for the assessment year 2018-2019		-	136,042	-	-
Add: Short provision for the assessment year 2020-2021		-	1,063,865	-	-
<b>Total</b>		<b>4,103,078</b>	<b>6,036,236</b>	<b>1,284,402</b>	<b>1,663,067</b>
<b>26.01 Calculation of Current Tax On Business and Other Income</b>					
Profit before Income Tax		27,954,821	34,598,712	11,573,922	15,590,516
Add: Depreciation Expenses (Accounting Depreciation)		7,797,978	8,649,150	2,606,130	2,891,835
Less: Other Income		3,083,453	2,669,672	1,032,603	909,932
Less: Depreciation Expenses (Tax Depreciation)		9,219,999	11,074,429	3,073,334	3,691,477
<b>Business Income</b>		<b>23,449,347</b>	<b>29,503,761</b>	<b>10,074,115</b>	<b>13,880,942</b>

Cont.....



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

Exemption of income @ 50% (Para 28, Part-A, Sixth Schedule, ITO ordinance 1984)	-	14,751,881	-	6,940,471	
Tax Rate as per Income Tax Rules	12.00%	27.50%	12.00%	27.50%	
<b>Current Tax on Business Income</b>	<b>2,813,922</b>	<b>4,056,767</b>	<b>1,208,894</b>	<b>1,908,630</b>	
Others Income	3,083,453	2,669,672	1,032,603	909,932	
Tax Rate as per Income Tax Rules	30.00%	27.50%	30.00%	27.50%	
<b>Current Tax on Other Income</b>	<b>925,036</b>	<b>734,160</b>	<b>309,781</b>	<b>250,231</b>	
<b>Total Tax on Business Income &amp; Other Income</b>	<b>3,738,958</b>	<b>4,790,927</b>	<b>1,518,675</b>	<b>2,158,861</b>	
<b>OR</b>					
Tax deduction at source during the period	4,103,078	4,836,329	1,284,402	1,663,067	
<b>Advance Tax paid/Deducted</b>	<b>4,103,078</b>	<b>4,836,329</b>	<b>1,284,402</b>	<b>1,663,067</b>	
<b>OR</b>					
<b>Minimum Tax</b>					
Gross Receipts	328,939,031	342,559,125	117,736,543	128,099,370	
Others Income	3,083,453	2,669,672	1,032,603	909,932	
<b>Minimum Tax @ 0.60%</b>	<b>807,954</b>	<b>2,071,373</b>	<b>288,763</b>	<b>774,056</b>	
<b>Whichever is higher</b>	<b>4,103,078</b>	<b>4,836,329</b>	<b>1,284,402</b>	<b>1,663,067</b>	
<b>27.00 Deferred Tax (Income)/ Expenses</b>					
Written down value as (Accounting Base)	151,991,274	162,173,369	151,991,274	162,173,369	
Written Down value as (Tax Base)	88,895,187	101,283,185	88,895,187	101,283,185	
<b>Temporary Difference</b>	<b>63,096,087</b>	<b>60,890,184</b>	<b>63,096,087</b>	<b>60,890,184</b>	
Effective Tax Rate	12.00%	27.50%	12.00%	27.50%	
<b>Deferred Tax Liability</b>	<b>7,571,530</b>	<b>8,372,400</b>	<b>7,571,530</b>	<b>8,372,400</b>	
Less: Opening Deferred Tax Liability	8,480,184	8,769,736	7,515,466	8,262,450	
<b>Deferred Tax (Income)/ Expenses</b>	<b>(908,654)</b>	<b>(397,336)</b>	<b>56,064</b>	<b>109,950</b>	
<b>28.00 Earning Per Share (EPS)</b>					
a) Net Profit After Tax	24,760,397	28,959,812	10,233,456	13,817,499	
b) Weighted average number of Shares	27,638,992	27,412,000	28,014,100	27,412,000	
<b>Earnings Per Share (EPS) - Basic</b>	<b>0.90</b>	<b>1.06</b>	<b>0.37</b>	<b>0.50</b>	
<b>28.01 Weighted average number of Shares</b>					
		<b>Weighted Average No. of Shares</b>	<b>Weighted Average No. of Shares</b>	<b>Weighted Average No. of Shares</b>	<b>Weighted Average No. of Shares</b>
		<b>31-Mar-2023</b>	<b>31-Mar-2022</b>	<b>31-Mar-2023</b>	<b>31-Mar-2022</b>
Opening No. of Shares	2,800,000	2,800,000	2,800,000	2,800,000	2,800,000
Bonus Share Issue	24,612,000	24,612,000	24,612,000	24,612,000	24,612,000
Transfer from Share Money Deposit (Received During the period)	602,100	226,992	-	602,100	-
<b>Total</b>	<b>28,014,100</b>	<b>27,638,992</b>	<b>27,412,000</b>	<b>28,014,100</b>	<b>27,412,000</b>
<b>29.00 Net Asset Value (NAV) per Share</b>					
<b>29.01 Net Asset Value (NAV) per Share with revaluation</b>					
Total Assets	685,181,596	486,245,859	699,550,738	512,284,863	
Less: Non-Current Liabilities	14,789,242	8,372,400	14,789,242	8,262,450	
Less: Current Liabilities	224,274,604	176,248,562	238,643,746	216,215,015	
a) Net Asset Value (NAV)	446,117,750	301,624,897	446,117,750	287,807,398	
b) Number of Ordinary Shares	28,014,100	2,800,000	28,014,100	2,800,000	
<b>Net Asset Value (NAV) per Share</b>	<b>15.92</b>	<b>107.72</b>	<b>15.92</b>	<b>102.79</b>	
<b>29.02 Net Asset Value (NAV) per Share without revaluation</b>					
Total Assets	685,181,596	486,245,859	699,550,738	486,245,859	
Less: Non-Current Liabilities	14,789,242	8,372,400	14,789,242	8,372,400	
Less: Current Liabilities	224,274,604	176,248,562	238,643,746	176,248,562	
Less: Revaluation Surplus	98,890,530	-	98,890,530	-	
a) Net Asset Value (NAV)	347,227,220	301,624,897	347,227,220	301,624,897	
b) Number of Ordinary Shares	28,014,100	2,800,000	28,014,100	2,800,000	
<b>Net Asset Value (NAV) per Share</b>	<b>12.39</b>	<b>107.72</b>	<b>12.39</b>	<b>107.72</b>	

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

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

a) Net Operating Cash Flows	77,429,718	128,456,884	15,407,054	45,008,649
b) Weighted average number of Shares	27,638,992	27,412,000	28,014,100	27,412,000
<b>Net Operating Cash Flows per Share (NOCFPS) (a/b)</b>	<b>2.80</b>	<b>4.69</b>	<b>0.55</b>	<b>1.64</b>

**31.00 Reconciliation of net operating cash flow:**

This is made up as follows:

**Particulars**

A reconciliation of net income or net profit with cashflow from operating activities:

Particulars	01-Jul-2022 To 31-Mar-2023	01-Jul-2021 To 31-Mar-2022
<b>Net Profit before tax</b>	<b>27,954,821</b>	<b>34,598,712</b>
Depreciation on Property, Plant and Equipment	7,791,978	8,643,150
Amortization of Intangible Assets	6,000	6,000
Financial Expenses	16,946,890	16,065,274
<b>Increase/Decrease in Current Assets:</b>		
Inventory (Increase)/Decrease	(37,057,114)	24,555,986
Trade and Other Receivable (Increase)/Decrease	88,006,108	32,782,637
Advances, Deposits & Prepayments (Increase)/Decrease	(26,166,959)	16,026,851
<b>Increase/Decrease in current Liabilities:</b>		
Trade Payable Increase/(Decrease)	3,018,748	384,675
Provision and Accruals Increase/(Decrease)	1,218,417	241,792
<b>Cash Generated from Operating Activities</b>	<b>81,718,889</b>	<b>133,305,077</b>
Income Tax Paid	(4,249,137)	(4,836,329)
Foreign Exchange Gain/(loss)	(40,034)	(11,864)
<b>Net Cash Generated from Operating Activities</b>	<b>77,429,718</b>	<b>128,456,884</b>

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

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

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

**32.01 Number of Employee-Schedule XI, Part II, Note 5 of Para 3 :**

Total number of employees are as follows:

Salary (Monthly)	Officer & Staff	Worker	Total Employees
Salary below Tk. 8,500 per month	-	-	-
Salary above Tk. 8,500 per month	43	98	141
<b>Total:</b>	<b>43</b>	<b>98</b>	<b>141</b>

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

Particulars	31-Mar-2023
Turnover in BDT.	328,939,031
Turnover in Quantity (Dzn)	4,949,491

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

Particulars	31-Mar-2023
Raw Material (Value in BDT.)	230,394,428
Raw Material Quantities (Kg)	2,910,173

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

Particulars	31-Mar-2023
Opening Quantity (Dzn, Pcs)	215,571
Production Quantity (Dzn, Pcs)	4,861,060
Closing Quantity (Dzn, Pcs)	127,140

**32.05 The requirement of schedule XI part-II, Para 4:**

Sl No.	Particulars	31-Mar-2023
(a)	Managerial remuneration paid or payable during the financial period to the directors, including managing director, a managing	900,000
(b)	Expenses reimbursed to the managing agent;	Nil
(c)	Commission or other remuneration payable separately to a managing agent or his associate;	Nil
(d)	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
(e)	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 period;	Nil
(f)	Any other perquisites or benefits in cash or in kind;	Nil
(g)	Other allowances and commission including guarantee commission.	Nil
(h)	Pensions etc.-	Nil
	(i) Pensions	Nil
	(ii) Gratuities	Nil
	(iii) Payments from a provident funds, in excess of own subscription and interest thereon	Nil
	(iv) Compensation for loss of office	Nil
	(v) Consideration in connection with retirement from office.	Nil

During the period from 01-07-2022 to 31-03-2023, there were 5 (five) Board Meeting held. The attendance status of all the meeting is as follows

Name of the Director	Designation	Meeting Hold	Attendance
Md. Reza-E-Selim	Managing Director	5	5
Sonali Reza	Chairman	5	5
Rahat Reza Omi	Director	5	5
Jhinu Enterprise (PVT) Ltd.	Director	5	5
**Md. Rashidul Shukran Mia	Independent Director	5	1

\*\* Md. Rashidul Shukran Mia was appointed as an independent director as on 28 February 2023.

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

**32.06 Schedule XI, Part II, Para 6 :**

Amount paid to the auditor as fees for service rendered for the year ended 30 June, 2022

- (a) as auditor; Tk. 69,000.00  
 (b) as advisor, or in any other capacity, in respect of-  
 (i) taxation matters; Nil  
 (ii) company law matters; Nil  
 (iii) management services; Nil and  
 (c) in any other manner Nil

Audit fees payable for the period ended 31 March, 2023 is Tk. 1,75,000.00

**32.07 The requirement of Schedule XI, Part II, Para 7 : Capacity Utilization**

The production capacity and utilization of its are as follows:

Particulars	Unit	Installed Capacity	Actual Production	Percentage of Capacity Utilization
Self Adhesive Paper	Dzn	3,600,000	2,523,495	70%
Tissue Paper	Dzn	262,500	202,399	77%
Hang Tag	Dzn	225,000	166,332	74%
Size Tag	Dzn	225,000	177,607	79%
Price Tag	Dzn	225,000	169,211	75%
Self Copy Computer Continuous Paper	Dzn	262,500	193,886	74%
Photo Inlay	Dzn	300,000	218,065	73%
Gum Tape	Dzn	300,000	214,646	72%
Back Board	Dzn	750,000	538,798	72%
Neck Board	Dzn	450,000	343,140	76%
Paper Bent	Dzn	150,000	113,481	76%
<b>Total:</b>		<b>6,750,000</b>	<b>4,861,060</b>	

**32.08 The requirement of schedule XI, Part II, Para 8 of the Companies Act, 1994.**

(a) Value of imports calculated on C.I.F basis by the company during the financial period ended 31 March, 2023 in respect of raw materials, components of spare parts and capital goods were as

S.L	Particulars	Import
		Amount in BDT
i	Raw Materials	149,564,429
ii	Packing Materials	-
iii	Components of Spare parts	-
iv	Capital Goods	-

(b) The Company did not have any expenditure in foreign currency during the financial period on account of royalty, know-how, professional consultation fees, interest and other matters.

(c) Value of all imported raw materials, spare parts and components consumed during the financial period and the value of all indigenous raw materials, spare parts and components similarly consumed and the percentage of each to the total consumption:

Particulars	Total Consumption	Imported Taka	Percentage (%)	Local Taka	Percentage (%)
Raw Materials	230,394,428	149,543,737	65%	80,850,691	35%
Packing Materials	-	-	0%	-	0%
Spare Parts	1,205,093	-	0%	1,205,093	100%
<b>Total</b>	<b>231,599,521</b>	<b>149,543,737</b>		<b>82,055,784</b>	

(d) No amount has been remitted during the period in foreign currencies on account of dividends for non-residents shareholders,

(e) Earnings in foreign exchange classified under the following heads, namely:

- (i) Export of goods calculated on F.O.B. basis Tk. 328,939,031;  
 (ii) No royalty, know-how, professional and consultation fees were received;  
 (iii) No interest and dividend received;  
 (iv) No other income received.

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

**33.00 As per Para-17, IAS- 24:**

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

(a) Short-term employee benefits	6,255,515
(b) Post-employee benefits	Nil
(c) Other long term benefits	Nil
(d) Termination benefits	Nil
(e) Share-based payment	Nil

**33.01 As per Paragraph 18, IAS 24 Disclosure of Related Party are as follows:**

a) The amount of transaction for remuneration and board meeting fee during the period from 01 July 2022 to 31 March 2023 are as follows:

Name	Designation	Particulars	Transaction during the period	Outstanding as on 31-Mar-2023
Md. Reza-E-Selim	Managing Director	Remuneration	-	-
		Board Meeting Fee	6,000	-
		Office Rent	315,000	35,000
Sonal Reza	Chairman	Remuneration	-	-
		Board Meeting Fee	6,000	-
Rahat Reza Omi	Director	Remuneration	900,000	100,000
		Board Meeting fee	5,000	-
Jhinu Enterprise (PVT) Ltd.	Director	Remuneration	-	-
		Board Meeting fee	3,000	-
Md. Rashidul Shukran Mia	Independent Director	Remuneration	-	-
		Board Meeting fee	2,000	-
<b>Total:</b>			<b>1,237,000</b>	<b>135,000</b>

b) The amount of outstanding balances: Tk. 135,000.00

i) Their terms and conditions, including whether they are secured, and the nature of the consideration to be provided in settlement; Terms and conditions set by the relevant laws of the deed/agreement signed between the parties.

ii) Details of any guarantees given or received; There is no guarantee given or received.

c) There is no provisions for doubtful debts.

d) The expense recognized during the period in respect of bad or doubtful debts due from related parties: No expenses recognized during the period in respect of bad or doubtful debts.

**WEB COATS PLC.**  
**SCHEDULE OF PROPERTY, PLANT AND EQUIPMENT**  
AS AT 31 MARCH 2023

Annexure - A

Particulars	Cost			Rate of Dep. (%)	Depreciation			Written Down Value as at 31-Mar-2023
	Balance as on 01-Jul-2022	Addition during the period	Balance as on 31-Mar-2023		Balance as on 01-Jul-2022	Charged during the period	Balance as on 31-Mar-2023	
Land	18,426,000	-	18,426,000	0%	-	-	-	18,426,000
Factory Building, Civil Construction and Others	72,739,685	-	72,739,685	2.5%	11,415,101	1,149,836	12,564,937	60,174,748
Plant and Machinery	97,902,466	-	97,902,466	10%	40,941,152	4,272,099	45,213,251	52,689,215
Electrical Equipment	8,241,982	-	8,241,982	10%	3,626,816	346,137	3,972,953	4,269,029
Fire Equipment	2,737,488	-	2,737,488	10%	832,893	142,845	975,738	1,761,750
Computer & Computer Equipment	458,250	157,800	616,050	10%	124,369	29,926	154,295	461,755
Office Equipment	2,161,005	365,680	2,526,685	10%	830,932	113,180	944,112	1,582,573
Vehicles	18,031,639	-	18,031,639	20%	9,197,061	1,325,187	10,522,248	7,509,391
Generator	5,051,000	-	5,051,000	10%	2,366,692	201,323	2,568,015	2,482,985
Deep Tubewell	913,895	-	913,895	10%	415,854	37,353	453,207	460,688
Furniture and Fixture	3,694,607	-	3,694,607	10%	1,373,375	174,092	1,547,467	2,147,140
<b>Balance as at 31 March 2023 (A)</b>	<b>230,358,017</b>	<b>523,480</b>	<b>230,881,497</b>		<b>71,124,245</b>	<b>7,791,978</b>	<b>78,916,223</b>	<b>151,965,274</b>
<b>Revaluation Assets</b>								
Land	-	101,949,000	101,949,000	0%	-	-	-	101,949,000
<b>Balance as at 31 March 2023 (B)</b>	<b>-</b>	<b>101,949,000</b>	<b>101,949,000</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>101,949,000</b>
<b>Total Balance as at 31 March 2023 (A+B)</b>	<b>230,358,017</b>	<b>102,472,480</b>	<b>332,830,497</b>		<b>71,124,245</b>	<b>7,791,978</b>	<b>78,916,223</b>	<b>253,914,274</b>

Allocation of depreciation:		Amount
Manufacturing Overhead	94%	7,324,459
Administrative Expenses	4%	311,679
Selling and Distribution Expenses	2%	155,840
<b>Total</b>	<b>100%</b>	<b>7,791,978</b>

WEB COATS PLC.  
SCHEDULE OF PROPERTY, PLANT AND EQUIPMENT  
AS AT 30 JUNE 2022

Annexure - A

Particulars	Cost			Rate of Dep. (%)	Depreciation			Written Down Value as at 30 June 2022
	Balance as on 01 July 2021	Addition during the year	Balance as on 30 June 2022		Balance as on 01 July 2021	Charged during the year	Balance as on 30 June 2022	
Land	18,426,000	-	18,426,000	0%	-	-	-	18,426,000
Factory Building, Civil Construction and Others	72,739,685	-	72,739,685	2.5%	9,842,676	1,572,425	11,415,101	61,324,584
Plant and Machinery	97,902,466	-	97,902,466	10%	34,612,117	6,329,035	40,941,152	56,961,314
Electrical Equipment	8,241,982	-	8,241,982	10%	3,114,020	512,796	3,626,816	4,615,166
Fire Equipment	1,991,638	745,850	2,737,488	10%	678,714	154,179	832,893	1,904,595
Computer & Computer Equipment	245,800	212,450	458,250	10%	100,658	23,711	124,369	333,881
Office Equipment	2,161,005	-	2,161,005	10%	683,146	147,786	830,932	1,330,073
Vehicles	18,031,639	-	18,031,639	20%	6,988,417	2,208,644	9,197,061	8,834,578
Generator	5,051,000	-	5,051,000	10%	2,068,435	298,257	2,366,692	2,684,308
Deep Tubewel	913,895	-	913,895	10%	360,516	55,338	415,854	498,041
Furniture and Fixture	3,481,757	212,850	3,694,607	10%	1,126,799	246,576	1,373,375	2,321,232
<b>Balance as on 30 June 2022</b>	<b>229,186,867</b>	<b>1,171,150</b>	<b>230,358,017</b>		<b>59,575,498</b>	<b>11,548,747</b>	<b>71,124,245</b>	<b>159,233,772</b>
<b>Allocation of depreciation:</b>					<b>Amount</b>			
Manufacturing Overhead					94%	10,855,822		
Administrative Expenses					4%	461,950		
Selling and Distribution Expenses					2%	230,975		
<b>Total</b>					<b>100%</b>	<b>11,548,747</b>		

**WEB COATS PLC.**  
**SCHEDULE OF INTANGIABLE ASSETS**  
AS AT 31 MARCH 2023

Particulars	Cost			Rate of Dep. (%)	Amortization			Written Down Value as at 31-Mar-2023
	Balance as on 01-Jul-2022	Addition during the period	Balance as on 31-Mar-2023		Balance as on 01-Jul-2022	Charged during the period	Balance as on 31-Mar-2023	
	Software	80,000	-		80,000	10%	48,000	
<b>Balance as at 31 March 2023</b>	<b>80,000</b>	<b>-</b>	<b>80,000</b>		<b>48,000</b>	<b>6,000</b>	<b>54,000</b>	<b>26,000</b>

Annexure - B

**WEB COATS PLC.**  
**SCHEDULE OF INTANGIABLE ASSETS**  
AS AT 30 JUNE 2022

Particulars	Cost			Rate of Dep. (%)	Depreciation			Written Down Value as at 30-Jun-22
	Balance as on 01-Jul-21	Addition during the year	Balance as on 30-Jun-22		Balance as on 01-Jul-21	Charged during the year	Balance as on 30-Jun-22	
Software	80,000	-	80,000	10%	40,000	8,000	48,000	32,000
<b>Balance as on 30 June 2022</b>	<b>80,000</b>	<b>-</b>	<b>80,000</b>		<b>40,000</b>	<b>8,000</b>	<b>48,000</b>	<b>32,000</b>

Annexure - B



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

**WEB COATS PLC.  
SCHEDULE OF PROPERTY, PLANT AND EQUIPMENT  
AS PER 3RD SCHEDULE OF IT. ORDINANCE, 1984  
AS AT 31 MARCH 2023**

Particulars	Cost			Rate of Dep. (%)	Depreciation			Written Down Value as at 31-Mar-2023
	Balance as on 01-Jul-2022	Addition during the period	Balance as on 31-Mar-2023		Balance as on 01-Jul-2022	Charged during the period	Balance as on 31-Mar-2023	
Land	18,426,000	-	18,426,000	0%	-	-	-	18,426,000
Factory Building, Civil Construction and Others	72,739,685	-	72,739,685	10%	46,535,450	1,965,318	48,500,768	24,238,917
Plant and Machinery	97,902,466	-	97,902,466	20%	65,759,405	4,821,459	70,580,864	27,321,602
Electrical Equipment	8,241,982	-	8,241,982	10%	3,435,175	360,511	3,795,686	4,446,296
Fire Equipment	2,737,488	-	2,737,488	10%	893,564	138,294	1,031,858	1,705,630
Computer & Computer Equipment	458,250	157,800	616,050	30%	280,617	75,472	356,089	259,961
Office Equipment	2,161,005	365,680	2,526,685	10%	834,028	126,949	960,977	1,565,708
Vehicles	18,031,639	-	18,031,639	20%	9,252,329	1,316,897	10,569,226	7,462,413
Generator	5,051,000	-	5,051,000	20%	3,726,910	198,614	3,925,524	1,125,476
Deep Tubewel	913,895	-	913,895	20%	605,919	46,196	652,115	261,780
Furniture and Fixture	3,694,607	-	3,694,607	10%	1,452,326	168,171	1,620,497	2,074,110
Software	80,000	-	80,000	30%	70,588	2,118	72,706	7,294
<b>Balance as at 31 March 2023</b>	<b>230,438,017</b>	<b>523,480</b>	<b>230,961,497</b>		<b>132,846,311</b>	<b>9,219,999</b>	<b>142,066,310</b>	<b>88,895,187</b>

**WEB COATS PLC**  
**DETAILS OF TRADE RECEIVABLES**  
AS AT 31 MARCH 2023

Annexure-C

Sl. No.	Party Name	Address	Amount in BDT	
			31-Mar-23	30-Jun-2022
1	Oishi Fashion (Pvt) Ltd.	43/1, 35 Tahsin Tower, Sataish Road, Gazipura, Tongi, Gazipur, Bangladesh.	32,589,725	7,463,092
2	Madinaple Fashions Craft Ltd.	Holding No. E-44/1, Ward No: 7, Chandora, Kalikoir, Gazipur, Bangladesh.	-	29,037,946
3	Wave Tex Apparels Ltd.	Plot: B-132-133, Bscic Industrial Area, Shasangoan, Panchaboti, Fatullah, Narayanganj-1420, Bangladesh.	-	3,285,965
4	Mhc Apparels (Pvt) Ltd.	Address: Holding-297/1, Block-B, Ward-4, Vangnahati, Sreepur, Gazipur, Bangladesh.	-	8,206,264
5	Maxcom International (Bd) Ltd.	37 Hemayetpur Po: Hemayetpur, Ps: Savar, Dist: Dhaka, Bangladesh.	-	9,615,995
6	Next Export Zone Ltd.	Adaboy, Payarabagan Joydebpur, Gazipur, Bangladesh.	-	10,931,810
7	Mehnaz Styles And Craft Ltd.	Bangabondhu Road, Tongabari, Ashulia, Savar, Dhaka, Bangladesh.	-	8,979,634
8	Euro Knitwear Ltd.	Factory: Vogra, Chowdhury Bari, Gazipur, Bangladesh.	-	2,287,887
9	Pandora Sweaters Ltd.	Gilar Chala, Master Bari, Shreepur, Gazipur, Bangladesh.	-	30,204,954
10	Millennium Textiles (Southern) Ltd.	Bara Rangamatia, Ashulia, Savar, Dhaka, Bangladesh.	-	16,369,057
11	Polo Composite Knit Industry Ltd.	226, Singair Road, Hemayetpur, Savar, Dhaka-1340, Bangladesh.	-	52,144,507
12	Lumen Textile Mills Ltd.	Alam Tower, Holding-92, Block-B, Tek Nagapara, Mymensing Road, Chandona, Gazipur, Dhaka, Bangladesh.	944,500	-
13	Euro Arte Apparels Ltd.	Plot No. 346, Kabirpur, Ashulia, Savar, Dhaka-1349, Bangladesh.	1,664,000	-
14	Abanti Colour Tex Ltd.	Factory: Plot No-S.A-646, Shashongaon, Enayetnagar, Fatullah, Narayanganj-1400, Bangladesh.	14,850,000	-
15	Scandex (Bd) Ltd.	Gouripur, Ashulia, Savar, Dhaka-1340, Bangladesh.	-	10,667,209
16	Daeyu Bangladesh Ltd.	731, Bhannara, Mouchak, Kaliakoir, Gazipur-1751, Bangladesh.	2,014,935	-

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

17	Cotton Club (Bd) Ltd.	Jarun (South), Kashimpur, Gazipur, Bangladesh.	7,887,627	-
18	Powertex Fashions Ltd.	Dr. Panjabali-Dr. Assaduzzaman Industrial Park, 450, Kathora, P.O. National University, Gazipur, Dhaka, Bangladesh.	1,040,901	-
19	Dresden Textiles Limited.	Guziam, Amira Bari, Trishal, Mymensingh, Bangladesh.	5,940,572	-
20	Al-Islam Textile Ltd.	9 Karnapara, Savar, Dhaka, Bangladesh.	5,051,405	-
21	Dhaka Far East Ltd.	Chowkpara Mawna, Sreepur, Gazipur, Bangladesh.	6,032,052	-
22	Pioneer Apparels Ltd.	Building No. 02 (1st Floor to 9th Floor), Hemayetpur, Savar, Dhaka, Bangladesh.	3,494,400	-
23	Rose Sweaters Ltd.	Vogra, By-pass, Bishaw Road, Joydevpur, Gazipur-1700, Bangladesh.	5,493,608	-
24	Silken Sewing Ltd.	Baniarchala (Member Bari), Vobanipur, Gazipur, Bangladesh.	12,632,671	-
25	Sinha Knit and Denims Limited.	Plot No.: 102, Mouja-Tenguri, Post: BKSP, PS: Ashulia, Savar, Dhaka, Bangladesh	1,465,152	-
<b>Total Tk:</b>			<b>101,101,548</b>	<b>189,194,321</b>

WEB COATS PLC.  
**DETAILS OF RAW MATERIALS INVENTORY**  
 FOR THE PERIOD FROM 01 JULY 2022 TO 31 MARCH 2023

Annexure-D

Sl. No.	Items Name	Balance as on 31 March 2023	
		Quantity (Kg.)	Amount in Taka
1	Release Paper (50-300 GSM)	270,530.99	15,301,233.00
2	Cast Coated P: (Imp: 60-300 GSM)	192,033.90	25,408,005.00
3	BOPP Film(12-100 Micron)	2,908.80	270,286.00
4	PVC Film (12-250 Micron)	5,559.31	589,565.00
5	Glue/Hot Melt Adhesive (Imp:)	28,503.79	6,189,597.00
6	Duplex Board.	13,188.04	652,676.00
7	Self Copy Paper (40-100 GSM)	35,942.60	2,541,142.00
8	Art Card 300 Above.	14,014.84	1,033,314.00
9	Printing Ink	2,089.19	603,482.00
10	Tissue Paper (16-30 GSM)	39,655.30	3,244,200.00
11	Wood Free Paper(50-300 GM)	8,382.51	584,177.00
12	Bleached Kraft Paper(50-300)	11,632.10	563,924.00
13	CCK Paper(50-300 GSM)	149,517.33	11,929,988.00
	Offset Paper	75,200.70	7,595,271.00
14	Glassine Base paper(50-150)	2,620.56	190,567.00
15	LDPE/LLDPE/PP	32,224.97	5,533,028.00
16	Pure Pulp CCK Paper(50-300)	480,392.98	26,685,830.00
17	Silicon Oil (Poly dimethyasiloxane)	8,012.72	2,241,719.00
18	Cross Linker (ISO Cyanate)	1,194.42	178,542.00
19	Catalyst	1,194.41	54,286.00
20	Toluene/Xylene/Gassoline	3,439.94	222,358.00
21	BOPP Film(12-100 Micron)	7,344.27	808,531.00
22	PVC Film (12-250 Micron)	6,139.29	731,680.00
23	Pet Film	4,624.31	864,052.00
24	Acrylic Polymer Emulsion	2,686.07	412,364.70
	<b>Total</b>	<b>1,399,033</b>	<b>114,429,818</b>

“পুঁজিবাজারে বিনিয়োগ ঝুঁকিপূর্ণ। জেনে ও বুঝে বিনিয়োগ করুন”

WEB COATS PLC.  
**DETAILS OF FINISHED GOODS**  
FOR THE PERIOD FROM 01 JULY 2022 TO 31 MARCH 2023

**Annexure-E**

Sl. No.	Name of Products	Balance as on 31 March 2023	
		Qty (Dzn, Pcs)	Amount
1	Self Adhesive Paper	95,610	8,855,643
2	Tissue Paper	8,245	32,144
3	Hang Tag	8,121	31,661
4	Size Tag	5,248	24,928
5	Price Tag	4,559	21,655
6	Self Copy Computer Continuous Paper	3,548	269,648
7	Gum Tape	805	99,418
8	Neck Board	1,004	19,075
<b>Total</b>		<b>127,140</b>	<b>9,354,171</b>

“পুঁজিবাজারে বিনিয়োগ ঝুঁকিপূর্ণ। জেনে ও বুঝে বিনিয়োগ করুন”

WEB COATS PLC.  
**DETAILS OF EXPORT**  
FOR THE PERIOD FROM 01 JULY 2022 TO 31 MARCH 2023

Annexure-F

Sl. No.	Name of Products	Sales Price	01-07-2021 to 30-06-2022		Sales Price	01-07-2022 to 31-03-2023	
		BDT	Qty (Dzn)	Amount	BDT	Qty (Dzn)	Amount
1	Self Adhesive Paper	94.86	4,125,557	391,350,337	99.16	2,579,922	255,814,685
2	Tissue Paper	3.52	264,556	931,237	4.85	211,427	1,025,421
3	Hang Tag	3.52	212,658	748,556	4.85	168,963	819,471
4	Size Tag	3.52	226,777	798,255	3.92	184,954	725,020
5	Price Tag	3.52	224,077	788,751	3.92	171,779	673,374
6	Self Copy Computer Continuous Paper	71.20	270,427	19,254,402	77.60	201,125	15,607,300
7	Photo Inlay	26.40	286,475	7,562,940	31.36	218,065	6,838,518
8	Gum Tape	110.41	339,140	37,444,447	118.95	216,655	25,771,112
9	Back Board	23.40	753,971	17,642,921	25.22	538,798	13,588,486
10	Neck Board	15.84	450,565	7,136,950	17.64	344,322	6,073,840
11	Paper Bent	15.84	155,624	2,465,085	17.64	113,481	2,001,805
<b>Total</b>			<b>7,309,827</b>	<b>486,123,882</b>		<b>4,949,491</b>	<b>328,939,031</b>

“পুঁজিবাজারে বিনিয়োগ ঝুঁকিপূর্ণ। জেনে ও বুঝে বিনিয়োগ করুন”

**(b) Information as is required under section 186 of the Companies Act, 1994 relating to holding company:**

This Information as is not required for Web Coats PLC. as it has no holding company.

