

**Matin Spinning Mills PLC**

**Unaudited Financial Statements**

**As at and for the 3rd quarter ended 31 March 2022**



**Matin Spinning Mills PLC**  
**Statement of Financial Position (Unaudited)**  
**As at 31 March 2022**

[Amounts in Taka]

	Notes	31 March 2022	30 June 2021
<b>ASSETS</b>			
<b>Non - current assets</b>			
Property, plant and equipment	02	4,402,483,678	4,461,322,273
Investment	03	61,460,950	53,556,600
Capital work-in-process	04	1,236,703,747	316,291,054
<b>Total non - current assets</b>		<b>5,700,648,374</b>	<b>4,831,169,927</b>
<b>Current assets</b>			
Inventories	05	1,569,404,378	1,111,789,691
Accounts receivable	06	1,397,280,110	1,402,851,046
Advance, deposits and prepayments	07	372,398,907	192,533,727
Materials in transit	08	601,118,955	406,621,294
Cash and bank balances	09	343,716,334	331,267,118
<b>Total current assets</b>		<b>4,283,918,684</b>	<b>3,445,062,877</b>
<b>Total assets</b>		<b>9,984,567,059</b>	<b>8,276,232,803</b>
<b>EQUITY AND LIABILITIES</b>			
Share capital		974,900,000	974,900,000
Share premium		920,700,000	920,700,000
Retained earnings	10	2,257,133,562	1,852,763,633
Revaluation reserve	11	1,485,865,187	1,500,232,234
<b>Total equity</b>		<b>5,638,598,750</b>	<b>5,248,595,867</b>
<b>Non-current liabilities</b>			
Long term bank loan	12	-	-
Deferred tax liability	13	264,966,851	257,295,814
<b>Total non-current liabilities</b>		<b>264,966,851</b>	<b>257,295,814</b>
<b>Current liabilities</b>			
Accounts payable	14	241,534,538	135,269,303
Short term bank loan	15	2,453,230,069	2,138,032,830
Current portion of long term loan		950,208,077	205,141,666
Share application money		-	4,553,160
Unclaimed dividend	16	2,124,393	4,371,032
Provision & accruals	17	433,904,379	282,973,130
<b>Total current liabilities</b>		<b>4,081,001,457</b>	<b>2,770,341,122</b>
<b>Total equity and liabilities</b>		<b>9,984,567,058</b>	<b>8,276,232,803</b>
<b>NAV Per Share (With Revaluation reserves)</b>	24	<b>57.84</b>	<b>53.84</b>

  
 Managing Director

  
 Director

  
 Director

  
 Chief Financial Officer

  
 Company Secretary




**Matin Spinning Mills PLC**  
**Statement of Profit or Loss (Unaudited)**  
**for the 3rd quarter ended 31 March 2022**

[Amounts in Taka]

	Notes	31 March 2022	31 March 2021	Period ended January 2022 to 31 March 2022	Period ended January 2021 to 31 March 2021
Revenue	18	4,514,543,551	3,438,675,418	1,454,248,085	1,252,569,911
Cost of goods sold	19	(3,421,864,585)	(2,811,941,939)	(1,113,884,314)	(974,930,971)
<b>Gross profit</b>		<b>1,092,678,966</b>	<b>626,733,478</b>	<b>340,363,771</b>	<b>277,638,940</b>
Other income	20	81,232,358	71,338,852	30,683,363	23,738,958
		<b>1,173,911,323</b>	<b>698,072,330</b>	<b>371,047,134</b>	<b>301,377,898</b>
Administrative expenses		(159,415,840)	(160,039,335)	(55,487,715)	(63,006,869)
Distribution expenses		(6,030,055)	(5,618,000)	(1,866,505)	(1,741,935)
<b>Net profit before finance cost</b>		<b>1,008,465,428</b>	<b>532,414,995</b>	<b>313,692,914</b>	<b>236,629,094</b>
Finance cost		(27,761,758)	(36,807,206)	(8,191,931)	(1,523,162)
<b>Net profit before workers' profit participation funds &amp; tax</b>		<b>980,703,670</b>	<b>495,607,789</b>	<b>305,500,983</b>	<b>235,105,932</b>
Contribution to workers' profit		(46,700,175)	(23,600,371)	(14,547,666)	(11,195,521)
<b>Net profit before taxation</b>		<b>934,003,496</b>	<b>472,007,419</b>	<b>290,953,317</b>	<b>223,910,412</b>
Income tax	21	(146,369,576)	(73,827,882)	(45,463,400)	(34,005,912)
Deferred tax	22	(9,826,094)	(5,604,603)	(8,200,684)	(3,171,447)
<b>Net profit after tax</b>		<b>777,807,825</b>	<b>392,574,933</b>	<b>237,289,234</b>	<b>186,733,053</b>
<b>Earnings Per Share (EPS)</b>	23	<b>7.98</b>	<b>4.03</b>	<b>2.43</b>	<b>1.92</b>

