

# **ZAHEEN SPINNING LIMITED**

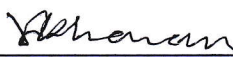
## **QUARTERLY (Q3) UN-AUDITED FINANCIAL STATEMENTS For the period ended 31<sup>st</sup> March 2023**

Corporate Office: House No. 59/A (6<sup>th</sup> & 7<sup>th</sup> Floor), Road No. 12/A, Dhanmondi, Dhaka-1209  
Factory Address: Jhawgara, Araihasar, Narayangonj, Bangladesh.


**ZAHEEN SPINNING LIMITED**  
**Statement of Financial Position (Un-Audited)**  
**As of 31 March 2023**

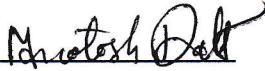
	Notes	31 Mar 2023	30 Jun 2022
		Taka	Taka
<b>Assets</b>			
<b>Non-Current Assets</b>			
Property, Plant and Equipment	4.00	599,182,915	616,939,704
Work in Progress	Annex-A/1	-	11,400,000
<b>Current Assets</b>			
Inventories	5.00	19,519,834	14,570,407
Trade & Other Receivables	6.00	397,646,313	369,985,513
Advances, Deposits & Prepayments	7.00	21,372,898	21,422,898
Cash & Cash Equivalents	8.00	15,215,546	592,763
<b>Total Assets</b>		<b>1,052,937,506</b>	<b>1,034,911,285</b>
<b>Shareholders Equity and Liabilities</b>			
<b>Shareholders Equity</b>			
Share Capital	9.00	1,138,283,680	1,138,283,680
Tax Holiday Reserve	10.00	31,538,864	31,538,864
Revaluation Surplus	11.00	132,818,398	132,818,398
Retained Earnings	12.00	(722,831,047)	(736,858,873)
<b>Non-Current Liabilities</b>			
Deferred Tax Liability	13.00	27,715,626	27,651,073
Long Term Loan (Non-Current Portion)	14.01	29,895,844	27,063,548
<b>Current Liabilities</b>			
Trade & Other Payable	15.00	29,089,398	30,374,148
Short Term Bank Loan	16.00	-	-
Long Term Loan (Current Portion)	14.02	2,226,088	5,433,195
Provision for Bad & Doubtful Debts	17.00	285,797,060	285,797,060
Liabilities for Income Tax	18.00	78,130,023	75,522,325
Liabilities for WPPF	19.00	571,578	-
Non Refunded Subscription Money	20.00	181,750	181,750
Unclaimed Fractional Dividend	21.00	-	2,266
Liabilities for Expenses	22.00	19,520,243	17,103,850
<b>Total Shareholders Equity and Liabilities</b>		<b>1,052,937,506</b>	<b>1,034,911,284</b>
<b>Net Asset Value (NAV) Per Share</b>	23.00	<b>5.09</b>	<b>4.97</b>

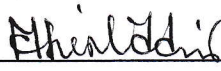
The accompanying notes form an integral part of these financial statements.

  
 Chairman

  
 Managing Director

  
 Director

  
 CFO (Current Charge)


  
 Company Secretary

Dated: April 27, 2023  
 Place: Dhaka




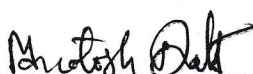
**ZAHEEN SPINNING LIMITED**  
**Statement of Profit or Loss and Other Comprehensive Income (Un-Audited)**  
**For the period ended 31 March 2023**

Particulars	Notes	01 July 2022 to 31 March 2023	01 July 2021 to 31 March 2022	01 January 2023 to 31 March 2023	01 January 2022 to 31 March 2022
		Taka	Taka	Taka	Taka
Sales Revenue (Net off VAT)	24.00	453,723,852	203,109,963	163,367,432	102,240,519
Less: Cost of Goods Sold	25.00	418,726,208	242,697,474	150,729,169	107,468,277
<b>Gross Profit/ (Loss)</b>		<b>34,997,644</b>	<b>(39,587,511)</b>	<b>12,638,263</b>	<b>(5,227,758)</b>
<b>Less: Operating Expenses</b>					
Administrative Expenses	26.00	14,745,304	14,873,156	5,583,538	5,564,611
Marketing Expenses	27.00	9,326,800	2,900,144	2,943,200	1,365,144
<b>Total Operating Expenses</b>		<b>24,072,104</b>	<b>17,773,300</b>	<b>8,526,738</b>	<b>6,929,755</b>
<b>Profit from Operations</b>		<b>10,925,540</b>	<b>(57,360,811)</b>	<b>4,111,525</b>	<b>(12,157,513)</b>
Other Non Operating Income	28.00	3,284,752	1,069,200	1,310,180	639,500
Less: Financial Expenses	29.00	(2,235,712)	(4,443,502)	(709,526)	(878,207)
Add/ (Less): Foreign Exchange Gain/(Loss)	30.00	28,552	3,461	5,637	989
		<b>1,077,592</b>	<b>(3,370,841)</b>	<b>606,291</b>	<b>(237,718)</b>
<b>Profit/ (Loss) before Charging WPPF</b>		<b>12,003,132</b>	<b>(60,731,652)</b>	<b>4,717,816</b>	<b>(12,395,231)</b>
Less: WPPF Expenses	19.00	571,578	-	224,658	-
<b>Net Profit/ (Loss) before income tax</b>		<b>11,431,554</b>	<b>(60,731,652)</b>	<b>4,493,158</b>	<b>(12,395,231)</b>
<b>Less: Tax Expenses</b>	31.00				
Current Tax		2,607,698	1,490,210	947,870	640,080
Deferred Tax		64,553	(85,701)	16,398	(7,567)
		<b>2,672,251</b>	<b>1,404,509</b>	<b>964,268</b>	<b>632,513</b>
<b>Net Profit/ (Loss) after Tax</b>		<b>8,759,303</b>	<b>(62,136,161)</b>	<b>3,528,890</b>	<b>(13,027,744)</b>
Add: Other Comprehensive Income		-	-	-	-
<b>Total Comprehensive Income</b>		<b>8,759,303</b>	<b>(62,136,161)</b>	<b>3,528,890</b>	<b>(13,027,744)</b>
<b>Earning Per Share (EPS)</b>	32.00	<b>0.08</b>	<b>(0.55)</b>	<b>0.03</b>	<b>(0.11)</b>

