

TAUFIKA FOODS AND LOVELLO ICE-CREAM PLC

Third Quarter

Financial Statements 2021-22

(Unaudited)

**Taufika Foods and Lovello Ice-Cream PLC**  
**Statement of Financial Position**  
As at 31 March 2022


| PARTICULARS                            | NOTES | Amount in Taka       |                      |
|--|-------|----------------------|----------------------|
|  |       | 31-Mar-22            | 30-Jun-21            |
| <b>ASSETS:</b>                         |       |                      |                      |
| <b>A. Non-current Assets</b>           |       | <b>1,343,570,122</b> | <b>1,275,443,445</b> |
| Property, Plant & Equipments           | 4.00  | 1,054,947,484        | 986,583,283          |
| ROU Assets                             | 4.01  | 219,449,045          | 240,328,113          |
| Intangible Assets                      | 5.00  | 719,825              | 839,720              |
| Capital Work-in-progress               | 6.00  | 54,950,527           | 34,784,052           |
| Investment                             | 7.00  | 13,503,241           | 12,908,277           |
| <b>B. Current Assets</b>               |       | <b>820,801,123</b>   | <b>875,465,334</b>   |
| Inventories                            | 8.00  | 315,861,995          | 299,734,955          |
| Trade & Other Receivables              | 9.00  | 316,411,617          | 298,843,538          |
| Advance, Deposits & Prepayments        | 10.00 | 97,101,453           | 103,735,987          |
| Cash and Cash Equivalents              | 11.00 | 91,426,058           | 173,150,854          |
| <b>TOTAL ASSETS (A+B)</b>              |       | <b>2,164,371,245</b> | <b>2,150,908,778</b> |
| <b>EQUITIES &amp; LIABILITIES:</b>     |       |                      |                      |
| <b>C. Shareholders' Equity</b>         |       | <b>1,071,061,332</b> | <b>1,068,294,075</b> |
| Share Capital                          | 12.00 | 850,000,000          | 850,000,000          |
| Retained Earnings                      | 13.00 | 221,061,332          | 218,294,075          |
| <b>D. Non-current Liabilities</b>      |       | <b>673,629,279</b>   | <b>680,293,494</b>   |
| Deferred Tax Liability                 | 14.00 | 48,915,742           | 47,774,428           |
| Long-term Loan                         | 15.00 | 395,945,712          | 418,249,653          |
| Lease Liability                        | 16.00 | 228,767,825          | 214,269,414          |
| <b>E. Current Liabilities</b>          |       | <b>419,680,635</b>   | <b>402,321,209</b>   |
| Current Portion of Long-term Loan      | 15.00 | 113,127,346          | 119,499,901          |
| Current Portion of Lease Loan          | 16.00 | 83,844,373           | 78,530,644           |
| Short-Term Loan                        | 17.00 | 79,513,867           | 51,246,072           |
| Trade & Other Payables                 | 18.00 | 44,630,974           | 62,971,350           |
| Liabilities for Expenses               | 19.00 | 15,709,405           | 18,384,654           |
| Provision for WPPF                     | 20.00 | 7,090,695            | 5,672,354            |
| Provision for Income Tax               | 21.00 | 70,157,339           | 66,016,234           |
| Dividend Payable                       |       | 5,606,636            | -                    |
| <b>Total Equity &amp; Liabilities:</b> |       | <b>2,164,371,245</b> | <b>2,150,908,778</b> |
| <b>Net Asset Value Per Share</b>       |       | <b>12.60</b>         | <b>12.57</b>         |

The accompanying notes form an integral part of this financial statements are to be read in conjunction therewith.

  
Chairman

  
Managing Director

  
Director

  
Chief Financial Officer  
Place: Dhaka  
Date: 18 April, 2022

  
Company Secretary

**Taufika Foods and Lovello Ice-Cream PLC**  
Statement of Profit or Loss and other Comprehensive Income (Un-audited)  
For the 3rd Quarter Ended 31 March 2022

| PARTICULARS                           | NOTES | Nine Months Results |                    | 3rd Quarter Results |                     |
|---------------------------------------|-------|---------------------|--------------------|---------------------|---------------------|
|                                       |       | July'21-Mar'22      | July'20-Mar'21     | Jan'22-Mar'22       | Jan'21-Mar'21       |
|                                       |       | Taka                | Taka               | Taka                | Taka                |
| Sales                                 | 22.00 | 741,753,140         | 538,821,851        | 338,577,043         | 179,163,075         |
| Less: Cost of Goods Sold              | 23.00 | 427,820,666         | 314,379,962        | 197,773,619         | 104,803,825         |
| <b>Gross Profit</b>                   |       | <b>313,932,474</b>  | <b>224,441,889</b> | <b>140,803,424</b>  | <b>74,359,249</b>   |
| <b>Operating Expenses:</b>            |       | <b>104,744,792</b>  | <b>100,392,209</b> | <b>42,950,759</b>   | <b>41,289,818</b>   |
| Administrative Expenses               | 24.00 | 11,769,602          | 10,750,957         | 4,022,259           | 3,863,498           |
| Marketing Expenses                    | 25.00 | 92,975,189          | 89,641,252         | 38,928,500          | 37,426,320          |
| <b>Operating income</b>               |       | <b>209,187,683</b>  | <b>124,049,680</b> | <b>97,852,665</b>   | <b>33,069,432</b>   |
| <b>Financial Expenses</b>             |       | <b>83,256,126</b>   | <b>82,802,006</b>  | <b>31,931,681</b>   | <b>31,767,022</b>   |
| Loan Interest                         | 26.00 | 83,256,126          | 82,802,006         | 31,931,681          | 31,767,022          |
| <b>Profit before other income</b>     |       | <b>125,931,556</b>  | <b>41,247,674</b>  | <b>65,920,984</b>   | <b>1,302,410</b>    |
| Other Income                          | 27.00 | 5,028,148           | 3,152,398          | 1,972,981           | 482,634             |
| <b>Net profit before WPPF</b>         |       | <b>130,959,705</b>  | <b>44,400,072</b>  | <b>67,893,965</b>   | <b>1,785,044</b>    |
| Provision for WPPF                    | 20.00 | 6,236,176           | 2,114,289          | 3,233,046           | 85,002              |
| <b>Net Profit Before Tax</b>          |       | <b>124,723,528</b>  | <b>42,285,783</b>  | <b>64,660,919</b>   | <b>1,700,042</b>    |
| <b>Income tax expense</b>             |       | <b>28,456,272</b>   | <b>(4,349,227)</b> | <b>14,942,185</b>   | <b>(17,539,593)</b> |
| Current Tax                           | 21.00 | 27,314,957          | 8,872,640          | 14,662,466          | (3,312,856)         |
| Deferred Tax                          | 14.00 | 1,141,314           | (13,221,866)       | 279,718             | (14,226,736)        |
| <b>Net Profit after Tax</b>           |       | <b>96,267,257</b>   | <b>46,635,010</b>  | <b>49,718,735</b>   | <b>19,239,635</b>   |
| Other Comprehensive Income            |       |                     |                    |                     |                     |
| <b>Total Comprehensive Income</b>     |       | <b>96,267,257</b>   | <b>46,635,010</b>  | <b>49,718,735</b>   | <b>19,239,635</b>   |
| <b>Earnings per Share (Per value)</b> | 28.00 | <b>1.13</b>         | <b>0.76</b>        | <b>0.58</b>         | <b>0.26</b>         |

The accompanying notes form an integral part of this financial statements are to be read in conjunction therewith.



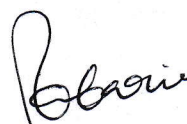
Chairman



Managing Director



Chief Financial Officer



Company Secretary



Director

Place: Dhaka  
Date: 18 April, 2022




**Taufika Foods and Lovello Ice-Cream PLC**  
Statement of Changes in Equity (Un-audited)  
For the 3rd Quarter Ended 31 March 2022

| Particulars                         | Share Capital      | Share Money Deposit | Retained Earnings  | Total                |
|-------------------------------------|--------------------|---------------------|--------------------|----------------------|
| Balance as on July 01, 2021         | 850,000,000        | -                   | 218,294,075        | 1,068,294,075        |
| Share Capital                       |                    | -                   | -                  | -                    |
| Share Money Deposit                 | -                  | -                   | -                  | -                    |
| Adjustment for Dividend             |                    |                     | (93,500,000)       | (93,500,000)         |
| Net Income for the period           | -                  | -                   | 96,267,257         | 96,267,257           |
| <b>Balance as on March 31, 2022</b> | <b>850,000,000</b> | <b>-</b>            | <b>221,061,332</b> | <b>1,071,061,332</b> |

**Taufika Foods and Lovello Ice-Cream PLC**  
Statement of Changes in Equity (Un-audited)  
For the 3rd Quarter Ended 31 March 2021

| Particulars                         | Share Capital      | Share Money Deposit | Retained Earnings  | Total                |
|-------------------------------------|--------------------|---------------------|--------------------|----------------------|
| Balance as on July 01, 2020         | 550,000,000        | -                   | 151,050,672        | 701,050,672          |
| Share Capital                       | 300,000,000        | -                   | -                  | 300,000,000          |
| Share Money Deposit                 | -                  | -                   | -                  | -                    |
| Adjustment for IPO Expenses         |                    |                     | (23,739,472)       | (23,739,472)         |
| Net Income for the period           | -                  | -                   | 46,635,010         | 46,635,010           |
| <b>Balance as on March 31, 2021</b> | <b>850,000,000</b> | <b>-</b>            | <b>173,946,210</b> | <b>1,023,946,210</b> |



Chairman



Managing Director



Director



Chief Financial Officer



Company Secretary

Place: Dhaka

Date: 18 April, 2022

**Taufika Foods and Lovello Ice-Cream PLC**

Statement of Cash Flows (Un-audited)  
For the 3rd Quarter Ended 31 March 2022

| PARTICULARS  | Note | 3rd Quarter Ended    |                      |
|--|------|----------------------|----------------------|
|  |      | 31-Mar-22            | 31-Mar-21            |
|  |      | Taka                 | Taka                 |
| <b>A. Cash Flows from Operating Activities :</b>                 |      |                      |                      |
| Cash Received from Customers                                     |      | 724,185,060          | 518,099,378          |
| Cash Received from other Sources                                 |      | 5,028,148            | 3,152,398            |
| Cash Paid to Suppliers and Creditors                             |      | (432,423,819)        | (375,521,692)        |
| Cash Paid for Operating Expenses                                 |      | (63,226,964)         | (57,449,039)         |
| Cash paid for Income Taxes                                       |      | 1,917,265            | (15,285,709)         |
| <b>Net cash inflow/(outflow) from operating activities</b>       |      | <b>235,479,690</b>   | <b>72,995,335</b>    |
| <b>B. Cash flow from Investing Activities:</b>                   |      |                      |                      |
| Acquisition of Property, Plant & Equipment                       |      | (144,696,995)        | (120,748,251)        |
| Increase Investment  |      | (594,965)            | (802,891)            |
| Capital Work in Progress   |      | (20,166,475)         | (30,998,241)         |
| <b>Net cash inflow/ (outflow) in Investing Activities</b>        |      | <b>(165,458,434)</b> | <b>(152,549,383)</b> |
| <b>C. Cash flow from Financing Activities:</b>                   |      |                      |                      |
| Paid up capital  |      | -                    | 300,000,000          |
| Bank Loan  |      | (408,701)            | (49,124,151)         |
| Lease Loan   |      | 19,812,140           | 7,865,561            |
| Finance Expense  |      | (83,256,126)         | (82,802,006)         |
| Dividend Payment   |      | (87,893,364)         |                      |
| <b>Net cash inflow/(outflow) in financing activities</b>         |      | <b>(151,746,051)</b> | <b>175,939,404</b>   |
| <b>D. Increase(Decrease) in Cash and Cash Equivalent (A+B+C)</b> |      | <b>(81,724,795)</b>  | <b>96,385,356</b>    |
| <b>E. Opening of Cash and Cash Equivalent</b>                    |      | <b>173,150,854</b>   | <b>104,574,867</b>   |
| <b>F. Ending Cash and Cash Equivalent (D+E)</b>                  |      | <b>91,426,059</b>    | <b>200,960,223</b>   |
| <b>Net Operating Cash Flow Per Share (NOCFPS)</b>                |      | <b>2.77</b>          | <b>0.86</b>          |



Chairman



Managing Director



Director



Chief Financial Officer



Company Secretary

Place: Dhaka  
Date: 18 April, 2022

**Taufika Foods and Lovello Ice-Cream PLC**  
Explanatory Notes to the Financial Statements  
For the 3rd Quarter Ended March 31, 2022

**1.00 Corporate History of the Reporting Entity**

**1.01 Legal Status of the Entity**

Taufika Foods and Lovello Ice-Cream PLC (The Company) was incorporated in Bangladesh as a Private Limited Company under The Companies Act, 1994 vide Registration No. C-94700/11 dated August 07, 2011. Subsequently, the Company was converted into a public limited Company dated 08 July 2019.

