

# **Interim Financial Statements (Un-Audited)**

**3rd Quarter  
1st July 2023 To 31 March 2024**



**Head Office: House # 315, Road # 04, Baridhara DOHS, Dhaka-1206, Bangladesh**

## Mozaffar Hossain Spinning Mills Limited

Statement of Financial Position (Un-Audited)

As at March 31, 2024

| Particulars                              | Notes        | Amount in Taka       |                      |
|--|--------------|----------------------|----------------------|
|  |              | March 31, 2024       | June 30, 2023        |
| <b>ASSETS:</b>                           |              |                      |                      |
| <b>Non-Current Assets</b>                |              | <b>3,542,979,868</b> | <b>3,563,022,210</b> |
| Property, Plant and Equipment's          | 5.00         | 3,542,979,868        | 3,563,022,210        |
| <b>Investment</b>                        |              | <b>5,142,199</b>     | <b>5,142,199</b>     |
| Investment                               | 6.00         | 5,142,199            | 5,142,199            |
| <b>Current Assets</b>                    |              | <b>2,734,766,365</b> | <b>2,591,170,795</b> |
| Inventories                              | 7.00         | 1,784,250,572        | 1,880,401,086        |
| Goods in Transit                         |              | 84,162,384           | -                    |
| Accounts Receivable                      | 8.00         | 416,582,352          | 383,427,710          |
| Advances, Deposits & Pre-Payments        | 9.00         | 315,307,185          | 293,221,651          |
| Cash and Cash Equivalents                | 10.00        | 134,463,873          | 34,120,349           |
| <b>Total Assets</b>                      |              | <b>6,282,888,432</b> | <b>6,159,335,204</b> |
| <b>EQUITY AND LIABILITIES:</b>           |              |                      |                      |
| <b>Shareholders' Equity</b>              |              | <b>2,003,775,898</b> | <b>1,948,313,855</b> |
| Share Capital                            | 11.00        | 1,009,933,740        | 1,009,933,740        |
| Revaluation Reserve                      | 12.00        | 500,545,475          | 500,545,475          |
| Tax Holiday Reserve                      |              | 72,845,417           | 72,845,417           |
| Retained Earnings                        | 13.00        | 420,451,266          | 364,989,223          |
| <b>Non-Current Liabilities</b>           |              | <b>1,976,488,716</b> | <b>1,946,609,652</b> |
| Long Term Borrowings                     | 14.00        | 1,902,117,020        | 1,886,621,690        |
| Deferred Tax Liability                   | 15.00        | 74,371,696           | 59,987,962           |
| <b>Current Liabilities</b>               |              | <b>2,302,623,818</b> | <b>2,264,411,697</b> |
| Accounts Payable                         | 16.00        | 18,284,777           | 16,443,117           |
| Cash Dividend Payable                    | 17.00        | 1,006,681            | 1,324,274            |
| Long Term Borrowings- Current Maturity   | 18.00        | 285,468,061          | 220,942,900          |
| Short Term Borrowings                    | 19.00        | 1,761,563,649        | 1,791,024,462        |
| Provision for Tax                        | 20.00        | 80,683,743           | 107,521,912          |
| Accrued Expenses                         | 21.00        | 155,616,907          | 127,155,032          |
| <b>Total Equity &amp; Liabilities</b>    |              | <b>6,282,888,432</b> | <b>6,159,335,204</b> |
| <b>Net Asset Value Per Share (NAVPS)</b> | <b>30.00</b> | <b>19.84</b>         | <b>19.29</b>         |

The accompanying notes 1 to 32 & annexure A to C form an integral part of these Financial Statements.

|                         |                   |          |                   |          |
|-------------------------|-------------------|----------|-------------------|----------|
| Sd/-                    | Sd/-              | Sd/-     | Sd/-              | Sd/-     |
| Chief Financial Officer | Company Secretary | Director | Managing Director | Chairman |

Signed in terms of our separate report of even date.

Date : 29 April 2024

Place : Dhaka

## Mozaffar Hossain Spinning Mills Limited

Statement of Profit or Loss & Other Comprehensive Income (Un-Audited)

For the Period from 01 July 2023 to 31 March 2024

| Particulars                                       | Notes | Amount in Taka                        |                                       | Amount in Taka                              |   |
|---|-------|---------------------------------------|---------------------------------------|---|---|
|   |       | July 01, 2023<br>to<br>March 31, 2024 | July 01, 2022<br>to<br>March 31, 2023 | January 01,<br>2024<br>to<br>March 31, 2024 | January 01,<br>2023<br>to<br>March 31, 2023 |
| Turnover  | 22.00 | 2,032,480,079                         | 1,814,356,788                         | 611,208,470                                 | 652,221,872                                 |
| Less: Cost of Goods Sold                          | 23.00 | 1,668,661,598                         | 1,429,894,645                         | 485,459,322                                 | 509,639,774                                 |
| <b>Gross Profit</b>                               |       | <b>363,818,481</b>                    | <b>384,462,143</b>                    | <b>125,749,148</b>                          | <b>142,582,098</b>                          |
| Other Income                                      | 24.00 | 5,873,487                             | (12,312,516)                          | (2,211,553)                                 | (23,335,002)                                |
| <b>Operating Expenses:</b>                        |       | <b>48,796,298</b>                     | <b>44,365,304</b>                     | <b>20,593,060</b>                           | <b>19,431,089</b>                           |
| Administrative Expenses                           | 25.00 | 48,164,339                            | 43,777,938                            | 20,207,060                                  | 19,251,287                                  |
| Marketing and Distribution Expenses               | 26.00 | 631,959                               | 587,366                               | 386,000                                     | 179,802                                     |
| <b>Profit from Operation</b>                      |       | <b>320,895,670</b>                    | <b>327,784,323</b>                    | <b>102,944,535</b>                          | <b>99,816,007</b>                           |
| Less: Financial expenses                          | 27.00 | 214,042,366                           | 175,266,177                           | 69,185,436                                  | 66,927,755                                  |
| <b>Net Profit Before WPPF</b>                     |       | <b>106,853,304</b>                    | <b>152,518,146</b>                    | <b>33,759,099</b>                           | <b>32,888,252</b>                           |
| Workers Profit Participation Fund                 |       | 5,088,253                             | 7,262,769                             | 1,607,576                                   | 1,566,107                                   |
| <b>Net Profit before Tax</b>                      |       | <b>101,765,051</b>                    | <b>145,255,377</b>                    | <b>32,151,523</b>                           | <b>31,322,145</b>                           |
| <b>Income tax expenses:</b>                       |       | <b>32,075,537</b>                     | <b>49,689,709</b>                     | <b>9,572,038</b>                            | <b>19,559,120</b>                           |
| Current tax                                       | 20.01 | 17,691,803                            | 26,054,525                            | 4,417,577                                   | 11,360,548                                  |
| Deferred Tax Expenses/(Income)                    | 15.03 | 14,383,734                            | 23,635,184                            | 5,154,461                                   | 8,198,572                                   |
| <b>Net Profit after Tax Transferred to Equity</b> |       | <b>69,689,514</b>                     | <b>95,565,668</b>                     | <b>22,579,485</b>                           | <b>11,763,025</b>                           |
| <b>Earnings Per Share (EPS)</b>                   | 28.00 | <b>0.69</b>                           | <b>0.95</b>                           | <b>0.22</b>                                 | <b>0.12</b>                                 |
| <b>Number of Shares used to compute</b>           | No's  | <b>100,993,374</b>                    | <b>100,993,374</b>                    | <b>100,993,374</b>                          | <b>100,993,374</b>                          |

The accompanying notes 1 to 32 & annexure A to C form an integral part of these Financial Statements.

\_\_\_\_\_  
Sd/-  
Chief Financial Officer

\_\_\_\_\_  
Sd/-  
Company Secretary

\_\_\_\_\_  
Sd/-  
Director

\_\_\_\_\_  
Sd/-  
Managing Director

\_\_\_\_\_  
Sd/-  
Chairman

Signed in terms of our separate report of even date.

Date : 29 April 2024  
Place : Dhaka

**Mozaffar Hossain Spinning Mills Limited**  
**Statement of Changes in Equity (Un-Audited)**  
For the Period from 01 July 2023 to 31 March 2024

**Amount in Taka**

| Particulars   | Share Capital        | Tax holiday Reserve | Revaluation Reserve | Retained Earnings  | Total                |
|---|----------------------|---------------------|---------------------|--------------------|----------------------|
| Balance as on 01.07.2023  | 1,009,933,740        | 72,845,417          | 500,545,475         | 364,989,223        | 1,948,313,855        |
| Net Profit / (Loss) for the period                              | -                    | -                   | -                   | 69,689,514         | 69,689,514           |
| Cash Dividend 2%(For all Public Shareholder without Directores) |                      |                     |                     | (12,198,660)       | (12,198,660)         |
| Tax Claim by DCT for the Assessment year 2022-2023              |                      |                     |                     | (1,635,377)        | (1,635,377)          |
| Tax Claim by DCT for the Assessment year 2023-2024              |                      |                     |                     | (393,434)          | (393,434)            |
| Paid for VaT Assessment for the year 2018-2019 and 2019-2020    |                      |                     |                     | (3,006,413)        | (3,006,413)          |
| <b>Balance as on 31.03.2024</b>                                 | <b>1,009,933,740</b> | <b>72,845,417</b>   | <b>500,545,475</b>  | <b>417,444,853</b> | <b>2,000,769,485</b> |

**Mozaffar Hossain Spinning Mills Limited**  
**Statement of Changes in Equity (Un-Audited)**  
For the Period from 01 July 2022 to 31 March 2023

**Amount in Taka**

| Particulars                        | Share Capital        | Tax holiday Reserve | Revaluation Reserve | Retained Earnings  | Total                |
|------------------------------------|----------------------|---------------------|---------------------|--------------------|----------------------|
| Balance as on 01.07.2022           | 1,009,933,740        | 72,845,417          | 500,545,475         | 426,643,512        | 2,009,968,144        |
| Net Profit / (Loss) for the period | -                    | -                   | -                   | 95,565,668         | 95,565,668           |
| Less: Cash Dividend                |                      |                     |                     | (60,596,024)       | (60,596,024)         |
| <b>Balance as on 31.03.2023</b>    | <b>1,009,933,740</b> | <b>72,845,417</b>   | <b>500,545,475</b>  | <b>461,613,156</b> | <b>2,044,937,788</b> |

Sd/-  
\_\_\_\_\_  
Chief Financial Officer

Sd/-  
\_\_\_\_\_  
Company Secretary

Sd/-  
\_\_\_\_\_  
Director

Sd/-  
\_\_\_\_\_  
Managing Director

Sd/-  
\_\_\_\_\_  
Chairman

## Mozaffar Hossain Spinning Mills Limited

Statement of Cash Flows (Un-Audited)

