

ANNUAL REPORT

2022-2023



CONFIDENCE CEMENT PLC.

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Transmittal Letter

To
The Members
Bangladesh Securities and Exchange Commission
Registrar of Joint Stock Companies & Firms
Dhaka Stock Exchange Ltd.
Chittagong Stock Exchange PLC.

Dear Sir(s)

We are pleased to enclose a copy of the Annual Report 2022-2023 containing the Directors' Report and Auditors' Report along with Audited Financial Statements including the Statement of Financial Position as at June 30, 2023, Statement of Profit or Loss and Other Comprehensive Income, Changes in Equity and Cash Flows for the year ended June 30, 2023 along with notes thereon and all related Consolidated and Subsidiary Financial Statements for your record and necessary measures.

With best regards,

Md. Delowar Hossain, FCS
Company Secretary
December 10, 2023

CONFIDENCE CEMENT PLC.

Registered Office: Confidence Heights, Plot # 1, Lane # 1, Road # 2, Block # L, Haliashar H/E
Agrabad Access Road, Chattogram
Liaison Office: Ispahani Building, (3rd Floor), 14-15 Motijheel C/A, Dhaka-1000

Notice of the 32nd Annual General Meeting

Notice is hereby given that the **32nd Annual General Meeting of Confidence Cement PLC.** will be held on **Saturday, the 30th December 2023 at 11.00 AM.** The AGM will be held virtually by using **digital platform** through the link <https://agmbd.live/confidencecement2023> to transact the following business:

AGENDA

1. To receive, consider and adopt the Audited Financial Statements of the Company for the year ended June 30, 2023 together with the Report of the Directors and Auditors thereon.
2. To declare dividend for the year ended June 30, 2023.
3. To elect/re-elect Directors as per Articles of Association of the Company.
4. To appoint the Statutory Auditors for the year 2023-2024 and to fix their remuneration.
5. To appoint the Corporate Governance Compliance Auditors for the year 2023-2024 and to fix their remuneration.

By order of the Board



Md. Delwar Hossain FCS
Company Secretary



December 7, 2023

Notes :

- i) Members whose name appeared in the Member / Depository Register as on Record Date i.e. December 7, 2023 will be eligible to attend / participate and vote in the Annual General Meeting through digital platform and entitle to receive cash dividend. Another Record Date will be declared for entitlement of Stock Dividend subject to consent from the Bangladesh Securities and Exchange Commission.
- ii) A Member entitled to attend/participate and vote in the Annual General Meeting, may appoint a proxy in his/her stead. Scanned copy of the proxy form, duly stamped must be sent to the Registered Office/ Liaison Office of the Company not later than 48 (forty-eight) hours before the time fixed for the meeting.
- iii) Pursuant to the BSEC Notification No. BSEC/CMRRCD/2006-158/208/Admin/81 dated June 20, 2018, soft copy of the Annual Report 2022-2023 will be sent to the Members' respective email addresses as available with the Company. The Annual Report 2022-2023 will also be available in the Company's website: www.confidencecement.com.bd
- iv) Members are requested to submit their questions/comments into the link <https://agmbd.live/confidencecement2023> 48 hours before commencement of the AGM i.e. from 11:00 AM, Thursday, December 28, 2023. For logging into the link, the members need to put their 16-digit Beneficial Owner (BO) Number /Folio Number and Number of shares held on Record Date as proof their identity.



company Profile

Confidence Cement PLC. is the pioneer cement manufacturing company in private cement sector in Bangladesh under the Government industrial policy of 1991. The company was established in May 02, 1991 is a form of public limited company.

Confidence Cement PLC., the flagship company of Confidence Group of Companies is one of the largest producers of cement in the country. It is also a leading Blue Chip company in both the Dhaka & Chittagong Stock Exchange and there it is among the top 30 performing companies for the last couple of years. It is also the first ISO 9002 certified cement manufacturing company in Bangladesh. Confidence Cement PLC. itself and vide its sister Concerns are present in cement, paint, steel fabrication, forging & galvanizing, power generation, Battery, Transformer, electrical item manufacturing and concrete products manufacturing sector.

The company's mission is to manufacturer and sells cement to people with no compromise to quality and by relentlessly upholding the code of business principles. Its' overall strategic vision is to endure and prosper in the market, tackling the internal and external challenges along the way.

In the early 2000's the cement industry of Bangladesh faced a staring boom in growth. New competitors started to arrive in large number and continued to come till the market got saturated and the whole industry became stagnant. A recession and political unrest, few natural calamities added to this depression and many of the competitors were forced to wind up. But Confidence Cement PLC. held strong in its position still continuing to offer high quality cement to the customers.

Today the company has a production capacity of 12,00,000 Metric Tons annually and it has Ten members in its Board of Directors (including two members of Independent Directors). The company aims to be the number one cement manufacturing company in Bangladesh, through continuous development and by consistently producing high quality.

Confidence Group consists with the following companies :

- * Confidence Cement PLC.
- * Confidence Infrastructure Limited
- * Confidence Power Holdings Limited
- * Confidence Batteries Limited
- * Confidence Cement Dhaka Limited
- * Confidence Power Bogra Ltd.
- * Confidence Power Bogra Unit 2 Ltd.
- * Confidence Power Rangpur Ltd
- * Confidence Group of Industries Ltd.
- * Solaris Ltd.
- * Mime 360 Ltd.
- * Apple Communication Ltd.
- * Zodiac Power Mirsharai Ltd.
- * Zodiac Power Chittagong Ltd.
- * Confidence Oil & Shipping Ltd.
- * Confidence Steel Export Ltd.
- * Kirtonkhola Tower Bangladesh Ltd.
- * Digicon Telecommunication Limited
- * Asian Paints (BD) Limited
- * Zodiac Logistics Limited
- * Confidence Tower Holding Ltd
- * Axis Dredging Ltd.
- * Zodiac Construction Ltd.
- * Stardust Telecom Ltd.
- * Mime Multimedia Ltd.

MISSION, VISION & VALUES OF THE COMPANY

Mission

Let's commit to our customers that our products and services shall ensure the best value for their money. Let's adopt a 'can-do' attitude in targeting every goal.



Mission



Vision

Vision

• Let's Believe in Our Brand

Confidence Cement has to be among the most valued and revered company in Bangladesh. Its brand has to be the most respected in its respective market share in Bangladesh.

• Let's Believe in Our Society

Confidence Cement has to be among the most socially and environmentally compliant company in Bangladesh.

• Let's Believe in Our Business

Confidence Cement has to be a top company in the industry.

• Let's Believe in Ourselves

Every member of Confidence Cement is chosen because of their uniqueness and competence. So be proud of being a part of this family. Confidence Cement has to be the preferred brand of employment.

Values

- Leadership
- Cooperation
- Respect
- Integrity
- Innovation



Values

CORPORATE DIRECTORY

BOARD OF DIRECTORS

Engr. Rezaul Karim	- Chairman
Mr. Rupam Kishore Barua	- Vice Chairman
Mr. Imran Karim	- Vice Chairman
Ms. Runu Anwar	- Director
Mr. Salman Karim	- Director
Mr. Ahmed Anwar Hasan	- Director
Mr. Md. Alamgir Akber	- Nominated Director
Maj Gen Abul Kalam Mohammad Humayun Kabir, (retd)	- Independent Director
Ms. Rabeya Jamali	- Independent Director
Mr. Zahir Uddin Ahmed	- Managing Director

AUDIT COMMITTEE

Maj Gen Abul Kalam Mohammad Humayun Kabir, (retd)	- Chairman
Mr. Imran Karim	- Member
Ms. Rabeya Jamali	- Member
Mr. Md. Alamgir Akber	- Member
Mr. Md. Delowar Hossain FCS	- Member Secretary

NOMINATION AND REMUNERATION COMMITTEE

Ms. Rabeya Jamali	- Chairman
Maj Gen Abul Kalam Mohammad Humayun Kabir, (retd)	- Member
Mr. Imran Karim	- Member
Mr. Md. Delowar Hossain FCS	- Member Secretary

MANAGEMENT TEAM

Mr. Zahir Uddin Ahmed	- Managing Director & CEO
Mr. Newaz Mohammed Iqbal Yousuf	- Chief Financial Officer
Mr. Faruk Ahmed	- Sr. General Manager- Plant
Mr. Md. Shahidul Islam	- General Manager- Sales & Marketing
Mr. Md. Delowar Hossain FCS	- Company Secretary
Mr. Md. Alamgir	- Head of Internal Audit & Compliance

AUDITOR

Rahman Mostofa Alam & Co.
Chartered Accountants
Al-Modina Tower (6th floor),
88/89, Agrabad C/A, Chattogram.
Chattogram

CG AUDITOR

A. Quasem & Company
Chartered Accountants
Faruk Mahal (3rd Floor) Plot # 93,
Agrabad C/A Chattogram – 4100.

Independent Scrutinizer

Mohammad Sanaulah & Associates
Chartered Secretaries &
Management Consultants
Wins Court, House 8, Road 14
Dhanmondi, Dhaka-1209

TAX ADVISOR

M.A Mallick & Co.
Chartered Accountants
Aziz Chamber (2nd floor),
6, Jubilee Road, Chattogram.

BANKERS

Bank Asia PLC.

MCB Sk. Mujib Branch, Chattogram.

Brac Bank PLC.

Agrabad Branch, Chattogram.

Eastern Bank PLC.

Agrabad Branch, Chattogram.

HSBC Bank

Agrabad Branch, Chattogram.

Mutual Trust Bank PLC.

Agrabad Branch, Chattogram.

NRB Bank Limited

Agrabad Branch, Chattogram.

One Bank Limited

Agrabad Branch, Chattogram.

Prime Bank PLC.

Agrabad Branch, Chattogram.

Pubali Bank PLC.

Agrabad Branch, Chattogram.

The City Bank PLC.

Agrabad Branch, Chattogram.

Trust Bank Limited

CDA Avenue Branch, Chattogram.

UCB PLC.

Agrabad Branch, Chattogram.

CREDIT RATING AGENCY



Credit Rating Agencies Bangladesh Limited.

Registered Office

Confidence Heights

Plot-1, Lane-1, Road-2, Block-L
Halishahar H/E

Agrabad Access Road, Chattogram.
Tel : 023333 11471-3, 023333 11475
023333 10386, 023333 18962 (PABX)
Fax : 023333 11474
E-mail : info.ccl@cg-bd.com

Liaison Office

Ispahani Building (3rd Floor)
14-15 Motijheel C/A, Dhaka.
Tel : 02-223382431, 02-223354934
Fax : 88-02-9104584

Factory

Madambibirhat, Bhatary
Sitakunda, Chattogram.
Tel : 88-031-2781161-3, 2781165
Fax : 88-031-2781164

www.confidencecement.com.bd

Board Of Directors ...



Engr. Rezaul Karim
Chairman

Engr. Rezaul Karim is a Mechanical Engineering graduate from BUET, batch of 1970. Soon after his graduation, the country experienced political upheaval leading to 25th March, 1971 and the liberation war. After independence, Engr. Rezaul Karim embarked upon a business journey to manufacture a wide range of import substitute engineering products for BADC, BPDB, BWDB and other Govt. agencies, who were then busy reconstructing our war torn nation. Soon Engr. Rezaul Karim established a name for himself amongst all professionals, end users and peers. He moved from Tetulia to Teknaf, tracking the whole country trying to understand the development needs of emerging Bangladesh. He then designed developed and manufactured products after products to meet the needs of this emerging nation.

With this humble beginning, Engr. Rezaul Karim embarked onto yet another industrial venture which no one could even conceive in the late 80s - cement. He organized a group of entrepreneurs with engineering and successful business backgrounds, and spearheaded the inception of the cement industry in 1992. Hence, Confidence Cement Ltd. became the pathfinder of all cement industries in Bangladesh. Today Confidence Cement Ltd. has gone onto establishing its third unit with an annual production capacity of 1.5 million tons. Soon after this was achieved, his leadership and vision motivated Confidence Group to organize a team to set up yet another new cement industry around Dhaka with a target production capacity of 1.5 million tons.

From 1972 till date, Engr. Rezaul Karim has relentlessly created new industrial ventures one after another. He pioneered import substitute industries and manufactured engineering products and service products to name a few. He established the largest Steel Fabrication Industry with the biggest Galvanization Facility in Bangladesh, producing all types of galvanized steel power distribution poles. He also established the largest manufacturing facility of electrical power transmission towers & telecom towers, Pre-pressed Concrete Poles for power distribution, all types of electrical power distribution accessories, all types of electrical power transformers, all types of screws and fasteners, Steel Bridges, Prefabricated Steel Building, handling turnkey Infrastructure Projects, River Dredging Operations with own imported high-tech dredgers from Denmark, IGX Telecom Gateway Operations, industrial and Marine paints under joint venture with Asian Paints (Bangladesh) Ltd., and the list shall continue to grow. Confidence Group has further added laurels to its hat by implementing 4 major turn-key power generation projects on BOO basis, totalling 400 MW, located in Chottogram, Bogura and Rangpur. Upon its full implementation, Confidence Group shall join the prestigious league of businesses with annual turnover exceeding 500 million.

Apart from Confidence Cement PLC., He is also Director and Chairman of Confidence Infrastructure Ltd., Confidence Cement Dhaka Ltd., Confidence Batteries Ltd., Confidence Power Holdings Ltd. Confidence Steel Export Ltd, Confidence Group of Industries Ltd, Confidence Tower Holding Ltd., Axis Dredging Ltd., Zodiac Construction Ltd., Digicon Telecommunication Ltd., Confidence Power Bogra Ltd., Confidence Power Bogra Unit-2 Ltd., Confidence Power Rangpur Ltd., Zodiac Power Chittagong Ltd., Stardust Telecom Ltd., Mime Multimedia Ltd., Solaris Ltd., Mime 360 Ltd., Apple Communication Ltd., Zodiac Power Mirsharai Ltd., and Zodiac Logistics Ltd.

Board Of Directors ...



Mr. Rupam Kishore Barua
Vice Chairman

Mr. Rupam Kishore Barua, one of the directors of Confidence Group and Vice Chairman of Confidence Cement Limited, is an intrepid and industrious individual who has worked hard all his life to achieve excellence. He obtained his graduation degree from Chittagong College in 1968 and during his student life he was involved with various causes and organizations, making him a multifaceted human being. During his student life he was the vice president of Chattra League Chittagong City unit from 1969 to 1970 and was a frontline cultural activist and organizer of many socio cultural organizations. Later in his life, he became the municipal commissioner of Chittagong Municipality and was District Governor of Lions Clubs International, District 315-B4 of Bangladesh. Still now Mr. Barua is involved with many social service organizations.

Mr. Rupam Kishore Barua is a man with immense patriotism. Due to his patriotic zeal, imbued with the spirit of liberation struggle, he participated in the liberation war for the freedom of our nation. After liberation, in 1972, Mr. Barua entered professional life and started his career with a shipping job in Atlas Shipping. Later in 1980 he joined Maritime Agencies Ltd. and became General Manager of that company. In 1985 he started Confidence Shipping lines and in 1992, along with other entrepreneurs, he established the first local cement manufacturing industry in the private sector of Bangladesh – Confidence Cement PLC. At present he is one of the Directors of Confidence Group.

Due to his vast contribution in social service, Mr. Rupam Kishore Barua has been awarded the United Nations Award in 2002 for Socio Cultural Activities, the honor of DHAMMADUTA by International Brotherhood Mission India and the Melvin Jones Fellowship Award from the Lion's Club.

As for his personal life, Mr. Rupam Kishore Barua was born in Chittagong, to a renowned Buddhist family, on 4th June 1948. His father, Late Phani Bhushan Barua BABL, was also an Ex. MLA of the then Pakistan and President of all Pakistan Buddhist Association.

He is a Director and Vice-Chairman of Confidence Cement PLC.

Apart from Confidence Cement PLC., He is also Director of Confidence Infrastructure Ltd., and Nominated Director of Confidence Power Holdings Ltd., Confidence Batteries Ltd., Confidence Cement Dhaka Ltd and Asian Paints (BD) Ltd.

Board Of Directors ...



Mr. Imran Karim
Vice Chairman

A visionary entrepreneur at core, Mr. Imran Karim completed his Bachelor of Science in Electrical and Computer Engineering and his Bachelor of Arts in Economics in 2003 from the University of Rochester. During this time, he was involved in an organization called the "Who's Who of United States" that comprises of the top 0.5% of all university students in USA. Subsequently, Mr. Imran Karim joined Confidence Group in 2003 as the Director of Confidence Cement PLC. However, his first endeavor wasn't a successful one. Nevertheless, he did not yield in the face of an early failure, rather enjoying and valuing it for the lessons; eventually taking over the business development of Confidence Steel Ltd.

In 2006, under his guidance, Confidence Steel started producing telecom towers and within the same year, became the market leader. Currently, Confidence Infrastructure Ltd has almost 70% of the market share in both transmission towers and telecom towers. After his first successful endeavor, he decided to expand into other sectors and with Confidence Group, in alliance with Energypac, opened an 11 MW power plant in 2009, followed by a 108 MW power plant in 2015. Currently Confidence Power Holdings Ltd has 393.36 MW HFO based Power Plants under its 4 (four) subsidiary companies and developing 660 MW LNG based Power Plant under one of its subsidiaries- Zodiac Power Mirsharai Ltd.

In 2012 Confidence Group entered the telecommunication market, under the name Digicon Telecommunication. Under his leadership, Digicon took a lead role in the formation of International Gateway Operators' Forum (IOF), and made the sector profitable for everyone. Later, Confidence Group also ventured into battery manufacturing, quickly becoming a market leader in the industry. He was Ex-President of Bangladesh Independent Power Producer Association, and is an executive member of Telecom Infrastructure Operators of Bangladesh.

In 2016, for his outstanding entrepreneurial accomplishment, he was chosen as one of the winners of the JCI Ten Outstanding Young Persons of Bangladesh, an award given out by Junior Chamber International Bangladesh.

He is a Non-Executive Director and Vice-Chairman of the Confidence Cement PLC., and also a member of the Audit Committee and Nomination and Remuneration Committee.

Apart from Confidence Cement PLC., He is the Managing Director of Confidence Cement Dhaka Ltd., and Zodiac Logistics Ltd., in addition He is the Director and Vice Chairman of Confidence Infrastructure Ltd., Confidence Batteries Ltd., Confidence Power Holdings Ltd., Confidence Steel Export Ltd., Confidence Group of Industries Ltd., Confidence Tower Holding Ltd., Axis Dredging Ltd., Zodiac Construction Ltd., Digicon Telecommunication Ltd., Confidence Power Bogra Ltd., Confidence Power Bogra Unit-2 Ltd., Confidence Power Rangpur Ltd., Zodiac Power Chittagong Ltd., Stardust Telecom Ltd., Mime Multimedia Ltd., Solaris Ltd., Mime 360 Ltd., Apple Communication Ltd., Zodiac Power Mirsharai Ltd., and Asian Paints (BD) Ltd.

Board Of Directors ...



Ms. Runu Anwar

Director

Mrs. Runu Anwar, Director of Confidence Cement PLC. She is wife of Late Engr. Khurshed Anwar - sponsor Director of Confidence Cement PLC. Mrs. Runu Anwar gathered 20 years experience in Cement manufacturing business.

Mrs. Runu Anwar also holding the Directorship of Confidence Power Limited.

Board Of Directors ...



Mr. Salman Karim

Director

Mr. Salman Karim is a profound pathfinder who has acquired vast amount of experience from visiting various companies' factories abroad through business development and promotional programs. His career began with Confidence Group in 2008, where he was in charge of implementing the group's first power plant in Habiganj. During the same year Confidence Group was looking to expand into the Business Process Outsourcing (BPO) market and thus he was given the task of starting a trial project. However, due to a shift in goal of the group, Mr. Salman Karim was appointed as the Director of Production of Confidence Steel and precast concrete production. Under his guidance a transformer unit was established in 2011. As the Director of Production, he improved the overall quality management of the company and thus increased production efficiency by 20%. In doing so he enabled the company to compete internationally by reducing production costs.

When Confidence Group decided to enter the battery market he helped start the unit from scratch and in 2015 he was appointed as the CEO of Gaston Battery. Under his leadership, Confidence Electric and Gaston Battery have seen unprecedented growth and have become leading brands in the market.

Mr. Salman Karim earned his Bachelor of Science degree in Mechanical Engineering in 2008 from University of Texas. In addition to achieving the degree with honors, he was in the Dean's lists for six consecutive semesters. However, his greatest achievement till date is designing and optimizing a heat sink for computer video card of Advance Micro Device (AMD) series X1950, in which he takes great pride.

He has been honored with JCI TOYP 2019 Award for his Outstanding Contribution in Business, Economic and Entrepreneurial Accomplishment for the Nation

Apart from Confidence Cement PLC., He is the Managing Director of Confidence Infrastructure Ltd and Confidence Batteries Ltd. and Director of Confidence Cement Dhaka Ltd., in addition He is a Director of Confidence Power Holdings Ltd. Confidence Steel Export Ltd, Confidence Group of Industries Ltd., Confidence Tower Holding Ltd., Axis Dredging Ltd., Zodiac Construction Ltd., Digicon Telecommunication Ltd., Confidence Power Bogra Ltd., Confidence Power Bogra Unit-2 Ltd., Confidence Power Rangpur Ltd., Zodiac Power Chittagong Ltd, Stardust Telecom Ltd., Mime Multimedia Ltd., Solaris Ltd., Mime 360 Ltd., Apple Communication Ltd., Zodiac Power Mirsharai Ltd., and Zodiac Logistics Ltd.

Board Of Directors ...



Mr. Ahmed Anwar Hasan

Director

As an accomplished professional with a multifaceted career, Mr. Ahmed stands at the juxtapose of entrepreneurship, strategic advisory, and leadership role. His career journey is marked by a relentless pursuit of innovation, a deep understanding of market dynamics, and a commitment to fostering growth in the business ecosystem.

Mr. Ahmed embarked his career in the banking sector back in 2005, where he developed a keen insight into financial management, risk assessment, and customer relationship strategies. This experience laid the groundwork for his proficiency in business operations and strategic decision-making abilities. Transitioning into the pharmaceutical and supply chain management industry, Mr. Ahmed honed his skills in managing complex operations, regulatory compliance, and market analysis. This phase of his career was instrumental in understanding the nuances of product development, ethical marketing, and market trends. The culmination of these experiences paved the way for him to become an entrepreneur and a dynamic professional by successfully navigating the complexities of launching and managing ventures across diverse sectors such as education, health tech, telecommunication and so forth. This unique blend of experiences has not only broadened his perspective but also deepened his understanding of various business landscapes.

His academic background lays the foundation for his professional achievements. Mr. Ahmed earned a Bachelor of Science in Business Administration degree with a Finance major and Economics minor in 2005 from The Ohio State University, USA and a Master of Business Administration degree with Merit in 2010 from University of Nottingham, UK which equipped him with a robust understanding of business management, strategy, and finance. Alongside his MBA, he pursued specialized courses that further advanced his skills in leadership, innovation management, and sustainable business practices.

Mr. Ahmed joined Confidence Group in August 2015 as Vice President in its telecommunication business vertical. His journey in this role is marked by a steadfast commitment to innovation, sustainability, and strategic growth, hallmarks that have defined his position in Confidence family. Mr. Ahmed has been appointed as a director of Confidence Cement PLC in January 2023, one of the industry's most dynamic and forward-thinking companies. His role as a director is underpinned by a rich blend of entrepreneurial experience, academic excellence, and a commitment to continuous professional development. These elements come together to fuel his passion for leading and transforming businesses in a way that is both profitable and responsible, ensuring a lasting positive impact on the industry and society at large.

Board Of Directors ...



Major General Abul Kalam Mohammad Humayun Kabir, (retd), SUP, ndu, psc
Independent Director

Major General Abul Kalam Mohammad Humayun Kabir, (retd), SUP, ndu, psc, is a former professional military officer with a successful chequered career spanning over 39 years in military, public, business, academic, foreign services and international diplomacy covering wide and varied spectrum of domestic and international assignments. He earned his regular commission in Bangladesh Army on 21 December 1980 securing the first position obtaining coveted 'Chief of Army Staff's Cane' for outstanding performance. He rose through the ranks to the senior level of General Officer demonstrating his mettle for strategic issues and management, operations, sterling leadership, civil-military cooperation and human resource development.

Major General Kalam completed his SSC and HSC from Momenshahi Cadet College. He did his B.Sc. from Chittagong University, MDS from National University, MBA from Trinity University and College, Delaware, USA, Master of Science (MS) in National Strategy and Resource Management from United States National Defense University, USA. He superbly completed number of professional courses both at home and abroad. He is a 'Distinguished Allied Honour Graduate' in Infantry Officers' Advanced Course of US Infantry School and an Honour Graduate of the United States Eisenhower School for National Security and Resource Strategy.

In his long illustrious career, he commanded two infantry divisions and Army Training and Doctrine Command, an Infantry Brigade and a Battalion, a Sector and a battalion of BDR; Served as Commandant, the School of Infantry and Tactics; General Staff Officer First Grade, Army Headquarters; Chief of Operations in UN Peacekeeping Mission in Mozambique. He contributed immensely as the Chairman, Sena Kallayan Shangstha; Vice Chancellor, Bangladesh University of Professionals and as the Military Secretary to the Honorable President. He served with distinction as the High Commissioner Extra-Ordinary & Plenipotentiary to Kenya, Tanzania and Uganda and Permanent Representative to the United Nation's Offices in Nairobi and was elected Vice Chair of the Committee of the Permanent Representatives of the United Nations Habitat in 2018-2019.

He also served as Adjunct Professor in BUP, American International University of Bangladesh (AIUB) and is now in the Faculty of South East University teaching MBA students Leadership and Management, National Strategy, Security and Global Affairs, Human Resource Management, Operational and Strategic Management etc. He was an Instructor Class A, in the Defense Services Command and Staff College, Mirpur, Instructor Class A and B, School of Infantry and Tactics, Sylhet. He is an International Fellow of the United States National Defense University, Washington D.C. and a Fellow of the National Defense College, Mirpur. He regularly delivers lectures on various subjects/issues in different universities and military institutions as guest speaker.

He is an Independent Director of Confidence Cement PLC. and the Chairman of the Audit Committee and a member of the Nomination and Remuneration Committee of the said Company. He is a nominated Director of Zodiac Logistics Ltd.

Board Of Directors ...



Ms. Rabeya Jamali

Independent Director

Ms. Rabeya Jamali is an Advocate of the Supreme Court of Bangladesh and Partner, Jamali & Morshed, a law firm. She did her LL.B. (Honours) from the University of Dhaka, Department of Law, Dhaka, Bangladesh and Master of Laws in Banking Law Studies from Boston University, School of Law, Boston, MA, USA. She is a member of the Bangladesh Supreme Court Bar Association. Ms. Jamali has core expertise in Commercial Contracts, Construction Contracts, M&A, Joint Ventures, SPV relating to infrastructural development projects, Pharmaceutical Industries, Telecommunication related infrastructure, Power and Energy, Company Law, Financial and Banking Laws.

She is an Independent Director and the Chairman of the Nomination and Remuneration Committee and a member of the Audit Committee of Confidence Cement PLC.

She was appointed as Independent Director in the Board of Directors of Confidence Cement PLC, with effect from 01 December 2019, and assuming role as Chairman of the Nomination and Remuneration Committee and a member of the Audit Committee.

She is also an Independent Director of IFIC Bank Limited, Bangladesh and a member of the Board of Directors of IFIC Securities Limited and IFIC Money Transfer (UK) Limited.

Board Of Directors ...



Mr. Md. Alamgir Akber

Nominated Director

Mr. Md. Alamgir Akber is a nominated Director of Confidence Cement PLC., and a member of the Audit Committee. He is representing Confidence Infrastructure Ltd., on the Board of Confidence Cement PLC.

Md. Alamgir akber is the Head of Internal Audit and Compliance of Confidence Group. He did Honors & Masters in Management from Jagannath University under University of Dhaka and MBA in finance from Ahsanullah University of Science And Technology.

He started his career with Confidence Group since 2004 and still now serving as the Head of Internal Audit and Compliance.

Currently, he oversees internal audit functions and compliance of the Confidence Group. He has more than 36 years of experiences in Finance, Accounts & Internal Control. He has also completed 4th level of CMA from Institute of Cost & Management Accounts of Bangladesh.

He is engaged with various socio-cultural organizations. He is also active member of Cadet College Association of Bangladesh.

Board Of Directors ...



Mr. Zahir Uddin Ahmed

Managing Director

Mr. Zahir Uddin Ahmed, Managing Director of Confidence Cement PLC. completed his M.Com (Management) in 1994 from University of Chittagong.

He started his career with Confidence Cement PLC, and till now serving the company as Managing Director.

He has completed the Executive Management Training from AOTS Japan in 2005. He visited in Japan, Turkey, China, Singapore, Malaysia, India, Thailand, Srilanka, Maldives, Myanmar, Nepal, Bhutan, and Saudi Arabia. He is the chief architect of Performance with Purpose of Confidence Cement's pledge to do what's right for the business by being responsive to the needs of the demand of time. As part of Performance with Purpose, Confidence Cement is focusing on delivering sustained growth by making more qualitative products, protecting the environment and empowering the employees and people in the communities we serve.

He is engaged with various socio cultural organizations. He is the active member of International Lions Club. He was the Ex-President of Lions Club of Chittagong Karnafuly. He was the Ex- Cabinet Treasurer of Lions Club International District 315 B4. He is a permanent member of Chittagong Boat Club.

Award and Recognition



We are proud to win the
**ICMAB BEST CORPORATE
AWARD - 2021
UNDER CEMENT CATEGORY**

BANGLADESH ASSOCIATION OF PUBLICLY LISTED COMPANIES

Ref. No: **CM-2023/174**

Date of issue: **March 12, 2023**

BAPLC

Renewed Certificate

This is to certify that

CONFIDENCE CEMENT LIMITED

is an Ordinary Member of Bangladesh Association of Publicly Listed Companies and is entitled to all the rights and privileges appertaining thereto.

This certificate remains current until 31st December 2023.




Secretary General



2023

Credit Rating Report (2nd Surveillance) Confidence Cement Limited

Particular	Rating	Remark
Confidence Cement Limited	AA ₂	
BDT 694.6 million aggregate long-term outstanding	AA ₃ (Lr)	
BDT 2,390.0 million aggregate short term funded limit	ST-2	Vide Appendix-1
BDT 5,770.0 million aggregate short term non funded limit	ST-2	
Rating Outlook	Stable	

Lr - Loan Rating, ST - Short Term (Refer to Appendix-2 for rating history)

Date of Rating: 26 June, 2023.

Validity: The rating is valid up to 30 June, 2024.

Rating based on: Audited financial statements up to 30 June 2022, Un-Audited financial statements of 31 March 2023, bank liability position as on 31 May 2023, and other quantitative & qualitative information.

Auditor: Hussain Farhad & Co., Chartered Accountants

Methodology: CRAB's Corporate Rating Methodology (www.crab.com.bd)

Analysts:

Mohammed Nazrul Islam Bhuiyan
nazrul@crab.com.bd

Mohd. Asifur Rahman
asif.rahman@crabrating.com

Financial Highlights

(MIL. BDT)	—Year ended June 30—		
	2022	2021	2020
Revenue	4,061.9	4,619.3	3,947.6
EBITDA	739.4	1,963.2	1,134.4
EBITDA Margin	18.2	42.5%	28.7%
Net Profit after Tax	109.4	1,241.2	474.5
Net Profit Margin	2.7%	26.9%	12.0%
Return on Avg. Asset	0.9%	11.6%	5.0%
Quick Ratio (x)	0.49	0.61	0.65
Operating Cycle (Days)	121	106	128
Total Equity	5,651.7	5,718.6	4,820.6
Total Liability	6,743.2	5,855.7	5,087.8
Borrowed Fund to Equity (x)	1.00	0.77	0.84
Borrowed Fund to EBITDA (x)	7.68	2.24	3.56
EBIT/Financial Expenses (x)	1.37	7.69	3.54

Source: The Company and CRAB Analysis

■ PROFILE

Confidence Cement Limited (hereinafter also referred to as 'CCL' or 'Confidence Cement' or 'the Company') is the pioneer cement manufacturing Company in private sector of Bangladesh which was established 1991 and commenced its operation in 1994. The Company is engaged in manufacturing of cement and Ready-Mix Concrete (RMC). Present production capacity of the Company is 1,200,000 MT of Cement and 2.4 million CFT of RMC per year. The factory of the Company is located at Madambirhat, Bhatiary, Sitakunda, Chattogram on around 8 acre land. CCL is listed in Dhaka Stock Exchange Limited (DSE) and Chittagong Stock Exchange Limited (CSE) as a publicly quoted company and the first ISO 9002 certified cement manufacturing company in Bangladesh.

■ RATIONALE

Credit Rating Agency of Bangladesh Limited (CRAB) has retained **AA₃** (Double A Three) rating of Confidence Cement Limited and **AA₃ (Lr)** rating to BDT 694.6 million long-term outstanding of the Company. CRAB has also assigned **ST-2** rating to BDT 2,390.0 million funded limit and BDT 5,770.0 million non-funded limit of the Company in the short term.

The assigned ratings favorably consider CCL's long history of operational performance, similar business model, revenue generation capacity, established market position in the South and Eastern part of Bangladesh, comfortable capital structure and adequate coverage position at present. The ratings also take into consideration the experience of the key promoters and top-level management in related business, group support, share of profit from associated companies, strong equity base resulted from internal capital generation and satisfactory loan repayment history as positive factors.

However, ratings are constrained to some extent by unstable revenue as well as volatility in the raw material price could result lower margin. Moreover, high inventory reserve requirement and credit sales created working capital pressure. CCL also experienced liquidity pressure as current assets are insufficient to meet the short-term obligation of the Company. The ratings also take into consideration the competitive nature of business resulting from domestic players and as well as worldwide prominent cement makers and any unfavourable change of Government policy which may adversely affect the business of CCL.

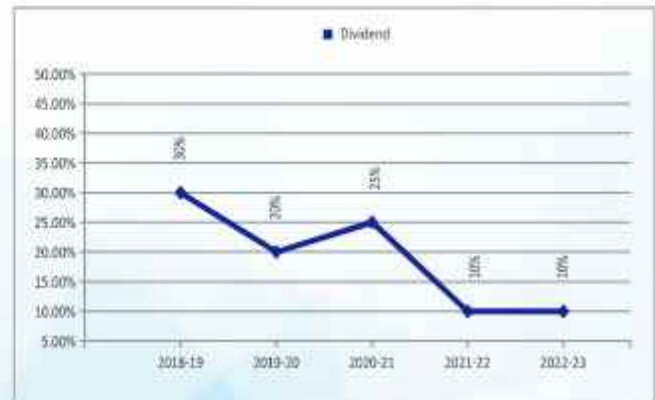
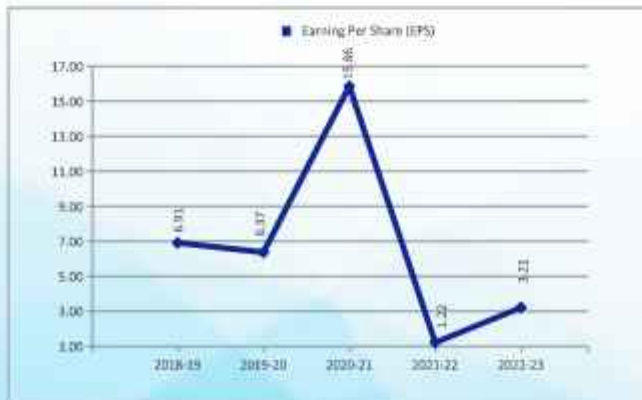
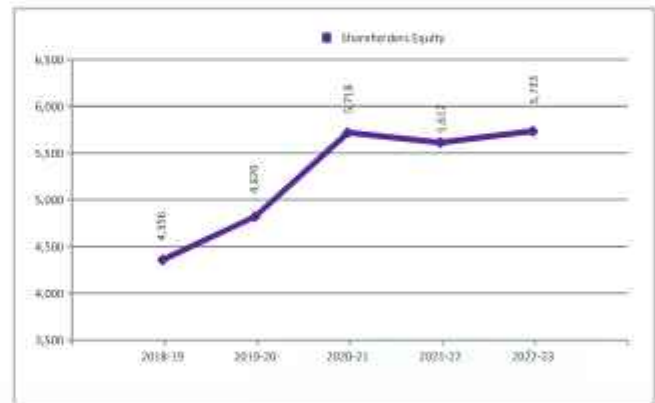
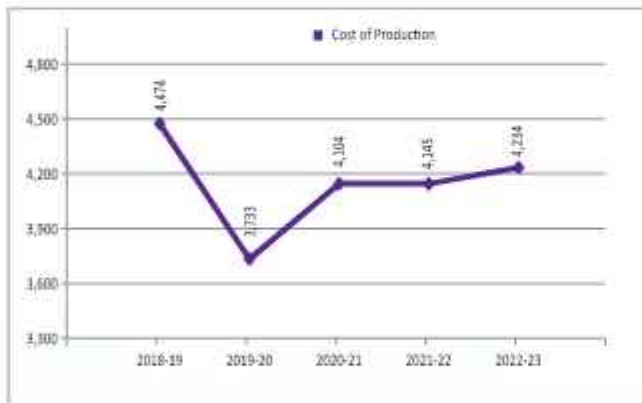
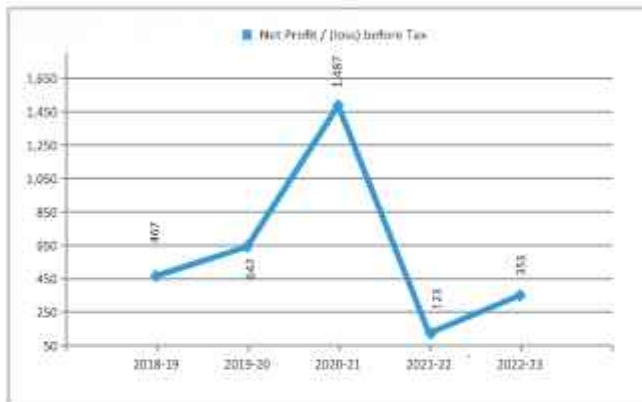
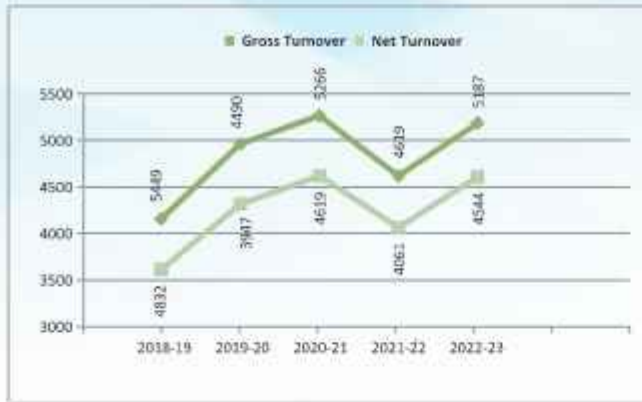
CRAB | CRAB Ratings on Corporate Credit Digest | 26 June, 2023

Managing Director
Credit Rating Agency
of Bangladesh Ltd.



Confidence Cement Limited

Graphical Presentation of the Financial Highlights



Value Added Statement

Revenue
Other Income

Payment to suppliers for materials & other services

Distribution as follows :

Employee Cost
Directors
Govt.
Finance Provider

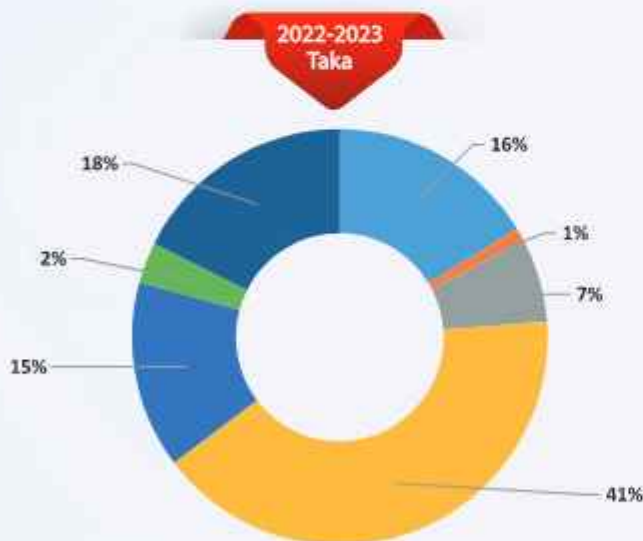
Retained for Re-investment & future growth:

Depreciation
Amortization
Retained Earning (Net profit after tax)

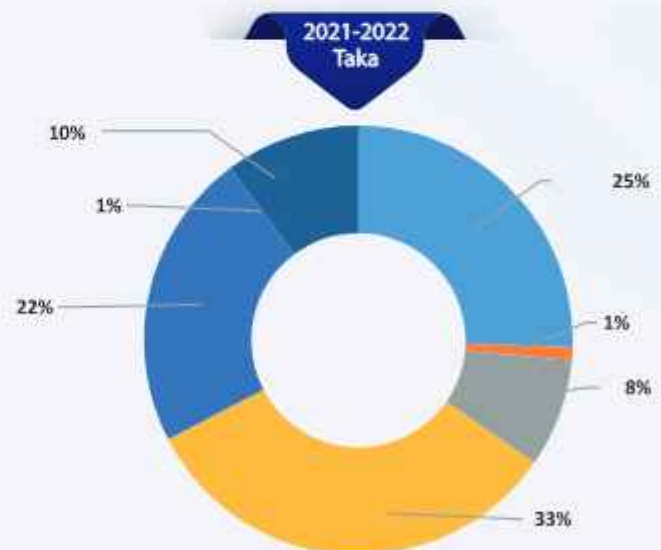
Total

01 July 2022 to 30 June 2023	%	01 July 2021 to 30 June 2022	%
Amount in Tk.	%	Amount in Tk.	%
4,556,355,135		4,064,335,889	
819,280,609		862,006,137	
5,375,635,744		4,926,342,026	
(3,827,885,989)		(3,819,464,229)	
1,547,749,755	100%	1,106,877,797	100%
252,078,962	16%	275,390,963	25%
15,862,500	1%	15,866,472	1%
100,584,135	7%	92,901,731	8%
632,828,438	41%	359,131,821	33%
1,001,354,035	65%	743,290,987	67%
225,198,682	15%	247,839,028	22%
49,559,936	2%	4,056,138	1%
271,637,102	18%	111,691,644	10%
546,395,720	35%	363,586,810	33%
1,547,749,755	100%	1,106,877,797	100%

Element of Total Cost



Employee Cost
Directors
Government
Financial Provider
Depreciation
Amortization
Retained Earning



Employee Cost
Directors
Government
Financial Provider
Depreciation
Amortization
Retained Earning

Others Financial Information, Ratio Analysis & Manpower position :

Particulars	01 July 22 to 30 June 23	01 July 21 to 30 June 22	01 July 20 to 30 June 21	01 July 19 to 30 June 20	01 July 18 to 30 June 19
No. of Share	82,146,467	78,234,731	78,234,731	74,509,268	64,790,668
Earning per share	Tk. 3.21	Tk. 1.22	Tk. 15.86	Tk. 6.37	Tk. 6.65
Cash Dividend	5.00%	5.00%	25.00%	5.00%	15.00%
Stock Dividend	5.00%	5.00%	-	15.00%	15.00%
Net Asset value per share	Tk. 69.80	Tk. 71.74	Tk. 73.10	Tk. 64.70	Tk. 68.39
Net operating Cash flow per share	Tk. (3.03)	Tk. (14.44)	Tk. 4.04	Tk. 13.74	Tk. (6.53)

Ratio Analysis :

Current Ratio	0.6 :1	0.6 :1	0.7 :1	0.7 :1	1.02 :1
Quick Ratio	0.49:1	0.49:1	0.61:1	0.64:1	1.01:1
Debt/Equity ratio	1.32:1	1.20:1	1.02:1	1.06:1	1.09:1
Gross Profit to Sales	6.82%	-2.02%	11.14%	5.42%	7.41%
Net Profit to Sales	5.81%	2.43%	26.86%	12.02%	8.05%
Return on Capital Employed	9.62%	4.90%	27.86%	12.50%	10.28%
Return on Equity	3.09%	1.19%	15.27%	10.26%	9.28%
Price earning ratio	27.73	84.43	8.51	15.23	25.89
Interest coverage ratio	2.19 times	1.57 times	6.31 times	3.17 times	2.64 times
Dividend coverage ratio	.32 times	.12 times	.63 times	.32 times	.20 times
Asset Turnover ratio	.68 times	.60 times	.81 times	.62 times	.79 times
Market price per share	Tk. 89.00	Tk. 103.00	Tk. 135.00	Tk. 97.00	Tk. 155.60

Manpower Position :

Managers & Officer	204	210	215	207	214
Staffs	368	239	252	272	289
Workers	382	165	184	187	184
Total Manpower position	854	614	651	666	687

Directors' Report

To the Members for the year ended 30 June 2023

It is a pleasure and privilege on behalf of the Board of Directors to present the Directors' and Auditor's Report together with the audited financial statements of Confidence Cement PLC. for the year ended on 30th June 2023.

