

AGRICULTURAL MARKETING CO LTD
105 Middle Badda, Pragati Sharani, Dhaka-1212

Dear Shareholders

We forward herewith the Un- Audited Financial Statements of **Agricultural Marketing Co. Ltd** for the 3rd quarter ended on 31st March, 2021 as per Rule 13 of the Securities & Exchange Rules 1987.


Md. Eleash Mridha
Managing Director

AGRICULTURAL MARKETING CO LTD
3rd Quarter Un-Audited Results
Statement of Comprehensive Income
For The Period From July 01, 2020 to March 31, 2021

(Taka in ' 000)

	July 2020 to March 2021	July 2019 to March 2020	Jan-Mar 2021	Jan-Mar 2020
TURNOVER	2,202,392	2,028,991	806,433	690,672
Cost & Expenses :	(2,033,758)	(1,875,129)	(742,217)	(640,780)
Cost of Goods Sold	1,775,840	1,636,662	648,583	555,247
Administrative Expenses	51,789	50,559	17,155	16,140
Marketing Expenses	85,246	77,698	34,589	30,754
Selling Expenses	39,365	33,149	14,328	11,187
Distribution Expenses	81,518	77,061	27,562	27,452
Operating Profit before Financial Expenses	168,634	153,862	64,216	49,892
Financial Expenses	(104,279)	(97,908)	(40,359)	(34,737)
Operating Profit after Financial Expenses	64,355	55,954	23,856	15,155
Other Income	(779)	4,333	(2,763)	2,501
Net Profit Before WPPF & Income Tax	63,576	60,287	21,094	17,655
Contribution to WPPF	(3,027)	(2,871)	(1,005)	(841)
NET PROFIT BEFORE TAX	60,549	57,416	20,089	16,815
Provision for Income Tax	13,257	12,504	4,880	3,975
Deferred Tax	(422)	(1,861)	(349)	(570)
	(12,835)	(10,643)	(4,531)	(3,405)
Taka	47,714	46,773	15,558	13,409
Earning per Share (EPS)	5.96	5.85	1.94	1.68


Chairman


Managing Director


Director


Chief Financial Officer


Company Secretary

AGRICULTURAL MARKETING CO LTD

Statement of Financial Position (Un-Audited)

As at March 31, 2021

(Taka in '000)

Particulars	Note	31-Mar-2021	30-June-2020
Non Current Assets		246,502	280,308
Fixed Assets (WDV)	3.00	240,808	273,204
Right of Use Assets		5,694	7,104
Current Assets :		1,252,934	1,140,122
Inventories	4.00	599,000	595,887
Debtors		158,110	141,589
Advances, Deposits & Prepayments		401,420	324,465
Cash & Bank Balances		94,404	78,182
Total Assets		1,499,436	1,420,430
Shareholders' Equity :		678,062	655,948
Share Capital		80,000	80,000
Share Premium		40,000	40,000
Revaluation Surplus	5.00	14,757	14,808
Retained Earnings	6.00	543,305	521,141
Non Current Liabilities :		14,595	16,420
Deferred Tax Liability	7.00	10,347	10,769
Lease Liability net off Current Maturity		4,248	5,651
Current Liabilities :		806,779	748,062
Current portion of Lease Liability		1,487	1,487
Short Term Loan from Bank (Secured)		683,978	652,629
Accounts payable		3,050	5,075
Provision for expenses		45,271	35,406
Security deposit of distributors		27,068	27,068
Workers' Profit Participation Fund	8.00	3,027	4,335
Income Tax Payable	9.00	28,600	15,343
Other liabilities		14,298	6,719
Total Equity and Liabilities	Taka	1,499,436	1,420,430
Net Assets Value (NAV) per Share		84.76	81.99


Chairman


Managing Director


Director


Chief Financial Officer


Company Secretary

AGRICULTURAL MARKETING CO LTD
Cash Flow Statement (Un-Audited)
For the 3rd Quarter ended March 31, 2021

(Taka in '000)