For the Period from 01 July 2023 to 31 March 2024

| Particulars  | Notes        | Amount in Taka                        |                                       |
|--|--------------|---------------------------------------|---------------------------------------|
|  |              | July 01, 2023<br>to<br>March 31, 2024 | July 01, 2022<br>to<br>March 31, 2023 |
| <b>A. Cash flows from operating activities :</b>                           |              |                                       |                                       |
| Cash Collection from Turnover and Others                                   |              | 1,983,090,951                         | 1,611,760,756                         |
| Foreign Exchange Gain/(Loss)   |              | 22,107,973                            | 106,523,937                           |
| Cash Paid to Suppliers, Employee and Others                                |              | (1,585,306,020)                       | (1,572,871,402)                       |
| <b>Cash Generated from Operation</b>                                       |              | <b>419,892,904</b>                    | <b>145,413,291</b>                    |
| Income Tax Paid  |              | 23,509,687                            | (26,054,525)                          |
| <b>Net cash flows from/(used) in operating activities</b>                  |              | <b>443,402,591</b>                    | <b>119,358,766</b>                    |
| <b>B. Cash flow from investing activities:</b>                             |              |                                       |                                       |
| Acquisition of Property, Plant & Equipment                                 |              | (147,402,844)                         | (20,545,678)                          |
| Payment for Capital Work in Progress                                       |              | -                                     | -                                     |
| Advance for Acquisition of Property, Plant & Equipment Investment          |              | (21,525,429)                          | (41,265,579)                          |
|  |              | -                                     | -                                     |
| <b>Net cash flows from/ (used) in Investing Activities</b>                 |              | <b>(168,928,273)</b>                  | <b>(61,811,257)</b>                   |
| <b>C. Cash flow from financing activities:</b>                             |              |                                       |                                       |
| Received/(Repaid) short term loan  |              | (29,460,813)                          | 137,333,307                           |
| Financial Expenses   |              | (214,042,366)                         | (175,266,177)                         |
| Cash Dividend Paid   |              | (12,516,253)                          | (59,826,780)                          |
| Received/(Repaid) long term loan   |              | 80,020,491                            | 61,745,500                            |
|  |              | -                                     | -                                     |
| <b>Net cash flows from/(used) in financing activities</b>                  |              | <b>(175,998,941)</b>                  | <b>(36,014,150)</b>                   |
| <b>D. Net Cash Increase/ (Decrease) (A+B+C)</b>                            |              | <b>98,475,377</b>                     | <b>21,533,359</b>                     |
| <b>E. Opening cash and cash equivalents at the beginning of the period</b> |              | <b>34,120,349</b>                     | <b>66,201,005</b>                     |
| <b>F. Closing cash and cash equivalents at the end of the period (D+E)</b> |              | <b>132,595,726</b>                    | <b>87,734,364</b>                     |
| <b>G. Unrealized Fc Gain/(Loss) for Cash and Cash Equivalents</b>          |              | <b>1,868,149</b>                      | <b>3,930,616</b>                      |
| <b>H. Cash and Cash Equivalents carried forward (F+G)</b>                  |              | <b>134,463,873</b>                    | <b>91,664,980</b>                     |
| <b>Net Operating Cash Flow Per Share</b>                                   | <b>29.00</b> | <b>4.39</b>                           | <b>1.18</b>                           |
| <b>Number of Shares used to compute NOCFPS</b>                             |              | <b>100,993,374</b>                    | <b>100,993,374</b>                    |

\_\_\_\_\_  
Sd/-  
Chief Financial Officer

\_\_\_\_\_  
Sd/-  
Company Secretary

\_\_\_\_\_  
Sd/-  
Director

\_\_\_\_\_  
Sd/-  
Managing Director

\_\_\_\_\_  
Sd/-  
Chairman

**Mozaffar Hossain Spinning Mills Limited**  
Notes to the Financial Statements  
For the period from 01 July, 2023 to 31 March, 2024

## **1.0 Legal Status of the Company**

Mozaffar Hossain Spinning Mills Limited (herein after referred to as “MHSML” or “the Company”) was incorporated with the Registrar of Joint Stock Companies and Firms (RJSCF) vide registration no. C-59784(1791)/05 dated November 29, 2005 as a private company Limited by shares namely Mozaffar Hossain Textile Mills Limited. Subsequently the company renamed as Mozaffar Hossain Spinning Mills Limited in December 14, 2011 and the company was emerged as a public limited company on the same date and year. In January 2014, Mozaffar Hossain Spinning Mills Limited listed its shares with both Dhaka and Chittagong Stock Exchanges.

### **Registered office of the company**

The registered office and principal place of business of the company is situated at House # 315, Road # 04, DOHS Baridhara, Dhaka-1206, Bangladesh, and the manufacturing establishment is located at Thakurbari Tec, Masumabad, Bhulta, Rupgonj, Narayangonj.

## **2.0 Nature of Business Activities**

Mozaffar Hossain Spinning Mills Limited runs the business of 100% export oriented cotton yarn manufacturing & selling mostly to woven fabrics manufacturer. As a backward linkage industry to support 100% export oriented RMG industry of Bangladesh. Products of the company are sold at domestic market as deemed exporter delivered to the export oriented companies.

## **3.0 Risk Exposure**

### **3.1 Interest Rate Risk**

MHSML is exposed to the volatility of interest rate as it has long-term Bank Loan. Any higher trend in interest rate in the future will definitely aggravate the adversity.

#### **Management perception:**

The management of MHSML has decided to pay off the outstanding Bank Loan gradually to make the Gearing Ratio at a satisfactory level which is expected to reduce the financial leverage and interest burden significantly.

### **3.2 Exchange Rate Risk**

MHSML is engaged in global trade as it procures its raw materials from overseas markets. Therefore, fluctuations in the related foreign currency rates may affect adversely to the company's liquidity and profitability and expose a threat to the stability of the Company.

#### **Management Perception:**

MHSML settles its foreign transaction through US Dollars in case of both export and import. While the value of functional currency fluctuates, the loss or gain on currency fluctuation for export automatically sets off against the loss or gain on currency fluctuation for import. As the value of export is always greater than the value of import, some balance is created in the foreign currency transaction. Furthermore, the Company is contemplating about setting a system of hedging on foreign currency transactions in the future. Movement in the exchange rate adversely may expose the company to risks of foreign currency loss.

### 3.3 Industry Risks

#### (a) Market demand:

The products of MHSML are sold to the export oriented fabrics and garments manufacturer, The ultimate buyer are from abroad. Any economic recession, changes in tastes and fashions of the consumers, national income and other related factors may cause to decline the market demand of the company products.

#### Management Perception:

MHSML always gives values to its customers' satisfaction and changes in tastes and fashion. Therefore, its expert team promptly dedicates their creativity and research work to respond any changes in customer's demand and product diversifications.

#### (b) Competition:

MHSML is operating in a free market economy regime. The company might have to face stiff competition from its competitors:

#### Management Perception:

Bangladesh is the prime source of cheapest garments in the world, earning comparative advantages for its industries over their global competitors. In addition, the management of MHSML employs their efficiencies; expertise and discretions to minimize the cost of its products.

#### (c) Rising of Raw Materials costs:

The cost of raw cotton and other material are highly volatile and can take movement in any direction. Increasing trend in the raw material cost may hamper the profitability of the company to a greater extent.

#### Management Perception:

MHSML is aware of the continuing market situation of its raw materials. The management of MHSML believes that long term planning for raw material management, exploring number of global markets, job wise costing for its finished products and trustworthy relations with the suppliers and mitigate the risk of rising of materials cost.

### 3.4 Risks steaming from technological changes:

Changes in technologies may reduce the cost efficiency of the company.

#### Management perception:

MHSML had gone for huge BMRE to support the technological changes. The machineries and equipment of the new unit are the latest invention in the sector which is imported from renowned manufacturers of the world.

### 3.5 Other risk factors:

#### (a) Political Unrest:

Bangladesh is prone to serious unrest in the political condition embraced by Hartal, Road-Block and many other politicized barriers to the business. Due to these factors it would stem the cost of the product upwards.

**Management Perception:**

During the last forty-seven years of post independence period, Bangladesh has gone through a variety of political situations. However, presently, a sound political atmosphere is prevailing in the country. Both the ruling and opposition parties are committed to the betterment of the country. Last democratic national assembly election and local council polls are instances of peaceful political situation in Bangladesh.

**(b) Possible slowdown in economic growth in Bangladesh:**

Our performance and growth are dependent on the sound health of the Bangladesh economy. The economy could be adversely affected by various factors such as political or regulatory action, including adverse changes in liberalization policies, social disturbances, terrorist attacks and other acts of violence or war, natural calamities, commodity and energy prices and various other factors. Any significant change may adversely affect our business and economy significantly.

**Management Perception:**

Bangladesh economy is booming for last few years. Consistent industrial growth along with increased agricultural production has made the Per Capita Income higher than that of recent years. In addition, favorable government policies and industry friendly policies by other regulatory bodies have proved to be congenial to the economy of the country.

**(c) Natural calamities:**

Bangladesh is a country where recurrent natural calamities take place every year. It is a serious threat to the business.

**Management perception:**

This type of situation is totally beyond the control of human being. Though the management of MHSML has a very little to do with, we can and should have some precaution measures to minimize the damage of the business in such situations.

**4.0 Basis of preparation and significant accounting policies****4.1 Basis of Measurement of Elements of Financial Position**

The financial statements have been prepared on the Historical Cost convention basis and therefore, do not take into consideration the effect of inflation except that arising from revaluation of lands and land developments and buildings, as specified in Note 4.10. The accounting policies, unless otherwise stated, have been consistently applied by the Company and are consistent with that of the previous year.

**4.2 Statement of Compliance with Laws**

The financial statements have been prepared in accordance with the applicable International Accounting Standards (IAS) and International Financial Reporting Standard (IFRS) adopted by the Institute of Chartered Accountants of Bangladesh (ICAB) and the requirements of the Companies Act 1994 and other relevant laws and regulations as applicable in Bangladesh.



### **4.3 Going Concern**

As per IAS-1 "Presentation of Financial Statements", a company is required to make assessment at the end of each year to assess its capability to continue as going concern. Management of the company makes such assessment each year. The company has adequate resources to continue in operation for the foreseeable future and has wide coverage of its liabilities. For this reason, the Directors continue to adopt the going concern assumption while preparing the financial statements.

### **Deviation from last period Result**

The government had re-fixed the rate of utilities like Gas and electricity from time to time. As per statistics, it's increased more than 100% from the period and increased of raw materials cost. Hence, EPS and Net profit have been decreased during the period from the previous year.

### **4.4 Accrual Basis**

The financial statements have been prepared, except cash flow information, using the accrual basis of accounting.

### **4.5 Structure, Content and Presentation of Financial Position**

Being the general-purpose financial statements, the presentation of these financial statements is in accordance with the guidelines provided by IAS-1: "Presentation of Financial Statements". A complete set of financial statements comprise:

- i) Statement of Financial Position as at March 31, 2024.
- ii) Statement of Profit or Loss and other Comprehensive Income for the period from 01 July 2023 to 31 March 2024.
- iii) Statement of Changes in Equity for the period from 01 July 2023 to 31 March 2024.
- iv) Statement of Cash Flows for the period from 01 July 2023 to 31 March 2024.
- v) Notes comprising a summary of significant accounting policies and other explanatory information to the Financial Statements for the period from 01 July 2023 to 31 March 2024.

### **4.6 Reporting Period**

The Financial year of the company under audit cover for a period of 06 months effective from 01 July 2023 to March 31, 2024.

### **4.7 Inventories**

Inventories comprises of Raw materials, Work-in-Process, Finished goods and Stores & Spares. Raw materials and Stores and Spares have been measured lower of cost and net realizable value as per IAS-2 "Inventories". Work-in-Process has been valued at prime cost basis as required by IAS-2 "Inventories" with proportionate addition of Factory Overheads. Finished goods have been valued at cost of material and other production overhead attributable to bringing the goods to the stage of sale under the convention of IAS-2 "Inventories".

### **4.8 Revenue**

Revenue represents the invoice value of goods supplied to customers during the period. Revenue from sale of goods is recognized in the statement of Comprehensive Income when the significant risks and rewards of ownership have been transferred to the buyer. Sales are recognized when delivery certificate is raised against confirmed orders.

## 4.9 Property, Plant and Equipment

### Initial Recognition and measurement

Property, plant and equipment are capitalized at cost of acquisition and subsequently stated at cost or valuation less accumulated depreciation in compliance with the requirements of IAS-16: "Property, Plant and Equipment". The cost of acquisition of an asset comprises its purchase price and any directly attributable cost of bringing the assets to its working condition for its intended use inclusive of inward freight, duties, non-refundable taxes and un-allocated expenditures etc. The land and land developments with an effect as on June 30, 2022 have been revalued by an independent valuer to reflect fair value (prevailing market price) thereof following "Current Cost Method".

### Subsequent Costs

The cost of replacing part of an item of property, plant and equipments is recognized in the carrying amount of an 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 recognized in the statement of comprehensive income as "Repair & Maintenance" when it is incurred.

