

# ***PRIVATE AND CONFIDENTIAL***

## **Mir Akhter Hossain Limited**

Red Crescent Borak Tower, Level 7 & 10, 71-72 Old Eleph  
road, Eskaton Garden, Dhaka-1000

=====  
**For the year ended June 30, 2019**



**G. KIBRIA & CO.**  
CHARTERED ACCOUNTANTS

**Head Office :**

**SADHARAN BIMA SADAN (5TH FLOOR)  
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# 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 financial statements of Mir Akhter Hossain Limited which comprises of the statement of financial position as at 30 June 2019, and 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, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at June 30, 2019, 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 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.

RISK	OUR RESPONSE TO THE RISK
<p><b>Revenue Recognition</b></p> <p>Revenue of BDT 4.267 billion is recognized in the income statement of Mir Akhter Hossain Limited.</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. 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"> <li>▶ Obtain an understanding of Company's internal controls specifically geared towards adoption of the new accounting standard.</li> <li>▶ Analyze management's procedures and controls introduced to assess the impact of a full retrospective IFRS 15 application and its impact (if any) on prior year financial statements</li> <li>▶ Examine customer contracts to determine reasonableness of management's conclusions around impact of full retrospective IFRS 15 implementation on the financial statements.</li> <li>▶ Assessing invoicing and progress measurement systems up to entries in the general ledger</li> <li>▶ Examining customer invoices and receipts of payment on a test basis</li> </ul>





- ▶ Examine supporting documentation around contract completion to ensure existence and accuracy of revenue recognition

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

The 2019 Financial Statements are not included as part of a full Annual Report. The financial statements could however be included as an addendum to the Company's 2018 Red-Herring Prospectus. The Prospectus comprises of the Director's Report, Corporate Governance Compliance Report and Management Discussion and Analysis.

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 identified 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. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

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

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

### **Auditor's Responsibilities for the Audit of the Financial Statements**

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

As part of an audit in accordance with ISAs, we exercise professional 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 Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.





- ▶ Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and 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 issues 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 Company so far as it appeared from our examinations of those books and proper returns adequate for the purpose of our audit have been received from branches not visited by us;
- ▶ The statement of financial position and statement of profit or loss and other comprehensive income dealt with by the report are in agreement with the books of account and returns;
- ▶ The expenditures incurred were for the purpose of the Company's business.

Date: 17 November, 2019  
Dhaka, Bangladesh

*G. Kibria & Co.*  
G. KIBRIA & CO.  
Chartered Accountants



# MIR AKHTER HOSSAIN LIMITED

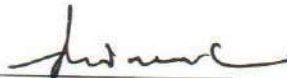
## STATEMENT OF FINANCIAL POSITION

As at 30 June 2019

	Notes	30 JUNE 2019 Taka	30 JUNE 2018 Taka
<b>Assets</b>			
<b>Non-current assets</b>			
Property, plant and equipment	4	3,970,622,784	3,480,939,518
Investment in Joint Venture	5	6,781,866,183	3,724,749,773
Investment in Projects	6	576,288,797	608,748,995
		<b>11,328,777,764</b>	<b>7,814,438,286</b>
<b>Current assets</b>			
Security Deposits (Retention Money)	7	784,415,102	702,390,565
Advance and Prepayments	8	1,088,889,958	729,332,684
Accounts Receivable	9	-	481,917,988
Other Receivable	10	-	39,345,694
FDR	11	754,972,500	285,986,539
Advance income tax net of tax provision	12	48,806,217	51,012,416
Inventories	13	2,484,794,553	2,118,474,065
Cash and cash equivalents	14	497,505,358	411,099,881
		<b>5,659,383,688</b>	<b>4,819,559,832</b>
<b>Total assets</b>		<b>16,988,161,452</b>	<b>12,633,998,118</b>
<b>Equity and liabilities</b>			
<b>Shareholders' equity</b>			
Share capital	15	1,000,000,000	1,000,000,000
Revaluation Reserve	16	107,539,881	107,539,881
Retained earnings	17	2,363,458,720	1,730,964,863
		<b>3,470,998,601</b>	<b>2,838,504,744</b>
<b>Non-current liabilities</b>			
Deffered tax liability	18	3,325,976	3,325,976
Long term loan	19	9,998,318,827	6,602,222,362
		<b>10,001,644,802</b>	<b>6,605,548,338</b>
<b>Current liabilities and provisions</b>			
Short term Loan	19	2,712,213,393	2,511,704,786
Deferred LC	20	696,166,257	601,231,158
Liabilities for expenses	21	107,138,398	77,009,092
		<b>3,515,518,048</b>	<b>3,189,945,036</b>
<b>Total liability</b>		<b>13,517,162,850</b>	<b>9,795,493,374</b>
<b>Total equity and liabilities</b>		<b>16,988,161,452</b>	<b>12,633,998,118</b>

**Footnotes:**

1. Auditors' Report - page i
2. The annexed notes 1 to 44 form an integral part of these financial statements.

  
Managing Director

  
Director

  
Chief Financial Officer

As per our report of same date



G. KIBRIA & CO.  
Chartered Accountants

Dhaka, 17 November 2019





# MIR AKHTER HOSSAIN LIMITED

## STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 30 June 2019

	Notes	30 JUNE 2019 Taka	30 JUNE 2018 Taka
Revenue	22	4,267,036,996	3,133,017,235
Cost of execution of the contract	23	(3,134,809,245)	(2,310,921,894)
<b>Gross profit</b>		<b>1,132,227,751</b>	<b>822,095,341</b>
General and administration expenses	24	(245,251,801)	(233,658,637)
<b>Profit from operations</b>		<b>886,975,950</b>	<b>588,436,704</b>
Non-operating income	25	22,599,281	19,392,448
Financial expenses	26	(361,407,703)	(168,021,947)
<b>Profit before tax and WPPF</b>		<b>548,167,528</b>	<b>439,807,205</b>
Contribution to WPPF		(26,103,216)	(20,943,200)
<b>Profit before tax from own construction business</b>		<b>522,064,312</b>	<b>418,864,005</b>
Tax expense			
Current	27.1	(321,559,939)	(236,478,583)
Deferred	27.2	-	-
Total Tax expense		(321,559,939)	(236,478,583)
Profit after tax from own construction business		200,504,373	182,385,422
Profit after tax from Joint Venture	28	431,989,484	436,388,543
<b>Total net profit after tax for the year</b>		<b>632,493,857</b>	<b>618,773,965</b>
<b>Other comprehensive income:</b>			
Revaluation reserve	16	-	110,865,857
Less: Deferred tax liabilities on revaluation reserve	18	-	(3,325,976)
		-	<b>107,539,881</b>
<b>Total comprehensive income for the year</b>		<b>632,493,857</b>	<b>726,313,847</b>
<b>Basic earnings per share without other comprehensive income</b>	29.1	<b>6.32</b>	<b>6.19</b>

