

Matin Spinning Mills Limited

**Auditor's Report along with Audited Financial Statements
For the year ended 30 June 2016**

**AUDITOR'S REPORT
TO THE SHAREHOLDERS OF MATIN SPINNING MILLS LIMITED**

We have audited the accompanying financial statements of Matin Spinning Mills Limited ("the Company") which comprise the statement of financial position as at June 30, 2016 and the statement of profit or loss and other 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 disclosed in Note 1 to 46 to the financial statements.

Management's Responsibility for the Financial Statements

Management of Matin Spinning Mills Limited is responsible for the preparation and fair presentation of these financial statements in accordance with Bangladesh Financial Reporting Standards and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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 judgment 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 Matin Spinning Mills Limited as at June 30, 2016, and its financial performance and its Cash Flows for the year then ended, and these financial statements have been drawn up in accordance with the requirements of applicable laws and rules containing all the information in the manner required by relevant laws and rules and the Bangladesh Financial Reporting Standards (BFRS) as applicable in Bangladesh including BAS 24.

Emphasis of Matters

Without qualifying our opinion as above, we draw attention to the following matters:

1. In Note # 4 to the financial statements, management explains about the use of two diesel generators which were purchased with the fund from IPO proceeds for the Mélange unit of the Company.
2. In note# 6.08 to the financial statements, management explains the reasons for non-installation of some items of fixed assets and inclusion of the same in Capital Work in Process as on 30 June 2016. These were purchased for Mélange unit using the IPO fund.
3. In note# 42 (i) to the financial statements, management explains the circumstances under which Bangladesh Securities and Exchange Commission (BSEC) imposed penalty on the Directors of the Company.
4. In note# 42 (ii) to the financial statements, management explains about loan of Tk. 300,000,000/= given by the Company to Jinnat Knitwears Limited (a private company, all the directors of which are also directors of Matin Spinning Mills Ltd) without obtaining permission from shareholders and BSEC before disbursing the above loan.
5. In note# 42 (iii) to the financial statements, management explains about substantial sales to some companies (having some common directorship) of DBL group without taking approval from the shareholders before entering into such sale arrangements.
6. In note# 42 (iv) to the financial statements, management explains, with regard to compliance of the relevant BSEC Order, that the Company calculated its net worth without considering the revaluation reserve and paid dividend accordingly for the year 2014-15, though the revaluation reserve is recognized as a part of equity in the Statement of Financial Position.





We also report that:

- (a) we have obtained all the material 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 profit or loss and other comprehensive income together with Note 1 to 46 dealt with by the report are in agreement with the books of account; and
- (d) the expenditure incurred was for the purposes of the Company's business.

Dated, Dhaka

09 NOV 2016

ACNABIN
Chartered Accountants

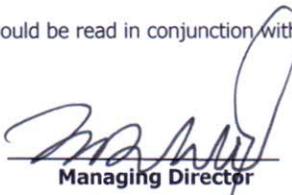


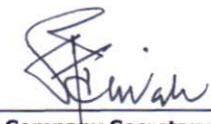
Matin Spinning Mills Limited
Statement of Financial Position
as at 30 June 2016

	Notes	Amounts in Taka		
		At 30 June 2016	At 30 June 2015 "Restated"	At 1st July 2014 "Restated"
Assets				
Non - current assets				
Property, plant and equipment	04/ Annex I & ii	3,116,051,536	1,819,764,606	1,866,690,176
Investment	05	47,709,792	97,513,853	98,522,982
Capital work-in-process	06	1,145,589,589	760,593,816	49,278,488
		<u>1,193,299,381</u>	<u>858,107,669</u>	<u>147,801,470</u>
Total non - current assets		4,309,350,917	2,677,872,275	2,014,491,646
Current assets				
Cash and bank balances	07	906,210,836	2,094,338,153	2,190,971,599
Accounts receivable	08	213,010,407	197,132,598	151,131,395
Inventories	09	504,040,074	294,334,139	395,214,339
Advance, deposits and Prepayments	10	159,443,290	151,291,420	67,431,214
Due from sister concerns	11	-	303,279,452	139,455,850
		<u>1,782,704,607</u>	<u>3,040,375,762</u>	<u>2,944,204,397</u>
Total current assets		6,092,055,524	5,718,248,036	4,958,696,043
Equity and liabilities				
Share capital	12	974,900,000	974,900,000	974,900,000
Share Premium	13	920,700,000	920,700,000	920,700,000
Retained earnings (Prior years' balances restated)	14	1,174,930,278	1,139,903,200	861,324,580
Tax holiday reserve		-	-	86,718,548
Revaluation reserve (Prior years' balances restated)	15	989,296,816	988,306,512	995,915,686
Total equity (Prior years' balances restated)		4,059,827,094	4,023,809,712	3,839,558,814
Non-current liabilities				
Long term bank loan (Prior years' balances restated)	16	691,271,084	148,476,688	244,653,956
Deferred tax liability (Prior years' balances restated)	17	127,031,508	92,457,478	82,336,984
Total non-current liabilities (Prior years' balances restated)		818,302,592	240,934,166	326,990,940
Current liabilities				
Accounts payable	18	97,128,165	173,452,887	161,287,513
Share Application Money	19	4,582,760	4,664,160	6,614,431
Short term bank loan (Prior years' balances restated)	20	871,815,763	1,045,067,522	349,874,737
Current portion of long term loan	21	120,302,481	97,947,248	97,632,305
Provision & accruals (Prior years' balances restated)	22	120,096,669	132,372,342	176,737,303
		<u>1,213,925,838</u>	<u>1,453,504,159</u>	<u>792,146,289</u>
Total current liabilities (Prior years' balances restated)		6,092,055,524	5,718,248,036	4,958,696,043
Total equity and liabilities		6,092,055,524	5,718,248,036	4,958,696,043
NAV Per Share (With Revaluation reserves)	33.01	41.64	41.27	39.38
(Prior years' NAV restated)				
NAV Per Share (Without Revaluation reserves)	33.02	31.50	31.14	29.17
(Prior years' NAV restated)				

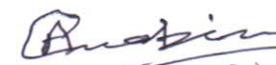
These financial statements should be read in conjunction with the annexed notes 1 to 46.


Chairman


Managing Director


Company Secretary

Dated, Dhaka


ACNABIN
Chartered Accountants

09 NOV 2016



Matin Spinning Mills Limited
Statement of Profit or Loss and other Comprehensive Income
for the year ended 30 June 2016

		Amounts in Taka	
		Year ended 30 June 2016	Year ended 30 June 2015
		"Restated"	
	Notes		
Revenue	(Prior year's amount restated) 23	2,005,184,987	2,023,663,281
Cost of goods sold	24	(1,630,537,415)	(1,632,998,934)
Gross profit	(Prior year's amount restated)	374,647,572	390,664,347
Other income	(Prior year's amount restated) 25	196,135,347	276,995,469
		570,782,919	667,659,816
Administrative expenses	26	(143,502,608)	(94,485,107)
Distribution expenses	27	(1,201,327)	(597,370)
Net profit before finance cost	(Prior year's amount restated)	426,078,983	572,577,338
Finance cost	28	(32,940,067)	(28,158,251)
Net profit before workers' profit participation funds & tax	(Prior year's amount restated)	393,138,916	544,419,087
Contribution to workers' profit participation funds	(Prior year's amount restated) 29	(18,720,901)	(25,924,718)
Net profit before taxation	(Prior year's amount restated)	374,418,016	518,494,369
Income tax	(Prior year's amount restated) 30	(44,378,383)	(78,537,490)
Deferred tax	(Prior year's amount restated) 31	(35,564,334)	(2,511,319)
Net profit after tax	(Prior year's amount restated)	294,475,299	437,445,559
Earnings Per Share (EPS)	(Prior year's EPS restated) 32	3.02	4.49

These financial statements should be read in conjunction with the annexed notes 1 to 46.



Chairman



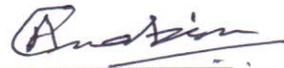
Managing Director



Company Secretary

Dated, Dhaka

09 NOV 2016



ACNABIN
Chartered Accountants



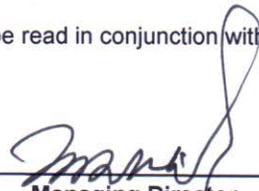
Matin Spinning Mills Limited
Statement of Comprehensive Income
for the year ended 30 June 2016

	Notes	Amounts in Taka	
		Year ended 30 June 2016	Year ended 30 June 2015 "Restated"
Net profit after tax for the period		294,475,299	437,445,559
Deferred tax on other comprehensive income (Prior year's amount restated)	31.01	990,304	(7,609,174)
Foreign currency translation gain/(Loss) (Prior year's amount restated)	14.02	3,774,779	(1,860,486)
Total comprehensive income for the period (Prior year's amount restated)		299,240,382	427,975,900

These financial statements should be read in conjunction with the annexed notes 1 to 46.



Chairman



Managing Director



Company Secretary

Dated, Dhaka

09 NOV 2016





Matin Spinning Mills Limited
Statement of Changes in Equity
for the year ended 30 June 2016

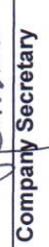
	Amounts in Taka					Total
	Share capital	Share Premium	Tax holiday reserves	Retained earnings	Revaluation reserves	
Year 2016						
Balance at 01 July 2015	974,900,000	920,700,000	-	1,139,903,200	988,306,512	4,023,809,712
Net profit for the year	-	-	-	294,475,299	-	294,475,299
Dividend Paid	-	-	-	(263,223,000)	-	(263,223,000)
Other comprehensive income	-	-	-	3,774,779	990,304	4,765,083
Balance at 30 June 2016	974,900,000	920,700,000	-	1,174,930,278	989,296,816	4,059,827,094
Year 2015						
Balance at 01 July 2014 (Restated)	974,900,000	920,700,000	86,718,548	861,324,578	995,915,687	3,839,558,813
Net profit for the year (Restated)	-	-	-	437,445,559	-	437,445,559
Dividend Paid	-	-	-	(243,725,000)	-	(243,725,000)
Tax holiday reserves reversed	-	-	(86,718,548)	86,718,548	-	-
Other comprehensive income (Restated)	-	-	-	(1,860,486)	(7,609,174)	(9,469,660)
Balance at 30 June 2015	974,900,000	920,700,000	-	1,139,903,200	988,306,512	4,023,809,712

* These figures have been restated.

These financial statements should be read in conjunction with the annexed notes 1 to 46.


Chairman


Managing Director


Company Secretary

Dated, Dhaka

09 NOV 2016



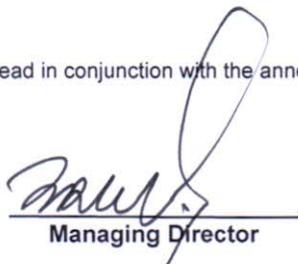
Matin Spinning Mills Limited
Statement of Cash Flows
 for the year ended 30 June 2016

	Amounts in Taka	
	Year ended 30 June 2016	Year ended 30 June 2015 "Restated"
A. Cash flows from operating activities		
Collection from customers	1,942,825,115	2,031,898,631
Other Income (Prior year's amount restated)	44,544,615	60,276,339
Cash generated from operations	1,987,369,730	2,092,174,970
Cash paid to suppliers and employees (Prior year's amount restated)	(1,730,045,526)	(1,558,102,395)
Interest paid on loans	(32,940,067)	(28,158,251)
Income tax paid	(48,648,000)	(99,960,995)
Payment made to workers' profit participation funds	(26,109,619)	(48,866,175)
Net cash flows from operating activities	149,626,517	357,087,153
B. Cash flow from investing activities		
Acquisition of property, plant and equipment	(665,427,582)	(34,230,256)
Capital work-in-process	(1,187,819,199)	(772,695,376)
Dividend Income	1,141,615	1,233,838
Interest on FDR	184,811,121	157,996,648
Refund Share money deposit from DBL Ceramics Ltd.	50,800,000	-
Net cash used in investing activities	(1,616,494,044)	(647,695,146)
C. Cash flows from financing activities		
Long term loan received /(repaid)	563,671,763	(97,657,501)
Short term loan received/(repaid) to bank	(336,392,969)	695,127,473
Share application money refunded	(81,400)	(1,950,271)
Inter-company debts Received/(paid)	313,781,250	(159,562,380)
Net cash from/(used in) financing activities	278,740,210	193,974,546
D. Net increase/(decrease) in cash and cash equivalents (A+B+C)	(1,188,127,317)	(96,633,447)
E. Opening cash and cash equivalents	2,094,338,153	2,190,971,599
F. Closing cash and cash equivalents (D+E)	906,210,835	2,094,338,153
Net Operating Cash Flow Per Share (Prior year's NOCFPS restated)	1.53	3.66

These financial statements should be read in conjunction with the annexed notes 1 to 46.