  
Chairman

  
Managing Director

  
Director

  
CFO (Current Charge)

  
Company Secretary

Dated: April 27, 2023

Place: Dhaka



**ZAHEEN SPINNING LIMITED**  
**Statement of Changes in Equity (Un-Audited)**  
**For the Period ended 31 March 2023**

Particulars	Share Capital	Tax Holiday Reserve	Revaluation Surplus	Retained Earnings	Total Equity
<b>Balance as on July 01, 2022</b>	1,138,283,680	31,538,864	132,818,398	(736,858,873)	565,782,069
Bonus Share	-	-	-	-	-
Prior Year Adjustment (Insurance Claim)				5,268,522	5,268,522
Net Profit after Tax for the period	-	-	-	8,759,303	8,759,303
<b>Balance as on March 31, 2023</b>	<b>1,138,283,680</b>	<b>31,538,864</b>	<b>132,818,398</b>	<b>(722,831,047)</b>	<b>579,809,895</b>

For the period ended 31 March 2022

Particulars	Share Capital	Tax Holiday Reserve	Revaluation Surplus	Retained Earnings	Total Equity
<b>Balance as on July 01, 2021</b>	1,138,283,680	31,538,864	132,818,398	(590,736,033)	711,904,909
Bonus Share	-	-	-	-	-
Net profit after Tax for the period	-	-	-	(62,136,161)	(62,136,161)
<b>Balance as on March 31, 2022</b>	<b>1,138,283,680</b>	<b>31,538,864</b>	<b>132,818,398</b>	<b>(652,872,193)</b>	<b>649,768,748</b>

Akhanon  
Chairman

Akhanon  
Managing Director

John  
Director

Muotosh Dutt  
CFO (Current Charge)


Ahmed Hossain  
Company Secretary

Dated: April 27, 2023  
Place: Dhaka





**ZAHEEN SPINNING LIMITED**  
**Statement of Cash Flows (Un-Audited)**  
**For the period ended 31 March 2023**

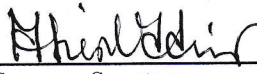
Particulars	Notes	01 July 2022 to 31 March 2023	01 July 2021 to 31 March 2022
		Taka	Taka
<b>A. Cash Flows from Operating Activities</b>			
Collection from Customers & Others	33.00	434,616,326	248,368,360
Payment to Suppliers & Others	34.00	(398,721,541)	(221,109,489)
Tax Paid		-	-
<b>Cash Generated from Operating Activities</b>		<b>35,894,785</b>	<b>27,258,872</b>
<b>B. Cash Flows from Investing Activities</b>			
Cash payment for Expenses	35.00	(18,740,032)	(16,661,005)
Payment against Advance, Deposits & Prepayments		50,000	2,464,160
Finance Cost	36.00	(2,235,712)	(4,443,502)
<b>Net Cash Flows from Operating Activities</b>	37.00	<b>14,969,042</b>	<b>8,618,526</b>
<b>C. Cash Flows from Financing Activities</b>			
Acquisition of Fixed Assets		-	-
Work in Progress		-	(11,400,000)
Proceeds from Sale of Vehicles		-	-
Proceeds from sale Salvage Fixed Assets		-	-
<b>Net Cash Flows from Investing Activities</b>		<b>-</b>	<b>(11,400,000)</b>
<b>D. Net Cash inflow/(outflow) for the year (A+B+C)</b>			
		<b>14,594,231</b>	<b>(1,030,195)</b>
<b>E. Cash &amp; Cash Equivalent at beginning of the period</b>			
		592,763	2,321,783
<b>F. Foreign Exchange Gain/Loss</b>			
		28,552	3,461
<b>G. Cash &amp; Cash Equivalent at end of the year (D+E)</b>			
		<b>15,215,546</b>	<b>1,295,049</b>
<b>Net Operating Cash Flows (NOCF) Per Share</b>	38.00	<b>0.13</b>	<b>0.08</b>

  
Chairman

  
Managing Director

  
Director

  
CFO (Current Charge)

  
Company Secretary

Dated: April 27, 2023  
Place: Dhaka



## Notes to the un-audited financial statements for the period ended 31 March 2023

### 1.00 Background of the Company

#### 1.01 Legal Status

Zaheen Spinning Limited was incorporated on July 22, 2007 as private limited company under the Companies Act 1994 vide Registration No. C-67789(340)/07. The company started its commercial operation on February 15, 2010. On August 14, 2012 it was converted into a public limited company. Bangladesh Securities and Exchange Commission (BSEC) has accorded consent for IPO on November 11, 2014 and on March 25, 2015 trading of shares of Zaheen Spinning Limited started on both the bourses namely Dhaka Stock Exchange Limited (DSE) and Chittagong Stock Exchange Limited (CSE).