### Footnotes:

1. Auditors' Report - page i
2. The annexed notes 1 to 44 form an integral part of these financial statements.



Managing Director



Director



Chief Financial Officer

As per our report of same date



G. KIBRIA & CO.  
Chartered Accountants

Dhaka, 17 November 2019



# MIR AKHTER HOSSAIN LIMITED

## STATEMENT OF CHANGES IN EQUITY

For the year ended 30 June 2019

Particulars	Share capital	Retained Earnings	Revaluation Reserve	Total	
				Total Reserve and Surplus	Total
	Taka	Taka		Taka	Taka
Balance as at 01 July 2017	20,000,000	2,092,190,898	-	2,092,190,898	2,112,190,898
Issuance of Bonus Shares	980,000,000	(980,000,000)	-	(980,000,000)	-
Profit after tax for the year 30 June 2018	-	182,385,422	-	182,385,422	182,385,422
Profit after tax from Joint Venture	-	436,388,543	-	436,388,543	436,388,543
Revaluation reserve	-	-	110,865,857	110,865,857	110,865,857
Deferred tax liabilities on revaluation reserve	-	-	(3,325,976)	(3,325,976)	(3,325,976)
<b>Balance as at 30 June 2018</b>	<b>1,000,000,000</b>	<b>1,730,964,863</b>	<b>107,539,881</b>	<b>1,838,504,744</b>	<b>2,838,504,744</b>
Balance as at 01 July 2018	1,000,000,000	1,730,964,863	107,539,881	1,838,504,744	2,838,504,744
Profit after tax for the year 30 June 2019	-	200,504,373	-	200,504,373	200,504,373
Profit after tax from Joint Venture	-	431,989,484	-	431,989,484	431,989,484
<b>Balance as at 30 June 2019</b>	<b>1,000,000,000</b>	<b>2,363,458,720</b>	<b>107,539,881</b>	<b>2,470,998,601</b>	<b>3,470,998,601</b>

  
Managing Director

  
Director

  
Chief Financial Officer

As per our report of same date

Dhaka, 17 November 2019

  
G. KIBRIA & CO.  
Chartered Accountants




# Mir Akhter Hossain Limited

## Statement of cash flows

For the year ended 30 June 2019

	30 JUNE 2019 Taka	30 JUNE 2018 Taka
<b>A. Cash flows from operating activities</b>		
Cash receipts from customers	5,180,944,468	3,507,151,185
Cash paid to suppliers and employees	(3,573,827,409)	(2,829,136,560)
<i>Cash generated from operation</i>	<u>1,607,117,059</u>	<u>678,014,625</u>
Income tax deducted at source and paid	(319,353,740)	(234,798,514)
<i>Net cash generated from operating activities</i>	<u>1,287,763,320</u>	<u>443,216,111</u>
<b>B. Cash flows from investing activities</b>		
Purchase of property, plant and equipment	(942,913,037)	(860,871,110)
Investment in Joint Venture	(3,057,116,410)	(1,504,782,753)
Investment in FDR	(468,985,961)	(17,137,755)
Investment in Projects	32,460,198	36,435,819
<i>Net cash used in investing activities</i>	<u>(4,436,555,210)</u>	<u>(2,346,355,799)</u>
<b>C. Cash flows from financing activities</b>		
Total Term Loan net of repayment	3,596,605,071	1,854,284,787
Interest Paid	(361,407,703)	(168,021,947)
<i>Net cash (used in)/from financing activities</i>	<u>3,235,197,368</u>	<u>1,686,262,840</u>
<b>D. Net increase/(decrease) in cash and cash equivalents (A+B+C)</b>	86,405,478	(216,876,848)
<b>E. Opening cash and cash equivalents</b>	411,099,881	627,976,729
<b>F. Closing cash and cash equivalents (D+E)</b>	<u>497,505,358</u>	<u>411,099,881</u>

  
Managing Director

  
Director

  
Chief Financial Officer

As per our report of same date

Dhaka, 17 November 2019

  
G. KIBRIA & CO.  
Chartered Accountants





# MIR AKHTER HOSSAIN LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

As at and for the period ended 30 June 2019

### 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.

- 1.2 The address of the corporate office of the company is at Red Crescent Borak Tower, Level 7 & 10, 71-72 Old Elephant road, Eskaton Garden, Dhaka-1000.

- 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.

### 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) 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 which have been accounted for under the equity method in accordance with IAS 28 Investment Associates and Joint Ventures.

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 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.

#### 2.3 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.

#### 2.4 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.

## 2.5 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.

## 2.6 Statement of cash flows

Statement of cash flows has been prepared in accordance with as per 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).

## 2.7 Offsetting

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.

## 2.8 Reporting period

This financial period of the company covers one (1) year from 01 July 2018 to 30 June 2019.

## 2.9 The following IAS/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 17	Leases
IAS 19	Employee benefits
IAS 21	The effects of changes in foreign exchange rates
IAS 23	Borrowing costs
IAS 24	Related party disclosures
IAS 28	Investment in associates and Joint Ventures
IAS 33	Earnings per share
IAS 37	Provisions, contingent liabilities and contingent assets
IFRS 9	Financial Instruments
IFRS 7	Financial Instruments, disclosures
IFRS 8	Operating Segments
IFRS 15	Revenue from contracts with customers

## 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

#### *MAHL as a lessee*

In accordance with IAS 17 and IFRIC 4, the The Company determinates whether an arrangement is (or contains) a lease based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset (or assets) and the arrangement conveys a right to use the asset (or assets), even if that asset is (or those assets are) not explicitly specified in an arrangement.

Finance leases are capitalised at the commencement of the lease at the inception date fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in finance costs in the statement of profit or loss. A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that MAHL will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

All lease other than those which meet the definition of financial lease are treated as operating lease and are recognized in the statement of profit or loss and other comprehensive income.

#### *MAHL as a lessor*

Leases in which MAHL does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms and is included in the statement of profit or loss due to its operating nature. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

### 3.3 Employee benefits: Provident Fund

MAHL maintains a defined contribution plan (Employee Provident Fund) for its eligible permanent employees. The eligibility is determined by 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

### 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-19	30-Jun-18
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%

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 .

### 3.4.4 *Revaluation of Property Plant and Equipment*

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.

## 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 2019.

### 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 2019.

### 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 criterias 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 cost.

#### 3.10.3 Contract Asset: Work in Progress

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.

