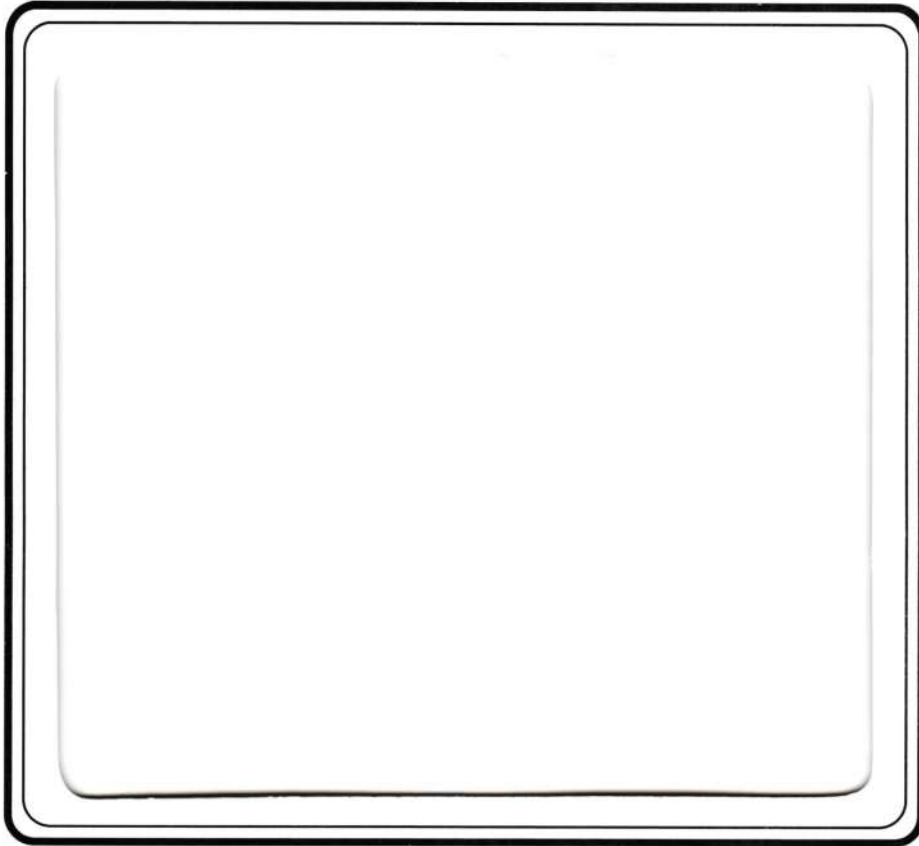


PRIVATE AND CONFIDENTIAL



G. KIBRIA & CO.
CHARTERED ACCOUNTANTS

Head Office:

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24-25, DILKUSHA COMMERCIAL AREA,
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Mir Akhter Hossain Limited

430/1, Tejgaon Industrial Area, Dhaka-1208.

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**Financial Statements & Auditor's Report
For the year ended June 30, 2022**



Independent Auditor's Report To the Shareholders of MIR AKHTER HOSSAIN LIMITED

Report on the Audit of the Financial Statements

Opinion

We have audited the consolidated financial statements of MIR AKHTER HOSSAIN LIMITED and its subsidiaries (the 'Group') as well as the separate financial statements of MIR AKHTER HOSSAIN LIMITED (the 'Company'), which comprise the consolidated and separate statement of financial position as at 30 June 2022, and the consolidated and separate statement of profit or loss and other comprehensive income, consolidated and separate statement of changes in equity and consolidated and separate statement of cash flows for the year then ended, and notes to the consolidated and separate financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company and Group as at June 30, 2022, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements section of our report. We are independent of the Group and the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

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

KEY AUDIT MATTER	How our audit addresses the Key Audit Matter
Investment in Subsidiary – Consolidation and Stand-Alone The Company has recognized an asset worth BDT 79,800,000 in subsidiary Mir Securities Limited as at 30 June 2022. This investment represents 99.75% ownership in the subsidiary as at 30 June 2022. There are intercompany transactions taking place between the two entities. Considering these factors, the overall risk profile of this item was considered high and was considered as a key audit matter.	Our audit procedures to mitigate the risk include: <ul style="list-style-type: none"> ▶ We performed discussions with management to understand their procedures and processes to prepare consolidated financial statements as well as performing restatement of prior year financial information. ▶ We reviewed supporting documentation to ensure the subsidiary met the criteria for consolidation and management has applied the appropriate accounting standards. ▶ We reviewed the consolidation procedures performed by Management. We reviewed management's elimination of intercompany balances to ensure accuracy and appropriateness. We also reviewed the stand-alone financial numbers used to prepare the consolidated statements to ensure clerical accuracy of consolidated financial statements. ▶ We reviewed Management's calculation of Non-Controlling Interest for all financial years presented on the statement of financial position and ensured there were no clerical errors and IFRS 10 was applied appropriately. ▶ We reviewed management disclosures and notes to the financial statements to ensure they were accurate and adequate in regards to the requirements of IFRS 10.
Management has presented separate consolidated financial statements as well audited financial statements.	



Property, Plant & Equipment	
<p>The Company's consolidated PPE balance as at 30 June 2022 was BDT 4.231 (BDT 4.076 Billion as at 30 June 2021). This represents 17% of Total Assets of the Company (18% of the Company as at 30 June 2021). There is estimation performed by management in regards to Asset useful life. Based on the requirement of estimates and the fact that this is a major asset category, this was determine to be a key audit matter.</p>	<p>Our audit procedures included:</p> <ul style="list-style-type: none"> ▶ Obtain an understanding of Company's internal controls, systems and processes around PPE. ▶ Performed discussions with management to understand their process of determining asset useful life. ▶ We performed PPE additions procedures by obtaining supporting documentation, invoices, and delivery information as well payments support. ▶ We performed reasonability of depreciation expenses charged by management to ensure accuracy and occurrence. ▶ We performed discussions with management and performed other corroborating procedures to ensure management's assumptions around impairment were reasonable. ▶ For disposals of assets, we obtained supporting documentation to determine the cost and fair market value of the asset and then reviewed management's calculations to ensure no clerical errors took place to calculate any related gains or losses.
<p>Detailed notes regarding Property, Plant & Equipment has been included in Note 4 and Note 4A in the Financial Statements</p>	
Revenue Recognition	
<p>Revenue of BDT 2.952 billion (3.242 billion for the year 30 June 2021) is recognized in the income statement of Mir Akhter Hossain Limited for the current year.</p> <p>This material item is subject to high inherent risk due to the complexity of the systems and the presence of individual customer contracts which are necessary for proper recording and identification of revenue.</p> <p>Against this background, the proper application of the accounting standards is considered to be complex and to a certain extent based on estimates and assumptions made by management</p>	<p>Our audit procedures included:</p> <ul style="list-style-type: none"> ▶ Obtain an understanding of Company's internal controls specifically geared towards adoption and implementation of IFRS 15. ▶ Examine customer contracts to determine key arrangements between the Customer and Company to understand when control of the goods manufactured transfer from Company to Customer. ▶ Reviewing Invoices, Shipping Documents and other supporting documentation to ensure revenue recognition is occurring appropriately ▶ Examine Payment documentation to ensure completion of revenue cycle is documented appropriately
<p>Details of Revenue Recognition are included in Note 20.00 and security Deposits are included in Note 7.00 to the Financial Statements</p>	

Information Other than the Financial Statements and Auditor's Report Thereon

Management is responsible for information other than financial statements and auditor's report. The other information comprises of the Director's Report, Corporate Governance Compliance Report and Management Discussion and Analysis. We expect to receive this other information after the date of our auditor's report.

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

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

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRSs, the Companies Act 1994, the Securities and Exchange Rules 1987 and other applicable laws and regulations and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, management is responsible for assessing the Company and Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or Group or to cease operations, or has no realistic alternative but to do so.

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



Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- ▶ Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- ▶ Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.
- ▶ Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- ▶ Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- ▶ Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

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

Report on other Legal and Regulatory Requirements

In accordance with the Companies Act 1994, the Securities and Exchange Rules 1987 and relevant notifications issued by Bangladesh Securities and Exchange Commission, we also report that:

- ▶ We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;
- ▶ In our opinion, proper books of accounts, records and other statutory books as required by law have been kept by the Group and Company so far as it appeared from our examinations of those books;
- ▶ Financial statements for the year ended 30 June 2022 of subsidiary namely, Mir Securities Limited have been audited by us and have been properly reflected in the consolidated financial statements. We have expressed an unqualified opinion for the company;
- ▶ The consolidated and the separate statements of financial position and statement of profit or loss and other comprehensive income dealt with by the report are in agreement with the books of account and returns; and
- ▶ The expenditures incurred were for the purpose of the Group's and the Company's business.

Date: 07 November, 2022
Dhaka, Bangladesh
DVC: 2211070392AS567837




A.K. Gulam Kibria, FCA (#392)
Engagement Partner
G. KIBRIA & CO.
Chartered Accountants




MIR AKHTER HOSSAIN LIMITED

CONSOLIDATED STATEMENT OF FINANCIAL POSITION


As at 30 June 2022


	Notes	30 JUNE 2022 Taka	30 JUNE 2021 Taka
Assets			
Non-current assets			
Property, plant and equipment	4A	4,231,774,119	4,075,655,901
Investment in Joint Venture	5	12,527,764,529	10,403,929,520
Investment in Projects	6	567,327,053	567,826,105
		17,326,865,701	15,047,411,526
Current assets			
Security Deposits (Retention Money)	7	742,961,003	806,068,568
Advance and Prepayments	8A	755,496,357	970,370,307
Advance income tax net of tax provision	9	51,764,542	49,772,694
Inventories	10	4,300,622,931	4,252,811,374
Cash and cash equivalents	11A	1,111,294,134	1,594,580,400
		6,962,138,968	7,673,603,342
Total assets		24,289,004,669	22,721,014,868
Equity and liabilities			
Shareholders' equity			
Share capital	12	1,207,715,470	1,207,715,470
Share premium		1,042,284,530	1,042,284,530
Revaluation Reserve	13	107,539,881	107,539,881
Retained earnings	14A	3,400,780,732	3,197,938,271
Non Controlling Interest	14B	164,536	173,984
		5,758,485,150	5,555,652,136
Non-current liabilities			
Deffered tax liability	15	3,325,976	3,325,976
Long term loan	16	13,581,586,040	12,131,364,077
		13,584,912,015	12,134,690,053
Current liabilities and provisions			
Short term loan and Current portion of long-term loan	16	4,779,552,912	4,873,468,063
Deferred LC	17	88,082,843	101,927,962
Unclaimed Dividend Account	18	691,232	-
Liabilities for expenses	19A	77,280,518	55,276,654
		4,945,607,504	5,030,672,679
Total liability		18,530,519,519	17,165,362,732
Total equity and liabilities		24,289,004,669	22,721,014,868
Net Assets Value per Share	27.2A	47.68	46.00

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


Chief Financial Officer


Company Secretary


Director


Managing Director


Chairperson

Signed in terms of our report of even date annexed.

Dhaka, 26th October 2022
DVC: 2211070392AS567837


A.K. Gulam Kibria FCA, Partner (#392)
G. KIBRIA & CO.
Chartered Accountants



MIR AKHTER HOSSAIN LIMITED


CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 30 June 2022

	Notes	30 JUNE 2022 Taka	30 JUNE 2021 Taka
Revenue	20	2,952,498,996	3,242,277,000
Cost of execution of the contract	21	(2,098,046,530)	(2,306,555,858)
Gross profit		854,452,466	935,721,142
General and administration expenses	22A	(214,596,141)	(198,461,469)
Profit from operations		639,856,325	737,259,673
Non-operating income	23	19,918,479	16,382,166
Financial expenses	24	(315,915,371)	(425,921,011)
Profit before tax and WPPF		343,859,433	327,720,828
Contribution to WPPF		(16,554,211)	(16,101,305)
Profit before tax from own construction business		327,305,222	311,619,523
Tax expense			
Current	25.1	(248,384,123)	(220,057,635)
Deferred	25.2	-	-
Total Tax expense		(248,384,123)	(220,057,635)
Profit after tax from own construction business		78,921,099	91,561,888
Profit after tax from Joint Venture	26	274,876,349	367,884,649
Total net profit after tax for the year		353,797,447	459,446,537
Other comprehensive income		-	-
Total comprehensive income for the year		353,797,447	459,446,537
Total comprehensive income attributable to:		353,797,447	459,446,537
Mir Akhter Hossain Limited		353,806,895	459,472,553
Non-Controlling Interest		(9,448)	(26,016)
Basic and Dilutive Earnings per Share	27.1A	2.93	3.80

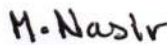
The accompanying notes form an integral part of these financial statements and are to be read in conjunction therewith.


