

ব্যবস্থাপনা প্রতিবেদন
MANAGEMENT REPORT

OF

GAZI WIRES LIMITED
For the year ended 30th June, 2022.

HUDA HOSSAIN & CO.
CHARTERED ACCOUNTANTS

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The 9th February, 2023
MANAGING DIRECTOR (IN-CHARGE)
GAZI WIRES LTD.
CHANDGAON, CHITTAGONG

Subject: Management Report on the Financial Statements and internal affairs of "GAZI WIRES LTD." for the year ended 30 June, 2022.

Dear Sir,

In terms of our Appointment Letter No. **Gazi/Accounts/Ex-Audit/36.93.1505.560.01.023.19.319(A)** Date: **19/12/2022**, we have completed the audit of Statement of Financial Position as on 30 June, 2022 and Statement of Comprehensive Income for the year ended 30 June, 2022 of **GAZI WIRES LTD.** with books of account, bills, vouchers, registers and other relevant papers and documents as maintained by the **GAZI WIRES LTD.** and as produced to us during the course of our audit. Our examinations have been made in accordance with IAS and as per guideline of BSEC instruction & Manual. We are pleased to enclose herewith our Management Report on the Financial Statements in addition to our Statutory Audit Report on the audited accounts of even date addressed to the **Managing Director of GAZI WIRES LTD.** for the year ended June 30, 2022.

Thanking you

Yours faithfully



(Huda Hossain & Co.)
Chartered Accountants

Encl: as above.



This report consists of the following Sequential Sections:

SECTION -1.00: INTRODUCTION

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- * STATUS OF GAZI WIRES LIMITED
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- * INTERNAL CONTROL
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SECTION - 1.00: INTRODUCTION:

1.01: RESUME REFERENCE

APPOINTMENT REFERENCE	:	Gazi/Accounts/Ex-Audit/36.93.1505.560.01.023.19.319(A)	Date: 19/12/2022
NATURE OF ASSIGNMENT	:	Verification of Control Ledger, Sub-Subsidiary Ledger, Fixed Assets Register, Store & Stock Register, Purchase Register, Sales Register and Other Related Registers, Vouchers and Documentary Evidences and Internal Control on test basis.	
ASSIGNED	:	GAZI WIRES LTD, CHANDGAON, CHITTAGONG.	
ASSIGNED	:	From July 01, 2021 to June 30, 2022.	

1.02: BACKGROUND OF GAZI WIRES LIMITED:

ESTABLISHMENT:

The company was registered as S. Gazi & Co., Ltd in 1963 under Company Act 1913. In 1972 Government of Bangladesh take over the company by exercising powers conferred by clause (7) of Article 10 of the Bangladesh Industrial Enterprises (Nationalization) Order, 1972 (P.O. no. 27 of 1972).



1.03: STATUS OF GAZI WIRES LTD:

The main objective of the company is to manufacture, import, export and deal in enamelled copper wire, drawn wire, cables, non-ferrous wire, PVC coated and all kind of plastic coated and other insulated cables etc.

1.04: BOOKS AND RECORDS:

During the audit period, we observed that Gazi Wires Ltd. maintains the books of accounts, registers and other records as per instruction of BSEC from time to time and also as per prescribed Accounting Manual of BSEC which we considered adequate as per information furnished to us.

1.05: SCOPE OF AUDIT:

Our examinations were carried out by referring to the Terms and Conditions of appointment letter made by Gazi Wires Ltd, in particular and other relevant information and explanations given to us and as required in International Standards on Auditing and BSEC Manuals. However, our examinations were confined to the extent of examinations of available Journal Vouchers, Cash Vouchers, Bank Vouchers, Sales Register (AR-One), IB Register (Vat collection), General Ledger, Sub-Subsidiary Ledgers, Cash and Bank Book, Fixed Assets Registers and other related documents and information given to us.