The Directors' Report is prepared in compliance with Section 184 of the Companies Act, 1994; Rule 12 of the Securities Exchange Commission Rules 2020, and the Listing Regulations of the Dhaka Stock Exchange (DSE) Limited and the Chittagong Stock Exchange (CSE) PLC and Bangladesh Securities and Exchange Commission's Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 dated 3 June 2018.

Cement Industry outlook in Bangladesh and possible future development

Bangladesh economy is facing strong headwinds in 2023, especially in the context of a global economic crisis, Russia-Ukraine War, the upcoming national upcoming election, high inflation, sharp decline in forex reserve, internal capacity of the banking systems to facilitate import and export through opening LCs, instability in the financial sector due to rising NPL, tightening of money supply in the banking system and rising interest rates and declining remittance.

Faced with such headwinds, the World Bank has forecast the GDP growth rate of around 5.6% in the fiscal year 2023-2024. Sluggishness in the economy has felt its way to the cement industry as there is a strong correlation between cement demand and GDP growth. The industry is seeing a decline in sales compared to the previous year. Major challenges faced by the industry continues to be declining consumption in government projects, difficulty in opening Letters of Credit due to Dollar scarcity, sharp devaluation of Taka against Dollar leading to high import costs and exchange loss as a result of revaluation of foreign currency loans, rising borrowing costs, rising fuel cost leading to high transport costs.

Stubbornly high inflation has led to decline in purchasing power of consumers especially of the fixed income group. They are now prioritizing their spend on essentials with construction being at the lowest end of their bucket list. Interest costs continue to rise putting a break on investments.

There appears to be no short term solution to alleviate the current situation. The war in Ukraine continues and international fuel prices remain high. Depreciation of the Taka against the Dollar is likely to continue in the next year particularly if the central bank finally introduce free float of the Taka. In such a situation, the economy may remain fragile in the next year and cement demand may remain tepid. Major players continue to expand capacity along with new entrants. This will put further pressure on prices.

However, the industry will need support from the government to tide over this difficult situation. The Company will continue to focus on efficiencies in marketing and operations to strengthen its bottom.

Segment wise performance

This contained in the Note No. 40.00 of the Financial Statements (referred to Page No.-123).

Risks and Concerns

A details report on Risk and Concerns are given in Annexure-V, Page No.-38 in this Annual Report.

Financial Results

The operating financial results of the Company for the year ended 30 June 2023 as compared to previous year are summarized hereunder:

Particulars	2022-2023	2021-2022 (Restated)
Revenue	4,544,011,724	4,061,867,384
Cost of Goods Sold	4,234,328,663	4,145,784,228
Gross Profit	309,683,061	(83,916,844)
Net Profit (Before Tax)	351,686,502	123,565,066
Net Profit (After Tax)	264,028,409	100,543,851
Total Assets	13,282,322,240	12,355,579,197
Net Assets Value	5,733,447,415	5,612,378,548
Net Operating Cash Flow	(249,099,319)	(1,129,341,051)
Earnings Per Share (EPS)	3.21	1.22
Net Assets Value Per Share (NAVPS)	69.80	71.74
Net Operating Cash Flow Per Share	(3.03)	(14.44)
Gross Margin	6.82%	(2.06)%
Net Margin (Before Tax)	7.74%	3.04%
Net Margin (After Tax)	5.81%	2.48%

Discussion on Cost of Goods Sold, Gross Profit Margin and Net Profit Margin

In the year 2022-2023, the Sales Revenue has increased by 11% compared to 2021-2022 mainly due to increase in sales volume and sales price.

Cost of Goods Sold (COGS) has increased by 2% in the year 2022-2023 over previous year due to increase in sales volume and as well as increase of Raw Material cost resulting from devaluation impact of Taka against the US Dollar. During the year material cost increased by 6.61% in Cement unit and 4.03% in RMC unit in comparison to the previous year and factory overhead cost increased 6.04% due to the increase of production volume and inflation.

The Gross Profit percentage increased by 469% due to higher contribution resulting from sales price increase at higher percentage against Raw Material price, increase of sales volume and reduction of per unit manufacturing overhead resulting from cost control initiative taken by the Company. Efficient and effective management of costs along with improved brand mix contributed to the profit growth.

In 2022-2023, the Administrative Expenses has decreased by 11% on the other hand Selling and Distribution Expenses has been decreased by 65% due to cost control initiative taken by the Company and Efficient and effective management of costs.

Finance Cost increased by Tk.79 million i.e. 36% compared to the previous year due to increase of interest rates in the local and international markets and foreign currency loss increased by 195.75 million i.e. 137% due to further devaluation of Taka against US Dollar.

Net Profit for the year ended 30 June 2023 was Tk. 264.03 million. It increased by 163% compared to last year in absolute term. Revenue growth, efficient cost management and increased share of profit from associate company resulted in the growth of net profit.

Share of profit from Associate Companies

You must be aware that the Company invested in two associates companies such as Confidence Batteries Limited and Confidence Power Holdings Limited. The share of profit from the associate companies has been increased by Tk. 49.09 million i.e. 6.00% and stood at Tk. 781.72 million in 2022-2023 where as in 2021-2022 it was Tk. 732.63 million. The details description and calculation of the associates companies have presented in the note 1.03 and 35 of the financial statements.

Comparative statements of share of profit from associates are stated below:

Company (s)	Ownership	2022-2023 TK	2021-2022 Tk.
Confidence Batteries Ltd.	21%	(5,592,358)	(73,032,174)
Confidence Power Holdings Ltd.	36%	797,979,912	814,502,320
Confidence Cement Dhaka Ltd	50%	(10,664,020)	(8,839,516)
		781,723,534	732,630,630

Production

During the year under review the Company was able to produce at cement plant 581,785 M.T as against 552,952 M.T in previous year and at Ready-mix plant 827,408 CFT as against 1,000,781 CFT in previous period which is summarized in the following table:

			2022-2023	2021-2022
Cement Plant	Production Capacity	M.T	1,200,000	1,200,000
	Production	M.T	581,785	552,952
	Capacity Utilization	%	48	46
Ready-mix Plant	Production Capacity	CFT	2,400,000	2,400,000
	Production	CFT	827,408	1,000,781
	Capacity Utilization	%	34	42

Sales

The overall sales performance for the year ended 30 June 2023 showed upward trend. During the year in review sales increased at Cement Plant by 1% in volume and 15% in value. The company has been taken various sales and marketing initiatives to ensure sustainable sales growth, consumer's satisfaction as well as to gain market share which reflected the upward trend of sales volume. On the other side, sales decreased at Ready-mix Plant by 17% in volume and 34% in value.

Particulars	Unit	2022-2023		2021-2022	
		Qty.	Tk.	Qty.	Tk.
Cement Plant	M.T	567,343	4,353,926,530	557,092	3,773,215,417
Ready mix Plant	CFT	827,408	190,085,194	1,000,781	288,651,967

Extra-Ordinary Gain/Loss

The Company did not undertake or continue any extraordinary or adventurous activities and did not suffer or gain any loss or gain from such activities.

Related Party Transaction

During the year the company carried out a number of transactions with related parties in the normal course of business and arms lengths basis. The name of the related parties, relationship, nature of business and their value has been shown in the note no. 42.02 of the notes to the financial statements referred to page no.-124.

Significant Variance between Quarterly Financial performance and Annual Financial Statements

Particulars	First Quarter 2022-2023 (3months)	Second Quarter 2022-2023 (6 months)	Third Quarter 2022-2023 (9 months)	Annual 2022-2023
Revenue	897,077,864	1,951,264,401	3,323,967,179	4,544,011,724
Gross Profit	(41,562,809)	25,626,140	264,922,419	309,683,061
Profit Before Tax	153,989,800	402,327,493	565,414,722	351,686,502
Net Profit After Tax	128,463,768	346,363,874	490,000,525	264,028,409
Shareholders' Equity	5,782,321,360	5,964,418,651	6,110,186,318	5,733,447,415
Total Assets	12,782,868,601	13,158,134,492	13,148,315,287	13,282,322,240
Total Current Assets	3,362,301,435	3,257,813,258	33,230,791,130	381,137,788
Total Current Liabilities	5,622,122,909	5,811,275,353	5,445,817,867	6,573,770,613
Total Liabilities	12,782,868,601	13,158,134,492	13,148,315,287	7,548,874,825
Current Ratio (Time)	0.60	0.56	0.59	1.76

Explanation on Significant Deviation from the Last Year's Operating Results

Revenue :

In the year 2022-2023, the Sales Revenue has increased by 11% compared to 2021-2022 mainly due to increase in sales volume and sales price.

Cost of Goods Sold :

Cost of Goods Sold (COGS) has increased by 2% in the year 2022-2023 over previous year due to increase in sales volume and as well as increase of Raw Material cost resulting from devaluation impact of Taka against the US Dollar. During the year material cost increased by 6.61% in Cement unit and 4.03% in RMC unit in comparison to the previous year and factory overhead cost increased 6.04% due to the increase of production volume and inflation.

Gross Profit :

The Gross Profit percentage increased by 469% due to higher contribution resulting from sales price increase at higher percentage against Raw Material price, increase of sales volume and reduction of per unit manufacturing overhead resulting from cost control initiative taken by the Company. Efficient and effective management of costs along with improved brand mix contributed to the profit growth.

In 2022-2023, the Administrative Expenses has decreased by 11% on the other hand Selling and Distribution Expenses has been decreased by 65% due to cost control initiative taken by the Company and Efficient and effective management of costs.

Operating Profit :

Operating profit increased by 168% i.e. Tk. 465.38 million due to decrease of Administrative Expenses by 11% and Selling and Distribution Expenses by 65% which reflects the Efficient and effective cost management of the Company.

Earnings Per Share (EPS) :

During the year the Company's EPS increased by 163% (from Tk. 1.22 to Tk. 3.21 per share) due to sales growth and sales price increase compared to last year. Also the Company has taken various measures to control the cost.

Investment in Subsidiary

Zodiac Logistics Ltd. (ZLL), was incorporated on June 25, 2018 as a private limited company in Bangladesh under the Companies Act, 1994. Confidence Cement PLC.(CCPLC) was holding 99% with 99,00,000 ordinary shares of Tk. 10 each from the incorporation which makes CCPLC as parent company. The nature of business of ZLL is to operate of all types of bay crossing and river going ships and vessels including motorized, non- motorized tags, burges carrier and pontoons. ZLL started commercial operation on March 01, 2022.

During the year ended on 30th June 2023, it earned a Revenue and Net Profit of BDT 57.67 Million and BDT 7.61 Million respectively and NAV per share of BDT 10.78, EPS of BDT 0.76 and NOCPS of BDT (18.62).

Consolidation of Financial Statement

CCPLC, being the parent of one subsidiary-ZLL, in pursuant to the regulations of the Bangladesh Securities and Exchange Commission (BSEC), prepares consolidated financial statements as per IFRS-10 in order to reflect shareholders' aggregated benefits and the value of the investment. The consolidated financial statements are included in this Annual Report are shown in the page no.-70.

Remuneration to Directors

This information is incorporated in the Notes 27.01 of the notes to the financial statements in the page no.-116 with reference to the "Directors 'remuneration and benefits" figures concerning the Board of Directors including Managing Director.

Contribution to the National Exchequer

The company contributed total amount of Tk. 977,725,346 to the National Exchequer in the form of Customs duty, Vat and Advance Income Tax during the year under review. The break-up of these payments are shown in the table:

Govt. Revenue	2022-2023 Taka	2021-2022 Taka
Vat	643,138,778	556,489,867
Customs duty	240,579,861	147,724,994
Advance income tax	94,006,707	94,060,966
Total Taka	977,725,346	798,275,827

Dividend

The Board of Directors in its meeting held on November 18, 2023 recommended 10% (5% Cash and 5% Stock) Dividend for the year ended June 30, 2023 for declaration at the 32nd Annual General Meeting of the Company. Stock dividend (bonus share) is subject to consent from the Bangladesh Securities and Exchange Commission.

Election/Re-Election of Directors

Mr. Rupam Kishore Barua and Mr. Imran Karim will retire from the office under Article 132 of the Articles of Association of the company. Being eligible, Mr. Rupam Kishore Barua and Mr. Imran Karim have offered themselves for re-election. The Board recommends their re-appointment.

Further, Mr. Ahmed Anwar Hasan and Mr. Md. Alamgir Akber were appointed by the Board in its meeting held on January 30, 2023 will retire from the office under Article 132 in the coming AGM. They are also eligible to participate in the election. The Board recommends their re-appointment.

Brief resumed and other information of the above mentioned Directors are shown in the page no.-09, 10, 13 & 16 respectively.

Appointment of Statutory Auditors

The Current Auditors of the Company- M/s. Rahman Mostafa Alam & Co., Chartered Accountants retires at the ensuing 32nd Annual General Meeting. Being eligible, they offered themselves for reappointment. Pursuant to Bangladesh Securities and Exchange Commission (BSEC) Notification No. BSEC/CMRRCD/2006-158/208/ Admin/ 81 dated 20/06/2018, the retiring Auditors are eligible for reappointment as Statutory Auditors for the year 2023-2024.

The Audit Committee has recommended reappointing M/s. Rahman Mostafa Alam & Co., Chartered Accountants as the Statutory Auditors of the Company for the year 2023-2024.

The Board agreed the same views of the Audit Committee and endorsed the recommendation of the Committee for reappointment of M/s. Rahman Mostafa Alam & Co., Chartered Accountants as the Statutory Auditors of the Company for the year 2023-2024 subject to the approval of the members at the 32nd Annual General Meeting.

Appointment of Corporate Governance Compliance Auditors

The Current Corporate Governance Compliance Auditors of the Company of the Company- M/s. A. Qasem & Co., Chartered Accountants retires at the ensuing 32nd Annual General Meeting. Being eligible, they offered themselves for reappointment. Pursuant to Bangladesh Securities and Exchange Commission (BSEC)'s Notification No. BSEC/CMRRCD/2006-158/208/ Admin/ 81 dated 20/06/2018, the retiring Corporate Governance Compliance Auditors, M/s. A. Qasem & Co., Chartered Accountants are eligible for reappointment as Corporate Governance Compliance Auditors for the year 2023-2024.

The Audit Committee recommended reappointing M/s. A. Qasem & Co., Chartered Accountants as Corporate Governance Compliance Auditors of the Company for the year 2023-2024.

The Board agreed the same views of the Audit Committee and endorsed the recommendation of the Committee for reappointment of M/s. A. Qasem & Co., Chartered Accountants as the Corporate Governance Compliance Auditors of the Company for the year 2023-2024 subject to approval of the members at the 32nd Annual General Meeting.

Audit Committee of the Board

The Audit Committee reviews the quarterly, half-yearly and annual Financial Statements and statements of related party transactions. Also, it reviews adequacy and effectiveness of financial reporting process, accounting policies, internal control and risk management process. It is also responsible for overseeing the management letter along with performance recommendation on appointment and re-appointment of External Auditors. Currently, Audit Committee consists of the following (reconstituted on February 16, 2023) :

SL.No	Name	Status	Position
1.	Major General Abul Kalam Mohammad Humayun Kabir, (Retd.)	Chairman	Independent Director
2.	Ms. Rabeya Jamali	Member	Independent Director
3.	Mr. Imran Karim	Member	Non-Executive Director
4.	Mr. Md. Alamgir Akber	Member	Non-Executive Director
5.	Mr. Md. Delowar Hossain, FCS	Secretary	Company Secretary

Nomination and Remuneration Committee of the Board

In pursuance of the Bangladesh Securities and Exchange Commission's Notification No. BSEC/CMRRCD/2006 - 158/207/Admin/80 dated 3 June 2018, the Board of Directors of the Company has constituted the Nomination and Remuneration Committee to set the principles, parameters and governance framework for the nomination and remuneration of the Directors, Key Managerial Personnel, top-level Executives and other employee comprising the senior management. The Composition of the Nomination and Remuneration Committee is given below (reconstituted on December 31, 2022):

SL.No	Name	Status	Position
1.	Ms. Rabeya Jamali	Chairman	Independent Director
2.	Major General Abul Kalam Mohammad Humayun Kabir, (Retd.)	Member	Director
3.	Mr. Imran Karim	Member	Non-Executive Director
4.	Mr. Md. Delowar Hossain, FCS	Secretary	Company Secretary

Extraordinary General Meeting

The Company called the 5th Extraordinary General Meeting on April 4, 2023 for issuance of Convertible Preference Shares up to BDT 150 (One Hundred and Fifty) Crore only in order to meet ongoing financial requirements and equity injection to the associate companies subject to approval from the Bangladesh Securities and Exchange Commission (BSEC) and Stock Exchanges which is yet to materialize.

Subsequent Events

No subsequent event has been occurred save and except the Board recommended 10% (5% Cash and 5% Stock) dividend for the year ended on June 30, 2023.

Dividend Distribution Policy

The Board of Directors has established a dividend policy, in accordance of the BSEC's Directive No. BSEC/CMRRCD/2021-386/03 dated 14 January 2021, which forms the basis for the proposals on dividend payments to the shareholders taking into consideration the business performance of the company and its strategic initiatives. The Board believes that it is in the best interest of the company to draw up a long-term and predictable dividend policy. The objective of the policy is to make informed the shareholders towards the investment decisions. The Board has approved Dividend Policy has been attached in the Annexure-.

Unclaimed/Unsettled Dividends

The Company has transferred total 897,669 (Eight Lac Ninety Seven Thousand Six Hundred Sixty Nine) bonus shares (stock dividend) which remain unclaimed for a period of 03 (three) years and above from the date of approval, to the Capital Market Stabilization Fund (CMSF) on June 18, 2023.

The company is working to finalize accurate data for the unclaimed/unsettled cash dividends remained unpaid for three years or more to the Capital Market Stabilization Fund which is required time to accomplish due to bulk database of long standing manual data form from the listing year 1995, further manual and computerized data form, un-integrated bank transactions and systems of dividends which require integrated reconciliation that need to accomplish huge work. After finalization of the data, the Company would transfer the amounts of unclaimed or undistributed or unsettled cash dividend to the CMSF.

Human Resources

Now a days, Human Resources are treated as a strategic partner of managing organization's most valuable asset. It is considered as the most important resource of an organization comparing among the other resources such as human, physical, financial and information resources. In May 2017, Human Resource Department started its journey at Confidence Cement with the aim to make a people centric organization where employees are motivated to unleash their best performance and lead the organization to the path of being Employer of Choice.

HR Department has developed a number of policies and procedures for the company. We also amended the existing policies aligning them with the labor law. We keep updated the pay scales after continuously scanning the market.

We ensured hygiene factors office environment. We also provided financial support toward the employees for their treatment if needed. We encouraged office from home one day in a week and we ensure transportation facility to all the levels of staffs. We have provided individual and group training by international & local trainer with the aim of employees' efficiency development. We have arranged soft skill, behavioral improvement, technical and job-related trainings within the company, within the country and even outside of the country as per Training Need Assessment (TNA). We have in-house trainer pool for development of soft skills, technical skill and job-related skills. We have also introduced online-based E-learning platform to boost up corporate ethics, manners and to develop soft skills among the employees for their balanced career. We are continuously uploading learning videos and case studies through ERP system. To properly evaluate employee performances, we have started Key Performance Indicator (KPI) based performance appraisal through online. Employee gets their regular work update. We are continuously monitoring individual KPI along with departmental and company KPI in line with budget & target of the company.

Safety, Health and Environment

Confidence Cement's philosophy is to provide a safe and secure working environment for its employees by operating responsibly with minimum impact on the planet. We are committed to cultivate an environment which ensures safety embedded at its core. Our goal is to achieve a workplace that is 100% safe for our employees and all Stakeholders involved in our business operations. We actively implement policies and procedures related to Environment, Health, and Safety (EHS) to reduce accidents and minimize the risk of injuries or health hazards at the workplace. Confidence Cement also encourages a tradition of training and capacity-building for our employees, providing them with the best procedures and workshops available. We envision a risk-free setting and frequently invest in various tools & techniques to ensure that our employees are equipped with contemporary safety skills in their daily operations.

Confidence Cement has taken safety measures according to the differences in the nature of our various work environment at our Plants and the Corporate Head Offices. At all sites of Confidence Cement, it is declared that safety is everybody's responsibility. So each area/functional head is the owner of safety practices under the umbrella of EHS principles.

We are committed to enhancing the knowledge and preparedness of our workforce in adopting sound EHS practices while also ensuring they are proficient in using contemporary safety equipment and techniques at our plant facilities. The workforce is provided with appropriate Personal Protective Equipment in line with the work zone & nature of job being performed. The safety equipment & accessories requirement for each zone has been visibly displayed at prominent locations.

Our commitment to maintain the Health, Safety and Environment wellbeing of Confidence Cement employees is to maintain a consistent channel of training and education at various levels. A comprehensive communication framework such as Daily, Weekly, Monthly safety.

The System of Internal Control

Confidence Cement PLC, being a listed company has a well-defined Internal Control System based on its high-tech large scale production capacity to ensure the business operations. The system ensures reasonable assurance of the internal checking system of monetary transactions and safeguarding of assets. The Internal Control Systems are reviewed by the Internal Audit & Compliance Department of the company and reported to the Audit Committee. Annual planning defines budget on the basis of macroeconomic analysis based on market conditions and cost targets. The Internal Control System ensures receiving of quality raw materials, stores & spares and non-current assets and producing quality cement for the customers. Quality of the goods is tested by recognized testing authorities.

In order to establish a strong Internal Control System in the company, Statutory Auditors' play a vital role through reporting of true and fair view of income, expense, assets and liabilities of the Financial Statements. They ensure the interest of the Investors and safeguarding of the company's assets and also ensure complete application of Corporate Governance vide Code No. BSEC/CMRRC-D/2006-158/207/Admin/80 dated 3 June 2018. The code of International Accounting Standards (IAS) and International Standards of Auditing (ISA) with stipulated disclosures of important items of Financial Statements. Corporate Governance involves decision making process for any going concern corporate body for the present and future benefit of all stakeholders. These aspects of governance are followed by the Board of Directors, Management, Operational participants and workers and others in achieving common goals like to increase in the profit of the company.

CSR Activities

Being a responsible corporate citizen, Confidence Cement PLC has been contributing to different social causes to bring positive changes in the society over many years. Confidence Cement has been providing financial and other material aids to different organizations working for the development of underprivileged and transcended communities, autistic and differently challenged children in Bangladesh under the umbrella of Confidence Group.

These initiatives of Confidence Cement under the umbrella of Confidence Group have made a significant beneficial impact in the society. Our company recognizes the need for being a responsible corporate citizen. As a part of sustainable development, it takes seriously its corporate social responsibilities.

Information Technology (IT)

"Working from home" have been the new normal during the last fiscal year. Corporate throughout the world had to ensure optimize use of their resources for smooth business operation to cope with the challenges. Due to restrictions in shipping because of Covid-19 pandemic and shortage of supplies, the price of IT devices remained high. The members of Confidence Cement with association of the IT Department of Confidence Group also ensured availability of all resources to overcome the challenges. Confidence Group IT Team developed virtual platform <https://vc.mimebd.com> like as Zoom Platform to facilitate the meeting which reduces the extra cost. It also managed and maintained the hardware and software operations without support of third-parties. This reduced significant amount of operational cost. During the last fiscal year, the IT Department provided support to all concerns of the group through remote communication platform. All units are now under surveillance and were able to reduce the response and support time by a significant margin. A great number of IT devices were upgraded through cost effective solution and those were delivered to all corner. Moreover, Confidence Cement PLC, plans to become paperless company by the year 2024 and developed ERP software.

Corporate Governance and Compliance

Good governance and ethical conduct provide the foundation for everything we do at Confidence Cement PLC. They help us earn trust, manage risks, foster sustainable growth and build a resilient business. We aim to tackle challenging issues head on, make our communications and processes simple, hold everyone accountable and empower all our employees to do what's right. Our Code of Business Conduct as well as our internal ethics upkeeps and tailored training, helps employees make ethical decisions.

We believe continuous supervision in every business practice is the key to sustain in a leadership role. Therefore, Confidence Cement's Board is committed to meeting the highest standard of corporate governance and disclosure. The Directors are conscious of their responsibilities in supervision and direction of the affairs of the Company in conformity with the practices of sound corporate governance. In fulfillment of those responsibilities the directors have set up for themselves the principles that will be followed by their own involvement in the corporate function and in setting up clear guidelines for the executive management.

We confirm that the Company has complied with most of the relevant conditions of Bangladesh Securities and Exchange Commission's (BSEC) Notification no. BSEC/CMRRCD/2006-158/207/Admin/80 dated 3 June 2018. The compliance report is appended herewith as **Annexure- C.**

Further, a Certificate of Compliance required under the said conditions, is provided by **M/s. A. Qasem & Co., Chartered Accountants** also annexed to this report in **Annexure B.**

Acknowledgement

The Company and its Board of Directors would like to extend its foremost regard and appreciation to the valued shareholders and other stakeholders of the Company for their present support and guidance to the Company that led to the cumulative achievements. They also express their gratitude to the Government of Peoples Republic of Bangladesh, National Board of Revenue (NBR), Registrar of Joint Stock Companies and Firms (RJSC), Bangladesh Securities and Exchange Commission (BSEC), Central Depository Bangladesh Limited (CDBL), Dhaka Stock Exchange Ltd. (DSE), Chittagong Stock Exchange PLC. (CSE), the Company's bankers and other business partners for their cooperation, positive support and guidance. We promise that we will continue our journey towards a bright future. We look forward to your continuing support in the coming years for the smooth growth of the Company.

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Finally, Members of the Board of Directors also put on record their deep appreciation and thanks to all Executives, Staffs and Workers for their hard work, dedication, sincerity and commitment that they have shown for steady growth of the Company.

May Allah bless us all.

On behalf of the Board of Confidence Cement PLC.



Engr. Rezaul Karim
Chairman

Annexure I

Directors' Declaration

The Directors also report that :

The Company is determined to ensure good governance by complying with all the applicable rules and regulations of Corporate Governance and the Directors are pleased to confirm the following :

- a) The financial statements together with the notes thereon have been drawn up in conformity with the Companies Act 1994 and Securities & Exchange Rules 2020 and other applicable rules etc. These statements present fairly the company's state of affairs, the result of its operations, cash flow and changes in equity.
- b) Proper books of accounts of the company have been maintained.
- c) Appropriate Accounting policies have been consistently applied in the preparation of financial statements and accounting estimates are based on reasonable and prudent judgment.
- d) The International Accounting Standards (IAS), or International Financial Reporting Standard (IFRS) as applicable in Bangladesh, have been followed in the preparation of financial statements.
- e) The systems of internal control of the company are sound and have been effectively implemented and monitored.
- f) The minority shareholders have been protected from abusive actions by, or in the interest of, controlling shareholders acting either directly or indirectly and have effective means of redress.
- g) There are no significant doubts upon the company's ability to continue as a going concern.
- h) There is no significant deviation in operating results compared to the previous period.
- i) Key operating and financial data of at least preceding five years is enclosed herewith in the page no.- 34.
- j) No bonus share or stock dividend has been declared as interim dividend during the period under review.
- k) The profitability of the company has increased.
- l) The number of board meetings and the attendance of directors during the period ended 30 June 2023 were shown in the page no.-36.
- m) Report on pattern on shareholding is enclosed herewith in the page no.-37.
- n) Management Discussion and Analysis report signed by MD is enclosed herewith in the page no.-40.
- o) Certification by the CEO and the CFO is enclosed herewith as Annexure-A in the page no.-47.
- p) Certificate regarding compliance of conditions of the Corporate Governance as Annexure-B in the page no.-48.

Annexure II

Five years financial position

Taka in '000

Particulars	01 July 22 to 30 June 23	01 July 21 to 30 June 22	01 July 20 to 30 June 21	01 July 19 to 30 June 20	01 July 18 to 30 June 19
ASSETS :					
Property, plant and equipment	3,520,624	3,717,430	3,897,595	3,967,847	4,093,735
Right of use assets	189,566	276,482	271,190	-	-
Capital work in progress	333,559	319,437	238,782	152,641	88,686
Investment	5,420,435	4,750,048	4,041,191	3,043,708	1,439,192
Total non-current assets	9,464,184	9,063,397	8,448,758	7,164,196	5,621,613
Investment in quoted share	-	-	2,349	1,172	2,008
Inventories	590,932	599,287	559,146	467,662	581,687
Trade Receivables	945,180	739,343	803,342	692,541	950,873
Advances, deposits and prepayments	1,988,630	1,617,487	1,180,631	1,099,813	1,548,825
Other receivable	53,553	108,297	163,925	138,128	100,141
Short term investment in fixed deposits	104,353	139,000	204,000	254,000	250,000
Cash and cash equivalents	135,490	88,768	212,157	90,853	113,779
Total Current assets	3,818,138	3,292,182	3,125,550	2,744,169	3,547,313
Total Assets	13,282,322	12,355,579	11,574,308	9,908,365	9,168,926
EQUITY & LIABILITIES :					
Equity :					
Share Capital	821,464	782,348	782,348	745,092	647,906
Share Premium	658,090	658,090	658,089	658,090	658,090
General reserve	371,862	371,862	371,862	371,863	371,863
Revaluation reserve	377,247	391,000	425,097	462,121	497,952
Retained earnings	3,504,784	3,409,078	3,481,218	2,583,434	2,255,510
Total equity	5,733,447	5,612,378	5,718,614	4,820,600	4,431,321
LIABILITIES :					
Non-current liabilities					
Long term loans	323,774	547,142	925,429	1,234,671	1,451,423
Lease Liabilities-non-current portion	173,856	258,091	247,284	-	-
Defined benefit obligation (gratuity)	175,437	157,080	111,085	76,471	65,892
Deffered tax liability	302,037	315,340	393,302	266,602	231,406
Total non-current liabilities	975,104	1,277,653	1,677,100	1,577,744	1,748,721
Current Liabilities					
Trade payable	828,738	290,247	466,422	333,055	293,657
Short term loans	5,031,790	4,386,302	2,910,012	2,523,155	2,233,087
Current portion of long term term loans	343,322	446,150	283,574	283,573	262,615
Lease Liabilities-current portion	40,687	39,154	35,307	-	-
Provision for WPPF and welfare fund	104,877	101,415	118,045	-	-
Current tax liability	95,361	94,671	89,210	133,237	54,909
Other liability	128,996	107,609	276,024	237,001	144,616
Total Current Liabilities	6,573,771	5,465,548	4,178,594	3,510,021	2,988,884
Total Liability	7,548,875	6,743,201	5,855,694	5,087,765	4,737,605
Total equity and liabilities	13,282,322	12,355,579	11,574,308	9,908,365	9,168,926
NAV Per Share	69.80	71.74	73.10	64.70	68.39

Five Years Comprehensive Income Statement

Taka in '000

Particulars	01 July 22 to 30 June 23	01 July 21 to 30 June 22	01 July 20 to 30 June 21	01 July 19 to 30 June 20	01 July 18 to 30 June 19
Revenue	4,544,011	4,061,867	4,619,313	3,947,575	4,832,894
Cost of goods sold	(4,234,328)	(4,145,786)	(4,104,820)	(3,733,608)	(4,474,550)
Gross Profit	309,683	(83,919)	514,493	213,967	358,344
Administrative expense	(87,469)	(98,091)	(88,933)	(135,101)	(194,675)
Selling & distribution expense	(64,361)	(188,460)	(178,560)	(93,674)	(100,053)
Other operating income	31,544	94,477	149,064	145,094	25,403
Trading Profit	189,397	(275,993)	396,064	130,286	89,019
Finance cost	(294,863)	(359,131)	(222,480)	(252,633)	(238,096)
Finance Income	8,586	15,917	30,102	24,400	22,332
Foreign currency exchange loss	(339,169)	-	-	-	-
Non-operating income	6,012	10,141	234,110	(25,835)	2,333
Profit before workers profit participation fund	(430,037)	(609,066)	437,796	(123,782)	(124,412)
Contribution to WPPF	-	-	(21,868)	-	-
Operating profit before income tax	(430,037)	(609,066)	415,928	(123,782)	(124,412)
Share of profit / (loss) of associates (Net of tax)	781,721	732,630	1,071,558	766,728	633,273
Profit before income tax	351,684	123,564	1,487,486	642,946	508,861
Current Tax					
Current year	(93,207)	(89,746)	(106,378)	(121,285)	(43,240)
Previous year	(4,314)	(2,712)	(2,476)	-	-
Deferred tax	9,864	69,437	(137,448)	(47,140)	(34,849)
Net profit after tax	264,027	100,543	1,241,184	474,521	430,772
Other comprehensive income :					
Items that will never be reclassified to profit or loss					
Items that are or may be reclassified to profit or loss:					
CCL's portion of prior year adjustment in CPHL retained earnings	(107,280)	10,779	-	-	-
CCL's portion of prior year adjustment in CBL retained earnings	-	-	(94,560)	-	-
Loss on dilution of share value due to issuance of new share	-	-	(165,666)	-	-
Adjustment for lease on associate's retained earnings	-	-	(656)	-	-
Adjustment for bargain purchase on associates retained earnings	-	-	15,364	-	-
	(107,280)	10,779	(245,518)	-	-
Total comprehensive income	156,747	111,322	995,666	474,521	430,772
Earning per share	3.21	1.22	15.86	6.37	6.65

Annexure-III

Meetings Information

Attendance of the Board Meeting, Audit Committee Meeting and Nomination and Remuneration Committee Meeting

During the year ended on 30 June 2023, Board Meeting, Audit Committee Meeting and Nomination & Remuneration Committee (NRC) Meeting were held as per the compliance of the Corporate Governance Code and attendance of the Directors and Members of the Committees are shown below :

Board Members	Position	Board Meeting Attendance	Audit Committee Meeting Attendance	NRC Meeting Attendance
Engr. Rezaul Karim	Chairman	6/6	-	-
Mr. Rupam Kishore Barua	Vice Chairman	6/6	-	-
Mr. Imran Karim Member- of the Audit Committee & Nomination and Remuneration Committee of the Board	Vice Chairman	6/6	3/3	3/3
Ms. Runu Anwar	Director	6/6	-	-
Mr. Salman Karim	Director	6/6	-	-
Mr. Ahmed Anowar Hasan	Director	2/2	-	-
Mr Alamgir Akber Member- Audit Committee of the Board	Nominated Director	2/2	1/1	-
MG Abul Kalam Mohammad Humayun Kabir (Retd.) Chairman- Audit Committee Member- Nomination and Remuneration Committee	Independent Director	6/6	4/4	4/4
Ms. Rabeya Jamali Chairman- Nomination and Remuneration Committee Member- Audit Committee	Independent Director	5/6	3/4	3/4
Mr. Zahir Uddin Ahmed	Managing Director	5/6	4/4	4/4
Mr. Md. Delowar Hossain, FCS	Company Secretary	6/6	4/4	4/4

Mr. Ahmed Anowar Hasan and Mr. Md. Alamgir Akber Were appointed as Directors on 30 January 2023.

Mr. Imran Karim and Mr. Md. Alamgir Akber were nominated by the Board as Members of the Audit Committee respectively on November 14, 2022 and February 16, 2023.

Annexure-IV

Pattern of Shareholding as at 30 June 2023.

The name-wise details of the aggregate number of shares of the company held by:-

a) Parent or Subsidiary or Associated companies and other related parties:

The company is not any subsidiary of any company or not it has any parent company or any associates which holds share of the company to report.

b) The Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer, Head of Internal Audit and their spouse and minor children (name-wise details):

Sl. No.	Names	Position	Number of shares	Percentage
a)	Engr. Rezaul Karim Spouse and Minor Children	Chairman	5,816,787 Nil	7.08 0
b)	Mr. Rupam Kishore Barua Spouse and Minor Children	Vice chairman xxxxx	3,848,314 Nil	4.68 0
c)	Mr. Imran Karim Spouse and Minor Children	Vice chairman xxxxx	2,826,672 Nil	3.44 0
d)	Ms. Runu Anwar Spouse and Minor Children	Director xxxxx	2,240,753 Nil	2.73 0
e)	Mr. Salman Karim Spouse and Minor Children	Director xxxxx	1,665,860 Nil	2.03 0
f)	Mr. Ahmed Anwar Hasan Spouse and Minor Children	Director xxxxx	3,312,873 Nil	4.03 0
g)	M/s. Confidence Infrastructure Ltd. Rep by Mr. Md. Alamgir Akber	Corporate Director Independent Director	3,730,785	4.54
h)	MG A K M Humayun Kabir, (Retd) Spouse and Minor Children	xxxxx Independent Director	Nil Nil	0 0
i)	Ms. Rabeya Jamali Spouse and Minor Children	xxxxx Managing Director	Nil Nil	0 0
j)	Mr. Zahir Uddin Ahmed Spouse and Minor Children	xxxxx Chief Financial Officer	Nil Nil	0 0
k)	Mr. Newaz Mohammed Iqbal Yousuf Spouse and Minor Children	xxxxx Company Secretary	Nil Nil	0 0
l)	Mr. Md. Delowar Hossain FCS Spouse and Minor Children	xxxxx Head of Internal Audit & Compliance	Nil Nil	0 0
m)	Mr. Md. Alamgir Spouse and Minor Children	xxxxx	Nil Nil	0 0

c) Executives – (Top 5 (five) salaried employees of the company other than the Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer and Head of Internal Audit & Compliance):

Sl. No.	Names	Position	Number of shares	Percentage
1.	Mr. Faruk Ahmed Spouse and Minor Children	Sr.General Manager - Plant xxxxx	0 0	0 0
2.	Mr. Md. Shahidul Islam Spouse and Minor Children	General Manager- S& M xxxxx	0 0	0 0
3.	Maj. Sheikh Sultan Ahmed Talukdar (Retd) Spouse and Minor Children	Dy. General Manager-Transport xxxxx	0 0	0 0
4.	Mr. Ashis Kanti Palit Spouse and Minor Children	Dy. General Manager – S&M xxxxx	0 0	0 0
5.	Mr. Mohammad Nasir Uddin Spouse and Minor Children	Asst. General Manager – SCM xxxxx	0 0	0 0

d) Shareholders holding 10% or more voting interest in the company (name-wise details): Nil

Annexure-V

RISK AND CONCERN

Risk is defined as "the chance of exposure to the adverse consequences of uncertain future events". This is an integral part of any business. Over our long experience in the industry we have managed to significantly enhance and achieve a very robust and matured stage for our risk management process. The CCPLC.'s risk management process is featured to estimate the probability of any uncertain events and provide adequate responses for eliminating the consequence of that event. The overall risks and management process thereof is discussed as below :

IDENTIFICATION OF RISK

Prepare a list of potential risks by referring to the relevant business critical information which is obtained from various reporting line and also by taking into consideration of various non-financial factors relating to current political and economic situations.

ANALYSIS OF THE OUTCOME

Priorities the potential risks by considering the possible likelihood and impact on the Company's current and future prospects.

DESIGN POSSIBLE SOLUTIONS

Prepare avoidance and contingency plans by establishing controls at different levels of business and also deciding of various strategies to mitigate the risks.

IMPLEMENTATION

The department heads then take all the necessary initiatives for the implementation of the designed system.

EVALUATION

The management always monitors the effectiveness of the designed systems through receiving various reports from different departments and if necessary then reanalyze.

RISK ATTITUDE OF DIRECTORS

Board of Directors continually evaluates their risk attitude based on varying circumstances. They essentially strike a right balance between being risk averse and risk takers demanded by the circumstances.

RISK FACTOR

There are various risk factors associated with the nature of the activities of the Company. Although, the risks of the industry are continuously evolving, the Company has taken reasonable steps to identify material risks that could have hampered the Business of the Company and had adopted preventive measures in this respect.

a. CREDIT RISK

Credit risk is the risk of a financial loss to the company if a customer or a counter party to a financial instrument fails to meet its contractual obligations, and arises principally from company's receivables from dealers. Management has a credit policy and the exposure to credit risk is monitored on an ongoing basis.

b. LIQUIDITY RISK

Liquidity risk is the risk that the company will not be able to meet its financial obligations as they fall due. The company's approach to managing liquidity (cash and cash equivalents) is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risk of damage to the company's reputation. Typically, the company ensures that it has sufficient cash and cash equivalents to meet expected operational expenses, including financial obligations through preparation of the cash flow forecast, based on time line of payment of financial obligations and accordingly arrange for sufficient liquidity/fund to make the expected payments within due dates. Moreover, the company seeks to maintain short term lines of credit with scheduled commercial banks to ensure payment of obligation in the event that there is insufficient cash to make the required payment. The requirement is determined in advance through cash flow projections and credit lines with banks are negotiated accordingly.

c. MARKET RISK

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.

d. CURRENCY RISK

The company is exposed to currency risk on certain purchase such as import of raw material. Majority of the company's foreign currency transactions are denominated in USD and relate to procurement of raw materials from abroad.

e. INTEREST RATE RISK

Interest rate risk is the risk that arises due to changes in interest rates on borrowings. Short term bank borrowings are, however, not significantly affected by fluctuations in interest rates. The company has not entered into any type of derivative instrument in order to hedge interest rate risk as at the reporting date.

f. PRICE RISK

Price risk represents the risk that the fair value of future cash flows of a financial statement will fluctuate because of a change in market prices. Finance department estimates the product cost and the marketing department, on comparing other similar industries determines the market price of a product after adding reasonable profit to make it competitive.

g. Operational Risk

Operational risk addresses the risks associated with fraud, forgery, unauthorized activities, error omission, system failure and external events among others. Field Supervisor's Checklist, Credit Inspection Report, Hire Financing Documentation Checklist etc. are in place covering all probable risks associated with company's business and operations. Surprise audits and frequent inspections are also made on a regular basis to make sure that all control tools are functioning properly.

h. INDUSTRY RISK

It results from change of market condition, competitor's behavior, and policy changes of the government are associated with those risks. Confidence Cement PLC recognizes that good information is the key to forecast, assess and manage the risk.

