

Emerald Oil Industries Limited

Halimunnesa's Court (9th Floor)
23 Kakrail Road
Dhaka 1000

Auditors' Report And Financial Statements As at and for the year ended 30 June 2019

Shiraz Khan Basak & Co.
Chartered Accountants
R.K. Tower (Level-6 & 10)
86, Bir Uttam C.R. Datta Road
Dhaka- 1205



SHIRAZ KHAN BASAK & CO

CHARTERED ACCOUNTANTS

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INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF EMERALD OIL INDUSTRIES LIMITED

Report on the Audit of the Financial Statements

Qualified Opinion

We have audited the financial statements of Emerald Oil Industries Ltd (the Company), which comprise the statement of financial position as at **30 June 2019**, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, except for the effects of the matters described in the Basis for Qualified Opinion section of our report, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at 30 June 2019, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Basis for Qualified Opinion

Deferred tax of Taka 70,498,495 (Ref Note#22.01), the liability amount could not be confirmed due to non-availability of details of tax base. The deferred tax charged to statement of profit or loss & other comprehensive income for the year is Taka 3,922,793.

Emphasis of Matter

1. Property, Plant & Equipment (PPE):
The company did not maintain fixed assets registers/ details properly, with details containing information such as identification number of assets held, date of acquisition, cost of purchase, category of assets, accumulated depreciation, etc. Due to lack of such update records, existence, completeness and accuracy of the said fixed assets were not identifiable.
2. We sent balance confirmation requests to concerned bank branches maintaining accounts by the company. We received only two account's balance confirmations from IBBL and Padma Bank Ltd.
3. Trade & Other Receivables as on 30 June 2017 was Taka 1,556,653,675 (Ref Note#7.00) for credit sales. Opening balance of trade receivable on 01 July 2016 Taka 725,753,933 and sales made during the year 2016-17 Taka 940,414,264 debited to ex-MD, Mr Syed Hasibul Gani Galib, reportedly for non submission of credit parties' details (names, addresses, etc) to the present management. However, provision for doubtful debt provided Taka 1,556,653,675 (100% of receivable amount) during the year 2016-17 because ex-MD is not present in Bangladesh for long period and his return to Bangladesh is uncertain.
4. Long-term loans as on 30 June 2019 Taka 1,357,800,880 (Ref Note#13.00) in compare to previous year Taka 1,337,344,393. Balance confirmation letters were sent to the loan givers but we have not received any response.



5. Trade and other payables as on 30 June 2019 Taka 276,543,925 (Ref Note#14.00) in compare to previous year Taka 276,005,504. Balance confirmation letters are sent to the parties but we have received only five confirmations.
6. Workers' Profit Participation & Welfare Fund (WPP&WF): No amount paid on account of WPP&WF during the year under audit from the due amount of Taka 33,573,634 (Ref Note#16.01) as at 30.06.2016 to the outstanding employees.
7. No gratuity policy is maintained by the Company for its permanent employees, a non-compliance of section 27(4) of the Bangladesh Labour Act 2006 as amended.
8. Contingent liabilities for pending tax cases remains unverified due to non-availability of required documents. Also, no disclosure is given in the financial statements in this regard.
9. Amount due for Gas bill as on 30 June 2019 is Taka16,376,447 (Ref Note#16.00) same carried from last year. No settlement or adjustment made of the bills carried from last years.

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.

Risks	Our response to the risks
Property, Plant and Equipment	
<p>The carrying value of property, plant and equipment amount to Taka 570,018,638 (30 June 2018: Taka 612,651,099). This represents a material amount in the company's statement of financial position as at 30 June 2019 as:</p> <ul style="list-style-type: none"> • There is a risk of determining which costs meet the criteria for capitalization; • Determining the date on which the assets is recognized to property, plant and equipment and depreciation commences; • The estimation of economic useful lives and residual values assigned to property, plant and equipment. <p>Additionally, we identified the carrying value of property, plant and equipment as a key audit matter because of the high level of management judgment involved and because of its significance to the financial statements.</p> <p>(See note number 5.00 for details)</p>	<p>Our audit procedures to assess the carrying value of the property, plant and equipment included the following:</p> <ul style="list-style-type: none"> • Assessing the design, implementation and operating effectiveness of key internal controls over the completeness, existence and accuracy of property, plant and equipment including the key internal controls over the estimation of useful economic lives and residual values; • Testing supporting evidence of acquisition made on sample selected during the year to verify accuracy of recorded cost and ownership of acquired assets to the company; • Testing the key controls over the management's judgment in relation to the accounting estimates of the useful economic lives and residual values of property, plant and equipment; • Physically inspected assets located at factory to verify their existence and assets condition of use during or audit. • Assessing the adequacy of the disclosures of the financial statements.



Other Information

Management is responsible for the other information. The other information comprises all of the information in the Annual report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. The annual report is expected to be made available to us after the date of this auditor's report.

In connection with our audit of the financial statements, our responsibility is to read the other information identifies above when it becomes available 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. When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance of the company.

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

Management is responsible for the preparation and fair presentation of the Financial Statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of Financial Statements that are free from material misstatement, whether due to fraud or error.

In preparing the Financial Statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

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



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

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

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 and the Securities and Exchange Rules 1987, we also report the following:

- a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit and made due verification thereof;
- b) In our opinion, proper books of accounts as required by law have been kept by the Company so far as it appeared from our examination of these books;
- c) The 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 accounts and returns; and
- d) The expenditure incurred was for the purposes of the Company's business.

Date, Dhaka
23 February 2023



Signed for and on behalf of
Shiraz Khan Basak & Co
Chartered Accountants


Bhudhar Chakraborty FCA
Enrolment No. 599, Partner
DVC# 2302240599AS142842

EMERALD OIL INDUSTRIES LIMITED
STATEMENT OF FINANCIAL POSITION
As at 30 June 2019

Particulars	Notes	Amount In Taka	Amount In Taka
		30.06.2019	30.06.2018
A. NON-CURRENT ASSET		570,034,888	612,700,349
Property, Plant & Equipment	5.00	570,018,638	612,651,099
Intangible Assets	6.00	16,250	49,250
B. CURRENT ASSET		13,441,486	13,228,077
Trade & Other Receivabale	7.00	-	-
Advances, Deposits & Pre-Payments	8.00	4,247,906	4,213,804
Cash & Cash Equivalent	9.00	9,193,580	9,014,273
TOTAL ASSETS & PROPERTIES (A+B)		583,476,374	625,928,426
C. SHAREHOLDERS EQUITY		(1,228,450,259)	(1,160,194,960)
Share capital	10.00	597,135,000	597,135,000
Retained earnings	11.00	(1,825,585,259)	(1,757,329,960)
D. NON-CURRENT LIABILITIES		1,428,299,375	1,403,920,096
Deferred Tax Liabilities	12.00	70,498,495	66,575,703
Long term Loan (Secured)	13.00	1,357,800,880	1,337,344,393
E. CURRENT LIABILITIES		383,627,258	382,203,290
Trade & Other Payables	14.00	276,543,925	276,005,504
Uncollected IPO Subscription	15.00	6,286,250	6,286,250
Accruals & Provisions	16.00	100,797,083	99,911,536
TOTAL EQUITY & LIABILITIES (C+D+E)		583,476,374	625,928,426
Net Asset Value (NAVs) Per Share		(20.57)	(19.43)

The annexed notes (1-26) the integral part of these financial statements. These financial statements were authorised for issue by the Board of Directors on 23 February 2023.







