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MASIH MUHITH HAQUE & CO.
Chartered Accountants
In Practice Since 1985

Auditors' Report
Of
Matin Spinning Mills Ltd.

BGMEA Complex (12th Floor)
23/1, Panthapath Link Road
Karwan Bazar, Dhaka – 1215

For the year ended June 30, 2014



AUDITORS' REPORT

To

The Shareholders of Matin Spinning Mills Ltd

We have audited the accompanying financial statements of *Matin Spinning Mills Limited* which comprise the statement of financial position as at June 30, 2014 and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management 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 amount 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, prepared in accordance with Bangladesh Financial Reporting Standards (BFRS), give a true and fair view of the state of the company's affairs as at June 30, 2014 and of the results of its operations and cash flows for the year then ended and comply with the Companies Act 1994, the Securities and Exchange Rules 1987 and other applicable laws and regulations.

We also report that:

- We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;
- 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 these books;
- The statement of financial position and statement of comprehensive income dealt with by the report are in agreement with the books of account and returns; and
- The expenditure incurred was for the purpose of the company's business.

Dated: Dhaka
September 17, 2014


(Masih Muhith Haque & Co.)
Chartered Accountants



Matin Spinning Mills Limited
Statement of Financial Position
as at 30 June 2014

	Notes	Amounts in Taka	
		At 30 June 2014	At 30 June 2013
Assets			
Non - current assets			
Property, plant and equipment	04/Annex i&ii	1,866,690,176	1,860,788,189
Investment	05	98,522,982	97,595,300
Capital work-in-process	06	49,278,488	7,717,317
		147,801,470	105,312,617
Total non - current assets		2,014,491,646	1,966,100,806
Current assets			
Cash and bank balances	07	2,190,971,599	437,793,616
Accounts receivable	08	151,131,395	505,802,298
Inventories	09	395,214,339	510,087,596
Advances, deposits and prepayments	10	67,431,214	235,649,026
Due from sister concerns	11	139,455,850	189,119,431
Total current assets		2,944,204,398	1,878,451,967
Total assets		4,958,696,043	3,844,552,774
Equity and liabilities			
Share capital	12	974,900,000	633,900,000
Share Premium	13	920,700,000	-
Retained earnings	14	865,025,750	549,749,575
Tax holiday reserve	15	86,718,548	86,718,548
Revaluation reserve	16	995,915,687	994,813,376
Total equity		3,843,259,985	2,265,181,499
Non-current liabilities			
Long term bank loan	17	244,168,945	220,442,922
Deferred tax liability	18	82,343,250	79,602,452
Total non-current liabilities		326,512,195	300,045,374
Current liabilities			
Accounts payable	19	161,287,513	108,722,878
Share Application Money	20	6,614,431	-
Short term bank loan	21	348,786,756	781,972,806
Current portion of long term loan	22	97,632,305	197,482,484
Provision & accruals	23	174,602,859	191,147,734
Total current liabilities		788,923,864	1,279,325,901
Total equity and liabilities		4,958,696,043	3,844,552,774
NAV Per Share (With Revaluation reserves)	34.01	39.42	35.73
NAV Per Share (Without Revaluation reserves)	34.02	29.21	20.04

The accounting policies and explanatory notes form an integral part of the financial statements.

The financial statements were authorized for issue by the board of directors on 17th September 2014.


Chairman


Managing Director


Chief Financial Officer

This is the statement of financial position referred to in our annexed report.

Dhaka

Dated : September 17, 2014


Masih Muhith Haque & Co.
Chartered Accountants



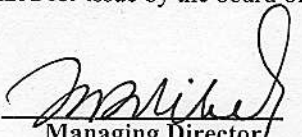
Matin Spinning Mills Limited
Income Statement
for the year ended 30 June 2014

	Notes	Amounts in Taka	
		Year ended 30 June 2014	Year ended 30 June 2013
Revenue	24	2,334,384,001	2,395,782,610
Cost of goods sold	25	(1,880,133,607)	(1,929,142,051)
Gross profit		454,250,395	466,640,559
Other income	26	168,088,956	35,436,631
		622,339,351	502,077,190
Administrative expenses	27	(134,769,555)	(63,961,420)
Distribution expenses	28	(1,944,386)	(691,668)
Net profit before finance cost		485,625,410	437,424,103
Finance costs	29	(50,911,440)	(113,601,534)
Net profit before workers' profit participation funds & tax		434,713,971	323,822,568
Contribution to workers' profit participation funds	30	(20,700,665)	(15,420,122)
Net profit before taxation		414,013,305	308,402,446
Income tax	31	(92,695,210)	(50,920,337)
Deferred tax	32	(3,843,109)	(5,656,887)
Net profit after tax		317,474,987	251,825,222
Earnings Per Share (EPS) (weighted average method)	33.01	4.24	3.97
Earnings Per Share (EPS) (Fully diluted basis)	33.02	3.26	2.58

The accounting policies and explanatory notes form an integral part of the financial statements.

The financial statements were authorized for issue by the board of directors on 17th September 2014.


Chairman

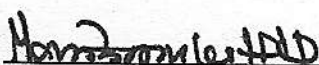

Managing Director


Chief Financial Officer

This is the income statement referred to in our annexed report.

Dhaka

Dated : September 17, 2014


Masih Muhith Haque & Co.
Chartered Accountants




Matin Spinning Mills Limited
Statement of Comprehensive Income
for the year ended 30 June 2014

	Notes	Amounts in Taka	
		Year ended 30 June 2014	Year ended 30 June 2013
Net profit after tax for the year		317,474,987	251,825,222
Deferred tax on other comprehensive income	32.01	1,102,311	1,163,192
Less: Unrealised loss for fair value adjustment	5.02	(2,198,812)	(3,427,965)
Total comprehensive income for the year		316,378,485	249,560,449

The accounting policies and explanatory notes form an integral part of the financial statements.

The financial statements were authorized for issue by the board of directors on 17th September 2014.

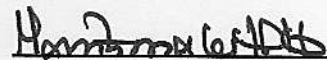

Chairman


Managing Director


Chief Financial Officer

This is the statement of comprehensive Income referred to in our annexed report.

Dhaka
Dated : September 17, 2014


Masih Muhith Haque & Co.
Chartered Accountants

Matin Spinning Mills Limited

Statement of Changes in Equity for the year ended 30 June 2014


Amounts in Taka


	Share capital	Share Premium	Tax holiday reserves	Retained earnings	Revaluation reserves	Total
Year 2013						
Balance at 01 July 2012	422,600,000	-	86,718,548	512,652,318	993,650,184	2,015,621,050
Net profit for the year	-	-	-	251,825,222	-	251,825,222
Stock dividend	211,300,000	-	-	(211,300,000)	-	-
Unrealised loss for fair value adjustment	-	-	-	(3,427,965)	-	(3,427,965)
Other comprehensive income net of tax	-	-	-	-	1,163,192	1,163,192
Balance at 30 June 2013	633,900,000	-	86,718,548	549,749,575	994,813,376	2,265,181,499
Year 2014						
Balance at 01 July 2013	633,900,000	-	86,718,548	549,749,575	994,813,376	2,265,181,499
Net profit for the year	-	-	-	317,474,987	-	317,474,987
Share Premium	-	920,700,000	-	-	-	920,700,000
Share Capital	341,000,000	-	-	-	-	341,000,000
Stock dividend	-	-	-	-	-	-
Unrealised loss for fair value adjustment	-	-	-	(2,198,812)	-	(2,198,812)
Other comprehensive income net of tax	-	-	-	-	1,102,311	1,102,311
Balance at 30 June 2014	974,900,000	920,700,000	86,718,548	865,025,750	995,915,687	3,843,259,984

The accounting policies and explanatory notes form an integral part of the financial statements.

The financial statements were authorized for issue by the board of directors on 17th September 2014.


Chairman

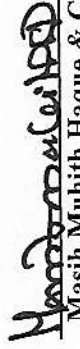

Managing Director


Chief Financial Officer

This is the statement of changes in equity referred to in our annexed report.