  
 Managing Director

  
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**Matin Spinning Mills PLC**  
**Statement of Other Comprehensive Income (Unaudited)**  
**for the 3rd quarter ended 31 March 2022**

[Amounts in Taka]

	Notes	31 March 2022	31 March 2021
Net profit after tax for the period		777,807,825	392,574,933
Revaluation reserve of land and building		-	-
Deferred tax on other comprehensive income	13.01	2,155,057	2,315,956
Total comprehensive income for the period		<u>779,962,882</u>	<u>394,890,890</u>

Managing Director

Director

Director

Chief Financial Officer

Company Secretary




**Matin Spinning Mills PLC**  
**Statement of Changes in Equity (Unaudited)**  
**for the 2nd quarter ended 31 March 2022**

[Amounts in Taka]

	Share Capital	Share Premium	Retained Earnings	Revaluation Reserves	Total
<b>3rd Quarter ended 31 March 2022</b>					
Balance at 01 July 2021	974,900,000	920,700,000	1,852,763,633	1,500,232,234	5,248,595,867
Net profit for the year	-	-	777,807,825	-	777,807,825
Dividend Paid	-	-	(389,960,000)	-	(389,960,000)
Depreciation on Revalued Assets	-	-	14,367,046	(14,367,046)	-
Deferred tax on other comprehensive income	-	-	2,155,057	-	2,155,057
<b>Balance at 31 March 2022</b>	<b>974,900,000</b>	<b>920,700,000</b>	<b>2,257,133,562</b>	<b>1,485,865,187</b>	<b>5,638,598,749</b>
<b>3rd Quarter ended 31 March 2021</b>					
Balance at 01 July 2020	974,900,000	920,700,000	1,389,083,255	1,520,826,225	4,805,509,481
Net profit for the year	-	-	392,574,934	-	392,574,934
Dividend Paid	-	-	(175,482,000)	-	(175,482,000)
Revaluation surplus during the year	-	-	-	-	-
Depreciation on Revalued Assets	-	-	15,439,709	(15,439,709)	-
Deferred tax on other comprehensive income	-	-	2,315,956	-	2,315,956
<b>Balance at 31 March 2021</b>	<b>974,900,000</b>	<b>920,700,000</b>	<b>1,623,931,854</b>	<b>1,505,386,517</b>	<b>5,024,918,371</b>

  
 Managing Director

  
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 Company Secretary



**Matin Spinning Mills PLC**  
**Statement of Cash Flows (Unaudited)**  
**for the 3rd quarter ended 31 March 2022**

[Amounts in Taka]

Notes	31 March 2022	31 March 2021
<b>A. Cash flows from operating activities</b>		
Collection from customers	4,516,113,810	3,706,040,682
Other Income	72,513,935	67,446,589
<b>Cash generated from operations</b>	<b>4,588,627,745</b>	<b>3,773,487,271</b>
Cash paid to employees	(283,578,484)	(268,470,474)
Cash paid to suppliers	(3,627,757,018)	(2,800,745,645)
Interest paid on loans	(16,722,636)	(39,879,843)
Income tax paid	(130,008,282)	(37,587,467)
Payment made to workers' profit participation funds	(42,138,502)	(12,671,368)
<b>Net cash flows from operating activities</b>	<b>488,422,823</b>	<b>614,132,473</b>
<b>B. Cash flow from investing activities</b>		
Acquisition of property, plant and equipment	(165,485,424)	(7,065,995)
Capital work-in-process	(981,351,322)	(85,651,173)
Dividend Income	794,689	561,139
Purchase of marketable securities	(7,904,350)	(11,875,513)
Interest on FDR and Bank Accounts	111,312	192,804
<b>Net cash used in investing activities</b>	<b>(1,153,835,095)</b>	<b>(103,838,738)</b>
<b>C. Cash flows from financing activities</b>		
Long term loan received	865,801,246	41,755,925
Long term loan (repaid)	(120,734,835)	(312,123,005)
Short term loan received from bank	3,187,307,293	2,368,283,775
Short term loan repaid to bank	(2,864,638,393)	(2,143,817,849)
Share application money	(4,553,160)	
Dividend Paid	(392,206,639)	(175,131,632)
<b>Net cash from/(used in) financing activities</b>	<b>670,975,512</b>	<b>(221,032,785)</b>
<b>D. Net increase/(decrease) in cash and cash equivalents (A+B+C)</b>	<b>5,563,240</b>	<b>289,260,949</b>
<b>E. Opening cash and cash equivalents</b>	<b>331,267,118</b>	<b>243,576,752</b>
<b>F. Effects of currency translation on cash and cash equivalents</b>	<b>6,885,976</b>	<b>(525,690)</b>
<b>G. Closing cash and cash equivalents (D+E+F)</b>	<b>343,716,334</b>	<b>532,312,012</b>
<b>Net Operating Cash Flow Per Share</b>	<b>5.01</b>	<b>6.30</b>

