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**Auditor's Report and Financial Statements**

**of**

**M. L. DYEING & TEXTILE IND. PLC**

**For the Year Ended 30 June 2023**

 **KAZI ZAHIR KHAN & CO.**  
Chartered Accountants

**Head Office:**

Home Town Apartments (Flat-C, Level-15)

87, New Eskaton Road, Dhaka-1000.

Tel: 02-48319757, Mobile: 01713-013955

E-mail: kzkc48@gmail.com, kzkc\_bd@yahoo.com

**Branch Office:**

Sultana Tower (Level-12), 2 No. Kalabagan

Mirpur Road, Dhanmondi, Dhaka-1205.

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**Independent Auditor's Report  
To the Shareholders of  
M. L. DYEING & TEXTILE IND. PLC**

**Report on the Audit of the Financial Statements**

**Opinion**

We have audited the financial statements of **M. L. DYEING & TEXTILE IND. PLC** (the "Company"), which comprise the Statement of Financial Position as at 30 June 2023 and Statement of Profit or Loss and Other Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year then ended and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

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

**Basis for Opinion**

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

**Emphasis of Matter.**

We draw attention to the following matters through our report is not qualified in those regard.

- i. A fire incident occurred on 29 November 2022, with a total reported loss amounting to Taka 238,721,819. At that period, inventories- Raw Cotton damaged amounting to Taka 120,698,229, inventories- Finished Yarn Taka. 59,487,188 and the property, plant & equipment carrying amount was damaged amounting to Taka 58,536,402. On the other hand, the Company's fixed assets and inventories were covered by Insurance Company amount of Taka 310,000,000. The Company reported that the amount of recoverable insurance benefits against fire loss is yet to be finalized by the insurance company (City General Insurance Company Limited) surveyor and relevant concerned authority. The process has taken to determine the assessment for more than (10) ten months since 29 November 2022, the date of the fire incident. Property, Plant & Equipment under Note-3 of the Financial Statements represent the amount of Taka 2,857,035,176 as carrying value. The property, plant & equipment register not updates and no impairment test took place as per IAS 36 from inception.
- ii. Refer to Note no.6 amounting to Taka. 166,628,055, we didn't observe the physical counting of the inventory. The inventory balance is verified and counted by internal management. People charged with corporate governance provide related certificates on the closing balance. Subsequently, during the audit of the financial statements, we observe the process of maintaining physical inventory and consumption of the Inventories.
- iii. As stated in Note no.5 Investment in Associate, the company had a block investment balance as of 30 June 2023 (Taka.204, 200,000 as hold the threshold limit as director) of R.N. Spinning Mills Ltd. M.L Dyeing Ltd, treat R.N. Spinning Ltd. as an associate. To consider equity method under IAS-28, due to the continuation of loss of R.N. Spinning Ltd., the initial investment balance (Taka. 204, 200,000) shown Nil in the current period since 2020.

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### Key Audit Matters

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

Description of key audit matters	Our response to key audit matters
<b>Revenue recognition</b> At year end the company reported total revenue of BDT 1,074,600,069. The company generates revenue from sale of goods to export customers. The timing of the revenue recognized and realized increases the risk of exposure of revenue to foreign exchange fluctuations. There is also a risk that revenue may be overstated/understated due to the timing differences between L/C opening and goods exported. We identified revenue recognition as a key audit matter as it is one of the key performance indicators of the Company, which give risk to an inherent risk of the existence and accuracy of the revenue.	We have tested the design and operating effectiveness of key controls focusing on the following: - Obtaining an understanding of and assessing the design and operating effectiveness of controls designed to ensure that revenue is recognized in the appropriate accounting period; - Segregation of duties in invoice creation and modification and timing of revenue recognition; - Assessing the appropriateness of the Company's accounting policies for revenue recognition and compliance of those policies with applicable accounting standards; - Obtain supporting documentation for sale transaction recorded either side of year end to determine whether revenue was recognized in the current period; - Comparing a sample of revenue transactions recognized during the year with the sale invoices and other relevant underlying documentation; - Critically assessing manual journals posted to revenue to identify unusual or irregular items, and finally assessed the appropriateness and presentation of disclosures against relevant accounting standards. <i>[See note number 18 for details]</i>
<b>Valuation of Inventory</b> The inventory of BDT 166,628,055 as at 30 <sup>th</sup> June 2023, held in warehouses and across multiple product lines in the factory. Inventory value is measured as follows: Raw & packing materials including WIP on Moving average (Weighted) Cost, Finished Goods at lower of cost or estimated net realizable value, Stores Items at cost, Materials in-transit at Book value i.e. cost so far incurred. As a result, the management apply judgment in determining the appropriate values for value in use, working progress, values for slow moving or obsolete items. While excess holding of inventories could impact efficient use of working capital similarly lower level of inventories can result in stock outs or irregular supply to the market.	We challenged the appropriateness of management's assumptions applied in calculating the value of the inventory provisions by: - Evaluating the design and implementation of key inventory controls operating across the company's factory and warehouse; - We have reconciled the inventory with purchase, production and sales to ensure the shown stock as on date was accurate. - Reviewing the historical accuracy of inventory provisioning and the level of inventory write-offs during the year; - We have considered the risk of inventory being expired/damaged due to the effect of COVID-19 and checked whether any provision was required for any such expiry/ obsolesce.

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- Comparing the net realizable value, obtained through a detailed review of sales subsequent to the year-end, to the cost price of a sample of inventories and comparison to the associated provision to assess whether inventory provisions are complete;
- Obtaining a detailed review with the subsequent sales to compare with the net realizable value.

*[See note number 06 for details]*

#### **Management's Consideration of the Potential Impact of COVID-19**

Management has made estimates and judgements that there was adverse impact of COVID-19 on the company.

In doing so, management have made estimates and judgments that are critical to the outcomes of these considerations with particular focus on the company's ability to continue as a going concern for a period of at least 12 months from the date of the signing of the financial statements.

As a result of the impact of COVID-19 on the wider financial markets we have determined management's consideration of the potential impact of COVID-19 (including their associated estimates and judgements) to be a key audit matter.

Our audit included the following procedures:

- We obtained management's most recent financial results forecasts and liquidity analysis underlying their going concern assessment and tested the integrity of the forecasts, including mathematical accuracy.
- We challenged management on the key assumptions included in the scenarios and we subjected management's most recent forecasts to additional stress testing to confirm that both management and the Board have considered a balanced range of outcomes in their assessment of the potential impact of COVID-19.
- Based on our procedures, we have not identified any other matters to report with respect to both management's and the Board's considerations of the potential impact of COVID-19 on the current and future operations of the company.

*[See note number 3.22 for details]*

#### **Other information**

Management is responsible for the other information. The other information comprises all of the information included in the Annual Report other than the financial statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this auditors' report.

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

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

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards (IFRSs) and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

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

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

We have not come across any other key audit issue for the year under audit, and as such noting is reportable.

#### Report on other Legal and Regulatory Requirements

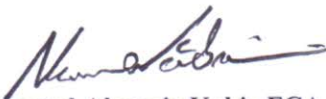
In accordance with the Companies Act, 1994 and the Securities and Exchange Rules 1987, we also report the following:

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

Place: Dhaka  
Dated: October 23, 2023  
DVC:

2310261483AS616725



  
Mohammed Alamgir Kabir FCA  
Partner  
Enrolment No: 1483  
Kazi Zahir Khan & Co.  
Chartered Accountants



**M. L. DYEING & TEXTILE IND. PLC**  
**STATEMENT OF FINANCIAL POSITION**  
**AS AT JUNE 30, 2023**

Particulars	Notes	Amount in Taka	
		30-06-2023	30-06-2022
<b>ASSETS</b>			
<b>Non Current Assets</b>			
Property, Plant & Equipment	4	2,857,035,176	2,912,564,543
Investment in Associate Company	5	-	-
<b>Total Non-Current Assets</b>		<b>2,857,035,176</b>	<b>2,912,564,543</b>
<b>Current Assets</b>			
Inventories	6	166,628,055	316,092,291
Trade Receivables	7	382,120,259	418,519,504
Advance, Deposits and Prepayments	8	43,979,244	22,432,340
Cash and Cash Equivalents	9	107,113,285	178,774,933
<b>Total Current Assets</b>		<b>699,840,843</b>	<b>935,819,068</b>
<b>Total Assets</b>		<b>3,556,876,019</b>	<b>3,848,383,611</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Capital and Reserves</b>			
Share Capital	10	2,324,340,900	2,324,340,900
Retained Earnings	11	777,417,164	1,203,315,346
		<b>3,101,758,064</b>	<b>3,527,656,246</b>
<b>Non-Current Liabilities</b>			
Deferred Tax Liabilities	12	159,255,621	159,914,816
<b>Total Non-Current Liabilities</b>		<b>159,255,621</b>	<b>159,914,816</b>
<b>Current Liabilities</b>			
Trade Payables	13	76,582,800	127,126,333
Unclaimed Dividend	14	4,764,382	2,611,651
Short term Borrowings	15	179,083,088	6,255,000
Creditors & Accrued	16	12,817,379	13,996,605
Provision for Income Tax	17	22,614,685	10,822,960
<b>Total Current Liabilities</b>		<b>295,862,334</b>	<b>160,812,549</b>
<b>Total Current &amp; Non Current Liabilities</b>		<b>455,117,955</b>	<b>320,727,365</b>
<b>Total Equity and Liabilities</b>		<b>3,556,876,019</b>	<b>3,848,383,611</b>
<b>Net Asset Value Per Share</b>	<b>28</b>	<b>13.34</b>	<b>15.18</b>

The annexed notes form an integral part of these financial statements.

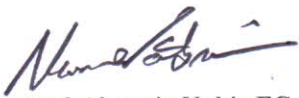
 Chairman   
  Managing Director   
  Director   
  Company Secretary   
  Chief Financial Officer

Signed as per our annexed report on even date.

