

**Matin Spinning Mills Limited**

**Unaudited Financial Statements**

**As at and for the 1st quarter ended 30 September 2021**


**Matin Spinning Mills Limited**  
**Statement of Financial Position (Unaudited)**  
**As at 30 September 2021**

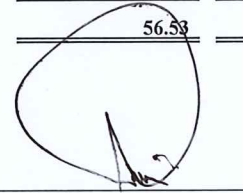
[Amounts in Taka]

	Notes	30 September 2021	30 June 2021
<b>ASSETS</b>			
<b>Non - current assets</b>			
Property, plant and equipment	02	4,452,416,277	4,461,322,273
Investment	03	57,585,820	53,556,600
Capital work-in-process	04	544,491,456	316,291,054
<b>Total non - current assets</b>		<b>5,054,493,553</b>	<b>4,831,169,927</b>
<b>Current assets</b>			
Inventories	05	941,547,436	1,111,789,691
Accounts receivable	06	1,349,969,765	1,402,851,046
Advance, deposits and prepayments	07	253,788,445	192,533,727
Materials in transit	08	206,015,114	406,621,294
Cash and bank balances	09	438,878,467	331,267,118
<b>Total current assets</b>		<b>3,190,199,226</b>	<b>3,445,062,877</b>
<b>Total assets</b>		<b>8,244,692,779</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	2,120,070,348	1,852,763,633
Revaluation reserve	11	1,495,408,262	1,500,232,234
<b>Total equity</b>		<b>5,511,078,610</b>	<b>5,248,595,867</b>
<b>Non-current liabilities</b>			
Long term bank loan	12	-	-
Deferred tax liability	13	256,654,561	257,295,814
<b>Total non-current liabilities</b>		<b>256,654,561</b>	<b>257,295,814</b>
<b>Current liabilities</b>			
Accounts payable	14	180,273,058	135,269,303
Short term bank loan	15	1,577,446,756	2,138,032,830
Current portion of long term loan		371,050,627	205,141,666
Share application money		-	4,553,160
Unclaimed dividend	16	896,163	4,371,032
Provision & accruals	17	347,293,005	282,973,130
<b>Total current liabilities</b>		<b>2,476,959,608</b>	<b>2,770,341,122</b>
<b>Total equity and liabilities</b>		<b>8,244,692,779</b>	<b>8,276,232,803</b>
<b>NAV Per Share (With Revaluation reserves)</b>	24	<b>56.53</b>	<b>53.84</b>

NAV Per Share (With Revaluation reserves)

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

  
 \_\_\_\_\_  
 Director

  
 \_\_\_\_\_  
 Director

  
 \_\_\_\_\_  
 Chief Financial Officer

  
 \_\_\_\_\_  
 Company Secretary

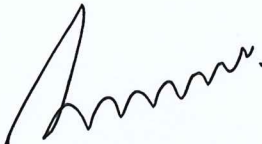


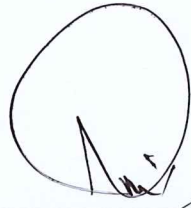
**Matin Spinning Mills Limited**  
**Statement of Profit or Loss (Unaudited)**  
**for the 1st quarter ended 30 September 2021**

[Amounts in Taka]

	Notes	30 September 2021	30 September 2020
Revenue	18	1,556,938,885	1,055,943,362
Cost of goods sold	19	(1,189,445,803)	(911,528,597)
<b>Gross profit</b>		<b>367,493,082</b>	<b>144,414,765</b>
		<b>23.60%</b>	<b>13.68%</b>
Other income	20	20,894,924	30,561,370
		<b>388,388,006</b>	<b>174,976,134</b>
Administrative expenses		(51,110,647)	(47,675,372)
Distribution expenses		(1,753,560)	(1,840,785)
<b>Net profit before finance cost</b>		<b>335,523,798</b>	<b>125,459,977</b>
Finance cost		(9,362,434)	(19,781,540)
<b>Net profit before workers' profit participation funds &amp; tax</b>		<b>326,161,364</b>	<b>105,678,437</b>
Contribution to workers' profit participation funds		(15,531,494)	(5,032,307)
<b>Net profit before taxation</b>		<b>310,629,871</b>	<b>100,646,131</b>
Income tax	21	(48,788,381)	(15,819,360)
Deferred tax	22	(82,343)	(1,048,703)
<b>Net profit after tax</b>		<b>261,759,147</b>	<b>83,778,068</b>
<b>Earnings Per Share (EPS)</b>	23	<b>2.68</b>	<b>0.86</b>
		<b>16.81%</b>	<b>7.93%</b>

