

**Mozaffar Hossain Spinning Mills Limited**  
**Statement of Financial Position (Un-Audited)**  
**As at March 31, 2016**

Particulars	Notes	Amount in Taka	
		31.03.2016	30.06.2015
<b><u>ASSETS</u></b>			
<b>NON-CURRENT ASSETS</b>		<b>749,417,844</b>	<b>706,073,249</b>
Property, Plant and Equipments	5.00	688,290,398	641,696,103
Capital Work-In-Progress	6.00	61,127,446	64,377,146
<b>INVESTMENT</b>		<b>5,510,547</b>	<b>5,510,547</b>
Investment	7.00	5,510,547	5,510,547
<b>CURRENT ASSETS</b>		<b>1,075,156,815</b>	<b>927,335,956</b>
Inventories	8.00	328,920,723	326,136,767
Accounts Receivable	9.00	545,352,794	437,215,251
Advances, Deposits & Pre-Payments	10.00	185,039,435	148,505,818
Cash and Cash Equivalents	11.00	15,843,863	15,478,120
<b>TOTAL ASSETS</b>		<b>1,830,085,206</b>	<b>1,638,919,752</b>
<b><u>SHAREHOLDERS' EQUITY &amp; LIABILITIES</u></b>			
<b>SHAREHOLDERS' EQUITY</b>		<b>1,487,542,043</b>	<b>1,314,725,862</b>
Share Capital	12.00	898,078,125	780,937,500
Revaluation Reserve		130,314,640	130,314,640
Tax Holiday Reserve	13.00	72,845,417	72,845,417
Retained Earnings	14.00	386,303,861	330,628,305
<b>LONG TERM LIABILITY</b>		<b>37,631,334</b>	<b>62,442,502</b>
Deferred Tax Liability		13,073,622	14,021,102
Long Term Loan	15.00	24,557,712	48,421,400
<b>CURRENT LIABILITIES</b>		<b>304,911,829</b>	<b>261,751,388</b>
Accounts Payable	16.00	26,169,698	28,491,751
Workers profit participation fund		29,867,588	19,669,992
Current portion of long term loan	17.00	19,302,147	12,767,739
Refundable fund of IPO subscribers	18.00	7,820,000	8,164,500
Short term Bank loan	19.00	100,150,615	115,890,001
Provision for Tax	20.00	92,156,970	60,073,748
Accrued Expenses	21.00	29,444,811	16,693,657
<b>TOTAL EQUITY &amp; LIABILITIES</b>		<b>1,830,085,206</b>	<b>1,638,919,752</b>
<b>Net Asset Value Per Share (NAVPS)</b>		<b>16.56</b>	<b>14.64</b>

Chief Financial Officer

Company Secretary

Director

Managing Director

Chairman

**Mozaffar Hossain Spinning Mills Limited**  
**Statement of Comprehensive Income (Un-Audited)**  
For the nine months period ended March 31, 2016

Particulars	Notes	Amount in Taka		Amount in Taka	
		01.07.2016 To	01.07.2014 To	01.01.2016 To	01.01.2015 To
		31.03.2016	31.03.2015	31.03.2016	31.03.2015
		<b>24.86%</b>		<b>24.62%</b>	
Turnover	22.00	1,030,055,346	987,257,234	299,352,096	324,578,060
Less: Cost of goods sold	23.00	774,036,282	741,815,432	225,788,024	244,654,194
<b>Gross Profit</b>		<b>256,019,064</b>	<b>245,441,802</b>	<b>73,564,072</b>	<b>79,923,866</b>
Other Income	24.00	4,343,638	273,968	1,021,286	1,408
<b>Operating Expenses:</b>		<b>9,806,440</b>	<b>9,485,716</b>	<b>3,647,432</b>	<b>3,093,882</b>
Administrative Expenses	25.00	8,124,712	7,979,474	3,324,437	2,805,989
Marketing and Distribution Expenses	26.00	1,681,728	1,506,242	322,995	287,893
Profit from Operation		<b>250,556,262</b>	<b>236,230,054</b>	<b>70,937,926</b>	<b>76,831,392</b>
Less: Financial expenses	27.00	36,406,743	34,545,873	15,068,796	10,652,510
<b>Profit before WPPF</b>		<b>214,149,519</b>	<b>201,684,181</b>	<b>55,869,130</b>	<b>66,178,882</b>
Less: Workers profit participation fund 5%		10,197,596	9,604,008	2,660,435	3,151,375
<b>Profit before Tax after WPPF</b>		<b>203,951,923</b>	<b>192,080,173</b>	<b>53,208,695</b>	<b>63,027,507</b>
<b>Income tax expenses:</b>		<b>31,135,742</b>	<b>28,846,272</b>	<b>8,686,204</b>	<b>9,529,256</b>
Current tax		32,083,222	30,057,426	8,917,752	9,655,406
Deferred Tax Expenses/(Income)		(947,480)	(1,211,154)	(231,548)	(126,150)
<b>Net Profit after Tax Transferred to Equity</b>		<b>172,816,181</b>	<b>163,233,901</b>	<b>44,522,491</b>	<b>53,498,251</b>
<b>Earning Per Share for the Period</b>	28.00	<b>1.92</b>	<b>2.09</b>	<b>0.50</b>	<b>0.69</b>
<b>Earning Per Share for the Period (Re-Styled)</b>		<b>1.92</b>	<b>1.82</b>	<b>0.50</b>	<b>0.60</b>