#### 1.02 Registered office & location of the factory of the company

The registered office of the company is located at House-9, Road-10, Flat-A/1, Dhanmondi, Dhaka-1205 and Factory is situated at Jhawgara, Arahazar, and Narayanganj, Bangladesh.

#### 1.03 Nature of business activities

The company is a 100% cotton yarn manufacturer of different counts.

#### 1.04 Capital Structure of the Company

Particulars	Taka
<b>Authorized Capital</b>	
300,000,000 Ordinary Shares of Tk. 10.00 each	3,000,000,000
100,000,000 Preference Shares of Tk. 10.00 each	1,000,000,000
<b>Issued, subscribed, called-up and paid-up capital</b>	
113,828,368 Ordinary Shares of Tk. 10.00 each	1,138,283,680

#### 1.05 Board of Directors

The composition of the Board of Directors is as follows:

Name	Position
Mrs. Farida Khanam	Chairman
Mr. Mahmudur Rahman	Managing Director
Mrs. Nusrat Jahan	Director
Mr. Mahbubur Rahman Khan	Director
Ms. Masuma Khan	Director
Prof. Dr. M. Farid Ahmed	Independent Director
Associate Prof. Dr. Saud Ahmed	Independent Director
Prof. Dr. Md. Shahidul Islam	Independent Director

### 2.00 Basis of Preparation of Financial Statements

#### 2.01 Measurement bases and going concern

The financial statements have been prepared on historical cost convention under mercantile system, accounting for all accruals and pre-payments, on the assumption that the company will function as a going concern in the foreseeable future.

#### 2.02 Reporting framework and compliance thereof:

The financial statement have been prepared in compliance with the requirements of the Companies Act 1994, the Securities and Exchange Rules 1987, the listing regulation of Dhaka and Chittagong Stock Exchanges Limited and other relevant local laws as applicable, and in accordance with the applicable International Financial Reporting Standards (IFRSs) including with International Accounting Standards (IASs) adopted by the Institute of Chartered Accountants of Bangladesh (ICAB).

## Notes to the un-audited financial statements for the period ended 31 March 2023

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### 2.03 Presentation of financial statements

The presentation of these financial statements is in accordance with the guidelines provided by IAS: 1 'Presentation of Financial Statements'.

- (i) statement of financial position as of March 31, 2023;
- (ii) statement of profit or loss and other comprehensive income for the period ended 01 July 2022 to 31 March 2023;
- (iii) statement of changes in equity for the period ended 01 July 2022 to 31 March 2023;
- (iv) statement of cash flows for the period ended 01 July 2022 to 31 March 2023; and
- (v) notes, summary of significant accounting policies and other explanatory information for the period ended 01 July 2022 to 31 March 2023.

### 2.04 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.

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

Note: 4 Properties, Plant and Equipment

Note: 5 Inventories

Note: 6 Trade & Other Receivables

Note: 7 Advances, Deposits and Pre-payments

Note: 15 Trades & Other Payable

Note: 18 Liabilities for Income Tax

### 2.05 Reporting period

The financial statements cover 9 (Nine) months period from 01 July 2022 to 31 March 2023.

### 2.06 Authorization for issue

The financial statements were authorized for issue by the Board of Directors of the company on April 27, 2023.

### 2.07 Functional and presentation currency

The financial statements are prepared and presented in Bangladesh currency (BDT/Taka), which is the company's functional currency. All financial information presented has been rounded off to the nearest taka except where indicated otherwise.

### 2.08 Statement of Cash Flows

The statement of cash flows has been prepared in accordance with the requirements of IAS-7: 'Statement of Cash Flows'. The cash generating from operating activities has been reported using the direct method as prescribed by the Securities and Exchange Rules-1987 and as the benchmark treatment of IAS-7, whereby major classes of gross cash receipts and gross cash payments from operating activities are disclosed.

### 2.09 IAS and IFRS Adopted by the Management

The following IAS and IFRS are applicable and adopted by management for preparation of financial statements for the period ended March 31, 2023;

**Notes to the un-audited financial statements for the period ended 31 March 2023**

Sl. No.	Name of the BAS	IAS's No.	Status
1	Presentation of Financial Statements	1	Applied
2	Inventories	2	Applied
3	Statement of Cash Flows	7	Applied
4	Accounting Policies, Changes in Accounting Estimates and Errors	8	Applied
5	Events after the Reporting Period	10	Applied
6	Income Taxes	12	Applied
7	Property, Plant and Equipment	16	Applied
8	Leases	17	N/A
9	Employees Benefits	19	Applied
10	Accounting for Government Grants & Disclosure of Government Assistance	20	N/A
11	The Effects of Changes in Foreign Exchange Rates	21	Applied
12	Borrowing Costs	23	Applied
13	Related Party Disclosures	24	Applied
14	Accounting and Reporting by Retirement Benefit Plans	26	N/A
15	Separate Financial Statements	27	N/A
16	Investment in Associates and Joint Ventures	28	N/A
17	Financial Reporting in Hyperinflationary Economics	29	N/A
18	Financial Instruments: Presentation	32	Applied
19	Earnings Per Share	33	Applied
20	Interim Financial Reporting	34	N/A
21	Impairment of Assets	36	Applied
22	Provision, Contingent Liabilities and Contingent Assets	37	Applied
23	Intangible Assets	38	N/A
24	Financial Instruments: Recognition & Measurement	39	Applied
25	Investment Property	40	N/A
26	Agriculture	41	N/A

