

PADMA OIL COMPANY LIMITED
AUDITORS' REPORT AND FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED 30 JUNE 2023

M M Rahman & Co.
Chartered Accountants

Hussain Farhad & Co.
Chartered Accountants

INDEPENDENT AUDITORS' REPORT
To the shareholders of
PADMA OIL COMPANY LIMITED

Report on the Audit of the Financial Statements

Qualified Opinion

We have audited the accompanying financial statements of (POCL) Padma Oil Company Limited ("the Company") which comprise the statement of financial position as at 30 June 2023, statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the period from 01 July 2022 to 30 June 2023, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

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

Basis for Qualified Opinion

1. We would like to refer Note 04, where as the company owns total 155.2869 acres of free hold land valued at BDT 67,67,458. Whereas Land measuring 0.1956 acres out of 2.08 Acre of land at Paribagh, Dhaka, 0.82 acres out of 17.08 acres of land at Daulatpur depot & 0.36 acres out of 2.56 acres of land at Brahmanbaria are yet to be registered in the name of POCL

2. We would like to refer Note 10, receivables on account of Biman Bangladesh Airlines Ltd (Biman), as per para 5.5.9 of IFRS 9 at each reporting period an entity shall assess weather the credit risk on a financial asset has increased significantly since initial recognition. POCL & BIMAN performed an agreement dated 1st November 2019 where both parties agreed on stuck up outstanding balance to BDT 21,081,997,274 (principle 14,495,252,989+ Interest @8% 6,686,744,284) & POCL subsequently realised BDT 8,066,680,892 which is 3.82% of agreed outstanding as on october 2023. It indicated that POCL need to measure a lifetime expected credit losses & an allowance there on as per Para B5.5.2 of IFRS 9. However at Note 38, POCL shows the interest receivable amount as contingent assets which is not supported by IAS 37 as the both POCL & BIMAN agreed on such balances & thus POCL should recognise such interest receivable in current assets & recognise the credit loss allowances as per para 5.5.9 & para B 5.5.2 of IFRS 9.

3. In reference to note 21.01, The actuarial valuation of the pension fund was conducted on June 30, 2016, and the report was issued on January 24, 2018. Past service deficiencies in the funds were estimated at Tk. 937,423,000 for senior staff and Tk. 1,112,953,000 for junior staff as of June 30, 2016. To meet the past service deficit, the valuer recommended to pay Tk. 450,000,000 each year over the next five years (2018-2022) and contributing 14% of the total basic salary for junior staff and 23.7% of the total basic salary for senior staff each year in respect of current service costs. The company made provision for the deficit amount of Tk. 2,025,000,000 over last 5 years resulting shortfall amount of Tk. 225,000,000 in this reporting period.

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

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

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

Emphasis of Matter

1. In reference to Note 11 due to BPC shows several stuck-up balances of BDT 153,827,085 which remains due for long time. As per para 5.5.9 of IFRS 9 at each reporting period an entity shall assess weather the credit risk on a financial asset has increased significantly since initial recognition. POCL need to measure a lifetime expected credit losses & an allowance there on as per Para B5.5.2 of IFRS 9.

2. In reference to note 17, long term loan include BDT 73,385,086 which yet to be transferred to equity.

3. we would like to refer Note 12.01 some advances amounting to BDT 14,898,770 (Bata Shoe Limited BDT 12,785,608, Eastern Cables Ltd 1,968,662, Imtex Packaging 144,500) remain unadjusted for long time which needs to assess weather the expenses related to such advances remain unrecorded or advances need to be written off if they are not realizable.

4. In reference to note 28.01 whereas rental from various parties for BDT 37,669,000 has been recognised as income. Here compliances of investment property as per IAS 40 has not been adhered to.



5. In reference to Note 9 inventories includes some items the cost value of which BDT 88,653,452 remains stringent for many years & POCL need to check weather such items have become obsolete & there is any implication of written down to net realisable value from cost as per para 28 of IAS 2

6. As per IAS -36, para -09 "An entity shall assess at the end of each reporting period whether there is any indication that an asset may be impaired. If any such indication exists, the entity shall estimate the recoverable amount of asset". During the year we did not notice any impairment test as per provision of IAS-36.

7. we would like to refer note 24 which describes the status of tax payable /(refundable) presently lies before the High court/Tribunal/DCT etc. long before & on receipts of the outcome thereon the excess/short provision of tax can be ascertained.

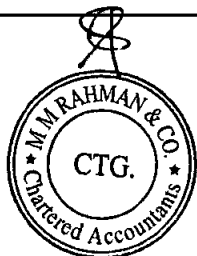
However our opinion is not modified in respect to above matters.

Key Audit Matters

Key audit matters are those matters that, in the auditors' professional judgment, were of most significance in the audit of the financial statements for the year ended 30 June 2023. These matters, and any comments we make on the results of our procedures thereon, were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

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

IFRS 15-Revenue recognition	
Refer to note 25 and 3.09	
The key audit matter	How the matter was addressed in our audit
Revenue recognition has significant and wide influence on financial statements.	Our audit procedures in this area included, among others:
Revenue is recognised when the amounts and the related costs are reliably measured, and the performance obligation is completed through passing of control to the customers. Revenue from the sale of goods is recognized when the company has delivered products to the customers and control has passed. The sales of the Company are derived from factories and various depots located across the country with relatively transactions of small amounts. As a result, to obtain sufficient audit evidence, magnitude of audit work and resource are required.	- We understood, evaluated and validated the key controls related to the Company's sales process from end to end, from contracts approval and sign-off, recording of sales, all the way through cash receipts and customers' outstanding balances. - We tested the completeness of journal entries compared to financial statements and whether if there is any exception existed that the debit accounts of sales recognition were not related to cash and bank, trade receivable.
We identified revenue recognition as a key audit matter because revenue is one of the key performance indicators of the Company and therefore there is an inherent risk of manipulation of the timing of recognition of revenue by management to meet specific targets or expectations.	- We conducted substantive testing of revenue recorded over the year using sampling techniques, by examining the relevant supporting documents including sales invoices and challans. In addition, we confirmed certain customers' receivable balances at the reporting date, selected on a sample basis by considering the amounts outstanding with those customers.
We focused on the proper cut-off of sales to the Company's customers due to the fact that the documents of confirming the acceptance of the products were provided by numerous customers based in different locations. There is a risk of differences between the timing of acceptance of the products by the Company's customers and when revenue was recorded. Accordingly, there could be potential misstatements that these revenue transactions are not recognised in the proper reporting periods.	- Furthermore, we tested the sales transactions recognized shortly before and after the reporting date, including the sales returns (if any) recorded after that date, to examine whether sales transactions were recorded in the correct reporting periods.



IAS -16 : Property, plant and equipment	
Refer to note 4 and 3.01	
The key audit matter	How the matter was addressed in our audit
<p>The company has large amount and numbers of property, plant and equipment items. Due to technological and time obsolescence the impairment may exists.</p> <p>Management has concluded that there is no impairment in respect all assets. This conclusion required significant management judgment. Hence we considered this to be a key audit matter.</p>	<p>Our audit procedures in this area included, among others:</p> <ul style="list-style-type: none"> - Assessing the consistency of methodologies used for depreciating the assets; - Checking, on a sample basis , the accuracy and relevance of the accounting of PPE by management; and - For selected samples, performing physical verification of assets to confirm existence; - Checked disposal of assets whether those assets have been deleted from asset register.

IAS-12 : Recognition and measurement of deferred taxes	
Refer to note 16.00 and 3.08	
The key audit matter	How the matter was addressed in our audit
<p>The Company recognizes deferred taxes relating to property, plant and equipment, provision for bad debts which are very complex in nature.</p> <p>As such accounting for deferred taxes involves management judgment in developing estimates of tax exposures and contingencies in order to assess the adequacy of tax provision. Hence, we considered this to be a key audit matter.</p> <p>As such accounting for deferred taxes involves management judgment in developing estimates of tax exposures and contingencies in order to assess the adequacy of tax provision. Hence, we considered this to be a key audit matter.</p>	<p>Our audit procedures in this area included, among others:</p> <ul style="list-style-type: none"> - Assessed the design, implementation and operating effectiveness of key controls in respect of the Company's process of recognition of deferred taxes; - Using our own tax specialists to evaluate the tax bases and Company's tax strategy. - Assessed the accuracy and completeness of deferred tax; and - Evaluating the adequacy of the financial statements disclosures, including disclosures of assumptions, judgments and sensitivities.

Reporting on other information

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

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

In connection with our audit of the financial statements, our responsibility is to read the other information 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.

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

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

Management is responsible for the preparation and fair presentation of these financial statements of the Company in accordance with International Financial Reporting Standards (IFRSs), the Companies Act, 1994, the Securities and Exchange Rules, 2020 and other applicable laws and regulations and for such internal control as management determines is necessary to enable the preparation of 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 misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance 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 the financial statements.

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

- (a) Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- (b) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- (c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- (d) Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- (e) 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.
- (f) Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We 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 auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.



Report on Other Legal and Regulatory Requirements

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

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




Firm Name : **M M Rahman & Co.**
Chartered Accountants
Registration No. : RJSC 109/8 & P.S

Hussain Farhad & Co.
Chartered Accountants
4/452/ICAB-84

Signature of the auditor :



Name of the auditor : **Shaju Barua**
ICAB Enrollment No : 1557
FRC Enrollment No: CAF-001-144


Sarwar Uddin FCA, Partner
ICAB Enrollment No : 0779
FRC Enrollment No: CA-001-136

DVC No. : 2311111557AS326796

2311110779AS893216

Place : **Chattogram**

Chattogram

Date : **11 NOV 2023**


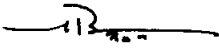

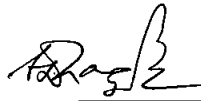
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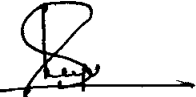
Padma Oil Company Limited
Statement of Financial Position
As at 30 June 2023

	Note(s)	Taka in '000	
		30 June 2023	30 June 2022
ASSETS			
Non-current assets			
Property, plant and equipment	4	1,552,068	1,617,244
Capital work-in-progress	5	1,380,326	1,122,845
Investment - Depreciation Fund (FDR)	6	2,080,248	1,775,221
Investment - Long Term (FDR)	7	200,000	5,982,201
		5,212,642	10,497,511
Current assets			
Investment - Short Term (FDR)	8	-	5,667,946
Inventories	9	20,988,445	14,734,203
Accounts receivable	10	17,839,738	18,732,114
Due from affiliated companies	11	58,228,995	20,988,149
Advances, deposits and pre-payments	12	1,877,236	2,505,390
Advance Income tax	23.01	1,232,951	-
Cash and cash equivalents	13	46,686,423	38,967,515
		146,853,788	101,595,317
TOTAL ASSETS		152,066,430	112,092,828
Shareholders' equity			
Share capital	14	982,327	982,327
Depreciation Fund -Reserve	15	364,942	269,896
Retained earnings		18,639,483	16,467,151
Total equity		19,986,752	17,719,374
LIABILITIES			
Non-current liabilities:			
Deferred tax liabilities	16	105,642	128,729
Long Term Loan	17	183,463	183,463
		289,105	312,192
Current liabilities			
Accounts payable	18	37,894,795	11,017,956
Supplies and expenses payable	19	4,378,278	3,377,936
Due to affiliated companies	20	82,607,801	75,115,370
Other liabilities	21	5,760,932	4,284,863
Unclaimed dividend	22	50,719	63,014
Provision for income tax	23	1,098,048	202,122
		131,790,573	94,061,261
Total Liabilities		132,079,678	94,373,453
TOTAL EQUITY AND LIABILITIES		152,066,430	112,092,828
Net Asset Value (NAV) per share	41	Tk. 203.46	Tk. 180.38

These Financial Statements should be read in conjunction with annexed notes 01-49
and were approved by the Board of Directors on...7...Nov...2023
and were signed on its behalf by:

 _____ Company Secretary	 _____ Managing Director	 _____ Director	 _____ Director
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As per our annexed report of same date.



