

Usmania Glass Sheet Factory Limited
Kalurghat I/A, Chattogram.
Notes to the financial position
For the 3rd Quarter ended March 31, 2020 (Un-Audited)

1 Selected explanatory notes:

These financial statements have been prepared in line with Accounting Policies applicable Accounting standard as adopted by ICAB in the preparation of financial statements for the period ended at March 31, 2020. This interim financial report includes only those selected explanatory notes as were deemed appropriate for better understanding of un-audited financial statements.

2 Specific Accounting policies -Disclosure under IAS-1 "presentation of Financial Statements"

2.01 Basis of Preparation & Presentation of the Financial statements:

The financial statements have been prepared & the disclosures of information made in accordance with the requirements of the companies Act 1994, BSEC Rules 1987, Income Tax ordinance 1984 & other applicable Local Law & regulations, International Accounting Standards (IASs) & International Financial Reporting standards (IFRS) adopted by the Institute of Chartered Accountants of Bangladesh (ICAB). The statements of Financial Position & statements of Profit or loss and Other Comprehensive Income have been prepared according to IAS-1 "Presentation of Financial statements" based on accrual basis of accounting following going concern assumption under statement of Cash Flows according to IAS-7 "Statements of Cash Flows". In addition to say, we have been Complied BSEC Notification No. BSEC/CMRRCD/2006/158/208/Admin/81, dated June 20, 2018.

2.02 Accounting Convention & Assumption:

The financial statements are prepared under "Historical Cost" convention subject to the revaluation of Property, Plant and Equipment at 30 June, 2017 effective from 1st July 2017.

2.03 Principal Accounting Policies :

The specific Accounting policies have been selected & applied by the company management for significant transaction and events have a material effect within the framework for presentation and presentation of financial statements. There were no significant changes in the accounting & valuation of policies effecting the financial position and performance of the company

2.04 Going Concern :

Float glass technology as used in the company is oldest & outdated compared to the present day technology of much more improved glass products all over the world not to speak of our country alone. Float glass is substantially losing year after year in terms of production efficiency and marketability simultaneously forcing the increase in production cost added with gradual decrease in selling price thus justifying the company shifting of its of its product line. As such the company is going to implement a new project for production of Container glass within next three years. Which will take over the existing facilities as much as possible. The process is getting delayed due to Coronavirus (COVID-19) pandemic.

2.05 Impairment

The company revalued its assets & Liabilities as on 01.07.2018. So assets impairment is not considered necessary due to shorter span of time.

2.06 Functional & presentation currency

The financial statements are prepared in Bangladeshi Taka (BDT), which is the company's functional currency.

2.07 Reporting period

The financial statements cover accounting year 1st July, 2019 to 31 March, 2020.

3 Valuation of Stock & Stores:

Particulars

Raw Materials, Chemical & Packing Materials
Stores, Accessories & Spares
Finished Goods
Work-In-Process

Mode of Valuation

At periodical Weighted Average Cost.
At Weighted Average Cost.
At Cost or Net realizable value whichever is lower.
Cost of Raw Materials, Fuel & Power and Labour Charges.

4 Property, Plant & equipments:

Fixed Assets (as revalued during 2017-2018)
Addition interim period

Less: Accumulated depreciation

Written down value

Note: Fixed Asset revalued as on 30.06.2017 which effect to the Accounts in the Financial year 2017-2018 as well as current year.

5 Goodwill

Opening Balance

Less: Amortization during the Quarter

6 Inventories:

Raw Materials
Packing Materials
Spares, Accessories & Tools
Store-In-Transit
Work-In-Process
Finished Goods

Figure in Lac Tk.

| | 31.03.2020 | 30.06.2019 |
|--|------------|------------|
| | 28,235.48 | 28,226.91 |
| | 6.24 | 8.57 |
| | 28241.72 | 28235.48 |
| | 5,617.68 | 5,351.18 |
| | 22,624.04 | 22,884.30 |
| | 36.47 | 45.59 |
| | 6.84 | 9.12 |
| | 29.63 | 36.47 |
| | 215.09 | 112.52 |
| | 2.97 | 4.07 |
| | 238.66 | 321.21 |
| | 4.45 | 57.99 |
| | 53.41 | 53.41 |
| | 369.27 | 121.75 |
| | 883.85 | 670.95 |

Note: Finished goods inventory is higher due to lower sales trend of this quarter with compare to previous year.

7 Advances, Deposit & Prepayments:

Advances

Deposits

Prepayments

| | | |
|--|--------|--------|
| | 225.22 | 257.39 |
| | 4.95 | 4.95 |
| | 65.36 | 67.40 |
| | 295.53 | 329.74 |

8 Cash & Cash equivalent

Cash at Bank

Cash in hand

Dividend Account

Fixed Deposit Accounts (FDR) with interest receivable

| | | |
|--|-------|--------|
| | 37.69 | 72.69 |
| | 4.05 | 2.34 |
| | 14.21 | 14.13 |
| | 1.00 | 800.73 |
| | 56.95 | 889.89 |

9

10

11