**(c) Selected ratios as specified in Annexure-D:**

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

**Auditor's certificate regarding calculation of EPS and Ratios**

This is to certify that Web Coats PLC. has maintained the following ratios as computed on the basis of the audited financial statements for period ended March 31, 2023 and for the year ended June 30, 2022, 2021, 2020, 2019 and 2018.

Particulars	31 March 2023	30 June 2022	30 June 2021	30 June 2020	30 June 2019	30 June 2018
	Ratio					

**I. Liquidity Ratios:**

(i) Current Ratio	1.92	1.65	1.46	1.40	1.65	1.05
(ii) Quick Ratio	1.13	1.16	0.98	0.89	0.97	0.69

**II. Operating Efficiency Ratios:**

(i) Accounts Receivable Turnover Ratio	2.26	2.71	2.81	5.21	6.19	8.57
(ii) Inventory Turnover Ratio	2.40	4.29	3.93	5.23	5.49	8.94
(iii) Asset Turnover Ratio	0.52	0.85	0.82	1.18	1.25	2.15

**III. Profitability Ratios:**

(i) Gross Margin Ratio	17.97%	17.90%	17.85%	17.78%	17.60%	16.89%
(ii) Operating Profit Ratio	13.14%	14.12%	14.12%	14.94%	14.94%	15.11%
(iii) Net Profit Ratio	7.53%	9.01%	6.40%	6.80%	8.08%	9.58%
(iv) Return on Assets Ratio	3.91%	7.69%	5.24%	8.02%	10.13%	20.59%
(v) Return on Equity Ratio	6.49%	14.86%	11.32%	17.75%	25.64%	75.21%
(vi) Earnings Per Share (EPS)	0.90	15.64	10.43	14.18	16.54	30.74
(vii) Earnings before interest, taxes, depreciation and amortization (EBITDA) margin	15.51%	16.50%	16.91%	17.26%	16.74%	16.04%

**IV. Solvency Ratios:**

(i) Debt to Total Assets Ratio	0.29	0.39	0.46	0.52	0.48	0.61
(ii) Debt to Equity Ratio	0.45	0.72	0.95	1.19	1.02	1.87
(iii) Times Interest Earned Ratio	2.55	3.37	1.84	1.93	2.54	4.13
(iv) Debt Service Coverage Ratio	0.33	0.27	0.30	0.13	0.23	0.15

**V. Cash Flow Ratios:**

(i) Net Operating Cash Flow per Share (NOCFPS)	2.80	24.05	27.05	(6.35)	47.45	35.43
(ii) NOCFPS to EPS Ratio	3.13	1.54	2.59	(0.45)	2.87	1.15

Place: Dhaka  
Date: 21 June 2023

**FAMES & R**  
Chartered Accountants



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

<b>Ratio Calculation</b>													
Particulars	Formula	31 March 2023		30 June 2022		30 June 2021		30 June 2020		30 June 2019		30 June 2018	
		Calculation	Ratio	Calculation	Ratio	Calculation	Ratio	Calculation	Ratio	Calculation	Ratio	Calculation	Ratio
<b>I. Liquidity Ratios:</b>													
(i) Current Ratio	Current Assets/Current Liabilities	431,241,322	1.92	420,873,698	1.65	388,523,357	1.46	378,619,892	1.40	261,675,948	1.65	316,124,467	1.05
		224,274,604		255,213,463		265,505,171		270,049,614		158,790,751		301,077,673	
(iii) Quick Ratio	(Current Assets-Inventories-Advance, Deposit & Prepayments)/Current Liabilities	253,207,014	1.13	295,943,458	1.16	259,314,410	0.98	241,445,974	0.89	154,232,490	0.97	206,357,930	0.69
		224,274,604		255,213,463		265,505,171		270,049,614		158,790,751		301,077,673	
<b>II. Operating Efficiency Ratios:</b>													
(i) Accounts Receivable Turnover Ratio	Net Sales/Average Accounts Receivables	328,939,031	2.26	486,123,882	2.71	456,854,170	2.81	584,096,721	5.21	573,209,686	6.19	898,261,916	8.57
		145,839,720		179,669,090		162,408,927		112,172,968		92,600,058		104,787,127	
(iii) Inventory Turnover Ratio	Cost of Goods Sold /Average Inventory	269,842,821	2.40	399,107,707	4.29	375,284,272	3.93	480,270,069	5.23	472,326,730	5.49	746,512,369	8.94
		112,603,726		93,005,919		95,457,903		91,812,849		86,097,276		83,547,782	
(iii) Asset Turnover Ratio	Net Sales/Average Total Assets	328,939,031	0.52	486,123,882	0.85	456,854,170	0.82	584,096,721	1.18	573,209,686	1.25	898,261,916	2.15
		632,660,533		569,157,098		557,666,439		495,113,538		457,048,247		417,906,206	
<b>III. Profitability Ratios:</b>													
(i) Gross Margin Ratio	Gross Profit/Net Sales	59,096,210	17.97%	87,016,175	17.90%	81,569,898	17.85%	103,826,652	17.78%	100,882,956	17.60%	151,749,547	16.89%
		328,939,031		486,123,882		456,854,170		584,096,721		573,209,686		898,261,916	
(iii) Operating Profit Ratio	Operating Profit/Net Sales	43,215,999	13.14%	68,645,616	14.12%	64,528,069	14.12%	87,284,033	14.94%	85,633,251	14.94%	135,758,438	15.11%
		328,939,031		486,123,882		456,854,170		584,096,721		573,209,686		898,261,916	
(iii) Net Profit Ratio	Net Profit after Tax/Net Sales	24,760,397	7.53%	43,780,738	9.01%	29,217,877	6.40%	39,692,407	6.80%	46,300,231	8.08%	86,060,093	9.58%
		328,939,031		486,123,882		456,854,170		584,096,721		573,209,686		898,261,916	
(iv) Return on Assets Ratio	Net Profit after Tax/Average Total Assets	24,760,397	3.91%	43,780,738	7.69%	29,217,877	5.24%	39,692,407	8.02%	46,300,231	10.13%	86,060,093	20.59%
		632,660,533		569,157,098		557,666,439		495,113,538		457,048,247		417,906,206	
(v) Return on Equity Ratio	Net Profit after Tax/Average Total Shareholders Equity	24,760,397	6.49%	43,780,738	14.86%	29,217,877	11.32%	39,692,407	17.75%	46,300,231	25.64%	86,060,093	75.21%
		381,281,787		294,555,454		258,056,147		223,601,005		180,604,686		114,424,524	
(vi) Earnings Per Share (EPS)	Net Profit after Tax/Weighted Average Number of Ordinary Shares Outstanding	24,760,397	0.90	43,780,738	15.64	29,217,877	10.43	39,692,407	14.18	46,300,231	16.54	86,060,093	30.74
		27,638,992		2,800,000		2,800,000		2,800,000		2,800,000		2,800,000	
(vii) Earnings before interest, taxes, depreciation and amortization (EBITDA) margin	EBITDA/Net Sales	51,013,977	15.51%	80,202,363	16.50%	77,265,354	16.91%	100,799,207	17.26%	95,930,703	16.74%	144,039,469	16.04%
		328,939,031		486,123,882		456,854,170		584,096,721		573,209,686		898,261,916	
<b>IV. Solvency Ratios:</b>													
(i) Debt to Total Assets Ratio	Total Debt/Total Assets	202,095,895	0.29	228,954,769	0.39	258,591,868	0.46	289,486,289	0.52	207,304,206	0.48	295,069,325	0.61
		685,181,596		580,139,470		558,174,726		557,158,152		433,068,924		481,027,570	
(iii) Debt to Equity Ratio	Total Debt/Total Equity	202,095,895	0.45	228,954,769	0.72	258,591,868	0.95	289,486,289	1.19	207,304,206	1.02	295,069,325	1.87
		446,117,750		316,445,823		272,665,085		243,447,208		203,754,801		157,454,570	
(iii) Times Interest Earned Ratio	EBIT/Financial Expenses	43,215,999	2.55	68,645,616	3.37	64,528,069	1.84	87,284,033	1.93	85,633,251	2.54	135,758,438	4.13
		16,946,890		20,352,180		35,044,545		45,114,137		33,676,907		32,903,964	
(iv) Debt Service Coverage Ratio	Net Operating Profit / Total Debt Service	43,215,999	0.33	68,645,616	0.27	64,528,069	0.30	87,284,033	0.13	85,633,251	0.23	135,758,438	0.15
		130,804,362		251,608,337		216,545,130		653,103,353		375,261,190		923,911,020	
<b>V. Cash Flow Ratios:</b>													
(i) Net Operating Cash Flow per Share (NOCFPS)	Net Operating Cash Flow/ Number of Ordinary Shares Outstanding	77,429,718	2.80	67,345,675	24.05	75,734,383	27.05	(17,776,982)	(6.35)	132,860,487	47.45	99,208,236	35.43
		27,638,992		2,800,000		2,800,000		2,800,000		2,800,000		2,800,000	
(ii) NOCFPS to EPS Ratio	Net Operating Cash Flow per Share/EPS	2.80	3.13	24.05	1.54	27.05	2.59	(6.35)	(0.45)	47.45	2.87	35.43	1.15
		0.90		15.64		10.43		14.18		16.54		30.74	

“পুঁজিবাজারে বিনিয়োগ ঝুঁকিপূর্ণ। জেনে ও বুঝে বিনিয়োগ করুন”

**(d) The issuer shall include comparative income statements and balance sheet and aforementioned ratios for immediate preceding five accounting years of the issuer in the prospectus. If the company has been in existence for less than five years, the above-mentioned inclusion and submission will have to be made for the period of existence of the company**

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

Comparative Income Statements and Balance Sheets for Five Accounting Years:

**Auditors' report Under Section-135 (1) and Para-24(1) of Part-II of Schedule-III of the Companies Act, 1994**

We have examined the financial statements of Web Coats PLC. for the period ended March 31, 2023 audited by us and for the year ended June 30, 2022 and 2021 were audited by Atik & Wahid and for the year ended June 30, 2020, 2019 and 2018 were audited by A. Mannan & Co. 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:

**A) Statements of Assets and Liabilities of the Company are as under:**

Particulars	31 March 2023	30 June 2022	30 June 2021	30 June 2020	30 June 2019	30 June 2018
<i>Amount in Taka</i>						
<b>ASSETS:</b>						
<b>Non-Current Assets:</b>	<b>253,940,274</b>	<b>159,265,772</b>	<b>169,651,369</b>	<b>178,538,260</b>	<b>171,392,976</b>	<b>164,903,103</b>
Property, Plant and Equipment	253,914,274	159,233,772	169,611,369	169,728,583	166,364,254	134,012,606
Capital Work-in-Progress	-	-	-	8,761,677	4,972,722	30,826,497
Intangible Assets	26,000	32,000	40,000	48,000	56,000	64,000
<b>Current Assets:</b>	<b>431,241,322</b>	<b>420,873,698</b>	<b>388,523,357</b>	<b>378,619,892</b>	<b>261,675,948</b>	<b>316,124,467</b>
Inventories	131,132,283	94,075,169	91,936,669	98,979,137	84,646,560	87,547,991
Trade and Other Receivables	101,836,666	189,842,774	169,495,406	155,322,447	69,023,489	116,176,627
Advances, Deposits and Prepayments	46,902,025	30,855,071	37,272,278	38,194,781	22,796,898	22,218,546
Cash and Cash Equivalent	151,370,348	106,100,684	89,819,004	86,123,527	85,209,001	90,181,303
<b>Total Assets</b>	<b>685,181,596</b>	<b>580,139,470</b>	<b>558,174,726</b>	<b>557,158,152</b>	<b>433,068,924</b>	<b>481,027,570</b>
<b>SHAREHOLDERS' EQUITY AND LIABILITIES:</b>						
<b>Shareholders' Equity:</b>	<b>446,117,750</b>	<b>316,445,823</b>	<b>272,665,085</b>	<b>243,447,208</b>	<b>203,754,801</b>	<b>157,454,570</b>
Share Capital	280,141,000	28,000,000	28,000,000	28,000,000	28,000,000	28,000,000
Revaluation Surplus	98,890,530	-	-	-	-	-
Retained Earnings	67,086,220	288,445,823	244,665,085	215,447,208	175,754,801	129,454,570
<b>Non-Current Liabilities:</b>	<b>14,789,242</b>	<b>8,480,184</b>	<b>20,004,470</b>	<b>43,661,330</b>	<b>70,523,372</b>	<b>22,495,327</b>
Long Term Loan Net-off Current Portion	4,159,242	-	11,234,734	35,626,306	63,698,437	18,367,880
Share Money Deposit	-	-	-	-	-	-
Deferred Tax Liability	10,630,000	8,480,184	8,769,736	8,035,024	6,824,935	4,127,447
<b>Current Liabilities:</b>	<b>224,274,604</b>	<b>255,213,463</b>	<b>265,505,171</b>	<b>270,049,614</b>	<b>158,790,751</b>	<b>301,077,673</b>
Current Portion of Long Term Loan	3,350,481	-	35,231,350	27,323,011	71,114,994	15,535,724
Short Term Loan	194,586,172	228,954,769	212,125,784	226,536,972	72,490,775	261,165,721
Trade & Other Payables	3,504,400	485,652	-	200,585	1,287,571	3,926,419
Liabilities for Expenses	22,833,551	25,773,042	18,148,037	15,989,046	13,897,411	20,449,809
<b>Total Equity and Liabilities</b>	<b>685,181,596</b>	<b>580,139,470</b>	<b>558,174,726</b>	<b>557,158,152</b>	<b>433,068,924</b>	<b>481,027,570</b>
<b>Net Asset Value (NAV) per share</b>	15.92	113.02	97.38	86.95	72.77	56.23

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

**B) The statements of operating results of the Company is as follow:**

*Amount in Taka*

Particulars	01 Jul 2022 to 31 Mar 2023	01 Jul 2021 to 30 Jun 2022	01 Jul 2020 to 30 Jun 2021	01 Jul 2019 to 30 Jun 2020	01 Jul 2018 to 30 Jun 2019	01 Jul 2017 to 30 Jun 2018
Revenue	328,939,031	486,123,882	456,854,170	584,096,721	573,209,686	898,261,916
Cost of Goods Sold	269,842,821	399,107,707	375,284,272	480,270,069	472,326,730	746,512,369
<b>Gross Profit</b>	<b>59,096,210</b>	<b>87,016,175</b>	<b>81,569,898</b>	<b>103,826,652</b>	<b>100,882,956</b>	<b>151,749,547</b>
<b>Operating Expenses</b>	<b>15,880,211</b>	<b>18,370,559</b>	<b>17,041,829</b>	<b>16,542,619</b>	<b>15,249,705</b>	<b>15,991,109</b>
Administrative Expenses	12,348,687	14,143,960	13,054,291	12,666,342	11,722,140	12,159,024
Selling and Distribution Expenses	3,531,524	4,226,599	3,987,538	3,876,277	3,527,565	3,832,085
<b>Profit from Operation</b>	<b>43,215,999</b>	<b>68,645,616</b>	<b>64,528,069</b>	<b>87,284,033</b>	<b>85,633,251</b>	<b>135,758,438</b>
Other Income	3,083,453	3,581,717	5,055,433	5,917,682	5,418,953	1,854,080
Financial Expenses	16,946,890	20,352,180	35,044,545	45,114,137	33,676,907	32,903,964
<b>Profit before Contribution to WPPF</b>	<b>29,352,562</b>	<b>51,875,153</b>	<b>34,538,957</b>	<b>48,087,578</b>	<b>57,375,297</b>	<b>104,708,554</b>
Contribution to WPPF	1,397,741	-	-	-	-	-
<b>Profit Before Tax</b>	<b>27,954,821</b>	<b>51,875,153</b>	<b>34,538,957</b>	<b>48,087,578</b>	<b>57,375,297</b>	<b>104,708,554</b>
<b>Income Tax Expenses</b>	<b>3,194,424</b>	<b>8,094,415</b>	<b>5,321,080</b>	<b>8,395,171</b>	<b>11,075,066</b>	<b>18,648,461</b>
Current Tax	4,103,078	8,383,967	4,586,368	7,185,082	8,377,578	16,297,855
Deferred Tax	(908,654)	(289,552)	734,712	1,210,089	2,697,488	2,350,606
<b>Net Profit After Tax</b>	<b>24,760,397</b>	<b>43,780,738</b>	<b>29,217,877</b>	<b>39,692,407</b>	<b>46,300,231</b>	<b>86,060,093</b>
<b>Add: Other Comprehensive Income</b>	<b>98,890,530</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Revaluation Surplus during the period	101,949,000	-	-	-	-	-
Less: Deferred Tax (Income)/ Expenses Revaluation Surplus	3,058,470	-	-	-	-	-
<b>Total Comprehensive Income for the period</b>	<b>123,650,927</b>	<b>43,780,738</b>	<b>29,217,877</b>	<b>39,692,407</b>	<b>46,300,231</b>	<b>86,060,093</b>
Earnings Per Share (Basic)	0.90	15.64	10.43	14.18	16.54	30.74
Earnings Per Share (Diluted)	0.88	1.56	1.04	1.42	1.65	3.07

\*Considering the latest number of shares i.e. 28,014,100 for all years in calculating Diluted Earnings Per Share (EPS)

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

C) **Dividend declared:**

<b>Particulars</b>	<b>31 March 2023</b>	<b>30 June 2022</b>	<b>30 June 2021</b>	<b>30 June 2020</b>	<b>30 June 2019</b>	<b>30 June 2018</b>
Cash Dividend	Nil	Nil	Nil	Nil	Nil	Nil
Stock Dividend (Bonus Share)	24,612,000	Nil	Nil	Nil	Nil	Nil

- D) Web Coats PLC. is a public limited company, formed initially as a private limited company namely Web Coats Limited under Companies Act 1994 and incorporated in Bangladesh bearing registration no. C-108543/13 dated April 15, 2013 and the Company has changed its name with “WEB COATS PLC.” from “WEB COATS LTD.” and converted into Public Limited Company in the EGM held on dated 24th February, 2023
- E) The Company started its commercial operation in January 01, 2014.
- F) The Company has no subsidiary as on the balance sheet date.
- G) 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.
- H) The Company did not prepare any statement of accounts for the period subsequent to March 31, 2023.
- I) Figures related to previous years have been re-arranged whenever considered necessary.

Place: Dhaka  
Date: 12 July 2023

Sd/-  
**FAMES & R**  
Chartered Accountants

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

There are 6 listed Paper & Printing in the capital market. Among the listed Paper & Printing we have taken into consideration 3 (three) Paper & Printing considering having more or close to the net profit of Web Coats PLC. We have considered following companies for industry average calculation:

1. Hakkani Pulp & Paper Mills Ltd.,
2. Bashundhara Paper Mills Limited and
3. Monospool Paper Manufacturing Co. Limited

Name of Ratio		WCPLC	Industry	Remark/ Explanation
		31March 2023	31March 2023	
<b>Liquidity Ratios:</b>				
(i)	Current Ratio	1.92	1.67	WCPLC's Current Ratio is higher than the industry average current ratio because of relatively lower current liabilities over current assets.
(ii)	Quick Ratio	1.13	0.53	WCPLC's Ratio is higher than the industry average ratio because of relatively lower current liabilities over quick assets.
<b>Operating Efficiency Ratios:</b>				
(i)	Accounts Receivable Turnover Ratio	2.26	5.35	WCPLC's Ratio is satisfactory as collection period is shorter.
(ii)	Inventory Turnover Ratio	2.40	1.80	WCPLC's Ratio is satisfactory as inventory is sold in shorter time.
(iii)	Asset Turnover Ratio	0.52	0.40	WCPLC's Ratio is satisfactory with the average industry.
<b>Profitability Ratios:</b>				
(i)	Gross Margin Ratio	17.97%	22.76%	WCPLC's Ratio is satisfactory with the industry average ratio.
(ii)	Operating Income Ratio	13.14%	16.06%	WCPLC's Ratio is satisfactory with the industry average ratio.
(iii)	Net Income Ratio	7.53%	4.32%	WCPLC's Ratio is satisfactory with the industry average ratio.
(iv)	Return on Assets Ratio	3.91%	1.58%	WCPLC's Ratio is better than the industry average ratio as higher net profit over average total assets.

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

Name of Ratio		WCPLC	Industry	Remark/ Explanation
		31March 2023	31March 2023	
(v)	Return on Equity Ratio	6.49%	5.42%	WCPLC's Ratio is better than the industry average ratio as higher net profit over average equity.
(vi)	Basic Earnings Per Share (EPS)	0.90	2.59	WCPLC's Ratio is satisfactory with the average industry ratio.
(vii)	EBITDA Margin	15.51%	17.51%	WCPLC's Ratio is satisfactory with the average industry ratio.
<b>Solvency Ratios:</b>				
(i)	Debt to Total Assets Ratio	0.29	0.48	WCPLC's Ratio is satisfactory with the industry average ratio as debt burden is lower than assets.
(ii)	Debt to Equity Ratio	0.45	1.67	WCPLC's Ratio is satisfactory with the industry average ratio as debt burden is lower than equity.
(iii)	Times Interest Earned Ratio	2.55	1.21	WCPLC's Ratio is satisfactory as operating profit is sufficient to pay financial expense.
(iv)	Debt Service Coverage Ratio	0.33	1.92	WCPLC's Ratio is lower as short term debt is secured against accounts receivable.
<b>Cash Flow Ratio:</b>				
(i)	Net Operating Cash Flow per Share	2.80	(3.19)	WCPLC's Ratio is satisfactory as Net Operating Cash Flow is positive.
(ii)	Net Operating Cash Flow per Share/EPS	3.13	0.82	WCPLC's Ratio is satisfactory as Net Operating Cash Flow is positive.

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

Name of Ratio		WCPL	Industry Average	Remark/ Explanation
		30 June 2022	30 June 2022	
<b>Liquidity Ratios:</b>				
(i)	Current Ratio	1.65	1.45	WCPLC's Current Ratio is higher than the industry average current ratio because of relatively lower current liabilities over current assets.
(ii)	Quick Ratio	1.16	0.48	WCPLC's Ratio is higher than the industry average ratio because of relatively lower current liabilities over quick assets.
<b>Operating Efficiency Ratios:</b>				
(i)	Accounts Receivable Turnover Ratio	2.71	7.08	WCPLC's Ratio is satisfactory as collection period is shorter.
(ii)	Inventory Turnover Ratio	4.29	1.90	WCPLC's Ratio is satisfactory as inventory is sold in shorter time.
(iii)	Asset Turnover Ratio	0.85	0.39	WCPLC's Ratio is satisfactory with the average industry.
<b>Profitability Ratios:</b>				
(i)	Gross Margin Ratio	17.90%	21.45%	WCPLC's Ratio is satisfactory with the industry average ratio.
(ii)	Operating Income Ratio	14.12%	14.60%	WCPLC's Ratio is satisfactory with the industry average ratio.
(iii)	Net Income Ratio	9.01%	2.55%	WCPLC's Ratio is satisfactory with the industry average ratio.
(iv)	Return on Assets Ratio	7.69%	1.16%	WCPLC's Ratio is better than the industry average ratio as higher net profit over average total assets.
(v)	Return on Equity Ratio	14.86%	4.06%	WCPLC's Ratio is better than the industry average ratio as higher net profit over average equity.
(vi)	Basic Earnings Per Share (EPS)	15.64	2.36	WCPLC's Ratio is satisfactory with the average industry ratio.
(vii)	EBITDA Margin	16.50%	20.07%	WCPLC's Ratio is satisfactory with the average industry ratio.
<b>Solvency Ratios:</b>				
(i)	Debt to Total Assets Ratio	0.39	0.56	WCPLC's Ratio is satisfactory with the industry average ratio as debt burden is lower than assets.
(ii)	Debt to Equity Ratio	0.72	1.78	WCPLC's Ratio is satisfactory with the industry average ratio as debt burden is lower than equity.
(iii)	Times Interest Earned Ratio	3.37	1.15	WCPLC's Ratio is satisfactory as operating profit is sufficient to pay financial expense.
(iv)	Debt Service Coverage Ratio	0.27	2.72	WCPLC's Ratio is lower as short term debt is secured against accounts receivable.
<b>Cash Flow Ratio</b>				
(i)	Net Operating Cash Flow per Share	24.05	6.19	WCPLC's Ratio is satisfactory as Net Operating Cash Flow is positive.
(ii)	Net Operating Cash Flow per Share/EPS	1.54	1.77	WCPLC's Ratio is satisfactory as Net Operating Cash Flow is positive.



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

Name of Ratio		WCPLC	Industry Average	Remark/ Explanation
		30 June 2021	30 June 2021	
<b>Liquidity Ratios:</b>				
(i)	Current Ratio	1.46	1.34	WCPLC's Current Ratio is higher than the industry average current ratio because of relatively lower current liabilities over current assets.
(ii)	Quick Ratio	0.98	0.37	WCPLC's Ratio is higher than the industry average ratio because of relatively lower current liabilities over quick assets.
<b>Operating Efficiency Ratios:</b>				
(i)	(i) Accounts Receivable Turnover Ratio	2.81	4.14	WCPLC's Ratio is satisfactory as collection period is shorter.
(ii)	(ii) Inventory Turnover Ratio	3.93	1.18	WCPLC's Ratio is satisfactory as inventory is sold in shorter time.
(iii)	(iii) Asset Turnover Ratio	0.82	0.28	WCPLC's Ratio is satisfactory with the average industry.
<b>Profitability Ratios:</b>				
(i)	(i) Gross Margin Ratio	17.85%	29.59%	WCPLC's Ratio is satisfactory with the industry average ratio.
(ii)	(ii) Operating Income Ratio	14.12%	22.14%	WCPLC's Ratio is satisfactory with the industry average ratio.
(iii)	(iii) Net Income Ratio	6.40%	0.68%	WCPLC's Ratio is satisfactory with the industry average ratio.
(iv)	(iv) Return on Assets Ratio	5.24%	0.21%	WCPLC's Ratio is better than the industry average ratio as higher net profit over average total assets.
(v)	(v) Return on Equity Ratio	11.32%	1.06%	WCPLC's Ratio is better than the industry average ratio as higher net profit over average equity.
(vi)	(vi) Basic Earnings Per Share (EPS)	10.43	0.77	WCPLC's Ratio is satisfactory with the average industry ratio.
(vii)	(vii) EBITDA Margin	16.91%	30.08%	WCPLC's Ratio is satisfactory with the average industry ratio.
<b>Solvency Ratios:</b>				
(i)	(i) Debt to Total Assets Ratio	0.46	0.54	WCPLC's Ratio is satisfactory with the industry average ratio as debt burden is lower than assets.
(ii)	(ii) Debt to Equity Ratio	0.95	1.86	WCPLC's Ratio is satisfactory with the industry average ratio as debt burden is lower than equity.
(iii)	(iii) Times Interest Earned Ratio	1.84	1.02	WCPLC's Ratio is satisfactory as operating profit is sufficient to pay financial expense.
(iv)	(iv) Debt Service Coverage Ratio	0.30	3.49	WCPLC's Ratio is lower as short term debt is secured against accounts receivable.
<b>Cash Flow Ratio:</b>				
(i)	(iii) Net Operating Cash Flow per Share	27.05	5.33	WCPLC's Ratio is satisfactory as Net Operating Cash Flow is positive.
(ii)	(iv) Net Operating Cash Flow per Share/EPS	2.59	2.73	WCPLC's Ratio is satisfactory as Net Operating Cash Flow is positive.

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

Name of Ratio		WCPLC	Industry Average	Remark/ Explanation
		30 June 2020	30 June 2020	
<b>Liquidity Ratios:</b>				
(i)	(i) Current Ratio	1.40	1.32	WCPLC's Current Ratio is higher than the industry average current ratio because of relatively lower current liabilities over current assets.
(ii)	(ii) Quick Ratio	0.89	0.43	WCPLC's Ratio is higher than the industry average ratio because of relatively lower current liabilities over quick assets.
<b>Operating Efficiency Ratios:</b>				
(i)	(i) Accounts Receivable Turnover Ratio	5.21	3.07	WCPLC's Ratio is satisfactory as collection period is shorter.
(ii)	(ii) Inventory Turnover Ratio	5.23	1.64	WCPLC's Ratio is satisfactory as inventory is sold in shorter time.
(iii)	(iii) Asset Turnover Ratio	1.18	0.33	WCPLC's Ratio is satisfactory with the average industry.
<b>Profitability Ratios:</b>				
(i)	(i) Gross Margin Ratio	17.78%	27.16%	WCPLC's Ratio is satisfactory with the industry average ratio.
(ii)	(ii) Operating Income Ratio	14.94%	16.44%	WCPLC's Ratio is satisfactory with the industry average ratio.
(iii)	(iii) Net Income Ratio	6.80%	2.53%	WCPLC's Ratio is satisfactory with the industry average ratio.
(iv)	(iv) Return on Assets Ratio	8.02%	0.81%	WCPLC's Ratio is better than the industry average ratio as higher net profit over average total assets.
(v)	(v) Return on Equity Ratio	17.75%	2.86%	WCPLC's Ratio is better than the industry average ratio as higher net profit over average equity.
(vi)	(vi) Basic Earnings Per Share (EPS)	14.18	2.43	WCPLC's Ratio is satisfactory with the average industry ratio.
(vii)	(vii) EBITDA Margin	17.26%	23.26%	WCPLC's Ratio is satisfactory with the average industry ratio.
<b>Solvency Ratios:</b>				
(i)	(i) Debt to Total Assets Ratio	0.52	0.52	WCPLC's Ratio is satisfactory with the industry average ratio as debt burden is lower than assets.
(ii)	(ii) Debt to Equity Ratio	1.19	1.74	WCPLC's Ratio is satisfactory with the industry average ratio as debt burden is lower than equity.
(iii)	(iii) Times Interest Earned Ratio	1.93	0.94	WCPLC's Ratio is satisfactory as operating profit is sufficient to pay financial expense.
(iv)	(iv) Debt Service Coverage Ratio	0.13	1.04	WCPLC's Ratio is lower as short term debt is secured against accounts receivable.
<b>Cash Flow Ratio:</b>				
(i)	(iii) Net Operating Cash Flow per Share	(6.35)	9.14	WCPLC's Ratio is satisfactory as Net Operating Cash Flow is positive.
(ii)	(iv) Net Operating Cash Flow per Share/EPS	(0.45)	(10.14)	WCPLC's Ratio is satisfactory as Net Operating Cash Flow is positive.

