

Matin Spinning Mills PLC
Independent Auditor's Report and
Financial Statements
As at and for the year ended 30 June 2024

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, 2024, and the statement of profit or loss, the statement of 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, 2024, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS), the Companies Act, 1994 and other applicable laws and regulations.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISA). 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) and Bangladesh Securities and Exchange Commission (BSEC) 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 the IESBA Code and the Institute of Chartered Accountants of Bangladesh (ICAB) Bye Laws. 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


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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
Carrying value (CV) of Property, plant, and equipment (PPE) and its impairment	
<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 Tk. 5,800,255,166 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"> • Reviewing basis of recognition, measurement, and valuation of assets; • Observing procedures of assets acquisition, depreciation, and disposal; • Checking ownership of the major assets; • Checking the Capital-Work-In-Progress (CWIP) and its transfer to PPE. • Performing due physical asset verification at the year-end; • 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 • Finally assessed the appropriateness and presentation of disclosures against relevant accounting standards. • Our testing did not identify any issues with regard to the carrying value of PPE or any indicators that would trigger impairment.
See notes no. 4, 3.07, & Annex-i to the financial statements	

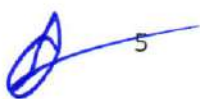
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Key Audit Matter	Our response to the risk
Revenue Recognition	
<p>During the year 2023-2024, the Company reported total revenue of Taka 8,045,325,622 in Note 26. Approximately 84% of the Company's goods are sold to its group of companies.</p> <p>Revenue 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>	<p>We have tested the design and operating effectiveness of key controls focusing on the following:</p> <ul style="list-style-type: none"> • We assessed the appropriateness of revenue recognition accounting policy in line with IFRS 15 Revenue from contracts with customers; • Performed walkthrough tests to understand the adequacy and the design of the revenue cycle; • We also reviewed the monthly reporting from MIS data which is maintained by factory for consistency and checked the documentation on a sample basis.; • We obtained supporting documentation for sales transactions recorded on either side of year-end and whether revenue was recognized in the correct period. • Obtained some third-party confirmation for the parties among trade and other receivables. • 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. • Finally assessed the appropriateness and presentation of disclosures against relevant accounting standards.
See note no. 26 & 3.03 to the financial statements	
Implementation of IFRS 16 Leases	
IFRS 16 "Leases" becomes effective for annual reporting beginning on or	We reviewed the appropriateness of management's application of IFRS 16 and

Key Audit Matter	Our response to the risk
<p>after January 01, 2019, which replaces the existing standard IAS 17.</p> <p>The Company applied IFRS 16 leases 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 at the date of 1 July 2020. Instead, the comparative information in respect of the preceding year is not restated.</p> <p>The Company reported the right-of-use (ROU) asset for Taka 17,257,789 and lease liability for Taka 17,435,020 at the year ended June 30, 2024.</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>assessment of the impact on the financial statements.</p> <p>Our audit procedure included testing classification and measurement of right-of-use assets and lease liabilities in accordance with IFRS 16.</p> <ul style="list-style-type: none"> • We checked the present value calculation for the lease. • We reviewed lease agreements and made calculations to ascertain the appropriateness of the incremental borrowing rate used. • We also examined the accuracy and appropriateness of accounting adjustments in the financial statements arising as well as verified the sufficiency and appropriateness of disclosures in the financial statements.
<p>See Notes no. 05, 19, 3.08 to the financial statements</p>	
<p>Deferred tax Liabilities</p>	
<p>The company reported net deferred tax liabilities Tk. 328,125,639 as at June 30, 2024. 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"> • 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. • We also assessed the completeness and



Key Audit Matter	Our response to the risk
	<p>accuracy of the data used for the estimates of future taxable income.</p> <ul style="list-style-type: none"> • We tested the mathematical accuracy in the calculation of deferred tax. • We assessed key assumptions, controls, recognition, and measurement of Deferred Tax. • We assessed the adequacy of the Company's disclosures setting out the basis of deferred tax balances and the level of estimation involved. • We also assisted in evaluating the tax implications, the reasonableness of estimations, and calculations determined by management. • Finally assessed the appropriateness and presentation of disclosures against IAS 12 Income Taxes.
See notes no 20 & 34 to the financial statements.	
Valuation and Existence of Inventories	
<p>The Company had inventories of Tk. 2,244,848,107 at June 30, 2024 held in Manufacturing Inventory and Non-Manufacturing Inventory.</p> <p>Inventories are carried at a lower of cost and net realizable value in compliance with the requirements of Para 21 & 25 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</p>	<p>With regard to the appropriate valuation of inventories, we adopted the following audit procedures:</p> <ul style="list-style-type: none"> • We observed MSML's year-end inventory count, performed test counts, and reconciled counted sheet records to inventory valuation report in order to verify the existence of inventories reported in the accounts; • We tested the purchase costs of a sample of inventory items by inspecting invoices and LC-related documents; • We assessed the components of the costs included within inventory items to ensure that they are in conformity with the requirements of IAS 2; • We assessed the movement of

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Key Audit Matter	Our response to the risk
<p>the sale. Any obsolete stock of abnormal losses is recognized as 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>	<p>inventories and analyzed whether closing inventories were valued using the weighted average method;</p> <ul style="list-style-type: none"> • We tested on a sample basis, the net realizable value by comparing costs to recent selling prices; • We assessed the listing of the nature of items presented within inventories and analyzed whether they meet the definition of inventories; and • We read the disclosure made by the MSML for compliance with disclosure requirements.
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 do 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.

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 (IFRS), the Companies Act, 1994, the Securities and Exchange Rules, 2020, and other applicable laws

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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 of the Company, 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 ISA 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 (ISA), 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 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 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 and other applicable rules and regulations, 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 due verification thereof;

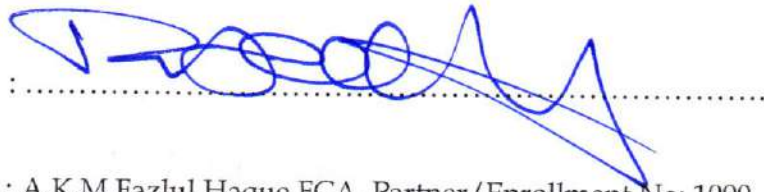
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- b) in our opinion, proper books of accounts as required by law have been kept by the Company so far as it appeared from our examination of these books;
- c) the statements of financial position and statement of profit or loss, and statement of other 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 : 2411041090AS416091

Place : Dhaka

Date : November 04, 2024

Matin Spinning Mills PLC
Statement of Financial Position
As at 30 June 2024

	Notes	Amounts in Taka	
		30 June 2024	30 June 2023
ASSETS			
Non - current assets			
Property, plant and equipment	04	5,800,255,166	5,625,737,394
Right-of-use assets (ROU)	05	17,257,789	2,211,785
Investment	06	58,498,973	65,492,840
Capital work-in-process	07	49,346,980	297,732,685
Total non - current assets		5,925,358,908	5,991,174,704
Current assets			
Inventories	08	2,244,848,107	1,717,012,364
Accounts receivable	09	2,416,212,986	1,441,558,089
Advances, deposits and prepayments	10	619,067,343	634,087,524
Materials in transit	11	1,264,230,939	867,138,196
Cash and Cash Equivalent	12	188,793,283	330,092,691
		6,733,152,657	4,989,888,864
Asset held for sale	13	-	7,724,045
Total current assets		6,733,152,657	4,997,612,910
Total assets		12,658,511,565	10,988,787,614
EQUITY AND LIABILITIES			
Equity			
Share capital	14	974,900,000	974,900,000
Share premium	15	920,700,000	920,700,000
Retained earnings	16	2,281,634,932	2,494,297,898
Revaluation reserve	17	1,446,111,259	1,463,077,552
Total equity		5,623,346,191	5,852,975,450
Non-current liabilities			
Long term bank loan	18	802,013,116	1,042,973,525
Lease liability	19	11,792,769	-
Deferred tax liability	20	328,125,639	272,118,305
Total non-current liabilities		1,141,931,524	1,315,091,829
Current liabilities			
Accounts payable	21	361,368,036	246,657,377
Short term bank loan	22	4,670,394,567	2,624,206,102
Current portion of long term loan	23	407,771,816	456,018,916
Current portion of Lease liability		5,642,251	2,800,978
Unclaimed dividend	24	3,767,893	2,937,576
Provision & accruals	25	444,289,288	488,099,386
Total current liabilities		5,893,233,851	3,820,720,335
Total equity and liabilities		12,658,511,565	10,988,787,614
NAV Per Share (With Revaluation reserves)	36	57.68	60.04

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



Abdul Wahed
Chairman



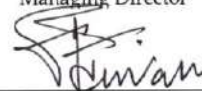
M. A. Jabbar
Managing Director



A. K. M. Fazlul Haque FCA
Partner
Hussain Farhad & Co
Chartered Accountants
Enrolment Number: 1090
DVC: 2411041090AS416091



Mohammad Emarot Hossain FCA, FCS
Chief Financial Officer



Md. Shah Alam Miah FCS
Company Secretary

Date: 28/10/2024
Place: Dhaka.