The Company started its commercial operation on January 02, 2016. Its Corporate Head Office located at Plot-80, Road-02, Banani, Dhaka-1213 and Factory is located at Bashil, Kathali, Valuka, Mymensingh.

**1.02 Corporate Business**

The Company is an Ice-cream manufacturer and supplier in Bangladesh.

**2.00 Basis of preparation, presentation and disclosures of financial statements**

**2.01 Statement of Compliance**

The financial statements have been prepared under historical cost convention on a going concern basis following accrual basis of accounting in accordance with the International Accounting Standards (IASs), International Financial Reporting Standards (IFRSs), The Companies Act 1994 and Securities and Exchange Rules 1987.

**2.02 Regulatory Compliances**

The financial statements of the company under reporting have been prepared in accordance with Generally Accepted Accounting Principles and Practice in Bangladesh in compliance with The Companies Act 1994, The Securities and Exchange Rules 1987, The Listing Regulations of Dhaka Stock Exchange Ltd (DSE) & Chittagong Stock Exchange Ltd. (CSE), International Accounting Standards (IAS) as adopted by The Institute of Chartered Accountants of Bangladesh (ICAB), International Financial Reporting Standards (IFRS) as adopted by the The Institute of Chartered Accountants of Bangladesh (ICAB) and other applicable rules and regulations.

**2.03 Basis of measurement**

These financial statements have been prepared under the ‘historical cost’ convention method.

**2.04 Fundamental Accounting Concepts/ Assumption**

The Financial Statements have been prepared based on Going Concern, Consistency and Accrual Concepts and such other convention as required by IAS-1 for Fair Presentation of Financial Statements.

**Taufika Foods and Lovello Ice-Cream PLC**  
Explanatory Notes to the Financial Statements  
For the 3rd Quarter Ended March 31, 2022

**2.05 Other regulatory compliances**

In addition, the Company is also required to comply with the following major legal provisions:

The Income Tax Ordinance, 1984  
The Income Tax Rules, 1984  
The Value Added Tax Act, 1991  
The Value Added Tax Rules, 1991  
The Value Added Tax (Amendment) Act, 2012  
The Value Added Tax (Amendment) Rules, 2012  
The Customs Act 1969  
The Company Act 1994  
The Bangladesh Labour Act 2006, and  
Bangladesh Labour (Amendment) Rules 2015

**2.06 Presentation of Financial Statements**

The presentation of these financial statements is in accordance with the guidelines provided by IAS 1 'Presentation of Financial Statements'. The Financial Statement comprises

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

**2.07 Preparation and Presentation of Financial Statements of the Company**

The Board of Directors are responsible for preparing and presenting the financial statements including adequate disclosures, who approved and authorized for issue of this financial statements.

**2.08 Going Concern**

The company has adequate resources to continue in operation for the foreseeable future. For this reasons the directors continue to adopt going concern basis in preparing the financial statements. The current credit facilities and resources of the company provides sufficient fund to meet the present requirements of its existing business.

**2.09 Reporting Period**

The period of the financial statements covers period from July 01, 2021 to March 31, 2022.

**2.10 Provisions**

In accordance with the guidelines as prescribed by IAS-37: Provisions, Contingent Liabilities and Contingent Assets, provisions are recognized in the following situations:

- a. when the company has an obligation ( legal or constructive) as a result of past events;
- b. when it is probable that an outflow of resources embodying economic benefits will be required to
- c. reliable estimates can be made of the amount of the obligation.

**Taufika Foods and Lovello Ice-Cream PLC**  
Explanatory Notes to the Financial Statements  
For the 3rd Quarter Ended March 31, 2022

**2.11 Events after the Reporting Period**

In compliance with the requirements of IAS 10: Events After the Reporting Period, post statement of financial position events that provide additional information about the company's position at the reporting date are reflected in the financial statements and events after the reporting period there are adjusting events those are disclosed as follows:

- i. The company did not declared any dividend in this period.

**2.12 Functional and Presentational (Reporting) Currency**

The financial statements are prepared and presented in Bangladesh Currency (Taka), Which is the company's functional currency. All financial information presented have been rounded off to the nearest Taka except where indicated otherwise.

Figures in brackets indicated negative balance.

**2.13 Comparative Information and Rearrangement Thereof**

Comparative figures have been re-arranged wherever considered necessary to ensure better comparability with the current period without causing any impact on the profit and value of assets and liabilities as reported in the financial statements.

**2.14 Principal Accounting Policies**

The specific accounting policies selected and applied by the company's directors for significant transactions and events that have material effect in preparation and presentation of financial statements within the framework of IAS-1 "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 the format of financial statements were also taken into full consideration for fair presentation:

|         |  |
|---------|--|
| 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 19  | Employee Benefits  |
| IAS 23  | Borrowing Costs  |
| IAS 24  | Related Party Disclosures  |
| IAS 33  | Earnings Per Share   |
| IAS 37  | Provisions, Contingent Liabilities and Contingent Assets,          |
| IAS 38  | Intangible Assets  |
| IAS 39  | Financial Instruments: Recognition and Measurement                 |
| IFRS 01 | First-time Adoption of International Financial Reporting Standards |
| IFRS 07 | Financial Instruments: Disclosures                                 |
| IFRS 13 | Fair Value Measurement   |
| IFRS 15 | Revenue from Contracts with Customers                              |
| IFRS 16 | Leases   |



**Taufika Foods and Lovello Ice-Cream PLC**  
Explanatory Notes to the Financial Statements  
For the 3rd Quarter Ended March 31, 2022

**3.00 Summary of Significant Accounting Policies**

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 the format of financial statements were also taken into full consideration for fair presentation.

**3.01 Property, Plant & Equipment (PPE)**

**i) Recognition of Property, Plant & Equipment**

These are capitalized at cost of acquisition and revalued amount and subsequently stated at cost less accumulated depreciation. The cost of acquisition comprises of purchase price, including import duties and non-refundable Taxes and any directly attributable cost of bringing the assets to its working condition for its intended use. Expenditure incurred after the assets have been put into operation, such as repairs and maintenance is normally charged off as revenue expenditure in the period 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, the expenditure is capitalized. On retirement or otherwise disposal of PPE, the cost and accumulated depreciation are eliminated and any gain or loss on such disposal is reflected in the income statement which is determined with reference to the net book value of PPE and the net sales proceeds.

**ii) Depreciation**

Depreciation on all PPE other than Land & Land development has been charged when the PPE was available for use and is computed using the Reducing balance method so as to write off the assets over their expected useful life. Office space is depreciated as per lease contract.

After considering the useful life of PPE as per IAS-16, the annual depreciation rates have been applied as under which is considered reasonable by the management.

| Particulars             | 31 March-2021 | 31 March-2022 |
|-------------------------|---------------|---------------|
| Land & Land Development | 0%            | 0%            |
| Building & Civil Works  | 5%            | 5%            |
| Plant and Machinery     | 10%           | 10%           |
| Furniture and Fixtures  | 10%           | 10%           |
| Freezer                 | 10%           | 10%           |
| Office Equipment        | 10%           | 10%           |
| Motor Vehicles          | 20%           | 20%           |
| Computer Software       | 50%           | 50%           |

**3.02 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 the period 31 March 2022 and these are stated at cost.

**Taufika Foods and Lovello Ice-Cream PLC**  
Explanatory Notes to the Financial Statements  
For the 3rd Quarter Ended March 31, 2022

**3.03 Impairment of assets**

All Fixed assets have been reviewed and it was confirmed that no such fixed assets have been impaired during the year and for this reasons, no provision has been made for impairment of assets.

**3.04 Revenue Recognition**

As per IFRS-15 “Revenue from Contracts with Customers”, Revenue is too recognized when it is probable that the economic benefits associated with the transaction will flow to the organization and the amount of revenue can be measured reliably. The Company recognizes revenue at the point of raising invoices to the customers/clients. Turnover is shown net of return and discount. Sales revenue is recognized on accrual basis as and when goods are delivered.

**Other Income**

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

**3.05 Long Term Loan**

Long Term loans are non-current liabilities arising from loans taken from different banks which are repayable within more than one year.

**3.06 Short term loan and bank overdraft**

Short term loans are current liabilities arising from loans taken from different banks which are repayable within one year. Bank overdrafts are repayable on demand which were taken to meet up the working capital requirement.

**3.07 Liability for expenses**

Liabilities are recognized for amounts to be paid in future for goods and services, whether or not billed by the suppliers.

**3.08 Advances, deposits and pre-payments**

Advances, Deposits & Pre-payments are unsecured but considered good.

**i) Advances**

Advances are initially measured at cost. After initial recognition, advances are carried at cost less deductions, adjustments or changes to other accounts heads.

**ii) Deposits**

Deposits are measured at payment value.

**Taufika Foods and Lovello Ice-Cream PLC**  
Explanatory Notes to the Financial Statements  
For the 3rd Quarter Ended March 31, 2022

**iii) Prepayments**

Prepayments are initially measured at cost. After initial recognition, prepayments are carried at cost less charge to profit and loss accounts.

**3.09 Inventories**

Inventories comprise Raw Materials, Packaging Material, Finished Goods and Work in process. They are stated at the lower of cost or net realizable value in accordance with IAS 2 “Inventories” after making due allowance for any obsolete or slow moving item. The costs of inventories are assigned by using weighted average cost method. Net realizable value of Work in Process is determined after deducting the estimated cost of completion and estimated cost necessary to make the sale from estimated selling price.

**3.10 Basis of valuation of inventories**

| <u>Category</u>                       | <u>Basis of Valuation</u>  |
|---------------------------------------|--|
| Finished products and work-in-process | At the lower of cost and net realizable value. The cost includes allocation of production overheads that relate to bringing the inventories to their present condition and location. |
| Raw and packaging materials           | At the lower of cost and net realizable value.   |
| Spares accessories & others           | At the lower of cost and net realizable value.   |
| Goods in transit                      | At cost including related charges.   |

**3.11 Finance Costs:**

Finance costs comprise interest expense on bank loan and other borrowings and are recognized in the income statement using effective interest method.

**3.12 Finance Income:**

Finance income comprise of interest income receivable from FDR from Trust Bank Ltd. and Shimanto Bank Ltd. And also interest received from bank current accounts.

**3.13 Employees' benefit schemes**

**i) Defined contribution fund (Provident fund)**

The Company maintains an equal contributory recognized provident fund @10% for its eligible permanent employees. The provident fund is being considered as defined contribution plan being managed by a separate Board of Trustees.

**Taufika Foods and Lovello Ice-Cream PLC**  
Explanatory Notes to the Financial Statements  
For the 3rd Quarter Ended March 31, 2022

**ii) Workers' profit participation and welfare fund**

The Company recognizes a provision for workers' profit participation and welfare fund (WPPF) @ 5% of income before tax and it has been managing, disbursing and investing as per provisions of the Bangladesh Labour (Amendment) Act, 2013. The Company is making the payment within nine months at the end of the relevant financial year. 80% of the Fund is being paid to eligible employees, 10% to Government Workers Welfare Foundation and remaining 10% to Taufika Foods and Agro Industries Limited Employees Welfare Fund as per provision of Bangladesh Labour (Amendment) Act, 2013.