The management has overall responsibility for the establishment and oversight of the company's risk management framework. The company's risk management policies are established to identify and analyze the risks faced by the company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies, procedures and systems are reviewed regularly to reflect changes in market conditions and the company's activities. This note presents information about the company's exposure to each of the following risks, the company's objectives, policies and processes for measuring and managing risk, and the company's management of capital.

Annexure-VI

MANAGEMENT'S DISCUSSION AND ANALYSIS REPORT

In compliance with the Condition No. 5(xxv) of the Corporate Governance Code as issued by BSEC vide its notification dated 3 June 2018, a brief Management analysis is given on company's position on the operations and financial statements focusing, in particular, on the following issues :

a) Accounting policies and estimation for preparation of financial statements

The financial statements of the Company under reporting have been prepared on a going concern basis following accrual basis of accounting except for statement of cash flows in accordance with the International Accounting Standards (IASs) and International Financial Reporting Standards (IFRSs) as adopted in Bangladesh by the Institute of Chartered Accountants of Bangladesh (ICAB).

The financial statements are prepared and presented for external users by the Company in accordance with identified financial reporting framework. Presentation has been made in compliance with the requirements of IAS 1 – "Presentation of Financial Statements".

The financial statements have been prepared on going concern basis under the historical cost convention except for Investment in quoted shares, land and factory building.

Statement of Cash Flows is prepared principally in accordance with IAS-7 'Statement of Cash Flows' and the cash flows from operating activities have been presented under direct method. A reconciliation of net income or net profit with cash flows from operating activities making adjustments for non-cash items, for non-operating items and for the net changes in operating accruals as per requirement of Securities and Exchange Rules 1987.

Unless otherwise stated, the accounting policies and methods of computation used in preparation of Financial Statements for the year ended 30 June 2023 are consistent with those policies and methods adopted in preparing the financial statements for the year ended 30 June 2022.

Details of the significant accounting policies are available in Note No. 3 of the Financial Statements.

b) Changes in accounting policies and estimation

The financial statements of Confidence Cement PLC. for the year ended 30 June 2023 have been prepared with no change in accounting policy and/or estimation. The company's financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs). The Company applied IFRS 10 (Consolidated Financial Statements) in the current year. There have been no significant changes in the accounting policies applied to the financial statements except consolidated of financial statements.

c) Comparative analysis (including effects of inflation) of financial performance or results and financial position as well as cash flows for current financial year with immediately preceding five years explaining reasons thereof has been described below :

Financial Results	01 July 22 to 30 June 23	01 July 21 to 30 June 22	01 July 20 to 30 June 21	01 July 19 to 30 June 20	01 July 18 to 30 June 19	01 July 17 to 30 June 18
Revenue	4,544,012	4,061,867	4,619,314	3,947,575	4,832,894	3,916,784
Gross Profit	309,683	(83,917)	514,494	213,967	358,344	328,640
Profit Before Tax	351,687	132,405	1,487,487	642,947	508,861	342,239
Net profit After Tax	264,028	109,383	1,241,186	474,521	430,772	305,866
Shareholders' Equity	5,733,447	5,651,715	5,718,615	4,820,601	4,431,322	4,034,965
Total Assets	13,282,322	12,394,915	11,574,308	9,908,366	9,168,926	8,132,443
Total Current Assets	3,818,138	3,292,182	3,125,550	2,744,170	3,547,313	3,183,246
Total Current Liabilities	6,573,771	5,465,547	4,178,593	3,510,021	2,988,884	3,733,965
Current ratio (Time)	0.58:1	0.60:1	0.75:1	0.78:1	1.18 :1.00	0.85:1.00

CASH FLOW MOVEMENT

(Taka in '000)

Cash flow Movement	01 Jan. 22 to 30 June 23	01 Jan. 21 to 30 June 22	01 July 20 to 30 June 21	01 July 19 to 30 June 20	01 July 18 to 30 June 19	01 July 17 to 30 June 18
Net cash flows from operating activities	(249,099)	(1,129,341)	315,987	1,023,443	(423,191)	(509,133)
Net cash flows used in investing activities	14,114	(65,172)	(162,919)	(1,046,784)	(221,778)	(213,108)
Net cash flows used in financing activities	280,866	1,070,453	(31,770)	382	708,986	(92,184)
Net Increase/(decrease) in cash and cash equivalents	45,880	(124,060)	121,299	(22,959)	64,017	(814,132)
Opening Cash and cash equivalents	88,768	212,157	90,854	113,780	49,426	863,558
Closing Cash and cash equivalents	135,490	88,768	212,157	90,854	113,780	49,426
Net Operating Cash Flow Per Share (NOCFPS)	(3.03)	(14.44)	4.04	13.74	(6.53)	(9.43)

DIVIDEND

The Board of Directors in their meeting held on November 18, 2023 recommended 10% (5% Cash & 5% Stock) Dividend for all Shareholders for the year ended June 30, 2023 subject to approval of the members at the 32nd Annual General Meeting scheduled to be held on December 30, 2023. Stock dividend (bonus share) is subject to consent from the Bangladesh Securities and Exchange Commission. With this recommendation of proposed dividend, the summary of the total dividend is given below :

(Taka in '000)

Indicators	01 Jan. 22 to 30 June 23	01 Jan. 21 to 30 June 22	01 July 20 to 30 June 21	01 July 19 to 30 June 20	01 July 18 to 30 June 19	01 July 17 to 30 June 18
Net Profit After Tax	264,028	109,383	1,241,186	474,521	430,772	305,866
Earnings Per Share	3.21	1.40	15.86	6.37	6.65	5.67
Cash Dividend	5%	5%	25.00%	15.00%	15.00%	15.00%
Stock Dividend	5%	5%	-	5.00%	15.00%	20.00%
Number of Shares	82,146,467	78,234,731	78,234,731	74,509,268	64,790,668	53,992,224
Cash Dividend per Share	0.5	0.5	2.5	1.5	1.5	1.5

(d) Comparison of the financial performance or results and financial position as well as cash flows with the peer industry scenario:

(Taka in '000)

Sl. No.	Items	Confidence Cement	Crown Cement	Lafarge Holcim	Heidelberg Cement	Meghna Cement	Premier Cement	Aramit Cement	
1.	Net Profit After Tax	26,40,28	-	4,445	(233)	15,819	(842,370)	(580,791)	
2.	Dividend	CASH	5%	20%	48%	10%	5%	10%	No
		STOCK	5%	-	-	-	5%	-	-
3.	EPS	3.21	4.11	3.83	(4.13)	0.53	(7.99)	(16.69)	
4.	NAVPS	69.80	55.22	15.25	60.07	50.58	59.33	(4.03)	
5.	NOCFPS	(3.03)	11.43	5.76	3.80	54.43	5.84	1.50	

Confidence Cement (Confidence Cement PLC), Crown Cement (Crown Cement PLC), PCML (Premier Cement Mills Ltd.) LHBL (LafargeHolcim Bangladesh Ltd), HCBL (Heidelberg Cement Bangladesh Ltd), MCML (Meghan Cement Mills Ltd, Aramit Cement (Aramit Cement Ltd). EPS = Earnings per Share, NAVPS = Net Asset Value per Share, NOCFPS = Net Operating Cash Flow per Share, C = Cash Dividend and B = Bonus Share (Stock Dividend).

(e) Financial and economic scenario of the country and the globe has been discussed briefly in the following manner :

Global Economy

The pandemic disruption severely impacted supply chains across the world. While global economy was recovering strongly from the COVID-19 pandemic, the Russia-Ukraine conflict posed a setback to the ongoing recovery. A rise in global commodity prices and sluggish economic activities by war-induced supply chain disruption is being observed.

In the World Bank's Global Economic Prospect, January 2022, the global economic growth was projected 4.1 and 3.2 percent in 2022 and 2023 respectively, while growth was estimated 5.5 percent in 2021. Growth in advanced economies was expected to decline from 5 percent in 2021 to 3.8 percent in 2022 and 2.3 percent in 2023.

In emerging and developing economies, however, growth was expected to drop from 6.3 percent in 2021 to 4.6 percent in 2022 and 4.4 percent in 2023. The report stressed that by 2023, all advanced economies will have achieved a full output recovery; yet output in emerging and developing economies will remain 4 percent below its pre-pandemic trend.

According to the World Economic Outlook, global growth was expected to decline from 3.4% in 2022 to 2.9% in 2023, then would rise to 3.1% in 2024, but still would remain below the historical average of 3.8% that had been experienced between 2000 to 2019. The reasons cited included increase in central bank rate to combat inflation and the ongoing Ukraine crisis. While global inflation was projected to decrease from 8.8% in 2022 to 6.6% in 2023 and 4.3% in 2024, it was still expected to remain above pre-pandemic levels for some time. All these factors were weighing in heavily on advanced economies which were expected to see a sharp decline in growth from 2.7% in 2022 to 1.2% in 2023 before rising to 1.4% in 2024, with 90% of such economies projected to experience a decline in growth in 2023. In contrast, emerging and developing Asia is expected to see a growth to 5.3% and 5.2% in 2023 and 2024, respectively, after slowdown in 2022 attributable to China's economy.

Bangladesh Economy

According to a popular European Think Tank, Spectator Index, Bangladesh has achieved 188 percent GDP growth and topped the list of countries during the 10 years (2009 to 2019) of pre COVID. Bangladesh achieved GDP growth of 3.45 percent during COVID pandemic, when most of the countries experienced negative growth. And within the short period of time, immediately after the COVID year, the economy returned to the course of higher growth.

Bangladesh has graduated to a lower middle-income country according to the standard of the World Bank since 01 January 2015. Bangladesh has received the final endorsement from the United Nations to graduate from a least developed country in 2021. Bangladesh has become the 35th largest economy in the world. It is estimated that Bangladesh will be included in the list of the top 20 economies of the world before 2041. The government has taken different plan and initiatives, which are at the implementation stage, will lay the foundation of a developed and smart Bangladesh by 2041.

The Russia-Ukraine war situation has had the biggest impact on inflation, government spending, balance of payments, foreign exchange reserves and exchange rates. International supply chain was disrupted by the war and war centric sanctions. At that time, the price of food products, fertilizers and fuel increased a lot in the world market. Developed countries, especially the United States, gradually raised policy interest rates in an attempt to control unprecedented inflation. These changes in the global environment have also affected our economy. To overcome from all adverse, the government has taken different initiatives to maintain macroeconomic balances and achieve higher growth.

Bangladesh has an inspiring story of growth and development. The average GDP growth during the last 14 years was more than 6.7 percent. Per capita income has also experienced an average growth rate of 5.98 percent, with the current per capita income reaching USD 2,765, compared to USD 1,814 in FY 2015-16. Inflation rate for the fiscal year stood at 7.5 percent, higher than the inflation rate of 6.15 percent in the fiscal year 2021-22, and significantly higher than 5.60 percent rate in the fiscal year 2020-21. Despite the current economic crisis, resilient remittance flows, robust demographic dividend and strong export income will continue to contribute to the economic growth.

Bangladesh is pushing for preferential facilities from OECD countries and with mega infrastructure projects like the Padma Bridge and Metrorail coming to fruition, the economic mobility is expected to get a boost and cushion against recession or similar shocks emerging in the global outlook.

(f) Risks and concerns issues related to the financial statements

The major risk relates to continued unavailability of foreign currency for import of raw materials. As a consequences, raw material price will continue to increase. At the same time, escalating interest costs and it will also put pressure on the bottom line. The impact of minimum tax under Section 82(C) continues to be felt as well as tax deduction at source that increases the cost of doing business. Faced with multiple challenges, the Company has taken strong mitigation measures to protect its bottom line. These include strong banking relationships, building on its brand image that allows the Company to fetch a price premium compared to competition, efficiency in operations that has shown the Company to have the highest utilization in production in the industry, a seamless supply chain and a skilled and talented workforce.

(g) Future plan or projection or forecast

The Company remains a strong player in the market with a strong brand equity, high quality of cement, focused sales and marketing backed by seamless logistics ensuring timely deliveries to its consumers.

In view of the pressure on the Taka against the US Dollar, the profitability of the industry and indeed the Company will come under pressure in the following year. The industry will need support from the government to tide over this difficult situation. The Company will continue to focus on efficiencies in marketing and operations to strengthen its bottom.



Zahir Uddin Ahmed
Managing Director

Annexure-VII

Unclaimed Dividend Statement

As at 30 June 2023

Year end	Cash Dividend (Taka)	Stock Dividend (Number of shares)
30-06-2022	798,733	73,106
30-06-2021	5,460,412	-
30-06-2020	2,743,142	66,608
30-06-2019	2,196,974	Transferred to CMSF
30-06-2018	948,373	Transferred to CMSF
30-06-2017	6,007,583	Transferred to CMSF
30-06-2016	10,030,092	-
31-12-2014	7,758,589	-
31-12-2013	13,674,744	-
31-12-2012	9,529,143	-
31-12-2011	9,544,680	Transferred to CMSF
31-12-2010	9,863,328	Transferred to CMSF
31-12-2009	873,911	Transferred to CMSF
31-12-2008		Transferred to CMSF
31-12-2007	2,035,695	-
31-12-2006	1,391,931	-
31-12-2005	371,314	-
31-12-2004	187,470	-
Listing year 1995 to 2003	6,909,984	-
Grand total	90,326,096	

Note: A total number of 898,917 unclaimed stock shares [for the year: 2008-11 & 2017-19] have duly been transferred to Capital Market Stabilization Fund (CMSF) on 30 June 2023.

Annexure-VIII

Dividend Distribution Policy

A) Definitions :

1. 'Company' shall mean **Confidence Cement PLC.**
2. 'Members' shall mean shareholders of the Company who hold shares of the Company.

B) Objective :

The objective of this document is to formulate a policy for dividend distribution criteria of the Company.

C) Scope and Purpose :

The Bangladesh Securities and Exchange Commission issued a Directive No. BSEC/CMRRCD/2021-386/03 dated, 14 January 2021 which requires the Company to formulate and adopt a dividend distribution policy, which shall be disclosed in its annual report and on its website. Accordingly, this dividend distribution policy has been adopted by the company.

D) Financial Parameters to be considered while declaring dividend :

The company shall consider the unconsolidated PAT and the opportunities available for its growth and consider the expansion plans. Post consideration of these facts, the company will take an informed decision about the dividend pay-out ratio which shall be maintained to pay minimum 10% of the consolidated net profit after tax depending on the financial health and capital requirement of the Company with an aim to have a consistent growth in dividend payout. The Dividend may declare in the form of Cash or Stock or the combination both Cash and Stock. The Company can consider special dividend payments such as interim dividend subject to the company's business performance and cash availability.

E) Internal and External factors to considered :

1. Internal and External Factors that shall be considered for declaration of Dividend. The Board and Management may decide to utilize its profit for-
 - i. Business Growth
 - ii. Capital Expenditure
 - iii. Inorganic growth
 - iv. Provision of Reserve Fund
 - v. Acquisition of Technology
2. The level of competition and the prospects of growth for the sector may require the company to buffer up capital to enhance operational efficiency.
3. The ability of the company to raise funds in cost effective manner coupled with the liquidity scenario may also occasion ploughing back of profits.
4. The company is exposed to operational, environmental, regulatory, and legal risks. Possible adverse impact from these risks notwithstanding risk migration by the company can have a bearing on dividend payout.

F) Circumstances under which the Members of the Company may or may not expect dividend.

The company shall declare a dividend for any financial year whenever there is net profit after tax for the year after taking into account the adjustments for previous years, write back of expenses, providing for depreciation etc. The company shall declare no dividend in case there is insufficient net profit after tax for the year after taking into account adjustments for previous years; write back of expenses, providing for depreciation etc.

G) Policy as to how the retained earnings shall be utilized.

The retained earnings will be utilized for the main objects of the Company.

H) Parameters that shall be adopted with regard to various classes of share the company only has one class of equity share and there are no shares with differential rights as to either voting or dividend.

Nomination And Remuneration Policy And Evaluation Criteria

REMUNERATION POLICY

1. levels of remuneration should be sufficient to attract retain and motivate the persons constitution the executive needed successfully to run the company and its subsidiaries but not paying more than is necessary for this purpose.
2. The component parts of the remuneration packages and the benefit schemes for the executive should be designed to encourage the executive to meet the objectives of the Company and the group.
3. There should be established a formal and transparent procedure for developing policy on executive remuneration and for fixing the remuneration packages of the individuals within the executive.
4. The Company's annual report should contain an annual remuneration report containing all information required to be disclosed under legislation good corporate governance practices including details of the remuneration of each director of the Company.
5. Senior remuneration administration should operate on a "best practice" basis.
6. The executive should be fairly rewarded for their individual contributions to the overall performance of the company.
7. Dura guard should be given to the interest of the Company's shareholders and to the financial and commercial health and capability of the Company and the Group by these factors being taken into account in incentive packages.

EVALUATION CRITERIA

1. Formulate criteria for determining qualifications, positive attributes and independence of a Director and recommend a policy to the Board, relating to the remuneration of the Directors, top level executives, considering the following:
 - a. The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate suitable Directors to run the company successfully;
 - b. The relationship of remuneration to performance is clear and meets appropriate performance benchmark;
 - c. Remuneration to Directors, top level executives involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals;
2. Devising a policy on Board's diversity taking into consideration age, gender, experience, ethnicity, educational background and nationality;
3. Identifying persons who are qualified to become Directors and who may be appointed in top level executive position in accordance with the criteria laid down, and recommend their appointment and removal to the Board;
4. Review and approve on an annual basis the corporate goals and objectives with respect to compensation for the Managing Director/Chief Executive Officer & other top level executive officers;
5. Evaluate at least annually the performance of the Managing Director/Chief Executive Officer and the other executive officers in light of established goals and objectives and, based on such evaluation, have sole authority to determine the annual compensation of the Managing Director/Chief Executive Officer and the other executive officers;
6. Formulating the criteria for evaluation of performance of Independent Directors and the Board;
7. Review and make recommendations to the Board of Directors with respect to the compensation of directors;
8. Oversee the development of management succession plans and the development and evaluation of potential candidates;
9. Identifying the company's needs for employees at different levels and determine their selection, transfer or replacement and promotion criteria;
10. Developing, recommending and reviewing annually the company's human resources and training policies;
11. Have the sole authority, in its discretion, to retain, oversee and terminate any compensation consultant, independent legal counsel or other compensation adviser (collectively, an "Adviser") to assist in the evaluation of director, Managing Director/Chief Executive Officer or executive compensation, including sole authority to approve the Adviser's fees and other retention terms. The Company shall provide appropriate funding, as determined by the Committee, for payment of reasonable compensation to any such Adviser. Prior to engaging any Adviser, and on a continuing basis, the Committee shall assess the independence of the Adviser by considering all relevant factors, including, without limitation, each of the following factors, the presence of which will not necessarily preclude any particular engagement:
 - 11.1 whether the Adviser's employer provides other services to the Company;
 - 11.2 the amount of fees the Company pays to the Adviser's employer, as a percentage of total revenue;
 - 11.3 the policies and procedures of the Adviser's employer designed to prevent and address conflicts of interest;
 - 11.4 any business or personal relationships of the Adviser with any member of the Committee;
 - 11.5 any stock of the Company owned by the Adviser; and
 - 11.6 any business or personal relationship of the Adviser or the Adviser's employer with an executive of the Company.
12. After review and discussion with management, determine whether to recommend to the Board of Directors that the Compensation Discussion and Analysis be included in the Company's proxy statement. The Committee shall provide disclosures and reports as required by BSEC regulations, if any, for inclusion in the annual report.
13. Periodically review the Company's compensation policies and practices to evaluate the extent to which such policies and procedures may create incentives that encourage unnecessary and excessive risk-taking which could have a material adverse effect on the Company.
14. Review and assess, at least annually, the Committee charter and submit changes for approval of the Board of Directors.
15. Perform other functions as requested by the Board of Directors.

Declaration by the Managing Director and Chief Financial Officer to the Board

Date: November 14, 2023

The Board of Directors
Confidence Cement PLC.
Agrabad Access Road
Chattogram

Subject: Declaration on Financial Statements for the year ended on June 30, 2023.

Dear Sirs,

Pursuant to the condition No. 1 (5) (xxvi) imposed vide the commission's Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 Dated 3 June 2018 under section 2CC of the Securities and Exchange Ordinance, 1969, we do hereby declare that:

- (1) The Financial Statements of Confidence Cement PLC. for the year ended on June 30, 2023 have been prepared in compliance with International accounting Standard (IAS) or International Financial Reporting Standards (IFRS), as applicable in the Bangladesh and any departure there from has been adequately disclosed;
 - (2) The estimates and judgments related to the financial statements were made on a prudent and reasonable basis, in order for the financial statements to reveal a true and fair view;
 - (3) The form and substance of transactions and the Company's state of affairs have been reasonably and fairly presented in its financial statements;
 - (4) To ensure above, the Company has taken proper and adequate care in installing a system of internal control and maintenance of accounting records;
 - (5) Our internal auditors have conducted period audits to provide reasonable assurance that the established policies and procedures of the Company were consistently followed;
- And
- (6) The Management's use of the going concern basis of accounting in preparing the financial statements is appropriate and there exists no material uncertainty related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern.

In this regard, we also certify that :-

- (i) We have reviewed the financial statements for the year ended on June 30, 2023 and that to the best of our knowledge and belief:
 - (a) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (b) these statements collectively present true and fair view of the Company's affairs and are in compliance with existing accounting standards and applicable laws.
- (ii) There are, to the best of knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or in violation of the code for the company's Board of Directors or its member.

Sincerely yours,



Zahir Uddin Ahmed
Managing Director



Newaz Mohammed Iqbal Yousuf
Chief Financial Officer

Annexure - B

[Certificate as per condition No. 1(5)(xxvii)]

Report to the Shareholders of Confidence Cement PLC. on compliance on the Corporate Governance Code

We have examined the compliance status to the Corporate Governance Code by Confidence Cement PLC. for the year ended on **30th June 2023**. This Code relates to the Notification No. BSEC/CMRRCD/2006-158/207/Admin/80; dated: 3rd June 2018 of the Bangladesh Securities and Exchange Commission.

Such compliance with the Corporate Governance Code is the responsibility of the Company. Our examination was limited to the procedures and implementation thereof as adopted by the Management in ensuring compliance to the conditions of the Corporate Governance Code.

This is a scrutiny and verification and an independent audit on compliance of the conditions of the Corporate Governance Code as well as the provisions of relevant Bangladesh Secretarial Standards (BSS) as adopted by Institute of Chartered Secretaries of Bangladesh (ICSB) in so far as those standards are not inconsistent with any condition of this Corporate Governance Code.

We state that we have obtained all the information and explanations, which we have required, and after due scrutiny and verification thereof, we report that, in our opinion:

- (a) The Company has complied with the conditions of the Corporate Governance Code as stipulated in the above mentioned Corporate Governance Code issued by the Commission;
- (b) The Company has complied with the provisions of the relevant Bangladesh Secretarial Standards (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB) as required by this;
- (c) Proper books and records have been kept by the company as required under the Companies Act, 1994, the securities laws and other relevant laws; and
- (d) The Governance of the company is satisfactory.

Place: Chattogram
Dated: 22 November 2023



Md. Johirul Islam FCA
Partner
A. Qasem & Co.
Chartered Accountant

Corporate Governance Compliance Report

Status of compliance with the conditions imposed by the Commission's Notification No. SEC/CMRRCD/2006-158/207/Admin/80 dated 3 June 2018 issued under section 2CC of the Securities and Exchange Ordinance, 1969:

(Report under condition No. 9.00)

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (If any)
		Complied	Not Complied	
1.0	BOARD OF DIRECTORS:			
1.1	Size of the Board of Directors The total number of members of a company's Board of Directors (hereinafter referred to as "Board") shall not be less than 5 (five) and more than 20 (twenty).	✓		
1.2	Independent Directors:			
1.2 (a)	At least one-fifth (1/5) of the total number of directors in the company's Board shall be independent directors; any fraction shall be considered to the next integer or whole number for calculating number of independent director(s);	✓		
1.2 (b) (i)	who either does not hold any share in the company or holds less than one percent (1%) shares of the total paid-up shares of the company;	✓		
1.2 (b) (ii)	who is not a sponsor of the company or is not connected with the company's any sponsor or director or nominated director or shareholder of the company or any of its associates, sister concerns, subsidiaries and parents or holding entities who holds one percent (1%) or more shares of the total paid-up shares of the company on the basis of family relationship and his or her family members also shall not hold above mentioned shares in the company;	✓		
1.2 (b) (iii)	who has not been an executive of the company in immediately preceding 2 financial year	✓		
1.2 (b) (iv)	Who does not have any other relationship, whether pecuniary or otherwise, with the company of its subsidiary / associated companies.	✓		
1.2 (b) (v)	who is not a member or TREC holder, director or officer of any stock exchange.	✓		
1.2 (b) (vi)	who is not a shareholder, director excepting independent director or officer of any member or TREC holder of stock exchange or an intermediary of the capital market	✓		
1.2 (b) (vii)	who is not a partner or an executive or was not a partner or an executive during the preceding 3 (three) years of the concerned company's statutory audit firm or audit firm engaged in internal audit services or audit firm conducting special audit or professional certifying compliance of this Code;	✓		
1.2 (b) (viii)	Who is not an independent director in more than 5 (five) listed companies.	✓		
1.2 (b) (ix)	who has not been convicted by a court of competent jurisdiction as a defaulter in payment of any loan or any advance to a bank or a Non-Bank Financial Institution (NBFI); and	✓		
1.2 (b) (x)	who has not been convicted for a criminal offence involving moral turpitude;	✓		
1.2 (b) (c)	The independent director(s) shall be appointed by the Board and approved by the shareholders in the Annual General Meeting (AGM);	✓		

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (If any)
		Complied	Not Complied	
1.2(d)	The post of independent director(s) cannot remain vacant for more than 90 (ninety) days; and	✓		
1.2(e)	The tenure of office of an independent director shall be for a period of 3 (three) years, which may extend for 1 (one) tenure only; Provided that a former independent director may be considered for reappointment for another tenure after a time gap of one tenure, i.e. three years from his or her completion of consecutive two tenures [i.e. six year)	✓		
1.3(a)	Qualification of Independent Director: Independent Director shall be a knowledgeable individual with integrity who is able to ensure compliance with financial laws, regulatory requirements and corporate laws and can make meaningful contribution to the business.	✓		
1.3(b)(i)	Independent Director shall have the following qualifications: Business Leader who is or was a promoter or director of an unlisted company having minimum paid-up capital of Tk. 100.00 million or any listed company or a member of any national or international chamber of commerce or business association; or			No such case.
1.3(b)(ii)	Corporate Leader who is or was a top level executive not lower than Chief Executive Officer or Managing Director or Deputy Managing Director or Chief Financial Officer or Head of Finance or Accounts or Company Secretary or Head of Internal Audit and Compliance or Head of Legal Service or a candidate with equivalent position of an unlisted company having minimum paid up capital of Tk. 100.00 million or of a listed company; or			No such case.
1.3(b)(iii)	Former official of government or statutory or autonomous or regulatory body in the position not below 5th Grade of the national pay scale, who has at least educational background of bachelor degree in economics or commerce or business or law; or	✓		
1.3(b)(iv)	University Teacher who has educational background in Economics or Commerce or Business Studies or Law; or			No such case.
1.3(b)(v)	Professional who is or was an advocate practicing at least in the High Court Division of Bangladesh Supreme Court or a Chartered Accountant or Cost and Management Accountant or Chartered Financial Analyst or Chartered Certified Accountant or Certified Public Accountant or Chartered Management Accountant or Chartered Secretary or equivalent qualification	✓		
1.3(c)	The independent director shall have at least 10 (ten) years of experiences in any field mentioned in clause (b);	✓		
1.3(d)	In special cases, the above qualifications or experiences may be relaxed subject to prior approval of the Commission.			No such circumstances arisen.

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (If any)
		Complied	Not Complied	
1.4(a)	Duality of Chairperson of the Board of Directors and Managing Director or Chief Executive Officer : The positions of the Chairperson of the Board and the Managing Director (MD) and/or Chief Executive Officer (CEO) of the company shall be filled by different individuals;	✓		
1.4(b)	The Managing Director (MD) and/or Chief Executive Officer (CEO) of a listed company shall not hold the same position in another listed company;	✓		
1.4(c)	The Chairperson of the Board shall be elected from among the non-executive directors of the company;	✓		
1.4(d)	The Board shall clearly define respective roles and responsibilities of the Chairperson and the Managing Director and/or Chief Executive Officer;	✓		
1.4(e)	In the absence of the Chairperson of the Board, the remaining members may elect one of themselves from non-executive directors as Chairperson for that particular Board's meeting; the reason of absence of the regular Chairperson shall be duly recorded in the minutes.	✓		No such case.
1.5(i)	Directors' Report to Shareholders: Industry outlook and possible future developments in the industry.	✓		
1.5(ii)	Segment-wise or product-wise performance.	✓		
1.5(iii)	Risks and concerns including internal and external risk factors, threat to sustainability and negative impact on environment, if any;	✓		
1.5(iv)	A discussion on Cost of Goods sold ,Gross profit Margin and Net Profit Margin where applicable	✓		
1.5(v)	A discussion on continuity of any extraordinary activities and their implications (gain or loss);			No such case.
1.5(vi)	A detailed discussion on related party transactions along with a statement showing amount, nature of related party, nature of transactions and basis of transactions of all related party transactions;	✓		
1.5(vii)	A statement of utilization of proceeds raised through public issues, rights issues and/or any other instruments;			Not Applicable
1.5(viii)	An explanation if the financial results deteriorate after the company goes for Initial Public Offering (IPO), Repeat Public Offering (RPO), Rights Offer, Direct Listing, etc. ;			Not Applicable
1.5(ix)	An explanation on any significant variance that occurs between Quarterly Financial performances and Annual Financial Statements;	✓		No such case.
1.5(x)	A statement of remuneration paid to the directors including independent directors;	✓		
1.5(xi)	A statement that the financial statements prepared by the management of the company present fairly its state of affairs, the result of its operations, cash flows and changes in equity;	✓		
1.5(xii)	A statement that proper books of account of the issuer company have been maintained;	✓		
1.5(xiii)	A statement that appropriate accounting policies have been consistently applied in preparation of the financial statements and that the accounting estimates are based on reasonable and prudent judgment.	✓		

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (If any)
		Complied	Not Complied	
1.5(xiv)	A statement that International Accounting Standards (IAS) or International Financial Reporting Standards (IFRS), as applicable in Bangladesh, have been followed in preparation of the financial statements and any departure there from has been adequately disclosed;	✓		
1.5(xv)	A statement that the system of internal control is sound in design and has been effectively implemented and monitored.	✓		
1.5(xvi)	A statement that minority shareholders have been protected from abusive actions by, or in the interest of, controlling shareholders acting either directly or indirectly and have effective means of redress;	✓		
1.5(xvii)	A statement that there is no significant doubt upon the issuer company's ability to continue as a going concern, if the issuer company is not considered to be a going concern, the fact along with reasons there of shall be disclosed;	✓		
1.5(xviii)	An explanation that significant deviations from the last year's operating results of the issuer company shall be highlighted and the reasons thereof shall be explained;	✓		No such case.
1.5(xix)	A statement where key operating and financial data of at least preceding 5 (five) years shall be summarized;	✓		
1.5(xx)	An explanation on the reasons if the issuer company has not declared dividend (cash or stock) for the year;	✓		No such case.
1.5(xxi)	Board's statement to the effect that no bonus share or stock dividend has been or shall be declared as interim dividend;	✓		No such case.
1.5(xxii)	The total number of Board meetings held during the year and attendance by each director;	✓		
1.5(xxiii)	A report on the pattern of shareholding disclosing the aggregate number of shares (along with name-wise details where stated below) held by:-	✓		
1.5(xxiii)(a)	Parent or Subsidiary or Associated Companies and other related parties (name-wise details);	✓		
1.5(xxiii)(b)	Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer, Head of Internal Audit and Compliance and their spouses and minor children (name-wise details);	✓		
1.5(xxiii)(c)	Executives; and	✓		
1.5(xxiii)(d)	Shareholders holding ten percent (10%) or more voting interest in the company (name-wise details);	✓		Not Applicable
1.5(xxiv)	In case of the appointment or reappointment of a director, a disclosure on the following information to the shareholders:-	✓		
1.5(xxiv) (a)	A brief resume of the director;	✓		
1.5(xxiv) (b)	nature of his or her expertise in specific functional areas; and	✓		
1.5(xxiv) (c)	Names of companies in which the person also holds the directorship and the membership of committees of the Board;	✓		
1.5(xxv)	A Management's Discussion and Analysis signed by CEO or MD presenting detailed analysis of the company's position and operations along with a brief discussion of changes in the financial statements, among others, focusing on:	✓		
1.5(xxv)(a)	Accounting policies and estimation for preparation of financial statements;	✓		
1.5(xxv)(b)	Changes in accounting policies and estimation, if any, clearly describing the effect on financial performance or results and financial position as well as cash flows in absolute figure for such changes;	✓		

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (If any)
		Complied	Not Complied	
1.5(xxv)(c)	comparative analysis (including effects of inflation) of financial performance or results and financial position as well as cash flows for current financial year with immediate preceding five years explaining reasons thereof;	✓		
1.5(xxv)(d)	Compare such financial performance or results and financial position as well as cash flows with the peer industry scenario;	✓		
1.5(xxv)(e)	Briefly explain the financial and economic scenario of the country and the globe;	✓		
1.5(xxv)(f)	Risks and concerns issues related to the financial statements, explaining such risk and concerns mitigation plan of the company; and	✓		
1.5(xxv)(g)	Future plan or projection or forecast for company's operation, performance and financial position, with justification thereof, i.e., actual position shall be explained to the shareholders in the next AGM;	✓		
1.5(xxvi)	Declaration or certification by the CEO and the CFO to the Board as required under condition No. 3(3) shall be disclosed as per Annexure-A ; and	✓		
1.5(xxvii)	The report as well as certificate regarding compliance of conditions of this Code as required under condition No. 9 shall be disclosed as per Annexure-B and Annexure-C .	✓		
1.6	Meetings of the Board of Directors: The company shall conduct its Board meetings and record the minutes of the meetings as well as keep required books and records in line with the provisions of the relevant Bangladesh Secretarial Standards (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB) in so far as those standards are not inconsistent with any condition of this Code.	✓		
1.7(a)	Code of Conduct for the Chairperson, other Board members and Chief Executive Officer: The Board shall lay down a code of conduct, based on the recommendation of the Nomination and Remuneration Committee (NRC) at condition No. 6, for the Chairperson of the Board, other board members and Chief Executive Officer of the company;	✓		
1.7(b)	The code of conduct as determined by the NRC shall be posted on the website of the company including, among others, prudent conduct and behavior; confidentiality; conflict of interest; compliance with laws, rules and regulations; prohibition of insider trading; relationship with environment, employees, customers and suppliers; and independency.	✓		
2(a)	Governance of Board of Directors of Subsidiary Company:- Provisions relating to the composition of the Board of the holding company shall be made applicable to the composition of the Board of the subsidiary company;	✓		
2(b)	At least 1 (one) independent director on the Board of the holding company shall be a director on the Board of the subsidiary company;	✓		
2(c)	The minutes of the Board meeting of the subsidiary company shall be placed for review at the following Board meeting of the holding company;	✓		

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (If any)
		Complied	Not Complied	
2(d)	The minutes of the respective Board meeting of the holding company shall state that they have reviewed the affairs of the subsidiary company also;	✓		
2(e)	The Audit Committee of the holding company shall also review the financial statements, in particular the investments made by the subsidiary company.	✓		
3.1(a)	Managing Director (MD) or Chief Executive Officer (CEO), Chief Financial Officer (CFO), Head of Internal Audit and Compliance (HIAC) and Company Secretary (CS).- The Board shall appoint a Managing Director (MD) or Chief Executive Officer (CEO), a Company Secretary (CS), a Chief Financial Officer (CFO) and a Head of Internal Audit and Compliance (HIAC);	✓		
3.1(b)	The positions of the Managing Director (MD) or Chief Executive Officer (CEO), Company Secretary (CS), Chief Financial Officer (CFO) and Head of Internal Audit and Compliance (HIAC) shall be filled by different individuals;	✓		
3.1(c)	The MD or CEO, CS, CFO and HIAC of a listed company shall not hold any executive position in any other company at the same time;	✓		
3.1(d)	The Board shall clearly define respective roles, responsibilities and duties of the CFO, the HIAC and the CS;	✓		
3.1(e)	The MD or CEO, CS, CFO and HIAC shall not be removed from their position without approval of the Board as well as immediate dissemination to the Commission and stock exchange(s).			No such case.
3.2	Requirement to attend Board of Directors' Meetings: The MD or CEO, CS, CFO and HIAC of the company shall attend the meetings of the Board: Provided that the CS, CFO and/or the HIAC shall not attend such part of a meeting of the Board which involves consideration of an agenda item relating to their personal matters.	✓		
3.3 (a) (i)	The MD or CEO and CFO shall certify to the Board that they have reviewed financial statements for the year and that to the best of their knowledge and belief: These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading; and	✓		
3.3 (a) (ii)	These statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards and applicable laws;	✓		
3.3 (b)	The MD or CEO and CFO shall also certify that there are, to the best of knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or in violation of the code of conduct for the company's Board or its members;	✓		
3.3 (c)	The certification of the MD or CEO and CFO shall be disclosed in the Annual Report.	✓		
4 (i)	Board of Directors' Committee.- Audit Committee; and	✓		
4 (ii)	Nomination and Remuneration Committee.	✓		

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (If any)
		Complied	Not Complied	
5.1 (a)	Audit Committee.- The company shall have an Audit Committee as a sub-committee of the Board;	✓		
5.1 (b)	The Audit Committee shall assist the Board in ensuring that the financial statements reflect true and fair view of the state of affairs of the company and in ensuring a good monitoring system within the business;	✓		
5.1 (c)	The Audit Committee shall be responsible to the Board; the duties of the Audit Committee shall be clearly set forth in writing.	✓		
5.2 (a)	The Audit Committee shall be composed of at least 3 (three) members;	✓		
5.2 (b)	The Board shall appoint members of the Audit Committee who shall be non-executive directors of the company excepting Chairperson of the Board and shall include at least 1 (one) independent director;	✓		
5.2 (c)	All members of the audit committee should be "financially literate" and at least 1 (one) member shall have accounting or related financial management background and 10 (ten) years of such experience;	✓		
5.2 (d)	When the term of service of any Committee member expires or there is any circumstance causing any Committee member to be unable to hold office before expiration of the term of service, thus making the number of the Committee members to be lower than the prescribed number of 3 (three) persons, the Board shall appoint the new Committee member to fill up the vacancy immediately or not later than 1 (one) month from the date of vacancy in the Committee to ensure continuity of the performance of work of the Audit Committee;			No such case
5.2 (e)	The company secretary shall act as the secretary of the Committee;	✓		
5.2 (f)	The quorum of the Audit Committee meeting shall not constitute without at least 1 (one) independent director.	✓		
5.3 (a)	The Board shall select 1 (one) member of the Audit Committee to be Chairperson of the Audit Committee, who shall be an independent director;	✓		
5.3 (b)	In the absence of the Chairperson of the Audit Committee, the remaining members may elect one of themselves as Chairperson for that particular meeting, in that case there shall be no problem of constituting a quorum as required under condition No. 5(4)(b) and the reason of absence of the regular Chairperson shall be duly recorded in the minutes.			No such case
5.3 (c)	Chairperson of the Audit Committee shall remain present in the Annual General Meeting (AGM); Provided that in absence of Chairperson of the Audit Committee, any other member from the Audit Committee shall be selected to be present in the annual general meeting (AGM) and reason for absence of the Chairperson of the Audit Committee shall be recorded in the minutes of the AGM.	✓		
5.4 (a)	The Audit Committee shall conduct at least its four meetings in a financial year; Provided that any emergency meeting in addition to regular meeting may be convened at the request of any one of the members of the Committee;	✓		

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (If any)
		Complied	Not Complied	
5.4 (b)	The quorum of the meeting of the Audit Committee shall be constituted in presence of either two members or two third of the members of the Audit Committee, whichever is higher, where presence of an independent director is a must	✓		
5.5 (a)	Role of Audit Committee: The Audit Committee shall :- Oversee the financial reporting process;	✓		
5.5 (b)	monitor choice of accounting policies and principles;	✓		
5.5 (c)	monitor Internal Audit and Compliance process to ensure that it is adequately resourced, including approval of the Internal Audit and Compliance Plan and review of the Internal Audit and Compliance Report;	✓		
5.5 (d)	oversee hiring and performance of external auditors;	✓		
5.5 (e)	hold meeting with the external or statutory auditors for review of the annual financial statements before submission to the Board for approval or adoption;	✓		
5.5 (f)	review along with the management, the annual financial statements before submission to the Board for approval;	✓		
5.5 (g)	review along with the management, the quarterly and half yearly financial statements before submission to the Board for approval;	✓		
5.5 (h)	review the adequacy of internal audit function;	✓		
5.5 (i)	review the Management's Discussion and Analysis before disclosing in the Annual Report;	✓		
5.5 (j)	review statement of all related party transactions submitted by the management;	✓		
5.5 (k)	review Management Letters or Letter of Internal Control weakness issued by statutory auditors;			No such case
5.5 (l)	oversee the determination of audit fees based on scope and magnitude, level of expertise deployed and time required for effective audit and evaluate the performance of external auditors; and	✓		
5.5 (m)	oversee whether the proceeds raised through Initial Public Offering (IPO) or Repeat Public Offering (RPO) or Rights Share Offer have been utilized as per the purposes stated in relevant offer document or prospectus approved by the Commission;			Not Applicable
5.6	Reporting of the Audit Committee			
5.6 (a)	Reporting to the Board of Directors	✓		
5.6 (a) (i)	The Audit Committee shall report on its activities to the Board.			
5.6 (a) (ii)	The Audit Committee shall immediately report to the Board on the following findings, if any:-			No such case
5.6 (a) (ii) (a)	report on conflicts of interests.			
5.6 (a) (ii) (b)	suspected or presumed fraud or irregularity or material defect identified in the internal audit and compliance process or in the financial statements;			No such case
5.6 (a) (ii) (c)	suspected infringement of laws, regulatory compliances including securities related laws, rules and regulations; and			No such case
5.6 (a) (ii) (d)	any other matter which the Audit Committee deems necessary shall be disclosed to the Board immediately;			No such case