Matin Spinning Mills PLC
Statement of Profit or Loss
For the year ended 30 June 2024

	Notes	Amounts in Taka	
		2023-24	2022-23
Revenue	26	8,045,325,622	7,343,960,563
Cost of goods sold	27	(7,187,937,965)	(6,415,052,123)
Gross profit		857,387,656	928,908,441
Non operating income	28	29,957,292	19,956,312
		887,344,948	948,864,753
Administrative expenses	29	(291,321,844)	(228,601,193)
Distribution expenses	30	(11,450,845)	(10,608,021)
Net profit before finance cost		584,572,259	709,655,538
Finance cost	31	(282,239,225)	(171,351,382)
Net profit before workers' profit participation funds & tax		302,333,034	538,304,156
Contribution to workers' profit participation funds	32	(14,396,811)	(25,633,531)
Net profit before taxation		287,936,223	512,670,624
Income tax	33	(71,598,147)	(65,913,970)
Deferred tax	34	(17,407,119)	(19,618,277)
Net profit after tax		198,930,957	427,138,377
Earnings Per Share (EPS)	35	2.04	4.38

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



Abdul Wahed
Chairman



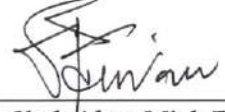
M. A. Jabbar
Managing Director



A. K. M. Fazlul Haque FCA Partner



Mohammad Emarot Hossain FCA, FCS
Chief Financial Officer



Md. Shah Alam Miah FCS
Company Secretary

Hussain Farhad & Co
Chartered Accountants
Enrolment Number: 1090

DVC: 2411041090AS416091

Date: 28/10/2024
Place: Dhaka.

Matin Spinning Mills PLC
Statement of Other Comprehensive Income
For the year ended 30 June 2024

	Notes	Amounts in Taka	
		2023-24	2022-23
Net profit after tax for the year		198,930,957	427,138,377
Deferred tax on other comprehensive income	34.02	(38,600,215)	2,702,415
Total comprehensive income for the year		160,330,742	429,840,792

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



Abdul Wahed
Chairman

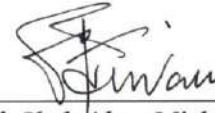


M. A. Jabbar
Managing Director



A.K.M Fazlul Haque FCA
Partner

Mohammad Emarot Hossain FCA, FCS
Chief Financial Officer

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Hussain Farhad & Co
Chartered Accountants
Enrolment Number: 1090

DVC: 2411041090AS416091

Date: 28/10/2024
Place: Dhaka.

Matin Spinning Mills PLC
Statement of Changes in Equity
For the year ended 30 June 2024

	Amounts in Taka				
	Share Capital	Share Premium	Retained Earnings	Revaluation Reserves	Total
2023-24					
Balance as at 01 July 2023	974,900,000	920,700,000	2,494,297,898	1,463,077,552	5,852,975,450
Net profit for the year	-	-	198,930,957	-	198,930,957
Dividend Paid	-	-	(389,960,000)	-	(389,960,000)
Adjustment for Depreciation on Revalued Assets	-	-	16,966,293	(16,966,293)	-
Deferred tax on other comprehensive income	-	-	(38,600,215)	-	(38,600,215)
Balance as at 30 June 2024	974,900,000	920,700,000	2,281,634,932	1,446,111,259	5,623,346,191
2022-23					
Balance as 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
Balance as at 30 June 2023	974,900,000	920,700,000	2,494,297,898	1,463,077,552	5,852,975,450

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 2024

	Notes	Amounts in Taka	
		2023-24	2022-23
A. Cash flows from operating activities			
Collection from customers		7,076,644,929	7,211,383,322
Other Income	28	110,888,618	53,878,302
Cash generated from operations		7,187,533,547	7,265,261,624
Cash paid to employees		(533,976,946)	(462,567,610)
Cash paid to suppliers		(7,358,673,275)	(5,956,379,085)
Interest paid on loans		(253,707,076)	(153,206,771)
Income tax paid	10.03	(55,401,087)	(146,193,514)
Payment made to workers' profit- participation	25.02	(25,633,531)	(62,241,507)
Net cash flows from operating activities		(1,039,858,368)	484,673,137
B. Cash flow from investing activities			
Acquisition of property, plant and equipment	4	(299,739,975)	(584,162,149)
Capital work-in-process	7	(10,617,631)	(151,848,642)
Dividend Income	28	1,316,843	2,585,575
Investment		(315,000)	(10,413,000)
Proceeds from Asset held for sale		13,665,936	-
Purchase of marketable securities	5	(23,526,085)	(7,208,476)
Proceeds from Sale of Marketable Securities	5	23,528,822	7,205,298
Interest on FDR and Bank Accounts	28	523,851	2,300,395
Net cash used in investing activities		(295,163,238)	(741,540,999)
C. Cash flows from financing activities			
Long term loan received	18	157,030,737	1,612,065,829
Long term loan (repaid)	18	(449,947,721)	(1,167,478,332)
Short term loan received from bank	22	6,588,175,694	5,196,389,631
Short term loan repaid to bank	22	(4,737,862,597)	(5,082,084,152)
Dividend Paid	24	(389,129,683)	(486,839,494)
Net cash from/(used in) financing activities		1,168,266,429	72,053,483
D. Net increase/(decrease) in cash and cash equivalents		(166,755,178)	(184,814,379)
E. Opening cash and cash equivalents		330,092,691	452,425,670
F. Effects of currency translation on cash and cash equivalents		25,455,770	62,481,401
G. Closing cash and cash equivalents (D+E+F)		188,793,283	330,092,691
Net Operating Cash Flow Per Share	37	(10.67)	4.97

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 2024

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 (as amended 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 28/10/2024.

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 2023 to 30 June 2024.

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

IAS 1, Presentation of Financial Statements, provides guidance on the going concern assumption, outlining that financial statements are prepared with the expectation that the entity will continue operating. At each reporting date, management must assess the entity's ability to continue as a going concern, considering all foreseeable information about the future, generally covering at least the next 12 months. This assessment includes evaluating various factors, such as current and anticipated profitability, debt repayment schedules, potential sources of financing, and operational continuity.

Following their inquiries during the approval of financial statements, management is confident the company has sufficient resources to sustain operations into the foreseeable future; therefore, the financial statements are prepared under the going concern assumption. Based on management's evaluation, no material uncertainties exist that would cast significant doubt on 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 depreciation (%)</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 Comparative Information.

Comparative information for the year ended June 30, 2023, has been provided for all numerical data in the financial statements, as well as for narrative and descriptive information when relevant to enhance understanding of the current year's financial statements. Prior period figures have been restated and reclassified where necessary to ensure comparability with the current period. Specifically, the investment in Fixed Deposit Receipts (FDR) has been reclassified from cash and cash equivalents to investments in order to comply with paragraph 7 of IAS 7: Statement of Cash Flows.

3.33 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	
		30 June 2024	30 June 2023
4	Property, plant and equipment		
A	NON REVALUED ASSETS:		
	Cost		
	Opening balance (at cost)	7,641,926,228	6,030,122,447
	Add : Additions	597,472,660	1,684,686,724
		8,239,398,888	7,714,809,172
	Less: Disposal/Adjustment	(81,286,379)	(72,882,944)
	Closing balance (a)	8,158,112,509	7,641,926,228
	Accumulated Depreciation		
	Opening balance	3,527,227,948	3,187,365,312
	Add : Charges for the year	390,763,011	397,695,202
		3,917,990,959	3,585,060,515
	Less: Disposal/Adjustment	(66,060,795)	(57,832,567)
	Closing balance (b)	3,851,930,164	3,527,227,948
	Written Down Value (a-b)	4,306,182,345	4,114,698,280
B	REVALUED ASSETS :		
	Revalued amount:		
	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	-	-
	Closing balance (a)	1,645,218,621	1,645,218,621
	Accumulated Depreciation		
	Opening balance	134,179,507	116,163,408
	Add : Charges for the year	16,966,293	18,016,098
		151,145,800	134,179,507
	Less: Disposal/Adjustment	-	-
	Closing balance (b)	151,145,800	134,179,507
	Written Down Value of Revaluation Assets (a-b)	1,494,072,821	1,511,039,114
	Total Written Down Value (A+B)	5,800,255,166	5,625,737,394
	Policy notes is mentioned in note 3.07 (E)		
5	Right-of-use assets (ROU)		
	Cost:		
	Opening Balance	13,270,711	13,270,712
	Add: Addition during the period	17,852,885	-
	Less: Disposal during the period	-	-
	Closing balance (a)	31,123,596	13,270,712
	Accumulated Depreciation		
	Opening balance	11,058,926	8,404,784
	Add : Charges for the year	2,806,881	2,654,142
	Less: Disposal/Adjustment	-	-
	Closing balance (b)	13,865,807	11,058,926
	Written Down Value (a-b)	17,257,789	2,211,785



		Amounts in Taka		
		Notes	30 June 2024	30 June 2023
6	Investment			
	Investment in marketable securities	6.1	44,979,412	52,971,536
	Term Deposit	6.2	13,519,561	12,521,304
			<u>58,498,973</u>	<u>65,492,840</u>
6.01	Investment in marketable securities			
	Opening balance		52,971,536	54,819,850
	Add: Addition during the year		-	-
			<u>52,971,536</u>	<u>54,819,850</u>
	Realized gain / (loss)		1,940,959	447,976
	Unrealized gain / (loss) for fair value adjustment			
	Closing balance		(23,796,898)	(13,863,815)
	Opening balance		13,863,815	11,567,525
			<u>(9,933,083)</u>	<u>(2,296,290)</u>
	Closing balance		<u>44,979,412</u>	<u>52,971,536</u>