M M Rahman & Co.
Chartered Accountants

DVC231111557AS328386

Place: Chattogram

Date: 11 NOV 2023





Hussain Farhad & Co.
Chartered Accountants

DVC: 2311110779AS893216
Place: Chattogram

Date: 11 NOV 2023

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

	Note(s)	Taka in '000	
		01 July 2022 to 30 June 2023	01 July 2021 to 30 June 2022
Gross earnings on Petroleum Products	25	2,616,382	2,343,909
Direct cost on Petroleum Products:			
Packing Charges	25.01	(20,790)	(21,819)
Handling Charges	25.01	(6,637)	(7,623)
		<u>2,588,955</u>	<u>2,314,467</u>
Net Operational (Loss)/Gain	31.01	(151,084)	(132,574)
Net earnings on petroleum products		<u>2,437,871</u>	<u>2,181,892</u>
Operating expenses:			
Administrative, selling and distribution expenses	26	(2,194,057)	(2,167,468)
Financial expenses	27	(251,364)	(249,685)
Operating Profit on Petroleum		<u>(7,549)</u>	<u>(235,260)</u>
Other Operating Income	28	1,249,321	790,030
Operating (loss)/profit on Agro-chemical trading	29	(21,252)	(28,398)
Total Operating Profit		<u>1,220,520</u>	<u>526,372</u>
Non-operating Income	30	3,377,507	2,616,070
Profit before WPPF and income tax		<u>4,598,027</u>	<u>3,142,441</u>
Contribution to WPPF and Welfare Fund	21.02	(229,901)	(157,122)
Net Profit before income tax		<u>4,368,126</u>	<u>2,985,319</u>
Provision for Income tax:			
Current tax	23	(895,926)	(640,038)
Deferred tax	16	23,087	58,516
		<u>(872,839)</u>	<u>(581,522)</u>
Net Profit after tax		<u>3,495,287</u>	<u>2,403,797</u>
Other comprehensive income		-	-
Total comprehensive income for the year		<u><u>3,495,287</u></u>	<u><u>2,403,797</u></u>
Earnings per share (EPS - basic)	32	<u><u>Tk. 35.58</u></u>	<u><u>Tk. 24.47</u></u>

These Financial Statements should be read in conjunction with annexed notes 01-49
and were approved by the Board of Directors on...7...Nov...2023
and were signed on its behalf by:



Company Secretary



Managing Director




Director



Director

As per our annexed report of same date.



M M Rahman & Co.
Chartered Accountants

DVC 2311111557AS326796

Place: Chattogram

Date: 11 NOV 2023





Hussain Farhad & Co.
Chartered Accountants

DVC 2311110779AS893216

Place: Chattogram

Date: 11 NOV 2023



Padma Oil Company Limited
Statement of Changes in Equity
For the year ended 30 June 2023

				Taka '000
	Share Capital	Retained Earnings	Depreciation Fund Reserve	Total equity
Balance as on 01 July 2021	982,327	15,373,490	187,669	16,543,486
Cash dividend declared for the year 2020-2021	-	(1,227,909)	-	(1,227,909)
Transferred to Depreciation Fund-Reserve	-	(82,227)	82,227	-
Net profit for the year	-	2,403,797	-	2,403,797
Balance as at 30 June 2022	982,327	16,467,151	269,896	17,719,374
Balance as on 01 July 2022	982,327	16,467,151	269,896	17,719,374
Cash dividend declared for the year 2021-2022	-	(1,227,909)	-	(1,227,909)
Transferred to Depreciation Fund-Reserve	-	(95,046)	95,046	-
Net profit for the year	-	3,495,287	-	3,495,287
Balance as at 30 June 2023	982,327	18,639,483	364,942	19,986,752

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Note


14.00

15.00


These Financial Statements should be read in conjunction with annexed notes 01-49
and were approved by the Board of Directors on 7 Nov 2023
and were signed on its behalf by:



Company Secretary



Managing Director



Director



Director



Padma Oil Company Limited
Statement of Cash Flows
For the year ended 30 June 2023

	Taka in '000	
	30 June 2023	30 June 2022
A. Cash Flows from Operating Activities:		
Receipts from customers and others	296,412,157	221,671,475
Paid to suppliers against petroleum and agro products and others	(301,328,973)	(211,852,552)
Receipts against other income	1,293,923	836,269
Interest and bank charges paid	(251,364)	(249,685)
Income tax paid	(1,232,951)	(763,837)
Net cash (used from)/generated by Operating Activities	(5,107,208)	9,641,670
B. Cash Flows from Investing Activities:		
Capital Expenditures	(412,117)	(561,913)
Investment -FDRs	11,145,120	(10,209,734)
Interest received from FDR/SND	3,332,799	2,373,995
Proceeds from disposal of property, plant and equipment	518	2,000
Net cash (used from)/generated by Investing Activities	14,066,320	(8,395,652)
C. Cash Flows from Financing Activities:		
Dividend paid	(1,240,204)	(1,343,603)
Net cash (used from)/generated by Financing Activities	(1,240,204)	(1,343,603)
D. Net Increase/(Decrease) in Cash & Cash Equivalents (A + B + C)	7,718,909	(97,585)
E. Opening cash and cash equivalents	38,967,515	39,065,100
Closing cash and cash equivalents	46,686,423	38,967,515
Operating Cash (Outflow)/Inflow per share (note - 42)	(Tk. 51.99)	Tk. 98.15

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These Financial Statements should be read in conjunction with annexed notes 01-49
and were approved by the Board of Directors on...7...N.S.Y...2023
and were signed on its behalf by:

Alau

Company Secretary

Iman

Managing Director

[Signature]

Director

[Signature]

Director



Padma Oil Company Limited
Notes to the Financial Statements
As at and for the year ended 30 June 2023

1.00 REPORTING ENTITY

1.01 Legal Form of the entity

Padma Oil Company Limited (The 'company') was incorporated as a Public Limited Company on 27 April 1965 under the name and style of Burmah Eastern Limited having its registered office at Chattogram. In 1977, Burmah Eastern Limited became a subsidiary of Bangladesh Petroleum Corporation (BPC). The name of the company was changed to Padma Oil Company Limited (POCL) with effect from 3rd September 1988 and its shares are listed with both the Chittagong Stock Exchange (CSE) Limited and Dhaka Stock Exchange (DSE) Limited.

1.02 Nature of the business

The principal activities of the Company are procurement, storage and marketing of Petroleum products, Lubricants, Greases, Bitumen and LPG.

In addition, the Company manufactures Agro Chemicals products (Furadan) in its Granular Pesticides Formulation plant and markets Furadan together with certain other imported Agro-Chemicals products.

2.00 BASIS OF PREPARATION, PRESENTATION & DISCLOSURES OF FINANCIAL STATEMENTS

2.01 Statement of compliance

The financial statements have been prepared in accordance with the International Accounting Standards (IASs), International Financial Reporting Standards (IFRS), the Companies Act 1994, the Securities and Exchange Rules 2020 and other applicable laws and regulations in Bangladesh as per requirements under the Financial Reporting Act 2015. Cash flows from operating activities are prepared under direct method as prescribed by the Securities and Exchange Rules 2020.

2.02 Basis of reporting

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

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

2.03 Other regulatory compliances

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

- i) The Income Tax Act 2023
- ii) The Income Tax Rules, 2023
- iii) The Value Added Tax and Supplementary Duty Act, 2012
- iv) The Value Added Tax and Supplementary Duty Rules, 2016
- v) The Customs Act 1969
- vi) Bangladesh Labour Law 2006
- vii) The Securities and Exchange Ordinance, 1969
- viii) The Securities and Exchange Rules, 2020
- ix) Securities and Exchange Commission Act, 1993, etc.

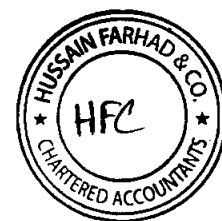
2.04 Basis of measurement

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

2.05 Going concern

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

The current revenue generations and resources of the company provide sufficient fund to meet the present requirements of its existing business and operation.



2.06 Comparative Information

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

2.07 Functional and presentational currency

The financial statements are presented in Bangladeshi Taka (BDT/Tk) which is the Company's functional currency. All financial information presented in BDT has been rounded off to the nearest thousand Taka.

2.08 Consistency

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

2.09 Current versus non-current classification

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

An asset is current when it is:

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

The company classifies all other assets as non-current.

A liability is current when:

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

The company classifies all other liabilities as non-current. Deferred tax assets and liabilities are classified as non-current assets and liabilities.

2.10 Use of estimates and judgments

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

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

Judgements, Assumptions and estimation uncertainties

Information about judgements made in applying accounting policies and assumptions and estimation uncertainties that have the most significant effects on the amounts recognized in the financial statements is included in the following notes:

Note 4: Property, plant and equipment

Note 9: Inventories

Note 10: Accounts receivable

Note 21: Other liabilities

Note 23: Income tax payable

Note 16: Deferred tax liabilities

Note 38: Contingent liabilities

Measurement of fair values

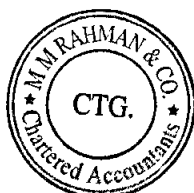
When measuring the fair value of an asset or liability, the entity uses market observable data as far as possible. Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

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

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

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

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



2.11 Reporting period

These financial statements of the company cover one year from 01 July to 30 June and is followed consistently.

2.12 Authorization for issue

These financial statements for the year ended 30 June 2023 have been authorized for issue by the Board of Directors on 07 November 2023

3.00 Significant accounting policies

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

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

For a proper understanding of the financial statements, these accounting policies are set out below in one place as prescribed by the IAS-1 "Presentation of Financial Statements". The recommendations of IAS-1 relating to the

- 3.01 Property, plant and equipment
- 3.02 Financial instruments
- 3.03 Inventories
- 3.04 Impairment
- 3.05 Employee benefits
- 3.06 Earnings per Share (EPS)
- 3.07 Provisions, Contingent Liabilities and Contingent Assets
- 3.08 Taxation
- 3.09 Revenue
- 3.10 Other income
- 3.11 Events after the reporting period
- 3.12 Leases
- 3.13 Segment Reporting

3.01 Property, plant and equipment

3.01.01 Recognition and measurement

All Property, Plant & Equipments are initially accounted for at cost and depreciated over their expected useful lives except freehold land in accordance with IAS 16 "Property, Plant and Equipment".

Cost includes expenditures that are directly attributable to the acquisition of the assets. The cost of self constructed /installed assets includes the cost of materials and direct labour and any other costs directly attributable to bringing the assets to the working condition for its intended use and the cost of dismantling and removing the items and restoring the site on which they are located.

On retirement or otherwise disposal of property, plant and equipment, the cost and accumulated depreciation are eliminated, and any gain or loss on such disposal is reflected in the statement of profit or loss and other comprehensive income which is determined with reference to the net book value of the assets and the net sale proceeds.

3.01.02 Subsequent costs

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

3.01.03 Depreciation

No depreciation is charged on freehold land and on capital work in progress. Depreciation is recognized in the statement of profit or loss and other comprehensive income on straight line method over the estimated useful lives of property, plant and equipment. Depreciation is charged from the month of addition when the asset is ready for use and no depreciation is charged from the following month of deletion. The principal annual rates are as follows:

<u>Asset Category</u>	<u>Rates of depreciation (%)</u>
Leasehold Land	3.5
Building	2.5-10
Plant and Machinery	7.5-10
Vehicle	20
Furniture and Fixture	5
Others facilities	7.5-25



3.01.04 Capital Work-In-Progress

Property, Plant and Equipment under construction/acquisition is accounted for and measured at cost as capital work-in-progress until construction/acquisition is completed and it is ready for use.

3.01.05 Depreciation fund

i) Padma Oil Company Limited Depreciation Fund was formed on 28th Day of November 2019 as per decision of The Ministry of Power, Energy and Mineral Resources vide memo no. 28.00.0000.029.01. 008.18.356 dated 24 December 2018 and subsequently approved by the Board of Directors in their the meeting no. 453 held on 03 September 2019.

ii) The objective of the fund is to accumulate the depreciation charged to the assets of the company in each financial year and use the fund for replacement of decrepitated Asset(s) / Procurement / acquisition of new Asset(s) / new plant / new business and keep the fund in the Bank or in Government Securities.

iii) Five (5) percent of income of the fund will be distributed among the Employees & Workers who are in active service of the company.

Consolidation of the Financial Statements of Padma Oil Company Limited Depreciation Fund has been made with the Padma Oil Company Limited, Chattogram as per resolution the Board of Directors in their the meeting no. 457 held on 28 November 2019.

