

Ref : hp:f.tss 2012 final

**TELEPHONE SHILPA SANGSTHA LIMITED**  
Tongi, Gazipur, Bangladesh

**TELEPHONE SHILPA SANGSTHA LIMITED**  
**INDEPENDENT AUDITORS' REPORT AND FINANCIAL STATEMENTS**  
For the year ended 30 June 2012

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**K.M. HASAN & CO.**  
**Chartered Accountants**  
Home Town Apartments (8th & 9th floor)  
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INDEPENDENT AUDITORS' REPORT  
TO THE SHAREHOLDERS OF TELEPHONE SHILPA SANGSTHA LIMITED

We have audited the accompanying financial statements of TELEPHONE SHILPA SANGSTHA LIMITED, which comprise the Statement of Financial Position as at 30 June 2012, and the Statement of Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

**Management's Responsibility for the Financial Statements**

Management of TELEPHONE SHILPA SANGSTHA LIMITED is responsible for the preparation and fair presentation of these financial statements in accordance with Bangladesh Financial Reporting Standards, the Companies Act 1994, the Securities and Exchange Rules 1987 and other applicable laws and regulations. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

**Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Bangladesh Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

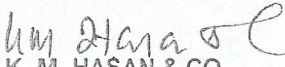
**Opinion**

In our opinion, the financial statements present fairly, in all material respects, the financial position of TELEPHONE SHILPA SANGSTHA LIMITED as at 30 June 2012, and of its financial performance and its cash flows for the year then ended in accordance with Bangladesh Financial Reporting Standards and comply with the relevant requirements of the Companies Act 1994, the Securities and Exchange Rules 1987 and other applicable laws and regulations.

We also report that:

- (a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit and made due verification thereof;
- (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 company's Statement of Financial Position and Statement of Comprehensive Income dealt with by the report are in agreement with the books of account; and
- (d) the expenditure incurred was for the purpose of the company's business.

Dated, Dhaka  
04 August 2013


  
K. M. HASAN & CO.  
Chartered Accountants

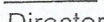


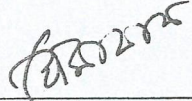
**TELEPHONE SHILPA SANGSTHA LIMITED**  
**STATEMENT OF FINANCIAL POSITION**  
As at 30 June 2012

SOURCE OF FUND	Notes	Amount in Taka	
		2012	2011
Share capital	16	86,824,000	86,824,000
Share money deposit account	17	398	398
General reserve	18	60,018,157	57,197,856
Capital reserve	19	1,478,220	1,478,220
Revaluation reserve	20	10,201,172,009	10,201,172,009
Depreciation reserve fund	21	572,669,970	557,358,507
Accumulated surplus (as per Profit & Loss A/c)		(70,080,964)	(76,988,620)
<b>Shareholders equity</b>	<b>Total</b>	<b>10,852,081,790</b>	<b>10,827,042,370</b>
<b>APPLICATION OF FUND</b>			
Fixed assets (at cost)	22	10,556,622,766	10,549,461,925
Investment in TSS New Plant under S/P & JV	23	66,740,655	64,282,034
Investment in Fixed Deposit	24	232,672,860	342,151,284
		<u>10,856,036,280</u>	<u>10,955,895,243</u>
<b>Current assets:</b>			
Inventories	25	229,449,983	69,634,715
Sundry Debtors	26	47,666,552	43,923,805
Advance, deposits & prepayments	27	182,543,689	152,359,220
Cash and bank balances	28	279,006,228	42,724,089
		738,666,452	308,641,828
<b>Less: Current liabilities</b>			
Payable accounts with BTCL & others	29	551,161,677	314,139,462
Creditors for goods supplied	30	85,544,841	20,079,078
Creditors for expenses	31	3,373,327	730,238
Creditors for other finance	32	55,854,803	58,659,631
Provision for corporate tax		46,686,294	43,886,291
		742,620,942	437,494,701
<b>Working Capital</b>		<b>(3,954,490)</b>	<b>(128,852,873)</b>
<b>NET ASSETS</b>	<b>Total</b>	<b>10,852,081,790</b>	<b>10,827,042,370</b>

( The annexed Notes form an integral part of these financial statements)

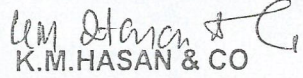
  
 Secretary

  
 Director

  
 Managing Director

Signed in terms of our report of even date annexed.