SL. No.	Name of the BFRS/IFRS	IFRS No.	Status
1	First-time Adoption of Bangladesh Financial Reporting Standards	1	N/A
2	Share based payment	2	N/A
3	Business Combinations	3	N/A
4	Insurance Contracts	4	N/A
5	Non-Current Assets held for sale and discontinued operations	5	N/A
6	Exploration for and evaluation of mineral resources	6	N/A
7	Financial Instruments: Disclosures	7	Applied
8	Operating Segments	8	N/A
9	Financial Instruments	9	Applied
10	Consolidated Financial Statements	10	N/A
11	Joint Arrangements	11	N/A
12	Disclosure of Interests in Other Entities	12	N/A
13	Fair Value Measurement	13	Applied
14	Regulatory Deferral Accounts	14	N/A
15	Revenue from Contracts with Customers	15	Applied
16	Leases	16	Applied
17	Insurance Contracts	17	N/A



## Notes to the un-audited financial statements for the period ended 31 March 2023

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### 3.00 Significant Accounting Policies

#### 3.01 Principal Accounting Policies

The accounting policies and methods of computation used in preparation of the financial statements for the period ended 31 March 2023 are consistent with those adopted in the financial statements for the period ended 30 June 2022.

#### 3.02 Revenue Recognition

Revenue from net sales of the company represents invoiced value of sale of Knit Yarn selling to the customers. Revenue is recognized in accordance with IFRS 15 and the recognition process involves the following 5-step process:

- Identifying the contract from a customer;
- Identifying the performance obligation;
- Determining the transaction prices;
- Allocating the transaction price to the performance obligation; and
- Recognizing revenue when/as performance obligation(s) is satisfied.

If the Company satisfies a performance obligation before it receives the consideration, the Company recognizes Accounts Receivable in its statement of financial position. Similarly, if the Company receives a consideration before the performance obligation, a contract liability is recognized. As at June 30, 2019, the Company did not receive any consideration before performance obligation was completed and there is no amount recognized on the Statement of Financial position as of the end of the year.

In compliance with the requirements of IFRS 15, the Company recognizes revenue when control of the goods or services has been transferred to the customer and the performance obligation has been completed. Revenue is measured at the fair value of the amount of consideration to which the Company expects to be entitled to, including variable consideration, if any, to the extent that it is highly probable that a significant reversal will not occur.

Net Revenue reflects the Company's sale of goods less returns and discounts. Revenue is recognized at the point of delivery measured at fair value of the consideration received, net of discounts. IFRS 15 requires Companies to determine variable factors such as sales returns when calculating the fair value of the consideration to be received. The magnitude and quantity of sales returns as a percentage of sales has been historically extremely minute and there were no returns recognized in the current year. As a result, the Company does not make a sales return allowance at the end of the year.

#### 3.03 Property, Plant and Equipment

##### 3.03.1 Recognition and Measurement

Property, Plant and Equipment are capitalized at cost of acquisition and subsequently stated at cost or valuation less accumulated depreciation in compliance with the requirements of IAS 16: 'Property, Plant and Equipment'. The cost of acquisition of an asset comprises its purchase price and any directly attributable cost of bringing the assets to its working condition for its intended use inclusive of inward freight, duties and non refundable taxes. Capital work-in-progress represents cost of effluent treatment plant & civil work-in-progress for such plant.

##### 3.03.2 Subsequent Expenditure

The company recognizes in the carrying amount of an item of property, plant and equipment the cost of replacing part of such an item when that cost is incurred, it is probable that the future economic benefits embodied with the item will flow to the company and the cost of the item can be measured reliably. Expenditure incurred after the assets have been put into operation, such as repairs and maintenance is normally charged off as revenue expenditure in the period in which it is incurred. In situation where it can be clearly demonstrated that the expenditure has resulted in an increase in the future economic benefit expected to be obtained from the use of the fixed assets, the expenditure is capitalized as an additional cost of the assets. All other costs are recognized to the profit and loss account as expenses if incurred. All up-gradation/enhancement are generally charged off as revenue expenditure unless they bring similar significant additional benefits.

## Notes to the un-audited financial statements for the period ended 31 March 2023

### 3.03.3 Depreciation

Depreciation is recognized in statement of profit or loss and other comprehensive income on diminishing balance method over the estimated useful lives of fixed assets. Depreciation is charged on addition from the date of the assets when available for use. Depreciation is provided on a diminishing balance method at the rate(s) shown below:

Particulars	Rate
Land & land development	0%
Plant & machinery	10%
Building	10%
Office equipment	15%
Furniture & fixture	15%
Vehicles	15%
Electrical equipment	10%

Depreciation is provided on all fixed assets except land and land development.

