

**Independent Auditor's Report and Financial  
Statements  
Of  
Matin Spinning Mills PLC**

**As at and for the year ended 30 June 2023**

## Independent Auditor's Report To the shareholders of Matin Spinning Mills PLC

### Report on the Audit of the Financial Statements

#### Opinion

We have audited the financial statements of Matin Spinning Mills PLC ("the Company"), which comprise the statement of financial position as at June 30, 2023, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Company as at June 30, 2023, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

#### Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code), together with the ethical requirements that are relevant to our audit of the financial statements in Bangladesh, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matter	Our response to the risk
<b>Carrying value (CV) of Property, plant, and equipment (PPE) and its impairment</b>	
<p>PPE includes the Company's Non-current assets, which flow economic benefits to the entities for more than one year. PPE is measured at historical cost except for Land and Land Development and Factory Building, which is carried at a revalued amount, being fair values at the date of revaluation. PPE comprises a major portion of the total assets of the Company, which amounts to Taka 5,625,737,394 for Matin Spinning Mills PLC at the reporting date.</p> <p>Apparently, the carrying value of PPE represents a significant portion of the Company's assets which is a function of depreciation charges that involved estimation. Therefore, it has been considered as a significant area of the auditor's judgment and requires special attention. There is also a risk that the impairment charges have not been recognized.</p>	<p>We have tested the design and operating effectiveness of key controls over PPE. Our audit procedures included, among others, considering the impairment risk of the assets. The followings are our audit procedures on the carrying value and impairment risk of PPE:</p> <ul style="list-style-type: none"> <li>• Reviewing basis of recognition, measurement, and valuation of assets;</li> <li>• Observing procedures of assets acquisition, depreciation, and disposal;</li> <li>• Checking ownership of the major assets;</li> <li>• Checking the Capital-Work-In-Progress (CWIP) and its transfer to PPE.</li> <li>• Performing due physical assets verification at the year-end;</li> <li>• We critically challenged the Company's assumptions in relation to recoverable amounts of the major PPE to identify if there is any requirement of recognition of impairment; and</li> <li>• Finally assessed the appropriateness and presentation of disclosures against relevant accounting standards.</li> </ul> <p>Our testing did not identify any issues with regard to the carrying value of PPE or any indicators that would trigger impairment.</p>
See notes no. 4, 3.07, & Annex-i to the financial statements.	
<b>Revenue Recognition</b>	
For the year-end, the Company reported total revenue of Taka 7,343,960,563 in Note 26.	We have tested the design and operating effectiveness of key controls focusing on the following:



Key Audit Matter	Our response to the risk
<p>Approximately 87% of the Company's cost of goods sold.</p> <p>Revenue is recognized when invoices for products and services are made and the significant risk and reward of ownership are transferred to the customers, recovery of the consideration is probable, associated costs and the possible return of goods can be estimated reliably, and there is no continuing management involvement with the goods, and the amount of revenue can be measured reliably.</p> <p>There is also a risk that revenue may be misstated due to fraud, through misstating of price declaration, unrecorded sales, maintaining accrual concept for invoicing, recognition within the cutoff period, inaccurate sales figure, and unauthorized sales.</p>	<ul style="list-style-type: none"> <li>• We assessed the appropriateness of revenue recognition accounting policy in line with IFRS 15 Revenue from contracts with customers;</li> <li>• Performed walkthrough tests to understand the adequacy and the design of the revenue cycle;</li> <li>• We also reviewed the monthly reporting from MIS data which is maintained by factory for consistency and checked the documentation on a sample basis.;</li> <li>• We obtained supporting documentation for sales transactions recorded on either side of year-end or revenue was recognized in the correct period;</li> <li>• Obtained some third-party confirmation for confirming the balance of accounts receivables;</li> <li>• We performed substantive analytical procedures to understand how revenue trends over the year among other parameters and performed detailed testing on transactions around the year-end, to test revenues were recognized in the correct accounting period; and</li> <li>• Finally assessed the appropriateness and presentation of disclosures against relevant accounting standards.</li> </ul>
<p>See note no. 26 &amp; 3.03 to the financial statements.</p>	
<p><b>Implementation of IFRS 16 Leases</b></p>	
<p>IFRS 16 "Leases" becomes effective for annual reporting beginning on or after January 01, 2019 which replaces the existing standard IAS 17.</p> <p>The Company applied IFRS 16 leases</p>	<p>We reviewed the appropriateness of management's application of IFRS 16 and assessment of the impact on the financial statements.</p> <p>Our audit procedure included testing the classification, recognition and measurement</p>

Key Audit Matter	Our response to the risk
<p>to its leases using a modified retrospective approach by initially applying with the cumulative effect of this standard as an adjustment to the opening balance of retained earnings.</p> <p>The Company reported the right-of-use (ROU) asset for Taka 2,211,785 and lease liability for Taka 2,800,978 at the year ended June 30, 2023.</p> <p>The company has made all leasing arrangements within the scope of IFRS 16 which have been identified and appropriately included in the calculation and specific assumptions applied to determine the discount rates for leases.</p>	<p>of right-of-use assets and lease liabilities in accordance with IFRS 16.</p> <ul style="list-style-type: none"> <li>• We checked the present value calculation for the lease;</li> <li>• We reviewed lease agreements and made calculations to ascertain the appropriateness of the incremental borrowing rate used; and</li> <li>• We also examined the accuracy and appropriateness of accounting records in the financial statements arising as well as verified the sufficiency and appropriateness of disclosures in the financial statements.</li> </ul>
<p>See notes no. 05, 3.08 to the financial statements</p>	
<p><b>Deferred tax Liabilities</b></p>	
<p>The company reported net deferred tax liabilities Taka 272,118,305 as at June 30, 2023. Significant judgment is required in relation to deferred tax liabilities as it is dependent on forecasts of future profitability over a number of years.</p> <p>There is significant measurement uncertainty involved in this valuation and therefore it was significant to our audit.</p>	<p>We carried out the following substantive testing to address the related risk:</p> <ul style="list-style-type: none"> <li>• We obtained an understanding, evaluated the design, and tested the operational effectiveness of the Company's key controls over the recognition and measurement of deferred tax assets and deferred tax liabilities and the assumptions used in estimating the future taxable income of the Company;</li> <li>• We also assessed the completeness and accuracy of the data used for the estimates of future taxable income.</li> <li>• We tested the mathematical accuracy in the calculation of deferred tax;</li> <li>• We assessed key assumptions, controls, recognition, and measurement of Deferred Tax;</li> </ul>

Key Audit Matter	Our response to the risk
	<ul style="list-style-type: none"> <li>• We assessed the adequacy of the Company's disclosures setting out the basis of deferred tax balances and the level of estimation involved;</li> <li>• We also assisted in evaluating the tax implications, the reasonableness of estimations, and calculations determined by management; and</li> <li>• Finally assessed the appropriateness of presentation of deferred tax liabilities in the financial statements.</li> </ul>
See notes no 20 & 34 to the financial statements.	
<b>Valuation and Existence of Inventories</b>	
<p>The Company had inventories of Taka 1,717,012,364 at June 30, 2023 held in the factory.</p> <p>Inventories are carried at a lower of cost and net realizable value in compliance with the requirements of IAS 2.</p> <p>The cost is determined on a weighted average cost basis which is a complex process and prone to errors and manipulation. Due to the complex nature of accounting for inventories, there is an increased risk of misstatement in the valuation of inventory items. Net realizable value is based on the estimated selling price less any further costs anticipated to be incurred to make the sale. Any obsolete stock of abnormal losses is recognized as</p>	<p>With regard to the appropriate valuation of inventories, we adopted the following audit procedures:</p> <ul style="list-style-type: none"> <li>• We observed Company's year-end inventory count, performed physical verification on sample basis, and reconciled counted data with the inventory valuation report in order to verify the existence and completeness of inventories which reported in the financial statements;</li> <li>• We verified the purchase costs of on a sample basis by inspecting invoices and LC-related documents;</li> <li>• We assessed the components of the costs included within inventory items to ensure that they are in conformity with the requirements of IAS 2;</li> <li>• We assessed the movement of inventories and analyzed whether closing inventories were valued appropriately in accordance with IAS 2;</li> <li>• We tested on a sample basis, the net realizable value by comparing costs to recent selling prices;</li> </ul>

Key Audit Matter	Our response to the risk
<p>expenses.</p> <p>Since the value of inventory is significant to the financial statements and there is significant measurement uncertainty involved in this valuation, the valuation of inventory was significant to our audit.</p>	<ul style="list-style-type: none"> <li>• We assessed the listing of the nature of items presented within inventories and analyzed whether they meet the definition of inventories; and</li> <li>• We read the disclosure made by the Company for compliance with disclosure requirements.</li> </ul>
See notes no 8 & 3.13 to the financial statements	

### Other Information

Management is responsible for the other information. The other information comprises all of the information in the Annual Report but does not include the financial statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this auditor's report.

Our opinion on the financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

After going through the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to the board of directors of the company. We have nothing to report in this regard.

When we read the remaining components of the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.



## **Responsibilities of Management and Those Charged with Governance for the Financial Statements**

Management is responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards (IFRSs), the Companies Act, 1994, the Securities and Exchange Rules, 2020, and other applicable laws and regulations 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.

In preparing financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern, and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations or has no realistic alternative but to do so.


Those charged with governance are responsible for overseeing the Company's financial reporting process.

## **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with International Standards on Auditing (ISAs), we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve

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collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit 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 Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure, and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of

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the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### Report on other Legal and Regulatory Requirements

In accordance with the Companies Act, 1994 and the Securities and Exchange Rules, 2020, we also report the following:

- a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit and made verification thereof;
- b) in our opinion, proper books of accounts as required by law have been kept by the Company so far as it appeared from our examination of these books;
- c) the statement of financial position and statement of profit or loss and other comprehensive income dealt with by the report are in agreement with the books of accounts and returns; and
- d) the expenditure incurred was for the purposes of the Company's business.

Firm Name : Hussain Farhad & Co., Chartered Accountants

Registration no : 4/452/ICAB-84

Signature of the auditor : 

Name of the auditor: : A.K.M Fazlul Haque FCA, Partner/Enrollment No: 1090

DVC No : 2310181090AS960375

Place : Dhaka

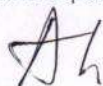
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**Matin Spinning Mills PLC**  
Statement of Financial Position  
As at 30 June 2023

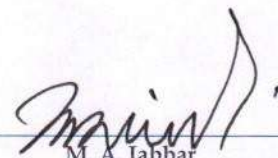
	Notes	Amounts in Taka	
		30 June 2023	30 June 2022
<b>ASSETS</b>			
<b>Non - current assets</b>			
Property, plant and equipment	04	5,625,737,394	4,371,812,348
Right-of-use assets (ROU)	05	2,211,785	4,865,928
Investment	06	52,971,536	54,819,850
Capital work-in-process	07	297,732,685	1,471,058,264
<b>Total non - current assets</b>		<b>5,978,653,401</b>	<b>5,902,556,389</b>
<b>Current assets</b>			
Inventories	08	1,717,012,364	2,278,906,219
Accounts receivable	09	1,442,150,592	1,262,026,807
Advances, deposits and prepayments	10	634,087,524	431,042,406
Materials in transit	11	867,138,196	62,615,810
Cash and bank balances	12	342,021,491	453,941,471
		5,002,410,168	4,488,532,714
Asset held for sale	13	7,724,045	
<b>Total current assets</b>		<b>5,010,134,213</b>	<b>4,488,532,714</b>
<b>Total assets</b>		<b>10,988,787,614</b>	<b>10,391,089,103</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Share capital	14	974,900,000	974,900,000
Share premium	15	920,700,000	920,700,000
Retained earnings	16	2,494,297,898	2,533,891,008
Revaluation reserve	17	1,463,077,552	1,481,093,650
<b>Total equity</b>		<b>5,852,975,450</b>	<b>5,910,584,658</b>
<b>Non-current liabilities</b>			
Long term bank loan	18	1,042,973,525	-
Lease liability	19	-	2,395,879
Deferred tax liability	20	272,118,305	255,202,443
<b>Total non-current liabilities</b>		<b>1,315,091,829</b>	<b>257,598,321</b>
<b>Current liabilities</b>			
Accounts payable	21	246,657,378	180,051,991
Short term bank loan	22	2,624,206,102	2,487,003,581
Current portion of long term loan	23	456,018,916	1,054,404,943
Current portion of Lease liability		2,800,978	3,501,376
Unclaimed dividend	24	2,937,576	2,035,937
Provision & accruals	25	488,099,386	495,908,294
<b>Total current liabilities</b>		<b>3,820,720,336</b>	<b>4,222,906,123</b>
<b>Total equity and liabilities</b>		<b>10,988,787,614</b>	<b>10,391,089,103</b>
NAV Per Share (With Revaluation reserves)	36	60.04	60.63

These financial statements should be read in conjunction with the annexed notes 1 to 48.

As per our report of same date



Abdul Wahed  
Chairman



M. A. Jabbar  
Managing Director



A.K.M Fazlul Haque FCA  
Partner  
Hussain Farhad & Co  
Chartered Accountants  
Enrolment Number: 1090



Mohammad Emarot Hossain FCA, FCS  
Chief Financial Officer



Md. Shah Alam Miah FCS  
Company Secretary

DVC:

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
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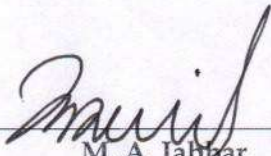
**Matin Spinning Mills PLC**  
**Statement of Profit or Loss**  
**For the year ended 30 June 2023**


	Notes	Amounts in Taka	
		2022-23	2021-22
Revenue	26	7,343,960,563	6,002,688,295
Cost of goods sold	27	(6,415,052,123)	(4,390,750,261)
<b>Gross profit</b>		<b>928,908,441</b>	<b>1,611,938,034</b>
		12.65%	26.85%
Other income	28	19,956,312	(14,169,388)
		<b>948,864,753</b>	<b>1,597,768,646</b>
Administrative expenses	29	(228,601,193)	(238,266,862)
Distribution expenses	30	(10,608,021)	(8,549,435)
<b>Net profit before finance cost</b>		<b>709,655,538</b>	<b>1,350,952,349</b>
Finance cost	31	(171,351,382)	(43,880,702)
<b>Net profit before workers' profit participation funds &amp; tax</b>		<b>538,304,156</b>	<b>1,307,071,647</b>
Contribution to workers' profit participation funds	32	(25,633,531)	(62,241,507)
<b>Net profit before taxation</b>		<b>512,670,624</b>	<b>1,244,830,140</b>
Income tax	33	(65,913,970)	(192,832,161)
Deferred tax	34	(19,618,277)	(237,129)
<b>Net profit after tax</b>		<b>427,138,377</b>	<b>1,051,760,851</b>
<b>Earnings Per Share (EPS)</b>	35	<b>4.38</b>	<b>10.79</b>


These financial statements should be read in conjunction with the annexed notes 1 to 48.