Name of securities	No. of Share	Rate	Cost Value	Market rate per share as on 30 June 2024	Market value as on 30 June 2024
Mercantile Bank	219,300	13.73	3,010,000	9.80	2,149,140
BSRM	10,000	104.06	1,040,600	90.00	900,000
South East Bank	389,376	13.33	5,191,200	9.20	3,582,259
Vanguard MF One	25,000	10.74	268,500	5.30	132,500
Shahji Power	74,880	91.49	6,850,800	65.50	4,904,640
I.C.B	8,610	133.15	1,146,400	59.40	511,434
Prime Bank	130,000	22.59	2,936,700	21.00	2,730,000
Beximco Pharma	5,000	223.28	1,116,400	118.10	590,500
Islami Insurance	90,000	50.82	4,573,995	39.40	3,546,000
AB Bank Ltd	321,483	13.36	4,295,100	6.70	2,153,936
FBFIF	220,000	7.00	1,540,000	3.60	792,000
GIB	420,000	8.30	3,486,159	6.40	2,688,000
Popular Life 1st MF	160,000	7.15	1,144,000	3.30	528,000
Phoenix Ins.	470,000	44.17	20,759,955	27.70	13,019,000
BATBC	8,500	571.26	4,855,710	322.80	2,743,800
Confidence Cem	16,537	127.05	2,101,050	67.80	1,121,209
Pioneer Ins	61,820	72.14	4,459,741	46.70	2,886,994
	<u>2,630,506</u>		<u>68,776,310</u>		<u>44,979,412</u>

6.02 Term Deposit

LAST MATURITY DATE	FDR NO.	NAME OF BANK	TENOR	PRINCIPAL	ACCRUED INTEREST	TOTAL AMOUNT
3/21/2024	03560100155597	Exim, Karwan Br.	06 Months	1,515,800	710,896	2,226,696
6/20/2024	021002269568	Exim, Karwan Br.	12 Months	10,413,000	556,420	10,969,420
3/20/2024	0121003180852	Exim, Karwan Br.	12 Months	315,000	8,445	323,445
Total				12,243,800	1,275,761	13,519,561

7 Capital work-in-process

Special Yarn Godown	7.01	-	-
Special Yarn Building	7.02	-	3,023,041
Baro Bigha Cotton Godown-2	7.03	-	20,645,466
Baro Bigha Utility Building	7.04	-	964,730
Baro Bigha Road Construction	7.05	15,798,097	6,949,283
MSML Internal Road Construction	7.06	7,438,955	5,670,137
Daycare & Medical Center	7.07	-	21,539,657
Gate House at Baro Bigha	7.08	-	2,717,345
Machineries in Transit		26,109,928	236,223,026
		<u>49,346,980</u>	<u>297,732,685</u>
7.01 Special Yarn Godown			
Opening Balance		-	6,268,793
Add: Addition during the year		-	-
Less: Adjustment during the year		-	(6,268,793)
Closing Balance		-	-



		Amounts in Taka	
Notes	30 June 2024	30 June 2023	
7.02 Special Yarn Building			
Opening Balance	3,023,041	164,511,100	
Add: Addition during the year	-	17,614,213	
Less: Transfer to Fixed Assets	(3,023,041)	(179,102,273)	
Closing Balance	<u>-</u>	<u>3,023,041</u>	
7.03 Baro Bigha Cotton Godown-2			
Opening Balance	20,645,466		
Add: Addition during the year	1,677,998	20,645,466	
Less: Transfer to Fixed Assets	(22,323,464)	-	
Closing Balance	<u>-</u>	<u>20,645,466</u>	
7.04 Baro Bigha Utility Building			
Opening Balance	964,730	37,644,316	
Add: Addition during the year	-	670,501	
Less: Transfer to Fixed Assets	(964,730)	(37,350,087)	
Closing Balance	<u>-</u>	<u>964,730</u>	
7.05 Baro Bigha Road Construction			
Opening Balance	6,949,283		
Add: Addition during the year	8,848,813	6,949,283	
Less: Transfer to Fixed Assets	-	-	
Closing Balance	<u>15,798,097</u>	<u>6,949,283</u>	
7.06 MSML Internal Road Construction			
Opening Balance	5,670,137		
Add: Addition during the year	1,768,818	7,598,630	
Less: Transfer to Fixed Assets	-	(1,928,493)	
Closing Balance	<u>7,438,955</u>	<u>5,670,137</u>	
7.07 Daycare & Medical Center			
Opening Balance	21,539,657	-	
Add: Addition during the year	722,146	21,539,657	
Less: Transfer to Fixed Assets	(22,261,803)	-	
Closing Balance	<u>-</u>	<u>21,539,657</u>	
7.08 Gate House at Baro Bigha			
Opening Balance	2,717,345	-	
Add: Addition during the year	2,669,739	2,717,345	
Less: Transfer to Fixed Assets	(5,387,084)	-	
Closing Balance	<u>-</u>	<u>2,717,345</u>	
8 Inventories			
Manufacturing Inventory	8.01	2,202,103,767	1,681,613,673
Non Manufacturing Inventory	8.02	42,744,339	35,398,691
		<u>2,244,848,107</u>	<u>1,717,012,364</u>



		Amounts in Taka		
8.01	Manufacturing Inventory	Notes	30 June 2024	30 June 2023
	Raw cotton	8.01.01	1,533,005,504	1,221,975,884
	Finished yarn	8.01.02	346,454,699	243,445,597
	Packing materials	8.01.03	8,738,955	5,170,352
	Work-in-process	8.01.04	107,183,047	74,350,938
	Spare parts	8.01.05	206,721,562	136,670,902
			<u>2,202,103,767</u>	<u>1,681,613,673</u>
	8.01.01 Raw cotton			
	Value (TK.)			
	Conventional Cotton		780,939,977	926,822,245
	Organic Cotton		553,078,468	123,789,749
	Synthetic Fiber		149,405,833	153,803,263
	Usable Waste Cotton		37,545,223	11,203,138
	Waste Cotton		12,036,003	6,357,489
	Total		<u>1,533,005,504</u>	<u>1,221,975,884</u>
	Quantity (KG)			
	Conventional Cotton		3,029,913	3,230,077
	Organic Cotton		1,855,758	365,324
	Synthetic Fiber		789,235	679,130
	Usable Waste Cotton		332,582	126,297
	Waste Cotton		200,175	74,150
	Total		<u>6,207,664</u>	<u>4,474,978</u>
	8.01.02 Finished yarn			
	Value (TK.)			
	Carded		31,264,921	16,811,963
	Combed		137,276,789	87,170,127
	Slub		9,967,894	15,727,733
	Synthetic		68,494,465	41,765,457
	Melange		25,145,352	36,772,007
	Vortex		33,008,754	10,363,618
	Open End		36,473,966	31,585,071
	Twisted yarn		4,822,558	3,249,621
	Total		<u>346,454,699</u>	<u>243,445,597</u>
	Quantity (KG)			
	Carded		83,133	43,406
	Combed		304,207	176,886
	Slub		23,260	31,938
	Synthetic		192,017	117,078
	Melange		56,513	83,728
	Vortex		87,350	21,680
	Open End		133,357	119,203
	Twisted yarn		12,417	7,347
	Total		<u>892,254</u>	<u>601,266</u>
	8.01.03 Packing materials Value (TK.)			
	Opening balance		5,170,352	3,444,979
	Add: Purchase during the period		73,305,091	58,006,969
	Packing materials available for consumption		<u>78,475,443</u>	<u>61,451,947</u>
	Less: Consumption during the period		69,736,488	56,281,596
	Closing balance		<u>8,738,955</u>	<u>5,170,352</u>



		Amounts in Taka		
		Notes	30 June 2024	30 June 2023
8.01.04	Work-in-process			
			Quantity (KG)	
	Particulars		June 30, 2024	June 30, 2023
	Blow Room		93,621	29,458
	Carding		9,160	7,892
	B. Drawing		5,803	7,251
	Combing		5,550	5,103
	F. Drawing		25,110	8,877
	Simplex		61,059	60,680
	Ring Frame		90,970	91,892
	Winding		8,742	5,638
	Packing		27,696	51,190
	Rotor		7,090	7,864
	Vortex		1,573	3,720
	Twisting		750	-
	Total		337,124	279,565
			27,524,620	5,752,545
			2,288,355	1,870,112
			1,494,783	1,706,298
			1,660,823	1,345,976
			7,143,448	2,064,812
			17,480,974	14,597,422
			33,482,133	28,287,653
			3,269,162	1,640,551
			10,252,294	15,185,839
			1,854,166	1,140,850
			494,344	758,880
			237,945	-
			107,183,047	74,350,938
8.01.05	Spare parts			
	Opening Balance		136,670,902	102,883,399
	Add: Addition during the year		235,436,408	559,993,655
			372,107,310	662,877,055
	Less: Consumption during the year		65,369,218	63,369,219
	Less: Transfer to other GL		100,016,530	462,836,934
	Closing balance		206,721,562	136,670,902
8.02	Non Manufacturing Inventory			
	Stock of Bandhan		2,026,514	2,863,921
	Stock of Stamp		49,368	17,646
	Stock of Medicine		22,485	88,017
	Other Production Material		-	7,500
	Construction Material		4,353,349	7,513,713
	Store Materials under Inspection		36,292,623	24,907,894
			42,744,339	35,398,691
9	Accounts receivable			
	Receivable other than related party	9.01	801,919,920	342,222,236
	Receivable from related party	9.02	1,627,596,551	1,118,613,544
	Bank interest receivable on FDR		7,711,071	6,570,456
	Provision for Bad and Doubtful Debts		(21,014,557)	(25,848,146)
			2,416,212,986	1,441,558,089