Dated, Dhaka  
 04 August 2013

  
**K.M.HASAN & CO**  
 Chartered Accountants.




**TELEPHONE SHILPA SANGSTHA LIMITED**  
**STATEMENT OF COMPREHENSIVE INCOME**

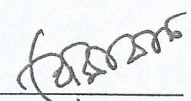
For the year ended 30 June 2012

		<u>Amount in Taka</u>	
		<u>2012</u>	<u>2011</u>
<b>SALES/REVENUE</b>	33	560,000,430	309,607,504
<b>LESS: COST OF GOODS SOLD:</b>	34	544,827,522	311,745,109
<b>GROSS PROFIT/(LOSS)</b>		<u>15,172,908</u>	<u>(2,137,606)</u>
<b>LESS: OPERATING EXPENSES:</b>			
Administrative expenses	35	33,142,493	30,994,804
Return on Investment	36	-	477,001
		<u>33,142,493</u>	<u>31,471,805</u>
<b>OPERATING PROFIT/(LOSS)</b>		<u>(17,969,585)</u>	<u>(33,609,410)</u>
<b>NON OPERATING INCOME</b>			
Commission received		2,146,234	-
Bank Interest received		22,931,435	35,682,888
Sale of tender documents		232,500	875,640
Miscellaneous received		1,616,753	114,856
		<u>26,926,922</u>	<u>36,673,384</u>
<b>NET PROFIT/(LOSS) BEFORE TAX</b>		<u>8,957,337</u>	<u>3,063,974</u>
Provision for income tax 0.50% on turnover		2,800,002	774,019
<b>NET PROFIT/(LOSS) AFTER TAX</b>		<u>6,157,335</u>	<u>2,289,955</u>
Profit /Loss brought forward from previous year		(76,988,620)	(83,179,104)
<b>ACCUMULATED PROFIT/(LOSS)</b>		<u>(70,831,285)</u>	<u>(80,889,149)</u>
Profit & Loss appropriation account		750,321	3,900,530
<b>TRANSFERRED TO BALANCE SHEET</b>		<u>(70,080,964)</u>	<u>(76,988,620)</u>

( The annexed Notes form an integral part of these financial statements)

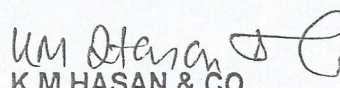
  
Secretary

\_\_\_\_\_  
Director

  
Managing Director

Signed in terms of our report of even date annexed.

Dated, Dhaka  
04 August 2013

  
**K.M.HASAN & CO**  
Chartered Accountants




TELEPHONE SHILPA SANGSTHA LIMITED  
STATEMENT OF CHANGES IN EQUITY  
For the year ended 30 June 2012

Amounts in Taka

Particulars	Share capital	Share money deposit	General reserve	Capital reserve	Revaluation reserve	Depreciation reserve fund	Accumulated surplus/(Loss)	Total
Balance as at 01 July 2011	86,824,000	398	57,197,856	1,478,220	10,201,172,009	557,358,507	(76,988,620)	10,827,042,370
Interest on FDR			2,820,301			3,185,109		6,005,410
Depreciation provided during the year						12,126,354		12,126,354
Net profit after tax							6,157,335	6,157,335
Profit & Loss appropriation account							750,321	750,321
<b>Balance as at 30 June 2012</b>	<b>86,824,000</b>	<b>398</b>	<b>60,018,157</b>	<b>1,478,220</b>	<b>10,201,172,009</b>	<b>572,669,970</b>	<b>(70,080,964)</b>	<b>10,852,081,790</b>

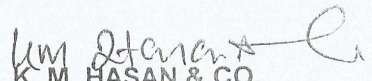
  
Secretary

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Director

  
Managing Director

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
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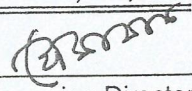


**TELEPHONE SHILPA SANGSTHA LIMITED**  
**STATEMENT OF CASH FLOWS**  
For the year ended 30 June 2012

	<u>Amount in Taka</u> <u>2012</u>
<b>A Cash Flows From Operating Activities :</b>	
Profit before tax	8,957,337
Add : Depreciation	12,126,354
Add : Appropriation	750,321
Add : Interest on FDR	(4,114,248)
Cash flow before working capital changes	17,719,764
<b>Working Capital Changes :</b>	
Increase of Inventory	(159,815,268)
Increase in accounts receivable	(3,742,747)
Increase in advance, deposits & prepayments	(30,184,469)
Increase in advance collection against sales	237,022,215
Increase in accounts payable	65,465,763
Increase in provision for expenses	2,643,089
Decrease in liabilities for other finance	(2,804,828)
	108,583,755
<b>Net Cash Inflows From Operating Activities</b>	<b>Total 126,303,519</b>
<b>B Cash Flows From Investing Activities :</b>	
Purchase of fixed assets	(7,160,841)
Encashment of FDR (a)	119,598,082
Investment in new plant	(2,458,620)
<b>Net cash used in investing activities</b>	<b>Total 109,978,621</b>
<b>C Cash Flows From Financing Activities :</b>	
<b>Net cash inflows/outflows from financing activities</b>	-
Increase/Decrease of cash & cash equivalent (A+B+C)	236,282,140
Add : Opening balance of cash & cash equivalent	42,724,089
<b>Closing balance of cash &amp; cash equivalent</b>	<b>Total 279,006,228</b>
<b>(a) Encashment of FDR:</b>	
Encashment	274,598,082
FDR No.-0071078/411000107	155,000,000
Less: Re-investment	119,598,082
Net inflows during the year	274,598,082

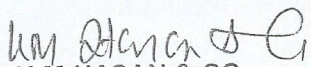
  
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Secretary

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Director

  
\_\_\_\_\_  
Managing Director

Signed in terms of our report of even date annexed.