Managing Director

Director

Director

Chief Financial Officer

Company Secretary

- 1 These financial statements have been prepared in line with accounting policies as adopted in the preparation of most recent audited financial statements as at and for the period ended 30 June 2021. This interim financial report includes only those selected explanatory notes that were deemed appropriate for better understanding of the unaudited financial statements.

		Amounts in Taka	
	Notes	31 March 2022	30 June 2021
<b>2 Property, plant and equipment</b>			
<b>A NON REVALUED ASSETS:</b>			
<b>Cost</b>			
Opening balance (at cost)		5,820,114,648	5,669,612,198
Add : Additions		165,485,424	153,491,967
		5,985,600,072	5,823,104,165
Less: Disposal/Adjustment		(765,000)	(2,989,517)
<b>Closing balance (a)</b>		<b>5,984,835,072</b>	<b>5,820,114,648</b>
<b>Accumulated Depreciation</b>			
Opening balance		2,906,986,171	2,614,226,427
Add : Charges for the year		209,292,144	293,341,705
		3,116,278,316	2,907,568,132
Less: Disposal/Adjustment		(100,171)	(581,961)
<b>Closing balance (b)</b>		<b>3,116,178,144</b>	<b>2,906,986,171</b>
<b>Written Down Value (a-b)</b>		<b>2,868,656,928</b>	<b>2,913,128,477</b>
<b>B REVALUED ASSETS :</b>			
<b>Revalued amount:</b>			
Opening balance (at revalued cost)		1,645,218,621	1,645,218,621
Add : Additions		-	-
		1,645,218,621	1,645,218,621
Less: Disposal/Adjustment		-	-
<b>Closing balance (a)</b>		<b>1,645,218,621</b>	<b>1,645,218,621</b>
<b>Accumulated Depreciation</b>			
Opening balance		97,024,825	76,430,833
Add : Charges for the year		14,367,046	20,593,992
		111,391,871	97,024,825
Less: Disposal/Adjustment		-	-
<b>Closing balance (b)</b>		<b>111,391,871</b>	<b>97,024,825</b>
<b>Written Down Value of Revalued Assets (a-b)</b>		<b>1,533,826,750</b>	<b>1,548,193,796</b>
<b>Total Written Down Value (A+B)</b>		<b>4,402,483,678</b>	<b>4,461,322,273</b>
<b>3 Investment</b>			
Investment in marketable securities	3.1	61,460,950	53,556,600
		<b>61,460,950</b>	<b>53,556,600</b>
<b>3.01 Investment in marketable securities</b>			
<b>Opening balance</b>		53,556,600	28,003,186
Add: Addition during the year		-	-
		53,556,600	28,003,186
Realized gain /(loss)		12,831,090	24,886,914
Unrealized gain /(loss) for fair value adjustment		(4,926,740)	666,500
<b>Closing balance</b>		<b>61,460,950</b>	<b>53,556,600</b>
<b>4 Capital work-in-process</b>			
Special Yarn Godown		8,410,110	8,410,110
Staff Quarter		7,031,648	-
MSML- Special Yarn Building		170,517,914	80,348,104
Baro Bigha Utility Building		19,787,059	6,246,653
Weighing Scale		1,708,025	-
Special Yarn Unit Machineries		989,859,748	120,958,315
Machineries in Transit		39,389,243	100,327,872
		<b>1,236,703,747</b>	<b>316,291,054</b>