### Depreciation on Fixed Assets

Depreciation is provided to amortize the cost or valuation of the assets after commissioning, over the period of their expected useful lives, in accordance with the provisions of IAS-16: "Property, Plant and Equipment". Depreciation of an asset begins when it is available for use. Depreciation is charged on all fixed assets except land and land developments on **Reducing Method**. Rates of depreciation are noted below:

| Particular of Assets     | Rate of Depreciation |
|--------------------------|----------------------|
| Land & Land Developments | 0 %                  |
| Factory Building         | 5 %                  |
| Plant & Machinery        | 10 %                 |
| Vehicle                  | 10 %                 |
| Furniture and Fixture    | 10 %                 |
| Air Condition            | 10 %                 |
| Computer Equipment       | 10 %                 |

The gain or loss on disposal or retirement of assets is included statement of comprehensive income when the item is disposed off/derecognized.

The fair value of the property, plant and equipment on 31.03.2024 is not materially differing with the carrying amount.

### CAPITAL WORK-IN-PROCESS

As per decision of the Board, the company has undertaken an expression program to construct a ring project. The cost of supplies, development work of land and building construction and others has been incorporated in the Capital Work-In-Process.

## 4.10 Revaluation Reserve

In 2021, land under the ownership of MHSML was professionally revalued by ATA KHAN & Co, Chartered Accountants. Fair market value was estimated at Tk. 797,382,000 as against net book value of Tk. 286,621,311 resulting in a revaluation surplus of Taka 510,760,689 which was accounted for and transferred to revaluation reserve.

#### **4.11 Cash and Cash Equivalent and Statement of Cash Flows:**

Cash and cash equivalents comprise cash in-hand and in current account that are readily convertible to a known amount of cash, and that are not subject to significant risk of change in value.

The Statement of Cash Flows is prepared using the **Direct Method** as stipulated in Bangladesh Accounting Standards (IAS)-7 “Statement of Cash Flows”

#### **4.12 Earnings per Share**

The company calculates Earnings per Share (EPS) in accordance with the requirement of IAS-33: “Earning per Share”, which has been shown on the face of the Statement of Comprehensive Income.

##### **Basic earnings:**

This represents earnings for the period ended 31 March 2024 attributable to the ordinary shareholders.

##### **Basic earnings per share:**

This has been calculated by dividing the basic earning by the number of ordinary shares outstanding for the period.

##### **Weighted average number of ordinary shares outstanding during the year:**

The basis of computation of number of shares is in line with the provision of IAS-33: Earnings per Share. Therefore, the total number of shares outstanding at the end of the year multiplied by a time weighting factor which is the number of days the specific shares were outstanding as a proportion of total number of days in the year.

##### **Diluted Earnings Per Share:**

Diluted EPS is calculated if there is any commitment for issuance of equity shares in foreseeable future, i.e. potential shares, without inflow of resources to the Company against such issue. This is in compliance with the requirement of IAS-33. As the company has no dilutive potential ordinary shares, so diluted earnings per shares was not calculated.

#### **4.13 Foreign Currency Transactions**

Foreign currency transactions are recorded, on initial recognition in the functional currency at the spot exchange rate ruling at the transaction date.

At the end of each reporting period, in compliance with the provision of IAS-21: “The Effects of Changes in Foreign Exchange Rates” are determined as under:

- (a) Foreign currency monetary items are translated using the closing rate.
- (b) Non-monetary items that are measured in terms of historical costs in a foreign currency are translated using the exchange rate at the date of the transaction.
- (c) Non-monetary items that are measured at fair value in a foreign currency is translated using the exchange rate at the date when the fair value is determined.

#### **4.14 Impairment of Assets**

All assets, except inventory, arising from construction contracts and financial assets is assessed at the end of each reporting year to determine whether there is any indication that an asset may be impaired. If any such indication exists, the company assesses the recoverable amount.

And only if, the recoverable amount of an asset is less than its carrying amount, the carrying amount of the assets is reduced to its recoverable amount. The reduction is an impairment loss.

An impairment loss is recognized immediately in statement of Comprehensive Income, unless the asset is carried at revalued amount in accordance with another standard. Any impairment loss of a revalued asset is treated as a revaluation decrease. No such assets have been impaired during the year under audit and for this reason no provision has been made for impairment of assets.

#### **4.15 Borrowing Cost**

Borrowing costs are interest and other costs that an entity incurs in connection with the borrowing of fund and are recognized as an expense in the year in which it incurs.

#### **4.16 Authorization date for issuing Financial Statements**

Board of Directors authorized the financial statements for issue on April 29, 2024.

#### **4.17 Reporting Currency**

The financial statements are prepared and presented in Bangladesh Currency (Taka), which is the company's functional currency.

#### **4.18 Risk and uncertainty for use of estimates (Provisions):**

The Preparation of Financial Statements in conformity with International Accounting Standards (IAS) requires management to make estimates and assumptions that affect the reported amounts of revenue and expenses, assets and liabilities and disclosure requirements for contingent assets and liabilities during and the date of the financial statements. Due to inherent uncertainty involved in making estimates, actual result reported could differ from those estimates.

In accordance with the guidelines in IAS-37: "Provisions, Contingent Liabilities and Contingent Assets", provisions are recognized in the following situations: -

- When the company has an obligation as a result of past events;
- When it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
- Reliable estimate can be made of the amount of the operation.

#### **4.19 Accruals & Deferrals**

Deferrals and accruals have been made as per the guidance in IAS-1 Presentation of Financial Statements. In order to meet their objectives, Financial Statements, except for cash flow statement and related information, are prepared on accrual basis of accounting. Under the basis, the effects of transactions and other events are recognized when they occur (and not when cash or its equivalent is received or paid) and they are recorded in the accounting records and reported in the Financial Statements of the years to which they relate.

Other Payables are not interest bearing and are stated at their nominal value.

#### **4.20 Advances, Deposits and Prepayments**

Advances are initially measured at cost. After initial recognition advances are carried at cost less deductions or adjustments. Deposits are measured at payment value. Prepayments are initially measured at cost. After initial recognition prepayments are carried at cost less charges to the statement of comprehensive income.

#### **4.21 Financial Instruments**

Non-derivative financial instruments comprise accounts and other receivables, cash and cash equivalents, borrowings and other payables and are shown at transaction cost.

##### **Initial recognition**

An entity recognizes a financial assets or liabilities in its statement of financial position when, and only when, the entity becomes a party to the contractual provision of the instrument and subsequently recognized at their Amortized Cost.

Bills receivable are recognized at cost or net realizable value from the ordinary course of sales in the market whichever is lower. Bills receivables from foreign currency transactions are recognized into Bangladeshi Taka using exchange rates prevailing on the closing date of the accounts in accordance with IAS-21: The Effects of Changes in Foreign Exchange Rates.

#### **4.22 Segment Reporting**

As the Company operates in a single industry segment, so no segment reporting is applicable for the Company as per IAS-14:” Segment reporting”.

#### **4.23 Related Party Disclosures**

The information as required by IAS-24: “Related party Disclosure” has been disclosed separately in notes to the financial statements.

#### **4.24 Corporate Tax**

**(a) Current Tax:** Current Tax is the amount of income taxes payable (recoverable) in respect of the taxable profit (tax loss) for the period.

Current tax is recognized in statement of comprehensive income except to the extent that it relates to business combination or item recognized directly in equity.

As the company has enjoying tax holiday @ 100% up-to October 2010, has been enjoying 50% up-to October 2012, and has been enjoying 25% up-to October 2013 for which provision for current tax has been made on taxable income to that extent as prescribed in Income Tax Ordinance, 1984.

##### **(b) Deferred Tax**

Deferred tax liabilities are the amount of income taxes payable in future years in respect of taxable temporary differences. Deferred tax assets are the amount of income taxes recoverable in future years in respect of deductible temporary differences. Deferred tax assets and liabilities are recognized for the future tax consequences of timing differences arising between the carrying values of assets, liabilities, income and expenditure and their respective tax bases. Deferred tax assets and liabilities are measured using tax rates and tax laws that have been enacted or subsequently enacted at the financial statement date.

#### **4.25 Workers Profit Participation Fund**

As per provision of Bangladesh Labor Law, Amendment 2013, Section 232(2), in case of a 100% export oriented industrial sector or for any industry investing 100% foreign exchange, the Government, through enactment of Rule, shall adopt required provisions with regard to formation of sector based central fund comprising of buyers and owners, form a Board to execute that fund, determine contributions and their realization procedure and provisions for utilizations of the money for the welfare of the beneficiaries in the sector. As per Financial Statement, Company Showing Net profit for the period for this reason company make provision against WPPF.

#### **4.26 Contingent Assets and Liabilities**

A contingent asset is disclosed when it is a possible that asset arises from the past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity.

A contingent liability is disclosed when it is a possible obligation that arises from the past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity.

The company has no contingent assets or liabilities, which require disclosure under IAS: 37. Contingent assets and contingent liabilities are not recognized in the financial statements.

A contingent asset is disclosed as per IAS-37, where an inflow of or economic benefits is probable. A contingent liability is disclosed unless the possibility of an outflow of resources embodying economic benefits is remote.

Tax assessment for the year 2010-2011, 2011-2012, 2012-2013, 2013-2014 is under appeal Hon'ble High Court Division of the Supreme Court of Bangladesh for Tax holiday facility.

As per the decision was taken in the 10<sup>th</sup> AGM and Board of Director's meeting held on 20/12/2015 MHSML has declare 20% Stock Dividend to all the Shareholders but later considered 15% Stock Dividend to all the Shareholders and 5% cash dividend to the general shareholder (Excluding Sponsors /Directors). As per order dated 17.01.2016 passed by the Hon'ble High Court Division of the Supreme Court of Bangladesh in Writ Petition No.447/2016.15% stock dividend credited to all shareholders through CDBL, the decision regarding the remaining 5% dividend payment is awaiting Hon'ble High Court.

#### **4.27 Comparative Information**

Comparative information has been disclosed as required by IAS 01: Interim Financial Reporting' In respect of the previous year for all numerical information in the current financial statements as below:

- Statement of Financial Position as of the end of the preceding financial year.
- Statement of Profit or Loss and other Comprehensive Income for the comparable year of preceding financial year.
- Statement of Changes in Equity for the comparable year of preceding financial year.
- Statement Cash Flows for the comparable year of preceding financial year. Comparative figures have been re-arranged wherever considered necessary to conform current year figure without causing any impact on the profit and value of assets and liabilities as reported in the financial statements.

| Notes       | Particulars                            | Amount in Taka       |                      |
|-------------|--|----------------------|----------------------|
|             |  | 31.03.2024           | 30.06.2023           |
| <b>5.00</b> | <b>Property, Plant and Equipment's</b> |                      |                      |
|             | <b>Cost:</b>                           |                      |                      |
|             | Opening balance at cost                | 4,212,281,781        | 4,065,811,580        |
|             | Add : Addition during the period       | 147,402,844          | 146,470,201          |
|             |  | <u>4,359,684,625</u> | <u>4,212,281,781</u> |
|             | <b>Total</b>                           | <b>4,359,684,625</b> | <b>4,212,281,781</b> |
|             | <b>Depreciation:</b>                   |                      |                      |
|             | Opening balance                        | 1,160,020,259        | 933,559,574          |
|             | Depreciation during the period         | 167,445,187          | 226,460,685          |
|             |  | <u>1,327,465,446</u> | <u>1,160,020,259</u> |
|             | <b>Total ( a)</b>                      | <b>3,032,219,179</b> | <b>3,052,261,522</b> |
|             | <b>Revaluation:</b>                    |                      |                      |
|             | Opening balance                        | 510,760,689          | 510,760,689          |
|             | Add : Addition during the period       | -                    | -                    |
|             | <b>Total (b)</b>                       | <b>510,760,689</b>   | <b>510,760,689</b>   |
|             | <b>Written Down Value (WDV) (a+b)</b>  | <b>3,542,979,868</b> | <b>3,563,022,210</b> |

Please refer to Annexure-'A' for further details

#### 6.00 Investment

This represents the followings:

|                                 |                  |                  |
|---------------------------------|------------------|------------------|
| Suntech Energy Limited          | 5,142,199        | 4,669,399        |
|                                 | <u>5,142,199</u> | <u>4,669,399</u> |
| Add: Profit from the Associates | -                | 472,800          |
| <b>Total</b>                    | <b>5,142,199</b> | <b>5,142,199</b> |

The company has purchased 30% shares of Tk 4,920,000 from Suntech Energy Ltd. and accounted for complying with IAS 28 "Investment in Associates" accordingly during the period. We have assessed the project "Suntech Energy Limited" there are no too much changes on our Impairment investment.