Financial spread sheet analysis for the latest audited financial statements:

**Web Coats PLC.**  
**Statement of Financial Position**  
**As at 31 March 2023**

Particulars	Amount in Taka	Percentage on Total Asset	Grand Percentage
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Property Plant and Equipment	253,914,274	37.06%	
Right-of-Use Asset (ROU)	26,000	0.00%	
-			<b>37.06%</b>
<b>Current Assets</b>			
Inventories	131,132,283	19.14%	
Trade Receivable	101,836,666	14.86%	
Advance Deposit & Pre-Payments	46,902,025	6.85%	
Cash & Cash Equivalents	151,370,348	22.09%	
-			<b>62.94%</b>
<b>TOTAL ASSETS</b>	<b>685,181,596</b>		<b>100.00%</b>
<b>SHAREHOLDER'S EQUITY AND LIABILITIES</b>			
<b>Equity attributable to the owners of the company</b>			
Share Capital	280,141,000	40.89%	
Retained Earnings	67,086,220	9.79%	
Revaluation Reserve	98,890,530	14.43%	
-			<b>65.11%</b>
<b>Non-Current Liabilities</b>			
Deferred Tax Liabilities	10,630,000	1.55%	
Long Term Loan from Bank	4,159,242	0.61%	
Lease Obligation (Non-current portion)		0.00%	
-			<b>2.16%</b>
<b>Current Liabilities &amp; Provisions</b>			
Short Term Loan	194,586,172	28.40%	
Current Portion of Long Term Loan	3,350,481	0.49%	
Accounts Payable	3,504,400	0.51%	
Liabilities for Expenses	22,833,551	3.33%	
-			<b>32.73%</b>
<b>TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES</b>	<b>685,181,596</b>		<b>100.00%</b>

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

**Earnings per Share (EPS) on fully diluted basis (with the total existing number of shares) in addition to the weighted average number of shares basis. Future projected Net Income should not be considered while calculating the weighted average EPS:**

<b>Particulars</b>	<b>Amount on BDT As On March 31, 2023</b>
Net profit after tax	24,760,397
Weighted average number of Share	27,638,992
Earnings per Share (EPS) considering existing no. of shares	0.90

Calculation of weighted average number of shares

<b>Particulars</b>	<b>No. of Shares</b>	<b>Weight</b>	<b>Weighted Average No. of shares</b>
Opening Share	2,800,000	1	2,800,000
Allotment dated 27.11.2022	24,612,000	1	24,612,000
Allotment dated 27.12.2022	600,000	0.38	225,494
Allotment dated 24.01.2023	2,100	0.71	1,498
	<b>28,014,100</b>		<b>27,638,992</b>

**All extra-ordinary income or non-recurring income coming from other than core operations should be shown separately while showing the Net Profit as well as the Earnings per Share:**

<b>Particulars</b>	<b>31.03.2023</b>
<b>Profit / (Loss) before Tax</b>	<b>27,954,821</b>
<b>Less: Income Tax Expenses:</b>	<b>3,194,424</b>
Current tax	4,103,078
Deferred tax Income/(Expense)	(908,654)
<b>Net profit after tax</b>	<b>24,760,397</b>
Weighted average number of shares	27,638,992
Earnings Per Share (EPS)	0.90

**Quarterly or half-yearly EPS should not be annualized while calculating the EPS:**

The Company did not annualize quarterly or half yearly EPS.

**Net asset value (with and without considering revaluation surplus or reserve) per unit of the securities being offered at the date of the latest audited statement of financial position:**

<b>Particulars</b>	<b>Amount in Taka</b>
Share Capital	280,141,000
Retained Earnings	67,086,220
Revaluation Reserve	98,890,530
Total Shareholders' Equity	446,117,750
Number of ordinary shares	28,014,100
Net Asset Value Per Share (NAVPS) with revaluation	15.92
Net Asset Value Per Share (NAVPS) without revaluation	12.39

**The Commission may require the issuer to re-audit the audited financial statements, if any deficiency or anomaly is found in the financial statements. In such a case, cost of audit should be borne by the concerned issuer:**

If any circumstances arise as above respect, the Company shall follow the Commission guideline in due course

“পুঁজিবাজারে বিনিয়োগ ঝুঁকিপূর্ণ। জেনে ও বুঝে বিনিয়োগ করুন”

---

**ADDITIONAL DISCLOSURES**

---

“পুঁজিবাজারে বিনিয়োগ ঝুঁকিপূর্ণ। জেনে ও বুঝে বিনিয়োগ করুন”

**PART- I**

---

**ABOUT THE INDUSTRY**

---

**(a) About the Industry:**

**Bangladesh Paper Industry:**

The demand for different types of paper in the country is about nine lakh tons, but the domestic paper mills have capacity to produce 16 lakh metric tons per year. Of the local paper mills, 20-30 are large and the rest are small. The size of the country's paper market is about Tk. 5,000 crore. Writing and printing paper products account for 60-70% of the local market and other products account for the rest of the market. People involved in the sector said even a decade ago, paper was imported from abroad. Although the domestic paper industry began to develop in the 1980s, the large industrial groups started investing in this sector in the nineties, and gradually the industry became self-sufficient.

Bangladesh paper industry, which now markets its products in some developed countries even, holds huge potential for boosting export if over half of its dormant production capacity is used to exploit unfolding global trade.

Industry people express such view as the paper-manufacturing segment of the paper sector in the country, which was once mostly dependent on import, now looks to widen its footprint on the international market amid some fortune change. It is noted that the local manufacturing gradually increased and shifted to the private sector from the state-owned mills as they aggressively adopt modern technologies to make high-quality papers.

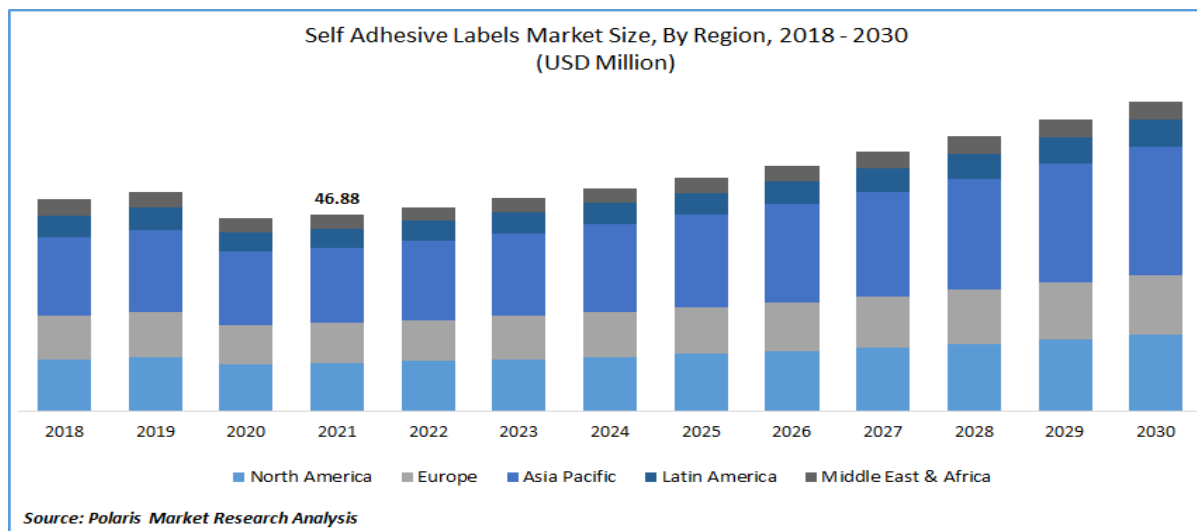
Currently, there are around 70 private paper mills operating in the country, out of 105 registered with government. Some of those in operation are, however, enhancing their capacity with new variety of paper products to cater modern-day needs at home and abroad.



The paper industry has become a successful sector in Bangladesh and it has a great potential to become one of the country's major foreign currency earners. After readymade garments (RMG) and leather industry, this sector is playing a vital role in our national economy. Private paper mills are producing export-oriented paper products. After meeting the local demand, they have started exporting to 40 countries, bringing in large amounts of foreign currency.

### Global Paper Industry:

The global self-adhesive labels market was valued at USD 46.88 billion in 2021 and is expected to grow at a CAGR of 5.3% during the forecast period. In recent years, the global market has grown dramatically due to the rapid growth in the e-commerce business and increased demand across the food & beverages and pharmaceutical industries. A self-adhesive label is commonly used to attach label to the packaging.



The essential information about the item is displayed on this label. They're also used for marketing to catch people's attention and entice them to buy something. These label tags are multi-faceted frames that hold data imprinted on the surface. The self-adhesive label has a broad scope due to its stickiness resistance towards UV, solvent, and shear, thereby increasing the aesthetic properties of packaging products, especially in the food & beverage sector. The self-adhesive label on packaging products makes choices simple for consumers and is time-saving. The self-adhesive labels market is being driven by increasing customer awareness of product ingredients and rising consumer demand for consumer goods.

The global self-adhesive labels market has been greatly affected by the COVID-19 pandemic, particularly in manufacturing and distributing unique products. The supply chain is expected to be disrupted as nations impose strict restrictions to restrict the spread of diseases. Most manufacturing organizations would struggle to keep supply and logistics networks running during the pandemic.


Labeling and label technologies play an essential role in the medical and food supply chains. Following the purchase of a product, firms provide product information to customers and supermarkets. They also enable doctors and pharmaceutical companies to provide specific information to each patient, making proper tracing and monitoring simpler along the value chain. Labeling is one of the sectors that play a crucial role in ensuring the safe distribution of pharmaceutical and food products worldwide.

The massive growth in demand for medical and pharmaceutical products has increased the need for a self-adhesive label. With increased COVID-19 cases, the demand for testing has simultaneously increased, surging the proliferation of self-adhesive label. For instance, increased demand for apparatus and adhesive label to identify test samples. Additionally, the shutdown has resulted in a substantial increase in the e-commerce business, which has raised the demand for packaging and labeling. This factor has significantly influenced the self-adhesive label market growth in the forecast period.

Moreover, the self-adhesive label has become quite popular in the post-pandemic, as they are being used as a reminder to people to keep social distance everywhere, including airports, railway stations, offices, and other locations. Hospitals, construction sites, and the medical industry request their services. Companies who create posters for COVID-19 signage sticks make sure that they cling nicely to the surfaces and do not leave any residue when removed. These posters are available in A3, A4, and circular pre-printed self-adhesive label in sizes A3 to A4.



**(b) About the Issuer:**

<b>Name</b>	Web Coats PLC.
<b>Logo</b>	
<b>Incorporation</b>	Incorporated as a private limited company bearing registration number C- 108543 with the Registrar of Joint Stock Companies and Firms (RJSC) on 15th April 2013 in Bangladesh under the Companies Act, 1994.
<b>Date of Incorporation</b>	April 15, 2013
<b>Conversion to Public Limited Company</b>	Web Coats PLC. was converted to a public limited company on February 24, 2023.
<b>Date of Commercial Production</b>	January 01, 2014
<b>Address of the Registered Office</b>	2, R.K. Mission Road, Motaleb Mansion (3 <sup>rd</sup> Floor), Dhaka-1203.
<b>Factory</b>	Lakirchar, Ruhitpur, Keranigonj, Dhaka, Bangladesh
<b>Nature of Business</b>	<p>The company is 100% export-oriented paper processing unit and the principal activities of the company are to carry on the business of manufacturing and exporting of all kinds of Producing, Processing, and Converting plant for Manufacturing of Paper &amp; Board etc.</p> <p>At present, it is manufacturing 10 plus products of paper product such as Self Adhesive Paper, Tissue Paper, Hang Tag, Size Tag, Price Tag, Self Copy Computer Continuous Paper, Photo Inlay, Gum Tape, Back Board, Neck Board, Paper Bent etc.</p>
<b>Background of the Company</b>	The Company was incorporated as a private limited company bearing registration number C- 108543 with the Registrar of Joint Stock Companies and Firms (RJSC), on 15th April 2013 in Bangladesh under the Companies Act, 1994. It was converted to a public limited company in February 24, 2023.

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

**(c) Financial Information:**

Major financial information of Web Coats PLC. is given as follows:

Particulars	31 March 2023	30 June 2022	30 June 2021	30 June 2020	30 June 2019	30 June 2018
Revenue	328,939,031	486,123,882	456,854,170	584,096,721	573,209,686	898,261,916
Gross Profit	59,096,210	87,016,175	81,569,898	103,826,652	100,882,956	151,749,547
Profit Before Tax	27,954,821	51,875,153	34,538,957	48,087,578	57,375,297	104,708,554
Net Profit After Tax	24,760,397	43,780,738	29,217,877	39,692,407	46,300,231	86,060,093
Total Assets	685,181,596	580,139,470	558,174,726	557,158,152	433,068,924	481,027,570
Paid-up Capital	280,141,000	28,000,000	28,000,000	28,000,000	28,000,000	28,000,000
Retained Earnings	67,086,220	288,445,823	244,665,085	215,447,208	175,754,801	129,454,570
NAV Per Share with Revaluation	15.92	-	-	-	-	-
NAV Per Share without Revaluation	12.39	-	-	-	-	-
Diluted EPS	-	-	-	-	-	-
Restated EPS	-	-	-	-	-	-

Calculation shown considering the issue price and face value of Tk. 10/-

**Notes:**

- To calculate restated EPS, the latest number of shares of 28,014,100 has been used.

**(d) Features of the issue and its objects:**

<b>Offer Price</b>	BDT 10.00
<b>Number of Shares To be offered</b>	5,000,000
<b>Total Issue Size</b>	BDT 50,000,000
<b>Issue Manager</b>	Sonali Investment Limited
<b>Underwriter</b>	Shahjalal Equity Management Limited
<b>Purpose of Raising Fund</b>	1) To expand the existing business 2) To adjust the existing bank loan 3) QIO Expenses
<b>Date of Implementation</b>	Within 24 months from receiving QIO fund

(e) Legal and other information:

Sl.	Description of Certificate/ License/Registration	License Issuer/Issuing Authority	Certificate/License No.	Validity
1	Certificate of Incorporation	Registrar of Joint Stock Companies & Firms, Bangladesh (RJSC)	C-108543 03.04.2023	N/A
2	Bond License No	Customs Bond Commissionerate, Dhaka	Bond License No: 1539/CUS-SBW/2013 Date: 09.12.2013	Auto Renewal Up to 08.12.2024
3	Trade License	Ruhitpur Union Parishad	Trade License No:000489 Issue Date: 05.07.2022	30.06.2024
4	TIN Certificate	National Board of Revenue Taxes Circle-068, Taxes Zone- 04,Dhaka	TIN Certificate No:759972399715	N/A
5	VAT Certificate	Custom, Excise and VAT Commissionerate, National Board of Revenue, Dhaka (South) Lalbag Division	BIN No: 000417028-0206 Issue Date:19.06.2017 Effective Date:19.09.2019	N/A
6	Import Registration Certificate (IRC)	Office of the Chief Controller of Imports and Exports	Import Registration Certificate (IRC): 260326120183320	30.06.2024
7	Export Registration Certificate (ERC)	Office of the Chief Controller of Imports and Exports	Export Registration Certificate (ERC): 260326210492120	30.06.2024
8	Fire License	Bangladesh Fire Service and Civil Defense, Dhaka	AD/DHAKA/26032	30.06.2024
9	Environment Certificate-	Department of Environment, Dhaka District Office, Agargoan	Certificate No: 23-97179 Identification Number:67728	03.03.2024
10	Narcotics Control	Directorate General of Drug Administration & Licensing Authorities (Drugs)	Import License: No: 60/2019-20 Used License: No: 61/2019-20	30.06.2024
11	Membership Association	Bangladesh Garments Accessories & Packaging Manufacturers & Exporters Association (BGAPMEA)	Membership Certificate No: 433/2023 Membership No: 119	31.12.2023
12	Explosive Department License No	Explosive Department	Explosive Department License No: 101-3(ঐ)-0382	31.12.2023
13	Chief Inspector Factories License No:	Inspector Factories License Department	Inspector Factories License No: 17416/DHAKA Date: 13.07.2014	30.06.2024

**(f) Promoters' background:**

At the time of incorporation following persons were the subscribers to the memorandum:

**Promoters' background:**

At the time of incorporation following persons were the subscribers to the memorandum:

**a) Mizanur Rahman Mazumder, Chairman**

Mizanur Rahman Mazumder was born in a prominent Muslim family in Chittagong. He has over 30 years experienced in Paper and Garments Accessories industry. He is a key player in expanding his business. He has taken decision, business planning, designing, indicating and implementing in financing, investing and operating successfully. He is well organizer, dedicated and motivated, self-starter with years of experience in the various Sectors. He has been carrying out in vast rule both in principle and agent in different products. He is a creative and resourceful community service.

**b) Md. Reza-E-Selim, Managing Director**

Mr. Reza-E-Selim was born in a prominent Muslim family of Jashore. He completed his B.Sc from Jashore City College, Jashore. He has over 35 years experienced in Paper and Garments Accessories industry. He is a key player in expanding his business. He has taken decision, business planning, designing, indicating and implementing in financing, investing and operating successfully. He is well organizer, dedicated and motivated, self-starter with years of experience in the various Sectors. He has been carrying out in vast rule both in principle and agent in different products. He is a creative and resourceful community service.

**c) Nazma Begum, Director**

Nazma Begum was born in a prominent Muslim family in Keranigonj. She has over 15 years experienced in Paper and Garments Accessories industry. She is a key player in expanding her business. She has taken decision, business planning, designing, indicating and implementing in financing, investing and operating successfully. She is well organizer, dedicated and motivated, self-starter with years of experience in the various Sectors. She has been carrying out in vast rule both in principle and agent in different products. She is a creative and resourceful community service.

**d) Md. Lutfor Rahman, Director**

Md. Lutfor Rahman was born in a prominent Muslim family in Dhaka. He has over 32 years experienced in Paper and Garments Accessories industry. He is a key player in expanding his business. He has taken decision, business planning, designing, indicating and implementing in financing, investing and operating successfully. He is well organizer, dedicated and motivated, self-starter with years of experience in the various Sectors. He has been carrying out in vast rule both in principle and agent in different products. He is a creative and resourceful community service.

**(g) Capital structure and history of capital raising:**

The summary of Capital Structure and history of capital raising are as follows:

<b>CAPITAL STRUCTURE</b>				
<b>Particulars</b>	<b>Number of Securities</b>	<b>Face Value (Tk.)</b>	<b>Issue Price (Tk.)</b>	<b>Amount (Tk.)</b>
Authorized Capital	150,000,000	10.00	10.00	1,500,000,000
<b>Before QIO:</b>				
Paid-Up Capital	28,014,100	10.00	10.00	280,141,000
<b>After QIO:</b>				
To be issued through QIO	5,000,000	10.00	10.00	50,000,000
Paid-Up Capital (Post QIO)	33,014,100	10.00	10.00	330,141,000

<b>HISTORY OF CAPITAL RAISING</b>						
<b>Particulars of Allotment</b>	<b>Allotment Date</b>	<b>Mode of Allotment (No. of Shares)</b>			<b>Issue Price (Tk.)</b>	<b>Amount of Share Capital (Tk.)</b>
		<b>Cash</b>	<b>Other than Cash</b>	<b>Bonus Share</b>		
1 <sup>st</sup> (Subscriber to the Memorandum & Articles of Association at the time of incorporation)	15-Apr-13	2,100,000	700,000		10.00	28,000,000
2 <sup>nd</sup> (Allotment)	27-Nov-2022			24,612,000	10.00	246,120,000
3 <sup>rd</sup> (Allotment)	27-Dec-2022	600,000			10.00	6,000,000
4 <sup>th</sup> (Allotment)	24-Jan-2023	2,100			10.00	21,000
<b>Total</b>						<b>280,141,000</b>

**(h) Summary of Valuation Report of Securities:**

<b>Valuation Method</b>		<b>Calculated Fair Value (BDT)</b>
<b>Method 1</b>	A. Net Asset Value (NAV) per share with revaluation	<b>15.92</b>
	B. Net Asset Value (NAV) per share without revaluation	<b>12.39</b>
<b>Method 2</b>	A. Historical Earnings based valuation (Considering market P/E)	<b>16.62</b>
	B. Historical Earnings based valuation (Considering Paper sector P/E)	<b>60.86</b>
<b>Method 3</b>	Average market price of similar stock-based valuation	<b>142.70</b>

**(i) Other;**

**a) Declaration by the issuer that it has not made any material change including raising of paid-up capital after the date of audited financial statements as included in the prospectus:**

**To Whom It May Concern**

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/-

**Md. Reza-E-Selim**

Managing Director

Web Coats PLC.

Date: July 13, 2023

“পুঁজিবাজারে বিনিয়োগ ঝুঁকিপূর্ণ। জেনে ও বুঝে বিনিয়োগ করুন”

**b) Declaration by the issue manager that it or any of its connected persons is in no way connected with the issuer or any of its connected person nor does hold any securities thereof:**

**To Whom It May Concern**

Sonali Investment Limited, the Issue Manager, declare 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/-

**Md. Shawkat Jahan Khan, FCMA**  
Chief Executive Officer  
Sonali Investment Limited

Date: July13, 2023

**c) Issuer declaration in connection with issue manager**

**To Whom It May Concern**

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

Sd/-

**Md. Reza-E-Selim**  
Managing Director  
Web Coats PLC.

Date: July 13, 2023

**d) Disclosure regarding non-applicability of cost audit**

**To Whom It May Concern**

This is to declare that Web Coats PLC. did not make any cost audit as it is not applicable for this type of company as per the latest rules/regulations/directives in this regard.

Sd/-

**Md. Reza-E-Selim**  
Managing Director  
Web Coats PLC.

Date: July 13, 2023

“পুঁজিবাজারে বিনিয়োগ ঝুঁকিপূর্ণ। জেনে ও বুঝে বিনিয়োগ করুন”

**PART - II**

---

**CONDITIONS IMPOSED BY THE COMMISSION IN THE CONSENT LETTER**

---

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

1. The Company shall follow all requirements of the Securities and Exchange Ordinance, 1969, the Bangladesh Securities and Exchange Commission (Qualified Investor Offer by Small Capital Companies) Rules, 2022, the Depository Act, 1999 and other securities Laws, Rules & Regulations for Qualified Investor Offer (QIO) regarding processing of application, subscription, refund, allotment, listing and trading;
2. The consent of the Commission to the issue or offer of the QIO shall not absolve the responsibility of the issuer for the merit and accuracy of the offering;
3. This consent is based on submitted documents and published financial statements of the company which are considered to be correct in all material perspective; if any irregularities detected by further scrutiny by the Commission in future, the management of the concerned issuer, credit rating company, auditor and any other person/entity involved in the process of furnishing such documents will be held responsible to the extent of their violation as per applicable securities laws;
4. All issued ordinary shares of the issuer at the time of according consent to QIO shall be subject to a lock-in period from the date of issuance of prospectus or commercial operation, whichever comes later, in the following manner: (a) ordinary shares held by sponsors, directors or shareholders who hold 10% (ten percent) or more, for 2 (two) years; (b) ordinary shares held by alternative investment funds or by foreign investors or by others for 1 (one) year
5. Upon receiving the consent of the Bangladesh Securities and Exchange Commission (BSEC), the issuer shall publish the prospectus, as approved by the Commission, within 03 (three) working days from the date of according such consent or approval, in its website as well as to the websites of the issue manager, the stock exchange(s) and the Commission with proper notification and shall remain posted till the closure of the subscription list. The issuer shall submit to the Commission, the stock exchange(s) and the issue manager a soft copy of the text of the vetted Prospectus in “MS-Word” format;
6. The issuer, in association with the stock exchange(s) and CDBL, shall send the vetted prospectus to the email addresses of the qualified investors available in their beneficial owner (BO) accounts with the depository and posting in the websites of the issuer, issue manager and the exchange(s), within 03 (three) working days of according consent or approval for issuance of such prospectus;
7. The subscription application shall indicate in bold type that neither any sale of securities shall be made nor any money shall be taken from any person, in connection with such sale until 25 (twenty-five) days after the prospectus has been published;
8. After 05 (five) working days but not later than 10(ten) working days of publication of the prospectus, the issuer or issue manager shall send invitation to the qualified investors along with the vetted prospectus, through e-mail and posting in the websites of the issuer, issue manager and the exchange(s), giving at least 15 (fifteen) working days’ time, to submit application through electronic subscription system indicating the subscription period and other relevant information;
9. The issue manager shall carefully examine and compare the issued prospectus vetted by the Commission. If any discrepancy is found, both the issuer and the issue manager shall jointly communicate with the qualified investor immediately, simultaneously endorsing copies thereof to the Commission and the Exchanges concerned. The company shall submit 40 (Forty) copies of the printed prospectus to the Commission for official record within 3 (Three) working days from the date of consent letter;
10. Subscription period for qualified investor shall be opened for 120 hours round the clock. After fixing subscription period, Issuer and Issue Manager shall inform to the Commission, Exchanges and Qualified Investors accordingly;
11. The issuer company and the issue manager shall ensure transmission of the vetted prospectus for NRBs through email to the Bangladesh Embassies and Missions abroad within 5 (Five) workingdays from the date of consent letter. A compliance report shall be submitted in this respect to the Exchanges jointly by the Issuer and the Issue Manager within 02 (Two) working days from the date of said transmission of the prospectus;
12. Qualified investors shall submit an application through the electronic subscription system of the exchange(s) and deposit the full amount intended to subscribe by the method as determined by exchange(s). The Issuer, issue manager and exchange(s) shall post the said subscription method on their websites;



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

13. A qualified investor cannot submit more than one application. In case, an applicant submits more than one application, all applications shall be treated as invalid and shall not be considered for allotment purpose. **The minimum application amount shall be Tk. 200,000/- (Taka two lac only) or its multiples. But no qualified investor shall apply for more than 5% of total size of the QIO;**
14. The stock exchanges shall complete the listing procedure and start of trading of securities **within 15 (fifteen) working days in case of over-subscription whereas within 25 (twenty-five) working days in case of under-subscription** from the closure of subscription period;  
The concerned stock exchange shall transfer the subscribed amount against securities to be allotted, to the issuer, within 05 (five) working days from the date of closing of subscription
15. In case of over-subscription, the Exchange shall refund excess amount to the qualified investor and send final allotment list through e-mail to the allottees, issuer and issue manager within 3 (three) working days from the closure of subscription period;
16. The Issuer and Stock Exchanges shall issue allotment letters in the names of allottees in electronic format with digital signatures and credit the allotted shares to the respective BO accounts on the basis of allotment data (BOID and number of securities) via their CDBL VeDAS Terminal within 10 (ten) working days of receipt of the final allotment list from the exchange;
17. The exchange shall transfer the issue proceeds to the issuer bank account before starting trading of the securities;
18. The issuer shall apply to the stock exchange(s) in Bangladesh for listing of its securities at SME platform, within 07 (seven) working days from the date of consent accorded by the Commission to issue prospectus.
19. As per provision of the Depository Act, 1999 & Regulations made thereunder, shares will only be issued in dematerialized condition. All transfer/transmission/splitting will take place in the depository system of Central Depository Bangladesh Limited (CDBL) and any further issuance of shares (including rights/bonus) will be made in dematerialized form only;
20. The Issuer shall pay the costs related to process the Qualified Investors subscription and allotment, if claimed by the Exchange, concerned up to an amount of Tk. 200,000/- (Taka two lac only). Moreover Exchange(s) shall not claim any cost to qualified investors;
21. The QIO shall stand cancelled in case of under-subscription collectively above 25%, in such an event, the issuer and issue manager shall inform the Commission within 2 (two) working days and release the subscription money within 5 (five) working days after receiving verification report from CDBL and the information from exchanges regarding subscription;
22. **If any share of Sponsors/Directors/Promoters is in paper format, it shall be handed over to securities custodian registered with the Commission and shall remain held till completion of lock-in period and the name of the securities custodian shall be furnished to the Commission jointly by the issuer and issue manager, along with a confirmation thereof from the custodian, within one week of listing of the shares with the stock exchange(s). Otherwise, those shares (shares of Sponsors/ Directors/ Promoters) can be dematerialized and shall remain in lock-in under CDBL system and the issuer shall submit a dematerialization confirmation report generated by CDBL system and attested by Managing Director of the company along with the lock-in confirmation to the Commission within one week of listing of the shares with the stock exchange(s). In respect of shares other than Sponsors/Directors/Promoters, the issuer will ensure their lock-in of those shares and submit a statement to this effect to the Commission;**
23. **The company shall not declare any dividend (cash/ stocks) before listing with any Exchange from the date of this consent letter;**
24. **The company shall not also declare any stock dividend within 3 (three) years from the date of listing with stock exchange(s);**
25. In the event of arising issues concerning Price Sensitive Information as defined under the বাংলাদেশ সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (সুবিধাভোগী ব্যবসা নিষিদ্ধকরণ) বিধিমালা ২০২২ after publication of the abridged version of prospectus and before listing of its securities with any Exchange, the company shall disseminate/transmit/submit the information as price sensitive in accordance with the বাংলাদেশ সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (সুবিধাভোগী ব্যবসা নিষিদ্ধকরণ) বিধিমালা ২০২২;

26. All transactions, excluding petty cash expenses, shall be affected by crossed cheques or bank transfers. The proceeds shall not be used for any purpose other than those specified in the prospectus without any valid ground. Any deviation in this respect of purpose and time must have prior approval of at least 51% of the public shareholders, other than sponsors and directors, in a general meeting through a Board approved agenda thereon and due notification to the shareholders. Before the said general meeting, such deviation as recommended by the Board of Directors shall be published as price-sensitive information with detailed description and reasons for such deviation. If approved by the shareholders, the meeting resolution shall be submitted to the Commission along with reasonable explanations and the decision shall be published as price-sensitive information;
27. The utilization of fund collected through Qualified Investor Offer shall be effected through banking channel, i.e. through account payee cheque, pay order or bank drafts etc. **The company shall furnish status report on utilization of Public Offering proceeds audited by panel auditor of the Commission and authenticated by the board of directors to the Commission and the Exchanges within 15 (Fifteen) days of the closing of every quarter until such fund is fully utilized, as mentioned in the schedule contained in the prospectus. The issuer shall simultaneously post the status report in its website and Exchanges shall also post the same in company information contained in websites of the Exchanges. In the event of any irregularity or inconsistency, the Commission may employ or engage any person to examine whether the issuer has utilized the proceeds for the purpose disclosed in the prospectus;**
28. **The company shall not engage itself into any merger/amalgamation or acquisition activities without taking "No Objection" from the Commission, on the scheme of the said merger/amalgamation or acquisition, as recommended by the Board of Directors, before approval by the shareholders in General Meeting;**
29. The concerned Exchanges are authorized to settle any complaints and take necessary actions against any violation of any provision of the qualified investor offer application process with intimation to the Commission;
30. The issuer and the Issue manager shall ensure due compliance of all the above conditions, and the listing regulations of the Exchanges. Moreover, the Commission may impose further conditions/restrictions etc. from time to time as and when considered necessary which shall also be binding upon the issuer company;
31. **Only the Qualified Investors are eligible to participate in trading of securities in SME trading platform. Individual Investors shall consider as Qualified Investors who allows to submit application through the Electronic Subscription System (ESS) of the exchange(s) shall maintain a minimum investment as determined from time to time by the Commission as per the updated notification in the listed securities at market price (the close price of both Exchanges whichever is higher) as on the end of a working day which is immediately preceded by 5 (five) working days from the first day of starting the subscription. Exchanges shall send the list of BO Accounts who have applied in the QIO to the Central Depository Bangladesh Limited (CDBL). CDBL shall verify the list of BO Accounts provided by the Exchange(s) regarding investment of general applicants in listed securities;**

“পুঁজিবাজারে বিনিয়োগ ঝুঁকিপূর্ণ। জেনে ও বুঝে বিনিয়োগ করুন”

**PART- III**

---

**DECLARATION AND DUE DILIGENCE CERTIFICATES**

---

**Annexure- A**

**Declaration about the responsibility of the directors, including the CEO of Web Coats PLC.  
in respect of the prospectus  
[Rule 3(3)(a) and (e)]**

This prospectus has been prepared, seen and approved by us, and we, individually and collectively, accept full responsibility for the authenticity, accuracy and adequacy of the statements made, information given in the prospectus, documents, financial statements, exhibits, annexes, papers submitted to the Commission in support thereof, and confirm, after making all reasonable inquiries that all conditions concerning this qualified investor offer and prospectus have been met and that there are no other information or documents, the omission of which make any information or statements there in misleading for which the Commission may take any civil, criminal or administrative actions against any or all of us as it may deem fit.

We also confirm that full and fair disclosures have been made in this prospectus to enable the qualified investors to make a well-informed decision for investment.

