Auditor's Report and Consolidated Financial Statements
of
Golden Harvest Agro Industries Ltd.

For the year ended 30 June 2021

Shanta Western Tower, Level-5
186, Gulshan- Link Road, Tejgaon I/A,
Dhaka-1208, Bangladesh

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Independent Auditor's Report

To the Shareholders of Golden Harvest Agro Industries Limited

Report on the Audit of the Consolidated Financial Statements

Qualified Opinion

We have audited the consolidated financial statements of **Golden Harvest Agro Industries Limited (the Company) and its subsidiary (the Group),** which comprise the consolidated statement of financial position as at 30 June 2021, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, except for the effects of the matters described in the Basis for Qualified Opinion section of our report, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Company as at 30 June 2021, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs), the Companies Act 1994, the Securities and Exchange Rules 1987 and other applicable laws and regulations.

Basis for Qualified Opinion

1. Reference to Note # 25 (Sub-Note # 25A.02) to the consolidated financial statements, provision for Workers Profit Participation Fund (WPPF) of **Taka 23,350,858** has been provided by the company and the same is shown under the head of "Employees Welfare Fund, Bangladesh Workers Welfare Fund and Workers Profit Participation fund" of Taka 3,413,624, Taka 3,537,008 and Taka 16,400,227 respectively as current liabilities in the consolidated financial statements as on 30 June 2021. However, the amount has not been distributed yet with a proportion of 80:10:10 among these funds as per the Labor Act 2006 as amended in 2013.

2. Reference to Note # 11.02 to the consolidated financial statements, the Company provided **Taka 48,355,038** as Share Money Deposit to Golden Harvest QSR Ltd., a subsidiary of the company, which has not yet converted into share capital within the 06 (six) months period as per the Circular No. 146/FRC/Admin/Circular/2020/01 dated 11 February 2020, issued by the Financial Reporting Council (FRC). As per the circular the money received by any receiving company in the form of a Share Money Deposit or any other name and included under Shareholder Equities or Capital must to be legally converted into Share Capital within a maximum of 06 (Six) months of such received. However, subsequently after the year the management has started the conversion process.

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated 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) and the Institute of Chartered Accountants of Bangladesh (ICAB) Bye Laws. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

Emphasis of Matters

Without modifying our opinion, we report as follows:

1. Reference to Note # 05 to the consolidated financial statements, IAS 36 requires to conduct impairment test of Property, Plant and Equipment and make necessary disclosure in the Financial Statements. Hence, the carrying amount of the company's assets is required to review to identify possible impairment of assets. If any such indication exists, the asset's recoverable amount is estimated and an impairment loss is recognized in Statement of Profit or Loss and Other Comprehensive Income whenever the carrying amount of the asset or its cash generating unit exceeds its recoverable amount. However, the company has no policy and procedures for conducting impartment review and no such test has yet been exercised by the company since inception of business or operation. It is noncompliance with IAS 36 Impairment of Assets. Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matters described in the Basis for Qualified Opinion section, we have determined the matters described below to the Key Audit Matters to be communicated in our report. For each matter below our description of how our audit addressed the matters provided in that context.

Risk	Our response to the risk
Revenue recognition	
At the year end the Company reported the net sales revenue of **Taka 553,011,427** are recognized when the Company transfers control over goods to the customer or satisfies the performance obligation to a customer. Sales have decreased than the previous year due to the effect of COVID 19. Recognition of the revenue of Golden Harvest Agro Industries Limited (GHAIL) has been considered significant to our current year audit due to significant decrease comparing to last few years. Please see **Note # 28 "Revenue"** of its consolidated financial statements.	We have reviewed the Company's revenue recognition policies, accounting guidelines and disclosures to assess conformity with IFRS 15 "Revenue from Contract with Customers". We have tested relevant internal control used to ensure the completeness, accuracy and timing of revenue recognized including sales during the year end to ensure cut off has been properly maintained. We have applied analytical and substantive procedure to establish, whether any revenue had been recognized where no corresponding accounts receivables or proceeds have been recorded in the general ledger.

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Property, Plant and Equipment (PPE) and Capital Work in Progress (CWIP)	
The carrying value of the Group's Property, Plant and Equipment (PPE) was **Taka 1,901,985,799** and Capital Work In Progress (CWIP) was **Taka 498,909,731** at 30 June 2021. Expenditures are capitalized if they create new assets or enhance the existing assets, and expensed if they relate to repair or maintenance of the assets. Classification of the expenditures involves judgment. The useful lives of PPE items are based on management's estimates regarding the period during which the assets or its significant components will be used. The estimates are based on historical experience and market practice and take into consideration the physical condition of the assets. In considering the Valuation of capital work in progress to PPE, the management needs to ensure the assets under construction or pending installation and not yet ready for intended use are classified as work in progress. An appropriate system needs to put in place to capture all directly identifiable costs, which can be capitalized, to be so accumulated to capital work in progress whilst expenses which are identified and charged to revenue in the normal course. The valuation of PPE was identified as a key audit matter due to the significance of this balance to the financial statements and that there is significant measurement uncertainty involved in this valuation. Please see **Note # 5** "Property, Plant and Equipment" and **Note # 9** Capital Work in Progress" to its consolidated financial statements.	Our audit included the following procedure: We assessed whether the accounting policies in relation to the capitalization of expenditures are in compliance with IAS and found them to be consistent. • We inspected a sample of invoices and supporting documents to determine whether the classification between capital and revenue expenditure was appropriate. • We evaluated the assumptions made by management in the determination of useful lives to ensure that these are consistent with the principles of IAS 16. "Property, Plant and Equipment". • We compared the useful lives of each class of asset in the current year to the prior year to determine whether there were any significant changes in the useful lives of assets, and considered the reasonableness of changes based on our knowledge of the business and the industry. • We verified records e.g. contractor bills, work orders and certification of work performed by the specialized personnel to ensure that the assets under construction or pending installation and not yet ready for intended use are classified as work in progress. We also verified the date on which the assets are moved from the capital work in progress account to the property plant and equipment (the date on which the asset is ready for intended use), so that the depreciation on property, plant and equipment may be computed correctly. • We reconciled the movement of capital work in progress from opening to closing, specifically verifying additions during the year, capital assets completed during the year and impairment of any opening capital work in progress items. We checked whether the depreciation of PPE

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	items was commenced timely, by comparing the date of the reclassification from capital work in progress to ready for use, with the date of the act of completion of the work.
Measurement of Deferred Tax Liability	
The company reports net deferred tax liability to totaling **Taka 973,683,277** as at 30 June 2021. Significant judgment is required in relation to deferred tax liabilities as it is probable that the taxable profit will be reduced against which the taxable temporary differences can be recognized over a number of years. Please see **Note # 22 "Deferred Tax Liability"** to its consolidated financial statements.	We obtained an understanding, evaluated the design and tested the operational effectiveness of the company's key controls over the recognition and measurement of DTAs and DTLs and the assumptions used in estimating the company's future taxable income. We also assessed the completeness and accuracy of the data used for the estimations of future taxable income. We involved tax specialists to assess key assumptions, controls, recognition and measurement of in the consolidated financial statements.

Other Matter

The Consolidated financial statements of Golden Harvest Agro Industries Limited and its subsidiaries (the Group) for the year ended 30 June 2020 were audited by us and expressed qualified opinions on those statements on 28 October 2020.

Other Information

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

Our opinion on the consolidated 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 consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

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

Management is responsible for the preparation of consolidated financial statements in accordance with IFRSs, the Companies Act 1994, the Security and Exchange Rules 1987 and other applicable laws and regulations and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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

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

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

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evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

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

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

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

Report on Other Legal and Regulatory Requirements

In accordance with the Companies Act 1994 and the Securities and Exchange Rules 1987, we also report the following:

a) We have obtained all the information and explanation which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;

b) 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;

c) The statement of financial position and statement of profit or loss with the report are in agreement with the books of account and returns; and

d) The expenditure incurred was for the purpose of the Company's business.

Signed for & on behalf of
MABS & J Partners
Chartered Accountants

Dhaka
October 28, 2021

Nasir Uddin Ahmed, FCA, FCS, CGMA, ACMA (UK)
Senior Partner
ICAB Enrollment No: 535
DVC No.:2111130535AS661376

Golden Harvest Agro Industries Limited
Consolidated Statement of Financial Position
As at 30 June 2021

Particulars	Notes	Amount in BDT 30-Jun-21	Amount in BDT 30-Jun-20
ASSETS			
Non-current assets		**3,226,486,799**	**3,114,285,263**
Property, plant and equipment (PPE)	5	1,901,985,093	1,722,216,242
Right-of-use (ROU) assets	6	-	27,935,089
Intangible assets	7	69,732,409	59,792,120
Biological assets	8	90,968,606	93,015,304
Capital work in progress	9	498,909,731	487,654,465
Investment in associates	11	664,890,960	723,672,043
Current assets		**1,963,766,830**	**2,267,880,397**
Inventories	12	508,059,323	502,198,548
Advances, deposits and prepayments	13	334,040,460	324,364,384
Trade and other receivables	14	778,101,239	1,036,082,679
Cash and cash equivalents	15	343,565,808	405,234,786
TOTAL ASSETS		**5,190,253,629**	**5,382,165,660**
EQUITY AND LIABILITIES			
Shareholders' equity		**3,061,964,599**	**3,240,034,179**
Share capital	16	2,158,376,210	2,158,376,210
Share premium	17	-	-
Revaluation surplus	18	215,668,107	216,395,928
Retained earnings	19	687,920,282	865,262,041
Non controlling interest (NCI)	20	(655,788)	5,032,270
Total shareholder's equity		**3,061,308,811**	**3,245,066,449**
Non-current liabilities		**1,023,855,781**	**1,063,206,769**
Long term loans	21	973,683,277	973,745,509
Deferred tax liability	22	50,172,504	89,461,260
Current liabilities		**1,105,089,037**	**1,073,892,443**
Accounts and other payables	24	48,760,159	53,343,967
Accruals and provisions	25	160,164,585	158,437,023
Unclaimed Dividend Account	26	2,814,675	5,903,971
Short term loans	27	626,519,262	599,641,243
Current portion of long term loans	21	266,830,356	255,887,449
Current portion of Lease liabilities	23	-	678,791
TOTAL EQUITY AND LIABILITIES		**5,190,253,629**	**5,382,165,660**
Number of share used to calculate NAV		**215,837,621**	**119,909,790**
Net asset value per share	39	**14.19**	**15.01**

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

Director **Director** **Managing Director**

Chief Financial Officer **Company Secretary**

Signed in terms of our separate report of even date annexed.

Signed for & on behalf of
MABS & J Partners
Chartered Accountants

Nasir Uddin Ahmed FCA, FCS, CGMA, ACMA (UK)
Senior Partner
ICAB Enrollment No: 535
DVC No.: 2111130535AS661376

Dated; Dhaka
October 28, 2021

Golden Harvest Agro Industries Limited
Statement of Financial Position
As at 30 June 2021

Particulars	Notes	Amount in BDT 30-Jun-21	Amount in BDT 30-Jun-20
ASSETS			
Non-current assets		**2,856,065,899**	**2,759,163,476**
Property, plant and equipment (PPE)	5A	1,662,730,656	1,482,308,884
Right-of-use (ROU) assets	6A	-	27,935,089
Intangible assets	7A	69,732,409	59,792,120
Capital work in progress (CWIP)	9A	460,679,235	450,358,528
Investment in subsidiary companies	10	(1,967,361)	15,096,812
Investment in associates	11	664,890,960	723,672,043
Current assets		**2,087,952,981**	**2,389,743,084**
Inventories	12A	505,165,790	499,943,834
Advances, deposits and prepayments	13A	330,027,675	323,349,766
Trade and other receivables	14A	917,787,829	1,163,448,583
Cash and cash equivalents	15A	334,971,687	403,000,901
TOTAL ASSETS		**4,944,018,880**	**5,148,906,560**
EQUITY AND LIABILITIES			
Shareholders' equity		**3,061,964,599**	**3,240,034,179**
Share capital	16	2,158,376,210	2,158,376,210
Share premium	17	-	-
Revaluation surplus	18A	215,668,107	216,395,928
Retained earnings	19A	687,920,282	865,262,041
Total shareholder's equity		**3,061,964,599**	**3,240,034,179**
Non-current liabilities		**885,605,200**	**937,872,601**
Long term loans	21A	828,556,734	845,114,589
Deferred tax liability	22A	57,048,466	92,758,012
Lease liabilities	23A	-	-
Current liabilities		**996,449,081**	**970,999,780**
Account and other payables	24A	48,383,363	53,020,166
Accruals and provisions	25A	159,176,033	157,212,983
Unclaimed Dividend Account	26A	2,814,675	5,903,971
Short term loans	27A	559,791,493	541,894,631
Current portion of long term loans	21A	226,283,517	212,289,237
Current portion of Lease liabilities	23A	-	678,791
TOTAL EQUITY AND LIABILITIES		**4,944,018,880**	**5,148,906,560**
Number of share used to calculate NAV		**215,837,621**	**215,837,621**
Net asset value per share	39A	**14.19**	**15.01**

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

Director | **Director** | **Managing Director**

Chief Financial Officer | **Company Secretary**

Signed in terms of our separate report of even date annexed.

Signed for & on behalf of
MABS & J Partners
Chartered Accountants

Nasir Uddin Ahmed FCA, FCS, CGMA, ACMA (UK)
Senior Partner
ICAB Enrollment No: 535
DVC No: 2111130535AS661376

Dated, Dhaka;
28 October 2021

Golden Harvest Agro Industries Limited
Consolidated Statement of Profit or Loss and Other Comprehensive Income
For the year ended 30 June 2021

Particulars	Notes	Amount in BDT 2020-2021	Amount in BDT 2019-2020
Revenue	28	553,011,427	885,193,111
Cost of goods sold	29	(379,037,284)	(517,424,496)
Gross profit		**173,974,143**	**367,768,615**
Operating expenses		**(194,022,324)**	**(207,903,453)**
Administrative expenses	30	(44,891,561)	(46,500,993)
Selling and distribution expenses	31	(149,130,763)	(161,402,460)
Other operating income	32	4,093,553	9,230,353
Fair value adjustments of biological assets	32.1	13,918,568	17,840,039
Profit from operations		**(2,036,060)**	**186,935,554**
Finance income	33	18,376,322	17,889,545
Finance expenses	34	(132,653,431)	(185,682,227)
Net profit from operation		**(116,313,169)**	**19,142,872**
Contribution to WPPF		-	(1,176,144)
Income before share of non-consolidated companies and income tax		**(116,313,169)**	**17,966,727**
Share of profit / (loss) from associates	37.	(58,781,083)	(10,222,454)
Net profit before tax		**(175,094,252)**	**7,744,273**
Income tax expenses	35	13,008,243	(1,403,557)
Net profit after tax		**(162,086,009)**	**6,340,716**
Non controlling interest (NCI)	20	5,688,058	1,225,147
Net profit after tax attributable to ordinary shareholders		**(156,397,951)**	**7,565,863**
Other comprehensive income		-	-
Total comprehensive income		**(156,397,951)**	**7,565,863**
Number of share used to calculate EPS		**215,837,622**	**191,395,001**
Earnings per share(EPS)	38	**(0.72)**	**0.04**

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

E.Z. Chowdhury
Director

Director

Managing Director

Chief Financial Officer

Company Secretary

Signed in terms of our separate report of even date annexed.

Signed for & on behalf of
MABS & J Partners
Chartered Accountants

Dated; Dhaka
October 28, 2021

Nasir Uddin Ahmed FCA, FCS, CGMA, ACMA (UK)
Senior Partner
ICAB Enrollment No: 535
DVC No.: 2111130535AS661376

Golden Harvest Agro Industries Limited
Statement of Profit or Loss and Other Comprehensive Income
For the year ended 30 June 2021

Particulars	Notes	Amount in BDT 2020-2021	Amount in BDT 2019-2020
Revenue	28A	544,818,571	838,160,294
Cost of goods sold	29A	(368,537,229)	(485,392,241)
Gross profit		**176,281,342**	**352,768,053**
Operating expenses		**(190,194,164)**	**(203,427,048)**
Administrative expenses	30A	(41,689,810)	(43,681,548)
Selling and distribution expenses	31A	(148,504,354)	(159,745,500)
Other operating income	32A	3,842,379	12,686,708
Fair value gain from biological assets	32.1	-	2,174,970
Profit from operations		**(10,070,443)**	**164,202,683**
Finance income	33A	18,323,466	17,889,545
Finance expenses	34A	(98,274,783)	(157,393,209)
Net profit from operations		**(90,021,760)**	**24,699,019**
Contribution to WPPF			(1,176,144)
Income before share of non-consolidated companies and income tax		**(90,021,760)**	**23,522,875**
Share of profit from subsidiary	36	(17,064,173)	(3,675,441)
Share of profit / (loss) from associates	37	(58,781,083)	(10,222,454)
Net profit before tax		**(165,867,016)**	**9,624,980**
Income tax expenses	35A	9,469,065	(2,059,116)
Net profit after tax		**(156,397,951)**	**7,565,863**
Profit after tax attributable to Ordinary Shareholders of the Company		(156,397,951)	7,565,863
Other comprehensive income		-	-
Total comprehensive income		**(156,397,951)**	**7,565,863**
Earnings per share (EPS)	38A	**(0.72)**	**0.04**

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

Director **Director** **Managing Director**

Chief Financial Officer **Company Secretary**

Signed in terms of our separate report of even date annexed.