As per our report of same date

  
 \_\_\_\_\_  
 Abdul Wahed  
 Chairman

  
 \_\_\_\_\_  
 M. A. Jabbar  
 Managing Director

  
 \_\_\_\_\_  
 A.K.M Fazlul Haque FCA Partner  
 Hussain Farhad & Co  
 Chartered Accountants  
 Enrolment Number: 1090

  
 \_\_\_\_\_  
 Mohammad Emarot Hossain FCA, FCS  
 Chief Financial Officer

  
 \_\_\_\_\_  
 Md. Shah Alam Miah FCS  
 Company Secretary

DVC: **2310181090AS960375**

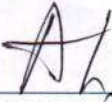
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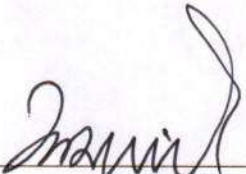
**Matin Spinning Mills PLC**  
**Statement of Other Comprehensive Income**  
**For the year ended 30 June 2023**

	Notes	Amounts in Taka	
		2022-23	2021-22
Net profit after tax for the year		427,138,377	1,051,760,851
Revaluation reserve of land and building		-	-
Deferred tax on other comprehensive income	34.02	2,702,415	2,494,414
<b>Total comprehensive income for the year</b>		<b>429,840,792</b>	<b>1,054,255,264</b>

These financial statements should be read in conjunction with the annexed notes 1 to 48.

As per our report of same date

  
 \_\_\_\_\_  
 Abdul Wahed  
 Chairman

  
 \_\_\_\_\_  
 M. A. Jabbar  
 Managing Director

  
 \_\_\_\_\_  
 A.K.M Fazlul Haque FCA  
 Partner

Hussain Farhad & Co  
 Chartered Accountants  
 Enrolment Number: 1090

DVC: **2310181090AS960375**

  
 \_\_\_\_\_  
 Mohammad Emarot Hossain FCA, FCS  
 Chief Financial Officer

  
 \_\_\_\_\_  
 Md. Shah Alam Miah FCS  
 Company Secretary

Date: 15/10/2023

**Matin Spinning Mills PLC**  
**Statement of Changes in Equity**  
**For the year ended 30 June 2023**

	Amounts in Taka				
	Share Capital	Share Premium	Retained Earnings	Revaluation Reserves	Total
<b>2022-23</b>					
Balance at 01 July 2022	974,900,000	920,700,000	2,533,891,008	1,481,093,650	5,910,584,658
Net profit for the year	-	-	427,138,377	-	427,138,377
Dividend Paid	-	-	(487,450,000)	-	(487,450,000)
Adjustment for Depreciation on Revalued Assets			18,016,098	(18,016,098)	-
Deferred tax on other comprehensive income			2,702,415	-	2,702,415
<b>Balance at 30 June 2023</b>	<b>974,900,000</b>	<b>920,700,000</b>	<b>2,494,297,898</b>	<b>1,463,077,552</b>	<b>5,852,975,450</b>
<b>2021-22</b>					
Balance at 01 July 2021	974,900,000	920,700,000	1,850,457,160	1,500,232,234	5,246,289,394
Net profit for the year	-	-	1,051,760,851	-	1,051,760,851
Dividend Paid	-	-	(389,960,000)	-	(389,960,000)
Adjustment for Depreciation on Revalued Assets			19,138,584	(19,138,584)	-
Deferred tax on other comprehensive income			2,494,414	-	2,494,414
<b>Balance at 30 June 2022</b>	<b>974,900,000</b>	<b>920,700,000</b>	<b>2,533,891,008</b>	<b>1,481,093,650</b>	<b>5,910,584,658</b>

These financial statements should be read in conjunction with the annexed notes 1 to 48.



**Matin Spinning Mills PLC**  
**Statement of Cash Flows**  
**For the year ended 30 June 2023**

	Notes	Amounts in Taka	
		2022-23	2021-22
<b>A. Cash flows from operating activities</b>			
Collection from customers		7,211,383,322	6,118,314,456
Other Income	28	53,878,302	164,534,400
<b>Cash generated from operations</b>		<b>7,265,261,624</b>	<b>6,282,848,856</b>
Cash paid to employees		(462,567,610)	(403,789,879)
Cash paid to suppliers		(5,956,379,085)	(4,994,320,983)
Interest paid on loans		(153,206,771)	(24,011,942)
Income tax paid	10.03	(146,193,514)	(216,752,932)
Payment made to workers' profit- participation	25.02	(62,241,507)	(42,138,503)
<b>Net cash flows from operating activities</b>		<b>484,673,137</b>	<b>601,834,617</b>
<b>B. Cash flow from investing activities</b>			
Acquisition of property, plant and equipment	4	(584,162,149)	(210,772,799)
Capital work-in-process	7	(151,848,642)	(1,095,126,919)
Dividend Income	28	2,585,575	1,716,757
Purchase of marketable securities	5	(7,208,476)	(145,964,911)
Proceeds from Sale of Marketable Securities	5	7,205,298	145,973,226
Interest on FDR and Bank Accounts	28	2,300,395	301,783
<b>Net cash used in investing activities</b>		<b>(731,127,999)</b>	<b>(1,303,872,864)</b>
<b>C. Cash flows from financing activities</b>			
Long term loan received	18	1,612,065,829	980,495,149
Long term loan (repaid)	18	(1,167,478,332)	(131,231,873)
Short term loan received from bank	22	5,196,389,631	4,250,738,687
Short term loan repaid to bank	22	(5,082,084,152)	(3,901,767,936)
Share application money refunded		-	(4,553,160)
Dividend Paid	24	(486,839,494)	(392,295,095)
<b>Net cash from/(used in) financing activities</b>		<b>72,053,483</b>	<b>801,385,772</b>
D. Net increase/(decrease) in cash and cash equivalents		(174,401,380)	99,347,525
E. Opening cash and cash equivalents		453,941,471	331,267,118
F. Effects of currency translation on cash and cash equivalents		62,481,401	23,326,828
<b>G. Closing cash and cash equivalents (D+E+F)</b>		<b>342,021,492</b>	<b>453,941,472</b>
<b>Net Operating Cash Flow Per Share</b>	37	<b>4.97</b>	<b>6.17</b>

These financial statements should be read in conjunction with the annexed notes 1 to 48.



**Matin Spinning Mills PLC**  
**Notes to the financial statements**  
**For the year ended 30 June 2023**

**1 Reporting entity**

**1.01 Company Profile**

Matin Spinning Mills Limited (the "Company") is a public limited company incorporated in Bangladesh on 15 September, 2002 vide registration no.# C-47083(3562)/2002. Subsequently the company has changed its name "Matin Spinning Mills PLC" as per section 11(Ka) of Schedule 1 of Companies Act 1994 (Ammended 2020). Registered office of the Company is in Dhaka and manufacturing plant is at Sardagonj, Kashimpur, Gazipur. The company is listed in both Dhaka Stock Exchange (DSE) and Chittagong Stock Exchange (CSE).

**1.02 Nature of Business**

The company manufactures and sells all types of Cotton, Viscose, Polyester, Melange and their blend.

**2 Basis of preparation**

**2.01 Statement of compliance**

The financial statements have been prepared in compliance with the requirements of the International Financial Reporting Standards (IFRS), the Companies Act 1994 as amended 2020, Bangladesh Securities and Exchange Ordinance 1969, Bangladesh Securities and Exchange Rules 2020, Listing Regulations of Dhaka and Chittagong Stock Exchanges and other relevant local laws as applicable.

**2.02 Date of authorisation**

The financial statements were authorised for issue by the Board of Directors on 15/10/2023.

**2.03 Functional and presentational currency**

These financial statements are presented in Bangladesh Taka (Taka/Tk/BDT), unless otherwise stated, which is the company's functional currency. All financial information are presented in Taka and have been rounded off to the nearest integer.

**2.04 Reporting period**

Financial year of the company covers the period from 01 July 2022 to 30 June 2023.

**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 statements**

Statement of Financial Position  
Statement of Profit or Loss  
Statement of Other 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 in operation for foreseeable future and hence, the financial statements have been prepared on going concern basis. As per management assessment there are no material uncertainties related to events or conditions which may cast significant doubt upon the Company's ability to continue as a going concern.

**3.03 IFRS 15: Revenue from Contracts with Customers**

IFRS 15 establishes a comprehensive framework for determining whether, how much and when revenue is recognised. It replaced IAS 18 Revenue, IAS 11 Construction Contracts and related interpretations. Under IFRS 15, revenue is recognised when a customer obtains control of the goods or services. Determining the timing of the transfer of control – at a point in time or over time – requires judgement.

Revenue is recognized when invoice for products and services are made and the significant risk and reward of ownership are transferred to the customers, recovery of the consideration is probable, associated costs and possible return of goods can be estimated reliably, there is no continuing management involvement with the goods, and the amount of revenue can be measured reliably.





### 3.04 Use of estimates and judgments

In preparing these financial statements, management makes 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	Inventories
Note - 09	Accounts Receivable
Note - 20	Deferred Tax Liability
Note - 21	Accounts Payable
Note - 25	Provisions & accruals
Note - 33	Income Tax Expenses

### 3.05 Statement of Cash Flows

Statement of cash flows is prepared under direct method in accordance with International Accounting Standard (IAS)-7 "Statement of cash flows" as required by the Securities and Exchange Rules, 1987. A reconciliation to cash flows from operating activities under indirect method has been shown in note 44.

### 3.06 Statement of Changes in Equity

Statement of Changes in Equity is prepared in accordance with IAS-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

Items of property, plant and equipment are measured at cost or valuation less accumulated depreciation and accumulated impairment losses, if any. Cost includes expenditures that are directly attributable to the acquisition of property, plant and equipment and bringing to the location and condition necessary for it to be capable of operating in the intended manner. The cost of self constructed asset included the cost of material and direct labour, any other cost directly attributable to bringing the assets to a working condition for their intended use.

#### (B) Subsequent costs

The cost of replacing part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The costs of the day-to-day servicing of property, plant and equipment are recognised in statement of profit or loss and other comprehensive income as incurred.

#### (C) Depreciation

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

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

Item wise depreciation rates are as follows:

<u>Asset category</u>	<u>Rate of depreciati</u> <u>on (%)</u>
Land and land development	Nil
Factory building	5
Godown	10
Plant and machinery	10
Furniture and fixtures	10
Sub Station (Machinery)	15
Gas Generator	15
Office equipment	15
Vehicles	20

Para-60 of IAS-16 does not specify any specific method of calculation of depreciation. However, para-62 specifies three methods of which diminishing balance has been used by the company consistently considering reducing future economic benefit of the assets.



#### (D) Impairment

The carrying value of the company's assets, other than inventories, are reviewed at each date of the statement of financial position to determine whether there is any indication of impairment. If any such indication exists, the recoverable amount of the asset is estimated. An impairment loss will be recognised whenever the carrying amount of the asset or its cash-generating unit exceeds its recoverable amount. Impairment losses, if any, are recognised in the statement of profit or loss and other comprehensive income.

#### (E) Revaluation of Asset

The Company initially conducted revaluation of certain class of assets during the year 2009-10 and 2010-11. During the year ended 30 June 2020, the Company conducted another revaluation of same class of assets (i.e. Land & land development, Factory building, and Godown) in compliance with IAS-16 para 34. An independent valuer was assigned to perform this task. Impact of revaluation has been recognised in the financial statements.

### 3.08 Accounting policy for IFRS 16: Leases

#### The Company as lessee:

The Company assesses whether a contract is or contains a lease, at inception of the contract. The Company recognizes a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value, assets (such as tablets and personal computers, small items of office furniture and telephones). For these leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

Following IFRS 16 paragraph 15, The Company has elected to opt for the practical expedient that permits lessees to make an accounting policy election, by class of underlying asset, to account for each separate lease component of a contract and any associated non-lease components as a single lease component. This expedient has been opted to alleviate concerns that the costs and administrative burden of allocating consideration to separate lease and non-lease components may not be justified by the benefit of more precisely reflecting the right-of-use asset and the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Company uses the Bangladesh Bank T-bill.

Lease payments included in the measurement of the lease liability comprise:

- Fixed lease payments (including in substance fixed payments), less any lease incentives receivable;
- Variable lease payment that depends on an index or rate, initially measured using the index;
- The amount expected to be payable by the lessee under residual value guarantees;
- The exercise price of purchase options, if the lessee is reasonably certain to exercise the options; and
- Payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The lease liability is presented as a separate line in the statement of financial position.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

The Company remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

- The lease term has changed or there is a significant event or change in circumstances resulting in a change in the assessment of exercise of a purchase option, in which case the lease liability is measured by discounting the revised lease payments using a revised discount rate.
- The lease payments change due to changes in an index or rate on a change expected payment under a guaranteed residual value, in which cases the lease liability is remeasured by discounting the lease payments using an unchanged discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case revised discount rate is used).
- A lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured based on the lease term of the modified lease by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

The Company did not make any such adjustments during the periods presented.