### 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



### 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 as 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

MAHL has applied IFRS 15 using the full retrospective method and therefore comparative information has been restated using IFRS 15. Adoption of IFRS 15 did not lead to any changes in revenue recognized in prior years. 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.

As described above, the Company adopted IFRS 15 using the full retrospective method. Adoption of IFRS 15 did not lead to any changes in the revenue recorded in previous periods. Revenue was recognized in line with the Company's progress of completion in prior years and the consideration to be received did not involve variable elements or multiple performance obligations.

### 3.15 Contract costs

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 (Fulfilmen 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.

### 3.16 Employee Benefits: 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 is planning to make the 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.

### 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		Plant and machinery		Spare parts & Office equipment		Furniture fixtures and fittings		Shuttering Material		Motor vehicles		Total	
	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka
<b>Cost or valuation</b>														
As at 01 July 2018	316,977,000	917,908,436	2,596,098,381	53,836,236	490,814,283	554,509,753	4,930,144,089							
Addition during the year	27,887,500	36,687,293	680,932,266	13,567,801	50,592,432	133,245,745	942,913,037							
Revaluation surplus	-	-	-	-	-	-	-							
Adjustment/disposal	-	-	-	-	-	-	-							
<b>As at 30 June 2019</b>	<b>344,864,500</b>	<b>954,595,729</b>	<b>3,277,030,647</b>	<b>67,404,037</b>	<b>541,406,715</b>	<b>687,755,498</b>	<b>5,873,057,126</b>							
<b>Accumulated depreciation</b>														
As at 01 July 2018	-	357,245,230	598,510,460	12,232,355	208,540,074	272,676,452	1,449,204,571							
Charge during the year	-	86,729,349	231,879,512	4,883,105	62,805,390	66,932,415	453,229,771							
Adjustment/disposal	-	-	-	-	-	-	-							
<b>As at 30 June 2019</b>	<b>-</b>	<b>443,974,579</b>	<b>830,389,973</b>	<b>17,115,460</b>	<b>271,345,464</b>	<b>339,608,867</b>	<b>1,902,434,342</b>							
<b>Net book value</b>														
As at 30 June 2019	344,864,500	510,621,150	2,446,640,674	50,288,577	270,061,251	348,146,631	3,970,622,784							
AS AT 30 June 2018	316,977,000	560,663,206	1,997,587,921	41,603,882	282,274,209	281,833,301	3,480,939,518							

Allocation of Depreciation:

	2019	2018
Mir Akhter Hossain Ltd.	145,442,262	188,557,682
Mir Akhter-Ranken Joint Venture	63,549,123	30,674,294
Halla-MAH-Seokwang Joint Venture	23,197,576	57,000,217
Samwhan-Mir Akhter Joint Venture	70,244,618	59,207,273
WMCG-Mir Akhter-Sadeem Al Kuwait Joint Venture	48,425,969	25,561,912
Mir Akhter-Komaihillec JV	55,343,981	19,000,072
Mir Akhter-WMCG JV	12,438,135	-
Halla-Mir Akhter Joint Venture	11,268,268	-
Hego-Mir Akhter JV	23,319,838	-
	<b>453,229,771</b>	<b>380,001,450</b>

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



As at  
30 JUNE 2019

As at  
30 JUNE 2018

5. Investment in Joint Venture

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

6,781,866,183

3,724,749,773

**6,781,866,183**

**3,724,749,773**

<u>Name of the Joint Venture</u>	<u>Nature of Business</u>		
HALLA-MAH-SEOKWANG	Construction	859,971,559	1,059,948,299
Samwhan-Mir Akhter JV	Construction	2,131,583,308	1,456,514,444
Mir-Akhter Ranken JV	Construction	736,274,020	558,982,166
WMCG-Mir Akhter-Sadeem Al Kuwait JV	Construction	271,458,608	327,354,791
Mir Akhter-Komaihaltec JV	Construction	1,152,558,089	321,950,073
Mir Akhter-WMCG JV	Construction	397,705,338	-
Hego-Mir Akhter JV	Construction	579,323,469	-
Halla-Mir Akhter JV	Construction	652,991,792	-
		<b>6,781,866,183</b>	<b>3,724,749,773</b>

**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 Ranken JV:**

Two entities viz; Mir Akhter Hossain Ltd., Bangladesh and Ranken Railway Cons. Group formed a Joint Venture Undertaking (Partnership at will) based on a contract to perform the construction work of a new railway line from Majhgram to Dhalarchar via Pabna under Bangladesh railway, Rajshahi.

**WMCG-Mir Akhter-Sadeem Al Kuwait JV:**

Three entities viz; Wuhan Municipal Construction Group, Mir Akhter Hossain Ltd. and Sadeem Al Kuwait JV, Bangladesh formed a Joint Venture Undertaking (Partnership at will) based on a contract for Construction of 8 KM approach road (4-lane) and structures (New scope of works) under Third Karnaphuli Bridge 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.

**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-II/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 and strengthening of existing runway and taxiway at OSMANI INTERNATIOANL AIRPORT , SYLHET.

**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	608,748,995	645,184,814
Add: Addition during the year	41,000,000	39,101,953
PG,APG,Earnest Money,Margin for PO & Margin on Earnest Money	41,000,000	39,101,953
	<b>649,748,995</b>	<b>684,286,767</b>
Less: Refund during the year	(73,460,198)	(75,537,772)
Balance as at 30 June	<b>576,288,797</b>	<b>608,748,995</b>

**7. Security Deposits (Retention Money)****Security Deposits**

Balance as at 01 July	641,912,177	591,817,273
Add: Security deposits retained by the employer	169,812,361	141,156,793
Less: Refund during the period	(68,053,984)	(91,061,889)
Balance as at 30 June	<b>743,670,554</b>	<b>641,912,177</b>