3.02 Financial instruments

A Financial Instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

(i) Non-derivative financial assets

The company initially recognizes accounts and other receivables on the date that they are originated. Financial assets include accounts and other receivables, advances, deposits and prepayments, investment in FDR and cash and cash equivalents.

Accounts and other receivables

Accounts and other receivables are financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are recognized initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, accounts and other receivables are measured at amortized cost using the effective interest method, less any impairment losses.

Deposits

At initial recognition, the Company measures security deposits at its fair value plus or minus transaction costs that are directly attributable to the acquisition.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits, together with short-term, highly liquid investments that are readily convertible to a known amount of cash, and that are subject to an insignificant risk of changes in value.

(ii) Non-derivative financial liabilities

Liabilities (including liabilities designated at fair value through profit or loss) are recognized initially on the trade date at which the company becomes a party to the contractual provisions of the instrument. The company derecognizes a financial liability when its contractual obligations are discharged or cancelled or expire. Financial liabilities includes liabilities and accounts and other payables.

Accounts and other payables

The company recognizes a financial liability when its contractual obligations arising from past events are certain and the settlement of which is expected to result in an outflow from the entity of resources embodying economic benefits.

Other liabilities

Other liabilities represents the amounts due to various parties for receiving services. These are initially recognized at cost which is the fair value. After initial recognition these are carried at amortized cost.

3.03 Inventories

Major and minor petroleum products of BPC excluding Lubes and Greases are valued at net realizable value. Lubes, Greases and Agro-chemical products are valued at lower of cost or net realizable value. Stocks of stores and spares are valued at weighted average cost. Statutory charges (like Custom-duty or VAT) and freight attributable to Stock-in-trade are carried forward and added to the value of the stocks. However, cost comprises procurement cost and attributable overheads to bring the goods to their respective state at which they were on the reporting date.



3.04 Impairment

Financial Assets

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

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

Non Financial Assets

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

3.05 Employee benefits

Employee benefits are all forms of consideration given by the entity in exchange for service rendered by an employee.

3.05.01 Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided.

3.05.02 Post employment benefits

Post-employment benefits are employee benefits which are payable after the completion of employment. The company maintains both defined contribution plan and defined benefit plan for its eligible permanent employees.

Defined contribution plan

The company has two contributory provident funds for its junior and senior executives which were recognized on 30 June 1967 under the applicable Income Tax laws and regulations. Contribution to the fund is made equally by employee and employer @ 10% of basic pay for eligible permanent employees. The said funds are managed by duly constituted four member Board of Trustees. Assets of provident fund are held in a separate Trustee Funds as per the relevant rules and is funded by payments from employees and by the company. The company's contributions to the provident funds are charged as revenue expenditure in the period to which the contributions relate.

Defined benefit plan

The company maintains a funded gratuity/pension scheme. Contribution to gratuity/pension fund for pension and/or gratuity benefits is made at the rate as determined on the basis of valuation certified by an actuary after every three years.

Workers' Profit Participation Fund

The company also account for provision of Workers' Profit Participation and Welfare funds (WPP & WF) @ 5% of its profit before charging such expenses as per Labour Act 2006.

3.06 Earnings per Share (EPS)

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

3.06.01 Basis of Earnings

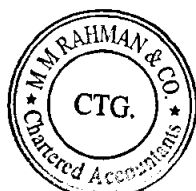
This represents profit for the year attributable to ordinary shareholders. As there is no preference dividend, minority interest or extra ordinary items, the net profit after tax for the year has been considered fully attributable to the ordinary shareholders.

3.06.02 Basic Earnings Per Share

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

3.06.03 Diluted Earning Per Share

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



3.07 Provisions, Contingent Liabilities and Contingent Assets

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

3.08 Taxation

Current tax:

Income tax expense is recognized in statement of profit or loss and other comprehensive income. Current tax is the expected tax payable on the total income for the year using tax rates enacted or substantially enacted as of reporting date and any adjustment to tax payable in respect of previous years. The company qualifies as a publicly traded company; hence the applicable tax rate is 20.00% for the year.

Deferred tax:

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

3.09 Revenue

In compliance with the requirements of IFRS 15 : Commission earnings from sales of petroleum products are measured at fair value of the consideration received or receivable. Commission on petroleum products are determined by Government through official Gazette Notification issued from time to time. Revenue from the sale of agro-chemical products is measured at the fair value of the consideration received or receivable, net of returns, trade discounts and volume rebates.

Revenue is recognized when the control and risks and rewards of ownership have been transferred to the buyer, recovery of the consideration is probable, the associated costs and possible return of goods can be estimated reliably, there is no continuing management involvement with the goods, and the amount of revenue can be measured reliably.

3.10 Other income

Other income - operating

Other income-operating includes land rent, service charges, filling and power station rent, POL products handling, and interest income on delayed payment. Other operating income are recognized as revenue income as and when accrued / realized.

Other income - non-operating

Other income-non-operating includes interest income from SND and FDR, profit on disposal of assets and sale of scrap. Interest from FDR and SND are recognized when accrued while profit on disposal of assets and sale of scrap are recognized as income when realized.

3.11 Events after the reporting period

Events after the reporting period that provide additional information about the company's position at the date of statement of financial position or those that indicate the going concern assumption is not appropriate are reflected in the financial statements. Events after the reporting period that are not adjusting events are disclosed in the notes when material.

3.12 Leases

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

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



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

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

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

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

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

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

3.13 Segment Reporting

An operating Segment is a component of the company from which it earns revenues and incurs expenses, including revenues and expenses that relate to transactions with any of the company's other components, whose operating results are reviewed regularly by the company's management committee (being the chief operating decisions maker) to make decision about resources allocated to each segment and assess its performance.

The company discussed its' Segment wise performance under note- 31.03 to Financial statements.



4.00 Property, plant and equipment - at cost less accumulated depreciation

Taka in '000

Particulars	Freehold Land	Leasehold Land	Building	Plant & Machinery	Vehicles	Furniture & Fixtures	Other Facilities	Total
Cost:								
Balance as at 01 July 2021	6,767	670	804,696	2,350,169	300,696	30,298	205,630	3,698,926
Additions during the year (Note-5.01)	-	-	4,042	74,472	-	1,583	18,805	98,902
Disposal during the year	-	-	(10,569)	(1,014)	(132)	(37)	(254)	(12,006)
Balance as at 30 June 2022	6,767	670	798,169	2,423,627	300,564	31,844	224,181	3,785,822
Balance as at 01 July 2022	6,767	670	798,169	2,423,627	300,564	31,844	224,181	3,785,822
Prior year adjustment	-	(670)	-	-	-	-	-	(670)
Additions during the year (Note-5.01)	-	-	5,962	136,546	3,914	1,260	6,954	154,636
Disposal during the year	-	-	-	(47)	-	-	(1,357)	(1,404)
Balance as at 30 June 2023	6,767	-	804,131	2,560,126	304,478	33,104	229,778	3,938,384
Accumulated Depreciation:								
Balance as at 01 July 2021	-	670	242,285	1,273,087	277,796	14,410	151,131	1,959,380
Charged for the year	-	-	24,437	167,111	10,584	1,216	14,895	218,243
Adjusted during the year	-	-	(7,716)	(1,005)	(132)	(6)	(186)	(9,045)
Balance as at 30 June 2022	-	670	259,006	1,439,193	288,248	15,620	165,840	2,168,578
Balance as at 01 July 2022	-	670	259,006	1,439,193	288,248	15,620	165,840	2,168,578
Prior year adjustment	-	(670)	-	-	-	-	-	(670)
Charged for the year	-	-	24,025	169,751	8,143	1,260	16,221	219,400
Adjusted during the year	-	-	-	(29)	-	-	(963)	(992)
Balance as at 30 June 2023	-	-	283,031	1,608,915	296,391	16,880	181,098	2,386,316
As at 30 June 2022	6,767	-	539,163	984,435	12,316	16,224	58,340	1,617,244
As at 30 June 2023	6,767	-	521,100	951,212	8,087	16,224	48,679	1,552,068

The company owns total 155.2869 acres of free hold land valued at BDT 67,67,458. Out of the free hold land, land measuring 0.1956 acres at Paribagh, Dhaka, 0.82 acres at Daulatpur depot & .36 acres at Brahmanbaria are not included in the updated land development tax document since there are some dispute with POCL regarding the inclusion of this land in the land tax document due to differences in mutation Khatian and Land deed records.

Depreciation allocated to:
Administrative, Selling and Distribution Expenses
Agro-chemical

	01 July 2022 to 30 June 2023	01 July 2021 to 30 June 2022
Note(s)	Taka in '000	Taka in '000
26.00	217,926	216,338
29.00	1,474	1,905
	219,400	218,243



	Note(s)	Taka in '000	
		30 June 2023	30 June 2022
5.00 Capital work in Progress			
Opening Balance		1,122,845	659,834
Addition during the year	5.01	412,117	561,913
		1,534,962	1,221,747
Transferred to property, plant and equipment during the year	4.00	(154,636)	(98,902)
Closing Balance		1,380,326	1,122,845

5.01 Details of Capital Work In Progress (Taka in '000)

Particulars	Opening Balance	Expenditure incurred during the year	Transferred to property, plant and equipment	Closing Balance
Building	963,071	226,778	(5,962)	1,183,887
Plant & Machinery	153,069	175,416	(136,546)	191,939
Vehicles	2,205	1,709	(3,914)	-
Furniture & Fixtures	-	1,260	(1,260)	-
Other Facilities	4,500	6,954	(6,954)	4,500
As at 30 June 2023	1,122,845	412,117	(154,636)	1,380,326
As at 30 June 2022	659,834	561,913	(98,902)	1,122,845

6.00 Investment - Depreciation Fund (FDR)

Name of banks		
AB Bank Limited	82,766	50,000
Agrani Bank Limited	298,747	-
Bangladesh Commerce Bank Limited	54,964	52,012
Bangal Commercial Bank Limited	7,500	-
BASIC Bank Limited	122,137	232,016
Dhaka Bank Limited	253,163	181,350
Janata Bank Limited	764,950	535,942
NRB Bank Limited	30,540	-
NRB Global Bank Limited	-	114,228
Premier Bank limited	251,070	216,748
Rupali Bank Limited	214,411	162,120
Trust Bank Limited	-	121,580
Union Bank Limited	-	109,225
	2,080,248	1,775,221

*Investment- Depreciation Fund (FDR) has been categorized the non-current assets as per management decision because the fund won't be encashed in near future. Tenure of the above FDRs are 3-12 months and interest rate is 6.00% to 8.00%.