Dated, Dhaka  
04 August 2013

  
**K.M.HASAN & CO.**  
Chartered Accountants



TELEPHONE SHILPA SANGSTHA LIMITED  
Tongi, Gazipur  
NOTES TO THE FINANCIAL STATEMENTS  
For the year ended 30 June 2012

**1 INTRODUCTION:**

**1.1 Legal form of the company:**

TELEPHONE SHILPA SANGSTHA LIMITED is a public limited company incorporated in Bangladesh under the Ministry of Posts and Telecommunications.

**1.2 Nature of Business Activities**

The principal activity of the company is manufacturing Telephone sets, Telephone exchange, Laptop Computer etc.

**2 STATEMENT OF COMPLIANCE WITH LAWS AND REGULATIONS:**

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

**3 STATEMENT OF COMPLIANCE OF BANGLADESH FINANCIAL REPORTING STANDARDS:**

The financial statements have been prepared in accordance with the applicable Bangladesh Financial Reporting Standards (BFRSs) adopted by the Institute of Chartered Accountants of Bangladesh (ICAB) based on International Financial Reporting Standards (IFRSs).

**4 STRUCTURE, CONTENT AND PRESENTATION OF FINANCIAL STATEMENTS:**

Being the general purpose financial statements, the presentation of these financial statements are in accordance with the guidelines provided by BAS 1: Presentation of Financial Statements. / and the Securities and Exchange rules 1987 requirements.

**5 REPORTING PERIOD:**

The financial period of the company covers one year from 1 July 2011 to 30 June 2012.

**6 APPROVAL OF FINANCIAL STATEMENTS:**

The financial statements were approved by the Board of Directors on 04 August 2013.

**7 ACCRUED EXPENSES AND OTHER PAYABLES:**

Liabilities are recognized for the goods and services received, whether paid or not for those goods and services. Payables are not interest bearing and are stated at their nominal value.

**8 GOING CONCERN:**

The company has adequate resources to continue in operation for the foreseeable future. For this reason the directors continue to adopt going concern basis in preparing the financial statements.

**9 FINANCIAL INSTRUMENTS:**

Non-derivative financial instruments comprise accounts and other receivables, cash and cash equivalents, borrowings and other payables are shown at transaction cost.

**10 STATEMENT OF CASH FLOWS :**

The Statement of Cash Flows has been prepared in accordance with the requirements of BAS 7: Cash Flow Statement, under the Direct Method.

**11 EVENTS AFTER THE DATE OF THE FINANCIAL STATEMENTS:**

In compliance with the requirements of BAS 10: Events after the date of the financial statements that provide additional information about the company's position at the balance sheet date are reflected in the financial statements and events after the balance sheet date that are not adjusting events are disclosed in the notes when material.



## 12 SIGNIFICANT ACCOUNTING POLICIES:

The accounting policies in respect of material items of financial statements have been set out below:

### 12.1 Accounting Convention & Basis :

The financial statement have been prepared under historical cost convention following Generally Accepted Accounting Principles (GAAP).

### 12.2 Fixed assets:

Fixed assets have been stated at cost basis. In the year 2009-10 TSS BOD approved the Assets Revaluation. In the year Assets Schedule is prepared by considering approved assets revaluation. Depreciation has been charged for the year on diminishing balance method over the estimated useful life of the assets.

### 12.3 Revenue recognition policy

In compliance with the requirements of BAS 18: Revenue, revenue receipts from customers against sales is recognized when products are dispatched to customers, that is, when the significant risk and rewards of ownership have been transferred to the buyer, recovery of the consideration is probable, the associated costs and possible return of goods can be estimated reliably, and there is no continuing management involvement with the goods.

### 12.4 Property, plant and equipment

#### Recognition and measurement

Property, plant and equipment are capitalised at cost of acquisition in compliance with the requirements of BAS 16: Property, Plant and Equipment.

#### Depreciation on fixed assets

Depreciation is provided to amortise the cost of the assets after commissioning, over the period of their expected useful lives, in accordance with the provisions of BAS 16: Property, Plant and Equipment. Depreciation is calculated on diminishing balance method, in order to write off such assets over the estimated useful lives of the asset.

### 12.5 Inventories

#### Stock of Finished Goods

Stock of Finished Goods have been valued at actual proportional conversion cost.

#### Stock of Raw Materials

Stock of Raw Materials and Stores and Spares have been valued at actual cost price.

### 12.6 Cash and cash equivalents

Cash and cash equivalents are carried in the balance sheet at cost.

## 13 CONTINGENT LIABILITIES:

There was no contingent liability as on 30 June 2012.

## 14 CAPITAL EXPENDITURE COMMITMENT:

- (a) There was no capital expenditure commitment incurred or provided at 30 June 2012.
- (b) There was no material capital expenditure authorized by the Board and not contracted for the year ended 30 June 2012.

## 15 GENERAL:

- i) Figures have been rounded off to the nearest Taka.
- ii) Arrangement:  
Previous year's figures have been rearranged, wherever considered necessary, to conform to current year's presentation.