  
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 Managing Director

  
 \_\_\_\_\_  
 Director

  
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 Director

  
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 Chief Financial Officer

  
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 Company Secretary

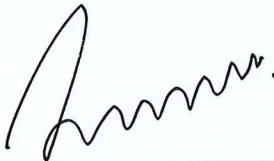


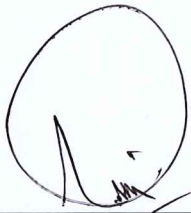
**Matin Spinning Mills Limited**  
**Statement of Other Comprehensive Income (Unaudited)**  
**For the period ended 30 September 2021**

[Amounts in Taka]

Notes	30 September 2021	30 September 2020
Net profit after tax for the period	261,759,147	83,778,068
Revaluation reserve of land and building	-	-
Deferred tax on other comprehensive income	13.01 723,596	769,671
<b>Total comprehensive income for the period</b>	<b>262,482,743</b>	<b>84,547,739</b>

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

  
 \_\_\_\_\_  
 Director

  
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 Director

  
 \_\_\_\_\_  
 Chief Financial Officer

  
 \_\_\_\_\_  
 Company Secretary



**Matin Spinning Mills Limited**  
**Statement of Changes in Equity (Unaudited)**  
**For the period ended 30 September 2021**

[Amounts in Taka]

	Share Capital	Share Premium	Retained Earnings	Revaluation Reserves	Total
<b>First Quarter ended 30 september 2021</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	-	-	261,759,147	-	261,759,147
Dividend Paid	-	-	-	-	-
Depreciation on Revalued Assets	-	-	4,823,972	(4,823,972)	-
Deferred tax on other comprehensive income	-	-	723,596	-	723,596
<b>Balance at 30 September 2021</b>	<b>974,900,000</b>	<b>920,700,000</b>	<b>2,120,070,348</b>	<b>1,495,408,262</b>	<b>5,511,078,610</b>
<b>First Quarter ended 30 september 2020</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	-	-	83,778,068	-	83,778,068
Dividend Paid	-	-	-	-	-
Revaluation surplus during the year	-	-	-	-	-
Depreciation on Revalued Assets	-	-	5,131,142	(5,131,142)	-
Deferred tax on other comprehensive income	-	-	769,671	-	769,671
<b>Balance at 30 September 2020</b>	<b>974,900,000</b>	<b>920,700,000</b>	<b>1,478,762,137</b>	<b>1,515,695,083</b>	<b>4,890,057,219</b>



**Matin Spinning Mills Limited**  
**Statement of Cash Flows (Unaudited)**  
**For the period ended 30 September 2021**

[Amounts in Taka]