	As at 30 JUNE 2019	As at 30 JUNE 2018
<b>Prepayments</b>		
<b>VAT refund:</b>		
Opening	21,774,218	38,704,170
Add: During the year	18,970,330	21,774,218
	<b>784,415,102</b>	<b>702,390,565</b>
<b>8. Advance &amp; Prepayments</b>		
Advances to employees against salary	1,926,421	2,273,200
Advances to suppliers	803,261,893	685,267,196
Advance to employee	283,701,645	41,792,288
	<b>1,088,889,958</b>	<b>729,332,684</b>
<b>9 Accounts Receivable</b>		
Mir Cement Factory (Unit-2)	89,793,750	93,793,750
Onix Tower	135,077,800	135,077,800
Mir Crystal Anowar	257,046,438	257,046,438
	<b>481,917,988</b>	<b>485,917,988</b>
Less: Received during the year (Mir Cement Factory (Unit-2))	(89,793,750)	(4,000,000)
Less: Received during the year (Onix Tower)	(135,077,800)	-
Less: Received during the year (Mir Crystal Anowar)	(257,046,438)	-
	<b>-</b>	<b>481,917,988</b>
<b>10 Other Receivables</b>		
Stock in Hand (Cigarette Faridpur as on 01.07.2017)	-	43,217,844
Less: Liabilities for Expenses (as on 01.07.2017)	-	(3,872,150)
	<b>-</b>	<b>39,345,694</b>
<p>The company has disposed off its cigarettes business as per decision of its Board Meeting dated September 20, 2017 with retrospective effect from 01 July 2017. Other Receivable amount represents the proceeds from the sale of the inventory and the amount was fully realized in the current year.</p>		
<b>11. FDR</b>		
Jamuna Bank Ltd. A/C-11671	132,486,250	138,511,255
Jamuna Bank Ltd A/C-11564	132,486,250	140,381,500
Jamuna Bank Ltd. A/C-15604	130,000,000	-
Jamuna Bank Ltd. A/C-15613	250,000,000	-
Dhaka Bank Ltd. A/C-000191	100,000,000	-
Faridpur: IFIC Bank Ltd. A/C-910202	10,000,000	7,093,784
	<b>754,972,500</b>	<b>285,986,539</b>
<b>12. Advance income tax</b>		
Balance as at 01 July	51,012,416	52,692,485
AIT on Import	34,182,196	23,993,210
AIT on Contract revenue	279,467,995	205,698,016
AIT on STD & FDR accounts	2,259,927	1,939,288
AIT on the registration of Car and Vehicle	3,443,622	3,002,000
Tax deposit for IT reference ( AY-2016-17)	-	166,000
	<b>370,366,156</b>	<b>287,490,999</b>
Less: Provision for tax	(321,559,939)	(236,478,583)
Balance as at 30 June	<b>48,806,217</b>	<b>51,012,416</b>





13. Inventories

Stocks

	As at 30 JUNE 2019	As at 30 JUNE 2018
Work-in-process	841,254,200	714,695,312
Raw materials (Note-13.1)	1,635,458,010	1,394,182,753
Goods-in-transit	8,082,343	9,596,000
	<b>2,484,794,553</b>	<b>2,118,474,065</b>

13.1 Details break-down of Raw materials:

Cement	250,099,100	241,709,591
M.S.Rod	205,465,000	227,617,781
Stone Chips/Boulder	238,870,360	235,402,073
Sand	208,301,300	158,655,236
Bricks	81,079,830	155,152,300
Sanitary Material	4,360,000	18,613,196
Wood & Plastic Door	1,078,000	3,131,649
Tiles	332,000	702,540
PVC pipe,RCC pipe & S.S.Pipe	4,402,800	18,496,000
Bitumen	76,875,860	70,561,049
Chemical	9,510,075	33,053,241
Hardware Material	23,276,408	48,720,223
Electrical Material	10,639,743	22,826,400
GP Sheet	14,356,800	32,053,785
Holo Block	3,729,900	9,041,091
Thai Aluminium	1,208,000	23,034,864
Others	501,872,834	95,411,735
<b>Total</b>	<b>1,635,458,010</b>	<b>1,394,182,753</b>

Due to large volume number of items of stocks, it is difficult to quantify each items in a separate and distinct category. Therefore, it is grouped under the suitable head.

14. Cash and cash equivalents

Cash in hand (Note- 14.2)	10,390,764	11,693,630
<b>Cash at banks</b>		
Cash at bank	231,177,798	73,342,157
Cheque in hand ( Note-14.1)	255,936,796	326,064,094
	487,114,594	399,406,251
	<b>497,505,358</b>	<b>411,099,881</b>

14.1 Cheque in hand

Project

LGED, Gopalganj	-	49,580,400
Kushtia Shilpakala Academy (KSA)	28,446,761	-
Rajshahi New Road(RNR)	40,356,790	-
RHD, Allaadipur -Raj- Kushtia(ARK)	50,317,128	-
UTTARA	7,158,993	-
Nator Baghatipara Bridge, NBB	3,658,700	-



	As at 30 JUNE 2019	As at 30 JUNE 2018
Shibchor (SD Refund)	-	21,801,354
Maizkandi-Boalmari(MGB)	-	96,855,478
Alladipur-Raj-Kustia,ARK	-	57,968,756
RHD, Madaripur Road Project, MSR	-	36,207,251
Dreasing Work Madaripur, DWM	7,550,375	-
Livration War Museum, LWM-2	1,280,374	-
Bangladesh China Friendship Bridge, CBM	-	18,415,887
RHD CORE OFFICE, BANANI	7,795,277	-
RHD Sylhet Road Project, SRP	9,634,646	-
Matarbari Power Plant	-	4,361,405
Chitagang Development Authority,BAKALIA	20,678,840	39,965,760
Kanchpur Meghna Gumti Bridge, (OSJI JV)	79,058,912	907,803
	<b>255,936,796</b>	<b>326,064,094</b>

#### 14.2 Cash in hand

##### Project

RAJUK, Uttara Dev. Project, DHAKA	635,200	908,750
RHD, Madaripur Road Project MSR	-	1,070,500
KUSHTIA GORAI BRIDGE (LGED)	-	462,380
LGED, TANGAIL	-	540,600
LGED, Gopalganj, BAPARD (Kotalipara)	715,420	760,800
Uttara Residential Apartment Project	682,300	540,100
Border Guard Bangladesh Pilkhana BGB	-	814,700
OSJI JOINT VENTURE	1,980,350	1,760,500
Karnaphuli Tunnel Project, KTPC	548,200	620,700
UNILEVER Bangladesh Ltd.	-	480,900
Reliance Insurance Limited	-	780,600
Chittagang Development Authority, BAKALIA	552,144	560,500
Matarbari Power Plant	238,700	480,700
RHD, Shylhet Road Project(SRP)	1,602,500	680,900
Bangladesh Army ECB-Muktarpur	-	670,500
Dreasing Work Madaripur, DWM	942,100	-
Nator Baghatipara Bridge, NBB	835,200	-
Livration War Museum, LWM-2	787,400	-
RHD, Alladipur-Raj-Kushtia,ARK	871,250	560,500
	<b>10,390,764</b>	<b>11,693,630</b>





	As at 30 JUNE 2019	As at 30 JUNE 2018
<b>15. Share capital</b>		
<b>Authorised</b>		
200,000,000 Ordinary shares of Tk 10 each	<u>2,000,000,000</u>	<u>2,000,000,000</u>
<b>Issued, subscribed and paid-up</b>		
100,000,000 Ordinary shares of Tk 10 each	<u>1,000,000,000</u>	<u>1,000,000,000</u>