Chief Financial Officer

Company Secretary

Director

Managing Director

Chairman

## Mozaffar Hossain Spinning Mills Limited

### Statement of Changes in Equity

For the nine months period ended March 31, 2016

Amount in Taka

Particulars	Share Capital	Tax holiday Reserve	Revaluation Reserve	Retained Earnings	Total
Balance as on 01.07.2015	780,937,500	72,845,417	130,314,640	330,628,305	1,314,725,862
Net Profit / (Loss) for the period	-	-	-	172,816,181	172,816,181
Bonus Paid 15% Stock	117,140,625	-	-	(117,140,625)	-
<b>Balance as on 31.03.2016</b>	<b>898,078,125</b>	<b>72,845,417</b>	<b>130,314,640</b>	<b>386,303,861</b>	<b>1,487,542,043</b>

### Statement of Changes in Equity

For the nine months period ended March 31, 2015

Particulars	Share Capital	Tax holiday Reserve	Revaluation Reserve	Retained Earnings	Total
Balance as on 01.07.2014	624,750,000	72,845,417	130,314,640	310,867,531	1,138,777,588
Net Profit / (Loss) for the period	-	-	-	163,233,901	163,233,901
Bonus Paid 25%	156,187,500	-	-	(156,187,500)	-
<b>Balance as on 31.03.2015</b>	<b>780,937,500</b>	<b>72,845,417</b>	<b>130,314,640</b>	<b>317,913,932</b>	<b>1,302,011,489</b>

Chief Financial Officer

Company Secretary

Director

Managing Director

Chairman

**Mozaffar Hossain Spinning Mills Limited**  
**Statement of Cash Flows**  
For the nine months period ended March 31, 2016

Particulars	Notes	Amount in Taka	
		31.03.2016	31.03.2015
<b>A. Cash flows from operating activities :</b>			
Collection from Turnover and other Income		926,261,441	897,666,334
Payment to suppliers, employees		(775,650,318)	(761,956,381)
Payment of Tax		(2,228,775)	(2,000,000)
<b>Net cash flows from/(used) in operating activities</b>		<b>148,382,348</b>	<b>133,709,953</b>
<b>B. Cash flow from investing activities:</b>			
Acquisition of Property, Plant & Equipment		(49,843,781)	(926,789)
Capital Work-In-Progress		(29,250,300)	(27,823,533)
<b>Net cash flows from/ (used) in Investing Activities</b>		<b>(79,094,081)</b>	<b>(28,750,322)</b>
<b>C. Cash flow from financing activities:</b>			
Received/ (Repaid) short term loan		(15,739,386)	(90,159,197)
Refundable fund of IPO subscribers		(344,500)	(2,109,750)
Financial Expenses		(35,509,358)	(37,731,756)
Received/(Repaid) long term loan		(17,329,280)	23,476,254
<b>Net cash flows from/(used) in financing activities</b>		<b>(68,922,524)</b>	<b>(106,524,449)</b>
<b>D. Net Cash Increase/ (Decrease) (A+B+C)</b>		<b>365,743</b>	<b>(1,564,818)</b>
<b>E. Opening cash and cash equivalents at the beginning of the period</b>		<b>15,478,120</b>	<b>13,146,164</b>
<b>F. Closing cash and cash equivalents at the end of the period (D+E)</b>		<b>15,843,863</b>	<b>11,581,346</b>
<b>Operating Cash Flow Per Share</b>		<b>1.65</b>	<b>1.49</b>
		-	-

Chief Financial Officer    Company Secretary    Director    Managing Director    Chairman

**Mozaffar Hossain Spinning Mills Limited**  
Notes to the Financial Statements  
For the 9 month period ended March 31, 2016

**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.

**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 Woven fabrics cotton yarn.

**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 both in international markets. 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 customers 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 yarn and other chemicals are rising gradually and drastically round the year. It 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 applies the latest technology in the yarn process in the production. The machineries and equipment of the company are also 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 one years of post independence period, Bangladesh has gone through a variety of political situations. But 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 on Compliance with Local Laws**

The financial statements have been prepared in compliance with the requirements of the Companies Act, 1994, Bangladesh Securities and Exchange Rules, 1987 and other relevant local laws as applicable.

### **4.3 Statement on Compliance of Bangladesh Accounting Standards**

The financial statements have been prepared in accordance with the applicable Bangladesh Accounting Standard (BASs) and Bangladesh Financial Reporting Standard (BFRSs) adopted by the Institute of Chartered Accountants of Bangladesh (ICAB) based on International Accounting Standards (IASs) and International Financial Reporting Standards (IFRSs).

### **4.4 Going Concern**

As per BAS-1, 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.

### **4.5 Accrual Basis**

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

### **4.6 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 BAS 1: "Presentation of Financial Statements". A complete set of financial statements comprise:

- i) Statement of Financial Position as at March 31, 2016.
- ii) Statement of Comprehensive Income for the 9 month period ended March 31, 2016.
- iii) Statement of Changes in Equity for the 9 month period ended March 31, 2016.
- iv) Statement of Cash Flows for the 9 month period ended March 31, 2016.
- v) Notes comprising a summary of significant accounting policies and other explanatory information to the financial Statements for the 9 month period ended March 31, 2016.



#### 4.7 Reporting Period

The Financial year of the company under audit cover for a period of 9 months effective from 01 July 2015 to March 31, 2016.