7.00 Investment - Long Term (FDR)

Name of banks		
Agrani Bank Limited	-	562,238
Bangladesh Krishi Bank Limited	-	852,878
Exim Bank Limited	200,000	-
Janata Bank Limited	-	2,900,102
Rupali Bank Limited	-	1,666,983
Sonali Bank Limited	-	-
	200,000	5,982,201

Tenure is 12 months, Interest Rate is 6.00% to 8.00%

8.00 Investment - Short Term (FDR)

Name of banks		
Investment Corporation of Bangladesh	-	743,695
Janata Bank Limited	-	2,139,721
Rajshahi Krishi Unnoyon Bank Limited	-	217,270
Rupali Bank Limited	-	2,567,260
	-	5,667,946

Tenure is 6 months, Interest Rate is 6.00% to 8.00%



		Taka in '000	
		30 June 2023	30 June 2022
	Note(s)		
9.00 Inventories			
Stock-In-Trade (Petroleum products)	9.01	20,369,321	14,228,359
Agro-chemical products	9.02	435,041	309,965
Stores	9.03	89,053	81,803
Packing materials		95,030	114,076
		<u>20,988,445</u>	<u>14,734,203</u>
9.01 Stock-In-Trade - Petroleum products			
Major products	31.00	19,203,662	13,622,892
Minor products		1,007,607	494,101
Freight		158,052	111,366
		<u>20,369,321</u>	<u>14,228,359</u>
9.02 Agro-chemical products			
Finished products	31.02	428,644	307,700
Raw material		2,023	2,023
In transit		4,374	242
		<u>435,041</u>	<u>309,965</u>
9.03 Stores			
In stock		89,053	81,672
In transit		-	131
		<u>89,053</u>	<u>81,803</u>
10.00 Accounts Receivable			
Accounts receivable - Petroleum products*		16,850,870	17,542,569
Accounts receivable - Agro-chemical products**		50,629	60,897
		<u>16,901,499</u>	<u>17,603,466</u>
Other receivables		1,073,136	1,263,545
		<u>17,974,635</u>	<u>18,867,011</u>
Provision for bad debts against trade receivable	10.02	(134,897)	(134,897)
		<u>17,839,738</u>	<u>18,732,114</u>
<p>* Accounts Receivable (Petroleum Products) includes outstanding Tk. 14,235,571,545 from Biman Bangladesh Airlines. Which credit facilities were allowed with permission from BPC.</p> <p>** Receivable against Agro-chemical trade is secured by Bank Guarantees.</p>			
10.01 Ageing of accounts receivables (Note-46.03)			
Less than 6 months		2,371,660	1,956,341
6 months or above but less than 12 months		274,365	1,821,502
1 year or above but less than 2 years		722,985	1,355,674
2 years or above		14,470,728	13,598,597
		<u>17,839,738</u>	<u>18,732,114</u>
10.02 Provision for Bad debts			
<p>Tk. 98,924,000 receivable from Khulna Newspaper Mills against dues and Tk. 35,973,000 receivable from Bangladesh Air Force, Bangladesh Army and Bangladesh Navy relating to the years 1998-1999 and 1999-2000 were accounted for as doubtful debts in 2008 and 2009 respectively.</p>			
11.00 Due from Affiliated Entities / Companies (Note-37)			
Bangladesh Petroleum Corporation (BPC)		57,368,045	19,882,950
Eastern Refinery Limited		14,874	12,380
Eastern Lubricant and Blenders Limited		31,065	37,896
Standard Asiatic Oil Company Limited		10,747	293,577
Liquified Petroleum Gas Limited		6,287	6,286
Meghna Petroleum Limited		410,403	380,486
Jamuna Oil Company Limited		387,574	374,574
		<u>58,228,995</u>	<u>20,988,149</u>
<p>Detail related party disclosure has been provided under note 37 and ageing of due from affiliated entities/companies are presented under note 46.04.</p>			
12.00 Advances, Deposits and Pre-payments			
Advances	12.01	219,941	108,189
Deposits	12.02	1,633,189	2,374,203
Prepayments	12.03	24,105	22,998
		<u>1,877,236</u>	<u>2,505,390</u>
12.01 Advances			
Advance to employees	12.01.01	59,672	72,266
Advance against expenses	12.01.02	160,269	35,923
		<u>219,941</u>	<u>108,189</u>



		Taka in '000	
		30 June 2023	30 June 2022
12.01.01	Advances to employees		
	Employees' car advances	1,730	2,490
	Employees' personal accounts	440	877
	Festival advances	36,152	39,404
	House building advances	21,350	29,495
		<u>59,672</u>	<u>72,266</u>
	Advance to employees represents amount of advances recoverable in cash from employees by the company.		
12.01.02	Advances against expenses		
	Employees' travelling expenses	523	629
	Contractors for supplies	15,050	18,976
	Advance to carriers	144,696	16,318
		<u>160,269</u>	<u>35,923</u>
	Advances against expenses represents amount of advances to employees, various parties which will be adjusted in the subsequent years.		
12.02	Deposits		
	Long term deposits	43,493	11,672
	Short term deposits	1,589,696	2,362,531
		<u>1,633,189</u>	<u>2,374,203</u>
12.02.01	Long term deposits		
	Security deposits against telephone	106	106
	Security deposits against electricity supply	1,113	1,113
	Sundry security deposits	42,251	10,430
	Security deposits against chemicals	23	23
		<u>43,493</u>	<u>11,672</u>
12.02.02	Short term deposits		
	Deposits against franking machine	11	5
	Deposits against duty	1,589,685	2,362,526
		<u>1,589,696</u>	<u>2,362,531</u>
12.03	Prepayments		
	Insurance premium	3,834	3,842
	Rent, rates and taxes	20,271	19,156
		<u>24,105</u>	<u>22,998</u>
13.00	Cash and Cash Equivalents		
	Cash in hand	1,014	1,204
	Cash & cash equivalent in transit (Through Pay Order)	2,693,468	1,212,974
	Cash at banks	24,954,225	29,981,036
	Fixed deposit receipts	19,037,716	7,772,301
		<u>46,686,423</u>	<u>38,967,515</u>
13.01	Cash in hand		
	Head office	423	948
	Depot	591	256
		<u>1,014</u>	<u>1,204</u>
13.02	Cash at banks		
	Short notice deposit (SND)	24,995,183	29,725,748
	Current account	(106,517)	215,328
	Collection account	15,023	2,136
	Dividend account	50,537	37,824
		<u>24,954,225</u>	<u>29,981,036</u>
13.02.01	Short notice deposit (SND)		
	AB Bank Limited	1,988,924	4,001,567
	Agrani Bank Limited	18,687	26,347
	Bank Asia Limited	9,363	19,173
	Brac Bank Limited	1,073,234	490,536
	Citybank NA	10,545	20,877
	Eastern Bank Limited	3,441,614	4,318,518



	Taka in '000	
	30 June 2023	30 June 2022
	<u>Note(s)</u>	
HSBC	102,159	1,428,552
Janata Bank Limited	747,730	833,623
Mercantile Bank Limited	3,874,700	4,166,277
NCC Bank Limited	974,966	1,116,011
NRB Bank Limited	1,452,875	972,047
ONE Bank Limited	2,374,205	4,383,408
Prime Bank Limited	557,175	265,039
Pubali Bank Limited	656,893	1,841,202
Sonali Bank Limited	180,670	59,667
Standard Chartered Bank	21,624	118,677
Trust Bank Limited	1,172,888	1,094,702
United Commercial Bank Limited	6,336,931	4,569,525
	<u>24,995,183</u>	<u>29,725,748</u>
13.02.02 Current account		
Brac Bank Limited	-	1,308
Janata Bank Limited	13,157	30,132
Mercantile Bank Limited	247,443	11,149
ONE Bank Limited	4,872	159,164
Sonali Bank Limited	5	5
Standard Chartered Bank	124,900	13,570
Trust Bank Limited*	(496,894)	-
	<u>(106,517)</u>	<u>215,328</u>
* The balance become negative due to uncleared cheque which has been cleared subsequently.		
13.02.03 Collection account		
Pubali Bank Limited	12,623	2,136
Janata Bank Limited	2,400	-
	<u>15,023</u>	<u>2,136</u>
13.02.04 Dividend account		
Standard Chartered Bank	50,537	37,824
	<u>50,537</u>	<u>37,824</u>
13.03 Fixed deposit receipts (FDR)		
Name of banks		
AB Bank Limited	571,567	266,584
Agrani Bank Limited	1,196,588	-
Al Arafa Islami Bank Limited	81,817	101,952
Bangladesh Development Bank Limited	56,466	53,427
Bangladesh Krishi Bank	915,943	-
Basic Bank Limited	-	107,921
Community Bank Bangladesh Limited	156,725	108,739
Dhaka Bank Limited	41,836	-
Exim Bank Limited	568,561	460,833
First Security Islami Bank Limited	217,210	412,774
IFIC Bank Limited	230,411	205,436
Investment Corporation of Bangladesh	785,414	-
Janata Bank Limited	7,141,162	938,789
Global Islami Bank Limited	897,113	1,120,177
Mutual Trust Bank Limited	-	50,000
National Bank Limited	81,844	-
NRB Bank Limited	52,755	50,000
ONE Bank Limited	92,911	50,000
Premier Bank Limited	1,106,031	1,624,488
Rajshahi Krishi Bank	228,819	-
Rupali Bank Limited	3,535,890	-
Social Islami Bank Limited	301,626	625,872
Southeast Bank Limited	40,000	-
Standard Bank Limited	125,265	-
Trust Bank Limited	-	50,000
Union Bank Limited	611,762	1,495,309
United Commercial Bank Limited	-	50,000
	<u>19,037,716</u>	<u>7,772,301</u>

Tenure is 3 months, Interest Rate is 6.00% to 8.00%



		Taka in' 000	
		30 June 2023	30 June 2022
14.00 Share Capital			
No. of Shares			
Authorized capital:			
100,000,000	Ordinary Shares of Tk. 10 each	1,000,000	1,000,000
Issued, Subscribed and Paid-up capital:			
1,275,000	1,275,000 Ordinary shares of Tk. 10 each fully paid up in cash.	12,750	12,750
1,225,000	1,225,000 Ordinary shares of Tk. 10 each fully issued as fully paid-up bonus shares for consideration other than cash.	12,250	12,250
1,000,000	Ordinary shares of Tk. 10 each issued as fully paid-up bonus (stock dividend) shares in the ratio of 2 share for every 5 shares held.	10,000	10,000
1,400,000	Ordinary shares of Tk. 10 each issued as fully paid-up bonus (stock dividend) shares in the ratio of 2 share for every 5 shares held.	14,000	14,000
4,900,000	Ordinary shares of Tk. 10 each issued as fully paid-up bonus (stock dividend) shares in the ratio of 1 share for every 1 share held on 31 January 2009.	49,000	49,000
19,600,000	Ordinary shares of Tk. 10 each issued as fully paid-up bonus (stock dividend) shares in the ratio of 2 share for every 1 share held on 06 February 2010.	196,000	196,000
14,700,000	Ordinary shares of Tk. 10 each issued as fully paid-up bonus (stock dividend) shares in the ratio of 1 share for every 2 share held on 12 May 2012.	147,000	147,000
22,050,000	Ordinary shares of Tk. 10 each issued as fully paid-up bonus (stock dividend) shares in the ratio of 1 share for every 2 share held on 28 June 2012.	220,500	220,500
23,152,500	Ordinary shares of Tk. 10 each issued as fully paid-up bonus (35% stock dividend) held on 16 February 2013.	231,525	231,525
8,930,250	Ordinary shares of Tk.10 each issued as fully paid-up bonus (10% stock dividend) held on 15 February 2014.	89,302	89,302
98,232,750		982,327	982,327

14.01 Classification of shares by holding

Class by number of shares	No. of Holders	No. of Shares	Holding %
Less than 500	6,358	923,576	0.94
From 500 to 5,000	2,093	3,286,731	3.35
From 5,001 to 10,000	157	1,140,928	1.16
From 10,001 to 20,000	88	1,278,026	1.30
From 20,001 to 30,000	33	853,151	0.87
From 30,001 to 40,000	22	773,692	0.79
From 40,001 to 50,000	9	413,998	0.42
From 50,001 to 100,000	20	1,453,972	1.48
From 100,001 to 1000,000	46	12,565,877	12.79
From 1,000,001 and above	9	75,542,799	76.90
	8,835	98,232,750	100

14.02 Composition of Shareholders

Name of shareholders	As at 30 June 2023		As at 30 June 2022	
	No. of Shares	Holding %	No. of Shares	Holding %
Bangladesh Petroleum Corporation (BPC)	49,455,666	50.35	49,455,666	50.35
Public and Private Institutions	22,603,678	23.01	24,863,654	25.31
Investment Corporation of Bangladesh	10,854,093	11.05	9,403,157	9.57
Foreign Investors	812,119	0.83	843,067	0.86
Individuals (Bangladeshi)	14,507,194	14.77	13,667,206	13.91
Total	98,232,750	100	98,232,750	100