Notes	30 September 2021	30 September 2020
<b>A. Cash flows from operating activities</b>		
Collection from customers	1,609,651,589	1,398,758,458
Other Income	19,113,749	17,941,154
<b>Cash generated from operations</b>	<b>1,628,765,338</b>	<b>1,416,699,612</b>
Cash paid to employees	(100,972,087)	(91,804,328)
Cash paid to suppliers	(760,115,258)	(861,142,564)
Interest paid on loans	(7,425,003)	(9,257,144)
Income tax paid	(18,649,997)	(11,865,670)
Payment made to workers' profit participation funds	-	-
<b>Net cash flows from operating activities</b>	<b>741,602,993</b>	<b>442,629,905</b>
<b>B. Cash flow from investing activities</b>		
Acquisition of property, plant and equipment	(45,656,942)	(5,638,895)
Capital work-in-process	(247,672,539)	(29,878,553)
Dividend Income	217,250	-
Purchase of marketable securities	(32,527,076)	(69,264,640)
Proceeds from Sale of Marketable Securities	32,567,737	69,280,641
Interest on FDR and Bank Accounts	-	18,381
<b>Net cash used in investing activities</b>	<b>(293,071,569)</b>	<b>(35,483,067)</b>
<b>C. Cash flows from financing activities</b>		
Long term loan received	204,875,407	17,462,263
Long term loan (repaid)	(44,896,702)	(119,521,085)
Short term loan received from bank	438,285,172	726,351,926
Short term loan repaid to bank	(941,803,491)	(889,045,960)
Dividend Paid	-	-
<b>Net cash from/(used in) financing activities</b>	<b>(343,539,613)</b>	<b>(264,752,856)</b>
<b>D. Net increase/(decrease) in cash and cash equivalents (A+B+C)</b>	<b>104,991,811</b>	<b>142,393,982</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>2,619,537</b>	<b>1,061,511</b>
<b>G. Closing cash and cash equivalents (D+E+F)</b>	<b>438,878,467</b>	<b>387,032,245</b>
<b>Net Operating Cash Flow Per Share</b>	<b>7.61</b>	<b>4.54</b>



- 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	
		30 September 2021	30 June 2021
<b>2</b>	<b>Property, plant and equipment</b>		
<b>A</b>	<b>NON REVALUED ASSETS:</b>		
	<b>Cost</b>		
	Opening balance (at cost)	5,820,114,648	5,669,612,198
	Add : Additions	65,129,078	153,491,967
		5,885,243,726	5,823,104,165
	Less: Disposal/Adjustment	-	(2,989,517)
	<b>Closing balance (a)</b>	<b>5,885,243,726</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	69,211,103	293,341,705
		2,976,197,274	2,907,568,132
	Less: Disposal/Adjustment	-	(581,961)
	<b>Closing balance (b)</b>	<b>2,976,197,274</b>	<b>2,906,986,171</b>
	<b>Written Down Value (a-b)</b>	<b>2,909,046,452</b>	<b>2,913,128,477</b>
<b>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	4,823,972	20,593,992
		101,848,797	97,024,825
	Less: Disposal/Adjustment	-	-
	<b>Closing balance (b)</b>	<b>101,848,797</b>	<b>97,024,825</b>
	<b>Written Down Value of Revaluation Assets (a-b)</b>	<b>1,543,369,824</b>	<b>1,548,193,796</b>
	<b>Total Written Down Value (A+B)</b>	<b>4,452,416,277</b>	<b>4,461,322,273</b>
<b>3</b>	<b>Investment</b>		
	Investment in marketable securities	60,598,300	53,556,600
		<b>60,598,300</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)	4,029,220	24,886,914
	Unrealized gain /(loss) for fair value adjustment	3,012,480	666,500
		60,598,300	53,556,600
	Less: Unrealized gain /(loss) for fair value adjustment	(3,012,480)	-
	<b>Closing balance</b>	<b>57,585,820</b>	<b>53,556,600</b>
<b>4</b>	<b>Capital work-in-process</b>		
	Special Yarn Godown	8,410,110	8,410,110
	Staff Quarter	7,031,648	-
	MSML- Special Yarn Building	115,668,084	80,348,104
	Baro Bigha Utility Building	15,740,793	6,246,653
	Special Yarn Unit Machineries	316,785,086	120,958,315
	Machineries in Transit	80,855,736	100,327,872
		<b>544,491,456</b>	<b>316,291,054</b>