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day, less any lease incentives received and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Whenever the Company incurs an obligation for costs to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognized and measured under IAS 37. To the extent that the costs relate to a right-of-use asset, the costs are included in the related right-of-use asset, unless those costs are incurred to produce inventories.

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the right-of-use asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Company expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

The right-of-use assets are presented as a separate line in the statement of financial position.

The Company applies IAS 36 to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss as described in the Property and Equipment policy.



### 3.09 IFRS 9 Financial Instruments

IFRS 9 sets out requirements for recognising and measuring financial assets, financial liabilities and some contracts to buy or sell non-financial items. This standard replaces IAS 39 Financial Instruments: Recognition and Measurement.

IFRS 9 contains three principal classification categories for financial assets: measured at amortised cost, Fair Value through Other Comprehensive Income (FVOCI) and fair value through profit or loss (FVTPL). The classification of financial assets under IFRS 9 is generally based on the business model in which a financial asset is managed and its contractual cash flow characteristics. IFRS 9 eliminates the previous IAS 39 categories of held to maturity, loans and receivables and available for sale. Under IFRS 9, derivatives embedded in contracts where the host is a financial asset in the scope of the standard are never separated. Instead, the hybrid financial instrument as a whole is assessed for classification.

IFRS 9 largely retains the existing requirements in IAS 39 for the classification and measurement of financial liabilities.

The adoption of IFRS 9 has not had a significant effect on the company's accounting policies related to financial liabilities and derivative financial instruments (for derivatives that are used as hedging instruments).

#### Investment in Marketable Securities

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

### 3.10 Capital Work in Process:

Capital work-in-process comprises Godown, Medical & Day Care Center and Machineries in Transit.

### 3.11 Cash and cash equivalents

Cash and cash equivalents include cash on hand and cash at bank including fixed deposits which are available for use by the Company without any restriction.

### 3.12 Accounts receivable

Accounts receivable at the Statement of Financial Position date is stated at amount which are considered realizable. Provision is made for receivable considered to be doubtful of recovery following expected credit loss model.

### 3.13 Inventories

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

<u>Types of Stock</u>	<u>Basis of Valuation</u>
Raw Materials, Packing Materials and Work-in-process	At cost and net realizable value whichever is lower
Finished Goods	At cost and net realizable value whichever is lower
Spare & Parts	Weighted average cost and net realizable value whichever is lower
Diesel & Lube Oil	At cost and net realizable value whichever is lower
Stock of Bandhan	At cost and net realizable value whichever is lower

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

### 3.14 Advance , Deposit and Prepayments

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

### 3.15 Capital

#### Share Capital

Share capital is fully paid up by the shareholders. Details have been mentioned in note -14.

### 3.16 Retained Earning

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



### 3.17 Deferred Tax

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

### 3.18 Current tax

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

### 3.19 Provisions

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

### 3.20 Finance costs

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

### 3.21 Finance income

Finance income comprises interest income on fixed deposit and STD Bank Accounts over the financial year.

### 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 as amended

### 3.23 Provident Fund

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

### 3.24 Foreign currency translation

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

### 3.25 Materiality and Aggregation

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

### 3.26 Earnings per share

Basic EPS is calculated by dividing the profit or loss attributable to the weighted average number of ordinary shares during the period.

### 3.27 Related party disclosure

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



### 3.28 Financial Risk management

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

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

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

#### Credit Risk

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

#### Liquidity Risk

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

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

#### Market Risk

Market risk is the risk that changes in market prices such as foreign exchange rates and interest rates will affect the Company's income or the value of its holding of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing return.

#### Capital Risk Management

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

#### Operational Risk

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

### 3.29 Segment reporting

Reference to the IFRS 8, we are operating a single business and geographic segment as such no segment reporting is required.

### 3.30 Events after the reporting date

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

### 3.31 Non-current assets held for sale

The Company classify a non-current asset (or disposal group) as held for sale if its carrying amount will be recovered principally through a sale transaction rather than through continuing use.

For the classification as held for sale to be made detailed criteria must be met:

- The asset must be available for immediate sale in its present condition.
- Its sale must be highly probable (i.e. significantly more likely than probable).

For the sale to be highly probable:

- Management must be committed to a plan to sell the asset.
- There must be an active programme to locate a buyer.
- The asset must be marketed for sale at a price that is reasonable in relation to its current fair value.
- The sale should be expected to take place within one year from the date of classification.
- It is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.

A non-current asset held for sale is measured at the lower of:

- Its carrying amount
- Its fair value less costs to sell (i.e. its net selling price)

Impairment loss recognised in profit or loss at the time of classification as held for sale and subsequently.

### 3.32 Application of Accounting Standards

The following IASs and IFRSs are applicable for the preparation of financial statements for the year under review.

IAS 1	Presentation of financial statements
IAS 2	Inventories
IAS 7	Statement of cash flows
IAS 8	Accounting policies, changes in accounting estimates and errors
IAS 10	Events after the reporting period
IAS 12	Income taxes
IAS 16	Property, plant and equipment
IAS 19	Employee benefits
IAS 21	The effects of changes in foreign exchange rates
IAS 23	Borrowing costs
IAS 24	Related party disclosures
IAS 33	Earnings per share
IAS 36	Impairment of assets
IAS 37	Provisions, contingent liabilities and contingent assets
IAS 38	Intangible assets
IFRS 5	Non-current assets held for sale and discontinued operations
IFRS 7	Financial Instruments, disclosures
IFRS 9	Financial Instruments
IFRS 15	Revenue from Contract with Customers
IFRS 16	Lease

		Amounts in Taka		
		Notes	30 June 2023	30 June 2022
<b>4</b>	<b>Property, plant and equipment</b>			
<b>A</b>	<b>NON REVALUED ASSETS:</b>			
	<b>Cost</b>			
	Opening balance (at cost)		6,030,122,447	5,820,114,648
	Add : Additions		1,684,686,724	210,772,799
			7,714,809,172	6,030,887,447
	Less: Disposal/ Adjustment		(72,882,944)	(765,000)
	<b>Closing balance (a)</b>		<b>7,641,926,228</b>	<b>6,030,122,447</b>
	<b>Accumulated Depreciation</b>			
	Opening balance		3,187,365,312	2,906,986,171
	Add : Charges for the year		397,695,202	280,479,312
			3,585,060,515	3,187,465,484
	Less: Disposal/ Adjustment		(57,832,567)	(100,171)
	<b>Closing balance (b)</b>		<b>3,527,227,948</b>	<b>3,187,365,312</b>
	<b>Written Down Value (a-b)</b>		<b>4,114,698,280</b>	<b>2,842,757,135</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		116,163,408	97,024,825
	Add : Charges for the year		18,016,098	19,138,584
			134,179,507	116,163,408
	Less: Disposal/ Adjustment		-	-
	<b>Closing balance (b)</b>		<b>134,179,507</b>	<b>116,163,408</b>
	<b>Written Down Value of Revaluation Assets (a-b)</b>		<b>1,511,039,114</b>	<b>1,529,055,213</b>
	<b>Total Written Down Value (A+B)</b>		<b>5,625,737,394</b>	<b>4,371,812,348</b>
	Policy notes is mentioned in note 3.07 E			
<b>5</b>	<b>Right-of-use assets (ROU)</b>			
	<b>Cost:</b>			
	Opening Balance		13,270,712	13,270,712
	Add: Addition during the period		-	-
	Less: Disposal during the period		-	-
	<b>Closing balance (a)</b>		<b>13,270,712</b>	<b>13,270,712</b>
	<b>Accumulated Depreciation</b>			
	Opening balance		8,404,784	5,750,642
	Add : Charges for the year		2,654,142	2,654,142
	Less: Disposal/ Adjustment		-	-
	<b>Closing balance (b)</b>		<b>11,058,926</b>	<b>8,404,784</b>
	<b>Written Down Value (a-b)</b>		<b>2,211,785</b>	<b>4,865,928</b>



	Notes	Amounts in Taka	
		30 June 2023	30 June 2022
<b>6 Investment</b>			
Investment in marketable securities	6.1	52,971,536	54,819,850
		<u>52,971,536</u>	<u>54,819,850</u>
<b>6.01 Investment in marketable securities</b>			
Opening balance		54,819,850	53,556,600
Add: Addition during the year		-	-
		<u>54,819,850</u>	<u>53,556,600</u>
Realized gain / (loss)		447,976	12,830,775
Unrealized gain / (loss) for fair value adjustment			(11,567,525)
Closing balance		(13,863,815)	
Opening balance		11,567,525	
		<u>(2,296,290)</u>	
Closing balance		<u>52,971,536</u>	<u>54,819,850</u>

Name of securities	No. of Share	Rate	Cost Value	Market rate per share as on 30 June 2023	Market value as on 30 June 2023
Mercantile Bank	219,300	13.73	3,010,989	13.30	2,916,690
BSRM	10,000	104.06	1,040,600	90.00	900,000
South East Bank	374,400	13.87	5,192,928	13.30	4,979,520
Vanguard MF One	25,000	10.74	268,500	7.30	182,500
Shahji Power	74,880	91.49	6,850,771	65.50	4,904,640
I.C.B	8,400	136.48	1,146,432	87.60	735,840
Prime Bank	130,000	22.59	2,936,700	19.80	2,574,000
Beximco Pharma	5,000	223.28	1,116,400	146.20	731,000
Islami Insurance	58,000	57.09	3,311,220	57.60	3,340,800
AB Bank Ltd	315,180	13.63	4,295,903	9.70	3,057,246
FBFIF	220,000	7.00	1,540,000	5.00	1,100,000
GIB	157,500	8.60	1,354,500	8.60	1,354,500
Popular Life 1st MF	160,000	7.15	1,144,000	5.10	816,000
Phoenix Ins.	147,000	55.93	8,221,710	34.00	4,998,000
BATBC	8,500	571.26	4,855,710	518.70	4,408,950
Confidence Cem	15,750	133.40	2,101,050	89.00	1,401,750
Continental Ins	250,000	38.58	9,645,000	32.40	8,100,000
Central Ins	125,000	52.14	6,517,500	36.90	4,612,500
Pioneer Ins	25,800	88.71	2,288,718	72.00	1,857,600
	<u>2,329,710</u>		<u>66,838,632</u>		<u>52,971,536</u>

<b>7 Capital work-in-process</b>			
Special Yarn Godown	7.01	-	6,268,793
Special Yarn Building	7.02	3,023,041	164,511,100
Baro Bigha Cotton Godown-2	7.03	20,645,466	-
Baro Bigha Utility Building	7.04	964,730	37,644,316
Baro Bigha Road Construction	7.05	6,949,283	-
MSML Internal Road Construction	7.06	5,670,137	-
Daycare & Medical Center	7.07	21,539,657	-
Gate House at Baro Bigha	7.08	2,717,345	-
Special Yarn Unit Machineries		-	1,100,524,575
Machineries in Transit		236,223,026	162,109,479
		<u>297,732,685</u>	<u>1,471,058,264</u>
<b>7.01 Special Yarn Godown</b>			
Opening Balance		6,268,793	8,410,110
Add: Addition during the year		-	-
Less: Adjustment during the year		(6,268,793)	(2,141,317)
Closing Balance		<u>-</u>	<u>6,268,793</u>





		Amounts in Taka		
		Notes	30 June 2023	30 June 2022
<b>7.02 Special Yarn Building</b>				
Opening Balance			164,511,100	80,348,104
Add: Addition during the year			17,614,213	84,162,996
Less: Transfer to Fixed Assets			(179,102,273)	-
Closing Balance			<u>3,023,041</u>	<u>164,511,100</u>
<b>7.03 Baro Bigha Cotton Godown-2</b>				
Opening Balance				
Add: Addition during the year			20,645,466	
Less: Transfer to Fixed Assets				-
Closing Balance			<u>20,645,466</u>	<u>-</u>
<b>7.04 Baro Bigha Utility Building</b>				
Opening Balance			37,644,316	6,246,653
Add: Addition during the year			670,501	31,397,662
Less: Transfer to Fixed Assets			(37,350,087)	-
Closing Balance			<u>964,730</u>	<u>37,644,316</u>
<b>7.05 Baro Bigha Road Construction</b>				
Opening Balance			-	
Add: Addition during the year			6,949,283	4,457,581
Less: Transfer to Fixed Assets				(4,457,581)
Closing Balance			<u>6,949,283</u>	<u>-</u>
<b>7.06 MSML Internal Road Construction</b>				
Opening Balance			-	
Add: Addition during the year			7,598,630	-
Less: Transfer to Fixed Assets			(1,928,493)	-
Closing Balance			<u>5,670,137</u>	<u>-</u>
<b>7.07 Daycare &amp; Medical Center</b>				
Opening Balance			-	
Add: Addition during the year			21,539,657	-
Less: Transfer to Fixed Assets			-	-
Closing Balance			<u>21,539,657</u>	<u>-</u>
<b>7.08 Gate House at Baro Bigha</b>				
Opening Balance			-	
Add: Addition during the year			2,717,345	-
Less: Transfer to Fixed Assets			-	-
Closing Balance			<u>2,717,345</u>	<u>-</u>
<b>8 Inventories</b>				
Manufacturing Inventory		8.01	1,681,613,673	2,259,067,295
Non Manufacturing Inventory		8.02	35,398,691	19,838,924
			<u>1,717,012,364</u>	<u>2,278,906,219</u>