Signed for & on behalf of
MABS & J Partners
Chartered Accountants

Nasir Uddin Ahmed FCA, FCS, CGMA, ACMA (UK)
Senior Partner
ICAB Enrollment No: 535
DVC No: 2111130535AS661376

Dated; Dhaka
October 28, 2021

Golden Harvest Agro Industries Limited
Consolidated Statement of Changes in Equity
For the year ended 30 June 2021

Amount in BDT

Particulars	Share capital	Share premium	Revaluation surplus	Retained earnings	Non controlling interest (NCI)	Total
Balance as at 01 June 2020	2,158,376,210	-	216,395,928	865,262,041	5,032,270	3,245,066,449
Deferred tax adjustment on revaluation surplus	-	-	-	1,031,030	-	1,031,030
Depreciation adjustment on revaluation surplus	-	-	(3,551,325)	3,551,325	-	-
Adjustment for changes of tax rates	-	-	2,823,504	-	-	2,823,504
Prior Year Adjustment	-	-	-	7,090,107	-	7,090,107
Issuance of Stock dividend	-	-	-	-	-	-
Net profit after tax	-	-	-	(156,397,951)	-	(156,397,951)
Issue cost of right share	-	-	-	(3,640,800)	-	(3,640,800)
Payment of Cash Dividend	-	-	-	(28,975,470)	-	(28,975,470)
Share of profit from subsidiary	-	-	-	-	(5,688,058)	(5,688,058)
Balance as at 30 June 2021	**2,158,376,210**	-	**215,668,107**	**687,920,282**	**(655,788)**	**3,061,308,811**

For the year ended 30 June 2019

Particulars	Share capital	Share premium	Revaluation surplus	Retained earnings	Non controlling interest (NCI)	Total
Balance as at 01 July 2019	1,199,097,900	28,668,154	219,946,668	951,631,139	844,138,981	3,243,482,842
Deferred tax adjustment on revaluation surplus	-	-	-	1,183,581	-	1,183,581
Depreciation adjustment on revaluation surplus	-	-	(3,550,740)	3,550,740	-	-
Issuance of Stock dividend	59,954,890	(28,668,154)	-	(31,286,736)	-	-
Net profit after tax	-	-	-	7,565,863	-	7,565,863
Issue cost of right share	899,323,420	-	-	-	-	899,323,420
Issue cost of new share	-	-	-	(11,172,568)	-	(11,172,568)
Share of profit from subsidiary	-	-	-	-	(1,225,147)	(1,225,147)
Payment of Cash Dividend	-	-	-	(56,209,976)	-	(56,209,976)
Disposal of subsidiary	-	-	-	-	(837,881,564)	(837,881,564)
Balance as at 30 June 2020	**2,158,376,210**	-	**216,395,928**	**865,262,041**	**5,032,270**	**3,245,066,449**

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

Director | Director | Managing Director

Chief Financial Officer | Company Secretary

Dated; Dhaka
October 28, 2021

Golden Harvest Agro Industries Limited
Statement of Changes in Equity
For the year ended 30 June 2021

Amount in BDT

Particulars	Share capital	Share premium	Revaluation surplus	Retained earnings	Non controlling interest (NCI)	Total
Balance as at 01 July 2020	2,158,376,210	-	216,395,928	865,262,041	-	3,240,034,180
Deferred tax adjustment on revaluation surplus	-	-	-	1,031,030	-	1,031,030
Depreciation on revaluation surplus transferred	-	-	(3,551,325)	3,551,325	-	-
Adjustment for changes of tax rate	-	-	2,823,504	-	-	2,823,504
Prior Year adjustment				7,090,107		7,090,107
Issue cost of right share	-	-	-	(3,640,800)	-	(3,640,800)
Issuance of Stock dividend	-	-	-		-	-
Payment of Cash Dividend	-	-	-	(28,975,470)	-	(28,975,470)
Net profit after tax	-	-	-	(156,397,951)	-	(156,397,951)
Balance as at 30 June 2021	**2,158,376,210**	**-**	**215,668,107**	**687,920,282**	**-**	**3,061,964,599**

For the year ended 30 June 2019

Particulars	Share capital	Share premium	Revaluation surplus	Retained earnings	Non controlling interest (NCI)	Total
Balance as at 01 July 2019	1,199,097,900	28,668,154	219,946,668	951,631,139	-	2,399,343,861
Deferred tax adjustment on revaluation surplus	-	-	-	1,183,581	-	1,183,581
Depreciation on revaluation surplus transferred	-	-	(3,550,740)	3,550,740	-	-
Issue cost of right share	-	-	-	(11,172,568)	-	(11,172,568)
Payment of Cash Dividend	-	-	-	(56,209,976)	-	(56,209,976)
Issue cost of new share	899,323,420	-	-		-	899,323,420
Issuance of Stock dividend	59,954,890	(28,668,154)	-	(31,286,736)	-	-
Net profit after tax	-	-	-	7,565,863	-	7,565,863
Balance as at 30 June 2020	**2,158,376,210**	**-**	**216,395,928**	**865,262,041**	**-**	**3,240,034,179**

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

E. Z. Chowdhury
Director

Director

Managing Director

Chief Financial Officer

Company Secretary

Dated; Dhaka
October 28, 2021

Golden Harvest Agro Industries Limited
Consolidated Statement of Cash Flows
For the year ended 30 June 2021

Particulars	Notes	Amount in BDT	
		2020-2021	2019-2020
Cash flows from operating activities			
Collections from customers and others		530,827,186	887,625,465
Payments for operating costs and other expenses		(502,721,625)	(750,214,823)
Tax paid		(21,687,070)	(15,701,392)
Net cash generated from operating activities	40	**6,418,491**	**121,709,250**
Cash flows from investing activities			
Acquisitions of property, plant and equipment		(58,580,166)	(41,301,157)
Acquisitions of intangible assets		(17,210,271)	(14,924,493)
Acquisitions / proceed from Biological assets		16,216,440	23,628,521
Capital work in progress		(195,039,206)	(268,477,773)
Proceed from disposal of PPE		-	345,600
Investment in associates		-	(33,655,038)
Advance finance to contract farmers, sister concern & others		(2,715,432)	(22,588,537)
Net cash used in investing activities		**(257,328,635)**	**(356,972,877)**
Cash flows from financing activities			
Payment against finance lease		(678,791)	(7,187,916)
Borrowings from banks/financial institutions		353,976,823	(244,244,343)
Finance cost paid		(128,351,301)	(184,267,869)
Issuance of right share		(3,640,800)	888,272,750
Payment of cash dividend		(32,064,765)	(45,494,141)
Net cash provided from financing activities		**189,241,167**	**407,078,482**
Net changes in cash and cash equivalents		(61,668,978)	171,814,849
Cash and cash equivalents at the beginning of the year		405,234,786	370,122,926
Disposal of subsidiary company		-	(136,702,989)
Cash and cash equivalents at the end of the year		**343,565,808**	**405,234,786**
Number of share used to calculate NOCFPS		**215,837,622**	**191,395,001**
Net operating cash flow per share (NOCFPS)	39	**0.03**	**0.64**

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

Director | **Director** | **Managing Director**

Chief Financial Officer | **Company Secretary**

Dated; Dhaka
October 28, 2021

Golden Harvest Agro Industries Limited
Statement of Cash Flows
For the year ended 30 June 2021

Particulars	Notes	Amount in BDT 2020-2021	Amount in BDT 2019-2020
Cash flows from operating activities			
Collections from customers and others		523,342,213	841,144,629
Payments for operating costs & other expenses		(488,274,149)	(712,956,267)
Tax paid		(21,681,580)	(15,701,392)
Net cash generated from operating activities	40A	**13,386,484**	**112,486,970**
Cash flows from investing activities			
Acquisitions of property, plant and equipment		(58,491,006)	(41,186,287)
Proceed from disposal of PPE		-	345,600
Acquisitions of intangible assets		(17,210,271)	(14,924,493)
Acquisitions / proceed from Biological assets		-	15,874,747
Capital work in progress		(194,104,647)	(268,477,773)
Investment in associates		-	(33,655,038)
Advance finance to contract farmers & others		277,245	(22,372,001)
Net cash used in investing activities		**(269,528,679)**	**(364,395,245)**
Cash flows from financing activities			
Payment against finance lease		(678,791)	(7,187,916)
Borrowings from banks/financial institutions/Sister concern		318,469,991	(256,198,188)
Payment of cash dividend		(32,064,765)	(45,494,141)
Issuance of right share		(3,640,800)	888,272,750
Finance cost paid		(93,972,653)	(155,978,850)
Net cash provided from financing activities		**188,112,982**	**423,413,656**
Net changes in cash and cash equivalents		(68,029,214)	171,505,378
Cash and cash equivalents at the beginning of the year		403,000,901	231,495,523
Cash and cash equivalents at the end of the year		**334,971,687**	**403,000,901**
Number of share used to calculate NOCFPS		**215,837,622**	**191,395,001**
Net operating cash flow per share (NOCFPS)	39A	**0.06**	**0.59**

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

E.Z. Chanz

Director **Director** **Managing Director**

Chief Financial Officer **Company Secretary**

Dated; Dhaka
October 28, 2021

Golden Harvest Agro Industries Limited

Notes to the Financial Statements
For the year ended 30 June 2021

1. Reporting entity

Group profile

Golden Harvest Agro Industries Limited was incorporated on August 10, 2004 as a private limited company; vide Reg. No.-C-53850(515)/2004 under the Companies Act, 1994 and converted to public limited company on 30 June 2010. The Group has been listed to both the Dhaka Stock Exchange Ltd. and Chittagong Stock Exchange Ltd. on 04 March 2013. The principal place of business and the head office of the Group are at Shanta Western Tower, Level # 5, Space Code # 502, 186, Gulshan, Tejgaon Link Road, Tejgaon Industrial Area, Dhaka-1208. The registered office and factory is located at Bokran, Monipur, Bobanipur, Gazipur Sadar, Gazipur.

Nature of Business Activities

The Company owns and operates the business of growing, procuring, purchasing, processing, packaging, warehousing, transporting, exporting, importing, distributing and selling agriculture-based food, food products, vegetable processing. As per the object clause of the Memorandum the Company could also establish any industrial processing unit based on agro based raw materials products within the country and export the same or meet local demand.

1.1 Subsidiary

Subsidiary is entity controlled by the Golden Harvest Agro Industries Limited. An investor controls an investee when it is exposed to, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

Golden Harvest Dairy Limited

Golden Harvest Dairy Limited has incorporated on 18 February 2015, vide Reg. No.-C-121268/15 under the Companies Act, 1994 as a private limited company. Golden Harvest Agro Industries Limited acquired 75.00% of shares of Golden Harvest Dairy Limited.

The objectives of the company will process Liquid Milk and milk-based product like butter, cream, cheese, yogurt, etc. The project will not be for milk collection only it will support in meat processing and calf selling.

1.2 Associates

Two associates are the entities in which Golden Harvest Agro Industries Limited (GHAIL) has significant influence whereby the parties that have control of the arrangement have rights to the net assets of the arrangement. GHAIL uses the equity method to account for its investment in associates and in its financial Statement in accordance with IAS-28 "Investment in Associates and Joint Ventures". Golden Harvest Ice Cream Limited and Golden Harvest QSR Limited are the associates of the Group.

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Golden Harvest Ice Cream Limited (Previous name was Golden Harvest Sea Food and Fish Processing Limited)

Golden Harvest Ice Cream Limited formerly known as Golden Harvest Sea Food and Fish Processing Limited was incorporated on January 05, 2005, vide Reg. No.-C-55601(2285)/05 under the Companies Act, 1994. The objectives of the Group are to carry out the business, promote & establish factories, distribution ice cream, dairy and allied products in Bangladesh and setting ventures and business is in connection therewith. Golden Harvest Agro Industries Limited is holding 45% of shares of Golden Harvest Ice Cream Limited.

Golden Harvest QSR Limited

Golden Harvest QSR Limited has incorporated 04 February 2015; vide Reg. No.-C-128718/2016 under the Companies Act, 1994 as a Private Limited Company. Golden Harvest Agro Industries Limited acquired 30.00% of shares of Golden Harvest QSR Limited. Investment is initially recognized at cost and subsequently measured at equity method.

1.3 Date of Authorization for issue

The financial statements of Golden Harvest Agro industries Ltd. for the year ended 30th June 2021 were authorized for issue in accordance with a resolution of the Board of Directors on 28th October 2021.

1.4 Reporting Period

The reporting period of the Group has covered one year from 1st July 2020 to 30th June 2021.

2. Basis of Preparation of Financial Statements

2.1 Statement on Compliance with Local Laws

The financial statements have been prepared in compliance with the requirements of the Companies Act, 1994, Securities and Exchange Rules, 1987 and other relevant local laws as applicable.

2.2 Statement on Compliance of Financial Reporting Standards

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS).

2.3 Basis of Measurement of Elements of Financial Statements

Measurement is the process of determining the monetary amounts at which the elements of the financial statements are to be recognized and carried in the statement of financial position and profit or loss and other comprehensive income. The measurement basis adopted by Golden Harvest Agro Industries Limited is historical cost except for land, building and plant and machinery which are stated at revalued amount, inventories are at the lower of cost and net realizable value and marketable securities are at market value. Under the historical cost, assets are recorded at the amount of cash or cash equivalents paid or the fair value of the consideration given to acquire them at the time of their acquisition. Liabilities are recorded at the amount of proceeds received in exchange for the obligation, or in some circumstances (for example, income taxes), at the amounts of cash or cash equivalents expected to be paid to satisfy the liability in the normal course of business.

2.4 Basis of Consolidation

Group accounts are prepared on the basis that the parent and subsidiaries are a single entity as per IFRS-10 "Financial Statements". This reflects the economic substances of the group arrangement.

The group financial statements include the financial statements of GHAIL and subsidiaries that it controls. GHAIL prepares financial statements using uniform accounting policies for like transactions and other events in similar circumstances. Consolidation of an investee shall begin from the date the investor obtains control of the investee and cease when the investor loses control of the investee.

GHAIL presents non-controlling interests in the statement of financial position within equity, separately from the equity of the owners of GHAIL. Changes in GHAIL ownership interest in a subsidiary that do not result in losing control of the subsidiary are equity transactions (i.e. transactions with owners in their capacity as owners).

Consolidation procedures

- Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries.
- Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary.
- eliminate in full intergroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group (profits or losses resulting from intergroup transactions that are recognized in assets, such as inventory and fixed assets, are eliminated in full). Intergroup losses may indicate an impairment that requires recognition in the financial statements.

Loss of control of Subsidiaries

If GHAIL loses control over its subsidiaries, GHAIL:

- derecognizes the assets and liabilities of the former subsidiary from the statement of financial position.
- recognizes any investment retained in the former subsidiary and subsequently accounts for it and for any amounts owed by or to the former subsidiary in accordance with relevant IFRSs.
- recognizes the gain or loss associated with the loss of control attributable to the former controlling interest.

Investment in subsidiaries and associates in GHAIL separate financial statements

When GHAIL prepares separate financial statements, the GHAIL using the equity method for investment in subsidiaries and associates:

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2.5 Going Concern

At each year end management of the group makes assessment of going concern as required by IAS-1. The Company has adequate resources to continue in operation for the foreseeable future and has wide coverage of its liabilities. For this reason, the directors continue to adopt going concern assumption while preparing the financial statements.

2.6 Accrual Basis of Accounting

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

2.7 Functional and presentation currency

The financial statements are prepared and presented in Bangladesh Taka/BDT, which is the Group's functional currency. The Group earns its major revenues in BDT and all other incomes/expenses and transactions are in BDT and the competitive forces and regulations of Bangladesh determine the sale prices of its goods and services. Further, the entire funds from financing activities are generated in BDT.

Foreign currency translation

Foreign currency transactions are booked in the functional currency of the Group at the exchange rate ruling on the date of transaction. Foreign currency monetary assets and liabilities are retranslated into the functional currency at rates of exchange at the balance sheet date. Exchange differences are included in the income statement.

2.8 Materiality and Aggregation

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

2.9 Offsetting

GHAIL does not offset assets and liabilities or income and expenses, unless required or permitted by an IFRS.

2.10 Comparative Information and Rearrangement thereof

Comparative information has been disclosed in respect of the previous year for all numerical information in the financial Statements and also the narrative and descriptive information when it is relevant for understanding of the current year financial statements. Previous year figure has been re-arranged whenever considered necessary to ensure comparability with the current year's presentation as per IAS-8:" Accounting Policies, Changes in Accounting Estimates and Errors"

2.11 Use of Estimates and Judgments

The preparation of financial statements in conformity with International Financial Reporting Standards 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 and for contingent assets and liabilities that require disclosure, during and at the date of the financial statements.

Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions of accounting estimates are recognized in the period in which the estimate is revised and in any future periods affected as required by IAS 8: "Accounting Policies, Changes in Accounting Estimates and Errors"

In particular, significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements include depreciation, amortization, impairment, net realizable value of inventories, accruals, taxation and provision.

2.12 Changes in Accounting Policies, Estimate and Errors

The effect of a change in an accounting estimate shall be recognized prospectively by including it in profit or loss in:

(a) the period of the change, if the change affects that period only; or
(b) the period of the change and future periods, if the change affects both.

To the extent that a change in an accounting estimate gives rise to changes in assets and liabilities, or relates to an item of equity, it shall be recognized by adjusting the carrying amount of the related asset, liability or equity item in the period of the change.

Changes in accounting policies and material prior period errors shall be retrospectively corrected in the first financial statements authorized for issue after their discovery by:

(a) restating the comparative amounts for the prior period(s) presented in which the error occurred; or
(b) if the error occurred before the earliest prior period presented, restating the opening balances of assets, liabilities and equity for the earliest prior period presented.

2.13 Structure, Content and Presentation of Financial Statements

The Financial Statements of Golden Harvest Agro Industries Ltd., as at and for the year ended 30 June 2020 comprise the group and its subsidiaries namely Golden Harvest Dairy Ltd. and also Golden Harvest Ice Cream Ltd. & Golden Harvest QSR (together referred to as the 'Group' as per IFRS-10 Financial Statements) as per IAS 28 Investment in Associate. Being the general-purpose financial statements, the presentation of these financial statements is in accordance with the guidelines provided by IAS 1: "Presentation of Financial Statements". A complete set of financial statements comprise:

i) Statement of financial position as at 30 June 2021;
ii) Statement of profit or loss and other comprehensive Income for the year ended 30 June 2021;
iii) Statement of changes in equity for the year ended 30 June 2021;
iv) Statement of cash flows for the year ended 30 June 2021; and
v) Notes comprising a summary of significant accounting policies and other explanatory information to the accounts for the year ended 30 June 2021.

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3. Summary of Significant Accounting Policies

The accounting policies set out below are consistent with those used in the previous year. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Golden Harvest Agro Industries Limited.

Changes in accounting policies

The Group changes its accounting policy only if the change is required by an IFRS or results in the financial statements providing reliable and more relevant information about the effects of transactions, other events or conditions on the Group's financial position, financial performance or cash flows. Changes in accounting policies is to be made through retrospective application by adjusting opening balance of each affected components of equity i.e. as if new policy has always been applied.

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3.1 Implementation of IFRS 16 'Lease'

Implementation of IFRS 16 and its relevant assumptions and disclosures IFRS 16: "Leases" has come into force on 1 January 2019, as adopted by the Institute of Chartered Accountants of Bangladesh (ICAB). Golden Harvest Agro Industries Limited applied IFRS 16 where the Company measured the lease liability at the present value of the remaining lease payments, discounted it using incremental borrowing rate at the date of initial application, and recognized a right-of-use asset at the date of the initial application on a lease by lease basis.

Right-of use Assets:

The Company recognizes right-of-use assets at the date of initial application of IFRS 16. Right-of-use assets are measured at cost, less any accumulated depreciation. Right-of-use asset is depreciated on a straight-line basis over the lease term. The right-of-use asset is presented under property, plant and equipment.

Lease Liabilities:

At the commencement date of the lease, the Company recognizes lease liability measured at the present value of lease payments to be made over the lease term using incremental borrowing rate of 9% at the date of initial application. Lease liability is measured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments.

Interest on the lease liability in each period during the lease term shall be the amount that produces a constant periodic rate of interest on the remaining balance of the lease liability.

Implementation of IFRS 9 'Financial Instruments'

The Group has applied IFRS 9 'Financial Instruments' with effect from 1st July 2018. IFRS 9 introduces new requirements for the classification and measurement of financial assets and financial liabilities and impairments for financial assets. Details of these new requirements as well as their impact on the Group's consolidated financial statements are described below. The Group has adopted IFRS 9 retrospectively but with certain permitted exceptions as detailed below:

Classification and measurement of financial assets

The date of initial application was 1st July 2018. The Group has not applied the requirements of IFRS 9 to instruments that were derecognized prior to 1st July 2018 and has not restated prior years. Any difference between the previous carrying amount and the revised carrying amount at 1st July 2018 has been recognized as an adjustment to opening retained earnings at 1st July 2018.

All financial assets that are within the scope of IFRS 9 are required to be measured at amortized cost or fair value, with movements through other comprehensive income or the income statement on the basis of the Group's business model for managing the financial assets and the contractual cash flow characteristics of the financial assets.

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IFRS 9 had the following impact on the Group's assets:

- The Group's trade receivables were all classified as financial assets measured at amortized cost under IAS 39. Under IFRS 9, the business model under which each portfolio of trade receivables held has been assessed. The Group has a portfolio of trade receivables that is being managed within a business model whose objective is to collect contractual cash flows, and are measured at amortized cost. There were no material changes in carrying value of financial assets as a result of these changes in measurement basis.

- IFRS 9 requires an expected credit loss (ECL) model to be applied to financial assets rather than the incurred credit loss model required under IAS 39. The expected credit loss model requires the Group to account for expected losses as a result of credit risk on initial recognition of financial assets and to recognize changes in those expected credit losses at each reporting date. The Group recognizes a loss allowance on trade receivables based on lifetime expected credit losses.

Implementation of IFRS 15 'Revenue from Contracts with Customers'

The Group has applied IFRS 15 'Revenue from Contracts with Customers' with effect from 1 July 2018. IFRS 15 provides a single, principles-based approach to the recognition of revenue from all contracts with customers. It focuses on the identification of performance obligations in a contract and requires revenue to be recognized when or as those performance obligations are satisfied.

The Group has adopted IFRS 15 applying the modified retrospective approach. IFRS 15 did not have a material impact on the amount or timing of recognition of reported revenue. In accordance with the requirements of IFRS 15 where the modified retrospective approach is adopted, prior year results have not been restated.

Changes in accounting estimates

Estimates arise because of uncertainties inherent within them, judgment is required but this does not undermine reliability. Effect of changes of accounting estimates is included in profit or loss account.

Correction of error in prior period financial statements

The Group corrects material prior period errors retrospectively by restating the comparative amounts for the prior period(s) presented in which the error occurred; or if the error occurred before the earliest prior period presented, restating the opening balances of assets, liabilities and equity for the earliest prior period presented.

3.2 Property, Plant and Equipment

Initial Recognition and Measurement

An item shall be recognized as property, plant and equipment if, and only it is probable that future economic benefits associated with the item will flow to the entity, and the cost of the item can be measured reliably IAS 16.

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Property, plant and equipment are initially recognized at cost and subsequently land, buildings & civil constructions and plant & machineries are stated at fair value. The property, plant and equipment are presented at cost/fair value, net of accumulated depreciation and/or accumulated impairment losses, if any. The cost of an item of property, plant and equipment comprises its purchase price, import duties and non-refundable taxes, after deducting trade discount and rebates, and any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the intended manner. The cost also includes the cost of replacing part of the property, plant and equipment and borrowing costs for long-term debt availed for the construction/Implementation of the PPE, if the recognition criteria are met.

Subsequent Costs

The cost of replacing part of an item of property, plant and equipment is recognized in the carrying amount of an item if it is probable that the future economic benefits embodied within the part will flow to the Group and its cost can be measured reliably. The costs of the day-to-day servicing of property, plant and equipment are recognized in the profit and loss account as `Repair & Maintenance 'when it is incurred.

Subsequent Measurement

Property, Plant and equipment are disclosed at cost less accumulated depreciation consistently over years. On 30 June 2009, 30 June 2011 and 30 June 2013. Land and land developments, building and other constructions and Plant and Machinery have been revalued to reflect fair value (prevailing market price) thereof following "Current Cost Method".

Depreciation on Property, Plant and Equipment

Depreciation is provided to amortize the cost or valuation of the assets after commissioning, over the period of their expected useful lives, in accordance with the provisions of IAS 16: Property Plant and Equipment. Depreciation of an asset begins when it is available for use, i.e. when it is in the location and condition necessary for it to be capable of operating in the manner intended by management. Depreciation is charged on all property, plant and equipment except land and land developments on reducing balance method at the following rates:

Particular of Assets	Rate of Depreciation
Buildings and other constructions	2.5%
Plant & Machinery	5.0%
Office Equipment	10%
Furniture and Fixtures	10%
Vehicle	10%
Freezer	10%

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Revaluation of Property, Plant and Equipment of Golden Harvest Agro Industries Limited

The group made revaluation of the Group's Land and Land developments, Buildings and Plant and Machinery as of 30 June 2009, 30 June 2011 and 30 June 2013 to reflect fair value thereof in terms of Depreciated current cost thereof. The revaluation has conducted by Ata Khan & Co, Chartered Accountants.

The increase in the carrying amount of revalued assets is recognized in other comprehensive income under the head revaluation surplus. Other Fixed Assets were kept outside the scope of revaluation works. These are expected to be realizable at written down value (WDV) thereof mentioned in the statement of financial position of the Group.

3.3 Capital work-in-progress

Capital work in progress represents the cost incurred for acquisition and construction of items of property, plant and equipment that were not ready for use at the end of 30 June 2021 and these were stated at cost. In case of import components, capital work in progress is recognized when risks and rewards associated with such assets are transferred to the Group, i.e. at the time of shipment is confirmed by the supplier.

3.4 Intangible Assets

Recognition

The recognition of an item as an intangible asset requires GHAIL to demonstrate that the item meets the definition of an intangible asset and the recognition criteria. An intangible asset is recognized as an asset if, and only if:

- it is probable that expected future economic benefits that are attributable to the asset will flow to GHAIL; and
- the cost of the item can be measured reliably.

Measurement

An intangible asset is measure at cost less any accumulated amortizations and any accumulated impairment losses. Subsequent expenditures are likely to maintain the expected future economic benefits embodied in an existing intangible asset rather than meet the definition of an intangible asset and the recognition criteria. In addition, it is often difficult to attribute subsequent expenditure directly to a particular intangible asset rather than to the business as a whole. Therefore, expenditure incurred after the initial recognition of an acquired intangible asset or after completion of an internally generated intangible asset is usually recognized in profit or loss as incurred. This is because such expenditure cannot be distinguished from expenditure to develop the business as a whole.

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Separately acquired intangibles

The cost of a separately acquired intangible asset comprises:

- its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates;
- and any directly attributable cost of preparing the asset for its intended use.

Internally generated intangible assets

The cost of an internally generated intangible asset is the sum of expenditure incurred from the date when the intangible asset first meets the recognition criteria. The cost of an internally generated intangible asset comprises all directly attributable costs necessary to create, produce, and prepare the asset to be capable of operating in the manner intended by management.

Research Phase

No intangible asset arising from research (or from the research phase of an internal project) is recognized. Expenditure on research (or on the research phase of an internal project) is recognized as an expense when it is incurred.

Development Phase

An intangible asset arising from development (or from the development phase of an internal project) is recognized in IAS-38, "Intangible assets".

The Group's intangible assets include computer software development (ERP), Design, construction and development of products, Augmented Reality.

Internally generated brands, mastheads, publishing titles, customer lists and items similar in substance are not recognized as intangible

Recognition of an expense

In some cases, expenditure is incurred to provide future economic benefits to an entity, but no intangible asset or other asset is acquired or created that can be recognized. For example, expenditure on research is recognized as an expense when it is incurred, except when it is acquired as part of a business combination. Other examples of expenditure that is recognized as an expense when it is incurred include:

- expenditure on start-up activities i.e. start-up costs/ pre-operating cost.
- expenditure on training activities.
- expenditure on advertising and promotional activities.
- expenditure on relocating or reorganizing part or all of an entity.

Past expenses

Expenditure on an intangible item that was initially recognized as an expense is not recognized as part of the cost of an intangible asset at a later date.

Revaluation of intangibles

The revaluation model requires an intangible asset shall be carried at a revalued amount, being its fair value at the date of the revaluation less any subsequent accumulated amortization and any subsequent accumulated impairment losses. However, fair value shall be measured by reference to an active market. The revaluation model does not allow the revaluation of intangible assets that have not previously been recognized as assets; or the initial recognition of intangible assets at amounts other than cost.

Amortization

The depreciable amount of an intangible asset with a finite useful life shall be allocated on a systematic basis over its useful life. Amortization begin when the asset is available for use, i.e. when it is in the location and condition necessary for it to be capable of operating in the manner intended by management. Amortization cease at the earlier of the date that the asset is classified as held for sale and the date that the asset is derecognized. An intangible asset with an indefinite useful life is not amortized.

Amortization of the intangible asset with a finite useful life is calculated using the reducing balance method to write down the cost of intangible assets to their residual values over their estimated useful lives as follows:

Particulars	Rate
Software (at development stage)	10%
Design, construction and development of products	10%
Augmented Reality	10%

Derecognition of intangible assets

The carrying amount of an item of intangible assets is derecognized on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the derecognition of an item of intangible assets is included as other income in profit or loss when the item is derecognized. When the revalued assets are disposed of, the respective revaluation surplus is transferred to retained earnings.

3.5 Biological Asset

Recognition and measurement

Biological asset is a living plant or animal. Biological asset is measured at fair value less costs to sell, both on initial recognition and each reporting date. Cost to sell includes sale commission and regulatory levies but exclude transport to market. Transport costs are in fact deducted from market value in order to reach fair value. The gain on initial recognition and from a change in this value is recognized in profit or loss. The interest on the loan taken out to finance the acquisition is not a cost to sell. The milk is agriculture product and is recognized initially under IAS-41 at fair value less cost to sell. (at this point it is taken into inventories and dealt with under IAS-2). The gain on initial recognition should be recognized in profit or loss.

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3.6 Impairment of Assets

Recognizing and measuring impairment loss

If the recoverable amount of an asset is less than it's carrying amount, the carrying amount of the asset is reduced to its recoverable amount. That reduction is an impairment loss. An impairment loss on a non-revalued asset is recognized in profit or loss. However, an impairment loss on a revalued asset is recognized in other comprehensive income to the extent that the impairment loss does not exceed the amount in the revaluation surplus for that same asset. Such an impairment loss on a revalued asset reduces the revaluation surplus for that asset.

GHAIL assesses at the end of each reporting period whether there is any indication that an asset may be impaired. If any such indication exists, GHAIL estimate the recoverable amount of the asset. Irrespective of whether there is any indication of impairment, GHAIL tests:

- an intangible asset with an indefinite useful life or an intangible asset not yet available for use for impairment annually

3.7 Capitalization of Borrowing Cost

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur in accordance with IAS 23: "Borrowing cost". Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

Recognition

GHAIL capitalizes borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset as part of the cost of that asset. GHAIL recognizes other borrowing costs as an expense in the period in which it incurs them.

Borrowing costs eligible for capitalization

The borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are those borrowing costs that would have been avoided if the expenditure on the qualifying asset had not been made.

To the extent that GHAIL borrows funds specifically for the purpose of obtaining a qualifying asset, GHAIL determines the amount of borrowing costs eligible for capitalization as the actual borrowing costs incurred on that borrowing during the period less any investment income on the temporary investment of those borrowings

Commencement of capitalization

GHAIL begins capitalizing borrowing costs as part of the cost of a qualifying asset on the commencement date. The commencement date for capitalization is the date when the GHAIL first meets all of the following conditions:

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- it incurs expenditures for the asset;
- it incurs borrowing costs; and
- it undertakes activities that are necessary to prepare the asset for its intended use or sale.

Cessation of capitalization

GHAIL ceases capitalizing borrowing costs when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are complete.

3.8 Financial instruments

3.8.1 Financial assets

Investment in shares

The Group has elected to designate equity investments as measured at Fair Value through Other Comprehensive Income (FVTOCI). They are initially recorded at fair value plus transaction costs and then remeasured at subsequent reporting dates to fair value. Unrealized gains and losses are recognized in other comprehensive income. On disposal of the equity investment, gains and losses that have been deferred in other comprehensive income are transferred directly to retained earnings.

Dividends on equity investments and distributions from funds are recognized in the income statement when the Group's right to receive payment is established.

Investment in fixed deposit receipt

Fixed deposit, comprising funds held with banks and other financial institutions, are initially measured at fair value, plus direct transaction costs, and are subsequently measured at amortized cost using the effective interest method at each reporting date. Changes in carrying value are recognized in profit.

Trade receivables

Trade receivables are measured in accordance with the business model under which each portfolio of trade receivable is held. The Group has a portfolio of trade receivables that is being managed within a business model whose objective is to collect contractual cash flows, and are measured at amortized cost. Trade receivables measured at amortized cost are carried at the original invoice amount less allowance for expected credit losses.

Expected credit losses are calculated in accordance with the simplified approach permitted by IFRS 9, using a provision matrix applying lifetime historical credit loss experience to the trade receivables. The expected credit loss rate varies depending on whether and the extent to which settlement of the trade receivables is overdue and it is also adjusted as appropriate to reflect current economic conditions and estimates of future conditions. For the purpose of determining credit loss rates, customers are classified into groupings that have similar loss patterns. The key drivers of the loss rate are the nature of the business unit and the location and type of customer.