		Amounts in Taka	
	Notes	31 March 2022	30 June 2021
<b>5 Inventories</b>			
Manufacturing Inventory	5.01	1,495,541,285	1,059,960,396
Non Manufacturing Inventory	5.02	73,863,093	51,829,295
		<u>1,569,404,378</u>	<u>1,111,789,691</u>
<b>5.01 Manufacturing Inventory</b>			
Raw cotton		1,026,092,718	754,617,992
Provision for Obsolete Raw Materials		(8,360,909)	(8,360,909)
		<u>1,017,731,809</u>	<u>746,257,083</u>
Finished yarn		310,629,981	166,706,650
Packing materials		2,643,252	3,094,460
Work-in-process		54,434,654	61,624,815
Spare parts		110,101,589	82,277,387
		<u>1,495,541,285</u>	<u>1,059,960,396</u>
<b>5.02 Non Manufacturing Inventory</b>			
Stock of Bandhan		3,522,660	2,146,833
Stock of Stamp		10,584	5,892
Stock of Medicine		207,255	176,893
Other Production Material		7,500	7,500
Construction Material		40,505,851	12,319,036
Store Materials under Inspection		29,609,243	37,173,141
		<u>73,863,093</u>	<u>51,829,295</u>
<b>6 Accounts receivables</b>			
Receivable other than related party		429,261,068	544,024,922
Receivable from related party		1,013,053,372	899,859,777
Bank interest receivable on FDR		6,105,693	5,532,792
Claim Receivable		4,665,953	9,239,531
Provision for bad debts		(55,805,976)	(55,805,976)
		<u>1,397,280,110</u>	<u>1,402,851,046</u>
<b>07 Advance, deposits and Prepayments</b>			
<b>Advance</b>			
Salary & Allowances		1,675,900	1,279,900
Prepaid Insurance		1,417,821	
Construction		7,461,672	319,322
Expenses		59,116,777	20,216,050
Advance Income Tax		254,353,042	124,344,760
		<u>324,025,212</u>	<u>146,160,032</u>
<b>Deposits</b>			
Security deposit for Utilities		48,373,695	46,373,695
		<u>48,373,695</u>	<u>46,373,695</u>
		<u>372,398,907</u>	<u>192,533,727</u>
<b>08 Materials in transit</b>			
Margin and deposit (Raw Cotton)	08.01	601,118,955	406,621,294
		<u>601,118,955</u>	<u>406,621,294</u>
<b>08.01 Margin and deposit (Raw Cotton)</b>			
Margin against Cotton		26,957,687	6,161,071
Margin Against Bank Guarantee		27,145,205	12,495,783
Materials In Transit		547,016,062	387,964,441
		<u>601,118,955</u>	<u>406,621,294</u>



		Amounts in Taka			
		Notes		31 March 2022	30 June 2021
09	Cash and bank balances				
	Cash in hand			2,638,035	1,459,044
	Balance in BO Account			10,446	2,132
	Term Deposit			11,515,800	11,515,800
	Bank balances with:				
	Islami Bank Bangladesh Ltd				
	Current account			1,199,620	176,400
	Marginal deposit Account (Special)			52,531	52,531
	Marginal deposit Account (Normal)			350,903	351,398
	Marginal deposit Under Reserve			144,466	144,466
	Foreign currency account			8,534	8,403
	Exim Bank Ltd, STD account			(7,500,045)	(4,495,102)
	Mercantile Bank Ltd				
	STD account			43,540	44,387
	Foreign currency account			71,728	70,634
	HSBC Bank Ltd				
	STD account			10,476,248	5,916,550
	Foreign currency account			53,440,036	162,125,430
	The City Bank Ltd				
	STD account			772,252	146,292
	Foreign currency account			61,919	60,975
	Prime Bank Ltd				
	STD account			1,293,105	1,296,450
	Foreign currency account			138,510	136,398
	Standard Chartered Bank - STD account			218,562	1,481,618
	Dutch-Bangla Bank Limited - STD account			10,237,038	391,292
	BRAC Bank Ltd				
	STD account			13,814,972	16,786,043
	Foreign currency account			53,313,730	81,669,520
	Jamuna Bank Limited				
	STD account			75,767	388,892
	Foreign currency account			189,378,323	50,867,012
	Mutual Trust Bank Ltd				
	STD account			1,960,317	670,554
				343,716,334	331,267,118