	Notes	Amounts in Taka	
		30 June 2023	30 June 2022
<b>8.01 Manufacturing Inventory</b>			
Raw cotton	8.01.01	1,221,975,884	1,665,017,316
Provision for Obsolete Raw Materials		-	(8,360,909)
		<u>1,221,975,884</u>	<u>1,656,656,406</u>
Finished yarn	8.01.02	243,445,597	428,909,621
Packing materials	8.01.03	5,170,352	3,444,979
Work-in-process	8.01.04	74,350,938	67,172,889
Spare parts	8.01.05	136,670,902	102,883,399
		<u><u>1,681,613,673</u></u>	<u><u>2,259,067,295</u></u>
<b>8.01.01 Raw cotton</b>			
<b>Value (TK.)</b>			
Conventional Cotton		926,822,245	637,520,004
Organic Cotton		123,789,749	785,890,463
Synthetic Fiber		153,803,263	225,070,363
Usable Waste Cotton		11,203,138	13,989,744
Waste Cotton		6,357,489	2,546,741
<b>Total</b>		<u><u>1,221,975,884</u></u>	<u><u>1,665,017,316</u></u>
<b>Quantity (KG)</b>			
Conventional Cotton		3,230,077	3,559,713
Organic Cotton		365,324	2,489,398
Synthetic Fiber		679,130	1,186,353
Usable Waste Cotton		126,297	166,768
Waste Cotton		74,150	110,291
<b>Total</b>		<u><u>4,474,978</u></u>	<u><u>7,512,523</u></u>
<b>8.01.02 Finished yarn</b>			
<b>Value (TK.)</b>			
Carded		16,811,963	75,607,891
Combed		87,170,127	190,746,114
Slub		15,727,733	8,493,575
Synthetic		41,765,457	46,498,358
Melange		36,772,007	25,493,393
Vortex		10,363,618	42,976,970
Open End		31,585,071	37,482,058
Twisted yarn		3,249,621	1,611,262
<b>Total</b>		<u><u>243,445,597</u></u>	<u><u>428,909,621</u></u>
<b>Quantity (KG)</b>			
Carded		43,406	266,200
Combed		176,886	570,169
Slub		31,938	30,131
Synthetic		117,078	188,036
Melange		83,728	83,596
Vortex		21,680	161,228
Open End		119,203	194,466
Twisted yarn		7,347	3,936
<b>Total</b>		<u><u>601,266</u></u>	<u><u>1,497,761</u></u>
<b>8.01.03 Packing materials Value (TK.)</b>			
Opening balance		3,444,979	3,094,460
Add: Purchase during the period		58,006,969	39,756,379
Packing materials available for consumption		<u>61,451,947</u>	<u>42,850,839</u>
Less: Consumption during the period		<u>56,281,596</u>	<u>39,405,860</u>
Closing balance		<u><u>5,170,352</u></u>	<u><u>3,444,979</u></u>



	Amounts in Taka			
	Notes	30 June 2023	30 June 2022	
<b>8.01.04 Work-in-process</b>				
	Quantity (KG)			
Particulars	June 30, 2023	June 30, 2022		
Blow Room	29,458	69,637	5,752,545	12,321,490
Carding	7,892	5,945	1,870,112	1,221,079
B. Drawing	7,251	4,401	1,706,298	878,021
Combing	5,103	6,489	1,345,976	1,294,801
F. Drawing	8,877	16,104	2,064,812	3,283,955
Simplex	60,680	64,294	14,597,422	13,361,065
Ring Frame	91,892	73,152	28,287,653	18,031,131
Winding	5,638	16,412	1,640,551	4,037,226
Packing	51,190	40,204	15,185,839	10,380,128
Rotor	7,864	10,670	1,140,850	1,525,311
Vortex	3,720	-	758,880	-
Twisting	-	862	-	211,423
Doubling	-	2,565	-	627,259
<b>Total</b>	<b>279,565</b>	<b>310,735</b>	<b>74,350,938</b>	<b>67,172,889</b>
<b>8.01.05 Spare parts</b>				
Opening Balance			102,883,399	82,277,387
Add: Addition during the year			559,993,655	172,612,725
			<b>662,877,055</b>	<b>254,890,112</b>
Less: Consumption during the year			63,369,219	54,448,022
Less: Transfer to other GL			462,836,934	94,887,518
Closing balance			<b>136,670,902</b>	<b>102,883,399</b>
<b>8.02 Non Manufacturing Inventory</b>				
Stock of Bandhan			2,863,921	3,335,662
Stock of Stamp			17,646	42,228
Stock of Medicine			88,017	187,454
Other Production Material			7,500	7,500
Construction Material			7,513,713	5,572,800
Store Materials under Inspection			24,907,894	10,693,280
			<b>35,398,691</b>	<b>19,838,924</b>
<b>9 Accounts receivable</b>				
Receivable other than related party	9.01		342,222,236	446,601,347
Receivable from related party	9.02		1,118,613,544	881,657,190
Bank interest receivable on FDR			7,162,959	6,113,016
Claim Receivable			-	4,350,799
Provision for Bad and Doubtful Debts			(25,848,146)	(76,695,545)
			<b>1,442,150,592</b>	<b>1,262,026,807</b>



		Amounts in Taka		
		Notes	30 June 2023	30 June 2022
<b>9.01</b>	<b>Receivable other than related party</b>			
	Abonti Colour Tex. Ltd		908,965	4,824,202
	Cotton Club(BD) Ltd		17,256,337	13,316,265
	Amber Denim Ltd		174,261,755	114,376,040
	Akh Knitting & Dyeing Ltd		191,311	32,378,629
	Asrotex Ltd.		2,975,713	6,836,134
	Purbani Fabrics Ltd		-	7,010,825
	Executive Greentex Ltd.		-	11,007,500
	Comfit Composite Knit Ltd		36,154,599	66,875,470
	Midland Knitwear Ltd		-	23,368,118
	Essential Clothing Ltd		-	1,459,903
	Fakir Apparels Ltd		2,024,788	5,076,400
	Fakir Fashions Ltd		35,108,484	41,673,050
	Fariha Knitex Ltd		-	2,170,780
	Grameen Fabrics & Fashions Ltd		-	11,993,781
	Fakhruddin Textiles Ltd		34,106,705	-
	Young Socks Ltd		-	2,704,053
	Noman Terry Towel Mills Ltd		-	10,148,175
	Jointex Knit Wears Ltd.		14,105,892	14,105,892
	Lithium Knit Fabrics Ltd		6,908,666	6,908,666
	Rizvi Fashions Ltd.		-	4,245,750
	Cute Dress Industry		1,661,967	5,527,263
	Square Fashions Ltd.		1,048,600	10,235,829
	Epyllion Knitex Ltd.		3,827,811	11,250,970
	Sublime Greentex Ltd		-	8,849,013
	Others		11,680,645	30,258,641
			<u>342,222,236</u>	<u>446,601,347</u>
<b>9.02</b>	<b>Receivable from related party</b>			
	Flamingo Fashions Ltd		128,332,524	254,769
	Jinnat Fashions Ltd		14,277,181	24,220,561
	Mawna Fashions Ltd		101,801,418	3,461,876
	Dulal Brothers Ltd		18,400,495	4,689,705
	Jinnat Apparels Ltd		44,894,742	144,624,982
	Jinnat Knitwears Ltd		644,237,812	646,833,890
	Color City Ltd.		2,303,975	-
	DBL Textile Recycling Ltd.		-	1,008,007
	Hamza Textiles Ltd.		109,269,338	6,460,726
	Parkway Packing and Printing Ltd		-	48,500,038
	DB Trims Ltd		55,096,059	1,602,638
			<u>1,118,613,544</u>	<u>881,657,190</u>

**Age Analysis of Accounts Receivable:**

	1-3 Months	4-6 Months	above 6 Months		
Sale of yarn	1,251,681,736	172,907,522	36,246,521	1,460,835,780	1,328,258,538
Interest receivable on	-	-	7,162,959	7,162,959	6,113,016
Claim Receivable	-	-	-	-	4,350,799
Provision for bad debts			(25,848,146)	(25,848,146)	(76,695,545)
	<u>1,251,681,736</u>	<u>172,907,522</u>	<u>17,561,334</u>	<u>1,442,150,592</u>	<u>1,262,026,807</u>



	Notes	Amounts in Taka	
		30 June 2023	30 June 2022
<b>I. Accounts receivable considered good in respect of which the company is fully secured</b>			
Accounts receivable accrued in the ordinary course of business are considered good and secured against confirmed L/c.			
<b>II. Accounts receivable considered good for which the company holds no security other than the personal security</b>			
There is no such accounts receivable in this respect as on 30 June 2023			
<b>III. Accounts receivable considered doubtful or bad</b>			
Tk. 25,848,146 receivable has been considered doubtful for which full provision has been incorporated in financial statements as per IFRS -9.			
<b>IV. Accounts receivable from the Directors or other officers of the company</b>			
There is no such accounts receivable in this respect as on 30 June 2023			
<b>V. Accounts receivable from Related Parties</b>			
There has been an amount of Tk 1,118,613,544 due as accounts receivable from related parties under common management.			
<b>VI. Provision for doubtful or bad debts</b>			
A money suit case no. 14/13 dated 8 April 2013 has been lodged in the High Court Division for the recovery of the outstanding amount from Lithium Knit Fabrics Ltd. Honorable High Court issued summon to the defendants.			
<b>VII. Interest receivable on FDR</b>			
Interest receivable on FDR shall be realized at the time of encashment of FDR from banks.			

**10 Advances, deposits and prepayments**

**Advances**

Salary & Allowances		1,603,530	1,648,900
Prepaid Expenses		9,912,394	8,292,294
VAT Current Account		7,502,542	1,724,653
Construction Expenses	10.01	898,396	1,245,192
Advance Income Tax	10.02	53,943,163	28,659,979
	10.03	450,176,304	341,097,692
		<b>524,036,329</b>	<b>382,668,711</b>

**Deposits**

Security deposit for Utilities	10.04	110,051,195	48,373,695
		<b>110,051,195</b>	<b>48,373,695</b>
		<b>634,087,524</b>	<b>431,042,406</b>

**10.01 Construction**

S.S Enterprise		-	593
Aziz & Company Ltd		456,200	-
Mia Engineering Bangladesh Limited.		280,000	-
Navana Limited		-	507,150
Jawad Trading		87,449	87,449
Trident Agency		-	650,000
Dhaka Concrete		74,747	-
		<b>898,396</b>	<b>1,245,192</b>



	Amounts in Taka		
	Notes	30 June 2023	30 June 2022
<b>10.02 Expenses</b>			
Bangla Trac Ltd.		-	3,244,080
Pioneer Insurance Company Ltd		1,660,841	
Saurer Components Gmhh		-	2,298,581
Trutzschler Gmbh & Co. Kg		1,386,227	-
Marubeni Techno-Systems Corporation		2,372,882	-
Dbl C&F- Chittagong (New)		871,908	-
General Steel Buildings		11,602,500	-
Adex Engineering Limited		17,600,000	-
Thermax Colour Cotton Ltd		1,308,977	-
Novelty Infrastructures Limited		417,000	540,000
Tanveer International		4,182,425	850,340
Marzoli		-	3,348,636
Amin, Mr. Mohammad Ruhul		50,000	2,245,058
Qinshi Industrial Inc.		398,296	1,065,544
Grunler Skolska		-	1,364,430
Murata Machinery Bangladesh Ltd.		-	944,625
N.S Enterprise		1,315,823	-
M.N Dyeing, Printing & Washing Mills Ltd		554,315	
Parikh Patel & Co.		494,520	
Alam Enterprise(C&F)		-	4,017,430
Rieter Maschinenfabrik Rieter Ag		-	53,836
Deputy Commissioner Of Taxes		3,809,417	-
Bestcooper Co. Ltd.		900,000	
Millmark Associates		-	649,825
Brothers Trading		-	975,000
Mr. Rashid		1,310,170	2,676,197
Mr. Sunny		250,000	238,286
Lakshmi Ring Travellers (Coimbatore) Ltd.		739,301	
Mrs. Jabeen Noman		308,778	
Bg Filtration Gmbh		137,876	137,876
Encon		-	87,500
Mr. Siddik		-	464,970
Mjl Bangladesh Ltd		561,600	239,040
Local Purchase		198,246	274,096
Others		1,512,060	2,944,630
		<b>53,943,163</b>	<b>28,659,979</b>
<b>10.03 Advance Income Tax</b>			
Income Tax on Export	10.03.1	128,846,619	90,525,868
Tax on Bank Interest & Others	10.03.2	14,879,616	11,286,012
Advance income tax paid for tribunal	10.03.3	306,450,069	239,285,813
		<b>450,176,304</b>	<b>341,097,692</b>
<b>10.03.1 Income Tax on Export</b>			
Opening Balance		90,525,868	58,707,623
Add: Addition during the year (Section - 53 BB of ITO 1984)		74,332,197	31,818,245
Less: Adjustment against provision for previous years AIT		(36,011,447)	-
Closing Balance		<b>128,846,619</b>	<b>90,525,868</b>

	Amounts in Taka		
	Notes	30 June 2023	30 June 2022
<b>10.03.2 Tax on Bank Interest &amp; Others</b>			
Opening Balance		11,286,012	2,468,639
Add: Addition during the year (Section - 53 F of ITO 1984)		4,697,061	8,817,372
Less: Adjustment against provision for previous years AIT		(1,103,457)	-
Closing Balance		<u>14,879,616</u>	<u>11,286,012</u>

Advance tax represents tax deducted at source @1.00 % on export proceed under section 53BB of ITO 1984 and @10% on interest received from bank under section 53F of ITO 1984.

#### 10.03.3 Advance Income Tax Paid for Appeal & Tribunal

Opening Balance	239,285,813	63,168,498
Add: Addition during the year	67,164,256	176,117,315
Less: Adjustment during the year	-	-
Closing Balance	<u>306,450,069</u>	<u>239,285,813</u>

#### Closing balance details as follows:

Income tax paid for the year 2011 -2012	1,682,663	1,682,663
Income tax paid for the year 2016 -2017	1,113,570	1,113,570
Income tax paid for the year 2017 -2018	3,919,277	3,919,277
Income tax paid for the year 2018 -2019	22,407,166	22,407,166
Income tax paid for the year 2019 -2020	16,445,835	16,445,835
Income tax paid for the year 2020 -2021	103,717,302	103,717,302
Income tax paid for the year 2021 -2022	151,164,256	90,000,000
Income tax paid for the year 2022 -2023	6,000,000	-
	<u>306,450,069</u>	<u>239,285,813</u>

#### 10.04 Security deposit for Utilities

Margin Against Bank Guarantee (Titas Gas)	104,418,155	42,740,655
Central Depository Bangladesh Ltd (CDBL)	500,000	500,000
Security Deposit for Electricity	5,133,040	5,133,040
	<u>110,051,195</u>	<u>48,373,695</u>

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

	1-3 Months	3-6 Months	6 Months above
Salary & Allowances	-	-	1,603,530
Construction	-	898,396	-
Expenses	-	53,943,163	-

- All the advances & deposit amount are considered good and recoverable
- Advances due from Employees are regularly being realized from their monthly salaries
- There is no advances due for payment for more than 6 months except tk. 1,603,530 from the date of statement of financial position
- There is no amount due from any Directors of the company.
- Debts considered good in respect of which the company is fully secured.
- There are no debts due by directors or other officers of the company.