Dhaka

Dated : September 17, 2014


Masih Muhith Haque & Co.
Chartered Accountants



Matin Spinning Mills Limited
Statement of Cash Flows
for the year ended 30 June 2014

	Amounts in Taka	
	Year ended 30 June 2014	Year ended 30 June 2013
A. Cash flows from operating activities		
Collection from customers	2,721,332,803	2,806,235,399
Sale of cotton (local)	62,406,980	43,506,052
Other Income	163,140,641	33,790,656
Cash generated from operations	2,946,880,423	2,883,532,107
Cash paid to suppliers and employees	(1,730,139,162)	(1,994,745,554)
Interest/share of profit paid on loans	(50,911,440)	(113,601,534)
Income tax paid	(63,960,000)	(20,220,000)
Payment made to workers' profit participation funds	(23,743,287)	-
Net cash flows from operating activities	1,078,126,535	754,965,018
B. Cash flow from investing activities		
Acquisition of property, plant and equipment	(92,782,066)	(8,019,604)
Capital work-in-process	(41,561,171)	(6,431,844)
Dividend Income	726,880	430,800
Net cash used in investing activities	(133,616,357)	(14,020,648)
C. Cash flows from financing activities		
Long term loan received /(paid)	(76,124,156)	(166,720,753)
Short term loan from/(repaid to) bank	(433,186,050)	(501,126,018)
Share Capital	341,000,000	-
Share Premium	920,700,000	-
Share application money refundable	6,614,431	-
Inter-company debts Received/paid	49,663,581	36,066,724
Net cash from/(used in) financing activities	808,667,806	(631,780,048)
D. Net increase/(decrease) in cash and cash equivalents (A+B+C)	1,753,177,983	109,164,322
E. Opening cash and cash equivalents	437,793,616	328,629,294
F. Closing cash and cash equivalents (D+E)	2,190,971,599	437,793,616

The accounting policies and explanatory notes form an integral part of the financial statements.

The financial statements were authorized for issue by the board of directors on 17th September 2014.


Chairman

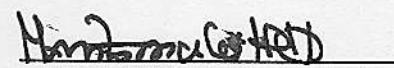

Managing Director


Chief Financial Officer

This is the statement of cash flows referred to in our annexed report.

Dhaka

Dated : September 17, 2014


Masih Muhith Haque & Co.
Chartered Accountants



Matin Spinning Mills Ltd

Notes to the financial statements

For the year ended 30 June 2014

General

1. 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 sale 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. 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 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

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 Security & Exchange Commission Rules 1987



2.03 Date of authorisation

The Board of Directors authorised the financial statements for issue on 17th September, 2014

2.04 Functional and presentational currency

The financial statements are prepared in Bangladeshi Taka which is the company's functional 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 2013 to 30 June 2014 and is followed consistently.

3 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
Income Statement
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. 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 :

- i Significant risk and reward of ownership associated with the goods is transferred to the buyer.
- ii Sale of goods of the company usually occurs at the time of delivery of goods along with invoices.
- iii The company has no managerial involvement of the ownership of the goods.
- iv The amount of revenue and the cost of the transaction can be measured reliably.
- v 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 – 18	Deferred Tax Liability
Note – 19	Accounts Payable
Note – 23	Provisions & accruals

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 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. No depreciation is charged on disposal made during the year. 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
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 Share

Investment is initially recognized at cost including acquisition charges with the investment. After initial recognition, the investment in marketable ordinary shares have been valued at market price on an aggregate portfolio basis. Investment in non marketable shares have been valued at cost. Full provision for diminution in value of share as on closing of the year on aggregate portfolio basis is made in the Financial Statements.

3.09 Capital Work in Process:

Capital work-in-process comprises Construction work of a godown and expansion unit of Melange yarn 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 Balance Sheet date is stated at amount which are considered realizable. Specific allowance is made for receivable considered to be doubtful of recovery.

3.12 Inventories

Physical inventory has been taken at year end by the management which are valued at cost or net realizable value whichever is lower. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated cost of completion and selling expenses.

3.13 Advance , Deposit and Prepayments

Advance , Deposit and Prepayments comprise salary advance, supplier advance, 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 sister concerns 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 share holders after making all necessary adjustment in the financial statements.

3.17 Tax holiday reserves

The company had been granted Tax holiday for the period of four years with effect from 1st October 2006 by the National Board of Revenue (NBR) vide Memo No: 11(87) Anu-1/2006/1097 dated 02 September 2008, which expired on 30 September 2010.



3.18 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 difference and deferred tax assets are generally recognized for all deductible temporary difference to the extent that it is probable that taxable profit will be available against which those deductible temporary difference can be utilized,

3.19 Provisions:

A provision is recognized in the balance sheet 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 using effective interest method.

3.21 Finance income

Finance income comprises interest income on loan granted to sister concerns. The rate of interest is 11% on monthly basis as per deed of agreement.

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 Foreign currency translation:

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

3.24 Materiality and Aggregation

Each material item as considered by management 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 basis only when permitted by the relevant accounting standards.

3.25 Earnings per share

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

Basic earning per share:

This has been calculated by dividing the basic earning by weighted average number of ordinary shares outstanding during the year.

Weighted average number of ordinary shares outstanding during the year:

This represents the number of ordinary shares outstanding at the beginning of the year plus the number of ordinary shares issued during the year multiplied by a time weighting factor. The time weighting factor is the number of days the specific shares are outstanding as a proportion of the number of days in the year.

3.26 Related party disclosure:

As per Bangladesh Accounting Standard (BAS -24) the parties are considered to be related if one of the party has the ability to control the other 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.



		Amounts in Taka	
		At 30 June 2014	At 30 June 2013
04	Property, plant and equipment		
A	ASSETS AT COST (Non Revalued Assets):		
	Opening balance (at cost)	2,029,624,173	2,021,604,569
	<u>Add : Additions</u>	92,782,066	8,019,604
		<u>2,122,406,239</u>	<u>2,029,624,173</u>
	<u>Less: Disposal/Adjustment</u>	-	-
	Closing balance (a)	<u>2,122,406,239</u>	<u>2,029,624,173</u>
	Accumulated Depreciation		
	Opening balance	1,177,936,621	1,089,430,338
	<u>Add : Charges for the year</u>	79,531,342	88,506,283
		<u>1,257,467,964</u>	<u>1,177,936,621</u>
	<u>Less: Disposal/Adjustment</u>	-	-
	Closing balance (b)	<u>1,257,467,964</u>	<u>1,177,936,621</u>
	Written Down Value (a-b)	<u>864,938,276</u>	<u>851,687,552</u>
B	REVALUED ASSETS :		
	Opening balance (at revalued cost)	1,033,677,512	1,033,677,512
	<u>Add : Additions</u>	-	-
		<u>1,033,677,512</u>	<u>1,033,677,512</u>
	<u>Less: Disposal/Adjustment</u>	-	-
	Closing balance (a)	<u>1,033,677,512</u>	<u>1,033,677,512</u>
	Accumulated Depreciation		
	Opening balance	24,576,875	16,822,262
	<u>Add : Charges for the year</u>	7,348,737	7,754,613
		<u>31,925,612</u>	<u>24,576,875</u>
	<u>Less: Disposal/Adjustment</u>	-	-
	Closing balance (b)	<u>31,925,612</u>	<u>24,576,875</u>
	Written Down Value of Revaluation Assets (a-b)	<u>1,001,751,900</u>	<u>1,009,100,637</u>
	Total Written Down Value (A+B)	<u><u>1,866,690,176</u></u>	<u><u>1,860,788,189</u></u>

Details of fixed assets are shown in Annex i & ii

05 Investment

Investment in equity of sister concern	5.01	25,000,000	25,000,000
Investment in marketable securities	5.02	22,722,982	21,795,300
Share Money Deposit(DBL Ceramics Ltd)		50,800,000	50,800,000
		<u>98,522,982</u>	<u>97,595,300</u>

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
				<u>25,000,000</u>	<u>25,000,000</u>

a) DBL Ceramics ltd is an associate company of Matin Spinning Mills Ltd. and the company has not started operation as on 30.06.2014.