When a trade receivable is determined to have no reasonable expectation of recovery it is written off, firstly against any expected credit loss allowance available and then to the income statement. Subsequent recoveries of amounts previously provided for or written off are credited to the income statement.

Cash and cash equivalents

Cash and cash equivalents comprise cash in hand, balances with banks and financial institutions, and highly liquid investments with maturities of three months or less when acquired. They are readily convertible into known amounts of cash and are held at amortized cost under the hold to collect classification, where they meet the hold to collect "solely payments of principals and interests" test criteria under IFRS 9. Those not meeting these criteria are held at fair value through profit and loss.

3.8.2 Financial liabilities

Borrowings

All borrowings are initially recorded at the amount of proceeds received, net of transaction costs. Borrowings are subsequently carried at amortized cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognized as a charge to the income statement over the period of the relevant borrowing.

Trade payables

Trade payables are recognized initially at fair value. Subsequent to initial recognition they are measured at amortized cost using the effective interest method.

3.8.3 Impairment of financial assets

IFRS 9 requires an expected credit loss (ECL) model to be applied to financial assets rather than the incurred credit loss model required under IAS 39. The expected credit loss model requires the Group to account for expected losses as a result of credit risk on initial recognition of financial assets and to recognize changes in those expected credit losses at each reporting date. The Group recognizes a loss allowance on trade receivables based on lifetime expected credit losses.

3.9 Inventories

Measurement

Inventories are measured at the lower of cost and net realizable value.

Cost of inventories

The cost of inventories comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

Cost formulas

The cost of inventories is assigned by using the first-in, first-out (FIFO) cost formula. GHAIL shall use the same cost formula for all inventories having a similar nature and use to the entity.

The FIFO formula assumes that the items of inventory that were purchased or produced first are sold first, and consequently the items remaining in inventory at the end of the period are those most recently purchased or produced.

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Recognition as an expense

When inventories are sold, the carrying amount of those inventories is recognized as an expense in the period in which the related revenue is recognized. The amount of any write-down of inventories to net realizable value and all losses of inventories is recognized as an expense in the period the write-down or loss occurs. The amount of any reversal of any write-down of inventories, arising from an increase in net realizable value, is recognized as a reduction in the number of inventories recognized as an expense in the period in which the reversal occurs.

3.10 Trade and Other Receivables

Trade and other receivables are stated at their estimated realizable amounts inclusive of provisions for bad and doubtful debts

3.11 Cash and Cash Equivalents

Cash and cash equivalents consist of cash in hand and with banks on current deposit accounts and short-term investments (FDR for the period of 1 to 3 months) which are held and available for use by the Group without any restriction. There is insignificant risk of change in value of the same.

3.12 Calculation of Recoverable Amount

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value, less cost to sell. In assessing value in use, estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. A cash-generating unit is the smallest identifiable asset group that generates cash flows that are largely independent from other assets and groups.

3.13 Provisions, accruals and contingencies

Recognition

Provisions

A provision is recognized when:

- GHAIL has a present obligation (legal or constructive) as a result of a past event;
- it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
- a reliable estimate can be made of the amount of the obligation.

If these conditions are not met, no provision is recognized.

Accruals

Accruals are liabilities to pay for goods or services that have been received or supplied but have not been paid, invoiced or formally agreed with the supplier, including amount due to employees.

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Contingent Liabilities

GHAIL does not recognize a contingent liability. A contingent liability is disclosed, unless the possibility of an outflow of resources embodying economic benefits is remote.

Contingent Asset

GHAIL does not recognize a contingent asset. Contingent assets usually arise from unplanned or other unexpected events that give rise to the possibility of an inflow of economic benefits to GHAIL.

Measurement

The amount recognized as a provision is the best estimate of the expenditure required to settle the present obligation at the end of the reporting period.

Changes in provisions

Provisions is reviewed at the end of each reporting period and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of resources embodying economic benefits will be required to settle the obligation, the provision is reversed.

Use of provisions

A provision is used only for expenditures for which the provision was originally recognized. Only expenditures that relate to the original provision are set against it. Setting expenditures against a provision that was originally recognized for another purpose would conceal the impact of two different events.

Future operating losses

Provisions are not recognized for future operating losses. Future operating losses do not meet the definition of a liability and the general recognition criteria set out for provisions.

3.14 Events Occurring after the Reporting Period

All material events after the statement of financial position date have been considered where appropriate; either adjustments have been made or adequately disclosed in the note no. 41.09 of financial statements.

3.15 Earnings Per Share (EPS)

Measurement

Basic EPS

GHAIL calculates basic earnings per share amounts for profit or loss attributable to ordinary equity holders of the parent entity.

Basic earnings per share has been calculated by dividing profit or loss attributable to ordinary equity holders of the parent entity (the numerator) by the weighted average number of ordinary shares outstanding (the denominator) during the period.

The Group's diluted earnings per share is same as basic earnings per share.

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3.16 Dividend distribution on ordinary share

Dividend distribution to the Group's shareholders is recognized as a liability in the group's financial statements in the period in which the dividends are approved by the Group's shareholders

3.17 Income Statements

For the purpose of presentation of the Income Statement, the function of expenses method is adopted, as it represents fairly the elements of the Group's performance

3.18 Revenue

The core principle of IFRS 15 is that an entity will recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. This core principle is delivered in a five-step model framework as follows;

i. Identify the contract(s) with a customer;
ii. Identify the performance obligations in the contract;
iii. Determine the transaction price;
iv. Allocate the transaction price to the performance obligations in the contract; and
v. Recognize revenue when (or as) the entity satisfies a performance obligation. However, the comply has complied with the applicable requirements of IFRS 15 in recognizing revenue.

Moreover, the entity assesses whether it transfers control over time by following prescribed criteria for satisfying performance obligation. If none of the criteria is met then the entity recognizes revenue at point of time at which it transfers control of the goods to the customer.

Revenue is measured net of value added tax, trade discount, returns and allowances (if any). In case of cash delivery, revenue is recognized when delivery is made and cash is received by the Company

3.19 Expenses

All expenditure incurred in the running of the business and in maintaining the property, plant & equipment in a state of efficiency is charged to revenue in arriving at the profit/(loss) for the year.

3.20 Finance Income and Expenses

Finance income comprises interest income on funds invested. Interest income is recognized as it accrues in profit or loss.

Finance costs comprise interest expense on borrowings, unwinding of the discount on provisions, changes in the fair value of financial assets at fair value through profit or loss, and losses on hedging instruments that are recognized in profit or loss. Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognized in profit or loss using the effective interest method.

The interest expense component of finance lease payments is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability.

3.21 Employee Benefits:

The Company maintains provident fund for its eligible permanent employees. The eligibility is determined according to the terms and conditions set forth in the respective agreements/trust deeds.

The Company has accounted for and disclosed employee benefits in compliance with the provision of IAS 19: Employee Benefits

The cost of employee benefit is charged off as revenue expenditure in the period to which the contributions relate.

3.22 Workers' Profit Participation Fund (WPPF)

The Group provides applicable rate of its profit before tax after charging contribution to WPPF in accordance with the Bangladesh Labor Act, 2006 (Amended up to 2015).

3.23 Taxation

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

Current tax

The current income tax charge is calculated based on tax laws enacted or substantively enacted at the balance sheet date. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred tax

Principle of recognition

Deferred tax is recognized as income or an expense amount within the tax charge, and included in the net profit or loss for the period.

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Exceptions to recognition in profit or loss

Deferred tax relating to items dealt with as other comprehensive income (such as a revaluation) is recognized as tax relating to other comprehensive income within the statement of profit or loss and other comprehensive income.

Deferred tax relating to items dealt with directly in equity (such as the correction of an error or retrospective application of a change in accounting policy) is recognized directly in equity.

Deferred tax resulting from a business combination is included in the initial cost of goodwill.

Taxable temporary difference

A deferred tax liability is recognized for all taxable differences, except to the extent that the deferred tax liability arises from:

- the initial recognition of goodwill; or
- the initial recognition of an asset or liability in a transaction which is not a business combination; and at the time of the transaction, affects neither accounting profit nor taxable profit (tax loss).

Revaluations to fair value – property, plant and equipment

The revaluation does not affect taxable profits in the period of revaluation and consequently, the tax base of the asset is not adjusted. Hence a temporary difference arises. This is provided for in full based on the difference between carrying amount and tax base. An upward revaluation is therefore given rise to a deferred tax liability.

Non-depreciated revalued assets

If a deferred tax liability or deferred tax asset arises from a non-depreciable asset measured using the revaluation model in IAS 16, the measurement of the deferred tax liability or deferred tax asset shall reflect the tax consequences of recovering the carrying amount of the non-depreciable asset through sale, regardless of the basis of measuring the carrying amount of that asset. Accordingly, if the tax law specifies a tax rate applicable to the taxable amount derived from the sale of an asset that differs from the tax rate applicable to the taxable amount derived from using an asset, the former rate is applied in measuring the deferred tax liability or asset related to a non-depreciable asset.

Revaluations to fair value – other assets

IFRS permit or require certain other assets to be revalued to fair value, such as certain financial instruments and investment properties. If the revaluation is recognized in profit or loss (e.g. fair value through profit or loss instruments, investment properties) and the amount is taxable / allowable for tax, then no deferred tax arises as both the carrying value and the tax base are adjusted. However, if the revaluation is recognized as other comprehensive income (e.g. available-for-sale instruments) and does not therefore impact taxable profits, then the tax base of the asset is not adjusted and deferred tax arises. This deferred tax is also recognized as other comprehensive income.

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Deductible temporary difference

A deferred tax asset is recognized for all deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilized, unless the deferred tax asset arises from the initial recognition of an asset or liability in a transaction that:

- is not a business combination; and
- at the time of the transaction, affects neither accounting profit nor taxable profit (tax loss).

Unused tax losses and unused tax credits

A deferred tax asset is recognized for the carry forward of unused tax losses and unused tax credits to the extent that it is probable that future taxable profit will be available against which the unused tax losses and unused tax credits can be utilized.

3.24 Statement of Cash Flows

The statement of cash flows has been prepared in accordance with the requirements of IAS 7: Statement of Cash Flows. The cash generating from operating activities has been reported using the Direct Method as prescribed by the Securities and Exchange Rules, 1987 and as the benchmark treatment of IAS 7 whereby major classes of gross cash receipts and gross cash payments from operating activities are disclosed.

3.25 Related Party Disclosures

The Group carried out a number of transactions with related parties. The information as required by IAS 24: "Related party Disclosure" has been disclosed in a separate note to the accounts (Note-41.3).

3.26 Segment Reporting

Segmental information is provided for the different business segments of the Group. Business segmentation has been determined based on the nature of goods provided by the Group after considering the risk and rewards of each type of product.

Since the individual segments are located close to each other and operate in the same industrial environment, the need for geographical segmentation has no material impact.

The activities of the segments are described on notes 40 in the Notes to the Financial Statements. The group transfers products from one industry segment for use in another. Inter-segment transfers are based on fair market prices.

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Revenue and expenses directly attributable to each segment are allocated to the respective segments. Revenue and expenses not directly attributable to a segment are allocated on the basis of their resource utilization, wherever possible.
Assets and liabilities directly attributable to each segment are allocated to the respective segments. Assets and liabilities, which are not directly attributable to a segment, are allocated on a reasonable basis wherever possible.

Segment capital expenditure is the total cost incurred during the period to acquire segment assets that are expected to be used for more than one accounting period.

All operating segments' operating results are reviewed regularly to make decisions about resources to be allocated to the segment and assess its performance and for which discrete financial information is available.

4. Risk Exposure

4.1 Financial risk management

GHAIL's activities are exposed to a variety of financial risks. The Company's financial risk management centered upon using various tools and to manage exposure to risk, particularly credit risk, liquidity risk, market risk, currency risk and interest rate risk. Similar to general risk management, financial risk management requires identifying its sources, measuring it, and plans to address them. Taking risk is in the core of the financial business, and operational risk is an inevitable consequence of being in business. GHAIL's aim is therefore to achieve an appropriate balance between risk and return and minimize potential adverse effects on GHAIL's financial performance.

GHAIL's risk management policies are designed to identify and analyze these risks, to set appropriate risk limits and controls, and to monitor the risks and adhere to limits by means of prudent risk management policies and application of reliable and up-to-date information systems. GHAIL regularly reviews its risk management policies and systems to reflect changes in products, markets, and emerging best practices.

4.2 Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The senior management of GHAIL carefully manages its exposure to credit risk. Credit exposures arise principally in receivables from customers' existing in GHAIL's asset portfolio. The credit risk management and control are controlled through the credit policies of GHAIL's which are updated regularly. The company is also exposed to other credit risks arising from balances with banks which are controlled through board approved counterparty limits.

4.3 Liquidity risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at a reasonable price.

The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient cash balances or liquid and marketable assets to meet its liabilities when fall due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. Typically, management ensures that it has sufficient cash and cash equivalent to meet expected operational expenses, including the servicing of financial obligation through preparation of the cash 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.

4.4 Industry Risks

Industry risk refers to the risk of increased competition from foreign and domestic sources leading to lower prices, revenues, profit margin, and market share which could have an adverse impact on the business, financial condition and results of operation. Frozen foods industry in Bangladesh is an emerging sector with vast local demand for its different product lines. Locally produced frozen products now play a significant role in this sector, which has been dominated by imports in the past.

However, the infrastructure required for this industry is inadequate in Bangladesh, as can be noted below:

- No organized collection centers for agricultural produce exist in Bangladesh; as a result, there is a high fluctuation in prices both for the growers and for processors.
- Absence of Cold Storage or Cold Chains although the whole process of collection, processing and distribution depends on cold temperature maintenance due to the nature of the finished product.

Golden Harvest Agro Industries Ltd has established its brand name in Frozen Food market with its quality products, range of products and customer services. However, to develop an infrastructure, both public and private sector participation is required. This is the focal point of Golden Harvest's future expansion plans. To eliminate fluctuation in prices both for the growers and for the processors, Golden Harvest will organize collection centers to eliminate intermediary cost for both the parties. Deploying 15,000 refrigerators with 24 cold storages at -30-degree Celsius nationwide, Golden Harvest will have infrastructure backbone of Cold Chain which will ensure proper supply of Frozen Foods all over the country through its 50-temperature controlled transport.

4.5 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, while optimizing the return.

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(i) Currency risk

The company is not exposed to currency risk on revenues because goods are sold in local market with local currency and there is insignificant purchase of machineries, parts and equipment.

(ii) Interest rate risk

Interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. GHAIL again has limited exposure to interest rate since it borrows primarily in fixed interest rate, and further, interest rate are fully hedged at project levels too.

4.6 Reporting foreign currency transactions

Initial recognition

A foreign currency transaction is recorded, on initial recognition in the functional currency, by applying to the foreign currency amount the spot exchange rate between the functional currency and the foreign currency at the date of the transaction.

Subsequent measurement

A foreign currency transaction may give rise to assets or liabilities that are denominated in a foreign currency. These assets and liabilities is translated into GHAIL's functional currency at each reporting date. However, translation depends on whether the assets or liabilities are monetary or non-monetary items:

Monetary items

Foreign currency monetary items outstanding at the end of the reporting date are translated using the closing rate. The difference between this amount and the previous carrying amount in functional currency is an exchange gain or loss.

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

Non-monetary items

Non-monetary items carried at historic cost are translated using the exchange rate at the date of the transaction when the asset arose (historical rate). They are not subsequently retranslated in the individual financial statements of GHAIL. Non-monetary items carried at fair value are translated using the exchange rate at the date when the fair value was determined. The foreign currency fair value of a non-monetary asset is determined.

When a gain or loss on a non-monetary item is recognized in other comprehensive income, any exchange component of that gain or loss is recognized in other comprehensive income. Conversely, when a gain or loss on a non-monetary item is recognized in profit or loss, any exchange component of that gain or loss is recognized in profit or loss.

Measurement of financial assets

Financial assets can be monetary or non-monetary and may be carried at fair value or amortized cost. Where a financial instrument is denominated in a foreign currency, it is initially recognized at fair value in the foreign currency and translated into the functional currency at spot rate. The fair value of the financial instrument is usually the same fair value of the consideration given in the case of an asset or received in the case of a liability.

At each year end, the foreign currency amount of financial instruments carried at amortized cost is translated into the functional currency using either the closing rate (if it is a monetary item) or the historical rate (if it is a non-monetary item). Financial instruments carried at fair value are translated to the functional currency using the closing spot rate.

Exchange differences

The entire change in the carrying amount of a non-monetary fair value through other comprehensive income financial asset, including the effect of changes in foreign currency rates, is reported as other comprehensive income at the reporting date.

A change in the carrying amount of monetary fair value through other comprehensive income financial assets on subsequent measurements is analyzed between the foreign exchange component and the fair value movement. The foreign exchange component is recognized in profit or loss and the fair value movement is recognized as other comprehensive income.

The entire change in the carrying amount of financial instruments measured at fair value through profit or loss, including the effect of changes in foreign currency rates, is recognized in profit or loss.