Chief Financial Officer


Managing Director

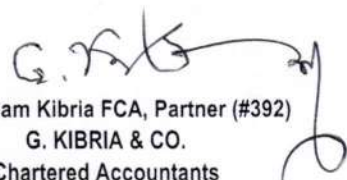

Chairperson


Company Secretary


Director

Signed in terms of our report of even date annexed.

Dhaka, 26th October 2022
DVC: 2211070392AS567837


A.K. Gulam Kibria FCA, Partner (#392)
G. KIBRIA & CO.
Chartered Accountants




MIR AKHTER HOSSAIN LIMITED

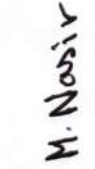
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

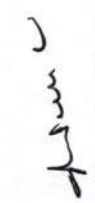
For the year ended 30 June 2022

Particulars	Share capital	Share Premium	Retained Earnings	Revaluation Reserve	Non-Controlling Interest	Total Reserve and Surplus	Total
	Taka	Taka	Taka	Taka	Taka	Taka	Taka
Balance as at 01 July 2020	1,000,000,000	-	2,738,465,717	107,539,881	-	2,846,005,598	3,846,005,598
Issue of new shares	207,715,470	1,042,284,530	-	-	-	91,561,888	1,250,000,000
Profit after tax for the year ended 30 June 2021	-	-	91,561,888	-	-	367,884,649	91,561,888
Profit after tax from Joint Venture	-	-	367,884,649	-	-	-	367,884,649
NCI Portion of Loss in Subsidiary	-	-	26,016	-	(26,016)	-	-
NCI Portion of Equity in Subsidiary	-	-	-	-	200,000	200,000	200,000
Balance as at 30 June 2021	1,207,715,470	1,042,284,530	3,197,938,270	107,539,881	173,984	3,305,652,136	5,555,652,136
Balance as at 01 July 2021	1,207,715,470	1,042,284,530	3,197,938,270	107,539,881	173,984	3,305,652,136	5,555,652,136
Cash Dividend Paid	-	-	(150,964,434)	-	-	(150,964,434)	(150,964,434)
Profit after tax for the year ended 30 June 2022	-	-	78,921,099	-	-	78,921,099	78,921,099
Profit after tax from Joint Venture	-	-	274,876,349	-	-	274,876,349	274,876,349
NCI Portion of Loss in Subsidiary	-	-	9,448	-	(9,448)	-	-
Balance as at 30 June 2022	1,207,715,470	1,042,284,530	3,400,780,732	107,539,881	164,536	3,508,485,149	5,758,485,150

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


Chief Financial Officer


M. Nasir
Director


Managing Director


S. Hossain
Chairperson

Dhaka, 26th October 2022



Mir Akhter Hossain Limited

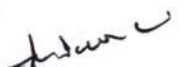
Consolidated Statement of cash flows

For the year ended 30 June 2022

	Notes	30 JUNE 2022 Taka	30 JUNE 2021 Taka
A. Cash flows from operating activities			
Cash receipts from customers		3,227,375,345	3,610,161,649
Cash paid to suppliers and employees		(1,559,076,619)	(3,184,895,427)
<i>Cash generated from operation</i>		<u>1,668,298,726</u>	<u>425,266,222</u>
Income tax deducted at source and paid		(250,375,971)	(221,695,851)
<i>Net cash generated from operating activities</i>		<u>1,417,922,755</u>	<u>203,570,371</u>
B. Cash flows from investing activities			
Purchase of property, plant and equipment		(667,991,303)	(704,500,728)
Investment in Joint Venture		(2,123,835,009)	(88,034,789)
Investment in FDR		-	-
Investment in Projects		499,052	(39,900,000)
<i>Net cash used in investing activities</i>		<u>(2,791,327,259)</u>	<u>(832,435,517)</u>
C. Cash flows from financing activities			
Total Loan net of repayment		1,356,306,812	922,251,036
Cash inflow for MSL Shares (NCI Portion)		-	200,000
Issuance of new shares through IPO		-	207,715,470
Share Premium		-	1,042,284,530
Interest Paid		(315,915,371)	(425,926,163)
Dividend Paid		(150,273,202)	-
<i>Net cash (used in)/from financing activities</i>		<u>890,118,238</u>	<u>1,746,524,874</u>
D. Net increase/(decrease) in cash and cash equivalents (A+B+C)		(483,286,266)	1,117,659,728
Unrealized FX Gain/(loss) related to Foreign Currency held		-	5,152
E. Opening cash and cash equivalents		1,594,580,400	476,915,521
F. Closing cash and cash equivalents (D+E)		<u>1,111,294,134</u>	<u>1,594,580,400</u>
Net Operating Cashflow per share (Note 27.3A)		11.74	1.69


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


Chief Financial Officer


Managing Director


Chairperson


Company Secretary


Director

Dhaka, 26th October 2022



MIR AKHTER HOSSAIN LIMITED

STATEMENT OF FINANCIAL POSITION

As at 30 June 2022

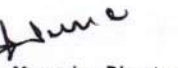
	Notes	30 JUNE 2022 Taka	30 JUNE 2021 Taka
Assets			
Non-current assets			
Property, plant and equipment	4	4,231,545,664	4,075,655,901
Investment in Joint Venture	5	12,527,764,529	10,403,929,520
Investments in Mir Securities Limited		79,800,000	79,800,000
Investment in Projects	6	567,327,053	567,826,105
		17,406,437,246	15,127,211,526
Current assets			
Security Deposits (Retention Money)	7	742,961,003	806,068,568
Advance and Prepayments	8	725,961,026	940,641,976
Advance income tax net of tax provision	9	51,764,542	49,772,694
Inventories	10	4,300,622,931	4,252,811,374
Cash and cash equivalents	11	1,074,981,271	1,554,680,805
		6,896,290,774	7,603,975,416
Total assets		24,302,728,020	22,731,186,942
Equity and liabilities			
Shareholders' equity			
Share capital	12	1,207,715,470	1,207,715,470
Share premium		1,042,284,530	1,042,284,530
Revaluation Reserve	13	107,539,881	107,539,881
Retained earnings	14	3,414,930,847	3,208,318,829
		5,772,470,728	5,565,858,710
Non-current liabilities			
Deferred tax liability	15	3,325,976	3,325,976
Long term loan	16	13,581,586,040	12,131,364,077
		13,584,912,015	12,134,690,053
Current liabilities and provisions			
Short term loan and Current portion of long-term loan	16	4,779,552,912	4,873,468,063
Deferred LC	17	88,082,843	101,927,962
Unclaimed Dividend Account	18	691,232	-
Liabilities for expenses	19	77,018,291	55,242,154
		4,945,345,277	5,030,638,179
Total liability		18,530,257,292	17,165,328,232
Total equity and liabilities		24,302,728,020	22,731,186,942
Net Assets Value per Share	27.2	47.80	46.09

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


Chief Financial Officer


Company Secretary

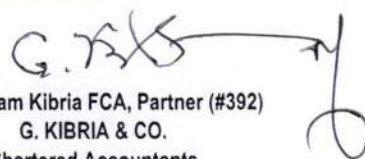

Director


Managing Director


Chairperson

Signed in terms of our report of even date annexed.

Dhaka, 26th October 2022
DVC: 2211070392AS567837


A.K. Gulam Kibria FCA, Partner (#392)
G. KIBRIA & CO.
Chartered Accountants



MIR AKHTER HOSSAIN LIMITED

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 30 June 2022

	Notes	30 JUNE 2022 Taka	30 JUNE 2021 Taka
Revenue	20	2,952,498,996	3,242,277,000
Cost of execution of the contract	21	(2,098,046,530)	(2,306,555,858)
Gross profit		854,452,466	935,721,142
General and administration expenses	22	(210,817,137)	(188,054,895)
Profit from operations		643,635,330	747,666,247
Non-operating income	23	19,918,479	16,382,166
Financial expenses	24	(315,915,371)	(425,921,011)
Profit before tax and WPPF		347,638,438	338,127,402
Contribution to WPPF		(16,554,211)	(16,101,305)
Profit before tax from own construction business		331,084,226	322,026,097
Tax expense			
Current	25.1	(248,384,123)	(220,057,635)
Deferred	25.2	-	-
Total Tax expense		(248,384,123)	(220,057,635)
Profit after tax from own construction business		82,700,103	101,968,462
Profit after tax from Joint Venture	26	274,876,349	367,884,649
Total net profit after tax for the year		357,576,452	469,853,111
Other comprehensive income		-	-
Total comprehensive income for the year		357,576,452	469,853,111
Basic and Dilutive Earnings per Share	27.1	2.96	3.89

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


Chief Financial Officer


Managing Director



Chairperson


Company Secretary


Director

Signed in terms of our report of even date annexed.

Dhaka, 26th October 2022
DVC: 2211070392AS567837


A.K. Gulam Kibria FCA, Partner (#392)
G. KIBRIA & CO.
Chartered Accountants



MIR AKHTER HOSSAIN LIMITED

STATEMENT OF CHANGES IN EQUITY


For the year ended 30 June 2022

Particulars	Taka				Taka		Taka	
	Share capital	Share Premium	Retained Earnings	Revaluation Reserve	Total Reserve and Surplus	Total		
Balance as at 01 July 2020	1,000,000,000	-	2,738,465,717	107,539,881	2,846,005,598	3,846,005,598		
Issue of new shares	207,715,470	1,042,284,530				1,250,000,000		
Profit after tax for the year ended 30 June 2021	-		101,968,462		101,968,462	101,968,462		
Profit after tax from Joint Venture	-		367,884,649		367,884,649	367,884,649		
Balance as at 30 June 2021	1,207,715,470	1,042,284,530	3,208,318,828	107,539,881	3,315,858,710	5,565,858,710		
Balance as at 01 July 2021	1,207,715,470	1,042,284,530	3,208,318,828	107,539,881	3,315,858,710	5,565,858,710		
Cash Dividend Paid	-		(150,964,434)		(150,964,434)	(150,964,434)		
Profit after tax for the year ended 30 June 2022	-		82,700,103		82,700,103	82,700,103		
Profit after tax from Joint Venture	-		274,876,349		274,876,349	274,876,349		
Balance as at 30 June 2022	1,207,715,470	1,042,284,530	3,414,930,846	107,539,881	3,522,470,728	5,772,470,728		


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


Chief Financial Officer


Company Secretary


M. Nasir
Director


Managing Director


Chairperson

Dhaka, 26th October 2022



Mir Akhter Hossain Limited

Statement of cash flows

For the year ended 30 June 2022

	30 JUNE 2022 Taka	30 JUNE 2021 Taka
A. Cash flows from operating activities		
Cash receipts from customers	3,227,375,345	3,610,161,649
Cash paid to suppliers and employees	(1,555,804,342)	(3,144,795,022)
Cash generated from operation	1,671,571,003	465,366,627
Income tax deducted at source and paid	(250,375,971)	(221,695,851)
Net cash generated from operating activities	1,421,195,032	243,670,776
B. Cash flows from investing activities		
Purchase of property, plant and equipment	(667,676,848)	(704,500,728)
Investment in Joint Venture	(2,123,835,009)	(88,034,789)
Investment in Mir Securities Limited	-	(79,800,000)
Investment in Projects	499,052	(39,900,000)
Net cash used in investing activities	(2,791,012,804)	(912,235,517)
C. Cash flows from financing activities		
Total Loan net of repayment	1,356,306,812	922,251,036
Issuance of new shares through IPO	-	207,715,470
Share Premium	-	1,042,284,530
Interest Paid	(315,915,371)	(425,926,163)
Dividend Paid	(150,273,202)	
Net cash (used in)/from financing activities	890,118,238	1,746,324,873
D. Net increase/(decrease) in cash and cash equivalents (A+B+C)	(479,699,534)	1,077,760,132
Unrealized FX Gain/(loss) related to Foreign Currency held	-	5,152
E. Opening cash and cash equivalents	1,554,680,805	476,915,521
F. Closing cash and cash equivalents (D+E)	1,074,981,271	1,554,680,805
Net Operating Cashflow per share (Note 27.3)	11.77	2.02


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


Chief Financial Officer


Managing Director


Chairperson


Company Secretary


Director

Dhaka, 26th October 2022



MIR AKHTER HOSSAIN LIMITED
NOTES TO THE FINANCIAL STATEMENTS
As at and for the period ended 30 June 2022

1. Legal Status and Nature of the Company

- 1.1 Mir Akhter Hossain Limited ["MAHL"] was incorporated as Private Company Limited by shares on July 18, 1980 vide registration # C-8196/35 with Registrar of Joint Stock Companies & Firm under the Companies act, 1913. The company in its extra ordinary general meeting held on 3rd and 10th January, 2017 made some amendments to the Memorandum and Articles of Association of the company with a view to converting it into a Public Limited company, increasing its authorized capital, decreasing the denomination of face value of shares ,complying with the Companies Act 1994, which were approved by the Registrar of Joint Stock Companies and Firms, Dhaka. On January 26, 2021, the Company was listed on the Dhaka Stock Exchange (DSE) and Chittagong Stock Exchange (CSE) through Initial Public Offering (IPO).
- 1.2 The address of the corporate office of the company is at 430/1, Tejgaon Industrial Area, Dhaka-1208.
- 1.3 The company owns and operates a construction business. In addition to working under its own name, MAHL also executes several construction work under Joint Venture agreements. The company was also involved in trading of cigarettes. However from July 01, 2017 the company has discontinued its cigarettes business as per decision of its Board Meeting dated September 20, 2017 with retrospective effect from 01 July 2017. All inventory held for the cigarette business were disposed in the year at book market value resulting in no gain or loss on disposal.
- 1.4 Description of subsidiaries and associates
Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

Mir Securities Limited

Mir Securities Limited ('MSL') was incorporated in Bangladesh on 2 March 2021 vide registration # C-169341/2021 as a private company limited by shares under the Companies Act, 1994. The registered office of the Company is situated at 430/1(1st Floor), Tejgaon I/A, Dhaka-1208. It is a subsidiary Company of Mir Akhter Hossain Ltd that holds 99.75% ownership of the Company.