		Amounts in Taka	
		30 September 2021	30 June 2021
	Notes		
<b>5</b>	<b>Inventories</b>		
	Manufacturing Inventory	912,234,436	1,059,960,396
	Non Manufacturing Inventory	29,313,000	51,829,295
		<u>941,547,436</u>	<u>1,111,789,691</u>
<b>5.01</b>	<b>Manufacturing Inventory</b>		
	Raw cotton	649,492,567	754,617,992
	Provision for Obsolete Raw Materials	(8,360,909)	(8,360,909)
		641,131,658	746,257,083
	Finished yarn	102,065,676	166,706,650
	Packing materials	4,293,509	3,094,460
	Work-in-process	60,146,993	61,624,815
	Spare parts	104,596,600	82,277,387
		<u>912,234,436</u>	<u>1,059,960,396</u>
<b>5.02</b>	<b>Non Manufacturing Inventory</b>		
	Stock of Bandhan	1,344,511	2,146,833
	Stock of Stamp	5,892	5,892
	Stock of Medicine	235,349	176,893
	Other Production Material	7,500	7,500
	Construction Material	12,009,131	12,319,036
	Store Materials under Inspection	15,710,617	37,173,141
		<u>29,313,000</u>	<u>51,829,295</u>
<b>6</b>	<b>Accounts receivables</b>		
	Receivable other than related party	520,741,777	544,024,922
	Receivable from related party	870,261,641	899,859,777
	Bank interest receivable on FDR	5,532,792	5,532,792
	Claim Receivable	9,239,531	9,239,531
	Provision for bad debts	(55,805,976)	(55,805,976)
		<u>1,349,969,765</u>	<u>1,402,851,046</u>
<b>07</b>	<b>Advance, deposits and Prepayments</b>		
	<b>Advance</b>		
	Salary & Allowances	1,374,900	1,279,900
	Prepaid Insurance	3,515,468	
	Construction	4,647,022	319,322
	Expenses	54,882,602	20,216,050
	Advance Income Tax	142,994,757	124,344,760
		<u>207,414,750</u>	<u>146,160,032</u>
	<b>Deposits</b>		
	Security deposit for Utilities	46,373,695	46,373,695
		<u>46,373,695</u>	<u>46,373,695</u>
		<u>253,788,445</u>	<u>192,533,727</u>
<b>08</b>	<b>Materials in transit</b>		
	Margin and deposit (Raw Cotton)	206,015,114	406,621,294
		<u>206,015,114</u>	<u>406,621,294</u>
<b>08.01</b>	<b>Margin and deposit (Raw Cotton)</b>		
	Margin against Cotton	79,340,905	6,161,071
	Margin Against Bank Guarantee	26,088,215	12,495,783
	Materials In Transit	100,585,994	387,964,441
		<u>206,015,114</u>	<u>406,621,294</u>





	Amounts in Taka		
	Notes	30 September 2021	30 June 2021
<b>09 Cash and bank balances</b>			
Cash in hand		1,105,600	1,459,044
Balance in BO Account		42,793	2,132
Term Deposit		11,515,800	11,515,800
<b>Bank balances with:</b>			
Islami Bank Bangladesh Ltd			
Current account		176,400	176,400
Marginal deposit Account (Special)		52,531	52,531
Marginal deposit Account (Normal)		351,398	351,398
Marginal deposit Under Reserve		144,466	144,466
Foreign currency account		8,463	8,403
Exim Bank Ltd, STD account		(15,913,644)	(4,495,102)
Mercantile Bank Ltd			
STD account		44,387	44,387
Foreign currency account		71,139	70,634
HSBC Bank Ltd			
STD account		31,543,525	5,916,550
Foreign currency account		197,460,141	162,125,430
The City Bank Ltd			
STD account		2,492,035	146,292
Foreign currency account		61,410	60,975
Prime Bank Ltd			
STD account		1,296,450	1,296,450
Foreign currency account		137,373	136,398
Standard Chartered Bank - STD account		495,358	1,481,618
Dutch-Bangla Bank Limited - STD account		11,688,834	391,292
BRAC Bank Ltd			
STD account		15,588,827	16,786,043
Foreign currency account		56,466,100	81,669,520
Jamuna Bank Limited			
STD account		2,909,987	388,892
Foreign currency account		94,044,809	50,867,012
Habib Bank Limited			
STD account		26,429,084	
Mutual Trust Bank Ltd			
STD account		665,199	670,554
		<u>438,878,467</u>	<u>331,267,118</u>