Sd/-  
**Sonali Reza**  
Chairman

Sd/-  
**Md. Reza-E-Selim**  
Managing Director

Sd/-  
**Rahat Reza Omi**  
Director

Sd/-  
**Ruhit Reza Opi**  
Representative Director  
(Representative by Jhinu  
Enterprise (PVT) Ltd.)

Sd/-  
**Md. Rashidul Shukran Mia**  
Independent Director

Date: July 13, 2023

**Due diligence certificate by Issue Manager  
(Sonali Investment Limited)  
[Rule 3(3)(e)]**

**To**

**The Bangladesh Securities and Exchange Commission**

**Sub: Qualified Investor Offer of 5,000,000 Ordinary Shares of Tk. 50,000,000 by Web Coats PLC.**

**Dear Sir,**

We, the issue manager to the above-mentioned forthcoming issue, state and confirm as follows:

- (1) We have examined all the documents submitted with the application for the above-mentioned qualified investor offer (QIO), visited the premises of the issuer and interviewed the Chairperson, Directors and key management personnel of the issuer in connection with the finalization of the prospectus pertaining to the said issue;
- (2) On the basis of such examination and the discussions with the directors, officers and auditors of the issuer, other agencies, independent verification of the statements concerning objects of the issue and the contents of the documents and other materials furnished by the issuer.

**WE CONFIRM THAT:**

- (a) The prospectus filed with the Commission is in conformity with the documents, materials and papers relevant to the issue;
- (b) All the legal requirements relating to the issue as also in the rules, notifications, guidelines, instructions, etc. framed or issued by the Commission, other competent authorities in this behalf and the Government have been duly complied with;
- (c) The disclosures made in the prospectus are true, fair and adequate to enable the investors to make a well-informed decision for investment in the proposed issue and such disclosures are in accordance with the requirements of the Companies Act, 1994, the Bangladesh Securities and Exchange Commission (Qualified Investor Offer by Small Capital Company) Rules, 2022 and other applicable laws;
- (d) Besides ourselves, all the intermediaries named in the prospectus are registered with the Commission and that till date such registrations are valid;
- (e) We have satisfied ourselves about the capability of the underwriters to fulfill their underwriting commitments;
- (f) The proposed activities of the issuer for which the funds are being raised in the present issue fall within the 'main objects' listed in the object clause of the Memorandum of Association or other charter of the issuer and that the activities which have been carried out till now are valid interns of the object clause of its Memorandum of Association;
- (g) Necessary arrangements have been made to ensure that the moneys to be received pursuant to the issue shall be kept in a separate bank account and shall be used for the purposes disclosed in the use of proceeds section of the prospectus;
- (h) All the applicable disclosures mandated in the Bangladesh Securities and Exchange Commission (Qualified Investor Offer by Small Capital Company) Rules, 2022 have been made in addition to other disclosures which, in our view, are fair and adequate to enable the investor to make a well-informed decision;

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

- (i) We enclose a note explaining how the process of due diligence has been exercised by us in view of the nature of current business background or the issuer, situation at which the proposed business stands, the risk factors, sponsors experiences, etc. We also confirm that the due diligence related process, documents and approval memos shall be kept in record by us for the next 5 (five) years after the QIO for any further inspection by the Commission;
- (j) We enclose a checklist confirming rule-wise compliance with the applicable provisions of the Bangladesh Securities and Exchange Commission (Qualified Investor Offer by Small Capital Company) Rules, 2022 containing details such as the rule number, its text, the status of compliance, page numbers of the prospectus where the Rules has been complied with and our comments, if any;
- (k) We also declare that we have managed the qualified investor offers of the following issuers in the last 5 (five) years:

Sl. No.	Name of the Company	Issue Month/ Year	Issue Price	QIO Fund in Taka	Dividend Payment History
nil					

For Sonali Investment Limited

Sd/-

**Md. Shawkat Jahan Khan, FCMA**  
Chief Executive Officer

Place : Dhaka

Date : July13, 2023

**Due Diligence Certificate by the Underwriter  
(Shahjalal Equity Management Limited)  
[Rule 3(3)(e)]**

**To  
The Bangladesh Securities and Exchange Commission**

**Sub: Qualified Investor Offer of 5,000,000 Ordinary Shares of Tk. 50,000,000 by Web Coats PLC.**

Dear Sir,

We, the under-noted Underwriter(s) to the above-mentioned forthcoming issue, state individually and collectively as follows:

1. We, while underwriting the above-mentioned issue on a firm commitment basis, have examined the draft prospectus, other documents and materials as relevant to our underwriting decision; and
2. On the basis of such examination and the discussions with the issuer company, its directors and officers, and other agencies, independent verification of the statements concerning objects of the issue and the contents of the documents and other materials furnished by the issuer company.

**WE CONFIRM THAT:**

- a) We are registered with the Bangladesh Securities and Exchange Commission as a merchant banker and eligible to carry out the underwriting activities. Our present paid-up capital stands at Tk. 312,500,000.00 (Thirty One Crore Twenty Five Lac) and we have the capacity to underwrite a total amount of Tk. 1,562,500,000.00 (One Hundred Fifty Six Crore Twenty Five Lac) as per relevant legal requirements. We have committed to underwrite for up to Tk. 12,500,000.00 (One Crore Twenty Five Lac Only) for the upcoming issue.
- b) At present, the following underwriting obligations are pending for us:

Sl.	Name of the Company	Amount Underwritten (TK.)
01.	Asiatic Laboratories Limited	249,375,000.00
02.	B. Brothers Garments Co. Ltd.	25,000,000.00
03.	NRB Bank Limited	250,000,000.00
04.	Agro Organica PLC.	12,500,000.00
<b>Total Amount</b>		<b>549,375,000.00</b>

- (a) All information as are relevant to our underwriting decision have been received by us and the draft prospectus forwarded to the Commission has been approved by us;
- (b) We shall subscribe and take up the un-subscribed securities against the above-mentioned issue within 15 (fifteen) days of calling up thereof by the issuer; and
- (c) This underwriting commitment is unequivocal and irrevocable.

**For the Underwriter:**

Sd/-  
**Md. Alamgir Hossain**  
Chief Executive Officer

Place : Dhaka  
Date : July13, 2023

“পুঁজিবাজারে বিনিয়োগ ঝুঁকিপূর্ণ। জেনে ও বুঝে বিনিয়োগ করুন”

**PART - IV**

---


**ABOUT THE ISSUER**

---



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

- (a) Name of the issuer, dates of incorporation and commencement of its commercial operations, its logo, addresses of its registered office, other offices and plants, telephone number, FAX number, contact person, website address and e-mail address:

Particulars	Description
Name of the Issuer	Web Coats PLC.
Date of Incorporation	15th April 2013
Commencement of Commercial Production	
Logo	
Address of the Registered Office	2 R. K. Mission Road, Motaleb Mansion (3rd Floor), Dhaka-1203
Address of the Factory/ Plants	Lakirchar, Ruhitpur, Keranigonj, Dhaka, Bangladesh.
Telephone Number	+880-2-47113932, 9588985
FAX Number	+88-02-9554104
Contact Person	Md. Shahijalal Pervez, Chief Financial Officer
Website Address	www.webcoatsltd.com
E-Mail Address	info@webcoatsltd.com

- (b) The names of the sponsors and directors of the issuer:


**Sponsors:**

SL. No.	Name of the Sponsors	Position
1	Mizanur Rahman Mazumder	Chairman
2	Md. Reza-E-Selim	Managing Director
3	Nazma Begum	Director
4	Md. Lutfor Rahman	Director

**Directors**



SL.No.	Name of the Directors	Position
1	Sonali Reza	Chairman
2	Md. Reza-E-Selim	Managing Director
3	Rahat Reza Omi	Director
4	Jhinu Enterprise (PVT) Ltd. (Represented by Ruhit Reza Opi)	Director

- (c) The name, logo and address of the auditors, along with their telephone numbers, FAX numbers, contact persons, website and e-mail addresses:

Name	FAMES & R Chartered Accountants
Logo	
Address	Sharaqa Mac, House: 3/1 & 3/2, Flat: 2/A, Bijoy Nagar, Dhaka-1000
Telephone	01819496565
Fax	N/A
Contact Person	Fouzia Haque, FCA Partner
E-Mail	Email ID:haque.fouzia@gmail.com

“পুঁজিবাজারে বিনিয়োগ ঝুঁকিপূর্ণ। জেনে ও বুঝে বিনিয়োগ করুন”

(d) The name(s) of the stock exchange(s) where the specified securities are proposed to be listed:

Stock Exchanges	Contact Addresses
<p data-bbox="333 297 659 324"><b>DHAKA STOCK EXCHANGE</b></p> 	<p data-bbox="815 306 1193 336"><b>Dhaka Stock Exchange Limited</b></p> <p data-bbox="815 338 1276 535">Stock Exchange Building 9/F Motijheel C/A, Dhaka-1000 Phone: +88-02-9564601, +88-02- 9576210-18 Fax: +88-02-9564727, +88-02-9569755 Email: <a href="mailto:research@dsebd.org">research@dsebd.org</a> Web: <a href="http://www.dsebd.org">www.dsebd.org</a></p>
<p data-bbox="298 622 695 649"><b>CHITTAGONG STOCK EXCHANGE</b></p> 	<p data-bbox="815 598 1249 627"><b>Chittagong Stock Exchange Limited</b></p> <p data-bbox="815 629 1324 828">CSE Building, 1080, Sk. Mujib Road Agrabad, Chittagong, Bangladesh Tel: +88-031-714632-3, +88-031-720871-3 Fax: +88-031-714101, +88-031-726810 E-mail: <a href="mailto:info@cse.com.bd">info@cse.com.bd</a> Web: <a href="http://www.cse.com.bd">www.cse.com.bd</a></p>

“পুঁজিবাজারে বিনিয়োগ ঝুঁকিপূর্ণ। জেনে ও বুঝে বিনিয়োগ করুন”


**PART - V**

---

**CORPORATE DIRECTORY OF THE ISSUER**

---

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

<b>Company Name</b>	Web Coats PLC.	
<b>Company Logo</b>		
<b>Nature of Business</b>	The company is 100% export-oriented paper processing unit and the principal activities of the company are to carry on the business of manufacturing and exporting of all kinds of Producing, Processing, Converting plant for Manufacturing of Paper & Board etc.	
<b>Legal Position</b>	Web Coats PLC. is a public limited company by shares and is domiciled in Bangladesh. The Company was incorporated as a private limited company bearing registration number C-108543 with the Registrar of Joint Stock Companies and Firms (RJSC), on 15th April 2013 in Bangladesh under the Companies Act, 1994. It was converted to a public limited company in February 24, 2023.	
<b>Date of Incorporation</b>	April 15, 2013	
<b>Date of Commercial Production</b>	January 01, 2014	
<b>Address of the Registered Office</b>	Motaleb Mansion (3rd Floor),2, R. K. Mission Road, Dhaka-1203.	
<b>Address of the Factory</b>	Lakirchar, Ruhitpur, Keranigonj, Dhaka, Bangladesh.	
<b>Authorized capital</b>	BDT 1,500,000,000	
<b>Paid Up Capital</b>	BDT 280,141,000 divided into 28,014,100 ordinary shares of BDT 10 each.	
<b>Banker for QIO</b>	South Bangla Agriculture & Commerce Bank Limited	
<b>Banker (s) of the Company</b>	Southeast Bank Limited South Bangla Agriculture & Commerce Bank Limited Bank Asia Limited United Commercial Bank PLC.	
<b>Auditor</b>	FAMES & R Chartered Accountants Sharaqa Mac, House: 3/1 & 3/2, Flat: 2/A, Bijoy Nagar, Dhaka-1000 Contact:01819496565 Email ID:haque.fouzia@gmail.com	
<b>Issue Manager</b>	Sonali Investment Limited	
<b>Underwriter</b>	Shahjalal Equity Management Limited	
<b>Legal Advisor</b>	Mintu Kumar Mondal Advocate, SCB, M&M Law Associates 3/1, Purana Paltan, Dhaka Contact: 01716584856 Email ID: mintuadvsc@gmail.com	
<b>Company Secretary</b>	Md. Shahjajan Patwary	
<b>Compliance Officer</b>	Md. Mahmudul Hasan (Sohag)	
<b>Board of Directors</b>	<b>Name</b> Sonali Reza Md. Reza-E-Selim  Rahat Reza Omi Jhinu Enterprise (PVT) Ltd. (Represented by Ruhit Reza Opi) Md. Rashedul Shukran Mia	<b>Position</b> Chairman Managing Director Director Director Independent Director

“পুঁজিবাজারে বিনিয়োগ ঝুঁকিপূর্ণ। জেনে ও বুঝে বিনিয়োগ করুন”

**PART - VI**

---

**DESCRIPTION OF THE ISSUER**

---

**(a) Summary**

**(i) The summary of the industry and business environment of the issuer:**

**Bangladesh Paper Industry:**

The demand for different types of paper in the country is about nine lakh tones, but the domestic paper mills have capacity to produce 16 lakh metric tons per year. Of the local paper mills, 20-30 are large and the rest are small. The size of the country's paper market is about Tk. 5,000 crore. Writing and printing paper products account for 60-70% of the local market and other products account for the rest of the market. People involved in the sector said even a decade ago, paper was imported from abroad. Although the domestic paper industry began to develop in the 1980s, the large industrial groups started investing in this sector in the nineties, and gradually the industry became self-sufficient.

Bangladesh paper industry, which now markets its products in some developed countries even, holds huge potential for boosting export if over half of its dormant production capacity is used to exploit unfolding global trade.

Industry people express such view as the paper-manufacturing segment of the paper sector in the country, which was once mostly dependent on import, now looks to widen its footprint on the international market amid some fortune change. It is noted that the local manufacturing gradually increased and shifted to the private sector from the state-owned mills as they aggressively adopt modern technologies to make high-quality papers.

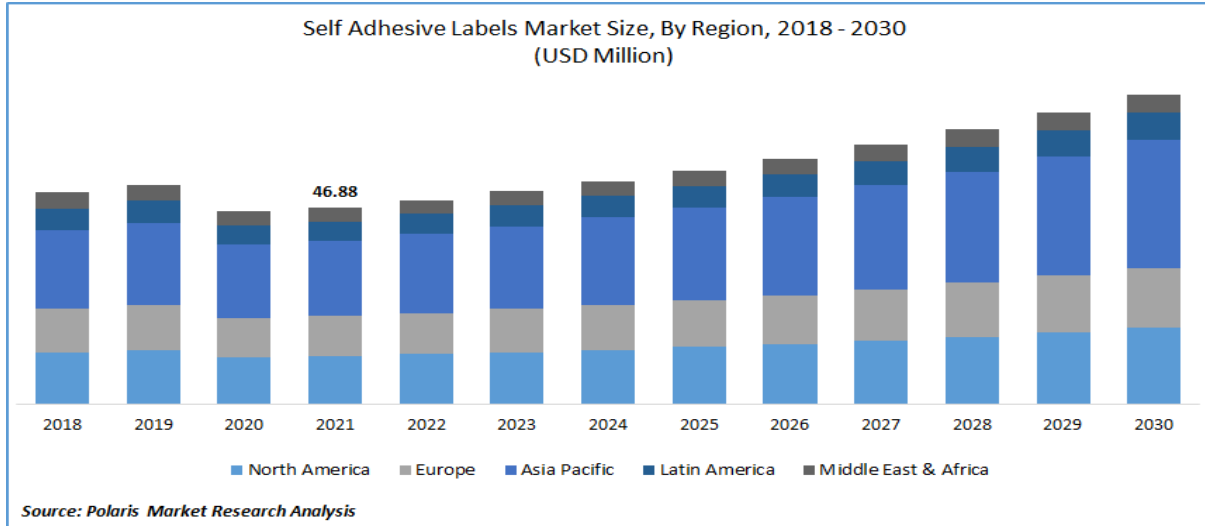
Currently, there are around 70 private paper mills operating in the country, out of 105 registered with government. Some of those in operation are, however, enhancing their capacity with new variety of paper products to cater modern-day needs at home and abroad.



The paper industry has become a successful sector in Bangladesh and it has a great potential to become one of the country's major foreign currency earners. After readymade garments (RMG) and leather industry, this sector is playing a vital role in our national economy. Private paper mills are producing export-oriented paper products. After meeting the local demand, they have started exporting to 40 countries, bringing in large amounts of foreign currency.

### Global Paper Industry:

The global self-adhesive labels market was valued at USD 46.88 billion in 2021 and is expected to grow at a CAGR of 5.3% during the forecast period. In recent years, the global market has grown dramatically due to the rapid growth in the e-commerce business and increased demand across the food & beverages and pharmaceutical industries. A self-adhesive label is commonly used to attach label to the packaging.



The essential information about the item is displayed on this label. They're also used for marketing to catch people's attention and entice them to buy something. These label tags are multi-faceted frames that hold data imprinted on the surface. The self-adhesive label has a broad scope due to its stickiness resistance towards UV, solvent, and shear, thereby increasing the aesthetic properties of packaging products, especially in the food & beverage sector. The self-adhesive label on packaging products makes choices simple for consumers and is time-saving. The self-adhesive labels market is being driven by increasing customer awareness of product ingredients and rising consumer demand for consumer goods.

The global self-adhesive labels market has been greatly affected by the COVID-19 pandemic, particularly in manufacturing and distributing unique products. The supply chain is expected to be disrupted as nations impose strict restrictions to restrict the spread of diseases. Most manufacturing organizations would struggle to keep supply and logistics networks running during the pandemic.

Labeling and label technologies play an essential role in the medical and food supply chains. Following the purchase of a product, firms provide product information to customers and supermarkets. They also enable doctors and pharmaceutical companies to provide specific information to each patient, making proper tracing and monitoring simpler along the value chain. Labeling is one of the sectors that play a crucial role in ensuring the safe distribution of pharmaceutical and food products worldwide.

The massive growth in demand for medical and pharmaceutical products has increased the need for a self-adhesive label. With increased COVID-19 cases, the demand for testing has simultaneously increased, surging the proliferation of self-adhesive label. For instance, increased demand for apparatus and adhesive label to identify test samples. Additionally, the shutdown has resulted in a substantial increase in the e-commerce business, which has raised the demand for packaging and labeling. This factor has significantly influenced the self-adhesive label market growth in the forecast period.

Moreover, the self-adhesive label has become quite popular in the post-pandemic, as they are being used as a reminder to people to keep social distance everywhere, including airports, railway stations, offices, and other locations. Hospitals, construction sites, and the medical industry request their services. Companies who create posters for COVID-19 signage sticks make sure that they cling nicely to the surfaces and do not leave any residue when removed. These posters are available in A3, A4, and circular pre-printed self-adhesive label in sizes A3 to A4.

(ii) **Summary of consolidated financial, operating and other information:**

This information is not applicable for Web Coats PLC. Since the company has no subsidiary company.

**(b) General Information**

**(i) The Board of Directors of the Issuer:**

SL. No.	Name	Position
1	Sonali Reza	Chairman
2	Md.Reza-E-Selim	Managing Director
3	Rahat Reza Omi	Director
4	Jhinu Enterprise (PVT) Ltd. (Represented by Ruhit Reza Opi)	Director
5	Md. Rashedul Shukran Mia	Independent Director

**(ii) Names, addresses, telephone numbers, FAX numbers and e-mail addresses of the chairman, managing director, whole time directors, etc. of the issuer:**

<b>1. Chairman</b>	<b>Name</b>	:	<b>Sonali Reza</b>
	<b>Address</b>	:	House: 3 (Diganta 3/8A), Road: Avoy Das Lane, P.O: Wari-1203, Sutrapur, Dhaka
	<b>Telephone</b>	:	Tel: +880-2-47113932, 9588985
	<b>FAX</b>	:	+88-02-9554104
	<b>E-mail</b>	:	chairman@webcoatsltd.com

<b>2. Director</b>	<b>Name</b>	:	<b>Rahat Reza Omi</b>
	<b>Address</b>	:	House: 3 (Diganta 3/8A), Road: Avoy Das Lane, P.O: Wari-1203, Sutrapur, Dhaka
	<b>Telephone</b>	:	Tel: +880-2-47113932, 9588985
	<b>FAX</b>	:	+88-02-9554104
	<b>E-mail</b>	:	ed@webcoatsltd.com

<b>3. Managing Director</b>	<b>Name</b>	:	<b>Md. Reza-E-Selim</b>
	<b>Address</b>	:	House: 3 (Diganta 3/8A), Road: Avoy Das Lane, P.O: Wari-1203, Sutrapur, Dhaka
	<b>Telephone</b>	:	Tel: +880-2-47113932, 9588985
	<b>FAX</b>	:	+88-02-9554104
	<b>E-mail</b>	:	md@webcoatsltd.com



“পুঁজিবাজারে বিনিয়োগ ঝুঁকিপূর্ণ। জেনে ও বুঝে বিনিয়োগ করুন”

(iii) Names, addresses, telephone numbers, FAX numbers and e-mail addresses of the CFO, company secretary, legal advisor ,auditors and compliance officer;

<b>1. Chief Financial Officer</b>	<b>Name</b>	:	Md. Shahijalal Pervez
	<b>Address</b>	:	Motaleb Mansion (3 <sup>rd</sup> Floor), 2, R. K. Mission Road, Motijheel, Dhaka
	<b>Telephone</b>	:	Tel: +880-2-47113932, 9588985
	<b>FAX</b>	:	+88-02-9554104
	<b>E-mail</b>	:	cfo@webcoatsltd.com

<b>2. Company Secretary</b>	<b>Name</b>	:	Md. Shahjajan Patwary
	<b>Address</b>	:	Motaleb Mansion (3 <sup>rd</sup> Floor), 2, R. K. Mission Road, Motijheel, Dhaka
	<b>Telephone</b>	:	Tel: +880-2-47113932, 9588985
	<b>FAX</b>	:	+88-02-9554104
	<b>E-mail</b>	:	cs@webcoatsltd.com

<b>3. Legal Advisor</b>	<b>Name</b>	:	Mintu Kumar Mondal Advocate, Bangladesh Supreme Court
	<b>Address</b>	:	M & M Law Associates 3/1, Purana Paltan, Dhaka
	<b>Mobile</b>	:	+880 01716584856
	<b>FAX</b>	:	
	<b>E-mail</b>	:	mintuadvsc@gmail.com

<b>4. Auditor</b>	<b>Name</b>	:	FAMES & R Chartered Accountants
	<b>Address</b>	:	Sharaqa Mac, House: 3/1 & 3/2, Flat: 2/A, Bijoynagar, Dhaka-1000
	<b>Mobile</b>	:	+8801819496565
	<b>FAX</b>	:	N/A
	<b>E-mail</b>	:	haque.fouzia@gmail.com

<b>5. Compliance Officer</b>	<b>Name</b>	:	Md. Mahmudul Hasan (Sohag)
	<b>Address</b>	:	Motaleb Mansion (3 <sup>rd</sup> Floor), 2, R. K. Mission Road, Motijheel, Dhaka
	<b>Telephone</b>	:	Tel: +880-2-47113932, 9588985
	<b>FAX</b>	:	+88-02-9554104
	<b>E-mail</b>	:	info@webcoatsltd.com

“পুঁজিবাজারে বিনিয়োগ ঝুঁকিপূর্ণ। জেনে ও বুঝে বিনিয়োগ করুন”

(iv) Names, addresses, telephone numbers, FAX numbers, contact person, website addresses and e-mail addresses of the issue manager, etc.:

<b>Issue Manager</b>	<b>Name</b>	:	<b>Sonali Investment Limited</b>
	<b>Address</b>	:	Borak Biz Center (1 <sup>st</sup> & 2 <sup>nd</sup> Floor), 70, Dilkusha, Dhaka
	<b>Telephone</b>	:	+88- 02223355975, 02223350555
	<b>Fax</b>	:	Fax: +88-02223350555
	<b>Contact Person</b>	:	B.M. Neamul Hasan Deputy Chief Executive Officer Issue Management Department
	<b>Website</b>	:	www.sonaliinvestment.com.bd
	<b>E-mail</b>	:	sonaliinvestmentltd@gmail.com

(v) Following details of Underwriting:

(a) The names, addresses, telephone numbers, FAX numbers, contact persons and e-mail addresses of the underwriters and the amount underwritten by them:

<b>Underwriter</b>		<b>Amount Underwritten (BDT)</b>
<b>Shahjalal Equity Management Limited</b> Al-Razi Complex, 166-167 Shaheed Syed Nazrul Islam Sarani, Level-9, Suite-901, Block-C, Dhaka-1000	<b>Contact Person:</b> Md. Alamgir Hossain, Chief Executive Officer	12,500,000/-
	Tele: +88-02-55111680, 55111681	
	Fax: +88-0255111682	
	Email: <a href="mailto:info@shahjalalequity.com">info@shahjalalequity.com</a>	
	Web: <a href="http://www.shahjalalequity.com">www.shahjalalequity.com</a>	

“পুঁজিবাজারে বিনিয়োগ ঝুঁকিপূর্ণ। জেনে ও বুঝে বিনিয়োগ করুন”

**(b) Declaration by the underwriter that they have sufficient resources as per the regulatory requirements to discharge their respective obligations:**

**Declaration by the Underwriter  
(Shahjalal Equity Management Limited)**

We are one of the underwriters of the Qualified Investor Offer (QIO) of Web Coats PLC., we will underwrite Tk. 12,500,000 (One Crore Twenty-Five Lac) for the upcoming issue on a firm commitment basis.

In this connection, we hereby declare that: we have sufficient resources as per the regulatory requirements to discharge our respective obligations.

For the Underwriter

Place: Dhaka  
Date: July 13, 2023

Sd/-  
**Md. Alamgir Hossain**  
Chief Executive Officer  
Shahjalal Equity Management Limited

**(c) Capital Structure:**

**(i) Authorized, issued, subscribed and paid-up capital (number and class of securities, allotment dates, nominal price, issue price and form of consideration):**

CAPITAL STRUCTURE				
Particulars	Number of Securities	Face Value (Tk.)	Issue Price (Tk.)	Amount (Tk.)
Authorized Capital	150,000,000	10.00	10.00	1,500,000,000
<b>Before QIO:</b>				
Paid-Up Capital	28,014,100	10.00	10.00	280,141,000
<b>After QIO:</b>				
To be issued through QIO	5,000,000	10.00	10.00	50,000,000
Paid-Up Capital (Post QIO)	33,014,100	10.00	10.00	330,141,000

HISTORY OF CAPITAL RAISING						
Particulars of Allotment	Allotment Date	Mode of Allotment (No. of Shares)			Issue Price (Tk.)	Amount of Share Capital (Tk.)
		Cash	Other than Cash	Bonus Share		
1 <sup>st</sup> Allotment as per MOA & AOA	15-04-2013	2,100,000	700,000		10.00	28,000,000
2 <sup>nd</sup> Allotment	27-11-2022			24,612,000	10.00	246,120,000
3 <sup>rd</sup> Allotment	27-12-2022	600,000			10.00	6,000,000
4 <sup>th</sup> Allotment	24-01-2023	2,100			10.00	21,000
<b>Total</b>						<b>280,141,000</b>

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

- (ii) **Size of the present issue, with break-up (number of securities, description, nominal value and issue amount):**

Particulars	Securities to be Offered	Percentage %	Number of Securities	Types of Securities	Nominal Value (in Tk.)	Issue Amount (in Tk.)
Qualified Investor Offer through Fixed Price Method	Eligible Investors (EI)	100%	5,000,000	Ordinary Share	10	50,000,000

- (iii) **Paid-up capital before and after the present issue, after conversion of convertible instruments (if any) and share premium account (before and after the issue):**

Particulars	Before the Present Issue	After the Present Issue
Paid-Up Capital	280,141,000	<b>330,141,000</b>
Convertible Instrument	N/A	N/A
Share Premium Account	Nil	N/A
<b>Total</b>	<b>280,141,000</b>	<b>330,141,000</b>

- (iv) **Category wise shareholding structure with percentage before and after the present issue and after conversion of convertible instruments (if any):**

SL No.	Category of Shareholders	Pre- QIO		Post- QIO	
		Ordinary Shares	Percentage	Ordinary Shares	Percentage
1	Directors & Sponsors	20,414,100	72.87%	20,414,100	61.83%
2	Individual Shareholders	7,401,000	26.42%	7,401,000	22.42%
3	Institutional Shareholder	199,000	0.71%	199,000	0.60%
4	Qualified Investor (QI)	-	-	5,000,000	15.15%
	<b>Total</b>	<b>28,014,100</b>	<b>100.00%</b>	<b>33,014,100</b>	<b>100.00%</b>

\*The Company has no convertible instruments

- (v) **Where shares have been issued for consideration in other than cash at any point of time, details in a separate table, indicating the date of issue, persons to whom those are issued, relationship with the issuer, issue price, consideration and valuation thereof, reasons for the issue and whether any benefits have been accrued to the issuer out of the issue:**

The company has not allotted any shares in terms of other than cash except issued Bonus Share.

- (vi) **Where shares have been allotted in terms of any merger, amalgamation or acquisition scheme, details of such scheme and shares allotted:**

The company has not allotted any shares in terms of any merger, amalgamation or acquisition scheme.

- (vii) **Where the issuer has issued equity shares under one or more employee stock option schemes, date-wise details of equity shares issued under the schemes, including the price at which such equity shares were issued:**

The issuer has not issued any equity shares under one or more employee stock option schemes.

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

**(viii) If the issuer has made any issue of specified securities at a price lower than the issue price during the preceding two years, specific details of the names of the persons to whom such specified securities have been issued, relation with the issuer, reasons for such issue and the price thereof:**

The issuer has not made any issue of specified securities at a price lower than the issue price during the preceding two years.

**(ix) The decision or intention, negotiation and consideration of the issuer to alter the capital structure by way of issue of specified securities in any manner within a period of one year from the date of listing of the present issue:**

There is no such decision or intention, negotiation and consideration of the issuer to alter the capital structure by way of issue of specified securities in any manner within a period of one year from the date of listing of the present issue.