		Amounts in Taka		
		Notes	30 June 2024	30 June 2023
9.01	Receivable other than related party			
	Abonti Colour Tex. Ltd		1,002,410	908,965
	Cotton Club(Bd) Ltd		7,804,263	17,256,337
	Amber Denim Ltd		356,474,910	174,261,755
	Akh Knitting & Dyeing Ltd		212,773	191,311
	Asrotex Ltd.		4,752,451	2,975,713
	Graphics Textiles Ltd		62,687,227	-
	Pakiza Knit Composite Ltd.		22,504,665	-
	Comfit Composite Knit Ltd		4,262,278	36,154,599
	Plummy Fashion Ltd		10,040,310	-
	Impress Newtux Composite Textile Ltd		23,781,434	-
	Fakir Apparels Ltd		-	2,024,788
	Fakir Fashions Ltd		101,437,131	35,108,484
	Arabi Fashion Ltd		6,647,378	-
	Multifab's Limited		8,533,769	-
	GMS Composite Knitting Industries Ltd		13,638,179	-
	Fakhruddin Textiles Ltd		42,149,726	34,106,705
	Aus Bangla Jutex Ltd		8,860,473	-
	Lida Textile And Dyeing Ltd		7,470,232	-
	Jointex Knit Wears Ltd.		14,105,892	14,105,892
	Lithium Knit Fabrics Ltd		6,908,666	6,908,666
	Tropical Knitex Ltd		7,846,123	-
	Cute Dress Industry		13,957,769	1,661,967
	Square Fashions Ltd.		34,450,938	1,048,600
	Epyllion Knitex Ltd.		13,305,740	3,827,811
	Victoria Intimate Ltd		6,655,200	-
	Others		22,429,983	11,680,645
			801,919,920	342,222,236
9.02	Receivable from related party			
	Flamingo Fashions Ltd		294,527,974	128,332,524
	Jinnat Fashions Ltd		47,205,420	14,277,181
	Mawna Fashions Ltd		156,050,364	101,801,418
	Dulal Brothers Ltd		4,678,721	18,400,495
	Jinnat Apparels Ltd		42,777,323	44,894,742
	Jinnat Knitwears Ltd		757,697,323	644,237,812
	Color City Ltd.		4,626,000	2,303,975
	Hamza Textiles Ltd.		261,460,191	109,269,338
	DB Trims Ltd		58,573,236	55,096,059
			1,627,596,551	1,118,613,544

Age Analysis of Accounts Receivable:

	1-3 Months	4-6 Months	above 6 Months		
Sale of yarn	2,128,170,899	181,778,915	119,566,658	2,429,516,472	1,460,835,780
Interest receivable on FDR(Vii)	-	-	7,711,071	7,711,071	6,570,456
Provision for bad debts			(21,014,557)	(21,014,557)	(25,848,146)
	2,128,170,899	181,778,915	106,263,172	2,416,212,986	1,441,558,089



		Amounts in Taka		
		Notes	30 June 2024	30 June 2023
I.	Accounts receivable considered good in respect of which the company is fully secured Accounts receivable accrued in the ordinary course of business are considered good and secured against confirmed P.L/c.			
II.	Accounts receivable considered good for which the company holds no security other than the personal security There is no such accounts receivable in this respect as on 30 June 2024			
III.	Accounts receivable considered doubtful or bad Tk. 21,014,557 receivable has been considered doubtful for which full provision has been incorporated in financial statements as per IFRS -9.			
IV.	Accounts receivable from the Directors or other officers of the company There is no such accounts receivable in this respect as on 30 June 2024			
V.	Accounts receivable from Related Parties There has been an amount of Tk 1,627,596,551 due as accounts receivable from related parties under common management.			
VI.	Provision for doubtful or bad debts A money suit case no. 14/13 dated 8 April 2013 has been lodged in the High Court Division for the recovery of the outstanding amount from Lithium Knit Fabrics Ltd. Honorable High Court issued summon to the defendants.			
VII.	Interest receivable on FDR Interest receivable on FDR shall be realized at the time of encashment of FDR from banks.			
10	Advances, deposits and prepayments			
	Advances			
	Salary & Allowances		1,647,530	1,603,530
	Prepaid Expenses		34,549,778	9,912,394
	VAT Current Account		17,380,340	7,502,542
	Construction	10.01	87,449	898,396
	Expenses	10.02	47,945,186	53,943,163
	Advance Income Tax	10.03	401,405,865	450,176,304
			503,016,148	524,036,329
	Deposits			
	Security deposit for Utilities	10.04	116,051,195	110,051,195
			116,051,195	110,051,195
			619,067,343	634,087,524
10.01	Construction			
	Aziz & Company Ltd		-	456,200
	Mia Engineering Bangladesh Limited.		-	280,000
	Jawad Trading		87,449	87,449
	Dhaka Concrete		-	74,747
			87,449	898,396



		Amounts in Taka		
		Notes	30 June 2024	30 June 2023
10.02	Expenses			
	Pioneer Insurance Company Ltd		-	1,660,841
	Saurer Spinning Solution Gmbh And Co.		397,274	-
	Trutzschler Gmbh & Co. Kg		-	1,386,227
	Marubeni Techno-Systems Corporation		-	2,372,882
	Dbl C&F- Chittagong (New)		9,945,861	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
	Tanveer International		1,933,249	4,182,425
	Shanghai Tianfu Industrial Co., Ltd		1,622,900	-
	Amin, Mr. Mohammad Ruhul		-	50,000
	Qinshi Industrial Inc.		2,495,665	398,296
	Hohenstein Textile Testing Institute Gmbh		626,395	-
	N.S Enterprise		-	1,315,823
	M.N Dyeing, Printing & Washing Mills Ltd		917,977	554,315
	Parikh Patel & Co.		-	494,520
	M/S Tania Enterprise		3,582,674	-
	Tania Enterprise (Pvt.) Ltd.		14,867,497	-
	M/S. Biswas Trading		1,532,203	-
	Deputy Commissioner Of Taxes		-	3,809,417
	Bestcooper Co. Ltd.		-	900,000
	M/S. Banaripara Agency		639,646	-
	Mr Rashid		1,443,291	1,310,170
	Mr. Sunny		1,598,409	250,000
	Lakshmi Ring Travellers (Coimbatore) Ltd.		-	739,301
	Mrs. Jabeen Noman		1,183,592	308,778
	Bg Filtration Gmbh		-	137,876
	J.S Transport		2,160,728	-
	MJL Bangladesh Ltd		662,200	561,600
	Local Purchase		483,113	198,246
	Others		1,852,513	1,512,060
			47,945,186	53,943,163
10.03	Advance Income Tax			
	Income Tax on Export	10.03.1	121,002,472	128,846,619
	Tax on Bank Interest & Others	10.03.2	8,134,326	14,781,616
	Advance income tax paid for tribunal	10.03.3	272,269,068	306,548,069
			401,405,865	450,176,304
10.03.1	Income Tax on Export			
	Opening Balance		128,846,619	90,525,868
	Add: Addition during the year (Section - 123 of ITA)		46,670,276	74,332,197
	Less: Adjustment against provision for previous years AIT		(54,514,423)	(36,011,447)
	Closing Balance		121,002,472	128,846,619



		Amounts in Taka	
		30 June 2024	30 June 2023
10.03.2	Tax on Bank Interest & Others		
	Opening Balance	14,781,616	11,286,012
	Add: Addition during the year (Section - 102 F of ITA)	3,535,266	4,599,061
	Less: Adjustment against provision for previous years AIT	(10,182,556)	(1,103,457)
	Closing Balance	<u>8,134,326</u>	<u>14,781,616</u>
	Advance tax represents tax deducted at source @1.00 % on export proceed under section 123 of ITA and @10% on interest received from bank under section 102 of ITA		

10.03.3	Advance Income Tax Paid for Appeal & Tribunal		
	Opening Balance	306,548,069	239,285,813
	Add: Addition during the year	5,195,545	67,262,256
	Less: Adjustment during the year	(39,474,546)	-
	Closing Balance	<u>272,269,068</u>	<u>306,548,069</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
Income tax paid for the year 2019 -2020	-	16,543,835
Income tax paid for the year 2020 -2021	105,889,302	103,717,302
Income tax paid for the year 2021 -2022	151,164,256	151,164,256
Income tax paid for the year 2022 -2023	6,000,000	6,000,000
Income tax paid for the year 2023 -2024	2,500,000	-
	<u>272,269,068</u>	<u>306,548,069</u>

10.04	Security deposit for Utilities		
	Margin Against Bank Guarantee (Titas Gas)	110,418,155	104,418,155
	Central Depository Bangladesh Ltd (CDBL)	500,000	500,000
	Security Deposit for Electricity	5,133,040	5,133,040
		<u>116,051,195</u>	<u>110,051,195</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	-	-	1,647,530
Construction	-	-	87,449
Expenses	-	47,945,186	-

- 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 BDT. 1,734,979 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	55,326,209	3,232,719
Margin Against Bank Guarantee	15,193,978	13,940,798
Materials In Transit	1,193,710,752	849,964,680
	<u>1,264,230,939</u>	<u>867,138,196</u>