		Amount in Taka	
		2012	2011
16	SHARE CAPITAL :		
	<u>Authorised:</u>		
	5,000,000 Ordinary Shares of Tk 1,000 each	<u>5,000,000,000</u>	<u>5,000,000,000</u>
	 <u>Issued, Subscribed and paid up :</u>		
	The paid-up capital of the company has been contributed by the following persons/Organizations :		
		<u>Nos of Share</u>	<u>Face Value</u>
	<u>Shareholders</u>		
	GoB through Secretary	86,812	1,000
	Director TSS & JS MoF	2	1,000
	Director TSS & JS MoPT	2	1,000
	Director TSS & M.D BTCL	2	1,000
	Director TSS & M.D TBL	2	1,000
	Managing Director TSS	2	1,000
	Director TSS & Council Member	2	1,000
	Total	<u>86,824</u>	<u>1,000</u>
			<u>86,824,000</u>
			<u>86,824,000</u>
17	SHARE MONEY DEPOSIT :		
	Share money deposit		<u>398</u>
			<u>398</u>
18	GENERAL RESERVE FUND :		
	Opening balance		57,197,856
	Add : Provided during the year (Interest on FDR)		2,820,301
	Total		<u>60,018,157</u>
			<u>57,197,856</u>
19	CAPITAL RESERVE FUND :		
	Opening balance		1,478,220
	Total		<u>1,478,220</u>
			<u>1,478,220</u>
20	REVALUATION RESERVE FUND :		
	Opening balance		10,201,172,009
	Total		<u>10,201,172,009</u>
			<u>10,201,172,009</u>
	Revaluation reserve and surplus, in previous year assets value or adjusted Tk. 9,961,292,778 as per BOD approved assets revaluation, previous balance was Tk. 239,879,231,		
21	DEPRECIATION RESERVE FUND :		
	Opening balance		557,358,507
	Add : Provided during the year (Interest on FDR)		3,185,109
	Add : Net depreciation during the year		12,126,354
	Total		<u>572,669,970</u>
			<u>557,358,507</u>



TELEPHONE SHILPA SANGSTHA LIMITED  
Tonqi, Gazipur

22 FIXED ASSETS :

Amount in Taka

Particulars	ORIGINAL COST				Dep. Rate %	DEPRECIATION				WDV as on 30.06.12
	Balance as on '01.07.11	Addition during the year	Sales/ Adjustment	Balance as on 30.06.12		Balance as on 01.07.2011	Charge during the year	Sales/ Adjustment	Balance as on 30.06.2012	
<b>LAND &amp; LAND DEVELOPMENT</b>										
Factory Area	4,882,400,000	-	-	4,882,400,000	0%	-	-	-	-	4,882,400,000
<b>Residential Area</b>										
Aauchpara	1,349,733,747	1,570,000	-	1,351,303,747	0%	-	-	-	-	1,351,303,747
Uttara	4,134,510,000	-	-	4,134,510,000	0%	-	-	-	-	4,134,510,000
Total =	10,366,643,747	1,570,000	-	10,368,213,747		-	-	-	-	10,368,213,747
<b>BUILDING CONSTRUCTION</b>										
Roads & Walls	12,363,957	295,757	-	12,659,714	5%	1,205,486	572,711	-	1,778,197	10,881,517
Sewerage & Drains	4,350,549	153,730	-	4,504,279	5%	423,287	204,050	-	627,337	3,876,942
Factory Building	79,798,750	2,761,678	-	82,560,428	5%	7,071,856	3,774,429	-	10,846,285	71,714,143
Bonded Warehouse	1,219,226	-	-	1,219,226	5%	118,874	55,018	-	173,892	1,045,334
Residential Building	16,495,000	-	-	16,495,000	5%	1,608,263	744,337	-	2,352,600	14,142,400
Prayer Hall	3,600,000	-	-	3,600,000	5%	351,000	162,450	-	513,450	3,086,550
Factory Elec. Installation	18,314,177	-	-	18,314,177	5%	1,739,320	828,743	-	2,568,063	15,746,114
Total =	136,141,659	3,211,165	-	139,352,824		12,518,086	6,341,737	-	18,859,823	120,493,001
<b>PLANT, MACHINERY &amp; EQUIPMENT</b>										
Production Machinery	4,673,116	-	-	4,673,116	18%	1,530,913	565,597	-	2,096,510	2,576,606
<b>TOOLS, EQUIPMENT &amp; MOULDS</b>										
Special tools	6,784,302	-	-	6,784,302	15%	1,882,644	735,249	-	2,617,893	4,166,409
Testing equipment	948,829	-	-	948,829	15%	263,300	102,829	-	366,129	582,700
Moulds	14,714	-	-	14,714	30%	7,504	2,163	-	9,667	5,047
Drawing equipment	8,687	-	-	8,687	15%	2,411	941	-	3,352	5,335
Gen. Machinery equipt	69,335	-	-	69,335	15%	18,772	7,584	-	26,356	42,979
Work Shop equipment	81,001	-	-	81,001	15%	22,478	8,778	-	31,256	49,745
Equipment of PSTN Plant	10,820,390	-	-	10,820,390	10%	-	1,082,039	-	1,082,039	9,738,351
Total =	18,727,258	-	-	18,727,258		2,197,109	1,939,584	-	4,136,693	14,590,565
<b>Motor Vehicles</b>	<b>12,223,141</b>	<b>438,600</b>		<b>12,661,741</b>	<b>20%</b>	<b>4,124,657</b>	<b>1,707,417</b>	<b>-</b>	<b>5,832,074</b>	<b>6,829,667</b>
<b>OFFICE EQUIPMENT</b>										
Office Machinery Equip.	2,535,826	27,084	-	2,562,910	15%	522,329	306,087	-	828,416	1,734,494
Computer	3,031,295	78,600	-	3,109,895	15%	733,020	356,531	-	1,089,551	2,020,344
Total =	5,567,121	105,684	-	5,672,805		1,255,349	662,618	-	1,917,967	3,754,837