The main objective of Mir Securities Limited is to act as a member of stock exchanges, the central depository system (CDS) companies and to carry on the business of broker, jobbers or dealers in stocks, shares, securities, bonds, debentures etc.

2. Basis of preparation

2.1 Statement of compliance

These financial statements are individual financial statements of MAHL, and have been prepared in accordance with International Financial Reporting Standards (IFRS), the Companies Act, 1994, the Securities and Exchange Rules, 1987, relevant guidelines issued by the Bangladesh Securities and Exchange Commission (BSEC) , Income Tax Ordinance 1984, VAT and Supplementary duty Act 2012, Regulations of Dhaka and Chittagong Stock Exchange, Bangladesh Labour Act 2006 (Amendment in 2013) and Bangladesh Labour Rules 2015, Financial Reporting Act 2015 and other applicable laws in Bangladesh. These individual financial statements present the financial position and performance of MAHL and its investment in Joint Ventures with multiple entities.

These financial statements have been prepared on going concern basis. Unless otherwise specifically mentioned, historical cost principle has been followed for the purpose of the financial statements.



2.2 Structure, content and presentation of financial statements

Being the general purpose financial statements, the presentation of these financial statements is in accordance with the guidelines provided by IAS 1: "Presentation of Financial Statements". A complete set of financial statements comprises:

- i) Consolidated and Separate Statement of Financial Position;
- ii) Consolidated and Separate Statement of Profit or Loss and Other Comprehensive Income;
- iii) Consolidated and Separate Statement of Changes in Equity;
- iv) Consolidated and Separate Statement of Cash Flows;
- v) Notes to the Consolidated and Separate Financial Statements, comprising a summary of significant accounting policies and other explanatory information to the financial statements.

2.3 Basis of consolidation

(i) Subsidiaries

The financial statements of subsidiary, Mir Securities Limited ('MSL') has been fully consolidated as Mir Akhter Hossain Limited ('MAHL') directly controls more than 50% of the voting rights of MSL. The accounting policies of MSL have been aligned with the policies adopted by Mir Akhter Hossain Limited.

(ii) Non-controlling interests

Non-controlling interest (NCI) is the equity interest in MSL not attributable to MAHL. NCI is calculated at MSL's proportionate share of identifiable net assets at the date of acquisition as per para 19 of IFRS 3: *Business Combinations*. NCI is presented in the consolidated statement of financial position, separately from the equity of the shareholders of MAHL as per paragraph 22 of IFRS 10: *Consolidated Financial Statements*.

In accordance with paragraph B94 of IFRS 10: Consolidated Financial Statements, the Group attributes the profit or loss and each component of the other comprehensive income to the owners of the parent and to the non-controlling interests even if the results in the non-controlling interest having a deficit balance.

(iii) Loss of control

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

(iv) Intragroup transactions

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements. Unrealised gains arising from transactions with equity accounted investees are eliminated against the investment to the extent of MAHL's interest in the investee. Unrealised losses, if any, are eliminated in the same way as unrealised gains but only to the extent that there is no evidence of impairment.

2.4 Investment in Joint Ventures

In addition to the Company's own construction business, the Company will form joint ventures with other organizations to execute customer contracts. The investment in these joint ventures are accounted for using the equity method. Under the equity method, the investment in the joint ventures are initially recognised at cost. The carrying amount of the investments are adjusted to recognise changes in the company's share of net assets of the joint venture since the acquisition date.

2.5 Basis of measurement

Under the historical cost, assets are recorded at the amount of cash or cash equivalents paid or the fair value of the consideration given to acquire them at the time of acquisition. Liabilities are recorded at the amount of proceeds received in exchange for the obligation, or in some circumstances (for example, income taxes), at the amounts of cash or cash equivalents expected to be paid to satisfy the liability in the normal course of business.

2.6 Functional and presentational currency

These financial statements are prepared in Bangladeshi Taka (Taka/BDT.), which is both the company's functional and presentational currency. All financial information has been rounded off to the nearest integer.



2.7 Use of estimates and judgments

The preparation of financial statements, in conformity with IFRS, requires management to make judgment, estimates and assumptions that affect the reported amount of revenue, expense, asset and liabilities and the accompanying disclosures including disclosures on contingent liabilities. Uncertainties about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amounts of assets and liabilities in future periods.

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

In particular, information about significant areas of assumptions, estimations and judgments in applying accounting policies that have the most significant effect on the amount recognised in the consolidated financial statements are described in the following notes

Note - 2.3	Basis of consolidation
Note - 2.4 and 5	Basis for using Equity Method
Note - 2.8	Going Concern
Note - 3.2	IFRS 16: Leases
Note - 3.4.3	Depreciation and useful life duration of assets
Note - 3.5	Impairment of Assets
Note - 3.9.2 and 15	Deferred tax asset/liability
Note - 3.9.1 and 25	Provision for corporate tax
Note - 3.13 and 36	Contingent Liabilities

Measurement of Fair Value

When measuring the fair value of an asset or a liability, the Group uses market observable data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

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

2.8 Going concern

As per IAS-1 para 25, a company is required to make assessment at the end of each year to assess its capability to continue as a going concern. These financial statements have been prepared on going concern basis. The company has adequate resources to continue its operation for the foreseeable future. For this reason the directors continue to adopt going concern basis in preparing the financial statements. The current resources and credit facilities of the company are sufficient to meet the present requirements of its existing business.

Impact of Covid-19 Pandemic and Russia-Ukraine War

Although, there was a good improvement of the pandemic in the country and the overall economy started to recover, there were significant delays in the completion of several on-going projects during the current year. As a result, there was a significant reduction in revenue recognized by the Company in the current year. Even though, the profitability of the Company suffered during the year for increased cost of major construction materials due to the effects of the ongoing Russia-Ukraine War, the Company managed to earn a positive Operating Cash Flow which indicates that the overall liquidity position of the Company is still sound. However, the Company is always monitoring the market, industry partners and the overall economy for any potential future impact of this Russia-Ukraine War. Besides, the management is not aware of any other material uncertainties that may cast significant doubt upon the Company's ability to continue as going concern, which is most unlikely though yet considering overall perspectives.

2.9 Statement of cash flows

Statement of Cash Flows has been prepared in accordance with IAS 7: "Statement of Cash Flows" under direct method as prescribed by the Bangladesh Securities and Exchange (BSEC) rule 1987. A reconciliation of Net operating cashflow from operating activities under the indirect method has also been prepared in accordance with Clause No. 5(2)(e) of Notification No. BSEC/CMRRCD/2006-158/208/Admin/81 Dated 20th June, 2018 (Gazette publication date: August 8, 2018).

2.10 Materiality, aggregation and off setting

Each material item as considered by management significant, has been presented separately in the financial statements. The Company reports separately both assets and liabilities, and income and expenses unless required by an applicable accounting standard or offsetting reflects substance of the transaction and such offsetting is permitted by applicable accounting standard. No amount has been set off unless the Company has legal right to set off the amounts and intends to settle on net basis.

2.11 Reporting period

This financial statement of the company covers one (1) year from 01 July 2021 to 30 June 2022.

2.12 Compliance with Financial Reporting standards as applicable in Bangladesh for the Company

The following IFRS are applicable for the preparations of financial statements for the period under review

IAS 1	Presentation of financial statements
IAS 2	Inventories
IAS 7	Statement of cash flows
IAS 8	Accounting policies, changes in accounting estimates and errors
IAS 10	Events after the reporting period
IAS 12	Income taxes
IAS 16	Property, plant & Equipment
IAS 19	Employee benefits
IAS 21	The effects of changes in foreign exchange rates
IAS 23	Borrowing costs
IAS 24	Related party disclosures
IAS 27	Consolidated and Separate Financial Statements
IAS 28	Investment in associates and Joint Ventures
IAS 32	Financial Instruments: Presentation
IAS 33	Earnings per share
IAS 34	Interim Financial Reporting
IAS 36	Impairment of Assets
IAS 37	Provisions, contingent liabilities and contingent assets
IFRS 3	Business Combinations
IFRS 7	Financial Instruments, disclosures
IFRS 9	Financial Instruments
IFRS 8	Operating Segments
IFRS 10	Consolidated Financial Statements
IFRS 13	Fair Value Measurement
IFRS 15	Revenue from contracts with customers
IFRS 16	Leases

2.13 Accrual Basis

Mir Akhter Hossain Limited prepares its financial statements, except for cash flow information, using the accrual basis of accounting. Since the accrual basis of accounting is used, the Company recognizes items as assets, liabilities, equity, income and expenses (the elements of financial statements) when they satisfy the definitions and recognition criteria for those elements in the IFRS conceptual Framework.

2.14 Comparative Information

Comparative information has been disclosed in respect of 01 July 2020 to 30 June 2021 in accordance with IAS 1: Presentation of Financial Statements for all numeric information in the financial statements and also the narrative and descriptive information where it is relevant for understanding of the current periods of financial statements.

2.15 Current versus non-current classification

The Company presents assets and liabilities in the statement of financial position based on current/non-current classification. Assets and liabilities are classified as current when they are expected to be realized, settled, sold or consumed in a normal accounting cycle or within twelve months after the reporting period. Assets and liabilities that are held primarily for trading are also considered current.

2.16 Standards Issued but not yet effective in Bangladesh

The new and amended standards and interpretations that are issued, but not yet effective, up to the date of issuance of the Company's financial statements are disclosed below.

IFRS 17 Insurance Contracts

In May 2017, the IASB issued IFRS 17 Insurance Contracts (IFRS 17), a comprehensive new accounting standard for insurance contracts covering recognition and measurement, presentation and disclosure. Once effective, IFRS 17 will replace IFRS 4 Insurance Contracts (IFRS 4) that was issued in 2005. IFRS 17 is effective for reporting periods beginning on or after 1 January 2023, with comparative figures required. This standard is not applicable to the Company and will not be adopted.

3. Significant accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

3.1 Shareholders' capital - paid-up capital

Paid-up capital represents the total amount of shareholders capital that has been paid in full by the ordinary shareholders. Holders of ordinary shares are entitled to receive dividends as declared from time to time.

3.2 Lease transactions (IFRS 16)

Starting 1st July 2019, IFRS 16 has been adopted and all leasing arrangements except those having less than 12 months of useful life and underlying asset values considered low value when new, have been capitalized as "right to use" assets with a corresponding financial liability on the balance sheet

Leased assets are capitalized from the start date of the lease agreement at the present value of the future leased payments, based on the rate of interest entered in the asset master data. Low value and short term leases (<12months) have been excluded from the recognition requirements and expensed in operating profit as rental costs. Lease reassessment and lease modification to increase/decrease the value of an asset depending on a change in scope of lease agreement can be made if necessary.

The asset is written off on a straight-line basis over the tenure of the lease agreements. Hence, the useful life of any lease assets depends on the number of periods the assets can be used. The useful life of such assets are dependent on individual agreement and can vary from one agreement to another

For the Current Year, the Company entered into (or had already existing) two (2) lease agreements. These lease agreements were rental leases for the Company's two office premises. For both of these leases, both the lessee and lessor have the right to terminate the lease without permission from the other party and also without any penalty being imposed by the other party. Therefore in line with Paragraph B34 of IFRS 16, both of these leases are not considered to be enforceable.