Chairman



Managing Director



Company Secretary

Dated, Dhaka

09 NOV 2016





Matin Spinning Mills Ltd

Notes to the financial statements
For the year ended 30 June 2016

General

1.00 Reporting entity

1.1 Background of the Company

Matin Spinning Mills Limited (the company) was incorporated in Bangladesh on 15th September 2002 vide certificate of incorporation no. C-47083 (3562) of 2002 as a private limited company under the companies Act, 1994 having its registered office in Dhaka. The company was converted into public limited company on 4th November, 2010. The company floated its shares to the public through IPO in January-2014 and the shares of the company were listed in both Chittagong and Dhaka Stock Exchanges on 27th March & 2nd April, 2014 respectively.

1.2 Nature of Business

The company is a 100% export oriented backward linkage spinning industry established to manufacture and sell all types of Cotton, Viscose, Polyester and CVC yarn to export oriented knit garments industries. The factory is situated at Sardagonj, Kashimpur, Gazipur, Dhaka. The company commenced commercial production on October 01, 2006.

2.00 Basis of preparation

2.01 Statement of compliance

The financial statements have been prepared in accordance with Bangladesh Financial Reporting Standards (BFRSs) and Bangladesh Accounting Standards (BASs), the Companies Act 1994, the Securities and Exchange Rules 1987 and other applicable laws and regulations.

The following Bangladesh Accounting Standards and Bangladesh Financial Reporting Standards were applied for the preparation of the financial statements for the period under review:

BAS - 1	Presentation of Financial Statements
BAS - 2	Inventories
BAS - 7	Statement of Cash Flows
BAS - 8	Fundamental Errors and Changes in Accounting Policy
BAS - 10	Events after the reporting period
BAS - 12	Income Taxes
BAS - 16	Property, Plant and Equipment
BAS - 18	Revenue
BAS - 21	The effects of changes in foreign exchange rates
BAS - 23	Borrowing Costs
BAS - 24	Related Party Disclosures
BAS - 28	Investments in associates
BAS - 33	Earnings per Share
BAS - 36	Impairment of Assets
BAS - 37	Provisions, Contingent Liabilities and Contingent Assets.
BAS - 39	Financial instruments: Recognition & Measurement
BFRS - 1	First-time Adoption of International Financial Reporting Standards
BFRS - 5	Non-current Assets Held for Sale and Discontinued Operations
BFRS - 7	Financial Instruments: Disclosures
BFRS 13	Fair Value Measurement

2.02 Other regulatory compliances

In addition to the aforesaid, the Company is also required to comply with the following in addition to the Companies Act 1994 and other applicable laws and regulations:

The Income Tax Ordinance 1984
The Income Tax Rules 1984
The Value Added Tax Act 1991
The Value Added Tax Rules 1991
The Securities and Exchange Rules 1987

2.03 Date of authorisation

The Board of Directors authorised the financial statements for issue on 09 November, 2016.





2.04 Functional and presentational currency

The financial statements are prepared in Bangladeshi Taka which is the company's functional and reporting currency. The figures of financial statements have been rounded off to the nearest integer.

2.05 Reporting period

Financial statements of the company covered one year from 01 July 2015 to 30 June 2016.

3.00 Significant Accounting Policies

3.01 Basis of Accounting

The financial statements of the company have been prepared on an accrual basis, under historical cost convention, and in accordance with generally accepted accounting principles. Wherever appropriate, such principles are explained in the succeeding notes.

Components of financial statement

Statement of Financial Position
Statement of Profit or Loss and Other Comprehensive Income
Statement of Comprehensive Income
Statement of Cash Flows
Statement of Changes in Equity
Notes to the Financial Statements

3.02 Going concern

The company has adequate resources to continue the operation for foreseeable future, and hence the financial statements have been prepared on going concern basis. As assessed by the management, there are no material uncertainties relating to events or conditions which may cause significant doubt upon the company's ability to continue as a going concern.

3.03 Revenue recognition

Revenue comprises sale of goods by the company. Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, and net of returns, allowances and trade discounts.

Recognition Criteria :

Significant risk and reward of ownership associated with the goods is transferred to the buyer. And it usually occurs at the time of delivery of goods along with invoices.

The company has no managerial involvement of the ownership of the goods.

The amount of revenue and the cost of the transaction can be measured reliably.

It is probable that the economic benefit associated with the transaction will flow to the company.

3.04 Use of estimates and judgments

The preparation of financial statements in conformity with Bangladesh Financial Reporting Standards (BFRSs) and Bangladesh Accounting Standards (BASs) require management to make judgments, estimates and assumptions which affect the reported amounts of the assets and liabilities and disclosure of the contingent assets and liabilities at the date of the financial statements, and revenue and expenses during the year have been reported. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recorded in the period in which the estimates are revised and in any future periods affected.

In particular, information about significant areas of estimation, uncertainty and critical judgment in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements are included in the following notes:

Note – 08	Accounts Receivable
Note – 09	Inventories
Note – 17	Deferred Tax Liability
Note – 18	Accounts Payable
Note – 22	Provisions & accruals
Note – 30	Income Tax Expenses





3.05 Statement of Cash Flows

Statement of Cash Flows is prepared in accordance with BAS-7 " Statement of Cash Flows". The statement shows the structure of changes in cash and cash equivalents during the financial year. Statement of cash flows has been prepared under direct method.

3.06 Statement of Changes in Equity

Statement of changes in equity is prepared in accordance with BAS-1 " Presentation of Financial Statements". This statement reflects information about the increase or decrease in net assets or wealth.

3.07 Property, plant and equipment

A. Recognition and Measurement

The cost of an item of property, plant and equipment shall be recognized as an asset if and only if it is probable that the future economic benefit associated with the item will flow to the entity, and the cost of the item can be measured reliably.

Fixed assets have been accounted for at cost less accumulated depreciation. Cost includes expenditure that is directly attributable to the acquisition of the items.

B. Depreciation

Depreciation is calculated and charged under diminishing balance method on all fixed assets other than land and land development. Depreciation on current year's addition is charged on day basis as and when the assets are ready for operation. The costs of the day-to-day servicing of Property, Plant and Equipment are recognised in the income statement as incurred.

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying amount of the asset and is recognised in the income statement.

Itemised depreciation rates are as follows:

<u>Asset category</u>	<u>Rate of depreciation (%)</u>
Land and land development	Nil
Factory building	5
Godown	10
Plant and machinery	10
Furniture and fixtures	10
Gas equipment	15
Gas Generator	15
Office equipment	15
Electric installation	15
Deep tubewell	20
Vehicles	20

C.Impairment

If the recoverable amount of an asset is less than its carrying amount, the carrying amount of the asset should be reduced to its recoverable amount. That reduction is an impairment loss. An impairment loss is recognized as an expense in the income statement.

3.08 Investment

Investment in Marketable Securities

Investment is initially recognized at cost including acquisition charges with the investment. After initial recognition, the investment in marketable securities have been valued at market price and measured at fair value through profit or loss. Investment in non marketable securities have been

3.09 Capital Work in Process:

Capital work-in-process comprises Construction work of a expansion unit of synthetic yarn project, Godown 3,4 & 5, 4 storied store building, bagan bari staff quarter and also machineries (not yet installed) for Mélange & Synthetic project.





3.10 Cash and cash equivalents

Cash and cash equivalents include cash in hand and bank which are available for use by the company without any restriction.

3.11 Accounts receivable

Accounts receivable at the Statement of Financial Position date is stated at amount which are considered realizable. Specific allowance is made for receivable considered to be doubtful of recovery.

3.12 Inventories

Inventories are stated at the lower of cost and net realizable value in compliance to the requirement of Para 21 & 25 of BAS -2

Types of Stock

Raw Materials, Packing Materials and Work-in-process

Finished Goods

Spare & Parts

Diesel & Lube Oil

Stock of Bandhan

Basis of Valuation

At cost and net realizable value whichever is lower

At cost and net realizable value whichever is lower

Weighted average cost and net realizable value whichever is lower

At cost and net realizable value whichever is lower

At cost and net realizable value whichever is lower

The cost is determined on weighted average cost basis. Net realizable value is based on estimated selling price less any further costs anticipated to be incurred to make the sale. Any obsolete stock of abnormal losses are recognized as expenses.

3.13 Advance , Deposit and Prepayments

Advance , Deposit and Prepayments comprise salary advance, advance to supplier, security deposit to Titas Gas Transmission and Distribution Co. Ltd. which will be adjusted against their bills and refundable by the suppliers at the end of the service period.

3.14 Current account with sister concerns

All the transactions with companies having some common directorship have been properly accounted for.

3.15 Capital

Share Capital

Share capital is fully paid up by the shareholders. Details have been mentioned in note -12

Share Application Money

The share application money consists of the money against IPO applicants who were unsuccessful in lottery. The money is in the process of being refunded to the unsuccessful applicants.

3.16 Retained Earning

Retained earning represents available distributable profit to the shareholders after making all necessary adjustment in the financial statements.

3.17 Deferred Tax

Deferred tax is recognized on difference between the carrying amount of assets and liabilities in the Financial Statements and the corresponding tax based assets in the computation of taxable profit. Deferred tax liability are generally recognized for all taxable temporary differences and deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profit will be available against which those deductible temporary differences can be utilized.

3.18 Current tax:

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the Statement of Comprehensive Income because it excludes items of income or expenses that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous periods.





3.19 Provisions:

A provision is recognized in the Statement of Financial Position when the company has a present obligation (legal or constructive) of a past event and when it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

3.20 Finance costs

Finance costs comprise interest expenses on bank loan and other borrowings and are recognized in the income statement.

3.21 Finance income

Finance income comprises interest income on loan granted to companies having common directorship and on Fixed deposit receipts. The rate of interest is 10.50 % on loan granted to sister concern and 6.3 % to 7.5% on fixed deposit receipts.

3.22 Workers' profit participation fund

Allocation for workers' profit participation funds has been made @ 5% of profit before charging such expenses as per provisions of the Labour Act -2006.

3.23 Provident Fund:

Members, on confirmation, in regular employment of the company, are eligible to join the provident fund to which members contribute 7% of their basic salaries and the Company makes a matching contribution. The Fund is administered by a Board of Trustees.

3.24 Foreign currency translation:

Transactions in foreign currencies are translated into BDT at the rate of exchange ruling on the dates when the transactions take place. Exchange currency differences, if any, arising on year end, translations are recognized in the income statement.

3.25 Materiality and Aggregation

Each material item as considered by management to be significant has been presented separately in financial statements. No amount has been set off unless the company has the legal right to set off the amounts and intends to settle on net basis. Income and expenditure are presented on a net off basis only when permitted by the relevant accounting standards.

3.26 Earnings per share

Earnings per share(EPS) has been calculated in accordance with Bangladesh Accounting Standard (BAS-33) "Earnings Per Share" and is shown on the face of Income Statement and a computation is shown in note - 32 to the financial statements.

3.27 Related party disclosure:

As per Bangladesh Accounting Standard(BAS -24) the parties are considered to be related if one of the parties has the ability to control another party or exercise significant influence over the other party in making financial and operating decisions. The company carried out transactions in the ordinary course of business on an arm's length basis with its related parties.

3.28 Risk management :

The Company has exposures to the following risks from its use of financial instruments

- **Credit risk**
- **Liquidity risk**
- **Market risk**
- **Capital risk management**
- **Operational risk**

The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Board oversees how management monitors compliance with risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to risks faced by the group. The Board is assisted in its oversight role by Audit Committee. Internal Audit, under the purview of Audit Committee, undertakes both regular and ad hoc reviews of risk management controls and procedures, the



Credit Risk

Credit risk is the risk of financial loss to the Company if a buyer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivable from customers and investment securities. The Company's major sales are made to the RMG exporting Companies having common directorship. A minor quantity of sales are made to the RMG exporting Companies outside the companies having some common directorship. All sales are fully secured by Letters of Credit by local scheduled banks.

Liquidity Risk

Liquidity risk is the risk that the Company will be unable to meet its financial obligations as they fall due. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. In general, Management ensures that it has sufficient cash and cash equivalent to meet expected operational expenses, including the servicing of financial obligation through preparation of the cash forecast, prepared based on time line of payment of the financial obligation and accordingly arrange for sufficient liquidity/fund to make the expected payment within due date. Moreover, the Company seeks to maintain short term lines of credit with scheduled commercial banks to ensure payment of obligations in the event that there is insufficient cash to make the required payment.

The requirement is determined in advance through cash flow projections and credit line facilities with banks are negotiated accordingly.

Market Risk

Market risk is the risk that changes in market prices such as foreign exchange rates 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 return.

Capital Risk Management

The Company's objective when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. The Board seeks to maintain a balance between the higher returns that might be possible with optimum levels of borrowings and the advantages and security afforded by a sound capital position. The Board also monitors dividend trend to ordinary shareholders.

Operational Risk

Operation of the factory is mostly automated and involves minimal manual input. The overall process adheres to highest international standards. The plant is run by experienced and professional personnel. The workers and officers of the Company are properly trained. Besides, the machineries are properly maintained and repaired whenever necessary. The factory building is well constructed and has adequate fire control measures.

3.29 Segment reporting :

A segment is a distinguishable component of the entity that is engaged in providing products or services within a particular economic environment. Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating decision maker. The entity regards its Board of Directors as its Chief Operating decision maker, as the Board is responsible for allocating resources, assesses performance, and makes strategic decision.