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (If any)
		Complied	Not Complied	
5.6(b)	Reporting to the Authorities: If the Audit Committee has reported to the Board about anything which has material impact on the financial condition and results of operation and has discussed with the Board and the management that any rectification is necessary and if the Audit Committee finds that such rectification has been unreasonably ignored, the Audit Committee shall report such finding to the Commission, upon reporting of such matters to the Board for three times or completion of a period of 6 (six) months from the date of first reporting to the Board, whichever is earlier.			No such case
5.7	Reporting to the Shareholders and General Investors: Report on activities carried out by the Audit Committee, including Any report made to the Board under condition No. 5(6)(a)(ii) above during the year, shall be signed by the Chairperson of the Audit Committee and disclosed in the annual report of the issuer company.	✓		No such case
6	Nomination and Remuneration Committee (NRC):			
6.1	Responsibility to the Board of Directors:-			
6.1 (a)	The company shall have a Nomination and Remuneration Committee (NRC) as a sub-committee of the Board;	✓		
6.1 (b)	The NRC shall assist the Board in formulation of the nomination criteria or policy for determining qualifications, positive attributes, experiences and independence of directors and top level executive as well as a policy for formal process of considering remuneration of directors, top level executive;	✓		
6.1 (c)	The Terms of Reference (ToR) of the NRC shall be clearly set forth in writing covering the areas stated at the condition No. 6(5) (b).	✓		
6.2	Constitution of the NRC:			
6.2 (a)	The Committee shall comprise of at least three members including an independent director;	✓		
6.2 (b)	All members of the Committee shall be non-executive directors;	✓		
6.2 (c)	Members of the Committee shall be nominated and appointed by the Board;	✓		
6.2 (d)	The Board shall have authority to remove and appoint any member of the Committee;			No such case
6.2 (e)	In case of death, resignation, disqualification, or removal of any member of the Committee or in any other cases of vacancies, the board shall fill the vacancy within 180 (one hundred eighty) days of occurring such vacancy in the Committee;			No such case
6.2 (f)	The Chairperson of the Committee may appoint or co-opt any external expert and/or member(s) of staff to the Committee as advisor who shall be non-voting member, if the Chairperson feels that advice or suggestion from such external expert and/or member(s) of staff shall be required or valuable for the Committee;			No such case
6.2 (g)	The company secretary shall act as the secretary of the Committee;	✓		
6.2 (h)	The quorum of the NRC meeting shall not constitute without attendance of at least an independent director;	✓		

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (If any)
		Complied	Not Complied	
6.2 (i)	No member of the NRC shall receive, either directly or indirectly, any remuneration for any advisory or consultancy role or otherwise, other than Director's fees or honorarium from the company.	✓		
6.3	Chairperson of the NRC:			
6.3 (a)	The Board shall select 1 (one) member of the NRC to be Chairperson of the Committee, who shall be an independent director;	✓		
6.3 (b)	In the absence of the Chairperson of the NRC, the remaining members may elect one of themselves as Chairperson for that particular meeting, the reason of absence of the regular Chairperson shall be duly recorded in the minutes.			No such case
6.3 (c)	The Chairperson of the NRC shall attend the annual general meeting (AGM) to answer the queries of the shareholders:	✓		
6.4	Meeting of the NRC			
6.4 (a)	The NRC shall conduct at least one meeting in a financial year;	✓		
6.4 (b)	The Chairperson of the NRC may convene any emergency meeting upon request by any member of the NRC;			No such case
6.4 (c)	The quorum of the meeting of the NRC shall be constituted in presence of either two members or two third of the members of the Committee, whichever is higher, where presence of an independent director is must as required under condition No. 6(2)(h);	✓		
6.4 (d)	The proceedings of each meeting of the NRC shall duly be recorded in the minutes and such minutes shall be confirmed in the next meeting of the NRC.	✓		
6.5	Role of the NRC			
6.5 (a)	NRC shall be independent and responsible or accountable to the Board and to the shareholders;	✓		
6.5 (b) (i) (a)	the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate suitable directors to run the company successfully;	✓		
6.5 (b) (i) (b)	the relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and	✓		
6.5 (b) (i) (c)	remuneration to directors, top level executive involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals;	✓		
6.5 (b) (ii)	devising a policy on Board's diversity taking into consideration age, gender, experience, ethnicity, educational background and nationality;	✓		
6.5 (b) (iii)	identifying persons who are qualified to become directors and who may be appointed in top level executive position in accordance with the criteria laid down, and recommend their appointment and removal to the Board;	✓		
6.5 (b) (iv)	formulating the criteria for evaluation of performance of independent directors and the Board;	✓		
6.5 (b) (v)	identifying the company's needs for employees at different levels and identifying the company's needs for employees at different levels and determine their selection, transfer or replacement and promotion criteria; and	✓		

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (If any)
		Complied	Not Complied	
6.5 (b) (vi)	developing, recommending and reviewing annually the company's human resources and training policies;	✓		
6.5 (c)	The company shall disclose the nomination and remuneration policy and the evaluation criteria and activities of NRC during the year at a glance in its annual report.	✓		
7	External or Statutory Auditors			
7.1	The issuer company shall not engage its external or statutory auditors to perform the following services of the company, namely:-	✓		No such engagement.
7.1 (i)	appraisal or valuation services or fairness opinions;	✓		No such engagement.
7.1 (ii)	financial information systems design and implementation;	✓		No such engagement.
7.1 (iii)	book-keeping or other services related to the accounting records or financial statements;	✓		No such engagement.
7.1 (iv)	broker-dealer services;	✓		No such engagement.
7.1 (v)	any service that the Audit Committee determines;	✓		No such engagement.
7.1 (vi)	actuarial services;	✓		No such engagement.
7.1 (vii)	internal audit services or special audit services;	✓		No such engagement.
7.1 (viii)	internal audit services or special audit services;	✓		No such engagement.
7.1 (ix)	audit or certification services on compliance of corporate governance as required under condition No. 9(1); and	✓		No such engagement.
7.2	any other service that creates conflict of interest	✓		No such engagement.
7.2	No partner or employees of the external audit firms shall possess any share of the company they audit at least during the tenure of their audit assignment of that company; his or her family members also shall not hold any shares in the said company: Provided that spouse, son, daughter, father, mother, brother, sister, son-in-law and daughter-in-law shall be considered as family members.	✓		No such possession of shares.
7.3	Representative of external or statutory auditors shall remain present in the Shareholders' Meeting (Annual General Meeting or Extraordinary General Meeting) to answer the queries of the shareholders.	✓		
8	Maintaining a website by the Company.-			
8.1	The company shall have an official website linked with the website of the stock exchange.	✓		
8.2	The company shall keep the website functional from the date of listing.	✓		
8.3	The company shall make available the detailed disclosures on its website as required under the listing regulations of the concerned stock exchange(s).	✓		
9	Reporting and Compliance of Corporate Governance.-			
9.1	The company shall obtain a certificate from a practicing Professional Accountant or Secretary (Chartered Accountant or Cost and Management Accountant or Chartered Secretary) other than its statutory auditors or audit firm on yearly basis regarding compliance of conditions of Corporate Governance Code of the Commission and shall such certificate shall be disclosed in the Annual Report.	✓		
9.2	The professional who will provide the certificate on compliance of this Corporate Governance Code shall be appointed by the shareholders in the annual general meeting.	✓		
9.3	The directors of the company shall state, in accordance with the Annexure-C attached, in the directors' report whether the company has complied with these conditions or not.	✓		

AUDIT COMMITTEE REPORT

Confidence Cement PLC. (CCPLC.) has constituted an audit committee with written terms of references (TOR) to ensure transparency, accountability and accuracy of all transactions made within and outside the Company. The committee is composed by the board of directors and is responsible to the board. The board also specified the TOR in accordance with the corporate governance code, culture, rules and regulations etc. The audit committee is to assist the board in ensuring impeccable financial statements of CCPLC. reflecting correct, up-to-date and detail state of company affairs in general and the financial state in particular in line with good governance and smart management based on flawlessness, efficiency and effectiveness.

Composition of the Audit Committee:

The present audit committee was composed of three regular members of the board of directors including two independent directors. They all are highly qualified and well versed with management, finance and corporate culture and governance, rules and regulations pertaining to both public and private enterprises and houses. The composition of the current committee is given below :

SL	Name	Status in the Audit Committee	Status in the Company
1.	Maj Gen Abul Kalam Mohammad Humayun Kabir, (ret'd) SUP, ndu, psc	Chairman	Independent Director
2.	Mr. Imran Karim	Member	Vice Chairman
3.	Ms. Rabeya Jamali	Member	Independent Director
4.	Mr. Md. Alamgir Akber	Member	Nominated Director
5.	Mr. Md. Delowar Hossain, FCS	Secretary	Company Secretary

Meeting and Attendance:

The committee had five meetings to review and deal with issues related to finance and accounts, business operations, administrative control, compliance and legal matters, among other aspects during the year ended on June 30, 2023. Present Audit Committee member attendance status (covering period from 01 July 2022 to 30 June 2023).

SL	Name of the Member	Position	Held	Attended
1.	MG Abul Kalam Mohammad Humayun Kabir, (Ret'd)	Chairman	4	4
2.	Mr. Imran Karim	Member	3	3
3.	Ms. Rabeya Jamali	Member	3	4
4.	Mr. Md. Alamgir Akber	Member	1	1

Mr. Imran Karim and Mr. Md. Alamgir Akber were nominated by the Board as Members of the Audit Committee respectively on November 14, 2022 and February 16, 2023.

The Company Secretary is the Secretary to the committee and Head of internal control & audit department is permanent invitee to the meetings. Relevant department heads and others member of the management including MD/CEO and CFO also attend the meeting as and when required. The proceeding of the committee meetings are regularly reported to the Board of Directors.

Role and Responsibilities of the Audit Committee

The Roles and responsibilities of the Audit Committee are clearly mentioned in the terms of Reference (TOR) of Committee in compliance with the Corporate Governance Code 2018 of the Bangladesh Securities & Exchange Commission. The Audit Committee assists the Board of Directors in fulfilling effectively its oversight responsibility for the Company's accounting and financial reporting process and internal control systems of the Company. The Committee has been responsible to :

- Oversee the financial reporting process;
- monitor choice of accounting policies and principles;
- monitor Internal Audit and Compliance process to ensure that it is adequately resourced, including approval of the Internal Audit and Compliance Plan and review of the Internal Audit and Compliance Report;
- oversee hiring and performance of external auditors;
- hold meeting with the external or statutory auditors for review of the annual financial statements before submission to the Board for approval or adoption;
- review along with the management, the annual financial statements before submission to the Board for approval;
- review along with the management, the quarterly and half yearly financial statements before submission to the Board for approval;
- review the adequacy of internal audit function;
- review the Management's Discussion and Analysis before disclosing in the Annual Report;
- review statement of all related party transactions submitted by the management;
- review Management Letters or Letter of Internal Control weakness issued by statutory auditors;
- oversee the determination of audit fees based on scope and magnitude, level of expertise deployed and time required for effective audit and evaluate the performance of external auditors; and
- oversee whether the proceeds raised through Initial Public Offering (IPO) or Repeat Public Offering (RPO) or Rights Share Offer have been utilized as per the purposes stated in relevant offer document or prospectus approved by the BSEC.

Activities carried out during the period :

The following activities were carried out by the Audit Committee during the financial year ended June 30, 2023.

Financial Reporting

- The Committee reviewed the quarterly, half yearly and interim financial results of the Company and the relevant announcements made to the Stock Exchanges by the Board of Directors.
- The annual financial statements of the Company reviewed prior to submission to the Board of Directors for approval to ensure that the financial reporting and disclosures were in compliance with the relevant laws.

Internal Audit

- The annual and quarterly audit plans including the audit methodology in assessing and rating risks of auditable areas reviewed to ensure adequate scope and comprehensive coverage on the audit activities of the Company.
- The Internal Audit reports encompassing the audit issues, audit recommendations and Management's responses reviewed. Improvement actions suggested by the internal auditors in the areas of internal controls, systems and efficiency enhancements were discussed with Management.
- The implementation of these recommendations through follow-up audit reports reviewed to ensure all key areas were addressed.

External Audit

- The Audit Committee discussed with the auditors at the conclusion of the annual audit in the absence of the Management and also reviewed the findings following their observation, if any as well as and the Management's response thereto.
- Their audit scopes, audit strategies, audit plans and performance for the year and their proposed fees for the statutory audit reviewed with the external auditors about.
- The Audit Committee recommended to the Board of Directors that M/s. Rahman Mostafa Alam & Co., Chartered Accountants be appointed as statutory auditors and M/s. A. Qasem & Co., Chartered Accountants as corporate governance compliance auditors for the financial year ended June 30, 2023 subject to the approval of the members at the 31st Annual General Meeting of the Company.
- The external audit reports reviewed and areas of concern highlighted in the Management letter including the Management's responses to the findings of the external auditors.
- The committee reviewed statement of related party transaction as discussed in the Financial Statement to ensure all parties were added in compliance.
- The committee also reviewed management's decisions and analysis before disclosing in the Annual Report with an objective that discussions and analysis represents by Financial Statement.

Internal Control and Risk Management System

- The Audit Committee is satisfied that the internal controls and procedures in place for assessing and managing risks are adequately designed and operated effectively to safeguard the assets of the Company.
- The Committee also observed that the Company complied relevant laws, rules and regulation and follows codes of ethics and standards of conducts.
- The Committee also satisfied that application of appropriate accounting policies provides reasonable assurance that the Financial Statements of the Company are true and fair.
- Maintenance of Whistle-blower policies in the company.
- Any other matter as per the TOR of the audit committee.
- The committee was not aware of any issues in the following areas which needed to be reported to the Board:
 - Report on conflicts of interests;
 - Suspected or presumed fraud or irregularity or material defect identified in the internal audit and compliance process or in the financial statements;
 - Suspected infringement of laws, regulatory compliances including securities related laws, rules and regulations; and
 - Any other matter which the Audit Committee deems necessary shall be disclosed to the Board immediately.

The audit committee is satisfied with the internal control and procedural mechanism in place for assessing and managing risks which proved holistic, effective, smart and adequately designed to safeguard all assets and resources of the company. The committee also observes that the company complies relevant laws, rules and regulations and follow codes of ethics and standards of conducts. The committee is also satisfied as the company appropriately applies accounting policies and procedures, provides reasonable assurance that the Financial Statements of the Company are true and fair.

Finally the audit committee expresses its sincere thanks to the members of the Board, key management personnel, internal audit division and all other employees for their dedication and determination for ensuring transparency, accuracy and accountability and for all-out co-operation extended to the committee in discharge its responsibilities.

On behalf of the Audit Committee, I would like to convey our thanks and gratitude to all valued stakeholders for their continual support which paves the way for success.

On behalf of the Audit Committee



Major General Abul Kalam Mohammad Humayun Kabir, (Retd)

Chairman

Audit Committee, Confidence Cement PLC.

REPORT OF THE NOMINATION & REMUNERATION COMMITTEE

In compliance with the Bangladesh Securities and Exchange Commission's Notification No. BSEC/CMRRCD/2006 -158/207/Admin/80 dated 3 June 2018, the Board of Directors of the Company had constituted the Nomination and Remuneration Committee (NRC) in its meeting held on August 11, 2018. The NRC is a sub-committee of the Board of Directors. The NRC is responsible to assist the Board in formulation of the nomination criteria or policy for determining qualifications, positive attributes, experiences and independence of directors and top level executive as well as a policy for formal process of considering remuneration of directors, top level executive.

Composition of the Nomination and Remuneration Committee (NRC)

The present Nomination and Remuneration Committee was composed of three regular members of the board of directors including two independent directors. They all are highly qualified and well versed with management, finance and corporate culture and governance, rules and regulations pertaining to both public and private enterprises and houses. Currently the NRC consists of the following :

SL	Name	Status in the NRC	Status in the Company
1.	Ms. Rabeya Jamali	Chairman	Independent Director
2.	Mr. Imran Karim	Member	Vice Chairman
3.	MG Abul Kalam Mohammad Humayun Kabir,(Retd),	Member	Independent Director
4.	Mr. Md. Delowar Hossain, FCS	Secretary	Company Secretary

The Managing Director (MD), the Chief Financial Officer (CFO) and the Head of Human Resources of the Company and others member of the management or the Board attended the meetings by invitation as and when required. The Company Secretary acts as the Secretary of NRC.

Meeting and Attendance

During the year ended 30 June 2023, two meetings of NRC were held. Proceedings of NRC meeting were reported regularly to the Board of Directors. The detail of attendance of the NRC members is shown below :

SL	Name	Position	Meetings	
			Held	Attended
1.	Ms. Rabeya Jamali	Chairman	3	4
2.	Mr. Imran Karim	Member	3	3
3.	MG Abul Kalam Mohammad Humayun Kabir,(Retd)	Member	3	4

Mr. Imran Karim, was nominated as member of NRC on November 14, 2022 by the Board.

Duties and Responsibilities of the NRC

The NRC shall oversee, among others, the following matters and make report with recommendation to the Board :

- Formulate criteria for determining qualifications, positive attributes and independence of a Director and recommend a policy to the Board, relating to the remuneration of the Directors, top level executives, considering the following:
 - The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate suitable Directors to run the company successfully;
 - The relationship of remuneration to performance is clear and meets appropriate performance benchmark;
 - Remuneration to Directors, top level executives involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals;
- Devising a policy on Board's diversity taking into consideration age, gender, experience, ethnicity, educational background and nationality;
- Identifying persons who are qualified to become Directors and who may be appointed in top level executive position in accordance with the criteria laid down, and recommend their appointment and removal to the Board.
- Review and approve on an annual basis the corporate goals and objectives with respect to compensation for the Managing Director/Chief Executive Officer & other top level executive officers;

5. Evaluate at least annually the performance of the Managing Director/Chief Executive Officer and the other executive officers in light of established goals and objectives and, based on such evaluation, have sole authority to determine the annual compensation of the Managing Director/Chief Executive Officer and the other executive officers;
6. Formulating the criteria for evaluation of performance of Independent Directors and the Board;
7. Review and make recommendations to the Board of Directors with respect to the compensation of directors;
8. Oversee the development of management succession plans and the development and evaluation of potential candidates;
9. Identifying the company's needs for employees at different levels and determine their selection, transfer or replacement and promotion criteria;
10. Developing, recommending and reviewing annually the company's human resources and training policies;
11. Have the sole authority, in its discretion, to retain, oversee and terminate any compensation consultant, independent legal counsel or other compensation adviser (collectively, an "Adviser") to assist in the evaluation of director, Managing Director/Chief Executive Officer or executive compensation, including sole authority to approve the Adviser's fees and other retention terms. The Company shall provide appropriate funding, as determined by the Committee, for payment of reasonable compensation to any such Adviser.
12. After review and discussion with management, determine whether to recommend to the Board of Directors that the Compensation Discussion and Analysis be included in the Company's proxy statement. The Committee shall provide disclosures and reports as required by BSEC regulations, if any, for inclusion in the annual report.
13. Periodically review the Company's compensation policies and practices to evaluate the extent to which such policies and procedures may create incentives that encourage unnecessary and excessive risk-taking which could have a material adverse effect on the Company.
14. Review and assess, at least annually, the Committee charter and submit changes for approval of the Board of Directors.
15. Perform other functions as requested by the Board of Directors.

Remuneration Policy

1. levels of remuneration should be sufficient to attract retain and motivate the persons constitution the executive needed successfully to run the company and its subsidiaries but not paying more than is necessary for this purpose.
2. The component parts of the remuneration packages and the benefit schemes for the executive should be designed to encourage the executive to meet the objectives of the Company and the group.
3. There should be established a formal and transparent procedure for developing policy on executive remuneration and for fixing the remuneration packages of the individuals within the executive.
4. The Company's annual report should contain an annual remuneration report containing all information required to be disclosed under legislation good corporate governance practices including details of the remuneration of each director of the Company.
5. Senior remuneration administration should operate on a "best practice" basis.
6. The executive should be fairly rewarded for their individual contributions to the overall performance of the company.
7. Dura guard should be given to the interest of the Company's shareholders and to the financial and commercial health and capability of the Company and the Group by these factors being taken into account in incentive packages.



Solution... Begins

Rahman Mostafa Alam & Co.
Chartered Accountants



INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF CONFIDENCE CEMENT PLC.

Report on the Audit of the Consolidated and Separate Financial Statements

Qualified Opinion

We have audited the accompanying consolidated financial statements of **Confidence Cement PLC. and its subsidiary** ("the Group") as well as the separate financial statements of Confidence Cement PLC ("the Company") which comprise the Consolidated and Separate Statement of Financial Position as at 30 June 2023, and the Consolidated and Separate Statement of Profit or Loss and Other Comprehensive Income, Consolidated and Separate Statement of Changes in Equity and Consolidated and Separate Statement of Cash Flows for the period from 01 July 2022 to 30 June 2023, and notes to the consolidated and separate financial statements including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to explanations given to us, except for the effects of the matter described in the Basis for Qualified Opinion section of our report, the accompanying consolidated and separate financial statements, prepared in accordance with International Financial Reporting Standards (IFRSs), give a true and fair view of the financial position of the Group as at 30 June 2023 and of its financial performance and cash flows for the period from 01 July 2022 to 30 June 2023 and comply with the Companies Act, 1994, the Securities and Exchange Rules, 2020 and other applicable laws and regulations.

Basis for Qualified Opinion

The Company's Unclaimed Dividend carried at Tk 95,361,422 as on 30 June 2023 under note: 23 to the financial statements. As per notification no- BSEC/CMRRCD/2021-391/20/Admin/121 dated 14 January 2021 the Company required to transfer the unclaimed dividend remained unpaid for three (3) years or more to Bangladesh Securities and Exchange Commission (Capital Market Stabilization Fund). The company has not yet transferred Tk 81,323,809 unclaimed dividend to the above mentioned fund.

We conducted our audit in accordance with International Standard on Auditing (ISAs) as adopted by the Institute of Chartered Accountants of Bangladesh (ICAB). Our responsibilities under those standards are further described in "Auditors responsibilities for the audit of the consolidated and separate financial statements" section of our report.

We are independent of the Group and the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) that are relevant to our audit of the consolidated and separate financial statements in Bangladesh and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code.

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

Key Audit Matters

Key audit matters are those matters that, in the auditors' professional judgment, were of most significance in our audit of the consolidated and the separate financial statements for the year ended 30 June 2023. These matters, and any comments we make on the results of our procedures thereon, were addressed in the context of our audit of the consolidated and the separate financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matter described in the Basis for Qualified Opinion section we have determined the matters described below to be the key audit matters to be communicated in our report. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the consolidated and the separate financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated and separate financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our qualified audit opinion on the accompanying consolidated and the separate financial statements.



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Branch Office (Dhaka): House # 195 (3rd Floor, C-3), Road # 1, New DOHS, Mohakhali, Dhaka-1206, Phone: +88-02-9634313, Mob: 01920911976, 01819224976, 01819225339, E-mail: madhaka@gmail.com, Web: www.mabd.com
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1.	Property, plant and equipment (PPE)	How our audit addressed the key audit matter
	<p>The company has large amount and numbers of property, plant and equipment items. Due to technological and time obsolescence the impairment may exists.</p> <p>Management has concluded that there is no impairment in respect all assets. This conclusion required significant management judgment. Hence we considered this to be a key audit matter.</p>	<p>Our audit procedures in this area included, among others:</p> <ul style="list-style-type: none"> Assessing the consistency of methodologies used for depreciating the assets; Checking, on a sample basis, the accuracy and relevance of the accounting of PPE by management; and For selected samples, performing physical verification of assets to confirm existence; Checked disposal of assets whether those assets have been deleted from assets register.
2.	Revenue Recognition	How our audit addressed the key audit matter
	<p>Revenue recognition has significant and wide influence on financial statements. Revenue is recognised when the amounts and the related costs are reliably measured, and the performance obligation is completed through passing of control to the customers. Revenue from the sale of goods is recognized when the company has delivered products to the customers. The sales of the Company are derived from factories. As a result, to obtain sufficient audit evidence, magnitude of audit work and resource are required. We identified revenue recognition as a key audit matter because revenue is one of the key performance indicators of the Company and therefore there is an inherent risk of manipulation of the timing of recognition of revenue by management to meet specific targets or expectations. We focused on the proper cut-off of sales to the Company's customers due to the fact that the documents of confirming the acceptance of the products were provided by numerous customers based in different locations. There is a risk of differences between the timing of acceptance of the products by the Company's customers and when revenue was recorded. Accordingly, there could be potential misstatements that these revenue transactions are not recognised in the proper reporting periods.</p>	<p>Our audit procedures in this area included, among others:</p> <ul style="list-style-type: none"> We understood, evaluated and validated the key controls related to the Group's and Company's sales process from end to end, from contracts approval and sign-off, recording of sales, all the way through cash receipts and customers' outstanding balances; We tested the completeness of journal entries compared to financial statements and whether if there is any exception existed that the debit accounts of sales recognition were not related to cash and bank, trade receivable or advances from customers; Furthermore, we tested the sales transactions recognized shortly before and after the reporting date, including the sales returns recorded after that date, to examine whether sales transactions were recorded in the correct reporting periods; Reconciled customer invoices (Mushak 6.3), (Mushak 4.3), VAT Return (Mushak 9.1) and receipts of payment on a test basis; Tested the revenue charging model against the regulatory guidelines, contractual provisions and accounting standards, on a sample basis; Tested the timing of revenue recognition as well as cut off checked; Obtained and reviewed supporting documents for sales transactions recorded.

Reporting on other information

Management is responsible for the other information. The other information comprises the information included in the annual report, but does not include the consolidated and separate financial statements and our auditor's report thereon. The draft annual report is expected to be made available to us after the date of this auditors' report but before finalization of the annual report.

Our opinion on the consolidated and separate 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 consolidated and separate financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated and separate financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.





When we read the annual report before finalization, if we conclude that there is a material misstatement therein, we will communicate the matter to those charged with governance of the Company so that the matter is duly addressed in the annual report.

Responsibilities of management and those charged with governance for the consolidated and the separate financial statements

Management is responsible for the preparation and fair presentation of these consolidated and separate financial statements of the Group and the Company in accordance with International Financial Reporting Standards (IFRSs), the Companies Act, 1994, the Securities and Exchange Rules, 2020 and other applicable laws and regulations and for such internal control as management determines is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated and the separate financial statements, management is responsible for assessing the Group's and 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 Group and the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditors' responsibilities for the audit of the consolidated and the separate financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated and the separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance 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 consolidated and separate financial statements.

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

- (a) identify and assess the risks of material misstatement of the consolidated and the separate 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.
- (b) 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 Group's and the Company's internal control.
- (c) evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- (d) conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and 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 auditors' report to the related disclosures in the consolidated and the separate 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 auditors' report. However, future events or conditions may cause the Group and the Company to cease to continue as a going concern.
- (e) evaluate the overall presentation, structure, and content of the consolidated and the separate financial statements, including the disclosures, and whether the consolidated and the separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- (f) obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and the Company to express an opinion on the consolidated and the separate financial statements. We are responsible for the direction, supervision and performance of the Group and the Company audit. We remain 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 communicate with those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

We determine those matters, from the matters communicated with those charged with governance, that were of most significance in the audit of the consolidated and the separate financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' 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.

Other matter

The financial statements of the company for the year ended 30 June 2022 were audited by Hussain Farhad & Co., Chartered Accountants and issued qualified opinion on 15th November 2022.

Report on other legal and regulatory requirements

In accordance with the Companies Act 1994 and the Securities and Exchange Rules, 2020, we also report the following :

- (i) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit and made due verification thereof;
- (ii) in our opinion, proper books of account as required by law have been kept by the Group and the Company so far as it appeared from our examination of these books;
- (iii) the consolidated and the separate statement of financial position and statement of profit or loss and other comprehensive income dealt with by the report are in agreement with the books of account and returns and;
- (iv) the expenditure incurred was for the purposes of the Company's business.

Chattogram, 20 November 2023

For and on behalf of
Rahman Mostafa Alam & Co.
Chartered Accountants

Arafat Kamal FCA
Partner
ICAB Enrollment No : 1184
DVC : 2311201184AS629013

Consolidated Statement of Financial Position As at 30 June 2023

	Note(s)	30 June 2023	30 June 2022 Restated*
ASSETS			
Non-Current Assets			
Property, plant and equipment	4.a	3,738,870,157	3,947,647,822
Right of use assets	5.a	189,565,507	276,482,169
Capital work-in-progress	6.a	333,559,257	319,437,870
Investments*	7.a	5,321,435,044	4,651,048,088
Total Non-Current Assets		9,583,429,965	9,194,615,949
Current Assets			
Investments in quoted shares	8.a	-	-
Inventories	9.a	590,931,557	599,286,142
Trade receivables	10.a	950,830,971	741,811,012
Advance, deposits and prepayments	11.a	1,992,639,151	1,494,477,242
Other receivables	12.a	54,553,755	109,297,057
Short term investments in fixed deposits	13.a	104,353,000	139,000,000
Cash and cash equivalents	14.a	134,688,626	92,661,791
Total Current Assets		3,827,997,060	3,176,533,244
Total Assets		13,411,427,025	12,371,149,193
EQUITY AND LIABILITIES			
Equity			
Share capital	15	821,464,672	782,347,312
Share premium		658,089,549	658,089,549
General reserve	16.01.a	371,862,754	371,862,754
Revaluation reserve	16.02.a	377,247,065	391,000,123
Retained earnings*		3,512,509,606	3,409,272,435
Equity Attributable to Owner's of the Company		5,741,173,646	5,612,572,173
Non-controlling interest		1,078,043	1,001,956
Total Equity		5,742,251,689	5,613,574,129
Liabilities			
Non-Current Liabilities			
Long term borrowings	17.01.a	455,210,799	547,141,668
Lease liabilities - non-current portion	5.01.03.a	173,856,078	258,090,524
Defined benefit obligations (gratuity)	18.a	175,436,592	157,080,995
Deferred tax liability	19.a	302,294,810	315,773,060
Total Non-Current Liabilities		1,106,798,279	1,278,086,247
Current Liabilities			
Trade payables	20.a	754,196,413	280,933,712
Short term borrowings	21.a	5,031,789,884	4,386,302,431
Current portion of long term borrowings	17.01.a	394,200,573	446,149,537
Lease liabilities - current portion	5.01.03.a	40,687,442	39,153,629
Current tax liability	22.a	108,381,465	101,858,296
Unclaimed dividend	23.a	95,361,422	94,670,346
Other liabilities	24.a	137,759,858	130,420,866
Total Current Liabilities		6,562,377,057	5,479,488,817
Total Liabilities		7,669,175,336	6,757,575,064
Total Equity and Liabilities		13,411,427,025	12,371,149,193
Net Asset Value Per Share*	38.a	69.89	71.74

The annexed notes 1 to 48 form an integral part of these financial statements


Chairman


Chief Financial Officer


Vice Chairman


Managing Director


Company Secretary

For and on behalf of
Rahman Mostafa Alam & Co.
Chartered Accountants



Arafat Kamal FCA
Partner
ICAB Enrollment No: 1184
DVC : 2311201184AS629013

Chattogram, 20 NOV 2023

Signed in terms of our annexed report of same date



Consolidated Statement of Profit or Loss and Other Comprehensive Income For the year ended 30 June 2023

	Note(s)	01 July 2022 to 30 June 2023	01 July 2021 to 30 June 2022 Restated*
Revenue	25.a	4,556,355,135	4,064,335,889
Cost of sales	26.a	(4,228,571,447)	(4,144,912,254)
Gross Profit		327,783,688	(80,576,365)
Administrative expenses	27.a	(87,692,942)	(98,246,577)
Selling and distribution expenses	28.a	(64,361,666)	(188,461,313)
Other operating income	29.a	31,544,805	94,477,348
Profit from Operating Activities		207,273,885	(272,806,907)
Finance costs	30.a	(302,245,290)	(215,719,002)
Finance income	31.a	8,586,367	15,917,107
Foreign currency exchange loss	32.a	(339,169,515)	(143,414,467)
Non-operating income	33.a	6,012,270	10,141,536
Profit/ (Loss) before WPPF and Welfare Fund		(419,542,283)	(605,881,733)
Contribution to WPPF and welfare fund	34.a	-	-
Profit after WPPF and welfare fund		(419,542,283)	(605,881,733)
Share of profit of equity accounted investees (net of tax)*	35.a	781,723,534	732,630,630
Profit Before Income Tax		362,181,251	126,748,897
Current tax			
Current year	22.01.a	(96,269,385)	(90,188,876)
Previous year	22.01.a	(4,314,750)	(2,712,855)
Deferred tax	19.01.a	10,039,986	69,004,962
Net Profit After Tax		271,637,102	102,852,128
Profit Attributable to:			
Owners of the company		271,561,015	102,829,045
Non-controlling interests		76,087	23,083
		271,637,102	102,852,128
Other Comprehensive Income			
Items that are or may be reclassified to profit or (loss)			
CCL's portion of prior year adjustments in CPHL retained earnings		(107,280,440)	10,779,384
Total Other Comprehensive Income		(107,280,440)	10,779,384
Total Comprehensive Income		164,356,662	113,631,512
Total Comprehensive Income Attributable to:			
Owners of the company		164,280,575	113,608,429
Non-controlling interests		76,087	23,083
		164,356,662	113,631,512
Earnings per share (Basic)*	37.a	3.31	1.31
Earnings Per Share (Restated)			1.25

The annexed notes 1 to 48 form an integral part of these financial statements


Chairman


Chief Financial Officer


Vice Chairman


Managing Director


Company Secretary

As per our annexed report of same date

For and on behalf of
Rahman Mostafa Alam & Co.
Chartered Accountants



Arafat Kamal FCA
Partner
ICAB Enrollment No: 1184
DVC : 2311201184AS629013



Chattogram, 20 NOV 2023


Consolidated Statement of Changes in Equity For the year ended 30 June 2023

	Attributable to owners of the company					Non-Controlling Interest	Total	
	Share Capital	Share Premium	General Reserve	Revaluation Reserve	Retained Earnings			
Balance as on 1 July 2021	782,347,312	658,089,549	371,862,754	425,096,390	3,479,126,964	5,716,522,969	978,873	5,717,501,842
Prior year adjustment for investment-	-	-	-	-	(30,496,464)	(30,496,464)	-	-
Balance as on 01 July 2021 as Re-stated*	782,347,312	658,089,549	371,862,754	425,096,390	3,448,630,500	5,686,026,505	978,873	5,687,005,378
Adjustment for depreciation on revalued assets	-	-	-	(42,620,334)	42,620,334	-	-	-
Deferred tax adjustment on revalued assets	-	-	-	8,524,067	-	8,524,067	-	8,524,067
CCL's portion of prior year adjustments in Confidence Power Holdings Limited's retained earnings	-	-	-	-	10,779,384	10,779,384	-	10,779,384
Cash dividend for the year 2020-2021	-	-	-	-	(195,586,828)	(195,586,828)	-	(195,586,828)
Profit after tax for the year 2021-22	-	-	-	-	102,829,045	102,829,045	23,083	102,852,128
Balance as at 30 June 2022	782,347,312	658,089,549	371,862,754	391,000,123	3,409,272,435	5,612,572,173	1,001,956	5,613,574,129
Balance as on 1 July 2022	782,347,312	658,089,549	371,862,754	391,000,123	3,409,272,435	5,612,572,173	1,001,956	5,613,574,129
Adjustment for depreciation on revalued assets	-	-	-	(17,191,322)	17,191,322	-	-	-
Deferred tax adjustment on revalued assets	-	-	-	3,438,264	-	3,438,264	-	3,438,264
CCL's portion of prior year adjustments in Confidence Power Holdings Limited's retained earnings	-	-	-	-	(107,280,440)	(107,280,440)	-	(107,280,440)
Cash dividend for the year 2021-2022	-	-	-	-	(39,117,366)	(39,117,366)	-	(39,117,366)
Stock dividend for the year 2021-2022	39,117,360	-	-	-	(39,117,360)	-	-	-
Profit after tax for the year 2022-23	-	-	-	-	271,561,015	271,561,015	76,087	271,637,102
Balance as at 30 June 2023	821,464,672	658,089,549	371,862,754	377,247,065	3,512,509,606	5,741,173,646	1,078,043	5,742,251,689


Chairman


Vice Chairman


Managing Director


Company Secretary


Chief Financial Officer



Consolidated Statement of Cash Flows For the year ended 30 June 2023

Note(s)	01 July 2022 to 30 June 2023	01 July 2021 to 30 June 2022
a. Operating activities		
	4,375,520,543	4,173,287,368
	(4,109,008,858)	(4,776,328,312)
	(94,060,966)	(109,089,185)
	(608,418,841)	(316,671,480)
36.a	(435,968,123)	(1,028,801,609)
b. Investing activities		
	(43,405,082)	(245,001,705)
	21,301,828	6,096,439
	-	2,628,956
	34,647,000	65,000,000
	1,427,955	9,458,432
	13,971,701	(161,817,878)
c. Financing activities		
	(143,879,833)	(215,711,080)
	645,487,453	1,476,290,804
	(38,426,290)	(190,126,775)
	463,181,330	1,070,452,949
d. Net increase/(decrease) in cash and cash equivalents (a+b+c)	41,184,908	(120,166,538)
e. Opening cash and cash equivalents	92,661,791	212,156,718
f. Effect of foreign exchange rate changes on cash and cash equivalents	841,926	671,611
g. Closing cash and cash equivalents (d+e)	134,688,626	92,661,791
Net operating cash flow per share	(5.31)	(13.15)


Chairman


Vice Chairman


Managing Director


Chief Financial Officer


Company Secretary



Statement of Financial Position As at 30 June 2023

	Note(s)	30 June 2023	30 June 2022 Restated*
ASSETS			
Non-Current Assets			
Property, plant and equipment	4	3,520,624,644	3,717,429,352
Right of use assets	5	189,565,507	276,482,169
Capital work-in-progress	6	333,559,257	319,437,870
Investments*	7	5,420,435,044	4,750,048,088
Total Non-Current Assets		9,464,184,452	9,063,397,479
Current Assets			
Investments in quoted shares	8	-	-
Inventories	9	590,931,557	599,286,142
Trade receivables	10	945,179,725	739,342,507
Advance, deposits and prepayments	11	1,988,629,527	1,617,487,942
Other receivables	12	53,553,755	108,297,057
Short term investments in fixed deposits	13	104,353,000	139,000,000
Cash and cash equivalents	14	135,490,224	88,768,070
Total Current Assets		3,818,137,788	3,292,181,718
Total Assets		13,282,322,240	12,355,579,197
EQUITY AND LIABILITIES			
Equity			
Share capital	15	821,464,672	782,347,312
Share premium		658,089,549	658,089,549
General reserve	16.01	371,862,754	371,862,754
Revaluation reserve	16.02	377,247,065	391,000,123
Retained earnings*		3,504,783,375	3,409,078,810
Total Equity		5,733,447,415	5,612,378,548
Liabilities			
Non-Current Liabilities			
Long term borrowings	17.01	323,773,873	547,141,668
Lease liabilities - non-current portion	5.01.03	173,856,078	258,090,524
Defined benefit obligations (gratuity)	18	175,436,592	157,080,995
Deferred tax liability	19	302,037,669	315,340,166
Total Non-Current Liabilities		975,104,212	1,277,653,353
Current Liabilities			
Trade payables	20	828,737,106	290,246,946
Short term borrowings	21	5,031,789,884	4,386,302,431
Current portion of long term borrowings	17.01	343,321,763	446,149,537
Lease liabilities - current portion	5.01.03	40,687,442	39,153,629
Current tax liability	22	104,876,996	101,415,636
Unclaimed dividend	23	95,361,422	94,670,346
Other liabilities	24	128,996,000	107,608,771
Total Current Liabilities		6,573,770,613	5,465,547,296
Total Liabilities		7,548,874,825	6,743,200,649
Total Equity and Liabilities		13,282,322,240	12,355,579,197
Net Asset Value Per Share*	38	69.80	71.74

The annexed notes 1 to 48 form an integral part of these financial statements


Chairman


Chief Financial Officer


Vice Chairman


Managing Director


Company Secretary

For and on behalf of
Rahman Mostafa Alam & Co.
Chartered Accountants


Arafat Kamal FCA

Partner
ICAB Enrollment No: 1184
DVC: 2311201184AS629013



Chattogram, 20 NOV 2023

Signed in terms of our annexed report of same date

Statement of Profit or Loss and Other Comprehensive Income For the year ended 30 June 2023

	Note(s)	01 July 2022 to 30 June 2023	01 July 2021 to 30 June 2022 (Restated)
Revenue	25	4,544,011,724	4,061,867,384
Cost of sales	26	(4,234,328,663)	(4,145,784,228)
Gross Profit		309,683,061	(83,916,844)
Administrative expenses	27	(87,469,192)	(98,091,577)
Selling and distribution expenses	28	(64,361,666)	(188,461,313)
Other operating income	29	31,544,805	94,477,348
Profit from Operating Activities		189,397,008	(275,992,386)
Finance costs	30	(294,863,162)	(215,717,354)
Finance income	31	8,586,367	15,917,107
Foreign currency exchange loss	32	(339,169,515)	(143,414,467)
Non-operating income	33	6,012,270	10,141,536
Profit/ (Loss) before WPPF and Welfare fund		(430,037,032)	(609,065,564)
Contribution to WPPF and welfare fund		-	-
Profit after WPPF and welfare fund		(430,037,032)	(609,065,564)
Share of profit of equity accounted investees (net of tax)-	35	781,723,534	732,630,630
Profit Before Income Tax		351,686,502	123,565,066
Current tax			
Current year	22	(93,207,576)	(89,746,216)
Previous year	22	(4,314,750)	(2,712,855)
Deferred tax	19	9,864,233	69,437,856
Net Profit After Tax		264,028,409	100,543,851
Other Comprehensive Income			
Items that are or may be reclassified to profit or (loss)			
CCL's portion of prior year adjustments in CPHL retained earnings		(107,280,440)	10,779,384
Total Other Comprehensive Income		(107,280,440)	10,779,384
Total Comprehensive Income		156,747,969	111,323,235
Earnings Per Share (Basic)-	37.01	3.21	1.29
Earnings Per Share (Restated)	37.01		1.22

The annexed notes 1 to 48 form an integral part of these financial statements


Chairman


Vice Chairman


Managing Director


Chief Financial Officer


Company Secretary

For and on behalf of
Rahman Mostafa Alam & Co.
Chartered Accountants



Arafat Kamal FCA
Partner
ICAB Enrollment No: 1184
DVC: 2311201184AS629013

As per our annexed report of same date



Chattogram, 20 NOV 2023


Statement of Changes in Equity For the year ended 30 June 2023

	Amount in Taka					
	Share Capital	Share Premium	General Reserve	Revaluation Reserve	Retained Earnings	Total
Balance as on 1 July 2021	782,347,312	658,089,549	371,862,754	425,096,390	3,481,218,533	5,718,614,538
Prior year adjustment for investment	-	-	-	-	(30,496,464)	(30,496,464)
Balance as on 01 July 2021 as Re-stated-	782,347,312	658,089,549	371,862,754	425,096,390	3,450,722,069	5,688,118,074
Adjustment for depreciation on revalued assets	-	-	-	(42,620,334)	42,620,334	-
Deferred tax adjustment on revalued assets	-	-	-	8,524,067	-	8,524,067
CCL's portion of prior year adjustments in Confidence Power Holdings Limited's retained earnings	-	-	-	-	10,779,384	10,779,384
Cash dividend for the year 2020-2021	-	-	-	-	(195,586,828)	(195,586,828)
Profit after tax for the year 2021-22	-	-	-	-	100,543,851	100,543,851
Balance as at 30 June 2022	782,347,312	658,089,549	371,862,754	391,000,123	3,409,078,810	5,612,378,548
Balance as on 1 July 2022	782,347,312	658,089,549	371,862,754	391,000,123	3,409,078,810	5,612,378,548
Adjustment for depreciation on revalued assets	-	-	-	(17,191,322)	17,191,322	-
Deferred tax adjustment on revalued assets	-	-	-	3,438,264	-	3,438,264
CCL's portion of prior year adjustments in Confidence Power Holdings Limited's retained earnings	-	-	-	-	(107,280,440)	(107,280,440)
Cash dividend for the year 2021-2022	-	-	-	-	(39,117,366)	(39,117,366)
Stock dividend for the year 2021-2022	39,117,360	-	-	-	(39,117,360)	-
Profit after tax for the year 2022-23	-	-	-	-	264,028,409	264,028,409
Balance as at 30 June 2023	821,464,672	658,089,549	371,862,754	377,247,065	3,504,783,375	5,733,447,415


Chairman


Chief Financial Officer


Vice Chairman


Company Secretary


Managing Director



Statement of Cash Flows For the year ended 30 June 2023

Note(s)	01 July 2022 to 30 June 2023	01 July 2021 to 30 June 2022
a. Operating activities		
Receipts from customers and others	4,366,359,873	4,173,287,368
Cash paid to suppliers, employees and other operating expenses	(3,920,361,512)	(4,876,869,402)
Income tax paid (net)	(94,060,966)	(109,089,185)
Interest paid (net)	(601,036,713)	(316,669,832)
Net cash flows generated by operating activities	36.00 (249,099,319)	(1,129,341,051)
b. Investing activities		
Acquisition of Property, plant and equipment	(43,262,830)	(148,355,984)
Proceeds from sale of property, plant and equipment	21,301,828	6,096,439
Proceeds from sale of Investment in quoted shares	-	2,628,956
Decrease in investment in FDRs	34,647,000	65,000,000
Dividend received	1,427,955	9,458,432
Net cash flows used in investing activities	14,113,953	(65,172,157)
c. Financing activities		
Repayment of long term borrowings	(326,195,569)	(215,711,080)
Receipt of short term borrowings	645,487,453	1,476,290,804
Dividend paid	(38,426,290)	(190,126,775)
Net cash flows used in financing activities	280,865,594	1,070,452,949
d. Net increase/(decrease) in cash and cash equivalents (a+b+c)	45,880,228	(124,060,259)
e. Opening cash and cash equivalents	88,768,070	212,156,718
f. Effect of foreign exchange rate changes on cash and cash equivalents	841,926	671,611
g. Closing cash and cash equivalents (d+e)	135,490,224	88,768,070
Net operating cash flow per share	39.00 (3.03)	(14.44)


Chairman


Vice Chairman


Managing Director


Chief Financial Officer


Company Secretary



Notes to the Consolidated and the Separate Financial Statements As at and for the year ended 30 June 2023

1.00 REPORTING ENTITY

1.01 Formation and Legal Status

Confidence Cement PLC was incorporated as a Public Limited Company on 02 May 1991 vide registration no CHC 873/171 under the Companies Act, 1994. The company is listed with Dhaka Stock Exchange Limited (DSE) and Chittagong Stock Exchange Limited (CSE) as a publicly quoted company.