#### 11 Materials in transit

Margin against Cotton	3,232,719	4,129,271
Margin Against Bank Guarantee	13,940,798	13,127,773
Materials In Transit	849,964,680	45,358,766
	<u>867,138,196</u>	<u>62,615,810</u>



	Amounts in Taka		
	Notes	30 June 2023	30 June 2022
<b>12 Cash and bank balances</b>			
Cash in hand		1,562,688	2,334,032
Balance in BO Account		7,268	10,446
Term Deposit		21,928,800	11,515,800
<b>Bank balances with:</b>			
Islami Bank Bangladesh Ltd			
Current account		1,234,500	1,208,773
Marginal deposit Account (Special)		52,531	52,531
Marginal deposit Account (Normal)		339,699	350,558
Marginal deposit Under Reserve		144,466	144,466
Foreign currency account		10,711	9,259
Exim Bank Ltd, STD account		1,235,020	5,901,840
Mercantile Bank Ltd			
STD account		40,978	42,690
Foreign currency account		90,028	77,828
HSBC Bank Ltd			
STD account		24,042,142	7,230,283
Foreign currency account		197,920,945	353,149,084
The City Bank Ltd			
STD account		427,376	2,230,808
Foreign currency account		5,609,847	67,185
Prime Bank Ltd			
STD account		1,289,070	1,292,760
Foreign currency account		173,848	150,289
Standard Chartered Bank - STD account		3,685,901	947,180
Dutch-Bangla Bank Limited - STD account		3,824,523	1,793,937
BRAC Bank Ltd			
STD account		5,777,621	18,750,513
Foreign currency account		56,796,042	44,079,799
Jamuna Bank Limited			
STD account		1,391	136,151
Foreign currency account		12,805,103	592,001
Mutual Trust Bank Ltd			
STD account		3,020,992	1,873,257
		<u>342,021,491</u>	<u>453,941,471</u>
<b>13 Asset held for sale</b>			
<b>Cost:</b>			
Forklift		3,660,856	-
Generator		58,025,171	-
		<u>61,686,027</u>	<u>-</u>
<b>Accumulated depreciation:</b>			
Forklift		1,994,920	-
Generator		51,967,062	-
		<u>53,961,981</u>	<u>-</u>
WDV		7,724,045	-
Fair value less cost to sale		-	-
<b>Asset held for sale (Lower of WDV and Fair value less cost to sale)</b>		<u>7,724,045</u>	<u>-</u>





	Notes	Amounts in Taka	
		30 June 2023	30 June 2022
<b>14 Share capital</b>			
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	974,900,000

Particulars of Investors	Number of Investors	Number of shares	Percentage of Share Holding (%)
Sponsors/ Directors	8	31,917,000	32.739%
Foreign Investors	121	148,752	0.153%
Local Institutions	93	39,836,912	40.863%
General Public	8,092	25,587,336	26.246%
<b>Total</b>	<b>8,314</b>	<b>97,490,000</b>	<b>100.00%</b>

Distribution schedule of each class of equity setting out the number of holders and percentage as on June 30, 2023:

Range of Holdings	Number of Shareholders	Number of shares	Percentage of Share Holding (%)
Less than 500 shares	4,904	830,071	0.851%
500 to 5,000 shares	2,711	4,397,970	4.511%
5,001 to 10,000 shares	334	2,552,538	2.618%
10,001 to 20,000 shares	187	2,716,143	2.786%
20,001 to 30,000 shares	56	1,401,653	1.438%
30,001 to 40,000 shares	28	984,121	1.009%
40,001 to 50,000 shares	18	845,392	0.867%
50,001 to 100,000 shares	30	2,327,379	2.387%
100,001 to 1,000,000 shares	28	6,706,012	6.879%
Over 1,000,000 shares	18	74,728,721	76.653%
<b>Total</b>	<b>8,314</b>	<b>97,490,000</b>	<b>100.00%</b>

<b>15 Share premium</b>	No. of Shares 34100000.00	Premium Amount Tk. 27	920,700,000	920,700,000
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<b>16 Retained earnings</b>				
Opening balance			2,533,891,009	1,850,457,160
Add: Profit made during the year			427,138,377	1,051,760,851
Less: Dividend Paid			(487,450,000)	(389,960,000)
Depreciation on Revalued Assets			18,016,098	19,138,584
Add/(less): Deferred tax on revaluation reserve	34.02		2,702,415	2,494,414
<b>Balance at 30 June 2023</b>			<b>2,494,297,899</b>	<b>2,533,891,009</b>

<b>17 Revaluation reserve</b>				
This balance consists as follows:				
Balance at the beginning of the year			1,481,093,650	1,500,232,234
Addition during the year			-	-
			1,481,093,650	1,500,232,234
Adjustment for Depreciation on Revalued Assets			(18,016,098)	(19,138,584)
<b>Balance at 30 June 2023</b>			<b>1,463,077,552</b>	<b>1,481,093,650</b>



18 Long term bank loan

Off Shore Loan & UPAS	1,498,992,440	1,054,404,943
Less: Current portion of long term loan	(456,018,916)	(1,054,404,943)
	<u>1,042,973,525</u>	<u>-</u>

Bank	Loan Account	Particulars
DEUTSCHE INVESTITIONS- UND ENTWICKLUNGSGESELLSCH AFT MBH (DEG)	Off Shore Loan	<p>Nature: Long Term Loan</p> <p>Limit: Tk.120 million</p> <p>Purpose: Import Capital machinery &amp; Equipment with Installment.</p> <p>Tenure: 7 Years, including moratorium period of 1.5 year.</p> <p>Repayment Clause: Equal quarterly instalments.</p> <p>Interest Rate: 3 months CME Term SOFR + 3.51161% p.a.</p> <p><b>Security Agreement:</b></p> <p>i) First ranking registered and exclusive mortgage in the amount of DBT 120 Million</p> <p>ii) First ranking and exclusive fixed charge by way of hypothecation over the Project Specific Assets along with a general power of attorney to sell the Project Specific Assets, both in favour and to the satisfaction of DEG;</p> <p>iii) Personal Guarantors (on a joint and several basis) in favour and to the satisfaction of DEG.</p> <p>iv) First demand payment guarantee of the Corporate Guarantors (on a joint and several basis) in favour and to the satisfaction of DEG.</p>
Bank	Loan Account	Particulars
The City Bank Limited	ULC/SLC/ Acceptance	<p>Nature: Project Finance</p> <p>Limit: Tk.180 million</p> <p>Purpose: To import and retire capital machinery and equipment.</p> <p>Tenure: 360 days max or as per BBK/BIDA Approval</p> <p>Repayment Clause: ULC/SLC/ Acceptance liability will be adjusted on maturity from term finance facility to be arranged by DEG.</p> <p>Interest Rate: 3 months CME Term SOFR + 3.51161% p.a.</p> <p><b>Security Agreement:</b></p> <p>1. Registered 1st ranking Pari-Passu charge with RJSC on floating assets (stocks, book debt etc.) both present and future by way of hypothecation with NIGPA covering working capital limit.</p> <p>2. Present ranking charge with RJSC on imported plant and machinery for BDT 110.00 Crore.</p> <p>3. Lien of shares of MSML covering civil construction Term Loan. Value of shares to be assessed based on last 6 months average share price. Corporate Guarantee from sister concerns Flamingo Fashions Ltd. Jinnat Knitwears Ltd. Mawna Fashions Ltd. And Jinnat Apparels Ltd.</p>
Bank	Loan Account	Particulars
		<p>4. Personal guarantee of the sponsor directors of the borrower, namely Mr. M A Wahed, Mr. M A Jabbar, Mr. M A Rahim and Mr. M A Quader.</p> <p>5. Insurance on assets charged to CBL to be obtained covering industrial-all-risks and CBL limit and as per CBL policy on Insurance. Letter of indemnity supported by company board resolution to be obtained for any inadequacy in insurance coverage for interim period.</p> <p>6. Re-Payment Cheque in Bank's prescribe format for covering total limit.</p> <p>7. Accepted sanction advice, company board resolution, and basic charge documents.</p>



<b>19 Lease liability</b>		
Opening Balance	5,897,255	8,612,827
Add: Addition during the year		
Add: Interest charged for the period	405,099	668,474
Less: Lease payment during the Year	3,501,376	3,384,046
Less: Current portion of Lease liability	2,800,978	3,501,376
<b>Closing Balance</b>	<u>(0)</u>	<u>2,395,879</u>

This represents the application of IFRS 16 as current lease agreement will be expired on 30 April, 2024 and accordingly, the full amount of lease obligation is a part of current portion. However, we have calculated the lease liability excluding non-refundable VAT.

**20 Deferred tax liability**

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:

**A. Deferred tax liability on historical cost:**

Carrying amount other than revaluation reserve	3,939,492,041	2,666,987,734
Tax base	2,712,766,043	1,571,492,383
<b>Taxable Temporary difference</b>	<u>1,226,725,999</u>	<u>1,095,495,351</u>
Applicable tax rate (As per SRO 159 dated 01 June 2022 for Textile Sector)	15%	15%
<b>Deferred tax liability on historical cost</b>	<b>184,008,900</b>	<b>164,324,303</b>

**B. Deferred tax liability against revaluation reserve:**

**i) Deferred tax liability against revaluation reserve other than land**

Carrying amount other than land	312,505,780	330,521,879
Tax base	-	-
	<u>312,505,780</u>	<u>330,521,879</u>
Applicable tax rate (As per SRO 159 dated 01 June 2022 for Textile Sector)	15%	15%
	<u>46,875,867</u>	<u>49,578,282</u>

**ii) Deferred tax liability on capital gain against revaluation of land**

Carrying amount other than building & others.	1,371,505,300	1,371,505,300
Tax base	-	-
	<u>1,371,505,300</u>	<u>1,371,505,300</u>
Applicable tax rate (3% As per section 53 H of ITO 1984)	3%	3%
	<u>41,145,159</u>	<u>41,145,159</u>

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

**C. Deferred tax liability on Right-of-Used (ROU) Assets:**

Carrying amount of PV of lease obligation	2,800,978	5,897,255
Carrying amount Right to Use Assets	2,211,785	4,865,928
<b>Taxable Temporary difference</b>	<u>589,193</u>	<u>1,031,327</u>
Applicable tax rate (As per SRO 159 dated 01 June 2022 for Textile Sector)	15%	15%
<b>Deferred tax liability on Lease</b>	<b>88,379</b>	<b>154,699</b>

**Total Deferred tax liability ( A + B+ C )**

	<u>272,118,305</u>	<u>255,202,443</u>
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**21 Accounts payable**

Suppliers	21.01	164,717,201	99,637,304
Expenses	21.02	80,735,274	79,892,132
Others	21.03	1,204,903	522,555
		<u>246,657,378</u>	<u>180,051,991</u>



## 21.01 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		
S S Accessories	1,500,000	-
Pioneer Insurance Company Ltd	-	69,255
Mita Engineering Limited	80,750	30,750
Ebrahim & Sons	283,573	477,373
Chandpur Hardware Store	11,886	1,052,044
Shinpower	625,795	625,795
Color City Ltd.	26,448,739	10,819,354
Dbl Ceramics Ltd.	7,587,608	5,930,918
Nde Steel Structures Ltd.	856,458	856,458
Scube Technologies Ltd.	-	8,004,150
Ali Enterprise	568,841	568,841
Nusrat Packaging	358,125	-
Mukul Enterprise	-	577,500
M.B. Steel Corporation	39,833	313,614
Mozumder Transport Agency	72,000	1,750,200
Rising Corporation	83,623	2,576,914
Rbd Fibers Limited	4,030,067	1,634,850
Kati Bangladesh Ltd	2,512,067	2,094,974
Energypac Engineering Ltd.	-	1,600,000
M.M. Paper Product	240,567	121,888
Lafarge Surma Cement Ltd.	291,840	291,840
H.M Transport Agency	-	573,200
Green Power Electric	535,180	118,602
Patwary Trade & Co.	21,229	113,787
Jinnat Fashions Ltd.	250,000	250,000
Dbl Distribution Ltd	46,398,236	24,294,579
United Power Generation & Distribution Company Ltd.	25,755,984	-
Dbl Lifestyle Ltd	452,526	226,263
Kapita Auto Bricks Limited	254,664	254,664
Shamsuddin Engineering Works	1,650,270	2,780,083
S.S Enterprise	1,737,807	-
Encon	46,391	717,391
Ma Enterprise (Ebrahim)	423,203	155,346
Quantam Builders & Engineering Ltd	4,860,000	-
Rifa Paper Products	1,592,725	-
Staedtler+Uhl	4,658,067	-
Soronica Paper Products	1,096,875	837,800
Gph Ispat Ltd.	883,800	946,000
Independent Enterprise	1,709,450	1,358,380
Mah Textiles Llp	940,886	-
Rynco Engineering Ltd.	770,000	-
Unique Cement Fibre Industries Ltd.	1,894,050	776,250
Shah Ali Metal	202,514	381,870
Sigma Pumps Ltd.	-	530,000
Aqua Care Trading	1,419,299	831,490
M.R. Enterprise	33,500	766,727
Ksrm Steel Plant Ltd.	895,050	-
Lafarge Holcim Bangladesh Limited	1,250,000	780,000
Siemens Bangladesh Ltd.	620,000	620,000
Akij Ready Mix Concrete Ltd.	3,743,139	-
Tyre & Battery Bazar	126,070	106,615
Rafin Paper Tube	284,686	284,686
Others	14,619,828	22,536,854
<b>Total</b>	<b>164,717,201</b>	<b>99,637,304</b>