The entity is primarily engaged in manufacturing and sale of cotton yarn and blended yarn to export oriented knit garments industries and this forms the focus of the Company's internal reporting system. While the Company has clearly differentiated brands, segmentation within a wide portfolio of brand is not part of the regular internally reported financial information to the Chief Operating decision maker. Therefore, it is not possible to segment the Company's results by brand without a high degree of estimation.

3.30 Events after the reporting date:

Events after the reporting date that provide additional information about the Company's position at the reporting date are reflected in the financial statements. Events after the reporting date that are not adjusting events are disclosed in the notes when material.



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Credit risk is the risk of financial loss to the Company if a buyer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivable from customers and investment securities. The Company's major sales are made to the RMG exporting Companies having common directorship. A minor quantity of sales are made to the RMG exporting Companies outside the companies having some common directorship. All sales are fully secured by Letters of Credit by local scheduled banks.

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The entity is primarily engaged in manufacturing and sale of cotton yarn and blended yarn to export oriented knit garments industries and this forms the focus of the Company's internal reporting system. While the Company has clearly differentiated brands, segmentation within a wide portfolio of brand is not part of the regular internally reported financial information to the Chief Operating decision maker. Therefore, it is not possible to segment the Company's results by brand without a high degree of estimation.

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		Amounts in Taka	
		At 30 June 2016	At 30 June 2015
04	Property, plant and equipment		
A	ASSETS AT COST (Non Revalued Assets):		
	Opening balance (at cost)	2,156,636,495	2,122,406,239
	Add : Additions	1,421,607,114	34,230,256
		3,578,243,609	2,156,636,495
	Less: Disposal/Adjustment	-	-
	Closing balance (a)	3,578,243,609	2,156,636,495
	Accumulated Depreciation		
	Opening balance	1,331,658,818	1,257,467,964
	Add : Charges for the year	118,718,160	74,190,854
		1,450,376,978	1,331,658,818
	Less: Disposal/Adjustment	-	-
	Closing balance (b)	1,450,376,978	1,331,658,818
	Written Down Value (a-b)	2,127,866,631	824,977,677
B	REVALUED ASSETS :		
	Opening balance (at revalued cost)	1,033,677,512	1,033,677,512
	Add : Additions	-	-
		1,033,677,512	1,033,677,512
	Less: Disposal/Adjustment	-	-
	Closing balance (a)	1,033,677,512	1,033,677,512
	Accumulated Depreciation		
	Opening balance	38,890,582	31,925,612
	Add : Charges for the year	6,602,024	6,964,970
		45,492,606	38,890,582
	Less: Disposal/Adjustment	-	-
	Closing balance (b)	45,492,606	38,890,582
	Written Down Value of Revaluation Assets (a-b)	988,184,906	994,786,930
	Total Written Down Value (A+B)	3,116,051,536	1,819,764,607

Details of fixed assets are shown in [Annex i & ii](#)

Two diesel generators, having capacity of 2000 KVA (1600 KW) each, were purchased with the fund from IPO proceeds for the Mélange unit of the Company. One generator has been installed and put into use on 28 March 2016 as stand by back up support in the case of power failure of Mélange unit the Company. The other generator, since lying idle, was rented out to Color City Limited (a private company under some common directorship) during the period from 29 October 2015 to 13 June 2016 against which the company earned a rental income of tk. 9,375,000 which is in line with arm length transaction. Depreciation has been charged by the Company in accordance with with BAS-16 accordingly.

05 Investment			
Investment in equity of company having some common directorship	5.01	25,000,000	25,000,000
Investment in marketable securities	5.02	22,709,792	21,713,853
Share Money Deposit (DBL Ceramics Ltd)		-	50,800,000
		47,709,792	97,513,853

5.01 Investment in equity of sister concern

Particular	No. of Share	% of Share	Face Value		
DBL Ceramics Ltd	250,000	25 %	100	25,000,000	25,000,000
				25,000,000	25,000,000

a) DBL Ceramics Limited is an associate company of Matin Spinning Mills Limited and the Company has started operation as on July 7, 2016.

b) Paid up capital of DBL Ceramics Ltd. is Tk. 100,000,000.

5.02 Investment in marketable securities

Opening balance	21,713,853	22,722,982
Add: Addition during the year	-	-
	21,713,853	22,722,982
Realised gain /(loss) (Prior year's balance restated)	-	675,638
Unrealised gain /(loss) for fair value adjustment (Prior year's balance restated)	995,939	(1,684,767)
Closing balance	22,709,792	21,713,853





Particular	No. of Share	Rate	Cost Value	Market rate as on 30 June 2016	Market value as on 30 June 2016
Al Arafah Bank Ltd	139,434	15.30	2,133,340	13.20	1,840,529
Dhaka Bank Ltd	134,037	16.77	2,247,800	15.00	2,010,555
Eastern Bank Ltd	86,250	26.78	2,309,775	29.20	2,518,500
IFIC Bank Ltd.	36,368	31.80	1,156,381	15.90	578,251
Mercantile Bank Ltd	338,800	15.43	5,227,684	10.00	3,388,000
Export Import Bank Ltd.	386,000	9.25	3,570,500	8.00	3,088,000
Mutual Trust Bank Ltd	209,088	12.05	2,519,510	17.20	3,596,314
One Bank Ltd	208,828	11.54	2,409,875	13.00	2,714,764
Standard Bank Ltd	147,458	11.59	1,709,038	8.30	1,223,901
Trust Bank Ltd	21,600	15.65	338,040	18.50	399,600
Uttara Bank Ltd	66,550	29.53	1,965,222	20.20	1,344,310
Balance in BO Account			7,068		7,068
	1,774,413		25,594,234		22,709,792

Amounts in Taka

	At 30 June 2016	At 30 June 2015	
06 Capital work-in-process			
Mellange/ Synthetic Project (Construction only Synthetic)	6.01	151,114,579	164,757,113
Sub Station	6.02	-	4,937,983
Godown - 3	6.03	368,680	-
Godown - 4	6.04	3,740,248	-
Godown - 5	6.05	4,736,835	-
04 Storied Store Building	6.06	2,153,521	-
Bagan Bari Staff Quater	6.07	5,800,910	-
Machineries & Equipments (Melange)	6.08	166,786,908	590,898,720
Machineries (Phase -2)	6.09	810,887,909	-
		1,145,589,589	760,593,816
6.01 Mellange/ Synthetic Project (Construction only Synthetic)			
Opening Balance		164,757,113	36,309,701
Add: Addition during the year		146,700,294	128,447,412
Less: Transfer to Fixed Assets		(160,342,829)	-
Closing Balance		151,114,579	164,757,113
6.02 Sub Station			
Opening Balance		4,937,983	-
Add: Addition during the year		178,095,303	4,937,983
Less: Transfer to Fixed Assets		(183,033,286)	-
Closing Balance		-	4,937,983
6.03 Godown - 3			
Opening Balance		-	-
Add: Addition during the year		368,680	-
Less: Transfer to Fixed Assets		-	-
Closing Balance		368,680	-
6.04 Godown - 4			
Opening Balance		-	-
Add: Addition during the year		3,740,248	-
Less: Transfer to Fixed Assets		-	-
Closing Balance		3,740,248	-
6.05 Godown - 5			
Opening Balance		-	-
Add: Addition during the year		4,736,835	-
Less: Transfer to Fixed Assets		-	-
Closing Balance		4,736,835	-
6.06 04 Storied Store Building			
Opening Balance		-	-
Add: Addition during the year		2,153,521	-
Less: Transfer to Fixed Assets		-	-
Closing Balance		2,153,521	-





Amounts in Taka

At	At
30 June 2016	30 June 2015

6.07 Bagan Bari Staff Quater

Opening Balance	-	
Add: Addition during the year	5,800,910	
Less: Transfer to Fixed Assets	-	
Closing Balance	5,800,910	

6.08 Machineries & Equipments (Melange)

Opening Balance	590,898,720	-
Add: Addition during the year	587,869,268	590,898,720
	1,178,767,988	590,898,720
Less: Transfer to Fixed Assets	(1,011,981,080)	-
Closing Balance	166,786,908	590,898,720

Details Shown below :

L/C No.	Machine Name		
DPCDAK 432187	Ring Fram	-	235,636,030
DPCDAK 409223	Simplex	-	42,943,273
DPCDAK 409719	AC Plant	-	111,563,187
DPCDAK 414578	Carding Machine	41,908,304	197,662,194
DPCDAK 501736	Draw Fram	-	480,078
DPCDAK 505189	Deasel Generator	-	1,066,524
DPCDAK 503624	Winder/Murata Process Coner	-	1,361,554
DPCDAK 508859	Sliver Can	-	104,701
DPCDAK 508808	Electronic Wrap Reel	-	26,629
DPCDAK 509169	Cot Grinding MC	-	19,646
DPCDAK 509576	Bobin	-	34,904
DPCDAK 510804	Compressor	5,231,149	-
DPCDAK 513940	Chiller	50,962,201	-
DPCDAK 513945	Plate Type Heat Exchanger	14,116,916	-
DPCDAK 514083	Centrifugal Pump-set	5,942,626	-
DPCDAK 514082	Cooling Tower	9,502,294	-
DPCDAK 514081	Control Valves	2,104,916	-
DPCDAK 514636	Valves	5,609,652	-
DPCDAK 515297	Seamless pipe for Chiller	12,411,062	-
DPCDAK 515300	MS Pipe for Chiller	970,928	-
DPCDAK 517105	Rock Wool (Insulation Sheet)	3,513,267	-
DPCDAK 518656	Lift	14,513,592	-
		166,786,908	590,898,720

Although the commercial production of Mélange unit started on 28th March 2016, in accordance with the Price Sensitive Information declared on 20 March 2016, an amount of Tk. 166,786,908 has been shown under Capital work-in-process (CWIP) as on 30th June,2016. The CWIP includes two carding machines, chiller and two passanger lifts which could not be installed because of delay in construction of 1st floor of the expansion unit where these were to be installed.

6.09 Machineries (Phase -2)

L/C No.	Machine Name		
DPCDAK414256	Toyota Roving Frames	32,458,869	-
DPCDAK517334	Drawframe SB-45	11,782,362	-
DPCDAK517342	Automatic cone winder	65,412,913	-
DPCDAK516572	RING FRAME -912 Spindel	178,012,739	-
DPCDAK517544	Blow room Machine	206,123,067	-
DPCDAK517339	Yarn Conditioning Machine	7,610,106	-
DPCDAK520303	Yarn Conditioning Machine	7,117,433	-
DPCDAK520808	Sliver Can	21,775,119	-
DPCDAK520530	High Volume Inst for bundle fiber testing	16,166,574	-
DPCDAK520527	Uster Tester 6 UTS -s800/SA	14,708,338	-
DPCDAK520806	Plastics Bobbins	5,226,680	-
DPCDAK520306	Murata Vortex 111 No .870/Vortex	141,931,629	-
DPCDAK521142	OHTC	6,160,187	-
DPCDAK521390	Twister	17,834,164	-
DPCDAK521193	Drum Rewinding Machine	11,386,216	-
DPCDAK521008	Humidification Plant	56,336,905	-
DPCDAK519897	Air Compressor	10,844,606	-
		810,887,909	



07 Cash and bank balances

		Amounts in Taka	
		At	At
		30 June 2016	30 June 2015
Cash in hand		2,367,377	2,416,645
Fixed Deposit	7.01	683,530,919	2,008,701,793
Bank balances with:			
Islami Bank Bangladesh Ltd :			
Current account		1,736,638	806,183
Marginal deposit Account (Special)		52,531	53,031
Marginal deposit Account (Normal)		352,850	1,533,123
Marginal deposit Under Reserve		144,465	144,466
Foreign currency account		7,787	7,712
Exim Bank Ltd, STD account		36,675,180	28,996,571
Mercantile Bank Ltd :			
STD account		51,603	-
Foreign currency account		65,459	65,126
Dhaka Bank Ltd :			
STD account		5,311	6,286
Current account		317,351	319,002
HSBC Bank Ltd :			
STD account		47,254,056	909,009
Foreign currency account		83,468,391	33,172,692
City Bank Ltd :			
STD account		1,378,187	714,584
Foreign currency account		40,591,207	9,605,964
Prime Bank Ltd :			
STD account		553,467	557,618
Foreign currency account		126,243	11,116
Standard Chartered Bank :			
STD account		310,870	313,070
BRAC Bank Ltd. :			
STD account		6,849,040	5,587,854
Foreign currency account		371,904	416,307
		906,210,836	2,094,338,153