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



Amounts in Taka

5.02 Investment in marketable securities

	At 30 June 2014	At 30 June 2013
Opening balance	21,795,300	28,572,100
Add: Addition during the year	-	-
	21,795,300	28,572,100
Realised gain /(loss)	3,126,494	(3,348,835)
Unrealised gain /(loss) for fair value adjustment	(2,198,812)	(3,427,965)
Closing balance	22,722,982	21,795,300

Particular	No. of Share	Rate	Cost Value	Market rate as on 30 June 2014	Market Value as on 30 June 2014
Al Arafah Bank Ltd	132,795	16.33	2,168,542	14.40	1,912,248
Dhaka Bank Ltd	110,775	20.29	2,247,625	20.00	2,215,500
Eastern Bank Ltd	75,000	30.80	2,310,000	28.80	2,160,000
IFIC Bank Ltd.	31,625	36.57	1,156,526	24.50	774,813
Mercantile Bank Ltd	338,800	15.43	5,227,684	15.00	5,082,000
Mutual Trust Bank Ltd	158,400	15.91	2,520,144	17.90	2,835,360
One Bank Ltd	165,000	14.60	2,409,000	12.90	2,128,500
Standard Bank Ltd	111,500	15.33	1,709,295	11.30	1,259,950
Trust Bank Ltd	129,360	18.59	2,404,802	14.80	1,914,528
Uttara Bank Ltd	66,550	29.53	1,965,222	24.60	1,637,130
Balance in BO Account			802,953		802,953
	1,319,805		24,921,794		22,722,982

06 Capital work-in-process

Mellange Project	6.01	36,309,701	7,717,317
Godown - 3	6.02	12,968,787	-
		49,278,488	7,717,317

6.01 Mellange Project

Opening Balance	7,717,317	1,285,473
Add: Addition during the year	28,592,384	6,431,844
Closing Balance	36,309,701	7,717,317

6.02 Godown - 3

Opening Balance	-	-
Add: Addition during the year	12,968,787	-
Closing Balance	12,968,787	-

07 Cash and bank balances

Cash in hand	1,570,374	2,353,938
Fixed Deposit	1,792,823,660	194,000,000
Bank balances with:		
Islami Bank Bangladesh Ltd		
Current account	607,779	4,341,995
Marginal deposit Account (Special)	52,383	1,642,383
Marginal deposit Account (Normal)	1,259,948	1,614,089
Marginal deposit Under Reserve	144,466	144,466
Foreign currency account	7,713	60,247,753
Exim Bank Ltd, STD account	53,026,997	2,837,796



	Amounts in Taka	
	At 30 June 2014	At 30 June 2013
Mercantile Bank Ltd		
STD account	728	1,039,547
Foreign currency account	27,441	28,279
Dhaka Bank Ltd		
STD account	327,661	329,963
HSBC Bank Ltd		
STD account	16,409,762	9,880,004
Foreign currency account	260,868,331	11,553,772
City Bank Ltd		
STD account	61,450	358,339
Foreign currency account	2,713,057	80,250,209
Prime Bank Ltd		
STD account	1,167	3,412,012
Foreign currency account	52	63,759,070
Standard Chartered Bank		
STD account	496,440	-
BRAC Bank Ltd.		
STD account	58,847,543	-
Foreign currency account	1,724,648	-
	2,190,971,599	437,793,616
08 Accounts receivables	151,131,395	505,802,298
A. Due from export sales:		
Apex Spinning & Knitting Mills Ltd.	3,754,351	-
Bentex Industries Ltd	-	211,835
JK Knit Composite Ltd	-	105,826
Lithium Knit Fabrics Ltd	6,908,666	6,908,666
Virtual Knitwears Ltd	4,370,419	-
Utah Knitting & Design Ltd.	6,638,312	3,052,453
Jointex Knit Wears Ltd.	13,106,291	9,253,665
Probashi Knitwears Ltd.	-	1,461,500
Others	3,909,700	1,708,296
Sub total	38,687,739	22,702,242
B. Due from sister concerns:		
Flamingo Fashions Ltd	34,502,530	327,144,981
Jinnat Apparels Ltd	-	196,659
Jinnat Fashions Ltd	1,976,769	79,475,311
Jinnat Knitwears Ltd	24,692,531	55,755,266
Matin Knitwears Ltd	6,326,765	16,004,051
Hamza Textiles Ltd.	8,143,375	-
Sub total	75,641,970	478,576,268
C. Bank interest receivable on FDR	36,801,687	4,523,788
Grand Total (A+B+C)	151,131,395	505,802,298



Age analysis of Debtors:

	1-3 Months	4-6 Months	above 6 Months	Total	Total
Sale of yarn	101,268,950	6,152,092	6,908,666	114,329,708	501,278,510
Interest receivable on FDR			36,801,687	36,801,687	4,523,788
	101,268,950	6,152,092	43,710,353	151,131,395	505,802,298

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 2014

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 2014

V. Accounts receivable from Management :-

There has been an amount of Tk 75,641,970 due as accounts receivable 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. Next course of action will be taken on the basis of the final decision of the High Court.

		Amounts in Taka	
		At 30 June 2014	At 30 June 2013
09	Inventories		
	Raw cotton	279,510,501	339,027,596
	Finished yarn	35,615,731	127,936,975
	Packing materials	1,616,866	1,256,053
	Work-in-process	49,905,867	20,194,627
	Spare parts	28,565,373	21,672,345
		395,214,339	510,087,596

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



Amounts in Taka

09.01

Raw cotton

Raw Cotton Inventory is accounted as follows:

Value

Particular

	At 30 June 2014	At 30 June 2013
Conventional Cotton	208,318,643	267,920,832
Organic Cotton	50,149,123	38,240,261
Synthetic Fiber	21,042,736	32,866,503
Total	279,510,501	339,027,596

Quantity (KG)

Particular

Conventional Cotton	1,248,571	1,455,377
Organic Cotton	298,372	242,027
Synthetic Fiber	129,192	218,545
Total	1,676,135	1,915,950

Cost Per Kg

Particular

Conventional Cotton	166.85	184.09
Organic Cotton	168.08	158.00
Synthetic Fiber	162.88	150.39

09.02

Finished yarn

Finished goods Inventory is accounted as follows:

Value

Particular

Carded	19,938,816	61,867,062
Combed	8,385,383	46,598,635
Slub	1,483,142	4,097,812
Synthetic	5,808,389	15,373,466
Total	35,615,731	127,936,975

Quantity (KG)

Particular

Carded	82,443	225,116
Combed	29,379	142,560
Slub	5,021	12,661
Synthetic	24,200	60,617
Total	141,043	440,953

Cost Per Kg

Particular

Carded	241.85	274.82
Combed	285.42	326.87
Slub	295.41	323.66
Synthetic	240.02	253.62



		Amounts in Taka	
		At	At
		30 June 2014	30 June 2013
09.03	Packing materials		
	Opening balance	1,256,053	2,502,999
	Purchase during the year	15,389,912	14,801,015
	Packing materials available for consumption	16,645,965	17,304,014
	Consumption during the year	15,029,099	16,047,961
	Closing balance	1,616,866	1,256,053

09.04 **Work-in-process**
Work-in-process Inventory is accounted as follows:

Particular	Quantity (KG)		Amount in Taka	
	2013-2014	2012-2013	2013-2014	2012-2013
Blow Room	155,114	-	27,921,496	-
Carding	4,704	2,816	805,090	481,958
B. Drawing	3,743	2,206	768,090	452,687
Combing	1,027	2,253	212,596	466,387
F. Drawing	4,682	4,404	977,636	919,587
Simplex	10,536	20,543	2,218,959	4,326,507
Ring Frame	47,850	39,600	10,766,250	8,910,000
Winding	3,547	2,600	886,750	650,000
Packing	21,396	15,950	5,349,000	3,987,500
Total	252,599	90,372	49,905,867	20,194,627

09.05	Spare parts		
	Opening Balance	21,672,345	25,303,202
	Add: Addition during the year	37,659,531	26,563,882
		59,331,877	51,867,084
	Less: Consumption during the year	30,766,504	30,194,739
	Closing balance	28,565,373	21,672,345

10 Advance and deposits

Advance	Notes		
Salary & Allowances		769,235	263,235
Construction	10.01	1,749,515	529,581
Expenses	10.02	35,012,379	46,655,752
		37,531,129	47,448,568
Deposits			
Margin and deposit	10.03	21,534,815	180,335,188
Security deposit for Utilities	10.04	8,365,270	7,865,270
		29,900,085	188,200,458
		67,431,214	235,649,026