### 3.03.4 Retirement and disposal

An asset is derecognized on disposal or when no future economic benefits are expected from its use and subsequent disposal. Gain or loss arising from the retirement or disposal of an asset is determined as the difference between the net disposal proceeds and the carrying amount of the asset and is recognized as gain or loss from disposal of asset under other income in the statement of comprehensive income. There was no disposal of assets during the year.

### 3.03.5 Revaluation of Fixed Assets

The company revalued its Land & Land Development for the 1<sup>st</sup> time in the year ended 31 December 2015 by WASO Engineers & Consultants (BD) Ltd. dated on 12 March 2016 and subsequently the auditor (AHMAD & AKHTAR, Chartered Accountant) certified the revaluation report dated on 15 March 2016. Revaluation Surplus have arisen Tk. 136,926,183.

### 3.03.6 Inventories

Inventories are valued at the lower of cost or net realizable value with cost determined by weighted average cost basis. The cost of inventories comprises of expenditure incurred (raw materials, work-in process, finished goods, waste cotton, packing materials, store and spares and stock-in transit) in the normal course of business in bringing the inventories to their present location and condition. Net realizable value is based on estimated selling price less any further costs expected to be incurred to make the sale.

### 3.03.7 Impairment of Assets

In accordance with the provision of IAS-36, the carrying amount of non-financial assets other than inventories of the company involved in the manufacturing of the products. If any such indication exists, then the asset's recoverable amount is estimated and impairment losses are recognized in the statement of comprehensive income. No such indication of impairment has been observed till the end of the year.

### 3.04 Borrowing Costs

Borrowing costs comprise of interest expense on long and short term loan. The costs are charged to revenue except those are capitalized in accordance with IAS-23: Borrowing Costs.

### 3.05 Financial Assets

Financial assets of the company include cash and cash equivalents and accounts receivable.

### 3.06 Trade & Other Receivables

Trade receivables are created at original invoice amount less any provision for doubtful debts. Provision is made where there is evidence of a risk of non-payment, taking into account ageing, provision experience and general economic conditions. When an accounts receivable is determined to be uncollectible it is written off, firstly against any provision available and then to the statement of comprehensive income.

## **Notes to the un-audited financial statements for the period ended 31 March 2023**

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### **3.07 Advance, Deposits and Prepayment**

Advance is initially measured at cost. After initial recognition, advances are carried at cost less deductions, adjustments or charges to other account heads.

Deposits are measured at payment value.

Prepayments are initially measured at cost. After initial recognition, prepayments are carried at cost less charges to statement of profit or loss comprehensive income.

### **3.08 Cash and Cash Equivalents**

Cash and cash equivalents are carried in the statement of financial position at cost and include cash in hand and with banks on current deposit and marginal deposits accounts which are held and available for use by the company without any restriction. There is insignificant risk of change in value of the same.

### **3.09 Financial Liability**

Financial liabilities are recognized initially on the transaction date at which the company becomes a party to the contractual provisions of the liability. The company derecognizes a financial liability when its contractual obligations are discharged or cancelled or expire. Financial liabilities include payable for expenses, liability for capital expenditure and other current liabilities.

### **3.10 Provision**

A provision is recognized in the statement of financial position when the company has a legal or constructive obligation as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provision is ordinarily measured at the best estimate of the expenditure required to settle the present obligation.

### **3.11 Tax holiday**

The national board of revenue (NBR) had granted tax holiday for a period of 5 (Five) years vide Ref. No. 11(23) Abz-1/2010 dated-27-06-2010 under Income Tax Ordinance 1984 (XXXVI of 1984) section 46A(3). The company is maintaining tax holiday reserve @ 30.00% of Net Profit before Tax in the statement of financial position.

### **3.12 Tax holiday reserve**

This is being created out of tax holiday profit to invest in the same undertaking or in any new industrial undertaking or in stocks and shares of listed companies or in government bonds or securities or for other purposes as required by the Income Tax Ordinance 1984.

### **3.13 Taxation**

#### **3.13.1 Current Tax**

Current tax is the expected tax payable on the taxable income for the period ended, using tax rates enacted or subsequently enacted after the reporting date and any adjustment to tax payable in respect of previous years. Provision for taxation is calculated on the basis of applicable current tax rate and non-compliance with Finance Act, 2018.

#### **3.13.2 Deferred tax**

Deferred tax arises due to temporary difference deductible or taxable for the transaction which is recognized in the statement of profit or loss and other comprehensive income. A temporary difference between the tax base of an asset or liability and its carrying amount/or amount in the Statement of Financial Position. Deferred tax assets or liability is the year income tax recoverable or payable in future period recognized in the current period as per "IAS 12: Income Tax".

### **3.14 Earnings per share (EPS)**

This has been calculated by dividing the earnings attributable to the ordinary shareholders by total number of ordinary shares outstanding during the year. The company calculated earning per share (EPS) in accordance

## **Notes to the un-audited financial statements for the period ended 31 March 2023**

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with IAS-33: 'Earnings per Share' which has been shown on the face of profit and loss account and the computation of EPS is stated in Note no: 32.

### **3.14.1 Basic Earnings**

This represents earnings for the year attributable to ordinary shareholders. As there was no preference dividend, minority interest or extra ordinary items, the net profit after tax holiday reserve for the period has been considered as fully attributable to the ordinary shareholders.

### **3.14.2 Diluted Earnings per Share**

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, no dilution of EPS is applicable for these financial statements as there were no potential ordinary shares during the relevant period.