7.01 Fixed Deposit

I/DATE	M/DATE	FDR NO.	NAME OF BANK	RATE OF INTEREST	AMOUNT
1-Mar-16	1-Jun-16	03560100136761	Exim Bank	6.50%	157,433,062
24-Mar-16	24-Sep-16	3512002	ABBL	7.00%	50,800,000
21-Mar-16	21-Sep-16	3511991	ABBL	7.00%	69,251,935
12-Nov-14	10-Mar-16	992761	IBBL	6.30%	10,000,000
19-Jan-16	19-Jul-16	10252215904702	IDLC	7.50%	80,000,000
15-Mar-16	15-Sep-16	10252215904703	IDLC	7.10%	34,464,480
19-Apr-15	19-Jul-16	03560100129022	Exim Bank	7.00%	43,205,781
26-Apr-15	26-Jul-16	3560100112606	Exim Bank	7.00%	52,066,135
16-Apr-15	16-Jul-16	03560100123157	Exim Bank	7.00%	86,309,527
27-Apr-15	27-Oct-16	10252215904704	IDLC	7.50%	100,000,000
					683,530,919

08 Accounts receivables

213,010,407	197,132,597
--------------------	--------------------

A. Receivable other than related party:

Lithium Knit Fabrics Ltd	6,908,666	6,908,666
SQ Group	3,439,841	-
Donglian Fashion (BD) Ltd.	1,937,973	-
Masco Cottons Ltd	1,129,078	-
Shanta Expressions Ltd	8,942,152	-
Tasniah Fabrics Ltd	3,982,977	-
Purbani Fabrics Ltd	4,321,017	-
The Immaculate Textiles Ltd	-	6,232,380
Fariha Knitex Ltd	-	4,431,061
Fakir Apparels Ltd	11,924,177	6,489,099
Viyellatex Ltd	14,558,280	18,206,377
Utah Knitting & Design Ltd.	12,666,323	10,602,867
Jointex Knit Wears Ltd.	42,254,088	11,000,710
Others	8,321,315	129,780
Sub total	120,385,887	64,000,940



Amounts in Taka	
At	At
30 June 2016	30 June 2015

B. Receivable from related party:

Flamingo Fashions Ltd	58,908	22,126,169
Jinnat Fashions Ltd	13,904,013	5,259,978
Mawna Fashions Ltd	9,311,350	-
Jinnat Apparels Ltd	6,710,483	-
Jinnat Knitwears Ltd	12,178,863	10,557,969
Hamza Textiles Ltd.	9,212,956	9,493,476
Sub total	51,376,573	47,437,592

C. Bank interest receivable on FDR

30,459,324 **85,694,065**

D. Claim Receivable

1,413,624 **-**

E. Rent receivable

9,375,000 **-**

Grand Total (A+B+C+D)

213,010,407 **197,132,597**

Age analysis of Debtors:

	1-3 Months	4-6 Months	above 6 Months	Total	Total
Sale of yarn	51,376,573	113,477,221	6,908,666	171,762,460	111,438,533
Interest receivable	30,459,324	-	-	30,459,324	85,694,065
Claim Receivable	10,788,624	-	-	10,788,624	-
	92,624,521	113,477,221	6,908,666	213,010,407	197,132,598

I. Accounts receivable considered good in respect of which the company is fully secured

Accounts receivable accrued in the ordinary course of business are considered good and secured against confirmed L/c.

II. Accounts receivable considered good for which the company holds no security other than the personal security :-

There is no such accounts receivable in this respect as on 30 June 2016

III. Accounts receivable considered doubtful or bad :-

Tk 6,908,666 receivable from Lithium Knit Fabrics Ltd has been considered doubtful for which full provision has been incorporated in financial statements.

IV. Accounts receivable from the Directors or other officers of the company:-

There is no such accounts receivable in this respect as on 30 June 2016

V. Accounts receivable from Related Parties :-

There has been an amount of Tk 51,376,573 due as accounts receivable from related parties under common management.

VI. Provision for doubtful or bad debts :-

A money suit case no. 14/13 dated 8 April 2013 has been lodged in the High Court Division for the recovery of the outstanding amount from Lithium Knit Fabrics Ltd. Honorable High Court issued summon to the defendants but they are untraced in their address.

VI Interest receivable on FDR:-

Interest receivable on FDR shall be realized at the time of encashment of FDR from banks.

09 Inventories

Note

Raw cotton	9.01	413,094,976	209,530,378
Finished yarn	9.02	29,080,586	28,422,438
Packing materials	9.03	1,313,855	720,102
Work-in-process	9.04	22,686,724	26,628,869
Spare parts	9.05	30,841,563	23,895,991
Diesel & Lube Oil		2,559,822	2,845,031
Stock of Bandhan		4,462,548	2,291,329
		504,040,074	294,334,139

Quantity wise detailed breakup of Packing Materials, Spare Parts and Stock of Bandhan could not be given as it was difficult to quantify each item separately due to large variety of goods of packing materials, spare parts and stock of Bandhan.

09.01 Raw cotton

Value (TK.)

Conventional Cotton	370,452,930	186,062,218
Organic Cotton	-	2,319,790
Synthetic Fiber	35,767,666	21,148,370
Usable Waste Cotton	6,874,380	-
Total	413,094,976	209,530,378





Amounts in Taka	
At	At
30 June 2016	30 June 2015
Quantity (KG)	
Conventional Cotton	1,470,384
Organic Cotton	16,626
Synthetic Fiber	145,175
Usable Waste Cotton	-
Total	1,632,185

Conventional Cotton	2,751,367
Organic Cotton	-
Synthetic Fiber	215,000
Usable Waste Cotton	229,146
Total	3,195,513

Cost Per Kg (TK.)

Conventional Cotton	134.64	126.54
Organic Cotton	-	139.52
Synthetic Fiber	166.36	145.68
Usable Waste Cotton	30.00	-

09.02 Finished yarn

Finished goods Inventory is accounted as follows:

Value (TK.)

Carded	9,709,382	17,507,598
Combed	9,519,747	6,812,870
Slub	2,888,566	1,265,364
Synthetic	4,558,528	2,836,606
Melange	2,404,364	-
Total	29,080,586	28,422,438

Quantity (KG)

Carded	44,441	85,474
Combed	37,583	28,407
Slub	11,501	5,195
Synthetic	18,314	17,053
Melange	8,830	-
Total	120,668	136,129

Cost Per Kg (TK.)

Carded	218.48	204.83
Combed	253.30	239.83
Slub	251.17	243.58
Synthetic	248.91	166.34
Melange	272.29	-

09.03 Packing materials Value (TK.)

Opening balance	720,102	1,616,866
Purchase during the period	14,386,500	12,589,346
Packing materials available for consumption	15,106,602	14,206,213
Consumption during the period	13,792,747	13,486,110
Closing balance	1,313,855	720,102

09.04 Work-in-process

Work-in-process Inventory is accounted as follows:

Particular	Quantity (KG)			
	At	At		
	June 30,2016	June 30,2015		
Blow Room	50,056	174,787	4,485,884	9,635,315
Carding	3,095	3,982	387,986	469,876
B. Drawing	2,775	2,072	389,697	314,944
Combing	2,155	1,311	305,903	201,894
F. Drawing	4,958	3,049	715,618	475,644
Simplex	37,704	15,148	5,525,226	2,393,384
Ring Frame	51,139	36,300	8,204,564	6,243,600
Winding	4,943	2,556	919,090	503,532
Packing	9,452	32,440	1,752,757	6,390,680
Total	166,277	271,645	22,686,724	26,628,869





		Amounts in Taka	
		At	At
		30 June 2016	30 June 2015
09.05	Spare parts		
	Opening Balance	23,895,991	28,565,373
	Add: Addition during the period	34,570,922	22,761,328
		58,466,913	51,326,701
	Less: Consumption during the period	27,625,350	27,430,710
	Closing balance	30,841,563	23,895,991
10	Advance,deposits and Prepayments		
	Advance		
	Salary & Allowances	1,774,735	1,003,735
	Land	1,500,000	-
	Construction	12,327,170	70,985,317
	Expenses	4,556,975	7,417,221
	Advance Income Tax	93,107,008	59,229,660
		113,265,888	138,635,932
	Deposits		
	Margin and deposit	34,003,282	4,290,218
	Security deposit for Utilities	12,174,120	8,365,270
		46,177,402	12,655,488
		159,443,290	151,291,420
10.01	Construction		
	Ebrahim & Sons	-	1,560,748
	Haroon Engineering Limited	-	850,000
	Nurul Momen Khan	-	600,000
	Siemens Bangladesh Ltd. (Transformer)	-	60,573,237
	Park Technology Ltd.	2,790,672	4,115,672
	Mita Engineering Limited	2,098,533	
	Jawad Trading	1,748,124	
	Shahjahan Brothers	500,000	
	Aziz & Company Ltd.	868,000	
	Linde Bangladesh Limited	280,561	
	Bang Bang Textile Group Ltd.	2,081,101	
	City Steel Builders	1,220,306	
	Royal Machinerics Corporation	316,873	
	Architects Design Centre	225,000	
	Kapita Auto Bricks Limited	-	740,500
	Ami Technology	-	2,545,160
	Quantam Builders & Engineering Ltd	198,000	
		12,327,170	70,985,317
10.02	Expenses		
	Bangla Trac Ltd	353,915	5,434,235
	Shamsuddin Engineering Works	1,521,900	-
	Overseas Packers & Shippers Ltd.	100,000	-
	Shakil Enterprise	400,000	-
	Mohammad Mohsin	-	185,000
	MJL Bangladesh Ltd	944,426	406,831
	Khalil Traders	-	100,000
	Local Purchase	166,816	5,847
	Shinpower	43,374	936,079
	Others	1,026,544	349,229
		4,556,975	7,417,221
10.03	Advance income Tax		
	Income Tax on Export	45,212,741	33,252,490
	Tax on Interest Received (Bank)	44,711,604	25,977,170
	Advance income tax paid for tribunal	3,182,663	-
		93,107,008	59,229,660





		Amounts in Taka	
		At	At
		30 June 2016	30 June 2015
10.03.01	Income Tax on Export		
	Opening Balance	33,252,490	20,690,356
	Add: Addition during the year (Section - 53 BBBB of Income Tax Ordinance 1984)	11,960,251	12,562,134
	Less: Adjustment against provision for previous years AIT	-	-
	Closing Balance	45,212,741	33,252,490
10.03.02	Tax on Interest Received (Bank)		
	Opening Balance	25,977,170	9,364,891
	Add: Addition during the year (Section - 53 F of Income Tax Ordinance 1984)	18,734,435	16,612,279
	Less: Adjustment against provision for previous years AIT	-	-
	Closing Balance	44,711,604	25,977,170
Advance tax represents advance income tax deducted at source @ 0.60 % from 22.04.2014 till now as per SRO - 68 dated 22.04.2014 on export proceeds and 10 % on interest received from bank under section 53 F dt. 01.07.2012.			
10.03.03	Advance income tax paid for tribunal		
	Income tax paid for tribunal for the year 2011 -2012	2,300,000	-
	Income tax paid for tribunal for the year 2012 -2013	1,500,000	-
	Less: Final settlement for the year 2011 -2012	(617,337)	-
		3,182,663	
10.04	Margin and deposit		
	Margin and deposit (Raw Cotton) 10.04.01	27,951,447	2,996,294
	Margin and deposit (Machineries) 10.04.02	6,051,834	1,293,924
		34,003,282	4,290,218
10.04.01	Margin and deposit (Raw Cotton)		
	Margin against Cotton	23,498,729	2,099,526
	Margin Against Bank Guarantee	2,151,743	720,000
	Margin against Spare Parts	2,300,975	176,768
		27,951,447	2,996,294
10.04.02	Margin and deposit (Machineries)		
	Margin against Machineries	4,161,316	1,293,924
	Margin against Machineries & Equipments (Phase -2) 10.04.02.01	1,890,519	-
		6,051,834	1,293,924
10.04.02.(Margin against Machineries & Equipments (Phase -2)		
	L/C No.	Machine Name	
	DPCDAK520290	Drawframe and Others	1,843,187
	DPCDAK673786		47,332
			1,890,519
10.05	Security deposit for Utilities		
	Margin Against Bank Guarantee (Titas Gas)	11,580,280	7,771,430
	Central Depository Bangladesh Ltd (CDBL)	500,000	500,000
	Security Deposit for Electricity	93,840	93,840
		12,174,120	8,365,270

Aging of the advances except Margin and deposit & Security deposit for Utilities is given below:

	1-3 Months	3-6 Months
Salary & Allowances	-	1,774,735
Construction	-	12,327,170
Expenses	-	4,556,975

- All the advances & deposit amount are considered good and recoverable
- Advances due from Employees are regularly being realised from their monthly salaries
- There is no advances due for payment for more than 6 months from the date of statement of financial position
- There is no amount due from any Directors of the company.
- Debts considered good in respect of which the company is fully secured.
- There are no debts due by directors or other officers of the company.