#### 4.8 Inventories

Inventories comprises of Raw materials, Work-in-Process, Finished goods and Stores & Spares. Raw materials and Stores and Spares have been valued at average cost. Work-in-Process has been valued at prime cost basis as required by IAS-2 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 BAS-2.

#### 4.9 Revenue

Revenue represents the invoice value of goods supplied to customers during the year. 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.

#### 4.10 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 BAS 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, 2011 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 BAS 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 **Straight Line 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%

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 30.06.2015 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.

#### **4.11 Revaluation Reserve**

In 2011, land under the ownership of MHSML was professionally revalued by ATA KHAN & Co, Chartered Accountants. Fair market value was estimated at Tk. 132,685,000 as against net book value of Tk. 2,370,360 resulting in a revaluation surplus of Taka 130,314,640 which was accounted for and transferred to revaluation reserve.

#### **4.12 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 (BAS) No. 7 "Statement of Cash Flows"

#### **4.13 Earnings per Share**

The company calculates Earnings per Share (EPS) in accordance with the requirement of BAS – 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 March 31, 2016 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.

**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 BAS – 33.

**4.14 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 BAS 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.

Exchange differences arising on the settlement of monetary items or on translating monetary Items at rate different from those at which they were translated on initial recognition during the period or in previous financial statements is recognized in profit or loss in the period in which they arise.

**4.15 Impairment of Assets**

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

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.

**4.16 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.

**4.17 Authorization date for issuing Financial Statements**

The financial statements were authorized for issue by Board of Directors on April 30, 2016

#### **4.18 Reporting Currency**

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

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

The Preparation of Financial Statements in conformity with Bangladesh Accounting Standards 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 BAS – 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.

#### **4.20 Accruals & Deferrals**

Deferrals and accruals have been made as per the guidance in BAS- 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.

#### **4.21 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.

#### **4.22 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 BAS-21: The Effects of Changes in Foreign Exchange Rates.

#### **4.23 Segment Reporting**

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

#### **4.24 Related Party Disclosures**

The information as required by BAS 24: "Related party Disclosure" has been disclosed separately in notes to the financial statements. (Note-30)

#### **4.25 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 year.

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) Tax Holiday**

The company has been enjoying tax holiday for five years commencing November 1, 2008. Tax holiday reserve has been made 30% on exempted Income as provision and 10% on exempted income which is required to be invested in the purchase of Shares of a company listed with any stock exchange as per section 46 B in the income tax ordinance 1984.

#### **(c) 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.

#### **4.26 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 BAS: 37. Contingent assets and contingent liabilities are not recognized in the financial statements except the balance amount of IPO subscription money shown in (Note: 18.00) yet to be refundable.

A contingent assets is disclosed as per BAS 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.

The Company has received letter of credits accepted by SIM Fabrics Ltd. against sales of yarn worth Tk. 25,54,,64,167 the L/C was opened with Islami Bank Bangladesh Limited, Mouchak Branch. A short term loan amount to Tk. 25,54,64,167 was sanctioned by Islamic Bank Bangladesh Ltd. Keeping above mentioned Bill Receivable as collateral. The entire amount of loan liabilities has been set off against that Bill Receivable which is subject to realization upon 120 days. The company might have a liability to the extent to which the said bill becomes unrealized. No provision against that liability has been created as it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation, or a sufficiently reliable estimate of the amount of the obligation cannot be made.

Tax assessment of 2010-2011, 2011-2012, 2012-2013, 2013-2014 is under appeal to the Tribunal against Commissioner of Taxes for Tax holiday facility.

In 10<sup>th</sup> AGM and emergency Board of Director's meeting Dated. 20/12/2015 of MHSML declare 20% Stock Dividend to the all Shareholders but It is Considered 15% Stock Dividend to all Shareholder as per order dated 17.01.2016 passed by the Hon'ble High Court Division of the Supreme Court of Bangladesh in Write Petition No. 447/2016. The Hon'ble High Court did not provide any decision regarding the remaining 5% dividend yet.

#### **4.27 Comparative Information and Rearrangement Thereof**

Comparative information has been disclosed as required by BAS 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 Comprehensive Income for the comparable period of preceding financial period.
- Statement of Changes in Equity for the comparable period of preceding financial period.
- Statement Cash Flows for the comparable period of preceding financial period.

Comparative figures have been re-arranged wherever considered necessary to conform current period figure without causing any impact on the profit and value of assets and liabilities as reported in the financial statements.

		Amount in Taka	
		31.03.2016	30.06.2015
<b>5.00 Property, Plant and Equipment's</b>			
Land & Land Development		425,585,303	385,137,050
Factory Building		88,414,828	84,963,020
Plant & Machinery		170,611,114	169,444,536
Vehicle		2,949,125	1,312,800
Furniture & Fixture		730,028	838,697
	<b>Tk.</b>	<b>688,290,398</b>	<b>641,696,103</b>

Please refer to Annexure-'A' for further details

#### 6.00 Capital Work-In-Progress

Break-up of this are as follows:

Opening Balance	64,377,146	16,877,146
Addition during the period	29,250,300	75,388,533
<b>Total</b>	<b>93,627,446</b>	<b>92,265,679</b>
Acquisition during the period	(32,500,000)	(27,888,533)
Closing Balance	<b>61,127,446</b>	<b>64,377,146</b>

Capital work in progress represents the cost incurred for acquisition and/or for construction of items of property, plant and equipment that are not ready for use. CWIP is measured at cost.