### **3.15 Foreign Currencies Transaction**

Foreign currency transactions are recorded at the applicable rates of exchange ruling at the transaction date in accordance with IAS-21 'the Effects of changes in Foreign Exchange Rates'. Foreign currency transactions translated at the financial position date are charged/ credited to the statement of Profit or Loss and Other Comprehensive Income whenever arise.

### **3.16 Workers Profit Participation Fund**

The Board of Directors of the Company in their 32nd meeting has decided to comply with the Labor Law 2006 and introduced workers profit participation fund (5% of profit before tax). The company has decided to establish a contributory provident fund and gratuity fund and to form a trusty body for operation of provident fund which will be effective after due approval of relevant authority.

### **3.17 Segment Reporting**

No segment reporting is applicable for the company as required by "IFRS-8: 'Operating Segments' as the company operates in a single industry segment and within as geographical segment.

### **3.18 Events after the Reporting Period**

In compliance with the requirements of IAS-10: 'Events after the Reporting Period', provided additional information about the company's position at the statement of financial position date are reflected in the financial statements and events after the statement of financial position date that are not adjusting events are disclosed in the notes when material.

### **3.19 Related Party Disclosures**

The company carried out a number of transactions with related parties in the normal course of business and on arms' length basis. The information as required by IAS-24: 'Related Party Disclosures' has been disclosed in a separate note (Note no: 42) to the accounts.

### **3.20 Comparative information and 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 ended 31<sup>st</sup> March 2023 have been rearranged wherever considered necessary to ensure comparability with the current period.

**4.00 Property, Plant and Equipment****31 March 2023****30 June 2022**

The details of Fixed Assets and allocation of depreciation has been shown in **Annexure-A** of the enclosed Financial Statement. The Break up is given below:

Name of Assets	Cost Value	Accumulated	Written Down	Written Down
Land & Land Development	104,675,109	-	104,675,109	104,675,109
Plant & Machinery	553,790,892	298,811,738	254,979,154	264,253,139
Building & Constructions	140,728,168	66,775,849	73,952,319	79,948,453
Office Equipment	3,262,562	2,360,976	901,586	1,015,871
Furniture & Fixture	2,411,961	1,879,229	532,732	600,262
Vehicles	4,266,000	2,117,009	2,148,991	2,421,398
Electrical Equipment	38,241,310	13,174,468	25,066,842	27,099,289
Revaluation Surpluse of Land & Land	136,926,183	-	136,926,183	136,926,183
<b>Total</b>	<b>984,302,185</b>	<b>385,119,270</b>	<b>599,182,915</b>	<b>616,939,704</b>

Since inception, the company revalued its Land & Land Development for the 1<sup>st</sup> time in the year ended 31 December 2015 by WASO Engineers & Consultants (BD) Ltd. dated on 12 March 2016 and subsequently the auditor (Ahmad & Akhtar Chartered Accountant) certified the revaluation report dated on 15 March 2016. Revaluation Surplus has arisen Tk. 136,926,183

**5.00 Inventories**

Raw Materials	6,224,442	2,817,732
Work-in-Process	6,273,378	7,084,776
Finished Goods	4,684,264	2,699,000
Wastage Goods	122,121	212,332
Spare Parts	2,215,630	1,756,566
	<b>19,519,834</b>	<b>14,570,406</b>

- Quantity reconciliation of products were done properly.
- The valuation of closing inventory has been made on the basis of lower of cost and net realizable value as per IAS-2.
- Conduction of physical verification/stock taking of above inventories as on 31.03.2021 was not possible due lock down.
- Raw Materials consists of import value and expnses incurred upto warehouse. Inventory system maintained in Weighted Average Method
- Work in process consists of raw materials only.
- Finished Goods includes the cost incurred upto cost of goods available for sale.
- Spare parts consists of the total cost of spare parts.

**Details Shown in Annexure-B****6.00 Trade & Other Receivables**

Opening Balance	369,985,513	404,712,710
Add: Sales during the period/ year	453,723,852	337,577,733
<b>Total</b>	<b>823,709,365</b>	<b>742,290,443</b>
Less: Realised during the period/ year	426,063,052	372,304,930
<b>Closing Balance</b>	<b>397,646,313</b>	<b>369,985,513</b>

This is considered as fully secured and is considered good & realizable within one year. The classification of receivables as required by the Schedule XI of the Companies Act, 1994 are given below:

Particulars	31 Mar 2023	30 June 2022
i. Receivables considered good in respect of which the company is fully secured		
ii. Receivables considered good in respect of which the company holds no security other than	111,849,253	84,188,453
iii. Receivables considered doubtful or bad	285,797,060	285,797,060
iv. Receivables due by directors or other officers & staffs		
v. Receivables due from companies under same management		
vi. The maximum amount of receivable due by any director or other officer		
<b>Total</b>	<b>397,646,313</b>	<b>369,985,513</b>

Ageing of the above Trade Receivable is given below:

Particular	Less than 6	6 Months Above	Total	Total
Customers	37,122,800	360,523,513	397,646,313	369,985,513

**Details Shown in Annexure-C**

**7.00 Advance, Deposit & Prepayments**

**Advances:**

Salary & others	175,000	225,000
Tax, Vat & Others	6,275,294	6,275,294
Others Advance	140,000	140,000
Contractor/ Supplier	1,677,376	1,677,376
<b>Sub Total=</b>	<b>8,267,670</b>	<b>8,317,670</b>

**Deposits:**

Margin & Deposit	-	-
Security Deposit	13,105,228	13,105,228
<b>Sub Total=</b>	<b>13,105,228</b>	<b>13,105,228</b>
<b>Grand Total=</b>	<b>21,372,898</b>	<b>21,422,898</b>

There is no amount of loans advances due for payment for a period of more than 12 months from the date of Balance Sheet.