**21.02 Payable for expenses**

Salary & allowances	21,472,118	33,394,562
Audit fees	862,500	833,750
Gas bill	5,777,540	14,501,149
Electricity bill	14,664,924	8,173,750
Welfare Fund	249,072	249,072
Claim Payable	15,606,706	-
Provident Fund	549,168	480,472
Provision for interest on Loan	16,799,017	21,525,107
Un-Applied Receipts	4,754,229	734,269
	<u>80,735,274</u>	<u>79,892,132</u>

During the year, provision for Bad and Doubtful Debts has been presented under Accounts receivables for

**21.03 Payable for others**

Tax deducted at source (Salary)	103,947	520,331
VAT Deducted at source (on Suppliers bill)	1,100,956	2,224
	<u>1,204,903</u>	<u>522,555</u>

**22 Short term bank loan**

UPAS / EDF Loan (Raw Cotton)	2,624,206,102	2,473,826,671
Working Capital Loan	-	13,176,911
	<u>2,624,206,102</u>	<u>2,487,003,581</u>

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

Bank	Loan Account	Particulars
HSBC	Export Development Fund (EDF)/UPAS	Lender: HSBC Nature: EDF Limit: Tk 2,500 million Purpose: Import of Raw Cotton Tenure: 180 days for Clean Import Loan (CIL) & 30 days for sight (SGT) Rate of interest: @ 4.50%
		Lender: HSBC Nature: UAPS Limit: Tk 2,500 million Purpose: To import raw materials and accessories on sight and/or deferred basis. Tenure: 180 days for Deferred Payment Bill (DPB) and 30 days for SGT. Rate of interest: @ LIBOR + 1.91% per annum.
HSBC	UPAS	Lender: HSBC Nature: UAPS Limit: Tk 400 million Purpose: One-off line to import machineries and other project related items for the ongoing capacity expansion program of the borrower on sight and /or deferred basis. Tenure: 360 days Rate of interest: @ LIBOR + 3.25% per annum.
		Lender: HSBC Nature: UPAS Limit: Tk 400 million Purpose: To import spare parts and machineries on sight and/or deferred basis. Tenure: 120 days Rate of interest: @ LIBOR + 1.91% per annum.
		Lender: HSBC Nature: Bill Discounting Limit: USD 10 million Purpose: To discount maximum 90% of export bills against local bank acceptance ( acceptable to HSBC) with recourse to the borrower(s). Tenure: 120 days Rate of interest: Interest will be charged on daily balances @1.92% per annum.
	Bill Discounting	



**Security Arrangement:**

1. Demand promissory note for Tk 4,487,500,000 with letter of continuity & revival.
2. Personal guarantees executed by Mr. Abdul Wahed, Mr. M.A. Jabbar, Mr. M.A. Rahim and Mr. M.A. Quader for Tk 2,225,000,000 each supported by personal net worth/ wealth statements.
3. Corporate guarantees to be executed by Flamingo Fashions Ltd, Jinnat Knitwears Ltd, DB Tex Ltd and Mymun Textiles Ltd for Tk 4,208,600,000 each with supporting Board Resolutions.
4. First charge over the borrower's stocks of Raw Materials, Work - in -
5. Power of Attorney on Hypothecated Goods.
6. Specific first charge over the borrower's Plant and Machinery for Tk 1,410,000,000 with the Registrar of Joint Stock Companies & Firms (RJSC). In this regard Power of Attorney for hypothecated goods obtained.
7. Power of Attorney for Back to Back facility.
8. 'Letter of Lien over Deposits with Authority to Encash' obtained.
9. Registered Mortgage for Tk 1,210,000,000.00 over 802.50 decimals land and structure thereon situated at Mouza: Gobindabari, PS. & Sub- registry office: Sadar, Gazipur, in the name of Matin Spinning Mills Limited held for the term loan facilities extended to Matin Spinning Mills Limited. In this regard, Irrevocable General Power of Attorney to be obtained.
10. Reister Power of Attorney in relation of property mortgaged in favour of bank under crossponding Deed of Mortgaged.

Bank	Loan Account	Particulars
	Export Development Fund (EDF)/UPAS	Lender: BRAC BANK Nature: EDF Limit: Tk 1000 million Purpose: Import of Raw Cotton Tenure: 180 days from the date of creation of each contract. Rate of interest: @ 4.50%.
		<b>Security Arrangement:</b> Registered Hypothecation (1st charge on Pari Passu basis) over all present & future floating assets including stock and Book debts of the Company with RJSC, along with Notarized IGPA to sell the Hypothecated Assets. BBL's Charge has been filed with RJSC for BDT 510.00 Million, which to be enhanced up to BDT 1110 Million. Pari Passu Security Sharing Agreement (PPSSA) executed amongst BBL, HSBC & the Borrower, for sharing floating assets. <b>Support:</b> a) Corporate Guarantee to be executed for BDT 1110.00 Million, by the Company as follows: Jinnat Knitwears Ltd in support by Board Resolution of the guarantor company(ies). b) Basic Charge Documents (I.e. Demand Promissory Note, Letter of Continuity and Revival, Letter of Arrangement, General Loan Agreement, Letter of Disbursement & Letter of Debit Authority), to be executed for BDT 1110.00 Million, in support of Board Resolution of the Borrower. c) Trust Receipt to be executed for BDT 200.00 Million, i.e., covering the LATR limit (s), in support of Board Resolution of the Borrower. d) Counter Guarantee to be executed for BDT 50.00 Million, i.e. covering the Bank Guarantee limit (s), in support of Board Resolution of the Borrower. e) Insurance Coverage on Fire & RSD Risk covering BTB L/C, Acceptance facilities and all funded facilities and all funded facilities to be provided on the basis of average stock/ Inventory being held at the factory, and also securing machineries & building of the Borrower company, from any insurance company acceptable to BBL, keeping BBL As beneficiary. <b>Security/Support covering the credit facilities under Working Capital Stimulus Package under facility No 1 (c) above, which shall continue:</b> a) Basic Charge Documents (i.e. Demand Promissory Note, Letter of Continuity and Revival, Letter of Arrangement, General Loan Agreement, Letter of Disbursement & Letter of Debit Authority), executed for BDT 50,000,000.00 only, in support of Board Resolution of the Borrower. b) MICR Cheque obtained for BDT 50,000,000.00 along with Irrevocable Letter of authority to complete the Cheque.

BRAC BANK



Bank	Loan Account	Particulars
JAMUNA BANK	Export Development Fund (EDF)	Lender: JAMUNA BANK Nature: EDF Limit: Tk 200 million Purpose: Import of Raw Cotton Tenure: a) Each LTR shall be adjusted within 180 days from the date of creation. B) EDF as per Bangladesh Bank guideline. Rate of interest: @ 4.50%
		<b>Security Arrangement:</b> 1. Personal guarantees of Mr. Abdul Wahed, Mr. M.A. Jabbar, Mr. M.A. Rahim and Mr. M.A. Quader (all are Directors of the company and key persons of DBL Group), supported by duly signed Personal Net Worth statements verified by Head of Branch. 2. Corporate Guarantee of Jinnat Apparels Limited (sister concern of the customer) supported by Board Resolution, MoA and AoA. 3. Security cheques each limit with letter of approach duly signed by authorized persons. 4. Charge with R]SC on floating assets (present & future value) of the company. 5. Usual charge documents.

### 23 Current portion of long term loan

Off Shore Loan & UPAS	456,018,916	1,054,404,943
	<u>456,018,916</u>	<u>1,054,404,943</u>

### 24 Unclaimed dividend

Opening Balance	2,035,937	4,371,032
Add: Addition during the year	487,450,000	389,960,000
Less: Paid during the year	(486,548,362)	(392,295,095)
Closing Balance	<u>2,937,576</u>	<u>2,035,937</u>

#### Year Wise Break Up Given Belows:

2019-2020	335,062	-
2020-2021	1,114,397	-
2021-2022	1,488,116	-
Total	<u>2,937,576</u>	<u>-</u>

### 25 Provision & accruals

Provision for Income Tax	25.01	463,057,709	434,258,641
Provision for workers' profit participation and welfare	25.02	25,041,678	61,649,653
		<u>488,099,386</u>	<u>495,908,294</u>

#### 25.01 Provision for Income Tax

Opening Balance	434,258,641	241,426,481
Add: Provision for taxation for the year (Note - 33)	86,352,766	192,832,161
Less: Adjustment provision for previous years AIT	(37,114,903)	-
Less: Adjustment provision for previous years deposit	-	-

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

Adjustment of excess provision for the year 2018-2019	(20,996,346)	
Adjustment of short provision for the year 2019-2020	557,551	
	<u>463,057,709</u>	<u>434,258,641</u>

25.02 Provision for workers' profit participation and welfare funds

Opening Balance	61,649,653	41,546,649
Add: Addition during the year	25,633,531	62,241,507
Less: Paid during the year	(62,241,507)	(42,138,503)
Closing Balance	<u>25,041,678</u>	<u>61,649,653</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.

26 Revenue	Amounts in Taka	
	2022-2023	2021-2022
Carded Yarn	819,176,899	486,578,736
Combed Yarn	3,395,847,650	1,919,914,064
Slub Yarn	279,057,203	363,928,840
Synthetic Yarn	1,104,162,220	1,440,298,690
Melange Yarn	675,333,581	848,461,065
Vortex	401,110,651	335,580,239
Open End	541,381,013	431,827,545
Twist	124,829,116	174,547,503
Twisting Services Charges	3,062,230	1,551,612
	<u>7,343,960,563</u>	<u>6,002,688,295</u>

Quantitative details of sales (KG)

2022-2023

Product Type	Opening Stock (a)	Production (b)	Closing Stock (c)	Sales during the year (a+b-c)
Carded Yarn	266,200	1,883,491	43,406	2,106,284
Combed Yarn	570,169	7,486,035	176,886	7,879,318
Slub Yarn	30,131	659,550	31,938	657,743
Synthetic Yarn	188,036	2,883,776	117,078	2,954,734
Melange Yarn	83,596	1,302,404	83,728	1,302,272
Vortex	161,228	893,475	21,680	1,033,024
Open End	194,466	2,094,501	119,203	2,169,765
Twisted Yarn	3,936	217,826	7,347	214,415
<b>Total</b>	<u>1,497,761</u>	<u>17,421,059</u>	<u>601,266</u>	<u>18,317,554</u>

Turn over in Quantity (Kg)

2021-2022

Product Type	Opening Stock (a)	Production (b)	Closing Stock (c)	Sales during the year (a+b-c)
Carded Yarn	2,276	1,586,044	266,200	1,322,120
Combed Yarn	257,320	4,973,602	570,169	4,660,752
Slub Yarn	91,805	799,562	30,131	861,236
Synthetic Yarn	83,811	3,751,558	188,036	3,647,333
Melange Yarn	97,699	1,753,337	83,596	1,767,440
Vortex	16,946	1,007,542	161,228	863,259
Open End	43,023	1,797,545	194,466	1,646,102
Twisted Yarn	11,173	287,276	3,936	294,513
<b>Total</b>	<u>604,050</u>	<u>15,956,466</u>	<u>1,497,761</u>	<u>15,062,755</u>

27 Cost of goods sold

Raw Material consumption (Note-27.01)	4,719,537,783	3,509,105,818
Packing materials consumption (Note-27.02)	56,281,596	39,405,860
Fiber Dyeing	25,518,608	21,400,768
Manufacturing overhead (Note-27.03)	1,435,428,160	1,088,588,860
Cost of goods manufacturing	<u>6,236,766,147</u>	<u>4,658,501,306</u>
Opening work-in-process	67,172,889	61,624,815
Closing work-in-process	(74,350,938)	(67,172,889)
Cost of production	<u>6,229,588,098</u>	<u>4,652,953,232</u>
Opening stock of finished yarn	428,909,621	166,706,650
Closing stock of finished yarn	(243,445,597)	(428,909,621)
	<u>6,415,052,123</u>	<u>4,390,750,261</u>



### 27.01 Raw Material consumption

Quantity (KG)		
Opening Stock	7,235,464	4,843,492
Purchase during the year	16,999,687	20,656,682
Raw Material available for consumption	<u>24,235,151</u>	<u>25,500,174</u>
Closing Stock	4,274,531	7,235,464
Raw Material Consumed	<u>19,960,620</u>	<u>18,264,710</u>
Value (Taka)		
Opening balance	1,665,017,316	754,617,992
Purchase during the year	4,276,496,352	4,419,505,141
Raw Material available for consumption	<u>5,941,513,667</u>	<u>5,174,123,134</u>
Sale of cotton- local	-	-
Closing balance	(1,221,975,884)	(1,665,017,316)
	<u>4,719,537,783</u>	<u>3,509,105,818</u>

### 27.02 Packing materials consumption

Opening balance	3,444,979	3,094,460
Purchase during the year	58,006,969	39,756,379
Packing materials available for consumption	<u>61,451,947</u>	<u>42,850,839</u>
Closing balance	(5,170,352)	(3,444,979)
	<u>56,281,596</u>	<u>39,405,860</u>

### 27.03 Manufacturing overhead

Wages and allowances	310,870,957	275,032,878
Repair and maintenance	3,697,710	5,951,102
BTMA certificate charges	536,625	734,875
Store and spare parts	63,369,219	54,448,022
Travelling & Conveyance	760,275	453,523
Crockeries and Canteen Expenses	728,785	696,373
Fire Fighting Expenses-factory	2,459,215	2,297,042
Factory stationeries	2,955,078	2,189,545
Fuel and lubricants	1,290,986	345,812
Fuel and lubricants- Generator	260,102,991	102,075,688
Fuel and lubricants- Vehicles	841,239	703,868
Electricity bill	323,264,674	209,791,093
Gas bill	79,936,247	156,370,599
Insurance premium	7,789,150	5,719,203
Testing fee	22,602	256,950
Workshop expenses	2,662,237	1,866,180
Depreciation	374,140,171	269,656,106
	<u>1,435,428,160</u>	<u>1,088,588,860</u>