**iii) Group insurance scheme**

The Company operates a group insurance scheme for its permanent employees as per provision of the Bangladesh Labor (Amendment) Rules, 2015. The permanent employees include full time permanent employees and workers of the Company. Payment in this regard has been accounted for in the accompanying financial statements

**3.14 Statement of Cash flows**

Cash Flow Statement is prepared in accordance with IAS-7: Statement of Cash Flows under Direct Method as prescribed by Bangladesh Securities and Exchange (BSEC) rule 1987

**3.15 Cash and Cash Equivalents**

Cash and cash equivalents consist of bank balances, cash in hand and cash equivalents like demand draft, pay orders etc in hand that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

**3.16 Trade receivables**

Trade receivables are recognized and stated at original invoiced amounts and carried at anticipated realizable values. Bad debts are written off when it is established that they are irrecoverable. No bad debt incurred in the period.

**3.17 Trade payables**

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

**3.18 Provisions**

All provision is recognized on the balance sheet date if, as a result of a past event. The company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefit will be required to settle the obligation.

**3.19 Borrowings Costs**

Financial Expenses (Borrowing Costs) incurred during the year was recognized as revenue expenses in accordance with IAS-23 "Borrowings Costs". No borrowing cost incurred during the period.

**Taufika Foods and Lovello Ice-Cream PLC**  
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**3.20 Income Tax**

The tax expense for the period comprises current and deferred tax. Tax is recognised in the income statement, except to the extent that it relates to items recognised other comprehensive income or directly in equity. In this case, the tax is recognised in other comprehensive income or directly in equity, respectively.

**i) Current Tax**

Necessary provision for tax has been made as per Income Tax Ordinance 1984. Current tax is the expected tax payable on the taxable income for the financial year, using tax rates enacted or subsequently enacted after the reporting date and any adjustment to tax payable in respect of previous years. Provision for taxation is calculated on the basis of applicable current tax rate and non-compliance with Finance Act on the accounting profit made by the company as per ITO 1984 in compliance with IAS-12 "Income Taxes".

**ii) Deferred Tax**

Deferred Tax assets and liabilities are measured using tax rates and tax laws that have been enacted or subsequently enacted at the balance sheet date. The impact on the account of changes in the deferred tax assets and liabilities for the period ended March 31, 2021 has been recognized in the statement of Profit or Loss and other comprehensive income as per IAS-12 "Income Taxes".

**3.21 Contingent Liabilities and Assets**

Contingent liabilities are current or possible obligations, arising from past events and whose existence is due to the occurrence or non- occurrence of one or more uncertain future events, which are not within the control of the company. In accordance with IAS 37 provisions, contingent liabilities and contingent assets, there were no contingent liabilities and assets.

- i. the company has transferred to the buyer the significant risks and rewards of ownership of the goods;
- ii. the company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- iii. the amount of revenue can be measured reliably;
- iv. it is probable that the economic benefits associated with the transaction will flow to the company; and
- v. the cost incurred or to be incurred in respect of the transaction can be measured reliably.

**3.22 VAT**

The Company's net sales is considered with 15% applicable VAT and 5% supplementary duty.

**3.23 Statement of Changes in Equity**

Statement of changes in equity is prepared in accordance with IAS-1 "Presentation of Financial Statements". This statement reflects information about the increase or decrease in net assets or wealth.

**3.24 Related party disclosures**

The Company carried out a number of transactions with related parties in the normal course of business and on an arms' length basis. The information as required by IAS-24: "Related Party Disclosures" has been disclosed in a separate note to the financial statements.



**Taufika Foods and Lovello Ice-Cream PLC**  
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**3.25 Materiality and aggregation**

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

**3.26 Segment information**

The Company is primarily engaged in the manufacturing and selling of similar type of products. The Company's business is not organized in such a way which may identify different products/ geographical components structurally. Hence segmentation within a wide portfolio of products/ geographical location is not a part of the regular internally reported financial information to the operating decision makers. Therefore, it is not possible to segment the Company's results by products/ geographic location which might involve a high degree of estimation.

**3.27 Earnings per Share**

This has been calculated in compliance with the requirements of IAS 33: "Earnings Per share" by dividing the basic earnings by the number of ordinary shares outstanding during the year.

**3.28 Basic Earning**

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

**3.29 Changes in significant accounting policies - IFRS 16 Leases**

**3.30.01 IFRS 16 Leases**

**Nature and effect of Changes**

Previously, LOVELLO determined at contract inception whether an arrangement is or contains a lease under IFRIC 4. Under IFRS 16, LOVELLO assesses whether a contract is or contains a lease based on the definition of a lease.

On transition to IFRS 16, LOVELLO evaluated all types of contracts to assess whether a contract is or contains, a lease at the date of initial application.

**As a Lessee**

As a lessee, LOVELLO previously classified leases as operating or finance leases based on its assessment of whether the lease transferred significantly all of the risks and rewards incidental to ownership of the underlying asset to LOVELLO. Under IFRS 16, LOVELLO recognises right-of-use assets and lease liabilities for all leases.

**(i) Leases classified as operating leases under IAS 17**

At transition, lease liabilities were measured at the present value of the remaining lease payments, discounted at LOVELLO's incremental borrowing rate as at 01 July 2020. Right-of-use assets are measured at an amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments.

**Taufika Foods and Lovello Ice-Cream PLC**  
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**(ii) Leases previously classified as finance leases**

For leases that were classified as finance leases under IAS 17, the carrying amount of the right-of-use asset and the lease liability at 01 July 2019 are determined at the carrying amount of the lease asset and lease liability under IAS 17.

**As at 01 July 2019:**

Right-of-use assets of BDT 271,982,626 were recognised and presented separately in the statement of financial position. This includes the lease assets recognised previously under finance leases of BDT 261,085,525 that were reclassified from property, plant and equipment and Office rent were discounted at BDT 10,897,101.

When measuring lease liabilities, LOVELLO discounted lease payments using its incremental borrowing rate 12% at 01 July 2019. And advance against the lease is BDT 11,50,000 which will be adjusted in covering last installments.

**Taufika Foods and Lovello Ice-Cream PLC**  
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|   |  |                 | Amount in Taka       |                      |
|---|--|-----------------|----------------------|----------------------|
|   |  |                 | 31-Mar-22            | 2020-21              |
| <b>4.00</b>   | <b>Property, Plant &amp; Equipment</b> |                 |                      |                      |
|   | <b>At Cost:</b>                        |                 |                      |                      |
|   | Opening Balance                        |                 | 1,377,424,500        | 1,200,619,949        |
|   | Addition During the Period             |                 | 144,456,995          | 176,804,551          |
|   | <b>Closing balance</b>                 |                 | <b>1,521,881,495</b> | <b>1,377,424,500</b> |
|   | <b>Accumulated Depreciation:</b>       |                 |                      |                      |
|   | Opening Balance                        |                 | 390,841,217          | 296,327,876          |
|   | Addition During the Period             |                 | 76,092,793           | 94,513,342           |
|   | <b>Closing Balance</b>                 |                 | <b>466,934,011</b>   | <b>390,841,217</b>   |
|   | <b>Written Down Value</b>              |                 | <b>1,054,947,484</b> | <b>986,583,283</b>   |
| (Details of Property, Plant & Equipment are provided in the Annexure-A) |  |                 |                      |                      |
| <b>4.01</b>   | <b>ROU Assets</b>                      |                 |                      |                      |
|   | <b>At Cost:</b>                        |                 |                      |                      |
|   | Opening Balance                        |                 | 407,384,234          | 407,384,234          |
|   | Addition During the period             |                 | -                    | -                    |
|   | <b>Closing balance</b>                 |                 | <b>407,384,234</b>   | <b>407,384,234</b>   |
|   | <b>Accumulated Depreciation:</b>       |                 |                      |                      |
|   | Opening Balance                        |                 | 167,056,121          | 135,401,609          |
|   | Addition During the period             |                 | 20,879,069           | 31,654,512           |
|   | <b>Closing Balance</b>                 |                 | <b>187,935,190</b>   | <b>167,056,121</b>   |
|   | <b>Written Down Value</b>              |                 | <b>219,449,045</b>   | <b>240,328,113</b>   |
| (Details of Property, Plant & Equipment are provided in the Annexure-A) |  |                 |                      |                      |
| <b>5.00</b>   | <b>Intangible Assets</b>               |                 |                      |                      |
|   | <b>At Cost:</b>                        |                 |                      |                      |
|   | Opening Balance                        |                 | 3,323,633            | 2,696,433            |
|   | Addition During the period             |                 | 240,000              | 627,200              |
|   | <b>Closing Balance</b>                 |                 | <b>3,563,633</b>     | <b>3,323,633</b>     |
|   | <b>Accumulated Depreciation:</b>       |                 |                      |                      |
|   | Opening Balance                        |                 | 2,483,913            | 1,957,793            |
|   | Addition During the period             |                 | 359,895              | 526,120              |
|   | <b>Closing Balance</b>                 |                 | <b>2,843,808</b>     | <b>2,483,913</b>     |
|   | <b>Written Down Value</b>              |                 | <b>719,825</b>       | <b>839,720</b>       |
| (Details Intangible Assets are provided in the Annexure-A)              |  |                 |                      |                      |
| <b>6.00</b>   | <b>Capital Work in Progress</b>        |                 |                      |                      |
|   | Storage Box                            |                 | 23,110,948           | 9,146,752            |
|   | Plant & Machinery                      |                 | 25,637,300           | 25,637,300           |
|   | Freezer                                |                 | 6,202,279            | -                    |
|   |  |                 | <b>54,950,527</b>    | <b>34,784,052</b>    |
| <b>7.00</b>   | <b>Investment</b>                      |                 |                      |                      |
|   | FDR Investment                         | 7.01            | 13,503,241           | 12,908,277           |
|   |  |                 | <b>13,503,241</b>    | <b>12,908,277</b>    |
| <b>7.01</b>   | <b>FDR Investment</b>                  |                 |                      |                      |
|   | <b>Name of Bank</b>                    | <b>FDR No.</b>  |                      |                      |
|   | Trust Bank                             | 0022-0330059006 | 11,264,502           | 10,747,500           |
|   | Shimanto Bank                          | 1001-343000092  | 2,238,739            | 2,160,777            |
|   |  |                 | <b>13,503,241</b>    | <b>12,908,277</b>    |

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|                         |  | Amount in Taka     |                    |
|-------------------------|--|--------------------|--------------------|
|                         |  | 31-Mar-22          | 2020-21            |
| <b>8.00 Inventories</b> |  |                    |                    |
| Raw Materials           |  | 190,805,430        | 184,056,096        |
| Work in Progress        |  | 19,119,598         | 17,619,365         |
| Finished Goods          |  | 105,936,967        | 98,059,494         |
|                         |  | <b>315,861,995</b> | <b>299,734,955</b> |

At the end of the year physical verification of Inventories were carried out.