The registered office of the company is situated at Confidence Heights, Plot # 1, Lane # 1, Road # 2, Block # L, Haliashahar H/E, Agrabad Access Road, Chattogram and factory is located at Madambibirhat, Bhatiary, Sitakunda, Chattogram.

1.02 Nature of Business

The principal activities of the Company include the production and distribution of cement, aggregates, and readymix concrete.

1.03 Description of Associates Companies

i) Investment in subsidiary - Zodiac Logistics Limited (ZLL)

Zodiac Logistics Limited was incorporated in Bangladesh in 2018 vide RJSC registration no. C-145453/2018 Dated 25th June 2018 as a private limited company, under the Companies Act, 1994. Confidence Cement Limited was holding 99% with 9,900,000 shares from the incorporation of ZLL which makes CCL as parent company of ZLL.

ii) Confidence Batteries Limited (CBL) - Associate

Confidence Batteries Limited was incorporated in Bangladesh on 05 June 2017 as a Private Limited Company. The principal activities of the Company is to carry on the business of manufacturing, selling, marketing, importing, exporting and trading all types of batteries and allied products. Confidence Cement Limited holds 21% of ordinary shares in Confidence Batteries Limited.

iii) Confidence Power Holdings Limited (CPHL) - Associate

Confidence Power Holdings Limited was incorporated in Bangladesh on 20 April 2017 as a Private Limited Company. The principal activities of the Company are power generation, distribution, sell and supply electricity to connect in National Grid. Confidence Cement Limited holds 36.00% of ordinary shares in Confidence Power Holdings Limited.

iv) Confidence Cement Dhaka Limited (CCDL) - Associate

Confidence Cement Dhaka Limited was incorporated in Bangladesh in 2018 vide RJSC registration no. C-143230/2018 Dated 19th February 2018 as a private limited company, under the Companies Act, 1994. Confidence Cement Limited has 50.00% equity interest in Confidence Cement Dhaka Limited i.e. 5,000,000 ordinary shares of Tk. 10 each.

2.00 BASIS OF PREPARATION AND PRESENTATION

2.01 Statement of Compliance

The consolidated financial statements have been prepared in accordance with the International Accounting Standards (IASs), International Financial Reporting Standards (IFRS), the Companies Act 1994, the Securities and Exchange Rules 2020 and other applicable laws and regulations in Bangladesh as per requirements under the Financial Reporting Act 2015.

2.02 Basis of Consolidation and Disclosure of Interest in Other Entities

i. Business combinations

"These consolidated financial statements comprise the consolidated financial position and the consolidated results of operations of the Company and its subsidiary (collectively referred to as "the Group") on a line by line basis together with the Group's share in the net assets of its equity-accounted investees.



IFRS-10 "Consolidated Financial Statements" introduces a new control model that focuses on whether the group has power over an investee, exposure or rights to variable returns from its involvement with the investee and ability to use its power to affect those returns. An investor has power over an investee when the investor has existing rights that gives it the current ability to direct the relevant activities that significantly affect the investee's returns. Power arises from rights. An investor is exposed, or has rights, to variable returns from its involvement with the investee when the investor's returns from its involvement have the potential to vary as a result of the investee's performance. An investor controls an investee if the investor not only has the power over the investee and exposure or rights to variable returns from its involvement with the investee, but also has the ability to use its power to affect the investor's return from its involvement with the investee."

ii. Subsidiaries

Subsidiaries are entities controlled by the Group. The Group 'controls' an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

Subsidiary is an enterprise controlled by the parent entity. Control exists when an investor is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. The financial statements of subsidiary are included in the consolidated financial statements from the date that control commences until the date that control ceases. The consolidated financial statements have been prepared in accordance with IFRS 10: Consolidated Financial Statements.

ZLL is a subsidiary company of Confidence Cement Limited. The Company has made BDT 99 million equity investment in the year 2018 for 9.9 million share which stands 99% of total shareholding of ZLL. The Company is exposed to and has rights to variable returns from the subsidiary and also has the ability to affect those returns through its power over ZLL.

iii. Non-controlling interests

NCI are measured initially at their proportionate share of the acquiree's identifiable net assets at the date of acquisition. Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

iv. Loss of control

When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related NCI and other components of equity. Any resulting gain or loss is recognised in profit or loss. Any interest retained in the former subsidiary is measured at fair value when control is lost.

v. Interests in equity-accounted investees

The Group's interests in equity-accounted investees comprise interests in associates. Associates are those entities in which the Group has significant influence, but not control or joint control, over the financial and operating policies.

Interests in associates are accounted for using the equity method. They are initially recognised at cost, which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements include the Group's share of the profit or loss and OCI of equity accounted investees, until the date on which significant influence ceases.

vi. Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income and expenses (except for foreign currency transaction gains or losses) arising from intra-group transactions, are eliminated. Unrealised gains arising from transactions with equity-accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

2.02 Basis of Reporting

The consolidated and the separate financial statements are prepared and presented for external users by the Group and the Company in accordance with identified financial reporting framework. Presentation has been made in compliance with the requirements of IAS 1 – "Presentation of Financial Statements". The financial statements comprise of:

- a) A statement of financial position as at 30 June 2023.
- b) A statement of profit or loss and other comprehensive income for the year ended 30 June 2023.
- c) A statement of changes in equity for the year ended 30 June 2023.
- d) A statement of cash flows for the year ended 30 June 2023.
- e) Notes, comprising a summary of significant accounting policies and explanatory information.



2.03 Regulatory Compliances

As required, Confidence Cement PLC. complies with the following major legal provisions in addition to the Companies Act 1994 and other applicable laws and regulations:

- The Income Tax Ordinance 1984 & Income Tax Act 2023
- The Value Added Tax and Supplementary Act 2012
- The Value Added Tax and Supplementary Rules 2016
- The Customs Act 1969
- The Securities and Exchange Ordinance 1969
- The Securities and Exchange Rules 2020
- Securities and Exchange Commission Act 1993
- The Labour Act 2006

2.04 Authorization for Issue

The audited consolidated financial statements as well as separate financial statements for the year ended 30 June 2023 were authorized for issue by the Board of Directors on 18 th November 2023.

2.05 Basis of Measurement

The financial statements have been prepared on going concern basis under the historical cost convention except for land, factory building, plant and machinery and motor vehicles of property, plant and equipment which is measured at revalued amount and inventories which are measured at lower of cost and net realisable value.

2.06 Functional and Presentation Currency

The financial statements are expressed in Bangladesh Taka (Taka/Tk.) which is both functional currency and reporting currency of the Company. The figures of financial statements have been rounded off to the nearest Taka.

2.07 Going Concern

The Group and the Company has adequate resources to continue its operation in foreseeable future. For this reason the directors continue to adopt going concern basis in preparing the Financial Statements.

2.08 Cash Flow Statement

Statement of Cash Flows is prepared principally in accordance with IAS-7 "Statement of Cash Flows" and the cash flows from operating activities have been presented under direct method. A reconciliation of net income or net profit with cash flows from operating activities making adjustments for non-cash items, for non-operating items and for the net changes in operating accruals as per requirement of Securities and Exchange Rules 2020.

2.09 Use of Estimates and Judgment

The preparation of this Financial Statements in conformity with IAS and IFRS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an on going basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

In particular, information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements is included in the following notes:



- Note: 4 Property, plant and equipment
- Note: 5 Right of use assets
- Note: 9 Inventories
- Note: 10 Trade receivables
- Note: 12 Other receivables
- Note: 18 Defined benefit obligations (gratuity)
- Note: 19 Deferred tax liability
- Note: 22 Current tax liability
- Note: 24 Other liabilities
- Note: 41 Contingent liabilities

2.10 Preparation and Presentation of Financial Statements of the Company

The Board of Directors of Confidence Cement PLC. is responsible for the preparation and presentation of consolidated financial statements of the Group as well as separate financial statements of the Company.

2.11 Comparative Information and Reclassification

Comparative information has been disclosed in accordance with IAS-1 "Presentation of Financial Statements" for all numerical information in the financial statements and also the narrative and descriptive information when it is relevant for understanding of the current period financial statements. To facilitate comparison, certain relevant balances pertaining to the previous period have been rearranged/reclassified wherever considered necessary to conform to current year's presentation.

2.12 Consistency

Unless otherwise stated, the accounting policies and methods of computation used in preparation of Financial Statements for the year ended 30 June 2023 are consistent with those policies and methods adopted in preparing the financial statements for the year ended 30 June 2022.

2.13 Reporting Period

The consolidated and the separate financial statements of the Group and the Company covers one year from 01 July to 30 June and is followed consistently.

2.14 Restatement of Comparative Figures

Comparative figures of these financial statements have been restated to give the effect of adjustment to Investments, Share of profit of equity accounted investees (net of tax), Earning Per Share & Net asset value per share (Under Note no. 7.00, 34.00, 36.00 & 38.00).

2.15 Restatement of Financial Statements

2021-2022 Financial Statements have been re-stated to account for profit / (loss) on Investment in associates as Profit / (loss) on associate company namely 'Confidence Cement Dhaka Limited' were not accounted for into the earlier issued Financial Statements.

2.16 Classification of Current and Non-Current

The Company presents assets and liabilities in the statement of financial position based on current/non-current classification.

An asset is current when it is:

- Expected to be realised or intended to sold or consumed in the normal operating cycle
 - Held primarily for the purpose of trading
 - Expected to be realised within twelve months after the reporting period
- Or,
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in the normal operating cycle
 - It is held primarily for the purpose of trading
 - It is due to be settled within twelve months after the reporting period
- Or,



- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

3.00 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The specific accounting policies selected and applied by the company's directors for significant transactions and events that have material effect within the framework of IAS-I "Presentation of Financial Statements", in preparation and presentation of financial statements have been consistently applied throughout the period and were also consistent with those used in earlier periods.

For a proper understanding of the financial statements, these accounting policies are set out below in one place as prescribed by the IAS-I "Presentation of Financial Statements". The recommendations of IAS-I relating to the format of financial statements were also taken into full consideration for fair presentation.

Set out below is an index of the significant accounting policies, the details of which are available on the following:

- 3.01 Property, Plant and Equipment
- 3.02 Leases
- 3.03 Capital Work-In-Progress
- 3.04 Investment
- 3.05 Investment in Associate
- 3.06 Inventories
- 3.07 Financial Instruments
- 3.08 Share Capital
- 3.09 Revaluation Reserve
- 3.10 Employee Benefits
- 3.11 Taxation
- 3.12 Loans and Borrowings
- 3.13 Provisions, Contingent Liabilities and Contingent Assets
- 3.14 Foreign Currency
- 3.15 Revenue Recognition
- 3.16 Other Income
- 3.17 Finance Income and Costs
- 3.18 Earnings Per Share
- 3.19 Measurement of Fair Value
- 3.20 Events After the Reporting Period

3.01 Property, Plant and Equipment

3.01.01 Recognition and Measurement

Property, plant and equipment are stated at cost less accumulated depreciation except land, factory building, plant and machinery and motor vehicle which are carried at revalued amount and subsequent impairment losses, if any.

Cost includes expenditures that are directly attributable to the acquisition of an asset. The cost of self-constructed assets includes the cost of materials, direct labor and any other costs directly attributable to bringing the asset to the working condition for their intended use, and the cost of dismantling and removing the items and restoring the site on which they are located.

3.01.02 Pre-Operating Expenses and Borrowing Costs

Interest and other incurred by the Company in respect of borrowing of fund are recognized as expenses in the year in which they incurred unless the activities that are necessary to prepare the qualifying assets for its intended use are in progress. Expenses capitalized also include applicable borrowing cost considering the requirement of IAS-23 "Borrowing Costs".



3.01.03 Subsequent Costs

The Company recognizes in the carrying amount of an item of property, plant and equipment, the cost of replacing part of such an item when the cost is incurred, it is probable that the future economic benefits embodied with the item will flow to the Company and the cost of the item can be measured reliably. Expenditure incurred after the assets have been put into operation, such as repair and maintenance is normally charged off as revenue expenditure in the year in which it is incurred. In situation where it can be clearly demonstrated that the expenditure has resulted in an increase in the future economic benefit expected to be obtained from the use of property, plant and equipment, the expenditure is capitalized as an additional cost of the assets. All other costs are recognized to the profit and loss account as expenses if incurred. All upgradation/enhancement are generally charged off as revenue expenditure unless they bring similar significant additional benefits.

3.01.04 Depreciation

Land is held on a freehold basis and is not depreciated considering the unlimited life. In respect of all other property, plant and equipment, depreciation is recognized in statement of profit or loss and other comprehensive income on reducing balance method over the estimated useful lives of property, plant and equipment.

Depreciation is charged on addition from the month (date of service) of acquisition/addition and no depreciation is charged in the month of disposal. The depreciation method used reflects the pattern in which the asset's economic benefits are consumed by the entity. The depreciation charge for each period is recognized as an expense unless it is included in the carrying amount of another asset.

The depreciation rate(s) are as follows:

<u>Class of assets</u>	<u>Rates of Depreciation</u>
Building and other Construction	2.5% - 10%
Plant and Machinery	5% - 15%
Furniture, Fixtures and Equipment	5% - 30%
Vehicles	10% - 20%

Depreciation methods, useful lives and residual values are reassessed at the reporting dates.

Upon retirement of assets, the cost and related accumulated depreciation are eliminated from the accounts and resulting gain or loss is charged or credited to statement of profit or loss and other comprehensive income.

3.01.05 Revaluation of Property, Plant and Equipment

Land, Building, Plant and Machineries and Vehicles were revalued by professional valuer Vigilant Survey Associates in December 2009. The revalued classes of Property, Plant and Equipment are depreciated over the remaining useful lives. Difference of depreciation between revalued carrying amount and depreciation based on carrying amount as per assets original cost has been transferred from Revaluation Reserve to Retained Earnings as shown in Statement of Changes in Equity.

3.02 Leases

The Company assesses whether a contract is or contains a lease, at inception of the contract. The Company recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less). For these leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Company uses its incremental borrowing rate.

The lease liability is presented as a separate line in the statement of financial position.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.



The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day, less any lease incentives received and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Whenever the Company incurs an obligation for costs to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognised and measured under IAS 37. To the extent that the costs relate to a right-of-use asset, the costs are included in the related right-of-use asset, unless those costs are incurred to produce inventories.

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Company expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

The right-of-use assets are presented as a separate line in the statement of financial position.

The Company applies IAS 36 to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss as described in the 'Property, Plant and Equipment' policy.

At the derecognition of a lease, the right-of-use asset and associated lease liability are removed from the books of the lessee. The difference between the two amounts is accounted for as a profit or loss at that time.

3.03 Capital Work-In-Progress

Capital work-in-progress represents the cost incurred for acquisition and/or construction of property, plant and equipment that were not ready for use at the end of 30 June 2023 and these are stated at cost.

3.04 Investment

i) Unquoted Shares

Investment in unquoted shares are initially recognized at cost. After initial recognition these are carried at cost less impairment losses, if any.

ii) Quoted Shares

Investment in quoted shares are recognized at fair value through other comprehensive income. Changes in fair value are recognized under other comprehensive income in the financial statements. Fair values of investment in quoted shares are determined by reference to their quoted price less cost to sale in active market at the reporting date. Dividend and gain/(loss) from sale are recognised in the profit or loss.

iii) Other Investment

Investment for construction of convention centre at Chittagong Boat Club on built, operate and transfer (BOT) basis has been recognized at cost. This investment will be amortized equally during the BOT period (20 years with effect from 01 July 2013). After initial recognition investment in convention centre is carried at cost less amortization. Amortization is recognized in the Statement of Profit or Loss and Other Comprehensive Income. Income from convention centre is recognized on cash basis.

3.05 Investment in Associate

The company's investment in associates is accounted for in the Financial Statements using the Equity Method in accordance with IAS 28: "Investment in Associates & Joint Ventures". Investment in an associate is initially recognized at cost, and the carrying amount is increased or decreased to recognize the investor's share of the profit or loss of the investee after the date of acquisition. The investor's share of investee's profit or loss is recognized in the investor's profit or loss. Adjustment after the date of acquisition to the carrying amount has been made for changes in the investor's proportionate interest in the investee that arising from the revaluation of property, plant & equipment and from foreign currency translation differences. The investor's share of those changes is recognized in other comprehensive income of the investor.

The excess of company's share of net assets' value of associate over cost of investment has been recognized in profit or loss as share of associate's profit or loss during acquisition period as per provision of IAS 28.



3.06 Inventories

i) Nature of inventories

Inventories comprise Raw Materials (Clinker, Gypsum, Lime Stone, Fly Ash), Packing Materials, Consumable Stores etc.

ii) Valuation of the inventories

Inventories are measured at lower of cost or net realizable value in accordance with the Para of 21 and 25 of IAS 2 "Inventories" after making due allowance for any obsolete or slow moving item and details of valuation are as follows:

<u>Category</u>	<u>Basis of valuation</u>
i) Raw materials	At cost or net realizable value whichever is lower
ii) Work-in-process	At cost
iii) Stores and spares	Based on Weighted average cost method

3.07 Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Accounting policies relating to different type of financial instruments are described below:

i) Recognition and measurement

Trade receivables are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

ii) Classification and subsequent measurement

Financial assets

On initial recognition, a financial asset is classified as measured at: amortised cost; FVOCI and FVTPL.

Financial assets are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing financial assets; in which case all affected financial assets are reclassified on the first day of the reporting period following the change in the business model.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL.

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets – Business model assessment

The Company makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- the stated policies and objective for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of the assets;
- how the performance of the portfolio is evaluated and reported to the Company's management;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- how managers of the business are compensated-e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Company's continuing recognition of the assets.



Financial assets-Subsequent measurement and gains and losses**Financial assets at amortised cost**

These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

Financial liabilities- Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or FVTPL. Financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

iii) Derecognition**Financial assets**

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

The Company enters into transactions whereby it transfers assets recognised in its statement of financial position but retains either all or substantially all of the risks and rewards of the transferred assets. In these cases, the transferred assets are not derecognised.

Financial liabilities

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expired. The Company also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in profit or loss.

iv) Offsetting a financial asset and a financial liability

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Company has a legal right to offset the amounts and intends either to settle them on a net basis or to realize the asset and settle the liability simultaneously.

v) Impairment**Financial assets**

Financial assets not carried at fair value through profit or loss and receivables are assessed at each reporting date to determine whether there is objective evidence that any particular asset is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

Non-financial assets

The carrying value of the non-financial assets, other than inventories, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated. An impairment loss is recognised whenever the carrying amount of the asset or its cash generating unit exceeds its recoverable amount. Impairment losses, if any, are recognised in the statement of profit or loss and other comprehensive income.



3.08 Share Capital

Paid-up-capital represents total amount contributed by the shareholders and bonus shares issued by the company to the ordinary shareholders. Incremental costs directly attributable to the issue of ordinary shares are recognized as expenses as and when incurred. Holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to vote at shareholders' meetings. In the event of a winding up of the company, ordinary shareholders will be rank after all other shareholders. Creditors are fully entitled to any proceeds of liquidation before all shareholders.

3.09 Revaluation Reserve

Revaluation reserve relates to the revaluation of Land, Building, Plant and Machineries and Vehicles. Adjustments are made while charging depreciation on revalued assets or disposal of revalued assets.

3.10 Employee Benefits

The company maintains both defined contribution plan and defined benefit plan for its eligible permanent employees.

i) Short Term Employee Benefits

Salaries, bonuses and allowances are accrued in the financial year in which the associated services are rendered by the employees of the Company.

ii) Defined Contribution Plan

The company maintains a recognized provident fund @ 10% of basic pay (Equally contributed by employee and employer) for all eligible permanent employees. The said fund is managed by the Board of Trustees.

iii) Defined Benefit Plan - Gratuity

The company maintains an unfunded gratuity scheme, provision in respect of which is made annually for the employees. Gratuity payable at the end of each year is determined on the basis of following rules and regulations of the company;

Service Length	Payment Basis	Remarks
More than 5 years and less than 10 years	one time of last month basic salary X years of services	Eligible only after 5 (five) years completion of service subject to date of joining.
10 Years and above	two time of last month basic salary X years of services	

Six months continued service in the year of leaving or retirement will be treated as one year for the purpose of calculation of gratuity.

In case of employee's death being in service of Confidence Cement PLC. payable gratuity will be paid to the heir or heirs of employee as provided.

iv) Workers' Profit Participation and Welfare Fund

The company also recognizes a provision for Workers' Profit Participation and Welfare Funds @ 5% of net operating profit before tax as per Bangladesh Labour Law, 2006 (as amended in 2013). Share of associate and subsidiary companies' profit was not considered for WPPF provision.

3.11 Taxation

3.11.01 Current Tax

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using rates enacted or substantially enacted at the reporting date and any adjustment to tax payable in respect of previous years.

3.11.02 Deferred Tax

Deferred tax liabilities are the amount of income taxes payable in the future periods in respect of taxable temporary differences. Deferred tax assets are the amount of income taxes recoverable in future periods in respect of deductible temporary differences. Deferred tax assets and liabilities are recognized for the future tax consequences of timing differences arising between the carrying values of assets, liabilities, income and expenditure and their respective tax bases. Deferred tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantially enacted at the Statement of Financial Position date. The impact of changes on the account in the deferred tax assets and liabilities has also been recognized in the statement of profit or loss and other comprehensive income as per IAS-12 "Income Taxes".



Deferred tax on revaluation surplus of land has not been recognized in the Financial Statements on the ground that income tax payable at source on capital gain during registration of sale of land is generally borne by the buyer. Hence the possibility of having income tax implication on land is very remote.

Deferred tax has not been recognised for temporary differences related to investment in associates.

3.12 Loans and Borrowings

Principal amount of the loans and borrowings are stated at their outstanding amount. Borrowings repayable within twelve months from the financial position date are classified as current liabilities whereas borrowings repayable after twelve months from the financial position date are classified as non-current liabilities. Accrued interest and other charges are classified as current liabilities.

Interest and other costs incurred by the Company in connection with the borrowing of funds are recognized as expense in the period in which they are incurred, unless such borrowing cost relates to acquisition/construction of assets in progress that are capitalized as per IAS 23 "Borrowing Costs".

3.13 Provisions, Contingent Liabilities and Contingent Assets

A provision is recognized in the statement of financial position when the Company has a legal or contractual obligation as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Contingent liabilities are not recognized but disclosed, unless the possibility of an outflow of economic resources is remote.

Contingent assets are not recognized but disclosed where an inflow of economic benefits is probable. When the realization of income is virtually certain, then the related asset is not a contingent asset and its recognition is appropriate.

3.14 Foreign currency

Foreign currency transactions are recorded in BDT at applicable rates of exchange ruling at the dates of transactions in accordance with IAS-21 "The Effects of Changes in Foreign Exchange Rates." Exchange rate difference at the statement of financial position date are charged/credited to statement of profit or loss and other comprehensive income, to the extent that this treatment does not contradict with the Schedule XI of Companies Act 1994. This Schedule requires all exchange gains and losses arising from foreign currency borrowings, taken to finance acquisition of construction of property, plant and equipment, to be credited/ charged to the cost/value of such assets.

The financial statements are presented in BDT, which is company's functional currency. Transactions in foreign currencies are recorded in the books at the exchange rate prevailing on the date of the transaction. Monetary assets and liabilities in foreign currencies at the date of statement of financial position are translated into BDT at the exchange rate prevailing at that date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the initial transaction. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rate at the date when the fair value was determined. Exchange differences arising on the settlement of monetary items or on translating monetary items at the end of the reporting period are recognised in profit or loss.

3.15 Revenue Recognition

Revenue from the sale of the Company's core products cement and ready-mix concrete when delivery has taken place and control of the goods has been transferred to the customer. Revenue is recognized when the significant risks and rewards of ownership have been transferred to the buyer, recovery of the consideration is probable, the associated costs and possible return of goods can be estimated reliably and there is no continuing management involvement with the goods. Sales revenue is recognized when the goods are delivered. Revenue is recognized is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts and rebates, if any.

3.16 Other Income

Other income includes gain / (loss) on sale of property, plant and equipment, Income from jetty, Income from transport and other miscellaneous.

3.17 Finance Income and Costs

3.17.01 Finance Income

Interest income from bank deposits is recognized in the profit or loss in accrual basis following specific rate of interest in agreement with banks, financial institution.

3.17.02 Finance Cost

Interest expenses comprises interest expense on operational overdraft, LATR, term loan and short term borrowings incurred during the period are charged to Statement of Profit or Loss and Other Comprehensive Income.

3.18 Earnings Per Share

The Company calculates its earnings per share in accordance with International Accounting Standard IAS-33 "Earnings per Share" which has been reported on the face of Statement of Profit or Loss and Other Comprehensive Income.

3.18.01 Basis of Earnings

This represents profit for the year attributable to ordinary shareholders. As there were no preference shares requiring returns or dividends, non-controlling interest or extra ordinary items, the net profit after tax for the year has been considered as fully attributable to the ordinary shareholders.

3.18.02 Basic Earnings Per Share

This has been calculated by dividing total attributable profit by the total number of ordinary shares outstanding during the year.

3.18.03 Diluted Earnings Per Share

Diluted earnings per share is required to be calculated for the year when there is scope for dilution exists.

3.19 Measurement of Fair Value

When measuring the fair value of an asset or liability, the entity 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.

Level 1: Quoted prices (unadjusted) in active markets for identical assets and liabilities.

Level 2: Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: Inputs for the assets or liabilities that are not based on observable market data.

If the inputs used to measure the fair value of an asset or liability might be categorized in different levels of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

Property, plant and equipment

The fair value of items of property, plant and equipment has been determined based on the depreciated replacement cost method and net realizable value method as applicable.

Equity and debt securities

Fair values of tradable equity and debt securities are determined by reference to their quoted closing price in active market at the reporting date which are categorized under 'Level 1' of the fair value hierarchy.

3.20 Events After the Reporting Period

Events after the reporting period that provide additional information about the Company's position at the date of Statement of Financial Position or those that indicate the going concern assumption is not appropriate are reflected in the Financial Statements. Events after the reporting period that are not adjusting events are disclosed in the notes when material.



4.00 Property, plant and equipment

4.01 At Cement plant

Class of Assets	Cost			Rate of Depreciation (%)	Accumulated Depreciation			Written Down Value as at 30 June 2023
	Opening balance	Additions during the year	Disposals during the year		Opening balance	Charged during the year	Adjustments during the year	
i. At Cost								
Land	78,903,183	-	-	-	-	-	-	78,903,183
Factory Building	1,408,677,977	4,742,040	(22,718,110)	2.5%-10%	224,854,146	36,346,332	(15,336,389)	245,864,089
Plant and Machinery	2,321,267,099	22,524,794	-	5%-15%	772,522,882	105,361,958	-	877,884,840
Furniture, Fixtures & Office Equipment	255,996,831	1,763,844	-	5%-30%	168,224,769	18,402,835	-	186,627,604
Motor Vehicles	463,289,654	-	(52,517,686)	10%-20%	311,555,541	22,424,324	(47,036,730)	286,943,135
Sub total	4,528,134,744	29,030,678	(75,235,796)		1,477,157,338	182,535,449	(62,373,119)	1,597,319,668

ii. Revaluation Surplus

Land	305,421,979	-	-	-	-	-	-	305,421,979
Factory Building	71,573,563	-	-	2.5%-10%	27,842,181	1,789,339	-	29,631,520
Plant and Machinery	1,020,372,199	-	-	5%-15%	890,870,809	15,401,983	-	906,272,792
Motor Vehicles	58,374,843	-	(28,433,251)	10%-20%	58,374,842	-	(28,433,251)	29,941,591
Sub total	1,455,742,584	-	(28,433,251)		977,087,832	17,191,322	(28,433,251)	965,845,903
As at 30 June 2023 (i+ii)	5,983,877,328	29,030,678	(103,669,047)		2,454,245,170	199,726,771	(90,806,370)	2,563,165,571
As at 30 June 2022	5,958,241,225	67,555,232	(41,919,129)		2,261,843,069	234,294,247	(41,892,146)	2,454,245,170

4.02 At Ready-mix plant

Class of Assets	Cost			Rate of Depreciation (%)	Accumulated Depreciation			Written Down Value as at 30 June 2023
	Opening balance	Additions during the year	Disposals during the year		Opening balance	Charged during the year	Adjustments during the year	
At Cost								
Land	142,121,111	-	-	-	-	-	-	142,121,111
Civil Construction	35,017,157	-	-	10%	31,445,003	3,497,750	-	34,942,753
Plant and Machinery	79,395,952	66,300	-	5%-15%	43,951,090	4,446,018	-	48,397,108
Furniture, Fixtures & Office Equipment	13,181,323	44,465	-	15%-30%	10,855,189	1,086,454	-	11,941,643
Motor Vehicles	46,176,542	-	-	10%-20%	41,843,609	4,326,482	-	46,170,091
As at 30 June 2023	315,892,085	110,765	-		128,094,891	13,356,704	-	141,451,595
As at 30 June 2022	315,746,737	145,348	-		114,550,110	13,544,781	-	128,094,891
Grand total 30 June 2023 (4.01+4.02)	6,299,769,413	29,141,443	(103,669,047)		2,582,340,061	213,083,475	(90,806,370)	2,704,617,166
Grand total 30 June 2022 (4.01+4.02)	6,273,987,962	67,700,580	(41,919,129)		2,376,393,179	247,839,028	(41,892,146)	2,582,340,061



	Note(s)	30 June 2023	30 June 2022
4.03 Allocation of depreciation			
Factory overhead			
i. At Cement Plant	26.03	185,988,765	218,972,240
ii. At Ready-mix Plant	26.03	13,356,704	13,544,781
		199,345,469	232,517,021
Administrative expenses			
At Cement Plant	27.00	6,461,290	6,869,008
Selling and distribution expenses			
At Cement Plant	28.00	2,623,664	3,983,250
Jetty		4,653,052	4,469,749
Grand total		213,083,475	247,839,028

Depreciation on plant and equipment at jetty has been net off with income from jetty.

4.a Consolidated Property, plant and equipment (PPE)

	30 June 2023		
	CCPLC Taka	ZLL Taka	Consolidated Taka
<u>At Cost/Revalued</u>			
Opening balance	6,299,769,413	238,225,447	6,537,994,860
Additions during the year	29,141,443	142,251	29,283,694
Disposals during the year	(103,669,047)	-	(103,669,047)
Closing balance	6,225,241,809	238,367,698	6,463,609,507
<u>Accumulated Depreciation</u>			
Opening balance	2,582,340,061	8,006,977	2,590,347,038
Charged during the year	213,083,475	12,115,207	225,198,682
Adjustments during the year	(90,806,370)	-	(90,806,370)
Closing balance	2,704,617,166	20,122,184	2,724,739,350
Carrying Amount	3,520,624,644	218,245,514	3,738,870,157
	30 June 2022		
	CCPLC Taka	ZLL Taka	Consolidated Taka
<u>At Cost/Revalued</u>			
Opening balance	6,273,987,962	63,444	6,274,051,406
Additions during the year	67,700,580	238,162,003	305,862,583
Disposals during the year	(41,919,129)	-	(41,919,129)
Closing balance	6,299,769,413	238,225,447	6,537,994,860
<u>Accumulated Depreciation</u>			
Opening balance	2,376,393,179	40,986	2,376,434,165
Charged during the year	247,839,028	7,965,991	255,805,019
Adjustments during the year	(41,892,146)	-	(41,892,146)
Closing balance	2,582,340,061	8,006,977	2,590,347,038
Carrying Amount	3,717,429,352	230,218,470	3,947,647,822



	Note(s)	30 June 2023	30 June 2022
5.00 Lease - Right of Use Assets			
At Cement plant			
5.01 As a Lessee			
5.01.01 Right of use assets			
<u>COST</u>			
Opening balance		360,504,318	317,587,908
Additions during the year		-	51,834,089
Disposals/adjustment during the year		(47,328,988)	(8,917,679)
Closing balance		313,175,330	360,504,318
<u>AMORTISATION</u>			
Opening balance		84,022,149	46,397,544
Charge during the year		45,503,798	46,542,284
Disposals/adjustment during the year		(5,916,124)	(8,917,679)
Closing balance		123,609,823	84,022,149
Carrying Amount		189,565,507	276,482,169
5.01.02 Lease liabilities			
Opening balance		297,244,153	282,591,589
Lease obligations		(44,213,179)	51,834,089
Paid during the year		(38,487,454)	(37,181,525)
Lease Liabilities		214,543,520	297,244,153
5.01.03 Lease Liabilities- Maturity analysis			
Lease liabilities - non-current portion		173,856,078	258,090,524
Lease liabilities - current portion		40,687,442	39,153,629
		214,543,520	297,244,153
5.01.04 Amounts recognised in profit or loss			
Interest on lease liabilities		25,251,523	27,216,493
5.01.05 Amount recognised in the statements of cash flows			
Principal paid on lease liabilities		38,487,454	37,181,525
Interest paid on lease liabilities		25,251,523	27,216,493
		63,738,977	64,398,018
5.01.06 Allocation of Amortisation:			
Factory Overhead	26.03	9,924,577	10,987,430
Administrative expenses	27.00	3,168,150	3,143,782
Selling and distribution expenses	28.00	1,580,399	1,580,399
Jetty		30,830,672	30,830,672
		45,503,798	46,542,283
Amortization on jetty has been net off with income from jetty.			
5.a Consolidated right of use assets			
Confidence Cement PLC.		189,565,507	276,482,169
Zodiac Logistics Limited		-	-
		189,565,507	276,482,169
5.01.03.a Lease Liabilities- Maturity analysis			
<u>Lease liabilities - non-current portion</u>			
Confidence Cement PLC.		173,856,078	258,090,524
Zodiac Logistics Limited		-	-
		173,856,078	258,090,524
<u>Lease liabilities - current portion</u>			
Confidence Cement PLC.		40,687,442	39,153,629
Zodiac Logistics Limited		-	-
		40,687,442	39,153,629



	Note	30 June 2023	30 June 2022
6.00 Capital work-in-progress			
<u>i) At Cement Plant</u>			
Opening capital work-in-progress		317,479,999	237,124,966
Expenditure incurred during the year	6.01	20,548,418	131,959,201
		338,028,417	369,084,167
Capitalized during the year	6.01	(8,156,733)	(51,604,168)
		329,871,684	317,479,999
<u>ii) At Readymix Plant</u>			
Opening capital work-in-progress		1,957,871	1,657,500
Expenditure incurred during the year		1,729,702	300,371
		3,687,573	1,957,871
Grand Total (i+ii)		333,559,257	319,437,870

6.01 Particulars	Opening balance	Expenditure incurred during the year	Capitalized during the year	Closing balance
	Taka	Taka	Taka	Taka
<u>i) At Cement Plant</u>				
Plant and machinery	294,501,802	9,269,183	(6,859,772)	296,911,213
Civil construction	22,978,197	11,279,235	(1,296,961)	32,960,471
	317,479,999	20,548,418	(8,156,733)	329,871,684
<u>ii) At Readymix Plant</u>				
Civil construction	1,957,871	1,729,702	-	3,687,573
	1,957,871	1,729,702	-	3,687,573
Grand Total (i+ii)	319,437,870	22,278,120	(8,156,733)	333,559,257

These costs include costs incurred initially to construct/ install property, plant and equipment (PPE). Construction/ installation costs are transferred to PPE when the construction/ installation is completed and ready for intended use.

6.a Consolidated capital work-in-progress		
Confidence Cement PLC	333,559,257	319,437,870
Zodiac Logistics Limited	-	-
	333,559,257	319,437,870

7.00 Investments		
Investment in subsidiary	7.01	99,000,000
Investment in equity accounted investees	7.02	4,204,613,748
Investment in unquoted shares	7.03	1,076,260,924
Other investment	7.04	40,560,372
		5,420,435,044
		4,750,048,088

7.01 Investment in subsidiary - Zodiac Logistics Limited (ZLL)

Zodiac Logistics Limited was incorporated in Bangladesh on 25 June 2018 as a private limited company. Confidence Cement PLC was holding 99% with 9,900,000 shares from the incorporation of ZLL which makes CCPLC as parent company of ZLL.

7.02 Investment in equity accounted investees	Status	Note(s)		
Name of Companies				
Confidence Batteries Limited (CBL)	Associate	7.02.01	-	5,592,358
Confidence Power Holdings Limited (CPHL)	Associate	7.02.02	4,204,613,748	3,513,914,276
Confidence Cement Dhaka Limited (CCDL)	Associate	7.02.03	-	10,664,020
			4,204,613,748	3,530,170,654



7.02.01 Confidence Batteries Limited (CBL)

Confidence Cement PLC. has 21.00% equity interest in Confidence Batteries Limited i.e. 10,314,500 ordinary shares of Tk. 10 each, Confidence Cement PLC. has been considered as an equity accounted investee of the company and been accounted for according to IAS 28: Investments in Associates and Joint Ventures. Reporting date of Confidence Batteries Limited is 30 June 2023.

Movement in shareholding in associates

	No. of shares	
Opening balance of shares	10,314,500	10,314,500
Number of shares acquired	-	-
Closing balance	10,314,500	10,314,500
Total number of shares in associates	49,113,540	49,113,540
Percentage of shares in associates by Confidence Cement PLC	21.00%	21.00%

Movement of investment in associates

	01 July 2022 to 30 June 2023	01 July 2021 to 30 June 2022
Opening balance	103,145,000	103,145,000
Investment in equity share	-	-
Addition during the year		
Opening balance	(97,552,642)	(24,520,468)
Share of profit/(loss)	(5,592,358)	(73,032,174)
	(103,145,000)	(97,552,642)
Closing balance	-	5,592,358

7.02.01.01

Summary of financial information of equity accounted investee:

	30 June 2023	30 June 2022
Non-current assets	1,147,951,198	1,169,760,020
Current assets	1,785,617,720	2,098,913,205
Total Assets	2,933,568,917	3,268,673,225
Share capital	491,135,400	491,135,400
Revaluation surplus	39,387,958	39,387,958
Retained earnings	(790,261,159)	(503,894,777)
Shareholders' equity	(259,737,801)	26,628,581
Non-current liabilities	556,646,456	755,244,850
Current liabilities	2,636,660,262	2,486,799,794
Total Liabilities	3,193,306,718	3,242,044,644
Total Equity & Liabilities	2,933,568,917	3,268,673,225
	01 July 2022 to 30 June 2023	01 July 2021 to 30 June 2022
Revenue	663,938,954	845,969,694
Other income	28,086,630	13,255,214
Expenses	(962,860,131)	(1,191,162,475)
Provision for income tax	(15,531,835)	(15,812,552)
Profit/(Loss) attributable to the owners of the company	(286,366,382)	(347,750,119)

7.02.01.01 During the year 2022-23, 21% of Profit/(Loss) of Confidence Batteries Limited stand taka (60,136,940). But the opening carrying amount of the Investment is taka 5,592,358 only. So, the amount of loss recognised is limited up to the opening carrying amount of the investment i.e., taka 5,592,358.