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5. Property, plant and equipment (PPE)

Consolidated

Amount in BDT

Particulars	Cost/Valuation: Balance as on 01-Jul-20	Addition for the year	Transfer from CWIP & ROU assets	Disposal for the year	Balance as on 30-Jun-21	Rate	Depreciation: Balance as on 01-Jul-20	Charged for the year	Transfer from CWIP & ROU assets	Disposal for the year	Balance as on 30-Jun-21	Written Down Value as of 30-Jun-21
At historical cost:												
Land and land development	450,820,997	7,142,425	-	-	457,963,422	0%	-	-	-	-	-	457,963,422
Buildings and other constructions	437,762,781	218,535,219	-	-	656,298,000	2.5%	54,534,384	12,243,249	-	-	66,777,633	589,520,367
Plant and machinery	142,367,287	9,797,707	-	-	152,164,994	5.0%	44,367,744	5,234,780	-	-	49,602,524	102,562,470
Office Equipment	10,788,528	4,082,805	-	-	14,871,333	10%	4,754,680	855,951	-	-	5,610,631	9,260,702
Furniture and Fixtures	39,316,216	1,069,034	-	-	40,385,250	10%	21,944,259	1,784,306	-	-	23,728,565	16,656,685
Vehicle	15,237,758	1,736,916	-	3,077,756	13,896,918	10%	6,758,556	1,141,324	-	676,470	7,223,410	6,673,508
Freezer	680,426,618	-	20,002,000	-	700,428,618	10%	191,930,936	50,460,409	3,893,595	-	246,284,940	454,143,678
A. Sub total of 30 June 2021	**1,776,720,185**	**242,364,106**	**20,002,000**	**3,077,756**	**2,036,008,535**		**324,290,558**	**71,720,019**	**3,893,595**	**676,470**	**399,227,702**	**1,636,780,833**
At revaluation:												
Land and land development	112,033,188	-	-	-	112,033,188	0%	-	-	-	-	-	112,033,188
Buildings and other constructions	165,683,091	-	-	-	165,683,091	2.5%	33,470,446	3,305,316	-	-	36,775,762	128,907,329
Plant and machinery	41,576,975	-	-	-	41,576,975	5.0%	16,036,193	1,277,039	-	-	17,313,232	24,263,743
B. Sub total of 30 June 2021	**319,293,254**	**-**	**-**	**-**	**319,293,254**		**49,506,639**	**4,582,355**	**-**	**-**	**54,088,994**	**265,204,260**
Total (A+B) of 30 June 2021	**2,096,013,439**	**242,364,106**	**-**	**3,077,756**	**2,355,301,789**		**373,797,197**	**76,302,374**	**-**	**676,470**	**453,316,696**	**1,901,985,093**
Total of 30 June 2020	**4,363,683,936**	**411,519,908**	**-**	**-**	**4,775,203,843**		**616,246,240**	**193,206,395**	**-**	**-**	**809,452,634**	**3,965,751,208**

5.01 Depreciation has been charged on different cost centers as under :

Particulars	Factory	Rate of Dep. (%)	General and Admin.	Rate of Dep. (%)	Selling and Distribution	Rate of Dep. (%)	Total
At historical cost							
Buildings and other constructions	12,243,249	100%	-	0%	-	0%	12,243,249
Plant and machinery	5,234,780	100%	-	0%	-	0%	5,234,780
Office Equipment	427,976	50%	342,381	40%	85,595	10%	855,951
Furniture and Fixtures	624,507	35%	892,153	50%	267,646	15%	1,784,306
Vehicles	114,132	10%	342,397	30%	684,794	60%	1,141,324
Freezer	-	0%	-	0%	50,460,409	100%	50,460,409
Sub total	**18,644,644**		**1,576,931**		**51,498,444**		**71,720,019**
At revaluation							
Buildings and other constructions	3,305,316	100%	-	0%	-	0%	3,305,316
Plant & machinery	1,277,039	100%	-	0%	-	0%	1,277,039
Sub total	**4,582,355**		**-**		**-**		**4,582,355**
Grand total	**23,226,999**		**1,576,931**		**51,498,444**		**76,302,374**

Note (i). Land & Building are mortgaged and Plant & Machinery and equipments are hypothecated with Mercantile Bank Ltd. , Gulshan Branch against term loan and working capital (CC hypo) facilities according to their sanction terms.

Note (ii). The Company (GHAIL) revalued the Lands, Buildings, and Plant & Machinery as of 30 June 2009, 2011 and 2013 by the Valuer, Ata Khan & Co, Chartered Accountants following "Current Cost Method", resulting the following surplus:

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5A. Property, plant and equipment
The Company

Particulars	Cost/Valuation: Balance as on 01-Jul-20	Addition for the year	Transfer for the year	Disposal for the year	Balance as on 30-Jun-21	Rate	Depreciation: Balance as on 01-Jul-20	Charged for the year	Transfer for the year	Disposal for the year	Balance as on 30-Jun-21	Written Down Value as of 30-Jun-21
At historical cost:												
Land and land development	236,336,936	7,142,425	-	-	243,479,361	0.0%	-	-	-	-	-	243,479,361
Buildings and other constructions	412,431,210	218,535,219	-	-	630,966,429	2.5%	52,073,855	11,671,473	-	-	63,745,328	567,221,101
Plant and machinery	140,154,542	9,797,707	-	-	149,952,249	5.0%	44,018,508	5,140,945	-	-	49,159,453	100,792,796
Office equipment	10,271,603	4,069,605	-	-	14,341,208	10%	4,587,265	813,404	-	-	5,400,669	8,940,539
Furniture and fixtures	39,316,216	993,074	-	-	40,309,290	10%	21,944,259	1,784,306	-	-	23,728,565	16,580,725
Vehicle	14,774,228	1,736,916	-	3,077,756	13,433,388	10%	6,634,262	1,107,400	-	676,470	7,065,192	6,368,196
Freezer	680,426,618		20,002,000		700,428,618	10%	191,930,936	50,460,409	3,893,595		246,284,940	454,143,678
5A. Sub total of 30 June 2021	**1,533,711,353**	**242,274,946**	**20,002,000**	**3,077,756**	**1,792,910,543**		**321,189,084**	**70,977,937**	**3,893,595**	**676,470**	**395,384,146**	**1,397,526,396**
At revaluation:												
Land and land development	112,033,188	-	-	-	112,033,188	0.0%	-	-	-	-	-	112,033,188
Buildings and other constructions	165,683,091	-	-	-	165,683,091	2.5%	33,470,446	3,305,316	-	-	36,775,762	128,907,329
Plant and machinery	41,576,975	-	-	-	41,576,975	5.0%	16,036,193	1,277,039	-	-	17,313,232	24,263,743
B. Sub total of 30 June 2021	**319,293,254**	**-**	**-**	**-**	**319,293,254**		**49,506,639**	**4,582,355**	**-**	**-**	**54,088,994**	**265,204,260**
Total (A+B) of 30 June 2021	**1,853,004,607**	**242,274,946**	**20,002,000**	**3,077,756**	**2,112,203,797**		**370,695,723**	**75,560,292**	**3,893,595**	**676,470**	**449,473,140**	**1,662,730,656**
Total of 30 June 2020	**1,609,477,894**	**23,206,027**	**-**	**-**	**1,632,683,921**		**266,992,739**	**62,769,789**	**-**	**-**	**329,762,528**	**1,302,921,393**

5A.01 Depreciation has been charged on different cost centers as under :

Particulars	Factory	Rate of Dep. (%)	General and Admin.	Rate of Dep. (%)	Selling & Distribution	Rate of Dep. (%)	Total
At historical cost							
Buildings and other constructions	11,671,473	100%	-	0%	-	0%	11,671,473
Plant and machinery	5,140,945	100%	-	0%	-	0%	5,140,945
Office equipments	406,702	50%	325,362	40%	81,340	10%	813,404
Furniture and fixture	624,507	35%	892,153	50%	267,646	15%	1,784,306
Vehicles	110,740	10%	332,220	30%	664,440	60%	1,107,400
Freezer	-	0%	-	0%	50,460,409	100%	50,460,409
Sub total	**17,954,367**		**1,549,735**		**51,473,835**		**70,977,937**
At revaluation							
Buildings and other constructions	3,305,316	100%	-	0%	-	0%	3,305,316
Plant and machinery	1,277,039	100%	-	0%	-	0%	1,277,039
Sub total	**4,582,355**		-		-		**4,582,355**
Grand total	**22,536,722**		**1,549,735**		**51,473,835**		**75,560,292**

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6. Right of use (ROU) assets

Consolidated

Amount in BDT

Particulars	Cost/Valuation					Rate	Depreciation					Written Down Value as of 30-Jun-21
	Balance as on 01-Jul-20	Addition for the year	Transfer for the year	Disposal for the year	Balance as on 30-Jun-21		Balance as on 01-Jul-20	Charged for the year	Transfer for the year	Disposal for the year	Balance as on 30-Jun-21	
Vehicle	30,373,571	-	-	30,373,571	-	10%	18,546,887	394,223	-	18,941,110	-	-
Freezer	20,002,000	-	-	20,002,000	-	10%	3,893,595	-	-	3,893,595	-	-
Total of 30 June 2021	**50,375,571**	-	-	**30,373,571**	-		**22,440,482**	**394,223**	-	**22,834,705**	-	-
Total of 30 June 2020	**113,465,458**	**28,670,000**	-	-	**142,135,458**		**28,343,752**	**10,662,420**	-	-	**39,006,172**	**103,129,286**

6.01 Depreciation has been charged on different cost centers as under : **9,940,152**

Particulars	Factory	Rate of Dep. (%)	General and Admin.	Rate of Dep. (%)	Selling & Distribution	Rate of Dep. (%)	Total
Vehicles	-	0%	78,845	20%	315,378	80%	394,223
Freezer	-	0%	-	0%	-	100%	-
Total	-		**78,845**		**315,378**		**394,223**

6A. Right of use (ROU) assets

The Company

Particulars	Cost/Valuation					Rate	Depreciation					Written Down Value as of 30-Jun-21
	Balance as on 01-Jul-20	Addition for the year	Transfer for the year	Disposal for the year	Balance as on 30-Jun-21		Balance as on 01-Jul-20	Charged for the year	Transfer for the year	Disposal for the year	Balance as on 30-Jun-21	
Vehicle	30,373,571	-	-	30,373,571	-	10%	18,546,887	394,223	-	18,941,110	-	-
Freezer	20,002,000	-	-	20,002,000	-	10%	3,893,595	-	-	3,893,595	-	-
Total of 30 June 2021	**50,375,571**	-	-	**50,375,571**	-		**22,440,482**	**394,223**	-	**22,834,705**	-	-
Total of 30 June 2020	**50,375,571**	-	-	-	**50,375,571**		**15,887,807**	**3,448,776**	-	-	**19,336,583**	**31,038,988**

6A.01 Depreciation has been charged on different cost centers as under :

Particulars	Factory	Rate of Dep. (%)	General and Admin.	Rate of Dep. (%)	Selling and Distribution	Rate of Dep. (%)	Total
Vehicles	-	0%	78,845	20%	315,378	80%	394,223
Freezer	-	0%	-	0%	-	100%	-
Total	-		**78,845**		**315,378**		**394,223**

7. Intangible Assets

Consolidated

Amount in BDT

Particulars	Cost/Valuation					Rate	Depreciation					Written Down Value as of 30-Jun-21
	Balance as on 01-Jul-20	Addition for the year	Transfer for the year	Disposal for the year	Balance as on 30-Jun-21		Balance as on 01-Jul-20	Charged for the year	Transfer for the year	Disposal for the year	Balance as on 30-Jun-21	
Software (at development stage)	26,397,268	-	-	-	26,397,268	10%	2,639,727	2,375,754	-	-	5,015,481	21,381,787
Design, construction and development of products	45,406,171	17,210,271	-	-	62,616,442	10%	9,371,592	4,894,228	-	-	14,265,820	48,350,622
Total of 30 June 2021	**71,803,439**	**17,210,271**	**-**	**-**	**89,013,710**		**12,011,319**	**7,269,982**	**-**	**-**	**19,281,301**	**69,732,409**
Total of 30 June 2020	**96,808,122**	**-**	**-**	**-**	**96,808,122**		**9,681,368**	**4,921,237**	**-**	**-**	**14,602,605**	**82,205,517**

7.01 Amortization has been charged on different cost centers as under :

Particulars	Factory	Rate of Dep. (%)	General and Admin.	Rate of Dep. (%)	Selling & Distribution	Rate of Dep. (%)	Total
Software	475,151	20%	475,151	20%	1,425,452	60%	2,375,754
Design, construction and development of products	-	0%	-	0%	4,894,228	100%	4,894,228
Total	**475,151**		**475,151**		**6,319,680**		**7,269,982**

7A. Intangible Assets
The Company

Particulars	Cost/Valuation					Rate	Depreciation					Written Down Value as of 30-Jun-21
	Balance as on 01-Jul-20	Addition for the year	Transfer for the year	Disposal for the year	Balance as on 30-Jun-21		Balance as on 01-Jul-20	Charged for the year	Transfer for the year	Disposal for the year	Balance as on 30-Jun-21	
Software (at development stage)	26,397,268	-	-	-	26,397,268	10%	2,639,727	2,375,754	-	-	5,015,481	21,381,787
Design, construction and development of products	45,406,171	17,210,271	-	-	62,616,442	10%	9,371,592	4,894,228	-	-	14,265,820	48,350,622
Total of 30 June 2021	**71,803,439**	**17,210,271**	**-**	**-**	**89,013,710**		**12,011,319**	**7,269,982**	**-**	**-**	**19,281,301**	**69,732,409**
Total of 30 June 2020	**56,878,946**	**-**	**-**	**-**	**56,878,946**		**4,419,843**	**2,606,184**	**-**	**-**	**7,026,027**	**49,852,919**

7A.01 Amortization has been charged on different cost centers as under :

Particulars	Factory	Rate of Dep. (%)	General and Admin.	Rate of Dep. (%)	Selling and Distribution	Rate of Dep. (%)	Total
Software	475,151	20%	475,151	20%	1,425,452	60%	2,375,754
Design, construction and development of products	-	0%	-	0%	4,894,228	100%	4,894,228
Total	**475,151**		**475,151**		**6,319,680**		**7,269,982**

		Amount in BDT	
		30-Jun-21	30-Jun-20
8.	**Biological assets-Consolidated**		
	Golden Harvest Agro Industries Limited	-	-
	Golden Harvest Dairy Limited	90,968,606	93,015,304
		90,968,606	**93,015,304**
9.	**Capital work in progress-Consolidated**		
	Golden Harvest Agro Industries Limited (Note-9A)	460,679,235	450,358,528
	Golden Harvest Dairy Limited	38,230,496	37,295,937
		498,909,731	**487,654,465**
9A.	**Capital work in progress**		
	Opening Balance	450,358,528	397,015,154
	Addition during the period	194,104,647	268,477,773
	Transferred to property, plant and equipment	(183,783,940)	(215,134,399)
		460,679,235	**450,358,528**
10.	**Investment in subsidiary companies**		
	Golden Harvest Ice Cream ltd. (Note: 10.01)	-	-
	Golden Harvest Dairy Ltd. (Note: 10.02)	(1,967,361)	15,096,812
		(1,967,361)	**15,096,812**
10.01.	**Golden Harvest Ice Cream ltd.**		
	Opening balance	-	685,539,459
	Adjustment for changes of tax rates	-	-
	Restated opening balance	**-**	**685,539,459**
	Share of change of revalued amount of PPE	-	-
	Transfer to investment in associates	-	(685,539,459)
		-	-
10.02.	**Golden Harvest Dairy Ltd.**		
	Opening balance	15,096,812	18,772,253
	Deposit for share	-	-
	Share of net loss after tax of subsidiary	(17,064,173)	(3,675,441)
		(1,967,361)	**15,096,812**
11.	**Investment in associates**		
	Golden Harvest Ice Cream ltd. (Note: 11.01)	616,535,922	675,317,005
	Golden Harvest QSR Ltd. (Note: 11.02)	48,355,038	48,355,038
		664,890,960	**723,672,043**
11.01.	**Golden Harvest Ice Cream ltd.**		
	Opening balance	675,317,005	685,539,459
	Share of net profit after tax of associates	(58,781,083)	(10,222,454)
		616,535,922	**675,317,005**
11.02.	**Golden Harvest QSR Ltd.**		
	Opining balance	**48,655,038**	**300,000**
	Investment in share	300,000	300,000
	Deposit for share	48,355,038	-
	Add: Deposit for share during the year	-	48,355,038
	Less: Attributable Share of Accumolated Loss of Associate		
	Opining balance	300,000	-
	Loss of during the year	-	300,000
		300,000	300,000
		48,355,038	**48,355,038**

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		Amount in BDT	
		30-Jun-21	30-Jun-20

Share of accumulated loss of associates during the year is Tk. 15,208,609 (Tk.50,695,362 x 30%) including business loss of Jubilant Golden Harvest Ltd.

Golden Harvest QSR Limited (GHQSR), an associate company (30% share) of Golden Harvest Agro Industries Limited, owns 49% share of Jubilant Golden Harvest Limited (JGHL), and rest 51% share is owned by Jubilant Food works Limited (JFL), a listed company in India. JGHL is a joint venture company between Jubilant Food works and Golden Harvest is operating Domino's Pizza restaurant in Bangladesh.