Since these agreements are not considered enforceable, they do not meet the definition of a contract under IFRS 16 and thus does not create a right-of-use Asset. Hence, MAHL has recognized the rent paid for their premises in line with their previous practice under IAS 17 which is recognizing a rental expense in the statement of profit or loss.

Since MAHL's rental agreements did not meet the definition of IFRS 16 right-of-use asset, there was no impact on the financial statements due to the adoption of this accounting standard.



3.3 Employee benefits:

Employees of the company are entitled to get the following benefits from the company:

a. Provident Fund

MAHL maintains a defined contribution plan (Employee Provident Fund) for its eligible permanent employees. The eligibility is determined according to the terms and conditions set forth in the trust deed and rules. The company subscribes to a contributory provident fund for its permanent employees which is administered by a Board of Trustees. As per IAS 19, in a defined contribution plan, the entity pays fixed contributions into a fund but has no legal or constructive obligation to make further payments. Obligations for contribution to defined contribution plans are recognised as an employee benefit expense in profit or loss in the period during which related services are rendered by employees.

b. Workers' Profit Participation Fund (WPPF)

In accordance with IAS 19, an entity shall recognize the expected cost of profit-sharing and bonus payments if the entity has a present legal or constructive obligation to make such payments and reliable measurement of the obligation can be made. The company makes the provision of WPPF @ 5% of its net profit before tax after charging such expense as WPPF in accordance with Bangladesh Labour Act 2006 as amended in 2013.

The Company does not have any policy to provide Defined Benefit Employment Benefits and therefore the Company does not maintain a Gratuity Fund. Consequently there is no provision or gratuity expenses recognized by the Company.

3.4 Property, plant and equipment

3.4.1 Recognition and measurement

Property, plant and equipment (PPE) is recognised as an asset if it is probable that future economic benefits associated with the asset will flow to the entity and the cost of the item can be measured reliably.

Property, plant and equipment are stated at cost or valuation less accumulated depreciation and impairment losses, if any. Cost includes expenditure that is directly attributable to the acquisition of the assets, bringing the assets to the location and condition necessary for it to be capable of operating in the manner intended by management.

3.4.2 Subsequent costs

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

3.4.3 Depreciation

Depreciation is recognised in the statement of profit or loss and other comprehensive income on a reducing balance method over the estimated useful lives of each item of property, plant and equipment. Depreciation of an asset begins when it is available for use, i.e. when it is in the location and condition necessary for it to be capable of operating in the manner intended by management. Depreciation of an asset ceases at the earlier of the date that the asset is classified as held for sale (or included in a disposal group that is classified as held for sale) in accordance with IFRS 5 and the date that the asset is derecognised or sold. No depreciation is charged on leasehold land and capital work-in-progress. Depreciation is calculated and charged on all other property, plant and equipment at the following rates on cost or valuation, considering the estimated useful lives of the assets:

	30-Jun-22	30-Jun-21
Land	0%	0%
Plant and machinery	15.00%	15.00%
Spare parts Office equipment	10.00%	10.00%
Furniture fixtures and fittings	10.00%	10.00%
Shuttering Material	20.00%	20.00%
Motor Vehicle	20.00%	20.00%
Warehouse & Workshop (MCW)	10.00%	-



Gain or loss on sale of property, plant and equipment is recognised in the statement of profit or loss and other comprehensive income as per provision of IAS 16: "Property, plant and equipment".

Depreciation has been allocated to the different projects on the basis of uses of the assets .

MAHL recognizes two kinds of spare parts: parts which are considered long-term assets and parts which are considered inventory. In addition, there are some spare parts which are used over multiple years and they are used on the field to service other capital equipment. These parts are used over multiple years, are of very high value and are held for use in the production of goods or service. Since these items are large, high value and used over multiple years, they meet the definition of property, plant and equipment, as per paragraph 6 of IAS 16 and thus are presented as fixed assets and not inventory

3.4.4 Revaluation of Property Plant and Equipment

When using the revaluation model, as per IAS 16: Property, Plant and Equipment paragraph 31, after recognition as an asset, an item of property, plant and equipment whose fair value shall be measured reliably can be carried at a revalued amount. If PPE and revaluations shall be made with sufficient regularity to ensure that the carrying amount does not differ materially from that which would be determined using fair value at the end of the reporting period.

The company revalued its land by an independent professional firm namely Nurul Faruk Hasan & Co., Chartered Accountants, creating a revaluation surplus of Taka 11,08,65,857. The valuation report has been prepared and treated in accordance with International Accounting Standards (IAS) and International Financial Reporting Standards (IFRS) and other applicable laws, rules, regulations and guidelines. The revaluation report was prepared based on the financial position of June 30, 2017.

The increase in the carrying amount of revalued assets is recognized in the separate component of equity under the head of revaluation surplus. However, the increase is recognized in profit or loss account to the extent that it reverses a revaluation decrease of the same assets previously recognized in profit or loss account. There were no income recognized for the current for any such reversals. Since the asset which was revalued (Land & Land Developments) is not depreciated, there is no transfer of revaluation surplus to equity done by the Company.

3.5 Impairment

3.5.1 Recognition

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

No indication of impairment was observed in the period ended 30 June 2022.

3.5.2 Calculation of recoverable amount

The recoverable amount of an asset is the greater of net selling price and value in use. The estimated future cash flows are discounted to their present value using discount rate that reflects the current market assessment of the time value of money and the risk specific to the asset. For an asset that does not generate significantly independent cash inflows, the recoverable amount is determined for the cash generating unit to which the asset belongs.



3.5.3 Reversal of impairment

An impairment loss recognised in prior periods for an asset shall be reversed if, and only if, there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised.

An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, had no impairment loss been recognised for the asset in prior years.

There was no reversal of impairment in the period ended 30 June 2022.

3.6 Capital work-in-progress

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

3.7 Financial Instruments

As per IFRS-7 "Financial Instruments: Disclosure" all financial instruments are presented in a way so that users are enabled to evaluate the significance of financial instruments for the Company and nature and extent of risks arising from financial instruments to which the entity is exposed during the period and how the entity manages those risks.

Investments in fixed deposits

Investments in fixed deposits are shown in the financial statements at its cost and interest income is recognised as they become due.

Cash and cash equivalents

Cash and cash equivalents include cash in hand, balances and deposits with licensed financial institutions that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Advances

Advances with no stated interest are measured at the original amount if the effect of discounting is immaterial.

MAHL has adopted IFRS 9 for the current period as this standard has become effective. In previous periods, the entity used IAS/BAS 39 to account for their financial instruments. The adoption of IFRS 9 did not have any impact on the Company's financial statements as there were no changes in the Company's classification of the existing financial instruments (all remained measured at cost). As per IFRS 9, a financial instrument is measured at cost if they are held with a business model whose objective is hold assets and collect contractual cashflows and the contractual terms give rise to cash flows on specific dates which are only payments of principle and interest on the outstanding principle. These two criteria's are met by all three instruments above.

3.8 Borrowing costs

As per requirement of IAS 23 Borrowing Costs, directly attributable borrowing costs are capitalised during construction period for all qualifying assets. A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use or sale. The borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are those borrowing costs that would have been avoided if the expenditure on the qualifying asset had not been made. All other borrowing costs are recognised in profit and loss in the period in which they are incurred.



3.9 Taxation

Tax on the statement of comprehensive income for the year comprises current and deferred tax. Income tax is recognised in the statement of comprehensive income except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

3.9.1 Current tax

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the statement of financial position date, and any adjustment to tax payable in respect of previous years.

3.9.2 Deferred tax

Deferred tax is provided on temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The following temporary differences are not provided for: the initial recognition of goodwill; the initial recognition of assets or liabilities that affect neither accounting nor taxable profit other than in a business combination, and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the balance sheet date. Deferred tax assets and liabilities are offset if there is a legal enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that is no longer probable that the related tax benefit will be realised.

3.10 Inventories

3.10.1 Stocks

Inventories represents construction material and supplies i.e., rod, cement, sand, stone, tiles, bricks, pipes, electrical goods etc. awaiting use in the production process. Therefore, the company complies with the principles of IAS-2 "Inventories" and recognise inventories at cost using weighted average cost formula and measure the same at reporting date at lower of cost and net realisable value.

3.10.2 Stores

Spare parts and miscellaneous items are valued at the lower of cost and net realizable value.

3.10.3 Contract Asset - Work in Progress & Contract Liabilities

Contract Asset: Work-in-process represents performance obligation completed by MAHL but for which consideration is not yet due (since the customer has not been billed). In accordance with paragraph 107 of IFRS 15, this is recorded as an asset. IFRS 15 allows a Company to use alternative description to represent Contract Asset in the statement of financial position (paragraph 109). Therefore contract asset is presented as "Work in Progress" in the statement of financial position.

MAHL does not operate or use sales agents who receive compensation in the form of commission from the Company. Rather than agents, the Company has human resources engaged in business development. The compensation of these employees are not directly related to acquisition of any single contracts but rather incurred periodically in the form salary and wages. Therefore the Company does not record any contract assets in related to customer contracts regarding costs incurred to obtain contracts which is in line with IFRS 15 Paragraph 91.

Contract liabilities represent payments received for consideration not yet completed. The Company only bills their clients for work completed after a survey is completed by the Customer to confirm the stage of work completion. The Company only recognizes revenue after this process is completed and only then the Company will bill their customers. Consequently, no payment is ever received before an obligation is completed and hence there is no Contract Liabilities on the financial statements

3.11 Trade and other receivables

Contracts receivable represent the amounts billed on completed construction contracts . In accordance with IFRS 15, the receivable amount represents MAHL's right to consideration that is unconditional. The consideration is unconditional due to the fact that the service has been completed and the customer has been billed for the services provided. Contract receivable asset should be distinguished from Work in Process which represents contracts assets where MAHL has completed their performance obligation but payment is not yet due (since the customer has not been billed yet). There are further details in Contract Asset: Work in progress is Note 3.10.3.

The Company uses the allowance method of recognizing uncollectible accounts receivable. The allowance method recognizes bad debt expense as a percentage of accounts receivable based on a review of the individual accounts outstanding and the Company's prior history of uncollectible accounts receivable. And in the opinion of management, all outstanding receivables at the year end are considered fully collectible.

3.12 Foreign currency transactions

The financial statements are presented in BDT which is company's functional currency. Transactions in foreign currencies are recorded in the books at the exchange rate prevailing on the date of the transaction. Monetary assets and liabilities in foreign currencies at the date of statements of financial position are translated into taka at the exchange rate prevailing at that date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the initial transaction. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rate at the date when the fair value was determined. Exchange differences arising on the settlement of monetary items or on translating monetary items at the end of the reporting period are recognised in profit or loss a per IAS-21 the Effects of Changes in Foreign Exchange Rates.

3.13 Provisions, contingent liabilities and contingent assets

Provisions

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

Contingent liabilities

Contingent liabilities is a possible obligation that arises from the past events and whose existence will be confirmed only by the occurrence or non-occurrence of more uncertain future events not wholly within the control of the entity; or a present obligation that arises from past events but is not recognised because:

- a) it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation;
- or
- b) the amount of the obligation cannot be measured reliably.

Contingent Assets

A Contingent asset is a possible asset that arises from the past events and whose existence will be confirmed only by the occurrence or non-occurrence of more uncertain future events not wholly within the control of the entity.

Contingent liabilities and assets are not recognised in the statement of financial position of the Company. They are disclosed in the notes to the financial statements.



3.14 Revenue recognition

Under IFRS 15, revenue is measured under a 5 step process. The 5 step process includes:

1. Identification of contract
2. Identification of performance obligation
3. Determination of transaction price
4. Allocation of transaction price to performance obligation
5. Satisfaction of performance obligation

Through a 5 step process, the Company identifies a contract with a customer and the contract details the consideration amount that is to be received from the customer in return for distinct performance obligations that is to be performed by the Company. The performance of these obligations are fulfilled through the transfer of goods and services to the customer.

As MAHL operates in the construction business, fulfilment of their contracts involve providing goods and services of varied nature in a given contract. However the nature of these services is such that they are not distinct individually but rather cumulatively makes up one single distinct deliverable (since the customer cannot enjoy the benefits from those goods or services on their own). Therefore, the consideration to has been agreed in the contract is attributed to the that one deliverable rather than allocating them to individual goods or services since they are not distinct from one another.