		<b>Amounts in Taka</b>	
		<u>30 September 2021</u>	<u>30 June 2021</u>
<b>10</b>	<b>Retained earnings</b>	<u>Notes</u>	
	Opening balance		1,852,763,633
	Add: Profit made during the year		1,389,083,255
	Less: Dividend Paid		261,759,147
	Depreciation on Revalued Assets		-
	Add/(less): Deferred tax on revaluation reserve		(175,482,000)
	<b>Balance at 30 June 2021</b>	13.02 (ii)	<u>4,823,972</u>
			<u>723,596</u>
			<u>3,089,099</u>
			<u>2,120,070,348</u>
			<u>1,852,763,633</u>
<b>11</b>	<b>Revaluation reserves</b>		
	This balance consists of as follows:		
	Balance at the beginning of the year		1,500,232,234
	Addition during the year		1,520,826,225
	Depreciation on Revalued Assets		-
			<u>1,500,232,234</u>
			<u>1,520,826,225</u>
			<u>(4,823,972)</u>
			<u>(20,593,992)</u>
			<u>1,495,408,262</u>
			<u>1,500,232,234</u>
<b>12</b>	<b>Long Term bank loan</b>		
	Off Shore Loan & UPAS		371,050,627
	Less: Current portion of long term loan		205,141,666
			<u>(371,050,627)</u>
			<u>(205,141,666)</u>
			<u>-</u>
			<u>-</u>
<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		2,680,167,254
	Tax base		2,749,200,922
	<b>Taxable Temporary difference</b>		<u>1,585,765,240</u>
			<u>1,655,347,859</u>
	Applicable tax rate (As per SRO 193 dated 30 June 2015 for Textile Sector.)		15%
	<b>Deferred tax liability on historical cost</b>		15%
			<u>164,160,302</u>
			<u>164,077,959</u>
	<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		344,836,490
	Tax base		349,660,462
			-
			<u>344,836,490</u>
			<u>349,660,462</u>
	Applicable tax rate (As per SRO 193 dated 30 June 2015 for Textile Sector.)		15%
			15%
			<u>51,725,474</u>
			<u>52,449,069</u>



		<b>Amounts in Taka</b>	
		<u>30 September 2021</u>	<u>30 June 2021</u>
<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>92,494,259</u>	<u>93,217,854</u>
	<b>Total Deferred tax liability ( A + B )</b>	<u>256,654,561</u>	<u>257,295,814</u>
<b>14</b>	<b>Accounts payable</b>		
	Suppliers	95,383,595	78,048,648
	Expenses	78,471,660	57,014,826
	Others	6,417,803	205,829
		<u>180,273,058</u>	<u>135,269,304</u>
<b>15</b>	<b>Short term bank loan</b>		
	UPAS Loan (Raw Cotton)	1,577,446,756	2,086,895,330
	Working Capital Loan	-	51,137,500
		<u>1,577,446,756</u>	<u>2,138,032,830</u>
<b>16</b>	<b>Unclaimed dividend</b>		
	Opening Balance	4,371,032	4,027,296
	Add: Addition during the year	-	175,482,000
	Less: Paid during the year	(3,474,870)	(175,138,264)
	Closing Balance	<u>896,163</u>	<u>4,371,032</u>
<b>17</b>	<b>Provision &amp; accruals</b>		
	Provision for Income Tax	17.01 290,214,862	241,426,481
	Provision for workers' profit participation and welfare funds	17.02 57,078,143	41,546,649
		<u>347,293,005</u>	<u>282,973,130</u>