10.01 Construction

Abdur Rouf - Earth Cutting	29,061	-
Local Purchase	165,138	176,333
Lohajong Steel Corporation	-	114,350
Rashida Enterprise	-	28,379
Shahjahan Brothers	460,000	-
Elias - Paint & Polish	-	10,519
Quantam Builders & Engineering Ltd	595,316	-
Project consultant & Construction	500,000	200,000
	1,749,515	529,581



		Amounts in Taka	
		At	At
		30 June 2014	30 June 2013
10.02	Expenses		
	Abdul Haque & Sons	534,000	-
	Bangla Trac Ltd	2,890,918	1,145,238
	Md. Farhad Ali	58,871	-
	MJL Bangladesh Ltd	558,711	202,540
	Prime Glass & Aluminium Centre	-	1,468,411
	Trans Bangla Logistic	-	1,602,100
	Others	914,632	-
	Advance income Tax (10.02.01)	30,055,247	42,237,463
		35,012,379	46,655,752
10.02.01	Advance income Tax		
	Income Tax on Export	20,690,356	41,389,717
	Tax on Interest Received (Bank)	9,364,891	847,745
		30,055,247	42,237,463
10.02.01(i)	Income Tax on Export		
	Opening Balance	41,389,717	22,873,398
	Add: Addition during the year (Rule - 53 BBBB)	20,690,356	18,516,319
	Less: Adjustment against provision for previous years AIT	(41,389,717)	-
	Closing Balance	20,690,356	41,389,717
10.02.01(ii)	Tax on Interest Received (Bank)		
	Opening Balance	847,745	140,349
	Add: Addition during the year (Rule - 53 F)	9,364,890	707,397
	Less: Adjustment against provision for previous years AIT	(847,745)	-
	Closing Balance	9,364,891	847,745
<p>Advance tax represents advance income tax deducted at source @ 0.80 % from 01.07.13 to 21.04.2014 under section 53 BBBB dt. 01.07.2012 & @ 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.</p>			
10.03	Margin and deposit		
	Margin against Cotton	1,710,615	11,886,741
	Materials in Transit (Cotton)	18,197,829	167,490,708
	Margin Against Bank Guarantee	760,000	-
	Machineries in Transit	866,371	957,739
		21,534,815	180,335,188
10.04	Security deposit for Utilities		
	Margin Against Bank Guarantee (Titas Gas)	7,771,430	7,771,430
	Central Depository Bangladesh Ltd (CDBL)	500,000	-
	Security Deposit for Electricity	93,840	93,840
		8,365,270	7,865,270



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

	1-3 Months	3-6 Months
Salary & Allowances	-	769,235
Construction	-	1,749,515
Expenses	-	35,012,379

- All the advances & deposit amount are considered good and recoverable
- Advances due from Employees are regularly being realised from their 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 or officers 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 2014	30 June 2013
11	Due from sister concerns		
(a)	Due from sister concerns (Principal):		
	DBL Ceramics Ltd.		
	Opening Balance	140,819,768	192,376,666
	Less: Realized during the year	(5,082,706)	(51,556,898)
	Sub total (a)	<u>135,737,062</u>	<u>140,819,768</u>
	Note: This has been subsequently realized.		
(b)	Due from sister concerns (Interest):		
	DBL Ceramics Ltd.		
	Opening Balance	48,299,663	32,809,489
	Add: Interest charged during the year	15,336,419	15,490,174
	Less: Paid during the year	(59,917,294)	-
	Sub total (b)	<u>3,718,788</u>	<u>48,299,663</u>
	Grand total (a + b)	<u>139,455,850</u>	<u>189,119,431</u>
	This has been subsequently realized.		

- All the loan amounts are considered good and recoverable from DBL Ceramics Ltd.
- Loan given to associate company, DBL Ceramics Ltd under deed of agreement between Matin spinning mills ltd and DBL Ceramics ltd. The terms and conditions of agreement are as follows :

Name of the company	Relationship	Purpose of loan	Tenure	Rate of interest	Basis of Interest
DBL Ceramics Ltd.	Associate	Project	2 years	11 %	Simple



Amounts in Taka

	At 30 June 2014	At 30 June 2013
12 Share capital		
Authorised 150,000,000 ordinary shares of Taka 10 each	1,500,000,000	1,500,000,000
Issued and paid-up 97,490,000 ordinary shares of Taka 10 each fully paid up	974,900,000	633,900,000

Particulars of Investors	Number of Investors	Number of shares	Percentage of Share Holding (%)
Sponsors	10	63,390,000	65.02
Foreign Investors	9,427	1,914,000	1.96
Local Institutions	310	6,619,600	6.79
General Public	78,550	25,566,400	26.22
Total	88,297	97,490,000	100.00

Distribution schedule of each class of equity setting out the number of holders and percentage as on June 30,2014:

Range of Holdings	Number of Shareholders	Number of shares	Percentage of Share Holding (%)
Less than 500 shares	86,215	17,328,800	17.775
500 to 5,000 shares	1,607	2,787,200	2.859
5,001 to 10,000 shares	208	1,624,600	1.666
10,001 to 20,000 shares	117	1,728,800	1.773
20,001 to 30,000 shares	55	1,390,400	1.426
30,001 to 40,000 shares	21	743,600	0.763
40,001 to 50,000 shares	14	640,400	0.657
50,001 to 100,000 shares	32	2,179,400	2.236
100,001 to 1,000,000 shares	18	5,676,800	5.823
Over 1,000,000 shares	10	63,390,000	65.022
Total	88,297	97,490,000	100.000

Amounts in Taka

	At 30 June 2014	At 30 June 2013
13 Share Premium		
No. of Shares 34,100,000		
Premium Amount Tk 27	920,700,000	-

14 Retained earnings

Opening balance	549,749,575	512,652,318
Add: Profit made during the year	317,474,987	251,825,222
Less: Stock Dividend	-	(211,300,000)
Less: Unrealised loss for fair value adjustment on Investment in marketable securities Note no. 5.02	(2,198,812)	(3,427,965)
	865,025,750	549,749,575



Amounts in Taka

15 Tax holiday reserves

	At 30 June 2014	At 30 June 2013
	86,718,548	86,718,548
	<u>86,718,548</u>	<u>86,718,548</u>

Tax holiday reserve represents 40 % of the net profit for the income years 2009-2010 & 2010-2011 (3 months from July 2010 to September 2010) as per provisions of Section 46A(2) (A) of it as follows:-

Income Year 2009 -2010	49,569,824	49,569,824
Income Year 2010 -2011	37,148,724	37,148,724
	<u>86,718,548</u>	<u>86,718,548</u>

Company has filed an appeal against the order of the assessment officer for the assessment year 2010-2011 (Income Year 2009-2010) & 2011-2012 (Income Year 2010-2011). Assessment for the years 2008-2009 (Income Year 2007-2008) and 2009-2010 (Income Year 2008-2009) have been completed and tax holiday reserve for those years have been properly delt with.

16 Revaluation reserves:

This balance consists of as follows:

Balance at the beginning of the year		994,813,376	993,650,184
Add: Deferred tax on revaluation reserve	Note : 32.01 (ii)	1,102,311	1,163,192
Balance as on 30 June 2014		<u>995,915,687</u>	<u>994,813,376</u>

Revaluation reserve has been created on land and Building as per revaluation carried by Khan Wahab Shafique Rahman & Co. to reflect the fair value (prevailing market price). As the fair value of the assets do not differ significantly from its carrying amount as at 30 June 2014, so no revaluation has been made as on date.

17 Long Term bank loan

Hire purchase under shirkatul melk - Islami Bank Ltd
Off Shore Loan - HSBC

	-	220,442,922
	244,168,945	-
	<u>244,168,945</u>	<u>220,442,922</u>

Bank	Loan Account	Particulars
HSBC	Off Shore Loan	Nature: One off Term Loan Limit: Tk.550 million Purpose: Import of Machinery & Equipment (Take over from IBBL) Tenure: 4 Years Repayment Clauue: 16 equal quarterly installments. Interest Rate:4.5% Plus LIBOR Security Agreement: Demand promissory note for Tk. 2,320.00 million and land mortgage 802.50 dec.