1.06: INTERNAL CONTROL:

The GAZI WIRES LIMITED has adopted relevant accounting policies and procedures with appropriate segregation of functional responsibilities and system of authorization and recording procedures to provide reasonable safeguard over its assets and produced reliable accounting data, Our comments an internal control are as follows:-

- a) Receiving of cash by the cashier against bills etc. should be discouraged as far as possible.
- b) In our course of audit we have verified the books of account and records which are maintained in

accordance with accounting manual and procedures prescribed by BSEC through relevant instruction.

- c) Physical inventory was taken by the inventory committee of the GAZI WIRES LIMITED jointly with the BSEC as on the close of the financial year.
- d) The GAZI WIRES LIMITED submits the financial and statistical report to BSEC in time.
- e) Cash purchase of store and spares should be discouraged to ensure sound and effective internal control systems. All payment to the party is suggested to pay by account payee cheque.

1.07: MAINTENANCE OF ACCOUNTS:

In our opinion, the prevailing accounting practice is satisfactory and the same process will serve the purpose of the GAZI WIRES LIMITED. We have observed that the maintenance of General Ledger, Sub-subsidiary ledger, Fixed Assets Register, other related documents etc. are adequate. We have checked vouchers on test basis.

1.08: PRESENTATION OF REPORT:

This report for the year from **July 01, 2021 to June 30, 2022** is based on the Terms and Conditions as contained in the **TOR** of our appointment letter. The contents of this report dealt with are based on the best of our adopted procedures as per as practicable during the course of our verification. However, our report is based on the information and explanations as provided by the management and as were available from the books, records and documents as maintained and produced to us for our verification.



SECTION – 2: FINANCIAL VIABILITY:

Some vital statistical figures of the GAZI WIRES LIMITED for the last five years are given below:

Particulars	2021-2022	2020-2021	2019-2020	2018-2019	2017-2018
Net Sales	113,831,713	564,867,354	530,691,391	625,577,636	566,187,123
Other Income	26,966,591	14,527,327	20,962,101	29,099,302	26,828,696
Fixed Assets	100,887,720	107,101,851	113,293,532	113,633,883	21,307,028
Advance, Deposits & Pre-payment	31,612,887	9,589,695	18,625,680	24,704,251	19,035,893
Debtors	21,124,115	24,381,510	33,696,909	26,318,941	31,610,584
Operating Margin	(31,719,220)	35,187,513	36,268,852	57,838,353	66,138,016
Net Profit (After Tax)	(5,597,420)	33,060,368	35,340,114	53,684,002	57,406,945

Variable Costing Method:

	Amount (TK.)	Amount (TK.)
i) Net Sales		113,831,713.00
ii) Variable Cost :		
Raw Material Consumed	140,736,189.20	
Packing Materials	937,040.41	
Other Materials	302,369.00	
Fuel and Lubricant	161,974.00	
Electricity	7,488,303.00	
Water	37,786.00	
Gas	97,855.00	
Total Variable Cost (TVC)		149,761,516.61
Contribution Margin (CM)= (Net Sales-TVC)		-35,929,803.61
iii) Fixed Cost :		
Factory Expenses	8,540,747.00	
Administrative Expenses	26,710,953.91	
Selling & Marketing Expenses	14,162,796.48	
Total Fixed Cost (TFC)		49,414,497.39
Operating Profit= (CM-TFC)		-85,344,301.00

Particulars	Total	Per M. Ton
Net Sales	113,831,713.00	1,382,207.67
Variable Cost	149,761,516.61	1,818,487.24
Contribution Margin	-35,929,803.61	-436,279.57



Comparative ratio analysis:

RATIO ANALYSIS

A) SOLEVENCY RATIO:

(Indicating the extent to which company can meet its current commitment) Actual Position Standard Ratio

$$\begin{aligned} \text{i) Current ratio} &= \frac{\text{Current assets}}{\text{Current Liabilities}} \\ &= \frac{1,100,670,519}{456,421,735} = 2.41:1.00 \quad = 2.00:1.00 \end{aligned}$$

The ability of the Company is satisfactory to pay its current liabilities.

$$\begin{aligned} \text{ii) Liquidity Ratio} &= \frac{\text{Liquid Assets}}{\text{Current Liabilities}} \\ &= \frac{671,688,523}{456,421,735} = 1.47:1.00 \quad = 1.00:1.00 \end{aligned}$$