#### 7.00 Investment

This represents the followings:

Suntech Energy Limited	5,510,547	4,920,000
Add: Profit from Associate	-	590,547
<b>Total</b>	<b>5,510,547</b>	<b>5,510,547</b>

The company has purchased 30% shares of Tk 4,920,000 from Suntech Energy Ltd. and accounted for complying with BAS 28 " Investment in Associates" accordingly Previous year.

#### 8.00 Inventories

Break-up of this item is as follows:

	Qty. (kg.)	Qty. (kg.)	
<b>Finished Goods:</b>			
Yarn	177,000	28,442,933	65,247,191
Working-in-process	140,806	19,824,407	42,431,441
<b>Raw Materials:</b>		270,743,170	208,924,347
Virgin Cotton	1,149,539	154,915,514	106,232,924
Waste Cotton	1,188,922	115,827,656	102,691,423
Packing Materials		424,000	271,464
Store Materials		9,486,213	9,262,324
	<b>Tk.</b>	<b>328,920,723</b>	<b>326,136,767</b>

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

## 9.00 Accounts Receivable

Please refer to Annexure: B for details

This is unsecured, considered good and is falling due within one year . No bad debts are considered during the period . 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 personal security	-	-
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)	545,352,794	437,215,251
VI) The maximum amount of receivable due by any director or other officer of the company	-	-
	<b>545,352,794</b>	<b>437,215,251</b>
<b>Aging of accounts receivable:</b>		
Dues within three months	299,352,096	147,213,245
Dues within three months to six months	246,000,698	290,002,006
Dues within six months to one year	-	-
	<b>545,352,794</b>	<b>437,215,251</b>

## 10.00 Advances, Deposits & Pre-Payments

Advance against Purchase (Note-10.01)	60,546,996	47,270,861
Advance against L/c for Cotton & Spares Import	94,283,896	84,668,554
Advance against factory expenses	3,670,073	1,305,818
Advance for Consultancy	1,525,000	500,000
Pre-paid Insurance	160,024	880,132
Deferred Revenue Expense	8,744,218	-
Tax deducted at sources	16,109,228	13,880,453
<b>Tk.</b>	<b>185,039,435</b>	<b>148,505,818</b>

### 10.01 Advance against Purchase

Dues within three months	45,410,247	35,453,146
Dues within three months to six months	12,109,399	9,454,172
Dues within six months to one year	3,027,350	2,363,543
	<b>60,546,996</b>	<b>47,270,861</b>

## 11.00 Cash and Cash Equivalents

<b>Cash in hand</b>	<b>5,581,687</b>	<b>171,522</b>
<b>Cash at Banks:</b>	<b>10,262,176</b>	<b>15,306,598</b>
<b>Bank</b>	<b>Branch</b>	<b>A/C Type</b>
IBBL	Mouchak	CD-327918
IBBL	Mouchak	CD-438315
IBBL	Mouchak	Mudaraba Deposit Normal
	6,457	4,006,361
	3,476	3,476
	43,250	43,568



IBBL	Mouchak	Mudaraba Deposit Special	33,998	2,496,013
DBBL	Gausia	# 176-120-1733	320,438	238,010
Bank Asia	Scotia	CD-3534	2,155	2,155
Bank Asia	Scotia	CD-36551	1,952	1,952
Habib Bank	Gulshan	CD-9240	1,000	1,000
DBBL:	Bashundhara	CD-5894	171,480	41,236
EBL	Principal	(for IPO refundable fund))	8,020,844	8,463,727
NRBCB	Gulshan	CD-00174	5,000	5,000
IBBL	Gausia	CD-987	3,246	3,246
IBBL FC Held			1,521	-
IBBL	Mouchak	MDA UR-49	1,647,359	854

Tk. **15,843,863** **15,478,120**

## 12.00 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:

89,807,812.5 ordinary shares of taka 10/= each 898,078,125 780,937,500  
Tk. **898,078,125** **780,937,500**

## 12.01 Share Holding Position:

Share holding position is as follows:

a) Sponsors	5,957,359.4	6.63%	59,573,593.75	51,803,125
b) SIM Fabrics Limited	29,612,500.0	32.97%	296,125,000.00	257,500,000
c) Other Shareholders	54,237,953.1	60.39%	542,379,531.25	471,634,375
	<u>89,807,812.5</u>		<u><b>898,078,125.00</b></u>	<u><b>780,937,500</b></u>

## 13.00 Tax Holiday Reserve

### A. Opening balance

Tax Holiday Reserve (30%)	<u>72,845,417</u>	<u>72,845,417</u>
Reserve for Investment (10%)	<u>54,634,063</u>	<u>54,634,063</u>
	<u>18,211,354</u>	<u>18,211,354</u>

### B. Add: During the Period

Tax Holiday Reserve (30%)	-	-
Reserve for Investment (10%)	-	-

**Total (A+B)** **72,845,417** **72,845,417**

## 14.00 Retained Earnings

Details are as follows:

Opening Balance	330,628,305	310,867,531
Net profit/(loss) for the period	172,816,181	175,948,274
<b>Total</b>	<u><b>503,444,486</b></u>	<u><b>486,815,805</b></u>

Bonus Paid (15% Stock for 2014-2015) (117,140,625) (156,187,500)

**Retained Earnings** Tk. **386,303,861** **330,628,305**

## 15.00 Long Term Loan

Outstanding for HPSM	43,859,859	61,189,139
<b>Total</b>	<u><b>43,859,859</b></u>	<u><b>61,189,139</b></u>
Less: Current portion of Long term loan	<u>(19,302,147)</u>	<u>12,767,739</u>
	<u><b>24,557,712</b></u>	<u><b>48,421,400</b></u>

1. Purpose of Investment - To purchase/import of Rotor Machine, Chiller for the project.
2. Period of Investment - 05 (five) year
3. Rate of return - 13.80% 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 81.22 million.
  - B. 194.75 decimal project land alongwith 96,345 sft. Factory building vide FSV 47.49 million by SFL.
  - C. 183.16 decimal project land alongwith 65,411 sft. Factory building vide FSV 139.50 million by SFL.
  - D. Personal Guarantee of all Directors of the Project Companies & Mortgages of their individual properties.