#### 7.00 Inventories

Break-up of this item is as follows:

|   | Qty. (Kg) | Amounts              | Amounts              |
|---|-----------|----------------------|----------------------|
| <b>Finished Goods:</b>  |           | <b>983,097,198</b>   | <b>735,498,576</b>   |
| Yarn  | 2,448,119 | 802,879,124          | 559,567,449          |
| Primary estimation of damage stock of Finished Goods and Claim to Insurance Company | 158,767   | 55,453,739           | 55,453,739           |
| Work-in-process   | 465,279   | 124,764,335          | 120,477,388          |
| <b>Raw Materials:</b>   |           | <b>781,307,062</b>   | <b>1,122,235,807</b> |
| Virgin Cotton   | 2,206,087 | 547,109,617          | 636,848,528          |
| Waste Cotton  | 1,302,642 | 182,369,872          | 433,559,706          |
| Closing Damaged cotton of Fire under insurance claim                                | 386,000   | 51,827,573           | 51,827,573           |
| <b>Packing Materials</b>  |           | <b>8,177,765</b>     | <b>6,988,520</b>     |
| <b>Store Materials</b>  |           | <b>11,668,547</b>    | <b>15,678,183</b>    |
|   |           | <u>1,784,250,572</u> | <u>1,880,401,086</u> |

| Notes | Particulars | Amount in Taka |            |
|-------|-------------|----------------|------------|
|       |             | 31.03.2024     | 30.06.2023 |

The above Inventories are as per physical counting made and valued by a Inventory team comprised of management nominated staff to carryout the Inventory verification except as stated below. Inventories in hand have been valued at lower of cost and net realizable value as per IAS-2. Inventories were hypothecated against working capital facilities availed from the bank (Islami Bank BD Ltd.).

Due to fire in the factory on 26.02.2021, factory premises, machineries and inventory was damaged and an estimation of the damaged material completed by management, Fire service & Civil defense authority, and independent surveyor appointed by Insurance Company which is not yet finalized. As all the material, building and machineries were covered by fire insurance a claim has been lodged on the basis of primary assessment by the company amount of which is Tk. 16.97 crore. however, after completing the assessment the management will make the accounting effect in the books of record and no effect has been given during this period as the amount is not confirmed. As Management always complied with all the rules & regulations related to the fire policy & safety plan so hopefully will get the total claim against damaged Goods after finalization of the assessment of loss due to fire in factory premises.

#### 8.00 Accounts Receivable

This is unsecured, considered good and is falling due within one year . No debts are considered as bad during the year. Classification schedule as required by Schedule XI of Companies Act 1994 is as follows:

|      |  |                           |                           |
|------|--|---------------------------|---------------------------|
| I)   | Accounts Receivable considered good in respect of which the company is fully secured (Annexure B)  | -                         | -                         |
| II)  | Accounts Receivable considered good in respect of which the company holds no security other than the debtor's personal security (Annexure B) | 545,910,375               | 389,764,617               |
| III) | Accounts Receivable considered doubtful or bad   | -                         | -                         |
| IV)  | Accounts Receivable due by any director or other officer of the company  | -                         | -                         |
| V)   | Accounts Receivable due by Common management (Annexure B)  | 95,278,465                | 252,334,891               |
| VI)  | The maximum amount of receivable due by any director or other officer of the company   | -                         | -                         |
|      |  | <u>641,188,840</u>        | <u>642,099,508</u>        |
|      | Add: Exchange gain   | 3,104,321                 | 58,372,683                |
|      | Less: Adjustment of Bill Discounting (Net off Assets & Liabilities) Note-8.01  | 227,710,809               | 317,044,482               |
|      |  | <u><b>416,582,352</b></u> | <u><b>383,427,710</b></u> |

#### Aging of Accounts Receivable:

|   |                           |                           |
|---|---------------------------|---------------------------|
| Dues within three months                      | 239,124,601               | 221,354,924               |
| Dues above three months but within six months | 235,157,046               | 144,048,984               |
| Dues above six months                         | 166,907,193               | 276,695,600               |
|   | <u><b>641,188,840</b></u> | <u><b>642,099,508</b></u> |

#### 8.01 Adjustment of Bill Discounting (Net off Assets & Liabilities)

|                        |                           |                           |
|------------------------|---------------------------|---------------------------|
| Woori Bank Limited     | 99,270,922                | 171,995,133               |
| Southeast Bank Limited | -                         | 31,384,967                |
| IBBL -MDB              | -                         | 41,121,002                |
| IBBL -MDB-Foreign      | -                         | 48,310,503                |
| NCC-IBP                | 128,439,887               | 24,232,876                |
|                        | <u><b>227,710,809</b></u> | <u><b>317,044,482</b></u> |

#### 9.00 Advances, Deposits & Pre-Payments

|   |                           |                           |
|---|---------------------------|---------------------------|
| Advance against Purchase Note-9.01            | 120,335,098               | 98,809,669                |
| Advance against Factory Expenses              | 32,569,883                | 7,931,248                 |
| Advance against L/c, L/C Margin and BG Margin | 126,639,800               | 127,929,100               |
| Bank Guarantee for CDBL                       | 1,176,349                 | 1,176,349                 |
| Titas Gas Security Deposits                   | 15,727,350                | 15,727,350                |
| Prepaid Insurance                             | 1,053,374                 | 332,918                   |
| Tax deducted at sources Note-9.02             | 17,805,331                | 41,315,018                |
|   | <u><b>315,307,185</b></u> | <u><b>293,221,651</b></u> |



| Notes        | Particulars   | Amount in Taka     |                   |
|--------------|---|--------------------|-------------------|
|              |   | 31.03.2024         | 30.06.2023        |
|              | Bank guarantee is provided for CDDBL & Titas Gas security deposits purpose. |                    |                   |
| <b>9.01</b>  | <b>Advance against Purchase</b>   |                    |                   |
|              | Dues within three months  | 43,924,665         | 40,445,640        |
|              | Dues above three months but within six months                               | 63,248,436         | 33,083,443        |
|              | Dues above six months   | 13,161,997         | 25,280,586        |
|              |   | <b>120,335,098</b> | <b>98,809,669</b> |
| <b>9.02</b>  | <b>Tax Deductions at Sources</b>  |                    |                   |
|              | Opening Balance   | 41,315,018         | 21,667,015        |
|              | Addition during the period  | 17,691,803         | 29,276,106        |
|              |   | <b>59,006,821</b>  | <b>50,943,121</b> |
|              | Less : AIT adjusted during the Assessment 2020-2021                         | -                  | 839,764           |
|              | Less : AIT adjusted during the Assessment 2021-2022                         | -                  | 8,788,339         |
|              | Less : AIT adjusted during the Assessment 2022-2023                         | 11,925,384         | -                 |
|              | Less : AIT adjusted during the Assessment 2023-2024                         | 29,276,106         | -                 |
|              |   | <b>17,805,331</b>  | <b>41,315,018</b> |
|              | Break-up of opening balance as follows:                                     |                    |                   |
|              | Financial year:   |                    |                   |
|              | 2018-2019   | 113,528            | 113,528           |
|              | 2021-2022   | -                  | 11,925,384        |
|              | 2022-2023   | -                  | 29,276,106        |
|              | 2023-2024   | 17,691,803         | -                 |
|              | <b>Total</b>  | <b>17,805,331</b>  | <b>41,315,018</b> |
| <b>10.00</b> | <b>Cash and Cash Equivalents</b>  |                    |                   |
|              |   | <b>4,152,114</b>   | <b>3,234,597</b>  |
|              | <b>Cash in Hand</b>   | <b>4,152,114</b>   | <b>3,234,597</b>  |
|              | <b>Cash at Banks:</b>   |                    |                   |
|              | IBBL Mouchak #20501450100327918   | 5,099,853          | 99,048            |
|              | IBBL Mouchak #20501452500004916   | 13,187,682         | 9,467             |
|              | IBBL Mouchak #20501452600004917   | -                  | 12,533            |
|              | IBBL Bhulta #20502800100215106  | 3,053,334          | 19,816            |
|              | IBBL(FCAD ORQ) Mouchak #20501452800001714                                   | 47,286,690         | 1,366,030         |
|              | IBBL(FC Held BB LC) Mouchak #20501452300004914                              | 5,734,385          | 63,385            |
|              | SEBL Dhanmodi #1211100015657  | 126,816            | 1,996,562         |
|              | SEBL FC Dhanmodi #15400002573   | 7,368,926          | -                 |
|              | SEBL Bhulta # 7713100000379   | 3,331              | 18,411            |
|              | DBBL Bhulta # 1761200001733   | 2,118,146          | 328,111           |
|              | DBBL Bashundhara # 1471100005894  | 1,814,511          | 1,875,530         |
|              | MBL Pragati Sarani # 1111000926026  | 90,059             | 72,644            |
|              | EBL Principal   | 2,005              | 1,969             |
|              | EBL Principal #1011360231502  | 157,375            | 157,375           |
|              | Woori Bank FC #1509640003099  | 1,303,080          | 7,887,555         |
|              | Woori Bank RQA  | 552,309            | 6,397,996         |
|              | Woori Bank #1509640002993   | 5,412              | 22,759            |
|              | Agrani Bank Foreign Ex # 0200017638659                                      | 38,665             | 25,829            |
|              | Agrani Bank ERQ # 0200018773999   | 28,170,238         | 81,930            |
|              | Agrani Bank Foreign Ex # 0200018756001                                      | 370,917            | 31,685            |
|              | NCC Bank Mohakhali Branch #1250325000048                                    | 349,655            | 172,211           |
|              | NCC Bank Dilkusha Branch #0028-0210022678                                   | 59,177             | 292,848           |
|              | NCC Bank Dilkusha Branch #0028-0325001170                                   | 976,581            | 859,215           |
|              | NCC Bank Dilkusha Branch #0028-0268000093                                   | 12,116,238         | 3,705,280         |
|              | NCC Bank Dilkusha Branch #0028-0259000252                                   | 214,348            | 5,387,562         |
|              | CBC Bank A/C# 1818007453  | 112,025            | -                 |
|              |   | <b>130,311,759</b> | <b>30,885,752</b> |
|              | <b>Total</b>  | <b>134,463,873</b> | <b>34,120,349</b> |

| Notes | Particulars | Amount in Taka |            |
|-------|-------------|----------------|------------|
|       |             | 31.03.2024     | 30.06.2023 |

#### 11.00 Share Capital

This represents the followings:

##### Authorized Capital:

300,000,000 ordinary Shares of Tk 10/- each 3,000,000,000 3,000,000,000

##### Issued, Subscribed and Paid-up Capital:

100,993,374 ordinary shares of taka 10/- each Note-11.01 1,009,933,740 1,009,933,740

**1,009,933,740** **1,009,933,740**

#### 11.01 Share holding Position:

|                              |                    |                |                      |                      |
|------------------------------|--------------------|----------------|----------------------|----------------------|
| i) Sponsors                  | 6,699,343          | 6.63%          | 66,993,425           | 66,993,425           |
| ii) SIM Fabrics Limited      | 33,300,737         | 32.97%         | 333,007,365          | 333,007,365          |
| iii) General Public & Others | 60,993,295         | 60.39%         | 609,932,950          | 609,932,950          |
|                              | <u>100,993,374</u> | <b>100.00%</b> | <u>1,009,933,740</u> | <u>1,009,933,740</u> |

| Date      | Particulars                                    | Amount (Taka)        |
|-----------|--|----------------------|
| 2008-2009 | Opening from 30.06.209                         | 1,000,000            |
| 2009-2010 | 9,875,000 Shares increase of Tk.10 each        | 98,750,000           |
| 2012-2013 | 25,000,000 Shares increase of Tk.10 each       | 250,000,000          |
| 2013-2014 | 27,500,000 Fresh Shares increase of Tk.10 each | 275,000,000          |
| 2014-2015 | 15,618,750 Shares increase of Tk.10 each (25%) | 156,187,500          |
| 2015-2016 | 11,714,063 Shares increase of Tk.10 each(15%)  | 117,140,625          |
| 2017-2018 | 4,490,389.5 Shares increase of Tk.10 each (5%) | 44,903,895           |
| 2018-2019 | 4,714,910 Shares increase of Tk.10 each (5%)   | 47,149,100           |
| 2019-2020 | 1,980,262 Shares increase of Tk.10 each (5%)   | 19,802,620           |
|           | <b>Total</b>                                   | <b>1,009,933,740</b> |

#### 12.00 Revaluation Reserve

|  |                     |                     |
|--|---------------------|---------------------|
| Opening Balance                              | 510,760,689         | 510,760,689         |
| Add: Addition during the Year                | -                   | -                   |
|  | <u>510,760,689</u>  | <u>510,760,689</u>  |
| Less: Related Deferred Tax on Revaluation 2% | <u>(10,215,214)</u> | <u>(10,215,214)</u> |
|  | <b>500,545,475</b>  | <b>500,545,475</b>  |

In 2021, land under the ownership of MHSML was professionally revalued by ATA KHAN & Co, Chartered Accountants. Fair market value was estimated at Tk. 797,382,000 as against net book value of Tk. 286,621,311 resulting in a revaluation surplus of Taka 510,760,689 which was accounted for and transferred to revaluation reserve.