## TELEPHONE SHILPA SANGSTHA LIMITED

Tongi, Gazipur

Schedule of Investment in Fixed Deposits  
For the year ended 30 June 2012

Sl. No.	FDR No.	Bank	Branch	Investment		Interest Accrued: 11-12		Net Interest Accrued	30th June '12 Fund	Maturity Date	Amount in Taka	
				Date	Principal	Total	IT & Other				Net adj.	Interest Rate
<b>Depreciation Fund :</b>												
1	231033	Sonali Bank	Station Road, Tongi	21/06/11	4,768,738	405,343	40,534	364,808	5,133,546			8.50%
2	1080264/36/14	Sonali Bank	B.B.A. Corporate	16/10/10	31,392,232	3,139,223	318,922	2,820,301	34,212,533			10.00%
<b>Total =</b>					<b>36,160,970</b>	<b>3,544,566</b>	<b>359,457</b>	<b>3,185,109</b>	<b>39,346,079</b>			
<b>General Reserve Fund :</b>												
3	1080265/35/15	Sonali Bank	B.B.A. Corporate	17/10/2008	31,392,232	3,139,223	318,922	2,820,301	34,212,533			10.00%
<b>Total =</b>					<b>31,392,232</b>	<b>3,139,223</b>	<b>318,922</b>	<b>2,820,301</b>	<b>34,212,533</b>			
<b>General Fund :</b>												
4	11,841,100,016,251	Mercantile Bank Ltd	Elephant Road	02/05/2011	90,000,000	445,000	49,500	395,500	90,395,500			12.00%
5	11,841,200,007,645	Mercantile Bank Ltd	Elephant Road	22/09/2011	50,000,000	3,124,998	317,500	2,807,498	52,807,498			12.00%
6	11,841,200,007,674	Mercantile Bank Ltd	Elephant Road	12/11/2012	15,000,000	1,012,500	101,250	911,250	15,911,250			12.00%
<b>Total =</b>					<b>155,000,000</b>	<b>4,582,498</b>	<b>468,250</b>	<b>4,114,248</b>	<b>159,114,248</b>			
<b>Grand Total =</b>					<b>222,553,202</b>	<b>11,266,287</b>	<b>1,146,629</b>	<b>10,119,658</b>	<b>232,672,860</b>			



TELEPHONE SHILPA SANGSTHA LIMITED

Tongi, Gazipur

		<u>Amount in Taka</u>	
		<u>As at 30 June</u>	
		<u>2012</u>	<u>2011</u>
<b>25</b>	<b>INVENTORIES :</b>		
	Non-ferrous material	1,722,651	1,722,651
	Moulding material	10,167,390	-
	Cables & wire(L)	2,130,511	2,130,511
	Direct supply	24,034,128	24,034,128
	General O/H material	(509,159)	(37,438)
	General tools	2,042,134	2,042,134
	Magnetic card phone A/C	5,778,222	5,778,222
	Chip type card phone A/C	4,021,356	4,021,356
	Goods in transit	22,774,453	10,152,703
	Other material laptop	23,137,600	-
	Parts PSTN	9,028,250	-
	Finished goods	125,122,447	19,790,447
	<b>Total</b>	<u><u>229,449,983</u></u>	<u><u>69,634,715</u></u>
<b>26</b>	<b>SUNDRY DEBTORS :</b>		
	Claims (miscellaneous)	7,162	7,162
	Claims on others	35,206,636	32,029,959
	Claims on BTCL Mtc. Region.	4,740,790	4,042,861
	Phone Card A/C (GPO)Chiptype	4,465,114	4,465,114
	Phone Card A/C (GPO)Magnetic	3,461,269	3,461,269
	Sher-e-Bangja Sales Centre (T.set & Spare)	(115,167)	(42,850)
	Ramna Sales center ( Phone card)	(8,027)	(14,324)
	Sales center Azampur	(4,550)	-
	TSS Sales Centre	(86,675)	(25,386)
	<b>Total</b>	<u><u>47,666,552</u></u>	<u><u>43,923,805</u></u>

Management could not provide year-wise details of the claim on others (Sundry customers) amounting to Tk. 35,206,636. As such, the entire amount of Tk. 35,206,636 remained unverified.