Place: Dhaka  
Dated: October 23, 2023  
DVC:

2310261483AS616725



  
 Mohammed Alamgir Kabir FCA  
 Partner  
 Enrolment No: 1483  
 Kazi Zahir Khan & Co.  
 Chartered Accountants

M. L. DYEING & TEXTILE IND. PLC  
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME  
FOR THE YEAR ENDED JUNE 30, 2023

Particulars	Notes	Amount in Taka	
		30-06-2023	30-06-2022
Export	18	1,074,600,069	1,656,081,752
Less: Cost of Export	19	988,993,020	1,503,538,355
<b>Gross Profit</b>		<b>85,607,049</b>	<b>152,543,397</b>
Less: Operating Expenses	20	26,833,248	30,931,037
<b>Operating Income</b>		<b>58,773,801</b>	<b>121,612,360</b>
Less: Financial Expenses	21	6,775,912	6,966,706
Add/(Less): Foreign Exchange gain or loss	22	1,995,294	1,157,546
<b>Net operating Income</b>		<b>53,993,183</b>	<b>115,803,200</b>
Add: Other non-operating income	23	2,397,074	2,311,705
Add: Share of Profit/Loss of associate	24	-	-
<b>Net profit before tax</b>		<b>56,390,257</b>	<b>118,114,905</b>
<b>Income Tax Expenses</b>	25	<b>11,132,530</b>	<b>18,006,199</b>
Current Tax		11,791,725	10,822,960
Deferred Tax Income / (Expenses)		(659,195)	7,183,239
<b>Net Profit after tax</b>		<b>45,257,727</b>	<b>100,108,706</b>
<b>Earnings Per Share (EPS)</b>	27	<b>0.19</b>	<b>0.43</b>

The annexed notes form an integral part of these financial statements.

 Chairman  
 Managing Director  
 Director  
 Company Secretary  
 Chief Financial Officer


Signed as per our annexed report on even date.

Place: Dhaka

Dated: October 23, 2023

DVC: 2310261483AS616725



  
**Mohammed Alamgir Kabir FCA**  
 Partner  
 Enrolment No: 1483  
 Kazi Zahir Khan & Co.  
 Chartered Accountants



**M. L. DYEING & TEXTILE IND. PLC**  
**STATEMENT OF CHANGES IN EQUITY**  
**FOR THE YEAR ENDED JUNE 30, 2023**

Particulars	Ordinary Share Capital	Retained Earnings	Total
As at July 01, 2022	2,324,340,900	1,203,315,346	3,527,656,246
Less: Dividend	-	(232,434,090)	(232,434,090)
Less: Fire Loss	-	(238,721,819)	(238,721,819)
Net Profit during the year	-	45,257,727	45,257,727
<b>Total</b>	<b>2,324,340,900</b>	<b>777,417,164</b>	<b>3,101,758,064</b>

**M. L. DYEING & TEXTILE IND. PLC**  
**STATEMENT OF CHANGES IN EQUITY**  
**FOR THE YEAR ENDED JUNE 30, 2022**

Particulars	Ordinary Share Capital	Retained Earnings	Total
As at July 01, 2021	2,324,340,900	1,335,640,730	3,659,981,630
Less: Dividend	-	(232,434,090)	(232,434,090)
Net Profit during the year	-	100,108,706	100,108,706
<b>Total</b>	<b>2,324,340,900</b>	<b>1,203,315,346</b>	<b>3,527,656,246</b>

The annexed notes form an integral part of these financial statements.

 Chairman    Managing Director    Director    Company Secretary    Chief Financial Officer

Signed as per our annexed report on even date.



**M. L. DYEING & TEXTILE IND. PLC**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED JUNE 30, 2023**

Particulars	Amount in Taka	
	30-06-2023	30-06-2022
<b>A .Cash Flow From Operating Activities:</b>		
Collection from Customers	1,132,317,087	2,026,248,820
Collection from other non-operating income	2,397,074	2,311,705
Cash paid to Suppliers and others	(925,732,934)	(1,118,523,707)
Paid for operating Expenses	(25,902,661)	(29,213,325)
<b>Cash generated by operations</b>	<b>183,078,566</b>	<b>880,823,493</b>
Income tax paid	(11,734,581)	(21,555,297)
<b>Net cash flow from Operating activities</b>	<b>171,343,985</b>	<b>859,268,196</b>
<b>B. Cash Flow From Investing Activities:</b>		
Purchase of Fixed Assets	(178,824,770)	(480,347,663)
<b>Net cash flow from Investing activities</b>	<b>(178,824,770)</b>	<b>(480,347,663)</b>
<b>C. Cash Flow From Financing Activities:</b>		
Increase/ Decrease in Short term loan from bank	172,828,088	2,160,000
Dividend Paid	(230,281,359)	(232,434,090)
Unclaimed dividend	-	2,611,651
Payment for financial Expenses	(6,775,912)	(6,966,706)
<b>Net Cash flow from financing activities</b>	<b>(64,229,183)</b>	<b>(234,629,145)</b>
<b>D.Increase/(Decrease) in cash and cash equivalents (A+B+C)</b>	<b>(71,709,968)</b>	<b>144,291,388</b>
<b>E.Foreign Exchange gain or loss (FC account)</b>	<b>48,320</b>	<b>475,128</b>
<b>E.Opening cash and cash equivalents</b>	<b>178,774,933</b>	<b>34,008,417</b>
<b>G.Closing cash and cash equivalents (D+E+F)</b>	<b>107,113,285</b>	<b>178,774,933</b>
<b>Net Operating Cash Flow Per Share</b>	<b>0.74</b>	<b>3.70</b>

The annexed notes form an integral part of these financial statements.





  
 Chairman    Managing Director    Director    Company Secretary    Chief Financial Officer

Signed as per our annexed report on even date.



**M. L. DYEING & TEXTILE IND. PLC**

**Notes, comprising summary of significant accounting policies and other explanatory information  
For the year ended June 30, 2023**

**1.00 The Company and its operations**

**1.01 Legal form of the Company**

The Company was incorporated on March 21, 2001 as a 'Private' company limited by shares, registered under the Companies Act 1994 vide Certificate of Incorporation No.C-42701(2060)2001. The company converted into a 'Public' Limited Company on 02-06-2010. Name of the Company changed from M.L. Dyeing Limited to M.L Dyeing & Textile Ind. Plc on 05-06-2023.

**1.02 Address of the Registered and Corporate Office**

The registered office of the company is located on Zamirdia, 10 Hobirbari, Valuka, Mymensingh and Corporate office at House No: 11 (Unit-6A), Road No: 12, Block # F, Niketon, Gulshan-1, Dhaka-1212.

**1.03 Nature of Business activities**

The principal activities of the company are to carry on the business of dyeing and finishing yarn for 100% export oriented sweater industries in Bangladesh.

**1.04.1 Capital Structure of the Company**

Detailed break down of the capital structure of the company has been presented under.

Particulars	Taka.
<b>Authorized Capital</b>	3,100,000,000
310,000,000 Ordinary Shares of Taka 10/= each	
<b>Issued, subscribed, called-up and paid-up capital</b>	2,324,340,900
232,434,090 ordinary shares of Taka 10/= each fully paid up	

**1.04.2 Production Plant**

Production Plant of the company is situated at Valuka, Mymensingh. Production facility of the company comprises of namely 'Hanks' and 'Cone'. Production Plant of Spinning Unit is situated at Mohona, Vabanipur, Gazipur Sadar, Gazipur in Bangladesh.

**2.00 BASIS OF PREPARATION OF FINANCIAL STATEMENTS**

**2.01 Statement of Compliance**

The financial statements have been prepared in compliance with the requirements of the Companies Act 1994, the Securities & Exchange Rules 1987, the Listing Regulations of Dhaka Stock Exchange (DSE) and Chittagong Stock Exchange (CSE) and other relevant local laws as applicable and in accordance with the applicable International Financial Reporting Standards (IFRS) including International Accounting Standards (IAS) adopted by the Financial reporting council of Bangladesh (FRC) based on International Accounting Standards (IAS) and International Financial Reporting Standards (IFRS).

**2.02 Regulatory Compliances**

As required by the company, the management complies with the following major legal provisions in addition to the Companies Act 1994 and other applicable laws and regulations:

The Income Tax Ordinance 1984;  
The Income Tax Rules 1984;  
The Income Tax Act 2023;  
The Value Added Tax Act 2012;  
The Value Added Tax Rules 2016;  
The Customs Act, 1969;



Bangladesh Labour Law, 2006 (Amended 2013);  
Labor rules, 2015;  
The Securities and Exchange Ordinance, 1969;  
The Securities and Exchange Rules, 1987; and  
Securities and Exchange Commission Act, 1993.

**2.03 Components of the Financial Statements**

According to the International Accounting Standards IAS-1 as adopted by ICAB as IAS-1 "Presentation of Financial Statements" the complete set of financial statements includes the following components.

- i. Statement of financial position as at June 30, 2023;
- ii. Statement of Profit or Loss and other comprehensive income for the year ended June 30, 2023;
- iii. Statement of cash flows for the financial year ended June 30, 2023;
- iv. Statement of changes in equity for the financial year ended June 30, 2023;
- v. Notes, comprising summary of significant accounting policies and other explanatory information for the year ended June 30, 2023.

**2.04 Measurement Bases used in preparing the Financial Statements**

The financial statements have been prepared on the historical cost basis, and therefore, do not take into consideration the effect of inflation. The accounting policies, unless otherwise stated, have been consistently applied by the company and are consistent with those of the previous period.

**2.05 Reporting Currency and Level of Precision**

The financial statements are presented in Bangladeshi currency (Taka), which is the Company's functional currency. All financial information presented in Taka have been rounded off to the nearest Taka.

**2.06 Preparation and Presentation of Financial Statements of the Company**

The Board of Directors of the company is responsible for the preparation and presentation of financial statements of M. L. Dyeing & Textile Ind. PLC

**2.07 Use of Estimates and Judgments**

The preparation of these financial statements, in conformity with IAS/IFRS, required management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual amounts may differ from these estimates.

Estimates and underlying assumptions are reviewed on an on going basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

In particular, information about significant areas of estimation on uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements are included in the following notes:

Note: 4 Property, Plant and Equipment

Note: 6 Inventories

Note: 7 Trade & Other Receivables

Note: 8 Advances, Deposits and Pre-payments

Note: 12 Deferred Tax Liabilities

Note: 13 Trade Payables

Note: 16 Provision for Income tax



**2.08 Reporting Period**

The financial period of the companies covers 1 (one) year from July 01, 2022 to June 30, 2023.

**2.09 Statement of Cash Flows**

Statement of cash flows is prepared in accordance with "IAS 7: Statement of Cash Flows and the cash flows from operating activities have been presented under Direct Method as required by the Securities and Exchange Rules 1987 and considering the provisions that "Enterprises are Encouraged to Report Cash Flow from Operating Activities using the Direct Method".