#### 13.00 Retained Earnings

Details are as follows:

|   |                    |                    |
|---|--------------------|--------------------|
| Opening Balance   | 364,989,223        | 426,643,512        |
| Add: Net Profit / (Loss) for the period                         | <u>69,689,514</u>  | <u>22,661,080</u>  |
| <b>Total</b>  | <b>434,678,737</b> | <b>449,304,592</b> |
| Cash Dividend 6%(For all Public Shareholder)                    | -                  | (60,596,024)       |
| Cash Dividend 2%(For all Public Shareholder without Directores) | (12,198,660)       | -                  |
| Tax paid for the Assessment year 2020-2021                      | -                  | (697,045)          |
| Tax Claim by DCT for the Assessment year 2020-2021              | -                  | (12,547,010)       |
| Tax Claim by DCT for the Assessment year 2021-2022              | -                  | (3,475,290)        |
| Paid for VaT Assessment for the year 2018-2019 and 2019-2020    | -                  | (7,000,000)        |
| Tax Claim by DCT for the Assessment year 2022-2023              | (1,635,377)        | -                  |
| Tax Claim by DCT for the Assessment year 2023-2024              | (393,434)          | -                  |
| <b>Retained Earnings</b>  | <b>420,451,266</b> | <b>364,989,223</b> |

| Notes        | Particulars  | Amount in Taka       |                      |
|--------------|--|----------------------|----------------------|
|              |  | 31.03.2024           | 30.06.2023           |
| <b>14.00</b> | <b>Long Term Borrowings</b>  |                      |                      |
|              | Hajj Finance Com. Ltd - 1813   | 18,895,488           | 21,867,201           |
|              | Hajj Finance Com. Ltd - 1925   | 38,207,140           | 47,825,660           |
|              | Hajj Finance Com. Ltd - 1947   | 157,613,602          | 171,145,507          |
|              | Hajj Finance Com. Ltd - 2149   | 25,809,769           | 25,675,186           |
|              | IBBL HPSM-20501454300083317  | -                    | 752,099              |
|              | IBBL HPSM-20501454300083500  | -                    | 518,513              |
|              | IBBL HPSM-20501454300089001  | 4,663,868            | 10,327,203           |
|              | IBBL HPSM-20501454300095301  | 101,905,252          | 101,408,340          |
|              | IBBL HPSM-20501454300097909  | 55,894,328           | 52,665,936           |
|              | IBBL HPSM-20501454300098405  | 78,801,752           | 73,959,159           |
|              | IBBL HPSM-20501454300111713  | 129,556,171          | 124,171,529          |
|              | IBBL HPSM-20501454300111814  | 72,863,600           | 69,587,670           |
|              | IBBL HPSM-FC-20500246106759815   | 1,493,191,111        | 1,382,296,492        |
|              | IDLC   | 10,183,000           | 25,364,094           |
|              | <b>Total</b>   | <b>2,187,585,081</b> | <b>2,107,564,590</b> |
|              | Less: Current portion of Long term loan  | (285,468,061)        | (220,942,900)        |
|              |  | <b>1,902,117,020</b> | <b>1,886,621,690</b> |
|              | 1. Purpose of Investment - To purchase/import of New Ring Spinning Machine, Utilities and Factory Shed building for the project. |                      |                      |
|              | 2. Period of Investment - 07 (seven) years excluding 12 month gestration period.   |                      |                      |
|              | 3. Rate of return -10.30% per annum or the rate to be determined by the bank from time to time.                                  |                      |                      |
|              | 4. Collateral:   |                      |                      |
|              | A. 156.10 decimal project land along with 88,200 sft. Project building vide FSV 81.36 million.                                   |                      |                      |
|              | B. 397.00 decimal project land along with 1,89,4825 sft. Project building vide FSV 251.20 million.                               |                      |                      |
|              | C. 505.04 decimal project land along with 2,49,904 sft. Factory building vide FSV 598.51 million by SFL.                         |                      |                      |
|              | D. Personal Guarantee of all Directors of the Project Companies & Mortgages of their individual properties.                      |                      |                      |
| <b>15.00</b> | <b>Deferred Tax</b>  |                      |                      |
|              | Book value of Depreciable asset  | <b>2,663,257,234</b> | <b>2,683,299,576</b> |
|              | Tax base Written down value  | 1,888,642,847        | 1,975,832,092        |
|              | Unabsorbed Depreciation  | 344,379,505          | 373,124,167          |
|              | Less : Tax base value of depreciable assets  | <b>2,233,022,352</b> | <b>2,348,956,259</b> |
|              | Taxable temporary difference   | <b>430,234,882</b>   | <b>334,343,317</b>   |
|              | Effective Tax rate   | 15%                  | 15%                  |
|              | Deferred tax liabilities/(asset) on original cost of assets  | 64,535,232           | 50,151,498           |
|              | Deferred tax liabilities on revaluation surplus Note-15.01   | 10,215,214           | 10,215,214           |
|              | Deferred tax liabilities/(asset) on Gratuity Provision Note-15.02  | (378,750)            | (378,750)            |
|              | Total closing deferred tax liabilities/(assets)  | <b>74,371,696</b>    | <b>59,987,962</b>    |
| <b>15.01</b> | <b>Deferred Tax on Revaluation Reserve of Land</b>   |                      |                      |
|              | Revaluation Reserve  | 510,760,689          | 510,760,689          |
|              | Effective Tax Rate   | 2%                   | 2%                   |
|              | Total taxable temporary difference   | <b>10,215,214</b>    | <b>10,215,214</b>    |
| <b>15.02</b> | <b>Deferred Tax on Gratuity Provision</b>  |                      |                      |
|              | Gratuity Provision   | 2,525,000            | 2,525,000            |
|              | Effective Tax Rate   | 15%                  | 15%                  |
|              | Total taxable temporary difference   | <b>378,750</b>       | <b>378,750</b>       |
| <b>15.03</b> | <b>Deffered Tax (Income ) / Expenses</b>   |                      |                      |
|              | Closing Deferred Tax Liabilities   | 74,371,696           | 59,987,962           |
|              | Opening Deferred Tax Liabilities   | 59,987,962           | 49,018,366           |
|              | <b>Deferred tax (Income )/ Expenses</b>  | <b>14,383,734</b>    | <b>10,972,973</b>    |
| <b>16.00</b> | <b>Accounts Payable</b>  |                      |                      |
|              | Bills Payable (Annexure-C)   | 18,284,777           | 16,443,117           |
|              |  | <b>18,284,777</b>    | <b>16,443,117</b>    |
| <b>17.00</b> | <b>Cash Dividend Payable</b>   |                      |                      |
|              | Opening Balance  | 1,324,274            | 562,660              |
|              | Add: Cash Dividend During the year   | 12,198,660           | 60,596,024           |
|              |  | <b>13,522,934</b>    | <b>61,158,684</b>    |
|              | Less: Cash Dividend Disbursement to Public Shareholder   | 12,516,253           | 59,834,410           |
|              |  | <b>1,006,681</b>     | <b>1,324,274</b>     |

| Notes   | Particulars  | Amount in Taka        |                      |
|---|--|-----------------------|----------------------|
|   |  | 31.03.2024            | 30.06.2023           |
| <b>18.00 Long Term Borrowings- Current Maturity</b> |  |                       |                      |
|   | Islami Bank Bangladesh Ltd,Hajj Finance Ltd and IDLC   | 285,468,061           | 220,942,900          |
|   |  | <b>285,468,061</b>    | <b>220,942,900</b>   |
|   | This consists of as follows and is payable within next twelve months from the Balance Sheet date.  |                       |                      |
| <b>19.00 Short Term Borrowings</b>                  |  |                       |                      |
|   | Murabaha TR  | 424,726,096           | 528,340,282          |
|   | MPI  | -                     | 56,847,280           |
|   | Bai Murabaha   | 705,223,739           | 502,477,396          |
|   | MFCI   | 310,729,105           | 304,549,193          |
|   | Agrani Bank -PAD   | 309,552,264           | 369,503,665          |
|   | Add: Exchange Loss   | 11,332,445            | 29,306,646           |
|   | <b>Total short term loan</b>   | <b>1,761,563,649</b>  | <b>1,791,024,462</b> |
|   | This represents amount excluded by the following Banks as working capital which are fully secured by Stock hypothecation and Export bills receivable at the terms & condition given below. |                       |                      |
|   | 1. Purpose of Investment - To purchase/import raw materials for the project.   |                       |                      |
|   | 2. Period of Investment - 01 (one) year on revolving basis.  |                       |                      |
|   | 3. Rate of return -10.30% per annum or the rate to be determined by the bank from time to time.  |                       |                      |
|   | 4. Collateral:   |                       |                      |
|   | A. 156.10 decimal project land along with 88,200 sft. Project building vide FSV 81.36 million.   |                       |                      |
|   | B. 397.00 decimal project land along with 1,89,4825 sft. Project building vide FSV 251.20 million.   |                       |                      |
|   | C. 505.04 decimal project land along with 2,49,904 sft. Factory building vide FSV 598.51 million by SFL.   |                       |                      |
|   | D. Personal Guarantee of all Directors of the Project Companies & Mortgages of their individual properties.  |                       |                      |
| <b>20.00 Provision for Income tax</b>               |  |                       |                      |
|   | Opening Balance  | 107,521,912           | 81,801,609           |
|   | Provision for the period   | Note-20.01 17,691,803 | 29,276,106           |
|   | <b>Total</b>   | <b>125,213,715</b>    | <b>111,077,715</b>   |
|   | Add: Tax Claim by DCT for the Assessment year 2020-2021  | -                     | 12,547,010           |
|   | Add:Tax Claim by DCT for the Assessment year 2021-2022   | -                     | 3,475,290            |
|   | Add:Tax Claim by DCT for the Assessment year 2022-2023   | 1,635,377             | -                    |
|   | Add:Tax Claim by DCT for the Assessment year 2023-2024   | 393,434               | -                    |
|   | Less: Liability adjusted after the DCT Assessment 2020-2021  | 334,997               | 839,764              |
|   | Less:Tax Paid to DCT against Claim for Assessment 2020-2021  | 84,796                | -                    |
|   | Less:Tax Paid to DCT against Claim for Assessment 2015-2016  | 1,000,000             | 6,000,000            |
|   | Less:Tax Paid to DCT against Claim for Assessment 2017-2018  | 4,000,000             | 2,000,000            |
|   | Less: Tax Paid to DCT against Claim for Assessment 2016-2017   | -                     | 2,000,000            |
|   | Less: Liability adjusted after the DCT Assessment 2021-2022  | -                     | 8,738,339            |
|   | Less: Liability adjusted after the DCT Assessment 2022-2023  | 11,862,884            | -                    |
|   | Less: Liability adjusted after the DCT Assessment 2023-2024  | 29,276,106            | -                    |
|   | <b>Closing Balance</b>   | <b>80,683,743</b>     | <b>107,521,912</b>   |
| <b>20.01 Current Tax</b>                            |  |                       |                      |
|   | <b>A. Regular tax</b>  |                       |                      |
|   | Profit Before Tax  | 101,765,051           | 62,906,782           |
|   | Less: Other Income   | 5,873,487             | (10,223,853)         |
|   | Add: Accounting Depreciation   | 167,445,187           | 226,460,685          |
|   | Less: Tax Depreciation   | (234,592,089)         | (371,831,332)        |
|   | Taxable Income for the period  | <b>28,744,662</b>     | <b>(72,240,012)</b>  |
|   | Rate of Tax  | <b>15%</b>            | <b>15%</b>           |
|   | Tax on business  | 4,311,699             | (10,836,002)         |
|   | Add: 22.5 % Tax on Other Income  | 1,328,323             | (2,405,050)          |
|   | <b>Total Provision for the Period</b>  | <b>5,640,022</b>      | <b>(13,241,052)</b>  |