		Amounts in Taka	
	Notes	31 March 2022	30 June 2021
<b>10</b>	<b>Retained earnings</b>		
	Opening balance	1,852,763,633	1,389,083,255
	Add: Profit made during the year	777,807,825	615,479,288
	Less: Dividend Paid	(389,960,000)	(175,482,000)
	Depreciation on Revalued Assets	14,367,046	20,593,992
	Add/(less): Deferred tax on revaluation reserve 13.02 (ii )	2,155,057	3,089,099
	<b>Balance at 31 March 2022</b>	<b>2,257,133,562</b>	<b>1,852,763,633</b>
<b>11</b>	<b>Revaluation reserves</b>		
	This balance consists of as follows:		
	Balance at the beginning of the year	1,500,232,234	1,520,826,225
	Addition during the year	-	-
		1,500,232,234	1,520,826,225
	Depreciation on Revalued Assets	(14,367,046)	(20,593,992)
		<b>1,485,865,187</b>	<b>1,500,232,234</b>
<b>12</b>	<b>Long Term bank loan</b>		
	Off Shore Loan & UPAS	950,208,077	205,141,666
	Less: Current portion of long term loan	(950,208,077)	(205,141,666)
		-	-
<b>13</b>	<b>Deferred Tax Liability</b>		
	Deferred tax assets and liabilities have been recognized and measured in accordance with the provision of IAS-12: Income taxes. Deferred tax assets and liabilities are attributable to the following:		
	<b>A. Deferred tax liability on historical cost:</b>		
	Carrying amount other than revaluation reserve	2,705,239,442	2,749,200,922
	Tax base	1,545,879,087	1,655,347,859
	<b>Taxable Temporary difference</b>	<b>1,159,360,356</b>	<b>1,093,853,063</b>
	Applicable tax rate (As per SRO 193 dated 30 June 2015 for Textile Sector.)	15%	15%
	<b>Deferred tax liability on historical cost</b>	<b>173,904,053</b>	<b>164,077,959</b>
	<b>B. Deferred tax liability against revaluation reserve:</b>		
	<b>i) Deferred tax liability against revaluation reserve other than land</b>		
	Carrying amount other than land	335,293,416	349,660,462
	Tax base	-	-
		335,293,416	349,660,462
	Applicable tax rate (As per SRO 193 dated 30 June 2015 for Textile Sector.)	15%	15%
		<b>50,294,012</b>	<b>52,449,069</b>

<b>ii) Deferred tax liability on capital gain against revaluation of</b>			
Carrying amount other than building & others.		1,358,959,500	1,358,959,500
Tax base		-	-
		<u>1,358,959,500</u>	<u>1,358,959,500</u>
Applicable tax rate (3% As per section 53 H of ITO 1984)		3%	3%
		<u>40,768,785</u>	<u>40,768,785</u>
<b>Deferred tax liability against revaluation reserve B ( i + ii )</b>		<u>91,062,797</u>	<u>93,217,854</u>
<b>Total Deferred tax liability ( A + B )</b>		<u>264,966,851</u>	<u>257,295,814</u>
<b>14 Accounts payable</b>			
Suppliers		158,143,294	78,048,648
Expenses		81,684,469	57,014,826
Others		1,706,776	205,829
		<u>241,534,538</u>	<u>135,269,304</u>
<b>15 Short term bank loan</b>			
EDF & UPAS Loan (Raw Cotton)		2,440,054,760	2,086,895,330
Working Capital Loan		13,175,309	51,137,500
		<u>2,453,230,069</u>	<u>2,138,032,830</u>
<b>16 Unclaimed dividend</b>			
Opening Balance		4,371,032	4,027,296
Add: Addition during the year		389,960,000	175,482,000
Less: Paid during the year		(392,206,639)	(175,138,264)
Closing Balance		<u>2,124,393</u>	<u>4,371,032</u>
<b>17 Provision &amp; accruals</b>			
Provision for Income Tax	17.01	387,796,057	241,426,481
Provision for workers' profit participation and welfare funds	17.02	46,108,322	41,546,649
		<u>433,904,379</u>	<u>282,973,130</u>

**17.01 Provision for Income Tax**

Opening Balance	241,426,481	111,884,559
Add: Provision for taxation for the year (Note - 30)	146,369,576	127,867,668
Less: Adjustment provision for previous years AIT	-	(50,756,815)
Less: Adjustment provision for previous years deposit	-	(41,897,884)

**Excess/(Short) provision for taxations after final assessment order as below:**

Add: Adjustment of short provision for the year 2016-2017	-	42,144,750
Add: Adjustment of short provision for the year 2017-2018	-	16,388,110
Add: Adjustment of short provision for the year 2018-2019	-	35,796,093
	<u>387,796,057</u>	<u>241,426,481</u>

**17.02 Provision for workers' profit participation and welfare funds**

Opening Balance	41,546,649	12,079,513
Add: Addition during the year	46,700,175	42,138,503
Less: Paid during the year	(42,138,502)	(12,671,367)
Closing Balance	<u>46,108,322</u>	<u>41,546,649</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.