The ability of the company is satisfactory to meet its quick demand but GAZI WIRES LIMITED.
(Liquid Assets = Current Assets - stores & stock - Advance & Pre payment)

B) PERFORMANCE RATIO:

1) SALE

(Measuring operating performance in terms of sales and capital employed)

$$\begin{aligned} \text{i) Debtors Turnover} &= \frac{\text{sales}}{\text{Average Debtors}} \\ &= \frac{143,213,788.00}{22,752,812.50} = 6.29 \text{ Times} \quad = 4 - 6 \text{ times} \end{aligned}$$

The collection from outstanding receivable is up to expectation.

2) RETURN

$$\begin{aligned} \text{i) Return on total capital employed} &= \frac{\text{Net Profit before interest \& Tax}}{\text{Total Capital employed}} \times 100 \\ &= \frac{(4,752,630)}{745,781,007} = -0.64\% \quad = 5\% - 10\% \end{aligned}$$

The Net earning capacity on capital employed of the company is not satisfactory.

$$\begin{aligned} \text{ii) Gross Profit Margin} &= \frac{\text{Gross Profit}}{\text{sales}} \times 100 \\ &= \frac{12,144,765}{143,213,788} = 8\% \quad = 15\% - 20\% \end{aligned}$$

The gross profit earning capacity of the company on sales is not satisfactory

$$\begin{aligned} \text{iii) Net profit Margin} &= \frac{\text{Net profit before tax}}{\text{sales}} \times 100 \\ &= \frac{(4,752,630)}{143,213,788} = -3\% \quad = 5\% - 10\% \end{aligned}$$

The profit earning capacity of the company on sales is not satisfactory.



COMPARATIVE RATIO ANALYSIS					
Particular	2021-2022	2020-2021	2019-2020	2018-2019	Standard ratio
A) SOLVENCY RATIO:					
Current Ratio	2.41:1	2.27:1	2.36:1	2.42:1	2:01
Liquid/Quick/Acid Test Ratio	1.47:1	1.78:1	1.56:1	1.79:1	1:01
1. SALES					
i) Debtors Turnover	6.29 Times	24.99 Times	22.97 Times	27.98 Times	4 to 6 times
2) RETURNS					
i) Return on total capital employed	-0.64%	6.55%	7.78%	11.66%	15%-25%
ii) Gross Profit Margin	8%	12%	13%	13.00%	15%-20%
iii) Net Profit Margin	-3%	7%	8%	10%	5%-10%

SECTION – 3: PHYSICAL INVENTORY OF FINISHED GOODS AND STORE & SPARE:

3.01: Finished Goods:

Observation:

A physical inventory was taken by the management of GAZI WIRES LIMITED on 05.01.23 At time of our audit, we have physically verified some of the items on test basis which we have found in agreement with the Finished Goods Register.

Effect:

It reveals sound management in the Finished Goods inventory control system.

Recommendation:

Management should closely monitor inventory control system in order to have a proper control of Finished Goods.

3.02: Store & Spare: 16,954,175.30

Spare Parts & Loose Tools	As on 30.06.2022	As on 30.06.2021
Construction Materials	20,294.71	5,649.71
Iron & Other Metal	61,936.20	56,206.20
Pipe & Tube	61,799.75	62,108.50
Refectories	3,705.00	3,705.00
Fuel	240,748.22	261,292.22
Varnish & Paint	67,844.92	57,037.92
General Stores	448,167.51	435,085.51
Loose Tools	3,292,236.30	3,300,896.13
Domestic Goods	1,172,511.74	1,473,095.65
Furniture Tools	172,325.71	172,325.71
Rope & Chain	20,931.97	20,402.97
Packing Materials	2,180,462.06	3,049,016.38
Chemical	297,637.06	258,635.06
Medicine	31,645.00	33,065.00
Stationery	329,713.00	445,535.00
Spare Parts of Machinery (Mechanical)	2,045,870.81	2,081,968.56
Electrical Equipments	3,975,502.72	4,052,945.31
Office Equipments	346,313.50	289,278.50
Others	2,184,529.12	2,095,358.20
Total	16,954,175.30	18,153,607.53



Observation:

A physical inventory on Store & spare was taken by GAZI WIRES LIMITED management as on 05.01.2023. We did not carry out physical inventory on Balance Sheet date being our audit is post dated. However, at the time of our audit, we have physically verified some of the items on test basis which we have found in agreement with the Finished Goods Register.