| Notes | Particulars  | Amount in Taka           |                          |
|-------|--|--------------------------|--------------------------|
|       |  | 31.03.2024               | 30.06.2023               |
|       | <b>B. Minimum tax</b>                                |                          |                          |
|       | Turnover and other income                            | 2,038,353,566            | 2,833,938,651            |
|       | Minimum tax rate                                     | 0.40%                    | 0.40%                    |
|       |  | <u>8,153,414</u>         | <u>11,335,755</u>        |
|       | <b>C. Advance Income Tax</b>                         | <b>17,691,803</b>        | <b>29,276,106</b>        |
|       | <b>Current tax expenses ( Higher of A,B &amp; C)</b> | <b><u>17,691,803</u></b> | <b><u>29,276,106</u></b> |

**21.00 Accrued Expenses**

This is unsecured, falling due within one year and consists of as follows:

|                  |                    |                    |
|------------------|--------------------|--------------------|
| Audit fees       | -                  | 345,000            |
| Salaries & Wages | 13,851,218         | 12,729,979         |
| Remuneration     | 300,000            | 300,000            |
| Gas Bill         | 72,349,445         | 49,752,062         |
| WPPF Payable     | 66,591,244         | 61,502,991         |
| Gratuity         | 2,525,000          | 2,525,000          |
|                  | <u>155,616,907</u> | <u>127,155,032</u> |

| Notes | Particulars | Amount in Taka                        |                                       |
|-------|-------------|---------------------------------------|---------------------------------------|
|       |             | July 01, 2023<br>to<br>March 31, 2024 | July 01, 2022<br>to<br>March 31, 2023 |

**22.00 Turnover**

|            | Qty. (kg.)       | Avg. Rate |                      |                      |
|------------|------------------|-----------|----------------------|----------------------|
| Yarn 06's  | -                |           | -                    | 17,808,147           |
| Yarn 07's  | 167,700          | 279       | 46,802,540           | 135,595,436          |
| Yarn 08's  | 132,850          | 258       | 34,336,500           | 711,464              |
| Yarn 09's  | 218,110          | 247       | 53,944,220           | 98,759,374           |
| Yarn 10's  | 960,572          | 275       | 263,850,537          | 208,682,287          |
| Yarn 12's  | 1,500            |           | 495,000              | 252,965              |
| Yarn 14's  | 500              | 352       | 176,000              | 93,425               |
| Yarn 16's  | 534,033          | 355       | 189,681,107          | 467,364,158          |
| Yarn 20's  | 1,987,691        | 337       | 670,628,261          | 404,258,309          |
| Yarn 22's  | 54,000           |           | 19,008,000           | 6,983,601            |
| Yarn 24's, | 12,330           | 341       | 4,200,900            | 4,432,873            |
| Yarn 26's  | 26,250           |           | 8,889,375            | 8,746,929            |
| Yarn 28's  | 1,950            | 330       | 643,500              | 2,112,831            |
| Yarn 30's  | 1,595,616        | 361       | 576,231,769          | 362,105,213          |
| Yarn 32's  | 28,565           |           | 10,997,525           | 15,668,486           |
| Yarn 34's  |                  |           | -                    | 23,015,724           |
| Yarn 36's  |                  |           | -                    | 11,509,419           |
| Yarn 40's  | 426,050          | 358       | 152,594,845          | 46,256,147           |
|            | <b>6,147,718</b> |           | <b>2,032,480,079</b> | <b>1,814,356,788</b> |

**23.00 Cost of Goods Sold**

|   |            |                      |                      |
|---|------------|----------------------|----------------------|
| Raw materials consumed  | Note-23.01 | 1,413,951,063        | 1,199,315,401        |
| Accessories & Stores Consumed   | Note-23.02 | 23,527,442           | 19,849,384           |
| Packing Materials Consumed  | Note-23.03 | 12,754,524           | 10,788,400           |
| Factory overhead  | Note-23.04 | 465,354,247          | 437,743,955          |
| Opening Work-in-Process   |            | 120,477,388          | 93,146,734           |
| Closing Work-in-Process   |            | (124,764,335)        | (100,377,388)        |
| <b>Cost of Production</b>   |            | <b>1,911,300,329</b> | <b>1,660,466,486</b> |
| Opening stock of Finished Goods   |            | 559,567,449          | 418,261,377          |
| Primary estimation of damage stock of Finished Goods and Claim to Insurance Company |            | 55,453,739           | 91,353,739           |
| <b>Cost of Goods Available for Sale</b>   |            | <b>2,526,321,517</b> | <b>2,170,081,602</b> |
| Closing stock of Finished Goods   |            | (802,879,124)        | (663,326,875)        |
| Primary estimation of damage stock of Finished Goods and Claim to Wastage Sales     |            | (55,453,739)         | (76,276,721)         |
|   |            | 672,944              | (583,361)            |
| <b>Cost of Goods Sold</b>   |            | <b>1,668,661,598</b> | <b>1,429,894,645</b> |

| Notes        | Particulars  | Amount in Taka                        |                                       |
|--------------|--|---------------------------------------|---------------------------------------|
|              |  | July 01, 2023<br>to<br>March 31, 2024 | July 01, 2022<br>to<br>March 31, 2023 |
| <b>23.01</b> | <b>Raw Materials Consumption</b>                     |                                       |                                       |
|              | Opening Raw Materials                                | 1,070,408,233                         | 729,569,881                           |
|              | Opening Damaged cotton of Fire under insurance claim | 51,827,573                            | 51,827,573                            |
|              | Purchase during the period                           | 1,073,022,319                         | 1,068,580,300                         |
|              | Available for use                                    | <b>2,195,258,125</b>                  | <b>1,849,977,754</b>                  |
|              | Closing Damaged cotton of Fire under insurance claim | (51,827,573)                          | (51,827,573)                          |
|              | Closing Raw Materials                                | (729,479,489)                         | (598,834,780)                         |
|              |  | <b>1,413,951,063</b>                  | <b>1,199,315,401</b>                  |
| <b>23.02</b> | <b>Accessories &amp; Stores Consumption</b>          |                                       |                                       |
|              | Opening Accessories & Stores                         | 15,678,183                            | 25,142,906                            |
|              | Purchase during the period                           | 19,517,806                            | 10,109,184                            |
|              | Available for use                                    | <b>35,195,989</b>                     | <b>35,252,090</b>                     |
|              | Closing Accessories & Stores                         | (11,668,547)                          | (15,402,706)                          |
|              |  | <b>23,527,442</b>                     | <b>19,849,384</b>                     |
| <b>23.03</b> | <b>Packing Materials Consumption</b>                 |                                       |                                       |
|              | Opening Packing Materials                            | 6,988,520                             | 9,512,174                             |
|              | Purchase during the period                           | 13,943,769                            | 8,264,746                             |
|              | Available for use                                    | <b>20,932,289</b>                     | <b>17,776,920</b>                     |
|              | Closing Packing Materials                            | (8,177,765)                           | (6,988,520)                           |
|              |  | <b>12,754,524</b>                     | <b>10,788,400</b>                     |
| <b>23.04</b> | <b>Factory Overhead</b>                              |                                       |                                       |
|              | Gas Bill   | 194,669,841                           | 181,007,925                           |
|              | Wages  | 87,789,726                            | 79,855,095                            |
|              | Festival Bonuse                                      | 9,754,414                             | -                                     |
|              | Repair & Maintenance                                 | 989,695                               | 918,390                               |
|              | Factory Insurance                                    | 3,493,041                             | 5,617,996                             |
|              | Sundry Carrying Charges                              | 1,000,080                             | 590,990                               |
|              | Sundry daily labor charges                           | 451,534                               | 631,556                               |
|              | Medical & other Expenses                             | 72,953                                | 109,227                               |
|              | Depreciation   | 167,132,963                           | 169,012,776                           |
|              |  | <b>465,354,247</b>                    | <b>437,743,955</b>                    |
| <b>24.00</b> | <b>Other Income</b>                                  |                                       |                                       |
|              | Exchange Rate Fluctuation Gain/(Loss)                | 5,873,487                             | (12,312,516)                          |
|              |  | <b>5,873,487</b>                      | <b>(12,312,516)</b>                   |

(a) Repairs & maintenance includes maintenance of office, premises, vehicles, building, equipment and other infrastructures. Also included therein stores and spares that has been consumed during the period.

(b) Other expenses does not included any item exceeding 1% of total revenue.

| Notes        | Particulars  | Amount in Taka                        |                                       |
|--------------|--|---------------------------------------|---------------------------------------|
|              |  | July 01, 2023<br>to<br>March 31, 2024 | July 01, 2022<br>to<br>March 31, 2023 |
| <b>25.00</b> | <b>Administrative Expenses</b>   |                                       |                                       |
|              | Salary and Allowances  | 36,871,237                            | 35,380,253                            |
|              | Managing Director Remuneration   | 900,000                               | 900,000                               |
|              | Director's Remuneration  | 1,800,000                             | 2,700,000                             |
|              | Festival Bonus   | 4,396,804                             |                                       |
|              | Board Meeting Fees   | 84,000                                | 63,000                                |
|              | Employee Flooding Bill   | 520,438                               | 289,215                               |
|              | Traveling and Conveyance   | 284,105                               | 246,840                               |
|              | House & Office rent  | 672,750                               | 672,750                               |
|              | Telephone & Mobile Bill  | 107,950                               | 171,500                               |
|              | Company Secretarial, Regulatory Fee and AGM Expense  | 54,000                                | -                                     |
|              | Subscription and Donations   | 3,000                                 | 7,000                                 |
|              | Fees, Renewals and other Expenses  | 896,000                               | 1,178,895                             |
|              | Fuel expenses  | 1,163,231                             | 1,719,370                             |
|              | IT Solution  | 98,600                                | 102,200                               |
|              | Depreciation   | 312,224                               | 346,915                               |
|              |  | <b>48,164,339</b>                     | <b>43,777,938</b>                     |
|              | <b>Payment/ Perquisites to Directors and officers</b>  |                                       |                                       |
|              | The aggregate amount paid/ provided during the period in respect of Directors and officers of the company as |                                       |                                       |
|              | <b>Particulars</b>   |                                       |                                       |
|              | Managing Director Remuneration   | 900,000                               | 900,000                               |
|              | Director's Remuneration  | 1,800,000                             | 2,700,000                             |
|              | Board Meeting Fees   | 84,000                                | 63,000                                |
|              |  | <b>2,784,000</b>                      | <b>3,663,000</b>                      |
| <b>26.00</b> | <b>Marketing and Distribution Expenses</b>   |                                       |                                       |
|              | Salaries and Allowances  | 546,959                               | 472,476                               |
|              | Advertisement  | 85,000                                | 114,890                               |
|              |  | <b>631,959</b>                        | <b>587,366</b>                        |
| <b>27.00</b> | <b>Financial Expenses</b>  |                                       |                                       |
|              | Bank Charges and Commission  | 3,480,437                             | 4,544,388                             |
|              | Interest on HPSM   | 65,860,547                            | 42,266,160                            |
|              | Interest on BAI Murabaha   | 48,567,173                            | 12,744,188                            |
|              | Interest on Murabaha TR  | 30,016,235                            | 32,579,725                            |
|              | Interest on MDB  | 3,646,790                             | 1,488,951                             |
|              | Interest on Woori -IDBP  | 7,335,190                             | 14,517,842                            |
|              | Interest on Hajj Finance   | 14,420,758                            | 11,938,217                            |
|              | Interest on MFCI   | 20,914,388                            | 42,604,481                            |
|              | Interest on IDLC   | 1,272,000                             | 1,034,512                             |
|              | Interest on IBP SEBL   | 3,283,486                             | 6,149,548                             |
|              | Interest on Agrani PAD   | 11,961,876                            | 3,624,295                             |
|              | Interest on Agrani IBP   | -                                     | 828,129                               |
|              | Interest on NCC IBP  | 3,283,486                             | 945,741                               |
|              |  | <b>214,042,366</b>                    | <b>175,266,177</b>                    |
| <b>28.00</b> | <b>Basic Earning Per Share</b>   |                                       |                                       |
|              | Net Profit after Taxes   | <b>69,689,514</b>                     | <b>95,565,668</b>                     |
|              | Number of Shares for respected period  | 100,993,374                           | 100,993,374                           |
|              | <b>Earning per share (Taka) (Basic)</b>  | <b>0.69</b>                           | <b>0.95</b>                           |