The performance obligation related to MAHL's construction contracts are satisfied over-time. MAHL uses the output method to determine the entity's progress towards complete satisfaction of a performance obligation over time. MAHL uses the output method because it provides a true and fair presentation of the value to the customer of the goods and services transferred to date relative to the remaining goods and services promised under the contract.

3.15 Contract Cost

Contract costs are costs that are incremental to obtaining a contract with a customer or costs that are directly related to fulfilling a specified customer (Fulfillment cost). Contract cost is capitalised as an asset and amortised in a way that is consistent with the transfer of the related goods and service.

3.16 Interest expenses

Interest expense comprises interest expense on overdraft, import loan, demand loan, finance lease and term loan. All interest expenses are recognised in the statement of profit or loss and other comprehensive income when it accrues. Interest expenses is allocated to the different projects and joint ventures on the basis of loan used.

3.17 Earnings per share

Basic earnings per share

The company presents basic earnings per share (EPS) for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to the ordinary shareholders of the company by the weighted average number of ordinary shares outstanding at the year end as per IAS-33 " earnings per share".

Diluted earnings per share

No diluted earnings per share are required to be calculated for the year as there was no scope for dilution during the year under review.

3.18 Related party transaction

Parties are considered to be related if one of the party has the ability to control the other party or exercise significant influence over the party in making financial and operating decisions. The company carried out transactions in the ordinary course of business on an arms length basis at commercial rates with its related parties.

3.19 Events after the reporting date

Events after the reporting date that provide additional information about the company's position at the reporting date are reflected in the financial statements. Events after the reporting date that are not adjusting events are disclosed in the notes when material.

3.20 General

Previous year's numerical information, narratives and descriptive information in the financial statements and accompanying notes have been disclosed and rearranged/reclassified wherever considered necessary to conform to current year's presentation.

4. Property, plant and equipment

Particulars	Land & Building		Plant and machinery		Spare parts & Office equipment		Furniture fixtures and fittings		Shuttering Material		Motor vehicles		Warehouse & Workshop (MCW)		Total		
	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	
AS AT 30 June 2022																	
Cost or valuation																	
As at 01 July 2021	457,329,433	1,234,074,196	3,374,816,070	79,787,170	982,705,558	657,924,661	136,581,758	6,923,218,846									
Addition during the year	93,038,750	279,382,920	28,878,958	1,390,840	203,338,514	31,497,866	30,149,000	667,676,848									
As at 30 June 2022	550,368,183	1,513,457,116	3,403,695,028	81,178,010	1,186,044,072	689,422,527	166,730,758	7,590,895,694									
Accumulated depreciation																	
As at 01 July 2021	-	620,587,046	1,308,312,180	28,156,496	497,247,102	393,260,121	-	2,847,562,946									
Charge during the year	-	107,400,950	207,985,812	5,237,984	119,115,775	55,373,487	16,673,076	511,787,084									
As at 30 June 2022	-	727,987,996	1,516,297,992	33,394,480	616,362,877	448,633,608	16,673,076	3,359,350,029									
Net book value																	
As at 30 June 2022	550,368,183	785,469,121	1,887,397,036	47,783,530	569,681,195	240,788,919	150,057,682	4,231,545,664									
AS AT 30 June 2021																	
Cost or valuation																	
As at 01 July 2020	344,864,500	1,120,090,920	3,347,737,510	74,683,805	717,430,074	613,911,309	136,581,758	6,355,299,876									
Addition during the year	112,464,933	113,983,276	27,078,560	5,103,365	265,275,484	44,013,352	-	567,918,970									
As at 30 June 2021	457,329,433	1,234,074,196	3,374,816,070	79,787,170	982,705,558	657,924,661	136,581,758	6,923,218,846									
Accumulated depreciation																	
As at 01 July 2020	-	528,684,845	1,079,710,871	22,621,767	413,146,054	334,108,212	-	2,378,271,749									
Charge during the year	-	91,902,201	228,601,309	5,534,730	84,101,048	59,151,909	-	469,291,197									
As at 30 June 2021	-	620,587,046	1,308,312,180	28,156,497	497,247,102	393,260,121	-	2,847,562,946									
Net book value																	
As at 30 June 2021	457,329,433	613,487,150	2,066,503,890	51,630,673	485,458,456	264,664,540	136,581,758	4,075,655,901									
Allocation of Depreciation:																	
	2022	2021															
Mir Akhter Hossain Ltd.	116,433,206	166,829,408															
Halla-MAH-Seokwang Joint Venture	19,241,760	4,458,455															
Samwhan-Mir Akhter Joint Venture	88,331,805	74,428,734															
Mir Akhter-Komaihaltec Joint Venture	-	5,504,220															
Mir Akhter-WMCG Joint Venture	61,590,800	33,111,118															
Halla-Mir Akhter Joint Venture	89,894,012	114,073,951															
Hego-Mir Akhter Joint Venture	49,805,095	27,930,569															
Mir Akhter-CAMCE Joint Venture	69,242,121	16,312,653															
CRCC-MAHL Joint Venture	17,248,285	22,502,584															
	511,787,084	469,291,197															



Depreciation has been allocated to the different projects on the basis of uses of the assets.

4A Consolidated Property, plant and equipment

This is made as follows:

	As at 30 JUNE 2022	As at 30 JUNE 2021
Balance of MAHL	4,231,545,664	4,075,655,901
Balance of Mir Securities Ltd	228,455	-
Closing Balance	4,231,774,119	4,075,655,901

5. Investment in Joint Venture

This amount represents the company's Investment in the project with foreign collaboration

12,527,764,529	10,403,929,520
12,527,764,529	10,403,929,520

Name of the Joint Venture

Nature of Business

HALLA-MAH-SEOKWANG JV	Construction	826,411,005	796,016,542
Samwhan-Mir Akhter JV	Construction	3,697,683,883	3,004,590,686
Mir Akhter-Komaihaltec JV	Construction	-	429,336,740
Mir Akhter-WMCG JV	Construction	1,495,387,754	871,928,159
Hego-Mir Akhter JV	Construction	1,089,206,728	1,047,597,383
Halla-Mir Akhter JV	Construction	3,561,571,172	2,993,132,828
Mir Akhter-CAMCE JV	Construction	1,047,078,594	715,862,328
CRCC-MAHL JV	Construction	810,425,394	545,464,854
		12,527,764,529	10,403,929,520

HALLA-MAH-SEOKWANG:

Three entities viz; Halla Corporation, Korea, Mir Akhter Hossain Ltd., Bangladesh and Seokwang Development Co. Ltd. formed a Joint Venture Undertaking (Partnership at will) based on a contract to perform the construction work of Cox's Bazar Airport under the Civil Aviation Authority of Bangladesh.

Samwhan-Mir Akhter JV:

Two entities viz; Samwhan Corporation and Mir Akhter Hossain Ltd., Bangladesh formed a Joint Venture Undertaking (Partnership at will) based on a contract for improvement of road from Dulla Mari road to Tangail (22.4 Km.) from 2-Lane to 4-lane including structures and performance based maintenance works on improved 4-lane road from Dulla Mari Road to Tangail (22.4 Km.) and Construction of 6 (Six) Nos (G-14) Storied Residential Building (100 Sft. Each unit) including civil, Internal & external sanitary & water supply and electrical works, supply & Installation of lift, Generator, electric substation and fire fighting system etc in Block-A of Dhaka Elevated Express way (DEE) project.

Mir Akhter-Komaihaltec JV:

Two entities viz; Komaihaltec Ltd. and Mir Akhter Hossain Ltd. formed a Joint Venture Undertaking (Partnership at will) based on a contract No. PW-02 for Construction of 16(Sixteen) Nos. Bridge at Rajshahi Zone of Western Bangladesh Bridge improvement project.

Mir Akhter-WMCG JV

Two entities viz; Mir Akhter Hossain Ltd. And Wuhan Municipal Construction Group (WMCG) formed a Joint Venture undertaking (Partnership at will) based on a contract for the construction of 7.35 km road from Rajghat to Mohoriguna in Moheshkhali upazilla of Coxsbazar.

As at
30 JUNE 2022

As at
30 JUNE 2021

Hego-Mir Akhter JV

Two entities viz; Henan Highway Engineering Group Co. Ltd., Republic of China and Mir Akhter Hossain Ltd. formed a Joint Venture Undertaking (Partnership at will) based on a contract for part-1: Improvement of road from west side of Bangabandhu Bridge to Hatikumrul intersection (19.80 km) to a 4-Lane highway alongwith slow moving vehicular traffic (SMVT) lane on both sides & structures and part-2: performance based maintaince works on improved 4-lane highway from west side of Bangabandhu Bridge to Hatikumrul intersection (19.80 km) to a 4-Lane highway alongwith slow moving vehicular traffic (SMVT) lane on both sides & structures under the SASEC road connectivity project-II: Improvement of Elenga-Hatikumrul-Rangpur road to a 4-lane highway, ICB No.: SASEC-III/ICB/MP-1/WP 06 (LOT 2).

Halla-Mir Akhter JV

Two entities viz; HALLA Corporation , Republic of Korea and Mir Akhter Hossain Ltd., Bangladesh formed a Joint Venture Undertaking (Partnership at will) based on a contract for rehabilitation of road from Badarkhali naval police station to Yunuskhali (Ch. 30+ 339 to Ch. 36+123) including new 680 m kohelia bridge, strengthening of existing runway and taxiway at OSMANI INTERNATIOANL AIRPORT , SYLHET and construction of 595m long PC box grider bridge box over Bakkhali river at Kusturi Ghat under sadar upazila of Cox'sbazar District.

CRCC-MAHL JV

Two entities viz; Mir Akhter Hossain Ltd. And China Railway Construction Bridge Engineering Bureau Group Co. Ltd. formed a Joint Venture undertaking (Partnership at will) based on a contract for the construction of Broad Gauge Rail Line from Madhukhali to Magura Via Kamarkhali.

MIR AKHTER-CAMCE JV

Two entities viz; Mir Akhter Hossain Ltd. And China CAMC Engineering Co. Ltd. formed a Joint Venture undertaking (Partnership at will) based on a contract for the Strengthening of Existing Runway and Taxiway at Shah Amanat International Airport, Chittagang.

Legal Status of all Joint Ventures:

The legal status of the joint venture is a Partnership at will because it was created only to carry out a particular construction projects as per contract, but in accordance with the provision of Section - 2 (20) BB of Income Tax Ordinance 1984 its status is a Company though it does not have any consequential effect under this Ordinance.

6. Investment in Projects

Balance as at 01 July
Add: Addition during the year

Less: Refund during the year
Balance as at 30 June

567,826,105	527,926,105
20,058	39,900,000
567,846,163	567,826,105
519,110	-
567,327,053	567,826,105



	As at 30 JUNE 2022	As at 30 JUNE 2021
7. Security Deposits (Retention Money)		
Security Deposits		
Balance as at 01 July	787,098,238	713,959,073
Add: Security deposits retained by the employer	127,127,863	149,673,865
Less: Refund during the period	(190,235,428)	(76,534,700)
Balance as at 30 June	<u>723,990,673</u>	<u>787,098,238</u>
Prepayments		
VAT refund:		
Opening Balance	18,970,330	18,970,330
Add: Additions during the year	-	-
Less: Refund during the year:	-	-
Closing Balance	<u>18,970,330</u>	<u>18,970,330</u>
	<u>742,961,003</u>	<u>806,068,568</u>
8. Advance & Prepayments		
Advances to employees against salary	2,871,510	2,226,787
Advances to suppliers	722,328,847	938,143,520
Advances to Mir Securities Ltd	760,669	271,669
	<u>725,961,026</u>	<u>940,641,976</u>
8A. Consolidated Advance & Prepayments		
Advance & Prepayments - MAHL	725,961,026	940,641,976
Advance & Prepayments - MSL	30,296,000	30,000,000
Less: Intercompany Elimination	(760,669)	(271,669)
	<u>755,496,357</u>	<u>970,370,307</u>
9. Advance income tax		
Balance as at 01 July	49,772,694	48,134,478
AIT on Import	39,078,640	26,696,435
AIT on Contract revenue	199,465,926	186,201,958
AIT on IPO & STD accounts	1,991,848	1,638,216
AIT on the registration of Car and Vehicle	9,839,557	7,159,242
	<u>300,148,665</u>	<u>269,830,329</u>
Less: Provision for tax	(248,384,123)	(220,057,635)
Balance as at 30 June	<u>51,764,542</u>	<u>49,772,694</u>
10. Inventories		
Stocks		
Work-in-process	2,349,519,583	1,740,101,845
Raw materials (Note-10.1)	1,887,571,784	1,995,339,200
Goods-in-transit	63,531,564	517,370,329
	<u>4,300,622,931</u>	<u>4,252,811,374</u>