7.02.02 Confidence Power Holdings Limited (CPHL)

Confidence Cement PLC has 36.00% equity interest in Confidence Power Holdings Limited i.e., 83,650,000 ordinary shares of Tk. 10 each. Confidence Cement PLC. has been considered as an equity accounted investee of the company and been accounted for according to IAS 28: Investments in Associates and Joint Ventures. Reporting date of Confidence Power Holdings Limited is 30 June.

Movement in shareholding in associates

	No. of shares	
Opening balance of shares	83,650,000	83,650,000
Number of shares acquired	-	-
Closing balance	83,650,000	83,650,000
Total number of shares in associates	232,361,111	232,361,111
Percentage of shares in associates by Confidence Cement Limited	36.00%	36.00%

Movement of investment in associates

	Note(s)	01 July 2022 to 30 June 2023	01 July 2021 to 30 June 2022
		Taka	Taka
Opening balance		836,500,000	836,500,000
Investment in equity share		-	-
Addition during the year			
Opening balance		2,677,414,276	1,852,132,572
CCL's portion of prior year adjustments in CPHL's retained earnings		(107,280,440)	10,779,384
Share of profit	35.02	797,979,912	814,502,320
		3,368,113,748	2,677,414,276
		4,204,613,748	3,513,914,276

Summary of financial information of equity accounted investee:

	30 June 2023	30 June 2022
Non-current assets	28,036,565,062	27,539,078,226
Current assets	25,989,096,170	32,103,835,043
Total Assets	54,025,661,232	59,642,913,269
Share capital	2,323,611,110	2,323,611,110
Preference share capital	3,156,078,380	3,156,078,380
Retained earnings	9,355,871,516	7,437,261,874
Equity attributable to owners of the company	14,835,561,006	12,916,951,364
Non-controlling interest	1,152,500,428	1,640,000,284
Shareholders' equity	15,988,061,434	14,556,951,648
Non-current liabilities	14,561,499,294	15,284,789,799
Current liabilities	23,476,100,504	29,801,171,822
Total Liabilities	38,037,599,798	45,085,961,621
Total Equity & Liabilities	54,025,661,232	59,642,913,269

	01 July 2022 to 30 June 2023	01 July 2021 to 30 June 2022
Revenue	31,962,414,652	36,516,282,060
Other income	137,131,106	156,115,545
Expenses	(29,573,382,470)	(33,909,225,142)
Provision for income tax	(309,552,287)	(500,785,390)
Net Profit for the year	2,216,611,001	2,262,387,073
Total comprehensive income attributable to:		
Owners of the company	2,216,610,866	2,262,506,443
Non-controlling interest	135	(119,370)
Total comprehensive income	2,216,611,001	2,262,387,073



7.02.03 Confidence Cement Dhaka Limited (CCDL)

Confidence Cement PLC has 50.00% equity interest in Confidence Cement Dhaka Limited i.e., 5,000,000 ordinary shares of Tk. 10 each. Confidence Cement Dhaka Limited has been considered as an equity accounted investee of the company and been accounted for according to IAS 28: Investments in Associates and Joint Ventures. Reporting date of Confidence Cement Dhaka Limited is 30 June.

Movement in shareholding in associates

	No. of shares	
Opening balance of shares	5,000,000	5,000,000
Number of shares acquired	-	-
Closing balance	5,000,000	5,000,000
Total number of shares in associates	10,000,000	10,000,000
Percentage of shares in associates by Confidence Cement PLC,	50.00%	50%

Movement of investment in associates

	Note(s)	01 July 2022 to 30 June 2023	01 July 2021 to 30 June 2022
		Taka	Taka
Opening balance		50,000,000	50,000,000
Investment in equity share		-	-
Addition during the year			
Opening balance		(39,335,980)	-
CCL's portion of prior year adjustments in CCDL's retained earnings		-	(30,496,464)
Share of profit	7.02.03.1	(10,664,020)	(8,839,516)
		(50,000,000)	(39,335,980)
		-	10,664,020

Summary of financial information of equity accounted investee:

	30 June 2023	30 June 2022
Non-current assets	593,520,097	204,426,102
Current assets	124,545,141	101,277,156
Total Assets	718,065,238	305,703,258
Share capital	100,000,000	100,000,000
Retained earnings	(110,365,477)	(17,679,000)
Prior Year Retained Earnings Adjustment	-	(60,992,960)
Equity attributable to owners of the company	(10,365,477)	21,328,040
Non-controlling interest	-	-
Shareholders' equity	(10,365,477)	21,328,040
Non-current liabilities	705,313,368	280,951,068
Current liabilities	23,117,347	3,424,150
Total Liabilities	728,430,715	284,375,218
Total Equity & Liabilities	718,065,238	305,703,258
	01 July 2022 to 30 June 2023	01 July 2021 to 30 June 2022
Revenue	-	-
Other income	3,440,898	-
Expenses	(35,134,415)	(17,679,032)
Provision for income tax	-	-
Net Profit for the year	(31,693,517)	(17,679,032)
Total comprehensive income attributable to:		
Owners of the company	(31,693,517)	(17,679,032)
Non-controlling interest	-	-
Total comprehensive income	(31,693,517)	(17,679,032)



7.02.03.1 During the year 2022-23, 50% of Profit/(Loss) of Confidence Cement Dhaka Limited (CCDL) stand taka (15,846,759). But the opening carrying amount of the Investment is taka 10,664,020 only. So, the amount of loss recognised is limited up to the opening carrying amount of the investment i.e., taka 10,664,020.

7.02.03.2 Financial Statements of CCDL as on 30 June 2022, is the latest available statements of the company as on the reporting date. Hence, during the year 2022-2023, the financial performance of CCDL for the year 2021-2022 has been taken into account. Accordingly CCDL's Financial Performance for the year 2020-2021 has been considered for the financial year 2021-2022 of Confidence Cement PLC.

	Note(s)	30 June 2023	30 June 2022
7.03 Investment in unquoted shares			
Asian Paints (BD) Limited		41,231,200	41,231,200
New Vision Information Technology Limited		2,000,000	2,000,000
Central Depository Bangladesh Limited		1,569,450	1,569,450
Confidence Infrastructure Limited		1,031,460,274	1,031,460,274
		1,076,260,924	1,076,260,924
7.04 Other investment			
CBC-Confidence Cement Convention Centre		44,616,510	48,672,648
Amortization during the year	27.00	(4,056,138)	(4,056,138)
		40,560,372	44,616,510
<p>(i) An agreement signed with Bangladesh Navy dated on 09 March 2011 for construction of Convention Centre named as CBC-Confidence Cement Convention Centre at Chittagong Boat Club on BOT (Build, operate and transfer) basis for 20 (Twenty) years with effect from 01 July 2013.</p> <p>(ii) Income has not been received from convention centre as on the date of this report.</p>			
7.a Consolidated Investments			
Confidence Cement PLC.		5,420,435,044	4,750,048,088
Zodiac Logistics Limited		-	-
Intra group elimination		(99,000,000)	(99,000,000)
		5,321,435,044	4,651,048,088
8.00 Investments in quoted shares			
Opening balance		-	2,347,652
Less: Sold during the year		-	(2,628,956)
Gain on sale of shares		-	281,304
Changes in fair value of tradeable securities		-	-
Closing balance		-	-
8.a Consolidated investments in quoted shares			
Confidence Cement PLC.		-	-
Zodiac Logistics Limited		-	-
		-	-



	Note(s)	30 June 2023	30 June 2022
9.00 Inventories			
Raw materials	9.01	163,316,594	289,093,151
Raw materials in transit-Cement Plant		6,505,830	20,777,748
Raw materials in transit- Ready-mix Plant		-	2,148,174
Stores, spares and loose tools	9.02	306,027,050	260,072,196
Spare parts in transit-Cement Plant		1,075,036	12,837,184
Packing materials	9.04	23,786,445	14,357,689
Work-in-process	9.05	90,220,602	-
		590,931,557	599,286,142
9.01 Raw materials			
<u>i. At Cement plant</u>			
Clinker		121,184,737	26,243,775
Gypsum		9,312,762	22,298,912
Fly ash		7,518,747	25,961,818
Lime stone		13,168,586	64,593,077
Slags		2,862,713	86,548,278
Grinding Aid		1,203,585	26,161,000
Sub total		155,251,130	251,806,860
<u>ii. At Ready-mix Plant</u>			
Cement		788,753	1,173,602
Chemicals		978,014	1,262,240
Stone Chips (5-10 mm)		730,953	730,953
Stone Chips (5-20 mm)		5,285,211	32,097,986
Sylhet sand		282,533	2,021,510
Sub total		8,065,464	37,286,291
Grand total (i+ii)		163,316,594	289,093,151
There was no stock of Finished Goods as at the close of business as on 30 June 2023.			
9.02 Stores, spares and loose tools			
<u>i. At Cement plant</u>			
Stores		49,902,263	38,151,634
Spare parts		238,519,198	201,218,964
Loose tools		1,435,106	4,118,971
Sub total		289,856,567	243,489,569
<u>ii. At Ready-mix plant</u>			
Stores		9,579,873	9,066,497
Spare parts		6,433,658	7,325,551
Loose tools		156,952	190,579
Sub total		16,170,483	16,582,627
Grand total (i+ii)		306,027,050	260,072,196



9.03 Raw materials reconciliation : 2022-23
i. At Cement plant

Particulars	Opening balance		Purchase				Closing balance		Consumption	
			Import		Local					
	Quantity M. Ton	Value Taka	Quantity M. Ton	Value Taka	Quantity M. Ton	Value Taka	Quantity M. Ton	Value Taka	Quantity M. Ton	Value Taka
Clinker	4,204	26,243,775	417,153	2,592,751,272	-	-	20,214	121,184,737	401,143	2,497,810,310
Gypsum	5,888	22,298,912	20,768	67,662,103	-	-	2,804	9,312,762	23,852	80,648,253
Fly ash	11,160	25,961,818	-	-	13,332	33,117,441	2,824	7,518,747	21,668	51,560,512
Lime stone	20,714	64,593,077	20,300	51,930,590	1,499	6,603,204	4,594	13,168,586	36,420	109,958,285
Slags	23,560	86,548,278	93,250	296,679,337	-	-	1,029	2,862,713	115,781	380,364,902
Grinding Aid	160	26,161,000	80	12,978,972	-	-	8	1,203,585	232	37,936,387
Total	-	251,806,860	-	3,022,002,273	-	39,720,645	-	155,251,130	-	3,158,278,649

ii. At Ready-mix Plant

Particulars	Opening balance		Purchase				Closing balance		Consumption	
			Import		Local					
	Quantity M. Ton	Value Taka	Quantity M. Ton	Value Taka	Quantity M. Ton	Value Taka	Quantity M. Ton	Value Taka	Quantity M. Ton	Value Taka
Cement	139	1,173,602	-	-	7,380	55,292,173	87	788,753	7,432	55,677,022
Chemicals	10	1,262,240	-	-	78,010	8,495,058	8	978,014	78,012	8,779,284
Stone Chips (5-10 mm)	150	730,953	-	-	14,102	66,189,572	150	730,953	14,102	66,189,572
Stone Chips (5-20 mm)	6,931	32,097,986	2,200	6,310,293	-	-	1,223	5,285,211	5,708	33,123,068
Sylhet Sand	1,203	2,021,510	-	-	14,412	25,637,656	158	282,533	15,457	27,376,633
Total	-	37,286,291	-	6,310,293	-	155,614,459	-	8,065,464	-	191,145,579

Raw materials reconciliation : 2021-22
i. At Cement plant

Particulars	Opening balance		Purchase				Closing balance		Consumption	
			Import		Local					
	Quantity M. Ton	Value Taka	Quantity M. Ton	Value Taka	Quantity M. Ton	Value Taka	Quantity M. Ton	Value Taka	Quantity M. Ton	Value Taka
Clinker	3,341	18,090,155	377,862	2,338,578,410	-	-	4,204	26,243,775	376,999	2,330,424,790
Gypsum	6,859	24,986,159	21,700	81,757,176	-	-	5,888	22,298,912	22,671	84,444,423
Fly ash	3,384	7,782,430	-	-	28,842	65,720,780	11,160	25,961,818	21,066	47,541,392
Lime stone	25,047	65,478,738	36,050	112,417,825	-	-	20,714	64,593,077	40,383	113,303,486
Slags	9,782	33,812,412	123,200	421,912,725	-	-	23,560	86,548,278	109,422	369,176,859
Grinding Aid	102	15,969,993	280	45,176,275	-	-	160	26,161,000	222	34,985,268
Total	-	166,119,887	-	2,999,842,411	-	65,720,780	-	251,806,860	-	2,979,876,218

ii. At Ready-mix Plant

Particulars	Opening balance		Purchase				Closing balance		Consumption	
			Import		Local					
	Quantity M. Ton	Value Taka	Quantity M. Ton	Value Taka	Quantity M. Ton	Value Taka	Quantity M. Ton	Value Taka	Quantity M. Ton	Value Taka
Cement	123	939,410	-	-	10,988,460	82,752,236	139	1,173,602	10,988,444	82,518,044
Chemicals	8	989,320	-	-	93,258	11,463,686	10	1,262,240	93,256	11,190,766
Stone Chips (5-10 mm)	51	202,793	-	-	150	730,954	150	730,953	51	202,794
Stone Chips (5-20 mm)	360	1,666,788	32,052	139,977,058	-	-	6,931	32,097,986	25,481	109,545,860
Sylhet Sand	520	862,454	-	-	22,294	37,600,857	1,203	2,021,510	21,611	36,441,801
Total	-	4,660,765	-	139,977,058	-	132,547,733	-	37,286,291	-	239,899,265

9.04 Packing materials reconciliation
At Cement plant

Particulars	Opening balance		Local purchase		Closing balance		Consumption	
	Quantity	Value	Quantity	Value	Quantity	Value	Quantity	Value
	(Pcs)	Taka	(Pcs)	Taka	(Pcs)	Taka	(Pcs)	Taka
July '22-June '23	609,151	14,357,689	10,327,200	251,242,383	917,333	23,786,445	10,019,018	241,813,627
July '21-June '22	767,593	17,109,982	9,607,600	206,729,639	609,151	14,357,689	9,766,042	209,481,932

9.05 Work-in-Process

As on 30 June 2023 Work-in-process of cement was 14,422 M. Ton which included consumption of clinker 9,561.79 M. Ton, Gypsum 591.30 M. Ton, Fly ash 582.65 M. Ton, Slags 3,144 M. Ton and Lime Stone 1019.64 M. Ton and Grinding Aid 5,768.80 kgs.

	Note(s)	30 June 2023	30 June 2022
9.a Consolidated Inventories			
Confidence Cement PLC		590,931,557	599,286,142
Zodiac Logistics Limited		-	-
		590,931,557	599,286,142
10.00 Trade receivables			
Against local sales	10.01	933,638,085	725,171,623
Against export		11,541,640	14,170,884
		945,179,725	739,342,507
10.01 Against local sales			
<u>i. At Cement plant</u>			
Dealers		465,433,453	451,252,046
Corporate		409,988,656	235,687,387
Individual		2,379,885	2,515,511
Sub total		877,801,994	689,454,944
<u>ii. At Ready-mix plant</u>			
Corporate		53,731,066	33,647,768
Individual		2,105,025	2,068,911
Sub total		55,836,091	35,716,679
Grand total (i+ii)		933,638,085	725,171,623
10.02 Ageing of trade receivables			
Up to 3 months		510,422,638	441,219,582
Over 3 months but not exceeding 6 months		109,031,105	73,626,829
Over 6 months		325,725,982	224,496,096
		945,179,725	739,342,507
10.03	The directors have estimated that the above receivables are good and realizable. No provision has been kept against these receivables.		
10.a Consolidated trade receivables			
Confidence Cement PLC.		945,179,725	739,342,507
Zodiac Logistics Limited		43,637,348	20,382,480
Intra group elimination		(37,986,102)	(17,913,975)
		950,830,971	741,811,012
11.00 Advance, deposits and prepayments			
Advance	11.01	1,760,091,378	1,476,439,344
Deposits	11.02	216,204,269	108,374,926
Prepayments	11.03	12,333,880	32,673,672
		1,988,629,527	1,617,487,942
11.01 Advance			
<u>i. At Cement plant</u>			
Income tax	11.01.01	484,802,482	491,366,754
Against expenses		8,685,202	7,318,134
Advance for share purchase	11.01.02	1,043,225,856	663,829,893
Advance Tax (VAT)		125,539,503	80,844,771
Against purchase		150,002	3,794,926
Contractors		15,916,778	17,066,778
Employees		4,566,067	4,761,024
Other advance	11.01.03	-	127,046,541
Sub total		1,682,885,890	1,396,028,821



	Note(s)	30 June 2023	30 June 2022
ii. At Ready-mix plant			
Income tax	11.01.04	75,037,999	68,527,986
Against purchase		682	460,835
Advance Tax (VAT)		64,314	9,141,033
Contractors		1,907,923	1,907,923
Employees		194,570	372,746
Sub total		77,205,488	80,410,523
Grand total (i+ii)		1,760,091,378	1,476,439,344
11.01.01 Income tax (For Cement Plant)			
Opening balance		491,366,754	516,523,610
Paid during the year		87,496,694	83,932,329
		578,863,448	600,455,939
Adjusted during the year		(94,060,966)	(109,089,185)
Closing balance		484,802,482	491,366,754
11.01.02 Advance for share purchase			
Confidence Cement Dhaka Limited		1,043,225,856	663,829,893
		1,043,225,856	663,829,893
11.01.03 Other advance			
Salma Shipping Corporation		-	26,050,000
Zodiac Logistics Limited		-	100,996,541
		-	127,046,541
11.01.04 Income tax (For Ready-mix Plant)			
Opening balance		68,527,986	58,399,349
Paid during the year		6,510,013	10,128,637
		75,037,999	68,527,986
Adjusted during the year		-	-
Closing balance		75,037,999	68,527,986
11.02 Deposits			
At Cement plant			
LC Margin		86,248,861	-
Other Guarantee deposit		60,036,267	11,490,754
Rental		13,715,198	18,272,598
Statutory authorities		56,203,943	78,611,574
		216,204,269	108,374,926
11.03 Prepayments			
i. At Cement plant			
Insurance premium		7,342,078	7,797,657
Prepaid expenses		4,814,247	24,689,623
Sub total		12,156,325	32,487,280
ii. At Ready-mix plant			
Insurance premium		177,555	186,392
Sub total		177,555	186,392
Grand total (i+ii)		12,333,880	32,673,672
11.a Consolidated advances, deposits and prepayments			
Confidence Cement PLC.		1,988,629,527	1,617,487,942
Zodiac Logistics Limited		43,446,884	4,161,954
Intra group elimination		(39,437,260)	(127,172,654)
		1,992,639,151	1,494,477,242



	Note(s)	30 June 2023	30 June 2022		
12.00 Other receivables					
<u>i. At Cement plant</u>					
Delta Life Insurance Co. Ltd.		-	23,555,155		
Pragoti Life Insurance Co. Ltd.		-	36,987		
Accrued interest on FDR		19,706,789	39,023,518		
Receivable from Confidence Cement Dhaka Limited		2,695,349	70,222		
Receivable from Globe Securities Limited		-	473,373		
Receivable from Amin Enterprise Limited		21,490,057	29,557,179		
Receivable from Aramit Cement Limited		-	1,034,568		
Receivable from Bashundra Trading		510,505	510,505		
Receivable from Royal Cement Limited		20,068	649,070		
Receivable from Bismillah Trading		3,966,305	-		
Receivable from Cargo World Logistics		1,663,313	1,413,889		
Receivable from Ruby Cement Limited		-	690,400		
Receivable from Modern Syntex Limited		1,922,515	1,922,515		
Receivable from others		1,363,004	7,817,073		
Sub total		53,337,905	106,754,454		
<u>ii. At Ready-mix plant</u>					
Delta Life Insurance Co. Ltd.		-	1,316,508		
Pragoti Life Insurance Co. Ltd.		215,850	215,850		
United Insurance Company Limited		-	10,245		
		215,850	1,542,603		
Grand total (i+ii)		53,553,755	108,297,057		
12.a Consolidated other receivables					
Confidence Cement PLC.		53,553,755	108,297,057		
Zodiac Logistics Limited		1,000,000	1,000,000		
Intra group elimination		-	-		
		54,553,755	109,297,057		
13.00 Short term investments in fixed deposits					
<u>Name of the Banks</u>	<u>Purpose</u>	<u>Tenure</u>	<u>Rate of Interest</u>		
Lanka Bangla Finance Limited	Investment	12 Months	6.75%-8.00%	10,000,000	64,000,000
Prime Bank Limited	Lien	6 Months	4.50%	55,000,000	55,000,000
Union Capital Limited	Investment	12 Months	6%-7%	20,000,000	20,000,000
NRB Bank Limited	Lien	12 Months	6.25%-7.00%	8,500,000	-
Trust Bank Limited	Lien	6 Months	6.00%	10,853,000	-
				104,353,000	139,000,000
13.a Consolidated Short term investments in Fixed Deposits					
Confidence Cement PLC				104,353,000	139,000,000
Zodiac Logistics Limited				-	-
				104,353,000	139,000,000



14.00 Cash and cash equivalents

Cash in hand
Cash at banks

Note(s)	30 June 2023	30 June 2022
14.01	414,471	355,765
14.02	135,075,753	88,412,305
	135,490,224	88,768,070
	347,759	282,213
	66,712	73,552
	414,471	355,765

14.01 Cash in hand

i. At Cement plant
ii. At Ready-mix plant

14.02 Cash at banks

i. At Cement plant

Name of the Banks

Branch

Account Type

AB Bank Limited	Agrabad	CD	1,133,014	966,697
AB Bank Limited	CDA Avenue	CD	7,010	7,010
Agrani Bank Limited	Laldighi	CD	98,884	105,044
Agrani Bank Limited	Madambibirhat	CD	10,043	10,043
Agrani Bank Limited	CEPZ	CD	9,002	9,002
AI- Arafah Bank Limited	Agrabad	CD	1,813,514	1,059,918
Bank Asia Limited	MCB SK Mujib	SND	5,674,665	5,668,699
Bank Asia Limited	MCB SK Mujib	CD	35,447,428	81,437
Bank Asia Limited	MCB SK Mujib	CD	634	118,974
Bank Asia Limited	MCB SK Mujib	SND	(341,443)	(338,300)
Bank Asia Limited	MCB SK Mujib	SND	301,401	305,201
Bank Asia Limited	MCB SK Mujib	SND	2,923,281	2,895,720
Bank Asia Limited	MCB SK Mujib	SND	1,228,516	-
The City Bank Limited	Agrabad	CD	6,618,615	7,246,964
The City Bank Limited	Agrabad	SND	310,754	185,034
The City Bank Limited	Agrabad	FC-USD	11,061,278	-
The City Bank Limited	Agrabad	FC-USD	5,360,189	-
Commercial Bank of Ceylon	Agrabad	CD	112,274	118,244
Dhaka Bank Limited	Halishahar	SND	(1,054,784)	(1,544,110)
Dutch Bangla Bank Limited	Agrabad	CD	1,032,990	3,381,410
Eastern Bank Limited	Agrabad	CD	1,254,701	3,305,605
Eastern Bank Limited	Agrabad	STD	144,710	292,933
Eastern Bank Limited	Agrabad	CD	781	20,477
Eastern Bank Limited	Agrabad	CD	67	67
EXIM Bank Limited	Halishahar	SND	5,336,347	4,047,860
First Security Islami Bank Limited	Agrabad	SND	(427,190)	4,764,656
HSBC	Agrabad	CD	19,589	14,589
IFIC Bank Limited	Agrabad	CD	1,001,347	3,195,774
IFIC Bank Limited	Motijheel	SND	15,463	15,463
Islami Bank Bangladesh Limited	Agrabad	CD	9,638,445	4,603,513
Mercantile Bank Limited	Madambibirhat	CD	1,034,020	2,639,934
Midland Bank Limited	Agrabad	SND	275,589	478,107
Mutual Trust Bank Limited	Agrabad	SND	2,329,171	3,557,471
National Bank Limited	Halishahar	SND	929,571	226,319
Meghna Bank Limited	Agrabad	CD	-	3,850
NCC Bank Limited	Halishahar	SND	1,186,891	5,536,813
NRB Bank Limited	Agrabad	CD	10,301,576	-
NRB Commercial Bank Limited	Agrabad	SND	413,471	646,122
ONE Bank Limited	Agrabad	SND	10,503,578	1,176,404
Premier Bank Limited	Agrabad	SB	567,618	321,049



		Note(s)	30 June 2023	30 June 2022
Premier Bank Limited	Agrabad	SND	7,451	505,901
Premier Bank Limited	Motijheel	SND	18,981	591,292
Prime Bank Limited	Motijheel	SND	247,326	658,999
Prime Bank Limited	Agrabad	CD	3,066,810	1,759,543
Prime Bank Limited	Agrabad	USD	306,819	8,621,247
Prime Bank Limited	Agrabad	SND	397,385	397,097
Prime Bank Limited	Agrabad	SND	256,697	256,989
Pubali Bank Limited	Agrabad	CD	(82,254)	6,901
Southeast Bank Limited	Agrabad	CD	9,196,500	2,121,005
Southeast Bank Limited	Madambibirhat	CD	13,029	16,834
SBAC Bank Limited	Agrabad	CD	3,715	-
Standard Chartered Bank	Agrabad	CD	14,220	14,220
Standard Chartered Bank	Kolkata	CD	486,748	486,748
State Bank of India	Chattogram	CD	265,365	265,365
Southeast Bank Limited	Madambibirhat	SND	(4,402)	3
Standard Bank Limited	Agrabad	SND	185,842	643,438
Trust Bank Limited	CDA Avenue	CD	323,786	14,310,653
Trust Bank Limited	CDA Avenue	SND	47,363	48,083
United Commercial Bank Ltd.	Agrabad	CD	3,916,626	5,926,634
United Commercial Bank Ltd.	Halishahar	SND	190,661	190,358
Union Bank Limited	Pahartali	SND	(8,606)	4,350,966
Sub total			135,123,072	96,296,269
ii. At Ready-mix plant				
Prime Bank Limited	Agrabad	CD	322,233	(8,036,094)
Trust Bank Limited	CDA Avenue	CD	(369,552)	152,130
Sub total			(47,319)	(7,883,964)
Grand total (i+ii)			135,075,753	88,412,305
Negative balances shown in the bank book represent book overdraft.				
14.a Consolidated cash and cash equivalents				
Confidence Cement PLC.			135,490,224	88,768,070
Zodiac Logistics Limited			(801,598)	3,893,721
			134,688,626	92,661,791
15.00 Share capital				
Authorized capital				
200,000,000 Ordinary shares of Tk 10 each			2,000,000,000	1,000,000,000
150,000,000 Preference shares of Tk 10 each			1,500,000,000	-
			3,500,000,000	1,000,000,000
Issued, Subscribed and Paid-up capital				
Opening Capital:				
78,234,731 Ordinary shares of Tk. 10 each			782,347,312	782,347,312
Share Issued during the year:				
3,911,736 Bonus shares of Tk. 10 each			39,117,360	-
Total 82,146,467 ordinary shares of Tk 10 each			821,464,672	782,347,312

The Company issued 5% bonus shares (3,911,736 shares) as declared in 31st annual general meeting for the year 2021-2022.

15.01 Composition of shareholders

Name of shareholders	As at 30 June 2023		As at 30 June 2022	
	No. of Shares	Holding (%)	No. of Shares	Holding (%)
Sponsors	24,926,203	30.34	23,496,618	30.03
Non-resident shareholders	1,506	0.00	1,436	0.00
Financial Institutions	28,667,576	34.90	27,364,411	34.98
Investment Corporation of Bangladesh	12,141	0.01	24,204	0.03
Mutual Fund(s)	525,366	0.64	476,879	0.61
Investors Discretionary Account	89,268	0.11	86,232	0.11
General Public	27,924,407	33.99	26,784,951	34.24
	82,146,467	100.00	78,234,731	100.00

15.02 Classification of shares by holding

Class by number of shares	No. of Holders	No. of Shares	Holding (%)
Up to 5,000	13,522	8,740,559	10.64
From 5,001 to 50,000	922	12,123,528	14.76
From 50,001 to 100,000	83	5,708,047	6.95
From 100,001 to 200,000	59	8,132,977	9.90
From 200,001 to 300,000	13	3,128,810	3.81
From 300,001 to 400,000	5	1,765,127	2.15
From 400,001 to 500,000	4	1,852,501	2.26
From 500,001 to 1,000,000	9	6,265,206	7.63
From 1,000,001 to 10,000,000	15	34,429,712	41.91
	14,632	82,146,467	100.00
		30 June 2023	30 June 2022

16.00 Reserves

16.01 General reserve

The general reserve is created from time to time to transfer profits from retained earnings for appropriation purposes and to meet future known or unknown requirements. There is no policy of regular transfer. As the general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the general reserve will not be reclassified subsequently to profit or loss.

16.01.a Confidence Cement PLC.	371,862,754	371,862,754
Zodiac Logistics Limited	-	-
	371,862,754	371,862,754
16.02 Revaluation reserve	377,247,065	391,000,123
Revaluation reserve relates to the revaluation of property, plant and equipment.		
16.02.a Consolidated revaluation reserve		
Confidence Cement PLC	377,247,065	391,000,123
Zodiac Logistics Limited	-	-
	377,247,065	391,000,123

17.00 Long term borrowings

Cement plant

Syndicate term loan	17.02	459,576,922	722,192,307
Term loan - Prime Bank Limited	17.03	15,372,551	34,091,398
Term Loan-United Commercial Bank Limited	17.04	149,462,028	185,970,207
IDLC Finance-Term Loan	17.05	42,684,135	51,037,293
		667,095,636	993,291,205



Note(s)	30 June 2023	30 June 2022
17.01 Maturity Analysis of long term borrowings		
<u>Due within one year</u>		
Syndicate term loan	262,615,380	262,615,388
Term loan - Prime Bank Limited	15,372,551	20,958,000
Term Loan-United Commercial Bank Limited	52,743,576	152,408,232
Term Loan-IDLC Finance Limited	12,590,256	10,167,917
	343,321,763	446,149,537
<u>Due after one year</u>		
Syndicate term loan	196,961,542	459,576,919
Term loan - Prime Bank Limited	-	13,133,398
Term Loan-United Commercial Bank Limited	96,718,452	33,561,975
Term Loan-IDLC Finance Limited	30,093,879	40,869,376
	323,773,873	547,141,668
17.01.a Consolidated maturity Analysis of long term borrowings		
<u>Due within one year</u>		
Confidence Cement PLC.	343,321,763	446,149,537
Zodiac Logistics Limited	50,878,810	-
	394,200,573	446,149,537
<u>Due after one year</u>		
Confidence Cement PLC.	323,773,873	547,141,668
Zodiac Logistics Limited	131,436,926	-
	455,210,799	547,141,668
17.02 Syndicate term loan		
Bank Asia Limited	58,961,538	92,653,846
Eastern Bank Limited	39,307,692	61,769,230
IFIC Bank Limited	49,000,000	77,000,000
Midland Bank Limited	42,269,231	66,423,077
Modhumoti Bank Limited	44,153,846	69,384,615
Mutual Bank Limited	39,307,692	61,769,231
Prime Bank Limited	98,269,231	154,423,077
Southeast Bank Limited	39,307,692	61,769,231
Trust Bank Limited	29,346,154	46,115,385
United Finance Limited	19,653,846	30,884,615
	459,576,922	722,192,307

Lenders:

The Company entered into a syndication term loan agreement for expansion project (Unit-3) on 10 August 2016 with Eastern Bank Limited the lead arranger and nine other banks and financial institution.

Total Facilities: BD Taka 1,707 million

Interest Rate:

Interest rate is 9% per annum calculated on quarterly basis and variable depending on the situation of money market.

Disbursement: First disbursement made on 17 May 2018.

Repayments:

This term loan is repayable in 24 (twenty four) equal quarterly installments after 1 (one) year of grace period.

Securities:

- Registered Mortgage on 640 decimals of land of the factory premises located at Madambibirhat, Sitakunda, Chattogram.
- Fixed and floating charges over Fixed Assets;
- Irrevocable general power of attorney;
- Demand promissory note for full loan amount.

Purpose:

For capital expenditure on expansion project (Unit-3) with an additional capacity of 2,000 M.T. per day.



17.03 Term loan - Prime Bank Limited

Prime Bank Limited

30 June 2023	30 June 2022
15,372,551	34,091,398
15,372,551	34,091,398

Lenders:

The Company entered into a term loan agreement for settling the ABP liability against the import of crane and Dryer machinery with Prime Bank Limited.

Total Facilities: BD Taka 70 million

Interest Rate:

Interest rate is 9% per annum calculated on monthly basis and variable depending on the situation of money market.

Disbursement: First disbursement made on 11 February 2020 and Second disbursement made on 16 April 2020.

Repayments:

This term loan is repayable in 48 (forty eight) equal monthly installments.

Securities:

- A postdated cheque covering loan amount.
- Demand promissory note for full loan amount.

Purpose:

Post import financing for settling the ABP liability against the import of Crane and Dryer machinery.

17.04 Term loan - United Commercial Bank Limited

United Commercial Bank Limited

149,462,028	185,970,207
149,462,028	185,970,207

Total Facilities: BD Taka 173 million

Interest Rate:

Interest rate is 9% per annum calculated on monthly basis and variable depending on the situation of money market.

Repayments:

This term loan is repayable in 51 (Fifty one) equal monthly installments.

Securities:

- Registered Mortgage on machineries.
- Personal guarantee of all directors of the company.
- A un-dated cheque covering loan amount.

Purpose:

Payment of accepted bill liabilities related to gas generator.

17.05 IDLC Finance-Term Loan

IDLC Finance Limited

42,684,135	51,037,293
42,684,135	51,037,293

Lenders:

The Company entered in to term loan agreement for procurement of capital machineries and equipment on 10 march 2022 with IDLC Finance Limited.

Total Facilities: BD Taka 63.29 million



Interest Rate:

Interest rate is 8.50% per annum calculated on monthly basis and variable depending on the situation of money market.

Disbursement: First disbursement made on 15 June 2022.

Repayments:

This term loan is repayable in 60 (sixty) equal monthly installments.

Securities:

- i) Registered Mortgage on machineries.
- ii) Personal guarantee of all directors of the company.
- iii) A un-dated cheque covering loan amount.

	Note(s)	30 June 2023	30 June 2022
17.a Consolidated long term borrowings			
Confidence Cement PLC.		667,095,636	993,291,205
Zodiac Logistics Limited		182,315,736	-
		849,411,372	993,291,205
18.00 Defined benefit obligations (gratuity)			
<u>i. At Cement Plant</u>			
Opening balance		154,868,569	109,034,793
Provided during the year	18.01	23,654,278	54,553,540
		178,522,847	163,588,333
Paid during the year		(7,556,695)	(8,719,764)
Sub total		170,966,152	154,868,569
<u>ii. At Ready-mix Plant</u>			
Opening balance		2,212,426	2,050,972
Provided during the year	18.01	2,395,085	413,106
		4,607,511	2,464,078
Paid during the year		(137,071)	(251,652)
Sub total		4,470,440	2,212,426
Grand Total (i+ii)		175,436,592	157,080,995
18.01 Provided during the year			
<u>i. At Cement Plant</u>			
Factory overhead	26.03	15,213,871	26,916,675
Administrative expenses	27.00	5,965,873	17,894,287
Selling and distribution expenses	28.00	2,474,534	9,742,578
Sub total		23,654,278	54,553,540
<u>ii. At Ready-mix Plant</u>			
Factory overhead	26.03	2,395,085	413,106
Sub total		2,395,085	413,106
Grand Total (i+ii)		26,049,363	54,966,646
18.a Consolidated defined benefit obligations (gratuity)			
Confidence Cement PLC.		175,436,592	157,080,995
Zodiac Logistics Limited		-	-
		175,436,592	157,080,995



19.00 Deferred tax liability

Deferred tax liability has been calculated below at the applicable tax rate on the difference between the carrying value and tax base.

	30 June 2023	30 June 2022
Opening balance	315,340,166	393,302,089
Provided during the year:		
Temporary difference against PPE	(5,349,908)	(58,954,721)
Deferred tax on ROU Asset (net of lease liabilities)	(843,206)	(4,152,397)
Investment in quoted shares	-	91,164
Provision for Gratuity	(3,671,119)	(6,421,902)
	(9,864,233)	(69,437,856)
Adjusted during the year:		
Adjusted during the year against impact of depreciation on revaluation surplus	(3,438,264)	(8,524,067)
Closing Balance	302,037,669	315,340,166

Reconciliation of deferred tax liabilities /(assets) are as follows :

As at 30 June 2023	Carrying Amount	Tax Base	Rate Applied	Temporary Difference	Deferred Tax liability/(asset)
	Taka	Taka	%	Taka	Taka
Property, Plant and Equipment (Except land)	2,994,178,371	1,283,575,420	20.00%	1,710,602,951	342,120,590
Gratuity	(175,436,592)	-	20.00%	(175,436,592)	(35,087,318)
Right of use asset (net of lease liabilities)	(24,978,013)	-	20.00%	(24,978,013)	(4,995,603)
Deferred tax liability					302,037,669

As at 30 June 2022	Carrying Amount	Tax Base	Rate Applied	Temporary Difference	Deferred Tax liability/(asset)
	Taka	Taka	%	Taka	Taka
Property, Plant and Equipment (Except land)	3,190,983,079	1,436,439,270	20.00%	1,754,543,809	350,908,762
Gratuity	(157,080,995)	-	20.00%	(157,080,995)	(31,416,199)
Right of use asset (net of lease liabilities)	(20,761,984)	-	20.00%	(20,761,984)	(4,152,397)
Deferred tax liability					315,340,166

19.a Consolidated deferred tax liability

Confidence Cement PLC.	302,037,669	315,340,166
Zodiac Logistics Limited	257,141	432,894
	302,294,810	315,773,060

19.01.a Consolidated deferred tax expenses/(income)

Confidence Cement PLC.	(9,864,233)	(69,437,856)
Zodiac Logistics Limited	(175,753)	432,894
	(10,039,986)	(69,004,962)

20.00 Trade payables

i. At Cement Plant

Payable to suppliers	285,805,877	146,260,919
Payable to contractors	105,407,187	52,436,023
Salaries, wages and other benefits	11,632,322	5,952,914
Auditors' remuneration	448,500	375,000
Power and gas	26,907,249	20,026,251
Other expenses	276,234,565	21,076,853
Sub total	706,435,700	246,127,960



	Note(s)	30 June 2023	30 June 2022
ii. At Ready-mix Plant			
Payable to suppliers		100,950,276	36,483,406
Salaries, wages and other benefits		970,541	6,478
Electricity bill		64,710	90,752
Other expenses		20,315,879	7,538,350
Sub total		122,301,406	44,118,986
Grand total (i+ii)		828,737,106	290,246,946
20.a Consolidated trade payables			
Confidence Cement PLC.		828,737,106	290,246,946
Zodiac Logistics Limited		2,882,669	134,996,213
Less: Intra group elimination		(77,423,362)	(144,309,447)
		754,196,413	280,933,712
21.00 Short term borrowings			
Deferred payment of L/C	21.01	1,711,544,139	2,276,884,300
Loan against Trust Receipt (LATR)	21.02	385,511,198	1,081,910
Time/Demand Loan/ General/Other Short Term Borrowings	21.03	2,147,494,125	1,196,098,441
Cash Credit (Hypothecation)/OD General	21.04	787,240,422	665,590,039
Stimulus Package Working Capital Loan	21.05	-	246,647,741
		5,031,789,884	4,386,302,431
21.01 Deferred payment of L/C			
i. At Cement Plant			
Bank Asia Limited		99,205,132	-
Brac Bank Limited		348,831,515	-
City Bank Limited		170,313,699	524,634,228
Eastern Bank Limited		236,768,123	46,063,003
Mutual Trust Bank Limited		301,644,182	310,312,280
NRB Bank Limited		28,562,142	-
ONE Bank Limited		17,169,810	234,518,621
Prime Bank Limited		156,489,142	250,474,222
Pubali Bank Limited		49,791,854	232,729,948
Trust Bank Limited		203,264,028	396,771,932
United Commercial Bank Limited		99,504,512	227,236,170
Sub total		1,711,544,139	2,222,740,404
ii. At Ready-mix Plant			
Trust Bank Limited		-	54,143,896
Sub total		-	54,143,896
Grand total (i+ii)		1,711,544,139	2,276,884,300
21.02 Loan against Trust Receipt (LATR)			
At Cement Plant			
NRB Bank Limited		63,468,686	-
One Bank Limited		322,042,512	-
Pubali Bank Limited		-	1,081,910
		385,511,198	1,081,910
21.03 Time/Demand Loan/ General/Other Short Term Borrowings			
i. At Cement Plant			
Bank Asia Limited		136,018,518	-
Brac Bank Limited		71,857,685	-
City Bank Limited		733,224,841	152,640,340
Eastern Bank Limited		22,251,261	-
Midland Bank Limited		201,662,775	504,331,563
Mutual Trust Bank Limited		48,598,855	152,589,718
NRB Bank Limited		96,145,424	-
ONE Bank Limited		66,988,286	66,996,632
Prime Bank Limited		430,963,405	42,304,813
Pubali Bank Limited		281,003,494	203,539,448
Trust Bank Limited		43,417,650	49,430,388
United Commercial Bank Limited		15,361,931	5,896,009
Sub total		2,147,494,125	1,177,728,911



	30 June 2023	30 June 2022
ii. At Ready-mix Plant		
Trust Bank Limited	-	18,369,530
Sub total	-	18,369,530
Grand total (i+ii)	2,147,494,125	1,196,098,441
21.04 Cash Credit (Hypothecation)/OD General		
Brac Bank Limited	50,057,060	-
City Bank Limited	9,943,388	10,000,428
Eastern Bank Limited	20,452,507	20,123,656
Mutual Trust Bank Limited	50,918,622	48,850,914
NRB Bank Limited	50,981,895	-
ONE Bank Limited	102,449,965	97,410,540
Prime Bank Limited	198,834,438	203,700,610
Pubali Bank Limited	99,428,048	89,768,693
Trust Bank Limited	101,856,166	101,013,841
United Commercial Bank Limited	102,318,333	94,721,357
	787,240,422	665,590,039
21.05 Stimulus Package Working Capital Loan		
Eastern Bank Limited	-	89,924,882
Prime Bank Limited	-	60,642,016
Trust Bank Limited	-	96,080,843
	-	246,647,741

21.06 Nature of Security

- Personal guarantee of all directors' and post dated cheques.
- Parri-passu charge security sharing agreement (PPSSA) with Bank Asia Limited , The City Bank Limited , Eastern Bank Limited, HSBC, Mutual Trust Bank Limited , ONE Bank Limited , Prime Bank Limited, Pubali Bank Limited and Trust Bank Limited as overall present and future floating assets (stocks & book debts) of the company.