| Notes        | Particulars  | Amount in Taka                        |                                       |
|--------------|--|---------------------------------------|---------------------------------------|
|              |  | July 01, 2023<br>to<br>March 31, 2024 | July 01, 2022<br>to<br>March 31, 2023 |
|              | Net Profit after Taxes   | 69,689,514                            | 95,565,668                            |
|              | Weighted Average Number of Share   | 100,993,374                           | 100,993,374                           |
|              | <b>Earning per share (Taka) (Adjusted)</b>   | <b>0.69</b>                           | <b>0.95</b>                           |
|              | <b>Weighted average/Total existing number of share:</b>  |                                       |                                       |
|              | Opening number of share outstanding  | 100,993,374                           | 100,993,374                           |
|              | Add: Issued during the year (% Stock dividend)   | -                                     | -                                     |
|              |  | <b>100,993,374</b>                    | <b>100,993,374</b>                    |
| <b>29.00</b> | <b>Net Operating Cash Flow Per Share(NOCFPS)</b>   |                                       |                                       |
|              | Cash flow from operating activities  | 443,402,591                           | 119,358,766                           |
|              | Number of Share  | 100,993,374                           | 100,993,374                           |
|              | <b>Net Operating Cash Flows per Share (NOCFPS)</b>   | <b>4.39</b>                           | <b>1.18</b>                           |
| <b>30.00</b> | <b>Net Asset Value Per Share (NAVPS)</b>   |                                       |                                       |
|              | Net Asset Value  | 2,003,775,898                         | 2,044,937,788                         |
|              | Number of Shares   | 100,993,374                           | 100,993,374                           |
|              | <b>Net Asset Value Per Share (NAVPS)</b>   | <b>19.84</b>                          | <b>20.25</b>                          |
| <b>31.00</b> | <b>General:</b>  |                                       |                                       |
| <b>31.01</b> | <b>Claims not Acknowledged</b>   |                                       |                                       |
|              | There is no claim against the Company not acknowledged as debt as at 31.03.2024  |                                       |                                       |
| <b>31.02</b> | <b>Credit Facilities not Availed</b>   |                                       |                                       |
|              | There is no credit facilities extended to the Company but nor availed of as at 31.03.2024, under any contract, other than trade credit available in the ordinary course of business.   |                                       |                                       |
| <b>31.03</b> | <b>Commission, Brokerage or Discount Against Sales</b>   |                                       |                                       |
|              | No commission, brokerage or discount was incurred or paid by the Company against sales during the period ended 31.03.2024  |                                       |                                       |
| <b>31.04</b> | <b>Directors Responsibility Statements</b>   |                                       |                                       |
|              | The Board of Directors and management of the company takes the responsibility for the preparation and presentation of these financial statements as per section 183 of Companies Act 1994 and Corporate Governance Guidelines issued by Bangladesh Securities & Exchange Commission (BSEC) . |                                       |                                       |

| Notes | Particulars | Amount in Taka                        |                                       |
|-------|-------------|---------------------------------------|---------------------------------------|
|       |             | July 01, 2023<br>to<br>March 31, 2024 | July 01, 2022<br>to<br>March 31, 2023 |

**31.05 Employees Details:**

During the period there were 1270 employees employed for the full year out of which 411 employees received salary Taka 8,425 per month and above.

**31.06 Rounding Off**

Amounts appearing in these financial statements have been rounded off to the nearest Taka wherever considered necessary.

**31.07 Reconciliation of Net Income with Cash Flows from Operating Activities**

Statement of Cash Flows have been prepared in accordance with IAS 7 "Statement of Cash Flows" under direct method and the Reconciliation of Net Income with Cash Flows from Operating Activities are shown under indirect method as activities.

|  |                     |                      |
|--|---------------------|----------------------|
| <b>Profit before Income Tax</b>                              | 101,765,051         | 145,255,377          |
| Adjustment for items not involving movement of cash:         |                     | -                    |
| Depreciation on Property, Plant and Equipment                | 167,445,187         | 169,359,691          |
| Damage of Building and Civil Construction                    | -                   | -                    |
| Financial Expenses   | 214,042,366         | 175,266,177          |
| Profit from associates                                       | -                   | -                    |
| Foreign Exchange Gain/(Loss)                                 | 22,107,973          | 106,523,937          |
|  | <b>505,360,577</b>  | <b>596,405,182</b>   |
| (Increase)/Decrease in Accounts Receivable                   | (55,262,615)        | (190,283,516)        |
| (Increase)/Decrease in Inventory                             | 96,150,514          | (94,220,179)         |
| (Increase)/Decrease in Advance, Deposits & Prepayments       | (24,069,791)        | 53,151,029           |
| Increase/(Decrease) in Accounts Payable                      | (26,489)            | (5,011,467)          |
| Increase/(Decrease) in Accrued expenses                      | 28,461,875          | (988,323)            |
| Increase/(Decrease) in Goods in Transit                      | (84,162,384)        | (205,639,435)        |
| (increase)/Decrease Revaluation deferred Tax                 | -                   | -                    |
|  | <b>(38,908,890)</b> | <b>(442,991,891)</b> |
| Tax Paid to DCT against Claim for Assessment 2017-2018       | (4,000,000)         | -                    |
| Tax Paid to DCT against Claim for Assessment 2014-2015       | -                   | -                    |
| Less: Tax Paid to DCT against Claim for Assessment 2015-2016 | (1,000,000)         | (6,000,000)          |
| Tax Paid to DCT against Claim for Assessment 2016-2017       | -                   | (2,000,000)          |
| Tax paid for the Assessment year 2020-2021                   | (84,796)            | -                    |
| Liability adjusted after the DCT Assessment 2021-2022        | -                   | -                    |
| Liability adjusted after the DCT Assessment 2020-2021        | (334,997)           | -                    |
| Liability adjusted after the DCT Assessment 2022-2023        | (11,862,884)        | -                    |
| Liability adjusted after the DCT Assessment 2023-2024        | (29,276,106)        | -                    |
| Income Tax paid during the year                              | 23,509,687          | (26,054,525)         |
| <b>Net Cash Flows from operating activities</b>              | <b>443,402,591</b>  | <b>119,358,766</b>   |

**32.00 Related Party Disclosure :**

**a) Transaction with Key Management Personnel of the entity:**

| <b>No.</b> | <b>Particulars</b>  | <b>Amounts in Tk</b> |
|------------|---|----------------------|
| (a)        | Managerial Remuneration paid or payable during the period to the directors, including Managing directors or manager | 2,700,000            |
| (b)        | Any other perquisite or benefits in cash or in kind stating, approximate money value applicable.                    | 84,000               |
| (c)        | Other allowances and commission including guarantee commission  | Nil                  |
| (d)        | Pensions etc.   | Nil                  |
|            | (i) Pensions  | Nil                  |
|            | (ii) Gratuities   | Nil                  |
|            | (iii) Payments from a provident funds, in excess of own subscription and interest                                   | Nil                  |
| (e)        | Share Based payments  | Nil                  |

**b) Transaction with Related Entity:**

| <b>Sl.</b> | <b>Name of Customer</b> | <b>Relationship</b> | <b>Balance as at 01.07.2023</b> | <b>Addition during the Period</b> | <b>Realized during the Period</b> | <b>Closing Balance As on 31.03.2024</b> |
|------------|-------------------------|---------------------|---------------------------------|-----------------------------------|-----------------------------------|---|
| (a)        | SIM Fabrics Limited     | Common Management   | 252,334,891                     | 1,156,127,618                     | 1,313,184,044                     | 95,278,465                              |
|            | <b>Total</b>            |                     | <b>252,334,891</b>              | <b>1,156,127,618</b>              | <b>1,313,184,044</b>              | <b>95,278,465</b>                       |

**31.08 Disclosed as per requirement of schedule XI, part II Para 8**

**Value of Raw material, packing materials and Capital goods**

| Particular        | Quantity (kg) | Opening       | Quantity (kg) | Purchases     | Quantity (kg) | Consumption     | Quantity (kg) | Closing     |
|-------------------|---------------|---------------|---------------|---------------|---------------|-----------------|---------------|-------------|
| Raw Material      | 6,588,451     | 1,070,408,233 | -             | 1,073,022,319 | -             | (1,413,951,063) | 3,508,729     | 729,479,489 |
| Packing Materials | -             | 6,988,520     | -             | 13,943,769    | -             | (12,754,524)    | -             | 8,177,765   |
| Spare Parts       | -             | 15,678,183    | -             | 19,517,806    | -             | (23,527,442)    | -             | 11,668,547  |
| Work in progress  | 466,483       | 120,477,388   | -             | -             | -             | -               | 465,279       | 124,764,335 |
| Finished goods    | 1,875,426     | 559,567,449   | -             | -             | -             | -               | 2,448,119     | 802,879,124 |

**Value of Export**

| Particular | In Foreign Currency USD | In BDT        |
|------------|-------------------------|---------------|
| Export     | \$ 18,485,282           | 2,032,480,079 |

**31.09 Details of capacity has given below**

| Particular                        | License Capacity | Installed Capacity | Actual Production |
|-----------------------------------|------------------|--------------------|-------------------|
| Annual Production (kg) Rotor Unit | 6,300,000        | 6,300,000          | 6,720,410         |
| Annual Production (kg) Ring Unit  | 7,000,000        | 7,000,000          |                   |