Amounts in Taka

At	At
30 June 2014	30 June 2013

18 Deferred Tax Liability

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	864,938,276	851,687,552
Tax base	567,728,777	580,098,776
Taxable Temporary difference	<u>297,209,499</u>	<u>271,588,775</u>
Applicable tax rate (Tax rate 15% on Textile sector as per SRO - 207 dated 30 June 2008.)	15%	15%
Deferred tax liability on historical cost	44,581,425	40,738,316

B. Deferred tax liability against revaluation reserve:

(i)

Deferred tax liability against revaluation reserve other than land

Carrying amount other than revaluation reserve	136,359,904	143,708,641
Tax base	-	-
	<u>136,359,904</u>	<u>143,708,641</u>
Applicable tax rate (Tax rate 15% on Textile sector as per SRO - 207 dated 30 June 2008.)	15%	15%
	<u>20,453,986</u>	<u>21,556,296</u>

(ii)

Deferred tax liability on capital gain against revaluation of land

Carrying amount other than revaluation reserve	865,391,996	865,391,996
Tax base	-	-
	<u>865,391,996</u>	<u>865,391,996</u>
Applicable tax rate (Tax rate 2% on land under section 53 H dated 01.07.2012)	2%	2%
	<u>17,307,840</u>	<u>17,307,840</u>

Deferred tax liability against revaluation reserve B (i + ii)

Total Deferred tax liability (A + B)

	37,761,825	38,864,136
	<u>82,343,250</u>	<u>79,602,452</u>

19 Accounts payable

Suppliers- (19.1)	138,563,514	95,472,761
Expenses- (19.2)	19,948,310	12,349,414
Other finance- (19.3)	2,775,689	900,703
	<u>161,287,513</u>	<u>108,722,878</u>



Amounts in Taka

	At	At
	30 June 2014	30 June 2013

19.1 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

Abadi Traders	-	1,188,135
Abarani Electronics	-	327,299
Abdul Haque & Sons	391,243	-
Abul Khair Steel Limited	10,770,000	-
Ali Traders	1,213,200	-
Asgar Trading	-	2,095,757
Bangla Trac Ltd	-	1,118,392
Bilal Trading PTE Ltd.	158,244	-
CDI Cotton Distribution Inc	-	66,371,424
Paul Reinhart AG	48,316,683	-
Park Technology Ltd.	3,360,968	-
Indorama Synthetics(India) Ltd.	22,501,560	-
Energy Solutions Engineers	-	157,800
Lafarge Surma Cement Ltd.	744,600	-
Maa Enterprise	-	353,000
Madina Bricks	4,357,660	-
Mohammadia Packaging.	576,480	383,260
Osman Ali	529,706	-
Parjoar Traders	866,445	-
Quantam Builders & Engineering Ltd	1,189,390	-
S. I Trading	288,028	248,000
Sara Enterprise	295,812	-
Shinpower	1,150,763	-
Sohel Enterprise	4,525,650	-
Soronica Paper Products	464,750	-
Tyre & Battery Bazar	110,792	164,474
Unique Sound Systems	-	331,750
Payable for C & F Charge	19,405,080	12,830,175
Payable for Transport Charge	11,887,748	4,671,380
Others	5,458,711	5,231,915
Total	138,563,514	95,472,761

19.2 Payable for expenses

Salary & allowances	8,907,951	8,135,671
Overtime	887,004	545,943
Audit fees	230,000	225,000
Gas bill	2,349,967	2,577,425
Welfare Fund	572,836	572,836
Rent payable	20,000	240,000
Provident Fund	71,886	52,539
Provision for bad debts	6,908,666	-
	19,948,310	12,349,414



Amounts in Taka

	At 30 June 2014	At 30 June 2013
Tax deducted at source (Salary)	595,874	358,630
Tax deducted at source (on Suppliers bill)	1,429,774	520,323
VAT Deducted at source (on Suppliers bill)	750,041	21,750
	2,775,689	900,703

19.3 Payable for other finance

20 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 is being refund to unsuccessful applicants.

21 Short term bank loan

Export Development Fund	334,400,383	764,544,347
Upas Loan	14,386,373	-
Loan against export bills :		
HSBC Bank Ltd	-	17,428,459
	348,786,756	781,972,806

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

Bank	Loan Account	Particulars
HSBC	Export Development Fund (EDF)	<p>Nature: EDF Limit : Tk. 1,150.00 million Purpose: Import of Raw Cotton Tenure: 120 days Interest Rate: 1.5 % - 2.5 % plus LIBOR Security Agreement:</p> <ol style="list-style-type: none"> 1. Demand promissory note for BDT 2,225,000,000.00 with letter of continuity & revival. 2. Personal guarantees to be executed by Mr. Abdul Wahed, Mr. M.A. Jabbar, Mr. M A Rahim and Mr. M A Quader for Tk. 2,225,000,000.00 each supported by upto date personal net worth/wealth statements as per declaration in the latest income tax return. 3. Corporate guarantee to be executed by Flamingo Fashions Ltd, Jinnat Knitwears Ltd, DB Tex Ltd and Mymun Textiles Ltd for BDT 2,225,000,000/- each with supporting Board Resolutions. 4. First Charge over the Borrower's Stocks of Raw Materials, Work-in Progress and Finished Goods and Book Debts/ Receivables with The Registrar of Joint Stock Companies and Firms (RJSC) for BDT 1,700,000,000/- 5. Power of Attorney for Hypothecated Goods. 6. Specific first charge over the Borrower's Plant & Machinery for BDT 550,000,000/- with the Registrar of Joint Stock Companies & Firms (RJSC).



HSBC		<p>7. Blanket Counter Indemnity for Guarantee facility.</p> <p>8. Power of Attorney for Back-to-Back facility.</p> <p>9. Registered Mortgage for BDT 2,225,000,000/- over 8 acres land situated in Sardagonj, Kashimpr, Gazipur, in the name of Matin Spinning Mills Ltd. In this regard, Irrevocable General Power of Attorney to be obtained.</p>
	U-PAS	<p>Nature: U PAS</p> <p>Limit : 1,150.00 million</p> <p>Purpose: Import of Raw Cotton, Accessories, Spare parts and Machinery.</p> <p>Tenure: 120 & 360 days</p> <p>Interest Rate: 5 % plus LIBOR</p> <p>Security Agreement:</p> <p>1. Demand promissory note for BDT 2,225,000,000.00 with letter of continuity & revival.</p> <p>2. Personal guarantee to be executed by Mr. Abdul Wahed, Mr. M.A. Jabbar, Mr. M A Rahim and Mr. M A Quader for Tk. 2,225,000,000.00 each supported by upto date personal net worth/wealth statements as per declaration in the latest income tax return.</p> <p>3. Corporate guarantee to be executed by Flamingo Fashions Ltd, Jinnat Knitwears Ltd, DB Tex Ltd and Mymun Textiles Ltd for BDT 2,225,000,000/- each with supporting Board Resolutions.</p> <p>4. First Charge over the Borrower's Stocks of Raw Materials, Work-in Progress and Finished Goods and Book Debts/ Receivables with The Registrar of Joint Stock Companies and Firms (RJSC) for BDT 1,700,000,000/-</p> <p>5. Power of Attorney for Hypothecated Goods.</p> <p>6. Specific first charge over the Borrower's Plant & Machinery for BDT 550,000,000/- with The Registrar of Joint Stock Companies and Firms (RJSC).</p> <p>7. Blanket Counter Indemnity for Guarantee facility.</p> <p>8. Power of Attorney for Back-to-Back facility.</p> <p>9. Registered Mortgage for BDT 2,225,000,000/- over 8 acres land situated in Sardagonj, Kashimpur, Gazipur, in the name of Matin Spinning Mills Ltd. In this regard, Irrevocable General Power of Attorney to be obtained.</p>
	Liability against export bills (Under OBU)	<p>Purpose: Working capital finance</p> <p>Limit: \$ 46.60 million</p> <p>Tenure: 120 days</p> <p>Interest Rate: 6% p.a plus LIBOR</p> <p>Security Agreement: Export LC</p>

Amounts in Taka

	At 30 June 2014	At 30 June 2013
	-	197,482,484
	97,632,305	-
	<u>97,632,305</u>	<u>197,482,484</u>

22

Current portion of long term loan

Hire purchase under shirkatul melk - Islami Bank Ltd
Off Shore Loan - HSBC



23 Provision & accruals

Provision for Income Tax (23.01)
Provision for workers' profit participation and welfare funds (23.02)

	At 30 June 2014	At 30 June 2013
	125,736,684	139,238,937
	48,866,175	51,908,797
	174,602,859	191,147,734

23.01 Provision for Income Tax

Opening Balance
Less: Income tax paid during the year

Restated Balance
Add: Provision for taxation Income year (2013 - 2014)
For 12 months (Note - 31.02)
Less: Adjustment against provision for previous years AIT

	139,238,937	108,538,600
	(63,960,000)	(20,220,000)
	75,278,937	88,318,600
	92,695,210	50,920,337
	(42,237,463)	-
	125,736,684	139,238,937

23.02 Provision for workers' profit participation and welfare funds

Opening Balance
Add: Addition during the year
Less: Paid during the year

	51,908,797	36,488,675
	20,700,665	15,420,122
	(23,743,287)	-
	48,866,175	51,908,797

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.