Effect:

It reveals Sound management in the Store & Spare inventory control system.

Recommendation:

Management should closely monitor inventory control system in order to have a proper control of Store & spare.

SECTION - 4: Current Assets

4.01: **Inter Project Current Account: Tk.** 26,221,081.52

Particular	2021-2022	2020-2021
M/S. G.E.M Co. Ltd.	37,732,881.51	37,719,232.01
M/S. Eastern Cables Ltd.	8,752,734.63	8,739,085.13
M/S. Bangladesh Can Co. Ltd.	15,825.00	15,825.00
M/S. National Tubes Ltd.	15,675.93	15,675.93
M/S. Metalex Corp. Ltd.	39,937,494.88	39,937,494.88
M/S. Meher Industries Ltd.	130,601.76	130,601.76
Sub Total	86,585,213.71	86,557,914.71
Less: Interest Suspend Account		
M/S. Metalex Corp. Ltd.	24,733,420.00	24,733,420.00
M/S.G.E.M. Co. Ltd.	35,630,712.19	35,630,712.19
M/S. Bangladesh Can Co. Ltd.		
SUB TOTAL:	60,364,132.19	60,364,132.19
TOTAL	26,221,081.52	26,193,782.52

Management should take necessary step to reconcile the inter project current account and to collect the outstanding amount as soon as possible.

4.02: **Inter Project Disinvestment: Tk.** 45,305.96

Particular	2021-2022	2020-2021
M/S. Dockyard & Engg. Works Ltd.	1,186.60	1,186.60
M/S. Chittagong Steel Mills Ltd.	7,035.36	7,035.36
M/S. K.I.D.C. Ltd.	25,576.00	25,576.00
M/S. Ispahani Marshal Ltd.	11,508.00	11,508.00
M/S. Bangladesh Cycle Industries Ltd.		
SUB TOTAL:	45,305.96	45,305.96
Less: Interest Suspend Account		
SUB TOTAL:		
TOTAL	45,305.96	45,305.96

Management should take necessary step to reconcile the "Inter Project Disinvestment Account" and to collect the outstanding amount as soon as possible.



4.03: ACCOUNTS RECEIVABLE:

Facts:

In the period of our audit we have checked Trade Receivables and its party wise Ledger, Journal Voucher. We observed that in few cases debit amount is lying as receivables more than one to two years or more, some of which are under:

SL No.	Name	Amount
1	BOC Bangladesh	2,095.14
2	Chief controller of store bd. Railway, Ctg.	9,982.54
3	Chief controller of store bd. Railway, Rajshahi	42,891.74
4	Cap. Bangladesh Navy	208,622.29
5	Rajshahi Jute Mills Ltd.	402.82
6	BSC Marine & Grain	0.19
7	R R Jute Mills Ltd	462.93
8	Electro venture Ltd.	50,360.32
9	Ex. Eng.PDB Shyiet-1	108,667.09
10	Setabgonj Sugar Mills	149.00
11	Progoti Industries Ltd.	0.35
12	Sunman Group	109,213.16
13	Chattogram PBS-1	115,487.14
14	S Alam Cold & Rold	4,715.69
15	M M Jute mills	636.42
16	Diownditi company Ltd	518.54
17	Exe. Eng. Shikalbaha ctg	82.98
18	Bagdad Electric	329.69
19	Gul Ahmed Jute Mills Ltd	1,458.65
20	Noakhali PBS	65,207.57
21	Dorin Power	55.41
22	Feni PBS	95.57
23	Chandpur PBS-1	572.32
24	Chittagong Power Station, BUBO, Rawjan	7,666.57
25	SA Group	30,059.68
26	Nahar Poltry,Mirsory	2,990.78
27	Payer Electrics	2.70
28	Samuda Container	0.88
29	N S Electric Stores	134,964.55
30	G E M Co.	0.35
31	Palash Electric	0.53
32	TK Group	1.69
33	Dhaka PBS-1	0.50
34	Ridisha P/A Neet	0.40
35	Sunamgong PBS	0.28
36	Masud corporation Ltd	262,778.10
37	Adamjee Jute Mills Ltd.	123,874.64
38	Pakija Cotton Spinning Mills	542.52
39	Korim Jute Mills	13,610.30
40	Latif Bowani Jute Mills Ltd	172,891.71
41	Asugong Fertilizer	41,871.01
42	Setabgonj Sugar Mills Ltd	2,232.36
43	Nator Sugar Mills	1,151.23
44	Nishat Jute Mills Ltd.	66,585.54
45	U M C Jute Mills	148.08
46	Nobaron Jute Mills Ltd.	35,231.70
47	Alim Jute Mills Ltd.	88,249.32
48	Fouji chot mills	18,773.03
49	Dinajpur Textile Mills	1,162.07
50	Z R S & CERS,tongi	371,796.86
	8	