**2.10 Compliance with the Requirements of Notification of the Securities and Exchange Commission dated 04.06.2008 under ref. # SEC/CMMRPC/2008-181/53/Adm/03/28**

- a) Notes to the financial statements marked from 3.00 to 3.24 setting out the policies are unambiguous with respect to the reporting framework on which the accounting policies are based.
- b) The accounting policies on all material areas have been stated clearly in the notes marked from 3.00 to 3.24.
- c) The accounting standards that underpin the policies adopted by the company can be found in the following places of the notes to the financial statements where is applicable:

Sl. No.	Name of the IAS	IAS's No.
1	Presentation of Financial Statements	1
2	Inventories	2
3	Statement of Cash Flows	7
4	Accounting policies, Changes in accounting Estimates & Errors	8
5	Events after the Reporting Period	10
6	Income Taxes	12
7	Property, Plant and Equipment	16
8	Employee Benefits	19
9	The Effects of Changes in Foreign Exchange Rates	21
10	Borrowing Costs	23
11	Related Party Disclosures	24
12	Accounting and Reporting by Retirement Benefit Plans	26
13	Separate Financial Statements	27
14	Investment in Associates & Joint Venture	28
15	Earnings Per Share	33
16	Interim Financial Reporting	34
17	Impairment of Assets	36
18	Provision, Contingent Liabilities and Contingent Assets	37
19	Intangible Assets	38
20	Financial Instruments: Recognition & Measurement	39

SL. No.	Name of the IFRS	IFRS No.
1	Financial Instruments: Disclosures	7
2	Operating Segments	8
3	Financial Instruments	9
4	Revenue from Contracts with Customers	15
5	Leases	16



- d) The financial statements are in compliance with the International Financial Reporting Standards (IFRS) which are adopted from the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB).

### 3.00 SIGNIFICANT ACCOUNTING POLICIES

The specific accounting policies have been selected and applied for significant transactions and events that have a material effect within the framework for the preparation and presentation of financial statements.

#### 3.1 Property, Plant & Equipment

##### 3.1.1 Property, Plant and equipment

Property, Plant and Equipment are accounted for according to IAS 16 (Property, Plant and Equipment) at Historical cost less accumulated depreciation except land and Land development. The cost of self constructed /installed assets includes the cost of materials, direct labor and other cost directly attributable to bringing the assets to the working condition for the indented use and for dismantling and removing the items and restoring the site on which they are located.

The gain or loss arising on the disposal or retirement of an asset is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized as non operating income or loss and reflected in the profit and loss account.

##### 3.1.2 Depreciation of fixed assets

Depreciation is provided on reducing balance method (except Land & Land Development) on the cost at which the asset is carried in the books of account.

Depreciation has been charged on additions of fixed assets on the period of available for utilization. The depreciation /amortization rate(s) are as follows:

<u>Category of fixed assets</u>	<u>Rate %</u>
Land and Land Development	-
Factory Building	2.50
Plant & Machinery	10
Power Generator set	10
Electrical Installation	10
Boiler	10
Compressor	10
Fork lift	10
ETP Plant	10
Gas Installation	10
Air Condition Installation	10
Telephone Installation	20
Office Equipment	10
Furniture & Fixture	20
Motor Car	20

##### 3.1.3 Impairment of Assets

No fact and circumstances indicate that company's assets including property, plant and equipment may be impaired. Hence, no evaluation of recoverability of assets was performed.

#### 3.2 Inventories

##### 3.2.1 Valuation of Inventories

Inventories are valued by the following basis in compliance with the requirements of Para 21 and 25 of IAS 2: inventories



**Category of Stocks**

Raw & packing materials including WIP  
Finished Goods at Factory

**Basis of valuation**

: Moving average (Weighted) Cost  
: At lower of cost or net estimated  
realizable value  
: At cost  
: At cost  
: Book value (i.e. cost so far incurred).

At warehouses

Stores Items

Materials in-transit

Cost comprises of the value of materials and attributable direct labor, depreciation & production overheads.

**3.3 Revenue Recognition**

In compliance with the requirements of IFRS 15 "Revenue from contracts with customers", Entity recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Revenue is recognized only when following steps match with a transaction;

- a) Identification of the contract(s) with a customer;
- b) Identification the performance obligation in a contract;
- c) Determine the transaction price
- d) Allocate the transaction price to the performance obligations in the contract;
- e) Recognition revenue when (or as) the entity satisfies a performance obligation;

**3.4 Foreign Currency Transaction/Translation**

Foreign currency transactions are translated into Bangladeshi Taka at the exchange rates ruling at the transaction dates according to IAS 21: "The effect of changes in Foreign Exchange Rates". Monetary assets and liabilities denominated in the foreign currencies are translated at prevailing rates on the balance sheet (Financial position) date. Non monetary assets and liabilities denominated in foreign currencies, which are related at historical cost are translated into Bangladesh Taka at the exchange rate ruling at the date of transactions. Foreign exchange gain/loss has been recognized in connection with foreign currency transaction since all such transactions are in US dollars and significant gains/losses evens out during regular course of companies' business.

**3.5 Financial Instruments**

Non-derivative financial instruments comprise trade receivables, trade payables, cash and cash equivalents.

**Trade Receivables**

Trade and other receivables are recognized initially at invoice value and subsequently measured at the remaining amount less allowance for doubtful receivable at the year end, if any. Receivables from foreign currency transactions are recognized in Bangladeshi Taka using exchange rates prevailing on the date of transaction.

**Trade Payables**

Liabilities are recorded at the amount payable for settlement in respect of goods and services received by the company, whether or not billed by the suppliers.

**Investment in Associate Company**

The company has share investment in R.N. Spinning Mills Limited for 20,420,000 ordinary shares of Tk. 10/- each (at par) amounting Tk. 204,200,000. Carrying value of the investment as on June 30, 2022 stood at Tk. Nil being the proportioned fire loss has been adjusted with the investment for no. of 34,589,966 ordinary shares being 8.812% of total ordinary shares of R.N. Spinning Mills Ltd.



### **Cash and Cash Equivalents**

Cash and cash equivalents consist of cash in hand and with banks on current and deposit accounts and short term investments which are held and available for use by the company without any restriction. There is insignificant risk of change in value of the same.

### **3.6 Taxation**

#### **3.6.1 Current Tax**

Provision for income tax has been made on operating income at the rate of 15% as per Income Tax Ordinance, 1984 and Income Tax Act 2023. Income from other sources like sale of wastage is taxed at 27.50% and adequate provision has been made in this regard.

#### **3.6.2 Deferred Tax**

The company has decided to adopt policy of recognition of deferred tax in accordance with the International Accounting Standard 12 (IAS-12), deferred tax is provided using the liability method for temporary difference between the carrying value of fixed assets as per accounts and the corresponding income tax written down value. Deferred tax is calculated at the effective income tax rate prevailing at the statement of financial position date.

### **3.7 Provisions**

As per "IAS 37: Provisions, Contingent Liabilities and Contingent Assets" a provision recognized on the date of statement of financial position if, as a result of past event, the company has a present obligation that can be estimated reliably, and it is probable the outflow of economic benefits will be required to settle the obligation.

A provision is recognized if, as a result of a past event, the company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefit will be required to settle the obligation.

### **3.8 Contingencies**

Contingent liabilities and assets are current or possible obligations or assets, arising from past events and whose existence is due to the occurrence or non-occurrence of one or more uncertain future events which are not within the control of the company. The company has no contingent assets or liabilities which require disclosure under IAS -37 "Provisions, contingent liabilities and contingent assets" and are not recognized in the financial statements.

### **3.9 Earnings per Share (EPS)**

The company calculates Earnings per Share (EPS) in accordance with IAS 33 "Earnings Per Share" which has been shown on the face of statement of profit or loss and other Comprehensive Income and the computation of EPS is stated in Note-27 of the financial statements.

#### **Basic Earnings per Share**

This represents earnings for the period attributable to the ordinary shareholders. As there no preference dividend, minority interest or extra ordinary items, the net profit for the period has been considered as fully attributable to ordinary shareholders. Basic earnings per Share have been calculated by dividing the net profit or loss by the number of ordinary share outstanding during the period.

#### **Diluted Earnings per Share (DEPS)**

Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and weighted average number of ordinary shares outstanding, for the effect of all dilutive potential ordinary shares. However, dilution of EPS is not applicable for these financial statements as there were no potential ordinary shares during the relevant period.

### **3.10 Operating Segment**

No segmental reporting is applicable for the company as required by "IFRS 8: Operating Segments" as the company at present operates in a single industry segment and within as a geographical segment. Another production unit called "Spinning Unit" is under construction level and will go into production shortly, and then segment wise report will be presented.





**3.11 Going Concern**

The company has adequate resources to continue its operations for foreseeable future. For this reason, the directors continue to adopt the going concern basis in preparing the accounts. The resources of the company are sufficient to meet the present obligation of its existing businesses and operations.

**3.12 Financial Risk Management Policies**

The company is exposed to normal business risks from changes in market interest rates and currency exchange rates and from non-performance of contractual obligations by counterparties. The company does not hold or issue derivative financial instruments for speculative or trading purposes.

**Interest Rate Risk**

*The company has no significant risk of fluctuations in interest rates.*

**Foreign Currency Risk**

The company is exposed to foreign currency risk relating to purchases which are denominated in foreign currencies. The company primarily utilizes forward exchange contracts with maturities of less than one year to hedge such financial liabilities denominated in foreign currencies. The forward exchange contracts entered into at the reporting date also relate to anticipated purchases, denominated in foreign currencies, for the subsequent period.

**Credit Risk**

Credit risk is the potential financial loss resulting from the failure of a customer or counterparty to settle its financial and contractual obligations to the company as and when they fall due.

Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. Credit evaluations are performed on all customers requiring credit over a certain amount. At the reporting date there were no significant concentrations of credit risk. The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the statement of financial position. However, due to the large number of parties comprising the group's customer base, Management does not anticipate material losses from its debt collection.

**Liquidity Risk**

The company monitors its liquidity risk and maintains a level of cash and cash equivalents deemed adequate by management to finance the company operations and to mitigate the effects of fluctuations in cash flows.

**Fair Values**

The fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.

The fair value of trade and other short-term receivables are taken to approximate their carrying value. The fair value of financial assets and liabilities approximate their carrying value.

**3.13 Risk and Uncertainties for use of Estimates in preparation of financial statements.**

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses and disclosure requirements for contingent assets and liabilities during and at the date of financial statements. Actual results may differ from those estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions of accounting estimates are recognized in the period in which the estimate is revised and in any future periods affected as required by IAS 8: Accounting Policies, Changes in Accounting Estimates and Errors.

**3.14 Employee benefits (IAS 19):**

The company has accounted for and disclosed employee benefits in compliance with the provisions of IAS 19: Employee Benefits.



The cost of employee benefits is charged of as revenue expenditure in the period to which the contributions relate.