24 Export (Amount)

Combed Yarn
Carded Yarn
Synthetic Yarn
Slub Yarn

	Amounts in Taka	
	2013-2014	2012-2013
	830,871,700	1,113,267,351
	682,355,530	671,174,851
	576,320,357	430,413,557
	244,836,414	180,926,851
	2,334,384,001	2,395,782,610

Export (Kg)

Combed Yarn
Carded Yarn
Synthetic Yarn
Slub Yarn

	Export (Kg)	Export (Kg)
	2,458,004	2,935,120
	2,382,270	2,104,485
	2,027,851	1,462,167
	699,806	481,700
	7,567,931	6,983,472

**Turn over in Quantity (Kg)
2013-2014**

Product Type	Opening Stock a	Production b	Closing Stock c	Sales during the year (a+b-c)
Combed Yarn	142,560	2,344,823	29,379	2,458,004
Carded Yarn	225,116	2,239,597	82,443	2,382,270
Synthetic Yarn	60,617	1,991,434	24,200	2,027,851
Slub Yarn	12,661	692,166	5,021	699,806
Total	440,953	7,268,020	141,043	7,567,931



2012-2013

Product Type	Opening Stock a	Production b	Closing Stock c	Sales during the (a+b-c)
Combed Yarn	115,225	2,962,455	142,560	2,935,120
Carded Yarn	320,383	2,009,218	225,116	2,104,485
Synthetic Yarn	90,237	1,432,547	60,617	1,462,167
Slub Yarn	12,480	481,881	12,661	481,700
Total	538,324	6,886,102	440,953	6,983,472

Amounts in Taka

2013-2014	2012-2013
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25 Cost of goods sold

Raw Material consumption (Note-25.1)	1,445,038,574	1,590,714,418
Packing materials consumption (Note-25.2)	15,029,098	16,047,961
Manufacturing overhead (Note-25.3)	357,455,930	291,753,265
Cost of goods manufacturing	1,817,523,603	1,898,515,644
Opening work-in-process	20,194,627	24,329,276
Closing work-in-process	(49,905,867)	(20,194,627)
Cost of production	1,787,812,362	1,902,650,293
Opening stock of finished yarn	127,936,975	154,428,732
Closing stock of finished yarn	(35,615,731)	(127,936,975)
	1,880,133,607	1,929,142,051

25.1 Raw Material consumption

Quantity (KG)

Opening Stock	1,915,950	1,772,302
Purchase during the year	8,524,254	8,691,019
Raw Material available for consumption	10,440,204	10,463,321
Closing Stock	1,676,135	1,915,950
Raw Material Consumed	8,764,068	8,547,371

Value

Opening balance	339,027,596	339,655,944
Purchase during the year	1,446,833,517	1,632,376,948
Raw Material available for consumption	1,785,861,114	1,972,032,892
Sale of cotton- local (at cost)	(61,312,039)	(42,290,877)
Closing balance	(279,510,501)	(339,027,596)
	1,445,038,574	1,590,714,418

25.2 Packing materials consumption

Opening balance	1,256,053	2,502,999
Purchase during the year	15,389,912	14,801,015
Packing materials available for consumption	16,645,965	17,304,014
Closing balance	(1,616,866)	(1,256,053)
	15,029,098	16,047,961



Amounts in Taka

25.3 Manufacturing overhead

	2013-2014	2012-2013
Salary and allowances	72,827,399	67,198,877
Repair and maintenance	26,247,568	21,855,690
BTMA certificate charges	619,200	681,387
Store and spare parts	30,766,504	30,194,739
Travelling & Conveyance	173,550	225,132
Crockeries and Canteen Expences	730,921	555,921
Factory stationeries	653,515	76,580
Fuel and lubricants- Fork Lift	525,000	315,220
Fuel and lubricants- Generator	106,945,742	41,233,350
Fuel and lubricants- Vehicles	1,104,308	2,465,001
Gas bill	33,183,602	34,664,976
Inspection charges	68,154	55,800
Insurance premium	4,363,703	4,691,501
Testing fee	10,000	52,935
Workshop expenses	1,044,693	851,350
Depreciation	78,192,072	86,634,807
	357,455,930	291,753,265

26 Other income

Interest on inter company receivable*	15,336,419	15,490,174
Foreign currency exchange gain/(loss)	(1,733,933)	8,013,087
Gain / Loss on Investment in marketable securities	3,126,494	(3,348,835)
Interest on bank accounts	129,949,919	7,073,968
Profit on sale of raw cotton (26.01)	1,094,941	1,215,175
Sales of wastage	19,588,236	6,562,261
Cash Dividend (Share Investment)	726,880	430,800
	168,088,956	35,436,631

26.01 Local sales of raw cotton
Less : Cost of raw cotton

Local sales of raw cotton	62,406,980	43,506,052
Less : Cost of raw cotton	(61,312,039)	(42,290,877)
	1,094,941	1,215,175

Interest has been accrued on inter company balance receivable on 30 June 2014 as per agreed rate of interest through deed of agreement executed between the companies. The amount has been financed to sister concerns as working capital under the control and supervision of same management. This has been duly authorised by the Board of Directors and deed of agreement executed between the companies. Interest on inter company have already been realized on 31 July 2014.



27 Administrative expenses

Salary and allowances
Audit fees
AGM Expenses
Business development expenses
Bank charges and commission
Bad Debts
Ceremonial expense
Certificate and membership fees
Computer repair maintenance
Credit rating expenses
Advertisement
Contribution to Provident Fund
Directors Remuneration (Note -38)
Donation and subscription
Entertainment
Garden Expenses
Internet charges
IPO Expenses
Issue Management fee
Corporate Advisory Expenses
Legal expenses
Medicine and medical expenses
News paper and periodicals
Office maintenance
Photocopy and type expenses
Power and fuel - vehicles
Printing & Stationery
Rates and taxes
Office Rent
Registration and renewal
Religious expenses
Road toll
Staff welfare
Telephone bill
Travelling expenses
Uniform and liveries
VAT on wastage sale
Miscellaneous expenses
Depreciation

Amounts in Taka

	2013-2014	2012-2013
	48,183,541	33,350,573
	230,000	225,000
	357,867	129,867
	331,716	997,275
	5,689,948	2,907,983
	6,908,666	-
	18,390	4,250
	1,550,357	283,024
	257,210	232,325
	172,500	172,500
	402,658	830,110
	704,229	462,192
	6,000,000	6,000,000
	6,100,000	644,100
	318,676	284,774
	35,750	29,148
	138,980	210,944
	36,065,584	-
	1,000,000	-
	5,018,600	-
	591,001	596,450
	37,417	-
	1,560	1,070
	224,521	395,806
	72,925	47,540
	1,070,969	796,658
	840,446	839,811
	188,336	196,931
	240,000	240,000
	990,215	1,540,821
	39,730	26,200
	21,600	1,910
	107,411	58,000
	34,261	52,539
	730,261	415,246
	90,266	162,600
	-	984,341
	1,315,956	1,215,343
	8,688,008	9,626,090
	134,769,555	63,961,420



Amounts in Taka

	<u>2013-2014</u>	<u>2012-2013</u>
28 Distribution expenses		
Sales commission	566,883	401,318
Carriage outward	1,377,503	290,350
	<u>1,944,386</u>	<u>691,668</u>
29 Finance cost		
Interest expenses		
Bank Interest on hire purchase loan	22,743,749	47,632,639
Bank interest on MPI	-	20,877,961
Bank interest on Time Loan	-	213,454
Bank interest on Export development fund	19,102,454	27,305,453
Bank Interest on loan against export bills	9,065,237	17,572,027
	<u>50,911,440</u>	<u>113,601,534</u>
30 Workers' profit participation fund		

Allocation for workers' profit participation funds Tk. 20,700,665. This represents 5% of 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.