#### 16.00 Accounts Payable

Trade Creditors ( Annexure-C )	14,440,874	19,691,520
Bills Payable ( Annexure-C )	11,728,824	8,800,231
	<b>26,169,698</b>	<b>28,491,751</b>

#### 17.00 Current portion of long term loan

Outstanding for HPSM	19,302,147	12,767,739
	<b>19,302,147</b>	<b>12,767,739</b>

#### 18.00 Refundable fund of IPO subscribers

Refund warrant to IPO subscribers	7,820,000	8,164,500
	<b>7,820,000</b>	<b>8,164,500</b>

This represents the amount payable to IPO subscribers against which refund warrant already been issued but not presented to the bank by the subscribers during the period

#### 19.00 Short term bank loan

##### Islami Bank Bangladesh Limited Mouchak Br.

Loan against Local purchase (MTR)	60,300,533	79,100,000
L/C Liability for Import Merchandise (MURA)	38,070,804	36,790,001
Loan against Cotton (MPI)	1,779,278	-
<b>Total short term loan of Islami bank Bangladesh Ltd.</b>	<b>100,150,615</b>	<b>115,890,001</b>

This represents amount excluded by the following Banks as working capital which is fully secured by stock hypothecation and Export bills receivable at terms & condition is 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 -13.80% per annum or the rate to be determined by the bank from time to time.
4. Collateral:
  - A. 156.10 decimal project land alongwith 88,200 sft. Project building vide FSV 81.22 million.
  - B. 194.75 decimal project land alongwith 96,345 sft. Factory building vide FSV 47.49 million by SFL.
  - C. 183.16 decimal project land alongwith 65,411 sft. Factory building vide FSV 139.50 million by SFL.
  - D. Personal Guarantee of all Directors of the Project Companies & Mortgages in their individual capacity.

#### 20.00 Provision for Income tax

Opening Balance	60,073,748	32,149,755
Add: During the Period	32,083,222	31,623,993
<b>Total</b>	<b>92,156,970</b>	<b>63,773,748</b>
Less: Tax paid	-	3,700,000
<b>Closing Balance</b>	<b>92,156,970</b>	<b>60,073,748</b>

**21.00 Accrued Expenses**

Audit fees	86,250	115,000
Salaries & Allowances	4,540,273	6,530,665
Gas Bill	17,629,799	4,675,584
TDS, VAT & Others	254,193	277,962
Store materials	2,685,478	1,743,013
Accrued Interest	4,248,818	3,351,433
<b>Tk.</b>	<b>29,444,811</b>	<b>16,693,657</b>

**22.00 Turnover**

		<b>Amount in Taka</b>	
		<b>Jul-Mar 2016</b>	<b>Jul-Mar 2015</b>
	<b>qty. (kg.)</b>	<b>Rate</b>	
Yarn 20's	3,422,150	210.47	720,255,550
Yarn 16's	1,260,100	203.91	256,946,365
Yarn 12's	212,050	197.39	41,855,665
Yarn 10's	58,750	178.07	10,461,766
Yarn 6's	3,350	160.00	536,000
	<b>4,956,400</b>		<b>1,030,055,346</b>
			<b>987,257,234</b>

**23.00 Cost of Goods Sold**

Opening Work-in-Process	42,431,441	26,875,763
Raw materials consumed	607,483,837	648,487,246
Accessories & Stores Consumed	9,001,240	12,757,780
Packing Materials Consumed	6,181,698	7,202,187
Factory overhead (Note-23.04)	97,058,603	76,527,242
Closing Work-in-Process	(19,824,407)	(35,462,852)
<b>Cost of Production</b>	<b>742,332,412</b>	<b>736,387,366</b>
Opening stock of Finished Goods	65,247,191	19,411,493
<b>Cost of Goods Available for Sale</b>	<b>807,579,603</b>	<b>755,798,859</b>
Closing stock of Finished Goods	(28,442,933)	(9,195,954)
Wastage Sales	(5,100,388)	(4,787,473)
<b>Cost of Goods Sold</b>	<b>774,036,282</b>	<b>741,815,432</b>

**23.01 Raw Materials Consumption**

Opening Raw Materials	208,924,347	523,198,717
Purchase during the period	669,302,660	672,605,783
Available for use	<b>878,227,007</b>	<b>1,195,804,500</b>
Closing Raw Materials	(270,743,170)	(547,317,254)
	<b>607,483,837</b>	<b>648,487,246</b>

**23.02 Accessories & Stores Consumption**

Opening Accessories & Stores	9,262,324	8,352,559
Purchase during the Period	9,225,129	15,229,314
Available for use	<b>18,487,453</b>	<b>23,581,873</b>
Closing Accessories & Stores	(9,486,213)	(10,824,093)
	<b>9,001,240</b>	<b>12,757,780</b>