	Amounts in Taka	
	31 March 2022	31 March 2021
<b>18 Revenue</b>		
Carded Yarn	320,639,434	81,212,512
Combed Yarn	1,425,114,267	915,670,860
Slub Yarn	324,100,900	413,903,419
Synthetic Yarn	1,078,729,065	842,719,080
Melange Yarn	663,093,845	664,288,514
Vortex	264,601,240	234,349,554
Open End	315,565,956	206,808,375
Twist	121,505,551	78,950,826
Twisting Services Charges	1,193,294	772,279
	<u>4,514,543,551</u>	<u>3,438,675,418</u>
<b>19 Cost of goods sold</b>		
Raw Material consumption (Note-19.01)	2,713,022,787	2,086,168,621
Packing materials consumption (Note-19.02)	29,264,395	24,608,878
Fiber Dyeing	17,334,792	13,014,516
Manufacturing overhead (Note-19.03)	798,975,781	725,668,597
Cost of goods manufacturing	<u>3,558,597,755</u>	<u>2,849,460,612</u>
Opening work-in-process	61,624,815	43,535,277
Closing work-in-process	(54,434,654)	(57,781,301)
Cost of production	<u>3,565,787,915</u>	<u>2,835,214,588</u>
Opening stock of finished yarn	166,706,650	89,041,018
Closing stock of finished yarn	(310,629,981)	(112,313,667)
	<u>3,421,864,585</u>	<u>2,811,941,939</u>

**19.01 Raw Material consumption****Value (Taka)**

Opening balance	754,617,992	465,487,680
Purchase during the year	2,984,497,513	2,298,591,532
Raw Material available for consumption	3,739,115,505	2,764,079,212
Closing balance	(1,026,092,718)	(677,910,592)
	<u>2,713,022,787</u>	<u>2,086,168,621</u>

**19.02 Packing materials consumption**

Opening balance	3,094,460	2,208,327
Purchase during the year	28,813,187	26,917,979
Packing materials available for consumption	31,907,647	29,126,306
Closing balance	(2,643,252)	(4,517,429)
	<u>29,264,395</u>	<u>24,608,878</u>

**19.03 Manufacturing overhead**

Salary and allowances	190,259,666	180,570,206
Repair and maintenance	5,426,138	4,315,691
BTMA certificate charges	503,375	794,750
Store and spare parts	57,632,310	80,880,043
Travelling & Conveyance	359,224	342,655
Crockeries and Canteen Expenses	507,320	425,840
Fire Fighting Expenses-factory	2,106,667	1,195,012
Factory stationeries	1,428,470	1,164,432
Fuel and lubricants	393,680	288,424
Fuel and lubricants- Generator	57,538,887	19,011,656
Fuel and lubricants- Vehicles	511,006	555,123
Electricity bill	151,091,675	61,398,040
Gas bill	124,609,148	161,234,911
Insurance premium	3,637,545	3,428,420
Testing fee	154,950	32,030
Workshop expenses	1,522,450	916,237
Depreciation	201,293,272	209,115,127
	<u>798,975,781</u>	<u>725,668,597</u>

**20 Other income**

Foreign currency exchange gain/(loss)	17,309,818	18,142,210
Gain /( Loss) on Investment in marketable securities	7,904,350	5,937,756
Bank interest received	684,214	910,749
Gain /( Loss) on Fixed Assets adjustment	(664,830)	-
Sales of wastage	52,778,908	43,358,725
Cash Dividend (received on marketable securities)	794,689	561,139
Rental Income	3,267,900	
Less: Repair and maintenance	(980,370)	
Miscellaneous Income	137,679	186,733
	<u>81,232,358</u>	<u>71,338,852</u>