51	ZRS,tongi	3,656,561.89
52	ZRS , Bagura	143,876.73
53	ZRS Rajshahi	0.89
54	Ameca,Dinajpur	1,196,849.66
55	Impac Eng	2,778.93
56	Shakti Eng	327.66
57	B S Jute Spinners	58.38
58	Multi Power Eng	2,791.95
59	T K Group	9,300.13
60	210 ,Megawat,Siddirgong,Narayangong	90,903.03
61	Chatok Cement	12,633.91
62	Dhaka PBS-3	89,994.00
63	Zinaidaha PBS	89,784.00
64	Bagura PBS-1	34,346.00
65	Habigong, PBS	119,928.00
66	Sunamgong PBS	84,600.00
67	Sirajgong PBS-2	114,997.00
68	Manikgong PBS	116,830.00
69	Madaripur PBS	86,349.00
70	Nesco Ltd,Rajshahi	17,267.00
71	Gopalgong PBS	119,198.00
Total		8,087,771.09

Recommendation:

We suggest the Management to take necessary steps to recover amount from Debtors in proper time. If not recoverable should be writtenoff on taking proper approval.

4.04 Total advance Income Taxes of the project is Tk. 469,040,802/= against this advance Provision for Income Taxes is made for Tk.345,733,577/= . It was observed that above advances and provision were related to number of years since 1995-96. It is advised to give special attention to the above to settle this long pending issue.

SECTION - 5: Current Liabilities TK. 34,675,979.34

5.01: ACCOUNTS PAYABLE FOR GOODS SUPPLY:

Particular	2021-2022	2020-2021
Creditors(Goods)	7,562,653.09	1,251,165.25
Store Price Clearance	1,876,281.25	9,068,107.80
Custom Bond Liabilities	17,376,838.40	16,044,089.18
Raw materials-Credit purchase from ECL	7,860,206.60	7,860,206.60
Total =	34,675,979.34	34,223,568.83

Recommendation: We suggest to form a committee to ascertain actual liability/payable amount due to the above parties in order to right back such amount which are no longer liable to pay.

5.02: BSEC (Head office) Current A/c:TK. 12,807,528.44

Particular	2021-2022	2020-2021
Opening Balance:	12,783,210.44	15,283,210.44
ADD:		
Provision during the Year (Overhead)	2,500,000.00	1,250,000.00
Provision during the Year		-
Others	30630.00	-
Sub Total	15,313,840.44	16,533,210.44
Less:		
Payment(Overhead)	2,500,000.00	3,750,000.00
Others	6,312.00	0.00
Closing Balance	12,807,528.44	12,783,210.44

Recommendation:

BSEC (head office) current account should be reconciled in time at the every year end for ascertaining actual liability.