27 ADVANCE, DEPOSIT & PREPAYMENTS :	Amount in Taka	
	As at 30 June	
	2012	2011
Miscellaneous advance	1,131,111	1,109,265
Advance to suppliers	12,302,219	9,882,886
Security money to suppliers	2,337,191	2,337,191
Advance income tax paid	84,954,746	84,707,932
Adv. To Techno Trade Engr. Ltd	51,868,013	52,800,000
Laptop Plant	19,830,812	-
Pay advance	410,664	386,414
Travelling advance	29,260	18,188
Canteen	589,240	61,196
Advance to despatcher	400	400
Advance revenue stamp	(1,937)	(367)
New round up	1,505	1,436
Union subscription	(65)	(65)
Bank guarantee	8,994,530	220,130
Clearance AIC BCS	-	834,614
Solar panel	51,000	-
TSS - RBBL Battery Ltd	45,000	-
<b>Total</b>	<b>182,543,689</b>	<b>152,359,220</b>

28 CASH & BANK BALANCES :

Cash in hand	349,839	832,045
Cash at bank :		
Janata Bank, Tongi C/A	13,954	15,104
Janata Bank, Tongi STD	48,487	49,748
Sonali Bank, Station Road C/A	1,089,691	1,165,540
Sonali Bank, Station Road STD	3,014,794	24,178,293
Sonali Bank, B B Avenue C/A	1,745	-
Sonali Bank, B B Avenue STD	296,172	29,931
Sonali Bank, Kurmitala C/A	1,072	15,180
Sonali Bank, Kurmitala STD	266,237	-
Premier Bank Ltd. STD	174,845	4,177,740
Mercantile Bank, ER Branch	176,201,050	11,321,485
Mercantile Bank, CD (Laptop)	97,846,024	-
Basic bank	1,673,116	-
Mercantile bank CD	(2,909,820)	-
Dormant Bank Accounts (Note 28.1)	939,024	939,024
<b>Total</b>	<b>278,656,389</b>	<b>41,892,044</b>
	<b>279,006,228</b>	<b>42,724,089</b>



		<u>Amount in Taka</u> <u>As at 30 June</u>	
		<u>2012</u>	<u>2011</u>
<b>28.1</b>	<b>Dormant Bank Accounts</b>		
	Janata Bank Ltd, Ramna branch (code 1102)	73,765	73,765
	Janata Bank Ltd, Ramna branch (code 1104)	24,548	24,548
	Jamuna Bank Ltd, Shantinagar branch (code 1120)	599,296	599,296
	Sonali Bank Ltd, Station Rd branch (code 1121)	6,536	6,536
	Janata Bank Ltd, Phone card sales (code 1136)	22,751	22,751
	Sonali Bank Ltd, Phone card sales (code 1137)	72	72
	Pubali Bank Ltd, Phone card sales (code 1138)	3,587	3,587
	Rupali Bank Ltd, Phone card sales (code 1139)	1,119	1,119
	Uttara Bank Ltd, (code 1140)	82,109	82,109
	AB Bank Ltd, (code 1141)	12,543	12,543
	Eastern Bank Ltd, (code 1142)	112,698	112,698
		<u>939,024</u>	<u>939,024</u>
<b>29</b>	<b>PAYABLE ACCOUNTS WITH BTCL &amp; OTHERS</b>		
	Advance from BTCL Department	450,000,000	-
	Advance From ONU BTCL	98,014,725	313,433,076
	Other than BTCL	3,146,952	706,387
	<b>Total</b>	<u>551,161,677</u>	<u>314,139,462</u>
<b>30</b>	<b>CREDITORS FOR GOODS SUPPLIED</b>		
	Sundry suppliers	108,704	4,642,941
	ONU	70,000,000	-
	Provision for suppliers	15,436,137	15,436,137
	<b>Total</b>	<u>85,544,841</u>	<u>20,079,078</u>
<b>31</b>	<b>CREDITORS FOR EXPENSES :</b>		
	Provision for gratuity	1,327,816	(279,486)
	Provision of expenses	1,843,500	1,843,500
	Provision for leave salary	(2,165,393)	(2,165,393)
	Payable salaries	38,991	-
	Benevolent fund	55,964	-
	VAT on Sales	2,272,299	1,331,467
	Clearance A/C TSS Officers'	150	150
		<u>3,373,327</u>	<u>730,238</u>
<b>32</b>	<b>CREDITORS FOR OTHER FINANCE :</b>		
	Security deposit from suppliers	1,908,994	2,011,743
	Advance for Other Works	48,747,423	48,747,423
	Contributory Provident Fund	3,672,888	6,630,752
	VAT deducted at source	248,748	177,588
	Income tax deducted at source	291,922	107,297
	Welfare fund	62,754	62,754
	Unused phone card	922,074	922,074
		<u>55,854,803</u>	<u>58,659,631</u>