		Amounts in Taka	
		At	At
		30 June 2016	30 June 2015
11	Due from sister concerns		
a)	DBL Ceramics Ltd.		
(i)	Due from company having same directorship (Principal):		
	Opening Balance	-	135,737,062
	Less: Realized during the year	-	(135,737,062)
	Sub total (i)	-	-
(ii)	Due from company having same directorship (Interest):		
	Opening Balance	-	3,718,788
	Add: Interest charged during the year	-	981,769
	Less: Received during the year	-	(4,700,558)
	Sub total (ii)	-	-
	Total (i + ii)	-	-
b)	Jinnat Knitwears Ltd		
(i)	Due from company having same directorship (Principal):		
	Opening Balance	300,000,000	-
	Add: Addition during the year	-	300,000,000
	Less: Realized during the year	(300,000,000)	-
	Sub total (i)	-	300,000,000
(ii)	Due from company having same directorship (Interest):		
	Opening Balance	3,279,452	-
	Add: Interest charged during the year	10,501,798	3,279,451.60
	Less: Received during the year	(13,781,250)	-
	Sub total (ii)	-	3,279,452
	Total (i + ii)	-	303,279,452
	Grand Total (a + b)	-	303,279,452

i) All the loan amounts are considered good and recoverable from Jinnat Knitwears Ltd.

ii) Loan given to associate company, Jinnat Knitwears Ltd under deed of agreement between Matin Spinning Mills Ltd

Name of the company	Relationship	Purpose of loan	Tenure	Rate of interest	Basis of Interest
Jinnat Knitwears Ltd.	Sister Concerns	Project financing	1 years	10.50 %	Simple

iii) Inter company loan due from Jinnat Knitwears Ltd Has been fully realized during the year.





		Amounts in Taka	
		At	At
		30 June 2016	30 June 2015
12	Share capital		
	Authorised		
	150,000,000 ordinary shares of Taka 10 each	<u>1,500,000,000</u>	<u>1,500,000,000</u>
	Issued and paid-up		
	97,490,000 ordinary shares of Taka 10 each fully paid	<u>974,900,000</u>	<u>974,900,000</u>

Particulars of Investors	Number of Investors	Number of shares	Percentage of Share Holding (%)
Sponsors/ Directors	8	31,917,000	33
Foreign Investors	191	122,863	0
Foreign Institutions	3	1,923,065	2
Local Institutions	109	50,128,919	51
General Public	8,708	13,398,153	14
Total	9,019	97,490,000	100

Distribution schedule of each class of equity setting out the number of holders and percentage as on June 30,2016:

Range of Holdings	Number of Shareholders	Number of shares	Percentage of Share Holding (%)
Less than 500 shares	8,062	1,596,933	2
500 to 5,000 shares	630	1,192,487	1
5,001 to 10,000 shares	102	782,583	1
10,001 to 20,000 shares	81	1,202,030	1
20,001 to 30,000 shares	41	1,028,357	1
30,001 to 40,000 shares	18	652,911	1
40,001 to 50,000 shares	10	461,111	0
50,001 to 100,000 shares	24	1,715,035	2
100,001 to 1,000,000 shares	34	12,118,616	12
Over 1,000,000 shares	17	76,739,937	79
Total	9,019	97,490,000	100

13	Share Premium		
	No. of Shares	Premium Amount	
	34,100,000	Tk 27	
			<u>920,700,000</u>
			<u>920,700,000</u>
14	Retained earnings		
	Opening balance (Note - 14.01)	1,139,903,200	861,324,578
	Add: Profit made during the year	294,475,299	437,445,559
	Less: Dividend Paid	(263,223,000)	(243,725,000)
	Foreign currency translation gain/(Loss) (Note 14.02)	3,774,779	(1,860,486)
	Add: Tax holiday reserves reversed		
	Income Year 2009 -2010	-	49,569,824
	Income Year 2010 -2011	-	37,148,724
		<u>1,174,930,278</u>	<u>1,139,903,200</u>

14.01 Restatement of Retained Earning:

In pursuance of BAS-8 retrospective effect is required to be given to retained earning as at 01 July 2014 for fair presentation of opening retained earning due to error in Income tax provision, Deferred tax calculation, WPPF provision, Foreign currency Gain/(Loss) calculation in prior years. Details are given below:

Opening balance 01 July 2014	865,025,750
Adjustment of Excess provision of Income tax expenses with regard to tax depreciation of motor vehicle	
2010-2011	(744,975)
2011-2012	(815,492)
2012-2013	(660,197)
2013-2014	(320,732)
Adjustment of Deferred tax expenses	
2013-2014	6,267





Amounts in Taka

	At 30 June 2016	At 30 June 2015
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Adjustment of workers' profit participation funds due to correction of above errors		
2011-2012		139,011
2012-2013		163,236
2013-2014		104,705
Adjustment of Foreign currency translation gain/(Loss) not done in prior years, now rectified		
2013-2014		(1,572,993)
Adjusted opening balance (2014 -2015)		861,324,578.49

In prior years unrealised loss for fair value adjustment was erroneously presented in the statement of comprehensive income; and foreign currency translation gain/ (loss) was not erroneously recognised in the accounts in prior years. Now 14.02 foreign currency translation gain/(loss) has been recognised in the current years with retrospective effect in the prior years. And accordingly, the " Unrealised loss for fair value adjustment" has been taken off from the statement of comprehensive income and " Foreign currency translation gain/(loss)" has been presented in the same.

15 Revaluation reserves:

This balance consists of as follows:

Balance at the beginning of the year	988,306,512	995,915,687
Add: Deferred tax on revaluation reserve (Prior year's Balance restated)*	Note : 31.01 (ii) 990,304	(7,609,174)
Balance as on 30 June 2016	989,296,816	988,306,512

Revaluation reserve has been created on land and Building as per revaluation carried by Khan Wahab Shafique Rahman & Co, Charetered Accountants on 28 February 2011 to reflect the fair value (prevailing market price). As the fair value of the assets does not differ significantly from its carrying amount as at 30 June, 2016, no revaluation has been made as on date.

* In pursuance of BAS-8 retrospective effect is required to be given to retained earning as at 30 June,2015 for fair presentation of opening Revaluation Reserves due to error in Deferred tax calculation.

16 Long Term bank loan (Note -16.01)

Off Shore Loan - HSBC	691,271,084	148,476,688
	691,271,084	148,476,688

16.01 Restatement of Long Term bank loan

In pursuance of BAS-8 retrospective effect is required to be given to Long term loan as at 30 June,2015 for fair presentation of opening Restatement of Long term loan due to error in Foreign currency Gain/(Loss) calculation in prior years. Details are given below:

Audited balance 30 June 2015		146,196,501
Adjustment of Long Term bank loan for foreign currency gain/(Loss)		
2013 -2014		485,012
2014- 2015		1,795,175
Adjusted Closing balance 30 June 2015		148,476,688

Bank	Loan Account	Particulars
HSBC	Off Shore Loan	Nature: One off Term Loan Limit: Tk.250 million Purpose: Import of Machinery & Equipment (Take over from Tenure: 4 Years Repayment Cluse: 16 equal quarterly installments. Interest Rate:4.5% Plus LIBOR Security Agreement: For security arrangement knidly refer to note No. 21.

17 Deferred Tax Liability (Note -17.01)

Deferred tax assets and liabilities have been recognized and measured in accordance with the provision of BAS-12: Income taxes. Deferred tax assets and liabilities are attributable to the following:

A. Deferred tax liability on historical cost:

Carrying amount other than revaluation reserve*	2,118,800,567	813,746,227
Tax base	1,567,795,157	499,836,376
Taxable Temporary difference	551,005,410	313,909,851
Applicable tax rate	15%	15%

(Tax rate 15% on Textile sector as per SRO - 193 dated 30 June 2015.)





	Amounts in Taka	
	At 30 June 2016	At 30 June 2015
Deferred tax liability on historical cost	82,650,812	47,086,478
B. Deferred tax liability against revaluation reserve:		
(i)		
Deferred tax liability against revaluation reserve other than		
Carrying amount other than land	122,792,910	129,394,934
Tax base	-	-
	<u>122,792,910</u>	<u>129,394,934</u>
Applicable tax rate (Tax rate 15% on Textile sector as per SRO - 193 dated 30 June 2015.)	15%	15%
	<u>18,418,936</u>	<u>19,409,240</u>
(ii)		
Deferred tax liability on capital gain against revaluation of		
Carrying amount other than building & others.	865,391,996	865,391,996
Tax base	-	-
	<u>865,391,996</u>	<u>865,391,996</u>
Applicable tax rate (3% As per section 53 H dated 01.07.2014)	3%	3%
	<u>25,961,760</u>	<u>25,961,760</u>
Deferred tax liability against revaluation reserve B (i + ii)	44,380,696	45,371,000
Total Deferred tax liability (A + B)	<u>127,031,508</u>	<u>92,457,478</u>

17.01 Restatement of Deferred Tax Liability

In pursuance of BAS-8 retrospective effect is required to be given to Deferred tax liabilities as at 30 June,2015 for fair presentation of opening Deferred tax liabilities due to error in Deferred tax calculation in prior year. Details are given below:

Audited balance as on 30 June 2015	83,695,158
Adjustment of Deferred Tax Liability due to change in tax rate (at source) for land in the Financial Act 2014 2014-2015	8,762,320
Adjusted Closing balance as on 30 June 2015	<u>92,457,478</u>

* This represents the permanent difference related to sedan cars, not plying for hire, owned by company. As per the provisions of Income Tax Ordinance 1984, depreciation on such cars is allowed only up to certain limit of cost (currently Tk. 2.5 million per car) of such cars for tax purpose. Difference for vehicle represents the amount of depreciated cost exceeding such limits.

18 Accounts payable

Suppliers- (18.1)	45,503,743	141,173,641
Expenses- (18.2)	37,124,112	23,801,224
Other finance- (18.3)	14,500,310	8,478,022
	<u>97,128,165</u>	<u>173,452,886.81</u>

18.1 Payable for suppliers

This represents amount payable for supply of raw materials, packing materials, utilities and other services. The details of suppliers are given below:

Particulars		
A.R. Mill Store	55,099	
Abdul Haque & Sons	-	525,785
Abul Khair Steel Limited	2,820,000	8,576,000
Ali Traders	-	945,000





	Amounts in Taka	
	At 30 June 2016	At 30 June 2015
Ami Technology	368,217	
Bashundhara Steel Complex Ltd.	-	6,650,000
Benqal Plywood Mills Ltd.	248,855	
Berger Paints Bangladesh Ltd.	673,179	
F.K. Corporation	119,505	-
Benqal Plastic Pipes Ltd.	128,943	
FnG Engineering & Co.	1,655,500	
Bilal Trading PTE Ltd.	-	11,396
Carqill Cotton Limited	-	54,098,399
Ebrahim & Sons	1,034,078	
Chandpur Hardware Store	268,012	
Dexterous Engineering	175,000	
Faysal Enterprise	-	413,557
Priotoma Banqla	460,964	
Express Insurance Limited	451,847	
Green Power Electric	248,825	
JSA Traders	-	1,565,000
KSRM Steel Plant Ltd.	-	1,590,000
Lafarqe Surma Cement Ltd.	1,364,794	1,470,229
Lohajonq Steel Corporation	-	936,575
Lucky Steel Corporation	182,840	
Madina Bricks	-	2,875,600
Kapita Auto Bricks Limited	409,500	
Magnum Steel Industries Limited	3,283,000	4,081,000
Ion Exchange Environment Management(BD) Ltd.	400,000	
Mayer Doah Foundary & Decoration	-	785,400
Mohammadia Packainq.	-	475,000
Mukul Enterprise	969,406	
Rahimafrooz Distribution Limited	106,975	
NDE Ready Mix Concrete Ltd.	-	1,403,997
One Commodities FZ LLC	-	24,736,258
N. Anika Lighting	124,709	
Parjoar Traders	-	566,250
Payable for C & F Charqe	15,564,086	15,180,388
Payable for Transport Charqe	4,291,242	5,262,941
Quantam Builders & Engineering Ltd	-	987,500
RFL Plastics Ltd.	183,831	
Rifa Paper Products	319,800	
Richi Enterprise	270,250	
Mother Traders	137,310	
S.R. Engineering (BD)	92,900	
Rahman Enterprise	424,942	
S K Traders	-	1,125,650
L.R Trading	143,405	
S. I Trading	-	654,000
Sara Enterprise	-	465,000
Siemens Banqladesh Ltd.	6,879,507	-
Sohel Enterprise	-	70,994
Soronica Paper Products	-	196,300
Tyre & Battery Bazar	237,238	657,500
Yana Enterprise	-	1,652,140
Others	1,409,984	3,215,781
Total	45,503,743	141,173,641

18.2 Payable for expenses

Salary & allowances	-	10,797,212
Overtime	-	535,914
Audit fees	287,500	287,500
Gas bill	5,887,783	2,853,198
Electricity bill	20,370,408	-
Welfare Fund	572,836	572,836
Rent payable	20,000	20,000
Provident Fund	318,677	83,673
Dividend payable	2,758,242	1,742,225
Provision for bad debts	6,908,666	6,908,666
	37,124,112	23,801,224