The company's employee benefits include the following:

Short-term employee benefits include salaries, bonuses, house rent, medical fees etc. Obligations for such benefits are measured on an undiscounted basis and are expensed as the related service is provided.

Contribution to Sector based Central Fund.

The company will contribute to the Central Fund after established of the fund by relevant authority as per provisions of the Bangladesh Labor Law (amended), 2013 and is payable to workers as defined in the said law.

**3.15 Borrowing costs**

In compliance with the requirements of IAS 23 (Borrowing Costs), borrowing costs of operational period on short term loan and overdraft facilities from Islami Bank Bangladesh Ltd and Al-Arafah Islami Bank Ltd. was charged off as revenue expenditure as they incurred.

**3.16 Investment in Associate**

In compliance with the requirements of IAS 28 (Investment in Associate and Joint Venture), Equity method has been applied to determine carrying value of investment in Associate company, Proportioned profit of associate company has been charged in relevant year's Statement of Profit or Loss and Other Comprehensive Income. In order to determine any Impairment loss necessary step has been followed and no impairment loss incurred during the period.

**3.17 Intangible Assets**

The company has no intangible assets.

**3.18 Bad and doubtful debts**

No provision has been made for bad and doubtful debts since sales / export are based on 100% confirmed letter of credit with fixed maturity date.

**3.19 Advertising and promotional expenses**

All costs associated with advertising and promotional activities are charged in the period they were incurred.

**3.20 Fire Loss**

A Fire incident has been broke out in the godown of the company's factory of Spinning unit, some portion of Inventory has been damaged. The financial loss incurred by the incident of fire determined as high as Tk. 23,87,21,819. The godown are properly insured for fire loss & the insurance claim settlement is under process. Initially the full Loss has been accounted for and charged to retained earnings considering the incident extraordinary nature. No insurance benefit recovered or been finalized the recoverable amount yet, survey and inspection is still going on under the discretion of insurance company. Subsequent financial information (Recoverable amount) will be recognized in the financial statements as and when it be enacted.

**3.21 Related Parties disclosure**

**3.21.1 Equity Participation**

M. L. Dyeing Limited has share investment in R.N. Spinning Mills Limited for 20,420,000 ordinary shares of Tk. 10/- each (at par) amounting Tk. 204,200,000. Carrying value of the investment as on June 30, 2023 stood at Tk. Nil being the proportioned fire loss has been adjusted with the investment for no. of share 34,589,966 ordinary shares being 8.812% of total ordinary shares of R.N. Spinning Mills Ltd.



### 3.21.2 Business Transaction

SL. No.	Name of company	Nature of transaction	Balance as at 30-06-2023 (Tk.)
01.	Far Chemical Industries Ltd.	Bills Payable	Nil
02.	Samin Food and Beverage Inds. And Textile Mills Ltd.	Bills Payable	Nil
03.	S.F Textile Industries Ltd.	Bills Payable	Nil

### 3.22 Impact of COVID 19

COVID- 19 has impacted in some cases on the business of the company as the company's products are deemed exported and the final destination are overseas. Due to worldwide impact of prevailing COVID-19 pandemic, the company faces declining revenue and earnings in somewhat and thereafter sustainability recovered. The company management believes that the company has adequate resources to continue as a going concern despite to adverse Covid-19 impact.

### 3.23 Date of Authorization and Proposed Dividend

The financial statements were authorized for issue by the Board of Directors of the company on October 23, 2023. Board of Directors recommended 2% cash dividend for the financial year ended 30<sup>th</sup> June, 2023. Therefore, the dividend is subject to final approval by the shareholders at companies forth coming AGM.

### 3.24 General

- i) Comparative figures have been re-arranged where considered necessary to ensure better comparability with the current period without causing any impact on the profit and value of assets and liabilities as reported in the financial statements.
- ii) Figures for the period have been rearranged wherever considered necessary to ensure comparability with the current period.



4.00 **Property, Plant & Equipment : Tk. 2,859,035,176.**

The above balance is made up as follows:

Particulars	30-06-2023	30-06-2022
<b>A. At cost</b>		
Opening balance	4,675,205,455	4,194,857,792
Add: Acquisition during the year-Dyeing Unit	-	289,705,543
Add: Acquisition during the year-Spinning Unit	178,824,770	190,642,120
Less: Disposal during the year - Spinning Unit	59,625,000	-
Total available	<u>4,794,405,225</u>	<u>4,675,205,455</u>
<b>B. Accumulated Depreciation</b>		
Opening balance	1,762,640,912	1,586,510,612
Charged during the year-Dyeing Unit	114,992,103	117,886,796
Charged during the year- Spinning Unit	60,825,632	58,243,504
Disposal during the year - Spinning Unit	1,088,598	-
Total accumulated depreciation	<u>1,937,370,049</u>	<u>1,762,640,912</u>
<b>Written down value as on June 30 (A-B)</b>	<u><u>2,857,035,176</u></u>	<u><u>2,912,564,543</u></u>

Details shown in Annexure-A & Annexure-B

5.00 **Investment in Associate Company :Tk. Nil**

The above balance is made up as follows:

Particulars	Not	30-06-2023	30-06-2022
R.N.Spining Mills Ltd (Cost of Investment Tk. 204,200,000)		-	-
Share of Profit in Associates during the year		-	-
<b>Total:</b>		<u>-</u>	<u>-</u>

No loss for the year 2022-2023 is recognized as total investment become nil.

IAS 28 requires an investor to account for its investment in associates using the equity method. Though investment against R.N.Spining Mills Ltd. was only 8.81% the company using equity method as shareholder's has significant influence to R.N.Spining Mills Ltd.

6.00 **Inventories: Tk. 166,628,055**

The above balance is made up as follows:

Particulars	Notes	30-06-2023	30-06-2022
Inventories - Dyeing Unit	6.A	23,006,421	109,910,264
Inventories - Spinning Unit	6.B	143,621,634	206,182,027
		<u>166,628,055</u>	<u>316,092,291</u>

6.A **Inventories - Dyeing Unit: Tk. 23,006,421**

Particulars	Notes	30-06-2023	30-06-2022
Raw Materials - Yarn	6.01	11,793,521	32,418,605
Raw Materials - Chemicals	6.02	7,251,063	18,652,196
Work in process		495,214	3,205,185
Packing Materials	6.03	221,036	452,187
Finished Goods		2,971,430	54,218,640
Store Items	6.04	274,157	963,451
<b>Total:</b>		<u>23,006,421</u>	<u>109,910,264</u>

6.01 **Raw Materials-Yarn : Tk. 11,793,521**

The above balance is made up as follows:

Particulars	30-06-2023	30-06-2022
Opening balance	32,418,605	321,418,731
Add: Purchase during the year	105,240,617	254,382,970
Raw materials available for production	<u>137,659,222</u>	<u>575,801,701</u>
Less: Input to production	125,865,701	543,383,096
<b>Closing balance</b>	<u>11,793,521</u>	<u>32,418,605</u>

6.02 **Raw Materials- Chemicals: Tk. 7,251,063**

The above balance is made up as follows:

Particulars	30-06-2023	30-06-2022
Opening balance	18,652,196	63,924,157
Add: Purchase during the year	3,205,179	22,408,614
Raw materials available for production	<u>21,857,375</u>	<u>86,332,771</u>
Less: Input to production	14,606,312	67,680,575
<b>Closing balance</b>	<u>7,251,063</u>	<u>18,652,196</u>



6.03 **Packing Materials: Tk. 221,036**

The above balance is made up as follows:

Particulars	30-06-2023	30-06-2022
Opening balance	452,187	1,871,861
Add: Purchase during the year	1,240,856	2,175,419
	1,693,043	4,047,280
Less: Consumption during the year	1,472,007	3,595,093
<b>Closing balance</b>	<b>221,036</b>	<b>452,187</b>

6.04 **Store Items: Tk. 274,157**

The above balance is made up as follows:

Particulars	30-06-2023	30-06-2022
Opening balance	963,451	2,718,290
Add: Purchase during the year	1,582,417	4,382,461
	2,545,868	7,100,751
Less: Consumption during the year	2,271,711	6,137,300
<b>Closing balance</b>	<b>274,157</b>	<b>963,451</b>

6.B **Inventories - Spinning Unit: Tk. 143,621,634**

Particulars	Notes	30-06-2023	30-06-2022
Raw Materials - Cotton	6.05	45,240,986	55,241,967
Work in process		5,163,982	4,963,425
Packing Materials	6.06	630,721	718,294
Finished Goods		90,751,735	142,539,651
Store Items	6.07	1,834,210	2,718,690
<b>Total:</b>		<b>143,621,634</b>	<b>206,182,027</b>

6.05 **Raw Materials- Cotton : Tk. 45,240,986**

The above balance is made up as follows:

Particulars		30-06-2023	30-06-2022
Opening balance		55,241,967	3,452,171
Add: Purchase during the year		610,421,864	696,941,893
Raw materials available for production		665,663,831	700,394,064
Less: Fire Loss	11.01	120,698,229	-
Less: Input to production		499,724,616	645,152,097
<b>Closing balance</b>		<b>45,240,986</b>	<b>55,241,967</b>

6.06 **Packing Materials: Tk. 630,721**

The above balance is made up as follows:

Particulars	30-06-2023	30-06-2022
Opening balance	718,294	10,235
Add: Purchase during the year	4,208,269	3,824,196
	4,926,563	3,834,431
Less: Consumption during the year	4,295,842	3,116,137
<b>Closing balance</b>	<b>630,721</b>	<b>718,294</b>

6.07 **Store Items: Tk. 1,834,210**

The above balance is made up as follows:

Particulars	30-06-2023	30-06-2022
Opening balance	2,718,690	74,152
Add: Purchase during the year	3,227,189	4,052,169
	5,945,879	4,126,321
Less: Consumption during the year	4,111,669	1,407,631
<b>Closing balance</b>	<b>1,834,210</b>	<b>2,718,690</b>

**Raw Materials:** It consist of import value and local expenses incurred upto warehouse. Inventory system is maintained on FIFO basis.

**Work in process:** It consist of cost of raw materials, chemicals and packing materials only.

**Finished Goods:** It includes the cost incurred upto cost of goods available for sale.

**Store Items:** It consist of the total cost of spare parts, loose tools and consumable items.

Inventories are counted by companies internal management.



7.00 **Trade and other Receivables: Tk. 382,120,259**

The above is the amount of receivable against export bills as on June 30, 2023. This is considered as good & realizable and is secured by export letter of credit duly accepted by L/C opening bank.