**23.03 Packing Materials Consumption**

Opening Packing Materials	271,464	261,886
Purchase during the period	6,334,234	7,459,742
Available for use	<b>6,605,698</b>	<b>7,721,628</b>
Closing Packing Materials	(424,000)	(519,441)
	<b>6,181,698</b>	<b>7,202,187</b>

**23.04 Factory Overhead**

Gas Bill	28,423,435	15,855,764
Salary & Wages	30,406,374	26,678,295
Repair & Maintenance	1,341,095	1,469,696
Factory Insurance	720,108	625,000
Sundry Carrying Charges	315,980	510,125
Sundry daily labor charges	426,354	230,542
Medical & Other Expenses	115	43,720
Depreciation	35,425,142	31,114,100
	<b>Tk. 97,058,603</b>	<b>76,527,242</b>

**24.00 Other Operating Income**

Interest on Bank Account	189,638	273,968
Share Investment Income (Fareast Stock & Bonds Ltd.)	3,874,000	-
Share Investment Income (Emerald Oil Ind. Ltd.)	280,000	-
	<b>4,343,638</b>	<b>273,968</b>

**25.00 Administrative Expenses**

Salary and Allowances	2,358,984	2,248,604
Bonus	370,327	401,500
Audit Fees	86,250	86,250
Managing Director Remuneration	450,000	450,000
Director's Remuneration	1,755,000	1,630,000
Board Meeting Fees	144,000	180,000
Entertainment	202,097	448,120
Traveling and Conveyance	59,397	217,355
House & Office rent	450,000	585,000
Telephone (mobile)	41,700	68,200
Fuel, Newspaper & Other Expenses	1,882,613	1,434,951
Depreciation	324,344	229,494
	<b>Tk. 8,124,712</b>	<b>7,979,474</b>

**Payment/ Perquisites to Directors and officers**

The aggregate amount paid/ provided during the Period in respect of Directors and officers of the company as defined in the Bangladesh Securities and Exchange Rules 1987 are disclosed below :

**Particulars**

Managing Director Remuneration	450,000	450,000
Director's Remuneration	1,755,000	1,630,000
Board Meeting Fees	144,000	180,000

During the period six (6) Board meeting was held .

**26.00 Marketing, Selling & Distribution Expenses**

Salaries and Allowances	235,800	235,800
Advertisement	735,562	826,337
Business Development	100,000	135,000
Export Expenses	-	58,722
Sample & other Expenses	610,366	250,383
	<b>Tk. 1,681,728</b>	<b>1,506,242</b>

**27.00 Financial Expenses**

Bank Charges and Commission	1,253,737	951,239
Interest on HPSM investment	5,569,794	-
Interest in BAI Murabah	8,372,040	9,043,592
Interest on MDB Loan	11,117,641	12,907,532
Interest on Murabaha TR	9,968,230	11,643,510
Interest on MPI	125,301	-
<b>Tk.</b>	<b>36,406,743</b>	<b>34,545,873</b>

**28.00 Basic Earning Per Share**

Net Profit for the period	<b>172,816,181</b>	<b>163,233,901</b>
No. of Shares	89,807,813	78,093,750
No. of Shares (Re-stated 15% Stock)	89,807,813	89,807,812.5
<b>Basic EPS for the period</b>	<b>1.92</b>	<b>2.09</b>
<b>Basic EPS for the period (Re-Stated)</b>	<b>1.92</b>	<b>1.82</b>

**29.00 General:****29.01 Claims not Acknowledged**

There is no claim against the Company not acknowledged as debt as on 31.03.2016

**29.02 Credit Facilities not Availed**

There is no credit facilities available to the Company but not availed of as on 31.03.2016. under any contract, other than trade credit available in the ordinary course of business.

**29.03 Commission, Brokerage or Discount Against Sales**

No commission, brokerage or discount was incurred or paid by the Company against sales during the period ended 31.03.2016

**29.04 Directors Responsibility Statements**

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) .

**29.05 Employee Details:**

During the period there were 460 permanent employees employed for the full year out of which 400 employees received salary Taka 3,500 per month and above.

**29.06 Rounding Off**

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

**29.07 Rearrangement of Last Year Figures**

To facilitate comparison, certain relevant balances pertaining to the previous period have been rearranged or re-stated or reclassified whenever considered necessary to conform to current period presentation.

**29.08 Disclose as per requirement of schedule XI, part II para 8**

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

Particular	Local Purchase	Import	Total Purchase	Consumption	
Raw Material	311,929,786	357,372,874	669,302,660	607,483,837	
Packing Materials	6,334,234	-	6,334,234	6,181,698	
Spare Parts	9,199,569	-	9,199,569	9,001,240	

**Value of Export**

Particular	In Foreign Currency USD	In BDT
Export	\$ 13,205,837.77	1,030,055,346

**29.09 Details of capacity has given below**

Particular	Licence Capacity	Installed Capacity	Actual Production (9 Month Period)
Annual Production (kg)	6,600,000	6,600,000	4,760,750

### 30.00 Related Party Disclosure

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

No.	Particulars	Value in Tk.
(a)	Managerial Remuneration paid or payable during the period to the directors, including managing directors or manager	2,205,000
(b)	Any other perquisite or benefits in cash or in kind stating, approximate money value where applicable.	144,000
(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 thereon	Nil
(e)	Share Based payments	Nil