		Amounts in Taka	
		At 30 June 2016	At 30 June 2015
18.3 Payable for other finance			
	Tax deducted at source (Salary)	1,920,189	807,369
	Tax deducted at source (on Suppliers bill)	11,584,065	5,117,262
	VAT Deducted at source (on Suppliers bill)	944,453	2,553,391
	Un Identified transaction	51,603	-
		<u>14,500,310</u>	<u>8,478,022</u>
19	Share Application Money	<u>4,582,760</u>	<u>4,664,160</u>
The share application money received against IPO applicants who were unsuccessful in lottery. The money is being refunded to the unsuccessful applicants based on their proper documentation and guideline as per BSEC			
20	Short term bank loan (Note -20.01)		
	Export Development Fund (EDF)	650,984,980	488,641,628
	UPAS Loan	85,220,579	547,021,081
	Liabilities Against Export Bill	135,610,204	9,404,813
		<u>871,815,763</u>	<u>1,045,067,522</u>
20.01	Restatement of Short term bank loan:		
In pursuance of BAS-8 retrospective effect is required to be given to Short term loan as at 30 June 2015 for fair presentation of opening Restatement of Short term loan due to error in Foreign currency Gain/(Loss) calculation in prior years. Details are given below:			
i.	Export Development Fund (EDF)*		
	Audited balance as on 30 June 2015		486,999,019
	Adjustment of Export Development Fund (EDF) for foreign currency translation gain/(Loss)		
	2013 -2014		1,196,843
	2014- 2015		445,766
	Adjusted Closing balance as on 30 June 2015		<u>488,641,628</u>
ii.	UPAS Loan*		
	Audited balance as on 30 June 2015		547,504,306
	Adjustment of UPAS Loan for foreign currency translation gain/(Loss)		
	2013 -2014		(108,862)
	2014- 2015		(374,363)
	Adjusted Closing balance as on 30 June 2015		<u>547,021,081</u>
ii.	Liabilities Against Export Bill*		
	Audited balance as on 30 June 2015		9,410,904
	Adjustment of Liabilities Against Export Bill for foreign currency translation gain/(Loss)		
	2014- 2015		(6,091)
	Adjusted Closing balance as on 30 June 2015		<u>9,404,813</u>

* Above restatements have been given due to foreign currency translation gain/(Loss) which was erroneously not recognised in the accounts in prior years.

Details of bank terms and conditions for Short Term Loan are given below:

Bank	Loan Account	Particulars
HSBC	Export Development Fund (EDF)	Lender: HSBC Nature: EDF Limit: Tk 1,250 million Purpose: Import of Raw Cotton Tenure: 180 days for Clean Import Loan (CIL) & 30 days for Rate of interest: @ 2.5% plus LIBOR
	U-pass	Lender: HSBC Nature: U-pass Limit: Tk 1,250 million Purpose: To import raw materials and accessories on sight Tenure: 120 days Rate of interest: @ 4.40 % - 4.75% plus LIBOR





Bank	Loan Account	Particulars
HSBC	U-pass	Lender: HSBC Nature: U-pass Limit: Tk 1,300 million (IPO) Purpose: One-off line to import machineries and other Tenure: 360 days Rate of interest: @ 4.40 % - 4.75% plus LIBOR
	U-pass	Lender: HSBC Nature: U-pass Limit: Tk 860 million Purpose: One-off line to import machineries and other project Tenure: 360 days Rate of interest: @ 4.40 % - 4.75% plus LIBOR
	U-pass	Lender: HSBC Nature: U-pass Limit: Tk 300 million Purpose: To import spare parts and machineries on sight Tenure: 120 days Rate of interest: @ 4.40 % - 4.75% plus LIBOR
	Bill Discounting	Lender: HSBC Nature: Bill Discounting Limit: USD 4 million Purpose: To discount maximum 90% of export bills against Tenure: 120 days Rate of interest: @ 4.20% - 4.75% plus LIBOR
	Security Arrangement:	
	1. Demand promissory note for Tk 4,487,500,000 with letter of continuity & 2. Personal guarantees executed by Mr. Abdul Wahed, Mr. M.A. Jabbar, Mr. 3. Corporate guarantees to be executed by Flamingo Fashions Ltd, Jinnat 4. First charge over the borrower's stocks of Raw Materials, Work – in – process 5. Power of Attorney on Hypothecated Goods. 6. Specific first charge over the borrower's Plant and Machinery for Tk 7. Blanket Counter Indemnity for Guarantee facility. 8. Trade Financing General Agreement for Trade facility. 9. Power of Attorney for Back to Back facility. 10. 'Letter of Lien over Deposits with Authority to Encash' obtained. 11. Deposit under lien for an aggregate amount of Tk 1,255,249,526.75 [Term 12. Registered Mortgage for Tk 1,210,000,000.00 over 802.50 decimals land and	

		Amounts in Taka	
		At	At
		30 June 2016	30 June 2015
21	Current portion of long term loan		
	Off Shore Loan - HSBC	120,302,481	97,947,248
		120,302,481	97,947,248
22	Provision & accruals		
	Provision for Income Tax (22.01)	101,967,621	106,854,575
	Provision for workers' profit participation and welfare funds (22.02)	18,129,048	25,517,766
		120,096,669	132,372,342
22.01	Provision for Income Tax (Note - 22.01.01)		
	Opening Balance	106,854,575	128,278,081
	Less: Income tax paid for the year	(48,648,000)	(99,960,995)
	Less: Income tax paid for the year 2008 -2009	-	(11,915,124)
	Add: Provision for taxation Income year (2015 - 2016) For 12 months (Note - 30)	44,378,383	78,537,490
	Excess/(Short) provision for taxations after final assessment order as below:-		-
	Less: Final settlement for the year 2011 -2012	(617,337)	
		101,967,621	106,854,575





22.01.1 Restatement of Provision for Income Tax:

In pursuance of BAS-8, retrospective effect is required to be given to Provision for Income Tax as at 01 July 2014 for fair presentation of opening balance of Provision for Income Tax due to error in Income tax provision calculation in prior years. Details are given below:

Opening Balance as on 01 July 2014	125,736,684
Adjustment of Provision for Income Tax with regard to tax depreciation of motor vehicle	
2010-2011	744,975
2011-2012	815,492
2012-2013	660,197
2013-2014	320,732
Adjusted opening Balance as on 01 July 2014	<u>128,278,081</u>

22.02 Provision for workers' profit participation and welfare funds (Note - 22.02.01)

Opening Balance	25,517,766	48,459,223
Add: Addition during the year	18,720,901	25,924,718
Less: Paid during the year	(26,109,619)	(48,866,175)
Closing Balance	<u>18,129,048</u>	<u>25,517,766</u>

This represents 5% on net income before charging income tax as per provision of the Labour Law-2006, and it shall be allocated among the eligible workers as defined in the said act.

22.02.01 Restatement of Provision for workers' profit participation and welfare funds

In pursuance of BAS-8, retrospective effect is required to be given to Provision for workers' profit participation and welfare funds as at 01 July 2014 for fair presentation of opening balance of Provision for workers' profit participation and welfare funds due to error in WPPF provision calculation in prior years. Details are given below:

Opening Balance as on 01 July 2014	48,866,175
Adjustment of for workers' profit participation and welfare funds due to above correction mentioned in note# 22.01.1	
2011-2012	(139,011)
2012-2013	(163,236)
2013-2014	(104,705)
Adjusted opening Balance as on 01 July 2014	<u>48,459,223</u>

23

Revenue

		<u>Amounts in Taka</u>	
		<u>2015-2016</u>	<u>2014-2015</u>
Carded Yarn	229.73	247.47	439,351,026
Combed Yarn	267.01	293.98	599,665,686
Slub Yarn	283.45	306.62	366,133,868
Synthetic Yarn	254.59	259.36	486,219,871
Melange Yarn	293.78		113,814,536
			<u>2,005,184,987</u>
			<u>2,023,663,281</u>

23.01

Restatement of Revenue

In pursuance of BAS-8, retrospective effect is given to Revenue as at 30 June 2015 for fair presentation of revenue due to error in Foreign currency Gain/(Loss) calculation in prior year. Detail is given below:

Audited amount (2014-2015)	2,029,007,454
Less : Foreign currency exchange gain/(loss) from receivable	(5,344,173)
Adjusted Closing balance (2014 -2015)	<u>2,023,663,281</u>

Export (Kg)

	<u>Export (Kg)</u>	<u>Export (Kg)</u>
Carded Yarn	1,912,482	2,209,613
Combed Yarn	2,245,887	1,740,445
Slub Yarn	1,291,719	1,216,759
Synthetic Yarn	1,909,844	2,282,915
Melange Yarn	387,414	-
	<u>7,747,346</u>	<u>7,449,732</u>



Turn over in Quantity (Kg)
2015-2016

Product Type	Opening Stock (a)	Production (b)	Closing Stock (c)	Sales during the year (a+b-c)
Carded Yarn	85,474	1,871,449	44,441	1,912,482
Combed Yarn	28,407	2,255,063	37,583	2,245,887
Slub Yarn	5,195	1,298,025	11,501	1,291,719
Synthetic Yarn	17,053	1,911,105	18,314	1,909,844
Melange Yarn	-	396,244	8,830	387,414
Total	136,129	7,731,885	120,668	7,747,346

Turn over in Quantity (Kg)
2014-2015

Product Type	Opening Stock (a)	Production (b)	Closing Stock (c)	Sales during the year (a+b-c)
Carded Yarn	82,443	2,212,644	85,474	2,209,613
Combed Yarn	29,379	1,739,473	28,407	1,740,445
Slub Yarn	5,021	1,216,933	5,195	1,216,759
Synthetic Yarn	24,200	2,275,768	17,053	2,282,915
Total	141,043	7,444,818	136,129	7,449,732

Amounts in Taka

	2015-2016	2014-2015
24 Cost of goods sold		
Raw Material consumption (Note-24.1)	1,142,200,784	1,274,710,763
Packing materials consumption (Note-24.2)	13,792,747	13,486,110
Manufacturing overhead (Note-24.3)	471,259,887	314,331,770
Cost of goods manufacturing	1,627,253,418	1,602,528,643
Opening work-in-process	26,628,869	49,905,867
Closing work-in-process	(22,686,724)	(26,628,869)
Cost of production	1,631,195,563	1,625,805,641
Opening stock of finished yarn	28,422,438	35,615,731
Closing stock of finished yarn	(29,080,586)	(28,422,438)
	1,630,537,415	1,632,998,934

24.1 Raw Material consumption
Quantity (KG)

Opening Stock	1,632,185	1,676,135
Purchase during the year	10,187,261	8,309,780
Raw Material available for consumption	11,819,446	9,985,915
Closing Stock	2,966,355	1,632,185
Raw Material Consumed	8,853,091	8,353,730

Value (Taka)

Opening balance	209,530,378	279,510,501
Purchase during the year	1,345,765,382	1,204,730,640
Raw Material available for consumption	1,555,295,760	1,484,241,141
Closing balance	(413,094,976)	(209,530,378)
	1,142,200,784	1,274,710,763

24.2 Packing materials consumption

Opening balance	720,102	1,616,866
Purchase during the year	14,386,500	12,589,346
Packing materials available for consumption	15,106,602	14,206,213
Closing balance	(1,313,855)	(720,102)
	13,792,747	13,486,110





Amounts in Taka

	2015-2016	2014-2015
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24.3 Manufacturing overhead

Salary and allowances	103,343,977	80,740,228
Repair and maintenance	25,257,558	22,506,514
Fiber Dyeing	561,500	-
BTMA certificate charges	319,075	964,727
Store and spare parts	27,625,350	27,430,710
Travelling & Conveyance	567,066	219,471
Crockeries and Canteen Expences	491,663	342,577
Fire Fighting Expenses-factory	642,865	624,045
Factory stationeries	758,461	575,041
Fuel and lubricants- Fork Lift	784,385	220,300
Fuel and lubricants- Generator	28,928,763	68,796,331
Fuel and lubricants- Vehicles	461,818	255,000
Electricity bill	100,219,555	-
Gas bill	62,251,400	33,420,070
Inspection charges	59,517	54,210
Insurance premium	4,182,877	4,278,889
Testing fee	4,000	71,250
Workshop expenses	2,011,891	792,165
Depreciation	112,788,166	73,040,242
	471,259,887	314,331,770

25 Other income

Interest on inter company receivable	10,501,798	4,261,221
Foreign currency exchange gain/(loss) (Note-25.01)	7,599,676	9,201,102
Gain /(Loss) on Investment in marketable securities (Note-25.02)	995,939	(1,009,129)
Bank interest received	129,576,380	206,889,026
Sales of wastage	36,124,559	37,147,727
Cash Dividend (received on marketable securities)	1,141,615	1,233,838
Cash Incentive	-	18,861,493
Rental Income	10,195,380	410,190
	196,135,347	276,995,469

25.01 Restatement of Foreign currency exchange gain/(loss)

In pursuance of BAS-8, retrospective effect is given to Foreign currency exchange gain/ (loss) for the year 2014-15 due to error in foreign currency transaction gain/(loss) calculation in prior year for fair presentation of the same. Details are given below:

Audited amount (2014-2015)	3,856,929
Add: Foreign currency exchange transaction gain/(loss)	5,344,173
Adjusted Closing balance (2014 -2015)	9,201,102