 Chairman Managing Director Director Company Secretary Chief Financial Officer



Dhaka, Bangladesh
February 23, 2023

Signed for & on behalf of
Shiraz Khan Basak & Co
Chartered Accountants


 Bhudhar Chakraborty FCA
 Enrolment No. 599, Partner
 DVC#2302240599AS142842

EMERALD OIL INDUSTRIES LIMITED
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
For the year ended 30 June 2019

Particulars	Notes	Amount In Taka	Amount In Taka
		2018-2019	2017-2018
Revenue	17.00	-	-
Less: Cost Of Goods Sold	18.00	42,321,434	46,448,482
A. Gross Profit/ (Loss)		(42,321,434)	(46,448,482)
B. Operating Expenses		1,709,584	2,534,236
General and Administrative Expenses	19.00	1,709,584	2,534,236
C. Operating profit/ (Loss) (A-B)		(44,031,018)	(48,982,718)
D. Non Operating Income		233,644	207,866
Other Income	20.00	233,644	207,866
E. Non-operating Expenses		20,476,722	62,281,423
Financing Expenses	21.00	20,476,722	62,281,423
F. Profit/ (Loss) before WPPF & Tax (C+D-E)		(64,274,096)	(111,056,275)
G. Contribution to WPPF		-	-
H. Profit/ (Loss) before Tax (F-G)		(64,274,096)	(111,056,275)
I. Income Tax Expenses	22.00	3,981,204	6,598,051
Current Tax		58,411	51,967
Deferred Tax Expense/(Income)		3,922,793	6,546,084
J. Net profit / (loss) after tax (H-I)		(68,255,299)	(117,654,326)
Earnings Per Share	23.00	(1.14)	(1.97)

The annexed notes (1-26) the integral part of these financial statements. These financial statements were authorised for issue by the Board of Directors on 23 February 2023.







 Chairman Managing Director Director Company Secretary Chief Financial Officer

Signed for & on behalf of
Shiraz Khan Basak & Co
Chartered Accountants



Dhaka, Bangladesh
February 23, 2023


 Bhudhar Chakraborty FCA
 Enrolment No. 599, Partner
 DVC#2302240599AS142842

EMERALD OIL INDUSTRIES LIMITED
STATEMENT OF CHANGES IN EQUITY
For the year ended 30 June 2019

Particulars	Amount in Taka				
	Share Capital	Share Money Deposit	Revaluation Reserve	Retained Earnings	Total Amount
Balance as at July 01, 2018	597,135,000	-	-	(1,757,329,960)	(1,160,194,960)
Stock Dividend for the year ended June 30, 2018	-	-	-	-	-
Cash Dividend for the year ended June 30, 2018	-	-	-	-	-
Net profit/(Loss) after tax for the Year	-	-	-	(68,255,299)	(68,255,299)
Balance as at June 30, 2019	597,135,000	-	-	(1,825,585,259)	(1,228,450,259)

EMERALD OIL INDUSTRIES LIMITED
STATEMENT OF CHANGES IN EQUITY
For the year ended 30 June 2018

Particulars	Amount in Taka				
	Share Capital	Share Money Deposit	Revaluation Reserve	Retained Earnings	Total Amount
Balance as at July 01, 2017	597,135,000	-	-	(1,639,675,634)	(1,042,540,634)
Stock Dividend for the year ended June 30, 2017	-	-	-	-	-
Cash Dividend for the year ended June 30, 2017	-	-	-	-	-
Net profit/(Loss) after tax for the Year	-	-	-	(117,654,326)	(117,654,326)
Balance as at June 30, 2018	597,135,000	-	-	(1,757,329,960)	(1,160,194,960)

The annexed notes (1-26) the integral part of these financial statements. These financial statements were authorised for issue by the Board of Directors on 23 February 2023.

 Chairman
  Managing Director
  Director
  Company Secretary
  Chief Financial Officer

Dhaka, Bangladesh
February 23, 2023



EMERALD OIL INDUSTRIES LIMITED
STATEMENT OF CASH FLOWS
For the year ended 30 June 2019

Particulars	Amount In Taka	
	2018-2019	2017-2018
A. Cash flows from operating activities:		
Cash received from customer & other income	233,644	207,866
Payment to Creditors, Suppliers & Others	-	(47,801)
Income Tax Paid during the year	(34,102)	(36,916)
Net Cash provided by operating activities	199,542	123,150
B. Cash flows from investing activities:		
Acquisition of property, plant and Equipment	-	-
Investment in FDR	-	13,406,596
Net Cash used in investing activities	-	13,406,596
C. Cash flows from financing activities:		
Financial Expenses	(20,476,722)	(62,281,423)
Long Term Bank Loan (paid)/Received-Net	20,456,487	48,850,178
Net Cash from financing Activities	(20,235)	(13,431,245)
Net Decrease in cash & cash equivalents (A+B+C)	179,307	98,501
Cash & cash equivalents at the beginning of the year	9,014,273	8,915,773
Cash & cash equivalents at the end of the year	9,193,580	9,014,273
Net Operating Cash Flow Per Share	0.00	0.00

The annexed notes (1-26) the integral part of these financial statements. These financial statements were authorised for issue by the Board of Directors on 23 February 2023.