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

- (x) The total shareholding of the sponsors and directors in a tabular form, clearly stating the names, nature of issue, date of allotment, number of shares, face value, issue price, consideration, date when the shares were made fully paid up, percentage of the total pre and post issue capital, the lock-in period and the number and percentage of pledged shares, if any, held by each of them:

Mizanur Rahman Mazumder						Chairman		Percentage		Percentage of Pledged Shares
Nature of Issue	Allotment Date	No. of Shares	Face Value	Issue Price	Consideration	Cumulative No. of Total Shares	Lock-In Period	Pre QIO	Post QIO	
1 <sup>st</sup> Allotment as per MOA & AOA	15-04-2013	700,000	10	10	Cash	700,000	-	-	-	-
By transfer	15-12-2015	(700,000)	10	10	Cash	-				

Md. Reza-E-Selim						Managing Director		Percentage		Percentage of Pledged Shares
Nature of Issue	Allotment Date	No. of Shares	Face Value	Issue Price	Consideration	Cumulative No. of Total Shares	Lock-In Period	Pre QIO	Post QIO	
1 <sup>st</sup> Allotment as per MOA & AOA	15-04-2013	700,000	10	10	Cash	700,000	Two Year	20.89%	17.73%	-
2 <sup>nd</sup> Allotment	27-11-2022	6,153,000	10	10	Other than cash (Bonus)	6,853,000				
By transfer	02-03-2023	(1,000,000)	10	10	Cash	5,853,000				

Nazma Begum						Director		Percentage		Percentage of Pledged Shares
Nature of Issue	Allotment Date	No. of Shares	Face Value	Issue Price	Consideration	Cumulative No. of Total Shares	Lock-In Period	Pre QIO	Post QIO	
1 <sup>st</sup> Allotment as per MOA & AOA	15-04-2013	700,000	10	10	Cash	700,000	-	-	-	-
By transfer	15-12-2015	(700,000)	10	10	Cash	-				

Md. Lutfor Rahman						Director		Percentage		Percentage of Pledged Shares
Nature of Issue	Allotment Date	No. of Shares	Face Value	Issue Price	Consideration	Cumulative No. of Total Shares	Lock-In Period	Pre QIO	Post QIO	
1 <sup>st</sup> Allotment as per MOA & AOA	15-04-2013	700,000	10	10	Cash	700,000	-	-	-	-
By transfer	15-12-2015	(700,000)	10	10	Cash	-				

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

Sonali Reza						Chairman		Percentage		Percentage of Pledged Shares
Nature of Issue	Allotment Date	No. of Shares	Face Value	Issue Price	Consideration	Cumulative No. of Total Shares	Lock-In Period	Pre QIO	Post QIO	
By transfer	15-12-2015	700,000	10	10	Cash	700,000	Two Year	24.46%	20.76%	-
2 <sup>nd</sup> Allotment	27-11-2022	6,153,000	10	10	Other than cash (Bonus)	6,853,000				

Md. Rahat Reza Omi						Director		Percentage		Percentage of Pledged Shares
Nature of Issue	Allotment Date	No. of Shares	Face Value	Issue Price	Consideration	Cumulative No. of Total Shares	Lock-In Period	Pre QIO	Post QIO	
By transfer	15-12-2015	7,00,000	10	10	Cash	700,000	Two Year	20.89%	17.73%	-
2 <sup>nd</sup> Allotment	27-11-2022	6,153,000	10	10	Other than cash (Bonus)	6,853,000				
By transfer	02-03-2023	(800,000)	10	10	Cash	6,053,000				
By transfer	10-04-2023	(200,000)	10	10	Cash	5,853,000				

Jhinu Enterprise (PVT) Ltd.						Director		Percentage		Percentage of Pledged Shares
Nature of Issue	Allotment Date	No. of Shares	Face Value	Issue Price	Consideration	Cumulative No. of Total Shares	Lock-In Period	Pre QIO	Post QIO	
By transfer	15-04-2013	7,00,000	10	10	Cash	700,000	Two Year	6.62%	5.62%	-
2 <sup>nd</sup> Allotment	27-11-2022	6,153,000	10	10	Other than cash (Bonus)	6,853,000				
By transfer	02-03-2023	(4,997,900)	10	10	Cash	1,855,100				

**Notes:**

- Directors' shares were made fully paid upon the date of allotment and there are no pledged shares.
- Calculation shown considering the issue price and face value of Tk. 10/-
- Lock-in period of shares starts from the 1st trading date of stock exchange(s).

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

- (xi) The details of the aggregate shareholding of the sponsors and directors, the aggregate number of specified securities purchased or sold or otherwise

**Aggregate shareholding of the Sponsors and Directors:**

Name	Position	Date of Acquisition	Face Value and Issue Price	Number of Ordinary Share
Sonali Reza	Chairman			
<b>Total</b>				
Rahat Reza Omi	Director	02.03.2023	10	(800,000)
		10.04.2023	10	(200,000)
<b>Total</b>				
Md. Reza-E-Selim	Managing Director	02.03.2023	10	(1,000,000)
<b>Total</b>				
Jhinu Enterprise (PVT) Ltd.	Director	02.03.2023	10	(4,997,900)
<b>Total</b>				
				<b>6,997,900</b>

- (xii) Transferred by the sponsor and/or by the directors of the issuer and their related parties within six months immediate preceding the date of filing the prospectus:

**Transfer of specified securities by the sponsor or by the directors of the issuer:**

No specific securities purchased or sold or otherwise transferred within six months immediate preceding the date of filling the prospectus by the sponsors and/or by the directors of the issuer and their related parties.

- (xiii) 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 including number of equity shares which they would be entitled to upon exercise of warrant, option or right to convert any convertible instrument:

Sl. No.	Name of Shareholder	Position	Address	No. of Share Held	Total No. of Shares Recorded	Shareholding (%) Pre-Q10
01	Sonali Reza	Chairman	House: 3 (Diganta 3/8A), Road: Avoy Das Lane, P.O: Wari-1203, Dhaka	6,853,000	6,853,000	24.46%
02	Rahat Reza Omi	Director	House: 3 (Diganta 3/8A), Road: Avoy Das Lane, P.O: Wari-1203, Dhaka	5,853,000	5,853,000	20.89%
03	Md. Reza-E-Selim	Managing Director	House: 3 (Diganta 3/8A), Road: Avoy Das Lane, P.O: Wari-1203, Dhaka	5,853,000	5,853,000	20.89%
04	Jhinu Enterprise (PVT) Ltd.	Director	Motaleb Mansion (3rd Floor), 2, R. K. Mission Road, Dhaka-1203, Bangladesh.	1,855,100	1,855,100	6.62%

\* The company does not have any existing warrant, option, or right to convert any convertible instrument



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

**(xiv) The number of securities of the issuer owned by each of the top ten salaried officers, and all other officers or employees as group, indicating the percentage of outstanding shares represented by the securities owned except the following:**

No securities were issued or hold by the top ten salaried officers, and all other officers or employees as group.

**(d) Description of Business:**

**(i) Location of the project:**

<b>Registered &amp; Corporate Office</b>	Motaleb Mansion (3rd Floor),2, R. K. Mission Road, Dhaka-1203, Bangladesh.
<b>Factory</b>	Lakirchar, Ruhitpur, Keranigonj, Dhaka-, Bangladesh.

**(ii) Plant, machinery, technology, process, etc.**

**Plant:**

Web Coats PLC. Is existing processing plant is located at Lakirchar, Ruhitpur, Keranigonj, Dhaka-1203, Bangladesh. Web Coats PLC. has started its journey in April15, 2013and launched commercial operation in January01, 2014. To meet the growing demand for its products WCPLC gradually enhanced the Capacity of its production plant.

**Machinery:**

Web Coats PLC. has been using sophisticated machineries and modern technology imported from the Australia & Chinato produce quality of paper products.

**Technology:**

In its paper process, Web Coats PLC. has employed modern technology to produce quality of Paper products. High Technical and experienced persons had been hired to support the overall business.

**Process:**

Total process of production is fully organized. There is various process used in full production system. Manufacturing process and quality control are led by the trained professionals.

**(iii) Details of the major events in the history of the issuer, including details of capacity or facility creation, launching of plant, products, marketing, change in ownership and/or key management personnel etc.:**

<b>Date of Incorporation</b>	April 15, 2013
<b>Conversion Private to Public Limited</b>	February 24, 2023
<b>launching of plant</b>	January 01, 2014
<b>Market of the Product</b>	Total product of the Company export.
<b>Change in ownership and/or key management personnel</b>	The following ownership/key management personnel has been appointed; 1) On 15 December, 2015, Sonali Reza and Jhinu Enterprise (PVT.) Ltd. joined as Shareholder. 2) On 04 July, 2018, Rahat Reza Omi joined as Shareholder.

“পুঁজিবাজারে বিনিয়োগ ঝুঁকিপূর্ণ। জেনে ও বুঝে বিনিয়োগ করুন”

Major products launch	
<ul style="list-style-type: none"><li>➤ Self-Adhesive Paper</li><li>➤ Tissue Paper</li><li>➤ Hang Tag</li><li>➤ Size Tag</li><li>➤ Price Tag</li></ul>	<ul style="list-style-type: none"><li>➤ Self Copy Computer Continuous Paper</li><li>➤ Photo Inlay</li><li>➤ Gum Tape</li><li>➤ Back Board</li><li>➤ Neck Board</li><li>➤ Paper Bent</li></ul>

**(e) Description of Property**

**(i) Dates of purchase, last payment date of current rent (খাজনা) and mutation date of lands, deed value and other costs including details of land development cost, if any and current use thereof:**

Deed No	Date of Purchase	Date of Last Payment of Current Rent	Date of Mutation	Deed Value	Area (Decimal)	Current Use
6720	21/05/2013	01/09/2021	12/12/2006	25,00,000	23	Production and Warehouse
4999	11/05/2016	01/09/2021	25/03/2014	1,41,00,000	147	Vacant

“পুঁজিবাজারে বিনিয়োগ ঝুঁকিপূর্ণ। জেনে ও বুঝে বিনিয়োগ করুন”

(ii) A physical verification report by the issue manager regarding the properties as submitted to the Commission:

**PHYSICAL VERIFICATION REPORT**  
of  
**Web Coats PLC.**

This is to clarify that we have visited the factory of Web Coats PLC. several times and lastly, we visited on January 15, 2023 and we found the registered office and factory as details below:

**Purpose of the visit:**

As a part of issue manager’s due diligence process in order to verify the operational status and assets of Web Coats PLC. before Qualified Investor Offer of ordinary shares.

**Visited and Accompanied by:**

Particulars		Name & Designation	Company
Visited by	:	<b>Md. Shawkat Jahan Khan</b> Chief Executive Officer	Sonali Investment Limited
	:	<b>Bhuya Muhammad Neamul Hasan</b> Deputy Chief Executive Officer	Sonali Investment Limited
Accompanied by	:	<b>Rahat Reza Omi</b> Director	Web Coats PLC.
	:	<b>Md. Shahjialal Parvez</b> Chief Financial Officer	

**Registered & Corporate Office:**

Motaleb Mansion (3<sup>rd</sup> Floor), 2, R.K. Mission Road, Dhaka-1203, Bangladesh

**Factory:**

Lakirchar, Ruhitpur, Keranigonj, Dhaka-1203, Bangladesh.

**Company Overview:**

The Company namely “WEB COATS LTD.” was incorporated on 15 April, 2013 vide registration no. C-108543/13 as a private limited Company in Bangladesh under the Companies Act, 1994. Subsequently the company was converted into Public Limited Company in the EGM held on dated 24th February, 2023.

The Company changed its name through special resolution and with due approval of the Registrar of Joint Stock of Companies and Firms from “WEB COATS LTD.” to “WEB COATS PLC.” on 24th February, 2023.

**Principal products:**

Main products of the Company are as follows:

Sl. No.	Products Name	Sl. No.	Products Name
1	Self Adhesive Paper	6	Self Copy Computer Continuous Paper
2	Tissue Paper	7	Photo Inlay
3	Hang Tag	8	Gum Tape
4	Size Tag	9	Back Board
5	Price Tag	10	Neck Board
		11	Paper Bent

**Description of Property:**

**1) Land:** We have found 170 decimals of land at Lakirchar, Ruhitpur, Keranigonj, Dhaka.

Deed No.	S.A/R.S. Dag No.	Area of Land (Decimal)	Current Uses
6720	204/557	23	Production and Warehouse
4999	1163/3434	147	Vacant
<b>Total</b>		<b>170</b>	

**2) Building:** Details of the building’s status are discussed below:

The total factory area covered about 42,943sft. There are factory buildings, office buildings & other constructions with high load tolerate capacity based internal loading unloading point and carpeting area. A brief detail of the factory premises are as follows:

**Factory:** Lakirchar, Ruhitpur, Keranigonj, Dhaka, Bangladesh

Particulars	Description	Total Area (Sft.)
Factory Shed	Office Room	886
	Substation and Generator Room	1,102
	Factory Workshop	150
	RM Ware House	13,608
	RM Ware House (Chemical)	1,195
	Finished Goods Ware House	2,952
	Production Room (Sticker Section)	15,480
	Production Room (Rewinding & Sheeting)	3,780
Security Guard Room (Main Gate)	1 Storied Building	375
Others	Internal Road and Other Construction	3,416
<b>Total:</b>		<b><u>42,943</u></b>

**3) Plant & Machinery and Office Equipment:**

In factory, we found all the machineries mentioned in the prospectus are in good condition and running.

**4) Fire Fighting Equipment:**

The company placed sufficient number of fire extinguisher, sand bucket, hose pipe and nozzles in various places to prevent accident from fire.

**5) Signboard:**

The sign board of the company is well displayed at the premises.

“পুঁজিবাজারে বিনিয়োগ ঝুঁকিপূর্ণ। জেনে ও বুঝে বিনিয়োগ করুন”

**PART - VII**

---

**MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION**

---

**(a) Overview of business and strategies:**

**Overview of Business**

Web Coats PLC. is one of the fastest growing Companies in Paper sector in Bangladesh. Web Coats PLC. started its journey in 2013 with self-adhesive paper product and then it introduced different type of paper production. At present, it is manufacturing 10 plus products of paper product such as Self Adhesive Paper, Tissue Paper, Hang Tag, Size Tag, Price Tag, Self-Copy Computer Continuous Paper, Photo Inlay, Gum Tape, Back Board, Neck Board and Paper Bent etc. Total portion fits revenue incurred by selling its products to the foreign market by establishing extensive distribution channels across the country and abroad.

**Business Strategies:**

- **Utilizing the government support:** The government usually tends to favor this industry. As a result, the government provides them with all of the assistance and support they require. It is also the reason why the sector is still thriving today. Laws and taxes frequently favor them.
- **Local market share:** Competitors always try to increase their percentage of market share. So, Web Coats PLC. will concentrate more to increase its market share.
- **Inventory management system:** Web Coats PLC. will improve the existing inventory management system.
- **Quality and control:** Web Coats PLC. will maintain the quality of its products in accordance with international standards.
- **International market:** Web Coats PLC. always focus on international market to expand in the future.

**(b) Strengths, Weaknesses, Opportunities, and Threats (SWOT) analysis:**

SWOT analysis is the acronym for strength, weakness, opportunities, and threats which are a structured planning method that evaluates those four elements of a project or business venture.

**Strength**

- We provide high tech, high quality and affordable paper
- Lowest-cost paper products
- Excellent transport system
- Strong chemistry, qualified employees, and process reengineering capabilities
- High ethical standards and rules in order to contribute meaningfully to people's well-being.
- Skilled workers
- Large customer Base
- Highly skilled sales forces & very efficient & wide distribution channels.
- Good reputation with a strong brand image.

### **Weakness**

- Allocation of resources such as human resource, financial resource, technical resource, physical resources and informational resources can be hard sometimes.
- The loss of late introduction of new products
- Rapidly increasing costs of skilled manpower such as regulatory compliance personnel, international business development personnel are pushing up the cost of innovation.

### **Opportunities**

- Bangladesh is currently producing different type of paper products, and the country is on the verge of achieving paper self-sufficiency.
- Bangladesh presently exports paper products to different nations, with plans to expand further next year.
- Intensive Government support.
- Gaining market share from the existing rivals by offering new innovative product.
- This industry is often favored by the government. The laws and taxes are often in their favor.

### **Threats**

- The paper industry is becoming increasingly competitive. As a result, businesses must compete in the market with the innovative products offered by other companies.
- Increasing the cost of labor, particularly basic wages, has an impact on the total cost of manufacturing and, as a result, on the selling prices of products.

**(c) Analysis of the financial statements of last five years or shorter period with reason(s) of fluctuating revenue or sales, other income, total income, cost of material, finance cost, depreciation and amortization expense, other expense, changes of inventories, net profit before & after tax, EPS etc.**

Particulars	Amount in Taka					
	31 March, 2023	30 June, 2022	30 June, 2021	30 June, 2020	30 June, 2019	30 June, 2018
Sales Revenue	328,939,031	486,123,882	456,854,170	584,096,721	573,209,686	898,261,916
Other Income	3,083,453	3,581,717	5,055,433	5,917,682	5,418,953	1,854,080
Total Income	332,470,555	489,705,599	461,909,603	590,014,403	578,628,639	900,115,996
Cost of Goods Sold	269,842,821	399,107,707	375,284,272	480,270,069	472,326,730	746,512,369
Depreciation Expenses	7,791,978	11,548,747	12,729,285	13,507,174	10,289,452	8,273,031
Amortization Expenses	6,000	8,000	8,000	8,000	8,000	8,000
Net Profit / (Loss) before Tax	<b>27,954,821</b>	<b>51,875,153</b>	<b>34,538,957</b>	<b>48,087,578</b>	<b>57,375,297</b>	<b>104,708,554</b>
Net Profit / (Loss) after Tax	<b>24,760,397</b>	<b>43,780,738</b>	<b>29,217,877</b>	<b>39,692,407</b>	<b>46,300,231</b>	<b>86,060,093</b>
Earnings Per Share-Basic	<b>0.90</b>	<b>15.64</b>	<b>10.43</b>	<b>14.18</b>	<b>16.54</b>	<b>30.74</b>

**Reason of Fluctuation:**

▪ **Sales Revenue**

30 June, 2022: Sales revenue was increased by 6.41% in 30 June, 2022 from 01 July, 2021 due to business expansion in terms of geographical footprint in sales.

30 June, 2021: Sales revenue was decreased by 21.78% in 30 June, 2021 from 01 July, 2020 due to fluctuation in market demand.

30 June, 2020: Sales revenue was increased by 1.90% in 30 June, 2020 from 01 July, 2019 due to introducing new product in product line along with existing products.

30 June, 2019: Sales revenue was decreased by 36.19% in 30 June, 2019 from 01 July, 2018 due to fluctuation in market demand.

30 June, 2018: Sales revenue was increased by 104.72% in 30 June, 2018 from 01 July, 2017 due to increase in production and introduction of new product line against business expansion.



▪ **Total Income**

When revenue was increased naturally total income was increased.

• **Cost of Goods Sold**

30 June, 2022: Cost of goods sold was increased by 6.35% in 30 June, 2022 from 01 July, 2021 due to business expansion in terms of geographical footprint in sales.

30 June, 2021: Cost of goods sold was decreased by 21.86% in 30 June, 2021 from 01 July, 2020 due to fluctuation in market demand.

30 June, 2020: Cost of goods sold was increased by 1.68% in 30 June, 2020 from 01 July, 2019 due to introducing new product in product line along with existing products.

30 June, 2019: Cost of goods sold was decreased by 36.73% in 30 June, 2019 from 01 July, 2018 due to fluctuation in market demand.

30 June, 2018: Cost of goods sold was increased by 103.83% in 30 June, 2018 from 01 July, 2017 due to increase in production and introduction of new product line against business expansion.

▪ **Financial Expenses**

The Company has taken long term loan from bank for procure of plant and machinery to increase capacity and also taken short term loan from bank to support business working capital. This expense fluctuates due to fluctuation of interest rate and loan outstanding amount.

▪ **Depreciation Expenses**

The depreciation on property, plant and equipment has increased steady on the basis of addition.

▪ **Other Expenses**

The company has incurred business administrative and selling distribution expense during the last five years which in regulars and relevant with production and sales.

▪ **Charges of Inventory**

The inventory shows, Raw-materials, packing materials, spare parts, work in process and finished goods. The company managed its inventory efficiently as a result, minimum inventory level was ensured while achieving satisfactory sales growth.

▪ **Net Profit Before Tax**

Net profit /Loss before Income Tax had changed due to change of sales volume, operational Expenses, Financial Expenses.

• **Net Profit / (Loss) after Tax**

30 June, 2022: Net profit after tax was increased by 49.84% due to business expansion in terms of geographical footprint in sales.

30 June, 2021: Net profit after tax was decreased by 26.39% due to significant increase in cost of goods sold and operating expense.

30 June, 2020: Net profit after tax was decreased by 14.27% due to significant increase in cost of goods sold and operating expense.

30 June, 2019: Net profit after tax was decreased by 46.20% due to fluctuation in market demand.

30 June, 2018: Net profit after tax was increased by 115.89% due to sales growth.

▪ **Earnings Per Share (EPS)**

EPS fluctuated due to change of net profit after tax and number of shares.

**(d) Known trends demands, commitments, events or uncertainties that are likely to have an effect on the company's business:**

There are no known trends demands, commitments, events or uncertainties that are likely to have an effect on the company's business. The business operations of the company may be affected by the following issues-

- Political unrest
- Natural disaster
- Technological change
- Increased Competition
- Government policy changes in the industry

**(e) Trends or expected fluctuations in liquidity:**

There are no trends or expected fluctuation in liquidity.

**(f) Off-balance sheet arrangements those have or likely to have a current or future effect on financial condition:**

There are no off-balance sheet arrangements those have or likely to have a current or future effect on financial condition.

“পুঁজিবাজারে বিনিয়োগ ঝুঁকিপূর্ণ। জেনে ও বুঝে বিনিয়োগ করুন”

**PART – VIII**

---

**VALUATION REPORT OF SECURITIES PREPARED BY THE ISSUE MANAGER**

---

**(a) The valuation report of securities to be offered shall be prepared and justified by the issue managers based on the financial and all other information pertinent to the issue:**

The valuation report of securities offered is prepared and justified by the issue manager, Sonali Investment Limited on the basis of the financials and all other information pertinent to the Issue.

**(b) To prepare the valuation report, the issue manager may consider all qualitative and quantitative factors which shall be explained in details with a rationale to consider such factors, the valuation methods used, sources of information and authenticity of such information:**

The issue manager considered the following all qualitative and quantitative factors to prepare the valuation report:

**Qualitative Justification:**

Some of the qualitative factors that help differentiate Web Coats PLC. from their competitors and enable them to compete successfully in the industry are as follows:

- The company has skilled and experienced management, field force and workers.
- The company equipped with modern machineries to manufacture paper products.
- The company has ensured product quality as International Standard.
- The company has strong research and development department.
- The company has proper strategic planning to develop business.
- The company has sophisticated fundamental marketing techniques.
- The company has strong distribution channels through which they can smoothly supply their products.
- Good corporate governance is prevailed in the company.

**Quantitative Justification:**

The securities valuation of Web Coats PLC. was conducted following the valuation methods as per Bangladesh Securities and Exchange Commission (Qualified Investor Offer by Small Capital Companies) Rules, 2022. The following table represents a summary of the quantitative valuation of Web Coats PLC. under different valuation methods:

**(c) While preparing the valuation report, the issue manager shall avoid exaggeration and biasness and shall exercise independence and due diligence;**

The Issue manager avoided exaggeration and biasness and exercised independence and due diligence in preparing valuation report. The valuation report of securities is prepared on the basis of the financial and all other information pertaining to the issue.

**(d) The issue manager shall, among others, consider the following methods for valuation of the securities:**

**The Issue price of BDT 10 each is justified as details below:**

<b>Method 1</b>	A.Net Asset Value (NAV) per share with revaluation	15.92
	B.Net Asset Value (NAV) per share without revaluation	12.39
<b>Method 2</b>	A. Historical Earnings based valuation (Considering market P/E)	<b>16.62</b>
	B. Historical Earnings based valuation (Considering Paper sector P/E)	<b>60.86</b>
<b>Method 3</b>	Average market price of similar stock-based valuation	<b>142.70</b>

### Method 1

The Net Asset Value (NAV) is calculated using the information from the most recently published audited financial statements on March 31, 2023. To calculate the NAV, the net assets of the company is divided by the total number of outstanding shares. Detail calculation of the valuation is given in the following table:

#### A. Net Asset Value (NAV) per share with revaluation

Particulars	Amount (in Tk.)
a) Paid -up capital	280,141,000
b) Retained earnings	67,086,220
c) Revaluation Reserve	98,890,530
<b>Total Shareholders' Equity</b>	<b>446,117,750</b>
Number of Share Outstanding as on 31March, 2023	28,014,100
<b>Net Asset Value per share with revaluation</b>	<b>15.92</b>
Source: Audited financial statement of 31March, 2023	

#### B. Net Asset Value (NAV) per share without revaluation

Particulars	Amount (in Tk.)
a) Paid -up capital	280,141,000
b) Retained earnings	67,086,220
<b>Total Shareholders' Equity</b>	<b>347,227,220</b>
Number of Share Outstanding as on 31March, 2023	28,014,100
<b>Net Asset Value per share without revaluation</b>	<b>12.39</b>
Source: Audited financial statement of 31March, 2023	

### Method 2

#### A. Historical Earnings based valuation (Considering market P/E)

The Historical Earnings Based Valuation is based on the information from audited financial statements for the period from (2018 to 2023). The historical net income after tax was used along with the number of outstanding shares of the company in the respective year was used. The Monthly Market P/E from February 2023 to April 2023 are sourced from DSE Monthly review. The Earnings-based-value per share considering average market P/E has been calculated as follows:

Year	No. of Share	Weight (%)	Profit/(Loss) after Tax	Weighted Average Net Profit after Tax
31/03/2023	28,014,100	66.68%	24,174,658	16,119,662
30/06/2022	2,800,000	6.66%	43,780,738	2,915,797
30/06/2021	2,800,000	6.66%	29,217,877	1,945,911
30/06/2020	2,800,000	6.66%	39,692,407	2,643,514
30/06/2019	2,800,000	6.66%	46,300,231	3,083,595
30/06/2018	2,800,000	6.66%	86,060,093	5,731,602
<b>Total</b>	<b>42,014,100</b>	<b>100.00%</b>		<b>32,440,082</b>
A. Weighted Average Profit after Tax				32,440,082
B. No. of shares outstanding as on 31March, 2023				28,014,100
C. EPS based on weighted Average of Net Profit after Tax				1.16
D. Overall Market P/E (Average of last 3-months)				14.32
<b>Earnings based Value per share (C*D)</b>				<b>16.62</b>

#### Calculation of Average

Particulars	January 2023	February 2023	March 2023	Average
Overall Market P/E	14.40	14.33	14.24	14.32

Source: DSE Monthly Review.

#### B. Historical Earnings based valuation (Considering Paper sector P/E)

The Historical Earnings Based Valuation is based information from audited financial statements for the period from (2018 to 2023). The historical net income after tax was used along with the number of outstanding shares of the company in the respective year was used. The Monthly Paper Sector P/E from February 2023 to April 2023 are sourced from DSE Monthly review. The Earnings-based-value per share considering average sectoral P/E has been calculated as follows:

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

Year	No. of Share	Weight (%)	Profit/(Loss) after Tax	Weighted Average Net Profit after Tax
31/03/2023	28,014,100	66.68%	24,174,658	16,119,662
30/06/2022	2,800,000	6.66%	43,780,738	2,915,797
30/06/2021	2,800,000	6.66%	29,217,877	1,945,911
30/06/2020	2,800,000	6.66%	39,692,407	2,643,514
30/06/2019	2,800,000	6.66%	46,300,231	3,083,595
30/06/2018	2,800,000	6.66%	86,060,093	5,731,602
<b>Total</b>	<b>42,014,100</b>	<b>100.00%</b>		<b>32,440,082</b>
A. Weighted Average Profit after Tax				32,440,082
B. No. of shares outstanding as on 31 March, 2023				28,014,100
C. EPS based on weighted Average of Net Profit after Tax				1.16
D. Overall Paper & Printing Sector P/E (Average of last 3-months)				52.46
<b>Earnings based Value per share (C*D)</b>				<b>60.86</b>

**Calculation of Average**

Particulars	January 2023	February 2023	March 2023	Average
Paper Sector P/E	53.14	52.36	51.89	52.46

*Source: DSE Monthly Review.*

**Method 3**

**Average market price of similar stock-based valuation**

To calculate the average market price of similar stock, closing daily price data of 4 (four) paper industries are considered for comparison. The period from May 2022 to April 2023 was taken to compute the average market price of similar stocks. After computing the average of respective pharmaceuticals, the average of their calculated market price, namely BDT 142.70 per share is considered as fair value.

Month end close price					
Sl.	Date	HAKKANIPUL	MONOSPOOL	PAPERPROC	BPML
1	April 2022	55.80	220.70	236.60	56.40
2	May 2022	52.80	187.60	188.80	52.00
3	June 2022	61.40	169.00	181.00	54.00
4	July 2022	58.70	145.30	165.20	50.90
5	August 2022	69.50	180.70	244.10	60.30
6	September 2022	69.10	230.00	233.20	88.00
7	October 2022	67.90	371.80	247.90	91.80
8	November 2022	58.50	281.90	214.90	76.30
9	December 2022	59.00	286.20	207.00	75.60
10	January 2023	54.10	259.40	180.90	84.70
11	February 2023	48.30	261.50	171.00	76.40
12	March 2023	55.90	258.90	170.90	78.30
<b>Average Price</b>		<b>59.30</b>	<b>237.80</b>	<b>203.40</b>	<b>70.20</b>
<b>Average of all</b>					<b>142.70</b>

*Source: DSE Monthly Review.*

**Average market price of similar stock-based valuation (Assumption)**

The average month end close price of Paper Industries from May 2022 to April 2023 is considered.

**Reference and explanation of similarities:**

There are 5 listed Paper Industries in the capital market. Among the listed Paper Industry we have taken into consideration 4 (Four) Paper Industry considering having more or close to the net profit of Web Coats PLC.

“পুঁজিবাজারে বিনিয়োগ ঝুঁকিপূর্ণ। জেনে ও বুঝে বিনিয়োগ করুন”

**PART - IX**

---

**DEBT SECURITIES**

---

- (a) The terms and conditions of any debt securities that the issuer company may have issued or is planning to issue within next six months, including their date of redemption or conversion, conversion or redemption features and sinking fund requirements, rate of interest payable, Yield to Maturity, encumbrance of any assets of the issuer against such securities and any other rights the holders of such securities may have:**

The company has not issued or is planning to issue any debt securities within next six months.

- (b) all other material provisions giving or limiting the rights of holders of each class of debt securities outstanding or being offered, for example: subordination provisions, limitations on the declaration of dividends, restrictions on the issuance of additional debt or maintenance of asset ratios:**

The company has not been issued any debt securities.

- (c) name of the trustee(s) designated by the indenture for each class of debt securities outstanding or being offered and describe the circumstances under which the trustee must act on behalf of the debt holders:**

The company has not issued any debt securities so there is no trustee.

- (d) repayment or redemption or conversion status of such securities:**

The company has not issued any debt securities so there is no repayment or conversion status of such securities.



“পুঁজিবাজারে বিনিয়োগ ঝুঁকিপূর্ণ। জেনে ও বুঝে বিনিয়োগ করুন”

**PART - X**

---

**PARTIES INVOLVED AND THEIR RESPONSIBILITIES**

---

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

SL	Parties Involved with the Issuer		Responsibilities
(a)	<b>Issue Manager</b>	Sonali Investment Ltd.	The issue manager will manage the issue for the Qualified Investor Offer of Web Coats PLC. securities complying the Bangladesh Securities & Exchange Commission (Qualifies Investor Offer by Small Capital Companies) Rules, 2022 including preparation and disclosures made in the prospectus and other responsibilities as mentioned in the due diligence certificate.
(b)	<b>Underwriter(s)</b>	Shahjalal Equity Management Limited	The Underwriter is responsible to underwrite the Qualified Investor Offer on a firm- commitment basis as per requirement of Bangladesh Securities and Exchange Commission (Qualified Investor Offer by Small Capital Companies) Rules 2022. In case of under- subscription by up to 25% of total Qualified Investor Offer, the unsubscribed portion of securities shall be taken up by the underwriter.
(c)	<b>Statutory Auditor</b>	FAMES & R Chartered Accountants	Auditor’s responsibility is to express an opinion on the financial statements based on their audit. An Auditor will conduct the audit in accordance with International Standards on Auditing (ISA) is responsible for obtaining reasonable assurance that the financial statements taken as a whole are free from material misstatement, whether caused by fraud and error. Owing to the inherent limitations of an audit, there is an unavoidable risk that some material misstatements of the financial statements may not be detected, even though the audit is properly planned and performed in accordance with the ISAs.
(d)	<b>Cost and Management Accountants</b>	N/A	N/A
(e)	<b>Valuer</b>	G. Kibria & Co. Chartered Accountants	Valuer’s responsibility is to discover the fair value of the asset (Land) of the company.