**9.00 Trade & Other Receivables**

|                   |             |                    |                    |
|-------------------|-------------|--------------------|--------------------|
| Trade Receivables | <b>9.01</b> | 316,411,617        | 298,843,538        |
|                   |             | <b>316,411,617</b> | <b>298,843,538</b> |

**9.01 Trade Receivables**

|                       |                    |                    |
|-----------------------|--------------------|--------------------|
| Bogra Territory       | 20,729,495         | 19,742,376         |
| Khulna Territory      | 15,437,962         | 14,702,821         |
| Barishal Territory    | 15,747,304         | 14,997,432         |
| Rangpur Territory     | 19,477,930         | 19,875,438         |
| Chattagram Territory  | 24,091,025         | 24,334,369         |
| Cumilla Territory     | 23,942,947         | 24,683,450         |
| Uttara Territory      | 25,032,865         | 25,543,740         |
| Rampura Territory     | 29,719,879         | 31,956,859         |
| Jatrabari Territory   | 23,419,162         | 19,515,968         |
| Sylhet Territory      | 20,603,147         | 18,730,134         |
| Faridpur Territory    | 17,307,096         | 15,049,649         |
| Bosilla Territory     | 28,064,786         | 29,541,880         |
| Cox's Bazar Territory | 17,255,151         | 15,406,385         |
| Noaykhali Territory   | 10,040,940         | 8,032,752          |
| Jessore Territory     | 10,392,235         | 8,313,788          |
| Mymensingh Territory  | 10,520,621         | 8,416,497          |
| Rajshahi Territory    | 4,629,073          | -                  |
|                       | <b>316,411,617</b> | <b>298,843,538</b> |

**Ageing of Trade receivables**

|                        |      |                    |                    |
|------------------------|------|--------------------|--------------------|
| Due for 3 months       | 0.62 | 196,175,203        | 185,282,993        |
| Due for 3 to 6 months  | 0.33 | 104,415,834        | 98,618,367         |
| Due for above 6 months | 0.05 | 15,820,581         | 14,942,177         |
|                        |      | <b>316,411,617</b> | <b>298,843,538</b> |

Full information as per requirements of the Para 4 Part I, schedule XI, of the Companies Act, 1994 regarding Trade receivables as on March 31, 2022 are as follows:

| Sl.  | Particulars  | 31 March, 2022     | 30 June, 2021      |
|------|--|--------------------|--------------------|
| i.   | Receivables considered good in respect of which the company is fully secured.  |                    |                    |
| ii.  | Receivables considered good in respect of which the company holds no security other than the debtor personal security.   | <b>316,411,617</b> | <b>298,843,538</b> |
| iii. | Receivable considered doubtful or bad.   |                    |                    |
| iv.  | Accounts Receivable due by any director or other officer of the company or any of them either severally or jointly with any other person or debts due firm or private companies respectively in which any director is a partner or a director or a member to be separately stated. |                    |                    |

**Taufika Foods and Lovello Ice-Cream PLC**  
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|            |  | <b>Amount in Taka</b> |                |
|------------|--|-----------------------|----------------|
|            |  | <b>31-Mar-22</b>      | <b>2020-21</b> |
| <b>v.</b>  | Receivables due by companies under the same management to be disclosed with the names of the companies;  |                       |                |
| <b>vi.</b> | The maximum amount of receivable due by any director or other officer of the company at any time during the year to be shown by way of a note. |                       |                |

- i) Debt considered good and in respect of which the company can realize it fully.
- ii) Debts considered good for which the company holds no security other than the debtors personal security
- iii) Management considered the trade receivables are collectible and thus no provision had been made.
- iv) There is no such trade receivables due by or to director or other officers of the company.

**10.00 Advance, Deposits & Pre-payments**

|              |       |                   |                    |
|--------------|-------|-------------------|--------------------|
| Advance      | 10.01 | 58,907,692        | 62,584,422         |
| Deposit      | 10.02 | 37,641,703        | 38,508,579         |
| Pre-payments | 10.03 | 552,058           | 2,642,986          |
|              |       | <b>97,101,453</b> | <b>103,735,987</b> |

**10.01 Advance**

|                               |          |                   |                   |
|-------------------------------|----------|-------------------|-------------------|
| AIT & Source Tax              | 10.01.01 | 36,881,278        | 38,798,543        |
| Advance to BSTI & Halal Sonod |          | 2,236,360         | -                 |
| Advance for Office Rent       |          | 1,150,000         | 1,150,000         |
| Advance to Supplier           |          | 18,640,054        | 22,635,879        |
|                               |          | <b>58,907,692</b> | <b>62,584,422</b> |

**10.02 Deposit**

|            |          |                   |                   |
|------------|----------|-------------------|-------------------|
| L/C margin | 10.02.01 | 37,641,703        | 38,508,579        |
|            |          | <b>37,641,703</b> | <b>38,508,579</b> |

**10.03 Pre-payments**

|                              |  |                |                  |
|------------------------------|--|----------------|------------------|
| Karnahuli Insurance Co. Ltd. |  | 552,058        | 2,487,164        |
| Metlife Insurance Co. Ltd.   |  | -              | 155,822          |
|                              |  | <b>552,058</b> | <b>2,642,986</b> |

**10.01.01 AIT & Source Tax**

|                              |  |                   |                   |
|------------------------------|--|-------------------|-------------------|
| Opening Balance              |  | 38,798,543        | 28,020,549        |
| Addition During the period   |  | 8,342,161         | 10,777,994        |
|                              |  | 47,140,704        | 38,798,543        |
| Adjustment During the period |  | (10,259,426)      | -                 |
| <b>Closing Balance</b>       |  | <b>36,881,278</b> | <b>38,798,543</b> |

**10.02.01 L/C margin**

|                                  |  |                   |                   |
|----------------------------------|--|-------------------|-------------------|
| Opening Balance                  |  | 38,508,579        | 19,882,424        |
| Addition during the Period       |  | 16,369,853        | 38,508,579        |
| Net Adjustment During the period |  | (17,236,729)      | (19,882,424)      |
| <b>Closing Balance</b>           |  | <b>37,641,703</b> | <b>38,508,579</b> |



**Taufika Foods and Lovello Ice-Cream PLC**  
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| Amount in Taka |         |
|----------------|---------|
| 31-Mar-22      | 2020-21 |

**10.04 Disclosure as per Schedule-XI, Part -I, of The Companies Act, 1994**

|  |            |                    |
|--|------------|--------------------|
| Advance, deposits & prepayments considered good & secured                  | 97,101,453 | 103,735,987        |
| Advance, deposit & prepayments considered Good without security            |            |                    |
| Advance, deposit & prepayments considered doubtful & bad                   |            |                    |
| Advance, deposit & prepayments due by directors or other officers & staffs |            |                    |
| Advance, deposit & prepayments due from companies under same management    |            |                    |
| Maximum advance due by directors or officers & staffs at any time          |            |                    |
| <b>Total</b>   |            | <b>103,735,987</b> |

**11.00 Cash and Cash Equivalents**

|              |       |                   |                    |
|--------------|-------|-------------------|--------------------|
| Cash in Hand | 11.01 | 17,797,668        | 19,987,598         |
| Cash at Bank | 11.02 | 73,628,391        | 153,163,256        |
|              |       | <b>91,426,058</b> | <b>173,150,854</b> |

Closing cash at bank shows higher compare to last year balance. It has been generated from year end collection from the accounts receivables and IPO unutilised fund balance.

**11.01 Cash in Hand**

|                  |                   |                   |
|------------------|-------------------|-------------------|
| Factory Office   | 5,829,926         | 5,972,533         |
| Corporate Office | 4,209,687         | 4,295,599         |
| Depot Office     | 7,758,055         | 9,719,466         |
|                  | <b>17,797,668</b> | <b>19,987,598</b> |

**11.02 Cash at Bank**

|                     |     |                   |                   |                    |
|---------------------|-----|-------------------|-------------------|--------------------|
| Trust Bank Ltd      | CD  | 0022-0210012550   | 316,579           | 78,278             |
| Pubali Bank Ltd     | CD  | 0565901028140     | 1,813,011         | 891,577            |
| Premier Bank Ltd    | CD  | 010411100078610   | 2,559,062         | 881,819            |
| Prime Bank Ltd      | CD  | 2132113001637     | 2,310,264         | 477,246            |
| Brac Bank Ltd       | CD  | 1507203439665001  | 95,856            | 51,544             |
| Islami Bank Ltd     | CD  | 20501770100435601 | 1,895,729         | 1,477,778          |
| Dutch Bangla Bank   | CD  | 1031100033118     | 228,496           | 102,272            |
| Union Bank Ltd      | CD  | 0291010001239     | 142,240           | 49,603             |
| Mercantile Bank Ltd | CD  | 111311118966001   | 911,552           | 692,676            |
| UCBL                | CD  | 541101000005430   | 274,779           | 504,370            |
| NRB Bank            | CD  | 1022070063031     | -                 | 550,980            |
| Shimanto Bank Lim   | CD  | 1001241000258     | -                 | 66,461,687         |
| City Bank Ltd       | CD  | 1402538242001     | 47,234            | 47,234             |
| AB Bank Ltd         | SND | 4033-761383-430   | 1,747,545         | 564,935            |
| Shimanto Bank Lim   | SND | 1001441001020     | -                 | 198,162            |
| Trust Bank Ltd      | SND | 0022-0320000775   | 50,283,535        | 78,051,906         |
| National Bank Limi  | CD  | 1106003604218     | 1,455             | 789,200            |
| Dutch Bangla Bank   | CD  | 2811100002179     | 148,321           | 1,132,311          |
| Shimanto Bank Lim   | SND | 1003441000029     | -                 | 63,898             |
| Shimanto Bank Lim   | CD  | 1005241000030     | 4,779,517         | -                  |
| Trust Bank Ltd      | SND | 0022-0320000962   | 5,606,636         | -                  |
| NRB Bank            | CD  | 1022010104230     | 448,393           | -                  |
| Shimanto Bank Lim   | CD  | 1001241001122     | 18,190            | 95,781             |
|                     |     |                   | <b>73,628,391</b> | <b>153,163,256</b> |

All bank balances are reconciled with bank statements and bank book and reconciled balance extracted here.

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For the period ended 31 March, 2022

| Amount in Taka |         |
|----------------|---------|
| 31-Mar-22      | 2020-21 |

**12.00 Share Capital**

**12.01 Authorized Capital**

(100,000,000 Ordinary shares of Tk.10 each)

**1,000,000,000**      **1,000,000,000**

**12.02 Issued, Subscribed and Paid-up**

85,000,000 shares of Tk.10 each

**850,000,000**      **850,000,000**

**Shareholding Position is as follows:**

| Sl. No.      | Name of shareholders    | Percentage of Shareholdings |             | Number of Shares  |                   |
|--------------|-------------------------|-----------------------------|-------------|-------------------|-------------------|
|              |                         | 31 March, 2022              | 2020-21     | 31 March, 2022    | 2020-21           |
| 1            | Md. Ekramul Haque       | 38.82%                      | 38.82%      | 33,000,000        | 33,000,000        |
| 2            | Ms Shamima Nargis       | 3.41%                       | 3.41%       | 2,900,000         | 2,900,000         |
| 3            | Taufika Engeneering     | 13.59%                      | 13.59%      | 11,550,000        | 11,550,000        |
| 4            | Muhsinina Taufika       | 2.41%                       | 2.41%       | 2,050,000         | 2,050,000         |
| 5            | Abu Taher               | 1.18%                       | 1.18%       | 1,000,000         | 1,000,000         |
| 6            | Md. Abdus Sultan        | 0.85%                       | 0.85%       | 725,000           | 725,000           |
| 7            | Zakir Hossain           | 0.12%                       | 0.12%       | 100,000           | 100,000           |
| 8            | Kazi Amdadul Haque      | 1.25%                       | 1.25%       | 1,060,000         | 1,060,000         |
| 9            | Rizvi Kaiser            | 0.01%                       | 0.01%       | 10,000            | 10,000            |
| 10           | Md. Saiful Islam        | 1.23%                       | 1.23%       | 1,045,000         | 1,045,000         |
| 11           | Md. Mizanur Rahman      | 0.01%                       | 0.01%       | 5,000             | 5,000             |
| 12           | Tahmina Chowdhury       | 0.24%                       | 0.24%       | 205,000           | 205,000           |
| 13           | Masuma Khatun           | 0.30%                       | 0.30%       | 255,000           | 255,000           |
| 14           | Hosne Ara Begum         | 1.29%                       | 1.29%       | 1,095,000         | 1,095,000         |
| 15           | Initial Public Offering | 35.29%                      | 35.29%      | 30,000,000        | 30,000,000        |
| <b>Total</b> |                         | <b>100%</b>                 | <b>100%</b> | <b>85,000,000</b> | <b>85,000,000</b> |