 Chairman
  Managing Director
  Director
  Company Secretary
  Chief Financial Officer

Dhaka, Bangladesh
February 23, 2023



EMERALD OIL INDUSTRIES LIMITED
Notes to the Financial Statements
For the year ended 30 June 2019

1.00 REPORTING ENTITY

1.01 Formation and legal status

Emerald Oil Industries Ltd, (hereinafter referred to as EOIL), a Public Limited Company was incorporated under the Companies Act 1994 vide Registration No. C-72229(271/2008) dated July 17, 2008. Initially the company named as 'Emerald Oil & Poultry Industries Limited' having its registered office in Dhaka. The Corporate Office of the company is situated at Halimunnesa's Court (9th floor), 23 Kakrail Road, Dhaka 1000. The company started its commercial operation from July 02, 2011. The board in its meeting held on December 21, 2011 decided to convert the company into public limited and converted into public limited accordingly. The company was renamed as "Emerald Oil Industries Ltd" with effect from December 01, 2011. The company was listed with Dhaka Stock Exchange Ltd. and Chittagong Stock Exchange Ltd. on March 11, 2014 and March 13, 2014 respectively.

1.02 Nature of business

The Company is engaged in manufacturing of Rice Bran Oil by processing of Rice Bran. In the processing of rice bran, De-oil Bran, Fatty Acid, Wax, Gum & Spent Earth are produced as by-product.

2.00 BASIS OF PREPARATION, PRESENTATION AND DISCLOSURES OF FINANCIAL STATEMENTS

2.01 Statement of Compliance

The financial statements have been prepared on a going concern basis following accrual basis of accounting except for cash flow statement in accordance with the International Accounting Standards (IASs) and International Financial Reporting Standards (IFRSs) as adopted in Bangladesh by the Financial Reporting Council (FRC).

2.02 Other regulatory compliances

As required, Emerald Oil Industries Ltd complies with the following major Act and Rules in addition to the Companies Act 1994 and other applicable laws and regulations:

- a) The Income Tax Ordinance 1984
- b) The Income Tax Rules 1984
- c) The Value Added Tax Act 1991
- c) The Value Added Tax Rules 1991
- e) Bangladesh Securities and Exchange Commission Rules 1987

2.03 Basis of Measurement

The financial statements have been prepared on historical cost basis, accrual concept and going concern assumptions.

2.04 Functional and presentation currency

These financial statements are prepared in Bangladesh Taka (Taka/Tk.), which is the company's functional currency. All financial information presented in Taka has been rounded off to the nearest integer.

2.05 Use of Estimates and Judgment

The preparation of these financial statements is in conformity with IFRSs requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

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



2.06 Presentation of Financial Statements

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

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

2.07 Reporting Period

The financial period of the company covers twelve months from 01 July 2018 to 30 June 2019.

2.08 Date of Authorization

The Board of Directors has authorized these financial statements on 23 February 2023

2.09 SIGNIFICANT ACCOUNTING POLICIES

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

3.00 Application of Standards

The following Standards are applied to the financial statements for the year under review:

Name of the accounting standards	Ref. No.	Status of Application
Presentation of Financial Statements	IAS - 1	Applied
Inventories	IAS - 2	Applied
Statements of Cash Flows	IAS - 7	Applied
Accounting Policies, Changes in Accounting Estimates and Errors.	IAS - 8	Applied
Events after the reporting period	IAS - 10	Applied
Income Taxes	IAS - 12	Applied
Property, Plant and Equipment	IAS - 16	Applied
Employee Benefit	IAS - 19	Applied
The Effects of Changes in Foreign Exchange Rates	IAS - 21	Applied
Borrowing Costs	IAS - 23	Applied
Related Party Disclosures	IAS - 24	Applied
Financial Instrument, Presentation	IAS - 32	Applied
Earnings Per Share	IAS - 33	Applied
Interim Financial Reporting, Comparative Information	IAS - 34	Applied
Impairment of Assets	IAS - 36	Applied
Provisions, Contingent Liabilities and Contingent Assets	IAS - 37	Applied
Intangible Assets	IAS - 38	Applied
Financial Instruments: Recognition & Measurement	IAS - 39	Applied
Financial Instruments disclosure	IFRS - 7	Applied
Fair Value Measurement	IFRS - 13	Applied
Revenue	IFRS - 15	Applied
Leases	IFRS - 16	Not Applicable

3.01 Property, Plant and Equipment

3.01.01 Recognition and Measurement and Disclosure

Items of property, plant and equipment are measured at cost less accumulated depreciation less impairment loss, if any. Capital work-in-progress represents the cost incurred for acquisition and/or construction of property, plant and equipment that were not ready for use, are stated at cost.

Cost includes expenditure that is directly attributable to the acquisition of asset. The cost of self constructed asset includes the cost of material and direct labour and any other costs directly attributable to bringing the assets to the state of its intended use and the costs of dismantling and removing the items and restoring the site on which they are located.

3.01.02 Borrowing Costs

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

3.01.03 Subsequent Costs and Maintenance Activities

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

3.01.04 Disposal of property, plant and equipment

On Disposal of property, plant and equipment, the cost and accumulated depreciation are eliminated and gain or loss on such disposal is reflected in the income statement, which is determined with reference to the net book value of the assets and net sales proceeds.

3.01.05 Maintenance Activities

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

3.01.06 Depreciation

Depreciation on all items of Property, Plant & Equipment other than Land & Land development is computed using the reducing balance method so as to write off the assets over their expected useful life. Depreciation on Property, Plant & Equipment has been charged on acquisition of Property, Plant & Equipment when it is available for use.

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

Category	Rate of Depreciation	
	30.06.2019	30.06.2018
Land & Land Development	-	-
Building & Other Civil Works	5%	5%
Plant & Machineries	10%	10%
Electrical & Gas Line Installation	15%	15%
Furniture & Fixtures	15%	15%
Office Decoration	15%	15%
Office Equipment	20%	20%
Vehicle	20%	20%



3.02 Capital Work-in-progress

Property, plant and equipment under construction/acquisition is accounted for as capital work-in-progress until construction/acquisition is complete and measured at cost.

3.03 Intangible Assets

3.03.01 Recognition and measurement

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

3.03.02 Amortization

Amortization is recognized in the statement of comprehensive income on straight line method. The estimated useful life for computer software is 10 years and Campaign film is 5 years.

3.04 Inventories

Inventories comprise of raw materials, Finished goods, Processing Material, Packing Materials and Stores & Spares. Raw materials and Stores and Spares have been valued at average cost. Finished goods have been valued at lower of net realizable value and total of cost of material and other production Overhead attributable to bringing the goods to the state of sale under the convention of IAS-2.

3.05 Accounts Receivable

Accounts receivable is initially recognized at cost which is the fair value of the consideration given in return. After initial recognition these are carried at cost less impairment losses due to uncollectibility of any amount so recognized.