Particulars	July 2020 to March 2021	July 2019 to March 2020
Cash Flows from Operating Activities :		
Collection from Turnover & Other Income	2,442,828	2,232,712
Payment for Cost & Expenses	(2,311,201)	(2,070,517)
Income Tax paid	(26,668)	(48,221)
	104,959	113,974
Cash Flow from Investing Activities :		
Acquisition of Fixed Assets	-	-
Right of Use Assets	376	-
	376	-
Cash Flows from Financing Activities :		
Term Loan Repaid	-	(40,643)
Short Term Bank Loan	31,349	16,497
Interest Paid	(102,173)	(95,685)
Liabilities for Other Finance	-	1,507
Repayment of Lease Liability	(1,403)	-
Dividend Paid	(18,021)	(23,064)
	(90,248)	(141,388)
Net Cash Inflows/(Outflows) for the period	15,086	(27,413)
Opening Cash & Bank Balances	78,182	99,822
Effect of Exchange rate fluctuations on Un-realized Gain/(Loss)	1,136	2,762
Closing Cash & Bank Balances	<u>94,404</u>	<u>75,171</u>
Net Operating Cash Flow Per Share (NOCFPS)	13.12	14.25


Managing Director


Chairman


Director


Chief Financial Officer


Company Secretary

AGRICULTURAL MARKETING CO LTD
Statement of Changes In Equity
for the period from July 2020 to March 2021

Particulars	Amount in Taka in '000				
	Share Capital	Share Premium	Revaluation Surplus	Retained Earnings	Total
	1	2	3	4	5=(1+2+3+4)
Balance as on 30 June 2019	80,000	40,000	14,865	501,085	635,950
Net Profit after Tax	-	-	-	46,774	46,774
Depreciation on Revalued Assets	-	-	(58)	58	-
Adj for deferred tax against revaluation of as	-	-	14	-	14
Transfer to Dividend Payable	-	-	-	(25,600)	(25,600)
Balance as on 31 March 2020	80,000	40,000	14,821	522,317	657,138
Balance as on 30 June 2020	80,000	40,000	14,808	521,140	655,948
Net Profit after Tax	-	-	-	47,714	47,714
Depreciation on Revalued Assets	-	-	(50)	50	-
Dep.on Revalued Assets -Other Adj	-	-	-	-	-
Transfer to Dividend Payable	-	-	-	(25,600)	(25,600)
Balance as on 31 March 2021 Taka	80,000	40,000	14,758	543,304	678,062


Chairman


Managing Director


Director


Chief Financial Officer


Company Secretary

AGRICULTURAL MARKETING CO LTD
Notes to the Financial Statements(Un-Audited)
as at and for the period ended 31st March, 2021

1.00 Reporting Entity

1.01 About The Company

The Agricultural Marketing Company Limited was incorporated in Bangladesh on 15th May 1985 as Private Limited Company under the Companies Act, 1913 and subsequently on 22nd June, 1993 the company was converted into Public Limited Company. The Shares of the Company are listed in the Dhaka and Chittagong Stock Exchanges.

The registered office of the Company is located at PRAN-RFL Centre, Pragati Sarani, 105, Middle Badda, Dhaka-1212, Bangladesh.

The industrial Units are located at Ghorashal, Ghagra, Narshingdi.

1.02 Nature of Operations and Principal Activities

The principal activities of the Company throughout the year continued to be trading, processing of fruits, vegetables and other agro products .

2.00 Basis of preparation of Financial Statements

2.01 Statement of compliance

The financial statements have been prepared in compliance with the requirements of the International Financial Reporting Standards (IFRS) and International Accounting Standards (IAS), the Companies Act 1994, Securities and Exchange Ordinance 1969, Securities and Exchange Rules 1987, Listing Regulations of Dhaka Stock Exchange Ltd. and Chittagong Stock Exchange Ltd. and other applicable laws and regulations.

2.02 Other regulatory compliance

In addition to the above, Agricultural Marketing Company Limited is also required to comply and has complied with the following laws and regulations:

- The Income Tax Ordinance 1984;
- The Income Tax Rules 1984;
- The Value Added Tax & Supplementary Duty Act 2012;
- The Value Added Tax & Supplementary Duty Rules 2016;
- The Bangladesh Labor Act 2006 (Amended in 2013);
- Customs Act 1969;
- Sale of Goods Act 1930; and
- Negotiable Instrument Act 1881.

2.03 Components of financial statements

- (a) Statement of Financial Position(Un-Audited)
- (b) Statement of Profit or Loss and Other Comprehensive Income(Un-Audited)
- (c) Statement of Changes in Equity
- (d) Statement of Cash Flows
- (e) Notes to the Financial Statements

2.04 Basis of Measurement

These financial statements have been prepared under the historical cost convention applying accrual basis of accounting in accordance with International Financial Reporting Standards (IFRSs).

2.05 Going concern

The company has adequate resources to be in operation for a foreseeable future and the directors continue to adopt going concern basis in preparing the accounts. The current resources of the company provide sufficient fund to meet the present requirements of its existing business.