**TELEPHONE SHILPA SANGSTHA LIMITED**  
**Tongi, Gazipur**

		<u>Amount in Taka</u>	
		<u>For the year ended 30 June,</u>	
		<u>2012</u>	<u>2011</u>
<b>33 SALES:</b>			
Telephone sets		5,279,111	12,068,973
Repair & maintenance.		1,226,407	88,741
Optical Network Unit (ONU)		215,418,351	186,566,924
PABX (Spare Parts)		8,553,421	6,685,878
Cable work		435,369	2,013,719
PABX maintenance		12,599,454	17,464,518
Spare parts		5,790,039	22,614,424
OSP material		-	10,519,206
BTS tower-teletalk		43,897,355	51,585,121
Digital electric meter		22,152,013	-
Laptop project		244,648,910	-
	<b>Total</b>	<b><u>560,000,430</u></b>	<b><u>309,607,504</u></b>
<b>34 COST OF GOODS SOLD :</b>			
Material consumption ( Note 34.1)		573,104,978	238,631,956
Direct wages (Note 34.2)		18,147,247	16,521,507
Prime cost		<u>591,252,224</u>	<u>255,153,462</u>
Add. Factory overhead (Note 34.3)		58,907,297	56,591,647
Add: Opening stock of work in progress		-	-
		<u>650,159,522</u>	<u>311,745,109</u>
Less: Closing stock of work in progress		-	-
Cost of goods manufactured		<u>650,159,522</u>	<u>311,745,109</u>
Add: Opening stock of finished goods		19,790,447	-
		<u>669,949,969</u>	<u>311,745,109</u>
Less: Closing stock of finished goods		125,122,447	-
<b>Cost of goods sold transferred to P &amp; L A/C</b>		<b><u>544,827,522</u></b>	<b><u>311,745,109</u></b>

Because of a mistake in accounting entry, goods in transit worth Tk. 19,790,447 was directly taken in inventory as stock of finished goods at the close of previous year without affecting purchase account and finished goods account both which resulted no financial affect on total cost of goods sold during that year.

<b>34.1 Material consumption:</b>			
Purchase parts for telephone		19,143,139	10,139,000
Digital PABX		18,520,140	35,706,676
Digital telephone		4,469,366	544,798
Digital metre		23,632,750	-
Material for digital PABX		6,158,217	1,384,367
OSP Material (fron, Steel & ONU)		140,188,881	149,314,946
Teletalk tower project expense		49,011,864	36,922,359
Laptop expense		311,980,620	1,650
Optical network (ONU)		-	4,618,160
		<b><u>573,104,978</u></b>	<b><u>238,631,956</u></b>



		<b>Amount in Taka</b>	
		<b>For the year ended 30 June,</b>	
		<b><u>2012</u></b>	<b><u>2011</u></b>
<b>34.2</b>	<b>Direct wages :</b>		
	Production wages	8,216,677	6,611,173
	House rent allowance	4,750,870	4,653,282
	Conveyance allowance	138,853	127,047
	Washing allowance	64,106	65,401
	Medical Allowance	609,755	611,054
	Employer's contribution to-P/F	918,822	905,814
	Gratuity	1,373,640	1,395,008
	Uniform & liveries	71,182	163,666
	Overtime	101,968	65,901
	Festival Bonus	1,473,871	1,378,736
	Canteen subsidy	427,503	504,514
	Interest on CPF	-	39,910
	<b>Total</b>	<b><u>18,147,247</u></b>	<b><u>16,521,507</u></b>
<b>34.3</b>	<b>Factory overhead:</b>		
	Pay of officers (Basic)	5,160,890	5,008,930
	Digital PABX wages	5,075,855	5,674,201
	Indirect wages (Basic)	15,137,195	15,173,131
	Daily labour/Ansar salary & bonus	1,638,712	1,269,202
	House rent allowance	7,981,461	7,817,514
	Conveyance allowance	304,155	278,294
	Medical allowance	752,031	753,634
	Washing allowance	84,001	85,697
	Employer's Contrib. to P/F	1,800,891	1,775,394
	Gratuity & leave salary	2,861,750	2,906,267
	Medical expenses	5,580	-
	Uniform & liveries	94,910	218,221
	Overtime	883,730	571,142
	Festival bonus	3,070,564	2,872,368
	Canteen subsidy	601,671	710,057
	Group insurance	-	189,836
	Gas bill allowance	3,120	3,185
	Factory cleaning	42,660	-
	Travelling expenses others	658,596	183,047
	Maintenance of building	1,641,914	129,849
	Maintenance of plant and machinery	20,210	-
	Power supply maintenance	41,089	515,195
	Maintenance of vehicle	503,083	482,843
	Consumption of fuel	-	570,120
	Printing & stationery	452,364	341,173
	Vehicle insurance premium	127,148	170,232
	Energy/ electricity	1,109,382	546,107
	General tools	365,887	65,880
	Interest on CPF	-	85,522
	Tender advertisement	-	807,485
	Depreciation	8,488,448	7,387,122
	<b>Total</b>	<b><u>58,907,297</u></b>	<b><u>56,591,647</u></b>