25.02 Restatement of Gain /(Loss) on Investment in marketable securities

In pursuance of BAS-8, retrospective effect is given to Gain /(Loss) on Investment in marketable securities for the year 2014-15 due to error in Gain /(Loss) on Investment in marketable securities in prior year for fair presentation of the same. Detail given below:

Realised gain /(loss) (Prior year's balance restated)	675,638
Unrealised gain /(loss) for fair value adjustment (Prior year's balance restated)	(1,684,767)
Adjusted Closing balance (2014 -2015)	(1,009,129)





		Amounts in Taka	
		2015-2016	2014-2015
26	Administrative expenses		
	Salary and allowances	81,741,202	53,001,895
	Audit fees	287,500	287,500
	AGM Expenses	2,490,105	3,481,365
	Board Meeting Expenses	989,000	1,042,500
	Business development expenses	1,171,899	497,574
	Bank charges and commission	4,754,630	3,605,102
	Ceremonial expense	117,900	5,600
	Certificate and membership fees	1,671,916	1,401,257
	Computer repair maintenance	542,268	153,650
	Credit rating expenses	172,500	172,500
	CSR Expenses	92,045	-
	Garden Expenses	45,870	33,250
	Advertisement	1,070,859	1,164,690
	Contribution to Provident Fund	1,159,836	985,055
	Managing Directors Remuneration (Note -38)	8,400,000	8,400,000
	Donation	12,200,000	1,500,000
	Entertainment	2,980,340	350,544
	Corporate advisory fees	876,350	458,750
	Internet charges	161,975	172,915
	Legal expenses	566,943	257,637
	Medicine and medical expenses	41,321	36,401
	News paper and periodicals	7,530	1,560
	Office maintenance	176,312	347,700
	Photocopy and type expenses	107,354	70,564
	Office Stationery	899,794	697,955
	Rates and taxes	1,209,066	2,458,381
	Office Rent	256,200	240,000
	Registration and renewal	1,469,314	1,592,480
	Religious expenses	451,500	125,520
	Road toll	-	9,400
	Staff welfare	83,260	256,954
	Telephone bill	5,500	10,170
	Travelling expenses	33,000	28,636
	Uniform and liveries	304,618	178,952
	Miscellaneous expenses	2,105,205	1,447,552
	Power and fuel - vehicles	2,327,479	1,895,517
	Depreciation	12,532,018	8,115,582
		143,502,608	94,485,107
27	Distribution expenses		
	Sales commission	56,688	569,371
	Carriage outward	1,144,639	27,999
		1,201,327	597,370
28	Finance cost		
	Interest expenses		
	Bank Interest on Offshore loan	9,620,452	12,791,337
	Bank Interest on UPAS loan	-	675,360
	Bank interest on Export Development Fund	21,076,002	14,618,584
	Bank Interest on OD loan	875,817	72,970
	Bank Interest on loan against export bills	1,367,797	-
		32,940,067	28,158,251
29	Contribution to workers' profit participation funds :		

Allocation for workers' profit participation funds Tk.18,720,901 (2015: Tk.25,924,718). This represents 5% of net income before charging income tax as per provision of the Labour Law -2006 and it shall be allocated as defined in the said act.



Amounts in Taka	
2015-2016	2014-2015

30 Current Tax
A. Tax calculation for current year

Profit before tax (01.07.2015 to 30.06.2016)*	374,418,016	518,494,369
Less: Other income considered separately*	196,135,347	276,995,469
	178,282,669	241,498,900
Add: Accounting Depreciation	125,320,184	81,155,824
Add: Inadmissible expenses	28,580,240	-
Less: Tax Depreciation*	(353,560,812)	(88,125,120)
Taxable Income	(21,377,719)	234,529,604

	Tax Rate		
Current Tax expenses on Taxable Income*	15%	(3,206,658)	35,179,441
Tax on Interest on inter company receivable	25%	2,625,450	1,065,305
Foreign currency exchange gain/(loss)*	25%	800,644	2,300,276
Gain / Loss on Investment in marketable securities*	10%	99,594	67,564
Tax on bank Interest	25%	32,394,095	51,722,257
Tax on wastage sale	25%	9,031,140	9,286,932
Tax on Cash Dividend (Share Investment)	20%	228,323	246,768
Cash Incentive	25%	-	4,715,373
Rental Income	25%	1,784,192	71,783
Income Tax expenses		43,756,779	104,655,698

B. Excess/(Short) provision for taxations after final assessment order as below:-

2006-2007	-	(80,362)
2007-2008	-	(29,814,149)
2008-2009	-	1,320,355
2009-2010	-	(1,990,644)
2010-2011	-	4,446,592
2011-2012	621,604	-
Total	621,604	(26,118,208)
Total Current tax (A+B)	44,378,383	78,537,490

* Prior year calculation of current tax restated. In pursuance of BAS-8, retrospective effect is given to Current tax for the year 2014-15 due to error in Current tax calculation in prior year for fair presentation of the same.

Provision for income tax has been calculated @ 15% on taxable income from operation under SRO 193 dated 30 June 2015 of NBR, 10% on Gain / Loss on Investment in marketable securities, 20% on dividend income, 25% taxable on other income and 25% on cash incentive.





		Amounts in Taka	
		2015-2016	2014-2015
31	Deferred tax expenses for Income Statement (Note -31.01)		
	Fixed assets:		
	Carrying amount *	2,118,800,567	813,746,227
	Tax base	<u>(1,567,795,157)</u>	<u>(499,836,376)</u>
	Taxable Temporary difference	551,005,410	313,909,851
	Tax rate	15%	15%
	(Tax rate 15% on Textile sector as per SRO - 193 dated 30 June 2015.)		
	Deferred tax liabilities as on 30 June 2016	82,650,812	47,086,478
	Deferred tax liabilities 30 June 2015	<u>(47,086,478)</u>	<u>(44,575,158)</u>
		<u>35,564,334</u>	<u>2,511,319</u>
31.01	Deferred tax for Statement of Comprehensive Income (Note -31.01.01)		
(i)	Deferred tax liability against revaluation reserve other than land		
	Carrying amount other than land	122,792,910	129,394,934
	Tax base	-	-
		<u>122,792,910</u>	<u>129,394,934</u>
	Applicable tax rate	15%	15%
	(Tax rate 15% on Textile sector as per SRO - 193 dated 30 June 2015.)		
		<u>18,418,936</u>	<u>19,409,240</u>
(ii)	Deferred tax liability on capital gain revaluation of land		
	Carrying amount other than building & others.	865,391,996	865,391,996
	Tax base	-	-
		<u>865,391,996</u>	<u>865,391,996</u>
	Applicable tax rate (3% As per section 53 H dated 01.07.2014)	3%	3%
		<u>25,961,760</u>	<u>25,961,760</u>
	Deferred tax liability against revaluation reserve (i + ii)	44,380,696	45,371,000
	Deferred tax liabilities 30 June 2015	<u>(45,371,000)</u>	<u>(37,761,825)</u>
	Deferred tax for Statement of Comprehensive Income	<u>(990,304)</u>	<u>7,609,174</u>
	* Deferred tax has been provided on Taxable Temporary difference.		
	* This represents the permanent difference related to sedan cars, not plying for hire, owned by company. As per the provisions of Income Tax Ordinance 1984, depreciation on such cars is allowed only up to certain limit of cost (currently Tk. 2.5 million per car) of such cars for tax purpose. Difference for vehicle represents the amount of depreciated cost exceeding such limits.		
31.01	Restatement of Deferred Tax Expenses		
	In Pursuance of BAS-8 retrospective effect is required to given to Deferred tax expenses as at 30 June,2015 for fair presentation of Closing Deferred Tax Expenses. Details are given below:		
	Audited amount (2014-2015)		2,396,654
	Adjustment of Deferred Tax Expenses 2014-2015		<u>114,665</u>
			<u>2,511,319</u>
31.01.01	Restatement of Deferred Tax Expenses (Revaluation reserves of Land)		
	In Pursuance of BAS-8 retrospective effect is required to given to retain earning as at 30 June,2015 for fair presentation of Closing Deferred Tax Expenses. Details are given below:		
	Audited amount (2014-2015)		(1,044,746)
	Adjustment of Deferred Tax Expenses 2014-2015		<u>8,653,920</u>
			<u>7,609,174</u>



	Amounts in Taka	
	2015-2016	2014-2015
32 Earnings Per Share (EPS)*		
Net profit attributable to ordinary share holders	294,475,299	437,445,559
Fully diluted basis number of ordinary shares outstanding during the year	97,490,000	97,490,000
	3.02	4.49

* Prior year Earnings Per Share (EPS) restated.

32.01 Calculation of number of ordinary shares (2015-2016)

Date	No. of Shares	Fraction of period	Weighted average of shares
Balance as on 1st July-2010	25,500,000	365	25,500,000
12.10.2010			
Shares allotted in cash	9,110,000	365	9,110,000
25.10.2010			
Bonus shares	7,650,000	365	7,650,000
15.01.2013			
Bonus shares	21,130,000	365	21,130,000
27.02.2014			
Shares allotted in cash	34,100,000	365	34,100,000
Weighted average number of ordinary shares (2015 - 2016)			97,490,000

33 Net Assets Value (Per Share)

33.01 Net Assets Value (With Revaluation reserve)*

Total assets	6,092,055,524	5,718,248,039
Less: Total current liabilities	(1,213,925,838)	(1,453,504,160)
	4,878,129,686	4,264,743,879
Deduct:		
Long Term & deferred liabilities	(818,302,592)	(240,934,166)
	4,059,827,094	4,023,809,713
Number of Ordinary Share at Balance Sheet date	97,490,000	97,490,000
NAV - Per Share	41.64	41.27

* Prior year Net Assets Value (With Revaluation reserve) restated.

33.02 Net Assets Value (Without Revaluation reserves)*

Total assets	6,092,055,524	5,718,248,039
Less: Revaluation Reserves	(989,296,816)	(988,306,512)
Less: Total current liabilities	(1,213,925,838)	(1,453,504,160)
	3,888,832,870	3,276,437,367
Deduct:		
Long Term & deferred liabilities	(818,302,592)	(240,934,166)
	3,070,530,279	3,035,503,201
Number of Ordinary Share at Balance Sheet date	97,490,000	97,490,000
NAV - Per Share	31.50	31.14

* Prior year Net Assets Value (Without Revaluation reserve) restated.





Amounts in Taka	
2015-2016	2014-2015
149,626,517	357,087,153
97,490,000	97,490,000
1.53	3.66

34 Net Operating Cash Flow Per Share*

Cash flows from operating activities as per statement of cash flows
Number of Ordinary Share at Balance Sheet date
Net Operating Cash Flow - Per Share (On share at Statement of Financial Position date)

* Prior year Net Operating Cash Flow Per Share restated.

Others

35 During the period from 01.07.15 to 30.06.2016 seven board meetings were held. The attendance status of all the meetings is as follows:

Name of Directors	Position	Meeting Held	Attended
Abdul Wahed	Chairman	7	5
M.A. Jabbar	Managing Director	7	7
M.A. Rahim	Director	7	7
M.A. Quader	Director	7	7
Md. Hassan Imam	Director	7	6
Selina Parvin	Director	7	7
Tanzeen Rahim	Director	7	7
Taslima Begum	Director	7	7
M. Farhad Hussain FCA	Independent Director	7	6
M.Naser Alam , Barrister-at-law*	Independent Director	7	6

36 Employee position for Matin Spinning Mills Ltd (as at 30 June 2016)

Disclosure as per requirement of schedule XI part II of Company Act 1994

Officer & Staff		Worker	Total Employee	Amount in Taka
Head Office	Factory			
25	266	1,201	1,492	194,645,015
			1,492	194,645,015

There is no Salary/ Wages/Remuneration below Tk.3,000/- per month or annually Tk. 36,000. Minimum Salary/ Wages/Remuneration has started from Tk. 5,300/- per month.

37 Payments to Directors and Officers

Disclosure as per requirement of schedule XI, Part II, Para 4 of Company Act 1994

Particular	2015-2016			2014-2015		
	Directors	Managers & Others	Total	Directors	Managers & Others	Total
Basic Salary	5,139,960	44,916,496	50,056,456	5,139,960	29,124,350	34,264,310
House Rent	2,569,980	22,458,248	25,028,228	2,569,980	14,562,175	17,132,155
Conveyance	690,060	6,030,218	6,720,278	690,060	3,910,059	4,600,119
Bonus/ incentives	-	8,336,240	8,336,240	-	5,405,310	5,405,310
Total Salary and	8,400,000	81,741,202	90,141,202	8,400,000	53,001,895	61,401,895

* Directors represent Managing Director only.

* No benefits other than the monthly emoluments is given to the Managing Director.

38 Contingent Liabilities:

1 Contingent Liability of the Company was Tk. 196,083,302 as on 30 June 2016 for opening of LCs by the banks in favour of foreign suppliers for raw materials and spares

2 There was no facts and figures for which the company has contingent liability to any party other than Bank as on 30 June 2016.