	As at 30 JUNE 2022	As at 30 JUNE 2021
11. Cash and cash equivalents		
Cash in hand (Note- 11.3)	6,731,436	14,430,642
Cash at banks		
Cash at bank (Note-11.1)	1,008,947,403	1,170,208,269
Cheque in hand (Note-11.2)	59,302,433	370,041,894
	1,068,249,835	1,540,250,163
	1,074,981,271	1,554,680,805
11.1 Cash at bank		
Cash at bank MAHL	321,832,071	401,869,703
Cash at bank IPO account (BDT account)	687,062,782	767,713,712
Cash at bank IPO account (USD converted to BDT)	52,550	624,854
	1,008,947,403	1,170,208,269
11.2 Cheque in hand		
Project Name		
Rajshahi New Road(RNR)	-	159,341,312
Reliance Insurance Limited	12,520,723	37,779,354
RHD Sylhet Road Project, SRP	-	32,774,867
Bangabandhu Bridge,RHD(BBTL)	30,707,895	-
Chitagang Development Authority,BAKALIA	16,073,815	-
Jamuna River Dredging Works, JRDW	-	61,749,164
Munshiganj Bridge, MSBP	-	78,397,197
	59,302,433	370,041,894
11.3 Cash in hand		
Project		
Head Office	180,772	1,468,103
Uttara Residential Apartment Project	366,250	623,540
OSJI JOINT VENTURE	63,250	578,410
Reliance Insurance Limited	788,970	859,632
RHD, Shylhet Road Project(SRP)	-	2,655,820
Jamuna River Dredging Works, JRDW	-	3,655,120
Munshiganj Bridge, MSBP	815,740	825,630
Kushtia Shilpakala Academy (KSA)	-	531,470
Dhaka Airport (DAP)	815,360	2,920,417
Bangabandhu Bridge,RHD (BBTL)	544,180	312,500
RCCDRF	872,910	-
Jamuna Rail Bridge Project, JRBP	31,824	-
Chitagang Development Authority,BAKALIA	625,370	-
Chevron Bangladesh (BD)Block Twelve Ltd.	912,580	-
Patengha Container Terminal Ground Improvement (PCT)	714,230	-
	6,731,436	14,430,642
11A Consolidated Cash and cash equivalents		
Cash at bank MAHL (Note-11.1)	1,008,947,403	1,170,208,269
Cheque in hand (Note-11.2)	59,302,433	370,041,894
Cash in hand (Note- 11.3)	6,731,436	14,430,642
Cash at bank - MSL	36,312,863	39,899,595
	1,111,294,134	1,594,580,400

	As at 30 JUNE 2022	As at 30 JUNE 2021
12. Share capital		
Authorised		
200,000,000 Ordinary shares of Tk 10 each	<u>2,000,000,000</u>	<u>2,000,000,000</u>
Issued, subscribed and paid-up		
120,771,547 Ordinary shares of Tk 10 each	<u>1,207,715,470</u>	<u>1,207,715,470</u>
	<u>1,207,715,470</u>	<u>1,207,715,470</u>

Shareholding position of the company

	Nominal value (Taka)		Percentage of holding (%)	
	30-06-2022	30-06-2021	30-06-2022	30-06-2021
Sponsors/Directors	586,670,000	586,670,000	48.58%	48.58%
Institutions	52,414,040	47,106,540	4.34%	3.90%
General Public	568,631,430	573,938,930	47.08%	47.52%
	<u>1,207,715,470</u>	<u>1,207,715,470</u>	<u>100.00%</u>	<u>100.00%</u>

On 26 January 2021, the Company raised total proceeds of BDT 1,250,000,000 through Initial Public Offering (IPO). Overall the Company issued 20,771,547 shares with nominal value of BDT 10.00 per share. The Company recognized an increase in Share Capital of BDT 207,715,470 and share premium of BDT 1,042,284,530.

13. Revaluation Reserve		
Revaluation reserve	110,865,857	110,865,857
Less: Deferred tax liabilities on revaluation reserve	(3,325,976)	(3,325,976)
	<u>107,539,881</u>	<u>107,539,881</u>

14. Retained earnings		
Balance as at 01 July	3,208,318,829	2,738,465,717
Profit transferred from statement of comprehensive income	82,700,103	101,968,462
Cash Dividend Declared	(150,964,434)	-
Transferred from joint venture business	274,876,349	367,884,649
Balance as at 30 June	<u>3,414,930,847</u>	<u>3,208,318,829</u>

14.A Consolidated Retained earnings		
Balance as at 01 July	3,197,938,271	2,738,465,717
Profit transferred from MAHL Business (MAHL)	82,700,103	101,968,462
Less: Loss in MSL attributed to MAHL	(3,769,557)	(10,380,558)
	<u>78,930,546</u>	<u>91,587,904</u>
Transferred from joint venture business	274,876,349	367,884,649
Less: Cash Dividend paid	(150,964,434)	-
Balance as at 30 June	<u>3,400,780,732</u>	<u>3,197,938,271</u>

14.B Non-Controlling Interest in MSL		
Balance as at 01 July	173,984	-
NCI Portion of MSL Common Share Equity	-	200,000
NCI Portion of MSL loss for the year	(9,448)	(26,016)
	<u>164,536</u>	<u>173,984</u>



As at
30 JUNE 2022

As at
30 JUNE 2021

15 Deferred tax liabilities

The company has recognised deferred tax liabilities on revaluation surplus complying with the International Accounting Standard (IAS-12).

There are no other sources of deductible/taxable temporary differences for MAHL. Historically, the Company's depreciation expense for accounting purposes have been in line with depreciation expense recorded for tax purposes leading to no temporary differences. MAHL's joint ventures which are recorded using the equity method also does not lead to any taxable/deductible temporary difference since the Joint Ventures are taxed as a separate entity. All distribution of profits paid to MAHL are done on an after-tax basis and therefore there is no instance where a temporary difference can arise

Revaluation surplus	110,865,857	110,865,857
Tax rate, as per Section 53H of the Income Tax Ordinance 1984 read with Rule 17II	3%	3%
Deferred tax liabilities	<u>3,325,976</u>	<u>3,325,976</u>

16. Loan from Financial Institutions

Social Islami Bank Ltd.	1,550,180,505	1,510,777,691
Shahjalal Islami Bank Ltd.	1,035,307,961	1,581,546,494
Dhaka Bank Ltd.	2,467,292,353	1,926,868,864
United Commercial Bank Limited	920,784,356	2,276,685,362
Jamuna Bank Limited	572,822,671	665,740,893
Uttara Bank Limited	510,151,402	627,218,368
BRAC Bank Limited	1,927,238,604	805,606,087
Bank Asia Ltd.	499,551,640	-
Standard Bank Limited	561,610,810	931,984,568
Al-Arafah Islami Bank Ltd.	2,122,216,147	1,204,325,190
Midland Bank Ltd.	508,998,886	368,700,492
Modhumoti Bank Ltd.	293,865,620	719,819,347
Mutual Trust Bank Ltd.	1,672,911,236	1,581,827,928
The City Bank Ltd.	400,941,538	-
Prime Bank Ltd.	510,092,817	-
NRB Commercial Bank Ltd.	994,726,379	941,630,556
Dutch Bangla Bank Limited	1,812,446,027	1,862,100,300
	<u>18,361,138,952</u>	<u>17,004,832,140</u>
Less: Short term loan and Current portion of long-term loan	<u>(4,779,552,912)</u>	<u>(4,873,468,063)</u>
Long term loan	<u>13,581,586,040</u>	<u>12,131,364,077</u>

16.1 Social Islami Bank Ltd.

This represents the amount outstanding against term loans taken from The Social Islami Bank Limited on various dates for executing the projects and importing the equipment's and others. These loans are repayable with interest at the range of 7.00%-9.00% p.a.

16.2 Shahjalal Islami Bank Ltd.

This represents the amount outstanding against term loans taken from The Shahjalal Islami Bank Limited on various dates for executing the projects and importing the equipments and others. These loans are repayable with interest at the range of 7.00%-9.00% p.a.

16.3 Dhaka Bank Ltd.

This represents the amount outstanding against term loans taken from The Dhaka Bank Limited on various dates for executing the projects and importing the equipments and others. These loans are repayable with interest at the range of 7.00%-9.00% p.a.



As at
30 JUNE 2022

As at
30 JUNE 2021

16.4 United Commercial Bank Limited

This represents the amount outstanding against term loans taken from The United Commercial Bank Limited on various dates for executing the projects and importing the equipments and others. These loans are repayable with interest at the range of 7.00%-9.00% p.a.

16.5 Jamuna Bank Limited

This represents the amount outstanding against term loans taken from Jamuna Bank Limited on various dates for executing the projects and importing the equipments and others. These loans are repayable with interest at the range of 7.00%-9.00% p.a.

16.6 Uttara Bank Limited

This represents the amount outstanding against term loans taken from Uttara Bank Limited on various dates for executing the projects and importing the equipments and others. These loans are repayable with interest at 7.00%-9.00% p.a.

16.7 BRAC Bank Limited

This represents the amount outstanding against term loans taken from BRAC Bank Limited on various dates for executing the projects and importing the equipments and others. These loans are repayable with interest at the range of 7.00%-9.00% p.a.

16.8 Bank Asia Limited

This represents the amount outstanding against term loans taken from Bank Asia Limited on various dates for executing the projects and importing the equipments and others. These loans are repayable with interest at the range of 7.00%-9.00% p.a.

16.9 Standard Bank Limited

This represents the amount outstanding against term loans taken from Standard Bank Limited on various dates for executing the projects and importing the equipments and others. These loans are repayable with interest at the range of 7.00%-9.00% p.a.

16.10 Al-Arafah Islami Bank Limited

This represents the amount outstanding against term loans taken from Al-Arafah Islami Bank Limited on various dates for executing the projects and importing the equipments and others. These loans are repayable with interest at the range of 7.00%-9.00% p.a.

16.11 Midland Bank Ltd.

This represents the amount outstanding against term loans taken from Midland Bank Ltd. on various dates for executing the projects and importing the equipments and others. These loans are repayable with interest at the range of 7.00%-9.00% p.a.

16.12 Modhumoti Bank Ltd.

This represents the amount outstanding against term loans taken from Modhumoti Bank Ltd. on various dates for executing the projects and importing the equipments and others. These loans are repayable with interest at the range of 7.00%-9.00% p.a.



As at
30 JUNE 2022

As at
30 JUNE 2021

16.13 Mutual Trust Bank Ltd.

This represents the amount outstanding against term loans taken from Mutual Trust Bank Ltd. on various dates for executing the projects and importing the equipments and others. These loans are repayable with interest at the range of 7.00%-9.00% p.a.

16.14 The City Bank Ltd.

This represents the amount outstanding against term loans taken from the City Bank Ltd. on various dates for executing the projects and importing the equipments and others. These loans are repayable with interest at the range of 7.00%-9.00% p.a.

16.15 Prime Bank Ltd.

This represents the amount outstanding against term loans taken from Prime Bank Ltd. on various dates for executing the projects and importing the equipments and others. These loans are repayable with interest at the range of 7.00%-9.00% p.a.

16.16 NRB Commercial Bank Ltd.

This represents the amount outstanding against term loans taken from NRB Commercial Bank Ltd. on various dates for executing the projects and importing the equipments and others. These loans are repayable with interest at the range of 7.00%-9.00% p.a.

16.17 Dutch Bangla Bank Ltd.

This represents the amount outstanding against term loans taken from Dutch Bangla Bank Ltd. on various dates for executing the projects and importing the equipments and others. These loans are repayable with interest at the range of 7.00%-9.00% p.a.

16.18 Security

- (a) Personal guarantee of all the Directors including Managing Director of the company.
- (b) Existing charge on immoveable property, moveable property, book debts and floating assets (present and future) of the company duly registered with RJSC&F.
- (c) Mode wise post dated MICR cheques for each limit separately in favor of the bank to be obtained through an undertaking to the effect that these have been provided by the company for repayment purpose.
- (d) Fresh usual charge documents (mode wise) duly stamped and filled in.