2.06 Reporting Period:

The financial report covered the period from 01 July 2020 to 31 March 2021 and these have been prepared based on International Accounting Standard (IAS) 34 : ' Interim Financial Reporting' and same accounting policies and methods of computations were adopted for the financial statements for the year ended 30 June,2020, have been followed for the same for the period under review.

2.07 INTERIM NOTES TO THE FINANCIAL STATEMENTS AS PER IAS-34

- a. There is no post balance sheet event occurred after the reporting date, which would significantly affect the financial position of the company as at the Balance sheet date.
- b. Figure have been rounded off to the nearest thousand taka and rearranged, where necessary to conform the current period presentation.
- c. Deferred Tax has been calculated up to 31st March 2021 in this accounts
- d. Tax has been provided @ 25.00% considering yearly tax rate.
- e. Exchange fluctuation on Foreign Currency Loan of quarters' has been adjusted in this accounts to comply IAS-21
- f. Depreciation on revaluation surplus has been given effect in accounts as per IAS-16
- g. Right of Use Assets implements as per IFRS-16 during this period.
- h. Other income includes Exchange gain/(loss) arised during collection of export proceeds prevailing rate vs Export sales booking rate.

3.00 Non-Current Assets

	31.03.2021	30.06.2020
	Taka	Taka
Land & Land Development	35,724	35,724
Factory Building	39,520	42,724
Machinery & Equipment	158,921	186,965
Furniture & Fixtures	141	159
Tools & Accessories	1	2
Vehicles	5,767	6,785
Office Equipment	370	416
Plastic Container	207	244
Other Fixed Assets	157	185
	240,808	273,204

4.00 Inventories

Raw materials	556,465	563,232
Work-in-process	10,634	15,904
Finished goods	31,901	16,750
	599,000	595,886

5.00 Revaluation Surplus

Opening Balance on 01.07.2020	14,807	14,865
Less : Depreciation Charges	50	77
Less: Transfer to deferred tax liability	-	(19)
Closing Balance on 31.03.2021	14,757	14,807

6.00 Retained Earnings	31.03.2021	30.06.2020
	Taka	Taka
Opening Balance on 01.07.2020	521,141	501,085
Add: Addition during the period	47,714	45,579
Add : Depreciation on Revalued Assets	50	77
	568,905	546,741
Less : Dividend paid	25,600	25,600
Closing Balance on 31.03.2021	543,305	521,141

7.00 Deferred Tax Liability		
Opening Balance on 01.07.2020	10,769	13,057
Add: Addition during the Period	(422)	(2,269)
Less: Transfer to deferred tax liability	-	(19)
Closing Balance on 31.03.2021	10,347	10,769

8.00 Workers' Profit Participation Fund		
Opening Balance on 01.07.2020	4,335	4,286
Add: Addition during the Period	3,027	3,441
Add: Interest during the period	-	894
	7,362	8,621
Less : Paid during the period	4,335	4,286
Closing Balance on 31.03.2021	3,027	4,335

9.00 Income Tax Payable		
Opening Balance on 01.07.2020	15,343	36,179
Add: Addition during the year	13,257	15,343
	28,600	51,522
Less : Adjusted against Assessment year	-	36,179
Closing Balance on 31.03.2021	28,600	15,343

10.00 Calculation of Current Tax :

	EXPORT	Domestic	TOTAL
Net Profit before Taxation	33,381	27,168	60,549
Depreciation Accounts Base	10,618	21,778	32,396
Depreciation Tax Base	(9,009)	(18,480)	(27,489)
Net Profit before Taxation	34,989	30,467	65,457
Tax Rate	12.50%	25.00%	
	4,374	7,617	
Minimum Tax Rate	0.60%	0.60%	
	4,331	8,883	
Provision during the year which higher	4,374	8,883	13,257

	31.03.2021	31.03.2020
	Taka	Taka
11.00 Earnings Per Share (EPS) - Basic		
The Computation of EPS shown below :		
a) Earnings attributable to the Ordinary Shareholders	47,715	46,774
b) Weighted average number of Ordinary Shares outstanding	8,000	8,000
c) EPS - Basic	<u>5.96</u>	<u>5.85</u>

12.00 Net Assets Value (NAV)

The computation of NAV is given below :

a) Net assets value	678,062	655,948
b) Weighted average number of ordinary share outstanding during the year	8,000	8,000
c) Net assets value per share	<u>84.76</u>	<u>81.99</u>