Particulars	30-06-2023	30-06-2022
Opening balance	418,519,504	787,957,854
Add: Export	1,074,600,069	1,656,081,752
	1,493,119,573	2,444,039,606
Less: Realization during the year	1,110,999,314	2,025,520,102
<b>Total:</b>	<b>382,120,259</b>	<b>418,519,504</b>

This is considered as fully secured and guaranteed payment by export letter of credit opening bank against export order and is considered good & realizable within one year as per the terms of export letter of credit. The classification of receivables as required by the Schedule XI of the Companies Act, 1994 are given below:

SI	Particulars	Amount	
		2023	2022
I	Receivables considered good and in respect of which the company is fully secured.	382,120,259	418,519,504
II	Receivables considered good for which the company holds no security other than the debtors personal	-	-
III	Receivables considered doubtful or bad.	-	-
IV	Receivables due by directors or other officers of the company or any of them either severally or jointly with any other person or debts due by firms or private companies respectively in which any director is a partner or a director	-	-
V	Receivables due by companies under same	-	-
VI	The maximum amount due by directors or other officers of the company at any time during the year.	-	-
	<b>Total</b>	<b>382,120,259</b>	<b>418,519,504</b>

Ageing of the above Receivables is given below:

1-6 Months	356,709,380	393,108,625
More than 6 months	25,410,879	25,410,879

8.00 **Advances, Deposits & Prepayments: Tk. 43,979,244**

The above balance is made up as follows:

Particulars	Note	30-06-2023	30-06-2022
Titas Gas		1,868,000	1,868,000
Electricity		3,278,920	3,278,920
L/C Margin (Lc No: 086221020123 & 108922020096)		3,070,625	2,882,000
Sundry Advances	8.01	13,618,851	3,995,153
Advance Income Tax	8.02	22,142,848	10,408,267
<b>Total:</b>		<b>43,979,244</b>	<b>22,432,340</b>

8.01 **Sundry Advances: Tk. 13,618,851**

The above balance is made up as follows:

Particulars	30-06-2023	30-06-2022
M/S. Gazi Enterprise	2,415	7,154
Advance Salary	352,500	475,400
M/S. Mita Engineering	5,017,500	-
Md. Shajedur Rahman	342,975	135,201
M/S. Azmi Enterprise	96,500	45,087
M/S. SB Communication	3,871	3,028
M/S. Shathi Enterprise	7,803,090	3,329,283
<b>Total:</b>	<b>13,618,851</b>	<b>3,995,153</b>



8.02 **Advance Tax: Tk. 22,142,848**

The above balance is made up as follows:

Particulars	30-06-2023	30-06-2022
Opening Balance	10,408,267	10,777,136
Addition during the year - Interest Income	602,051	221,026
Addition during the year - Export	11,132,530	10,187,241
	<b>22,142,848</b>	<b>21,185,403</b>
Less: Adjustment during the year	-	10,777,136
<b>Total:</b>	<b>22,142,848</b>	<b>10,408,267</b>

9.00 **Cash and Cash Equivalents: Tk. 107,113,285**

The above balance is made up as follows:

Particulars	Notes	30-06-2023	30-06-2022
FDR		73,326,225	72,089,010
Cash and Bank balance	9.01	33,787,060	106,685,923
<b>Total:</b>		<b>107,113,285</b>	<b>178,774,933</b>

(No Bank accounts are maintain except below Note: 9.01)

9.01 **Cash and Cash Equivalents: Tk. 33,787,060**

The above balance is made up as follows:

Particulars	30-06-2023	30-06-2022
Cash in hand-Factory	1,304,665	314,256
Cash in hand-Head Office	993,410	731,894
Cash at Bank -Islami Bank Ltd. - S/D A/C	4,317,253	6,111,405
Cash at Bank -Islami Bank Ltd. - C/D A/C	105,737	489,891
Cash at Bank -Islami Bank Ltd. - F/C A/C	13,480,665	10,987,575
Cash at Bank -Islami Bank Ltd. - AWCA A/C	184,043	397,621
Cash at Bank - Al-Arafah Islami Bank Ltd. - FC A/C	8,353,715	84,240,777
Cash at Bank - Al-Arafah Islami Bank Ltd. - CD A/C	119,597	643,665
Cash at Bank - SIBL - Dividend A/C	316,644	376,592
Cash at Bank - SBAC - Dividend A/C	4,447,739	2,235,059
Cash at Bank - SBAC - C/D A/C	74,620	75,655
Cash at Bank - SBAC - SND A/C	88,973	81,533
<b>Total:</b>	<b>33,787,060</b>	<b>106,685,923</b>

The Bank balance are in agreement with respective bank statement balances.

10.00 **Share Capital:**

	30-06-2023	30-06-2022
10.01 <b>Authorized Share Capital :</b> 310,000,000 ordinary shares of Taka 10/= each.	<b>3,100,000,000</b>	<b>3,100,000,000</b>
10.02 <b>Issued, subscribed, called-up and paid-up share capital:</b> 232,434,090 ordinary shares of Tk 10/= each fully paid-up	<b>2,324,340,900</b>	<b>2,324,340,900</b>
10.03 <b>Paid-up Share Capital:</b> Opening Share Capital	<b>2,324,340,900</b>	<b>2,324,340,900</b>

The shareholding position of the company are as under:

Name	No. of shares	Percentages %	Amount in Tk.
Shirin Faruk	10,070,550	4.33%	100,705,500
Abdul Kader Faruk	10,070,550	4.33%	100,705,500
Total Spinning Mills Ltd.	9,882,180	4.25%	98,821,800
Rajon Industries Ltd.	9,346,050	4.02%	93,460,500
M.N Industries Ltd.	17,778,035	7.65%	177,780,350
Faiaz Industries Ltd.	13,909,664	5.98%	139,096,640
Other shareholders	161,377,061	69.43%	1,613,770,610
<b>Total</b>	<b>232,434,090</b>	<b>100%</b>	<b>2,324,340,900</b>



10.04 Classification of Shareholders by holdings

Ranges of Shareholdings	30-06-2023	
	No. of Holder	% of Holdings
Less than or equal to 500 Shares	3154	0.32%
501 to 1,000 Shares	2502	0.91%
1,001 to 5,000 Shares	4277	4.94%
5,001 to 10,000 Shares	1294	4.28%
10,001 to 20,000 Shares	807	5.12%
20,001 to 30,000 Shares	289	3.14%
30,001 to 40,000 Shares	116	1.81%
40,001 to 50,000 Shares	70	1.42%
50,001 to 100,000 Shares	141	4.43%
100,001 to 1,000,000 Shares	80	9.41%
Over 1,000,000 Shares	16	64.22%
<b>Total</b>	<b>12746</b>	<b>100%</b>

11.00 **Retained Earnings: Tk. 777,417,164**

The above balance is made up as follows:

Particulars	Notes	30-06-2023	30-06-2022
Opening balance		1,203,315,346	1,335,640,730
Less: Dividend		(232,434,090)	(232,434,090)
Less: Fire Loss	11.01	(238,721,819)	-
Add: Current year Profit		45,257,727	100,108,706
<b>Total:</b>		<b>777,417,164</b>	<b>1,203,315,346</b>

11.01 **Fire Loss: Tk. 238,721,819**

The above balance is made up as follows:

Particulars		30-06-2023	30-06-2022
Inventories - Raw Cotton (Spinning Unit)	6.05	120,698,229	-
Inventories - Finished yarn (Spinning Unit)	19.00	59,487,188	-
Factory Buildings (Spinning Unit)	Annexure-B	58,536,402	-
<b>Total:</b>		<b>238,721,819</b>	<b>-</b>

12.00 **Deferred Tax liabilities: Tk. 159,255,621**

The above balance is made up as follows:

Particulars		30-06-2023	30-06-2022
Opening balance		159,914,816	152,731,577
Addition during the year	25.02	(659,195)	7,183,239
<b>Total:</b>		<b>159,255,621</b>	<b>159,914,816</b>

13.00 **Trade Payables: Tk. 76,582,800**

The above balance is made up as follows:

Particulars		30-06-2023	30-06-2022
Payable to others suppliers		-	127,126,333
Zhejiang Taitan Co. Ltd 86221020123		58,546,800	-
Zhejiang Taitan Co. Ltd 108922020096		18,036,000	-
<b>Total:</b>		<b>76,582,800</b>	<b>127,126,333</b>

14.00 **Unclaimed Dividend: Tk. 4,764,382**

The above balance is made up as follows:

Particulars		30-06-2023	30-06-2022
Unclaimed Dividend		4,764,382	2,611,651
<b>Total:</b>		<b>4,764,382</b>	<b>2,611,651</b>

Unclaimed dividend includes dividend could not be distributed for the financial year ended 30-06-2020, 30-06-2021 and 30-06-2022 and those fund remained in the bank account maintained in Social Islami Bank Limited and South Bangla Agriculture & Commerce Bank Ltd. Unclaimed dividend for the financial year ended 30-06-2019 has been transferred to Capital market Stabilization fund(CMSF) Tk. 178,197 during the year.





15.00 **Short Term Borrowings: Tk. 179,083,088**

The above balance is made up as follows:

Particulars	30-06-2023	30-06-2022
EDF/MDB - IBBL	179,083,088	6,255,000
<b>Total:</b>	<b>179,083,088</b>	<b>6,255,000</b>

EDF = Export Development Fund, MDB = Muraba Documentary Bill

15.01 The Islami Bank Bangladesh Limited sanctioned a composite working capital limit for Tk 45.00 crore to make stock of raw materials, work in process and finished goods in form of:

- a) L/C limit for Tk 240.00 million  
b) TR, BG, EDF & MPI for Tk 210.00 million

**Terms and Conditions :**

- a) Rate of profit 09 % per annum  
b) Validity upto 27.03.2024 but every year renewable.