5.03: Inter Project Current A/c: Tk.		925,055.53	
Particular	2021-2022	2020-2021	
M/S. Chittagong Drydock Ltd.	76,983.08	76,983.08	
M/S. Pragoti Industries Ltd.	575,403.89	575,403.89	
M/S. Dhaka Steel Works Ltd.	7,256.86	7,256.86	
M/S. Bangladesh Blade Factory Ltd.	4,798.24	4,798.24	
M/S. Estern Tubes Ltd.	4,666.45	4,666.45	
M/S Atlas Bangladesh Ltd	116,257.00	145,484.00	
Gazi Wires Packaging modernization	38,000.00	38,000.00	
SMGWL Project	101,690.01	101,690.01	
Total	925,055.53	954,282.53	

Recommendation:

Inter Project current account should be reconciled in time at year's ended for ascertaining actual liability.

5.04: Inter Project Disinvestment: Tk.		30,499.00	
Particular	2020-2021	2020-2021	
M/S. Bengal Metal Industries Ltd.	2,166.00	2,166.00	
M/S. Bangladesh Diesel Plant Ltd.	7,433.00	7,433.00	
M/S. Qurishi Steel Mills Ltd.	19,432.00	19,432.00	
M/S. Hossain Industries Ltd.	1,468.00	1,468.00	
Total	30,499.00	30,499.00	

Recommendation:

Inter Project Disinvestment account should be reconciled in time for ascertaining actual liability.

5.05: Workers profit participation fund: TK 1,633,777.92

a)	Workers profit participation fund trust (80%)	As on 30.06.2022	As on 30.06.2021
	Opening Balance	2,221,425.08	2,627,224.70
	Add: Provision during the year	-	1,988,593.58
	Realised from Salary & Wages	28,500.00	181,000.00
	Sub Total	2,249,925.08	4,796,818.28
	Less: Paid to WPPF Trust	2,225,884.98	2,575,393.20
	Closing Balance	24,040.10	2,221,425.08

b)	Workers Welfare fund (10%)	As on 30.06.2022	As on 30.06.2021
	Opening Balance	259,897.02	139,322.82
	Add: Provision during the year	-	248,574.20
	Sub Total	259,897.02	387,897.02
	Less: Paid	259,897.02	128,000.00
	Closing Balance	0.00	259,897.02



c)	Bangladesh Sromic Kalyan Foundation (10%)	As on 30.06.2022	As on 30.06.2021
	Opening Balance	1,609,737.82	4,738,849.62
	Add: Provision during the year	-	248,574.20
	Sub Total	1,609,737.82	4,987,423.82
	Less: Paid	-	3377686.00
	Closing Balance	1,609,737.82	1,609,737.82

A+B +C	Particular	As on 30.06.2022	As on 30.06.2021
a)	Workers Profit Participation fund trust (80%)	24,040.10	2,221,425.08
b)	Workers Welfare fund (10%)	0.00	259,897.01
c)	Bangladesh Sromic Kalyan Foundation (10%)	1,609,737.82	1,609,737.80
	Total=	1,633,777.92	4,091,059.89

SECTION - 6: FIXED ASSETS REGISTER:

Observation:

Though Fixed assets register is up dated, assets identification numbers are not affixed on the individual fixed Assets.

Effect:

If all fixed assets are not properly numbered and physically verified, its existence, quantity and quality and proper valuation of assets cannot be ensured at given point of time.

Recommendation:

The management should put assets identification numbers on the individual fixed assets.



SECTION – 7: LONG TERM DEBT: TK.

12,962,936.04

Particulars	2021-2022	2020-2021
From BSEC in 1993-94, May 94	369,000.00	369,000.00
From BSEC in 1994-95, July 94	760,000.00	760,000.00
From BSEC in 1994-95, December 94	75,005.90	75,005.90
From BSEC in 1997-98, October 97	218,000.00	218,000.00
From BSEC in 1997-98, January 98	500,000.00	500,000.00
From BSEC in 1997-98, March 98	55,000.00	55,000.00
From BSEC in 1997-98, April, 98	394,289.90	394,289.90
From BSEC in 1997-98, June, 98	688,000.00	688,000.00
From BSEC in 1998-99, July 98	100,883.34	100,883.34
From BSEC in 2003-04 October 03	2,550,000.00	2,550,000.00
From BSEC in 2003-04 Feb.04	113,000.00	113,000.00
From BSEC in 2003-04 March,04	893,543.90	893,543.90
Provision of Interest	6,246,213.00	5,958,813.00
Total	12,962,936.04	12,675,536.04

Observation:

Recommendation:

Reconciliation of above Govt. Loan for Manpower Balancing is suggested to make for proper accounting.