**13.00 Retained Earnings**

|                                   |                    |                    |
|-----------------------------------|--------------------|--------------------|
| Opening Balance                   | 218,294,075        | 151,050,672        |
| Add: Profit During the Period     | 96,267,257         | 95,007,875         |
| Less: Dividend adjustment         | (93,500,000)       | -                  |
| Less: Adjustment for IPO Expenses |                    | (27,764,472)       |
| <b>Closing Balance</b>            | <b>221,061,332</b> | <b>218,294,075</b> |

**14.00 Deferred Tax Liability**

|                        |                   |                   |
|------------------------|-------------------|-------------------|
| Opening Balance        | 47,774,428        | 64,656,247        |
| Add: During the period | 1,141,314         | (16,881,820)      |
| <b>Closing Balance</b> | <b>48,915,742</b> | <b>47,774,428</b> |

**As on 31 March 2022**

|                               |                    |                    |
|-------------------------------|--------------------|--------------------|
| WDV as per Accounts           | 1,126,575,567      | 1,227,751,116      |
| WDV as per 3rd Schedule       | 909,172,269        | 1,015,420,327      |
| <b>Temporary Difference</b>   | <b>217,403,297</b> | <b>212,330,789</b> |
| Applicable Tax Rate           | <b>22.50%</b>      | <b>22.50%</b>      |
| Deferred Tax Liability        | 48,915,742         | 47,774,428         |
| <b>Deferred Tax Liability</b> | <b>48,915,742</b>  | <b>47,774,428</b>  |

**Taufika Foods and Lovello Ice-Cream PLC**  
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For the period ended 31 March, 2022

|   |              | Amount in Taka     |                    |
|---|--------------|--------------------|--------------------|
|   |              | 31-Mar-22          | 2020-21            |
| <b>15.00 Long -term Loan</b>              |              |                    |                    |
| Long-term Loan from Shimanto Bank Limited | <b>15.01</b> | 509,073,059        | 537,749,554        |
|   |              | <b>509,073,059</b> | <b>537,749,554</b> |
| <b>Current Portion Classification</b>     |              |                    |                    |
| Due within one year                       |              | 113,127,346        | 119,499,901        |
| Due after one year                        |              | 395,945,712        | 418,249,653        |
|   |              | <b>509,073,059</b> | <b>537,749,554</b> |

**15.01 Long-term Loan from Shimanto Bank Limited**

|               |                    |                    |
|---------------|--------------------|--------------------|
| 1001741000052 | 13,030,098         | 14,443,760         |
| 1001741000061 | 1,869,193          | 1,977,896          |
| 1001741000070 | 2,394,456          | 2,542,051          |
| 1001741000089 | 4,964,690          | 5,275,724          |
| 1001741000098 | 1,663,152          | 1,765,131          |
| 1001741000105 | 1,464,631          | 1,554,265          |
| 1001741000114 | 15,176,161         | 15,418,596         |
| 1001741000123 | 14,068,408         | 14,233,704         |
| 1001741000141 | 4,744,421          | 4,800,191          |
| 1001741000150 | 5,333,777          | 5,287,153          |
| 1001741000187 | 444,364,072        | 470,451,085        |
|               | <b>509,073,059</b> | <b>537,749,554</b> |

**Nature of Security of Loans:**

| Particulars                         | Details   |
|-------------------------------------|---|
| <b>Name of Bank &amp; Financial</b> | Shimanto Bank Limited   |
| <b>Type of Facility</b>             | Long Term Loan  |
| <b>Limit</b>                        | BDT TK 69.50 Crore  |
| <b>Repayment</b>                    | Monthly   |
| <b>Interest Rate</b>                | 9% p.a with monthly rest or as revised from time to time by SML   |
| <b>Period of Loan</b>               | 60 months   |
| <b>Expiry Date</b>                  | 5 Years from the the date of 1st disbursement.  |
| <b>Renewal Status</b>               | Renewed   |
| <b>Securities</b>                   | i. Joint Registration and comprehensive insurance of vehicles ii. Postdated Cheque covering each EMI                                |
| <b>Purpose</b>                      | To purchase glass top deep freezer, storage box for cold room, pick up, Refrigerated van, auto vehicles, office car, motorcycle etc |

**16.00 Lease Liability**

|                                       |              |                    |                    |
|---------------------------------------|--------------|--------------------|--------------------|
| Lease Loan from Lankabangla           | <b>16.01</b> | 307,086,640        | 285,671,418        |
| Office Space                          | <b>16.02</b> | 5,525,558          | 7,128,640          |
|                                       |              | <b>312,612,198</b> | <b>292,800,058</b> |
| <b>Current Portion Classification</b> |              |                    |                    |
| Due within one year                   |              | 83,844,373         | 78,530,644         |
| Due after one year                    |              | 228,767,825        | 214,269,414        |
|                                       |              | <b>312,612,198</b> | <b>292,800,058</b> |

**Taufika Foods and Lovello Ice-Cream PLC**  
Explanatory Notes to the Financial Statements  
For the period ended 31 March, 2022

|  |  | <b>Amount in Taka</b> |                    |
|--|--|-----------------------|--------------------|
|  |  | <b>31-Mar-22</b>      | <b>2020-21</b>     |
| <b>16.01 Lease Loan from Lankabangla</b> |  |                       |                    |
| 0013 71400000025                         |  | 15,143,234            | 14,314,163         |
| 0013 71400000026                         |  | 36,434,531            | 34,461,537         |
| 0011 71400000131                         |  | 145,575,487           | 137,660,648        |
| 0011 72200000070                         |  | 109,933,388           | 99,235,070         |
|  |  | <b>307,086,640</b>    | <b>285,671,418</b> |

**Nature of Security of Loans:**

| <b>Particulars</b>                            | <b>Details</b>   |
|---|--|
| <b>Name of Bank &amp; Financial Institute</b> | Lanka Bangla Finance Limited   |
| <b>Type of Facility</b>                       | Lease Finance  |
| <b>Limit</b>                                  | BDT 316,200,725  |
| <b>Repayment</b>                              | Quarterly  |
| <b>Interest Rate</b>                          | 14.00%   |
| <b>Period of Loan</b>                         | 60 months  |
| <b>Expiry Date</b>                            | June, 2026   |
| <b>Renewal Status</b>                         | Renewal  |
| <b>Securities</b>                             | i. Subsequent Charges/Hypothecation on all the Fixed Assets of TFAIL<br>ii. Ownership of Leased Assets<br>iii. Personal Guarantee of Directors<br>iv. Corporate Guarantee of Taufika Engineering Limited (TEL) |
| <b>Purpose</b>                                | To procure Glass Top Deep Freezer and Try Cycle, Ref. Van & Cold Store   |

**16.02 Lease Liability (Office Space)**

|   |                  |                  |
|---|------------------|------------------|
| Office Space                                  | 7,128,640        | 9,054,537        |
| Less: Adjustment for IFRS 16 for Current year | (1,603,082)      | (1,925,897)      |
|   | <b>5,525,558</b> | <b>7,128,640</b> |

**Taufika Foods and Lovello Ice-Cream PLC**  
Explanatory Notes to the Financial Statements  
For the period ended 31 March, 2022

|  |       | Amount in Taka    |                   |
|--|-------|-------------------|-------------------|
|  |       | 31-Mar-22         | 2020-21           |
| <b>Current Portion Classification</b>  |       |                   |                   |
| Due within one year  |       | 2,164,669         | 2,170,149         |
| Due after one year   |       | 3,360,889         | 4,958,491         |
|  |       | <b>5,525,558</b>  | <b>7,128,640</b>  |
| <b>17.00 Short-term Loan</b>   |       |                   |                   |
| Short-term Loan Trust Bank   | 17.01 | 79,513,867        | 51,246,072        |
|  |       | <b>79,513,867</b> | <b>51,246,072</b> |
| These loans are taken to finance import materials value and L/C related expenses. The average tenure of these facilities are normally 06 months with renewal option. The rate of interest/profit against these facilities is 9%. |       |                   |                   |
| <b>17.01 Short-term Loan Trust Bank</b>  |       |                   |                   |
| Loan Against Trust Receipt (LTR)   |       | 48,846,206        | 40,878,988        |
| Overdraft (Working Capital)  |       | 30,667,661        | 10,367,084        |
|  |       | <b>79,513,867</b> | <b>51,246,072</b> |
| <b>18.00 Trade &amp; Other Payables</b>  |       |                   |                   |
| Trade Payables   | 18.01 | 10,502,843        | 11,893,177        |
| Others Payables  | 18.02 | 34,128,131        | 51,078,172        |
|  |       | <b>44,630,974</b> | <b>62,971,350</b> |
| <b>18.01 Trade Payables</b>  |       |                   |                   |
| Bismillah Packaging & Printing   |       | 586,794           | -                 |
| Siam Chemical  |       | 755,997           | 719,997           |
| Noorani Agro & Food Complex Ltd  |       | 968,039           | 949,058           |
| R M Poly & Packaging   |       | 54,834            | -                 |
| Jahanara Plastics Product  |       | 297,324           | 291,495           |
| Emkay Enterprise   |       | 97,815            | 130,420           |
| MM Plastic   |       | 568,425           | -                 |
| Mais Industries Ltd  |       | 395,910           | 395,910           |
| PremiaFlex Plastic Ltd   |       | 840,890           | 840,890           |
| International Television Channel LTD.  |       | 1,214,771         | 1,463,579         |
| Maasranga Communications Ltd.  |       | 7,200             | 7,200             |
| MMX advertising communication  |       | 148,239           | 148,239           |
| RTR Traders  |       | 2,496,257         | 5,378,856         |
| Opus Sign  |       | 1,497,565         | 1,109,308         |
| Rivers Sign  |       | 572,783           | 458,227           |
|  |       | <b>10,502,843</b> | <b>11,893,177</b> |

This represents amount payable to suppliers of raw materials, packing materials and finished goods. All suppliers were paid on a regular basis.



**Taufika Foods and Lovello Ice-Cream PLC**  
Explanatory Notes to the Financial Statements  
For the period ended 31 March, 2022

|                                       |  | <b>Amount in Taka</b> |                   |
|---------------------------------------|--|-----------------------|-------------------|
|                                       |  | <b>31-Mar-22</b>      | <b>2020-21</b>    |
| <b>Ageing of Trade Payables</b>       |  |                       |                   |
| Due for 3 months                      |  | 8,927,416             | 10,109,201        |
| Due for 3 to 6 months                 |  | 1,050,284             | 1,189,318         |
| Due for above 6 months                |  | 525,142               | 594,659           |
|                                       |  | <b>10,502,843</b>     | <b>11,893,177</b> |
| <b>18.02 Others Payables</b>          |  |                       |                   |
| Payable for PPE                       |  | 7,482,509             | 7,876,325         |
| VAT payable                           |  | 26,645,622            | 43,201,848        |
|                                       |  | <b>34,128,131</b>     | <b>51,078,172</b> |
| <b>19.00 Liabilities for Expenses</b> |  |                       |                   |
| Audit Fees                            |  | 33,334                | 230,000           |
| Electricity Bill Payable              |  | 2,000,000             | 4,724,479         |
| Salary & Wages Payable                |  | 4,523,659             | 4,955,112         |
| Payable for PF                        |  | 9,002,412             | 8,325,063         |
| Remuneration Payable                  |  | 150,000               | 150,000           |
|                                       |  | <b>15,709,405</b>     | <b>18,384,654</b> |

All these payables are temporary in nature and repayable in demand. No interest/profit is charged for these payables. Its derived from taking different types of service.

**20.00 Provision for WPPF :**

|                                 |                  |                  |
|---------------------------------|------------------|------------------|
| Opening Balance                 | 5,672,354        | 8,775,549        |
| Add: Addition During the period | 6,236,176        | 4,846,042        |
|                                 | 11,908,530       | 13,621,591       |
| Less: Paid During the period    | (4,817,835)      | (7,949,237)      |
| <b>Closing Balance</b>          | <b>7,090,695</b> | <b>5,672,354</b> |

The management of Taufika Foods and Lovello Ice-Cream PLC have already taken all necessary steps to maintain compliance and they take decision to deposit all amounts within one year.