Al-Arafah Islami Bank Limited sanctioned a working capital limit for Tk.13.00 Crore

16.00 **Creditors & Accrues : Tk.12,817,379**

The above balance is made up as follows:

Particulars	Notes	30-06-2023	30-06-2022
Gas Bill		3,509,535	1,996,797
Electricity Bill - Dyeing Unit		18,500	18,500
Electricity Bill - Spinning Unit		4,335,441	3,721,599
Subscription & Fees		1,524,012	-
Water Bill		6,530	6,530
Rent		2,000	2,000
Salary & Wages		2,216,504	4,566,253
MD's Remuneration and Fees		50,000	50,000
Sundry Creditors	16.01	904,857	3,384,926
Audit Fees		250,000	250,000
<b>Total:</b>		<b>12,817,379</b>	<b>13,996,605</b>

16.01 **Sundry Creditors: Tk. 904,857**

The above balance is made up as follows:

Particulars	30-06-2023	30-06-2022
M/S. Mita Engineering	36,827	24,183
M/S. Karim Carrier	235,000	33,600
M/S. Mofazzal & Brothers Enterprise	17,189	17,189
M/S. Technocrate Enterprise	-	962,339
M/S. Unique Multi Engineering	235,100	570,000
M/S. Delta Transport	42,000	42,000
M/S. Shafiqul Enterprise	-	1,725,088
M/S Engineering Network Ltd	338,741	10,527
<b>Total:</b>	<b>904,857</b>	<b>3,384,926</b>

17.00 **Provision for Income Tax: Tk. 22,614,685**

The above balance is made up as follows:

Particulars	Notes	30-06-2023	30-06-2022
Opening balance		10,822,960	21,924,166
Add: Income Tax charged	25.00	11,791,725	10,822,960
		22,614,685	32,747,126
Less: Adjustment during the year		-	21,924,166
<b>Total:</b>		<b>22,614,685</b>	<b>10,822,960</b>



**18.00 Export: Tk. 1,074,600,069**

The above balance is made up as follows:

<b>Particulars</b>	<b>30-06-2023</b>	<b>30-06-2022</b>
Export- Dyeing	308,249,642	819,738,587
Export- Spinning	766,350,427	836,343,165
<b>Total:</b>	<b><u>1,074,600,069</u></b>	<b><u>1,656,081,752</u></b>

**19.00 Cost of Export : Tk. 988,993,020**

The above amount is made up as follows:

<b>Particulars</b>	<b>Notes</b>	<b>30-06-2023</b>	<b>30-06-2022</b>
Raw materials consumed-Yarn	19.01	125,865,701	543,383,096
Raw materials consumed-Cotton	19.02	499,724,616	645,152,097
Raw materials consumed-Chemicals	19.03	14,606,312	67,680,575
Packing materials consumed	19.04	5,767,849	6,711,230
		<b><u>645,964,478</u></b>	<b><u>1,262,926,998</u></b>
Work in process- opening		8,168,610	8,016,511
Work in process- closing		5,659,196	8,168,610
<b>Change in work in process</b>		<b><u>2,509,414</u></b>	<b><u>(152,099)</u></b>
<b>Total consumption</b>		<b><u>648,473,892</u></b>	<b><u>1,262,774,899</u></b>
Add: Manufacturing Overhead	19.05	123,393,795	134,937,445
Add: Depreciation-Dyeing Unit		113,612,198	116,472,155
Add: Depreciation- Spinning Unit		60,095,724	57,544,582
<b>Cost of production</b>		<b><u>945,575,609</u></b>	<b><u>1,571,729,081</u></b>
Finished goods - opening		196,758,291	128,839,113
Finished goods - Fire Loss (Spinning Unit)		59,487,188	-
Finished goods - closing		93,723,165	196,758,291
<b>Change of finished goods stock</b>		<b><u>43,547,938</u></b>	<b><u>(67,919,178)</u></b>
Cost of free issue		130,527	271,548
<b>Total:</b>		<b><u>988,993,020</u></b>	<b><u>1,503,538,355</u></b>

**19.01 Raw materials consumed-Yarn: Tk.125,865,701**

The above amount is made up as follows:

<b>Particulars</b>	<b>30-06-2023</b>	<b>30-06-2022</b>
Opening Stock	32,418,605	321,418,731
Add: Purchase during the year	105,240,617	254,382,970
Raw materials available for production	137,659,222	575,801,701
Less: Closing Stock	11,793,521	32,418,605
<b>Total:</b>	<b><u>125,865,701</u></b>	<b><u>543,383,096</u></b>

**19.02 Raw materials consumed-Cotton : Tk. 499,724,616**

The above amount is made up as follows:

<b>Particulars</b>	<b>30-06-2023</b>	<b>30-06-2022</b>
Opening Stock	55,241,967	3,452,171
Add: Purchase during the year	610,421,864	696,941,893
Chemicals available for Production	665,663,831	700,394,064
Less: Fire Loss	120,698,229	-
Less: Closing Stock	45,240,986	55,241,967
<b>Total:</b>	<b><u>499,724,616</u></b>	<b><u>645,152,097</u></b>

**Raw materials consumed-Chemicals: Tk. 14,606,312**

The above amount is made up as follows:

<b>Particulars</b>	<b>30-06-2023</b>	<b>30-06-2022</b>
Opening Stock	18,652,196	63,924,157
Add: Purchase during the year	3,205,179	22,408,614
Chemicals available for Production	21,857,375	86,332,771
Less: Closing Stock	7,251,063	18,652,196
<b>Total:</b>	<b><u>14,606,312</u></b>	<b><u>67,680,575</u></b>



**19.04 Packing materials consumed: Tk. 5,767,849**

The above amount is made up as follows:

Particulars	30-06-2023	30-06-2022
Packing materials consumed: Dyeing Unit (Notes:19.04A)	1,472,007	3,595,093
Packing materials consumed: Spinning Unit (Notes:19.04B)	4,295,842	3,116,137
	<u>5,767,849</u>	<u>6,711,230</u>

**19.04.A Packing materials consumed: Dyeing Unit: Tk. 1,472,007**

The above amount is made up as follows:

Particulars	30-06-2023	30-06-2022
Opening Stock	452,187	1,871,861
Add: Purchase during the year	1,240,856	2,175,419
Packing materials available for packing	1,693,043	4,047,280
Less: Closing Stock	221,036	452,187
<b>Total:</b>	<u>1,472,007</u>	<u>3,595,093</u>

**19.04.B Packing materials consumed: Spinning Unit : Tk. 4,295,842**

The above amount is made up as follows:

Particulars	30-06-2023	30-06-2022
Opening Stock	718,294	10,235
Add: Purchase during the year	4,208,269	3,824,196
Packing materials available for packing	4,926,563	3,834,431
Less: Closing Stock	630,721	718,294
<b>Total:</b>	<u>4,295,842</u>	<u>3,116,137</u>

**19.05 Manufacturing overhead: Tk. 123,393,795**

The above amount is made up as follows:

Particulars	30-06-2023	30-06-2022
Manufacturing overhead: Dyeing Unit (Notes:19.05A)	44,060,610	70,459,716
Manufacturing overhead: Spinning Unit (Notes:19.05B)	79,333,185	64,477,729
	<u>123,393,795</u>	<u>134,937,445</u>

**19.05.A Manufacturing overhead: Dyeing Unit Tk. 44,060,610**

The above amount is made up as follows:

Particulars	Notes	30-06-2023	30-06-2022
Salary & Wages		20,281,070	31,754,182
Fuel, Water & Power		3,254,147	4,186,413
Printing & Stationary		135,018	634,028
Conveyance		297,634	412,405
Mobile bill		18,751	20,634
Store & Spares Consumed	6.04	2,271,711	6,137,300
Insurance		1,172,106	1,751,750
Gas Bill		14,680,254	23,405,187
Rent, Rates and Taxes		172,418	163,857
Repairs & Maintenance	19.05.AA	1,655,651	1,865,538
Other Overhead		121,850	128,422
<b>Total:</b>		<u>44,060,610</u>	<u>70,459,716</u>



**19.05.AA Repairs & Maintenance: Tk. 1,655,651**

The above amount is made up as follows:

<b>Particulars</b>	<b>30-06-2023</b>	<b>30-06-2022</b>
Plant and Machinery	1,438,733	1,682,417
Building	10,527	3,265
Others	206,391	179,856
<b>Total:</b>	<b><u>1,655,651</u></b>	<b><u>1,865,538</u></b>

**19.05.B Manufacturing overhead: Spinning Unit Tk. 79,333,185**

The above amount is made up as follows:

<b>Particulars</b>	<b>Notes</b>	<b>30-06-2023</b>	<b>30-06-2022</b>
Salary & Wages		22,524,045	16,395,371
Fuel, Water & Power		405,293	354,089
Printing & Stationary		785,417	758,174
Conveyance		38,796	18,246
Insurance		1,938,241	1,708,506
Mobile bill		37,189	1,938
Store & Spares Consumed	6.07	4,111,669	1,407,631
Electricity Bill		48,560,363	43,301,267
Repair & Maintenance		301,412	-
Rent, Rates and Taxes		504,964	412,854
Other Overhead		125,796	119,653
<b>Total:</b>		<b><u>79,333,185</u></b>	<b><u>64,477,729</u></b>

**20.00 Operating Expenses: Tk. 26,833,248**

The above amount is made up as follows:

<b>Particulars</b>	<b>Notes</b>	<b>30-06-2023</b>	<b>30-06-2022</b>
Warehouse, Distribution & Selling Exp.-DU	20.01	6,070,208	9,808,756
Administrative Expenses- Dyeing Unit	20.02	11,429,607	13,894,451
Warehouse, Distribution & Selling Exp.- SPU	20.03	4,679,415	2,927,443
Administrative Expenses- Spinning Unit	20.04	4,654,017	4,300,387
<b>Total:</b>		<b><u>26,833,248</u></b>	<b><u>30,931,037</u></b>

**20.01 Warehouse, Distribution & Selling Exp.-Dyeing Unit: Tk. 6,070,208**

The above amount is made up as follows:

<b>Particulars</b>	<b>30-06-2023</b>	<b>30-06-2022</b>
Advertising Expenses	124,086	165,210
Salary & Welfare	3,245,271	5,142,849
Transportation and Handling Expenses	982,418	1,785,416
Repair and Maintenance	198,634	241,529
Rent	39,000	37,700
Electricity, Fuel & Water	106,318	109,216
Sales promotion Expenses	95,347	274,186
Traveling Expenses	312,052	652,541
Entertainment Expenses	173,529	432,059
Miscellaneous Expenses	98,634	95,718
Sample, Test & Analysis	150,421	176,392
Cost of free issue	130,527	271,548
Depreciation	413,971	424,392
<b>Total:</b>	<b><u>6,070,208</u></b>	<b><u>9,808,756</u></b>



**20.02 Administrative Expenses-Dyeing Unit: Tk. 11,429,607**

The above amount is made up as follows:

<b>Particulars</b>	<b>30-06-2023</b>	<b>30-06-2022</b>
Salary & Welfare	3,871,426	4,985,418
MD's Remuneration	600,000	600,000
Postage & Telecommunication	71,936	75,416
Traveling, Haultage & passage	905,263	1,454,187
Repair & Maintenance	364,298	457,168
Vehicle Expenses	410,976	480,965
Electricity, Fuel & Water	355,412	396,415
Printing and Stationery	310,894	385,417
Rent, Rates and Taxes	2,581,763	2,954,187
Subscription & Donation	180,417	250,416
Entertainment	210,634	276,985
Legal & Professional Charge	75,000	65,000
Audit fees	250,000	250,000
Miscellaneous Expenses	125,936	120,518
Newspaper & periodical	121,718	114,110
Board Meeting attendance Fees	28,000	38,000
Depreciation	965,934	990,249
<b>Total:</b>	<b>11,429,607</b>	<b>13,894,451</b>

**20.03 Warehouse, Distribution & Selling Exp.- Spinning Unit: Tk. 4,679,415**

The above amount is made up as follows:

<b>Particulars</b>	<b>30-06-2023</b>	<b>30-06-2022</b>
Salary & Welfare	1,739,526	1,385,719
Electricity, Fuel & Water	65,287	32,854
Transportation and Handling Expenses	1,205,176	821,058
Traveling Expenses	394,275	285,947
Entertainment Expenses	798,241	25,413
Others	75,419	41,296
Vehicle Expenses	182,519	125,479
Depreciation	218,972	209,677
<b>Total:</b>	<b>4,679,415</b>	<b>2,927,443</b>

**20.04 Administrative Expenses- Spinning Unit: Tk. 4,654,017**

The above amount is made up as follows:

<b>Particulars</b>	<b>30-06-2023</b>	<b>30-06-2022</b>
Salary & Welfare	2,297,524	2,287,153
Postage & Telecommunication	61,428	54,187
Traveling, Haultage & Passage	67,189	63,827
Repair & Maintenance	71,856	65,281
Vehicle Expenses	162,364	152,487
Electricity, Fuel & Water	575,819	475,418
Printing and Stationery	316,824	217,594
Rent, Rates and Taxes	312,967	285,469
Subscription & Donation	75,000	45,000
Entertainment	72,517	74,859
Legal & Professional Charge	35,106	36,284
Miscellaneous Expenses	62,390	41,527
Newspaper & periodical	32,098	12,056
Depreciation	510,935	489,245
<b>Total:</b>	<b>4,654,017</b>	<b>4,300,387</b>



**21.00 Financial Expenses: Tk. 6,775,912**

The above amount is made up as follows:

Particulars	Notes	30-06-2023	30-06-2022
Interest on Loan	21.01	6,775,912	6,966,706
<b>Total:</b>		<b>6,775,912</b>	<b>6,966,706</b>

**21.01 Interest on loan: Tk. 6,775,912**

The above amount is made up as follows:

Particulars	30-06-2023	30-06-2022
Interest on IBP Loan	-	124,187
Interest on Murabaha TR / EDF	6,775,912	6,842,519
<b>Total:</b>	<b>6,775,912</b>	<b>6,966,706</b>

**22.00 Foreign Exchange gain or loss: Tk. 1,995,294**

The above amount is made up as follows:

Particulars	30-06-2023	30-06-2022
Foreign Exchange gain or Loss - Realized	1,946,974	682,418
Foreign Exchange gain or Loss - Unrealized	48,320	475,128
<b>Total:</b>	<b>1,995,294</b>	<b>1,157,546</b>

**23.00 Other non-operating income: Tk. 2,397,074**

The above amount is made up as follows:

Particulars	30-06-2023	30-06-2022
Sale of Wastage	145,293	141,729
Interest Income	2,251,781	2,169,976
<b>Total:</b>	<b>2,397,074</b>	<b>2,311,705</b>

**24.00 Share of Profit of Associate : Tk. Nil**

The above amount is made up as follows:

Particulars	Notes	30-06-2023	30-06-2022
Share of Associate Profit during the year	24.01	-	-
<b>Total:</b>		<b>-</b>	<b>-</b>

**24.01 Share of Associate Profit during the year: Tk. Nil**

The above amount is made up as follows:

Particulars	Notes	30-06-2023	30-06-2022
Associate Profit/Loss during the year		(31,423,889)	(69,865,896)
Total No. of Share of Associate		392,544,834	392,544,834
No. of Share of Associate held by the Company		34,589,966	34,589,966
Percentage of holding in Associate Company		8.8117%	8.8117%
Share of Associate Profit during the period		-	-
<b>Total:</b>		<b>(2,768,986)</b>	<b>(6,156,390)</b>

No loss is recognized as total investment in the associate company become Nil.



25.00 **Income Tax Expenses during the year: Tk. 11,132,530**

The above amount is made up as follows:

Particulars	Notes	30-06-2023	30-06-2022
Current Tax on operating Income	25.01	11,132,530	10,187,241
Current Tax on other Income		659,195	635,719
Deferred Tax	25.02	(659,195)	7,183,239
<b>Total:</b>		<b>11,132,530</b>	<b>18,006,199</b>

25.01 **Current Tax on operating Income : Tk. 11,132,530**

The above amount is made up as follows:

Particulars		30-06-2023	30-06-2022
Profit before tax		56,390,257	118,114,905
Less: Other non-operating income		(2,397,074)	(2,311,705)
Less: Share of Profit/Loss of associate		-	-
Add: Depreciation on Accounting base		173,251,880	176,130,300
Less: Depreciation on Tax base		(223,093,132)	(229,920,140)
		<b>4,151,931</b>	<b>62,013,360</b>
Applicable Tax Rate		15%	15%
Current tax on operating Income	<b>Total:</b>	<b>622,790</b>	<b>9,302,004</b>
Tax deducted under section 163 of Income Tax Act 2023.		11,132,530	10,187,241
Current tax , higher one		<b>11,132,530</b>	<b>10,187,241</b>

25.02 **Deferred Tax during the year: Tk. -659195**

The above amount is made up as follows:

Particulars		30-06-2023	30-06-2022
<b>Carrying amount as Accounting base:</b>			
Property, Plant & Equipment		2,857,035,176	2,912,564,543
<b>Carrying amount as Tax base:</b>			
Property, Plant & Equipment		1,591,296,011	1,635,564,372
Difference		<b>1,265,739,165</b>	<b>1,277,000,171</b>
Applicable Tax Rate		15%	15%
Deferred Tax liabilities at the end of year		189,860,875	191,550,026
Opening balance		159,914,816	152,731,577
Deferred tax expenses/(income) for the year	<b>Total:</b>	<b>29,946,059</b>	<b>38,818,449</b>
Total Tax for the year		11,132,530	18,006,199
Less: Current tax during the year		11,791,725	10,822,960
Maximum deferred tax during the year		<b>(659,195)</b>	<b>7,183,239</b>



**26.00 Reconciliation of cash generated by operations**

The above balance is made up as follows:

<b>Particulars</b>	<b>30-06-2023</b>	<b>30-06-2022</b>
Profit before Income tax	56,390,257	118,114,905
Add: Depreciation charged	175,817,735	176,130,300
Add: Financial Expenses	6,775,912	6,966,706
Less: Share of Profit/Loss of associate	-	-
Add(Less): Increase or decrease in inventory	149,464,236	214,232,930
Add(Less): Fire Loss	(180,185,417)	-
Add(Less): Increase or decrease in trade receivable (foreign exchange gain or loss adjusted)	36,399,245	369,438,350
Add(Less): Increase or decrease in trade payable (foreign exchange gain or loss adjusted)	(50,543,533)	2,821,431
Add(Less): Increase or decrease in advance, deposit and pre payments	(9,812,323)	(6,010,150)
Add(Less): Increase or decrease in Foreign Exchange gain or loss - FC Account	(48,320)	(475,128)
Add(Less): Increase or decrease in creditors and accrues	(1,179,226)	(395,851)
	<b>183,078,566</b>	<b>880,823,493</b>

**27.00 Earnings Per Share (Basic EPS) : Tk. 0.19**

The above amount is made up as follows:

<b>Particulars</b>	<b>30-06-2023</b>	<b>30-06-2022</b>
a) Net Profit after Tax	45,257,727	100,108,706
b) Weighted average number of shares outstanding (Note-27.01)	232,434,090	232,434,090
<b>Earnings per share</b>	<b>0.19</b>	<b>0.43</b>
<b>Earnings per share ( Re-Stated)</b>	<b>0.19</b>	<b>0.43</b>

**27.01 Weighted average No. of Shares outstanding**

The above balance is made up as follows:

<b>Particulars</b>	<b>30-06-2023</b>	<b>30-06-2022</b>
Opening Share	232,434,090	232,434,090
Issued during the year - Bonus Issue	-	-
<b>Weighted average No. of Shares outstanding</b>	<b>232,434,090</b>	<b>232,434,090</b>

**28.00 Net Asset Value per Share (NAV) : Tk. 13.34**

The above amount is made up as follows:

<b>Particulars</b>	<b>30-06-2023</b>	<b>30-06-2022</b>
Net Asset Value	3,101,758,064	3,527,656,246
No. of Shares Outstanding	232,434,090	232,434,090
<b>Net Asset Value per Share (NAV)</b>	<b>Total: 13.34</b>	<b>Total: 15.18</b>

**29.00 Net Operating Cash Flows per Share : Tk. 0.74**

The above amount is made up as follows:

<b>Particulars</b>	<b>30-06-2023</b>	<b>30-06-2022</b>
Net Operating Cash Flows	171,343,985	859,268,196
No. of Shares Outstanding	232,434,090	232,434,090
<b>Net Operating Cash Flows per Share</b>	<b>Total: 0.74</b>	<b>Total: 3.70</b>





**30.00 Disclosure as per requirement of Schedule XI, part II, note 5 of para 3**

**31.A Quantity wise schedule as required under Para 3, Schedule XI, Part II of the Companies Act.**

Quantity wise schedules of sales, raw material consumed and opening and closing stock of finished goods of Dyeing & Spinning unit relating to the financial statements for the year ended June 30, 2023 are given below:

**i) Sales**

Particulars	01-07-2022 to 30-06-2023	01-07-2021 to 30-06-2022
Amount in Taka	308,249,642	819,738,587
Quantity in Lbs - Dyed yarn	2,571,864	6,439,623
Amount in Taka	766,350,427	836,343,165
Quantity in KG - Spinning Yarn	2,792,822	3,173,978

**ii) Raw Materials - Yarn Consumed in Quantities (Lbs):**

	01-07-2022 to 30-06-2023	01-07-2021 to 30-06-2022
Opening Stock	349,160	3,659,719
Purchase	2,381,767	2,541,867
Total available	2,730,927	6,201,586
Less: Closing Stock	30,415	349,160
Raw Materials - consumed	<b>2,700,512</b>	<b>5,852,426</b>