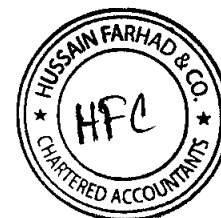


		Taka in '000	
		30 June 2023	30 June 2022
15.00	Depreciation Fund Reserve		
	Opening Balance	269,896	187,669
	Net surplus from investment	95,046	82,227
		364,942	269,896
15.01	Surplus From Investment		
	Income from investment	128,250	108,194
	Workers Profit Participation fund @5%	(6,412)	(5,410)
	Portion of interest on WPPF & WF Loan	(2,985)	-
	Audit Fees	(46)	-
		118,807	102,784
	Provision for Taxation @ 20%	(23,761)	(20,557)
		95,046	82,227
16.00	Deferred tax liabilities		
	Deferred tax liability has been calculated below at the applicable tax rate on the difference between the carrying value of Property, plant and equipment, their respective tax bases and provision for bad debts:		
	Opening balance	128,729	187,245
	Provided / (adjusted) for the year	(23,087)	(58,516)
	Closing balance	105,642	128,729
16.01	Reconciliation of Deferred tax liabilities/(assets)		
		Taka in '000	
		Carrying amount on the date of statement of financial position	Taxable/ (Deductible) temporary difference
		Taka	Taka
	As at 30 June 2023		
	Property, plant and equipment (except freehold land)	1,545,301	882,195
	Provision for bad debts against trade receivable	(134,897)	-
			528,209
	Applicable tax rate		20%
	Deferred tax liability/ (Assets)		105,642
	As at 30 June 2022		
	Property, plant and equipment	1,617,244	838,703
	Provision for bad debts against trade receivable	(134,897)	-
			643,644
	Applicable tax rate		20%
	Deferred tax liability/ (Assets)		128,729
17.00	Long Term Loan		
	Loan Account - Storage Tank at GDL	110,078	110,078
	Equity Account - Storage Tank at GDL	73,385	73,385
		183,463	183,463
	Long term liabilities represents fund from Govt. of Bangladesh (GOB) for the construction of 7000 MT Jet -A-1 & 7000 + 8000 MT HSD Storage tanks at Godnail Depot. According to letter no 028.021.014.01.00.065.2011/ date 03.07.2012, Government released a loan of BDT 197,737,000 under the terms of 40% convertible in equity & 60% as Long term loan @5% interest. However POCL returned the unutilised portion of loan BDT 14,274,284 & thus approved loan was BDT 183,462,716.		
18.00	Accounts payable		
	Other supplies -BPC	37,530,202	10,619,021
	Other supplies - Others	13,620	36,210
	Other charges	350,973	362,725
		37,894,795	11,017,956
19.00	Supplies and expenses payable		
	Revenue charges-BPC	602,169	559,399
	Revenue charges-Others	3,699,987	2,724,689
	Duty, rates and taxes	68,320	88,414
	Employees' remuneration	7,802	5,434
		4,378,278	3,377,936



		Taka in '000	
		30 June 2023	30 June 2022
20.00	Due to affiliated entities / companies (Note-37)		
	Bangladesh Petroleum Corporation (BPC)	82,502,300	74,983,970
	Meghna Petroleum Limited	-	6,887
	Jamuna Oil Company Limited	93,797	93,796
	Standard Asiatic Oil Company Limited	-	-
	Liquified Petroleum Gas Limited	11,704	30,717
		<u>82,607,801</u>	<u>75,115,370</u>
21.00	Other Liabilities		
	Advance against sales from Customers and Agent	3,522,480	1,900,420
	Employees' pension fund	93,184	136,814
	Employees' fund-others	(162,901)	(6,648)
	Security deposits	202,303	192,197
	Tax deducted at source	-	115
	Employees' personal accounts *	77,538	59,179
	Liabilities for Capital Expenditure	29,880	70,258
	Workers' Profit Participation and Welfare Funds	229,901	157,122
	Others**	1,768,547	1,775,407
		<u>5,760,932</u>	<u>4,284,863</u>
	* Amounts due to Managers and Officers of the company.		
	** Others included amount recieved from Eastern Refinery Limited against	1,458,639	1,499,157
21.01	Employees' Pension Fund		
	Opening balance	136,814	114,859
	Provision made during the year	263,228	313,781
		<u>400,042</u>	<u>428,640</u>
	Adjustment/Payment made during the year	306,858	291,827
	Closing balance	<u>93,184</u>	<u>136,814</u>
	Actuarial valuation of the Pension Fund was conducted as on 30 June 2016 and the report was issued on 24 January 2018. Past Service Deficits in the funds were estimated at Tk. 937,423,000 for Senior Staff and Tk. 1,112,953,000 for Junior Staff as on 30 June 2016. To meet the past service deficit, the valuer recommended to pay Tk. 450 million each year over the next five years and contribution of 14% of total basic salary for Junior staff and 23.7% of total basic salary for senior staff each year in respect of current service cost. The valuation was conducted by Z. Halim & Associates, a reputed Actuarial & Pension Consultants in Bangladesh. Earlier, valuation was done as on 31 December 2013 by the same actuary.		
	Actuarial assumption:	<u>Rate</u>	
	Salary growth	5%	
	Return on investment	6%	
21.02	Workers' Profit Participation and Welfare Funds		
	Opening balance	157,122	154,016
	Add: Provided during the year	229,901	157,122
	Less: Paid during the year	(157,122)	(154,016)
	Closing Balance	<u>229,901</u>	<u>157,122</u>
22.00	Unclaimed dividend		
	Unclaimed cash dividend	50,071	62,975
	Unclaimed fractional dividend	-	-
	Interest on unclaimed dividend	648	39
		<u>50,719</u>	<u>63,014</u>
22.01	Movement of Unclaimed Dividend		
	Opening balance	63,014	178,708
	Dividend declared for the year	1,227,909	1,227,909
	Dividend paid during the year	(1,240,204)	(1,343,603)
	Closing balance	<u>50,719</u>	<u>63,014</u>
	The Company has transferred an amount of Tk. 30,826,543 to capital market stabilization fund as per notification no- BSEC/CMRRCD/2021-391/20/Admin/121 dated 14 January 2021 to fulfil the requirement to transfer the unclaimed dividend remained unpaid for three (3) years or more.		
22.02	Unclaimed cash dividend		
	Dividend outstanding for the years:		
	2022	20,177	-
	2021	14,924	15,520
	2020	14,970	15,343
	2019	-	16,041
	2018	-	16,071
		<u>50,071</u>	<u>62,975</u>

Remaining unclaimed dividend on account of Individuals (Bangladeshi).



	Note(s)	Taka in '000	
		30 June 2023	30 June 2022
23.00 Provision for income tax			
Opening balance		202,122	325,921
Add: Provision made during the year		895,926	640,038
Less: Paid/adjusted with advance income tax	23.01	-	(763,837)
Closing balance		1,098,048	202,122
23.01 Advance income tax			
Tax deducted at source on supplying petroleum (U/S 89 ITA 2023)		570,072	345,700
Tax deducted at source on import (U/S 120 ITA 2023)		27,376	12,593
Tax deducted at source on interest on FDRs and SND (U/S 102 ITA 2023)		635,503	237,934
Advance tax paid (U/S 154 ITA 2023)		-	36,000
		1,232,951	632,227
Tax paid (U/S 74 of ITO 1984 & U/S 173 of ITA 2023)		-	131,610
		1,232,951	763,837

23.02 Reconciliation of effective tax rate	30 June 2023		30 June 2022	
	Rate	Taka '000	Rate	Taka '000
Profit for the year		4,368,126		3,142,441
Total income tax expenses	19.98%	872,839	18.51%	581,522
Factors effecting the tax charge:				
Income tax using the company's domestic tax rate	20.00%	873,625	20.00%	628,488
Excess of tax depreciation over accounting depreciation	0.46%	20,055	0.37%	11,514
Adjustment for inadmissible expenses	0.05%	2,246	0.00%	36
Impact of temporary differences in deferred tax	-0.53%	(23,087)	-1.86%	(58,516)
	20%	872,839	18.51%	581,522

24.00 Position of Pending Tax Assessments

Accounting Year	Assessment Year	(Refundable) / Payable as per order of Tax Department Taka in '000	Remarks
2001-02	2002-03	117,594	Application of Rectification U/S 173 & waiting for verdict in honourable High Court against assesment U/S 82C.
2002-03	2003-04	111,045	Application of Rectification U/S 173 - AJCT reopened U/S 120 after tribunal order
2003-04	2004-05	97,610	Application of Rectification U/S 173 - AJCT reopened U/S 120 after tribunal order
2004-05	2005-06	37,901	U/S 83(2)/ 82c/ 156/ 159/ 83(2)/ 156 - Rectification of mistake U/S 173
2005-06	2006-07	8,640	High court gave favorable verdict as POCL appealed in Honourable High Court against assesment of DCT under 82C
2006-07	2007-08	(13,572)	Return submitted U/S 82BB
2007-08	2008-09	41,766	High court gave favorable verdict as POCL appealed in Honourable High Court against assesment of DCT under 82C
2008-09	2009-10	(295)	Return submitted U/S 82BB
2009-10	2010-11	-	Return submitted U/S 82BB
2010-11	2011-12	(125,116)	Return submitted U/S 82BB
2011-12	2012-13		
To	To		- Return submitted U/S 82BB
2020-21	2021-22		
2021-22	2022-23	608,702	Return submitted U/S 82BB



	Note(s)	Taka in '000	
		01 July 2022 to 30 June 2023	01 July 2021 to 30 June 2022
25.00 Gross earnings on Petroleum Product			
Turnover	25.02	332,181,411	227,217,288
Cost of goods sold	25.02	(329,565,029)	(224,873,380)
Gross Earnings		2,616,382	2,343,909

25.01 Gross Earnings

i. Major Products	Gross Earnings	Packaging	Handling	Operational Gain/(Loss)	Net earnings	Net earnings
HOBC	186,950	-	(348)	(80,630)	105,972	127,909
Jet A-1 **	1,002,141	-	(1,164)	(130,436)	870,540	403,047
JP5	-	-	-	-	-	-
MS	150,103	-	(392)	(92,863)	56,849	101,752
SKO	14,928	-	(74)	(14,253)	601	11,474
HSD	918,490	-	(3,854)	61,317	975,952	844,499
LDO	1,028	-	(1)	-	1,027	450
FO	173,094	-	(711)	104,712	277,095	150,376
LSFO	23,832	-	(14)	1,113	24,931	30,073
JBO	875	-	(7)	(141)	727	1,632
MTT	1,803	-	(16)	98	1,885	5,248
SBP	14,299	-	(12)	-	14,286	767
Sub Total	2,487,542	-	(6,593)	(151,084)	2,329,865	1,677,227
ii Minor Products						
Lubs & Greases	109,348	(20,790)	(6)	-	88,553	490,403
LPG(Cylinders)	7,790	-	(8)	-	7,783	5,192
Bitumen	7,031	-	(32)	-	6,999	2,456
Other Products	4,671	-	-	-	4,671	6,614
Sub Total	128,840	(20,790)	(45)	-	108,006	504,665
Grand Total	2,616,382	(20,790)	(6,637)	(151,084)	2,437,871	2,181,892

25.02 Turnover and Cost of Goods Sold

	01 July 2022 to 30 June 2023			01 July 2021 to 30 June 2022		
	Quantity MT, '000	Turnover Tk, '000	Cost of goods sold Tk, '000	Quantity MT, '000	Turnover Tk, '000	Cost of goods sold Tk, '000
i. Major Products						
HOBC	141	23,088,065	22,901,115	142	16,375,712	16,208,867
Jet A-1 **	473	58,138,188	57,136,047	428	38,264,099	37,725,214
JP5	-	-	-	-	-	-
MS	159	26,193,900	26,043,797	157	18,180,967	18,024,393
SKO	30	3,980,486	3,965,559	28	2,623,592	2,603,688
HSD	1,560	190,362,382	189,443,893	1,549	133,747,642	132,935,796
LDO	1	37,595	36,567	1	47,733	47,281
FO	288	25,518,999	25,345,905	196	13,623,797	13,539,479
LSFO	6	653,107	629,275	14	819,717	788,761
JBO	3	400,357	399,482	4	380,459	379,503
MTT	5	677,323	675,519	6	608,985	603,153
SBP	7	1,006,845	992,547	1	101,460	100,664
Sub Total	2,671	330,057,248	327,569,706	2,526	224,774,163	222,956,799
ii Minor Products						
Lubs & Greases	2	1,070,775	961,427	4	1,655,472	1,143,237
LPG(Cylinders)	3	140,623	132,832	3	149,543	144,341
Bitumen	13	894,596	887,565	12	624,683	622,190
Other Products	0	18,169	13,497	-	13,427	6,813
Sub Total	18	2,124,163	1,995,323	19	2,443,125	1,916,581
Grand Total	2,689	332,181,411	329,565,029	2,545	227,217,288	224,873,380

**As per BPC/ARTHIK-33/08/695 POCL claims recovery of price differential amount from BPC due to Vat free sale to international airlines. POCL has sold 535,910,390 Liters of JET A-1 & average price difference is BDT 13,022,622,477 which has been adjusted in cost of goods sold.