		30-Jun-21	30-Jun-20
12.	**Inventories -Consolidated**		
	Golden Harvest Agro Industries Limited (Note-12A)	505,165,790	499,943,834
	Golden Harvest Dairy Limited	2,893,533	2,254,714
		508,059,323	**502,198,548**
12A.	**Inventories**		
	Finished goods	211,681,567	211,601,192
	Raw materials	192,544,142	184,588,355
	Packing materials	94,133,571	89,785,484
	Spare Parts	651,265	
	Work in process	-	-
	Stores in transit	6,155,245	13,968,803
		505,165,790	**499,943,834**
13.	**Advances, deposits and prepayments-Consolidated**		
	Golden Harvest Agro Industries Limited (Note-13A)	330,027,675	323,349,766
	Golden Harvest Dairy Limited	4,012,785	1,014,618
		334,040,460	**324,364,384**
13A.	**Advances, deposits and prepayments**		
	Advance to contract farmer, suppliers & service providers	275,161,012	275,438,257
	Advance Income taxes (AIT) (Note: 13A.1)	42,394,135	35,365,401
	Advance VAT	11,873,598	11,873,598
	Other Deposit	598,930	598,930
	Lease deposits	-	73,580
		330,027,675	**323,349,766**
13A.1	**Advance Income taxes (AIT)**		
	Opening Balance	35,365,401	28,392,632
	Addition during the period	7,484,589	6,972,769
	Adjustment for during the year	(455,855)	-
		42,394,135	**35,365,401**
14.	**Trade and other receivables-Consolidated**		
	Golden Harvest Agro Industries Limited (Note-14A)	917,787,829	1,163,448,583
	Golden Harvest Dairy Limited	4,209,085	3,448,346
		921,996,914	**1,166,896,929**
	Less: Inter company transaction	(143,895,675)	(130,814,250)
		778,101,239	**1,036,082,679**
14A.	**Trade and other receivables**		
	Trade receivable (Note: 14A.01)	388,423,819	346,369,190
	Other receivable (Note: 14A.02)	529,364,010	817,079,393
		917,787,829	**1,163,448,583**

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		Amount in BDT	
		30-Jun-21	30-Jun-20
14A.01	**Trade receivables**		
	Sales receivables	388,423,819	346,369,190
		388,423,819	**346,369,190**

Aging Schedule of Trade Receivable

Account Name	Upto 90 days	Upto 180 days	Over 180 days	2021	2020
Sales receivables	132,097,959	134,204,192	122,121,669	388,423,819	346,369,190

This is unsecured, considered good except for the portion of doubtful debtors and is falling due within one period. Classification schedule as required by schedule XI of Companies Act 1994 are as follows:

Sl. No.	Particulars	Consolidated amount in BDT 2021	Consolidated amount in BDT 2020
I	Accounts receivable considered good in respect of which the company is fully secured	-	-
II	Accounts receivable considered good in respect of which the company holds no security other than the debtor personal security	388,423,819	346,369,190
III	Accounts receivable considered doubtful or bad	-	-
IV	Accounts receivable due by any director or other officer of the company	-	-
V	Accounts receivable due by Common management	-	-
VI	The maximum amount of receivable due by any director or other officer of the company	-	-
Total		**388,423,819**	**346,369,190**

14A.02	**Other receivables**		
	Interest receivable	1,915,205	253,885
	Inter company transaction (Note: 14A.02.01)	527,448,804	816,825,508
		529,364,010	**817,079,393**
14A.02.01	**Inter company transaction**		
	Golden Harvest Dairy Ltd.	143,895,675	130,814,250
	Golden Harvest Ice Cream Ltd.	13,760,000	-
	Golden Harvest InfoTech Ltd.	-	189,536,028
	Golden Harvest Developers Ltd.	-	74,664,379
	Golden Harvest Foods Ltd.	-	85,635,279
	Golden Harvest QSR Ltd.	369,793,129	336,175,572
		527,448,804	**816,825,508**

This is unsecured and considered good.

The company has collected intercompany receivables of TK 349,835,686 and utilized the fund for repayment of some loans and meeting operational working capital requirements during COVID-19 pandemic.

15.	**Cash and cash equivalents-Consolidated**		
	Golden Harvest Agro Industries Limited (Note-15A)	334,971,687	403,000,901
	Golden Harvest Dairy Limited	8,594,121	2,233,886
		343,565,808	**405,234,786**

Fixed Deposits are lien against LC margin

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		Amount in BDT	
		30-Jun-21	30-Jun-20
15A.	**Cash and cash equivalents**		
	Cash in hand:	**73,020,288**	**26,556,838**
	Cash in hand at head office	967,786	1,052,256
	Cash in hand at factory and Depot office	72,052,502	25,504,582
	Cash at bank	31,951,399	132,714,063
	Fixed Deposits with Banks (Maturity within 1 to 3 months)	230,000,000	243,730,000
		334,971,687	**403,000,901**

Details of cash at bank is given at annex-A

		30-Jun-21	30-Jun-20
16.	**Share capital**		
	Authorized share capital	**2,500,000,000**	**2,500,000,000**
	250,000,000 ordinary shares of BDT 10 each		
	Issued, subscribed and paid up capital		
	58,750,000 ordinary share @ Tk. 10 each fully paid-up against cash	587,500,000	587,500,000
	56,159,790 bonus share @ Tk. 10 each	621,552,790	621,552,790
	5,000,000 ordinary share @ Tk. 10 each fully paid-up against acquisition of shares of Golden Harvest Ice Cream Limited	50,000,000	50,000,000
	Right share issue 89,932,342 @ 10	899,323,420	899,323,420
		2,158,376,210	**2,158,376,210**

The above balance has been received from the following :

Name	Designation	% of Shares		No. of Shares	
		30/Jun/21	30/Jun/20	30/Jun/21	30/Jun/20
Directors					
Enamuzzaman Chowdhury	Chairman	2.00	2.00	4,316,750	4,316,750
Mr. Matthew Graham Stock	Director	-	-	-	-
Mr. Ahmed Rajeeb Samdani	Managing Director	21.94	21.94	47,347,464	47,347,464
Mr. Ahmed Mehdi Samdani	Sponsor	0.22	0.22	472,371	472,371
Ms. Nadia Khalil Choudhury	Director	2.00	2.00	4,316,750	4,316,750
Mr. Azizul Huque	Director	2.26	2.26	4,877,261	4,877,261
Mr. Moqsud Ahmed Khan	Director	2.46	2.46	5,312,924	5,312,924
Mr. Mohius Samad Choudhury	Director	2.00	2.00	4,316,750	4,316,750
		32.88	**32.88**	**70,960,270**	**70,960,270**
Others					
Foreign investors		0.67	0.62	1,449,248	1,339,753
Institutions		40.88	40.19	88,230,561	86,748,027
General shareholders		25.57	26.31	55,197,542	56,789,571
		67.12	**67.12**	**144,877,351**	**144,877,351**
		100.00	**100.00**	**215,837,621**	**215,837,621**

Range with shareholding position:

Range of holdings In number of shares	No. of shareholders		% of shareholders		Number of shares	
	30-Jun-21	30-Jun-20	30-Jun-21	30-Jun-20	30-Jun-21	30-Jun-20
1 to 499	4,243	4,491	0.324	0.406	577,669	543,251
500 to 5,000	6,614	5,013	0.505	0.454	10,372,732	6,894,233
5,001 to 10,000	961	612	0.073	0.055	7,448,897	4,676,829
10,001 to 20,000	612	375	0.047	0.034	9,087,647	5,659,348
20,001 to 30,000	228	154	0.017	0.014	5,795,379	3,909,141
30,001 to 40,000	126	80	0.010	0.007	4,456,835	2,849,934
40,001 to 50,000	81	66	0.006	0.006	3,761,607	3,022,675
50,001 to 100,000	118	122	0.009	0.011	8,500,989	9,035,921
100,001 to 1,000,000	101	117	0.008	0.011	23,663,449	32,839,002
Over 1,000,000	23	24	0.002	0.002	142,172,417	146,407,287
Total	**13,107**	**11,054**	**1.00**	**1.00**	**215,837,621**	**215,837,621**

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	Amount in BDT	
	30-Jun-21	30-Jun-20

Shareholding position of Golden Harvest Ice Cream Ltd:

Name	Designation	% of Shares		Value of shares @ BDT 10	
		30-Jun-21	30-Jun-20	30-Jun-21	30-Jun-20
Mr. Ahmed Rajeeb Samdani	Chairman	3.00%	3.00%	30,000,900	30,000,900
Golden Harvest Agro Industries Ltd.	Parent company	45.00%	45.00%	449,999,100	449,999,100
Others	Shareholders	52.00%	52.00%	520,000,000	520,000,000
		100%	**100%**	**1,000,000,000**	**1,000,000,000**

Shareholding position of Golden Harvest Dairy Ltd:

Name	Designation	% of Shares		Value of shares @ BDT 10	
		30-Jun-21	30-Jun-20	30-Jun-21	30-Jun-20
Mr. Ahmed Rajeeb Samdani	Chairman	25.00%	25.00%	12,500,000	12,500,000
Golden Harvest Agro Industries Ltd.	Parent company	75.00%	75.00%	37,500,000	37,500,000
		100%	**100%**	**50,000,000**	**50,000,000**

		30-Jun-21	30-Jun-20
17.	**Share premium**		
	Share premium received	-	450,000,000
	Bonus Share	-	(408,766,054)
	IPO expenses:	-	(41,233,946)
	Income tax (3% on premium)	-	(13,500,000)
	IPO cost	-	(25,927,742)
	Exchange gain / (loss)	-	(1,806,204)
		-	**-**
18.	**Revaluation surplus-Consolidated**		
	Golden Harvest Agro Industries Limited (Note-18A)	215,668,107	216,395,928
		215,668,107	**216,395,928**

The Company revalued its lands, buildings, and plant & machinery as of 30 June 2013 by its Valuer, Ata Khan & Co, Chartered Accountants following "Current cost method", resulting in a revaluation surplus at BDT 128,671,642 for Golden Harvest Agro Industries Ltd. and BDT 51,419,359 for Golden Harvest Ice Cream Ltd. which include non controlling interest part BDT 103.

		30-Jun-21	30-Jun-20
18A.	**Revaluation surplus**		
	Opening balance	216,395,928	219,946,668
	Adjustment for changes of tax rates	2,823,504	-
	Depreciation on revaluation surplus transferred to retained earnings	(3,551,325)	(3,550,740)
	Depreciation of the company	(3,551,325)	(3,550,740)
	Depreciation of Golden Harvest Ice Cream Ltd.	-	-
		215,668,107	**216,395,928**
19.	**Retained earnings-Consolidated**		
	Golden Harvest Agro Industries Limited (Note-15A)	687,920,282	865,262,041
		687,920,282	**865,262,041**
19A.	**Retained earnings**		
	Opening balance	865,262,041	951,631,139
	Prior period adjustment	7,090,107	-
	Deferred tax adjustment on depreciation of revalued amount of PPE	1,031,030	1,183,581
	Cash Dividend Paid	(28,975,470)	(56,209,976)
	Issue Cost of Right Share Issue	(3,640,800)	(11,172,568)
	Depreciation on revaluation surplus transferred	3,551,325	3,550,740
	Stock Dividend Issue	-	(31,286,736)
	Net profit after tax	(156,397,951)	7,565,863
		687,920,282	**865,262,041**

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		Amount in BDT	
		30-Jun-21	30-Jun-20
20.	**Non controlling interest**		
	Opening balance	5,032,270	844,138,981
	Share of Net profit after tax for the period (GHDL)	(5,688,058)	(1,225,147)
	Disposal for subsidiary company	-	(837,881,564)
		(655,788)	**5,032,270**
21.	**Long term loans -Consolidated**		
	Golden Harvest Agro Ind. Ltd. (Note-21A)	1,054,840,251	1,057,403,826
	Golden Harvest Dairy Limited	185,673,382	172,229,132
		1,240,513,633	**1,229,632,958**
	Current maturity of long term loan	(266,830,356)	(255,887,449)
		973,683,277	**973,745,509**

The above term loan is for the dairy project for which two drawdown has been made against one term loan. So two loan has been created.

21A.	**Long term loan**		
	Corporate Bond	418,701,250	392,201,250
	IPDC Finance Ltd	244,883,716	223,141,622
	Mercantile Bank Ltd., HBL	11,242,624	-
	Mercantile Bank Ltd., Term Loan- Agri	117,944,810	105,561,322
	Mercantile Bank Limited	196,028,795	179,371,908
	Mercantile Bank Limited	10,322,308	9,261,536
	Community Bank Limited	-	96,535,792
	IPDC Finance Ltd	55,716,748	51,330,396
		1,054,840,251	**1,057,403,826**
	Current maturity of long term loan	(226,283,517)	(212,289,237)
		828,556,734	**845,114,589**

Terms and conditions of term loan:

The Company is enjoying term loan facility against imported machineries and House building loan has taken for expansion of Factory Building from Mercantile bank, Gulshan Branch. Terms and Conditions of the loan is as below:

Particulars	Rate of Interest	Tenor	Repayment Term	Security
Mercantile Bank Ltd, HBL	9.00%	5 Years	Monthly (Starting from 24 October 2014)	
Mercantile Bank Ltd., Term Loan-Agri	9.00%	5 Years	LTR is for 90 Days (RM and PM)	
Mercantile Bank Ltd., Term Loan	9.00%	7 Years	Monthly (Starting from 26 December 2018)	
Mercantile Bank Ltd., Term Loan	9.00%	5 Years	Monthly (Starting from 31 July 2018)	

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				Amount in BDT	
				30-Jun-21	30-Jun-20
IPDC Finance Ltd.	14.50%	5 Years	Quarterly	1. Ranking charge on altftoating assets of GHAIL duty registered with RJSC. 2. Personal Guarantee (PG) of the all directors of GHAIL. 3. Post Dated Cheques. 4. Other Usual Charge documents.	
IPDC Finance Ltd.	14.50%	5 Years	Monthly (Starting from 22 April 2018)		
Fully redeemable Non-convertible, Unsecured Corporate Bond	Floor-10% Ceiling-11.5% Margin-3%	7 Years	At the end of Years 2, 3, 4, 5, 6 & 7 at the rate of 15% for the first 4 years and 20% for the last two years of issue size respectively		

22. Deferred tax liability-Consolidated

	30-Jun-21	30-Jun-20
Golden Harvest Agro Ind. Ltd. (Note-22A)	57,048,466	92,758,012
Golden Harvest Dairy Limited	(6,875,962)	(3,296,752)
	50,172,504	**89,461,260**

22A. Deferred tax liability

	30-Jun-21	30-Jun-20
Opening balance	92,758,012	107,852,338
Prior period adjustment	(7,090,107)	-
Adjustment for deferred tax for rate changes	(2,823,504)	-
Adjustment during the period on fixed assets at cost	(24,764,905)	(13,910,746)
Less : During the period on revaluation	(1,031,030)	(1,183,580)
	57,048,466	**92,758,012**

23. Lease obligations-Consolidated

	30-Jun-21	30-Jun-20
Golden Harvest Agro Ind. Ltd. (Note-23A)	-	678,791
Golden Harvest Dairy Limited	-	-
	-	**678,791**
Current maturity of lease obligation	-	(678,791)
	-	-

23A. Lease obligations

	30-Jun-21	30-Jun-20
BD Finance Investment Ltd.	-	678,791
	-	**678,791**
Current maturity of lease obligation	-	(678,791)
	-	-

24. Accounts and other payables-Consolidated

	30-Jun-21	30-Jun-20
Golden Harvest Agro Ind. Ltd. (Note-24A)	48,383,363	53,020,166
Golden Harvest Dairy Limited	144,272,471	131,138,052
	192,655,834	**184,158,217**
Less: Inter company transaction	(143,895,675)	(130,814,250)
	48,760,159	**53,343,967**

24A. Accounts and other payables

	30-Jun-21	30-Jun-20
Sundry creditors for goods and service	27,867,963	34,280,463
Undistributed refund warrant	4,395,927	5,278,743
Security deposits for freezer	4,152,649	3,929,249
Withholding tax and VAT	9,293,823	9,531,710
Bank interest payable	2,673,000	-
	48,383,363	**53,020,166**

25. Accruals and provisions-Consolidated

	30-Jun-21	30-Jun-20
Golden Harvest Agro Ind. Ltd. (Note-25A)	159,176,033	157,212,983
Golden Harvest Dairy Limited	988,552	1,224,040
	160,164,585	**158,437,023**