	Amounts in Taka		
	Notes	30 June 2024	30 June 2023
12 Cash and Cash Equivalent			
Cash in hand		2,696,982	1,562,688
Balance in BO Account		10,005	7,268
Term Deposit		10,000,000	10,000,000
Bank balances with:			
Islami Bank Bangladesh Ltd			
Current account		1,260,158	1,234,500
Marginal deposit Account (Special)		52,531	52,531
Marginal deposit Account (Normal)		338,854	339,699
Marginal deposit Under Reserve		144,466	144,466
Foreign currency account		11,711	10,711
Exim Bank Ltd, STD account		121,737	1,235,020
Mercantile Bank Ltd			
STD account		-	40,978
Foreign currency account		-	90,028
HSBC Bank Ltd			
STD account		3,039,998	24,042,142
Foreign currency account		116,493,547	197,920,945
The City Bank Ltd			
STD account		1,782,569	427,376
Foreign currency account		10,727,377	5,609,847
Prime Bank Ltd			
STD account		1,285,380	1,289,070
Foreign currency account		190,096	173,848
Standard Chartered Bank - STD account		118,710	3,685,901
Dutch-Bangla Bank Limited - STD account		6,802,890	3,824,523
BRAC Bank Ltd			
STD account		-	5,777,621
Foreign currency account		29,209,311	56,796,042
Jamuna Bank Limited			
STD account		61,417	1,391
Foreign currency account		290,718	12,805,103
Mutual Trust Bank Ltd			
STD account		4,154,827	3,020,992
		188,793,283	330,092,691
13 Asset held for sale			
Cost:			
Forklift		3,660,856	3,660,856
Generator		124,211,550	58,025,171
		127,872,406	61,686,027
Accumulated depreciation:			
Forklift		1,994,920	1,994,920
Generator		107,334,667	51,967,062
		109,329,587	53,961,981
WDV		18,542,818	7,724,045
Fair value less cost to sale		(13,665,936)	-
Loss on fixed assets sale		(4,876,882)	-
Asset held for sale (Lower of WDV and Fair value less cost to sale)		-	7,724,045



	Notes	Amounts in Taka	
		30 June 2024	30 June 2023
14 Share capital			
Authorised			
150,000,000 ordinary shares of Taka 10 each		<u>1,500,000,000</u>	<u>1,500,000,000</u>
Issued and paid-up			
97,490,000 ordinary shares of Taka 10 each fully paid up		<u>974,900,000</u>	<u>974,900,000</u>

Particulars of Investors	Number of Investors	Number of shares	Percentage of Share Holding (%)
Sponsors/ Directors	8	31,917,000	32.739%
Foreign Investors	103	493,330	0.506%
Local Institutions	138	41,714,985	42.789%
General Public	6,991	23,364,685	23.966%
Total	7,240	97,490,000	100.00%

Distribution schedule of each class of equity setting out the number of holders and percentage as on June 30, 2024:

Range of Holdings	Number of Shareholders	Number of shares	Percentage of Share Holding (%)
Less than 500 shares	4,239	729,509	0.748%
500 to 5,000 shares	2,361	3,946,828	4.048%
5,001 to 10,000 shares	320	2,433,423	2.496%
10,001 to 20,000 shares	166	2,414,175	2.476%
20,001 to 30,000 shares	50	1,235,915	1.268%
30,001 to 40,000 shares	27	970,850	0.996%
40,001 to 50,000 shares	12	562,531	0.577%
50,001 to 100,000 shares	21	1,641,401	1.684%
100,001 to 1,000,000 shares	25	6,886,489	7.064%
Over 1,000,000 shares	19	76,668,879	78.643%
Total	7,240	97,490,000	100.00%

15 Share premium				
	No. of Shares	Premium Amount		
	34,100,000	Tk. 27	<u>920,700,000</u>	<u>920,700,000</u>

16 Retained earnings			
Opening balance		2,494,297,899	2,533,891,009
Add: Profit made during the year		198,930,957	427,138,377
Less: Dividend Paid		(389,960,000)	(487,450,000)
Depreciation on Revalued Assets		16,966,293	18,016,098
Add/(less): Deferred tax on revaluation reserve	34.02	(38,600,215)	2,702,415
Balance as at 30 June 2024		<u>2,281,634,934</u>	<u>2,494,297,899</u>

17 Revaluation reserve			
This balance consists as follows:			
Balance at the beginning of the year		1,463,077,552	1,481,093,650
Addition during the year		-	-
		<u>1,463,077,552</u>	<u>1,481,093,650</u>
Adjustment for Depreciation on Revalued Assets		(16,966,293)	(18,016,098)
Balance at 30 June 2024		<u>1,446,111,259</u>	<u>1,463,077,552</u>



18 Long term bank loan

Off Shore Loan & UPAS	1,209,784,932	1,498,992,440
Less: Current portion of long term loan	<u>(407,771,816)</u>	<u>(456,018,916)</u>
	<u>802,013,116</u>	<u>1,042,973,525</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 & 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>Security Agreement:</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



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		
SS Accessories	1,200,000	1,500,000
Pioneer Insurance Company Ltd	4,302,715	-
Mita Engineering Limited	30,750	80,750
Ebrahim & Sons	283,573	283,573
Chandpur Hardware Store	-	11,886
Shinpower	640,295	625,795
Color City Ltd.	28,851,377	26,448,739
Dbl Ceramics Ltd.	2,136,661	7,587,608
Nde Steel Structures Ltd.	856,458	856,458
Dbl Tours And Travels Limited	2,033,425	-
Ali Enterprise	-	568,841
Nusrat Packaging	-	358,125
Energypac Engineering Ltd.	1,060,000	-
Dbl Textile Recycling Ltd.	11,937,751	-
M.B. Steel Corporation	205,883	39,833
Bangla Trac Ltd.	1,654,406	-
Mozumder Transport Agency	117,000	72,000
Rising Corporation	83,623	83,623
Rbd Fibers Limited	52,957	4,030,067
Kati Bangladesh Ltd	7,819	2,512,067
Adex Engineering Limited	13,200,000	-
M.M. Paper Product	936,159	240,567
Lafarge Surma Cement Ltd.	291,840	291,840
H.M Transport Agency	1,084,100	-
Green Power Electric	363,580	535,180
Patwary Trade & Co.	21,228	21,229
Jinnat Fashions Ltd.	250,000	250,000
Dbl Distribution Ltd	128,807,241	46,398,236
United Power Generation & Distribution Company Ltd.	18,188,202	25,755,984
Dbl Lifestyle Ltd	678,789	452,526
Kapita Auto Bricks Limited	254,664	254,664
Shamsuddin Engineering Works	77,718	1,650,270
S.S Enterprise	337,100	1,737,807
Encon	46,391	46,391
Ma Enterprise (Ebrahim)	274,721	423,203
Quantam Builders & Engineering Ltd	-	4,860,000
Rifa Paper Products	4,949,225	1,592,725
Staedtler+Uhl	-	4,658,067
Soronica Paper Products	4,826,319	1,096,875
Gph Ispat Ltd.	-	883,800
Independent Enterprise	108,000	1,709,450
Mah Textiles Lip	-	940,886
Rynco Engineering Ltd.	-	770,000
Unique Cement Fibre Industries Ltd.	2,202,998	1,894,050
Shah Ali Metal	198,509	202,514
Bangladesh General Insurance Company Limited	6,075,337	-
Aqua Care Trading	856,276	1,419,299
M.R. Enterprise	-	33,500
KSRM Steel Plant Ltd.	-	895,050
Lafarge Holcim Bangladesh Limited	-	1,250,000
Siemens Bangladesh Ltd.	620,000	620,000
Akij Ready Mix Concrete Ltd.	265,443	3,743,139
Tyre & Battery Bazar	113,183	126,070
Rafin Paper Tube	284,686	284,686
Others	30,883,478	14,619,828
Total	271,649,879	164,717,201



21.02 Payable for expenses

Salary & allowances	29,274,422	21,472,118
Audit fees	862,500	862,500
Gas bill	13,522,080	5,777,540
Electricity bill	10,856,894	14,664,924
Welfare Fund	249,072	249,072
Claim Payable	15,584,642	15,606,706
Provident Fund	653,138	549,168
Provision for interest on Loan	1,179,417	16,799,017
Un-Applied Receipts	16,995,233	4,754,229
	<u>89,177,398</u>	<u>80,735,274</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
VAT Deducted at source (on Suppliers bill)	540,760	1,100,956
	<u>540,760</u>	<u>1,204,903</u>

22 Short term bank loan

UPAS / EDF Loan (Raw Cotton)	4,467,649,816	2,624,206,102
Working Capital Loan	201,066,952	-
Liability against export bills	345,804	-
Bank Overdraft	1,331,995	-
	<u>4,670,394,567</u>	<u>2,624,206,102</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: @ SOFR + 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: @ SOFR + 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: @ SOFR + 1.91% per annum.
	Bill Discounting	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.