**iii) Raw Materials - Cotton Consumed in Quantities (Kgs):**

	01-07-2022 to 30-06-2023	01-07-2021 to 30-06-2022
Opening Stock	391,048	16,428
Purchase	3,787,686	4,941,533
Total available	4,178,734	4,957,961
Less: Fire Loss	604,706	-
Less: Closing Stock	284,002	391,048
Raw Materials - consumed	<b>3,290,026</b>	<b>4,566,913</b>

**iv) Particulars in respect of Opening Stock and Closing Stock of Inventories - Dyeing Unit**

Particulars	Opening Stock		Closing Stock	
	Quantity	Amount in Tk.	Quantity	Amount in Tk.
Raw Materials -Yarn	349,160 Lbs	32,418,605	124,826 Lbs	11,793,521
Raw Materials -Chemicals	139,228 Kg	18,652,196	70,412 Kg	7,251,063
Work in Process	34,548 Lbs	3,205,185	5,409 Lbs	495,214.00
Finished goods	396,660 Lbs	54,218,640	22,639 Lbs	2,971,430.00

**v) Particulars in respect of Opening Stock and Closing Stock of Inventories - Spinning Unit**

Particulars	Opening Stock		Closing Stock	
	Quantity	Amount in Tk.	Quantity	Amount in Tk.
Raw Materials -Cotton	391,048 Kg	55,241,967	284,002 Kg	45,240,986
Work in Process	42,856 Kg	4,963,425	78,415 Kg	5,163,982
Finished goods	725,504 Kg	142,539,651	397,421 Kg	90,751,735



**31.B Disclosure as per requirement of Schedule XI, part II, note 5 of para 3**

Employee Position ( as on June 30, 2023)

Salary Range	Officer & Staff		Worker	Total Employee
	Factory	Head Office		
Below 6000	5	0	27	32
Above 6000	37	45	315	397
<b>Total</b>	<b>42</b>	<b>45</b>	<b>342</b>	<b>429</b>

**31.C Disclosure as per requirement of Schedule XI, part II, para 4 of companies act 1994**

Payment to directors within the year ended 30.06.2023

**Directors Remuneration & Fees : Tk. 628,000**

Directors' are entitled Tk 1,000 as Board Meeting fee for attending each Board Meeting as per Articles of

Name of Board of Directors	Designation	Director Remuneration	No. of Meeting attending	Fees	Amount in Taka
Mr. Abdul Mannan Ukil (Representative of MN Industries Ltd)	Chairman	-	8	8,000	8,000
Mr. Golam Azam Chowdhury (Representative of Rajon Textile Mills Ltd)	Managing Director	600,000	7	7,000	607,000
Mr. Abul Khair Manik (Representative of Total Spinning Mills Ltd)	Director	-	8	8,000	8,000
Mr. Anisur Rahman (Representative of Faiaz Industries Limited.)	Director	-	7	7,000	7,000
Mr. Md. Anwar Zahid Bhuiyan	Independent Director	-	2	2,000	2,000
Mr. Omar Faruk	Independent Director	-	2	2,000	2,000
Mr. Syed Md. Tajon Islam	Independent Director	-	2	2,000	2,000
<b>Total</b>		<b>600,000</b>		<b>28,000</b>	<b>628,000</b>

**31.D Disclosure as per requirement of Schedule XI, part II, para 7**

Details of Capacity as given below:

Particulars	Production Unit	Attainable Capacity	Actual Production	Percentage of Capacity Utilization
Annual Production of Acrylic & Cotton Yarn Dyeing in Lbs	Dyeing Unit	19,840,000	2,418,801	12.19%
Cotton Yarn Production in Kg	Spinning Unit	5,250,000	2,704,529	51.51%
<b>Total</b>		<b>25,090,000</b>	<b>5,123,330</b>	

**32 Disclosure as per requirement of Schedule XI, Part II, para 8 of Companies Act,1994.**

**32.A** During the year ended June 30 , 2023 total value of import in respect of raw material, spare parts calculated on

Particulars	Amount (Tk.)
Raw Materials - Yarn	105,240,617
Raw Materials - Cotton	610,421,864
Raw Materials - Chemical	3,205,179



32.B The company has not incurred any expenditure in foreign currencies during the period of 01 July, 2022 to 30

32.C Value of both imported and indigenous raw materials, spare parts and components consumed and the

Particulars	Total Consumption	Imported Taka.	(%)	Local Taka.	(%)
Raw Materials - Yarn	125,865,701	125,865,701	100%	-	0.00%
Raw Materials - Cotton	499,724,616	499,724,616	100%	-	0.00%
Raw Materials - Chemical	14,606,312	14,606,312	100%	-	0.00%
Packing Materials	5,767,849	-	0%	5,767,849	100.00%
Store Items	6,383,380	2,903,315	45%	3,480,065	54.52%
<b>Total</b>	<b>652,347,858</b>	<b>643,099,944</b>		<b>9,247,914</b>	

32.D The company has not remitted any amount during the period of 01 July, 2022 to June 30, 2023 in foreign

**Earnings in foreign exchange classified under the following heads as follows:**

i) Total Export for the period ended 30 June 2023 is US\$ 10,528,736.06 which equivalent to BDT.

32.E ii) No royalty, know-how, professional and consultancy fees were received.

iii) No interest and dividend received.

iv) No other income received.

**33.00 Fire Loss:**

A fire incident occurred in factory godown, during the fire incident partial Raw cotton and Finished yarn burnt down to ash. At per assessment 604,706 Kg Raw cotton and 238,338 Kg Finished yarn burnt and value equivalent to Tk. 120,698,229 and Tk. 59,487,188 respectively.

**34.00 Directors' interest in contracts with the company :**

There was no other transaction resulting in Directors' interest with the Company and no leasing facilities have

**35.00 Fire Incident:**

A fire incident has been occurred at Bhabanipur, Gazipur, factory godown dated-29 November 2022. Company's assets and inventories were coverage by City General Insurance Company Limited and the coverage amount was Taka 31 Crore.



**M. L. DYEING & TEXTILE IND. PLC**  
**SCHEDULE OF FIXED ASSETS-DYEING UNIT**  
**AS AT JUNE 30, 2023**

Particulars	Cost			Rate of Depreciation (%)	Depreciation		Balance as on 30th June 2023	Written Down Value as at 30-06-2023	Written Down Value as at 30-06-2022
	Balance as on 1st July 2022	Addition during the year	Disposal		Charge during the year	Disposal			
Land & Land Development	31,901,605	-	-	0.00%	-	-	-	31,901,605	31,901,605
Factory Building	1,053,231,129	-	-	2.5%	22,536,435	-	174,310,160	878,920,969	901,457,404
Plant & Machinery	2,077,326,586	-	-	10%	78,227,908	-	1,373,275,418	704,051,168	782,279,076
Power Generator Set	136,582,266	-	-	10%	4,039,748	-	100,224,529	36,357,737	40,397,485
Electrical Installation	67,709,760	-	-	10%	2,934,618	-	41,298,199	26,411,561	29,346,179
Boiler	61,124,497	-	-	10%	2,024,132	-	42,907,308	18,217,189	20,241,321
Compressor	23,497,569	-	-	10%	924,872	-	15,173,718	8,323,851	9,248,723
Fork lift	5,521,489	-	-	10%	148,146	-	4,188,176	1,333,313	1,481,459
ETP Plant	65,433,988	-	-	10%	2,833,717	-	39,930,541	25,503,447	28,337,164
Gas Installation	7,372,265	-	-	10%	228,674	-	5,314,197	2,058,068	2,286,742
Air Condition Installation	7,443,460	-	-	10%	210,038	-	5,553,114	1,890,346	2,100,384
Telephone Installation	703,072	-	-	20%	38,293	-	549,898	153,174	191,467
Office Equipment	4,546,823	-	-	10%	184,703	-	2,884,494	1,662,329	1,847,032
Furniture & Fixture	8,614,300	-	-	20%	580,838	-	6,290,951	2,323,349	2,904,187
Motor Car	7,498,000	-	-	20%	79,981	-	7,178,076	319,924	399,905
<b>Total</b>	<b>3,558,506,809</b>	<b>-</b>	<b>-</b>		<b>114,992,103</b>	<b>-</b>	<b>1,819,078,779</b>	<b>1,739,428,030</b>	<b>1,854,420,133</b>

**Allocation of depreciation**  
 Manufacturing Expenses 98.80%  
 Administrative Expenses 0.84%  
 Selling & Distribution Expenses 0.36%  
**100%**

113,612,198  
 965,934  
 413,971  
**114,992,103**



Annexure-A

**M. L. DYEING & TEXTILE IND. PLC**  
**SCHEDULE OF FIXED ASSETS - SPINNING UNIT**  
**AS AT JUNE 30, 2023**

Particulars	Cost			Rate of Depreciation (%)	Depreciation			Written Down Value as at 30-06-2023	Written Down Value as at 30-06-2022
	Balance as on 1st July 2022	Addition during the year	Disposal		Balance as on 30th June 2023	Charge during the year	Disposal		
Land & Land Development	135,969,582	-	-	0.00%	135,969,582	-	-	135,969,582	135,969,582
Factory Building	469,125,920	73,523,647	59,625,000	2.5%	483,024,567	8,565,026	1,088,598	463,574,594	460,560,894
Plant & Machinery	435,360,371	104,759,718	-	10%	540,120,089	42,332,402	-	84,254,192	393,027,969
Electrical Installation	37,298,965	504,216	-	10%	37,803,181	3,714,180	-	7,085,264	33,584,785
Fork lift	2,889,000	-	-	10%	2,889,000	290,325	-	550,193	2,598,675
Air Condition Installation	34,301,014	-	-	10%	34,301,014	3,447,017	-	6,532,417	30,853,997
Telephone Installation	8,746	-	-	20%	8,746	1,757	-	3,155	6,989
Office Equipment	1,029,807	37,189	-	10%	1,066,996	59,854	-	158,089	908,907
Furniture & Fixture	715,241	-	-	20%	715,241	143,675	-	257,988	457,253
<b>Total</b>	<b>1,116,698,646</b>	<b>178,824,770</b>	<b>59,625,000</b>		<b>1,235,898,416</b>	<b>58,554,236</b>	<b>1,088,598</b>	<b>118,291,270</b>	<b>1,058,144,410</b>

**Allocation of depreciation**

Manufacturing Expenses	60,095,724	98.80%
Administrative Expenses	510,935	0.84%
Selling & Distribution Expenses	218,972	0.36%
	<b>60,825,632</b>	<b>100%</b>