### 28 Other income

Foreign currency exchange gain/(loss)	(86,068,014)	(91,427,203)
Gain / (Loss) on Investment in marketable securities	(1,851,492)	1,263,250
Bank interest	3,350,338	882,007
Sales of wastage	96,270,767	69,364,786
Cash Dividend (received on marketable securities)	2,585,575	1,716,757
Rental Income	5,500,644	
Less: Repair and maintenance	(1,650,193)	
Miscellaneous Income	1,818,687	267,705
	<u>19,956,312</u>	<u>(14,169,388)</u>



**29 Administrative expenses**

Salary and allowances	137,172,309	117,980,641
Audit fees	862,500	833,750
AGM Expenses	2,565,467	2,107,065
Board Meeting Expenses	2,585,000	2,282,500
Business promotion expenses	23,116,140	22,280,518
Bank charges and commission	22,882,207	10,296,522
Ceremonial expense	557,634	55,030
Certificate and membership fees	2,887,832	3,014,820
Credit rating expenses	107,500	107,500
Garden Expenses	24,130	19,725
Advertisement	1,748,911	1,886,300
Contribution to Provident Fund	2,524,344	2,376,360
Managing Directors Remuneration (Note -39.2)	12,000,000	8,400,000
Entertainment	5,646,789	1,220,516
Internet charges	46,200	50,400
Legal and professional expenses	1,754,910	157,050
Medicine and medical expenses	135,734	120,774
News paper and periodicals	-	56,528
Office maintenance	339,990	352,689
Photocopy and type expenses	605,323	545,328
Office Stationery	68,008	72,804
Rates and taxes	2,278,083	1,257,517
Depreciation on Right-of-use (ROU) Asset	2,654,142	2,654,142
Registration and renewal	4,967,303	2,632,383
Religious expenses	54,000	65,595
Staff welfare	667,690	68,442
Travelling expenses	578,088	143,579
Software Expenses	356,263	226,263
Miscellaneous expenses	5,108,937	1,832,291
Power and fuel - vehicles	1,818,667	1,780,842
VAT Expenses	2,856,409	1,872,799
Depreciation	41,571,130	29,961,790
Loss on Fixed Assets	7,267,862	664,830
	<u>287,809,501</u>	<u>217,377,293</u>
Obsolete Raw Materials	(8,360,909)	-
Doubtful debts	(50,847,399)	20,889,569
	<u>228,601,193</u>	<u>238,266,862</u>
<b>30 Distribution expenses</b>		
Carriage outward	10,608,021	8,549,435
	<u>10,608,021</u>	<u>8,549,435</u>
<b>31 Finance cost</b>		
<b>Interest expenses</b>		
Bank Interest on term loan	82,087,484	1,472,262
Bank interest on Export Development Fund/Upas Cotton	86,895,396	40,307,503
Interest Expense on Lease Liability	405,099	668,474
Bank Interest on OD loan	1,963,403	1,432,462
	<u>171,351,382</u>	<u>43,880,702</u>
<b>32 Contribution to workers' profit participation funds</b>		

Allocation for workers' profit participation funds Tk.25,633,531 (2022: Tk. 62,241,507). This represents 5% of net income before charging income tax as per provision of the Labour Law - 2006 and it will be allocated as defined in the said Act.

Amounts in Taka

33 Computation of Taxable Income & Tax Liability thereon

	2022-2023		2021-2022	
	Percentage	BDT Amount	Percentage	BDT Amount
<b>A. Tax Payable on Total Taxable Income</b>		<u>51,308,477</u>		<u>176,350,170</u>
Business Income/(loss) for the current year		342,056,514		1,175,667,806
On Business Income	15.00%	51,308,477	15.00%	176,350,170

**B. Minimum Tax Payable u/s 82C(4)(a)**

Gross receipts during this year [Schedule-B]	7,363,916,875	6,079,946,110
Tax Rate	0.60%	0.60%
<b>Minimum Tax u/s 82C(4)(a) of ITO 1984</b>	<u>44,183,501</u>	<u>36,479,677</u>

**C. Minimum Tax Payable u/s 82C(4)(a)**

Tax deducted at Source under section 53 BB	74,332,197	31,818,245
	<u>74,332,197</u>	<u>31,818,245</u>
<b>Gross Tax Liability (higher of A, B and C)</b>	<u>74,332,197</u>	<u>176,350,170</u>

**Tax On Other Income/(Loss)**

Reconciliation of effective tax rate	2022-2023		2021-2022	
	Percentage	BDT Amount	Percentage	BDT Amount
On Foreign currency exchange gain/(loss)	20.00%	(9,612,321)	20.00%	-
On Sales of wastage (balance after setting off business loss)	20.00%	19,254,153	20.00%	13,872,957
On Misc. Income	20.00%	363,737	20.00%	53,541
On Bank interest received	20.00%	670,068	20.00%	176,401
On Cash Dividend (received on marketable securities)	20.00%	530,043	20.00%	343,351
On Gain / (Loss) on Investment in marketable securities	10.00%	44,798	10.00%	1,283,078
On Rental Income	20.00%	770,090	20.00%	752,662
<b>Tax on other income</b>		<u>12,020,568</u>		<u>16,481,991</u>

**Gross Tax Liability:**

Tax on Business Income (Higher on A, B & C)	74,332,197	176,350,170
Tax on other income	12,020,568	16,481,991
	<u>86,352,766</u>	<u>192,832,161</u>

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

Add: Adjustment of excess provision for the year 2018-2019	(20,996,346)	-
Add: Adjustment of short provision for the year 2019-2020	557,551	-
	<u>(20,438,795)</u>	-
<b>Total Current Tax</b>	<u>65,913,970</u>	<u>192,832,161</u>

Reference to the Appeal Order no. Co. Kar Adesh-3/2021-22 dated 25/09/22 and ITA No. - 2886 of 2021-22 dated 29/12/21 we have adjusted excess provision of Tk. 2,09,96,346 and short provision of Tk. 5,57,551 with the current tax provision.



	Amounts in Taka	
	2022-2023	2021-2022
<b>34 Deferred tax for statement of Profit or loss and Statement of other comprehensive income</b>		
<b>34.01: Deferred tax for statement of profit or loss</b>		
<b>A. Deferred tax on Fixed assets:</b>		
Carrying amount *	3,939,492,041	2,666,987,734
Tax base	(2,712,766,043)	(1,571,492,383)
Taxable Temporary difference	1,226,725,999	1,095,495,351
Tax rate	15%	15%
(Tax rate is 15% on Textile sector as per SRO - 159 dated 01 June 2022)		
Deferred tax liabilities as on 30 June 2023	184,008,900	164,324,303
Deferred tax liabilities 30 June 2022	(164,324,303)	(164,077,959)
	<u>19,684,597</u>	<u>246,343</u>
<b>B. Deferred tax on Right-of-Used (ROU) Assets:</b>		
Carrying amount of PV of lease obligation	2,800,978	5,897,255
Carrying amount Right to Use Assets	2,211,785	4,865,928
Taxable Temporary difference	589,193	1,031,328
Tax rate	15%	15%
Deferred tax liabilities as on 30 June 2023	88,379	154,699
Deferred tax liabilities 30 June 2022	(154,699)	(163,914)
	<u>(66,320)</u>	<u>(9,214)</u>
Total Deferred Tax Expenses (A+B)	<u>19,618,277</u>	<u>237,129</u>
<b>34.02: 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	312,505,780	330,521,879
Tax base	-	-
	<u>312,505,780</u>	<u>330,521,879</u>
Applicable tax rate (As per SRO 159 dated 01 June 2022 for	15%	15%
	<u>46,875,867</u>	<u>49,578,282</u>
<b>(ii) Deferred tax liability on capital gain on revaluation of land</b>		
Carrying amount other than building & others	1,371,505,300	1,371,505,300
Tax base	-	-
	<u>1,371,505,300</u>	<u>1,371,505,300</u>
Applicable tax rate (3% As per section 53 H of ITO 1984)	3%	3%
	<u>41,145,159</u>	<u>41,145,159</u>
Deferred tax liability against revaluation reserve ( i + ii )	88,021,026	90,723,441
Deferred tax liabilities 30 June 2022	(90,723,441)	(93,217,854)
Deferred tax for Statement of Other Comprehensive Income	<u>(2,702,415)</u>	<u>(2,494,414)</u>

Deferred tax has been provided on Taxable Temporary difference.

\* 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.

### 35 Earnings Per Share (EPS)

The computation of EPS is given below:

Earnings attributable to ordinary shareholders	427,138,377	1,051,760,851
Weighted average number of ordinary shares outstanding at the year end	97,490,000	97,490,000
Earnings per share (EPS)	<u>4.38</u>	<u>10.79</u>

#### 35.1 Diluted earnings per share

No diluted earnings per share is required to be calculated for the year as there was no scope for dilution during the year.



		Amounts in Taka	
		2022-2023	2021-2022
36	<b>NAV Per Share (With Revaluation reserves)</b>		
	Total assets	10,988,787,614	10,391,089,103
	Less: Total current liabilities	(3,820,720,336)	(4,222,906,123)
		7,168,067,278	6,168,182,980
	Deduct:		
	Long Term & deferred liabilities	(1,315,091,829)	(257,598,321)
		5,852,975,449	5,910,584,658
	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	60.04	60.63
37	<b>Net Operating Cash Flow Per Share</b>		
	Cash flows from operating activities as per statement of cash flows	484,673,137	601,834,617
	Number of Ordinary Share at statement of financial position date	97,490,000	97,490,000
	Net Operating Cash Flow - Per Share	4.97	6.17

38 **Board Meetings**

During the year from 01.07.2022 to 30.06.2023 six board meetings were held. The attendance status is as follows:

Name of Directors	Position	Meeting Held	Attended	Remarks
Abdul Wahed	Chairman	6	6	
M.A. Jabbar	Managing Director	6	6	
M.A. Rahim	Director	6	6	
M.A. Quader	Director	6	6	
Md. Hassan Imam	Director	6	6	
Selina Parvin	Director	6	6	
Tanzeen Rahim	Director	6	6	
Taslima Begum	Director	6	6	
Md. Abdus Salam FCA, FCS	Independent Director	6	6	
Shamsul Hasan Barrister-at-law	Independent Director	6	6	

39 **Number of employees & Payments to Directors and Officers**

39.1 **Number of employees**

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

	Officer & Staff		Worker	Total Employee	Amount in Taka
	Head Office	Factory			
2022-23	25	426	1,904	2,355	462,567,610
2021-22	25	504	1,789	2,318	403,789,879

There is no Salary/ Wages/Remuneration below Tk. 8,000/- per month or annually Tk. 96,000. Minimum Salary/ Wages/Remuneration has started from Tk. 8,000/- per month.

39.2 **Payments to Directors and Officers**

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

Particulars	2022-2023			2021-2022		
	Directors	Managers & Others	Total	Directors	Managers & Others	Total
Basic Salary	7,342,800	75,375,690	82,718,490	5,139,960	64,829,937	69,969,897
House Rent	3,671,400	37,687,845	41,359,245	2,569,980	32,414,969	34,984,949
Conveyance	985,800	10,119,485	11,105,285	690,060	8,703,676	9,393,736
Bonus/ incentives	-	13,989,289	13,989,289	-	12,032,059	12,032,059
<b>Total Salary and allowances</b>	<b>12,000,000</b>	<b>137,172,309</b>	<b>149,172,309</b>	<b>8,400,000</b>	<b>117,980,641</b>	<b>126,380,641</b>

\* Directors represent Managing Director only.

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

40 **Contingent Liabilities:**

a As on 30 June 2023, Contingent Liability of the Company was Tk. 399,998,057 (Tk.861,534,622 as at 30 June 2022) for opening of LCs by the banks in favour of foreign suppliers for raw materials and spares.

b There was no facts and figures for which the company has contingent liability to any party other than Bank as on 30 June 2023.