Security Arrangement:		
<p>1.Demand promissory note for Tk 4,487,500,000 with letter of continuity & revival.</p> <p>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.</p> <p>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.</p> <p>4.First charge over the borrower's stocks of Raw Materials, Work - in -</p> <p>5. Power of Attorney on Hypothecated Goods.</p> <p>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.</p> <p>7. Power of Attorney for Back to Back facility.</p> <p>8. 'Letter of Lien over Deposits with Authority to Encash' obtained.</p> <p>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.</p> <p>10.Reister Power of Attorney in relation of property mortgaged in favour of bank under crossponding Deed of Mortgaged.</p>		
Bank	Loan Account	Particulars
	Export Development Fund (EDF)/UPAS	<p>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%.</p>
BRAC BANK		<p>Security Arrangement:</p> <p>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.</p> <p>BBL's Charge has been filed with RJSC for BDT 1110.00 Million, which shall continue.</p> <p>Pari Passu Security Sharing Agreement (PPSSA) executed amongst BBL,HSBC,The City Bank Limited(CBL) & the Borrower, for sharing floating assets.</p> <p>Support:</p> <p>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).</p> <p>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.</p> <p>c) Trust Receipt ot be executed for BDT 1100.00 Million, i.e.. covering the LATR limit (s),in support of Board Resolution of the Borrower.</p> <p>d) Counter Guarantee to be executed for BDT 100.00 Million,i.e. covering the Bank Guarantee limit (s),in support of Board Resolution of the Borrower.</p> <p>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.</p>



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%
	Security Arrangement: 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 RJSC on floating assets (present & future value) of the company. 5. Usual charge documents.	
CITY BANK	Export Development Fund (EDF)	Lender: THE CITY BANK LIMITED Nature: EDF Limit: Tk 1500 million Purpose: Import of Raw Cotton Tenure: 180 days / as per BB guidelines Rate of interest: As per BB guidelines
	Short Term Loan (STL)	Lender: THE CITY BANK LIMITED Nature: STL Limit: Tk 150 million Purpose: To meet WC fund requirement of the company for payment salary & Wages, festival bonus, utilities and for other expenses for smooth operation of the company Tenure: 180 days / as per BB guidelines Rate of interest: SMART+2.40 p. subject to change from time to time or as prescribed by Bangladesh Bank from time to time.
	Security Arrangement: A. 1st ranking charge on PPSSA basis with existing lenders with RJSC on floating assets (stock, book debts etc.) both present and future by way of hypothecation with NIGPA covering working capital limit. B. 1st ranking charge with RJSC on fixed assets (plant and machineries, spares etc.) both present and future by way of hypothecation with NIGPA covering machinery STL limit. C. Corporate guarantee from sister concerns Flamingo Fashions Ltd., Jinnat Knitwears Ltd., Mawna Fashions Ltd. and Jinnat Apparels Ltd. [CG of FFL and JKL is supported by Memorandum and rest by resolution]. D. 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. E. Insurance on assets charged to CBL to be obtained covering industrial-all risks and CBL limit. Letter of indemnity supported by company board F. Security cheque in bank's prescribed format covering total limit. G. Accepted sanction advice, company board resolution, and basic charge documents.	

23 Current portion of long term loan

Off Shore Loan & UPAS	407,771,816	456,018,916
	<u>407,771,816</u>	<u>456,018,916</u>

24 Unclaimed dividend

Opening Balance	2,937,576	2,035,937
Add: Addition during the year	389,960,000	487,450,000
Less: Paid during the year	(389,129,683)	(486,548,362)
Closing Balance	<u>3,767,893</u>	<u>2,937,576</u>

Year Wise Break Up Given Belows:

2019-2020	-	335,062
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2020-2021	1,102,837	1,114,397
2021-2022	1,291,966	1,488,116
2022-2023	1,373,089	
Total	<u>3,767,892</u>	<u>2,937,576</u>

25 Provision & accruals

Provision for Income Tax	25.01	430,484,331	463,057,709
Provision for workers' profit participation and welfare	25.02	13,804,957	25,041,678
		<u>444,289,288</u>	<u>488,099,386</u>

25.01 Provision for Income Tax

Opening Balance	463,057,709	434,258,641
Add: Provision for taxation for the year (Note - 33)	71,626,015	86,352,766
Less: Adjustment provision for previous years AIT	(64,696,979)	(37,114,903)
Less: Adjustment provision for previous years deposit	(39,474,546)	-

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

Adjustment of excess provision for the year 2018-2019	338,452	(20,996,346)
Adjustment of short provision for the year 2019-2020	(366,320)	557,551
	<u>430,484,331</u>	<u>463,057,709</u>



25.02 Provision for workers' profit participation and welfare funds

Opening Balance	25,041,678	61,649,653
Add: Addition during the year	14,396,811	25,633,531
Less: Paid during the year	(25,633,531)	(62,241,507)
Closing Balance	<u>13,804,957</u>	<u>25,041,678</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	
	2023-2024	2022-2023
Carded Yarn	743,354,893	819,176,899
Combed Yarn	3,233,555,250	3,395,847,650
Slub Yarn	192,583,440	279,057,203
Synthetic Yarn	1,627,829,735	1,104,162,220
Melange Yarn	876,335,332	675,333,581
Vortex	375,519,339	401,110,651
Open End	777,826,790	541,381,013
Twist	211,889,241	124,829,116
Twisting Services Charges	6,431,601	3,062,230
	<u>8,045,325,622</u>	<u>7,343,960,563</u>

Quantitative details of sales (KG)

2023-2024

Product Type	Opening Stock (a)	Production (b)	Closing Stock (c)	Sales during the year (a+b-c)
Carded Yarn	43,406	1,915,534	83,133	1,875,807
Combed Yarn	176,886	7,321,753	304,207	7,194,432
Slub Yarn	31,938	423,652	23,260	432,331
Synthetic Yarn	117,078	4,545,394	192,017	4,470,456
Melange Yarn	83,728	1,742,518	56,513	1,769,733
Vortex	21,680	996,787	87,350	931,117
Open End	119,203	2,730,336	133,357	2,716,181
Twisted Yarn	7,347	481,280	12,417	476,210
Total	<u>601,266</u>	<u>20,157,254</u>	<u>892,254</u>	<u>19,866,266</u>

Turn over in Quantity (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
Total	<u>1,497,761</u>	<u>17,421,059</u>	<u>601,266</u>	<u>18,317,554</u>

27 Cost of goods sold

Raw Material consumption (Note-27.01)	5,834,016,030	4,719,537,783
Packing materials consumption (Note-27.02)	69,736,488	56,281,596
Fiber Dyeing	24,367,413	25,518,608
Manufacturing overhead (Note-27.03)	1,395,659,246	1,435,428,160
Cost of goods manufacturing	7,323,779,177	6,236,766,147
Opening work-in-process	74,350,938	67,172,889
Closing work-in-process	(107,183,047)	(74,350,938)
Cost of production	7,290,947,068	6,229,588,098
Opening stock of finished yarn	243,445,597	428,909,621
Closing stock of finished yarn	(346,454,699)	(243,445,597)
	<u>7,187,937,965</u>	<u>6,415,052,123</u>



27.01 Raw Material consumption

Quantity (KG)		
Opening Stock	4,274,531	7,235,464
Purchase during the year	25,092,872	16,999,687
Raw Material available for consumption	29,367,403	24,235,151
Closing Stock	5,674,907	4,274,531
Raw Material Consumed	<u>23,692,496</u>	<u>19,960,620</u>
Value (Taka)		
Opening balance	1,221,975,884	1,665,017,316
Purchase during the year	6,145,045,650	4,276,496,352
Raw Material available for consumption	7,367,021,535	5,941,513,667
Sale of cotton- local	-	-
Closing balance	(1,533,005,504)	(1,221,975,884)
	<u>5,834,016,030</u>	<u>4,719,537,783</u>

27.02 Packing materials consumption

Opening balance	5,170,352	3,444,979
Purchase during the year	73,305,091	58,006,969
Packing materials available for consumption	78,475,443	61,451,947
Closing balance	(8,738,955)	(5,170,352)
	<u>69,736,488</u>	<u>56,281,596</u>

27.03 Manufacturing overhead

Wages and allowances	355,595,194	310,870,957
Repair and maintenance	5,985,848	3,697,710
BTMA certificate charges	901,500	536,625
Store and spare parts	65,369,218	63,369,219
Travelling & Conveyance	687,328	760,275
Croceries and Canteen Expenses	724,660	728,785
Fire Fighting Expenses-factory	653,908	2,459,215
Factory stationeries	3,017,571	2,955,078
Fuel and lubricants	1,739,172	1,290,986
Fuel and lubricants- Generator	94,934,689	260,102,991
Fuel and lubricants- Vehicles	631,405	841,239
Electricity bill	436,529,594	323,264,674
Gas bill	53,143,803	79,936,247
Insurance premium	4,836,169	7,789,150
Testing fee	21,400	22,602
Workshop expenses	3,931,412	2,662,237
Depreciation	366,956,374	374,140,171
	<u>1,395,659,246</u>	<u>1,435,428,160</u>

28 Non operating income

Foreign currency exchange gain/(loss)	(69,147,411)	(86,068,014)
Gain / (Loss) on Investment in marketable securities	(7,992,124)	(1,851,492)
Bank interest	2,662,724	3,350,338
Sales of wastage	98,746,344	96,270,767
Cash Dividend (received on marketable securities)	1,316,843	2,585,575
Rental Income	5,500,644	
Less: Repair and maintenance	(1,650,193)	3,850,451
Miscellaneous Income	520,466	1,818,687
	<u>29,957,292</u>	<u>19,956,312</u>