**Shareholding position of the company**

	Nominal value (Taka)		Percentage of holding (%)	
	30-06-2019	30-06-2018	30-06-2019	30-06-2018
Mir Nasir hossain	180,000,000	180,000,000	18.00%	18.00%
Mrs. Sohela hossain	150,000,000	150,000,000	15.00%	15.00%
Mrs. Mahbuba Hossain	120,000,000	120,000,000	12.00%	12.00%
Mr. Shama-e-zaheer	116,670,000	116,670,000	11.67%	11.67%
Mr. Fida-e-zaheer	116,665,000	116,665,000	11.67%	11.67%
Mr. Naba-e-zaheer	116,665,000	116,665,000	11.67%	11.67%
Mr. Ruslan Nasir	100,000,000	100,000,000	10.00%	10.00%
Mrs. Mahreen Nasir	100,000,000	100,000,000	10.00%	10.00%
	<u>1,000,000,000</u>	<u>1,000,000,000</u>	<u>100%</u>	<u>100%</u>

**16. 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>

**17. Retained earnings**

Balance as at 01 July	1,730,964,863	2,092,190,898
Profit transferred from statement of comprehensive income	200,504,373	182,385,422
Transferred from joint venture business	431,989,484	436,388,543
Issuance of Bonus Shares	-	(980,000,000)
Balance as at 30 June	<u>2,363,458,720</u>	<u>1,730,964,863</u>

**18. 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%
Defferd tax liabilities	<u>3,325,976</u>	<u>3,325,976</u>



	As at 30 JUNE 2019	As at 30 JUNE 2018
<b>19. Loan from Financial Institutions</b>		
Social Islami Bank Ltd.	1,114,293,079	722,170,509
Shahjalal Islami Bank Ltd.	2,009,360,087	1,559,344,122
Dutch Bangla Bank Ltd.	-	-
Dhaka Bank Ltd.	1,302,495,563	661,670,706
United Commercial Bank Limited	1,924,538,769	1,021,724,798
Jamuna Bank Limited	1,376,266,845	1,305,556,492
Uttara Bank Limited	513,458,332	511,479,167
BRAC Bank Limited	1,538,204,030	820,790,681
Pubali Bank Limited	26,373,438	48,557,560
Standard Bank Limited	1,777,139,229	1,972,168,965
Al-Arafah Islami Bank Ltd.	90,910,386	-
Midland Bank Ltd.	381,289,703	251,840,127
Shimanto Bank Ltd.	53,689,069	85,397,529
Modhumoti Bank Ltd.	602,513,688	153,226,492
	<b>12,710,532,220</b>	<b>9,113,927,148</b>
<b>Less: Short term Loan</b>	<b>(2,712,213,393)</b>	<b>(2,511,704,786)</b>
<b>Long term loan</b>	<b>9,998,318,827</b>	<b>6,602,222,362</b>

**19.1 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 improving the equipments and others. These loans are repayable with interest at the range of 9.00%-13% p.a.

**19.2 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 9.00%-12% p.a.

**19.3 Dutch Bangla Bank Ltd.**

This represents the amount outstanding against term loans taken from The Dutch Bangla 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 10.00%-11.00% p.a.

**19.4 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 8.50%-11% p.a.

**19.5 Dhaka Bank Ltd.**

This represents the amount outstanding against term loans taken from 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 8.25%-12% p.a.





**19.6 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 8.25%-12.50% p.a.

**19.7 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 9.00% p.a.

**19.8 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 8.75%-11% p.a.

**19.9 Pubali Bank Limited**

This represents the amount outstanding against term loans taken from Pubali 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 9.5%-10% p.a.

**19.10 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 8.50%-12% p.a.

**19.11 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 9.00%-12% p.a.

**19.12 Shimanto Bank Ltd.**

This represents the amount outstanding against term loans taken from Shimanto 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 8.00%-10% p.a.

**19.13 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 9%-11% p.a.

**19.14 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.

As at  
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(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 you for repayment purpose.

(d) Fresh usual charge documents (mode wise) duly stamped and filled in.

## 20. Deferred LC

SL	Item Name	BDT Value
1	Bitumen	36,263,767
2	Tempest Specification Diesel Generating Sets	4,290,236
3	Eicher Terra 25 RMC Truck Chassis.	4,816,500
4	Eicher Terra 25 RMC Truck Chassis.	3,211,000
5	Eicher Terra 25 RMC Truck Chassis.	1,605,500
6	Eicher Terra 25 RMC Truck Chassis.	5,154,500
7	Eicher Terra 25 RMC Truck Chassis.	8,450,000
8	SGCI Insert Anti -Vandal Type for Broad Gauge	3,802,500
9	XCMG Long Boom Excavator with Standard Accessories	8,872,500
10	KYB-Conmat Concrete Batching Plant	5,408,000
11	Gabbra Aggregate	72,323,043
12	Wheel Loader with standard accessories	10,140,000
13	Wheel Loader with standard accessories	9,802,000
14	Wheel Loader with standard accessories	7,478,250
15	Motor Grader with standard accessories	15,210,000
16	Import of 75,000 M W-Beam Guardrail and related parts	26,195,000
17	Shantui Buldozer with Standard Accessories	7,393,750
18	Sinotruk	7,098,000
19	Ultratex AT200E Amphibious Hydraulic	9,295,000
20	Stone Chelli	140,388
21	Stone Chelli	2,724,170
22	Stone Chelli	2,648,484
23	Putzmeister Stationary Concrete Pump	8,281,000
24	Multiple Walled Insulated Glass	782,105
25	Spare Parts for Crusher Plant	1,774,503
26	Guardrail and Related Parts	52,390,000
27	Kobelco	15,838,004
28	Crush Stone	2,600,918
29	Stranded Wire of Iron & Steel	3,380,000
30	Crush Stone	2,433,494
31	Walled Insulated Glass	730,514
32	Stone Chelly/Bolder	7,013,500
33	SANY Hydraulic Excavator with Standard Accessories	12,675,000
34	Stranded Wire of Iron & Steel	3,383,380
35	Heavy Duty Strip Seal Expansion Joint with	3,080,018
36	Tensa Grip	2,570,490
37	Woven & Non- Woven Geotextile & PVD Material	16,473,970
38	M W-Beam Guardrail	52,390,000
39	Elastic Rail Clip with Antivandal Notch	2,915,250
40	Aluminium Composite Panel	1,523,535
41	Bitumen	18,579,691
42	Alumino Thermic Welding Kits	3,194,100
43	Bitumen	12,987,650
44	Bitumin	14,060,800
45	Guardrail and Related Parts	63,797,500
46	Stone Material Chelly/Boulder	2,575,560
47	Stone Chelly/Bolder	2,264,600