3.06 Advances, Deposits and Prepayments

Advances are initially measured at cost. After initial recognition advances are carried at cost less deductions, adjustments or charges to other account heads such as property, plant and equipment, inventory or expenses.

Deposits are measured at payment value.

Prepayments are initially measured at cost. After initial recognition prepayments are carried at cost less charges to profit and loss account.

3.07 Cash and Cash Equivalent

Cash and cash equivalent include cash in hand, cash at banks which are held and available for use by the Company without any restriction.

3.08 Contingencies

There is ongoing litigation against the Ex Directors removed on 02 March 2021 as well as Emerald Oil Industries Ltd. by Anti-Corruption Commission (ACC) and some other government parties regarding loan arrangement from BASIC bank against which a writ petition (No. 13250 of 2015) has been lodged. At this point management is unable to measure the obligation with sufficient reliability or ascertain the outcome of this litigation. Hence no provision for liability has been recorded.

3.09 Going Concern

The company made a net Loss after tax of Tk. 68,255,299/- during the year. The company could not repay its banks'/financial Institutions' loans in due time which resulted in anti-corruption commission filing a lawsuit against the Directors as well as the Company as detailed in 3.08.



However Bangladesh Securities & Exchange Commission vide letter no.-BSEC/SRMIC/47/2014/73, Dated: 02 March 2021 appointed 5 (Five) distinguished individuals as Independent Directors of the Company in accordance with condition under 2 of the Commission's Notification No. SEC/CMRRCD/2009-193/07/Admin, Dated September 01, 2020. The new Board already included an investor namely " Minori Bangladesh Ltd." vide letter No.-BSEC/SRMIC/47/2014/112, Dated 29 April 2021 to bring the company into operation. In consequence of permission of the new board the company again started it's commercial production on 09 January 2022 upon successful completion of trial production

3.10 Income Tax & VAT

Current Tax

A provision @ 0.6% on the Gross Revenue Income except other income of the company has been provided during the year as per the Income Tax Ordinance, 1984. However provision 25% is made on total others income of the company.

Deferred Tax

Deferred tax is provided for all temporary differences comprising between the tax base of assets and liabilities and their carrying amounts in financial statements in accordance with the provision of IAS-12.

Value Added Tax (VAT)

No VAT is applicable on the sale proceeds of the company as the company's sales is exempted from VAT under Table-3, Heading No.-15.15, H.S.Code-1515.90.00 of related SRO of the VAT Act, 1991.

3.11 Revenue Recognition

In compliance with the requirements of IFRS - 15: Revenue, revenue from receipts from customers against sales is recognized when products are dispatched to customers, that is, when the significant risk and rewards of ownership have been transferred to the buyer, recovery of the consideration is probable, the associated costs and possible return of goods-can be estimated reliably, and there is no continuing management involvement with the goods.

3.12 Borrowing Costs

Borrowing costs that are not directly attributable to the acquisition, construction or production of qualifying assets are recognized in profit or loss using effective interest method. Borrowing cost incurred against loan for BMRE project has been capitalized under effective interest rate method.

3.13 Statement of Cash Flows

Cash flow statement is prepared in accordance with IAS-7 titled "Statement of Cash Flows" and the Cash flow from operating activities has been presented under direct method.

3.14 Statements of Changes in Equity

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

3.15 Earnings Per Share

The company calculates its earnings per share in accordance with International Accounting Standard (IAS) -33 which has been reported on the face of Statement of Comprehensive Income.

Basic Earnings Per Share

The Company present its Basic earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the year.



Diluted Earnings Per Share

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

3.16 Employee Benefit Schemes

Workers Profit Participation Fund (WPPF)

During 2011-12, The company has introduced Workers Profit Participation Fund for its employees in accordance with provisions of Bangladesh Labour Act, 2006 (Sec-232(1)). No provision is made during the year 2018-19 as the company incurred loss.

3.17 Related Party Transactions

The Company carried out related party transaction only with key management personal. The information as required by IAS 24: "Related party Disclosure" has been disclosed in notes to the accounts (Note: 26).

3.18 Events After the Reporting Period

In compliance with the requirements of IAS 10: Events after the reporting period, post Balance Sheet events that provide additional information about the company's position at the reporting Date are reflected in the financial statements.

The company's operations were shut down due to severe irregularities during April 2017. So the Board of Directors has been reconstituted by Bangladesh Securities and Exchange Commission vide letter no.-BSEC/SRMIC/47/2014/73, dated 2 March 2021 and appointed five (5) distinguished individuals as Independent Directors of the issuer Company in accordance with the condition under 2 of the Commission's Notification No. SEC/CMRRCD/2009-193/07/Admin dated 1 September 2020. In this context, the new board already included "Minori Bangladesh Ltd" included in the Board of Directors with further investment vide letter No. BSEC/SRMIC/47/2014/112 dated 29 April 2021 to bring the company into operation.

3.19 Net Asset Value per Share (NAVs):

Net Asset Value (NAVs) per share has been calculated by dividing net asset value reported in the statement of financial position by the number of ordinary shares in issue.

3.20 Comparative

Comparative information has been disclosed in respect of the previous year for all numerical information in the financial statements and also the narrative and descriptive information when it is relevant for understanding of the current year financial statements.

Previous year's figure has been re-arranged whenever considered necessary to ensure comparability with the current year's presentation as per IAS-8: "Accounting Policies, Changes in Accounting Estimates and Errors"

3.21 Impairment of assets

I) Financial Assets

Accounts receivable and others receivables are assessed at each reporting date to determine whether there is any objective evidence of impairment. Financial assets are impaired if objective indicates that a loss event has occurred after the initial recognition of the asset and that the loss event had a negative effect on the estimated future cash flow of that asset that can be estimated reliably. Objective evidence that financial assets are impaired can include default of delinquency by a debtor, indicates that a debtor of issuer will enter bankruptcy etc.



II) Non-Financial assets

An asset is impaired when its carrying amount exceeds its recoverable amount. The company assesses at each reporting date whether there is any indication that an asset may be impaired. If any such indication exists, the company estimates the recoverable amount of the asset. The recoverable amount of an asset is the higher of its fair value less cost to sell and its value in use. Carrying amount of the assets is reduced to its recoverable amount by recognizing an impaired loss is recognized immediately in statement of comprehensive income unless the asset is carried at revalued amount. Any impaired loss of a revalued asset treated as a revaluation decrease. During the period no impaired loss occurred to recognize in the Financial Statements.

3.22 Leases

In compliance with IFRS 16, Lease in terms of which the company assumes substantially all the risks and rewards of ownership are classified as finance leases and all other leases are classified as operating lease.