13.00 Net Operating Cash Flow Per Share

The computation of net operating cash flows is given below :

	31.03.2021	31.03.2020
	Taka	Taka
a) Cash flows from operating activities as per statement of cash flows	104,959	113,974
b) Weighted average number of ordinary share outstanding during the year	8,000	8,000
c) Net Operating Cash Flow- Per Share	<u>13.12</u>	<u>14.25</u>

13.01 Reconciliation of Net Income or Net Profit with cash flows from operating activities :

Net Profit Before Tax	60,549	57,417
Adjustment to reconcile profit to net cash provided by operating activities :		
Depreciation	33,430	40,018
Inventories (Increase)/Decrease	(3,112)	10,149
Trade Receivables (Increase)/Decrease	(16,521)	(3,890)
Advance, Deposits and Prepayments(Increase)/Decrease	(76,956)	(76,764)
Trade Payables Increase/(Decrease)	(2,025)	(169)
Liabilities for Expenses Increase/(Decrease)	9,865	(8,581)
Effect of Exchange rate fluctuations on Un-realized Gain/(Loss)	(1,136)	(2,762)
Interest Payment	102,173	95,685
Workers profit participation fund (WPPF) & WF payable Increase/(Decrease)	(1,308)	2,871
	<u>104,959</u>	<u>113,974</u>

14.00 Market risk

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

15.00 Currency risk

The Company is exposed to currency risk on purchases of raw materials and export sales receivable that are denominated in a currency other than the functional currency primarily in U. S. Dollar. The effects of foreign purchase are significant to the Company. The Company has not entered into any type of derivatives instrument in order to hedge foreign currency risk as at 31 March 2021. The loss or gain arises from foreign currency transactions is adjusted as per IAS 21.

16.00 Interest rate risk

Interest rate risk is the risk that arises due to changes in interest rates on borrowings. Local currency loans are however not significantly affected by fluctuations in interest rates as the rate is below from market rate. The company has not entered into any type of derivative instrument in order to hedge interest rate risk as at the reporting date.

17.00 Accounting classification and fair values

Fair value of financial assets and liabilities together with carrying amount shown in the statement of financial position are as follows:

	31 March 2021	
	Carrying amount	Fair Value
Loans and Receivables		
Accounts Receivables	158,110	158,110
Cash and Bank Balances	94,404	94,404
Liabilities carried at amortized costs		
Accounts Payable	3,050	3,050
Other Liabilities and Provision	118,264	118,264
30 June 2020		
	Carrying amount	Fair Value
Loans and Receivables		
Accounts Receivables	141,589	141,589
Cash and Bank Balances	78,182	78,182
Liabilities carried at amortized costs		
Accounts Payable	5,075	5,075
Other Liabilities and Provision	88,871	88,871

18.00 Contingent liabilities/ Off balance sheet items

18.01 Commitments

There was no capital commitment as on 31 March 2021.

18.02 Claims not acknowledged

There was no claim against the company not acknowledged as debt as on 31 March 2021.

19.00 The Employee benefits for the reporting period have been as follows :

a) Short Term Employee benefits Include :

- Basic Salary
- Allowance includes as house rent, Conveyance & Medical
- Bonus (One month basic for each of 02 Eid Festivals)
- Transportation (Management Personnel)
- Besides, the employees get a portion of company's profit on account of WPPF.

b) Post Employment benefits :

There is no provision for post employment benefits.

c) Other Long Term Benefits :

There is no provision for long term benefit.

d) **Termination Benefits:**

Termination benefits have been given as per law of the land. There is no termination benefit during the reporting period.

e) **Share based benefits:**

There is no provision for Share based benefit.

20.00 Post Balance Sheet Events-Disclosure under IAS-10: Events after Reporting Period

Neither any "Non Adjusting Events" nor any "Adjusting Events" took place after the reporting period.

21.00 Reason for major variances of items in financial statements:

Decrease in Net Operating Cash Flow per Share for the period under review compared to that in the preceding period is due the fact that higher amounts as necessitated, have been paid to suppliers and employees.