21.07 Rate of Bank Interest

- For working Capital Rate of interest is 8% to 9% p.a.

21.08 Bank facilities:

The company is currently availing the following facilities from different banks.

Bank Name	Branch	Limit (Taka in crore)					
		L/C	LTR	Stimulus Package	OD/CC	Short Term Loan	Time/Demand/ Import Duty Loan
Bank Asia Limited	MCB	40	5	-	1	-	10
BRAC Bank Limited	Agrabad	20	-	-	5	-	25
Eastern Bank Limited	Agrabad	25	-	-	2	-	30
Mutual Trust Bank Limited	Agrabad	55	5	-	5	-	15
Midland Bank Limited	Agrabad	-	20	-	-	-	-
NRB Bank Limited	Agrabad	20	-	-	50	50	15
ONE Bank Limited	Agrabad	15	5	-	20	-	10
Prime bank Limited	Agrabad	78	-	-	20	-	-
Pubali Bank Limited	Agrabad	50	20	-	10	-	15
Trust Bank Limited	Agrabad	50	15	-	10	-	20
The City Bank Limited	Agrabad	83	-	-	1	-	16
United Commercial Bank	Agrabad	50	10	-	10	-	15

21.a Consolidated Short term borrowings

Confidence Cement PLC.
Zodiac Logistics Limited



5,031,789,884	4,386,302,431
-	-
5,031,789,884	4,386,302,431

	Note(s)	30 June 2023	30 June 2022
22.00 Current tax liability			
Opening Balance		101,415,636	118,045,750
Add: Provided during the year		93,207,576	89,746,216
Add: Prior year adjustment		4,314,750	2,712,855
		97,522,326	92,459,071
Less: Paid/Adjusted during the year		(94,060,966)	(109,089,185)
		104,876,996	101,415,636
22.a Consolidated current tax liability			
Confidence Cement PLC.		104,876,996	101,415,636
Zodiac Logistics Limited		3,504,469	442,660
		108,381,465	101,858,296
22.01.a Consolidated current tax expenses			
<u>Current year:</u>			
Confidence Cement PLC.		93,207,576	89,746,216
Zodiac Logistics Limited		3,061,809	442,660
		96,269,385	90,188,876
<u>Previous year:</u>			
Confidence Cement PLC.		4,314,750	2,712,855
Zodiac Logistics Limited		-	-
		4,314,750	2,712,855
		30 June 2023	30 June 2022
		Rate	Taka
22.02 Reconciliation of effective tax rate			
Profit before tax		351,686,502	123,565,066
Total income tax expense		24.93%	87,658,093
		18.63%	23,021,215
Factors affecting the tax charge:			
Tax using the applicable rate	20.00%	70,337,299	24,713,013
Share of profit of equity accounted investees (net of tax)	-44.46%	(156,344,707)	(146,526,126)
Difference between accounting and fiscal depreciation	4.01%	14,092,797	3,150,158
Difference between effect of ROU and actual payment	0.40%	1,403,269	1,872,152
Difference between gratuity provision and payment	1.04%	3,671,119	9,199,046
Difference between WPPF and Welfare Fund provision and payment	0.00%	-	(4,373,494)
Adjustment for inadmissible expenses	0.06%	199,163	190,245
Adjustment for reduced rated taxable income	-0.12%	(416,043)	(765,071)
Adjustment for revenue gain on sale of non-current asset	0.00%	-	-
Adjustment for unrealised gain on Investment in quoted shares	0.00%	-	-
Adjustment for minimum tax	45.57%	160,264,678	202,286,293
Prior year adjustment	1.23%	4,314,750	2,712,855
Effect of deferred tax on temporary differences	-2.80%	(9,864,233)	(69,437,856)
		24.93%	87,658,093
		18.63%	23,021,215
23.00 Unclaimed dividend			
<u>Cement plant:</u>			
Unclaimed cash dividend	23.01	90,326,096	89,577,917
Unclaimed fractional dividend	23.02	5,035,326	5,092,429
		95,361,422	94,670,346
23.01 Unclaimed cash dividend			
Opening balance		89,577,917	84,117,864
Cash dividend		39,117,366	195,586,828
		128,695,283	279,704,692
Paid during the year		(38,369,187)	(190,126,775)
		90,326,096	89,577,917
23.02 Unclaimed fractional dividend			
Opening balance		5,092,429	5,092,429
Sale proceeds received of fractional bonus share		-	-
Paid during the year		(57,103)	-
		5,035,326	5,092,429



Particulars	Balance as on 01 July 2022	Declared during the year	Payment during the year	30 June 2023	30 June 2022
Interim dividend 2015	6,705,837	-	-	6,705,837	6,705,837
Final dividend (Prior to 2004)	6,909,984	-	-	6,909,984	6,909,984
Final dividend 2004	187,470	-	-	187,470	187,470
Final dividend 2005	371,314	-	-	371,314	371,314
Final dividend 2006	1,391,931	-	-	1,391,931	1,391,931
Final dividend 2007	2,035,695	-	-	2,035,695	2,035,695
Final dividend 2009	873,911	-	-	873,911	873,911
Final dividend 2010	9,863,328	-	-	9,863,328	9,863,328
Final dividend 2011	9,544,680	-	-	9,544,680	9,544,680
Final dividend 2012	9,529,143	-	-	9,529,143	9,529,143
Final dividend 2013	13,674,744	-	-	13,674,744	13,674,744
Final dividend 2014	7,758,589	-	-	7,758,589	7,758,589
Final dividend 2016	3,325,847	-	(1,592)	3,324,255	3,325,847
Final dividend 2016-2017	6,008,219	-	(636)	6,007,583	6,008,219
Final dividend 2017-2018	954,614	-	(6,241)	948,373	954,614
Final dividend 2018-2019	2,204,616	-	(7,642)	2,196,974	2,204,616
Final dividend 2019-2020	2,752,101	-	(8,959)	2,743,142	2,752,101
Final dividend 2020-2021	5,485,895	-	(25,483)	5,460,412	5,485,895
Final dividend 2021-2022	-	39,117,366	(38,318,634)	798,733	-
	89,577,917	39,117,366	(38,369,187)	90,326,096	89,577,917

23.a Consolidated unclaimed dividend

Confidence Cement PLC.	95,361,422	94,670,346
Zodiac Logistics Limited	-	-
	95,361,422	94,670,346

24.00 Other liabilities

i. At Cement Plant

Advance against sales	89,421,841	90,269,037
Advance against employees	3,182	52,746
Security deposits from dealers & others	3,632,600	3,632,600
Share subscription refundable	47,900	47,900
Source tax deductions	10,499,226	3,812,570
Source VAT deductions	3,983,074	2,505,655
Employees' Provident Fund	7,761,170	5,079,867
Sub total	115,348,993	105,400,375

ii. At Ready-mix Plant

Advance against sales	4,142,909	-
Advance against employees	3,703	1,455
Source tax deductions	2,136,856	1,135,845
Source VAT deductions	2,740,369	705,352
Employees' Provident Fund	231,117	365,744
Others	4,392,053	-
Sub total	13,647,007	2,208,396
Grand total (i+ii)	128,996,000	107,608,771

24.a Consolidated Other liabilities

Confidence Cement PLC.	128,996,000	107,608,771
Zodiac Logistics Limited	8,763,858	22,938,208
Intra group elimination	-	(126,113)
	137,759,858	130,420,866



	Note(s)	01 July 2022 to 30 June 2023	01 July 2021 to 30 June 2022
25.00 Revenue			
<u>i. At Cement plant</u>			
Revenue from local sales	25.01	4,287,591,852	3,709,904,605
Revenue from Export	25.02	66,334,678	63,310,812
Sub total		4,353,926,530	3,773,215,417
<u>ii. At Ready-mix plant</u>			
Revenue from corporate sales		182,869,918	286,615,832
Revenue from individual sales		7,215,276	2,036,135
Sub total		190,085,194	288,651,967
Grand total (i+ii)		4,544,011,724	4,061,867,384
25.01 Revenue from local sales			
Gross sales		4,930,730,630	4,266,394,472
Value Added Tax (VAT)		(643,138,778)	(556,489,867)
Net sales		4,287,591,852	3,709,904,605
25.02 Revenue from Export			
Export proceeds - cost and freight		66,504,877	63,832,343
Export expenses		(170,199)	(521,531)
		66,334,678	63,310,812
	Unit		
25.03 Sales Quantity Analysis			
<u>i. At Cement plant</u>			
Local	M.Ton	560,612	548,737
Export	M.Ton	6,731	8,355
Total		567,343	557,092
<u>ii. At Ready-mix plant</u>			
Corporate	CFT.	785,922	702,980
Individual	CFT.	41,486	297,801
Total		827,408	1,000,781
25.04 Production and Capacity			
<u>i. At Cement Plant</u>			
Production capacity	M.Ton	1,200,000	1,200,000
Actual production	M.Ton	581,785	552,952
Utilization		48%	46%
<u>ii. At Ready-mix Plant</u>			
Production capacity	CFT.	2,400,000	2,400,000
Actual production	CFT.	827,408	1,000,781
Utilization		34%	42%
25.a Consolidated revenue			
Confidence Cement PLC.		4,544,011,724	4,061,867,384
Zodiac Logistics Limited		57,670,283	22,983,981
Intra group elimination		(45,326,872)	(20,515,476)
		4,556,355,135	4,064,335,889
26.00 Cost of sales			
Raw materials consumed	26.01	3,349,424,229	3,219,775,483
Packing materials consumed	26.02	241,813,627	209,481,932
Factory overhead	26.03	733,311,410	691,538,894
Consumption of work-in-process	26.04	(90,220,602)	24,987,919
		4,234,328,663	4,145,784,228
26.01 Raw materials consumed			
<u>i. At Cement Plant</u>			
Opening stock		251,806,860	166,119,887
Purchased during the year		3,061,722,920	3,065,563,191
Raw materials available for use		3,313,529,780	3,231,683,078
Closing stock		(155,251,130)	(251,806,860)
Sub total		3,158,278,650	2,979,876,218



	Note(s)	01 July 2022 to 30 June 2023	01 July 2021 to 30 June 2022
ii. At Ready-mix Plant			
Opening stock		37,286,291	4,660,765
Purchased during the year		161,924,752	272,524,791
Raw materials available for use		199,211,043	277,185,556
Closing stock		(8,065,464)	(37,286,291)
Sub total		191,145,579	239,899,265
Grand total (i+ii)		3,349,424,229	3,219,775,483
26.02 Packing materials consumed			
At Cement plant			
Opening stock		14,357,689	17,109,982
Purchased during the year		251,242,383	206,729,639
Packing materials available for use		265,600,072	223,839,621
Closing stock		(23,786,445)	(14,357,689)
		241,813,627	209,481,932
26.03 Factory overhead			
i. At Cement Plant			
Salaries, wages and benefits		120,790,573	129,759,684
Communication expenses		645,222	845,641
Contribution to employees' provident fund		4,650,767	4,833,325
Depreciation	4.03	185,988,765	218,972,240
Amortisation on right of use asset	5.01.06	9,924,577	10,987,430
Entertainment		288,523	154,304
Fees and subscription		435,285	339,978
Gardening expenses		-	77,350
Gas		94,707,981	65,289,131
Gratuity	18.01	15,213,871	26,916,675
Insurances		10,718,911	12,302,004
Motor vehicles running expenses		2,419,961	2,369,530
Other expenses		-	109,020
Paper, books and periodicals		4,214	4,440
Power		196,764,638	128,980,401
Printing and stationery		850,698	1,185,921
Rent, rates and taxes		308,850	350,125
Repair to machineries		200,320	253,912
Stores and spares consumed		26,898,534	23,179,359
Travelling and conveyance		346,913	378,564
Truck running expenses		5,393,602	4,839,920
Sub total		676,552,205	632,128,954
ii. At Ready-mix Plant			
Salaries, wages and benefits		15,062,679	14,243,825
Communication expenses		168,969	168,931
Contribution to employees' provident fund		372,044	324,980
Depreciation	4.03	13,356,704	13,544,781
Entertainment		76,038	94,389
Fees and subscription		243,254	216,189
Gratuity	18.01	2,395,085	413,106
Insurances		401,669	432,772
Motor vehicles running expenses		519,272	425,029
Other expenses		399,565	426,774
Paper, books and periodicals		-	4,012
Power		1,077,026	1,160,835
Printing and stationery		22,000	58,300
Rent, rates and taxes		277,200	277,200
Repair to machineries		1,478,973	1,502,252
Stores and spares consumed		18,865,795	23,585,603
Travelling and conveyance		106,076	94,112
Trucks running expenses		1,936,856	2,436,850
Sub total		56,759,205	59,409,940
Grand total (i+ii)		733,311,410	691,538,894

	Note(s)	01 July 2022 to 30 June 2023	01 July 2021 to 30 June 2022		
26.04 Consumption of work-in-process					
Opening balance of work-in-process		-	24,987,919		
Closing balance of work-in-process		(90,220,602)	-		
		(90,220,602)	24,987,919		
26.a Consolidated cost of sales					
Confidence Cement PLC.		4,234,328,663	4,145,784,228		
Zodiac Logistics Limited		39,569,656	19,643,502		
Intra group elimination		(45,326,872)	(20,515,476)		
		4,228,571,447	4,144,912,254		
27.00 Administrative expenses					
At Cement plant					
Salaries, wages and benefits		37,359,139	35,991,617		
Directors' remuneration and benefits	27.01	15,862,500	15,206,472		
Directors' fees		825,000	660,000		
AGM expenses		1,179,320	502,705		
Amortisation of investment in CBC-Confidence Cement Convention Centre	7.04	4,056,138	4,056,138		
Amortisation on right of use asset	5.01.06	3,168,150	3,143,782		
Audit fees		448,500	375,000		
Communication expenses		1,028,053	1,034,273		
Contribution to employees' provident fund		1,649,939	1,549,944		
Depreciation	4.03	6,461,290	6,869,008		
Electricity and water		1,882,396	1,932,634		
Entertainment		466,833	410,014		
Fees, subscription and license renewal		2,013,577	2,732,650		
Gardening expenses		-	8,205		
Gratuity	18.01	5,965,873	17,894,287		
Insurances		767,308	925,950		
ISO expenses		-	330,000		
Legal and professional charges		517,750	222,832		
Motor Vehicle running expenses		2,115,009	2,100,178		
Other expenses		194,138	498,302		
Paper, books and periodicals		111,601	33,813		
Printing and stationeries		138,230	253,791		
Repair and maintenance generator		-	186,130		
Travelling and conveyance		1,258,448	1,173,852		
		87,469,192	98,091,577		
27.01 Directors' remuneration and benefits					
Name of the Directors	Designation	Remuneration	Other Benefits	Taka	Taka
Mr. Zahir Uddin Ahmed	Managing Director	5,100,000	637,500	5,737,500	5,456,472
Mr. Rupam Kishore Barua	Vice Chairman	4,800,000	600,000	5,400,000	5,200,000
Mrs. Runu Anwar	Director	2,100,000	262,500	2,362,500	2,275,000
Mr. Salman Karim	Director	2,100,000	262,500	2,362,500	2,275,000
		14,100,000	1,762,500	15,862,500	15,206,472

These key management personnel are not entitled to any other benefits. No amount is lying as receivable from the directors.

27.a Consolidated administrative expenses

Confidence Cement PLC.
Zodiac Logistics Limited



87,469,192	98,091,577
223,750	155,000
87,692,942	98,246,577

	Note(s)	01 July 2022 to 30 June 2023	01 July 2021 to 30 June 2022
		Taka	Taka
28.00 Selling and distribution expenses			
<u>i. At Cement Plant</u>			
Salaries, wages and benefits		36,583,142	32,462,075
Advertisement		2,014,895	6,270,326
Communication expenses		1,895,625	2,111,089
Contribution to employees' provident fund		1,529,099	1,258,867
Depreciation	4.03	2,623,664	3,983,250
Amortisation on right of use asset	5.01.06	1,580,399	1,580,399
Entertainment		164,420	292,517
Electricity and water		551,981	505,446
Fees, subscription and license renewal		5,451,626	2,370,554
Gratuity	18.01	2,474,534	9,742,578
Motor Vehicle running expenses		2,033,413	1,916,706
Other expenses		-	17,330
Printing and stationery		67,215	74,620
Sales commission		-	118,390,193
Sales promotion		443,430	26,512
Tender schedule purchase		228,085	261,260
Travelling and conveyance		6,720,138	7,197,591
Total		64,361,666	188,461,313
28.a Consolidated selling and distribution expenses			
Confidence Cement PLC.		64,361,666	188,461,313
Zodiac Logistics Limited		-	-
		64,361,666	188,461,313
29.00 Other operating income			
<u>i. At Cement Plant</u>			
Sale of scrap		10,681,097	8,050,243
Income from Jetty		11,010,234	47,612,059
Income from transport		-	31,878,496
Gain on sale of non-current assets		8,439,151	6,069,456
Sale of tender schedule		106,000	51,500
Sub total		30,236,482	93,661,754
<u>ii. At Ready-mix plant</u>			
Sale of scrap		1,289,823	804,094
Sale of tender schedule		18,500	11,500
Sub total		1,308,323	815,594
Grand total (i+ii)		31,544,805	94,477,348
29.a Consolidated Other operating income			
Confidence Cement PLC.		31,544,805	94,477,348
Zodiac Logistics Limited		-	-
		31,544,805	94,477,348
30.00 Finance costs			
<u>i. At Cement plant</u>			
Interest on Cash Credit / Overdraft	30.01	62,636,103	24,093,499
Interest on LATR	30.02	24,561,143	207,706
Interest on Time/Demand Loan	30.03	105,938,738	64,788,258
Interest on Stimulus Package loan	30.04	-	8,824,640
Interest on Syndication term loan		53,880,956	75,197,759
Interest on Lease Finance Loan -Prime Bank Limited		2,241,287	-
Interest on term loan		4,102,753	3,854,832
Interest expense on lease liability		25,251,523	27,216,493
DP LC for discounting interest		11,011,934	5,951,650
Bank charges		733,638	979,715
Bank guarantee commission		455,479	233,569
Excise duty		3,160,644	2,810,850
Sub total		293,974,198	214,158,971



	Note(s)	01 July 2022 to 30 June 2023	01 July 2021 to 30 June 2022
ii. At Ready-mix plant			
Interest on Time Loan	30.05	570,513	1,231,870
DP LC for discounting interest		252,718	224,985
Bank charges		17,733	26,528
Excise duty		48,000	75,000
Sub total		888,964	1,558,383
Grand total (i+ii)		294,863,162	215,717,354
30.01 Interest on Cash Credit / Overdraft			
Eastern Bank Limited		986,234	398,085
Mutual Trust Bank Limited		6,951,982	3,365,703
NRB Bank Limited		1,310,085	-
Brac Bank Limited		1,180,356	-
One Bank Limited		9,574,763	2,462,285
Prime Bank Limited		17,711,671	7,206,258
Pubali Bank Limited		7,214,555	3,431,061
The City Bank Limited		902,960	179,221
Trust Bank Limited		8,507,371	3,449,631
United Commercial Bank Limited		8,296,126	3,601,255
		62,636,103	24,093,499
30.02 Interest on LATR			
NRB Bank Limited		2,082,824	-
One Bank Limited		7,287,112	91,247
Pubali Bank Limited		24,572	4,310
The City Bank Limited		-	112,149
United Commercial Bank Limited		15,166,635	-
		24,561,143	207,706
30.03 Interest on Time/Demand Loan			
Eastern Bank Limited		1,072,237	-
IDLC Finance Limited		4,237,097	197,709
Bank Asia Limited		3,138,575	-
Brac Bank Limited		1,456,059	-
Eastern Bank Limited		1,838,888	-
Midland Bank Limited		38,436,983	4,331,563
Mutual Trust Bank Limited		-	1,687,475
NRB Bank Limited		1,698,577	-
One Bank Limited		5,911,711	932,813
Prime Bank Limited		10,891,941	14,379,401
Pubali Bank Limited		11,594,500	5,124,115
The City Bank Limited		17,169,346	29,986,099
Trust Bank Limited		2,691,593	828,550
United Commercial Bank Limited		5,801,231	7,320,533
		105,938,738	64,788,258
30.04 Interest on Stimulus Package Loan			
The City Bank Limited		-	589,281
Eastern Bank Limited		-	3,162,990
Mutual Trust Bank Limited		-	155,092
ONE Bank Limited		-	1,623,122
Prime Bank Limited		-	753,865
Pubali Bank Limited		-	158,543
Trust Bank Limited		-	1,883,857
United Commercial Bank Limited		-	497,890
		-	8,824,640
30.05 Interest on Time Loan (Ready-mix plant)			
Trust Bank Limited		570,513	1,231,870
		570,513	1,231,870
30.a Consolidated finance costs			
Confidence Cement PLC.		294,863,162	215,717,354
Zodiac Logistics Limited		7,382,128	1,648
		302,245,290	215,719,002



Note(s)	01 July 2022 to 30 June 2023	01 July 2021 to 30 June 2022
31.00 Finance income		
<u>i. At Cement plant</u>		
Interest income from FDR	7,492,412	14,158,617
Interest on STD	1,031,278	1,618,477
Interest realised from Employees' salaries against loan	34,280	61,682
Sub total	8,557,970	15,838,776
<u>ii. At Ready-mix plant</u>		
Interest on STD	27,289	61,396
Interest realised from Employees' salaries against loan	1,108	16,935
Sub total	28,397	78,331
Grand total (i+ii)	8,586,367	15,917,107
31.a Consolidated finance income		
Confidence Cement PLC.	8,586,367	15,917,107
Zodiac Logistics Limited	-	-
	8,586,367	15,917,107
32.00 Foreign currency exchange loss		
At Cement Plant	330,325,324	143,402,163
At Ready-Mix Plant	8,844,191	12,304
	339,169,515	143,414,467
32.a Consolidated Foreign currency exchange loss		
Confidence Cement PLC.	339,169,515	143,414,467
Zodiac Logistics Limited	-	-
	339,169,515	143,414,467.00
33.00 Non-operating income		
Dividend received from CIL	-	8,030,477
Dividend received from CDBL	1,427,955	1,427,955
Gain on sale of quoted shares	-	281,304
Gain on termination of Right of Use Assets	2,800,315	-
Insurance claim received	1,784,000	401,800
	6,012,270	10,141,536
33.a Consolidated Non-operating income/(loss)		
Confidence Cement PLC.	6,012,270	10,141,536
Zodiac Logistics Limited	-	-
	6,012,270	10,141,536
34.00 Provision for WPPF and Welfare Fund		
The Company did not make any provision for WPPF and Welfare Fund for the year ended 30 June 2023 due to the Company suffered net loss before considering unrealised profit from subsidiary and associates.		
34.a Consolidated provision for WPPF and Welfare Fund		
Confidence Cement PLC.	-	-
Zodiac Logistics Limited	-	-
	-	-
35.00 Share of profit of equity accounted investees (net of tax)		
Confidence Batteries Limited	35.01 (5,592,358)	(73,032,174)
Confidence Power Holdings Limited	35.02 797,979,912	814,502,320
Confidence Cement Dhaka Limited	35.03 (10,664,020)	(8,839,516)
	781,723,534	732,630,630
35.01 Confidence Batteries Limited		
Net profit / (Loss) attributable to Confidence Cement Limited	7.02.01 (5,592,358)	(73,032,174)

	Note(s)	01 July 2022 to 30 June 2023	01 July 2021 to 30 June 2022
35.02 Confidence Power Holdings Limited			
Net profit attributable to the shareholders' of associate		2,216,610,866	2,262,506,443
Ownership		36.00%	36.00%
Net profit / (Loss) attributable to Confidence Cement Limited	7.02.02	797,979,912	814,502,320
		797,979,912	814,502,320
35.03 Confidence Cement Dhaka Limited			
Net profit / (loss) attributable to Confidence Cement Limited	7.02.03	(10,664,020)	(8,839,516)
35.a Consolidated share of profit/(loss) of equity accounted investees (net of tax)			
Confidence Cement PLC.		781,723,534	732,630,630
Zodiac Logistics Limited		-	-
		781,723,534	732,630,630
36.00 Reconciliation of net income with cash flows from operating activities			
Profit before income tax		351,686,502	123,565,066
Adjustment for:			
Depreciation charged		213,083,475	247,839,028
Amortization charged		49,559,936	50,598,421
Share of Profit of Associates (net of Tax)		(781,723,534)	(732,630,630)
Gain on sale of property, plant and equipment		(8,439,151)	(6,069,456)
Non Operating Income		(4,228,270)	(9,739,736)
Gratuity provision over paid		18,355,597	45,995,230
Lease obligation paid		(63,738,977)	(64,398,018)
Finance cost		294,863,162	215,717,354
Finance Income		(8,586,367)	(15,917,107)
Foreign currency exchange loss		339,169,515	143,414,467
		48,315,386	(125,190,447)
Changes in:			
Inventories		8,354,585	(40,139,571)
Trade Receivable		(205,837,218)	63,999,571
Advance, Deposits and Pre-payments		(371,141,585)	(436,856,576)
Trade Payable		538,490,160	(176,173,644)
Other Receivables		54,743,302	55,628,733
Other Liabilities		18,091,516	(127,025,887)
Advance against sales		3,295,713	(41,389,279)
		45,996,473	(701,956,653)
Cash generated from / (used in) Operation		445,998,361	(703,582,034)
Income tax paid		(94,060,966)	(109,089,185)
Interest paid (net)		(601,036,713)	(316,669,832)
Net cash generated from / (used in) operations		(249,099,319)	(1,129,341,051)



Note(s)	01 July 2022 to 30 June 2023	01 July 2021 to 30 June 2022
36.a Consolidated reconciliation of net income with cash flows form operating activities		
Profit before income tax	362,181,251	126,748,897
Adjustment for:		
Depreciation charged	225,198,682	255,805,019
Amortization charged	49,559,936	50,598,421
Share of Profit of Associates (net of Tax)	(781,723,534)	(732,630,630)
Gain on sale of property, plant and equipment	(8,439,151)	(6,069,456)
Non Operating Income	(4,228,270)	(9,739,736)
Gratuity provision over paid	18,355,597	45,995,230
Lease obligation paid	(63,738,977)	(64,398,018)
Finance cost	302,245,290	215,719,002
Foreign currency exchange loss	339,169,515	143,414,467
Finance Income	(8,586,367)	(15,917,107)
	67,812,721	(117,222,808)
Changes in:		
Inventories	8,354,585	(40,139,571)
Trade Receivable	(209,019,959)	61,531,066
Advance, Deposits and Pre-payments	(498,161,908)	(446,113,006)
Trade Payable	473,262,701	(185,486,878)
Other Receivables	54,743,302	55,628,733
Other Laibilities	4,043,279	(16,598,098)
Advance against sales	3,295,713	(41,389,279)
	(163,482,287)	(612,567,033)
Cash generated from /(used in) Operation	266,511,685	(603,040,944)
Income tax paid	(94,060,966)	(109,089,185)
Interest paid (net)	(608,418,841)	(316,671,480)
Net cash generated from /(used in) operations	(435,968,123)	(1,028,801,609)



Note(s)	01 July 2022 to 30 June 2023	01 July 2021 to 30 June 2022
37.00 Earnings per share (EPS)		
37.01 Basic Earnings per share (EPS)		
Net profit after tax attributable to shareholders	264,028,409	100,543,851
Number of ordinary shares outstanding during the year	82,146,467	78,234,731
Basic Earnings Per Share (EPS)	3.21	1.29
Restated Earnings Per share (EPS)		1.22

EPS for the year 01 July 2021 to 30 June 2022 has been restated based on the new number of ordinary share in accordance with para 64 of IAS 33.

37.02 Diluted EPS

No diluted EPS was required to be calculated for the period since there was no scope for dilution of share during the period under review.

37.a Consolidated earnings per share (CEPS)

Net profit after tax attributable to shareholders	271,561,015	102,829,045
Weighted average number of ordinary shares outstanding during the year	82,146,467	78,234,731
Basic Earnings Per Share (EPS)	3.31	1.31

Restated Earnings Per share (EPS)

1.25

EPS for the year 01 July 2021 to 30 June 2022 has been restated based on the new number of ordinary share in accordance with para 64 of IAS 33.

	30 June 2023	30 June 2022
38.00 Net asset value (NAV) per share		
Total Assets	13,282,322,240	12,355,579,197
Liabilities	7,548,874,825	6,743,200,649
Net Asset Value (NAV)	5,733,447,415	5,612,378,548
Number of ordinary shares outstanding during the year	82,146,467	78,234,731
Net Assets Value (NAV) per share	69.80	71.74
38.a Consolidated net asset value (CNAV) per share		
Total Assets	13,411,427,025	12,371,149,193
Liabilities	(7,669,175,336)	(6,757,575,064)
Net Asset Value (NAV)	5,742,251,689	5,613,574,129
Non-controlling interest	(1,078,043)	(1,001,956)
Assets attributable to owner's of the Company	5,741,173,646	5,612,572,173
Number of ordinary shares outstanding during the year	82,146,467	78,234,731
Net Assets Value (NAV) per share	69.89	71.74

39.00 Net operating cash flow per share

	01 July 2022 to 30 June	01 July 2021 to 30 June 2022
Net operating cash flows (from statement of cash flows)	(249,099,319)	(1,129,341,051)
Number of ordinary shares outstanding during the year	82,146,467	78,234,731
Net operating cash flow per share	(3.03)	(14.44)

39.a Consolidated net operating cash flow per share

Net operating cash flows (from statement of cash flows)	(435,968,123)	(1,028,801,609)
Number of ordinary shares outstanding during the year	82,146,467	78,234,731
Net operating cash flow per share	(5.31)	(13.15)



40.00 Operating segment report
40.01 Segment-wise statement of financial position as on 30 June 2023

	Cement plant	Ready-mix plant	Total
	Taka	Taka	Taka
ASSETS			
Non-current assets			
Property, plant and equipment	3,346,073,388	174,551,255	3,520,624,644
Right of use assets	189,565,507	-	189,565,507
Capital work-in-progress	329,871,684	3,687,573	333,559,257
Investments*	5,420,435,044	-	5,420,435,044
Total non-current assets	9,285,945,623	178,238,828	9,464,184,452
Current assets			
Inventories	566,695,610	24,235,947	590,931,557
Trade receivables	889,343,634	55,836,091	945,179,725
Advance, deposits and prepayments	1,911,246,484	77,383,043	1,988,629,527
Other receivables	53,337,905	215,850	53,553,755
Short term investments in fixed deposits	104,353,000	-	104,353,000
Cash and cash equivalents	135,470,831	19,393	135,490,224
Total current assets	3,660,447,464	157,690,324	3,818,137,788
Total Assets	12,946,393,087	335,929,152	13,282,322,240
EQUITY AND LIABILITIES			
Equity			
Share capital	821,464,672	-	821,464,672
Share premium	658,089,549	-	658,089,549
General reserve	371,862,754	-	371,862,754
Revaluation reserve	377,247,065	-	377,247,065
Retained earnings*	3,708,725,711	(203,942,336)	3,504,783,375
Inter unit balance	(399,452,635)	399,452,635	-
Total Equity	5,537,937,116	195,510,299	5,733,447,415
Liabilities			
Non-current liabilities			
Long term borrowings	323,773,873	-	323,773,873
Lease liabilities - non-current portion	173,856,078	-	173,856,078
Defined benefit obligations (gratuity)	170,966,152	4,470,440	175,436,592
Deferred tax liability	302,037,669	-	302,037,669
Total non-current liabilities	970,633,772	4,470,440	975,104,212
Current liabilities			
Trade payables	706,435,700	122,301,406	828,737,106
Short term borrowings	5,031,789,884	-	5,031,789,884
Current portion of long term borrowings	343,321,763	-	343,321,763
Lease liabilities - current portion	40,687,442	-	40,687,442
Current tax liability	104,876,996	-	104,876,996
Unclaimed dividend	95,361,422	-	95,361,422
Other liabilities	115,348,993	13,647,007	128,996,000
Total current liabilities	6,437,822,200	135,948,413	6,573,770,613
Total Liabilities	7,408,455,972	140,418,853	7,548,874,825
Total Equity and Liabilities	12,946,393,088	335,929,152	13,282,322,240



40.02 Segment-wise statement of profit or loss and other comprehensive income for the year ended 30 June 2023

	Cement plant	Ready-mix plant	Total
	Taka	Taka	Taka
Revenue	4,353,926,530	190,085,194	4,544,011,724
Cost of sales	(3,986,423,880)	(247,904,784)	(4,234,328,664)
Gross Profit	367,502,650	(57,819,590)	309,683,060
Administrative expenses	(87,469,192)	-	(87,469,192)
Selling and distribution expenses	(64,361,666)	-	(64,361,666)
Other operating income	30,236,482	1,308,323	31,544,805
Profit from operating activities	245,908,274	(56,511,267)	189,397,008
Finance costs	(293,974,198)	(888,964)	(294,863,162)
Foreign currency exchange loss	(330,325,324)	(8,844,191)	(339,169,515)
Finance income	8,557,970	28,397	8,586,367
Profit before Workers profit participation fund	(369,833,278)	(66,216,025)	(436,049,302)
Contribution to WPPF and welfare fund			-
Profit not attributable to segments:			(436,049,302)
Non-operating income/(loss)			6,012,270
Share of profit/(loss) of associates (Net of tax)			781,723,534
Profit before income tax			351,686,502

41.00 Contingent liabilities

Contingent liabilities at the reporting date are as follows:

41.01 Guarantee

Karnaphully Gas Distribution Company Ltd.
Commissioner of Customs, Custom House, Chattogram
Army Head Quarter Dhaka Cantonment
Chittagong Port Authority
Comodore BN DW & CE (Navy) Dhaka

	30 June 2023	30 June 2022
	49,748,092	19,874,559
	857,192	857,192
	3,576,500	23,898,500
	3,875,300	3,875,000
	4,981,000	4,996,000
	63,038,084	53,501,251
	60,903,900	357,421,200

41.02 L/C liabilities
42.00 Related party transactions
42.01 Transaction with key management personnel

Name of the Directors	Designation	Taka	Taka
Mr. Zahir Uddin Ahmed	Managing Director	5,737,500	5,456,472
Mr. Rupam Kishore Barua	Vice Chairman	5,400,000	5,200,000
Mrs. Runu Anwar	Director	2,362,500	2,275,000
Mr. Salman Karim	Director	2,362,500	2,275,000
		15,862,500	15,206,472

42.02 Transaction with other related parties

During the year under review, the company carried out a number of transactions with related party in the normal course of business and arm's length basis. The name of the related parties, nature of business and their value have been set out below in accordance with the provisions of IAS 24 "Related Party Disclosure".

Name of the related party	Nature of transaction	Type of relationship	Balance as on 30 June 2023	Balance as on 30 June 2022
Electropac Industries Ltd.	Cement sale	Common Directorship	(223,467)	(223,467)
Confidence Concrete Eng. Ltd	Cement sale	Common Directorship	6,500	6,500
Confidence Infrastructure Limited	Cement sale	Associate	43,912,923	-
Confidence Cement Dhaka Limited	Cement sale	Associate	-	70,222
Confidence Cement Dhaka Limited	Share Money Deposit	Associate	1,043,225,856	-
Confidence Cement Dhaka Limited	Construction Materials	Associate	2,695,349	-
Zodiac Logistics Limited	Various Transaction	Subsidiary	(77,423,362)	(17,913,975)
			30 June 2023	30 June 2022
			Number	Number
			780	574
			74	40
			854	614

43.00 Employees

Cement plant
Ready-mix plant

All employees received salary more than Tk. 3,000 per month.



44.00 Financial Instruments- Accounting classifications and fair values

The following table shows the carrying amounts of financial assets and financial liabilities. It does not include fair value information for financial assets and financial liabilities not measured at fair value as the carrying amount is a reasonable approximation of fair value.

Note Ref.	Carrying amount					Total
	Fair value through profit or loss	Fair value through other comprehensive income	Financial assets at amortised cost	Other financial liabilities	Taka	
	Taka	Taka	Taka	Taka		
30 June 2023						
Financial Assets measured at fair value						
Financial Assets not measured at fair value						
Trade and other receivables	-	-	998,733,480	-	-	998,733,480
Investment in unquoted shares and others	-	-	1,116,821,296	-	-	1,116,821,296
Deposits	-	-	216,204,269	-	-	216,204,269
Investments in FDR	-	-	104,353,000	-	-	104,353,000
Cash at banks	-	-	135,075,753	-	-	135,075,753
			2,571,187,798			2,571,187,798
Financial Liabilities not measured at fair value						
Trade payables and other liabilities	-	-	-	957,733,106	-	957,733,106
Short term borrowings	-	-	-	5,031,789,884	-	5,031,789,884
Long term borrowings	-	-	-	667,095,636	-	667,095,636
Lease liabilities	-	-	-	214,543,520	-	214,543,520
				5,913,429,040		6,656,618,626
30 June 2022						
Financial Assets measured at fair value						
Investments in quoted shares	-	-	-	-	-	-
Financial Assets not measured at fair value						
Trade and other receivables	-	-	847,639,564	-	-	847,639,564
Investment in unquoted shares and others	-	-	1,120,877,434	-	-	1,120,877,434
Deposits	-	-	108,374,926	-	-	108,374,926
Investments in FDR	-	-	139,000,000	-	-	139,000,000
Cash at banks	-	-	88,412,305	-	-	88,412,305
			2,304,304,229			2,304,304,229
Financial Liabilities not measured at fair value						
Trade payables and other liabilities	-	-	-	397,855,717	-	397,855,717
Short term borrowings	-	-	-	4,386,302,431	-	4,386,302,431
Long term borrowings	-	-	-	993,291,205	-	993,291,205
Lease liabilities	-	-	-	297,244,153	-	297,244,153
				6,074,693,506		6,074,693,506



44.a Consolidated Financial Instruments- Accounting classifications and fair values

The following table shows the carrying amounts of financial assets and financial liabilities. It does not include fair value information for financial assets and financial liabilities not measured at fair value as the carrying amount is a reasonable approximation of fair value.

	Carrying amount			
	Fair value through profit or loss	Fair value through other comprehensive income	Financial assets at amortised cost	Other financial liabilities
	Taka	Taka	Taka	Taka
30 June 2023	-	-	-	-
Financial Assets measured at fair value				
Financial Assets not measured at fair value				
Trade and other receivables	-	-	1,005,384,726	-
Investment in unquoted shares and others	-	-	1,116,821,296	-
Deposits	-	-	216,204,269	-
Investments in FDR	-	-	104,353,000	-
Cash at banks	-	-	134,214,249	-
	-	-	2,576,977,540	-
Financial Liabilities not measured at fair value				
Trade payables and other liabilities	-	-	-	891,956,271
Short term borrowings	-	-	-	5,031,789,884
Long term borrowings	-	-	-	849,411,372
Lease liabilities	-	-	-	214,543,520
	-	-	-	6,987,701,047
30 June 2022				
Financial Assets measured at fair value				
Investments in quoted shares	-	-	-	-
Financial Assets not measured at fair value				
Trade and other receivables	-	-	851,108,069	-
Investment in unquoted shares and others	-	-	1,120,877,434	-
Deposits	-	-	108,374,926	-
Investments in FDR	-	-	139,000,000	-
Cash at banks	-	-	91,560,918	-
	-	-	2,310,921,347	-
Financial Liabilities not measured at fair value				
Trade payables and other liabilities	-	-	-	411,354,578
Short term borrowings	-	-	-	4,386,302,431
Long term borrowings	-	-	-	993,291,205
Lease liabilities	-	-	-	297,244,153
	-	-	-	6,088,192,367



45.00 Financial instruments- Financial risk management

International Financial Reporting Standard (IFRS) 7 - Financial Instruments: Disclosures - requires disclosure of information relating to both recognized and unrecognized financial instruments, their significance and performance, accounting policies, terms and conditions, net fair values and risk information- the Group's and the Company's policies for controlling risks and exposures.

The management has overall responsibility for the establishment and oversight of the company's risk management framework. The Group's and Company's risk management policies are established to identify and analyze the risks faced by the the Group and the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies, procedures and systems are reviewed regularly to reflect changes in market conditions and the Group's and the Company's activities. This note presents information about the Group's and the Company's exposure to each of the following risks, the Group's and the company's objectives, policies and processes for measuring and managing risk, and the Group's and the company's management of capital. The Group and the company have exposure to the following risks from its use of financial instruments.

- a) Credit risk
- b) Liquidity risk
- c) Market risk

45.01 Credit risk

Credit risk is the risk of financial loss to the Group and the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations which arises principally from the Group's and Company's receivables and investments.

45.01.01 Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was as follows:

	Note(s)	30 June 2023	30 June 2022
Investments in FDRs	13	104,353,000	139,000,000
Advances and deposits	11.01 & 11.02	1,976,295,647	1,584,814,270
Trade and other receivables	10 & 12	998,733,480	847,639,564
Cash at banks	14.02	135,075,753	88,412,305
		3,214,457,880	2,659,866,139

45.01.01.a Consolidated exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was as follows:

Investments in FDRs	104,353,000	139,000,000
Advances and deposits	1,980,305,271	1,461,803,570
Trade and other receivables	1,005,384,726	851,108,069
Cash at banks	134,214,249	91,560,918
	3,224,257,246	2,543,472,557

Ageing of trade receivables

Up to 3 months	510,422,638	441,219,582
Over 3 months but not exceeding 6 months	109,031,105	73,626,829
Over 6 months	325,725,982	224,496,096
	945,179,725	739,342,507

(ii) Trade and other receivables

The Group's and the Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk of the industry in which customers operate. Based on the Company's operations there is no concentration of credit risk.

(iii) Cash at banks

The Group and the Company held cash at banks of Tk. 134,214,249 and Tk. 135,075,753 respectively at 30 June 2023, which represents its maximum credit exposure on these assets. The balance with banks are maintained with both local branch of International banks and domestic scheduled banks.



45.02 Liquidity risk

Liquidity risk is the risk that the Group and the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash. The Group and the Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's and the Company's reputation. Typically, the Group and the Company ensures that it has sufficient cash and cash equivalents to meet expected operational expenses, including financial obligations through preparation of the cash flow forecast, based on time line of payment of financial obligations and accordingly arrange for sufficient liquidity/fund to make the expected payments within due dates. Moreover, the Group and the Company has short term credit facilities with scheduled commercial banks to ensure payment of obligation in the event that there is insufficient cash to make the required payment. The requirement is determined in advance through cash flow projections and credit lines with banks are negotiated accordingly.