3.23 Foreign Currency Transaction:

Foreign currency transactions are recorded, on initial recognition in the functional currency at the spot exchange rate ruling at the transaction date.

At the end of each reporting period, in compliance with the provision of IAS 21: The Effects of Changes in Foreign Exchange Rates, are determined as under :

- (a) Foreign currency monetary items are translated using the closing rate.
- (b) Non-monetary items that are measured in terms of historical costs in a foreign currency are translated using the exchange rate at the date of the transaction.
- (c) Non-monetary items that are measured at fair value in a foreign currency is translated using the exchange rate at the date when the fair value is determined.

Exchange differences arising on the settlement of monetary items or on translating monetary items at rate different from those at which they were translated on initial recognition during the period or in previous financial statements is recognized in profit or loss in the period in which they arise.

4.00 Risk Factors & Management Perception About The Risks

An investment in Equity Shares is not always risk free. Sometimes it involves a high degree of risk. Before making an investment in the Equity Shares, please carefully consider all the information in this Prospectus including the risk and uncertainties described below. If any of the following risk actually occurs, our business, financial condition and results of our operations could suffer, the trading price of our equity shares could decline and you may lose all or part of your investment:

4.01 Interest Rate Risks

Financial market of Bangladesh has been experiencing volatile interest rate over the year. Unfavorable movement of interest rate enhances the cost of fund of the company and could adversely affect the business and future financial performance.

Management Perception

Management of the Company is aware about the interest rate volatility and always sourcing bank loan at competitive market rate. On the other hand management emphasizes on equity based financing to reduce the dependency on bank borrowings. Nevertheless, it may not always be possible while funding of local procurement of raw materials is done against bank borrowings.



4.02 Exchange Rate Risks

The company faces foreign exchange rate fluctuation risk as the Company imports small portion of raw materials like hexane, phosphoric acid, bleaching earth, citric acid etc. against payment of foreign currency. Unfavorable volatility of foreign currency may affect the profitability of the company.

Management Perception

Cost of imported materials for the company is insignificant compared to total cost of production. On the other hand, all other market players in edible oil industry faces very high exchange rate risk as they operate based on import of entire raw materials. This provides the company in a favorable position to manage exchange rate fluctuations.

4.03 Industry Risks

(a) Competitive Market for Edible Oil

Presently, Edible oil industry of Bangladesh is very much competitive. Soybean Oil and palm oil dominate the whole edible oil industry in Bangladesh. For the first time Rice bran oil emerged as an alternative to Soybean Oil and palm oil in our market. Demand, supply, consumption, competitive scenario, etc of Rice bran oil are the triggering factors for successful operation of the company.

Management Perception

Rice Bran Oil is currently being considered as the world's healthiest edible oil that contains vitamins, antioxidants, nutrients and free from trans fat. It can help lower cholesterol, fight diseases, enhance the immune system, fat free radicals and more. Rice Bran Oil is used to fry, sauté, in salad dressings, baking, dipping oils and where ever you use cooking oil.

Increasing health consciousness of general people and due emphasis of the Government in this sector, the demand for rice bran oil is growing very fast. These are important ingredients for defining unique selling proposition (USP) for marketing the products. The Company also foresees growing demand for its products. With the proposed expansion and strengthening financial condition due to the public issue the company will be in a very strong position to develop effective marketing strategies and compete in the market in order to grab emerging market opportunities.

(b) Market penetration

The company has recently introduced the rice bran oil in the market where the imported as well as local brands of rice bran/soyaben oil have already been dominating huge local edible oil market. In case the company fails to secure market for its products at the desired price, profitability as well as growth of the company may be seriously affected.

Management Perception

Since commencement of operation the company is in a position to sale the entire product of oil in the local market. With the increasing awareness as well as continuing branding campaigns for the product the retail sale has been growing which is expected to increase further. In view of growing demand as well as higher margin in retail sales the management feels that profitability can be safely maintained in the future years.

(c) Sourcing of Raw Materials

Main raw material for the project is rice bran which is available locally. The company collects rice bran usually from five nearer districts (i.e. Sherpur, Mymensingh, Tangail, Natrokona, Jamalpur). Except rice bran, the project requires hexane, phosphoric acid, bleaching earth, citric acid etc as raw materials, which are usually sourced from abroad.



Management Perception

The risks on sourcing raw materials are very limited. There are 460 auto rice mills in these five districts and these mills produces around 3,11,645 kg of rice bran every day (Source: Bangladesh Rice Mills Association). The sponsors of the company developed very strong network with most of these rice millers. As a result, the company has been enjoying smooth flow of raw materials since inception of the company and expected to continue the same.

4.04 Market and Technology-Related Risks

Technology plays an important role for the existence of a company. Innovation of a new and cost effective technology may render the existing technology obsolete, which may cause negative impact on the performance of the company.

Management Perception

Management of EOIL is very much aware of this risk. The company took initiative to expand its production capacity with the latest technology to minimize the market and technological risk.

4.05 Potential or Existing Government Regulations

Adverse Changes in the regulations governing the edible oil and compounded animal feed industries may bring adverse effect on our business growth, financial condition and operational performance.

Management Perception

The edible oil industry is one of the high regulated sectors in Bangladesh and has stringent laws for consumer protection. Any change in the statutory and regulatory framework for edible oil as well as the compounded animal feed industry will have impact on the business of all market players almost equally.

4.06 Potential Changes in Global or National Policies

Performance of the Company will be hampered due to unfavorable changes in national as well as global policy. Furthermore, the performance of the Company may adversely affect due to unavoidable circumstances like political turmoil both in Bangladesh and worldwide.

Management Perception

Any change in the global and national policy will affect all the market players almost equally. However, impact of change in global policies will be very negligible because EOIL operates its business based on local raw material. On the other hand, rice bran oil is the new introduction in Bangladesh. Hence, as far as national policy is concerned, rice bran oil sector is not expected to face any adverse effect in near future.

4.07 Operational Risks

Shortage or non-availability of power and gas may adversely affect the manufacturing processes of the factory. In addition, shortage in treated water, flawed machineries etc. may disrupt the company's operational activities which in turn will affect the quality of refined rice bran oil.

Management Perception

Manufacturing process of our Company requires substantial amount of power, gas and fuel. To facilitate the manufacturing facilities, company has adequate power backup from own fuel generator along with adequate Rural Electrification Board of Bangladesh (REB) load sanction. In addition, the company gets required water from its own water treatment plant. However, shortage of gas supply may increase our dependency on the usage of furnace oil which will increase our cost and may have an adverse impact on our profitability.