**21.00 Provision for Income Tax**

|   |                   |                   |
|---|-------------------|-------------------|
| Opening Balance                                 | 66,016,234        | 47,221,457        |
| Current Period Provision                        | 27,314,957        | 18,794,777        |
| <b>Total Current Year Provision</b>             | <b>93,331,191</b> | <b>18,794,777</b> |
|   |                   | <b>66,016,234</b> |
| Adjustment During the period for the FY 2018-19 | (23,173,852)      | -                 |
| <b>Closing Balance</b>                          | <b>70,157,339</b> | <b>66,016,234</b> |

| <b>Tax Computation</b>      |                    |                    |
|-----------------------------|--------------------|--------------------|
| Business Income             | 117,479,568        | 93,321,938         |
| Other Income                | 5,028,148          | 3,598,895          |
| <b>Total Income</b>         | <b>122,507,716</b> | <b>96,920,833</b>  |
| Acc. Dep                    | 97,331,757         | 126,693,974        |
| Tax Dep                     | 98,439,663         | 106,287,762        |
| <b>Total Taxable Income</b> | <b>121,399,810</b> | <b>117,327,044</b> |
| <b>Applicable tax Rate</b>  | <b>22.50%</b>      | <b>22.50%</b>      |
| <b>Current Year Tax</b>     | <b>27,314,957</b>  | <b>26,398,585</b>  |

**22.00 Dividend Payable**

|                             |                  |   |
|-----------------------------|------------------|---|
| Dividend for the FY 2020-21 | 93,500,000       | - |
| Disbursement                | 87,893,364       | - |
| <b>Closing Balance</b>      | <b>5,606,636</b> |   |

**Taufika Foods and Agro Industries Limited**

Explanatory Notes to the Financial Statements

For the 3rd Quarter Ended March 31, 2022

|   | Amount in Taka     |                    | Amount in Taka     |                    |
|---|--------------------|--------------------|--------------------|--------------------|
|   | July'21-March'22   | July'20-March'21   | Jan-Mar 2022       | Jan-Mar 2021       |
| <b>22.00 Sales</b>                          |                    |                    |                    |                    |
| Gross Sales                                 | 895,600,166        | 650,627,385        | 408,831,779        | 216,339,413        |
| Less: (VAT+SD) Expenses                     | 153,847,026        | 111,805,534        | 70,254,736         | 37,176,338         |
| <b>Net Sales</b>                            | <b>741,753,140</b> | <b>538,821,851</b> | <b>338,577,043</b> | <b>179,163,075</b> |
| <b>23.00 Cost of Goods Sold</b>             |                    |                    |                    |                    |
| Raw Materials Consumed: Note- 23.01         | 341,564,811        | 237,128,751        | 181,242,879        | 78,979,850         |
| Add: Factory Overhead Charges Note- 23.02   | 95,633,560         | 93,902,771         | 32,755,172         | 31,337,933         |
| <b>Cost of Production</b>                   | <b>437,198,372</b> | <b>331,031,521</b> | <b>213,998,051</b> | <b>110,317,783</b> |
| Add: Opening Work in Process                | 17,619,365         | 15,544,814         | 15,067,873         | 16,860,315         |
|   | 454,817,737        | 346,576,336        | 229,065,924        | 127,178,099        |
| Less: Closing Work in Process               | (19,119,598)       | (17,703,331)       | (19,119,598)       | (17,703,331)       |
| <b>Cost of Goods Manufactured</b>           | <b>435,698,139</b> | <b>328,873,005</b> | <b>209,946,326</b> | <b>109,474,768</b> |
| Add: Opening Stock of Finished Goods        | 98,059,494         | 83,596,742         | 93,764,260         | 93,418,842         |
| <b>Cost of Goods available for Sale</b>     | <b>533,757,633</b> | <b>412,469,746</b> | <b>303,710,586</b> | <b>202,893,610</b> |
| Less: Closing Stock of Finished Goods       | (105,936,967)      | (98,089,785)       | (105,936,967)      | (98,089,785)       |
| <b>Cost of Goods Sold</b>                   | <b>427,820,666</b> | <b>314,379,962</b> | <b>197,773,619</b> | <b>104,803,825</b> |
| <b>23.01 Raw Materials Consumed</b>         |                    |                    |                    |                    |
| The break-up of the amount is given bellow: |                    |                    |                    |                    |
| Opening Stock                               | 184,056,096        | 165,471,075        | 209,261,906        | 184,912,905        |
| Purchase During the period                  | 348,314,145        | 253,377,132        | 162,786,402        | 75,786,402         |
| <b>Raw Materials available for Use</b>      | <b>532,370,241</b> | <b>418,848,207</b> | <b>372,048,308</b> | <b>260,699,307</b> |
| Less: Closing Stock                         | (190,805,430)      | (181,719,457)      | (190,805,430)      | (181,719,457)      |
| <b>Raw Materials Consumed</b>               | <b>341,564,811</b> | <b>237,128,751</b> | <b>181,242,879</b> | <b>78,979,850</b>  |
| <b>23.02 Manufacturing Overhead</b>         |                    |                    |                    |                    |
| Electricity Bill                            | 19,934,380         | 19,732,418         | 4,988,880          | 6,348,447          |
| Fuel & Lubricants                           | 9,176,702          | 8,043,791          | 2,502,582          | 2,453,512          |
| Wages & Salary                              | 25,809,867         | 27,525,024         | 9,349,785          | 9,166,456          |
| Festival Bonus                              | 2,572,777          | 2,474,985          | 1,293,029          | 1,267,676          |
| Overtime and Other Allowance                | 1,901,381          | 1,346,278          | 915,154            | 407,014            |
| Tour and Travles                            | 991,024            | 941,126            | 326,020            | 319,628            |
| Pool Car Expenses                           | 248,934            | 140,450            | 146,904            | 45,538             |
| Telecommunication Expenses(Tracking)        | 47,288             | 25,512             | 26,788             | 25,512             |
| Factory Supplies                            | 1,055,338          | 979,859            | 333,587            | 317,702            |
| Loading & Unloading Expenses                | 133,499            | 125,147            | 45,513             | 42,141             |
| Postage & Courier                           | 22,059             | 21,150             | 6,662              | 6,345              |
| Printing & Stationary                       | 527,852            | 478,862            | 175,462            | 152,575            |
| Food and Entertainment                      | 658,694            | 597,398            | 221,846            | 192,910            |
| Repair & Maintenance                        | 1,490,241          | 1,264,804          | 668,858            | 407,702            |
| Spare Parts                                 | 4,221,604          | 2,644,490          | 2,281,083          | 847,711            |
| Insurance Expenses                          | 1,655,547          | 3,587,128          | 353,300            | 857,627            |
| Licenses Renewal Fees                       | 39,380             | -                  | -                  | -                  |
| Depreciation                                | 25,146,993         | 23,974,349         | 9,119,720          | 8,479,437          |
|   | <b>95,633,560</b>  | <b>93,902,771</b>  | <b>32,755,172</b>  | <b>31,337,933</b>  |

**Taufika Foods and Agro Industries Limited**

Explanatory Notes to the Financial Statements

For the 3rd Quarter Ended March 31, 2022

|   | Amount in Taka    |                   | Amount in Taka    |                   |
|---|-------------------|-------------------|-------------------|-------------------|
|   | July'21-March'22  | July'20-March'21  | Jan-Mar 2022      | Jan-Mar 2021      |
| <b>24.00 Administrative Expenses</b>          |                   |                   |                   |                   |
| Salary & Allowance                            | 5,049,423         | 4,948,892         | 1,642,221         | 1,640,211         |
| Festival Bonus                                | 662,964           | 641,292           | 203,002           | 199,022           |
| Meeting Allowance                             | 75,000            | 90,000            | 25,000            | 30,000            |
| Provident Fund Expenses                       | 1,222,595         | 916,974           | 410,366           | 361,935           |
| Utility Charge                                | 369,543           | 170,667           | 102,970           | 56,889            |
| Director Remuneration                         | 1,350,000         | 1,350,000         | 450,000           | 450,000           |
| Office Vehicles expense                       | 587,772           | 550,504           | 226,732           | 222,286           |
| Entertainment Expense                         | 195,955           | 182,405           | 59,803            | 58,630            |
| Vehicle Insurance & Others                    | -                 | 20,000            | -                 | 20,000            |
| Audit Fees                                    | 265,586           | 170,605           | 33,334            | 84,355            |
| Telephone, Mobile & Internet Bill             | 203,091           | 185,939           | 84,253            | 82,601            |
| Postage & Couriers                            | 115,796           | 107,968           | 37,856            | 37,114            |
| Printing & Stationery                         | 156,535           | 117,483           | 21,318            | 20,900            |
| Legal & Statutory Expenses                    | 243,781           | 314,322           | 38,789            | 136,068           |
| Repair Maintenance of Head office             | 263,603           | 240,085           | 98,033            | 96,111            |
| Health Safety Measure Expenses                | 60,000            | -                 | 30,000            | -                 |
| Licenses Renewal Fees                         | 337,022           | 161,373           | 337,022           | 161,373           |
| Depreciation                                  | 610,936           | 582,448           | 221,560           | 206,005           |
|   | <b>11,769,602</b> | <b>10,750,957</b> | <b>4,022,259</b>  | <b>3,863,498</b>  |
| <b>25.00 Marketing &amp; Selling Expenses</b> |                   |                   |                   |                   |
| Salary & Allowance                            | 7,068,138         | 7,028,918         | 2,578,971         | 2,416,496         |
| Festival Bonus                                | 748,728           | 688,213           | 245,621           | 213,583           |
| Provident Fund Expenses                       | 1,276,282         | 1,236,208         | 431,136           | 392,890           |
| Fuel & Toll for Vehicles                      | 3,345,249         | 2,730,215         | 2,789,931         | 2,428,442         |
| TA/DA and Other Allowances                    | 1,381,881         | 1,220,814         | 1,031,138         | 845,195           |
| Repair Maintenance & Others Vehicles Exp      | 1,233,339         | 1,256,923         | 991,492           | 972,051           |
| Tour and Travles                              | 681,869           | 671,070           | 518,729           | 508,558           |
| Postage & Couriers                            | 245,893           | 339,621           | 126,568           | 148,904           |
| Incentive and Commission                      | 329,314           | 306,616           | 167,233           | 159,269           |
| Event Management Expenses                     | 281,875           | 341,439           | 191,590           | 255,453           |
| Legal & Statutory Expenses                    | 92,557            | -                 | 65,057            | -                 |
| Trade Promotion Expenses                      | 437,150           | -                 | 284,150           | -                 |
| Advertisement Expenses                        | 4,279,087         | 5,584,988         | 3,550,172         | 4,951,149         |
| Depreciation                                  | 71,573,828        | 68,236,226        | 25,956,712        | 24,134,328        |
|   | <b>92,975,189</b> | <b>89,641,252</b> | <b>38,928,500</b> | <b>37,426,320</b> |

**Taufika Foods and Agro Industries Limited**

Explanatory Notes to the Financial Statements

For the 3rd Quarter Ended March 31, 2022

|                                  | Amount in Taka       |                      | Amount in Taka    |                   |
|----------------------------------|----------------------|----------------------|-------------------|-------------------|
|                                  | July'21-March'<br>22 | July'20-March'<br>21 | Jan-Mar 2022      | Jan-Mar 2021      |
| <b>26.00 Bank Interest</b>       |                      |                      |                   |                   |
| Bank Service Charges             | 1,051,818            | 632,458              | 245,168           | 233,493           |
| Interest on Bank Loan            | 50,342,168           | 54,396,714           | 21,293,217        | 21,510,334        |
| Interest on Lease Loan           | 31,305,222           | 27,035,487           | 10,223,685        | 9,791,637         |
| Interest Expense on Office Space | 556,918              | 737,346              | 169,611           | 231,558           |
|                                  | <b>83,256,126</b>    | <b>82,064,660</b>    | <b>31,931,681</b> | <b>31,767,022</b> |

Consistent with prior periods banks charges and others bank loan interest expenses are included as finance costs