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

	MSML Unit	Melange Unit	Synthetic Unit	Special Yarn Unit	Total	
					2022-2023	2021-2022
<b>Capacity Installed:</b>						
No. of Spindles Installed	39,600	18,240	15,344	15,120	88,304	73,184
<b>Capacity Utilized:</b>						
No. of Spindles Operated	35,336	15,436	12,915	14,074	77,761	69,248
<b>Production Capacity: (In Kg)</b>						
At Equivalent Ave. 28's (Ring) & 16's Count (Rotor)	8,925,000	3,520,000	5,904,448	3,570,000	21,919,448	18,184,534
<b>Actual Production : (In Kg)</b>						
At Equivalent Ave. 28's (Ring) & 16's Count (Rotor)	7,071,385	2,482,873	4,177,183	2,645,831	16,377,272	14,772,265
<b>% of Capacity Utilization</b>	79.23	70.54	70.75	74.11	74.72	81.24

42 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 June 30, 2023 (Taka)	Status as of June 30, 2023	Closing balance as of June 30, 2022 (Taka)	Status as of June 30, 2022
Flamingo Fashions Ltd	Sister Concern	Sale of yarn	1,838,175,022	128,332,524	Debtor	254,769	Debtor
Jinnat Fashions Ltd	Sister Concern	Sale of yarn	400,376,601	14,277,181	Debtor	24,220,561	Debtor
Jinnat knitweaves Ltd	Sister Concern	Sale of yarn	3,098,142,972	644,237,812	Debtor	646,833,890	Debtor
Jinnat Apparels Ltd	Sister Concern	Sale of yarn	296,860,155	44,894,742	Debtor	144,624,982	Debtor
Mawna Fashions Ltd.	Sister Concern	Sale of yarn	502,927,739	101,801,418	Debtor	3,461,876	Debtor
Hamza Textiles Ltd	Sister Concern	Sale of yarn	292,677,922	109,269,338	Debtor	6,460,726	Debtor
Parkway Printing & DB Trims Ltd	Sister Concern	Sale of yarn	-	-	Debtor	46,968,866	Debtor
		Godown Rent &	-	-	Debtor	1,531,172	Debtor
		Sale of yarn	52,429,012	52,960,979	Debtor	60,032	Debtor
		Godown Rent &	21,748,198	2,135,080	Debtor	1,542,606	Debtor
DBL Distribution Ltd	Sister Concern	Fuel & Lubricant	237,530,209	46,398,236	Creditor	24,294,579	Creditor
Color City Ltd	Sister Concern	Fiber Dyeing	15,629,385	26,448,739	Creditors	10,819,354	Creditors
DBL Ceramics Ltd	Sister Concern	Tiles	4,998,708	7,587,608	Creditors	5,930,918	Creditors
Dulal Brothers Ltd	Sister Concern	Sale of yarn	50,433,167	18,400,495	Debtor	4,689,705	Debtor
DBL Life Style Ltd	Sister Concern	Services	226,263	452,526	Creditors	226,263	Creditors
DBL Textile Recycling Ltd.	Sister Concern	Rental Income	1,008,007	-	Debtor	1,008,007	Debtor

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	2022-2023	2021-2022
Directors' remuneration	12,000,000	8,400,000
Board meeting fees	979,000	649,000
	12,979,000	9,049,000
b) Post employment benefit:	-	-
c) Other long-term benefit:	-	-
d) Termination benefit:	-	-
e) Share- based payment:	-	-
	12,979,000	9,049,000



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

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

CIF Value of Raw Cotton, Spare Parts, Packing Materials and Capital Machinery (BDT) and Consumption:

Particulars	Local Purchase	Import	Total Purchase	Consumed	% of Consumption
Raw Cotton	-	4,276,496,352	4,276,496,352	4,719,537,783	97.53%
Stores and Accessories	-	97,156,722	97,156,722	63,369,219	1.31%
Packing Materials	58,006,969	-	58,006,969	56,281,596	1.16%
Capital Machinery	-	1,219,564,581	1,219,564,581	-	-
<b>Total</b>	<b>58,006,969</b>	<b>5,593,217,654</b>	<b>5,651,224,622</b>	<b>4,839,188,597</b>	<b>100.00%</b>

FOB Value of export

The FOB value of export is as follows:

Particulars	2022-23		2021-22	
	In foreign currency \$	In Taka	In foreign currency \$	In Taka
Export	68,635,145	7,343,960,563	69,395,240	6,002,688,295

Amounts in Taka

2022-23	2021-22
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44 Reconciliation of net operating cash flows

Net profit after tax	427,138,377	1,051,760,851
<b>Add: Items not involving movements of cash</b>		
Depreciation and amortization	415,711,301	299,617,896
Interest Income	(2,300,395)	(301,783)
Provision for finance Cost	22,897,041	1,166,280
Deferred tax expenses	19,618,277	237,129
Income Tax	65,913,970	192,832,161
Contribution to workers' profit participation funds	25,633,531	62,241,507
Dividend Income transfer to investing activities	(2,585,575)	(1,716,757)
Effects of foreign currency translation gain / (loss)	62,481,401	23,326,828
Gain / ( Loss) on Investment in marketable securities	1,851,492	(1,271,564)
	609,221,042	576,131,696
<b>A. Cash generated from operations before changes in working capital</b>	<b>1,036,359,419</b>	<b>1,627,892,547</b>
<b>Changes in working capital</b>		
Decrease (increase) in inventories	(234,267,622)	(831,471,954)
Decrease (increase) in trade and other receivables	(180,123,785)	140,824,239
Decrease (increase) in advances, deposits and prepayments	(93,966,507)	(22,805,549)
Decrease (increase) in trade payables	66,605,387	44,782,688
Decrease (increase) in other payables	(2,194,639)	(9,603,827)
Decrease (increase) of Capital expenditure	239,658,472	(64,880,150)
	(204,288,693)	(743,154,553)
<b>B. Total changes in working capital</b>	<b>(204,288,693)</b>	<b>(743,154,553)</b>
<b>C. Cash generated from operating activities (A+B)</b>	<b>832,070,727</b>	<b>884,737,994</b>
<b>Less: Payments made during the year</b>		
Tax paid	(109,078,611)	(216,752,932)
Interest paid	(176,077,473)	(24,011,942)
Workers' profit participation funds paid	(62,241,507)	(42,138,503)
<b>D. Total Payment</b>	<b>(347,397,591)</b>	<b>(282,903,377)</b>
<b>Net cash inflows from operating activities (C+D)</b>	<b>484,673,136</b>	<b>601,834,617</b>

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

46 Figures are rounded off to the nearest Taka.

47 Event after the reporting period

The Board of Directors of Matin Spinning Mills Limited, at its 139 meeting held on October 15, 2023 proposed Tk. 4 per share amounting to a total of Tk.389,960,000 as cash dividend for the year ended 30 June 2023, which represents 40% of the paid up Capital. This dividend is subject to final approval by the shareholders at the forthcoming Annual General Meeting of the Company.





**48 Standards issued but not yet effective**

A number of new standards are effective for annual periods beginning after 1 July 2020 and earlier application is permitted; however, the Company has not early adopted the new or amended standards in preparing these financial statements.

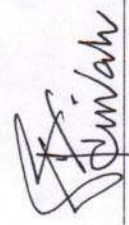
Effective for year beginning 1 January 2020	<ul style="list-style-type: none"> <li>• Amendments to references to conceptual framework in IFRS standards</li> <li>• Amendments to IFRS 3: <i>Business Combinations</i> of definition of business</li> <li>• Amendments to IAS 1: <i>Presentation of Financial Statements</i> and IAS 8 <i>Accounting Policies, Changes in Accounting Estimates and Errors</i> of definition of material.</li> </ul>
Effective for year beginning 1 January 2021	<ul style="list-style-type: none"> <li>• IFRS 17: <i>Insurance Contracts</i></li> </ul>
Effective date deferred indefinitely / available for optional adoption	<ul style="list-style-type: none"> <li>• Amendments to IFRS 10: <i>Consolidated Financial Statements</i> and IAS 28: <i>Investments in Associates and Joint Ventures</i> on sale or contribution of assets between an investor and its associate or joint venture</li> </ul>

Management does not expect that the adoption of the above new and amended standards and the interpretation to a standard will have a significant impact on the Company's financial statements.

  
 Abdul Wahed  
 Chairman

  
 M. A. Jabbar  
 Managing Director

  
 Mohammad Emarot Hossain FCA, FCS  
 Chief Financial Officer

  
 Md. Shah Alam Miah FCS  
 Company Secretary



**Matin Spinning Mills PLC**

Details of property, plant and equipment for the year ended 30 June 2023

Annex i

**A) Non Revalued Assets (Cost Component)**

Amounts in Taka

Name of the assets	Cost			Total at 30 June 2023	Rate %	At 01 July 2022	Charge for the year	Adjustment during the year	Total at 30 June 2023	Written down value at 30 June 2023
	At 01 July 2022	Addition during the year	Adjustment/d isposal during the							
Land and land development	172,971,966	-	-	172,971,966	0%	-	-	-	-	172,971,966
Factory building	700,733,723	249,453,250	-	950,186,973	5%	244,395,989	32,955,071	-	277,351,059	672,835,913
Godown	118,892,748	6,268,793	8,764,676	116,396,865	10%	47,208,412	7,590,076	1,865,345	52,933,142	63,463,722
Plant and machinery	4,154,880,817	1,219,564,581	3,660,856	5,370,784,542	10%	2,367,910,989	279,028,580	1,994,920	2,644,944,649	2,725,839,892
Furniture and fixtures	6,919,042	6,404,938	-	13,323,980	10%	2,833,318	1,106,637	-	3,939,955	9,384,025
Sub Station (Machinery)	389,122,826	-	-	389,122,826	15%	246,264,530	21,428,744	-	267,693,275	121,429,551
Gas Generator	327,279,371	155,808,382	58,025,171	425,062,583	15%	174,703,954	41,256,640	51,967,062	163,993,532	261,069,051
Office equipments	91,678,606	47,186,780	2,432,241	136,433,145	15%	46,455,525	12,319,303	2,005,240	56,769,588	79,663,557
Vehicles	67,643,349	-	-	67,643,349	20%	57,592,596	2,010,151	-	59,602,746	8,040,603
<b>Total at 30 June 2023</b>	<b>6,030,122,447</b>	<b>1,684,686,724</b>	<b>72,882,944</b>	<b>7,641,926,228</b>		<b>3,187,365,312</b>	<b>397,695,202</b>	<b>57,832,567</b>	<b>3,527,227,948</b>	<b>4,114,698,280</b>

**B) Revalued Assets (Revaluation Reserve Component)**

Name of the assets	Revaluation			Total at 30 June 2023	Rate %	At 01 July 2022	Charge for the year	Adjustment during the year	Total at 30 June 2023	Written down value at 30 June 2023
	At 01 July 2022	Addition during the year	Adjustment/d isposal during the							
Land and land development	1,198,533,334	-	-	1,198,533,334	0%	-	-	-	-	1,198,533,334
Factory building	405,031,744	-	-	405,031,744	5%	104,309,955	15,036,089	-	119,346,044	285,685,700
Godown	41,653,543	-	-	41,653,543	10%	11,853,454	2,980,009	-	14,833,463	26,820,081
<b>Total at 30 June 2023</b>	<b>1,645,218,621</b>	<b>-</b>	<b>-</b>	<b>1,645,218,621</b>		<b>116,163,408</b>	<b>18,016,098</b>	<b>-</b>	<b>134,179,507</b>	<b>1,511,039,114</b>
<b>Total ( A + B ) at 30 June</b>	<b>7,675,341,068</b>	<b>1,684,686,724</b>	<b>72,882,944</b>	<b>9,287,144,849</b>		<b>3,303,528,721</b>	<b>415,711,301</b>	<b>57,832,567</b>	<b>3,661,407,455</b>	<b>5,625,737,394</b>

Allocation of depreciation:

Year ended 30 June 2023	
Manufacturing overhead @ 90%	374,140,171
Administrative overhead @ 10%	41,571,130
	<b>415,711,301</b>

-Part A of the above note includes the cost base of all assets owned by the Company. Part B includes the increase in value of assets arising out of revaluation of assets.



Matin Spinning Mills PLC

Details of property, plant and equipment for the year ended 30 June 2022

Annex ii

A) Non Revalued Assets (Cost Component)

Amounts in Taka

Name of the assets	Cost			Depreciation			Written down value at 30 June 2022			
	At 01 July 2021	Addition during the year	Adjustment/ disposal during the year	Total at 30 June 2022	Rate %	At 01 July 2021		Charge for the year	Adjustment during the year	Total at 30 June 2022
Land and land development	160,426,166	12,545,800	-	172,971,966	0%	-	-	-	-	172,971,966
Factory building	694,974,463	5,759,260	-	700,733,723	5%	220,675,620	23,720,369	-	244,395,989	456,337,734
Godown	116,095,164	2,797,584	-	118,892,748	10%	39,572,045	7,636,367	-	47,208,412	71,684,336
Plant and machinery	3,997,025,541	157,855,276	-	4,154,880,817	10%	2,178,435,927	189,475,062	-	2,367,910,989	1,786,969,828
Furniture and fixtures	3,871,294	3,047,748	-	6,919,042	10%	2,700,194	133,124	-	2,833,318	4,085,724
Sub Station (Machinery)	386,431,498	2,691,328	-	389,122,826	15%	221,327,868	24,936,663	-	246,264,530	142,858,295
Gas Generator	316,407,375	10,871,996	-	327,279,371	15%	149,395,102	25,308,852	-	174,703,954	152,575,417
Office equipments	77,239,799	15,203,807	765,000	91,678,606	15%	39,799,508	6,756,188	100,171	46,455,525	45,223,082
Vehicles	67,643,349	-	-	67,643,349	20%	55,079,907	2,512,688	-	57,592,596	10,050,753
<b>Total at 30 June 2022</b>	<b>5,820,114,648</b>	<b>210,772,799</b>	<b>765,000</b>	<b>6,030,122,447</b>		<b>2,906,986,171</b>	<b>280,479,312</b>	<b>100,171</b>	<b>3,187,365,312</b>	<b>2,842,757,135</b>

B) Revalued Assets (Revaluation Reserve Component)

Name of the assets	Revaluation			Depreciation			Written down value at 30 June 2022			
	At 01 July 2021	Addition during the year	Adjustment/ disposal during the year	Total at 30 June 2022	Rate %	At 01 July 2021		Charge for the year	Adjustment during the year	Total at 30 June 2022
Land and land development	1,198,533,334	-	-	1,198,533,334	0%	-	-	-	-	1,198,533,334
Factory building	405,031,744	-	-	405,031,744	5%	88,482,492	15,827,463	-	104,309,955	300,721,789
Godown	41,653,543	-	-	41,653,543	10%	8,542,333	3,311,121	-	11,853,454	29,800,089
<b>Total at 30 June 2022</b>	<b>1,645,218,621</b>	<b>-</b>	<b>-</b>	<b>1,645,218,621</b>		<b>97,024,825</b>	<b>19,138,584</b>	<b>-</b>	<b>116,163,408</b>	<b>1,529,055,213</b>
<b>Total (A + B) at 30 June</b>	<b>7,465,333,269</b>	<b>210,772,799</b>	<b>765,000</b>	<b>7,675,341,068</b>		<b>3,004,010,996</b>	<b>299,617,896</b>	<b>100,171</b>	<b>3,303,528,721</b>	<b>4,371,812,348</b>

Allocation of depreciation:

Year ended 30 June 2022	
Manufacturing overhead @ 90%	269,656,106
Administrative overhead @ 10%	29,961,790
	<u>299,617,896</u>

-Part A of the above note includes the cost base of all assets owned by the Company. Part B includes the increase in value of assets arising out of revaluation of assets.