21 Computation of Taxable Income & Tax Liability thereon

Computation of Taxable Income & Tax Liability thereon		Amounts in Taka		
		31 March 2022	31 March 2021	
A. Tax Payable on Total Taxable Income		146,369,576	73,827,882	
Reconciliation of effective tax rate	31 December 2021		31 December 2020	
	Percentage	BDT Amount	Percentage	BDT Amount
Profit before tax		938,283,495		454,709,956
On Business Income	15.00%	128,457,946	15.00%	57,505,665
On Foreign currency exchange gain/(loss)	22.50%	3,894,709	25.00%	4,535,553
On Sales of wastage (balance after setting off business loss)	22.50%	11,875,254	25.00%	10,839,681
On Misc. Income	22.50%	30,978	25.00%	46,683
On Bank interest received	22.50%	153,948	25.00%	227,687
On Cash Dividend (received on marketable securities)	20.00%	158,938	20.00%	112,228
On Gain /( Loss) on Investment in marketable securities	10.00%	1,283,109	10.00%	-
On Rental Income	22.50%	514,694	25.00%	560,385
Income tax expenses	15.60%	146,369,576	16.24%	73,827,882
B. Minimum Tax Payable u/s 82C(4)(a)				
Gross receipts during this year [Schedule-B]		4,596,440,738		3,510,014,270
Tax Rate		0.60%		0.60%
Minimum Tax u/s 82C(4)(a) of ITO 1984		27,578,644		21,060,086
C. Minimum Tax Payable u/s 82C(4)(a)				
Tax deducted at Source under section 52 BBBB		23,271,834		18,387,965
		23,271,834		18,387,965
Gross Tax Liability (higher of A, B and C)		146,369,576		73,827,882
(Excess)/Short provision for taxations after final assessment order as below:				
Total Current Tax		146,369,576		73,827,882

		Amounts in Taka	
		31 March 2022	31 March 2021
<b>22</b>	<b>Deferred tax for statement of Profit &amp; loss and Statement of other comprehensive income</b>		
<b>22.01:</b>	<b>Deferred tax for statement of profit &amp; loss</b>		
	Fixed assets:		
	Carrying amount *	2,705,239,442	2,814,570,100
	Tax base	(1,545,879,087)	(1,717,314,041)
	Taxable Temporary difference	1,159,360,356	1,097,256,059
	Tax rate	15%	15%
	(Tax rate is 15% on Textile sector as per SRO - 193 dated 30 June 2015)		
	Deferred tax liabilities as on 30 June 2021	173,904,053	164,588,409
	Deferred tax liabilities 30 June 2020	(164,077,959)	(158,983,806)
		<u>9,826,094</u>	<u>5,604,603</u>
<b>22.02:</b>	<b>deferred tax for statement of other comprehensive income</b>		
(i)	<b>Deferred tax liability against revaluation reserve other than land</b>		
	Carrying amount other than land	335,293,416	354,814,745
	Tax base	-	-
		<u>335,293,416</u>	<u>354,814,745</u>
	Applicable tax rate (As per SRO - 193 dated 30 June 2015 for Textile Sector)	15%	15%
		<u>50,294,012</u>	<u>53,222,212</u>
(ii)	<b>Deferred tax liability on capital gain on revaluation of land</b>		
	Carrying amount other than building & others	1,358,959,500	1,358,959,500
	Tax base	-	-
		<u>1,358,959,500</u>	<u>1,358,959,500</u>
	Applicable tax rate (3% As per section 53 H of ITO 1984)	3%	3%
		<u>40,768,785</u>	<u>40,768,785</u>
	<b>Deferred tax liability against revaluation reserve ( i + ii )</b>	<u>91,062,797</u>	<u>93,990,997</u>
	Deferred tax liabilities 30 June 2020	(93,217,854)	(96,306,953)
	<b>Deferred tax for Statement of Other Comprehensive Income</b>	<u>(2,155,057)</u>	<u>(2,315,956)</u>
	<b>Deferred tax has been provided on Taxable Temporary difference.</b>		
	* This amount include adjustment for 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.		
<b>23</b>	<b>Earnings Per Share (EPS)</b>		
	The computation of EPS is given below:		
	Earnings attributable to ordinary shareholders	777,807,825	394,025,564
	Weighted average number of ordinary shares outstanding at the year end	97,490,000	97,490,000
	Earnings per share (EPS)	<u>7.98</u>	<u>4.04</u>
<b>23.1</b>	<b>Diluted earnings per share</b>		
	No diluted earnings per share is required to be calculated for the year as there was no scope for dilution during the year.		
<b>24</b>	<b>Net Assets Value (Per Share)</b>		
	<b>Total assets</b>	9,984,567,059	8,276,232,803
	Less: Total current liabilities	(4,081,001,457)	(2,770,341,122)
		<u>5,903,565,602</u>	<u>5,505,891,682</u>
	Deduct:		
	Long Term & deferred liabilities	(264,966,851)	(257,295,814)
		<u>5,638,598,751</u>	<u>5,248,595,867</u>
	Number of Ordinary Share at statement of financial position date	97,490,000	97,490,000
	NAV - Per Share at statement of financial position date	<u>57.84</u>	<u>53.84</u>
<b>25</b>	<b>Net Operating Cash Flow Per Share</b>		
	Cash flows from operating activities as per statement of cash flows	488,422,823	614,132,473
	Number of Ordinary Share at statement of financial position date	97,490,000	97,490,000
	Net Operating Cash Flow - Per Share	<u>5.01</u>	<u>6.30</u>