		<b>Amounts in Taka</b>	
		<b>30 September 2021</b>	<b>30 June 2021</b>
<b>17.01</b>	<b>Provision for Income Tax</b>		
	Opening Balance	241,426,481	111,884,559
	Add: Provision for taxation for the year (Note - 30)	48,788,381	127,867,668
	Less: Adjustment provision for previous years AIT	-	(50,756,815)
	Less: Adjustment provision for previous years deposit	-	(41,897,884)
	<b>Excess/(Short) provision for taxations after final assessment order as below:</b>		
	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
		<b>290,214,862</b>	<b>241,426,481</b>
<b>17.02</b>	<b>Provision for workers' profit participation and welfare funds</b>		
	Opening Balance	41,546,649	12,079,513
	Add: Addition during the year	15,531,494	42,138,503
	Less: Paid during the year	-	(12,671,367)
	Closing Balance	<b>57,078,143</b>	<b>41,546,649</b>

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.

		<b>Amounts in Taka</b>	
		<b>30 September 2021</b>	<b>30 September 2020</b>
<b>18</b>	<b>Revenue</b>		
	Carded Yarn	68,005,800	19,390,943
	Combed Yarn	558,585,978	239,165,439
	Slub Yarn	99,182,414	85,795,337
	Synthetic Yarn	347,254,446	313,560,443
	Melange Yarn	239,805,291	259,934,222
	Vortex	107,017,202	70,507,021
	Open End	95,544,717	52,173,681
	Twist	41,543,037	15,107,812
	Twisting Services Charges		308,465
		<b>1,556,938,885</b>	<b>1,055,943,362</b>
<b>19</b>	<b>Cost of goods sold</b>		
	Raw Material consumption (Note-19.01)	832,486,409	646,993,181
	Packing materials consumption (Note-19.02)	8,850,321	8,068,927
	Fiber Dyeing	5,965,320	2,621,995
	Manufacturing overhead (Note-19.03)	276,024,957	233,153,880
	Cost of goods manufacturing	1,123,327,007	890,837,984
	Opening work-in-process	61,624,815	43,535,277
	Closing work-in-process	(60,146,993)	(42,661,375)
	Cost of production	1,124,804,828	891,711,885
	Opening stock of finished yarn	166,706,650	89,041,018
	Closing stock of finished yarn	(102,065,676)	(69,224,306)
		<b>1,189,445,803</b>	<b>911,528,597</b>



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

Opening balance	754,617,992	465,487,680
Purchase during the year	727,360,983	738,813,270
Raw Material available for consumption	1,481,978,976	1,204,300,950
Closing balance	(649,492,567)	(557,307,769)
	<b>832,486,409</b>	<b>646,993,181</b>

**19.02 Packing materials consumption**

Opening balance	3,094,460	2,208,327
Purchase during the year	10,049,369	9,346,930
Packing materials available for consumption	13,143,830	11,555,258
Closing balance	(4,293,509)	(3,486,330)
	<b>8,850,321</b>	<b>8,068,927</b>

**19.03 Manufacturing overhead**

Salary and allowances	68,986,080	62,714,618
Repair and maintenance	1,946,700	1,678,870
BTMA certificate charges	147,631	210,000
Store and spare parts	20,736,173	19,428,745
Travelling & Conveyance	107,585	115,830
Crockeries and Canteen Expenses	136,180	121,250
Fire Fighting Expenses-factory	378,584	220,036
Factory stationeries	365,453	295,226
Fuel and lubricants	114,400	66,300
Fuel and lubricants- Generator	16,594,131	5,916,899
Fuel and lubricants- Vehicles	162,629	188,979
Electricity bill	43,299,762	16,366,403
Gas bill	54,118,450	53,402,034
Insurance premium	1,171,823	1,642,855
Testing fee	15,750	8,550
Workshop expenses	1,112,061	256,984
Depreciation	66,631,567	70,520,301
	<b>276,024,957</b>	<b>233,153,880</b>