29 Administrative expenses

Salary and allowances	163,906,893	137,172,309
Audit fees	862,500	862,500
AGM Expenses	2,441,674	2,565,467
Board Meeting Expenses	2,887,500	2,585,000
Business promotion expenses	26,234,576	23,116,140
Bank charges and commission	9,635,407	22,882,207
Ceremonial expense	9,161	557,634
Certificate and membership fees	3,215,306	2,887,832
Credit rating expenses	80,625	107,500
Garden Expenses	24,857	24,130
Advertisement	1,420,040	1,748,911
Contribution to Provident Fund	2,474,859	2,524,344
Managing Directors Remuneration (Note -39.2)	12,000,000	12,000,000
Entertainment	6,017,137	5,646,789
Internet charges	178,968	46,200
Legal and professional expenses	1,611,854	1,754,910
Medicine and medical expenses	182,000	135,734
Office maintenance	405,876	339,990
Photocopy and type expenses	690,544	605,323
Office Stationery	130,384	68,008
Rates and taxes	1,908,267	2,278,083
Depreciation on Right-of-use (ROU) Asset	2,806,881	2,654,142
Registration and renewal	1,631,033	4,967,303
Religious expenses	82,000	54,000
Staff welfare	128,783	667,690
Travelling expenses	2,042,725	578,088
Software Expenses	296,861	356,263
Miscellaneous expenses	3,184,379	5,108,937
Power and fuel - vehicles	1,468,683	1,818,667
VAT Expenses	631,900	2,856,409
Depreciation	40,772,930	41,571,130
Loss on Fixed Assets	6,790,829	7,267,862
	296,155,433	287,809,501
Obsolete Raw Materials	-	(8,360,909)
Doubtful debts	(4,833,589)	(50,847,399)
	291,321,844	228,601,193

30 Distribution expenses

Carriage outward	11,450,845	10,608,021
	11,450,845	10,608,021

31 Finance cost**Interest expenses**

Bank Interest on term loan	114,330,512	82,087,484
Bank interest on Export Development Fund/Upas Cotton	161,301,748	86,895,396
Interest Expense on Lease Liability	433,613	405,099
Bank Interest on OD loan	3,818,701	1,963,403
Interest Expense on Export Bills	2,354,650	-
	282,239,225	171,351,382

32 Contribution to workers' profit participation funds

Allocation for workers' profit participation funds Tk.14,396,811 (2023 Tk. 25,633,531). 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			
		2023-2024		2022-2023	
33 Computation of Taxable Income & Tax Liability thereon					
A. Tax Payable on Total Taxable Income		12,062,024		127,593,513	
Reconciliation of effective tax rate		2023-2024		2022-2023	
		Percentage	BDT Amount	Percentage	BDT Amount
Business Income/(loss) for the current year			80,413,495		342,056,514
On Business Income		15.00%	12,062,024	15.00%	51,308,477
B. Minimum Tax Payable u/s 163 of ITA					
Gross receipts during this year [Schedule-B]			8,075,282,914		7,363,916,875
Tax Rate			0.60%		0.60%
Minimum Tax u/s 163 of ITA			48,451,697		44,183,501
C. Minimum Tax Payable u/s 163 of ITA					
Tax deducted at Source under section Section - 123 of ITA			46,670,276		74,332,197
			46,670,276		74,332,197
Gross Tax Liability (higher of A, B and C)			48,451,697		74,332,197
Tax On Other Income/(Loss)					
Reconciliation of effective tax rate		2023-2024		2022-2023	
		Percentage	BDT Amount	Percentage	BDT Amount
On Foreign currency exchange gain/(loss)		20.00%	1,554,271	20.00%	(9,612,321)
On Sales of wastage (balance after setting off business loss)		20.00%	19,749,269	20.00%	19,254,153
On Misc. Income		20.00%	104,093	20.00%	363,737
On Bank interest received		20.00%	532,545	20.00%	670,068
On Cash Dividend (received on marketable securities)		20.00%	269,953	20.00%	530,043
On Gain / (Loss) on Investment in marketable securities		10.00%	194,096	10.00%	44,798
On Rental Income		20.00%	770,090	20.00%	770,090
Tax on other income			23,174,317		12,020,568
Gross Tax Liability:					
Tax on Business Income (Higher on A, B & C)			48,451,697		74,332,197
Tax on other income			23,174,317		12,020,568
			71,626,015		86,352,766
(Excess)/Short provision for taxations after final assessment order as below:					
Add: Adjustment of excess provision for the year 2018-2019			338,452		(20,996,346)
Add: Adjustment of short provision for the year 2019-2020			(366,320)		557,551
			(27,868)		(20,438,795)
Total Current Tax			71,598,147		65,913,970



		Amounts in Taka	
		2023-2024	2022-2023
34	Deferred tax for statement of Profit or loss and Statement of other comprehensive income		
34.01:	Deferred tax for statement of profit or loss		
	A. Deferred tax on Fixed assets:		
	Carrying amount *	4,131,426,636	3,939,492,041
	Tax base	(2,788,241,215)	(2,712,766,043)
	Taxable Temporary difference	1,343,185,421	1,226,725,999
	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 2024	201,477,813	184,008,900
	D Deferred tax liabilities as on 30 June 2023	(184,008,900)	(164,324,303)
		17,468,913	19,684,597
	B. Deferred tax on Right-of-Used (ROU) Assets:		
	Carrying amount of PV of lease obligation	17,435,020	2,800,978
	Carrying amount Right to Use Assets	17,257,789	2,211,785
	Taxable Temporary difference	177,231	589,193
	Tax rate	15%	15%
	Deferred tax liabilities as on 30 June 2024	26,585	88,379
	Deferred tax liabilities as on 30 June 2023	(88,379)	(154,699)
		(61,794)	(66,320)
	Total Deferred Tax Expenses (A+B)	17,407,119	19,618,277
34.02:	Deferred tax for statement of other comprehensive income		
	(i) Deferred tax liability against revaluation reserve other than land		
	Carrying amount other than land	295,539,487	312,505,780
	Tax base	-	-
		295,539,487	312,505,780
	Applicable tax rate (As per SRO 159 dated 01 June 2022 for Textile Sector)	15%	15%
		44,330,923	46,875,867
	(ii) Deferred tax liability on capital gain on revaluation of land		
	Carrying amount other than building & others	1,371,505,300	1,371,505,300
	Tax base	-	-
		1,371,505,300	1,371,505,300
	Applicable tax rate (3% As per section 125 of ITA)	6%	3%
		82,290,318	41,145,159
	Deferred tax liability against revaluation reserve (i + ii)	126,621,241	88,021,026
	Deferred tax liabilities 30 June 2023	(88,021,026)	(90,723,441)
	Deferred tax for Statement of Other Comprehensive Income	38,600,215	(2,702,415)
	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	198,930,957	427,138,377
	Weighted average number of ordinary shares outstanding at the year end	97,490,000	97,490,000
	Earnings per share (EPS)	2.04	4.38
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	
		2023-2024	2022-2023
36	NAV Per Share (With Revaluation reserves)		
	Total assets	12,658,511,565	10,988,787,614
	Less: Total current liabilities	(5,893,233,851)	(3,820,720,335)
		6,765,277,714	7,168,067,279
	Deduct:		
	Long Term & deferred liabilities	(1,141,931,524)	(1,315,091,829)
		5,623,346,190	5,852,975,449
	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	57.68	60.04
37	Net Operating Cash Flow Per Share		
	Cash flows from operating activities as per statement of cash flows	(1,039,858,368)	484,673,137
	Number of Ordinary Share at statement of financial position date	97,490,000	97,490,000
	Net Operating Cash Flow - Per Share	(10.67)	4.97

38 Board Meetings

During the year from 01.07.2023 to 30.06.2024 six board meetings were held. The attendance status is as follows:

<u>Name of Directors</u>	<u>Position</u>	<u>Meeting Held</u>	<u>Attended</u>	<u>Remarks</u>
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	
Taslina 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

	<u>Officer & Staff</u>		<u>Worker</u>	<u>Total Employee</u>	<u>Amount in Taka</u>
	<u>Head Office</u>	<u>Factory</u>			
2023-24	23	571	1,658	2,252	533,976,946
2022-23	25	426	1,904	2,355	462,567,610

There is no Salary/ Wages/Remuneration below Tk. 10,788/- per month or annually Tk. 129,456. Minimum Salary/ Wages/Remuneration has started from Tk. 10,788/- 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	<u>2023-2024</u>			<u>2022-2023</u>		
	<u>Directors</u>	<u>Managers & Others</u>	<u>Total</u>	<u>Directors</u>	<u>Managers & Others</u>	<u>Total</u>
Basic Salary	7,342,800	90,066,247	97,409,047	7,342,800	75,375,690	82,718,490
House Rent	3,671,400	45,033,124	48,704,524	3,671,400	37,687,845	41,359,245
Conveyance	985,800	12,091,751	13,077,551	985,800	10,119,485	11,105,285
Bonus/ incentives	-	16,715,771	16,715,771	-	13,989,289	13,989,289
Total Salary and allowances	12,000,000	163,906,893	175,906,893	12,000,000	137,172,309	149,172,309

* 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 2024, Contingent Liability of the Company was Tk. 1,016,184,335 (Tk. 399,998,057 as at 30 June 2023) 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 2024.