	As at 30 JUNE 2019	As at 30 JUNE 2018
48	Elastic Rail Clip with Antivandal Notch	2,915,250
49	Alumino Thermic Welding Kits	4,020,595
50	Crush Stone /Chilly	2,654,306
51	Bitumin	38,219,857
52	Alumino Thermic Welding Kits	2,745,828
53	Allmand 1000 watts Diesel Tower Light	11,407,500
54	Altratex Long Boom & Stick for Sany	2,746,250
55	Woven & Non- Woven Geotextile & PVD Material	7,593,440
56	Alumino Thermic Welding Kits	2,717,520
57	Alumino Thermic Welding Kits	5,435,040
58	Bitumen	7,079,252
59	Bitumen	3,531,994
60	Bitumen	21,332,025
61	Stone Chelli	2,511,475
62	Bitumen	21,237,755
<b>Total</b>		<b>696,166,257</b>

**21. Liabilities for expenses**

Salary & Allowances	24,048,465	14,565,033
Audit fees	350,000	350,000
Legal Fees	100,000	100,000
Director's Remuneration	160,000	210,000
Telephone & Fax Bill	52,100	26,650
Electrical Bill	50,852	47,726
Repair & Maintenance (Machinery)	217,693	155,900
Repair & Maintenance (CAR)	165,450	149,903
Repair & Maintenance (Equipment)	10,470	5,013
Office Rent	1,343,692	72,000
GAS & WASA Bill	30,020	23,980
Stationery	20,487	14,728
Newspaper & Postage	5,200	1,800
Office Maintenance Charges	38,540	22,390
Fuel & Lubricant	204,781	43,790
PF Contribution	220,500	7,203,246
Contribution to WPPF	80,120,149	54,016,933
	<u>107,138,398</u>	<u>77,009,092</u>



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22. Revenue

#	Project Name (Details of Revenue is shown in Annexure - 1)	Amount	Amount
1	Chevron Bangladesh Blocks	13,020,469	14,415,063
2	RHD, Madaripur Road Project, MSR	-	135,168,675
3	RHD Sylhet Road Project, SRP	469,804,851	-
4	Uttara Residential Apartment project(Rajul)	12,620,095	648,741,769
5	Army ECB Shylhet Project	-	427,000,285
6	Kushtia Shilpakala Academy, KSA	106,484,466	-
7	Bangladesh Army ECB-Mukterpur	-	64,292,478
8	Maizkandi-Boalmari-Gopalganj Road, MBG	262,338,158	256,935,374
9	Matarbari Power Plant, MPP	105,864,007	39,892,472
10	Patengha Container Terminal Ground Improvement (PCT)	624,898,643	-
11	Rajshahi New Road(RNR)	275,239,275	-
12	RHD, Alladipur-Raj-Kushtia ARK	276,539,487	183,404,179
13	Uttara Construction Building Project(UTTARA)	107,433,455	11,809,487
14	Uniliver Bangladesh Ltd.	-	33,375,066
15	Reliance Insurance Ltd., Dhaka.	-	24,553,615
16	Ashugonj Power plant. Ashugonj	-	208,278,038
17	Liberation war Museum, LWM-2, Dhaka.	1,376,746	-
18	LGED, Gopalganj, BAPARD (Kotalipara)	98,012,436	270,423,659
19	Rezu Khal Dredging Project, DRKCB	-	44,021,863
20	Chitagang Development Authority, BAKALIA	200,961,200	108,688,000
21	RHD Core Office, BANANI	74,421,968	-
22	Karnaphuli Tunnel Project, KTPC	82,785,017	40,427,675
23	Bangladesh China Friendship Bridge, CBM	-	59,395,112
24	Kanchpur Meghna Gumti Bridge, (OSJI JV)	1,516,526,862	491,226,832
25	Border Guard Bangladesh Pilkhana (BGB)	-	4,713,000
26	Nator Baghatipara Bridge, NBB	29,152,423	-
27	Dreasing Work Madaripur, DWM	9,557,438	-
28	Realized Mobilization advance received in prior year	-	65,902,216
29	Realized Material advance received in prior year	-	352,377
<b>Total Revenue</b>		<b>4,267,036,996</b>	<b>3,133,017,235</b>

23. Cost of execution of the contract

Opening stock of construction material	1,394,182,753	1,086,477,703
Development and material expense (Note 23.1)	2,340,912,866	1,872,251,267
Cost of construction material available during the period	<b>3,735,095,619</b>	<b>2,958,728,970</b>
Closing stock of construction material	1,635,458,010	1,394,182,753
Cost of construction material consumed during the period	<b>2,099,637,609</b>	<b>1,564,546,217</b>
Direct expenses (Note 23.2)	1,161,730,524	953,938,339
Total cost of construction in process	<b>3,261,368,133</b>	<b>2,518,484,556</b>
Opening Work in Process	714,695,312	507,132,650
Closing Work in Process	841,254,200	714,695,312
<b>Total Cost of goods sold</b>	<b>3,134,809,245</b>	<b>2,310,921,894</b>

23.1 Development and material expense

Earth filling and development work	85,540,230	67,050,600
Material cost	2,274,342,966	1,826,974,885
Less: Vat Refundable	(18,970,330)	(21,774,218)
<b>Total Development and material expenses</b>	<b>2,340,912,866</b>	<b>1,872,251,267</b>