		<u>Amount in Taka</u>	
		For the year ended 30 June,	
		<u>2012</u>	<u>2011</u>
<b>35</b>	<b>ADMINISTRATIVE EXPENSES :</b>		
	Pay of officers (Basic)	3,299,586	3,202,431
	Customer service wages	131,120	162,222
	House rent allowance	6,271,148	6,142,333
	Conveyance allowance	218,198	199,646
	Medical allowance	670,731	672,160
	Washing allowance	72,948	74,421
	Education allowance	569,612	562,192
	Recreation leave	126,386	168,428
	Leave salary	1,775,988	4,088,227
	Employer's Contrib. to P/F	955,575	942,046
	Gratuity	1,488,110	1,511,259
	Medical expenses	-	160
	Uniform & liveries	71,183	163,666
	Overtime	713,782	461,307
	Festival bonus	1,596,693	1,493,631
	Canteen subsidy	554,171	654,000
	Employee's income tax	-	635,743
	Group insurance	391,713	284,753
	development	18,600	2,000
	Annual picnic	95,000	-
	Cultural & religious function	133,714	64,474
	National day celebration	18,434	2,000
	Funeral expenses	5,000	2,500
	Dignitorie's visit & meeting	489,283	770,497
	Travelling Expenses PABX	443,673	425,833
	Maintenance of building	703,678	55,649
	Maintenance	164,644	148,150
	Power supply maintenance	17,609	220,798
	Maintenance of vehicle	141,894	136,187
	Garden maintenance	5,075	3,050
	Office Supplies (Toner, Tele Line etc.)	195,808	130,660
	Stationery	-	1,861
	Sub Total	<u>21,339,355</u>	<u>23,382,283</u>



**Amount in Taka**  
**For the year ended 30 June,**  
**2012**                      **2011**

Printing & office stationery	552,889	416,989
Vehicle insurance premium	68,465	91,664
Municipality tax	13,500	446,360
Land revenue	206,792	206,792
Fire brigade charges/fees	3,800	5,710
Energy/ electricity.	1,024,046	504,099
Postage & Courier	14,586	7,850
Telegram & telephone/Internet	426,012	272,262
Travelling expenses others	73,178	20,339
Media advertisement	1,446,849	516,261
Photostat	13,351	7,204
Bank charge	2,124,455	359,622
Audit & professional fees	21,375	25,000
Legal (Income tax)	62,250	-
Legal (General) law adviser	-	39,500
Consultation fees	95,000	300,500
Entertainment BoD	103,856	281,211
Directors' fee	221,138	357,500
Welfare expenses	11,095	11,510
News paper	22,841	16,899
Miscellaneous	119,906	142,154
Purchase of tender document	55,115	-
Mobile bill	-	188,631
Interest on CPF	-	64,616
Labour bill	-	7,300
Consumption of petrol	1,356,112	100,609
Vehicle tax	84,121	56,030
Maintenance aircondition	44,500	-
Depreciation	3,637,906	3,165,909
Sub Total	11,803,138	7,612,520
<b>Total</b>	<b>33,142,493</b>	<b>30,994,804</b>

**36 RETURN ON INVESTMENT :**

Return on Investment	-	477,001
<b>Total</b>	<b>-</b>	<b>477,001</b>



**TELEPHONE SHILPA SANGSTHA LIMITED**

**Tongi, Gazipur**

**RATIO ANALYSIS**

For the year ended 30 June 2012

Particulars	2011-2012		2010-2011	
	Amount in Taka	Ratio	Amount in Taka	Ratio
<b>Current Ratio :</b>				
Current Assets	738,656,452	0.99	308,641,828	0.71
Current Liabilities	742,620,942		437,394,701	
<b>Quick Ratio :</b>				
Current Assets-Inventory	509,206,469	0.69	239,007,113	0.55
Current Liabilities	742,620,942		437,394,701	
<b>Current Ratio to Fixed Assets</b>				
Current Assets	738,656,452	0.07	308,641,828	0.03
Fixed Assets (at cost)	10,556,622,766		10,549,461,925	
<b>Profitability Ratio :</b>				
Gross profit/(Loss)	15,172,908	0.03	(2,137,606)	-0.01
Gross Sales	560,000,430		309,607,504	
<b>Rate of Return :</b>				
Net profit/(Loss)	6,157,335	0.01	2,289,954	0.01
Net Sales	560,000,430		309,607,504	
<b>Rate of Return on Capital Employed :</b>				
Net profit/(Loss)	6,157,335	0.00	2,289,954	0.00
Capital Employed	10,852,071,790		10,827,042,370	
<b>Inventory Management Ratio :</b>				
Total Inventory	229,449,983	0.31	69,634,715	0.23
Current Assets	738,656,452		308,641,828	
<b>Inventory Working Capital :</b>				
Inventory	229,449,983	-57.88	69,634,715	-0.54
Working Capital	(3,964,490)		(128,852,873)	
<b>Direct Wages to Cost of Production :</b>				
Direct Wages	18,147,247	0.03	16,521,507	0.06
Cost of Production	591,252,224		255,153,462	