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	
					2023-2024	2022-2023
Capacity Installed:						
No. of Spindles Installed	39,600	18,240	15,352	15,120	88,312	88,304
Capacity Utilized:						
No. of Spindles Operated	38,052	16,486	14,020	14,188	82,746	77,761
Production Capacity: (In Kg)						
At Equivalent Ave. 28's (Ring) & 16's Count (Rotor)	8,888,956	3,552,597	5,979,715	3,546,765	21,968,033	21,919,448
Actual Production : (In Kg)						
At Equivalent Ave. 28's (Ring) & 16's Count (Rotor)	7,510,857	2,970,789	5,110,985	2,974,327	18,566,958	16,377,272
% of Capacity Utilization	84.50	83.62	85.47	83.86	84.52	74.72

42 Related party disclosure

Name of the related party	Relationship	Nature of transaction	Value of transactions (Taka)	Closing balance as of June 30, 2024 (Taka)	Status as of June 30, 2024	Closing balance as of June 30, 2023 (Taka)	Status as of June 30, 2023
Flamingo Fashions Ltd	Sister Concern	Sale of yarn	2,172,036,930	294,527,974	Debtor	128,332,524	Debtor
Jinnat Fashions Ltd	Sister Concern	Sale of yarn	245,728,654	47,205,420	Debtor	14,277,181	Debtor
Jinnat knitwears Ltd	Sister Concern	Sale of yarn	2,662,258,791	757,697,323	Debtor	644,237,812	Debtor
Jinnat Apparels Ltd	Sister Concern	Sale of yarn	260,058,612	42,777,323	Debtor	44,894,742	Debtor
Mawna Fashions Ltd.	Sister Concern	Sale of yarn	1,019,313,327	156,050,364	Debtor	101,801,418	Debtor
Hamza Textiles Ltd	Sister Concern	Sale of yarn	342,547,049	261,460,191	Debtor	109,269,338	Debtor
DB Trims Ltd	Sister Concern	Sale of yarn	46,091,065	52,800,356	Debtor	52,960,979	Debtor
		Godown Rent &	24,158,553	5,772,880	Debtor	2,135,080	Debtor
DBL Distribution Ltd	Sister Concern	Fuel & Lubricant	95,198,537	128,807,241	Creditor	46,398,236	Creditor
Color City Ltd	Sister Concern	Fiber Dyeing	15,648,557	28,851,377	Creditors	26,448,739	Creditors
DBL Ceramics Ltd	Sister Concern	Tiles	1,796,917	2,136,661	Creditors	7,587,608	Creditors
Dulal Brothers Ltd	Sister Concern	Sale of yarn	5,174,872	4,678,721	Debtor	18,400,495	Debtor
DBL Life Style Ltd	Sister Concern	Services	226,263	678,789	Creditors	452,526	Creditors
DBL Textile Recycling Ltd.	Sister Concern	Rental Income	1,099,644	-	-	-	-

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	2023-2024	2022-2023
Directors' remuneration	12,000,000	12,000,000
Board meeting fees	979,000	649,000
	12,979,000	12,649,000
b) Post employment benefit:	-	-
c) Other long-term benefit:	-	-
d) Termination benefit:	-	-
e) Share-based payment:	-	-
	12,979,000	12,649,000



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	-	6,145,045,650	6,145,045,650	5,834,016,030	97.74%
Stores and Accessories	-	135,419,877	135,419,877	65,369,218	1.10%
Packing Materials	73,305,091	-	73,305,091	69,736,488	1.17%
Capital Machinery	-	313,009,473	313,009,473	-	-
Total	73,305,091	6,593,475,000	6,666,780,092	5,969,121,736	100.00%

FOB Value of export

The FOB value of export is as follows:

Particulars	2023-24		2022-23	
	In foreign currency \$	In Taka	In foreign currency \$	In Taka
Export	68,763,467	8,045,325,622	68,635,145	7,343,960,563

Amounts in Taka	
2023-24	2022-23

44 Reconciliation of net operating cash flows

Net profit after tax	198,930,957	427,138,377
Add: Items not involving movements of cash		
Depreciation and amortization	407,729,304	415,711,301
Interest Income	(523,851)	(2,300,395)
Provision for finance Cost	199,584,844	22,897,041
Deferred tax expenses	17,407,119	19,618,277
Income Tax	71,598,147	65,913,970
Contribution to workers' profit participation funds	14,396,811	25,633,531
Dividend Income transfer to investing activities	(1,316,843)	(2,585,575)
Effects of foreign currency translation gain / (loss)	25,455,770	62,481,401
Investment	7,306,130	1,851,492
	741,637,431	609,221,042
A. Cash generated from operations before changes in working capital	940,568,387	1,036,359,419
Changes in working capital		
Decrease (increase) in inventories	(924,928,485)	(234,267,622)
Decrease (increase) in trade and other receivables	(974,654,897)	(180,123,785)
Decrease (increase) in advances, deposits and prepayments	(33,750,257)	(93,966,507)
Decrease (increase) in trade payables	114,710,659	66,605,387
Decrease (increase) in other payables	15,464,359	(2,194,639)
Decrease (increase) of Capital expenditure	201,625,308	239,658,472
	(1,601,533,314)	(204,288,693)
B. Total changes in working capital	(660,964,927)	832,070,727
C. Cash generated from operating activities (A+B)		
Less: Payments made during the year		
Tax paid	(55,401,087)	(109,078,611)
Interest paid	(297,858,825)	(176,077,473)
Workers' profit participation funds paid	(25,633,531)	(62,241,507)
D. Total Payment	(378,893,443)	(347,397,591)
Net cash inflows from operating activities (C+D)	(1,039,858,368)	484,673,137

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 145 meeting held on October 28, 2024 proposed Tk. 5 per share amounting to a total of Tk.487,450,000 as cash dividend for the year ended 30 June 2024, which represents 50% 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"> • Amendments to references to conceptual framework in IFRS standards • Amendments to IFRS 3: <i>Business Combinations</i> of definition of business • 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.
	<ul style="list-style-type: none"> • IFRS 17: <i>Insurance Contracts</i>
	<ul style="list-style-type: none"> • 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

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 2024

A) Non Revalued Assets (Cost Component)

Name of the assets	Cost			Depreciation			Written down value at 30 June 2024			
	At 01 July 2023	Addition during the year	Adjustment/d isposal during the	Total at 30 June 2024	Rate %	At 01 July 2023		Charge for the year	Adjustment during the year	Total at 30 June 2024
Land and land development	172,971,966	-	-	172,971,966	0%	-	-	-	-	172,971,966
Factory building	950,186,973	106,429,003	15,000,000	1,041,615,975	5%	277,351,059	33,689,117	10,603,597	300,436,580	741,179,395
Godown	116,396,865	37,833,749	-	154,230,613	10%	52,933,142	9,068,102	-	62,001,244	92,229,369
Plant and machinery	5,370,784,542	71,210,872	-	5,441,995,414	10%	2,644,944,649	273,905,564	-	2,918,850,213	2,523,145,201
Furniture and fixtures	13,323,980	-	-	13,323,980	10%	3,939,955	938,398	-	4,878,353	8,445,627
Sub Station (Machinery)	389,122,826	133,273,615	-	522,396,441	15%	267,693,275	18,269,053	-	285,962,328	236,434,113
Gas Generator	425,062,583	241,798,600	66,186,379	600,674,804	15%	163,993,532	40,934,037	55,367,606	149,559,963	451,114,841
Office equipments	136,433,145	6,926,821	100,000	143,259,966	15%	56,769,588	12,350,620	89,593	69,030,616	74,229,350
Vehicles	67,643,349	-	-	67,643,349	20%	59,602,746	1,608,121	-	61,210,867	6,432,482
Total at 30 June 2024	7,641,926,228	597,472,660	81,286,379	8,158,112,509		3,527,227,948	390,763,011	66,060,795	3,851,930,164	4,306,182,345

B) Revalued Assets (Revaluation Reserve Component)

Name of the assets	Revaluation			Depreciation			Written down value at 30 June 2024			
	At 01 July 2023	Addition during the year	Adjustment/d isposal during the	Total at 30 June 2024	Rate %	At 01 July 2023		Charge for the year	Adjustment during the year	Total at 30 June 2024
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%	119,346,044	14,284,285	-	133,630,329	271,401,415
Godown	41,653,543	-	-	41,653,543	10%	14,833,463	2,682,008	-	17,515,471	24,138,072
Total at 30 June 2024	1,645,218,621	-	-	1,645,218,621		134,179,507	16,966,293	-	151,145,800	1,494,072,821
Total (A + B) at 30 June	9,287,144,849	597,472,660	81,286,379	9,803,331,130		3,661,407,455	407,729,304	66,060,795	4,003,075,964	5,800,255,166

Allocation of depreciation:

Year ended 30 June 2024	
Manufacturing overhead @ 90%	366,956,374
Administrative overhead @ 10%	40,772,930
	407,729,304

-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 2023

Amounts in Taka

Name of the assets	Cost				Depreciation			Written down value at 30 June 2023		
	At 01 July 2022	Addition during the year	Adjustment/d isposal during the year	Total at 30 June 2023	Rate %	At 01 July 2022	Charge for the year		Adjustment during the year	Total at 30 June 2023
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	155,808,382	58,025,171	389,122,826	15%	246,264,530	21,428,744	-	267,693,275	121,429,551
Gas Generator	327,279,371	47,186,780	2,432,241	425,062,583	15%	174,703,954	41,256,640	51,967,062	163,993,532	261,069,051
Office equipments	91,678,606	-	-	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
Total at 30 June 2023	6,030,122,447	1,684,686,724	72,882,944	7,641,926,228		3,187,365,312	397,695,202	57,832,567	3,527,227,948	4,114,698,280

B) Revalued Assets (Revaluation Reserve Component)

Name of the assets	Revaluation				Depreciation			Written down value at 30 June 2023		
	At 01 July 2022	Addition during the year	Adjustment/d isposal during the year	Total at 30 June 2023	Rate %	At 01 July 2022	Charge for the year		Adjustment during the year	Total at 30 June 2023
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
Total at 30 June 2023	1,645,218,621	-	-	1,645,218,621		116,163,408	18,016,098	-	134,179,507	1,511,039,114
Total (A + B) at 30 June	7,675,341,068	1,684,686,724	72,882,944	9,287,144,849		3,303,528,721	415,711,301	57,832,567	3,661,407,455	5,625,737,394

Allocation of depreciation:

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

-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.