	For the year ended 30 JUNE 2019	For the year ended 30 JUNE 2018
<b>23.2 Direct expenses</b>		
Project Expenses	2,210,560	2,150,600
Carriage Inward	1,914,630	1,790,800
Fuel and Lubricant	92,917,957	67,864,938
Bank charge/Others charge by the Employer	12,942,360	44,168,827
Salary & Wages	617,172,064	450,213,380
VAT (Note-23.2.1)	289,130,691	199,192,112
Depreciation (Note-04)	145,442,262	188,557,682
<b>Total Direct Expenses</b>	<b>1,161,730,524</b>	<b>953,938,339</b>
<b>23.2.1. VAT</b>		
VAT Deducted from Construction Business	169,901,400	144,268,274
VAT Deducted from Import Stage	119,229,291	54,923,838
<b>Total VAT</b>	<b>289,130,691</b>	<b>199,192,112</b>
<b>24. General and administration expenses</b>		
Staff Salary & Allowance	185,151,648	182,536,419
Festival Bonus	21,282,438	16,543,929
Directors Remuneraton	1,680,000	2,940,000
Advertisement	215,420	170,900
Printing & Stationery	225,360	186,800
Tender, Prequalification/Enlistment	548,560	1,690,870
Office Rent	16,392,457	3,472,779
Group Insurance	1,840,403	5,552,935
Fees & Chgarges	652,300	1,071,800
Traveling & Tour	417,500	986,800
Telephone & Fax Charge	612,500	525,340
Postage & Telegram	64,580	72,005
Fuel & Lubricant	2,120,340	1,755,700
Repair & Maintenance (Machinery)	2,053,200	2,260,350
Repair & Maintenance (CAR)	1,585,400	2,120,560
Newspaper & Periodicals	65,700	53,271
Electrical Charge	610,220	524,713
P/F Company Contribution	2,656,027	3,601,623
Conveyance	451,750	390,800
Entertainment	735,600	509,280
Uniform & Liveries	85,620	31,800
Security Services	165,000	1,390,800
Insurance & Premium	1,573,980	1,573,900
Donation & Subscription/Zakat	134,500	29,298
Business Promotion	72,540	51,980
Head Office mainteance	321,400	170,395
Medical expenses	712,300	987,800
Repair & Maintenance (Equipment)	125,640	52,690
GAS & WASA Bill	360,210	271,800
Site Office Maintenance	439,208	581,300
Audit fee	700,000	350,000
Legal Fee	1,200,000	1,200,000
<b>Total General and administration expenses</b>	<b>245,251,801</b>	<b>233,658,637</b>



	For the year ended 30 JUNE 2019	For the year ended 30 JUNE 2018
<b>25. Non-operating income</b>		
Interest Income (STD Bank Interest)	57,823	294,940
FDR Interest Income	22,541,458	19,097,508
	<b>22,599,281</b>	<b>19,392,448</b>
<b>26. Financial expenses</b>		
Interest Expense	1,226,397,207	552,241,236
Foreign Exchange (gain)/loss - Realized and Unrealized	9,331,529	4,201,946
Bank Charges	516,381	10,520,600
	<b>1,236,245,117</b>	<b>566,963,782</b>
Less: Interest charged to Joint Venture Partners:		
a) HALLA - MAH - SEOKWANG JOINT VENTURE	69,274,508	105,235,743
b) SAMWHAN-MIR AKHTER JOINT VENTURE	226,601,637	157,166,836
c) MIR AKHTER-RANKEN JOINT VENTURE	167,338,774	45,343,220
d) WMCG-MIR AKHTER-SADEEM AL KUWAIT JV	132,088,339	54,437,563
e) MIR AKHTER-KOMAIHALTEC JV	150,958,147	36,758,473
f) Mir Akhter-WMCG JV	34,232,300	-
g) Hego-Mir Akhter JV	63,607,994	-
h) Halla-Mir Akhter JV	30,735,715	-
	<b>874,837,414</b>	<b>398,941,835</b>
<b>Financial expenses charged</b>	<b>361,407,703</b>	<b>168,021,947</b>
<b>27. Income tax expense</b>		
Current tax (note-27.1)	321,559,939	236,478,583
Deferred tax (note 27.2)	-	-
	<b>321,559,939</b>	<b>236,478,583</b>
<b>27.1 Current tax</b>		
1) Construction business income (as per 82C income)	313,650,191	229,691,226
2) Interest income on FDR	22,541,458	7,889,510
3) Interest income on STD account	57,823	20,238
<b>Total current tax expense</b>	<b>321,559,939</b>	<b>236,478,583</b>

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.

#### 27.2 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-18.

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

Depreciation for tax (as per 3rd Schedule)	145,442,262	188,557,682.00
Depreciation as per Accounting	145,442,262	188,557,682.00
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 3,325,876). 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.



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For the year ended  
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28. Profit after tax from Joint Venture

Name of the Joint Venture	Revenue	Share of MAHL in JV's profit	Share of MAHL in JV's profit
HALLA-MAH-SEOKWANG	673,586,999	28,943,916	77,713,959
Samwhan-Mir Akhter JV	2,025,941,619	71,052,711	172,038,654
Mir-Akhter Ranken JV	1,842,522,280	141,992,801	86,648,616
WMCG-Mir Akhter-Sadeem Al Kuwait JV	1,399,494,737	64,005,246	55,375,920
Mir Akhter-Komaihaltec JV	1,596,619,293	79,624,769	44,611,394
Mir Akhter-WMCG JV	353,558,090	11,480,214	-
Hego-Mir Akhter JV	656,993,618	24,250,410	-
Halla-Mir Akhter JV	325,517,355	10,639,417	-
	<b>8,874,233,991</b>	<b>431,989,484</b>	<b>436,388,543</b>

29. Price Sensitive Information:

29.1 Earnings Per Share:

Net profit for the year	632,493,857	618,773,965
Number of shares	100,000,000	100,000,000
<b>Basic earnings per share (EPS)</b>	<b>6.32</b>	<b>6.19</b>

29.2 Net Assets Value per Share

Net Assets (with revaluation)	3,470,998,601	2,838,504,744
Number of shares	100,000,000	100,000,000
<b>Net Asset value per share (NAVPS)</b>	<b>34.71</b>	<b>28.39</b>
Net Assets (without revaluation)	3,363,458,720	2,730,964,863
Number of shares	100,000,000	100,000,000
<b>Net Asset value per share (NAVPS)</b>	<b>33.63</b>	<b>27.31</b>

29.3 Net Operating Cashflow per share

Net Operating Cashflow	1,287,763,320	443,216,111
Number of shares	100,000,000	100,000,000
<b>Net Operating Cashflow per share (NOCFPS)</b>	<b>12.88</b>	<b>4.43</b>

Reconciliation of net operating cash flow:

Net profit before tax	522,064,312	418,864,005
Adjustment for:		
Profit after tax from Joint venture	431,989,484	436,388,543
Interest expenses	361,407,703	168,021,947
Income tax paid	(319,353,740)	(234,798,514)
Depreciation	453,229,771	380,001,450
Changes in:		
Inventories	(366,320,488)	(374,817,464)
Security Deposits	(82,024,537)	(71,869,122)
Advances and prepayments	(359,557,274)	(454,266,714)
Other receivables	39,345,694	(39,345,694)
Accounts receivables	481,917,988	4,000,000
Deferred LC	94,935,099	248,073,101
Liabilities for expenses	30,129,306	29,219,166
Mobilization Advances	-	(65,902,216)
Material Advances	-	(352,377)
	<b>1,287,763,319</b>	<b>443,216,111</b>



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For the year ended  
30 JUNE 2018

**30. Capital Expenditure Commitment**

There was no credit facility available to the company under any contract, other than trade credit available in the ordinary course of business and not availed of as on 30.06.2019 .

**31. 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.

**32. 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 incurred or paid in foreign currencies except as stated above.