“পুঁজিবাজারে বিনিয়োগ ঝুঁকিপূর্ণ। জেনে ও বুঝে বিনিয়োগ করুন”

**PART - XI**

---

**MATERIAL CONTRACTS**

---

**(a) Major agreements entered into by the issuer:**

The following are material agreements have been entered into by the Company:

- 1) Issue management agreement between the company and the manager to the issue:  
Sonali Investment Limited
- 2) Underwriting agreement between the company and the underwriter:  
Shahjalal Equity Management Limited

**(b) Material parts of the agreements:**

**Issue Management**

Agreements	Material parts of the agreement	
<b>Issue Management Agreement With Sonali Investment Limited</b>	<b>Signing Date</b>	6 <sup>th</sup> December, 2022
	<b>Tenure</b>	This Agreement shall be valid until completion of subscription of shares and unless this Agreement is extended or earlier terminated in accordance with the terms of this Agreement.
	<b>Principals Terms and Conditions</b>	<p><b>I. According to Article 1.1;</b> That the COMPANY shall raise capital by issuing shares through the Capital Market in accordance with the Bangladesh Securities and Exchange Commission (Qualified Investor Offer by Small Capital Companies) Rules, 2022 under Fixed Price Method and shall provide the MANAGER in due course.</p> <p><b>II. According to Article 2.1;</b> Pre-Issue Management Services include</p> <p><b>2.1.1. Issue analysis</b></p> <ol style="list-style-type: none"> <li>a. Fixing the QIO strategy under Fixed Price method;</li> <li>b. Profitability and ratio analyses.</li> </ol> <p><b>2.1.2. Regulatory guidance</b></p> <ol style="list-style-type: none"> <li>a. Documentation and preparation of related papers;</li> <li>b. Dealings with regulatory authorities and the stock exchanges;</li> <li>c. Ensure compliance of the Bangladesh Securities and Exchange Commission (Qualified Investor Offer by Small Capital Companies) Rules, 2022, Dhaka Stock Exchange (Listing of Small Capital Companies) Regulations, 2019, Companies Act 1994, Securities and Exchange Ordinance, 1969 and other relevant rules, regulations, practices, directives, guidelines etc. or any, which may time to time introduce by Bangladesh Securities and Exchange Commission.</li> </ol> <p><b>III. According to Article 2.2;</b> Issue Management Services include</p> <p><b>2.1.1. Regulatory compliance (All formalities to be done under the Fixed Price is for QIO)</b></p> <ol style="list-style-type: none"> <li>a. Filing of application of the QIO Issue to BSEC;</li> <li>b. Preparation of Draft Prospectus;</li> <li>c. Filing of Draft Prospectus to BSEC;</li> <li>d. Incorporation of modification suggested by BSEC;</li> <li>e. Preparation of all necessary papers and deeds, agreements, declarations, certificates for submission to BSEC for making the QIO effective.</li> </ol>

	<p>2.1.2. <b>Underwriting Arrangement</b></p> <ul style="list-style-type: none"><li>a. Preparation of papers for underwriting arrangement;</li><li>b. Documentation/preparation of underwriting agreement etc.;</li><li>c. Placing of underwriting proposals.</li></ul> <p>2.1.3. <b>Issue arrangements</b></p> <ul style="list-style-type: none"><li>a. Filing of application including Draft Prospectus with all required documents to the Commission and the Exchanges with prior information to the COMPANY;</li><li>b. Documentation for listing &amp; submission.</li></ul> <p>2.1.4. <b>Issue Co-ordination</b></p> <ul style="list-style-type: none"><li>a. Fund collection and deposit;</li><li>b. Allotment of shares for Pre-Issue of the fund;</li><li>c. Guidance on RJSC formalities;</li><li>d. Guidance and coordination in Tax related issues</li></ul> <p><b>IV. According to Article 2.3,</b> Post Issue Supervision include advise and assist for Printing of Prospectus; advise and assist for Publication of Prospectus in a national daily as prescribed by Bangladesh Securities and Exchange Commission; distribution of prospectus to DSE, CSE and BSEC; monitoring for distribution mechanism of securities; monitoring of post issue and subscription procedure and compliances after subscription.</p> <p><b>V. According to Article 6.1,</b> Without prejudicing the generality of this Contract, the services of MANAGER/S are restricted to the scope of Services specified in Clause 2.</p> <p><b>VI. According to Article 6.2,</b> the COMPANY shall execute and follow the QUALIFIED INVESTOR OFFER Rule, Listing Rule of the Stock Exchanges, Company Act, Bangladesh Securities and Exchange Ordinance and Act and other relevant rules, regulations and practices in co-operation with and under the advice of the MANAGER/S to materialise Public Issue.</p> <p><b>VII. According to Article 6.3,</b> the COMPANY shall ensure engagement of professional officers/persons to provide papers, documents, reports etc. as per the requirement of the MANAGER/S and to deal with the MANAGER/S with professional expertise.</p> <p><b>VIII. According to Article 6.4,</b> That the COMPANY shall examine to execute a sole mandate to the MANAGER/S.</p>
--	---

**Underwriting**

Agreements	Material parts of the agreement	
<p><b>Underwriting Agreement With Shahjalal Equity Management Limited</b></p>	<b>Signing Date</b>	23 <sup>rd</sup> May, 2023
	<b>Tenure</b>	This Agreement shall be valid until completion of subscription of shares and unless this Agreement is extended or earlier terminated in accordance with the terms of this Agreement.
	<b>Principals Terms and Conditions</b>	<p>I. As per guideline of the Bangladesh Securities and Exchange Commission (Qualified Investor Offer by Small Capital Companies) Rules, 2022, 25% of the total Qualified Investor Offer i.e., BDT 12,500,000/- (One Point Twenty Five crore) shall have to be underwritten by the underwriter.</p> <p>II. The Underwriter shall underwrite BDT 12,500,000/- on a firm commitment basis. This commitment is irrevocable and unequivocal.</p> <p>III. In case of under-subscription up to 25% in the Qualified Investor Offer, the undersubscribed portion of securities shall be taken up by the underwriter.</p> <p>IV. The Company shall issue Ordinary Shares from highest price to lowest price, for Qualified Investor's subscription through publishing a prospectus in accordance with the consent of the Bangladesh Securities and Exchange Commission (BSEC) and the provision of this Agreement.</p> <p>V. Prior to publication of the prospectus the Company shall have to obtain a consent from the Bangladesh Securities and Exchange Commission permitting the issue as described in Article 2.01 and providing for payment of underwriting commission not exceeding 0.50% (zero-point five zero percent) on the amount underwritten and no additional commission will be paid on the amount of shares required to be subscribed by the Underwriter.</p> <p>VI. If and to the extent that the shares offered to the public by a prospectus authorized hereunder shall not have been subscribed and paid for in cash in full by the closing date, the Company shall within 10 (ten) days of the closure of subscription call upon the Underwriter in writing with a copy of the said writing to the Bangladesh Securities and Exchange Commission, to subscribe or procure subscriber to subscribe the shares not so subscribed within the closing date and to pay for in cash in full, inclusive of any premium if applicable, for such unsubscribed shares within 15 (fifteen) days after being called upon to do so. The amount so received shall be credited in the share subscription account of the Company within the said period. If payment is made by Cheque/Bank Draft by the underwriter it will be deemed that the underwriter has not fulfilled its obligation towards its underwriting commitment under this Agreement, until such time as the Cheque/Bank</p>

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

		<p>Draft has been encased and the Company's share subscription account credited. In any case within 7 (Seven) days after the expiry of the aforesaid 15 (fifteen) days, the Company shall send proof of subscription and payment by the underwriter, to the Commission.</p> <p>VII. In the case of failure by the Underwriter to pay for the shares under the terms mentioned above, the said underwriter will not be eligible to underwrite any issue, until such time as it fulfills its underwriting commitment under this Agreement and also other penalties as may be determined by the BSEC. In the case of failure by the Underwriter to pay for the shares within the stipulated time, the Company/Issuer will be under no obligation to pay any underwriting commission under this Agreement. In case of failure by the Company to call upon the underwriter for the aforementioned purpose within the stipulated time, the Company and its directors shall individually and collectively be held responsible for the consequences and/or penalties as determined by the Bangladesh Securities and Exchange Commission under the law.</p>
--	--	--

**(c) Fees payable to different parties:**

**Commission for Underwriter(s):**

<b>Sl. No.</b>	<b>Name of Parties</b>	<b>Underwriting Commission</b>
01	Shahjalal Equity Management Limited	62,500
<b>Total</b>		<b>62,500</b>

**Fees for Issue Manager:**

<b>Sl. No.</b>	<b>Name of Parties</b>	<b>Issue Management Fees</b>	<b>Fees Payable</b>
01	Sonali Investment Limited	500,000	500,000/-
<b>Total</b>		<b>500,000</b>	

“পুঁজিবাজারে বিনিয়োগ ঝুঁকিপূর্ণ। জেনে ও বুঝে বিনিয়োগ করুন”

**PART - XII**

---

**OUTSTANDING LITIGATIONS, FINE OR PENALTY**

---



**(a) The following outstanding litigations against the issuer or any of its directors and fine or penalty imposed by any authority:**

**(i) Litigation involving Civil Laws:**

There is no such litigation filed against the company or any of its directors by any authority.

**(ii) Litigation involving Criminal Laws:**

There is no such litigation filed against the company or any of its directors by any authority.

**(iii) Litigation involving Securities, Finance and Corporate Laws:**

There is no such litigation filed against the company or any of its directors by any authority.

**(iv) Litigation involving Labor Laws:**

There is no such litigation filed against the company or any of its directors by any authority.

**(v) Litigation involving Taxation (Income tax, VAT, Customs Duty and any other taxes/duties):**

No case filed against the company or any of its directors. Tax assessment has been completed under Income Tax Ordinance 1984 by appeal to Commissioner (Appeal) and Tribunal.

Accounting Year	Assessment Year	Assessment Status
2016-2017	2017-2018	Assessment Completed
2017-2018	2018-2019	Assessment Completed
2018-2019	2019-2020	Assessment Completed U/S 82BB
2019-2020	2020-2021	Assessment Completed
2020-2021	2021-2022	Assessment Under Process
2021-2022	2022-2023	Assessment Completed U/S 82BB

**(vi) Litigation involving any other Laws:**

There is no such litigation filed against the company or any of its directors by any authority.

**(b) Outstanding cases filed by the Company or any of its directors:**

**(i) Litigation involving Civil Laws:**

There is no such litigation filed against the company or any of its directors by any authority.

**(ii) Litigation involving Criminal Laws:**

There is no such litigation filed against the company or any of its directors by any authority.

**(iii) Litigation involving Securities, Finance and Corporate Laws:**

There is no such litigation filed against the company or any of its directors by any authority.

**(iv) Litigation involving Labor Laws:**

There is no such litigation filed against the company or any of its directors by any authority.

**(v) Litigation involving Taxation (Income tax, VAT, Customs Duty and any other taxes/duties):**

There is no such litigation filed against the company or any of its directors by any authority.

**(vi) Litigation involving any other Laws:**

There is no such litigation filed against the company or any of its directors by any authority.

“পুঁজিবাজারে বিনিয়োগ ঝুঁকিপূর্ণ। জেনে ও বুঝে বিনিয়োগ করুন”

**PART - XIII**

---

**DESCRIPTION OF THE ISSUE**

---

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

**(a) Issue Size:**

BDT 50,000,000/-

**(b) Number of securities to be issued:**

5,000,000 ordinary shares.

**(c) Authorized capital and paid-up capital:**

<b>CAPITAL STRUCTURE</b>				
<b>Particulars</b>	<b>Number of Securities</b>	<b>Face Value (Tk.)</b>	<b>Issue Price (Tk.)</b>	<b>Amount (Tk.)</b>
Authorized Capital	150,000,000	10.00	10.00	1,500,000,000
<b>Before QIO:</b>				
Paid-Up Capital	28,014,100	10.00	10.00	280,141,000
<b>After QIO:</b>				
To be issued through QIO	5,000,000	10.00	10.00	50,000,000
Paid-Up Capital (Post QIO)	33,014,100	10.00	10.00	330,141,000

**(d) Face value, premium and offer price per unit of securities:**

<b>Face Value Per Share</b>	BDT 10.00
<b>Premium Per Share</b>	N/A
<b>Offer Price Per Share</b>	BDT 10.00

**(e) Holding structure of different classes of securities before and after the issue:**

<b>SL No.</b>	<b>Category of Shareholders</b>	<b>Pre- QIO</b>		<b>Post- QIO</b>	
		<b>Ordinary Shares</b>	<b>Percentage</b>	<b>Ordinary Shares</b>	<b>Percentage</b>
1	Directors & Sponsors	20,414,100	72.87%	20,414,100	61.83%
2	Individual Shareholders	7,401,000	26.42%	7,401,000	22.42%
3	Institutional Shareholder	199,000	0.71%	199,000	0.60%
4	Qualified Investor (QI)	-	-	5,000,000	15.15%
<b>Total</b>		<b>28,014,100</b>	<b>100.00%</b>	<b>33,014,100</b>	<b>100.00%</b>

**(f) Objective of the issue including financing requirements and feasibility in respect of enhanced paid-up capital:**

Net proceeds from QIO will be used for loan re-payment, business expansion and QIO expenses.

<b>Sl. No.</b>	<b>Particulars</b>	<b>Amount (BDT)</b>
1	Machineries	22,250,000
2	Working Capital	10,780,000
3	Loan Repayment	14,270,000
4	QIO Expenses	2,700,000
<b>Total</b>		<b>50,000,000</b>

“পুঁজিবাজারে বিনিয়োগ ঝুঁকিপূর্ণ। জেনে ও বুঝে বিনিয়োগ করুন”

**PART - XIV**

---

**MARKETS FOR THE SECURITIES BEING OFFERED**

---

**Stock Exchanges:**

The issuer shall apply to all the relevant exchanges in Bangladesh within seven working days from the date of consent for qualified investor offer accorded by the Commission.



**Dhaka Stock Exchange Ltd.**  
9/F Motijheel C/A, Dhaka-1000



**Chittagong Stock Exchange Ltd.**  
CSE Building, 1080, Sk. Mujib Road Agrabad,  
Chittagong, Bangladesh

**Declaration about Listing of Shares with Stock Exchanges:**

None of the Stock Exchanges, if for any reason, grant listing within 75 days from the closure of subscription, any allotment in terms of this prospectus shall be void and the Company shall refund the subscription money within fifteen days from the date of refusal for listing by the stock exchange, or from the date of expiry of the said 75 (seventy-five) days, as the case may be.

In case of non-refund of the subscription money within the aforesaid fifteen days, the Company directors, in addition to the issuer company, shall be collectively and severally liable for refund of the subscription money, with interest at the rate of 2% (two percent) per month above the bank rate, to the subscribers concerned.

The issue manager, in addition to the issuer Company, shall ensure due compliance of the above mentioned conditions and shall submit compliance report there on to the Commission within seven days of expiry of the aforesaid fifteen days' time period allowed for refund of the subscription money.

**Trading and Settlement;**

Trading and Settlement Regulation of the stock exchanges will apply in respect of trading and settlement of the shares of the Company.

**THE ISSUE SHALL BE PLACED IN "N" CATEGORY**

“পুঁজিবাজারে বিনিয়োগ ঝুঁকিপূর্ণ। জেনে ও বুঝে বিনিয়োগ করুন”

**PART - XVI**

---

**APPLICATION PROCEDURE**

---

“পুঁজিবাজারে বিনিয়োগ ঝুঁকিপূর্ণ। জেনে ও বুঝে বিনিয়োগ করুন”

The QIO subscription money will be collected from qualified investors by the exchange and will be remitted to **Account No. 0032111006985 (CD A/C)** before starting trading of the securities in favor of Web Coats PLC. with **South Bangla Agriculture & Commerce Bank Limited, Nawabpur Branch**, Bangladesh for this purpose.

The QIO subscription money collected from nonresident Bangladeshi applicants in US Dollar or UK Pound Sterling or EURO shall be deposited to three FC accounts opened by the Company for QIO purpose are as follows:

S.L	Name of the A/C	Bank Account No.	Type of A/C	Currency	Bank & Branch
1.	Web Coats PLC.	0002140000137	FC A/C	USD	Shouth Bangla Agriculture & Commerce Bank Limited, Nawabpur Branch
2.		0002141000037		EURO	
3.		0002142000035		GBP	

In addition, qualified investors should follow the conditions imposed by the commission mentioned in **PART (II)** of the prospectus.

“পুঁজিবাজারে বিনিয়োগ ঝুঁকিপূর্ণ। জেনে ও বুঝে বিনিয়োগ করুন”

**PART - XVII**

---

**FINANCIAL STATEMENTS AS ON JUNE 30, 2023**

---



**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  
Web Coats PLC.  
Report on the Audit of the Financial Statements**

**Opinion**

We have audited the Financial Statements of “**Web Coats PLC.**” which comprise the Statement of Financial Position as at June 30, 2023 and Statement of Profit or Loss & Other Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the period then ended, and notes to the Financial Statements, including a summary of significant accounting policies and other explanatory information.

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 June 30, 2023 and its financial performance and its cash flows for the period then ended 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 (ISA). 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 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 informing our opinion thereon, and we do not provide separate opinion on these matters.

Risk	Revenue Recognition
<p><b>Our response to the risk</b></p> <p>We identified revenue recognition as key audit matter and a significant risk of material misstatement because of the risk related to the timing and accuracy of the recognized amounts of revenue. The total net revenue generated for the period ended was Taka 489,484,141.</p> <p>The timing of the revenue recognition and realization increases the risk of exposure of revenue to foreign exchange fluctuations.</p> <p>There is a risk that invoices may be issued to local customers or Government &amp; Non-Government Institutional customers erroneously. There is also a risk that revenue may be overstated /understated due to the timing differences.</p>	<ul style="list-style-type: none"> <li>➤ Obtaining an understanding of an 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 (if any) 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>➤ Obtaining supporting documents for sale transactions recognized during the year with the sale invoices and other relevant underlying documents.</li> </ul>

<p>We focused on this area as recognition of revenue involves significant judgment and estimates made by management including whether contracts contain multiple performance obligations which should be accounted for separately and the most appropriate method for recognition of revenue for identified performance obligations. This comprises allocation of consideration to the individual performance obligations of multi-element contracts as noted above, assessing whether performance obligations under supply and installation contracts are satisfied at a point in time or over time.</p>	<ul style="list-style-type: none"> <li>➤ We read a sample of contracts to assess whether the method for recognition of revenue was relevant and consistent with IFRS-15 and had been applied consistently. We focused on contract classification, allocation of income and cost to the individual performance obligations and timing of transfer of controls. Where a contract contained multiple elements, we considered Management's judgments as to whether they comprised performance obligations that should be accounted for separately and in such cases, challenged the judgments made in the allocation of the consideration to each performance obligation.</li> <li>➤ We evaluated and challenged the significant judgments and estimates made by management in applying the company's accounting policy to a sample specific contracts and separable performance obligations of contracts and we obtained evidence to support including details of contractual agreements, delivery records, receipts and project plans.</li> </ul>
<p><b>Please see to the Statement of profit or loss &amp; other Comprehensive Income.</b></p>	
<p><b>Valuation of Inventory</b></p>	
<p>As at June 30,2023 the reported amount of inventory is Taka164,745,673held in factory warehouse.</p> <p>On the reporting date, inventories are carried at the lower of cost and net realizable value. As such, the companies 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>➤ Inventory counts and reconciling the results have been done by the management of the company.</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 year</li> </ul>

<b>Please see note no. 6.00 to the Financial Statements</b>	
<b>Valuation of Tangible Fixed Assets</b>	
<p>The carrying value of the tangible fixed assets is Taka 266,934,999 as at June 30, 2023. The valuation of tangible fixed assets was identified as a key audit matter due to 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 tangible fixed assets 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 year and, on a sample basis, checked whether the items were procured during the year.</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 tangible fixed assets items was commenced from the date of ready to use and found the depreciation had been started accordingly.</li> </ul>
<b>Please see note no. 4.00 to the Financial Statements</b>	
<b>Revaluation Surplus</b>	
<p>As at June 30, 2023 Company has shown Taka 112,871,040 as revaluation surplus.</p> <p>Considering the risk as stated above the valuation of Land is a key audit matter to the Financial Statements.</p>	<p>Our audit included the following procedures:</p> <ul style="list-style-type: none"> <li>➤ We have collected the valuation report and physically visited the land to confirm the existence.</li> <li>➤ We also collected the relevant documents as supporting documents of land.</li> </ul>
<b>Please see note no. 11.00 to the Financial Statements</b>	
<b>Long Term Loan &amp; Short Term Loan</b>	
<p>As at June 30, 2023, the reported amount of total Term loan (Long &amp; Current portion) is Taka 52,573,981 and Short-term Borrowings is Taka 45,127,019 respectively.</p> <p>The company may face difficulties due to unfavorable movement in interest rate &amp; monetary policy that may result in short-term and cash flow crisis.</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 the proper use of loan</li> <li>➤ We verified sanction letter, loan schedule bank statements to confirm the loan outstanding and found that the balance had been reported in the Financial Statements accurately.</li> <li>➤ We checked the financial expenses and classification of loan and repayment schedule on a test basis as well.</li> <li>➤ We checked the recording date of transactions and found the recording date is in line with the loan disbursement date.</li> </ul>

<b>Please see note no. 13.00&amp;16.00 to the Financial Statements</b>	
<b>Recoverability Assessment of Trade Receivable</b>	
<p>The total amount of Account Receivable is Taka 103,357,758 at June 30,2023. There are significant large numbers of individual customers. Customers in different business segments and jurisdictions are subject to their independent business risk.</p> <p>The increasing challenges over the economy and operating environment in developing the software and sale of service during the year have increased the risks of default on receivables from the customers. In particular, in the event of insolvency of customers, the company is exposed to potential risk of financial loss when the customers fail to meet their contractual obligations in accordance with the requirements of the agreements.</p> <p>Accordingly, we identified the recoverability of receivables as a key audit matter because of the significance of receivables to company's Financial Position and because of the significant degree of management judgment involved in evaluating the adequacy of the allowance for doubtful debts.</p>	<p>Our audit procedures of assess the recoverability of trade receivables including the following:</p> <ul style="list-style-type: none"> <li>➤ Tested the accuracy of aging of receivables at year end on a sample basis;</li> <li>➤ Evaluating the Company's policy for making allowance for doubtful debts with reference to the requirements of the prevailing accounting standards;</li> <li>➤ Assessing the classification of account receivables in the debtors ageing report by comparison with sales invoice and other underlying documentation on a taste basis;</li> <li>➤ Assessed the recoverability of the debtors on a sample basis through our evaluation of management's assessment with reference to the credit profile of the customers, historical payment pattern of customers and</li> <li>➤ Inspecting subsequent bank receipts from customers and other relevant underlying documentation relating to account receivable balances at March 31, 2023.</li> </ul>
<b>Please see note no. 7.00to the Financial Statements</b>	

#### **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 1987 and other applicable laws and regulations and for such internal control as management determines is necessary to enable the preparation of Financial Statements that are free from material misstatement, whether due to fraud or error. The Companies Act, 1994 require 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 concern and using the going concern basis of accounting unless management either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the company's financial reporting process.

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

We 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 1987 and relevant notifications issues by Bangladesh Securities and Exchange Commission, we also report that:

- e) 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;
- f) 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;
- g) 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
- h) The expenditure incurred was for the purpose of the Company's business.

Date : 26 October 2023  
Place : Dhaka

Sd/-  
Fouzia Haque, FCA  
Partner  
**FAMES & R**  
Chartered Accountants  
DVC # 2310261032AS142029

WEB COATS PLC.  
STATEMENT OF FINANCIAL POSITION  
AS AT 30 JUNE 2023

Particulars	Notes	Amount in Taka	
		30-Jun-23	30-Jun-22
<b>ASSETS</b>			
<b>Non-Current Assets</b>		<b>266,958,999</b>	<b>159,265,772</b>
Property, Plant and Equipment	4.00	266,934,999	159,233,772
Intangible Assets	5.00	24,000	32,000
<b>Current Assets</b>		<b>337,071,142</b>	<b>420,873,698</b>
Inventories	6.00	164,745,673	94,075,169
Trade and Other Receivables	7.00	103,357,758	189,842,774
Advances, Deposits & Prepayments	8.00	25,552,561	30,855,071
Cash and Cash Equivalents	9.00	43,415,150	106,100,684
<b>Total Assets</b>		<b>604,030,141</b>	<b>580,139,470</b>
<b>SHAREHOLDERS' EQUITY AND LIABILITIES</b>			
<b>Shareholders' Equity</b>		<b>476,961,060</b>	<b>316,445,823</b>
Share Capital	10.00	280,141,000	28,000,000
Revaluation Surplus	11.00	112,871,040	-
Retained Earnings	12.00	83,949,020	288,445,823
<b>Non-Current Liabilities</b>		<b>36,824,134</b>	<b>8,480,184</b>
Long Term Loan Net-off Current Portion	13.00	25,006,375	-
Share Money Deposit	14.00	-	-
Deferred Tax Liability	15.00	11,817,759	8,480,184
<b>Current Liabilities</b>		<b>90,244,947</b>	<b>255,213,463</b>
Current Portion of Long Term Loan	13.00	27,567,606	-
Short Term Loan	16.00	45,127,019	228,954,769
Trade & Other Payables	17.00	395,774	485,652
Liabilities for Expenses	18.00	17,154,548	25,773,042
<b>Total Liabilities</b>		<b>127,069,081</b>	<b>263,693,647</b>
<b>Total Shareholders' Equity and Liabilities</b>		<b>604,030,141</b>	<b>580,139,470</b>
<b>Net Asset Value (NAV) per Share with revaluation</b>	i)	<b>17.03</b>	<b>113.02</b>
<b>Net Asset Value (NAV) per Share without revaluation</b>	ii)	<b>13.00</b>	<b>113.02</b>

The accounting policies and explanatory notes are an integral part of the financial statements.

Sd/-  
Chairman

Sd/-  
Managing Director

Sd/-  
Chief Financial Officer

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

Dated: 26 October 2023

Place: Dhaka

“পুঁজিবাজারে বিনিয়োগ ঝুঁকিপূর্ণ। জেনে ও বুঝে বিনিয়োগ করুন”

**WEB COATS PLC.**  
**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**  
FOR THE YEAR ENDED JUNE 30, 2023

Particulars	Notes	Amount in Taka	
		30-Jun-23	30-Jun-22
Turnover	19.00	489,484,141	486,123,882
Cost of Goods Sold	20.00	401,484,495	399,107,707
<b>Gross Profit</b>		<b>87,999,646</b>	<b>87,016,175</b>
<b>Operating Expenses</b>		<b>21,928,504</b>	<b>18,370,559</b>
Administrative Expenses	21.00	16,999,332	14,143,960
Selling and Distribution Expenses	22.00	4,929,172	4,226,599
<b>Profit from Operation</b>		<b>66,071,142</b>	<b>68,645,616</b>
<b>Add: Non-Operating Income</b>			
Other Income	23.00	2,557,027	3,581,717
<b>Non-Operating Expenses</b>			
Financial Expenses	24.00	19,702,744	20,352,180
<b>Profit Before Contribution to WPPF and Income Tax</b>		<b>48,925,425</b>	<b>51,875,153</b>
Contribution to WPPF	25.00	2,329,782	-
<b>Profit before Income Tax</b>		<b>46,595,643</b>	<b>51,875,153</b>
<b>Income Tax Expenses</b>		<b>4,972,446</b>	<b>8,094,415</b>
Current Tax	26.00	6,337,831	8,383,967
Deferred Tax	27.00	(1,365,385)	(289,552)
<b>Net Profit After Tax</b>		<b>41,623,197</b>	<b>43,780,738</b>
<b>Add: Other Comprehensive Income</b>		<b>112,871,040</b>	<b>-</b>
Revaluation Surplus during the year		117,574,000	-
Less: Deferred Tax (Income)/ Expenses Revaluation Surplus		4,702,960	-
<b>Total Comprehensive Income for the year</b>		<b>154,494,237</b>	<b>43,780,738</b>
<b>Earnings per Share (EPS)-Basic</b>	28.00	<b>1.49</b>	<b>15.64</b>
<b>Earnings per Share (EPS)-Diluted</b>	28.00	<b>1.50</b>	<b>1.60</b>

The accounting policies and explanatory notes are an integral part of the financial statements.

Sd/-  
Chairman

Sd/-  
Managing Director

Sd/-  
Chief Financial Officer

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

Dated: 26 October 2023  
Place: Dhaka



“পুঁজিবাজারে বিনিয়োগ ঝুঁকিপূর্ণ। জেনে ও বুঝে বিনিয়োগ করুন”

WEB COATS PLC.  
STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED JUNE 30, 2023

Particulars	Share Capital	Revaluation Surplus	Retained Earnings	Total
Balance as on 01 July 2021	28,000,000	-	244,665,085	272,665,085
Net profit/(loss) during the year	-	-	43,780,738	43,780,738
<b>Balance as on 01 July 2022</b>	<b>28,000,000</b>	<b>-</b>	<b>288,445,823</b>	<b>316,445,823</b>
Issuance of Share Capital	6,021,000	-	-	6,021,000
Issuance of Bonus Share	246,120,000	-	(246,120,000)	-
Addition of Revaluation Surplus	-	117,574,000	-	117,574,000
Deferred Tax (Income)/ Expenses on Revaluation Surplus	-	(4,702,960)	-	(4,702,960)
Adjustment of depreciation of Revaluation Surplus	-	-	-	-
Net profit/(loss) during the year	-	-	41,623,197	41,623,197
<b>Balance as on 30 June 2023</b>	<b>280,141,000</b>	<b>112,871,040</b>	<b>83,949,020</b>	<b>476,961,060</b>

Sd/-  
Chairman

Sd/-  
Managing Director

Sd/-  
Chief Financial Officer

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

Dated: 26 October 2023

Place: Dhaka

“পুঁজিবাজারে বিনিয়োগ ঝুঁকিপূর্ণ। জেনে ও বুঝে বিনিয়োগ করুন”

WEB COATS PLC.  
STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED JUNE 30, 2023

Particulars	Notes	Amount in Taka	
		30-Jun-23	30-Jun-22
<b>Cash Flows from Operating Activities</b>			
Cash received from Customers		575,443,285	465,786,671
Cash paid to Suppliers		(429,509,854)	(345,256,865)
Cash paid to Employees		(37,618,937)	(33,131,307)
Cash Paid to Others		(20,039,458)	(15,295,739)
<b>Cash Generated from Operation</b>		<b>88,275,036</b>	<b>72,102,760</b>
Cash received from Other Income		3,042,865	3,556,276
Income Tax paid		(5,923,301)	(8,237,908)
<b>Net Cash Generated from Operating Activities</b>		<b>85,394,600</b>	<b>67,421,128</b>
<b>Cash Flows from Investing Activities</b>			
Acquisition of Property, Plant and Equipment		(523,480)	(1,171,150)
<b>Net Cash Used in Investing Activities</b>		<b>(523,480)</b>	<b>(1,171,150)</b>
<b>Cash Flows from Financing Activities</b>			
Received Share Money Deposit		6,021,000	-
Net Payment for Financial Expenses		(22,363,919)	(20,346,483)
Net Received/(Payment) in Short term loan		(183,827,750)	16,828,985
Net Received/(Payment) in Long term loan		52,573,981	(46,466,084)
<b>Net Cash Provided from Financing Activities</b>		<b>(147,596,688)</b>	<b>(49,983,582)</b>
<b>Net Increase/(Decrease) Cash and Cash Equivalents</b>		<b>(62,725,568)</b>	<b>16,266,396</b>
Cash and Cash Equivalents at Beginning of the year		106,100,684	89,819,004
Foreign Exchange Gain/(loss)		40,034	15,284
<b>Cash and Cash Equivalents at end of the year</b>		<b>43,415,150</b>	<b>106,100,684</b>
<b>Net Operating Cash Flows Per Share (NOCFPS)</b>	<b>30.00</b>	<b>3.08</b>	<b>2.46</b>

The accounting policies and explanatory notes are an integral part of the financial statements.

Sd/-  
Chairman

Sd/-  
Managing Director  
Signed in terms of our separate report of same date annexed.

Sd/-  
Chief Financial Officer

Dated: 26 October 2023  
Place: Dhaka

## WEB COATS PLC.

### Notes, comprising significant accounting policies and other explanatory information As at and for the year ended 30 June 2023

#### 1.00 Reporting Entity:

##### 1.01 Background of the Company

The Company namely “WEB COATS LTD.” was incorporated on 15 April, 2013 vide registration no. C-108543/13 as a private limited Company in Bangladesh under the Companies Act, 1994. Subsequently the Company has changed its name with “WEB COATS PLC.” from “WEB COATS LTD.” and converted into Public Limited Company in the EGM held on dated 24th February, 2023.