Amounts in Taka

	2013-2014	2012-2013
Profit before tax (01.07.2013 to 30.06.2014)	414,013,305	308,402,446
Less: Other income considered separately	168,088,956	35,436,631
	245,924,349	272,965,815
Add: Accounting Depreciation	86,880,080	96,260,896
Less: Tax Depreciation	(105,152,066)	(126,218,865)
Taxable Income	227,652,363	243,007,847

31 Current Tax

Profit before tax (01.07.2013 to 30.06.2014)	414,013,305	308,402,446
Less: Other income considered separately	168,088,956	35,436,631
	245,924,349	272,965,815
Add: Accounting Depreciation	86,880,080	96,260,896
Less: Tax Depreciation	(105,152,066)	(126,218,865)
Taxable Income	227,652,363	243,007,847

Tax Rate

Current Tax expenses on Taxable Income	15%	34,147,854	36,451,177
Tax on Interest on inter company receivable	35%	5,367,747	5,808,815
Foreign currency exchange gain/(loss)	35%	-	3,004,908
Gain / Loss on Investment in marketable securities	10%	312,649	-
Tax on bank Interest	35%	45,482,472	2,652,738
Tax on Profit on sale of local cotton	35%	383,229	455,691
Tax on wastage sale	35%	6,855,883	2,460,848
Tax on Cash Dividend (Share Investment)	20%	145,376	86,160
Income Tax expenses		92,695,210	50,920,337

Provision for income tax has been calculated @ 15% on taxable income from operation under SRO 207 dated 30 June 2008 of NBR, 10% on Gain / Loss on Investment in marketable securities 20 % on dividend income and 35 % on taxable other income.



Amounts in Taka

	2013-2014	2012-2013
32 Deferred tax expenses for Income Statement		
Fixed assets:		
Carrying amount	864,938,276	851,687,552
Tax base	(567,728,777)	(580,098,776)
Taxable Temporary difference	297,209,499	271,588,775
Tax rate	15%	15%
(Tax rate 15% on Textile sector as per SRO - 207 dated 30 June 2008.)		
Deferred tax liabilities as on 30 June 2014	44,581,425	40,738,316
Deferred tax liabilities 30 June 2013	(40,738,316)	(35,081,429)
	3,843,109	5,656,887
32.01 Deferred tax for Statement of Comprehensive Income		
(i) Deferred tax liability against revaluation reserve other than land		
Carrying amount other than revaluation reserve	136,359,904	143,708,641
Tax base	-	-
	136,359,904	143,708,641
Applicable tax rate	15%	15%
(Tax rate 15% on Textile sector as per SRO - 207 dated 30 June 2008.)		
	20,453,986	21,556,296
(ii) Deferred tax liability on capital gain revaluation of land		
Carrying amount other than revaluation reserve	865,391,996	865,391,996
Tax base	-	-
	865,391,996	865,391,996
Applicable tax rate	2%	2%
(Tax rate 2% on land under section 53 H dated 01.07.2012)		
	17,307,840	17,307,840
Deferred tax liability against revaluation reserve (i + ii)	37,761,825	38,864,136
Deferred tax liabilities 30 June 2013	(38,864,136)	(40,027,328)
Deferred tax for Statement of Comprehensive Income	(1,102,311)	(1,163,192)
* Deferred tax has been provided on Taxable Temporary difference.		
33 Earnings Per Share (EPS)		
33.01 Earnings Per Share (EPS) (weighted average method)		
Net profit attributable to ordinary share holders	317,474,987	251,825,222
Weighted average number of ordinary shares (Note:33.01.01) outstanding during the year	74,881,233	63,390,000
	4.24	3.97

Weighted average number of ordinary shares calculation as per BAS-33



33.01.01 Calculation of weighted average number of ordinary shares (2013-2014)

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	123	11,491,233
Weighted average number of ordinary shares (2013 - 2014)			74,881,233

Amounts in Taka

	At 30 June 2014	At 30 June 2013
33.02 Earnings Per Share (EPS) (Fully diluted basis)		
Net profit attributable to ordinary share holders	317,474,987	251,825,222
Fully diluted basis number of ordinary shares outstanding during the year	97,490,000	97,490,000
	3.26	2.58

34 Net Assets Value (Per Share)

34.01 Net Assets Value (With Revaluation reserve)

Total assets	4,958,696,043	3,844,552,774
Less: Total current liabilities	(788,923,864)	(1,279,325,901)
	4,169,772,180	2,565,226,873
Deduct:		
Long Term & deferred liabilities	(326,512,195)	(300,045,374)
	3,843,259,985	2,265,181,498
Number of Ordinary Share at Balance Sheet date	97,490,000	63,390,000
NAV - Per Share		
On share at balance sheet date	39.42	35.73

34.02 Net Assets Value (Without Revaluation reserves)

Total assets	4,958,696,043	3,844,552,774
Less: Revaluation Reserves	(995,915,687)	(994,813,376)
Less: Total current liabilities	(788,923,864)	(1,279,325,901)
	3,173,856,493	1,570,413,497
Deduct:		
Long Term & deferred liabilities	(326,512,195)	(300,045,374)
	2,847,344,298	1,270,368,122
Number of Ordinary Share at Balance Sheet date	97,490,000	63,390,000
NAV - Per Share		
On share at balance sheet date	29.21	20.04

**35 Net Operating Cash Flow Per Share**

Cash flows from operating activities as per statement of cash	1,078,126,535	754,965,018
Number of Ordinary Share at Balance Sheet date	97,490,000	63,390,000
Net Operating Cash Flow - Per Share (On share at balance sheet date)	<u>11.06</u>	<u>11.91</u>

Others

36 During the period from 01.07.13 to 30.06.2014 nine board meetings were held. The attendance status of all the meetings is as follows:

Name of Directors	Position	Meeting	Attended
Abdul Wahed	Chairman	9	9
M.A. Jabbar	Managing Director	9	9
M.A. Rahim	Director	9	9
M.A. Quader	Director	9	8
Md. Hassan Imam	Director	9	9
Selina Parvin	Director	9	9
Tanzeen Rahim	Director	9	9
Taslima Begum	Director	9	9

37 Employee position for Matin Spinning Mills Ltd (as at 30 June 2014)

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

Officer & Staff		Worker	Total	Amount in Taka
Head Office	Factory		Employee	
16	203	750	969	127,715,169
			<u>969</u>	<u>127,715,169</u>

There is no Salary/ Wages/Remuneration below Tk.3000/- per month

38 Payments to Directors and Officers

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

Particular	2013-2014			2012-2013		
	Directors	Managers & Others	Total	Directors	Managers & Others	Total
Basic Salary	3,671,400	26,476,682	30,148,082	3,671,400	18,326,020	21,997,420
House Rent	1,835,700	13,238,341	15,074,041	1,835,700	9,163,010	10,998,710
Conveyance	492,900	3,554,600	4,047,500	492,900	2,460,341	2,953,241
Bonus/ incentives	-	4,913,918	4,913,918	-	3,401,203	3,401,203
Total Salary and allowances	<u>6,000,000</u>	<u>48,183,541</u>	<u>54,183,541</u>	<u>6,000,000</u>	<u>33,350,573</u>	<u>39,350,573</u>

* Directors represent Managing Director only.

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

39 Contingent Liabilities:

1 Contingent Liability of the Company was Tk. 169,052,402.00 as on June 30,2014 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 June 30,2014.