**20 Other income**

Foreign currency exchange gain/(loss)	4,066,409	9,821,532
Gain /( Loss) on Investment in marketable securities	4,029,220	10,051,915
Bank interest received	-	257,696
Gain /( Loss) on Fixed Assets adjustment	-	-
Sales of wastage	11,382,957	9,580,565
Cash Dividend (received on marketable securities)	217,250	-
Rental Income	1,067,400	
Less: Repair and maintenance	(320,220)	747,180
Miscellaneous Income	451,908	102,482
	<b>20,894,924</b>	<b>30,561,370</b>



21 Computation of Taxable Income & Tax Liability thereon

	Amounts in Taka			
	30 September 2021		30 September 2020	
<b>A. Tax Payable on Total Taxable Income</b>	<b>48,788,381</b>		<b>15,819,360</b>	
<b>Reconciliation of effective tax rate</b>	<b>30 September 2021</b>		<b>30 September 2020</b>	
	<b>Percentage</b>	<b>BDT Amount</b>	<b>Percentage</b>	<b>BDT Amount</b>
Profit before tax		310,629,871		100,646,131
On Business Income	15.00%	44,596,107	15.00%	10,691,996
On Foreign currency exchange gain/(loss)	22.50%	914,942	25.00%	2,455,383
On Sales of wastage (balance after setting off business loss)	22.50%	2,561,165	25.00%	2,395,141
On Misc. Income	22.50%	101,679	25.00%	25,621
On Bank interest received	22.50%	-	25.00%	64,424
On Cash Dividend (received on marketable securities)	20.00%	43,450	20.00%	-
On Gain / ( Loss) on Investment in marketable securities	10.00%	402,922	10.00%	-
On Rental Income	22.50%	168,116	25.00%	186,795
<b>Income tax expenses</b>	<b>15.71%</b>	<b>48,788,381</b>	<b>15.72%</b>	<b>15,819,360</b>
<b>B. Minimum Tax Payable u/s 82C(4)(a)</b>				
Gross receipts during this year [Schedule-B]		1,577,833,809		1,086,504,731
Tax Rate		0.60%		0.60%
<b>Minimum Tax u/s 82C(4)(a) of ITO 1984</b>		<b>9,467,003</b>		<b>6,519,028</b>
<b>C. Minimum Tax Payable u/s 82C(4)(a)</b>				
Tax deducted at Source under section 52 BBBB		7,749,075		6,859,332
		<u>7,749,075</u>		<u>6,859,332</u>
<b>Gross Tax Liability (higher of A, B and C)</b>		<b>48,788,381</b>		<b>15,819,360</b>
<b>(Excess)/Short provision for taxations after final assessment order as below:</b>				
<b>Total Current Tax</b>		<b>48,788,381</b>		<b>15,819,360</b>