There is no aggregate amount due from Directors.

All advance and deposit amount considered good and recoverable.

There is no agreement with director and officers of the company regarding advance or due amount

There are no claims against the company, which can be acknowledged as bad debt.

**8.00 Cash & Cash Equivalents**

**a) Cash in Hand**

31 March 2023	30 June 2022
790,265	276,041

**b) Cash at Bank**

MTBL A/C No -01356	-	-
MTBL A/C No -01612	259,560	231,008
MTBL A/C No -9037	15,573	15,573
SBAC A/C No -81390/117	-	-
SBAC A/C No -79742/4956	1,922	1,922
Southeast Bank A/C no -0064	14,100,980	20,513
Southeast Bank A/C no -2315	2,993	3,453
The City Bank Ltd. A/C No. 81001	5,275	5,275
NRB Ltd. A/C No. 316	2,183	2,183
BRAC Bank Ltd. A/C No-302001	9,858	9,858
Al-Arafa Islami Bank Ltd A/C No- 96988	2,355	2,355
	<b>14,400,699</b>	<b>292,140</b>
<b>c) Balance BO Account (MTBCL A/C No -0086)</b>	24,582	24,582
<b>Total Cash &amp; Cash Equivalents (a+b+c)</b>	<b>15,215,546</b>	<b>592,763</b>

Foreign currency account balances have been converted to Taka at the ruling rate at the reporting date.

**9.00 Share Capital**

**Authorized Share Capital**

300,000,000 Ordinary Shares of Tk. 10.00 each  
100,000,000 Preference Shares of Tk. 10.00 each

<b>4,000,000,000</b>	<b>4,000,000,000</b>
3,000,000,000	3,000,000,000
1,000,000,000	1,000,000,000

**Issued, subscribed and paid up capital :**

11,38,28,368 Ordinary Shares of Tk. 10.00 each

**Shareholding Position:**

Sponsors & Directors

Institutions

General Public

<b>1,138,283,680</b>	<b>1,138,283,680</b>
<b>No. of Share</b>	<b>No. of Share</b>
35,404,336	35,404,336
30,569,686	33,986,841
47,854,346	44,437,191
<b>113,828,368</b>	<b>113,828,368</b>

#### 10.00 Tax Holiday Reserve

Opening Balances	31,538,864	31,538,864
Add: Provision made during the period	-	-
	<b>31,538,864</b>	<b>31,538,864</b>
Less: Adjustment of tax holiday reserve as per BAS-8	-	-
	<b>31,538,864</b>	<b>31,538,864</b>

- i) This have been provided as per provisions of section 46(A) of the Income Tax Ordinance, 1984.  
ii) Tax holiday reserve have been adjusted as per IAS-8, Para-42 for the period ended 30 June 2016 due to over provision of Tax holiday reserve for the period ended 30 June 2015.

**Para-42:** Subject to paragraph 43, an entity shall correct material prior period errors retrospectively in the first set of financial statements authorized for issue after their discovery by:

- (a) restating the comparative amounts for the prior period(s) presented in which the error occurred; or  
(b) if the error occurred before the earliest prior period presented, restating the opening balances of assets, liabilities and equity for the earliest prior period presented.

**Para-43:** A prior period error shall be corrected by retrospective restatement except to the extent that it is impracticable to determine either the period-specific effects or the cumulative effect of the error.

#### 11.00 Revaluation Surplus

Opening Balance	132,818,398	132,818,398
Add: Revaluation Surplus for current year	-	-
	<b>132,818,398</b>	<b>132,818,398</b>

#### 12.00 Retained Earnings

Opening Balance	(736,858,873)	(590,736,033)
Add: Prior Year Loss Adjustment (Insurance Claim received against Fire Loss)	5,268,522	-
	(731,590,351)	(590,736,033)
Add: Net Profit/(Loss) for the period/ year	8,759,303	(146,122,840)
<b>Retained Earnings</b>	<b>(722,831,047)</b>	<b>(736,858,873)</b>

#### 13.00 Deferred Tax Liability

Deferred tax liability has been calculated below at the applicable tax rate on the difference between the carrying value of property, plant and equipment as per financial statements and tax based written down value and financial position's liability method for gratuity obligation.