17. Deferred LC

SL	Item Name	BDT Value
1	Stone	3,354,000
2	Spare Parts for Shantui Bulldozer	2,111,804
3	PC Strand	14,148,400
4	Stone	38,413,000
5	Expansion Joint	4,597,184
6	Expansion Joint	5,930,215
7	Stone	8,537,881
8	Stone	10,990,358
Total		88,082,843

18. Unclaimed Dividend Account

This is made as follows:

Opening Balance
Add: Cash Dividend for the year ended 30.06.2021
Less: Dividend paid during the year
Closing Balance

-	-
150,964,434	-
(150,273,202)	-
691,232	-



	As at 30 JUNE 2022	As at 30 JUNE 2021
19. Liabilities for expenses		
Salary & Allowances	47,380,537	13,345,900
Audit fees	350,000	350,000
Legal Fees	140,000	140,000
Director's Remuneration	770,000	560,000
Telephone & Fax Bill	34,465	12,380
Electrical Bill	109,386	101,600
Repair & Maintenance (Machinery)	48,520	65,700
Repair & Maintenance (CAR)	51,796	63,000
Repair & Maintenance (Equipment)	14,113	16,320
Office Rent	1,590,569	1,835,177
GAS & WASA Bill	104,245	37,200
Payable to Suppliers	9,113,331	10,065,713
Stationery	11,846	15,200
Newspaper & Postage	900	1,040
Office Maintenance Charges	14,889	27,190
Fuel & Lubricant	131,508	15,120
PF Contribution	597,974	310,200
Contribution to WPPF	16,554,211	28,280,414
	77,018,291	55,242,154
19A. Consolidated Liabilities for expenses		
Liabilities for expenses - MAHL	77,018,291	55,242,154
Liabilities for expenses - MSL	1,022,896	306,169
Less: Intercompany Elimination	(760,669)	(271,669)
	77,280,518	55,276,654



20. Revenue

	For the year ended 30 JUNE 2022	For the year ended 30 JUNE 2021
# Project Name (Details of Revenue is shown in Annexure - 1)		
1 RHD Sylhet Road Project(SRP)	-	1,057,260,712
2 Chevron Bangladesh (BD)Block Twelve Ltd.	288,461,417	75,109,472
3 Kushtia Shilpakala Academy (KSA)	76,788,488	52,608,262
4 Kanchpur Bridge.Narayongong (KMG)/OSJI	106,120,200	165,267,024
5 Patengha Container Terminal Ground Improvement (PCT)	482,275,806	311,907,918
6 Rajshahi New Road(RNR)	-	241,277,132
7 Uttara Construction Building Project(UTTARA)	21,503,612	163,615
8 Nator Baghatipara Bridge, NBB	20,000,000	-
9 Chitagang Development Authority,BAKALIA	36,753,049	65,564,000
10 Relaince Insurance Ltd.	93,771,055	135,821,135
11 Dredging Work Madaripur, DWM	-	1,245,526
12 Bangabandhu Bridge,RHD (BBTL)	127,994,272	141,628,399
13 Dhaka Airport (DAP)	418,475,772	359,525,326
14 LGED, Gopalganj, BAPARD (Kotalipara)	-	64,046,421
15 Multarpur Bridge, AMBP	-	89,821,505
16 Jamuna River Dredging Works, JRDW	-	337,821,160
17 Jamuna Rail Bridge Project, JRBP	458,596,261	48,182,487
18 Munshiganj Bridge, MSBP	514,088,973	95,026,905
19 RCCDRF	307,670,092	-
Total Revenue	2,952,498,996	3,242,277,000

21. Cost of execution of the contract

Opening stock of construction material	1,995,339,200	1,832,486,556
Development and material expense (Note 21.1)	1,672,866,937	1,711,977,572
Cost of construction material available during the period	3,668,206,137	3,544,464,128
Closing stock of construction material	1,887,571,784	1,995,339,200
Cost of construction material consumed during the period	1,780,634,353	1,549,124,928
Direct expenses (Note 21.2)	926,829,916	940,399,898
Total cost of construction in process	2,707,464,269	2,489,524,827
Opening Work in Process	1,740,101,845	1,557,132,876
Closing Work in Process	2,349,519,583	1,740,101,845
Total Cost of execution of the contract	2,098,046,530	2,306,555,858

21.1 Development and material expense

Earth filling and development work	2,965,210	3,852,400
Material cost	1,669,901,727	1,708,125,172
Total Development and material expenses	1,672,866,937	1,711,977,572



	For the year ended 30 JUNE 2022	For the year ended 30 JUNE 2021
21.2 Direct expenses		
Project Expenses	1,521,350	1,744,820
Carriage Inward	477,140	826,320
Fuel and Lubricant	86,618,360	93,675,719
Bank charge/Others charge by the Employer	12,215,120	5,138,739
Salary & Wages	478,297,628	420,428,480
VAT (Note-21.2.1)	231,267,112	251,756,412
Depreciation (Note-04)	116,433,206	166,829,408
Total Direct Expenses	926,829,916	940,399,898
21.2.1. VAT		
VAT Deducted from Construction Business	132,456,800	178,196,533
VAT Deducted from Import Stage	98,810,312	73,559,879
Total VAT	231,267,112	251,756,412
22. General and administration expenses		
Staff Salary & Allowance	159,686,821	142,485,915
Board Meeting Fee	440,000	92,000
Directors Remuneration	7,840,000	9,240,000
Advertisement	369,400	88,720
Printing & Stationery	442,150	182,400
Tender, Prequalification/Enlistment	206,310	369,230
Office Rent	20,824,091	21,848,579
Fees & Charges	588,250	478,350
Traveling & Tour	201,480	148,570
Telephone & Fax Charge	213,580	389,230
Postage & Telegram	32,470	28,110
Fuel & Lubricant	1,491,108	1,672,600
Repair & Maintenance (Machinery)	631,412	789,254
Repair & Maintenance (CAR)	612,145	756,220
Newspaper & Periodicals	10,800	12,480
Electrical Charge	1,495,474	1,219,466
Conveyance	278,950	218,150
Entertainment	314,566	255,680
Uniform & Liveries	60,170	55,470
Security Services	244,130	212,590
Insurance & Premium	9,833,444	3,614,118
Donation & Subscription/Zakat	180,770	141,200
Business Promotion	68,320	71,420
Head Office maintenance	178,666	228,570
Medical expenses	487,520	433,690
Repair & Maintenance (Equipment)	169,360	220,100
GAS & WASA Bill	1,406,960	446,463
Site Office Maintenance	358,790	326,320
Audit fee	470,000	350,000
Legal Fee	1,680,000	1,680,000
Total General and administration expenses	210,817,137	188,054,895
22A. Consolidated General and administration expenses		
General & administration expense - MAHL	210,817,137	188,054,895
General & administration expense - MSL	3,779,005	10,406,574
Total Consolidated General and administration expenses	214,596,141	198,461,469
23. Non-operating income		
Interest Income (STD Bank Interest)	291,999	153,953
Interest Income (IPO Bank Interest)	19,626,481	16,228,213
	19,918,479	16,382,166



	For the year ended 30 JUNE 2022	For the year ended 30 JUNE 2021
24. Financial expenses		
Interest Expense	1,544,087,768	1,476,762,418
Foreign Exchange (gain)/loss - Realized	3,658,036	431,904
Foreign Exchange (gain)/loss - Unrealized	7,436,945	102,970
Bank Charges	585,803	756,488
	1,555,768,552	1,478,053,781
Less: Interest charged to Joint Venture Partners:		
a) HALLA - MAH - SEOKWANG JOINT VENTURE	-	16,325,189
b) SAMWHAN-MIR AKHTER JOINT VENTURE	319,596,943	271,269,195
c) MIR AKHTER-KOMAIHALTEC JV	-	10,428,677
d) Mir Akhter-WMCG JV	193,519,094	115,109,101
e) Hego-Mir Akhter JV	156,488,257	98,663,782
f) Halla-Mir Akhter JV	282,448,154	392,120,371
g) CRCC-MAHL JV	54,194,336	81,432,994
h) MIR AKHTER-CAMCE JV	233,606,397	66,783,461
	1,239,853,181	1,052,132,770
Financial expenses charged	315,915,371	425,921,011

25. Income tax expense		
Current tax (note-25.1)	248,384,123	220,057,635
Deferred tax (note 25.2)	-	-
	248,384,123	220,057,635

25.1 Current tax		
1) Construction business income (as per 82C income)	238,544,566	212,898,393
2) Interest income on STD account	58,400	34,639
3) Interest income on IPO account	3,925,296	3,651,348
4) Excess taxes related to vehicle registration	5,855,861	3,473,255
Total current tax expense	248,384,123	220,057,635

The current tax expense is calculated as per Section 82C of the Income Tax Ordinance 1984 which described the minimum tax to be paid by the Company. Therefore no further effective tax rate reconciliation is necessary.

As per Paragraph 81(C) of IAS 12 Income Taxes an explanation of the relationship between tax expense (income) and accounting profit is provided below:

Net Profit before tax	331,084,226	322,026,097
Income Tax Rate - 20.0% [A]	66,216,845	72,455,872
Income Tax deducted at Source [B]	238,544,566	212,898,393
Minimum tax U/S 82C of IT Ordinance 1984 - 0.6% of Revenue [C]	17,714,994	19,453,862
Income Tax Provision for the year: Higher of [A, B & C]	238,544,566	212,898,393

25.2 Deferred tax		
There were no temporary differences between carrying amount of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Therefore the company did not record any deferred tax liabilities or assets apart from the revaluation reserve that is described in Note no-15. Moreover, the company always pay the minimum tax under section 82C of ITO 1984 from the deduction by the customer at source. Hence there is no possibility of future taxable profit to adjust if any deferred tax liability/asset arising in the future.		

Details of the carrying value of fixed assets (both tax and accounting value) are provided below:

Depreciation for tax (as per 3rd Schedule)	116,433,206	166,829,408
Depreciation as per Accounting	116,433,206	166,829,408
Temporary difference:	-	-

Since there is no temporary difference between the depreciation charged for tax and accounting purposes, there is no taxable temporary difference in the carrying value of the fixed assets for tax and accounting purposes. There is one source of temporary difference which is caused by the revaluation of land which has already been recognized by the Company (BDT 3,325,976). Since there is no change in the value of land (both tax and accounting), there is deferred tax expense recognized for land in the current year.



For the year ended 30 JUNE 2022	For the year ended 30 JUNE 2021
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26. Profit after tax from Joint Venture

<u>Name of the Joint Venture</u>	<u>Revenue</u>	<u>Profit after tax (PAT)</u>	<u>Share of MAHL in JV's profit FYE 30 June 2022</u>	<u>Share of MAHL in JV's profit FYE 30 June 2021</u>
HALLA-MAH-SEOKWANG JV	503,818,722	49,528,453	47,720,664	3,486,473
Samwhan-Mir Akhter JV	2,505,588,126	73,598,926	72,166,810	113,882,829
Mir Akhter-Komaihaltec JV	-	-	-	5,635,225
Mir Akhter-WMCG JV	1,644,162,088	19,594,154	19,398,212	46,568,319
Hego-Mir Akhter JV	1,320,501,293	20,783,385	20,367,717	35,281,127
Halla-Mir Akhter JV	2,469,246,735	72,446,808	70,810,720	134,008,865
Mir Akhter-CAMCE JV	1,865,206,572	27,974,667	27,415,173	8,503,616
CRCC-MAHL JV	478,966,333	17,343,931	16,997,052	20,518,195
	10,787,489,869	281,270,324	274,876,349	367,884,649

27. Price Sensitive Information:

27.1 Earnings Per Share:

Net profit for the year	357,576,452	469,853,111
Number of shares	120,771,547	109,231,799
Basic earnings per share (EPS)	2.96	4.30

Net profit for the year	357,576,452	469,853,111
Number of shares	120,771,547	120,771,547
Restated Basic earnings per share (EPS)	2.96	3.89

Diluted earnings per share :

No diluted EPS is calculated for the period as there was no scope for dilution during this period.