		Amount in BDT	
		30-Jun-21	30-Jun-20
25A.	**Accruals and provisions**		
	Salaries and wages	5,351,824	5,756,625
	Utility bills	1,635,759	1,193,617
	Mobile phone bill	192,099	-
	Audit fees	460,000	460,000
	TA/DA and incentive	688,657	630,003
	Provision for income tax (Note-25A.01)	122,757,615	122,114,621
	Provision for WPPF (Note-25A.02)	23,350,858	21,721,729
	Provision for others	4,739,221	5,336,389
		159,176,033	**157,212,983**
25A.01	**Provision for income tax**		
	Opening balance	122,114,621	114,873,382
	(Over) /Under provision for previous periods	7,188,372	-
	Provision for the period	8,107,468	15,969,862
		(14,652,846)	(8,728,623)
	AIT adjustment	(455,855)	-
	Tax paid during the period	(14,196,991)	(8,728,623)
		122,757,615	**122,114,621**
25A.02	**Provision for workers profit participation fund**		
	Employees welfare fund (Note: 25A.02.01)	3,413,624	3,175,464
	Bangladesh workers welfare fund (Note: 25A.02.02)	3,537,008	3,290,240
	Workers profit participation fund (Note: 25A.02.03)	16,400,227	15,256,025
		23,350,858	**21,721,729**
25A.02.01	**Employees welfare fund**		
	Opening balance	3,175,464	2,844,511
	Addition during the year	-	117,614
	Interest charged for the year	238,160	213,338
	Closing balance	**3,413,624**	**3,175,464**
25A.02.02	**Bangladesh workers welfare fund**		
	Opening balance	3,290,240	2,951,279
	Addition during the year	-	117,614
	Interest charged for the year	246,768	221,346
	Closing balance	**3,537,008**	**3,290,240**
25A.02.03	**Workers profit participation fund**		
	Opening balance	15,256,025	13,316,381
	Addition during the year	-	940,915
	Interest charged for the year	1,144,202	998,729
	Closing balance	**16,400,227**	**15,256,025**
26	**Unclaimed Dividend Account-Consolidated**		
	Golden Harvest Agro Industries Limited (Note-26A)	2,814,675	5,903,971
	Golden Harvest Dairy Limited	-	-
		2,814,675	**5,903,971**
26A	**Unclaimed Dividend Account**		
	2012-2013	274,662	274,662
	2013-2014	1,010,656	1,010,656
	2014-2015	30,294	30,294
	2015-2016	43,757	43,757
	2016-2017	36,807	36,807
	2017-2018	19,542	19,542
	2018-2019	611,083	4,488,252
	2020 (Interim)	787,873	-
		2,814,675	**5,903,971**

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		Amount in BDT	
		30-Jun-21	30-Jun-20
27.	**Short term loan**		
	Golden Harvest Agro Industries Limited (Note -27A)	559,791,493	541,894,631
	Golden Harvest Dairy Limited	66,727,769	57,746,612
		626,519,262	**599,641,243**
27A.	**Short term loan**		
	Golden Harvest Agro Industries Limited (Note- 27A.01)	559,791,493	541,894,631
		559,791,493	**541,894,631**
27A.01	**Golden Harvest Agro Industries Limited**		
	Mercantile Bank Limited-CC Hypo	326,230,372	319,153,306
	Standard Bank Ltd.	207,000,000	206,187,297
	Mercantile Bank Limited-Block Interest	2,806,856	9,743,367
	Mercantile Bank Limited-LATR	23,754,264	6,810,661
		559,791,493	**541,894,631**

Particulars	Rate of Interest	Tenor	Repayment Term
Mercantile Bank Limited-CC Hypo	9.00%	Working Capital	a. Hypothecation of the capital machineries and stock in trade, b. Personal guarantee of all the directors c. Post dated cheques d. Registered mortgage supported by registered IGPA favouring the bank against all bank facilities on 99.00 decimal land with factory building
Standard Bank Limited-SOD	9.00%	1 Year	1. Personal Security of directors. 2. Registered mortgage of 214.04 decimal land along with single storied industrial building at sreepur, Gazipur

		30-Jun-21	30-Jun-20
28.	**Sales revenue -Consolidated**		
	Golden Harvest Agro Industries Limited (Note: 28A)	544,818,571	838,160,294
	Golden Harvest Dairy Limited	8,192,856	47,032,817
		553,011,427	**885,193,111**
28A.	**Sales revenue**		
	Sales (Local-Frozen Unit)	540,292,346	610,053,082
	Sales (Local-Dairy Unit)	4,526,225	228,107,212
		544,818,571	**838,160,294**
29.	**Cost of goods sold-Consolidated**		
	Golden Harvest Agro Industries Limited (Note: 29A)	368,537,229	485,392,241
	Golden Harvest Dairy Limited	10,500,056	32,032,255
		379,037,284	**517,424,496**
29A.	**Cost of goods sold**		
	Raw and packing materials		
	Opening stock (Note: 12A)	274,373,839	219,571,666
	Purchase (Note: 29A.01)	281,661,662	531,419,538
		556,035,501	**750,991,204**
	Closing stock (Note: 12A)	(286,677,713)	(274,373,839)
		269,357,788	**476,617,365**
	Manufacturing expenses (Note: 29A.02)	99,259,816	70,158,277
	Cost of goods manufactured	**368,617,604**	**546,775,642**
	Opening stock of finished goods (Note: 12A)	211,601,192	173,917,791
		580,218,796	**720,693,433**
	Less: Adjustment against Freezer Purchases	-	(23,700,000)
		580,218,796	**696,993,433**
	Closing stock of finished goods (Note: 12A)	(211,681,567)	(211,601,192)
		368,537,229	**485,392,241**

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	Amount in BDT	
	30-Jun-21	30-Jun-20
	Frozen unit	Dairy unit
Opening stock	274,373,839	-
Purchase	281,661,662	-
	556,035,501	**-**
Closing stock	(286,677,713)	-
	269,357,788	**-**
Manufacturing expenses	99,259,816	-
Cost of goods manufactured	**368,617,604**	**-**
Opening stock of finished goods	207,074,967	4,526,225
	575,692,571	**4,526,225**
Less: Adjustment against Freezer Purchases		-
	575,692,571	4,526,225
Closing stock of finished goods	(211,681,567)	
	364,011,004	**4,526,225**

29A.01 Purchase

Raw materials	229,714,791	453,077,904
Packing materials	51,946,871	78,341,634
	281,661,662	**531,419,538**

	Frozen unit	Dairy unit
Raw materials	229,714,791	-
Packing materials	51,946,871	-
	281,661,662	**-**

29A.02 Manufacturing expenses

Salary and allowance	40,339,089	30,079,646
Factory maintenance	8,660,064	1,561,864
Traveling, conveyance, tour	200,339	259,260
Utilities and generator fuel	18,275,686	16,182,583
Office communication	152,736	226,009
Carriage Inward	4,453,532	176,520
Insurance premium	1,172,316	618,081
Entertainment	208,605	251,403
Office stationery	227,137	162,766
Health Safety Measure	1,325,647	1,023,331
Cleaning and security services	728,788	568,748
Miscellaneous expenses	504,004	217,165
Depreciation of fixed assets (Note: 5A.01)	22,536,722	18,302,956
Intangible Assets Amortizations (Note: 7A.01)	475,151	527,945
	99,259,816	**70,158,277**

	Frozen unit	Dairy unit
Salary and allowance	40,339,089	-
Factory maintenance	8,660,064	-
Traveling, conveyance and tour	200,339	-
Utilities and generator fuel	18,275,686	-
Office communication	152,736	-
Carriage Inward	4,453,532	-
Insurance premium	1,172,316	-
Entertainment	208,605	-
Office stationery	227,137	-

	Amount in BDT	
	30-Jun-21	30-Jun-20
Health Safety Measure	1,325,647	-
Cleaning and security services	728,788	-
Miscellaneous expenses	504,004	-
Depreciation of fixed assets (Note: 5A.01)	22,536,722	-
Intangible Assets Amortizations (Note: 7A.01)	475,151	-
	99,259,816	**-**

30 Administrative expenses -Consolidated

Golden Harvest Agro Industries Limited (Note: 30A)	41,689,810	43,681,548
Golden Harvest Dairy Limited	3,201,751	2,819,445
	44,891,561	**46,500,993**

(a) Auditors' fees represents audit fee for auditing the accounts for the period ended 30 June 2021. Auditors were not paid any other fees.

(b) The Company did not pay any remuneration to any Director who was not an officer of the Company.

(c) No board meeting attendance fee was paid to the directors of the Company.

30A. Administrative expenses

Director remuneration	-	4,900,000
Salary and allowance	23,893,683	21,859,544
Health Safety Measure	74,402	789,886
Office maintenance	609,989	159,334
Traveling, conveyance, tour	413,960	772,381
Utilities and generator fuel	962,343	652,721
Office communication	744,440	730,010
Insurance premium	12,225	207,461
Entertainment	357,382	446,340
Fees, taxes and renewal	2,074,934	2,970,360
Professional and legal fees	2,677,050	1,419,015
Audit fees	460,000	460,000
Advertisement and publicity	247,456	177,654
Office stationery	547,757	929,507
Cleaning, Security and Sanitation	548,271	494,420
AGM expenses	656,531	1,338,267
Bank charges	2,963,110	1,336,490
Vehicle fuel	488,572	498,338
Miscellaneous expenses	1,853,974	1,350,641
Depreciation of fixed assets (Note: 5A.01)	1,549,735	1,398,419
Depreciation of right of use assets (Note: 6A.01)	78,845	262,815
Intangible Assets Amortizations (Note: 7A.01)	475,151	527,945
	41,689,810	**43,681,548**

	Frozen unit	Dairy unit
Salary and allowance	23,893,683	-
Health Safety Measure	74,402	-
Office maintenance	609,989	-
Traveling, conveyance and tour	413,960	-
Utilities and generator fuel	962,343	-
Office communication	744,440	-
Insurance premium	12,225	-
Entertainment	357,382	-
Fees, taxes and renewal	2,074,934	-
Professional and legal fees	2,677,050	-
Audit fees	460,000	-
Advertisement and publicity	247,456	-
Office stationery	547,757	-

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	Amount in BDT	
	30-Jun-21	30-Jun-20
Cleaning, Security and Sanitation	548,271	-
AGM expenses	656,531	-
Bank charges	2,963,110	-
Vehicle fuel	488,572	-
Miscellaneous expenses	1,853,974	-
Depreciation of fixed assets (Note: 5A.01)	1,549,735	-
Depreciation of right of use assets (Note: 6A.01)	78,845	-
Intangible Assets Amortizations (Note: 7A.01)	475,151	-
	41,689,810	**-**

31. Selling and distribution expenses -Consolidated

Golden Harvest Agro Industries Limited (Note: 31A)	148,504,354	159,745,500
Golden Harvest Dairy Limited	626,409	1,656,960
	149,130,763	**161,402,460**

31A. Selling and distribution expenses

Salary and allowance	31,835,685	21,996,894
Office maintenance	562,587	198,140
Traveling, conveyance and tour	317,800	643,658
Office communication	937,703	1,136,998
Carriage outward	1,193,710	-
Insurance premium	114,483	151,250
Entertainment	8,300	157,385
Office rent	-	48,235
Advertisement and publicity	1,252,788	1,019,957
Office stationery	378,280	456,319
Postage & courier charges	2,309	5,785
Health Safety Measure	903,362	1,054,332
Cleaning, Security and Sanitation	26,079	133,201
Training and conference	-	422,333
Trade promotion expenses	21,014,445	30,100,519
Bad Debts	11,099,867	28,734,366
Goods Damage	8,399,625	13,797,622
Vehicle fuel	6,174,598	6,108,113
Distribution promotion expenses	4,927,796	3,784,536
Research and development expenses	166,172	109,283
Branding Expenses	170,837	-
Miscellaneous expenses	909,035	373,055
Depreciation of right of use assets (Note: 6A.01)	315,378	2,841,084
Depreciation of fixed assets (Note: 5A.01)	51,473,835	42,543,034
Intangible Assets Amortization (Note: 7A.01)	6,319,680	3,929,401
	148,504,354	**159,745,500**

	Frozen unit	Dairy unit
Salary and allowance	31,835,685	-
Office maintenance	562,587	-
Traveling, conveyance and tour	317,800	-
Office communication	937,703	-
Carriage outward	1,193,710	
Insurance premium	114,483	-
Entertainment	8,300	-
Advertisement and publicity	1,252,788	-
Office stationery	378,280	-
Postage and courier charges	2,309	-
Health Safety Measure	903,362	-
Cleaning, Security and Sanitation	26,079	-
Trade promotion expenses	21,014,445	-

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		Amount in BDT	
		30-Jun-21	30-Jun-20
	Bad Debts	11,099,867	-
	Goods Damage	8,399,625	-
	Vehicle fuel	6,174,598	-
	Distribution promotion expenses	4,927,796	-
	Research and development expenses	166,172	-
	Branding Expenses	170,837	
	Miscellaneous expenses	909,035	-
	Depreciation of fixed assets (Note: 5A.01)	48,960,035	2,513,800
	Depreciation of right of use assets (Note: 6A.01)	315,378	-
	Intangible Assets Amortization (Note: 7A.01)	6,319,680	-
		145,990,554	**2,513,800**
32.	**Other operating income-Consolidated**		
	Golden Harvest Agro Industries Limited (Note: 32A)	3,842,379	12,686,708
	Golden Harvest Dairy Limited	251,174	(3,456,355)
		4,093,553	**9,230,353**
32A.	**Other operating income**		
	Scrap sale	162,490	12,241,920
	Freeze rent	1,945,600	9,398,060
	Factory rent	1,440,000	1,440,000
	Gain on cow sales	-	2,088,006
	Insurance & others received	368,036	1,861,908
	Gain/(Loss) on disposal of non current assets	(73,747)	(14,343,186)
		3,842,379	**12,686,708**

Scrap sale represents: Sale of various Scrap and Wastage including Chicken wings, skin, head and leg etc., and factory construction Scrap. Here most of Other operating Income is from sale of Chicken wastage.

Gain/(Loss) on disposal of non-current assets: The company sales 11 nos refrizarator van to its associates company Golden Harvest Ice Cream Limited and incurred loss of Tk. 73,747.

32.1	**Fair value adjustments of biological assets-Consolidated**		
	Golden Harvest Agro Industries Limited	-	2,174,970
	Golden Harvest Dairy Limited	13,918,568	15,665,069
		13,918,568	**17,840,039**
33.	**Finance income-Consolidated**		
	Golden Harvest Agro Industries Limited (Note: 33A)	18,323,466	17,889,545
	Golden Harvest Dairy Limited	52,856	-
		18,376,322	**17,889,545**
33A.	**Finance income**		
	Interest income from STD	3,350,721	12,836,809
	Interest income from FDR	14,972,745	5,052,736
		18,323,466	**17,889,545**
34.	**Finance expenses-Consolidated**		
	Golden Harvest Agro Industries Limited (Note: 34A)	98,274,783	157,393,209
	Golden Harvest Dairy Limited	34,378,648	28,289,018
		132,653,431	**185,682,227**
34A.	**Finance expenses**		
	Interest on Short Term Loan	44,085,847	79,624,995
	Interest on Agri Loan	10,508,127	13,966,955
	Interest on Term Loan	55,055,482	57,652,164
	Interest on right of use assets	26,116	268,926
	Interest income from sister concern	(49,279,919)	(31,803,244)
	Interest on Corporate Bonds	36,250,000	36,250,000
	Interest against Workers Profit Participation Fund	1,629,130	1,433,413
		98,274,783	**157,393,209**

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		Amount in BDT	
		30-Jun-21	30-Jun-20
35	**Income tax expenses-Consolidated**		
	Golden Harvest Agro Industries Limited (Note: 33A)	(9,469,065)	2,059,116
	Golden Harvest Dairy Limited	(3,539,179)	(655,559)
		(13,008,243)	**1,403,557**
35A.	**Income tax expenses**		
	Current tax expenses (Note: 34A.01)	15,295,840	15,969,862
	Deferred tax	(24,764,905)	(13,910,746)
		(9,469,065)	**2,059,116**
35A.01	**Reconciliation of accounting profit to income tax expense**		
	Profit before tax (Frozen Unit)	(109,673,804)	(93,161,093)
	Effective tax rate	22.50%	25%
	Profit before tax (Dairy Unit)	(2,513,800)	86,107,715
	Effective tax rate	0.00%	14.07%
	Tax effect on profit before tax (Frozen Unit)	-	(23,290,273)
	Tax effect on others income (Frozen Unit)	4,970,722	7,644,063
	Tax effect on disallowed expenses	129,215	-
	Tax effect on profit before tax (Dairy Unit)	-	12,113,036
	Tax effect on deductible expense for tax purposes		(31,238)
	Tax effect on non deductible expense for tax purposes	-	15,677,448
	Minimum tax effect on (Frozen Unit)	2,989,426	3,856,826
	Minimum tax effect on (Dairy Unit)	18,105	-
	Tax effect on total statutory income	**8,107,468**	**15,969,862**
	(Over) /Under provision for previous periods	7,188,372	-
	Income tax charge for the period	**15,295,840**	**15,969,862**
	Under / (Over) tax provision in respect of previous period comprises:		
	Income period 2016-2017	7,188,372	-
		7,188,372	**-**
36.	**Share of profit from subsidiary**		
	Net profit/Loss after tax during the period (GHDL)	(22,752,231)	(4,900,588)
	Non Controlling Interest (GHDL)	5,688,058	1,225,147
	Excess Loss not covered by Investment		
		(17,064,173)	**(3,675,441)**
37.	**Share of profit from associate**		
	Net profit/Loss after tax during the period (GHICL)	(130,624,628)	(22,716,564)
	Non Controlling Interest (GHICL)	71,843,545	12,494,110
		(58,781,083)	**(10,222,454)**
38.	**Earning Per Share**		
	Basic and diluted earning per share		
	Profit attributable to the ordinary shareholders	(156,397,951)	7,565,863
	Number of ordinary shareholders in the period end	215,837,621	191,395,001
	Basic and diluted earning per share	**(0.72)**	**0.04**

Golden Harvest has been in steady earnings since a long but has experienced a negative bottom line this year. Although the business has started to revive and generated EPS 0.12 in 4th (fourth) quarter, the cumulative EPS- (0.85), generated from three other quarters has netted it to (0.72) this year. Globally known impact of COVID-19, specially the second wave of devastating corona, has affected the business significantly. Moreover, unavailability of materials, movement restriction imposed by Government and limited supply chain and logistic facilities have made the overall operation tougher that time. Schools and HORECA channels, having significant contribution to the total revenue, were in shutdown and generated almost zero revenue.