SECTION – 8: CASH & BANK BALANCE Tk.

155,257,217.79

This was made up under:	
a) Cash in hand Tk.	222,612.03
b) Cash at bank Tk.	41,784,076.15
c) FDR Tk.:	113,250,529.61
Total =	155,257,217.79

a) Cash in hand: Tk.

Since our audit is posted we could not physically carry out cash counting on balance sheet date. However management provided us cash custodian certificate for the cash balance. In course of audit we have taken surprise cash counting on 5th January 2023 at 12.00 pm and found in order.

b) Cash at Bank: Tk. 41,784,076.15

GAZI WIRES LIMITED maintained a total of 6 (Six) Bank Accounts for collection of bills, cash general & other fund during the year under audit. All bank accounts have been reconciled with bank statements.

Name of Banks & Account Nos.	Taka
Sonali Bank STD, Kalurghat A/C No-05	26,997,259.49
Sonali Bank CA, Kalurghat A/C No-45	2,665,545.60
Mutual Trust Bank, Kalurghat, Ctg - 136	7,385,612.82
Agrani Bank STD, Laldighi A/C No- 686	56,466.58
Agrani Bank CA, Mouchak Market, Dhaka-274	1,718,361.57
Sonali Bank CA Dhaka, A/C No-802	2,960,830.09
Total	41,784,076.15



C) FDR: Tk.

S.L	FDR	Bank Name	Amount	First Issue Date	Maturity Date
01	1011605000561	Sonali Bank Ltd. , Kalurghat	744,265	03.12.2020	03.12.2021
02	770330001929	Mutual Trust Bank Ltd. Kalurghat	277,358	09.11.2015	09.11.2023
03	770330005345	Mutual Trust Bank Ltd. Kalurghat	2,331,592	27.03.2019	27.03.2023
04	187494	Agrani Bank Ltd. Laldeggi	55,738,020	01.01.2011	15.01.2023
05	584130000627	One Bank Ltd. , Anderkilla	54,159,294	09.07.2020	28.12.2022
		Total	113,250,529.61		

In course of our audit, we checked FDR amount with original script of bank statements, bank confirmation certificates and acceptable documents in which the amounts are in agreement with supporting statements.


Gazi Wires Ltd. should find alternative sources of investment since its cash liquidity is high. It appeared that the Project was maintaining excess cash in STD and Current Account beyond its need.

SECTION - 9: CONCLUSION

We would like to express our thanks to GAZI WIRES LIMITED officers and staffs for their co-operation and help extended to us during the period of our audit.

Thanking you,

Yours faithfully,



(Huda Hossain & Co.)
Chartered Accountants



GAZI WIRES LIMITED , CHANDGOAN ,CHITTAGONG
Budgetary Control Report
for the year ended 30 June , 2022