27.1A Consolidated Earnings Per Share:

Consolidated Net profit for the year	353,797,447	459,446,537
Number of shares	120,771,547	109,231,799
Consolidated Basic earnings per share (EPS)	2.93	4.21

Consolidated Net profit for the year	353,797,447	459,446,537
Number of shares	120,771,547	120,771,547
Consolidated Restated Basic earnings per share (EPS)	2.93	3.80

27.2 Net Assets Value per Share

Net Assets (with revaluation)	5,772,470,728	5,565,858,710
Number of shares	120,771,547	109,231,799
Net Asset value per share (NAVPS)	47.80	50.95

Net Assets (with revaluation)	5,772,470,728	5,565,858,710
Number of shares	120,771,547	120,771,547
Restated Net Asset value per share (NAVPS)	47.80	46.09

Net Assets (without revaluation)	5,664,930,847	5,458,318,829
Number of shares	120,771,547	109,231,799
Net Asset value per share (NAVPS)	46.91	49.97

Net Assets (without revaluation)	5,664,930,847	5,458,318,829
Number of shares	120,771,547	120,771,547
Restated Net Asset value per share (NAVPS)	46.91	45.20

27.2A Consolidated Net Assets Value per Share

Net Assets (with revaluation)	5,758,485,150	5,555,652,136
Number of shares	120,771,547	109,231,799
Consolidated Net Asset value per share (NAVPS)	47.68	50.86

Net Assets (with revaluation)	5,758,485,150	5,555,652,136
Number of shares	120,771,547	120,771,547
Restated Consolidated Net Asset value per share (NAVPS)	47.68	46.00



		For the year ended 30 JUNE 2022	For the year ended 30 JUNE 2021
	Net Assets (without revaluation)	5,650,945,268	5,448,112,255
	Number of shares	120,771,547	109,231,799
	Consolidated Net Asset value per share (NAVPS)	46.79	49.88
	Net Assets (without revaluation)	5,650,945,268	5,448,112,255
	Number of shares	120,771,547	120,771,547
	Restated Consolidated Net Asset value per share (NAVPS)	46.79	45.11
27.3	Net Operating Cashflow per share		
	Net Operating Cashflow	1,421,195,032	243,670,776
	Number of shares	120,771,547	109,231,799
	Net Operating Cashflow per share (NOCFPS)	11.77	2.23
	Net Operating Cashflow	1,421,195,032	243,670,776
	Number of shares	120,771,547	120,771,547
	Restated Net Operating Cashflow per share (NOCFPS)	11.77	2.02
27.3A	Consolidated Net Operating Cashflow per share		
	Net Operating Cashflow	1,417,922,755	203,570,371
	Number of shares	120,771,547	109,231,799
	Consolidated Net Operating Cashflow per share (NOCFPS)	11.74	1.86
	Net Operating Cashflow	1,417,922,755	203,570,371
	Number of shares	120,771,547	120,771,547
	Restated Consolidated Net Operating Cashflow per share (NOCFPS)	11.74	1.69
27.4	Reconciliation of net operating cash flow:		
	Net profit before tax	331,084,226	322,026,097
	Adjustment for:		
	Profit after tax from Joint venture	274,876,349	367,884,649
	Interest expenses	315,915,371	425,921,011
	Income tax paid	(250,375,971)	(221,695,851)
	Depreciation	511,787,084	469,291,198
	Changes in:		
	Inventories	(47,811,558)	(726,866,688)
	Security Deposits	63,107,565	(73,139,165)
	Advances and prepayments	214,680,950	11,247,528
	Deferred LC	(13,845,119)	(247,527,710)
	Liabilities for expenses	21,776,137	(83,470,292)
		1,421,195,032	243,670,776
27.4A	Reconciliation of net operating consolidated cash flow:		
	Net profit before tax	327,305,222	311,619,523
	Adjustment for:		
	Profit after tax from Joint venture	274,876,349	367,884,649
	Interest expenses	315,915,371	425,921,011
	Income tax paid	(250,375,971)	(221,695,851)
	Depreciation	511,787,084	469,291,198
	Changes in:		
	Inventories	(47,811,558)	(726,866,688)
	Security Deposits	63,107,565	(73,139,165)
	Advances and prepayments	214,959,950	(18,480,803)
	Deferred LC	(13,845,119)	(247,527,710)
	Liabilities for expenses	22,003,863	(83,435,793)
		1,417,922,755	203,570,371
28.	Capital Expenditure Commitment		
	There was no capital expenditure commitment of the company as on 30th June, 2022.		
29.	Payment of Foreign Currency		
	The company incurs foreign currency expenses through Import of Machinery & spare parts of the machinery and import of Raw Materials.		
	No other expense including consultancy fee, royalty, technical expert and professional advisory fee, interest, etc. was incurred or paid in foreign currencies except as stated above.		

For the year ended
30 JUNE 2022

For the year ended
30 JUNE 2021

30. **Foreign Exchange Earned**

Company has no foreign currency income during the year except turnover of Joint Venture Partnership which has been disclosed in their respective separate accounts.

No other income including consultancy fee, royalty, technical expert and professional advisory fee, interest, etc. was received in foreign currencies except as stated above.

31. **Commission, Brokerage or Discount against sales**

No commission was incurred or paid to distributors, agents and no brokerage or discounts were incurred or paid against sales during the year.

32. **Segment Reporting**

The Company operates under one single business and geographic segment. As a result, separate segment reporting is not necessary.

33. **Related party transactions (as per IAS-24)**

Name of parties	Relationship	Purpose	Balance	Balance
Directors Remuneration	Director	Salary and Festival Bonus	560,000	560,000
Mir Telecom Ltd.	Common Directorship	Rental Expenses	560,059	560,059
Mir Securities Limited	Subsidiary	Investment	79,800,000	79,800,000
		Current Balance	760,669	271,669

Details of Transactions:

Name of parties	Opening Balance	Addition	Adjustments	Closing Balance
Directors Remuneration	560,000	7,840,000	(7,840,000)	560,000
Mir Telecom Ltd.	560,059	6,720,710	(6,720,710)	560,059
Mir Securities Limited	79,800,000	-	-	79,800,000
	271,669	489,000	-	760,669

Disclosure as per requirements of schedule XI, part-II, para-4 of the companies act.-1994

Name of the Directors	Position	Remuneration	Bonus	Total
Mir Nasir Hossain	Managing Director	4,800,000	800,000	5,600,000
Mr. Shama-e-zaheer	Director & COO	1,920,000	320,000	2,240,000
Total				7,840,000

In addition, as per requirements of Paragraph 17 of IAS 24, the Company provided compensation to key management personnel which includes Chief Financial Officer

	31-June 2022	31-June 2021
Key Management Compensation (excluding Directors)	27,111,781	14,739,710

Period of payments to Directors from 01 July 2021 to 30 June 2022. The above directors of the company were not paid other than the above remuneration.

- Expenses reimbursed to the managing agent- Nil
- Commission or other remuneration payable separately to a managing agent or his associates- Nil
- Commission received or receivable by the managing agent or his associates of buying agent of other concerns in respect of contracts entered into such with the company - Nil
- The money value of the contracts for the sale or purchase of goods and materials or supply of services, entered into by the company with the managing agent or his associates during the financial year- Nil.
- Any other perquisites or benefits in cash or in kind stating -Nil
- Other allowances and commission including commission- Nil

34. **Attendance status of Board Meeting of Directors**

During the period from 01.07.21 to 30.06.2022 there were 5 (four) Board meeting were held. The attendance status of all the meeting is as follows:

SI	Name of Directors	Position	Meeting Held	Attended
1	Mir Nasir Hossain	Managing Director	5	5
2	Mrs. Sohela Hossain	Director	5	5
3	Mrs. Mahbuba Hossain	Director	5	5
4	Mr. Shama-e-zaheer	Director and COO	5	5
5	Md Farid Uddin	Independent Director	5	5
6	A.K.M Faizur Rahman	Independent Director	5	5
7	Prof. Dr. Muhammad	Independent Director	5	5
8	Prof. Nausheen Rahman	Independent Director	5	5



For the year ended 30 June 2022
 For the year ended 30 June 2021

For the year ended 30 JUNE 2022	For the year ended 30 JUNE 2021
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35. **Status of income tax assessment**

Income year	Assessment year	Present status
2020-21	2021-22	Assessment is under process.
2019-20	2020-21	Assessment completed and settled.
2018-19	2019-20	Assessment completed and settled.
2017-18	2018-19	Assessment completed and settled.
2016-17	2017-18	Assessment completed and settled.

36. **Contingent liabilities and contingent assets**

There is a contingent liability of Tk. 77,90,736 in respect of tax claim in the assessment year 2012-13. This matter has been appealed to the honourable High Court and is still pending.

37. **Number of employees engaged**

Total number of employees having annual salary of BDT 36,000 or above each was 2085 as at 30 June 2022 and 1967 as at 30 June 2021.

38. **Events after reporting date**

There is no adjusting and non-adjusting post balance sheet event of such importance, non disclosure or recognition of which would affect the ability of the users of the financial statements to make proper evaluation and decisions.

39. **Details of Lease Agreement:**

The company does not have any assets or liabilities under finance lease agreements. The company's operations rent their facilities under a non-controlling operating lease. The total lease expense for the year ended June 30, 2022 was TK. 20,824,091 (also included in Note 22).

40. **Operating Debt**

(I) **Debt considered good in respect of which the company is fully secured :**

The debtors occurred in the ordinary course of business are considered good and secured.

(II) **Debt considered good for which the company hold no security other than the debtors personal security**

There is no such debt in this respect as on 30 June' 2022.

(III) **Debt considered doubtful or bad**

The company does not make any provision for doubtful debts as on 30 June'2022, because of the fact that sales/export are being made on regular basis with fixed maturity dates.

(IV) **Debt due by directors or other officers of the company**

There is no such debt in this respect as on 30 June 2022.

(V) **Debt due by/from Common Management**

The company has no receivable from sister companies under common management. For more details related to this receivable, refer to Note 33 "Related Party Transactions".

41. **Financial Risk Management**

The Company is exposed to risks of varying degrees of significance that could affect its ability to achieve its strategic objectives. The main objectives of the Company's risk management process are to ensure that risks are properly identified and the capital base is adequate in relation to these risks.

The Company is exposed through its operations to the following financial risks:

- A. Interest rate Risk
- B. Currency Risk

A. Interest Rate Risk

The Company's exposure to the risk of changes in interest rates relates primarily to the Company's loans payable. An increase of 1% in the average interest rate for the Company would result in approximately additional expenses of BDT 176,466,726 in the current year.

B. Currency Risk

The Company's cash flows are impacted by currency movements as a significant portion of the Company's raw materials are purchased in US dollars. An increase of BDT 1 and BDT 2 in the US dollar to BDT exchange rate would have resulted in an estimated decrease to net income of approximately BDT 7,114,995 and BDT 14,229,989 respectively in the current year.

42. **Date of Authorization:**

The Board of Directors have authorized these financial statements on 26.10.2022.



Annexure-1

Details of Revenue for the year ended June 30, 2022

Sl. No.	Name of Works & Authorities	Security Refund	Gross bill	I. Tax deducted Tk.	VAT Deducted	SD Retained	Others/Bank Charge	Net Cheque Amount
1	Chevron Bangladesh (BD) Block Twelve Ltd.		288,461,417	20,192,299	-	-	3,443,915	264,825,203
2	Kushtia Shilpakala Academy (KSA)		76,788,488	3,839,424	5,759,137	3,839,424	-	63,350,503
3	Kanchpur Bridge, Narayongong (KMG) / OSJI	126,215,688	106,120,200	7,428,414	7,959,015	5,306,010	-	211,642,449
4	RHD, Madaripur Road Project (DSR)	3,396,746	-	-	-	-	-	3,396,746
5	Patengha Container Terminal Ground Improvement (PCT)		482,275,806	24,523,902	33,647,154	10,338,443	-	413,766,307
6	Rajshahi New Road (RNR)	29,932,552	-	-	-	-	-	29,932,552
7	CBM	1,489,756	-	-	-	-	-	1,489,756
8	Ultara Construction Building Project (UTTARA)		21,503,612	1,505,253	1,612,771	1,075,181	-	17,310,407
9	Residential Model Town (3rd Phase) Rajuk Dhaka	5,921,004	-	-	-	-	-	5,921,004
10	Nator Baghatipara Bridge, NBB		20,000,000	1,400,000	1,500,000	1,000,000	557,500	15,542,500
11	Chitagang Development Authority, BAKALIA		36,753,049	2,306,701	2,756,479	2,502,684	-	29,187,186
12	Reliance Insurance Ltd.		93,771,055	8,543,134	7,991,018	10,654,690	-	66,582,212
13	Bangabandhu Bridge, RHD (BBTL)		127,994,272	8,959,599	9,599,572	12,034,767	20	97,400,314
14	Dhaka Airport (DAP)		418,475,772	31,431,918	-	39,288,669	8,213,685	339,541,500
15	Muktarpur Bridge (AMBP)	4,491,067	-	-	-	-	-	4,491,067
16	Jamuna River Dredging Works, JRDW	16,462,241	-	-	-	-	-	16,462,241
17	Jamuna Rail Bridge Project, JRBP		458,596,261	31,812,217	-	-	-	426,784,043
18	Munshiganj Bridge (MSBP)		514,088,973	35,986,159	38,556,398	25,704,490	-	413,841,926
19	LWM	2,326,374	-	-	-	-	-	2,326,374
20	RCCDRF		307,670,092	21,536,906	23,075,257	15,383,505	-	247,674,424
	Total	190,235,428	2,952,488,996	199,465,926	132,456,800	127,127,863	12,215,120	2,671,468,714