40 Disclosure as per requirement of schedule XI, part II, para 7 of Company Act 1994

	2013-2014	2012-2013
Capacity Installed:		
No of Spindles Installed	39,600	39,600
Capacity Utilised:		
No of Spindles Operated	38,914	37,670
Production Capacity: (In Kg)		
At Equivalent 28' S Count (Ring Yarn)	8,640,000	8,640,000
Actual Production : (In Kg)		
At Equivalent 28' S Count (Ring Yarn)	7,555,835	7,055,940
% of Capacity Utilization:	87.45	81.67

41 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	
				Status as at		at June	
				BDT	June 30, 2014	BDT	30.2013
DBL Ceramics Ltd	Associated Company	Working Capital Finance	5,082,706	135,737,062	Debtor	140,819,768	Debtor
		Interest receivable	15,336,419	3,718,788	Debtor	48,299,663	Debtor
		Share Money Deposit	-	50,800,000	Debtor	50,800,000	Debtor
		Share Capital	-	25,000,000	Debtor	25,000,000	Debtor
Flamingo Fashions Ltd	Sister Concern	Sale of yarn	848,519,418	34,502,530	Debtor	327,144,981	Debtor
Jinnat Fashions Ltd	Sister Concern	Sale of yarn	462,230,736	1,976,769	Debtor	79,475,311	Debtor
Jinnat knitwears Ltd	Sister Concern	Sale of yarn	654,501,753	24,692,531	Debtor	55,755,266	Debtor
Jinnat Apparels Ltd	Sister Concern	Sale of yarn	90,953,880	-	Debtor	196,659	Debtor
		Office Rent	240,000	20,000	Creditors	-	
Matin Knitwears Ltd	Sister Concern	Sale of yarn	90,257,839	6,326,765	Debtor	16,004,051	Debtor
Hamza Textiles Ltd	Sister Concern	Sale of yarn	19,365,003	8,143,375	Debtor		

42 Disclosure as per requirement of schedule XI, part II, para 8 of Company Act 1994

Disclosure requirement of schedule XI, part II, para 8(b&d) of Company 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		1,446,833,517	1,446,833,517	1,445,038,574	96.93%
Stores and Accessories		37,659,531	37,659,531	30,766,504	2.06%
Packing Materials	15,389,912	-	15,389,912	15,029,099	1.01%
Capital Machinery		16,823,865	16,823,865	-	0.00%
Total	15,389,912	1,501,316,914	1,516,706,826	1,490,834,176	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 2014 is as follows:

Particular	In foreign currency \$	In BDT
Export	30,121,084	2,334,384,001




- 43 Figures are rounded off to the nearest Taka.
- 44 Previous year's figures have been rearranged, wherever considered necessary, to conform to current year's presentation
- 45 These notes form an integral part of the annexed financial statements and accordingly are to be read in conjunction therewith.
- 46 **Event after Balance Sheet date**

The Board of Directors of Matin Spinning Mills Limited, at its 80th meeting held on 17 September 2014, proposed Tk. 2.50 per share amounting to a total of Tk. 243,725,000 as cash dividend for the year ended 30 June 2014, which represents 25% 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.

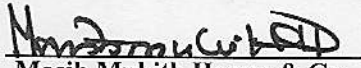
The financial statements were authorized for issue by the board of directors on 17th September 2014.


Chairman


Managing Director


Chief Finance Officer

These are the notes to the financial statements referred to in our annexed report.


Masih Muhith Haque & Co.
Chartered Accountants

Matin Spinning Mills Ltd
Details of property, plant and equipment for the year ended 30 June 2014

Amounts in Taka

Name of the assets	Cost				Depreciation			Written down value at 30 June 2014	
	At 01 July 2013	Addition during the year	Adjustment/di sposal during the year	Total at 30 June 2014	Rate %	At 01 July 2013	Charge for the year		Adjustment during the year
Land and land development	74,414,702	71,958,964	-	146,373,666	0%	-	-	-	87,500,044
Factory building	176,506,759	-	-	176,506,759	5%	82,815,480	4,684,564	-	10,424,802
Godown	16,262,162	-	-	16,262,162	10%	9,776,206	648,596	-	967,217,177
Plant and machinery	1,490,282,424	16,823,865	-	1,507,106,289	10%	908,655,909	58,561,268	-	1,204,543
Furniture and fixtures	2,513,488	38,186	-	2,551,674	10%	1,057,980	146,563	-	1,381,868
Gas equipment	1,978,958	-	-	1,978,958	15%	1,276,499	105,369	-	93,735,360
Generator	128,958,867	1,416,451	-	128,958,867	15%	87,519,447	6,215,913	-	6,171,769
Office equipments	10,033,949	-	-	11,450,400	15%	5,407,559	764,210	-	61,450,784
Electric installation	84,535,464	-	-	84,535,464	15%	57,377,017	4,073,767	-	903,916
Deep tubewell	1,100,000	-	-	1,100,000	20%	854,895	49,021	-	27,477,702
Vehicles	43,037,400	2,544,600	-	45,582,000	20%	23,195,630	4,282,072	-	1,257,467,964
Total at 30 June 2014	2,029,624,173	92,782,066	-	2,122,406,239		1,177,936,621	79,531,342	-	864,938,276

Name of the assets	Revaluation			Depreciation			Written down value at 30 June 2014		
	At 01 July 2013	Addition during the year	Adjustment/di sposal during the year	Total at 30 June 2014	Rate %	At 01 July 2013		Charge for the year	Adjustment during the year
Land and land development	865,391,996	-	-	865,391,996	0%	-	-	-	30,384,852
Factory building	163,805,258	-	-	163,805,258	5%	23,362,725	7,022,127	-	1,540,761
Godown	4,480,258	-	-	4,480,258	10%	1,214,150	326,611	-	31,925,612
Total at 30 June 2014	1,033,677,512	-	-	1,033,677,512		24,576,875	7,348,737	-	1,289,393,576
Total (A + B) at 30 June 2014	3,063,301,685	92,782,066	-	3,156,083,751		1,202,513,496	86,880,080	-	1,866,690,176

Allocation of depreciation:

Year ended 2014
Manufacturing overhead @ 90% 78,192,072
Administrative overhead @ 10% 8,688,008
86,880,080

Matin Spinning Mills Ltd

Details of property, plant and equipment for the year ended 30 June 2013

Amounts in Taka

Name of the assets	Cost				Depreciation			Written down value at 30 June 2013	
	At 01 July 2012	Addition during the year	Adjustment/di sposal during the year	Total at 30 June 2013	Rate %	At 01 July 2012	Charge for the year		Adjustment during the year
Land and land development	69,126,302	5,288,400	-	74,414,702	0%	-	-	-	82,815,480
Factory building	176,141,096	365,663	-	176,506,759	5%	77,884,360	4,931,120	-	93,691,279
Godown	16,262,162	-	-	16,262,162	10%	9,055,545	720,662	-	6,485,956
Plant and machinery	1,490,282,424	-	-	1,490,282,424	10%	844,030,740	64,625,168	-	908,655,909
Furniture and fixtures	2,308,952	204,536	-	2,513,488	10%	896,257	161,723	-	1,057,980
Gas equipment	1,978,958	-	-	1,978,958	15%	1,152,535	123,963	-	1,276,499
Generator	128,958,867	-	-	128,958,867	15%	80,206,608	7,312,839	-	87,519,447
Office equipments	8,725,044	1,308,905	-	10,033,949	15%	4,591,137	816,422	-	5,407,559
Electric installation	83,683,364	852,100	-	84,535,464	15%	52,584,350	4,792,667	-	57,377,017
Deep tubewell	1,100,000	-	-	1,100,000	20%	793,619	61,276	-	854,895
Vehicles	43,037,400	-	-	43,037,400	20%	18,235,187	4,960,443	-	23,195,630
Total at 30 June 2013	2,021,604,569	8,019,604	-	2,029,624,173		1,089,430,338	88,506,283	-	1,177,936,621

Name of the assets	Revaluation			Depreciation			Written down value at 30 June 2013		
	At 01 July 2012	Addition during the year	Adjustment/di sposal during the year	Total at 30 June 2013	Rate %	At 01 July 2012		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%	15,971,013	7,391,712	-	23,362,725
Godown	4,480,258	-	-	4,480,258	10%	851,249	362,901	-	1,214,150
Total at 30 June 2013	1,033,677,512	-	-	1,033,677,512		16,822,262	7,754,613	-	24,576,875
Total (A + B) at 30 June 2013	3,055,282,081	8,019,604	-	3,063,301,685		1,106,252,600	96,260,896	-	1,202,513,496

Allocation of depreciation:
Year ended 2013

Manufacturing overhead @ 90%
Administrative overhead @ 10%

86,634,807
9,626,090
96,260,896