		Taka in '000	
		01 July 2022 to 30 June 2023	01 July 2021 to 30 June 2022
26.00 Administrative, Selling and Distribution Expenses	Note(s)		
Salaries, wages and benefits	26.01	1,394,650	1,427,084
Depreciation	4.00	217,926	216,338
Advertisement		6,749	7,481
Audit fees		253	253
Aviation Service fees paid to Shell	36.00	24,000	23,000
BPC service charges		894	875
Communication expenses		4,985	4,200
Directors' fees and expenses	33.00	2,888	2,950
Entertainment		3,899	4,215
Fuel and power		109,308	67,012
Insurance		6,333	6,511
Legal and professional fees		3,829	2,927
Printing and stationery		12,715	12,888
Repairs and maintenance	26.02	69,081	79,656
Rent		50,724	42,622
Rates and taxes		14,897	8,952
Stores and spares		69,986	69,976
Travelling and conveyance		20,369	21,459
Other charges	26.03	180,571	169,069
		<u>2,194,057</u>	<u>2,167,468</u>
26.01 Salaries, wages and benefits			
Salaries, wages and bonus		517,786	475,356
Welfare and benefits		588,438	615,243
Contribution to pension fund		256,270	304,618
Contribution to provident fund		32,156	31,867
		<u>1,394,650</u>	<u>1,427,084</u>
26.02 Repairs and maintenance			
Plant and Machinery		41,449	47,794
Building		20,724	23,897
Others		6,908	7,965
		<u>69,081</u>	<u>79,656</u>
26.03 Other Charges			
Casual Labour wages		129,942	124,925
Common depot expenses (1/3 share)		9,162	3,948
CSR(Corporate Social Responsibility)		1,110	1,065
AGM expenses		2,739	2,424
Miscellaneous expenses		17,792	20,633
Security expenses (Police / Ansar)		19,826	16,074
		<u>180,571</u>	<u>169,069</u>
27.00 Financial Expenses			
Bank Charges		12,035	8,220
Interest expenses against product (BPC)*		174,096	165,195
Interest on WPPF & WF		59,728	76,270
Interest expense on Govt. Loan		5,504	-
		<u>251,364</u>	<u>249,685</u>
* Interest expenses against product are charged by the BPC.			
28.00 Other Operating Income			
Sundry income	28.01	60,066	72,487
Profit from Product handling		507,425	479,421
Other charge recovery		509,953	227,189
Transaction Gain/(Loss)*		155,007	-
Miscellaneous receipts		16,871	10,933
		<u>1,249,321</u>	<u>790,030</u>
* Sells Invoice of Jet fuel to foreign airlines made in both USD & BDT. Local agency of respective airlines paid the remittance in BDT. Conversion rate difference of DRI date & settlement date are recognised as transaction gain/(Loss).			
28.01 Sundry Income - net			
Land rent/plant hire/service charges from Eastern Lubricants and Blenders		854	854
Rent receipts from Filling Station and Power Station		36,815	41,827
Service Charges receipts from Private Power Station		22,397	29,806
		<u>60,066</u>	<u>72,487</u>
29.00 Operating Profit / (Loss) on Agro-Chemicals Trading			
Sales		579,216	570,906
Cost of Sales:			
Product Cost	29.01	(343,913)	(360,484)
Other Cost - direct	29.02	(84,382)	(65,823)
		<u>(428,295)</u>	<u>(426,307)</u>
Gross Profit		<u>150,921</u>	<u>144,599</u>



		Taka in '000	
		01 July 2022 to 30 June 2023	01 July 2021 to 30 June 2022
	Note(s)		
Administrative, selling and distribution expenses			
Salaries, wages and benefits	29.03	122,421	129,885
Depreciation	4.00	1,474	1,905
Stores and spares		2,907	2,174
Advertisement		167	133
Fuel and power		3,543	3,400
Travelling and conveyance		2,266	2,205
Rent		5,845	5,641
Insurance		673	684
Repairs and maintenance	29.04	457	698
Rates and taxes		1,367	1,212
Printing and stationery		3,019	734
Communication expenses		411	344
Entertainment		582	555
Other Charges	29.05	27,040	23,427
		<u>172,172</u>	<u>172,997</u>
		<u>(21,252)</u>	<u>(28,398)</u>
Operating profit / (loss)			
29.01 Product cost			
		01 July 2022 to 30 June 2023	01 July 2021 to 30 June 2022
		Quantity (MT)	Amount (Tk.) in '000
		Quantity (MT)	Amount (Tk.) in '000
Opening Stock		1,708	307,700
Purchased/ Manufactured		2,394	464,857
		4,102	772,557
Closing stock		1,925	428,644
		<u>2,177</u>	<u>343,913</u>
		<u>2,132</u>	<u>360,484</u>
29.02 Other Cost - direct			
Sales Promotion		54,330	43,758
Packages Cost		23,125	16,770
Freight		6,029	4,436
Handling of Products		898	859
		<u>84,382</u>	<u>65,823</u>
29.03 Salaries, wages and benefits			
Salaries, wages and bonus		63,823	70,472
Other benefits		48,600	48,287
Contribution to pension and PF		9,998	11,126
		<u>122,421</u>	<u>129,885</u>
29.04 Repairs and Maintenance			
Plant and machinery		233	355
Building		214	328
Others		10	15
		<u>457</u>	<u>698</u>
29.05 Other Charges			
Transport Expenses		12,812	10,173
Casual Labour		12,503	11,479
Service Charge		1,000	1,000
Sundries		725	775
		<u>27,040</u>	<u>23,427</u>
30.00 Non-Operating Income			
Profit/(loss) on disposal of fixed assets (Petroleum trading)		106	(981)
Profit on disposal of fixed assets (Agro-Chemical trading)		-	20
Lease Rent		40,518	40,518
Interest on SND (Gross) for Agro Chemical Trading		10,000	10,000
Interest on SND (Gross)		1,886,258	1,275,270
Interest on FDR (Gross)		1,436,541	1,285,522
Disposal of Miscellaneous store		4,084	5,721
		<u>3,377,507</u>	<u>2,616,070</u>



31.00 Quantitative Reconciliation of POI Products and value of closing stock are as follows:

Product	Opening Inventory as on 1 July 2022	Purchase	* Operation Gain/ (Loss)	* Transit Gain/ (Loss)	Sub Total	Sales at Natural	* Conversion Gain/ (Loss)	Sales at 30° c	Closing Inventory as at 30 June 2023
	2	3	4	5	6=(2+3+4+5)	7	8	9=(7-8)	10=(6-9)
HOB in Ltr.)	8,047,114	189,482,658	(656,921)	(478,990)	196,393,861	192,874,508	(526,777)	193,401,285	2,992,576
JET A-1(in Ltr.)	34,123,394	616,288,638	(1,348,317)	(2,264,765)	646,798,950	600,254,644	(864,226)	601,118,870	45,680,080
JP-5(in Ltr.)	26,880	-	-	-	26,880	-	-	-	26,880
MS(in Ltr.)	2,882,315	230,182,113	(787,772)	(574,550)	231,702,106	225,703,900	(644,389)	226,348,289	5,353,817
SKO(in Ltr.)	4,224,921	39,161,025	(135,640)	(39,648)	43,210,658	38,238,919	(66,333)	38,305,252	4,905,406
HSD(in Ltr.)	81,400,056	1,873,154,407	589,980	(4,543,286)	1,950,601,157	1,850,070,286	(3,060,320)	1,853,130,606	97,470,551
LDO(in Ltr.)	23,443	365,000	-	-	388,443	365,000	-	365,000	23,443
FO(in Ltr.)	14,092,322	305,063,266	1,334,760	(239,186)	320,251,161	311,568,608	492,593	311,076,015	9,175,146
LSFO(in Ltr.)	808,738	14,071,759	12,440	-	14,892,937	6,268,727	-	6,268,727	8,624,210
JBO(in Ltr.)	897,090	2,619,913	(1,018)	(5,236)	3,510,749	3,144,100	(5,067)	3,149,167	361,582
MTT(in Ltr.)	14,936	6,409,300	834	-	6,425,070	6,409,728	-	6,409,728	15,342
SBP(in Ltr.)	-	9,870,300	-	-	9,870,300	9,870,300	-	9,870,300	-
LS-HSD(in Ltr.)	-	125,161	-	-	125,161	125,161	-	125,161	-
LMS (in Ltr.)	-	320,000	-	-	320,000	320,000	-	320,000	-
Unpumpable Stock	15,537,113	-	-	-	15,537,113	-	-	-	15,537,113
2022-2023	162,078,322	3,287,113,540	(991,656)	(8,145,661)	3,440,054,545	3,245,213,881	(4,674,519)	3,249,888,400	190,166,146
2021-2022	234,038,037	3,018,048,170	(1,086,730)	(7,856,210)	3,243,143,267	3,075,234,043	(5,830,902)	3,081,064,945	162,078,322

* Conversion gain/(loss), column 8 due to difference between sales at 30°C and natural sales is adjusted with products cost where as products receipts/purchase(column-3) is made on 30°C.

* Transit loss(column-5) is fully recovered; i.e. admissible gain/(loss) is borne by BPC and loss beyond allowable limit is recovered from the carriers for all products other than Jet A-1.

* Operation gain/(loss) Column-4 (note-31.01)



31.01 Net Operational Gain/(Loss):

LOCATIONS	HOBC		JET A-1		MS		SKO		HSD		LSFO	
	VOL	Tk.	VOL	Tk.	VOL	Tk.	VOL	Tk.	VOL	Tk.	VOL	Tk.
MI CTG.	20,962	2,572,876	84,673	8,191,266	(59,112)	(6,968,123)	(61,352)	(6,446,868)	707,942	73,576,412	12,440	12,440
ASHUGONJ	-	-	-	-	-	-	(7,756)	(815,000)	2,465	256,187	-	-
CHANDPUR	(10,966)	(1,345,967)	-	-	(14,228)	(1,677,197)	994	104,450	43,416	4,512,225	-	-
SYLHET	(37,388)	(4,589,003)	-	-	(47,077)	(5,549,437)	(2,000)	(210,160)	28,739	2,986,844	-	-
BRAHMANBARIA	-	-	-	-	-	-	-	-	-	-	-	-
SREMANGAL	13,159	1,615,136	-	-	20,089	2,368,091	2,060	216,465	225,410	23,426,861	-	-
DAULATPUR	(422)	(51,796)	(1,054)	(101,964)	(41,845)	(4,932,689)	(2,308)	(242,525)	(231,842)	(24,095,339)	-	-
GODENAIL	(418,517)	(51,368,777)	(253,221)	(24,496,600)	(228,344)	(26,917,191)	(17,235)	(1,811,054)	(617,340)	(64,160,146)	-	-
JHALAKATI	(3,374)	(414,125)	-	-	(2,005)	(236,349)	3,246	341,090	37,254	3,871,808	-	-
RANGPUR	(4,703)	(577,246)	-	-	(12,497)	(1,473,146)	(4,820)	(506,486)	5,863	609,342	-	-
BAGHABARI	(73,828)	(9,061,649)	-	-	(147,237)	(17,356,298)	(14,622)	(1,536,480)	(60,553)	(6,293,273)	-	-
MONGLA OI	-	-	-	-	-	-	-	-	(43,062)	(4,475,434)	-	-
HSI AIRPORT	-	-	(1,157,357)	(111,962,716)	-	-	-	-	-	-	-	-
CHITTAGONG AIRPORT	-	-	129,654	12,542,728	-	-	-	-	-	-	-	-
OI AIRPORT, SYLHET	-	-	(151,012)	(14,608,901)	-	-	-	-	-	-	-	-
BHAIRAB BAZAR	-	-	-	-	-	-	(734)	(77,129)	25,601	2,660,712	-	-
PARBATIPUR	(141,844)	(17,409,933)	-	-	(255,537)	(30,122,702)	(31,126)	(3,270,720)	537,039	55,814,463	-	-
NATORE	-	-	-	-	21	2,475	13	1,366	2,088	217,006	-	-
BARISAL BARGE	-	-	-	-	-	-	-	-	(73,040)	(7,591,047)	-	-
2022-2023 TOTAL	(656,921)	(80,630,484)	(1,348,317)	(130,436,187)	(787,772)	(92,862,566)	(135,640)	(14,253,051)	599,980	61,316,621	12,440	12,440
2021-2022 TOTAL	(465,337)	(38,511,289)	(1,235,176)	(134,560,074)	(680,605)	(54,353,114)	(108,572)	(8,344,846)	489,604	37,293,915	(9,287)	(9,287)