		Amounts in Taka	
		30 September 2021	30 September 2020
<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>		
	<b>Fixed assets:</b>		
	Carrying amount *	2,680,167,254	2,854,554,934
	Tax base	(1,585,765,240)	(1,787,671,541)
	Taxable Temporary difference	1,094,402,015	1,066,883,394
	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	164,160,302	160,032,509
	Deferred tax liabilities 30 June 2020	(164,077,959)	(158,983,806)
		<u>82,343</u>	<u>1,048,703</u>
<b>22.02:</b>	<b>deferred tax for statement of other comprehensive income</b>		
	<b>(i) Deferred tax liability against revaluation reserve other than land</b>		
	Carrying amount other than land	344,836,490	365,123,311
	Tax base	-	-
		<u>344,836,490</u>	<u>365,123,311</u>
	Applicable tax rate (As per SRO - 193 dated 30 June 2015 for Textile Sector)	15%	15%
		<u>51,725,474</u>	<u>54,768,497</u>
	<b>(ii) 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>	92,494,259	95,537,282
	Deferred tax liabilities 30 June 2020	(93,217,854)	(96,306,953)
	<b>Deferred tax for Statement of Other Comprehensive Income</b>	<u>(723,596)</u>	<u>(769,671)</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	261,759,147	83,778,068
	Weighted average number of ordinary shares outstanding at the year end	97,490,000	97,490,000
	Earnings per share (EPS)	<u>2.68</u>	<u>0.86</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>	8,244,692,779	8,276,232,803
	Less: Total current liabilities	(2,476,959,608)	(2,770,341,122)
		5,767,733,171	5,505,891,682
	Deduct:		
	Long Term & deferred liabilities	(256,654,561)	(257,295,814)
		<u>5,511,078,610</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>56.53</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	741,602,993	442,629,905
	Number of Ordinary Share at statement of financial position date	97,490,000	97,490,000
	Net Operating Cash Flow - Per Share	<u>7.61</u>	<u>4.54</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 September 30, 2021 (Taka)	Status as of September 30, 2021	Closing balance as of September 30, 2020 (Taka)	Status as of September 30, 2020
Flamingo Fashions	Sister Concern	Sale of yarn	446,583,649	207,312,298	Debtor	29,843,492	Debtor
Jinnat Fashions Ltd	Sister Concern	Sale of yarn	19,683,863	28,121,560	Debtor	50,956,691	Debtor
Jinnat knitweaves	Sister Concern	Sale of yarn	502,148,551	313,931,502	Debtor	95,062,275	Debtor
Jinnat Apparels Ltd	Sister Concern	Sale of yarn	241,217,388	243,282,660	Debtor	7,518,292	Debtor
Mawna Fashions	Sister Concern	Sale of yarn	51,379,974	45,905,865	Debtor	1,140,671	Debtor
Hamza Textiles	Sister Concern	Sale of yarn	35,529,677	16,604,545	Debtor	21,883,443	Debtor
Parkway Printing & Packaging Ltd.	Sister Concern	Sale of yarn	3,179,168	13,076,615	Debtor	13,415,711	Debtor
		Godown Rent &	4,102,494	1,531,172	Debtor	3,991,033	Debtor
DBL Distribution	Sister Concern	Fuel & Lubricant	16,892,681	26,180,391	Creditor	11,742,683	Creditor
Color City Ltd	Sister Concern	Fiber Dyeing	1,349,747	4,153,002	Creditors	10,721,856	Creditors
DBL Ceramics Ltd	Sister Concern	Tiles	0	833,573	Creditors	358,551	Creditors

ii) Key management personal compensation comprised the following:

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

a) Short-term employee benefit:

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

In Taka	2020-2021	2019-2020
Directors' remuneration	2,100,000	2,100,000
Board meeting fees	979,000	649,000
	3,079,000	2,749,000
b) Post employment benefit:	-	-
c) Other long-term benefit:	-	-
d) Termination benefit:	-	-
e) Share- based payment:	-	-
	3,079,000	2,749,000

## 27 Reconciliation of net operating cash flow

### Cash Flow from Operations

Net income	261,759,147	83,778,068
Less: Dividend Income transfer to investing activities	(217,250)	-
Less: Interest on FDR and Bank Accounts transfer to investing activities	-	(257,696)
Less: Effects of foreign currency translation gain /(loss)	(2,619,537)	(1,061,511)
Depreciation and amortization	74,035,074	78,355,890
Decrease (increase) in current assets	362,474,999	248,163,317
Decrease (increase) in current liabilities	109,323,629	16,795,574
Deferred tax liability	(641,253)	10,055,033
Unrealized gain/(loss)	(59,165,530)	(21,299,856)
Capital expenditure	(24,296,108)	5,900,814
Decrease (increase) in Revaluation Reserve	5,547,568	279,032
Gain /( Loss) on Investment in marketable securities	(4,069,881)	(10,067,915)
Accrued Interest shown in investing activities	-	239,315
Capital work-in-process	19,472,136	31,749,841
<b>Cash flow from operating activities</b>	<b>741,602,993</b>	<b>442,629,905</b>





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 47% mainly due to higher sales value and lower cost of raw materials pushed up gross profit ratio from 13.68% to 23.60% and net profit ratio from 7.93% to 16.81%.