39 Disclosure as per requirement of schedule XI, part II, para 7 of Companies Act 1994

	2015-2016		2014-2015
	MSML Unit	Melange Unit	
Capacity Installed:			
No of Spindles Installed	57,840		39,600
Capacity Utilised:			
No. of Spindles Operated	51,759		38,744
Production Capacity: (In Kg)			
At Equivalent 28' S Count (Ring Yarn)	9,360,000		8,640,000
Actual Production : (In Kg)			
At Equivalent 28' S Count (Ring Yarn)	7,851,331		7,545,680
% of Capacity Utilization:	83.88		87.33

40 Related party disclosure

During the year, the Company carried out a numbers of transactions with related parties in the normal course of business. The names of the related parties and nature of these transaction have been set out in accordance with the provisions of BAS -24:

Name of the related party	Relationship	Nature of transaction	Value of transactions (taka)	Closing balance		Closing balance	
				BDT	Status as at June 30, 2016	BDT	Status as at June 30, 2015
DBL Ceramics	Associated Company	Share Money Deposit Share Capital	50,800,000 -	- 25,000,000	Debtor Debtor	50,800,000 25,000,000	Debtor Debtor
Flamingo Fashions Ltd	Sister Concern	Sale of yarn	577,252,734	58,908	Debtor	22,126,169	Debtor
Jinnat Fashions	Sister Concern	Sale of yarn	306,859,753	13,904,013	Debtor	5,259,978	Debtor
Jinnat knitwears Ltd	Sister Concern	Sale of yarn	556,558,772	12,178,863	Debtor	10,557,969	Debtor
		Working Capital Interest receivable	300,000,000 10,501,798	- -	Debtor Debtor	300,000,000 3,279,452	Debtor Debtor
Jinnat Apparels Ltd	Sister Concern	Sale of yarn Office Rent	8,746,296 (240,000)	6,710,483 20,000	Debtor Creditors	- 20,000	- Creditors
Mawna Fashions Ltd.	Sister Concern	Sale of yarn	24,555,915	9,311,350	Debtor	-	
Hamza Textiles Ltd	Sister Concern	Sale of yarn	222,460,813	9,212,956	Debtor	9,493,476	Debtor
Parkway Printing & Packing Ltd.	Sister Concern	Sale of yarn Godown Rent & Others	4,784,540 2,193,490	1,343,408 513,205	Debtor Debtor	110,356	Debtor
Color City Ltd.	Sister Concern	Rent	9,375,000	9,375,000	Debtor		

41 Disclosure as per requirement of schedule XI, part II, para 8 of the Companies Act 1994

Disclosure requirement of schedule XI, part II, para 8(b&d) of the Companies Act 1994

CIF Value of Raw Cotton, Spare Parts, Packing Materials and Capital Machinery

(BDT) and Consumption

Particular	Local Purchase	Import	Total Purchase	Consumed	% of Consumption
Raw Cotton		1,345,765,382	1,345,765,382	1,142,200,784	96.50%
Stores and Accessories		34,570,922	34,570,922	27,625,350	2.33%
Packing Materials	14,386,500	-	14,386,500	13,792,747	1.17%
Capital Machinery		1,575,699,708	1,575,699,708	-	-
Total	14,386,500	2,956,036,012	2,970,422,511	1,183,618,881	100.00%

In the period under review the company did not remit any amount as dividend, technical know-how, royalty, professional consultation fees, interest and other matters either its shareholders or others.

FOB Value of export

The FOB value of export for the year 30 June 2016 is as follows:

Particular	In foreign currency \$	In BDT
Export	25,840,013	2,005,184,987



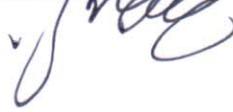
09 NOV 2016

Dated, Dhaka

Chairman



Managing Director



Company Secretary



The Board of Directors of Matin Spinning Mills Limited, at its 95th meeting held on November 09, 2016 proposed Tk. 2.30 per share amounting to a total of Tk. 224,227,000 as cash dividend for the year ended 30 June 2016, which represents 23% of the paid up Capital. This dividend is subject to final approval by the shareholders at the forth coming Annual General Meeting of the Company.

46 Event after Balance Sheet date

45 Figures are rounded off to the nearest Taka.

44 These notes form an integral part of the annexed financial statements and accordingly are to be read in conjunction therewith.

43 Previous year's figures have been rearranged, wherever considered necessary, to conform to current year's presentation.

v Registered office of the Company was shifted from BGMMA Complex (12th Floor), 23/1, Panthapath Link Road, Kawranbazar, Dhaka -1215 to Sardagonj, Kashimpur, Gazipur, Dhaka which was approved by the Board of Directors in its 84th meeting held on March 31, 2015 and the matter was communicated to the chairman of BSEC, Managing Directors of DSE & CSE on 16 April 2016 with specific mention that all correspondences regarding Shares/Company affairs of the Company will be done from the corporate office. Accordingly, all the records and documents required to be kept in the registered office under section 41, 89(4) and 181(3) of the Companies Act 1994 are kept in the corporate office.

iv The company calculated the net worth without considering the revaluation reserve, and based on that dividend was paid for the year 2014-2015, in compliance with BSEC order no. SEC/CMRRC/2009-193/104/Admin/26 dated 27 July 2011. Besides, the Company spent Tk. 138,765,791.00 out of profit as capital expenditure covering construction cost of the existing and expansion projects.

iii As per notification No. SEC/CMRRC/2008-183/Admin/03-30 dated 01 June 2009 the management is required to take approval from the shareholders before entering into any sale agreement amounting to 1% or above of the revenue of the immediate preceding financial year. But we have already declared in our prospectus issued on 2014, page No. 22 under para "DISTRIBUTION / SERVICES" that Matin Spinning Mills Ltd was established to work as a backward linkage industry to the companies (under common directorship) under DBL Group. In that context, it is clear that the Matin Spinning Mills Ltd. virtually agreed to sell its products to the Companies under DBL Group.

ii An amount of Tk. 300,000,000.00 was paid as loan to Jinnat Knitwears Ltd on 25 May 2015, as approved by the Board. The amount was paid from the Company's regular fund (not IPO fund). The above amount has been subsequently realized: Tk. 82,875,000 on 25 August 2015 and Tk. 230,906,250.00 on 20 October 2015, total being Tk. 313,781,250 (including interest of Tk. 13,781,250), as mentioned in note no 11. Though permission from shareholders and BSEC was not obtained for disbursing the above loan not in compliance with BSEC order # SEC/CMRRC/2006-159/Admin/02-10 dated 10 September 2006, the above transaction resulted in an interest income of Tk. 13,781,250 for the company.

42 i Due to failure to maintain schedule for IPO fund utilization and investment in FDR (though for the benefit of shareholder) BSEC had imposed some penalties to Directors as per letter no. # SEC/GI/IPO-167/2011/2909 dated December 23, 2013. The Directors had made appeal against the order, and BSEC reduced the penalty amount from Tk. 200,000 to Tk. 150,000 for each Director as on 25.09.2016 which have already been paid by 10th October 2016.



Annex i

Matin Spinning Mills Ltd
Details of property, plant and equipment for the year ended 30 June 2016
A) Non Revalued Assets:

Amounts in Taka

Name of the assets	Cost			Total at 30 June 2016	Rate %	Depreciation		Total at 30 June 2016	Written down value at 30 June 2016
	At 01 July 2015	Addition during the year	Adjustment/di sposal during the year			Charge for the year	Adjustment during the year		
Land and land development	146,373,666	-	-	146,373,666	0%	-	-	-	146,373,666
Factory building	176,506,759	160,342,829	-	336,849,588	5%	7,544,500	-	99,494,879	237,354,709
Sub Station (Building)	-	14,502,772	-	14,502,772	5%	466,870	-	466,870	14,035,902
Godown	34,611,245	-	-	34,611,245	10%	2,269,782	-	14,183,206	20,428,039
Plant and machinery	1,519,240,568	882,147,947	-	2,401,388,515	10%	72,189,357	-	1,093,955,971	1,307,432,543
Furniture and fixtures	3,131,805	143,766	-	3,275,571	10%	186,691	-	1,539,309	1,736,262
Sub Station (Machinery)	-	306,775,665	-	306,775,665	15%	21,673,134	-	21,673,134	285,102,530
Gas equipment	1,978,958	-	-	1,978,958	15%	76,129	-	1,547,560	431,398
Gas Generator	128,958,867	-	-	128,958,867	15%	4,490,997	-	103,509,883	25,448,984
Office equipments	14,617,163	6,533,580	-	21,150,743	15%	1,271,351	-	8,501,635	12,649,109
Electric installation	84,535,464	34,266,280	-	118,801,744	15%	4,281,090	-	69,194,576	49,607,168
Deep tubewell	1,100,000	-	-	1,100,000	20%	31,373	-	974,506	125,494
Vehicles	45,582,000	16,894,275	-	62,476,275	20%	4,236,887	-	35,335,448	27,140,827
Total at 30 June 2016	2,156,636,495	1,421,607,114	-	3,578,243,609		118,718,160	-	1,450,376,978	2,127,866,631

B) Revalued Assets

Name of the assets	Revaluation			Total at 30 June 2016	Rate %	Depreciation		Total at 30 June 2016	Written down value at 30 June 2016
	At 01 July 2015	Addition during the year	Adjustment/di sposal during the year			Charge for the year	Adjustment during the year		
Land and land development	865,391,996	-	-	865,391,996	0%	-	-	-	865,391,996
Factory building	163,805,258	-	-	163,805,258	5%	6,337,469	-	43,393,341	120,411,917
Godown	4,480,258	-	-	4,480,258	10%	264,555	-	2,099,265	2,380,993
Total at 30 June 2016	1,033,677,512	-	-	1,033,677,512		6,602,024	-	45,492,606	988,184,906
Total (A + B) at 30 June 2016	3,190,314,007	1,421,607,114	-	4,611,921,121		125,320,184	-	1,495,869,584	3,116,051,536

 Allocation of depreciation:
 Period ended 30 June 2016

 Manufacturing overhead @ 90%
 Administrative overhead @ 10%


Matin Spinning Mills Ltd
Details of property, plant and equipment for the year ended 30 June 2015
A) Non Revalued Assets:

Name of the assets	Cost			Depreciation			Written down value at 30 June 2015			
	At 01 July 2014	Addition during the year	Adjustment/d isposal during the year	Total at 30 June 2015	Rate %	At 01 July 2014		Charge for the year	Adjustment during the year	Total at 30 June 2015
Land and land development	146,373,666	-	-	146,373,666	0%	-	-	-	-	146,373,666
Factory building	176,506,759	-	-	176,506,759	5%	87,500,044	4,450,336	-	91,950,380	84,556,379
Godown	16,262,162	18,349,083	-	34,611,245	10%	10,424,802	1,488,622	-	11,913,424	22,697,821
Plant and machinery	1,507,106,289	12,134,279	-	1,519,240,568	10%	967,217,177	54,549,438	-	1,021,766,615	497,473,953
Furniture and fixtures	2,551,674	580,131	-	3,131,805	10%	1,204,543	148,075	-	1,352,618	1,779,187
Gas equipment	1,978,958	-	-	1,978,958	15%	1,381,868	89,564	-	1,471,431	507,527
Generator	128,958,867	-	-	128,958,867	15%	93,735,360	5,283,526	-	99,018,886	29,939,981
Office equipments	11,450,400	3,166,763	-	14,617,163	15%	6,171,769	1,058,515	-	7,230,284	7,386,879
Electric installation	84,535,464	-	-	84,535,464	15%	61,450,784	3,462,702	-	64,913,486	19,621,978
Deep tubewell	1,100,000	-	-	1,100,000	20%	903,916	39,217	-	943,133	156,867
Vehicles	45,582,000	-	-	45,582,000	20%	27,477,702	3,620,860	-	31,098,561	14,483,439
Total at 30 June 2015	2,122,406,239	34,230,256	-	2,156,636,495		1,257,467,964	74,190,854	-	1,331,658,818	824,977,677

B) Revalued Assets

Name of the assets	Revaluation			Depreciation			Written down value at 30 June 2015			
	At 01 July 2014	Addition during the year	Adjustment/d isposal during the year	Total at 30 June 2015	Rate %	At 01 July 2014		Charge for the year	Adjustment during the year	Total at 30 June 2015
Land and land development	865,391,996	-	-	865,391,996	0%	-	-	-	-	865,391,996
Factory building	163,805,258	-	-	163,805,258	5%	30,384,852	6,671,020	-	37,055,872	126,749,386
Godown	4,480,258	-	-	4,480,258	10%	1,540,761	293,950	-	1,834,710	2,645,548
Total at 30 June 2015	1,033,677,512	-	-	1,033,677,512		31,925,612	6,964,970	-	38,890,582	994,786,930
Total (A + B) at 30 June 2015	3,156,083,751	34,230,256	-	3,190,314,007		1,289,393,576	81,155,824	-	1,370,549,400	1,819,764,607

Allocation of depreciation:

 Period ended
 30 June
 2015

 Manufacturing overhead @ 90%
 Administrative overhead @ 10%

 73,040,242
 8,115,582
81,155,824
