

(5) Reconciliation between net profit to operating cashflows

Profit/(loss) before tax	1,283,461	4,085,295
Finance cost	222,810	193,057
Operating profit	<u>1,506,271</u>	<u>4,278,352</u>
Adjustment:		
Depreciation	1,550,747	1,701,557
Non cash Interest income	-	-
Changes in Working capital:		
(Increase)/Decrease of Inventory	738,800	288,800
(Increase)/Decrease of Trade debt	66,205	(600)
(Increase)/Decrease of Advance, deposit & Prepayment except AIT	2,759,515	(333,232)
Increase/(Decrease) of Liability for expenses	(231,202)	(1,632,446)
Increase/(Decrease) of other Liabilities	<u>(794,158)</u>	<u>204,265</u>
	5,596,178	4,506,697
Finance cost paid	(222,810)	(193,057)
Tax Paid		(320,958)
	<u>5,373,368</u>	<u>3,992,681</u>

(6) Related Party disclosure

The company, in normal course of business, carried out following of transaction with other entities that fall within the definition of related party contained in BAS 24: Related Party Disclosures. All transactions involving related parties arising in normal course of business are conducted on an arm's length basis at commercial rates, on the same terms and conditions as applicable to the third parties. Details of transactions with related parties and balances with them as at 31 December 2020 were as follows:

Name	Nature of Relationship	Transaction			
		Debit	Credit		
Mr. Mohammed Murad	Chairman	75,900	75,900	-	-
		-	-	-	-
		<u>75,900</u>	<u>75,900</u>	-	-

(6.1) The board of directors of the company are considered key management employees. None of benefits is given to them by the company.

(7) Defferred Tax

Property, Plant & Equipment at Tax base	9,750,343	10,974,814
Property, Plant & Equipment at accounts base	35,699,259	38,951,562
	(25,948,916)	(27,976,748)
Tax Rate	25%	25%
Defferred Tax	(6,487,229)	(6,994,187)
Defferred tax income/expenses during the period	180,838	174,104

(8) Cash Dividend :

The Shareholders of the company has approved the cash dividend at the rate of 3% for the income tear June 30,2020 in the company's 41th AGM held on 20 December 2020. No dividend is yet paid during the reporting period.As such this approved dividend is considered as liability and contained in "others liabilities" the Statement of Financial Position.



Managing Director



Chief Financial Officer



Acting Company Secretary



Director



Chairman