#### b) Transaction with Related Entity:

Sl.	Name of Customer	Relationship	Balance as at 01.07.2015	Addition during the Period	Realized during the Period	Balance as at 31.03.2016
(a)	SIM Fabrics Limited yarn sale	Common Management	437,215,251	1,030,055,346	921,917,803	545,352,794
	<b>Total</b>		<b>437,215,251</b>	<b>1,030,055,346</b>	<b>921,917,803</b>	<b>545,352,794</b>

#### c) Transaction with Related Entity:

Sl.	Name of Customer	Relationship	Balance as at 01.07.2015	Addition during the Period	Realized during the Period	Balance as at 31.03.2016
(a)	SIM Fabrics Limited (land transferred against shares)	Common Management	250,000,000	-	-	250,000,000
	<b>Total</b>		<b>250,000,000</b>	<b>-</b>	<b>-</b>	<b>250,000,000</b>

**Mozaffar Hossain Spinning Mills Limited**  
**Schedule of Property, Plant & Equipment**  
**As at March 31, 2016**

Annexure A  
Amount in Taka

Particulars	COST			Rate of Dep.	DEPRECIATION			Written down value as at 31.03.2016
	As at July 01, 2015	Addition During the Period	As at 31.03.2016		As at July 01, 2015	Addition During the Period	As at 31.03.2016	
Land & Land Dev.	385,137,050	40,448,253	425,585,303	-	-	-	-	425,585,303
Factory Building	107,074,165	7,635,390	114,709,555	5%	22,111,145	4,183,582	26,294,727	88,414,828
Plant & Machinery	397,195,297	32,408,138	429,603,435	10%	227,750,761	31,241,560	258,992,321	170,611,114
Vehicle	1,641,000	1,852,000	3,493,000	10%	328,200	215,675	543,875	2,949,125
Furniture & Fixture	1,448,919	-	1,448,919	10%	610,222	108,669	718,891	730,028
<b>Balance as on 31.03.2015</b>	<b>892,496,431</b>	<b>82,343,781</b>	<b>974,840,212</b>		<b>250,800,328</b>	<b>35,749,486</b>	<b>286,549,814</b>	<b>688,290,398</b>

**Depreciation Charged To-**

	Jul'15-Mar'16
Administrative Cost	324,344
Manufacturing Cost	35,425,142
<b>Total</b>	<b>35,749,486</b>



## **Mozaffar Hossain Spinning Mills Limited**

### **Annexure of Accounts Receivable**

**Annexure No. - B**

For the nine months period ended March 31, 2016

**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:-**

**Accounts Receivable considered goods in respect of which the company holds no security other than the debtor personal security :**

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

<b>Amount in Taka</b>				
<b>Name of Customer</b>	<b>Balance as at 01.07.2015</b>	<b>Addition during the Period</b>	<b>Realized during the Period</b>	<b>Balance as at 31.03.2016</b>
	-	-	-	-
<b>Total</b>	-	-	-	-

### **Accounts Receivable due by Common management:**

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

<b>Amount in Taka</b>				
<b>Name of Customer</b>	<b>Balance as at 01.07.2015</b>	<b>Addition during the Period</b>	<b>Realized during the Period</b>	<b>Balance as at 31.03.2016</b>
SIM Fabrics Limited	437,215,251	1,030,055,346	921,917,803	545,352,794
<b>Total</b>	<b>437,215,251</b>	<b>1,030,055,346</b>	<b>921,917,803</b>	<b>545,352,794</b>
<b>Sub-Total</b>	<b>437,215,251</b>	<b>1,030,055,346</b>	<b>921,917,803</b>	<b>545,352,794</b>

## Mozaffar Hossain Spinning Mills Limited

### Schedule of Trade Creditors

For the nine months period ended March 31, 2016

Annexure No. - C

#### Trade Creditors:

Amount in Taka

Name of Supplier	Balance as at 01.07.2015	Payment during the period	Bill during the period	Balance as at 31.03.2016
AB Enterprise	4,649,216	53,050,836	54,944,622	6,543,002
Deferred LC against virgin cotton	14,021,382	139,790,651	133,444,366	7,675,097
Sinha Enterprise	998,378	775,603	-	222,775
<b>Sub Total (A)</b>	<b>19,668,976</b>	<b>193,617,090</b>	<b>188,388,988</b>	<b>14,440,874</b>