(a.1) Exposure to Liquidity risk on separate financial statements

The following are the contractual maturities of financial liabilities:

Non-derivative financial liabilities	Carrying amount	Interest rate	Contractual cash flows			Total
			Within 12 months	1 to 5 years	More than 5 years	
As at 30 June 2023	Taka		Taka	Taka	Taka	Taka
Long term borrowings	667,095,636	8.00%-9.00%	343,321,763	323,773,873	-	667,095,636
Trade payables	828,737,106	N/A	828,737,106	-	-	828,737,106
Short term borrowings	5,031,789,884	4.5%-9%	5,031,789,884	-	-	5,031,789,884
Other liabilities	128,996,000	N/A	128,996,000	-	-	128,996,000
	6,656,618,626		6,332,844,753	323,773,873	-	6,656,618,626

Non-derivative financial liabilities	Carrying amount	Interest rate	Contractual cash flows			Total
			Within 12 months	1 to 5 years	More than 5 years	
As at 30 June 2022	Taka		Taka	Taka	Taka	Taka
Long term borrowings	993,291,205	8.50%-9.00%	446,149,537	547,141,668	-	993,291,205
Trade payables	290,246,946	N/A	290,246,946	-	-	290,246,946
Short term borrowings	4,386,302,431	4.5%-9%	4,386,302,431	-	-	4,386,302,431
Other liabilities	107,608,771	N/A	107,608,771	-	-	107,608,771
	5,777,449,353		5,230,307,685	547,141,668	-	5,777,449,353

(a.1) Consolidated exposure to Liquidity risk on separate financial statements

The following are the contractual maturities of financial liabilities:

Non-derivative financial liabilities	Carrying amount	Interest rate	Contractual cash flows			Total
			Within 12 months	1 to 5 years	More than 5 years	
As at 30 June 2023	Taka		Taka	Taka	Taka	Taka
Long term borrowings	849,411,372	8.00%-9.00%	394,200,573	455,210,799	-	849,411,372
Trade payables	754,196,413	N/A	754,196,413	-	-	754,196,413
Short term borrowings	5,031,789,884	4.5%-9%	5,031,789,884	-	-	5,031,789,884
Other liabilities	137,759,858	N/A	137,759,858	-	-	137,759,858
	6,773,157,527		6,317,946,728	455,210,799	-	6,773,157,527

Non-derivative financial liabilities	Carrying amount	Interest rate	Contractual cash flows			Total
			Within 12 months	1 to 5 years	More than 5 years	
As at 30 June 2022	Taka		Taka	Taka	Taka	Taka
Long term borrowings	993,291,205	9%-11.50%	446,149,537	547,141,668	-	993,291,205
Trade payables	280,933,712	N/A	280,933,712	-	-	280,933,712
Short term borrowings	4,386,302,431	4.5%-9%	4,386,302,431	-	-	4,386,302,431
Other liabilities	130,420,866	N/A	130,420,866	-	-	130,420,866
	5,790,948,214		5,243,806,546	547,141,668	-	5,790,948,214

45.03 Market risk

Market risk is the risk that changes in market prices such as foreign exchange rates, will affect the Group's and 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.

(a) Currency risk exposure and its management

the Group and the Company is exposed to currency risk on sales, purchases and borrowings that are denominated in a currency other than the functional currencies of the Group and the Company. To manage this exposure, the Group and the Company have adopted direct risk reduction methods based on matching receipts and payments on assets and liabilities.

the Group and the Company is exposed to foreign currency risk relating to purchases, sales and other transactions which are denominated in foreign currencies. As at 30 June 2023, the Group and the Company was exposed to foreign currency risk in respect of financial liabilities denominated in the following currencies:

(i) Exposure to currency risk

Foreign currency denominated assets

Cash and cash equivalents
Trade receivables

Foreign currency denominated liabilities

Deferred payment of L/C

Net exposure

The following significant exchange rate is applied during the year:

Exchange rate of Euro and US Dollar

Foreign currency denominated assets

Cash and cash equivalents
Trade receivables

Foreign currency denominated liabilities

Deferred payment of L/C

Net exposure

The following significant exchange rate is applied during the year:

Exchange rate of Euro and US Dollar

30 June 2023	
USD	Taka
154,619	16,728,286
106,679	11,541,640
261,298	28,269,926
15,819,756	1,711,544,139
15,819,756	1,711,544,139
(15,558,458)	(1,683,274,213)

USD
108.19

30 June 2022	
USD	Taka
94,221	8,621,247
154,873	14,170,884
249,094	22,792,131
24,883,981	2,276,884,300
24,883,981	2,276,884,300
(24,634,887)	(2,254,092,169)

USD
91.50

(ii) Sensitivity analysis

A reasonably possible strengthening (weakening) of the US Dollar against BD Taka at the reporting date would have affected the measurement of financial instruments denominated in a foreign currency and affected equity and profit or loss by the amounts shown below. The analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecasted sales and purchases.

	30 June 2023		30 June 2022	
	Profit or loss		Profit or loss	
	Strengthening Taka	Weakening Taka	Strengthening Taka	Weakening Taka
USD (5% movement)	(84,163,711)	84,163,711	(112,704,608)	112,704,608

(b) Transaction risk

Transaction risk is the risk that the Company will incur exchange losses when the accounting results are translated into the home currency.

(c) Economic risk

Economic risk refers to the effect of exchange rate movements on the international competitiveness of the Company.

(d) Interest risk

Interest rate risk arises from movement in interest rates. The Company needs to manage interest rate risk so as to be able to re-pay debts as they fall due and to minimize the risks surrounding interest payments and receipts.

(d.1) Exposure to interest rate risk

The interest rate profile of the Company's interest bearing financial instruments as reported to the management of the Company is as follows.



Fixed - rate instruments

Financial assets
Financial liabilities

	30 June 2023	30 June 2022
Financial assets	104,353,000	139,000,000
Financial liabilities	5,913,429,040	5,676,837,789
	6,017,782,040	5,815,837,789

Variable - rate instruments

Financial assets
Financial liabilities

	30 June 2023	30 June 2022
Financial assets	Nil	Nil
Financial liabilities	Nil	Nil
	-	-

(e) Other market price risk

The Company is exposed to equity price risk, which arises from available for sale equity and debt securities. Management of the Company monitors its investment portfolio based on market indices and all buy and sell decisions are approved by the Directors.

46.00 Capital expenditure commitment

The company has no capital expenditure commitment at the reporting date.

47.00 Events after reporting date

47.01 The Board of Directors at their meeting held on 18th November 2023 has recommended 5% stock dividend and 5% cash dividend for the year ended 30 June 2023. Distribution of stock dividend is subject to approval from Bangladesh Securities & Exchange Commission (BSEC).

47.02 Minimum amount to be distributed as dividend

Profit after tax
Share of profit of subsidiary and associates

Distributable Income

Amount to be distributable as dividend

	01 July 2022 to 30 June 2023	01 July 2021 to 30 June 2022
Profit after tax	264,028,409	100,543,851
Share of profit of subsidiary and associates	(781,723,534)	(732,630,630)
Distributable Income	(517,695,125)	(632,086,779)
Amount to be distributable as dividend	-	-



48.00 Restatement of Financial Statements (2020-2021):

	Particulars	As reported earlier	Adjustment	Re-Stated Amount
i)	Opening Retained Earnings (01.07.2021)	3,481,218,533	(30,496,464)	3,450,722,069
ii)	Investment in Associates:			
	Confidence Cement Dhaka Limited	50,000,000	(39,335,980)	10,664,020
iii)	Income from Associates Company:			
	Confidence Cement Dhaka Limited	-	(8,839,516)	(8,839,516)
iv)	Earnings Per Share	1.40	(0.11)	1.29
v)	Net Asset Value Per Share	72.24	(0.50)	71.74



Subsidiary Profile

Zodiac Logistics Ltd.

Directors' Report

The Directors have the pleasure in presenting to the members their report together with the audited financial statements of the Company for the year ended on June 30, 2023. This report has been prepared in compliance with section 184 of the Companies Act, 1994.

Nature of Business

Zodiac Logistics Ltd. (ZLL), was incorporated on June 25, 2018 as a private limited company in Bangladesh under the Companies Act, 1994. The nature of business of the Company is to operate all types of bay crossing and river going ships and vessels including motorized, non-motorized tags, barges carrier and pontoons.

Review of Business

During the year ended on 30th June 2023, the Company earned a Revenue and Net Profit of BDT 57.67 Million and BDT 7.61 Million respectively and NAV per share of BDT 10.78, EPS of BDT 0.76 and NOCPS of BDT (18.62).

Fairness of Financial Statements

The financial statements together with the notes thereon have been drawn up in conformity with the Companies Act, 1994. These statements present fairly the Company's state of affairs, the results of its operations, cash flow and changes in equity.

Books of Accounts

Proper books of accounts of the Company were maintained.

Accounting Policies

Appropriate accounting policies have been consistently applied in preparation of the financial statements and the accounting estimates are based on reasonable and prudent judgment.

Application of IAS & IFRS

International Accounting Standards (IAS) and International Financial Reporting Standards (IFRS) have been followed in preparation of the financial statements and any departure there-from has been adequately disclosed.

Events subsequent to Balance Sheet

No such event took place subsequent to balance sheet date.

Board Meetings

During the year, the Board of Directors met 6 (Six) times.

Dividend

The Company has generated profit after tax during the year under review but for continuation of the investment, the Company didn't recommend dividend for the year ended June 30, 2023.

Appointment of Auditors

M/s. Rahman Mostafa Alam & Co., Chartered Accountants have expressed their willingness to be re-appointed as statutory auditors for the year ending on June 30, 2024. The Board recommended reappointing M/s. A. Qasem & Co., Chartered Accountants as statutory auditors for the year ending on June 30, 2024 subject to approval of the shareholders at the general meeting.

Compliance with Laws and Regulations

The Company was not engaged in any activities contravening the laws and regulations. All those responsible for ensuring compliance with the provisions in various laws and regulations did so within the stipulated time.

Conclusion

The Board wishes to express its sincere appreciation to all employees of the Company for their contribution and at the same time, thanked all the stakeholders for their continued support and confidence.

Approved by the Board of Directors and signed, on its behalf, by



Engr. Rezaul Karim
Chairman



Solution....Begins

Rahman Mostafa Alam & Co. Chartered Accountants



INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF ZODIAC LOGISTICS LIMITED

Opinion

We have audited the financial statements of **ZODIAC LOGISTICS LIMITED** (the Company), which comprise the statement of financial position as at **30 June 2023**, the statement of profit or loss and other comprehensive income, statement of changes in equity, statement of cash flows for the year then ended and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements prepared in accordance with International Accounting Standards (IASs) and International Financial Reporting Standards (IFRSs), give a true and fair view of the financial position of the company as at 30 June 2023 and the results of its operations and its cash flows for the year then ended and comply with the Company Act 1994 and other applicable laws and regulations.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code), and we have fulfilled our 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.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards (IFRSs), the Companies Act 1994 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.

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.

Auditors' Responsibility 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;



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Branch Office (Dhaka): House # 195 (3rd Floor, C-3), Road # 1, New DOHS, Mohakhali, Dhaka-1206, Phone: +88-02-9834313, Mob: 01920911976, 01819224976, 01819225339, E-mail: madhaka@gmail.com, Web: www.rmabd.com
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- 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 of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in 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 Company's financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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 to 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, we also report the following:

- i. we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit and made due verification thereof;
- ii. in our opinion, proper books of account as required by law have been kept by the Company so far as it appeared from our examination of those books;
- iii. the statement of financial position and statement of profit or loss and other comprehensive income dealt with by the report are in agreement with the books of account and returns.

Chattogram, 22 November 2023

For and on behalf of
Rahman Mostafa Alam & Co.
Chartered Accountants

Arafat Kamal FCA
Partner
ICAB Enrollment No : 1184
DVC : 231 | 221 | 84AS148035



ZODIAC LOGISTICS LIMITED
STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2023

Particulars	Note(s)	Amount in Taka	
		30 June 2023	30 June 2022
ASSETS			
Non-Current Assets			
Property, Plant and Equipment	04.00	218,245,514	230,218,470
Total Non-Current Assets		218,245,514	230,218,470
Current Assets			
Cash and Cash Equivalents	05.00	(801,598)	3,242,652
Trade Receivables	06.00	43,637,348	20,382,480
Advance, Deposit & Prepayments	07.00	43,446,884	4,161,954
Share Money Receivable	08.00	1,000,000	1,000,000
Total Current Assets		87,282,634	28,787,086
Total Assets		305,528,148	259,005,556
EQUITY AND LIABILITIES			
Share Holders Equity			
Share Capital	09.00	100,000,000	100,000,000
Retained Earnings		7,804,274	195,581
Total Equity		107,804,274	100,195,581
Long Term Liabilities			
Long Term Borrowings	10.01	131,436,926	-
Deferred Tax Liability	14.00	257,141	432,894
Total Long Term Liabilities		131,694,067	432,894
Current Liabilities			
Payable to Parent Company	11.00	-	127,046,541
Trade Payables	12.00	2,882,669	7,949,672
Current Portion of Long Term Borrowings	10.01	50,878,810	-
Liabilities for Expenses	13.00	8,763,859	22,938,208
Provision for Income Tax (Current Tax)	20.00	3,504,469	442,660
Total Current Liabilities		66,029,807	158,377,081
Total Equity & Liabilities		305,528,148	259,005,556
Net Asset Value Per Share	15.00	10.78	10.02

The annexed notes from 1 to 23 form an integral part of these financial statements.


DIRECTOR


MANAGING DIRECTOR

Signed in terms of our separate report of even date

Chattogram, 22 November 2023



For and on behalf of
Rahman Mostafa Alam & Co.
Chartered Accountants


Arafat Kamal FCA
Partner
ICAB Enrollment No : 1184
DVC : 2311221184ASI48035

ZODIAC LOGISTICS LIMITED
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2023

Particulars	Note (s)	Amount in Taka	
		01 July 2022 to 30 June 2023	01 July 2021 to 30 June 2022
Revenue	16.00	57,670,283	22,983,981
Cost of Service	17.00	(39,569,656)	(19,643,502)
Gross Profit		18,100,627	3,340,478
Administrative Overhead	18.00	(223,750)	(155,000)
Operating Profit/(Loss) before Income Tax		17,876,877	3,185,478
Financial Expenses	19.00	(7,382,128)	(1,648)
Profit before Income Tax		10,494,749	3,183,830
Provision for Income Tax:			
Provision for Income Tax (Current Tax)	20.00	(3,061,809)	(442,660)
Deferred Tax	14.00	175,753	(432,894)
Net Profit/(Loss) After Income Tax		7,608,693	2,308,276
Earnings per share (EPS)	21.00	0.76	0.23



DIRECTOR



MANAGING DIRECTOR

Signed in terms of our separate report of even date

For and on behalf of
Rahman Mostafa Alam & Co.
Chartered Accountants



Arafat Kamal FCA
Partner
ICAB Enrollment No : 1184
DVC : 2311221184ASI48035

Chattogram, 22 November 2023



ZODIAC LOGISTICS LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2023

Particulars	Amount in Taka		
	Share Capital	Retained Earnings	Total
Balance as on 01 July 2022	100,000,000	195,581	100,195,581
Net Profit/(Loss) during the year	-	7,608,693	7,608,693
Balance as on 30 June 2023	<u>100,000,000</u>	<u>7,804,274</u>	<u>107,804,274</u>
Balance as on 01 July 2021	100,000,000	(2,112,696)	97,887,304
Net Profit/(Loss) during the year		2,308,277	1,954,091
Balance as on 30 June 2022	<u>100,000,000</u>	<u>195,581</u>	<u>99,841,395</u>



DIRECTOR



MANAGING DIRECTOR



ZODIAC LOGISTICS LIMITED
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2023

Particulars	Notes	Amount in Taka	
		01 July 2022 to 30 June 2023	01 July 2021 to 30 June 2022
A. Cash Flow From Operating Activities:			
Cash Receipts from Customer and Others		34,415,415	2,601,501
Cash Payment to Supplier and Employees		(213,251,021)	97,288,520
Financial Expenses Paid		(7,382,128)	(1,648)
Net Cash (Used in)/ Generated from Operating Activities		(186,217,734)	99,888,373
B. Cash Flow from Investing Activities:			
Addition of Property, plant and equipment during the year		(142,251)	(652,437)
Additions (CWIP) during the year		-	(95,993,284)
Net Cash (Used in)/Provided in Investing Activities		(142,251)	(96,645,721)
C. Cash Flow from Financing Activities:			
(Repayment) / Receipt of Long term loans		131,436,926	-
(Repayment) / Receipt of current portion of long term loan		50,878,810	-
Net Cash Used in)/Provided in Financing Activities		182,315,736	-
Net Increase/(Decrease) in Cash & Cash Equivalents (A+B+C)		(4,044,249)	3,242,652
Opening Cash & Cash Equivalents		3,242,652	-
Closing Cash & Cash Equivalents		(801,598)	3,242,652
Net operating cash flow per share	22.00	(18.62)	9.99


DIRECTOR


MANAGING DIRECTOR



ZODIAC LOGISTICS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED JUNE 30, 2023

1.00 THE REPORTING ENTITY

1.01 Company's Profile

The Company was incorporated in Bangladesh in 2018 vide RJSC registration no. C-145453/2018 Dated 25th June 2018 as a private limited company, under the Companies Act, 1994 with an authorized capital of Tk. 200,000,000 (twenty crore) divided into 20,000,000 ordinary shares of Tk. 10 each.

1.02 Nature of the Business

To carry on the business as owner of all types of bay crossing and river going ships and vessels including motorized non-motorized tags, Burges carrier pontoons.

1.03 Company's Registered Office

The registered office of the company is situated at UTC Bhaban (6th & 7th Floor), 8 Panthapath, Karwan Bazar, Dhaka, Tejgaon, Dhaka, Bangladesh.

2.00 BASIS OF PREPARATION, PRESENTATION AND DISCLOSURES OF FINANCIAL STATEMENTS

2.01 Statement of Compliance

The financial statements have been prepared in accordance with International Accounting Standards (IASs) and International Financial Reporting standards (IFRSs), the Companies Act 1994.

2.02 Basis of Reporting

The financial statements are prepared and presented for external users by the company in accordance with identified financial reporting framework. Presentation has been made in compliance with the requirements of IAS-I "Presentation of Financial Statements".

2.03 Presentation of Financial Statements

The presentation of these financial statements is in accordance with the guidelines provided by IAS-I Presentation of Financial Statements.

The Financial Statements comprises:

- i. A statement of financial position as at 30 June 2023;
- ii. A statement of profit or loss and other comprehensive income for the period ended as on 30 June 2023;
- iii. A statement of changes in equity for the period ended as on 30 June 2023;
- iv. A statement of cash flows for the period ended as on 30 June 2023;
- v. Notes, comprising a summary of significant accounting policies and explanatory information;

2.04 Other Compliance

The company is required The Company is also required to comply with the following major laws and regulations along with the Companies Act 1994:

- i. The Income Tax Ordinance, 1984 & Income Tax Act, 2023
- iii. The Value Added Tax and Supplementary Duty Act, 2012
- iv. The Value Added Tax and Supplementary Duty Rules, 2016
- v. The Customs Act, 1969

2.05 Basis of Measurements

The elements of Financial Statements have been measured on " Historical Cost" convention in a going concern concept and on accrual basis.



2.06 Going Concern

The Company has adequate resources to continue its operation for foreseeable future and hence, the financial statements have been prepared on going concern basis. As per management's assessment there are no material uncertainties related to events or conditions which may cast significant doubt upon the company's ability to continue as a going concern.

2.07 Comparative Information

Comparative information has been disclosed in respect of the preceding year in accordance with IAS-1: Presentation of Financial Statements, for all numeric information in the financial statements and also the narrative and scriptive information where it is relevant for understanding of the current year's Financial Statements. Prior year's figures are rearranged wherever considered necessary to ensure comparability with the current year.

2.08 Authorization for Issue

These Financial Statements have been authorized for issue by the Board of Directors on 22 November 2023.

2.09 Functional and Presentation Currency

These Financial Statements are prepared in Bangladesh Taka (BDT), which is the company's functional currency. All financial information presented in BDT has been rounded off to the nearest integer except when otherwise indicated.

2.10 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 operating activities have been presented under indirect method.

2.11 Applicable Accounting Standards

The following IASs and IFRSs are applicable for preparation and presentation of the Financial Statements for the year under review:

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 & Equipment
IAS 21	The Effect of Changes in Foreign Exchange Rates
IAS 23	Borrowing Costs
IAS 32	Financial Instruments: Presentation
IAS 33	Earnings Per Share
IAS 36	Impairment of Assets
IAS 37	Provisions, Contingent Liabilities and Contingent Assets
IFRS 9	Financial Instruments
IFRS 7	Financial Instruments: Disclosures
IFRS 13	Fair Value Measurement
IFRS 15	Revenue from Contracts with Customers

2.12 Accounting Estimates, Assumptions and Judgments

The preparation of these financial statements is in conformity with IAS and IFRS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an on going basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

2.13 Reporting Year

The financial statements of the company covers from 01 July 2022 to 30 June 2023.



2.14 Classification of current and non-current

The Company presents assets and liabilities in the statement of financial position based on current/non-current classification.

An asset is current when it is:

- Expected to be realised or intended to sold or consumed in the normal operating cycle
 - Held primarily for the purpose of trading
 - Expected to be realised within twelve months after the reporting period
- Or,
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in the normal operating cycle
 - It is held primarily for the purpose of trading
 - It is due to be settled within twelve months after the reporting period
- Or,
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

2.15 Comparative Information and reclassification

Comparative information has been disclosed for all numerical information in the financial statements and also the narrative and descriptive information when it is relevant for understanding of the current period financial statements. To facilitate comparison, certain relevant balances pertaining to the previous year have been rearranged/reclassified wherever considered necessary to conform to current year presentation.

3.00 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The specific accounting policies selected and applied by the company's directors for significant transactions and events that have material effect within the framework of IAS-1 "Presentation of Financial Statements", in preparation and presentation of financial statements have been consistently applied throughout the year and were also consistent with those used in earlier years.

For a proper understanding of the financial statements, these accounting policies are set out below in one place as prescribed by the IAS-1 "Presentation of Financial Statements". The recommendations of IAS-1 relating to the format of financial statements were also taken into full consideration for fair presentation.

3.01 Property, Plant and Equipment

Property, Plant and Equipment are accounted for according to "IAS-16: Property, Plant and Equipment" at historical cost less Accumulated depreciation. Cost includes expenditure that is directly attributable to the acquisition of the assets. Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the statement of profit & loss and other comprehensive income during the financial year in which they are incurred. Any gain or loss arising on derecognition of the assets (Calculated as the difference between the net disposal proceeds and carrying amount of the assets) is recognized in other income / loss in the statement of profit or loss and other comprehensive income in the year of disposal of the assets.



3.02 Consistency

Unless otherwise stated, the accounting policies and methods of computation used in preparation of Financial Statements for the year ended 30 June 2023 are consistent with those policies and methods adopted in preparing the financial statements for the year ended 30 June 2022.

3.03 Depreciation on Property, Plant and Equipment

Depreciation on Property, Plant and Equipment is computed using the reducing balance method. During the year of addition, full years' depreciation have been applied.

3.04 Trade and other payable

This has been recognized for the amount payable to the clients' as on the cut-off date which is realizable in the subsequent period.

3.05 Trade and other receivables

Accounts and other receivables are initially recognized at cost which is the fair value of the consideration given in return. After initial recognition, these are carried at cost less impairment losses, if any, due to un-collectability of any amount so recognized.

Provision for doubtful debts is made based on the company policy. Bad debts are written off on consideration of the status of individual debtors.

3.06 Impairment

Financial Assets

Financial assets are impaired if objective evidence indicates that a loss event has occurred after initial recognition of the assets and that the loss event had a negative effect on the estimated future cash flows of that assets that can be estimated reliably.

Financial assets not classified as fair value through profit or loss, loans, receivables and investment in an equity accounted investee are assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

Non Financial Assets

The carrying amounts of the group's non-financial assets, other than inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists then the recoverable amount of the asset is estimated. An impairment loss is recognized if the carrying amount of an asset or its related cash-generating unit (CGU) exceeds its estimated recoverable amount.

3.07 Earnings per Share (EPS)

The company calculates its earnings per share in accordance with Bangladesh Accounting Standard IAS-33 "Earnings per Share" which has been reported on the face of Statement of Profit or Loss and Other Comprehensive Income.

3.08.01 Basis of Earnings

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



3.08.02 Basic Earnings Per Share

This has been calculated by dividing the basic earnings by the weighted average number of ordinary shares outstanding during the year.

3.08.03 Diluted Earning Per Share

No diluted Earnings per share was required to be calculated for the year under review as there is no scope for dilution of Earnings Per Share for the year.

3.08 Advances, Deposits and Pre-payments

Advances are initially measured at cost. After initial recognition, advances are carried at cost less deductions, adjustments or charges to other heads such as Property, Plant and Equipment, Inventory or Expenses.

Deposits are measured at payment value.

Pre-payments are initially measured at cost. After initial recognition, pre-payments are carried at cost less charges to profit and loss.

3.09 Subsequent Costs

The cost of replacing part of an item of Property, Plant and Equipment is recognized in the carrying amount of the item if it is probable that the future economic benefit embodied within the part will flow to the company and its cost can be measured reliably. The costs of the day to day servicing of Property, Plant and Equipment are recognized in profit or loss account as 'Repair & Maintenance' when it is incurred.

3.10 Cash and Cash Equivalents

Cash and cash equivalents comprise cash in hand and cash at bank.

3.11 Revenue Recognition

Revenue from sale of goods is measured at the fair value of the consideration received or receivable, trade discounts and rebates, if any. Revenue is recognized when the significant risks and rewards of ownership have been transferred to the buyer, recovery of the consideration is probable, the associated costs and possible return of goods can be estimated reliably and there is no continuing management involvement with the goods. Sales revenue is recognized when the goods are delivered.

3.12 Finance Expenses

Bank charges and interest expenses except expenses related to the acquisition and construction of assets, incurred during the year are charged to the Statement of Profit or Loss and Other Comprehensive Income on accrual basis.

3.13 Taxation

Current tax:

Income tax expense is recognized in statement of profit or loss and other comprehensive income. Current tax is the expected tax payable on the total income for the year using tax rates enacted or substantially enacted as of reporting date and any adjustment to tax payable in respect of previous years.

3.14 Financial Risk Management

The company management has overall responsibility for the establishment and oversight of the company's risk management framework. Risk management policies, procedures and systems are reviewed regularly to reflect changes in market conditions and the company's activities. The company has exposure to the following risks from its use of financial instruments:

- Credit Risk
- Liquidity Risk
- Market Risk



Credit Risk

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 and arises principally from the company's receivables. Management has a credit policy in place and exposure to credit risk is monitored on an ongoing basis. Risk exposure from financial assets, i.e., Cash at Bank and other external receivables are nominal.

Liquidity Risk

Liquidity risk is the risk that the company will not be able to meet its financial obligations as they fall due. Typically, the company ensures that it has sufficient cash and cash equivalents to meet expected operational expenses, including financial obligations through preparation of the cash flow forecast, prepared based on timeline of payment of the financial obligation and accordingly arranged for sufficient liquidity/fund to make the expected payment within due date.

In extreme stressed conditions, the company may get support from the related company in the form of short term financing.

Market Risk

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

Currency Risk

As at 30 June 2023 there was no exposure to currency risk as there were no foreign currency transactions made during the year under review.

Interest Rate Risk

Interest rate risk is the risk that arises due to changes in interest rates on borrowing. There was no loan which is subject to floating rates of interest. The company has not entered into any type of derivative instrument in order to hedge interest rate as at the reporting date.

3.15 Share capital

Paid-up-capital represents total amount contributed by the shareholders and bonus shares issued by the company to the ordinary shareholders. Incremental costs directly attributable to the issue of ordinary shares are recognized as expenses as and when incurred. Holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to vote at shareholders' meetings. In the event of a winding up of the company, ordinary shareholders rank after all other shareholders. Creditors are fully entitled to any proceeds of liquidation before all shareholders.

3.16 Other Liabilities

Other Liabilities represent the amount due to various parties for receiving services. These are initially recognised at cost which is the fair value of the consideration received. After initial recognition these are carried at amortised cost.

3.17 Changes in Accounting Policy

There have been no changes in accounting policies.

3.18 Transactions with Related Companies

These represents balance amounts due to/ from sister concerns which are derived from short term loan, sale/purchase of goods from time to time. These are interest free and there is no fixed term of repayment. These balances are unsecured but considered good and realizable.

3.19 Provision and Contingencies

A provision is recognised in the Statement of Financial Position when the company has a legal or contractual obligation as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Contingencies arises from claims, litigations, assessments, fine, penalties etc. are recorded when it is probable that a liability has been incurred and the amount can be reasonably estimated. Contingent assets are not recognised.

04.00 Property, Plant and Equipment:

Particulars	Cost				Rate (%)	Depreciation				W.D.V. as at 30 June 2023
	Balance as on 01 July 2022	Addition during the year	Deletion during the year	Balance as on 30 June 2023		Charged During the Year	Adjustment/ deletion	Balance as on 30 June 2023	Amount in Taka	
Lighter Vessel	237,509,566	-	-	237,509,566	5%	11,875,478	-	19,749,083	217,760,483	
Computer	63,444	-	-	63,444	30%	3,424	-	63,443	-	
Office Equipment	20,995	-	-	20,995	20%	4,199	-	5,045	15,950	
Electrical Equipment	141,882	142,251	-	284,133	30%	85,239	-	106,463	177,670	
Other Equipment	147,518	-	-	147,518	30%	44,255	-	44,372	103,146	
Safety Equipment	342,042	-	-	342,042	30%	102,612	-	153,778	188,264	
Balance as at 30 June 2023	238,225,447	142,251	-	238,367,698		12,115,207	-	20,122,184	218,245,514	
Balance as at 30 June 2022	63,444	238,162,003	-	238,225,447		7,965,991	-	8,006,977	230,218,470	



	Note(s)	Amount in Taka	
		30 June 2023	30 June 2022
05.00 Cash and Cash Equivalents			
Cash in Hand		59,906	94,039
Cash at Bank	05.01	(861,504)	3,148,613
		(801,598)	3,242,652
05.01 Cash at Bank:			
		(870,170)	3,143,613
		8,666	5,000
		(861,504)	3,148,613
06.00 Trade Receivables			
Confidence Cement PLC		36,227,130	17,913,975
Confidence Cement - Ready Mix		1,758,972	-
Confidence Cement Dhaka Limited		-	2,468,505
Others	06.01	5,651,246	-
		43,637,348	20,382,480
06.01 Others			
Amin Enterprise		2,472,570	-
Cargo World Logistics		2,573,867	-
Halda International		604,800	-
SR Shipping Limited		9	-
		5,651,246	-
07.00 Advance, Deposit & Prepayments			
Advance	07.01	40,136,841	726,097
Prepayments	07.02	3,310,043	3,435,857
		43,446,884	4,161,954
07.01 Advance			
Advance to Parent Company	07.01.a	39,437,260	-
Advance to Employees	07.01.b	402,515	134,431
Advance to Supplier	07.01.c	297,066	591,666
		40,136,841	726,097
07.01.a Advance to Parent Company			
Confidence Cement PLC		39,437,260	-
		39,437,260	-
07.01.b Advance to Employees			
Abdul Halim		286,198	19,999
Imran Hossain		55,000	55,000
Imran Hossain (Lighter Operation Expense)		60,000	60,000
Mobile Bill		1,317	(568)
		402,515	134,431
07.01.c Advance to Supplier			
Sealift Stevedore Services Limited		-	28,750
Akij Shipping Limited		-	275,041
MJL Bangladesh Limited		33,066	23,875
Solar Bangladesh		264,000	264,000
		297,066	591,666
07.02 Prepayments			
Prepaid Insurance		3,310,043	3,435,857
		3,310,043	3,435,857
08.00 Share Money Receivable			
Confidence Cement Dhaka Limited		1,000,000	1,000,000
		1,000,000	1,000,000



09.00 Share Capital					
<u>Authorized Share Capital</u>					
20,000,000 Ordinary Shares of Tk. 10/= each				200,000,000	200,000,000
<u>Issued, Subscribed & Paid-Up Capital</u>					
10,000,000 Ordinary Shares of Tk. 10/= each			09.01	100,000,000	100,000,000
09.01	Name of Share Holder	Number of share	@ Per Share		
	Confidence Cement PLC	9,900,000	10	99,000,000	99,000,000
	Confidence Cement Dhaka Ltd.	100,000	10	1,000,000	1,000,000
		10,000,000		100,000,000	100,000,000
10.00 Long Term Borrowings					
Brac Bank Limited			10.01	182,315,736	-
				182,315,736	-
10.01 Maturity Analysis of Long Term Borrowings					
<u>Due within one (1) year</u>					
Term loan - Brac Bank Limited				50,878,810	-
				50,878,810	-
<u>Due after one (1) year</u>					
Term loan - Brac Bank Limited				131,436,926	-
				131,436,926	-
Lenders:					
The company entered into a term loan agreement for refinancing against the advances taken from Confidence Cement PLC (the parent company) for the purpose of building two vessels (namely MV Zodiac-1 and MV Zodiac-2) with Brac Bank Limited.					
Total Facilities: BDT 200 Million.					
Interest Rate: Interest rate is 8.5%					
Disbursement: First disbursement made on 29 January 2023.					
Repayments: The term loan is repayable in 48 (forty eight) monthly installments.					
Securities:					
Mortgage over 2 no of lighter vessels registered with governing authority (Mercantile Marine Division, i.e. MMD) / Inland Ship Registrar / respective regulatory authority) in favor of Brac Bank Limited.					
11.00 Payable to Parent Company					
Confidence Cement PLC				-	127,046,541
				-	127,046,541
12.00 Trade Payables					
Payable to Contractor			12.01	130,114	2,554,713
Payable to Suppliers			12.02	2,752,555	5,394,959
				2,882,669	7,949,672
12.01 Payable to Contractor					
Al-Hikma Trading				-	39,787
Mahmud Engineering				-	14,000
Marine Electric Service				-	36,200
Marine House Limited				-	2,421,000
Md. Nahid Hossain				123,239	33,159
Ocean Enterprise				-	10,567
Others				6,875	-
				130,114	2,554,713
12.02 Payable to Suppliers					
Amin & Sons				36,436	60,234
Ani Printinf & Publications				(247)	-



Arif Navigation	-	1,138,650
Asian Paints Bangladesh Limited	-	558,778
Hai Enterprise	11,780	-
Jahanara Enterprise	-	18,000
Jubilee Trade Center	-	34,740
Kamrul Hasan	-	100,000
Karnafuli Traders	-	148,900
Kohinoor Hardware Store	-	166,470
Maa Marine Engineering Works	15,000	-
N. Amin Trading	-	16,000
Nasbo Associates	-	172,350
Nava Enterprise	1,590,474	-
N.J. Marine Suppliers	432,686	-
Nurussafa & Sons	-	74,380
Procchad	-	950
QVC Associates	-	31,000
Sea Green Enterprise	666,426	2,584,000
Sonagazi Marine Engineering Works	-	48,000
SRS Resources Limited	-	113,665
Taslim Electric Store	-	43,374
Water Life Technology	-	17,500
Zainee Enterprise	-	67,968
	2,752,555	5,394,959

13.00 Liabilities for Expenses

Fleuve Naval Architects	-	249,690
Liabilities for Holiday Allowance	-	20,600
Liabilities for Other Expense	-	22,190
Liabilities for Salaries & Wages	29,700	571,065
Voyage Expense	-	93,574
Employees Income Tax Payable	2,004	2,000
Tax Deduction at Source-Professional Fee	-	5,000
Tax deduction at source-Suppliers	1,257,236	8,876,588
VAT deduction at source-Suppliers	1,646,691	12,787,388
VAT Payable	5,767,028	-
Audit Fee	57,500	184,000
Confidence Cement PLC (ZLL O.H. Expense)	-	126,113
Others	3,700	-
	8,763,859	22,938,208

14.00 Deferred Tax Liabilities / (Assets)

Opening Balance	432,894	-
Add/(Less): Provision / adjustment made during the year:		
Against temporary difference	(175,753)	432,894
	(175,753)	432,894
Adjusted during the year:		
Adjusted during the year against impact of depreciation on revaluation surplus	-	-
Closing Balance	257,141	432,894

As at 30 June 2023

Particulars	Carrying Amount	Tax Base	Temporary Difference	Rate Applied	Deferred Tax (Liability/Asset)
Property, Plant & Equipment	218,245,513	217,310,455	935,058	27.50%	257,141
					257,141

As at 30 June 2022

Particulars	Carrying Amount	Tax Base	Temporary Difference	Rate Applied	Deferred Tax (Liability/Asset)
Property, Plant & Equipment	230,218,470	228,644,309	1,574,161	27.50%	432,894
					432,894

15.00 Net Asset Value Per Share

Total Asset	305,528,148	259,005,556
Less: Total Liabilities	197,723,874	158,809,975
Net Asset Value (NAV)	107,804,274	100,195,581
Number of share outstanding	10,000,000	10,000,000
	10.78	10.02

Note(s)	Amount in Taka	
	01 July 2022 to 30 June	01 July 2021 to 30 June 2022

16.00 Revenue

Income from Discharged-Confidence Cement PLC	43,188,202	20,515,476
Income from Discharged-Confidence Cement Dhaka Limited	-	2,468,505
Income from Discharged-Confidence Cement Ready Mix	2,138,670	-
Income from Discharged-Amin Enterprise	6,821,714	-
Income from Discharged-Cargo World Logistics	5,521,697	-
	57,670,283	22,983,981

17.00 Cost of Service

Salaries, Wages & Benefits	8,032,217	4,128,982
Consumable Stores	109,227	997,485
Conveyance & Travelling Expenses	36,040	435,311
Entertainment	21,065	63,410
Advertisement	43,556	-
Fees & Subscription	19,300	462,340
Fuel Cost & Lubricants	10,670,784	2,628,686
General Expenses	8,700	25,828
Insurance Premium	5,097,689	1,724,998
Lighterage Running Expense	626,952	1,003,432
Mobile & Internet Bill	29,891	50,254
Postage	-	866
Printing & Stationery	13,666	7,463
Port Dues	24,243	-
Repair & Maintenance Expense	789,571	148,456
Stores, Spares & Others	1,931,548	-
Depreciation	12,115,207	7,965,991
	39,569,656	19,643,502

18.00 Administrative Overhead

Audit Fee	57,500	57,500
Legal & Professional Expense	166,250	57,500
Software Expense	-	40,000
	223,750	155,000

19.00 Financial Expenses

Bank Charge	10,698	1,648
Excise Duty	53,000	-
Interest on Long Term Loan	7,318,430	-
	7,382,128	1,648

20.00 Provision for Income Tax (Current Tax)

Opening Balance	442,660	-
Add: Provision during the year	3,061,809	442,660
	3,504,469	442,660



20.01

20.01 Provision for Income Tax (Current Tax)

Profit before Income Tax as per Financial Statements	10,494,749	3,183,832
Add: Item for separate consideration (Accounting Depreciation)	12,115,207	7,965,991
	22,609,956	11,149,823
Less: Tax based depreciation	(11,476,105)	(9,540,152)
	11,133,851	1,609,671
a) 0.60% of gross revenue	362,499	137,904
b) Minimum tax paid	-	-
c) on taxable income @ 27.5%	3,061,809	442,660
Therefore, tax liability whichever is higher of above three	3,061,809	442,660

21.00 Earnings per share (EPS)

(a) Earnings attributed to ordinary shareholders during the year	7,608,693	2,308,276
(b) Number of ordinary shares at the year end	10,000,000	10,000,000
Earnings Per Share (EPS) - Basic	0.76	0.23

22.00 Net operating cash flow per share

Net operating cash flows (from statement of cash flows)	(186,217,734)	99,888,373
Weighted average number of ordinary shares outstanding during the year	10,000,000	10,000,000
Net operating cash flow per share	(18.62)	9.99

22.00 Related Party Disclosure

During the year, the company carried out a transaction with its related party in the normal course of business and on an arms length basis. The name of the related party, nature of transaction and balance as at 30.06.2023 in accordance with the provisions of IAS-24 are presented below:

Name of the party	Relationship	Nature of Transaction	Balance as on 30 June 2023
Confidence Cement PLC	Parent Company	Multiple Business	77,423,362

23.00 General

Figures appearing in these financial statements have been rounded off to the nearest taka (BDT).



CONFIDENCE CEMENT PLC.

Registered Office : Confidence Heights, Plot-1, Lane-1, Road-2, Block-L, Haliashahar H/E, Agrabad Access Road, Chattogram. Tel : 023333 11471-3
023333 11475, 023333 10386, 023333 18962 (PABX), E-mail : info.ccl@cg-bd.com, Web : www.confidencecement.com.bd
Liaison Office : Ispahani Building (3rd Floor), 14-15 Motijheel C/A, Dhaka. Tel : 02-223382431, 02-223354934

PROXY FORM

I / We.....

of (address).....

being a member of Confidence Cement PLC, do hereby appoint, Mr. / Ms.

of (address)

as my / our proxy to attend and vote for me/us and on my / our behalf at the **32nd Annual General Meeting** to be held on

Saturday, 30 December 2023 at 11:00 a.m. under virtual platform through the link <https://agmbd.live/confidencecement2023>

As witness my / our hand this day of 2023.

**Affix
Revenue
Stamp**

(Signature of the Proxy)

Dated

(Signature of the Member)

Dated

BO ID No. or

Folio No

No. of share held :

Signature Verified

Authorized Signatory
Confidence Cement PLC.

- Note :
- Signature must be in accordance with specimen signature registered with the company.
 - The Proxy Form must be deposited at the Registered Office / Liaison Office of the company not later than 48 hours before the time fixed for the meeting. Otherwise, the proxy form will not be treated as valid.

শুধুমাত্র কনফিডেন্স সিমেন্টই
ব্যবহার করছে

A গ্রেড
ক্লিংকার



সর্বোচ্চমানের সিমেন্টে দরকার A গ্রেড ক্লিংকার

সর্বোচ্চমানের সিমেন্ট উৎপাদনের জন্য প্রয়োজন
A গ্রেড ক্লিংকার। সিমেন্ট উৎপাদনে শুধুমাত্র
কনফিডেন্স সিমেন্টই ব্যবহার করছে A গ্রেড
ক্লিংকার। যা আপনাকে দিচ্ছে সর্বোচ্চমানের
সিমেন্টের নিশ্চয়তা।



কনফিডেন্স সিমেন্ট | আস্থা রাখুন

কনফিডেন্স হাইটস, প্লট-১, লেইন-১, রোড-২, ব্লক-এল
হালিশহর হাউজিং এপার্টমেন্ট, আখ্যাবাদ এক্সেস রোড, চট্টগ্রাম।
ফোন : ৭১১৪৭১-৩, ৭২৮৩০৪, ২৫১০৩৮৬, ০১৭৩০-৩১০০৯২



confidencecement
Trust in

Registered Office

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