Particulars	2021-2022	2021-2022	2021-2022	Remarks
	Budgeted	Actual	Difference = (Actual-Budgeted)	
Sales	1,050,000,000	143,213,788	(906,786,212)	UF
Less:				
Value Added Tax	136,957,000	17,842,873	(119,114,127)	F
Commission and Discount	68,478,000	11,539,202	(56,938,798)	F
Net Sales	844,565,000	113,831,713	(730,733,287)	UF
Other Income	12,100,000	26,966,591	14,866,591	F
A. Total Income	856,665,000	140,798,304	(715,866,696)	
Variable Cost:				
Raw Materials	643,800,000	140,736,189	(503,063,811)	UF
Packing Materials	6,000,000	937,040	(5,062,960)	UF
Other Materials	500,000	302,369	(197,631)	F
Fuel and Lubricant	500,000	161,374	(338,626)	F
Electricity	13,000,000	7,488,303	(5,511,697)	UF
Water	-	37,786	37,786	UF
Gas	150,000	97,855	(52,145)	UF
B. Total Variable Cost :	663,950,000	149,760,916	(514,189,084)	
Fixed Cost:				
Salary and Allowance (Factory):				
Officer Basic Payment	3,200,000	3,485,072	285,072	UF
Staff Basic Payment	6,200,000	5,265,564	(934,436)	F
Worker Basic Payment	7,000,000	6,867,825	(132,175)	F
Other Allowance:				
Officer	3,000,000	3,975,585	975,585	F
Staff	6,400,000	5,865,147	(534,853)	UF
Worker	8,400,000	8,992,823	592,823	F
Over-time (Staff)	-	328,337	328,337	F
Contractual Wages	6,000,000	-	(6,000,000)	F
Repair & Maintenance (Factory)	1,850,000	1,621,482	(228,518)	F
Insurance	700,000	462,656	(237,344)	F
Other Factory Expenses	4,662,000	7,778,174	3,116,174	UF
Depreciation	8,000,000	5,248,506	(2,751,494)	F
Salary and Allowance (Admin):				
Officer Basic Payment	4,000,000	3,481,495	(518,505)	F
Staff Basic Payment	5,000,000	4,885,275	(114,725)	F
Other Allowance:				
Officer	3,600,000	3,876,679	276,679	F
Staff	5,800,000	6,221,715	421,715	F
Over-time (Staff)	300,000	-	(300,000)	F
Repair & Maintenance (Admin)	495,000	18,139	(476,861)	F
Other Administrative Expenses	7,940,000	-	(7,940,000)	
Head Office Expenses	2,500,000	-	(2,500,000)	
Corporate Research & Development Exp.	100,000	-	(100,000)	
Possibility Research Exp.	100,000	-	(100,000)	
Bank Charges & Commission	500,000	-	(500,000)	
Interest on Loan:				
Loan From Financial Institution	1,500,000	-	(1,500,000)	



GAZI WIRES LIMITED , CHANDGOAN ,CHITTAGONG

Budgetary Control Report

For the year ended 30 June , 2021

Particulars	2021-2022	2021-2022	2021-2022	Remarks F=Favorable
	Budgeted	Actual	Difference = (
Selling Expenses:				
Officer Basic Salary	3,100,000	2,614,181	(485,819)	UF
Staff Basic Salary	2,300,000	2,129,535	(170,465)	F
Other Allowance:				
Officer	3,000,000	3,064,678	64,678	F
Staff	2,300,000	2,241,864	(58,136)	F
Repair & Maintenance (Selling)	20,000	-	(20,000)	F
Other Selling Expenses	8,615,000	-		F
C. Total Fixed Cost:	106,582,000	78,424,733	(28,157,268)	
D. Total Cost(B+C):	770,532,000	228,185,649	(542,346,351)	
Opening Inventory:				
Work -in Progress	14,548,000	12,548,000	(8,615,000)	
Finished Goods	102,593,000	92,333,519	(10,259,481)	UF
Scrap Stock	4,602,000	207,800	(4,394,200)	UF
E. Total	121,743,000	105,089,319	(16,653,681)	
Closing Inventory:				
Work -in Progress	13,000,000	10,517,320	(2,482,680)	UF
Finished Goods	80,000,000	191,474,254	111,474,254	UF
Scrap Stock	500,000	325,200	(4,674,800)	F
F. Total	98,000,000	202,316,774	104,316,774	
G. Change in Inventory(E-F)	23,743,000	(97,227,455)	(120,970,455)	
H. Total Costs to Sale (D+G)	794,275,000	130,958,194	(663,316,806)	
I. Add: Scrap Sales		-	-	
J. Profit (A-H+I)	62,390,000	9,840,110	(52,549,890)	
K. WPPF(5% of Profit)	3,032,154	492,006	(2,540,148)	
L. Net Profit(J-K)	59,357,846	9,348,105	(50,009,741)	
Income Tax			-	

Dated , Chittagong
9th February , 2023