**27.00 Other Income**

|                               |                  |                  |                  |                |
|-------------------------------|------------------|------------------|------------------|----------------|
| Scrap Sale                    | 1,057,935        | 801,777          | 52,372           | 149,635        |
| Rent Received against Freezer | 2,905,502        | 1,409,913        | 1,826,567        | 315,341        |
| Rent income from Robi Tower   | 120,000          | -                | 50,000           | -              |
| Interest                      | 944,711          | 940,708          | 44,042           | 17,658         |
|                               | <b>5,028,148</b> | <b>3,152,398</b> | <b>1,972,981</b> | <b>482,634</b> |

**Taufika Foods and Lovello Ice-Cream PLC**  
Explanatory Notes to the Financial Statements  
For the period ended 31 March 2022

|   | Amount in TK |             |
|---|--------------|-------------|
|   | 31-Mar-22    | 31-Mar-21   |
| <b>28.00 Earning per Share (EPS)</b>                              |              |             |
| The Computation of EPS is given below:                            |              |             |
| Earning attributable to the Shareholders (net profit after tax)   | 49,718,735   | 19,239,635  |
| Total number of Shares  | 85,000,000   | 74,333,333  |
| <b>Adjusted/Basic Earnings per Share (EPS)( Per value Tk. 10)</b> | <b>0.58</b>  | <b>0.26</b> |

**29.00 Net Asset Value (NAV) per Share**

The Computation of NAV is given below:

|  |               |               |
|--|---------------|---------------|
| Net Assets                             | 1,071,061,332 | 1,023,946,210 |
| Total number of Shares                 | 85,000,000    | 85,000,000    |
| <b>Net Asset Value (NAV) per Share</b> | <b>12.60</b>  | <b>12.05</b>  |

**Total number of shares**

|                     |             |             |
|---------------------|-------------|-------------|
| Paid-up-capital     | 850,000,000 | 850,000,000 |
| Share money deposit | -           | -           |
| Total               | 850,000,000 | 850,000,000 |

**Number of shares (Per value Tk. 10)**

|                   |                   |
|-------------------|-------------------|
| <b>85,000,000</b> | <b>85,000,000</b> |
|-------------------|-------------------|

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

The Computation of NOCFPS is given below:

|  |             |             |
|--|-------------|-------------|
| Net Cash Generated from Operating Activities       | 235,479,690 | 72,995,335  |
| Total number of Shares                             | 85,000,000  | 85,000,000  |
| <b>Net Operating Cash Flows per Share (NOCFPS)</b> | <b>2.77</b> | <b>0.86</b> |

Sales revenue as on March 2022 has increased by 37.66% in compare to period ended on March 2021. Cash received from customers has also increased by 39.78% from cash received from customers in compare to period ended on March 2021. This fact has created positive impact of Net Operating Cash Flow per Share for the period ended on 31 March 2022.

**31.00 Reconciliation of Net Operating Cash Flow**

| Particulars   | Amount in BDT      |                   |
|---|--------------------|-------------------|
|   | 31.03.2022         | 31.03.2021        |
| <b>Net Profit after Tax</b>                                       | 96,267,257         | 46,635,010        |
| Adjustment to reconcile netcash provided by operating activities: |                    |                   |
| Depreciations   | 97,331,757         | 92,793,023        |
| Provision for Income Tax  | 4,141,105          | 8,872,640         |
| Provision for WPPF  | 6,236,176          | 2,114,289         |
| Deferred Tax  | 1,141,314          | (13,221,866)      |
| Loan Interest   | 83,256,126         | 82,802,006        |
| Increase in Inventories   | (16,127,040)       | (32,899,941)      |
| Increase in Trade & Other Receivables                             | (17,568,080)       | (20,722,472)      |
| Increase in Advance, Deposits & Prepayments                       | 6,634,534          | (38,365,224)      |
| Increase/Decrease in Trade & Other Payables                       | (18,340,376)       | (29,136,623)      |
| Increase in Liabilities for Expenses                              | (2,675,250)        | 2,397,759         |
| Adjustments for WPPF  | (4,817,835)        | (4,533,791)       |
| Adjustments for IPO Expenses                                      |                    | (23,739,472)      |
| <b>Net cash inflow/(outflow) from operating activities</b>        | <b>235,479,690</b> | <b>72,995,335</b> |

**32.00 Related Party Transactions:**

The company has related party transactions as per IAS-24 "Related Party Disclosures".

Related party transactions are as follows:

| Sl. | Name of the Related Party     | Relationship         | Nature of transaction              | Opening Balance | Transaction during the year | Payment/Received | Closing Balance |
|-----|-------------------------------|----------------------|------------------------------------|-----------------|-----------------------------|------------------|-----------------|
| 1   | Taufika Engineering Limited   | Intercompany         | Advance                            | -               | 15,000                      | 15,000           | -               |
| 2   | Ms. Shamima Nargis Haque      | Chairman             | Meeting Allowance                  | -               | 15,000                      | 15,000           | -               |
| 3   | Md. Ekramul Haque             | Managing Director    | Remuneration and Meeting Allowance | 150,000         | 465,000                     | 465,000          | 150,000         |
| 4   | Muhsinina Taufika Ekram       | Director             | Meeting Allowance                  | -               | 15,000                      | 15,000           | -               |
| 5   | Imtiaz Lutful Baset FCMA, FCA | Independent Director | Meeting Allowance                  | -               | 15,000                      | 15,000           | -               |

**33.00 Attendance Status of Board Meeting of Directors**

During the period ended 31 March - 2022 there were Three Board Meetings were held. The attendance status of all the meetings is as follows:

| Name of the Directors   | Designation          | Meeting held | Attendance |
|---|----------------------|--------------|------------|
| Ms. Shamima Nargis Haque  | Chairman             | 3            | 3          |
| Md. Ekramul Haque   | Managing Director    | 3            | 3          |
| Kawsar Ahmed ( Nominee<br>Director of Taufika<br>Engeneering Limited) | Director             | 3            | 3          |
| Muhsinina Taufika Ekram   | Director             | 3            | 3          |
| Imtiaz Lutful Baset FCMA,<br>FCA                                      | Independent Director | 3            | 3          |

**34.00 General:**

All the figures in the financial statements represent Bangladeshi taka currency (BDT) rounded off to the nearest figure. The comparative information has been disclosed of period ended 31 March 2022 for all numerical information in the financial statements and also the narrative and descriptive information as found relevant for understanding of the current years financial statements. To facilitate comparison, certain relevance balances pertaining to the previous year have been rearranged or reclassified whenever considered necessary to conform to current year presentation.

**35.00 Disclosure as per requirement of Schedule XI, Part II of the Companies Act, 1994:****A. Disclosure as per requirement of Schedule XI, Part II, Note 5 of Para 3:**

Employee position of the company as at 31 March, 2022:

| Salary (Monthly) | Factory    | Head Office | Sales & Marketing | Total Employees |
|------------------|------------|-------------|-------------------|-----------------|
| Below BDT 6,000  | -          | -           | -                 | -               |
| Above BDT 6,000  | 203        | 20          | 20                | 243             |
| <b>Total</b>     | <b>203</b> | <b>20</b>   | <b>20</b>         | <b>243</b>      |

**B. Disclosure as per requirement of Schedule XI, Part II, Para 4:**

| Name of Directors   | Designation          | Meeting allowance | Total Remuneration for the period ended 31 March 2022. |
|---|----------------------|-------------------|--|
| Ms. Shamima Nargis Haque  | Chairman             | 15,000            | -  |
| Md. Ekramul Haque   | Managing Director    | 15,000            | 450,000  |
| Kawsar Ahmed ( Nominee<br>Director of Taufika<br>Engeneering Limited) | Director             | 15,000            | -  |
| Imtiaz Lutful Baset FCMA, FCA   | Independent Director | 15,000            | -  |
| Muhsinina Taufika Ekram   | Director             | 15,000            | -  |

**36.00 As per IAS- 24:**

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

- (a) Short-term employee benefits
- (b) Post-employee benefits
- (c) Other long term benefits
- (d) termination benefits and
- (e) Share- based payment

|   |   |   |
|---|---|---|
| - | - | - |
| - | - | - |
| - | - | - |
| - | - | - |
| - | - | - |
| - | - | - |

**37.00 Events after Reporting Period:**

In compliance with the requirements of IAS 10: Events After the Reporting Period, post statement of financial position events that provide additional information about the company's position at the reporting date are reflected in the financial statements and events after the reporting period there are no adjusting events those are need to disclosed as events after reporting period:

**38.00 Disclosure as per requirements of Schedule XI, Part-II., Para-3 of the Companies Act. 1994**

| <b>Requirements under condition No.</b>   | <b>Compliance status of Disclosure Schedule XI, Part II, Para 3</b> |  |
|---|---|--|
| 3(i)(a) The turnover  | Complied  |  |
| 3(i)(b) Commission paid to selling agents   | Not Applicable  |  |
| 3(i)(c ) Brokerage and discount of sales, other than the usual trade discount                                     | Not Applicable  |  |
| 3(i)(d)(i) The value of the raw materials consumed, giving item-wise as as possible                               | Complied  |  |
| 3(i) (d)(ii) The opening and closing stocks of goods produced   | Complied  |  |
| 3(i)(e)In the case of trading companies, the purchase made and the opening and closing stocks                     | Not Applicable  |  |
| 3(i)(f) In the case of Companies rendering or supplying services, the gross income derived from services rendered | Not Applicable  |  |
| 3(i)(g) Opening and closing stocks, purchases, sales and consumption of raw materials with value and quantity     | Complied  |  |
| 3(i)(h) In the case of other companies, the gross income derived under different heads                            | Not Applicable  |  |
| 3(i)(i) Work-in-progress, which have been completed at the commencement and at the end of the accounting          | Complied  |  |
| 3(i)(j) Provision for depreciation, renewals or diminution in value of fixed assets                               | Complied  |  |
| 3(i)(k) Interest on the debenture paid or payable to the Managing Director, Managing Agent and the Manager        | Not Applicable  |  |
| 3(i)(l) Charge for income tax and other taxation on profits   | Complied  |  |
| 3(i)(m) Reserved for repayment of share capital and repayment of loans  | Not Applicable  |  |
| 3(i)(n)(i) Amount set aside or proposed to be set aside, to reserves, but not including provisions made to meet   | Not Applicable  |  |
| 3(i)(n)(ii) Amount withdrawn from above mentioned reserve   | Not Applicable  |  |
| 3(i)(o)(i) Amount set aside to provisions made for meeting specific liabilities, contingencies of commitments.    | Not Applicable  |  |
| 3(i)(o)(ii) Amount withdrawn from above mentioned provisions, as no longer required.                              | Not Applicable  |  |
| 3(i)(p) Expenditure incurred on each of the following items, separately for each item:                            | Complied  |  |
| (i) Consumption of stores and spare parts (ii) Power and Fuel (iii) Rent (iv) Repairs of Buildings (v) Repairs of |   |  |

Taufika Foods and Lovello Ice-Cream PLC  
Schedule of Property, Plant & Equipment  
As at 31 March 2022