**Mozaffar Hossain Spinning Mills Limited**  
Annexure of Property, Plant & Equipment  
As at March 31, 2024

**Annexure-A**  
**Amounts in Taka**

**Cost:**

| Particulars                     | COST                 |                            |            |                                  | Rate of Dep. | DEPRECIATION         |                           |            |                                  | Written down value as at 31.03.2024 |
|---------------------------------|----------------------|----------------------------|------------|----------------------------------|--------------|----------------------|---------------------------|------------|----------------------------------|-------------------------------------|
|                                 | As at July 01, 2023  | Addition during the period | Adjustment | Closing Balance As on 31.03.2024 |              | As at July 01, 2023  | Charged during the Period | Adjustment | Closing Balance As on 31.03.2024 |                                     |
| Land & Land Dev.                | 368,961,945          | -                          | -          | 368,961,945                      | -            | -                    | -                         | -          | -                                | 368,961,945                         |
| Factory Building                | 1,436,748,511        | 16,083,961                 | -          | 1,452,832,472                    | 5%           | 256,632,636          | 44,857,494                | -          | 301,490,130                      | 1,151,342,342                       |
| Plant & Machinery               | 2,396,904,484        | 131,318,883                | -          | 2,528,223,368                    | 10%          | 897,883,775          | 122,275,469               | -          | 1,020,159,244                    | 1,508,064,124                       |
| Vehicle                         | 5,586,326            | -                          | -          | 5,586,326                        | 10%          | 3,357,947            | 167,128                   | -          | 3,525,075                        | 2,061,251                           |
| Furniture & Fixture             | 1,728,415            | -                          | -          | 1,728,415                        | 10%          | 1,514,474            | 16,046                    | -          | 1,530,520                        | 197,895                             |
| Air Condition                   | 2,030,700            | -                          | -          | 2,030,700                        | 10%          | 564,894              | 109,935                   | -          | 674,829                          | 1,355,871                           |
| Office Equipment                | 199,900              | -                          | -          | 199,900                          | 10%          | 37,981               | 12,144                    | -          | 50,125                           | 149,775                             |
| Computer Equipment              | 121,500              | -                          | -          | 121,500                          | 10%          | 28,553               | 6,971                     | -          | 35,524                           | 85,976                              |
| <b>Balance as on 31.12.2023</b> | <b>4,212,281,781</b> | <b>147,402,844</b>         | <b>-</b>   | <b>4,359,684,626</b>             |              | <b>1,160,020,260</b> | <b>167,445,187</b>        | <b>-</b>   | <b>1,327,465,447</b>             | <b>3,032,219,179</b>                |

**Revaluation:**

| Particulars                     | COST                 |                            |            |                                  | Rate of Dep. | DEPRECIATION         |                           |            |                                  | Written down value as at 31.03.2024 |
|---------------------------------|----------------------|----------------------------|------------|----------------------------------|--------------|----------------------|---------------------------|------------|----------------------------------|-------------------------------------|
|                                 | As at July 01, 2023  | Addition during the period | Adjustment | Closing Balance As on 31.03.2024 |              | As at July 01, 2023  | Charged during the Period | Adjustment | Closing Balance As on 31.03.2024 |                                     |
| Land & Land Dev.                | 510,760,689          | -                          | -          | 510,760,689                      | -            | -                    | -                         | -          | -                                | 510,760,689                         |
| <b>Balance as on 31.12.2023</b> | <b>510,760,689</b>   | <b>-</b>                   | <b>-</b>   | <b>510,760,689</b>               | <b>-</b>     | <b>-</b>             | <b>-</b>                  | <b>-</b>   | <b>-</b>                         | <b>510,760,689</b>                  |
| <b>Balance as on 31.12.2023</b> | <b>4,723,042,470</b> | <b>147,402,844</b>         | <b>-</b>   | <b>4,870,445,315</b>             | <b>-</b>     | <b>1,160,020,260</b> | <b>167,445,187</b>        | <b>-</b>   | <b>1,327,465,447</b>             | <b>3,542,979,868</b>                |

**Depreciation Charged To:-**

|                     |                           |
|---------------------|---------------------------|
| Administrative Cost | 312,224                   |
| Manufacturing Cost  | 167,132,963               |
| <b>Total</b>        | <b><u>167,445,187</u></b> |

**Note: The company use an accounting software (Intangible asset ) which is fully amortized. Damage of Machineries & Building & Civil Construction has been Claimed to Insurance Company.**

**Mozaffar Hossain Spinning Mills Limited**

Annexure of Accounts Receivable

Annexure-B

As at March 31, 2024

**Disclosure as per requirement of Schedule XI, Part - I ( A. Horizontal Form) of Companies Act.1994**

**In regard to sundry debtors the following particulars' shall be given separately:-**

The debtors occurred in the ordinary course of business are considered good. The details of Accounts Receivable are given below:

**Amounts in Taka**

| Name of Customer                      | Balance as at 01.07.2023 | Addition during the period | Realized during the period | Closing Balance As on 31.03.2024 |
|---------------------------------------|--------------------------|----------------------------|----------------------------|----------------------------------|
| Acs Textile Ltd.                      | 328,330,595              | 603,451,063                | 535,480,978                | 396,300,679                      |
| Acs Towel Ltd.                        | 27,870,795               | 29,639,775                 | 27,729,054                 | 29,781,516                       |
| Rownok Textile Mills                  | 8,810,097                | -                          | 8,810,097                  | -                                |
| Mohammadi Group Ltd                   | 10,963,260               | -                          | -                          | 10,963,260                       |
| Meek Knit Limited.                    | 6,239,925                | -                          | 6,239,925                  | -                                |
| Matrix Dresses Ltd.                   | 5,065,025                | -                          | -                          | 5,065,025                        |
| Abc Knit Dyeing & Finishing Mills Ltd | 2,484,920                | -                          | 2,484,920                  | -                                |
| Fm Yarn Dyeing Ltd.                   |                          | 4,820,750                  | 4,820,750                  | -                                |
| Base Fashions Ltd                     |                          | 16,500,897                 | -                          | 16,500,897                       |
| Adri Knitwear Ltd.                    |                          | 2,271,500                  |                            | 2,271,500                        |
| Hossain Dyeing And Printing Mills Ltd |                          | 4,246,000                  | 4,246,000                  | -                                |
| International Classic Composite Ltd   |                          | 3,245,088                  |                            | 3,245,088                        |
| J.F.K Fashion Ltd.                    |                          | 5,610,248                  |                            | 5,610,248                        |
| Knit Reflex Ltd                       |                          | 3,300,000                  | 3,300,000                  | -                                |
| Mithela Textile Industries Ltd.       |                          | 79,897,400                 | 72,641,411                 | 7,255,989                        |
| Orchid Sweater Limited                |                          | 55,158,106                 | 42,852,543                 | 12,305,563                       |
| Romo Fashion Today Ltd                |                          | 7,659,300                  | 7,659,300                  | -                                |
| Savar Sweaters Ltd.                   |                          | 8,579,727                  | 3,941,726                  | 4,638,001                        |
| Spring Trade Limited                  |                          | 38,065,772                 |                            | 38,065,772                       |
| Tex Apparels                          |                          | 2,447,587                  |                            | 2,447,587                        |
| Worthy Textile Mills Ltd              |                          | 11,459,250                 |                            | 11,459,250                       |
| <b>Sub-total</b>                      | <b>389,764,617</b>       | <b>876,352,462</b>         | <b>720,206,704</b>         | <b>545,910,375</b>               |

**Accounts Receivable due by Common management:**

The debtors occurred in the ordinary course of business are considered good. The details of Accounts Receivable are given below:

**Amount in Taka**

| Name of Customer    | Balance as at 01.07.2023 | Addition during the period | Realized during the period | Closing Balance As on 31.03.2024 |
|---------------------|--------------------------|----------------------------|----------------------------|----------------------------------|
| SIM Fabrics Limited | 252,334,891              | 1,156,127,618              | 1,313,184,044              | 95,278,465                       |
| <b>Sub-total</b>    | <b>252,334,891</b>       | <b>1,156,127,618</b>       | <b>1,313,184,044</b>       | <b>95,278,465</b>                |
| <b>Total</b>        | <b>642,099,508</b>       | <b>2,032,480,079</b>       | <b>2,033,390,748</b>       | <b>641,188,840</b>               |

**Mozaffar Hossain Spinning Mills Limited**

Schedule of Trade Creditors

As at March 31, 2024

**Annexure-C**

**Bills Payable:**

**Amounts in Taka**

| Name of Supplier/Service Provider           | Balance as at 01.07.2023 | Payment during the Period | Bill during the Period | Closing Balance As on 31.03.2024 |
|---|--------------------------|---------------------------|------------------------|----------------------------------|
| Aamra Network Ltd                           | -                        | 25,500                    | 71,000                 | 45,500                           |
| Amreen Refrigeration & Engineering          | 167,500                  | 100,000                   | -                      | 67,500                           |
| AMSLER Textile Effect Systems               | 99,200                   | 100,000                   | 800                    | -                                |
| Ashik & Brother                             | 157,620                  | 206,960                   | 206,960                | 157,620                          |
| Automation Engineering & Controls Ltd       | 1,954,459                | 25,991                    | 26,995                 | 1,955,463                        |
| Asia Pacific Textrade Ltd                   | -                        | -                         | 5,000                  | 5,000                            |
| Bangladesh Association of Public Listed Co. | -                        | 50,000                    | 50,000                 | -                                |
| Bangla Trac Limited                         | 453,365                  | 492,960                   | 868,400                | 828,805                          |
| Bengal Development Corporation              | 4,443                    | -                         | -                      | 4,443                            |
| Beximco Online                              | 6,900                    | 20,700                    | 20,700                 | 6,900                            |
| Central Depository Bangladesh Service Ltd   | -                        | -                         | -                      | -                                |
| Chittagong Stock Exchange Ltd               | 1,314,734                | -                         | -                      | 1,314,734                        |
| Dhaka Stock Exchange LTd                    | 1,139,510                | -                         | -                      | 1,139,510                        |
| Emerging Credit Rating Ltd                  | -                        | 50,000                    | 43,000                 | (7,000)                          |
| Galaxy Corporation                          | 65,000                   | 100,000                   | 165,000                | 130,000                          |
| Global Insurance Ltd.                       | -                        | -                         | -                      | -                                |
| Homeland Engineerings Construction          | 1,010,639                | 200,000                   | -                      | 810,639                          |
| Islami Insurance Bangladesh Ltd.            | -                        | 106,388                   | 106,388                | -                                |
| Jamuna Engineering                          | 1,032,853                | -                         | -                      | 1,032,853                        |
| Mahin Enterprise & Packaging                | 66,118                   | 40,029                    | -                      | 26,089                           |
| Minarva Engineering Works                   | 256,880                  | 212,000                   | 241,000                | 285,880                          |
| Monir Steel House                           | 150,809                  | -                         | -                      | 150,809                          |
| MH Rubber & Plastic Machineris Ltd.         | 96,052                   | 280,000                   | 269,500                | 85,552                           |
| MS Enterprise                               | 4,841                    | 1,886,000                 | 2,311,323              | 430,164                          |
| Maa Enterprise& Packaging                   | 5,295                    | 7,000,100                 | 6,996,927              | 2,122                            |
| Mostakim Enterprise                         | (37,321)                 | 1,948,300                 | 2,000,310              | 14,689                           |
| Ma Engineering Work                         | 295,820                  | 605,000                   | 900,820                | 591,640                          |
| Orient Plastic & Packing Ind. Ltd           | 30,000                   | -                         | -                      | 30,000                           |
| Peoples Insurance Company Ltd.              | (272,348)                | 988,922                   | 1,532,156              | 270,886                          |
| Power Breeze Engineering Ltd                | 3,750,000                | -                         | -                      | 3,750,000                        |
| Reyan Machinery                             | 95,000                   | -                         | -                      | 95,000                           |
| Sharp Electronics                           | 5,000                    | -                         | -                      | 5,000                            |
| Textile Associates Ltd                      | 140,011                  | 430,871                   | 441,372                | 150,512                          |
| S.R Shipping Agency                         | 88,120                   | 1,223,467                 | 1,467,876              | 332,529                          |
| Suntech HVAC                                | 1,079,360                | -                         | -                      | 1,079,360                        |
| Steel King                                  | 1,585,730                | -                         | -                      | 1,585,730                        |
| Raju. Engineering & Service Centre          | (40,000)                 | -                         | 40,000                 | -                                |
| Riya Enterprise                             | 524,825                  | 212,325                   | -                      | 312,500                          |
| Fahim Transport Agency                      | 193,500                  | 100,000                   | 268,500                | 362,000                          |
| Uttara Paper                                | 272,918                  | 1,023,677                 | 1,236,823              | 486,064                          |
| One Inspection & Testing Services(BD) Ltd   | 533,392                  | -                         | -                      | 533,392                          |
| Prime Insurance Company Limited             | 149,342                  | -                         | -                      | 149,342                          |
| Shehab Trader                               | 49,750                   | -                         | -                      | 49,750                           |
| star Engineering                            | 13,800                   | -                         | -                      | 13,800                           |
| <b>Sub Total (B)</b>                        | <b>16,443,117</b>        | <b>17,429,190</b>         | <b>19,270,850</b>      | <b>18,284,777</b>                |