LOCATIONS	FO		JBO		MTT		SBP		TOTAL	
	VOL	Tk.	VOL	Tk.	VOL	Tk.	VOL	Tk.	VOL	Tk.
MI CTG.	1,112,758	888,332	69,689,645	1,897	262,526	834	98,162	-	1,596,616	142,088,654
ASHUGONJ	-	-	-	-	-	-	-	-	(5,291)	(558,813)
CHANDPUR	-	-	-	-	-	-	-	-	19,216	1,593,511
SYLHET	-	-	-	-	-	-	-	-	(57,726)	(7,361,756)
BRAHMANBARIA	-	-	-	-	-	-	-	-	-	-
SREMANGAL	-	-	-	-	-	-	-	-	260,718	27,626,553
DAULATPUR	-	377,914	29,647,353	(420)	(58,124)	-	-	-	100,023	164,916
GODENAIL	-	76,541	6,004,641	(2,495)	(345,283)	-	-	-	(1,460,611)	(163,094,410)
JHALAKATI	-	-	-	-	-	-	-	-	35,121	3,562,424
RANGPUR	-	-	-	-	-	-	-	-	(16,157)	(1,947,536)
BAGHABARI	-	-	-	-	-	-	-	-	(296,240)	(34,247,700)
MONGLA OI	-	(8,028)	(629,797)	-	-	-	-	-	(51,090)	(5,105,231)
HSI AIRPORT	-	-	-	-	-	-	-	-	(1,157,357)	(11,962,716)
CHITTAGONG AIRPORT	-	-	-	-	-	-	-	-	129,654	12,542,728
OI AIRPORT, SYLHET	-	-	-	-	-	-	-	-	(15,012)	(14,608,901)
BHAIRAB BAZAR	-	-	-	-	-	-	-	-	24,867	2,583,583
PARBATIPUR	-	-	-	-	-	-	-	-	108,532	5,011,108
NATORE	-	-	-	-	-	-	-	-	2,122	220,847
BARISAL BARGE	-	-	-	-	-	-	-	-	(73,040)	(7,591,047)
2022-2023 TOTAL	1,112,758	1,334,760	104,711,842	(1,018)	(140,881)	834	98,162	-	(9,750)	(1,089,715)
2021-2022 TOTAL	(840,009)	919,875	66,644,872	7,771	686,879	(7,878)	(580,609)	(9,750)	(9,750)	(1,089,715)



31.02 Statement of Cost of Sales (Product wise): (Quantity: MT)

Name of the Products	Opening Stock		Closing Stock		Cost of Sales	
	Qty	Tk. '000	Qty	Tk. '000	Qty	Tk. '000
Furadan 5G.	56	4,114	56	4,114	-	-
Mipcin 75WP	9	6,966	15	16,251	7	7,080
Ripcord 10EC	40	26,688	32	24,952	72	51,007
Acrobat MZ	35	33,091	46	45,906	46	41,916
Roteluck 9%	8	1,304	7	1,180	1	124
Mukta Plus	313	36,754	232	26,478	354	35,107
Talstar 2.5EC	5	1,953	8	3,818	7	3,133
Haymancozeb	16	5,412	16	7,956	16	8,192
Haconazole	14	6,312	17	9,295	20	6,981
Mg Plus	179	4,737	336	9,891	387	7,310
Salubar Baron(Folieral)	-	3	44	9,179	17	3,390
Regent 50SC	4	4,915	-	348	4	4,567
Haysulf DF 80%	59	5,180	118	13,701	123	13,801
Sulcox 50WP	15	9,432	7	4,461	8	4,971
Glyfocl 41SL	8	2,543	12	6,813	11	3,253
Opal 75EC	2	1,385	1	858	1	526
Haymidor 70WG	-	792	-	761	-	31
Defence 35SC	5	2,855	9	7,496	7	5,265
Stroke 50EC	1	921	1	754	-	167
Arivo 10EC	-	-	-	-	-	-
Intripid 10SC	-	18	-	12	-	6
Hayclaim 5SG	2	3,087	2	3,945	2	2,942
Accurator 69EW	1	408	-	246	-	161
Surpass20SC	1	2,081	-	-	1	2,081
Novostar 56EC	1	970	10	11,453	7	7,903
Trigger 56EW	5	3,019	-	-	-	3,019
Ugent 63GR	206	19,450	180	17,628	126	12,321
Padma Chelate	-	181	2	791	1	369
Piquat	-	5	41	10,097	31	7,574
Soil Zip	246	3,057	259	3,051	329	4,366
Super Fast	7	5,287	11	10,018	8	7,688
Head Line Team	17	26,160	13	19,879	4	6,281
Saeta 1.8EC	14	8,716	10	6,398	4	2,318
Couger	6	11,955	8	15,279	3	6,376
Novofix 42WDG	9	4,487	2	1,203	7	3,284
Samar 75WP	7	12,006	6	10,992	4	7,014
Pithion 46.5EC	2	698	1	395	-	303
Padma Lambda	8	3,781	12	5,386	6	2,537
Primidor	3	6,916	2	2,359	1	4,557
Optimus	3	4,842	369	29,459	538	35,798
Stargate	394	28,942	1	2,652	-	1,327
Pidion	1	3,979	4	10,909	2	5,490
Benapore 12 SC	-	-	9	13,975	6	8,831
Revive 50SC	-	-	4	3,693	4	4,211
Talent 35WDG	-	-	4	34,850	1	5,475
Bisben 30WP	-	228	11	17,143	1	1,257
Paceben 18WP	6	2,070	7	2,617	10	3,603
30 June 2023	1,708	307,700	1,925	428,644	2,177	343,913
30 June 2022	1,957	336,048	1,708	307,700	2,144	360,484



31.03 Operating Segment

The Company has several reportable segments, as described below, which are the company's strategic business. The following summary describes the operations in each of the company's reportable segments:

Petroleum products : Includes the company's earnings from marketing of Petroleum products

Lubricating Oil & Grease: Includes the company's income from trading lubricating oil & grease.

Bitumen : Includes the company's earnings from marketing of bitumen.

LPG: Includes the company's earnings from marketing of LPG.

Agro-Chemicals products: Includes the company's income from trading imported Agro-Chemicals products.

Performances are measured based on segment profit before tax, that are reviewed by the company's management committee. Information regarding the result of each reportable segment is included below:

31.03.01 Information about reportable Segments:

	Taka in '000					
	Petroleum products	Lubricating Oil & Grease	Bitumen	LPG	Agro-Chemicals products	Total
Turnover	330,075,417	1,070,775	894,596	140,623	579,216	332,760,627
Cost of goods sold	(327,583,204)	(961,427)	(887,565)	(132,832)	(343,913)	(329,908,942)
Other cost	(6,593)	(20,795)	(32)	(8)	(84,382)	(111,809)
Operational Gain/(Loss)	(151,084)	-	-	-	-	(151,084)
Operating Profit/(Loss)	2,334,537	88,553	6,999	7,783	150,921	2,588,792
Administrative, selling and distribution expenses	2,194,057	-	-	-	(172,172)	2,021,884
Financial expenses	(251,364)	-	-	-	-	(251,364)
	4,277,230	88,553	6,999	7,783	(21,252)	4,359,313
Other operating income -petroleum trade	1,249,321	-	-	-	-	1,249,321
Reportable Segment Total Operating Profit (2022-23)	5,526,551	88,553	6,999	7,783	(21,252)	5,608,634
Reportable Segment Total Operating Profit (2021-22)	56,718	490,403	2,456	5,192	(28,398)	526,372

31.03.02 Reconciliation of Reportable Segment Total Operating Profit

Reportable Segment Total Operating Profit
Amount not related to reportable segments
Profit before tax

		Taka in '000	
		30 June 2023	30 June 2022
		5,608,634	526,372
31.03.03	Amount not related to reportable segments	3,147,606	2,458,948
	Profit before tax	4,368,126	2,985,319

31.03.03 Amount Not Related to Reportable Segments

Non-Operating Income
Contribution to Worker Profit Participant & Welfare Fund

30	3,377,507	2,616,070
	(229,901)	(157,122)
	3,147,606	2,458,948



31.04 Analysis of Packing Material Consumed (Agro-chemicals trading):

	01 July 2022 to 30 June 2023		01 July 2021 to 30 June 2022	
	Qty.	Tk. 000	Qty.	Tk. 000
Packing Materials	Various	23,125	Various	16,770
		<u>23,125</u>		<u>16,770</u>

31.05 Value of packing materials and stores & spares consumed (Agro-chemicals trading):

	01 July 2022 to 30 June 2023		01 July 2021 to 30 June 2022	
	Tk. '000	%	Tk. '000	%
Import	20,565	79	14,966	79
Indigenous	5,467	21	3,978	21
	<u>26,032</u>	<u>100</u>	<u>18,944</u>	<u>100</u>
Packing Materials(31.04)	23,125		16,770	
Store and Spares	2,907		2,174	
	<u>26,032</u>		<u>18,944</u>	

31.06 Value of purchase/ Manufactured of Agro-Chemicals Products

	01 July 2022 to 30 June 2023		01 July 2021 to 30 June 2022	
	Tk. '000	%	Tk. '000	%
Import	443,855	90	311,522	90
Indigenous	49,317	10	34,614	10
	<u>493,172</u>	<u>100</u>	<u>346,136</u>	<u>100</u>

Reasons for variance:

Quantity of production increase during the year due to market demand.

32.00 Earnings Per Share

Basic earnings per share (EPS)

Earnings attributable to the ordinary shareholders (Tk.)

(b) Number of ordinary shares at the end of the year

Basic earnings per share (EPS)

	01 July 2022 to 30 June 2023	01 July 2021 to 30 June 2022
Earnings attributable to the ordinary shareholders (Tk.)	3,495,287,442	2,403,797,275
(b) Number of ordinary shares at the end of the year	98,232,750	98,232,750
Basic earnings per share (EPS)	<u>Tk. 35.58</u>	<u>Tk. 24.47</u>



33.00 Directors' Fees and Expense

Details of Directors' fees & expenses paid during the year are as follows:

Name of the Directors and Managing Director	Net Amount	VAT	Gross Amount (Tk.)
Mr. Md Khairuzzaman Mozumder (Chairman)	56,000	8,400	64,400
Mr. Md Mahabub Hossain (Ex Chairman)	64,000	9,600	73,600
Mr Bashudev Gangguly (Independent Director)	120,000	18,000	138,000
Mr. Kazi Mohammad mozammel Hoque (Director)	120,000	18,000	138,000
Mr. Quazi Md. Anwarul Hakim (Independent Director)	120,000	18,000	138,000
Mr Kabirul ezdani Khan (Director)	120,000	18,000	138,000
Mr. Md. Zakir Hossain (Director)	104,000	15,600	119,600
Mr. Nasir Uddin Akhter Rashid (Shareholder Director)	96,000	14,400	110,400
Dr. Mohd. Sher All (Director)	16,000	2,400	18,400
Mr. Suzadur Rahman (Director)	112,000	16,800	128,800
Mr. Md. Abu Saleh Iqbal (Ex. Managing Director)	64,000	9,600	73,600
Mr. Md. Masudur Rahman (Managing Director)	48,000	7,200	55,200
	1,040,000	156,000	1,196,000

	Taka in '000	
	01 July 2022 to 30 June 2023	01 July 2021 to 30 June 2022
Directors' fees paid-gross	1,196	1,141
Meeting expenses	1,692	1,809
	2,888	2,950

34.00 Remuneration of MD, Managers and Officers:

	Taka in '000			Taka in '000		
	01 July 2022 to 30 June 2023			01 July 2021 to 30 June 2022		
	MD	Managers	Officers	MD	Managers	Officers
34.01 Remuneration:						
Salary, allowances and House rent allowance:	2432	94,560	83,200	2217	96,919	82,689
House rent	1,202	24,870	44,300	1,192	25,219	45,266
Other utilities	380	7,120	7,890	379	7,396	8,071
	1,582	31,990	52,190	1,571	32,615	53,337
Leave encashment	254	3,450	4,465	251	3,537	4,704
Provident fund	292	5,230	6,350	271	5,430	6,559
	4,560	135,230	146,205	4,310	138,501	147,289
Number of Employees	1	44	165	1	53	175

34.02 House Rent Accommodation The Managing Director, Managers and Officers are paid cash allowance.
6 Managers are provided with free furnished accommodation.