However, several measures has been taken for business recovery including business diversification, improved credit facilities as well as improved relationships with the stakeholders. Moreover, despite having few challenges industry experts sees a robust growth in upcoming years and we being the key industry player, hopes for faster and smoother recovery.

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		30-Jun-21	30-Jun-20
		Amount in BDT	
38A	**Earning per share**		
	Basic and diluted earning per share		
	Profit attributable to the ordinary shareholders	(156,397,951)	7,565,863
	Number of ordinary shareholders in the period end	215,837,621	191,395,001
	Basic and diluted earning per share	**(0.72)**	**0.04**
39.	**Net Assets Value Per Share (NAV)**		
	Total Assets	5,190,253,629	5,382,165,660
	Less: Total Liabilities	2,128,944,818	2,137,099,211
	Less: Non controllable interest	(655,788)	5,032,270
	Net Assets Value	**3,061,964,599**	**3,240,034,179**
	Number of ordinary shares outstanding during the period	215,837,621	215,837,621
	Net Assets Value Per Share (NAV)	**14.19**	**15.01**
39A	**Net Assets Value Per Share (NAV)**		
	Total Assets	4,944,018,880	5,148,906,560
	Less: Total Liabilities	1,882,054,281	1,908,872,381
	Net Assets Value	3,061,964,599	3,240,034,179
	Number of ordinary shares outstanding during the period	215,837,621	215,837,621
	Net Assets Value Per Share (NAV)	**14.19**	**15.01**
40.	**Net operation cash flow per share**		
	Net operation cash flow from statement of cash flow	6,418,491	121,709,250
	Number of ordinary shares outstanding during the period	215,837,621	191,395,001
	Net operation cash flow per share	**0.03**	**0.64**
40A	**Net operation cash flow per share**		
	Net operation cash flow from statement of cash flow	13,386,484	112,486,970
	Number of ordinary shares outstanding during the period	215,837,621	191,395,001
	Net operation cash flow per share	**0.06**	**0.59**
40.	**Reconciliation of operating cash flows with net profit**		
	Profit before tax	(175,094,252)	7,744,273
	Adjustment for non cash items		
	Depreciation	76,696,597	66,109,352
	Amortization	7,269,982	4,985,292
	Contribution to WPPF	-	1,176,144
	Share of profit/loss from associates	58,781,083	10,222,454
	Adjustment for separate consideration		
	Finance cost	129,980,431	185,701,282
	Gain/(Loss) on disposal of non current assets	(177,427)	-
	Fair value adjustments of biological assets	(13,918,568)	(17,840,039)
	Changes in current assets and liabilities		
	Inventories	(5,860,775)	(101,429,299)
	Advances, deposits and prepayments	73,580	1,226,114
	Trade and other receivables	(44,476,689)	(42,487,085)
	Accounts and other payables	(4,583,805)	14,136,172
	Accruals and provisions	(584,591)	(9,933,559)
	Payment against WPPF fund		
	Tax paid	(21,687,070)	(15,701,392)
	Net cash flows from operating activities	**6,418,496**	**103,909,709**

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		Amount in BDT	
		30-Jun-21	30-Jun-20
40A	**Reconciliation of operating cash flows with net profit**		
	Profit before tax	(165,867,016)	9,624,980
	Adjustment for non cash items		
	Depreciation	75,954,515	65,348,308
	Amortization	7,269,982	4,985,292
	Contribution to WPPF	-	1,176,144
	Share of profit/loss from subsidiary	17,064,173	3,675,441
	Share of profit/loss from associates	58,781,083	10,222,454
	Adjustment for separate consideration		
	Finance cost	95,601,783	157,412,263
	Gain/(Loss) on disposal of non current assets:	73,747	14,343,186
	Fair value gain from biological assets	-	(2,174,970)
	Changes in current assets and liabilities		
	Inventories	(5,221,956)	(101,039,590)
	Advances, deposits and prepayments	73,580	1,226,114
	Trade and other receivables	(43,715,950)	(41,935,104)
	Accounts and other payables	(4,636,803)	15,291,926
	Accruals and provisions	(309,074)	(9,968,082)
	Tax paid	(21,681,580)	(15,701,392)
	Net cash flows from operating activities	**13,386,485**	**112,486,970**

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41 Segmental information:

The Groups operational segments are frozen snacks, dairy and ice cream. The operational segments results are as follows:

Particulars	Frozen Snacks and Dairy Product	Dairy	Total
Revenue from sales	544,818,571	8,192,856	553,011,427
Expenses	558,731,393	14,328,216	573,059,608
Segment result	**(13,912,822)**	**(6,135,360)**	**(20,048,181)**
Capital expenditure			
Additions to property, plant and equipment	242,274,946	89,160	242,364,106
Additions to intangible asset	17,210,271	-	17,210,271
Other segment information			-
Other operating income	3,842,379	-	3,842,379
Fair value adjustments of biological assets	-	13,918,568	13,918,568
Finance income	18,323,466	-	18,323,466
Finance expenses	98,274,783	34,378,648	132,653,431
Provision for income tax	(9,469,065)	(3,539,179)	(13,008,244)
Share of profit from subsidiaries	(17,064,173)	-	(17,064,173)
Share of profit from associated	(58,781,083)		(58,781,083)
Depreciation expenses	75,560,292	742,082	76,302,374
Segment assets	**4,944,018,880**	**395,039,023**	**5,339,057,903**
Non-current assets	2,856,065,899	375,329,499	3,231,395,398
Current assets	2,087,952,981	19,709,524	2,107,662,505
Segment liabilities	**1,882,054,281**	**397,662,174**	**2,279,716,455**
Non-current liabilities	885,605,200	145,126,543	1,030,731,743
Current liabilities	996,449,081	252,535,631	1,248,984,712

	Amount in BDT	
	30-Jun-21	30-Jun-20

42 Other information

42.1 Contingent liabilities and commitments

Contingent liabilities

The Group confirms that there are no case filed against the Group which is not disclosed which would have been a material impact on the financial position of the Group. There was no Contingent Liabilities as on 30 June 2021.

Capital expenditure commitment

Capital expenditure commitment for machineries and raw material at 30 June 2021 were as under:

	30-Jun-21	30-Jun-20
Golden Harvest Agro Industries Ltd.	-	-
	-	-

Term loan commitment	**Consolidated**	**The Company**	**Dairy**
At 30 June 2021 the company had annual commitment under Term Loan as set out below:			
Term loan principal due within 1 year	266,830,356	226,283,517	40,546,839
Term loan principal due within 2 to 5 years	973,683,277	828,556,734	145,126,543
Term loan principal due above 5 years -	-	-	-

Finance lease commitment	**Consolidated**	**The Company**	**Dairy**
At 30 June 2021 the company had annual commitment under right of use assets as set out below:			
Lease assets expires within 1 year	-	-	-
Lease assets expires within 2 to 5 years	-	-	-

42.2 Related party transactions

The company has entered into transactions with other entities that fall within the definition of related party as contained in IAS-24 "Related Party Disclosures". Total transactions of the significant related party as of 30 June 2021 are as follows:

Name of Company	Relationship	Nature of Transaction	Opening Balance	Addition/ (Adjustment)	Closing Balance
Golden Harvest Ice Cream Ltd.	Associate company	Current account with sister concern	-		-
Golden Harvest Dairy Ltd.	Subsidiary company	Current account with sister concern	130,814,250	13,081,425	143,895,675
Golden Harvest Foods Ltd.	Common Director	Current account with sister concern	85,635,279	(85,635,279)	-
Golden Harvest InfoTech Ltd.	Common Director	Current account with sister concern	189,536,028	(189,536,028)	-
Golden Harvest Developers Ltd.	Common Director	Current account with sister concern	74,664,379	(74,664,379)	-
Golden Harvest QSR Ltd.	Associate company	Current account with sister concern	336,175,572	33,617,557	369,793,129
Sub-Total			**816,825,508**	**(303,136,704)**	**513,688,804**

Transaction for PPE Sales:

Golden Harvest Ice Cream Ltd.	Associate company	Current account with sister concern	-	13,760,000	13,760,000
Total			**816,825,508**	**(289,376,704)**	**527,448,804**

Transaction with key management personals

No.	Particulars	30-Jun-21	30-Jun-20
(a)	Managerial remuneration paid or payable during the year to the directors, including managing directors.		
	Golden Harvest Agro Industries Limited	-	4,900,000
(b)	Any other perquisite or benefits in cash or in kind stating, approximate money value where applicable.	-	-
(c)	Other allowances and commission including guarantee commission	-	-
(d)	Pensions etc.	-	-

	(i) Pensions	-	-
	(ii) Gratuities	-	-
	(iii)Payments from a provident funds, in excess of own subscription and interest thereon	-	-
(e)	Share Based payments	-	-

42.3 Quantitative details of opening stock, purchases/ production, consumption/sales and closing stock of raw materials and finished goods:

Golden Harvest Agro Industries Ltd.

Item	Opening stock		Purchases/ Production	Consumption / Sales	Closing Stock
	Unit	Kg	Kg	Kg	Kg
Raw materials:	Kg				
For the year 30 June 2021		1,908,834	3,744,407	3,620,460	2,032,781
For the year 30 June 2020		1,682,145	7,381,739	7,155,050	1,908,834
Finished goods:					
Snacks	Kg				
For the year 30 June 2021		1,271,040	2,223,641	2,269,551	1,225,130
For the year 30 June 2020		1,047,721	2,547,563	2,324,244	1,271,040

42.4 Capacity utilization

Golden Harvest Agro Industries Ltd.

Item	Capacity in KG Per Year	Utilization in KG Average Per year	%
Frozen Production	2,489,000	2,223,641	89.34%
Dairy production	668,000	-	0.00%

42.5 Impact of COVID-19

In December 2019, COVID-19 emerged and had subsequently been spread worldwide. The World Health Organization declared COVID-19 a pandemic resulting government of Bangladesh and private entities in the country assigning various restrictions. Following measures were commonly applied: travel restrictions, restrictions on public gatherings, stay at home orders and directions, isolating people who might have been exposed to the virus. During FY 20-21, the second wave and third wave of life threatening corona has been in effect. In March 2021, country has recorded the highest number of patients and days got worse thereafter, Country has gone into full restrictions which has lasted till August of 2021. From the very beginning of the lockdown educational institutions, hotels, restaurants and mostly the HORECA channels were in shutdown. As a Consequence the demand of certain products have been decreased excessively and even zero in some cases. On top of that, Schools remained closed from middle of March of 2020 and hence several profitable SKUs related to school going kids did not have any demand. As a result the regular operation has been hampered, market became vulnerable, availability of materials become very uncertain and in a gross whole supply chain system and the business environment became worst alike the first hit in early 2020. Alike last portion of FY 19-20, Golden Harvest Agro Industries and its subsidiary companies and business segments have experienced tiny sales during this period. Profitability decreased even quarter to quarter (except 4th quarter) which has resulted the lowest to negative EPS till the reporting date.

However, a satisfactory upswing in global, national and entity level economy has been observed in last few months. Businesses have started gradual recovery and they are reporting their sales and profit lines with healthy growth. Keeping pace with the national economic recovery, Golden Harvest Agro Industries Limited has also experienced and reported sales growth in the fourth quarter of FY 20-21 and in the first quarter of FY 21-22.

In regarding to the frozen foods, however, the industry experts see a CAGR of 6.20% within next few years and being the key market player of the industry, Golden Harvest Agro Industries Limited has full confidence to get into the track and go with the legacy alike earlier. Besides, our brand has been promoted, relationship with the suppliers and customers has been developed remarkably and most significantly banks and financial institutions have faith on us. With a synergy of all the strengths and opportunities, we do expect a reasonable business outcome in the upcoming years.

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42.6 Employee details:

At the end of the period there were 777 employees in the group and 762 employees in the Company at a remuneration of BDT 3,000 per month and above.

42.7 Rounding off

Amounts appearing in these financial statements have been rounded off to the nearest BDT and, wherever considered necessary.

42.8 Event after reporting period

As delineated earlier, business has been affected adversely due to the COVID-19 which has resulted the negative bottom line. Despite having no disposable income generated this year, BOD has proposed 3% final cash dividend this year to the general public shareholders other than Sponsors/Directors. General public shareholders hold 144,877,351 shares out of total 215,837,621 shares of the Company and they will get 3% cash dividend of TK.43,463,205 .Earlier, 2% interim cash dividend, amounting to TK. 28,975,470, was declared which has already been paid off.

However, **total 5% cash dividend, amounting to TK. 72,438,675** has been declared this year and the interim portion has already been disbursed.

Director **Director** **Managing Director**

Chief Financial Officer **Company Secretary**

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Golden Harvest Agro Industries Limited

Statement of Cash at Bank

As on 30 June 2021

[Annexure-A]

Sl. No.	Name of Bank	Account No.	30-Jun-20	30-Jun-19
1	First Security Islami Bank Ltd.	SND-11213100000610	2,035,734	5,310,024
2	First Security Islami Bank Ltd.	SND-11213100000562	3,071	7,129
3	First Security Islami Bank Ltd	SND-010113100009403	43,799	43,799
4	Agrani Bank Limited	0200014492314	4,695	9,310
5	Mercantile Bank Limited	112913125970557	744,730	3,575,290
6	Dhaka Bank Ltd	2151000012069	51,663	3,850
7	Shahjalal Islami Bank Ltd	4057 11100000068	37,274	37,964
8	Meghna Bank	CD-110111100000138	-	1,660
8	AL-ARAFAH ISLAMI BANK LTD	SND-1641220000129	3,364	4,540
10	Mercantile Bank Ltd.	CD-112911107033338	-	6,338
11	Bank Asia Ltd.	CD-056330000100	1,933	3,048
12	Community Bank Ltd	CD-0010302741101	128,384	747,330
13	NRB Global Bank Limited	1130000002684	1,064,063	592,582
14	Standard Bank Limited	01736000297	2,015,852	2,100,105
15	United Commercial Bank Ltd.	CD-0951101000003351	315	315
16	United Commercial Bank Ltd.	SND-0951301000000356	2,100,733	3,826,348
17	United Commercial Bank Ltd	0951301000001348	473,009	183,887
18	Habib Bank Ltd.	CA-2627070000228	-	-
19	Mutual Trust Bank Limited	CD-1301000047034	2,379,210	
20	Standard Bank Limited	SBL-01736000303	20,721,757	116,231,709
21	The Premier Bank Ltd	0178 13100000063	141,811	28,836
Sub-Total			**31,951,399**	**132,714,063**
1	Standard Bank Ltd	01755009643	10,000,000	-
2	Standard Bank Ltd	01755009644	10,000,000	-
3	Standard Bank Ltd	01755009645	10,000,000	-
4	Standard Bank Ltd	01755009646	10,000,000	-
5	Standard Bank Ltd	01755009647	10,000,000	-
6	Standard Bank Ltd	01755009648	10,000,000	-
7	Standard Bank Ltd	01755009649	10,000,000	-
8	Standard Bank Ltd	01755009650	10,000,000	-
9	Standard Bank Ltd	01755009651	10,000,000	-
10	Standard Bank Ltd	01755009652	10,000,000	-
11	Standard Bank Ltd	01755009653	10,000,000	-
12	Standard Bank Ltd	01755009654	10,000,000	-
13	Standard Bank Ltd	01755009655	10,000,000	-
14	Standard Bank Ltd	01755009656	10,000,000	-
15	Standard Bank Ltd	01755009659	10,000,000	-
16	Standard Bank Ltd	01755009660	10,000,000	-
17	Standard Bank Ltd	01755009661	10,000,000	-
18	Standard Bank Ltd	01755009662	10,000,000	-
19	Standard Bank Ltd	01755009663	10,000,000	-
20	Standard Bank Ltd	01755009664	10,000,000	-
21	Standard Bank Ltd	01755009665	10,000,000	-
22	Standard Bank Ltd	01755009666	10,000,000	-
23	Standard Bank Ltd	01755009667	10,000,000	-
24	Standard Bank Ltd	FDR	-	152,337,500
25	Standard Bank Ltd	FDR	-	91,392,500
Sub-Total			**230,000,000**	**243,730,000**
Total			**261,951,399**	**376,444,063**

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