#### Bills Payable:

Amount in Taka

Name of Supplier/Service Provider	Balance as at 01.07.2015	Payment during the Period	Bill during the Period	Balance as at 31.03.2016
Bills Payable Staff	199,457	448,914	258,937	9,480
3N Printers	158,543	200,000	212,720	171,263
Abdullah Techo Trade	24,000	-	-	24,000
Ahmed zaker & Co.	15,000	5,000	-	10,000
Ali Refrigeration	-	-	24,800	24,800
Alpha Capital Management	1,010	-	-	1,010
Amreen Refrigeration	115,000	115,000	-	-
Axis Engineering	15,710	40,110	55,760	31,360
Authentic Color Ltd	-	-	12,552	12,552
Badal Enterprise	-	50,000	184,762	134,762
Bangla Trac Limited	327,970	246,980	178,234	259,224
Bangla Trac Limited Store	-	156,464	171,428	14,964
BBS Cables	60,849	907,602	1,215,730	368,977
Bengal Roots	45,165	220,434	175,269	-
Bestair Engineering	54,250	108,500	54,250	-
Beximco Online	13,800	24,150	17,250	6,900
Bismillah Paper Products	239,885	150,000	-	89,885
Bushra Corporation	-	-	8,000	8,000
Bank Bima Arthonity	-	-	10,000	10,000
Bangladesh Association of Public Listed Co.	-	-	30,000	30,000
Bangla Courier Service	-	-	1,200	1,200
Bashundhara Courier Service	-	-	1,200	1,200
Cargo Control Group	185,518	150,000	-	35,518
Chemtex B.D	-	80,000	80,000	-
Confidence Associates Ltd	164,811	164,811	32,811	32,811
Capital Market Courier Service	-	-	1,200	1,200
Central Depository Bangladesh	-	-	182,231	182,231
Delzan Enterprise	52,415	40,000	-	12,415
Chittagong Stock Exchange	90,000	90,000	721,862	721,862
City Express	6,000	6,000	-	-
Dhaka Stock Exchange	433,331	433,331	721,862	721,862
Dhaka wood House	56,194	-	-	56,194
Dohar Engineering Works	8,720	8,720	-	-
Ekushey Express	3,000	-	1,200	4,200
Enviro Enginiering	122,950	200,000	198,250	121,200
Eastland Insurance Co. Ltd.	-	-	23,844	23,844
Fahim Transport Agency	109,600	185,000	126,500	51,100
Faith Courier Service	3,000	3,000	-	-
Galaxy Corporation	20,000	-	201,750	221,750
Haque Engeneering Workshop	90,192	90,192	-	-
Harun Metal Eng. Workshop	70	70	-	-
Hazrat Shahjalal Shahparan Ent.	-	2,500	2,500	-

Insaf Trading	41,000	25,000	-	16,000
Islamia Commercial Insurance	-	24,451	132,742	108,291
Jamalpur Shipping Lines	384,768	214,000	14,445	185,213
Junayet Metalic	-	-	8,750	8,750
J.S Courier Service	-	-	600	600
Kabir Hossain	5,000	-	-	5,000
KDH Engineering Works	-	35,000	35,000	-
Mamun Traders	-	51,760	51,760	-
Mazumdar Sikder	-	25,000	25,000	-
Meghna Insurance Co. Ltd.	-	54,511	54,511	-
Meghna Metal	-	60,350	61,140	790
Mahi Trade	84,835	84,835	7,200	7,200
Minarva Engineering Works	218,086	218,086	259,286	259,286
Mitali Agency	-	-	38,033	38,033
Mollah & Sons	21,786	-	33,399	55,185
New Asia Ltd.	9,540	22,469	19,930	7,001
New Mokka Trading	385,604	599,890	301,780	87,494
Olympic Express	-	-	1,200	1,200
Peoples Insurance Co. Ltd	5,801	5,801	-	-
Provati Insurance Company Limited	96,476	96,476	-	-
Patwary Express Courier Service	-	-	1,200	1,200
Rahman Enterprise	18,434	18,434	-	-
Rofiq & Brothers	60,000	600,000	540,000	-
Rotation Engineering Ltd.	-	-	33,903	33,903
Rapid PR	11,500	-	-	11,500
Real Tech Engineering	16,372	123,717	107,345	-
Reyan Machineries	831,100	200,000	111,200	742,300
Riya Enterprise	112,000	112,000	269,000	269,000
R.K Enterprise	877,022	-	-	877,022
RM Courier Services	11,569	11,569	3,325	3,325
Riofiquil Enterprise	-	-	600,000	600,000
Sayed Enterprise	-	6,934	6,934	-
Shahin Alam Enterprise	-	373,500	378,917	5,417
Shah Jalal Courier	3,000	-	1,200	4,200
Shandha Enterprise	-	-	79,638	79,638
ShareBazar news .com	-	-	30,000	30,000
ShareBiz Kortcha	54,500	137,000	162,500	80,000
Shewly Enterprise	113,700	170,000	532,100	475,800
Safety Source	10,950	10,950	-	-
Shelter	5,600	5,600	-	-
Selim Enterprise	-	-	8,700	8,700
Showrob Enterprise	-	137,500	145,500	8,000
Simul Traders	804,487	950,000	1,051,000	905,487
Slogan Communication	-	100,000	150,788	50,788
Somoy Express Ltd.	-	-	1,200	1,200
S.R Shipping Agency	-	281,633	385,371	103,738
Star Lamp Courier Service	-	-	1,200	1,200
Step Communication	16,145	17,145	84,550	83,550
Sumaya Enterprise	193,200	211,890	18,690	-
Suntech Energy	667,000	-	-	667,000
Suntech Energy Party	-	35,000	222,950	187,950
Tanbir Sabbir Enterprise	-	170,000	450,000	280,000
Touch Paper Product	405,943	1,150,000	1,103,016	358,959
United Trade Centre	27,000	44,000	84,500	67,500
Uttaran Paper Product	706,373	300,000	1,186,067	1,592,440
UCAS	-	43,565	43,565	-
Vision Express	-	-	1,200	1,200
3 Star Service Centre	-	-	22,000	22,000
<b>Sub Total (B)</b>	<b>8,815,231</b>	<b>10,854,844</b>	<b>13,768,437</b>	<b>11,728,824</b>
<b>Total (A+B)</b>	<b>28,484,207</b>	<b>204,471,934</b>	<b>202,157,425</b>	<b>26,169,698</b>