4.08 Non-operating History

Any interruption in the operations of the company affects the company's image as a going concern. This is crucial for every company to operate its business activities in an ongoing basis albeit saving for the scheduled shut down for maintenance. Failure to do so would result in loss in profitability in the long run. Emerald Oil Industries Ltd. was not in production from April 2017 to December 2021 due to then management's failure.

Management Perception

The company is operating normally except that for the nature of the project 35 to 40 days is generally required for yearly overhauling of plant and machineries.

4.09 Dependability on Agricultural Production (Paddy)

The business of EOIL is very much dependent on agricultural production particularly Paddy. If the paddy production is hampered due to any environmental reasons then the production of main raw material of rice bran oil i.e. rice bran will be also hampered. As result, production of EOIL will be affected due to lack of main raw material i.e. rice bran.

Management Perception

If there is a shortfall of paddy production due to adverse climatic conditions, performance of our company may also be affected adversely. Any significant increase in the prices of these raw materials or decrease in the availability of the raw materials could also adversely affect our results of operations.



	Amount In Taka 30.06.2019	Amount In Taka 30.06.2018
5.00 PROPERTY, PLANT & EQUIPEMENTS: TK. 570,018,638		
This is made up as follows:		
Particulars		
Opening Balance	973,730,475	973,730,475
Addition during the year	-	-
	973,730,475	973,730,475
Less: Disposal during the year	-	-
Closing Balance	973,730,475	973,730,475
Less: Accumulated Depreciation	403,711,837	361,079,376
Written Down Value:	570,018,638	612,651,099
The details have been shown in Annexure: A		
6.00 INTANGIBLE ASSETS: TK. 16,250		
This is made up as follows:		
Particulars		
Opening Balance	6,760,000	6,760,000
Addition during the year	-	-
Closing Balance	6,760,000	6,760,000
Less: Accumulated Amortization:	6,743,750	6,710,750
Written Down Value:	16,250	49,250
The details have been shown in Annexure: B		
7.00 TRADE & OTHER RECEIVABLES: TK. NIL		
This is made up as follows:		
Particulars		
Dues within three months	-	-
Dues over three months but within six months	-	-
Dues over six months	1,556,653,675	1,556,653,675
TOTAL:	1,556,653,675	1,556,653,675
Less: Provision for Bad & Doubtful Debts	1,556,653,675	1,556,653,675
Net Amount	-	-
	1,556,653,675	1,556,653,675
7.01 TRADE & OTHER RECEIVABLES: TK. 1,556,653,675		
Since Buyers name, address and other details were not found although all initiatives have been taken for this reason the full amount of Accounts Receivables as on 30.06.2016 transferred to Ex Managing Director Mr. Syed Hasibul Gani Galib and all credit sales made during the year (2016-17) also transferred in his name.		
	1,556,653,675	1,556,653,675
7.02 PROVISION FOR BAD & DOUBTFUL DEBTS: TK. 1,556,653,675		
Since no collection has been received from 1st July 2017 to till date from Mr. Syed Hasibul Gani Galib or any other parties, the full amount of receivables is shown as Bad & Doubtful Debts.		
	1,556,653,675	1,556,653,675
8.00 ADVANCES, DEPOSITS & PRE-PAYMENTS: TK. 4,247,906		
This is made up as follows:		
Particulars		
Advances:		
Tax Deducted at source	1,000,856	966,754
Deposits	3,247,050	3,247,050
TOTAL:	4,247,906	4,213,804



	Amount In Taka 30.06.2019	Amount In Taka 30.06.2018
8.01 DEPOSITS: TK. 3,247,050		
This is made up as follows:		
Particulars		
Security Deposits-REB	8,250	8,250
Security Deposits-Titas Gas	896,500	896,500
Security Deposits-T & T	10,000	10,000
Bank Guarantee Margin	358,600	358,600
Lease Deposits-PFIL	1,371,250	1,371,250
Lease Deposits-ULCL	202,450	202,450
Security Deposits-CDBL	400,000	400,000
TOTAL:	3,247,050	3,247,050

9.00 CASH & CASH EQUIVALENTS: TK. 9,193,580		
This is made up as follows:		
Particulars		
Cash in Hand	-	-
Cash at Bank	9,193,580	9,014,273
TOTAL:	9,193,580	9,014,273

Note: 9.01

9.01 CASH AT BANK: TK. 9,193,580				
This is made up as follows:				
Name of the Bank	Branch	Account No.	30.06.2019	30.06.2018
The Farmers Bank Ltd.	Gulshan	0111100043807	2,592	3,742
National Bank of Pakistan	Motijheel	000111100008392	29,361	30,511
Bank Asia Ltd	Bashundhara	02336000081	756,269	741,032
Bangladesh Krishi Bank	Sherpur	5101-0210010547	-	1,077
Dutch Bangla Bank Ltd.	Jamalpur	2061100009548	-	852
Islami Bank Bangladesh Ltd	Dilkusha	20502130100194512	11,170	12,320
Islami Bank Bangladesh Ltd	Sherpur	20501880100396407	-	1,728
Jamuna Bank Ltd.	Sherpur	0069-0210000639	29,277	29,277
Janata Bank Ltd	Dilkusha	010233068969	1,772	3,037
Janata Bank Ltd	Sherpur	0510-0210021183	273	1,538
Mutual Trust Bank Ltd.	Panthapath	30320001642	7,394,905	7,216,000
Mutual Trust Bank Ltd.	Panthapath	30260000721	321,000	321,000
Mutual Trust Bank Ltd.	Panthapath	30260000730	30,000	30,000
Mutual Trust Bank Ltd.	Principal	20210029840	616,962	618,112
Prime Bank Ltd.	Sherpur	51111030002914	-	1,635
Prime Bank Ltd.	Banani	13211070021183	-	1,522
Sonali Bank Ltd.	Sherpur	6201200002359	-	891
TOTAL:			9,193,580	9,014,273

10.00 SHARE CAPITAL: TK. 597,135,000		
This is made up as follows:		
Particulars		
Authorised Capital:		
100,000,000 ordinary shares of tk. 10/- each	1,000,000,000	1,000,000,000
Issued and Paid-up Capital		
5,97,13,500 ordinary shares of tk. 10/- each	597,135,000	597,135,000
TOTAL:	597,135,000	597,135,000



Amount In Taka	Amount In Taka
30.06.2019	30.06.2018

The aforesaid share capital is subscribed as under:

Holding of the Share	No. of Shareholder	No. of Share	Value in Taka	Value in Taka
Sponsors/Directors	5	16,971,625	169,716,250	169,716,250
Institutions	119	5,647,868	56,478,680	47,872,500
General Public	6,527	37,094,007	370,940,070	379,546,250
Total:	6,651	59,713,500	597,135,000	597,135,000

Details of Number of holders and percentage as under:

Shareholding Range	30.06.2019			30.06.2018		
	No. of Shareholder	No. of Shares	Ownership (%)	No. of Shareholder	No. of Shares	Ownership (%)
0001-499	1,947	319,789	0.005355389	2,329	399,091	0.67%
500-5000	3,568	6,174,161	0.103396401	5,056	9,101,354	15.24%
5001-10000	529	3,946,901	6.61%	741	5,485,620	9.19%
10001-20000	298	4,429,322	0.074176225	407	5,959,820	9.98%
20001-30000	106	2,698,213	4.52%	110	2,730,514	4.57%
30001-40000	57	1,990,068	3.33%	50	1,760,200	2.95%
40001-50000	37	1,725,214	2.89%	25	1,153,882	1.93%
50001-100000	60	4,292,692	7.19%	48	3,360,186	5.63%
100001-1000000	42	10,281,982	17.22%	26	5,907,675	9.89%
1000001-1000000000	7	23,855,158	39.95%	7	23,855,158	39.95%
TOTAL:	6,651	59,713,500	100.00%	8,799	59,713,500	100.00%

11.00 RETAINED EARNINGS: TK. -1,825,585,259

This is made up as follows:

Particulars

Opening Balance

Add: Prior year adjustment

Add: Net Profit/(Loss) after tax for the year

Add: Adjustment of Workers' Profit Participation Fund

Less: Dividend for the year

TOTAL:

(1,757,329,960)	(1,639,675,634)
-	-
(68,255,299)	(117,654,326)
-	-
(1,825,585,259)	(1,757,329,960)

12.00 Deferred Tax Liability: TK. 70,498,495

The break-up of the amount is given below:

Particulars	Carrying Amount	Tax Base	Temporary Difference	Tax Rate	Deferred Tax (Assets)/Liab.	Deferred Tax (Assets)/Liab.
Property, Plant & Equipment	570,018,638	288,024,657	281,993,981	25.00%	70,498,495	66,575,703
Deferred Tax Liability	570,018,638	288,024,657	281,993,981		70,498,495	66,575,703

13.00 LONG TERM LOAN (SECURED): TK. 1,357,800,880

This is made up as follows:

Particulars

Bank Name	Types of A/C	Branch	Account No.	30.06.2019	30.06.2018
Basic Bank Ltd	Term Loan	Dilkusha	1502-04-0000016	201,458,620	201,458,620
Basic Bank Ltd	Term Loan	Dilkusha	1502-01-0000901	90,873,968	90,873,968
Basic Bank Ltd	Term Loan	Dilkusha	1502-01-0000917	104,417,112	104,417,112
Basic Bank Ltd	Term Loan	Dilkusha	1502-01-0000959	204,842,123	204,842,123
Basic Bank Ltd	Term Loan	Dilkusha	1502-04-000042	78,302,910	78,302,910
Basic Bank Ltd	CC	Dilkusha	1560-01-0000579	59,821,040	59,821,040
Bank Asia Ltd	Term Loan	Bashundhara	2335000430	297,681,059	295,139,579
United Leasing Co. Ltd.	Lease Finance	Kazi Nazrul Islam Avenue	67011400194	1,435,000	1,435,000
Prime Finance & Investment	Lease Finance	Dilkusha	LAD # 2013/015	73,314,160	65,474,414
Midas Financing Ltd.	Lease Finance	Dhanmondi	S00098 & L00937	245,654,888	235,579,627
				1,357,800,880	1,337,344,393
Less: Current portion of Long Term Loan				-	-
TOTAL:				1,357,800,880	1,337,344,393



Amount In Taka	Amount In Taka
30.06.2019	30.06.2018

Details of Term loan are provided below :

Nature:	Term Loan, Lease Finance
Tenure:	3~8 years
Repayment Clause:	36~95 monthly equal installments.
Interest Rate:	10.50% - 15.00% p.a.

14.00 TRADE & OTHER PAYABLES: TK. 276,543,925

This is made up as follows:

Particulars

Trade Creditors	166,381,247	166,381,247
Advance against Sales	45,848,547	45,848,547
Bills & Others Payable	64,314,131	63,775,710
TOTAL:	276,543,925	276,005,504

All creditors were paid on regular basis

15.00 UNDISTRIBUTED IPO SUBSCRIPTION: TK. 6,286,250

This is made up as follows:

Particulars

This represent the amount payable against uncollected IPO subscription for Initial Public Offering liability as follows:

Bank Name	Account Types	Currency	Account No.	30.06.2019	30.06.2018
Mutual Trust Bank Limited	SND	BDT	0003-0320001642	5,965,250	5,965,250
Mutual Trust Bank Limited	FC	USD	0003-0260000721	321,000	321,000
Mutual Trust Bank Limited	FC	Euro	0003-0260000730	-	-
TOTAL:				6,286,250	6,286,250

16.00 ACCURALS & PROVISIONS: TK. 100,797,083

This is made up as follows:

Particulars

Audit & Professional Fees	690,000	460,000
Gas Bill	16,376,447	16,376,447
CSE Listing Fee Payable	1,030,003	731,435
DSE Listing Fee Payable	597,236	298,668
Dividend Payable	1,193,709	1,193,709
Workers' Profit Participation Fund	33,573,634	33,573,634
Provision for Income Tax	47,336,054	47,277,643
TOTAL:	100,797,083	99,911,536

Note - 16.01

Note - 16.02

16.01 Workers Profit Participation Fund Payable: TK. 33,573,634

This is made up as follows:

Particulars

Opening Balance	33,573,634	33,573,634
Add: Accrued During the year	-	-
	33,573,634	33,573,634
Less: Paid/Adjusted During the year	-	-
Outstanding Balance	33,573,634	33,573,634

16.02 PROVISION FOR INCOME TAX: TK. 47,336,054

This is made up as follows:

Particulars

Opening Balance	47,277,643	47,225,676
Add: Addition during the year	58,411	51,967
Add: Adjustment of Deferred Tax for Rate Difference	-	-
	47,336,054	47,277,643
Less: Excess Provision Written Back to Retained earnings	-	-
Less: AIT Adjustment	-	-
Less: Paid during the year	-	-
TOTAL:	47,336,054	47,277,643