##### 1.02 Registered Office of the Company

The registered office is located at 2, RK Mission Road, Motaleb Mansion, 3rd Floor, Dhaka, Bangladesh.

##### 1.03 Nature of the Business

The company is 100% export-oriented accessories and the principal activities of the company are to carry on the business of manufacturing and exporting of all kinds of Producing, Processing, Converting plant for Manufacturing of Paper & Board etc.

#### 2.00 Basis of preparation and presentation of financial statements:

##### 2.01 Statements of Compliance

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), International Financial Reporting Standards (IFRSs), The requirements of Financial Reporting Act, 2015, the Securities and Exchange Rules, 2020, the Companies Act, 1994, Income Tax Act, 2023, Value Added Tax and Supplementary Duty Act, 2012, Bangladesh Labour Act, 2006 (Amended up to 2018) and other laws and regulations are applicable for the Company.

##### 2.02 Going Concern

Management has assessed the going concern assumptions during the preparation of the financial statements of the Company. Management assess that no events or conditions give rise to doubt about the ability of the Company to continue in operation in the foreseeable future.

The Company has adequate resources to continue its operation for the foreseeable future. The current credit facilities and resources of the Company provides sufficient fund to meet the present requirements of its existing business.

##### 2.03 Accrual Basis

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

##### 2.04 Components of the Financial Statements

According to IAS 1 Presentation of Financial Statements the complete set of financial statement includes the following components:

- a) Statement of financial position as at 30 June 2023;
- b) Statement of profit or loss and other comprehensive income for the year ended 30 June 2023;
- c) Statement of changes in equity for the year ended 30 June 2023;
- d) Statement of cash flows for the year ended 30 June 2023; and
- e) Notes, comprising significant accounting policies and other explanatory information.

## 2.05 Accounting Policies & Estimates

The preparation of these financial statements is in conformity with IASs/IFRSs which require management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Estimates and underlying assumptions are reviewed on an ongoing basis and used for accounting of certain terms such as provision for expenses and depreciation.

## 2.06 Responsibility for Preparation and Presentation of Financial Statements

The Board of Directors is responsible for the preparation of Financial Statements under section 183 of the Companies Act, 1994 and in accordance with an applicable financial reporting framework.

## 2.07 Statement of Cash flows

Statement of Cash Flows has been prepared in accordance with IAS 7 Statement of Cash Flows and the cash flows from the operating activities have been presented under direct method considering the provisions of Paragraph 19 of IAS 7 which provides that "Entities are encouraged to report cash flows from operating activities using the direct method" and as per requirement of the Securities and Exchange Rules, 2020.

As per Bangladesh Securities and Exchange Commission Notification No. BSEC/CMRRCD/2006/158 /208/Admin/81 dated 08 August 2018, Cash Flows from operating activities has been reconciled with net income using the indirect method.

## 2.08 Applicable accounting standards

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

### 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 7	Financial Instruments: Disclosures;
IFRS 9	Financial Instruments
IFRS 13	Fair Value Measurement
IFRS 15	Revenue from Contracts with Customers

## 2.09 Property, Plant and Equipment:

### 2.09.1 Recognition and Measurement

All Property, Plant and Equipment (PPE) are stated at cost less accumulated

depreciation as per IAS 16 Property, Plant and Equipment. The cost of acquisition of an asset comprises of its purchase price and any directly attributable cost of bringing the asset to its working condition for its intended use inclusive of inward freight, duties and non- refundable taxes.

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 costs can be measured reliably. The day to day maintaining cost on PPE is recognized in the Statements of Profit or Loss and other Comprehensive Income as incurred.

### **2.09.2 Depreciation**

Depreciation on Property, Plant and Equipment has been computed during the year using the reducing balance method. Depreciation has been charged on addition when the related Property, Plant and Equipment are available for use as per management intention. Depreciation has charged as following rates:

Name of Assets	Rate	
	30 June 2023	30 June 2022
Land	0%	0%
Factory Building, Civil Construction and Others	2.50%	2.50%
Plant and Machinery	10%	10%
Electrical Equipment	10%	10%
Fire Equipment	10%	10%
Computer & Computer Equipment	10%	10%
Office Equipment	10%	10%
Vehicles	20%	20%
Generator	10%	10%
Deep Tubewel	10%	10%
Furniture and Fixture	10%	10%

### **2.09.3 Retirement and disposals**

An asset is derecognized on disposal or when no future economic benefits are expected from its use and subsequent disposal. Gain or loss 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 assets and is recognized as gain or loss from disposal of asset under other income in the statement of profit or loss and other comprehensive income. Depreciation has been charged on disposal assets up to the date of disposal. There is no such retirement or disposals of assets during the year.

### **2.09.4 Revaluation of Fixed Assets**

"As per IAS16: Property, Plant and Equipment paragraph 34, "the frequency of revaluations depends upon the changes in fair vales 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 of five years.

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

To comply with the above paragraph, The Company made its first valuation of Land, on 31 January 2023 by an independent valuer M/S. G. Kibria & Co. to reflect fair value (Market Approach) thereof following 'Current Cost Method' as per IFRS-13 'Fair Value Measurement'."

Particulars of Assets	Name of Valuer	Qualification of the Valuer	Date of Revaluation	Carrying amount of Assets	Value of the assets after revaluation	Revaluation Surplus in 30 June 2022
Land	M/S. G. Kibria & Co.	Chartered Accountants	31 January 2023, 30 April 2023	18,426,000	136,000,000	117,574,000
<b>Total</b>				<b>18,426,000</b>	<b>136,000,000</b>	<b>117,574,000</b>

The Company revalued its Property, Plant & Equipment (Fixed Assets) as per valuation guidelines issued by the Bangladesh Securities and Exchange Commission (BSEC) dated on 18 August 2013 clause 09 of Part A. For better understanding, a table showing below;

Name of PPE	Value at Cost as on 30 June 2022	Revalued amount as on 30 June 2022	Revaluation Surplus on 30 June 2022	Remarks
Land	18,426,000	136,000,000	117,574,000	As per (BSEC) valuation guideline dated on 18 August 2013 clause-8 Time-lag between two valuation for the same class of assets shall not be less than three years; provided that no upward revaluation of an asset shall be made within two years of its acquisition;

### 2.09.5 Impairment

The carrying amounts of all assets are reviewed at each balance sheet date to determine whether there is any indication of impairment loss. If any such indication exists, recoverable amount is estimated in order to determine the extent of the impairment loss.

For impairment test, management have considered all indicators (external and internal) and assessed that any asset mentioning in the (1) property, plant and equipment and (2) intangible assets:

7. Have not declined in market value;
8. The market interest rate has not increased;
9. No technological change has occurred;
10. No physical damage has occurred;
11. No asset become obsolescence; and
12. No asset become idle.

After considering the above indications, management have concluded that carrying amount of any asset did not exceed the market value of assets or value in use and that is why no impairment loss was recognized in the accounts.

## 2.10 Intangible Assets

### a) Recognition and measurement

Intangible assets that are acquired by the Company and have finite useful life are measured at cost less accumulated amortization and accumulated impairment loss, if any. Intangible assets are recognized as an asset if, and only if it is probable that expected future economic benefits that are attributable to the asset will flow to the Company; and the cost of the item can be measured reliably. 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.

### b) Subsequent cost

Subsequent expenditure on intangible assets is capitalized only if it is probable that it will increase the future economic benefits associated with the specific asset.

### c) De recognition

Intangible assets are derecognized from the statement of financial position on disposal or when no future economic benefits are expected from their use or disposal. The gain or loss arising from the de recognition of an intangible asset is recognized in profit or loss at the time of de recognition.

### d) Amortization

Intangible assets are amortized on straight line method from the date when asset is available for use over its estimated useful life. The amount of amortization has been presented under the Statement of Profit or Loss and Other Comprehensive Income.

Rate of amortization on software is as under:

Items	30 June 2023	30 June 2022
Software	10%	10%

## 2.11 Borrowing Costs

Interest and other cost incurred in the Company in connection with the borrowing of fund are recognized as expenses in the year in which they are incurred unless such borrowings cost related to acquisition/construction of assets in progress that are required to capitalized as per IAS 23 Borrowing Costs.

## 2.12 Revenue from Contracts with Customers

Income arising in the course of an entity's ordinary activities is Revenue.

IFRS 15 Revenue from Contracts with Customers says that, an entity recognizes revenue by applying the following five steps:

- vi) Identify the contract with customers,
- vii) Identify the performance obligations,
- viii) Determine the transaction price,
- ix) Allocate the transaction price to the performance obligations in the contract,
- x) Recognize revenue when (or as) entity satisfies performance obligation.

## 2.13 Valuation of Current Assets:

### Trade and Other Receivables

These are carried forward at their original invoiced value amount and represents net realizable value. Management considered the entire bills receivable as good and is collectable and therefore, no amount has been provided for as bad debt in the current period's account.

### Inventories

In compliance with the requirements of IAS 2 Inventories, the Inventories have been valued at Cost or Net Realizable value whichever is lower, which is consistent with the

previous year's practice. Net realizable value is based on estimated selling price in the ordinary course of business less any further costs expected to be incurred to make the sales. The company did not pledge any inventories such as raw materials in taking of long-term loan.

#### **Advances, Deposits and Prepayments**

Advances are initially measured at cost. After initial recognition, advances are carried at cost less deductions, adjustments or charges to other account heads such as PPE or inventory or expenses. Deposits are measured at payment value without any adjustment for time value.

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

#### **Cash and Cash Equivalents:**

Cash and cash equivalents comprises cash in hand, cash at bank and other short term deposits which are available for use by the Company without any restriction.

### **2.14 Provisions**

In accordance with the guidelines as prescribed by IAS 37 provisions shall be recognized when

- an entity has a present obligation (legal or constructive) as a result of a past event;
- it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
- a reliable estimate can be made of the amount of the obligation.

### **2.15 Employee Benefit**

The company maintains Short Term Employee Benefits as per IAS 19 Employee Benefits. The cost of employee benefit is charged of as revenue expenditure in the year to which the contributions relate.

The Company's employee benefits include the following:

#### **a) Short Term Employee Benefits**

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

### **2.16 Functional and Presentational Currency**

The Financial Statements are prepared in Bangladeshi Taka which is the Company's functional currency.

### **2.17 Income Tax:**

#### **Current Tax**

Current tax is the expected tax payable on the taxable income for the financial year, using tax rates enacted or subsequently enacted after the reporting date and any adjustment to tax payable in respect of previous years. Provision for taxation is calculated on the basis of applicable current tax rate as per IT Act, 2023.

#### **Deferred Tax**

The Company recognized deferred tax as per IAS 12 Income Taxes. Deferred tax is recognized for all temporary timing difference arising between the carrying value of assets and liabilities and its tax base values. The rate prevailing at the Financial Position date is used for determine the deferred tax.



## 2.18 Foreign Currency Transaction

Foreign currency transactions are translated into Bangladeshi Taka at the exchange rates ruling at the transaction dates according to IAS 21: "The Effect of Changes in Foreign Exchange Rates". Monetary assets and liabilities denominated in the foreign currencies are translated at prevailing rates on the balance sheet (financial position) date. Non-monetary assets and liabilities denominated in foreign currencies, which are related at historical cost, are translated into Bangladesh Taka at the exchange date ruling at the date of transactions. Foreign exchange fluctuation gain/losses are charged to the statement of profit or loss and other comprehensive Income for the respective period.

## 2.19 Earnings Per Share

The Company calculates its Earnings per Share (EPS) in accordance with IAS 33 Earnings per Share which has been shown on the face of the Statement of profit or loss and other comprehensive income.

### Basic Earnings

This represents profit or loss at the end of the year attributable to ordinary shareholders of the entity.

### Earnings Per Share

This has been calculated by dividing profit or loss attributable to ordinary shareholders of the entity by the weighted average number of ordinary shares outstanding during the year.

## 2.20 Financial Instruments

A financial instrument is any contract that gives rise to a financial asset to one entity and a financial liability or equity instrument to another entity as per IFRS 9 Financial Instruments.

### Financial Assets

Financial assets of the Company include cash and cash equivalents, equity instrument to another entity, trade receivables and other receivables. The Company initially recognizes a financial asset in its statement of financial position when, and only when, the Company becomes a party to the contractual provision of the instrument. The Company derecognize a financial asset when, and only when; the contractual rights to the cash flows from the financial asset expire or transfer the contractual rights to receive the cash flows of the financial asset.

### Financial Liabilities

The Company initially recognizes a financial liability in its statement of financial position when, and only when, the Company becomes a party to the contractual provision of the instrument. The Company derecognizes a financial liability from its statement of financial position when, and only when, it is extinguished, that is when the obligation specified in the contract is discharged or cancelled or expires.

## 2.21 Events after the Reporting Period

In compliance with the requirements of IAS 10 Events after the Reporting Period, events after the reporting period are those events, favorable and unfavorable, that occur between the end of the reporting period and the date when the Financial Statements are authorized for issue. Two types of events can be identified:

Adjusting Events - those that provide evidence of conditions that existed at the end of the reporting period.

Non-adjusting Events- those that are indicative of conditions that arose after the reporting period.

## 2.22 Related Party Disclosures

The Company carried out a number of transactions with related parties in the normal course of business and on arms' length basis. The information as required by IAS 24 Related Party.

## 2.23 Risk exposure

### Market risks

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

The Company is exposed to currency risk as most of the capital goods, machineries to be imported from outside Bangladesh, and will be invoiced in foreign currency.

### Credit risks

Credit risk is the risk of a financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. Credit risk mainly arises from trade receivables, interest receivables, advances and prepayments and cash at bank.

Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis.

### Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulties in meeting the obligation associated with its financial liabilities that are settled by delivering cash or other financial asset. The company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under normal and stressed conditions, without incurring unacceptable losses or risking damage to the company's reputation.

The company's aim to maintain the level of its cash and cash equivalents at amounts in excess of expected cash outflows on financial liabilities. The company also monitors the level of expected cash inflows on trade receivables together with expected cash outflows on trade and other payables.

### Interest Rate Risks:

When interest rate fluctuates, it causes interest risk. Companies who have debt financing are exposed to this risk highly.

### Economic and Political risks:

This risk can be described as the likelihood that an investment will be affected by macroeconomic conditions such as government regulation, exchange rates, or political stability. In other words, while financing a project, the risk that the output of the project will not produce adequate revenues for covering operating costs and repaying the debt obligations. In a nutshell, economic risk refers to the risk that a venture will be economically unsustainable due to various reasons.

## 2.24 Measurement of Fair Values

When measuring the fair value of an asset or a liability, the company uses market observable data as far as possible. Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

a) Level 1: quoted prices (unadjusted) in active markets for identical assets or

liabilities.

- b) Level 2: inputs other than quoted prices included in level 1 that are observable for asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).
- c) Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability might be categorized in different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement. The Company recognizes transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

## **2.25 VAT**

As an 100% export-oriented industry, VAT is liable to determine 0% as per Value Added Tax and Supplementary Duty Act 2012.

## **2.26 Right Of use Assets (ROU)**

The company follows IFRS 16 guidelines for recognizing right-of-use (ROU) assets at the commencement date of lease agreements, which is when the underlying asset becomes available for use. ROU assets are initially measured at cost, which includes the cost of the asset itself, adjusted for any lease payments made at or before the commencement date, and less any accumulated depreciation and impairment losses.

The company assessed of all lease contracts, with a specific focus on those involving assets of low value and came up with the decision that no ROU requires to be recognized. In accordance with paragraph 5 of IFRS 16, the management considers this lease agreement as a "low-value lease" and has chosen to recognize the monthly lease payments as expenses in line with paragraph 6 of the standard. This decision aligns with the exemption provided for leases of low-value assets under IFRS 16.

## **3.00 Additional Information on Financial Statements:**

### **3.01 Authorization date for issuance of Financial Statements**

The Financial Statements have been authorized by the Board of Directors 26 October 2023.

### **3.02 Comparative Information**

Comparative information has been disclosed in the respect of previous year for all numeric information in the Financial Statements and also the narrative and descriptive information where it is relevant for understanding of the current period's financial statement.

### **3.03 General**

- iii) The figure has been rounded off to the nearest integer.
- iv) The Financial Statements have been prepared covering the period from 01 July 2022 to 30 June 2023.

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

		<b>Amount in Taka</b>	
		<b>30 Jun 2023</b>	<b>30 Jun 2022</b>
<b>4.00 Property, Plant and Equipment</b>			
Property, Plant and Equipment (At Cost)	4.01	149,360,999	159,233,772
Property, Plant and Equipment (At Revaluation)	4.02	117,574,000	-
<b>Balance</b>		<b>266,934,999</b>	<b>159,233,772</b>
<b>4.01 Property, Plant and Equipment</b>			
Opening Balance		230,358,017	229,186,867
Add: Addition during the year		523,480	1,171,150
<b>Total Assets Value at Cost</b>		<b>230,881,497</b>	<b>230,358,017</b>
<b>Accumulated Depreciation</b>			
Opening Balance		71,124,245	59,575,498
Add: Depreciation charged during the year		10,396,253	11,548,747
<b>Total Accumulated Depreciation</b>		<b>81,520,498</b>	<b>71,124,245</b>
<b>Written Down Value</b>		<b>149,360,999</b>	<b>159,233,772</b>
The Details of the above is given in "Annexure - A"			
<b>4.02 Property, Plant and Equipment (At Revaluation)</b>			
<b>Revaluation</b>			
Opening Balance		-	-
Addition during the year		117,574,000	-
<b>Closing balance</b>		<b>117,574,000</b>	-
<b>Accumulated Depreciation</b>			
Opening Balance		-	-
Depreciation charged during the year		-	-
<b>Closing balance</b>		-	-
<b>Written Down Value</b>		<b>117,574,000</b>	-
The Details of the above is given in "Annexure - A"			
M/S. G. Kibria & Co. Chartered Accountants, Dhaka, Bangladesh, revalued the Land as valuer as at 30 June 2022 at 'Current Cost Accounting Method (CCA)'. Due to this revaluation, a net revaluation surplus amounting to Tk. 117,574,000 arisen.			
<b>5.00 Intangible Assets</b>			
Opening Balance		80,000	80,000
Add: Addition during the year		-	-
<b>Closing balance</b>		<b>80,000</b>	<b>80,000</b>
<b>Accumulated Amortization</b>			
Opening Balance		48,000	40,000
Add: Amortization charged during the year		8,000	8,000
<b>Closing balance</b>		<b>56,000</b>	<b>48,000</b>
<b>Written Down Value</b>		<b>24,000</b>	<b>32,000</b>
The Details of the above is given in "Annexure - B"			
<b>6.00 Inventories</b>			
Raw Materials	<b>20.01</b>	147,975,922	72,409,126
Work in progress	<b>20.00</b>	7,025,474	7,269,122
Finished Goods	<b>20.00</b>	9,421,457	13,871,801
Spare Parts	<b>20.03</b>	322,820	525,120
<b>Balance</b>		<b>164,745,673</b>	<b>94,075,169</b>
<b>7.00 Trade and Other Receivables</b>			
Trade Receivables	<b>7.01</b>	103,235,177	189,194,321
Other Receivables	<b>7.02</b>	122,581	648,453
<b>Closing Balance</b>		<b>103,357,758</b>	<b>189,842,774</b>

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

**7.01 Trade Receivables**

Opening Balance	189,194,321	168,857,110
Add: Export sales during the year	489,484,141	486,123,882
	<b>678,678,462</b>	<b>654,980,992</b>
Less: Realized during the year	575,443,285	465,786,671
<b>Balance</b>	<b>103,235,177</b>	<b>189,194,321</b>

The details of Trade Receivables have been shown in Annexure-C

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

Particulars	Amount in Taka	
	30-Jun-23	30-Jun-22
i) Receivables considered good and in respect of which the company is fully secured.	103,357,758	189,842,774
ii) Receivables considered good for which the company holds no security other than the debtor's personal security.	-	-
iii) Receivables considered doubtful or bad.	-	-
iv) Receivables due by directors 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	-	-
v) Receivables due by companies under the same	-	-
vi) The maximum amount due by directors or other officers of the company at any time during the year.	-	-
<b>Total</b>	<b>103,357,758</b>	<b>189,842,774</b>

**Aging of Trade & Others Receivables**

Less than Six Month	103,357,758	189,842,774
More than Six Month	-	-
<b>Balance</b>	<b>103,357,758</b>	<b>189,842,774</b>

**7.02 Other Receivables**

Market to Market Gain/(Loss)	48,581	44,551
Interest Receivables from FDR and SND Accounts	74,000	603,902
<b>Balance</b>	<b>122,581</b>	<b>648,453</b>

**8.00 Advances, Deposits & Prepayments**

Advance To Employees	760,500	1,125,420
Security Deposit to PBS (Palli Bidyut Samity)	1,291,732	1,291,732
Advance against Office Rent	100,000	100,000
L/C Margin	11,026,124	7,905,236
Advance Income Tax	<b>8.01</b> 10,233,940	18,679,781
Prepaid Insurance	<b>8.02</b> 2,140,265	1,752,902
<b>Balance</b>	<b>25,552,561</b>	<b>30,855,071</b>

**8.01 Advance Income Tax**

Opening Balance	18,679,781	11,641,780
Add: Tax Paid for the assessment year 2018-2019	-	136,042
Add: Tax Paid for the assessment year 2020-2021	-	1,063,865
Add: Tax Paid for the assessment year 2022-2023	146,059	-
Add: Tax Paid at the time of Car Fitness Renewal	187,500	217,500

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

Add: AIT during the year	-	4,158,487
Add: AIT against FDR Interest Income	680,856	348,081
Add: AIT at the time of Export proceed realized	4,908,886	2,313,933
	<b>24,603,082</b>	<b>19,879,688</b>
Less: Adjustment for the assessment year 2018-2019	-	136,042
Less: Adjustment for the assessment year 2020-2021	7,185,082	1,063,865
Less: Adjustment for the assessment year 2022-2023	7,184,060	-
<b>Closing Balance</b>	<b>10,233,940</b>	<b>18,679,781</b>

**8.02 Prepaid Insurance**

Prepaid Insurance (Fire)	8.02.01	2,053,363	1,752,902
Prepaid Insurance (Raw Material)	8.02.02	86,902	-
<b>Closing Balance</b>		<b>2,140,265</b>	<b>1,752,902</b>

**8.02.01 Prepaid Insurance (Fire)**

Opening Balance	1,752,902	3,116,891
Add: Paid during the year	2,237,246	2,037,609
	3,990,148	5,154,500
Less: Adjustment during the year	1,936,785	3,401,598
<b>Closing Balance</b>	<b>2,053,363</b>	<b>1,752,902</b>

**8.02.02 Prepaid Insurance (Raw Material)**

Opening Balance	-	-
Add: Paid during the year	149,031	-
	149,031	-
Less: Adjustment during the year	62,129	-
<b>Closing Balance</b>	<b>86,902</b>	<b>-</b>

**The Classification of Advance as required by the Schedule XI, Part I, Para 6 of the Companies Act, 1994 are given below:**

Particulars	30-Jun-23	30-Jun-22
Advances, deposits & prepayments considered good and in respect of which the company is fully secured.	-	-
Advances, deposits and prepayments considered good for which the company holds no security other than the	24,792,061	29,729,651
Advances, deposits & prepayment considered doubtful or	-	-
Advances, deposits & prepayments 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.	760,500	1,125,420
Advances, deposits & prepayments due by companies under the same management.	-	-
The maximum amount due by directors or other officers of the company at any time during the year.	-	-
<b>Total</b>	<b>25,552,561</b>	<b>30,855,071</b>

**9.00 Cash and Cash Equivalents**

Cash in hand	330,716	375,992
Cash at Bank	9.02	43,084,434
<b>Total</b>	<b>43,415,150</b>	<b>105,724,692</b>
		<b>106,100,684</b>

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

**9.01 Cash at Bank**

FDR in Southeast Bank Ltd., A/c No. -0120	-	36,756,034
FDR in Southeast Bank Ltd., A/c No. -0125	-	14,811,571
FDR in Southeast Bank Ltd., A/c No. -0127	-	14,935,492
FDR in Southeast Bank Ltd., A/c No. -0175	2,009,395	1,951,247
FDR in Southeast Bank Ltd., A/c No. -0261	-	9,248,834
FDR in Southeast Bank Ltd., A/c No. -0265	-	5,475,438
FDR in Southeast Bank Ltd., A/c No. -0581	-	6,855,563
FDR in Southeast Bank Ltd., A/c No. -0752	-	-
FDR in IDLC, A/c No. -14601	1,500,000	-
United Commercial Bank Limited., A/c No. -6212	14,607	528,714
United Commercial Bank Limited., A/c No. -0707	7,906	1,248
Bank Asia Ltd., A/c No. -0010 (US DOLLAR)	-	265,246
Bank Asia Ltd., A/c No. -0034 (US DOLLAR)	226,920	197,262
Bank Asia Ltd., A/c No. -0910	24,206	564
Southeast Bank Ltd., A/c No. -0157	569,896	7,785,976
Mercantile Bank Ltd., A/c No. -6721 (Old-7112)	313	2,010
City Bank Ltd., A/c No. -36001	364	1,277
Eastern Bank Ltd., A/c No. -97097	-	298
Eastern Bank Ltd., A/c No. -95882	55,057	-
SBAC Bank Limited, A/c No. -06396	10,252	-
SBAC Bank Limited, A/c No. -00467	34,284,668	-
Southeast Bank Ltd., A/c No. -00004 (US DOLLAR)	2,608,455	1,954,961
Southeast Bank Ltd., A/c No. -00001 (US DOLLAR)	1,772,395	4,952,957
<b>Total</b>	<b>43,084,434</b>	<b>105,724,692</b>

**10.00 Share Capital**

**10.01 Authorized Share Capital**

150,000,000 Ordinary Shares of Taka 10/- each.	1,500,000,000	50,000,000
	<b>1,500,000,000</b>	<b>50,000,000</b>

**10.02 Issued, Subscribed, Called-up and Paid-up Share Capital**

28,00,000 Ordinary Shares of Tk 10/- each fully paid-up	28,000,000	28,000,000
6,02,100 Ordinary Shares of Tk. 10/- Each Fully Paid-Up Cash 20	6,021,000	-
2,46,12,000 Ordinary Shares of Tk. 10/- each issued as fully paid-up bonus shares	246,120,000	-
	<b>280,141,000</b>	<b>28,000,000</b>

The shareholding position of the company are as under:

Names	Designation	No. of shares	Amount in Taka	
			30-Jun-23	30-Jun-22
Md. Reza-E-Selim	Managing Director	5,853,000	58,530,000	7,000,000
Sonali Reza	Chairman	6,853,000	68,530,000	7,000,000
Rahat Reza Omi	Director	5,853,000	58,530,000	7,000,000
Jhinu Enterprise (PVT) Ltd.	Director	1,855,100	18,551,000	7,000,000
Others	Shareholder	7,600,000	76,000,000	-
<b>Total</b>		<b>28,014,100</b>	<b>280,141,000</b>	<b>28,000,000</b>

**11.00 Revaluation Surplus**

Opening Balance	-	-
Add: Addition during the year	117,574,000	-
<b>Revaluation Surplus</b>	<b>117,574,000</b>	<b>-</b>
Deferred Tax (Income)/ Expenses on Revaluation Surplus (Note	4,702,960	-
Less: Adjustment of depreciation of Revaluation Surplus	-	-
<b>Net balance of revaluation surplus</b>	<b>112,871,040</b>	<b>-</b>

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

<b>12.00 Retained Earnings</b>			
Opening Balance		288,445,823	244,665,085
Less: Issuance of Bonus Share		246,120,000	-
Add: Addition during the year		41,623,197	43,780,738
<b>Closing Balance</b>		<b>83,949,020</b>	<b>288,445,823</b>
<b>13.00 Long Term Loan Net-off Current Portion</b>			
Southeast Bank Limited	<b>13.01</b>	45,847,075	-
IDLC Finance Limited	<b>13.02</b>	6,726,906	-
<b>Total Outstanding Balance</b>		<b>52,573,981</b>	-
Less: Current Portion of Long Term Loan		27,567,606	-
<b>Long Term Loan Net-off Current Portion</b>		<b>25,006,375</b>	-
<b>13.01 Southeast Bank Limited</b>			
Opening Balance		-	46,466,084
Add: Addition during the year		49,582,000	-
Less: Adjustment during the year		3,734,925	46,466,084
<b>Total Outstanding Balance</b>		<b>45,847,075</b>	-
Less: Current Portion of Long Term Loan		24,217,125	-
<b>Long Term Loan Net-off Current Portion</b>		<b>21,629,950</b>	-
<b>Details of Bank Loan:</b>			
Bank Name		: Southeast Bank Limited	
Branch		: Malibagh Branch	
Sanction Amount		: 4.96 Crore	
Purpose		: Working Capital Adjustment.	
Sanction date		: 23-03-2023	
Securities		: 23 Decimal Project Land with RCC framed Shed Building.	
Interest Rate		: 9% Revised from time to time .	
<b>13.02 IDLC Finance Limited</b>			
Opening Balance		-	-
Add: Addition during the year		10,000,000	-
Less: Adjustment during the year		3,273,094	-
<b>Total Outstanding Balance</b>		<b>6,726,906</b>	-
Less: Current Portion of Long Term Loan		3,350,481	-
<b>Long Term Loan Net-off Current Portion</b>		<b>3,376,425</b>	-
<b>14.00 Share Money Deposit</b>			
Opening balance		-	-
Add: Deposit during the year		6,021,000	-
		<b>6,021,000</b>	-
Less: Allotment during the year		6,021,000	-
<b>Closing balance</b>		<b>-</b>	<b>-</b>
<b>15.00 Deferred Tax Liability</b>			
Deferred Tax Liability Excluding Revaluation Surpl	<b>15.01</b>	7,114,799	8,480,184
Deferred Tax Liability on Revaluation Surplus	<b>15.02</b>	4,702,960	-
<b>Total</b>		<b>11,817,759</b>	<b>8,480,184</b>
<b>15.01 Deferred Tax Liability Excluding Revaluation Surplus</b>			
Written down value as (Accounting Base)		149,384,999	159,265,772
Written Down value as (Tax Base)		90,095,010	97,591,706
<b>Temporary Difference</b>		<b>59,289,989</b>	<b>61,674,066</b>
Exemption of income @ 50% (Para 28, Part-A, Sixth Schedule, ITO 1984)		-	30,837,033
Effective Tax Rate		12.00%	27.50%
<b>Deferred Tax Liability</b>		<b>7,114,799</b>	<b>8,480,184</b>



**15.02 Deferred Tax Liability on Revaluation Surplus**

Asset Name	WDV 30 Jun 2023	Rate	Deferred Tax Liability	
			30-Jun-23	30-Jun-22
Land	117,574,000	4.00%	4,702,960	-
<b>Total</b>	<b>117,574,000</b>		<b>4,702,960</b>	<b>-</b>
Less: Opening Deferred Tax Liability			-	-
<b>Deferred Tax (Income)/ Expenses</b>			<b>4,702,960</b>	<b>-</b>

**16.00 Short Term Loan**

Southeast Bank Ltd.-Bank Overdraft	-	9,890,408
Southeast Bank Ltd.-Bank Overdraft WCSP	12,177,127	20,017,778
Southeast Bank Ltd.-Time Loan	11,773,625	7,757,440
Southeast Bank Ltd.-LTR	-	194,587,465
SBAC Bank Ltd.- IDBP	21,781,003	-
	<b>45,731,755</b>	<b>232,253,091</b>
Less: Interest Payable	604,736	3,298,322
<b>Total</b>	<b>45,127,019</b>	<b>228,954,769</b>

**17.00 Trade & Other Payables**

Trade Payable	353,645	485,652
Others Payables	42,129	-
<b>Total</b>	<b>395,774</b>	<b>485,652</b>