22.00 i) Related party transactions

a) The company carried out number of transactions with related parties in the normal course of business duly approved by shareholders of Annual General Meeting as detailed below :

Name of the Company	Nature of Transactions	Value of Transaction		Balance as on 31
		Debit	Credit	
Property Development Ltd.	Transfer, Expenses	31	31	-
Pran Dairy Ltd.	Transfer, Expenses	30,913	30,913	-
Pran Agro Ltd.	Transfer,Purchase,Expenses	19,172	19,172	-
Pran Beverage Ltd.	Transfer, Expenses	175	175	-
Pran Exports Ltd.	Transfer, Expenses	1,292	1,292	-
Pran Foods Ltd.	Transfer, Expenses	27,080	27,080	-

Nature of Relationship

The company and the parties as stated above are under same management.

b) Corporate guarantee issued to related parties under the resolution of Board of Directors and Annual General Meeting were as follows:

In favour of	On behalf of	Amount in million Tk.	Purpose
Hongkong & Shanghai Banking	Pran Foods Ltd.	16.48	Working capital
Hongkong & Shanghai Banking	Pran Dairy Ltd.	71.11	
Hongkong & Shanghai Banking	Mymensingh Agro Ltd.	22.86	
Hongkong & Shanghai Banking	Habiganj Agro Ltd	76.29	
Hongkong & Shanghai Banking	Natore Agro Ltd	10.27	
Citi Bank NA	Pran Dairy Ltd.	112.06	
Standard Chartered Bank	Pran Foods Ltd.	71.07	
Standard Chartered Bank	Mymensingh Agro Ltd.	67.70	
IFC	Pran Agro Ltd	108.13	
IFC	Pran Agro Business Ltd	17.53	
IFC	Natore Agro Ltd	83.12	

c) Corporate guarantee received from related parties under the resolution of Board of Directors and Annual General Meeting were as follows:

In favour of	On behalf of	Amount in million Tk.	Purpose
Hongkong & Shanghai Banking	Pran Foods Ltd.	108.55	Working capital
Hongkong & Shanghai Banking	Pran Dairy Ltd	157.01	
Hongkong & Shanghai Banking	Packmat Industries Ltd	33.70	
Hongkong & Shanghai Banking	Mymensingh Agro Ltd	137.56	
Standard Chartered Bank	Pran Foods Ltd.	207.65	
Standard Chartered Bank	Pran Dairy Ltd	312.35	
Bangladesh Commerce Bank	Pran Foods Ltd.	150.00	

23.00 Deferred tax liability

	31.03.2021	30.06.2020
	Taka	Taka
Export		
Property, plant and equipment excluding land & land	15,292	21,490
Local		
Property, plant and equipment excluding land & land	31,365	30,024
Revaluation		
Revaluation reserve for land and land development	14,836	14,836
Revaluation reserve for assets other than land and land development	505	555
Right of use assets		
Export	1,915	2,963
Local	3,929	4,140
Lease Obligation		
Export	(1,879)	(2,978)
Local	(3,855)	(4,160)
	62,109	66,872
Applicable Rate:		
Export	12.50%	12.50%
Local	25%	25%
Revaluation reserve for land and land development	3%	3%
Revaluation reserve for other assets	25%	25%
Deferred Tax Liability as of 31 March 2021- Export	1,911	2,686
Deferred Tax Liability as of 31 March 2021- Local	7,841	7,506
Deferred Tax Liability as of 31 March 2021-Revaluation reserve for land	445	445
Deferred Tax Liability as of 31 March 2021- Revaluation reserve for other assets	126	139
Deferred Tax Liability as of 31 March 2021- ROU Export	239	370
Deferred Tax Liability as of 31 March 2021- ROU Local	982	1,035
Deferred Tax Assets as of 31 March 2021- Lease Obligation Export	(235)	(372)
Deferred Tax Assets as of 31 March 2021- Lease Obligation Local	(964)	(1,040)
	10,347	10,769
	31.03.2021	30.06.2020
	Taka	Taka
Export		
Deferred Tax Liability as of 31 Mar 2021	1,916	2,684
Deferred Tax Liability as of 30 June 2020	2,684	2,308
Deferred Tax Income for the period ended 31 Mar 2021	(769)	376
Local		
Deferred Tax Liability as of 31 Mar 2021	7,860	7,501
Deferred Tax Liability as of 30 June 2020	7,501	10,147
Deferred Tax Expense for the period ended 31 Mar 2021	359	(2,646)
Revaluation reserve for Land and land development		
Deferred Tax Liability as of 31 March 2021	445	445
Deferred Tax Liability as of 30 June 2020	445	445
Deferred Tax expense/ (income) for the period ended 31 Mar 2021	-	(0)
Revaluation reserve for other assets		
Deferred Tax Liability as of 31 Mar 2021	126	139
Deferred Tax Liability as of 30 June 2020	139	158
Deferred Tax income for the period ended 31 Mar 2021	(12)	(19)
Total Deferred tax income	(422)	(2,288)