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

No commission was incurred or paid to distributors, agents nor any brokerage or discounts were incurred or paid against sales.

**34. Segment Reporting**

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

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

Name of parties	Relationship	Purpose	Balance	Balance
Directors Remuneraton	Director	Salary and Festival Bonus	160,000	210,000
Mir Cement Ltd.	Common Directorship	Construction work of Factory	-	89,793,750
Onix Tower-Mir Holdings Ltd.	Common Directorship	Construction work of Building- Onix Tower	-	135,077,800
Mir Crystal Anowar-Mir Holdings Ltd.	Common Directorship	Construction work of Building- Mir Crystal Anowar	-	257,046,438
Mir Telecom Ltd.	Common	Rental Expenses	1,307,692	-

**Details of Transactions:**

Name of parties	Opening Balance	Addition	Adjustments	Closing Balance
Directors Remuneraton	210,000	1,680,000	(1,730,000)	160,000
Mir Cement Ltd.	89,793,750	-	(89,793,750)	-
Onix Tower-Mir Holdings Ltd.	135,077,800	-	(135,077,800)	-
Mir Crystal Anowar-Mir Holdings Ltd.	257,046,438	-	(257,046,438)	-
Mir Telecom Ltd.	-	15,960,457	(14,652,765)	1,307,692





For the year ended  
30 JUNE 2019

For the year ended  
30 JUNE 2018

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	960,000	160,000	1,120,000
Mr. Shama-e-zaheer	Director & COO	480,000	80,000	560,000
<b>Total</b>				<b>1,680,000</b>

Period of payments to Directors from 01 July 2018 to 30 June 2019. 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

### 36 Attendance status of Board Meeting of Directors

During the period from 01.07.18 to 30.06.2019 there were 4 (four) Board meeting were held. The attendance status of all the meeting is as follows:

Sl No.	Name of Directors	Position	Meeting Held	Attended
1	Mir Nasir Hossain	Managing Director	4	4
2	Mrs. Sohela Hossain	Director	4	4
3	Mrs. Mahbuba Hossain	Director	4	4
4	Mr. Shama-e-zaheer	Director and COO	4	4
5	Md Farid Uddin	Independent Director	4	4
6	AKM Faizur Rahman	Independent Director	2	2

### 37 Status of income tax assessment

Income year	Assessment year	Present status
2017-18	2018-19	Appeal filed against the order of DCT to the commissioner of Taxes (appeal).
2016-17	2017-18	Assessment completed and settled.
2015-16	2016-17	Assessment completed and settled.
2014-15	2015-16	Assessment completed and settled.
2013-14	2014-15	Assessment completed and settled.

### 38. 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.

### 39. Number of employees engaged

Total number of employees having annual salary of BDT 36,000 or above each was 1690 as at 30 June 2019 and 1580 as at 30 June 2018.



**40. 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 to the users of the financial statements to make proper evaluation and decisions.

**41. 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, 2019 was TK. 16,392,457 (also included in Note 24).

**42. 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' 2019.

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

The company does not make any provision for doubtful debts as on 30 June'2019, 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 2019.

**(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 35 "Related Party Transactions".

**43 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 74,557,917 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 17,389,713 and BDT 34,779,427 respectively in the current year.

**44. Date of Authorization:**

The Board of Directors have authorized these financial statements on 17.11.19.





## Details of Revenue for the year ended June 30, 2019

Sl. No.	Name of Works & Authorities	Security Refund	Gross bill	I. Tax deducted Tk.	VAT Deducted	SD Retained	Mobi. Adjusted	Advance	Material Adjusted	Others/Bank Charge	Net Cheque Amount
1	RHD Sylhet Road Project(SRP)		469,804,851	32,886,353	28,188,303	20,436,519	-	-	-	-	388,293,876
2	Chevron Bangladesh (BD)Block Twelve Ltd.		13,020,469	652,297	-	-	-	-	-	105,600	12,262,572
3	Karnaphuli Tunnel Project(KTPC)		82,785,017	-	-	8,278,502	-	-	-	-	74,506,515
4	Kushtia Shilpakala Academy (KSA)		106,484,465	7,453,913	7,453,913	5,324,223	-	-	-	58	86,252,358
5	Gopalganj 10 Storied Building Under LGED Gopalganj(BAPARD)		98,012,436	6,860,871	6,860,871	4,900,622	-	-	-	323,400	79,066,872
6	Maizkandi-Boalmari Gopalganj Road(MBG)		262,338,158	18,301,616	18,301,616	13,072,583	-	-	-	-	212,662,343
7	Matarbari Power Plant(MPP)		105,864,007	6,618,325	-	11,316,825	-	-	-	-	87,928,857
8	Kanchpur Bridge.Narayongong (KMG)/OSJI	5,858,661	1,516,526,862	95,643,704	592,180	27,427,553	-	-	-	-	1,399,130,940
9	Patengha Container Terminal Ground Improvement (PCT)		624,898,643	43,742,911	43,742,911	23,273,325	-	-	-	-	514,139,596
10	Rajshahi New Road(RNR)		275,239,275	19,411,562	20,267,918	13,471,092	-	-	-	12,367,837	209,720,866
11	Residential Model Town (3rd Phase) Rajuk Dhaka.(Rajul Dhaka)		12,620,096	757,491	883,601	631,004	-	-	-	-	10,348,000
12	RHD, Allaadipur -Raj- Kushtia(ARK)		276,539,487	18,866,596	19,480,556	13,826,975	-	-	-	13,870	224,351,490
13	Uttara Construction Building Project(UTTARA)	47,158,993	107,433,455	7,520,343	7,250,343	5,371,771	-	-	-	-	134,179,991
14	SHIBCHAR	637,762									637,762
15	Bangladesh China Friendship Bridge Mukterpur (MDBS)	14,398,568									14,398,568
16	RHD Core Office, BANANI		74,421,968	4,492,375	-	3,526,002	-	-	-	-	66,403,591
17	Nator Baghatipara Bridge, NBB		29,152,423	1,749,145	2,040,670	1,457,621	-	-	-	131,595	23,773,392
18	Chitagang Development Authority BAKALIA		200,961,200	14,100,660	14,100,660	16,542,000	-	-	-	-	156,217,880
19	Dreasing Work Madaripur, DWM		9,557,438	382,298	669,021	955,744	-	-	-	-	7,550,375
20	Livration War Museum, LWM-2		1,376,746	27,535	68,837						1,280,374
	<b>Total</b>	<b>68,053,984</b>	<b>4,267,036,996</b>	<b>279,467,995</b>	<b>169,901,400</b>	<b>169,812,361</b>				<b>12,942,360</b>	<b>3,703,106,818</b>