## 26 Related party disclosure

i) 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 IAS -24:

Name of the related party	Relationship	Nature of transaction	Value of transactions (Taka)	Closing balance as of March 31, 2022 (Taka)	Status as of March 31, 2022	Closing balance as of March 31, 2021 (Taka)	Status as of March 31, 2021
Flamingo Fashions	Sister Concern	Sale of yarn	1,241,704,161	17,768,358	Debtor	526,514	Debtor
Jinnat Fashions Ltd	Sister Concern	Sale of yarn	71,655,367	13,720,157	Debtor	95,768	Debtor
Jinnat knitwears	Sister Concern	Sale of yarn	1,767,287,949	850,622,578	Debtor	57,187,432	Debtor
Jinnat Apparels Ltd	Sister Concern	Sale of yarn	411,067,016	47,605,432	Debtor	103,770,588	Debtor
Mawna Fashions	Sister Concern	Sale of yarn	147,306,066	-	Debtor	25,157,415	Debtor
Hamza Textiles	Sister Concern	Sale of yarn	97,421,690	41,980,745	Debtor	30,094,199	Debtor
Parkway Printing & Packaging Ltd.	Sister Concern	Sale of yarn	21,918,194	26,216,011	Debtor	12,798,306	Debtor
		Godown Rent &	5,622,807	5,622,807	Debtor	9,870,139	Debtor
DBL Distribution	Sister Concern	Fuel & Lubricant	46,148,420	40,902,188	Creditor	16,797,784	Creditor
Color City Ltd	Sister Concern	Fiber Dyeing	8,034,028	8,536,464	Creditors	2,332,379	Creditor
DB Trims Ltd	Sister Concern	Sale of yarn	-	-	Debtor	-	
		Godown Rent &	9,351,283	9,517,283	Debtor	-	
DBL Ceramics Ltd	Sister Concern	Tiles	-	-	Creditors	358,551	Creditor

ii) Key management personnel compensation comprised the following:

The Company's key management personal includes the Company's Managing Director.

a) Short-term employee benefit:

Short term employee benefit includes remuneration, festival bonus and meeting attendance fees

In Taka	2nd Quarter ended 2021-2022	2nd Quarter ended 2020-2021
Directors' remuneration	6,300,000	6,300,000
Board meeting fees	1,155,000	605,000
	7,455,000	6,905,000
b) Post employment benefit:	-	-
c) Other long-term benefit:	-	-
d) Termination benefit:	-	-
e) Share- based payment:	-	-
	7,455,000	6,905,000

## 27 Reconciliation of net operating cash flow

### Cash Flow from Operations

Net income	777,807,825	392,574,934
Less: Dividend Income transfer to investing activities	(794,689)	(561,139)
Less: Interest on FDR and Bank Accounts transfer to investing activities	(684,214)	(910,749)
Less: Effects of foreign currency translation gain /(loss)	(6,885,976)	525,690
Depreciation and amortization	223,659,191	232,350,141
Decrease (increase) in current assets	(826,406,592)	(68,183,365)
Decrease (increase) in current liabilities	257,196,484	111,437,277
Deferred tax liability	7,671,037	3,288,647
Unrealized gain/(loss)	(7,471,661)	3,517,380
Capital expenditure	(13,702,218)	(133,182,169)
Decrease (increase) in Revaluation Reserve	16,522,103	17,755,665
Accrued Interest shown in investing activities	572,901	717,945
Capital work-in-process	60,938,629	54,802,217
Cash flow from operating activities	488,422,823	614,132,473



- 28 Previous year's figures have been rearranged, wherever considered necessary, to conform to current year's presentation.
- 29 Figures are rounded off to the nearest Taka.
- 30 Disclosure of key management personnel compensation:  
As per the paragraph 17 of IAS-24: Related Party Disclosure, there was no payment of benefits during this period on account of:
- a) Short-term employee benefits
  - b) Post-employment benefits
  - c) Other long-term benefits
  - d) Termination benefits
  - e) Share-based payment.
- 31 There was no seasonal/cyclical variation during the reporting period.
- 32 **Business performance and explanation on significant changes**  
Compare to same period last year, sales revenue in current period increased by 31% mainly due to higher sales value and lower cost of raw materials pushed up gross profit ratio from 18.23% to 24.20% and net profit ratio from 11.46% to 17.23%.