**18.00 Liabilities for Expenses**

Wages, Salary & Allowances	2,477,440	2,454,983
Directors Remuneration	100,000	100,000
Factory Utility Bills	475,233	788,045
Office Rent	35,000	35,000
VAT on Office Rent	63,000	58,500
Utilities bills	12,747	13,682
Interest Payable on Loan	<b>18.01</b> 637,147	3,298,322
Income Tax Payable	<b>18.04</b> 10,924,199	18,955,510
Provision for WPPF	<b>18.05</b> 2,329,782	-
Audit Fees including VAT	100,000	69,000
<b>Total</b>	<b>17,154,548</b>	<b>25,773,042</b>

**18.01 Interest Payable on Loan**

Long Term Loan	<b>18.02</b> 32,411	-
Short Term Loan	<b>18.03</b> 604,736	3,298,322
<b>Total</b>	<b>637,147</b>	<b>3,298,322</b>

**18.02 Interest Payable on Long Term Loan**

Southeast Bank Limited	18.02.01	9,821	-
IDLC Finance Limited	18.02.02	22,590	-
<b>Total</b>		<b>32,411</b>	<b>-</b>

**18.02.01 Southeast Bank Limited**

Opening Balance	-	443,283
Add: Charge for the year	797,075	1,903,064
Add: Accrued Interest Charge	9,821	-
	<b>806,896</b>	<b>2,346,347</b>
Less: Payment during the year	797,075	2,346,347
<b>Closing Balance</b>	<b>9,821</b>	<b>-</b>

**18.02.02 IDLC Finance Limited**

Opening Balance	-	-
Add: Charge for the year	1,042,718	-
	<b>1,042,718</b>	-
Less: Payment during the year	1,020,128	-
<b>Closing Balance</b>	<b>22,590</b>	-

**18.03 Interest Payable on Short Term Loan**

Opening Balance	3,298,322	2,849,342
Add: Charge for the year	17,853,130	18,449,116
	<b>21,151,452</b>	<b>21,298,458</b>
Less: Payment during the year	20,546,716	18,000,136
<b>Closing Balance</b>	<b>604,736</b>	<b>3,298,322</b>

**18.04 Income Tax Payable**

Opening Balance	18,955,510	11,771,450
Add: Charge for the year	<b>26.00</b> 6,337,831	8,383,967
	<b>25,293,341</b>	<b>20,155,417</b>
Less: Adjustment for the assessment year 2018-2019	-	136,042
Less: Adjustment for the assessment year 2020-2021	7,185,082	1,063,865
Less: Adjustment for the assessment year 2022-2023	7,184,060	-
<b>Closing Balance</b>	<b>10,924,199</b>	<b>18,955,510</b>

**18.05 Provision for WPPF**

Opening balance	-	-
Add: Addition during the year	<b>25.00</b> 2,329,782	-
	<b>2,329,782</b>	-
Less: Payment during the year	-	-
<b>Closing balance</b>	<b>2,329,782</b>	-

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

		Amount in Taka	
		30 Jun 2023	30 Jun 2022
<b>19.00</b>	<b>Turnover</b>		
	Export	489,484,141	486,123,882
	<b>Total</b>	<b>489,484,141</b>	<b>486,123,882</b>
<b>20.00</b>	<b>Cost of Goods Sold</b>		
	Raw materials consumed	<b>20.01</b> 349,257,345	334,842,727
	Manufacturing Overhead	<b>20.02</b> 47,901,702	45,289,425
	<b>Cost of Manufacturing Overhead</b>	<b>397,159,047</b>	<b>380,132,152</b>
	Add: Opening Work in process	7,269,122	19,535,792
	Less: Closing Work in process	7,025,474	7,269,122
	<b>Cost of goods Manufactured</b>	<b>397,402,695</b>	<b>392,398,822</b>
	Add: Finished goods - Opening	13,871,801	20,916,926
	Less: Sample Expenses	368,544	336,240
	Less: Finished goods - Closing	9,421,457	13,871,801
	<b>Total</b>	<b>401,484,495</b>	<b>399,107,707</b>
<b>20.01</b>	<b>Raw Materials Consumed</b>		
	Opening Balance	72,409,126	50,831,310
	Add: Purchase during the year	424,824,141	356,420,543
	<b>Raw materials available for production</b>	<b>497,233,267</b>	<b>407,251,853</b>
	Less: Closing balance	147,975,922	72,409,126
	<b>Raw materials consumed</b>	<b>349,257,345</b>	<b>334,842,727</b>
<b>20.02</b>	<b>Manufacturing Overhead</b>		
	Wages, Salaries and Allowances	18,840,595	17,337,925
	Festival Bonus	2,677,379	1,461,173
	Factory Utility Bills	8,517,712	6,453,398
	Tiffin Allowance	490,004	405,594
	Postage & Stamp	232,864	216,367
	Printing & Stationery Expenses	92,121	78,274
	Spare Parts	<b>20.03</b> 1,677,247	1,557,211
	Power and Fuel	1,299,083	1,241,563
	Fire Insurance	1,936,785	3,401,598
	Conveyance	187,445	170,837
	Freight, C & F Charges	1,817,552	1,779,594
	Medical Expenses	94,084	84,481
	Telephone and Mobile Bill	90,254	83,070
	Repairs & Maintenance	63,695	59,175
	Miscellaneous Expenses	112,404	103,343
	Depreciation	9,772,478	10,855,822
	<b>Total</b>	<b>47,901,702</b>	<b>45,289,425</b>
<b>20.03</b>	<b>Spare Parts Consumed</b>		
	Opening Balance	525,120	652,641
	Add: Purchase during the year	1,474,947	1,429,690
		<b>2,000,067</b>	<b>2,082,331</b>
	Less: Closing balance	322,820	525,120
	<b>Spare Parts Consumption</b>	<b>1,677,247</b>	<b>1,557,211</b>
<b>21.00</b>	<b>Administrative Expenses</b>		
	Salaries and Allowances	10,241,935	9,643,500
	Festival Bonus	1,459,001	801,830
	Directors Remuneration	1,200,000	1,200,000
	Board Meeting Fee	32,000	14,000
	Office Rent	483,000	448,500
	Service Charge	191,535	192,589

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

Phone, Fax and Internet Bill	64,431	15,741
Postage & Stamps	19,602	17,270
Printing & Stationery	112,775	101,316
Registration & Renewal	1,341,245	60,306
Travelling and Conveyance	110,216	92,681
Entertainment	78,138	62,579
Utility Bills	127,704	107,117
Audit Fees including VAT	200,000	69,000
Professional Fees	50,000	50,000
Miscellaneous Expenses	483,822	470,665
Fuel, Oil and Lubricants	117,383	106,233
Repairs & Maintenance	96,731	95,893
Bank Charge	165,964	124,790
Amortization of Intangible Assets	8,000	8,000
Depreciation	415,850	461,950
<b>Total</b>	<b>16,999,332</b>	<b>14,143,960</b>

**22.00 Selling and Distribution Expenses**

Salaries and Allowances	3,106,745	2,668,710
Festival Bonus	448,659	231,404
Advertisement	4,500	5,693
Tours and Travelling Expenses	89,610	79,452
Sample Expenses	368,544	336,240
Delivery Expenses	52,315	54,049
Mobile Bill	27,620	24,422
Printing & Stationery	27,473	24,567
Conveyance	64,442	57,003
Entertainment	22,378	23,276
Miscellaneous Expenses	44,344	36,871
Repairs & Maintenance	25,385	20,129
Fuel, Oil and Lubricants	79,478	65,212
Business Development	359,754	368,596
Depreciation	207,925	230,975
<b>Total</b>	<b>4,929,172</b>	<b>4,226,599</b>

**23.00 Other Income**

Interest Income	2,388,344	3,486,216
Gain/(Loss) on foreign currency exchange rate change	168,683	95,501
<b>Total</b>	<b>2,557,027</b>	<b>3,581,717</b>

**24.00 Financial Expenses**

Interest on Long Term Loan	<b>18.02</b>	1,849,614	1,903,064
Interest on Short Term Loan	<b>18.03</b>	17,853,130	18,449,116
<b>Total</b>		<b>19,702,744</b>	<b>20,352,180</b>

**25.00 Contribution to WPPF**

Profit before Contribution to WPPF	48,925,425	-
Contribution to WPPF	<b>2,329,782</b>	-

As per Bangladesh Labour Act, 2006 (Amendment 2018) the amount is computed @ 5% net profit before Income Tax.

**26.00 Current Tax**

Current Tax	<b>26.01</b>	6,337,831	7,184,060
Add: Short provision for the assessment year 2018-2019		-	136,042
Add: Short provision for the assessment year 2020-2021		-	1,063,865
<b>Total</b>		<b>6,337,831</b>	<b>8,383,967</b>

**26.01 Calculation of Current Tax on Business and Other Income**

Profit before Income Tax	46,595,643	51,875,153
Add: Depreciation Expenses (Accounting Depreciation)	10,404,253	11,556,747
Less: Other Income	2,557,027	3,581,717
Less: Depreciation Expenses (Tax Depreciation)	8,020,176	14,765,908
<b>Business Income</b>	<b>46,422,693</b>	<b>45,084,275</b>

Exemption of income @ 50% (Para 28, Part-A, Sixth Schedule, ITO ordinance 1984)	-	22,542,138
Tax Rate as per Income Tax Rules	12.00%	27.50%
<b>Current Tax on Business Income</b>	<b>5,570,723</b>	<b>6,199,088</b>

Others Income	2,557,027	3,581,717
Tax Rate as per Income Tax Rules	30.00%	27.50%
<b>Current Tax on Other Income</b>	<b>767,108</b>	<b>984,972</b>

<b>A. Total Tax on Business Income &amp; Other Income</b>	<b>6,337,831</b>	<b>7,184,060</b>
---	------------------	------------------

**OR**

Tax deduction at source during the year	5,777,242	7,038,001
<b>B. Advance Tax paid/Deducted</b>	<b>5,777,242</b>	<b>7,038,001</b>

**OR**

<b>Gross Receipts</b>		
Revenue	489,484,141	486,123,882
Others Income	2,557,027	3,581,717
<b>C. Minimum Tax @ 0.60%</b>	<b>1,190,104</b>	<b>2,938,234</b>
<b>Whichever is higher</b>	<b>6,337,831</b>	<b>7,184,060</b>

**27.00 Deferred Tax (Income)/ Expenses**

Written down value as (Accounting Base)	149,384,999	159,265,772
Written Down value as (Tax Base)	90,095,010	97,591,706
<b>Temporary Difference</b>	<b>59,289,989</b>	<b>61,674,066</b>

Exemption of income @ 50% (Para 28, Part-A, Sixth Schedule, ITO 1984)	-	30,837,033
Effective Tax Rate	12.00%	27.50%
<b>Deferred Tax Liability</b>	<b>7,114,799</b>	<b>8,480,184</b>

Less: Opening Deferred Tax Liability	8,480,184	8,769,736
<b>Deferred Tax (Income)/ Expenses</b>	<b>(1,365,385)</b>	<b>(289,552)</b>

**28.00 Earning Per Share (EPS)**

**28.00 A Earning Per Share (EPS) Basic**

a) Net Profit After Tax		41,623,197	43,780,738
b) Number of Shares	<b>10.02</b>	28,014,100	2,800,000
<b>Earnings Per Share (EPS) (a/b) - Basic</b>		<b>1.49</b>	<b>15.64</b>

**28.00 B Earning Per Share (EPS) Diluted**

a) Net Profit After Tax		41,623,197	43,780,738
b) Weighted average number of Shares	<b>28.01</b>	27,732,512	27,412,000
<b>Earnings Per Share (EPS) (a/b) - Diluted</b>		<b>1.50</b>	<b>1.60</b>

**28.01 Weighted average number of Shares**

Particulars	Number of Share	Weighted Average No. of Shares	Weighted Average No. of Shares
		30-Jun-23	30-Jun-22
Opening No. of Shares	2,800,000	2,800,000	2,800,000
Bonus Share Issue	24,612,000	24,612,000	24,612,000
Transfer from Share Money Deposit (Received During the year)	602,100	320,512	-
<b>Total</b>	<b>28,014,100</b>	<b>27,732,512</b>	<b>27,412,000</b>

**29.00 Net Asset Value (NAV) per Share**

Net Asset Value per Share has been calculated in the following two ways:

**i) Net Asset Value (NAV) per Share with revaluation**

Total Assets	604,030,141	580,139,470
Less: Non-Current Liabilities	36,824,134	8,480,184
Less: Current Liabilities	90,244,947	255,213,463
a) Net Asset Value (NAV)	476,961,060	316,445,823
b) Number of Ordinary Shares	28,014,100	2,800,000
<b>Net Asset Value (NAV) per Share (a/b)</b>	<b>17.03</b>	<b>113.02</b>

**ii) Net Asset Value (NAV) per Share without revaluation**

Total Assets	604,030,141	580,139,470
Less: Non-Current Liabilities	36,824,134	8,480,184
Less: Current Liabilities	90,244,947	255,213,463
Less: Revaluation Surplus	112,871,040	-
a) Net Asset Value (NAV)	364,090,020	316,445,823
b) Number of Ordinary Shares	28,014,100	2,800,000
<b>Net Asset Value (NAV) per Share (a/b)</b>	<b>13.00</b>	<b>113.02</b>

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

a) Net Operating Cash Flows	85,394,600	67,421,128
b) Weighted average number of Shares	27,732,512	27,412,000
<b>Net Operating Cash Flows per Share (NOCFPS) (a/b)</b>	<b>3.08</b>	<b>2.46</b>

**31.00 Reconciliation of net operating cash flow**

A reconciliation of net income or net profit with cashflow from operating activities:

Particulars	30-Jun-23	30-Jun-22
<b>Net Profit before tax</b>	<b>46,595,643</b>	<b>51,875,153</b>
Depreciation on Property, Plant and Equipment	10,396,253	11,548,747
Amortization of Intangible Assets	8,000	8,000
Financial Expenses	19,702,744	20,352,180
<b>Increase/Decrease in Current Assets</b>		
Inventory (Increase)/Decrease	(70,670,504)	(2,138,500)
Trade and Other Receivable (Increase)/Decrease	86,485,016	(20,347,368)
Advances, Deposits & Prepayments (Increase)/Decrease	(3,143,331)	13,455,208
<b>Increase/Decrease in current Liabilities</b>		
Trade Payable Increase/(Decrease)	(89,878)	485,652
Provision and Accruals Increase/(Decrease)	2,073,992	435,248
<b>Cash Generated from Operating Activities</b>	<b>91,357,935</b>	<b>75,674,320</b>
Income Tax Paid	(5,923,301)	(8,237,908)
Foreign Exchange Gain/(loss)	(40,034)	(15,284)
<b>Net Cash Generated from Operating Activities</b>	<b>85,394,600</b>	<b>67,421,128</b>

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

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

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

**32.01 Number of Employee-Schedule XI, Part II, Note 5 of Para 3 :**

Total number of employees are as follows:

Salary (Monthly)	Officer & Staff	Worker	Total Employees
Salary below Tk. 8,500 per month	-	-	-
Salary above Tk. 8,500 per month	41	103	144
<b>Total:</b>	<b>41</b>	<b>103</b>	<b>144</b>

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

Particulars	30 Jun 2023
Turnover in BDT.	489,484,141
Turnover in Quantity (Dzn)	6,787,358

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

Particulars	30 Jun 2023
Raw Material (Value in BDT.)	349,257,345
Raw Material Quantities (Kg)	4,370,040

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

Particulars	30 Jun 2023
Opening Quantity (Dzn, Pcs)	215,571
Production Quantity (Dzn, Pcs)	6,696,364
Closing Quantity (Dzn, Pcs)	124,577

**32.05 The requirement of schedule XI part-II, Para 4:**

Sl No.	Particulars	30 Jun 2023
(a)	Managerial remuneration paid or payable during the financial period to the directors, including managing director, a managing agent or manager;	1,200,000
(b)	Expenses reimbursed to the managing agent;	Nil
(c)	Commission or other remuneration payable separately to a managing agent or his associate;	Nil
(d)	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
(e)	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 period;	Nil
(f)	Any other perquisites or benefits in cash or in kind;	Nil
(g)	Other allowances and commission including guarantee commission.	Nil
(h)	Pensions etc.-	Nil
	(i) Pensions	Nil
	(ii) Gratuities	Nil
	(iii) Payments from a provident funds, in excess of own subscription and interest thereon	Nil
	(iv) Compensation for loss of office	Nil
	(v) Consideration in connection with retirement from office.	Nil

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

During the period from 01-07-2022 to 30-06-2023, there were 6 (six) Board Meeting held. The attendance status of all the meeting is as follows

Name of the Director	Designation	Meeting Hold	Attendance
Md. Reza-E-Selim	Managing Director	6	6
Sonali Reza	Chairman	6	6
Rahat Reza Omi	Director	6	6
Jhinu Enterprise (PVT) Ltd.	Director	6	5
**Md. Rashidul Shukran Mia	Independent Director	6	2

\*\* Md. Rashidul Shukran Mia was appointed as an independent director as on 28 February 2023.

**32.06 Schedule XI, Part II, Para 6**

Amount paid to the auditor as fees for service rendered for the year ended 30 June, 2022 and for the period March 31, 2023.

(a) as au 169,000.00

(b) as advisor or in any other capacity, in respect of-

(i) taxation matters; Nil

(ii) company law matters; Nil

(iii) management services; Nil and

(c) in any other manner Nil

Audit fees payable for the period ended 30 June, 2023 is Tk. 100,000.00

**32.07 The requirement of Schedule XI, Part II, Para 7 : Capacity Utilization**

The production capacity and utilization of its are as follows:

Particulars	Unit	Installed Capacity	Actual Production	Percentage of Capacity Utilization
Self Adhesive Paper	Dzn	4,800,000	3,651,013	76%
Tissue Paper	Dzn	350,000	253,428	72%
Hang Tag	Dzn	300,000	206,765	69%
Size Tag	Dzn	300,000	211,195	70%
Price Tag	Dzn	300,000	209,204	70%
Self Copy Computer Continu	Dzn	350,000	257,416	74%
Photo Inlay	Dzn	400,000	299,285	75%
Gum Tape	Dzn	400,000	302,575	76%
Back Board	Dzn	1,000,000	729,806	73%
Neck Board	Dzn	600,000	432,110	72%
Paper Bent	Dzn	200,000	143,567	72%
<b>Total:</b>		<b>9,000,000</b>	<b>6,696,364</b>	

**32.08 The requirement of schedule XI, Part II, Para 8 of the Companies Act, 1994.**

(a) Value of imports calculated on C.I.F basis by the company during the financial period ended 30 June, 2023 in respect of raw materials, components of spare parts and capital goods were as follows:

S.L	Particulars	Import
		Amount in BDT
i	Raw Materials	267,632,964
ii	Packing Materials	-
iii	Components of Spare parts	-
iv	Capital Goods	-

(b) The Company has not been spent any expenditure in foreign currency during the financial period on account of royalty, know-how, professional consultation fees, interest and other matters.

(c) Value of all imported raw materials, spare parts and components consumed during the financial period and the value of all indigenous raw materials, spare parts and components similarly consumed and the percentage of each to the total consumption:

Particular	Total Consumption	Imported Taka	Percentage (%)	Local Taka	Percentage (%)
Raw Mat	349,257,345	228,785,761	66%	120,471,584	34%
Packing	-	-	0%	-	0%
Spare Pa	1,677,247	-	0%	1,677,247	100%
<b>Total</b>	<b>350,934,592</b>	<b>228,785,761</b>		<b>122,148,831</b>	



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

(d) No amount has been remitted during the period in foreign currencies on account of dividends for non-residents shareholders,

(e) Earnings in foreign exchange classified under the following heads, namely:

- (i) Export of goods calculated on F.O.B. basis Tk. 489,484,141.00;
- (ii) No royalty, know-how, professional and consultation fees were received;
- (iii) No interest and dividend received;
- (iv) No other income received.

**33.00 As per Para-17, IAS- 24**

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

(a) Short-term employee benefits	8,496,855
(b) Post-employee benefits	Nil
(c) Other long term benefits	Nil
(d) Termination benefits	Nil
(e) Share-based payment	Nil

**33.01 As per Paragraph 18, IAS 24 Disclosure of Related Party are as follows**

a) The amount of transaction for remuneration and board meeting fee during the period from 01 July 2022 to 30 June 2023 are as follows:

Name	Designation	Particulars	Transaction during the period	Outstanding as on 30 Jun 2023
Md. Reza-E-Selim	Managing Director	Remuneration	-	-
		Board Meeting Fee	8,000	-
		Office Rent	420,000	35,000
Sondli Reza	Chairman	Remuneration	-	-
		Board Meeting Fee	8,000	-
Rahat Reza	Director	Remuneration	1,200,000	100,000
		Board Meeting fee	7,000	-
Jhinu Enterpris	Director	Remuneration	-	-
		Board Meeting fee	5,000	-
Md. Rashidul	Independent Director	Remuneration	-	-
		Board Meeting fee	4,000	-
<b>Total:</b>			<b>1,652,000</b>	<b>135,000</b>

b) The amount of outstanding balances: Tk. 135,000.

i) Their terms and conditions, including whether they are secured and the nature of the consideration to be provided in settlement and also set by the relevant laws of the deed/agreement signed between the parties.

ii) Details of any guarantees given or received; There is no guarantee given or received.

c) There is no provisions for doubtful debts.

d) The expense recognized during the period in respect of bad or doubtful debts due from related parties: No expenses recognized during the period in respect of bad or doubtful debts.

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

**WEB COATS PLC.**  
**SCHEDULE OF PROPERTY, PLANT AND EQUIPMENT**  
AS AT 30 JUNE 2023

Annexure - A

Particulars	Cost			Rate of Dep. (%)	Depreciation			Written down value as at 30 June 2023
	Balance as on 01 July 2022	Addition during the year	Balance as on 30 June 2023		Balance as on 01 July 2022	Charged during the year	Balance as on 30 June 2023	
Land	18,426,000	-	18,426,000	0%	-	-	-	18,426,000
Factory Building, Civil Construction and Other Plant and Machinery	72,739,685	-	72,739,685	2.5%	11,415,101	1,533,115	12,948,216	59,791,469
Electrical Equipment	97,902,466	-	97,902,466	10%	40,941,152	5,696,132	46,637,284	51,265,182
Fire Equipment	8,241,982	-	8,241,982	10%	3,626,816	461,516	4,088,332	4,153,650
Computer & Computer Equipment	2,737,488	-	2,737,488	10%	832,893	190,460	1,023,353	1,714,135
Office Equipment	458,250	157,800	616,050	10%	124,369	42,207	166,576	449,474
Vehicles	2,161,005	365,680	2,526,685	10%	830,932	155,549	986,481	1,540,204
Generator	18,031,639	-	18,031,639	20%	9,197,061	1,766,916	10,963,977	7,067,662
Deep Tubewel	5,051,000	-	5,051,000	10%	2,366,692	268,431	2,635,123	2,415,877
Furniture and Fixture	913,895	-	913,895	10%	415,854	49,804	465,658	448,237
<b>Balance as at 30 June 2023</b>	<b>230,358,017</b>	<b>523,480</b>	<b>230,881,497</b>		<b>71,124,245</b>	<b>10,396,253</b>	<b>81,520,498</b>	<b>149,360,999</b>

**Revaluation Assets**

Particulars	Cost			Rate of Dep. (%)	Depreciation			Written down value as at 30 June 2023
	Balance as on 01 July 2022	Addition during the year	Balance as on 30 June 2023		Balance as on 01 July 2022	Charged during the year	Balance as on 30 June 2023	
Land	-	117,574,000	117,574,000	0%	-	-	-	117,574,000
<b>Balance as at 30 June 2023</b>	<b>-</b>	<b>117,574,000</b>	<b>117,574,000</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>117,574,000</b>

<b>Total Balance as at 30 June 2023</b>	<b>230,358,017</b>	<b>118,097,480</b>	<b>348,455,497</b>		<b>71,124,245</b>	<b>10,396,253</b>	<b>81,520,498</b>	<b>266,934,999</b>
---	--------------------	--------------------	--------------------	--	-------------------	-------------------	-------------------	--------------------

Allocation of depreciation:

Manufacturing Overhead	94%	9,772,478
Administrative Expenses	4%	415,850
Selling and Distribution Expenses	2%	207,925
<b>Total</b>	<b>100%</b>	<b>10,396,253</b>

**WEB COATS PLC.**  
**SCHEDULE OF PROPERTY, PLANT AND EQUIPMENT**  
**AS AT 30 JUNE 2022**

Annexure - A

Particulars	Cost			Rate of Dep. (%)	Depreciation			Written Down Value as at 30 June 2022
	Balance as on 01 July 2021	Addition during the year	Balance as on 30 June 2022		Balance as on 01 July 2021	Charged during the year	Balance as on 30 June 2022	
Land	18,426,000	-	18,426,000	0%	-	-	-	18,426,000
Factory Building, Civil Construction and Other	72,739,685	-	72,739,685	2.5%	9,842,676	1,572,425	11,415,101	61,324,584
Plant and Machinery	97,902,466	-	97,902,466	10%	34,612,117	6,329,035	40,941,152	56,961,314
Electrical Equipment	8,241,982	-	8,241,982	10%	3,114,020	512,796	3,626,816	4,615,166
Fire Equipment	1,991,638	745,850	2,737,488	10%	678,714	154,179	832,893	1,904,595
Computer & Computer Equipment	245,800	212,450	458,250	10%	100,658	23,711	124,369	333,881
Office Equipment	2,161,005	-	2,161,005	10%	683,146	147,786	830,932	1,330,073
Vehicles	18,031,639	-	18,031,639	20%	6,988,417	2,208,644	9,197,061	8,834,578
Generator	5,051,000	-	5,051,000	10%	2,068,435	298,257	2,366,692	2,684,308
Deep Tubewel	913,895	-	913,895	10%	360,516	55,338	415,854	498,041
Furniture and Fixture	3,481,757	212,850	3,694,607	10%	1,126,799	246,576	1,373,375	2,321,232
<b>Balance as on 30 June 2022</b>	<b>229,186,867</b>	<b>1,171,150</b>	<b>230,358,017</b>		<b>59,575,498</b>	<b>11,548,747</b>	<b>71,124,245</b>	<b>159,233,772</b>

**Allocation of depreciation:**

	Amount
Manufacturing Overhead	94% 10,855,822
Administrative Expenses	4% 461,950
Selling and Distribution Expenses	2% 230,975
<b>Total</b>	<b>100% 11,548,747</b>

WEB COATS PLC.  
SCHEDULE OF INTANGIBLE ASSETS  
AS AT 30 JUNE 2023

Annexure - B

Particulars	Cost			Rate of Dep. (%)	Amortization			Written down value as at 30 June 2023
	Balance as on 01 July 2022	Addition during the year	Balance as on 30 June 2023		Balance as on 01 July 2022	Charged during the year	Balance as on 30 June 2023	
Software	80,000	-	80,000	10%	48,000	8,000	56,000	24,000
<b>Balance as at 30 June 2023</b>	<b>80,000</b>	<b>-</b>	<b>80,000</b>		<b>48,000</b>	<b>8,000</b>	<b>56,000</b>	<b>24,000</b>

WEB COATS PLC.  
SCHEDULE OF INTANGIBLE ASSETS  
AS AT 30 JUNE 2022

Annexure - B

Particulars	Cost			Rate of Dep. (%)	Depreciation			Written Down Value as at 30 June 2022
	Balance as on 01 July 2021	Addition during the year	Balance as on 30 June 2022		Balance as on 01 July 2021	Charged during the year	Balance as on 30 June 2022	
Software	80,000	-	80,000	10%	40,000	8,000	48,000	32,000
<b>Balance as on 30 June 2022</b>	<b>80,000</b>	<b>-</b>	<b>80,000</b>		<b>40,000</b>	<b>8,000</b>	<b>48,000</b>	<b>32,000</b>

WEB COATS PLC  
DETAILS OF TRADE RECEIVABLES  
AS AT 30 JUNE 2023

Annexure-C

Sl. No.	Party Name	Address	Amount in BDT	
			30 Jun 2023	30 Jun 2022
1	Oishi Fashion (Pvt) Ltd.	43/1, 35 Tahsin Tower, Sataish Road, Gazipura, Tongi, Gazipur, Bangladesh.	27,425,736	7,463,092
2	Madinaple Fashions Craft Ltd.	Holding No. E-44/1, Ward No: 7, Chandora, Kalikoir, Gazipur, Bangladesh.	2,640,990	29,037,946
3	Wave Tex Apparels Ltd.	Plot: B-132-133, Bscic Industrial Area, Shasangoan, Panchaboti, Fatullah, Narayanganj-1420, Bangladesh.	-	3,285,965
4	Mhc Apparels (Pvt) Ltd.	Address: Holding-297/1, Block-B, Ward-4, Vangnahati, Sreepur, Gazipur, Bangladesh.	-	8,206,264
5	Maxcom International (Bd) Ltd.	37 Hemayetpur Po: Hemayetpur, Ps: Savar, Dist: Dhaka, Bangladesh.	-	9,615,995
6	Next Export Zone Ltd.	Adaboy, Payarabagan Joydebpur, Gazipur, Bangladesh.	-	10,931,810
7	Mehnaz Styles And Craft Ltd.	Bangabondhu Road, Tongabari, Ashulia, Savar, Dhaka, Bangladesh.	12,614,689	8,979,634
8	Euro Knitwear Ltd.	Factory: Vogra, Chowdhury Bari, Gazipur, Bangladesh.	-	2,287,887
9	Pandora Sweaters Ltd.	Gilar Chala, Master Bari, Shreepur, Gazipur, Bangladesh.	-	30,204,954
10	Millennium Textiles (Southern) Ltd.	Bara Rangamatia, Ashulia, Savar, Dhaka, Bangladesh.	-	16,369,057
11	Polo Composite Knit Industry Ltd.	226, Singair Road, Hemayetpur, Savar, Dhaka-1340, Bangladesh.	-	52,144,507
12	Abanti Colour Tex Ltd.	Factory: Plot No-S.A-646, Shashongaon, Enayetnagar, Fatullah, Narayanganj-1400, Bangladesh.	9,998,951	-
13	Scandex (Bd) Ltd.	Gouripur, Ashulia, Savar, Dhaka-1340, Bangladesh.	-	10,667,209
14	Daeyu Bangladesh Ltd.	731, Bhannara, Mouchak, Kaliakoir, Gazipur-1751, Bangladesh.	2,014,935	-
15	Powertex Fashions Ltd.	Dr. Panjabali-Dr. Assaduzzaman Industrial Parm, 450, Kathora, P.O. National University, Gazipur, Dhaka, Bangladesh.	1,040,901	-
16	Silken Sewing Ltd.	Baniarchala (Member Bari), Vobanipur, Gazipur, Bangladesh.	15,797,498	-
17	Sinha Knit and Denims Limited.	Plot No.: 102, Mouja-Tenguri, Post: BKSP, PS: Ashulia, Savar, Dhaka, Bangladesh	1,073,250	-
18	Fashion Step Limited.	Tilargati Road, Shataish, Tongi, Gazipur, Bangladesh.	8,268,192	-
19	Mic Wears (Pvt) Ltd.	122(New),13/1 (Old), Satais Tongi, Gaziur, Bangladesh.	2,226,000	-
20	K A Design Wear Ltd.	308/1, Tilargati, Tongi, Gazipur	4,199,296	-
21	Billah Resources Ltd.	Kathalda, Squib Road, Nishad Nagar, Tongi, Gazipur-1711	3,710,011	-
22	Carlos Leather Fashion Ltd.	Factory: Teknogpara, Joydeppur, Gazipur, Bangladesh.	6,284,157	-
23	Dresden Textile Ltd.	Guziam, Amira Bari, Trishal, Mymensingh, Bangladesh.	5,940,572	-
<b>Total Tk:</b>			<b>103,235,177</b>	<b>189,194,321</b>