34.03 Transport The Managing Directors and Departmental Heads are provided with free use of Company's car subject to limit.
Other Managers are paid cash assistance, subject to limit.
Officers are paid cash allowances.

34.04 Telephone Residential telephone for mainly Company's business- for Managing Director and Managers, subject to limit.

34.05 Medical The Managing Director, Managers and Officers are provided with free medical facilities according to company policy.

34.06 Insurance The Managing Director, Managers and Officers are provided with coverage for group insurance according to the company policy.

34.07 Remuneration The Directors other than the Managing Director, who is an ex-officio director, are not paid any remuneration except for fees and expenses in connection with attending to Company's Board Meeting.

35.00 Employees

Number of Employees whose salary was Tk. 3,000 below
Number of Employees whose salary was Tk. 3,000 or above

-	-
879	930
879	930



Taka in '000

01 July 2022 to 30 June 2023	01 July 2021 to 30 June 2022
24,000	23,000
24,000	23,000

36.00 Expenditure in foreign currency at equivalent BDT

Aviation service fee to Shell International Petroleum Company Ltd. (SIPCL)

37.00 Related Party Transactions

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

Name of the Parties	Relationship	Nature of Transactions	Balance as on 30 June 2023
Bangladesh Petroleum Corporation (BPC)	Parent Concern	Multiple Business	82,502,300(Cr) 57,368,273(Dr)
Eastern Refinery Limited	Subsidiary of BPC	Product Refine	14,874(Dr)
Eastern Lubricants Blenders Ltd.	Subsidiary Company	Blending of Products	31,065(Dr)
Standard Asiatic Oil Company Ltd	Subsidiary of BPC	Product Exchange	10,747(Dr)
Meghna Petroleum Limited	Subsidiary of BPC	Product Exchange	410,403(Dr) Nil
Jamuna Oil Company Limited	Subsidiary of BPC	Product Exchange	387,574(Dr) 93,796(Cr)
Liquified Petroleum Gas limited	Subsidiary of BPC	Product Supply	6,286(Dr) 11,705(Cr)

Details of transactions

Name of the Parties	Opening Balances	Provided during the year	Adjusted during the year	Closing Balance
Bangladesh Petroleum Corporation (BPC)	74,983,970(Cr) 19,882,950(Dr)	307,961,043 55,690,266	300,442,713 18,204,943	82,502,300(Cr) 57,368,273(Dr)
Eastern Refinery Limited	12,380(Dr)	2,634	139	14,874(Dr)
Eastern Lubricants & Blenders Ltd.	37,896(Dr)	252,133	258,964	31,065(Dr)
Standard Asiatic Oil Company Ltd	293,577(Dr)	1,272	284,102	10,747(Dr)
Meghna Petroleum Limited	380,486(Dr) 6,887(Cr)	30,330 -	413 6,887	410,403(Dr) Nil
Jamuna Oil Company Limited	374,574(Dr) 93,796(Cr)	13,915 -	914 -	387,574(Dr) 93,796(Cr)
Liquified Petroleum Gas Limited	6,286(Dr) 30,717(Cr)	- 119,248	- 138,261	6,286(Dr) 11,705(Cr)

38.00 Contingent Assets

Interest realizable for delayed payment from BIMAN & BCIC	6,586,744	6,586,744
Claims realizable from Bangladesh Railway	32,774	32,774
Amount realizable from BPC on account of sale of Jet-A1 to the foreign Airlines.	43,589	43,589
	6,663,107	6,663,107

39.00 Contingent liabilities

i) Guarantees issued by the company's bankers to third parties on counter indemnities given by the company against the bankers limit at Tk. One Crore secured by hypothecation over the company's inventories and book debts.	32,023	901
ii) Confirmed irrevocable letters of credit (net of margin) opened by the banks-having bankers limit at Tk. 10 crores, secured by hypothecation over the inventories and book debts of the company.	39,252	48,071
	71,275	48,972

40.00 Capital Commitments

Authorized but not contracted	1,186,813	1,602,214
Authorized and Contracted for but not provided-pending execution	2,071,074	2,137,405
Order for local supplies services pending execution	37,353	79,348
	3,295,240	3,818,967



	Taka in '000	
	30 June 2023	30 June 2022
41.00 Net asset value per Share		
The composition of Net Assets value per share is given below :		
Net Assets Value on the reporting date (Taka)	19,986,752	17,719,374
Number of Ordinary shares at the end of year	98,232,750	98,232,750
Weighted Average Number of Ordinary shares during the year	98,232,750	98,232,750
Net Asset Value (NAV) per share	Tk. 203.46	Tk. 180.38
42.00 Operating cash flow per share		
The composition of Operating Cash Inflow/(Outflow) value per share is given below :		
i) Operating Cash Inflow/(Outflow) during the year (Tk)	(5,107,208)	9,641,670
ii) Number of Ordinary shares at the end of year	98,232,750	98,232,750
Operating Cash Inflow / (Outflow) per share	(Tk. 51.99)	Tk. 98.15
43.00 Reconciliation of net income with cash flows from operating activities		
Net profit before tax	4,368,126	2,985,319
Adjustments:		
Depreciations	219,400	218,243
Interest income	(3,332,800)	(2,570,792)
(Gain)/loss on sale of PPE	(106)	961
	1,254,621	633,731
(Increase)/Decrease in Current Assets:		
Inventories	(6,254,242)	1,064,415
Accounts receivable excluding FDR and SND interest	892,376	(1,749,231)
Due from affiliated companies	(37,240,846)	(4,564,285)
Accrued interest	-	196,797
Advances, deposits and pre-payments	628,154	(2,296,139)
Increase/(Decrease) in Current Liabilities:		
Accounts payable	26,876,839	(4,061,433)
Supplies and expenses payable	1,000,342	(383,589)
Due to affiliated companies	7,492,431	21,506,295
Other liabilities	1,476,068	58,945
	(5,128,877)	9,771,775
Income Tax paid	(1,232,951)	(763,837)
Net cash flow from operating activities	(5,107,208)	9,641,670



44.00 The quantum of potential liability at the reporting date for the value of employees unutilized earned leave has neither been ascertained nor any provision therefor been made in the financial statements.

45.00 Events after reporting period

The Board of Directors in their meeting held on 07 November 2023 recommended 135% cash dividend (Tk.132,61,42,125) @ Tk.13.50 per share for the year ended 30 June 2023.

46.00 Financial risk management

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

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

46.01 Credit risk

Credit risk is the risk of a financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables. Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. In monitoring credit risk, debtors are grouped according to their risk profile, i.e. their legal status, financial condition, ageing profile etc. Accounts receivable are related to sale of petroleum and agro-chemical produced. The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the statement of financial position. Credit sales as compared to the total sales are insignificant. Government institutions are allowed to purchase on credit.

46.02 Exposure to credit risk

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

	Taka in '000	
	30 June 2023	30 June 2022
Accounts receivables	17,839,738	18,732,114
Due from affiliated companies	58,228,995	20,988,149
Advance, deposit & prepayments	1,877,236	2,505,390
Cash and bank balance	46,686,423	38,967,515
	124,632,392	81,193,168
46.03 Ageing of accounts receivables		
Less than 6 months	2,371,660	1,956,341
6 months or above but less than 12 months	274,365	1,821,502
1 year or above but less than 2 years	722,985	1,355,674
2 years or above	14,470,728	13,598,597
	17,839,738	18,732,114
46.04 Ageing of due from affiliated entities/ companies		
Less than 1 year	54,046,902	17,624,295
1 year or above but less than 2 years	39,520	-
2 years or above but less than 5 years	19	19
5 years or above but less than 10 years	685,304	648,270
10 years or above	3,457,250	2,715,565
	58,228,995	20,988,149



46.05 Financial Instruments- Accounting classifications and fair values

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

In Taka '000	Carrying amount					Total
	Note	Fair value through profit or loss	Fair value through other comprehensive income- debt instruments	Fair value through other comprehensive income- equity instruments	Financial assets at amortised costs	
30 June 2023						
Financial Assets not measured at fair value:						
Accounts receivable	10.00	-	-	-	17,839,738	17,839,738
Due from affiliated companies	11.00	-	-	-	58,228,995	58,228,995
Investments in FDRs	6.00	-	-	-	2,080,248	2,080,248
Long term deposits	12.02.01	-	-	-	43,493	43,493
Short term deposits	12.02.02	-	-	-	1,589,696	1,589,696
Cash at bank	13.02	-	-	-	24,954,225	24,954,225
					104,736,395	104,736,395
Financial Liabilities not measured at fair value:						
Accounts payable	18.00	-	-	-	-	37,894,795
Long Term Loan	17.00	-	-	-	-	183,463
Due to affiliated companies	20.00	-	-	-	-	82,607,801
Other liabilities	21.00	-	-	-	-	5,760,932
					-	126,446,990
30 June 2022						
Financial Assets measured at fair value:						
Accounts receivable	10.00	-	-	-	18,732,114	18,732,114
Due from affiliated companies	11.00	-	-	-	20,988,149	20,988,149
Investments in FDRs	6.00	-	-	-	1,775,221	1,775,221
Long term deposits	12.02.01	-	-	-	11,672	11,672
Short term deposits	12.02.02	-	-	-	2,362,531	2,362,531
Cash at bank	13.02	-	-	-	29,981,036	29,981,036
					73,850,723	73,850,723
Financial Liabilities not measured at fair value:						
Accounts payable	18.00	-	-	-	-	11,017,956
Long Term Loan	17.00	-	-	-	-	183,463
Due to affiliated companies	20.00	-	-	-	-	75,115,370
Other liabilities	21.00	-	-	-	-	4,284,863
					-	90,601,652



46.06 Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's approach to manage liquidity (cash and cash equivalents) is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. Typically, the Company ensures that it has sufficient cash and cash equivalents to meet expected operational expenses, including financial obligations through preparation of the cash flow forecast, prepared based on time line of payment of the financial obligation and accordingly arrange for sufficient liquidity/fund to make the expected payment within due date.

The following are the contractual or legal maturities of financial liabilities :

	Taka in '000	
	30 June 2023	30 June 2022
Liability for trading supplies and services	37,894,795	11,017,956
Liabilities for supplies and expenses	4,378,278	3,377,936
Customers' and agents' credit balances	3,522,480	1,900,420
Employee's pension fund	93,184	136,814
Employee's fund others	(162,901)	(6,648)
Security deposits	202,303	192,197
Tax deducted at source	-	115
Employees' personal accounts	77,538	59,179
Liabilities for Capital Expenditure	29,880	70,258
Workers' Profit Participation and Welfare Funds	229,901	157,122
Others	1,768,547	1,775,407
	48,034,005	18,680,755

46.07 Market risk

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

46.08 Exposure to currency risk

There was no exposure to foreign currency risk on the reporting date.

46.09 Interest rate risk

Interest rate risk is the risk that arises due to changes in interest rates on borrowings. However the company do not have any outstanding bank borrowings on the reporting date thus they are not exposed to any interest rate risk. But the company has taken a loan from the Govt. of Bangladesh of BDT 110,078,000 with a fixed interest rate of 5 %.

47.00 Significant Deviation in Earning per Share (EPS):

Due to increase of Revenue and non-operating income during the year (2022-2023) as a consequence Earning Per Share (EPS) increased comparing with the previous year.

48.00 Significant Deviation in Net Operating Cash Flow per Share (NOCFPS):

Net Operating Cash Flows per Share (NOCFPS) has been decreased mainly due to increase of cost of sale and payment of suppliers as compared to the previous financial year.

49.00 GENERAL

Figures appearing in these accounts have been rounded off to the nearest thousand taka.

Previous year's phrases & amounts have been restated and re-arranged, wherever considered necessary, to conform to the presentation for the period under review.

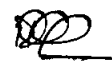


Company Secretary





Managing Director



Director



Director