**Property, Plant & Equipment**

| Particulars                   | Cost                     |                            |                          | Rate of Dep. (%) | Depreciation             |                           |                          | Written Down Value as on 31-03-2022 |
|-------------------------------|--------------------------|----------------------------|--------------------------|------------------|--------------------------|---------------------------|--------------------------|-------------------------------------|
|                               | Balance as on 01-07-2021 | Addition during the Period | Balance as on 31-03-2022 |                  | Balance as on 01-07-2021 | Charged during the Period | Balance as on 31-03-2022 |                                     |
| Land & Land Development       | 84,361,490               | -                          | 84,361,490               | 0%               | -                        | -                         | -                        | 84,361,490                          |
| Building & Civil Works        | 91,694,977               | -                          | 91,694,977               | 5%               | 21,888,455               | 2,617,745                 | 24,506,200               | 67,188,777                          |
| Plant and Machinery           | 414,437,939              | 73,999,290                 | 488,437,230              | 10%              | 140,186,111              | 23,343,860                | 163,529,972              | 324,907,258                         |
| Furniture and Fixtures        | 9,425,340                | 320,961                    | 9,746,301                | 10%              | 2,241,998                | 550,787                   | 2,792,785                | 6,953,516                           |
| Freezer                       | 628,974,033              | 45,571,844                 | 674,545,876              | 10%              | 147,500,014              | 37,819,496                | 185,319,509              | 489,226,367                         |
| Office Equipment              | 8,360,012                | 297,280                    | 8,657,292                | 10%              | 1,743,667                | 507,374                   | 2,251,041                | 6,406,251                           |
| Motor Vehicles                | 140,170,710              | 24,267,619                 | 164,438,329              | 20%              | 77,280,972               | 11,253,532                | 88,534,504               | 75,903,824                          |
| <b>Total as on 31.03.2022</b> | <b>1,377,424,500</b>     | <b>144,456,995</b>         | <b>1,521,881,495</b>     |                  | <b>390,841,217</b>       | <b>76,092,793</b>         | <b>466,934,011</b>       | <b>1,054,947,484</b>                |

|                               |                      |                    |                      |  |                    |                   |                    |                    |
|-------------------------------|----------------------|--------------------|----------------------|--|--------------------|-------------------|--------------------|--------------------|
| <b>Total as on 31.06.2021</b> | <b>1,200,619,949</b> | <b>176,804,551</b> | <b>1,377,424,500</b> |  | <b>296,327,876</b> | <b>94,513,342</b> | <b>390,841,217</b> | <b>986,583,283</b> |
|-------------------------------|----------------------|--------------------|----------------------|--|--------------------|-------------------|--------------------|--------------------|

**Right of Use Assets**

| Particulars                   | Cost                     |                            |                          | Rate of Dep. (%) | Depreciation             |                           |                          | Written Down Value as on 31-03-2022 |
|-------------------------------|--------------------------|----------------------------|--------------------------|------------------|--------------------------|---------------------------|--------------------------|-------------------------------------|
|                               | Balance as on 01-07-2021 | Addition during the Period | Balance as on 31-03-2022 |                  | Balance as on 01-07-2021 | Charged during the Period | Balance as on 31-03-2022 |                                     |
| Plant and Machinery           | 4,079,499                | -                          | 4,079,499                | 10%              | 1,254,242                | 211,894                   | 1,466,136                | 2,613,363                           |
| Freezer                       | 324,745,500              | -                          | 324,745,500              | 10%              | 118,642,773              | 15,457,705                | 134,100,478              | 190,645,022                         |
| Motor Vehicles                | 67,662,134               | -                          | 67,662,134               | 20%              | 42,618,647               | 3,756,523                 | 46,375,170               | 21,286,964                          |
| Office Space                  | 10,897,101               | -                          | 10,897,101               | 20%              | 4,540,459                | 1,452,947                 | 5,993,405                | 4,903,696                           |
| <b>Total as on 31.03.2022</b> | <b>407,384,234</b>       | <b>-</b>                   | <b>407,384,234</b>       |                  | <b>167,056,121</b>       | <b>20,879,069</b>         | <b>187,935,190</b>       | <b>219,449,045</b>                  |

|                               |                    |          |                    |  |                    |                   |                    |                    |
|-------------------------------|--------------------|----------|--------------------|--|--------------------|-------------------|--------------------|--------------------|
| <b>Total as on 31.06.2021</b> | <b>407,384,234</b> | <b>-</b> | <b>407,384,234</b> |  | <b>135,401,609</b> | <b>31,654,512</b> | <b>167,056,121</b> | <b>240,328,113</b> |
|-------------------------------|--------------------|----------|--------------------|--|--------------------|-------------------|--------------------|--------------------|

**Intangible assets**

| Particulars                   | Cost                     |                            |                          | Rate of Dep. (%) | Depreciation             |                           |                          | Written Down Value as on 31-03-2022 |
|-------------------------------|--------------------------|----------------------------|--------------------------|------------------|--------------------------|---------------------------|--------------------------|-------------------------------------|
|                               | Balance as on 01-07-2021 | Addition during the Period | Balance as on 31-03-2022 |                  | Balance as on 01-07-2021 | Charged during the Period | Balance as on 31-03-2022 |                                     |
| Computer Software             | 3,323,633                | 240,000                    | 3,563,633                | 50%              | 2,483,913                | 359,895                   | 2,843,808                | 719,825                             |
| <b>Total as on 31.03.2022</b> | <b>3,323,633</b>         | <b>240,000</b>             | <b>3,563,633</b>         |                  | <b>2,483,913</b>         | <b>359,895</b>            | <b>2,843,808</b>         | <b>719,825</b>                      |

|                               |                  |                |                  |  |                  |                |                  |                |
|-------------------------------|------------------|----------------|------------------|--|------------------|----------------|------------------|----------------|
| <b>Total as on 30.06.2021</b> | <b>2,696,433</b> | <b>627,200</b> | <b>3,323,633</b> |  | <b>1,957,793</b> | <b>526,120</b> | <b>2,483,913</b> | <b>839,720</b> |
|-------------------------------|------------------|----------------|------------------|--|------------------|----------------|------------------|----------------|

|                                     |                      |                    |                      |          |                    |                   |                    |                      |
|-------------------------------------|----------------------|--------------------|----------------------|----------|--------------------|-------------------|--------------------|----------------------|
| <b>Grand Total as on 31.03.2022</b> | <b>1,788,132,367</b> | <b>144,696,995</b> | <b>1,932,829,362</b> | <b>-</b> | <b>560,381,251</b> | <b>97,331,757</b> | <b>657,713,008</b> | <b>1,275,116,354</b> |
|-------------------------------------|----------------------|--------------------|----------------------|----------|--------------------|-------------------|--------------------|----------------------|

|                                     |                      |                    |                      |          |                    |                    |                    |                      |
|-------------------------------------|----------------------|--------------------|----------------------|----------|--------------------|--------------------|--------------------|----------------------|
| <b>Grand Total as on 30.06.2021</b> | <b>1,610,700,616</b> | <b>177,431,751</b> | <b>1,788,132,367</b> | <b>-</b> | <b>433,687,278</b> | <b>126,693,974</b> | <b>560,381,251</b> | <b>1,227,751,116</b> |
|-------------------------------------|----------------------|--------------------|----------------------|----------|--------------------|--------------------|--------------------|----------------------|

| Allocation of depreciation   | <u>Amount in Taka</u><br><u>31.03.2022</u> | <u>Amount in Taka</u><br><u>30.06.2021</u> |
|------------------------------|--|--|
|                              |  |  |
| Manufacturing Overhead       | 25,146,993                                 | 32,733,124                                 |
| Administrative Expenses      | 610,936                                    | 795,238                                    |
| Marketing & Selling Expenses | 71,573,828                                 | 93,165,611                                 |
| <b>Total</b>                 | <b>97,331,757</b>                          | <b>126,693,974</b>                         |



**Taufika Foods and Lovello Ice-Cream PLC**  
**Schedule of Property, Plant & Equipment**  
As at 30 June 2021

**Property, Plant & Equipment**

**Annexure - A**

| Particulars                   | Cost                     |                          |                          | Rate of Dep. (%) | Depreciation             |                         |                          | Written Down Value as on 30-06-2021 |
|-------------------------------|--------------------------|--------------------------|--------------------------|------------------|--------------------------|-------------------------|--------------------------|-------------------------------------|
|                               | Balance as on 01-07-2020 | Addition during the year | Balance as on 30-06-2021 |                  | Balance as on 01-07-2020 | Charged during the year | Balance as on 30-06-2021 |                                     |
| Land & Land Development       | 84,361,490               |                          | 84,361,490               | 0%               | -                        | -                       | -                        | 84,361,490                          |
| Building & Civil Works        | 91,694,977               |                          | 91,694,977               | 5%               | 18,214,428               | 3,674,027               | 21,888,455               | 69,806,522                          |
| Plant and Machinery           | 371,972,040              | 42,465,899               | 414,437,939              | 10%              | 112,072,902              | 28,113,209              | 140,186,111              | 274,251,828                         |
| Furniture and Fixtures        | 6,738,763                | 2,686,577                | 9,425,340                | 10%              | 1,593,103                | 648,895                 | 2,241,998                | 7,183,342                           |
| Freezer                       | 506,733,380              | 122,240,653              | 628,974,033              | 10%              | 100,794,048              | 46,705,966              | 147,500,014              | 481,474,019                         |
| Office Equipment              | 7,062,732                | 1,297,280                | 8,360,012                | 10%              | 1,080,589                | 663,078                 | 1,743,667                | 6,616,345                           |
| Motor Vehicles                | 132,056,568              | 8,114,142                | 140,170,710              | 20%              | 62,572,806               | 14,708,167              | 77,280,972               | 62,889,737                          |
| <b>Total as on 30.06.2021</b> | <b>1,200,619,949</b>     | <b>176,804,551</b>       | <b>1,377,424,500</b>     |                  | <b>296,327,876</b>       | <b>94,513,342</b>       | <b>390,841,217</b>       | <b>986,583,283</b>                  |

**Right of Use Assets**

| Particulars                   | Cost                     |                          |                          | Rate of Dep. (%) | Depreciation             |                         |                          | Written Down Value as on 30-06-2021 |
|-------------------------------|--------------------------|--------------------------|--------------------------|------------------|--------------------------|-------------------------|--------------------------|-------------------------------------|
|                               | Balance as on 01-07-2020 | Addition during the year | Balance as on 30-06-2021 |                  | Balance as on 01-07-2020 | Charged during the year | Balance as on 30-06-2021 |                                     |
| Plant and Machinery           | 4,079,499                |                          | 4,079,499                | 10%              | 940,325                  | 313,917                 | 1,254,242                | 2,825,257                           |
| Freezer                       | 324,745,500              |                          | 324,745,500              | 10%              | 95,742,470               | 22,900,303              | 118,642,773              | 206,102,727                         |
| Motor Vehicles                | 67,662,134               |                          | 67,662,134               | 20%              | 36,357,776               | 6,260,872               | 42,618,647               | 25,043,487                          |
| Office Space                  | 10,897,101               |                          | 10,897,101               | 20%              | 2,361,039                | 2,179,420               | 4,540,459                | 6,356,643                           |
| <b>Total as on 30.06.2021</b> | <b>407,384,234</b>       | <b>-</b>                 | <b>407,384,234</b>       |                  | <b>135,401,609</b>       | <b>31,654,512</b>       | <b>167,056,121</b>       | <b>240,328,113</b>                  |

**Intangible assets**

| Particulars                   | Cost                     |                          |                          | Rate of Dep. (%) | Depreciation             |                         |                          | Written Down Value as on 30-06-2021 |
|-------------------------------|--------------------------|--------------------------|--------------------------|------------------|--------------------------|-------------------------|--------------------------|-------------------------------------|
|                               | Balance as on 01-07-2020 | Addition during the year | Balance as on 30-06-2021 |                  | Balance as on 01-07-2020 | Charged during the year | Balance as on 30-06-2021 |                                     |
| Computer Software             | 2,696,433                | 627,200                  | 3,323,633                | 50%              | 1,957,793                | 526,120                 | 2,483,913                | 839,720                             |
| <b>Total as on 30.06.2021</b> | <b>2,696,433</b>         | <b>627,200</b>           | <b>3,323,633</b>         |                  | <b>1,957,793</b>         | <b>526,120</b>          | <b>2,483,913</b>         | <b>839,720</b>                      |

|                                     |                      |                    |                      |  |                    |                    |                    |                      |
|-------------------------------------|----------------------|--------------------|----------------------|--|--------------------|--------------------|--------------------|----------------------|
| <b>Grand Total as on 30.06.2021</b> | <b>1,610,700,616</b> | <b>177,431,751</b> | <b>1,788,132,367</b> |  | <b>433,687,278</b> | <b>126,693,974</b> | <b>560,381,251</b> | <b>1,227,751,116</b> |
|-------------------------------------|----------------------|--------------------|----------------------|--|--------------------|--------------------|--------------------|----------------------|