	Amount in Taka 2018-2019	Amount in Taka 2017-2018
17.00 REVENUE: TK. NIL	-	-
Due to shut down of the Factory, no production as well as no sales were made during the year.		
18.00 COST OF GOODS SOLD: TK. 42,321,434		
This is made up as follows:		
Particulars		
Raw Material Consumed	-	-
Processing Material Consumed	-	-
Packing Material Consumed	-	-
Stores & Spares Consumed	-	-
Factory Overhead	42,321,434	46,448,482
Cost of Production	42,321,434	46,448,482
Add: Opening Stock of Finished Goods	-	-
Cost of Goods available for Sale	42,321,434	46,448,482
Less: Sales of by-product	-	-
Less: Closing Stock of Finished Goods	-	-
Cost of Goods Sold:	42,321,434	46,448,482
Due to shut down of the Factory, no production as well as no sales were made during the year.		
18.01 FACTORY OVERHEAD: TK. 42,321,434		
This is made up as follows:		
Particulars		
Depreciation	42,321,434	46,244,166
Gas Bill	-	204,316
TOTAL:	42,321,434	46,448,482
19.00 GENERAL ADMINISTRATIVE EXPENSES: TK. 1,709,584		
This is made up as follows:		
Particulars		
Audit Fees	230,000	230,000
Office Maintenance	-	2,000
Office Rent	258,000	774,000
Registration & Renewals	877,557	1,117,426
Write off of Intangible Assets	33,000	33,000
Depreciation	311,027	377,810
TOTAL:	1,709,584	2,534,236
20.00 OTHER INCOME: TK. 233,644		
This is made up as follows:		
Particulars		
Bank Interest Received	233,644	207,866
TOTAL	233,644	207,866
21.00 FINANCING EXPENSES: TK. 20,476,722		
This is made up as follows:		
Particulars		
Bank Charges & Commission	20,235	49,649
Interest on Long Term Loan	2,541,480	28,118,429
Interest on Lease Finance	17,915,007	34,113,345
TOTAL:	20,476,722	62,281,423

	Amount in Taka 2018-2019	Amount in Taka 2017-2018
22.00 INCOME TAX EXPENSES: TK. 3,981,204		
This is made up as follows:		
Current Tax	58,411	51,967
Deferred Tax	3,922,793	6,546,084
TOTAL:	3,981,204	6,598,051
22.01 DEFERRED TAX EXPENSES: TK. 3,922,793		
Particulars		
Closing Deferred Tax Liability	70,498,495	66,575,703
Opening Deferred Tax Liability	66,575,703	60,029,619
TOTAL:	3,922,793	6,546,084
23.00 CALCULATION OF BASIC EARNINGS PER SHARE: TK. -1.14		
This is made up as follows:		
Particulars		
Net Profit / (Loss) for the Year	(68,255,299)	(117,654,326)
Earnings attributable to the ordinary share holders	(68,255,299)	(117,654,326)
Weighted average no. of Shares (Note - 23.01)	59,713,500	59,713,500
Basic Earning Per Share:	(1.14)	(1.97)
23.01 WEIGHTED AVERAGE NUMBER OF SHARES: 59,713,500		
This is made up as follows:		
Particulars		
59,713,500 shares for 365 days	59,713,500	59,713,500
TOTAL:	59,713,500	59,713,500
24.00 NO. OF EMPLOYEES		
No Employee was employed during the year 2018-2019.		
25.00 PRODUCTION CAPACITY		
Emerald Oil Industries Ltd. was not in production during the year 2018-2019.		
26.00 RELATED PARTY DISCLOSURE		
The aggregate amount paid/provided during the year in respect of directors & key management personnel of the company as required by IAS-24 are disclosed below:		
	Tk.	Tk.
a) Short Term Benefits	Nil	Nil
b) Post Employment Benefit	Nil	Nil
c) Other Long Term Benefits	Nil	Nil
d) Termination Benefit	Nil	Nil
e) Share Based payment	Nil	Nil
f) Trade Receivable (Mr. Syed Hasibul Gani Galib) (Note-7.01)	1,556,653,675	1,556,653,675

				
Chairman	Managing Director	Director	Company Secretary	Chief Financial Officer

Dhaka, Bangladesh
February 23, 2023



EMERALD OIL INDUSTRIES LIMITED
SCHEDULE OF PROPERTY, PLANT & EQUIPMENTS
As at 30 June 2019

Annexure: A

Particulars	COST			Rate	DEPRECIATION			Written down value
	As at 01.07.2018	Addition during the year	As at 30.06.2019		As at 01.07.2018	Charged during the year	As at 30.06.2019	
Land & Land Development	50,600,447		50,600,447	-	-	-	-	50,600,447
Building & Other Civil Works	377,114,171	-	377,114,171	5%	99,893,900	13,861,014	113,754,914	263,359,257
Plant & Machineries	529,439,314		529,439,314	10%	249,568,253	27,987,106	277,555,359	251,883,955
Electrical & Gas Line Installation	9,842,954		9,842,954	15%	6,687,529	473,314	7,160,843	2,682,111
Furniture & Fixtures	3,239,994		3,239,994	15%	2,244,971	149,253	2,394,224	845,770
Office Equipment	3,493,595		3,493,595	20%	2,684,723	161,774	2,846,497	647,098
Balance as at June 30, 2019	973,730,475	-	973,730,475		361,079,376	42,632,461	403,711,837	570,018,638
Balance as at June 30, 2018	973,730,475	-	973,730,475	-	314,457,400	46,621,976	361,079,376	612,651,099

Depreciation Charged To-

	30.06.2019	30.06.2018
General & Administrative Expenses	311,027	377,810
Factory Overhead	42,321,434	46,244,166
Total	42,632,461	46,621,976



EMERALD OIL INDUSTRIES LIMITED
SCHEDULE OF INTANGIBLE ASSETS
As at 30 June, 2019

Annexure: B

Particulars	C O S T			Rate	A M O R T I Z A T I O N			Written down value
	As at 01.07.2018	Addition during the year	As at 30.06.2019		As at 01.07.2018	Charged during the year	As at 30.06.2019	
Software	330,000	-	330,000	10%	280,750	33,000	313,750	16,250
Campaign Film (Advertisement)	6,430,000	-	6,430,000	20%	6,430,000	-	6,430,000	-
Balance as at 30.06.2019	6,760,000	-	6,760,000		6,710,750	33,000	6,743,750	16,250
Balance as at 30.06.2018	6,760,000	-	6,760,000	-	6,677,750	33,000	6,710,750	49,250