Opening Balance	27,651,073	27,169,316
Expenses/ (Income) of Deferred Tax for the period/year	64,553	481,756
<b>Deferred Tax Liability /(Assets) as on 31 March 2023</b>	<b>27,715,626</b>	<b>27,651,073</b>

Details Shown in Note 31.02

#### 14.00 Long Term Loan

##### 14.01 Long Term Loan (Non-Current Portion):

Name of	Type	Branch	Account No	31 Mar 2023	30 June 2022
MTBL	Term Loan	Dilkusha	0012-5161000314	1,191,567	1,032,368
MTBL	Term Loan	Dilkusha	0012-5161000225	1,526,627	1,323,292
MTBL	Term Loan	Dilkusha	0012-5161000252	9,122,802	7,903,044
MTBL	Term Loan	Dilkusha	2403-000005628	18,054,848	16,804,844
<b>Total</b>				<b>29,895,844</b>	<b>27,063,548</b>

##### 14.02 Long Term Loan (Current Portion)

Name of	Type	Branch	Account No	31 Mar 2023	30 June 2022
MTBL	Term Loan	Dilkusha	0012-5161000314	127,684	278,052
MTBL	Term Loan	Dilkusha	0012-5161000225	163,732	356,196
MTBL	Term Loan	Dilkusha	0012-5161000252	980,878	2,142,634

MTBL	Term Loan	Dilkusha	2403-000005628	953,794	2,656,313
<b>Total</b>				<b>2,226,088</b>	<b>5,433,195</b>

Mode of adjustment	Quarterly Installment
Security	The loan are secured by registered mortgage of 354.59 decimals land owned by company, Factory Building, Hypothecation Import & Local machineries and Master cheque covering the total loan amount.

#### 15.00 Trade & Others Payable

Trade Payable	3,584,224	3,704,474
Others Payable	25,505,174	26,669,674
<b>Total</b>	<b>29,089,398</b>	<b>30,374,148</b>

This represents the amount payable to regular suppliers, packing materials, utilities and others services rendered to the company. All suppliers were paid on a regular basis.

#### 16.00 Short Term Bank Loan

(MTBL A/C No - 0398 (Cash Credit))

-	-
-	-

The above loan has been converted into a Term Loan A/C No. 2403000005628 for a period of six years.

#### 17.00 Provision for Bad & Doubtful Debts

Opening Balance	285,797,060	202,356,355
Add: Provision made for the period/year	-	83,440,705
	<b>285,797,060</b>	<b>285,797,060</b>

#### 18.00 Liabilities for Income Tax

Opening Balances	75,522,325	65,186,121
Add: Prior Year Adjustment (AY 2011-2012 & 2016-2017)		4,093,165
Add: Adjustment of Advance Tax		4,000,721
Add: Provision for the period/year	2,607,698	2,242,318
	<b>78,130,023</b>	<b>75,522,325</b>
Less: Tax Paid/Adjustment for the year	-	-
<b>Closing balance</b>	<b>78,130,023</b>	<b>75,522,325</b>

31.01

#### 19.00 Liabilities for Workers Profit Participation Fund (WPPF)

Opening Balances	-	1,871,718
Add: Provision for the period/year	571,578	-
	<b>571,578</b>	<b>1,871,718</b>
Less: Current year payment	-	1,871,718
<b>Closing balance</b>	<b>571,578</b>	<b>-</b>

#### 20.00 Non Refunded Subscription Money

Opening Balance	-	5,066,750
General Public	181,750.00	181,750
NRB	181,750.00	5,248,500.00
	-	5,066,750
Less: Refund during the year		
<b>Closing Balance</b>	<b>181,750</b>	<b>181,750</b>

#### 21.00 Unclaimed Fractional Dividend

Opening Balance	2,266	23,134
Add: Unclaimed for the period/year	-	-
	2,266	23,134
Less: Paid during the period/year	-	10,450
Less: Transferred to CMSF	2,266	10,418
<b>Closing Balance</b>	<b>-</b>	<b>2,266</b>



**22.00 Liabilities for Expenses**

Salary & Allowance	429,000	525,300
Wages & Salary	3,805,172	3,658,534
Director Remuneration	200,000	2,100,000
Withholding Tax	106,955	106,955
VAT Payable	363,717	309,376
Gas Bill	5,817,860	4,773,474
Audit Fee	-	149,500
Listing Fee Payable	1,317,314	268,097
Advertisement Bill Payable	135,300	158,960
Transport Bill Payable	206,500	173,000
Electricity & Utility Bill	7,138,425	4,880,654
<b>Total</b>	<b>19,520,243</b>	<b>17,103,850</b>

**23.00 Net Asset Value (NAV) Per Share (including revaluation surplus)**

Share Capital	1,138,283,680	1,138,283,680
Tax Holiday Reserve	31,538,864	31,538,864
Revaluation Surplus	132,818,398	132,818,398
Retained earnings	(722,831,047)	(736,858,873)
<b>A. Total shareholders equity</b>	<b>579,809,895</b>	<b>565,782,069</b>
B. No. of ordinary shares outstanding	113,828,368	113,828,368
<b>Net asset value (NAV) per share (A/B)</b>	<b>5.09</b>	<b>4.97</b>

**Net Asset Value (NAV) Per Share (Excluding revaluation surplus)**

A. Net asset value (NAV)	446,991,497	432,963,671
B. No. of ordinary shares outstanding	113,828,368	113,828,368
<b>Net Asset Value (NAV) Per Share (Excluding revaluation surplus) (A/B)</b>	<b>3.93</b>	<b>3.80</b>

Net Asset Value (NAV) has been increased due to increase in profitability and insurance claim received against fire loss.

**24.00 Sales Revenue**

	31 March 2023	31 March 2022
Gross Sales	456,844,050	204,390,120
Less: Value Added Tax (VAT)	3,120,198	1,280,157
<b>Net Sales</b>	<b>453,723,852</b>	<b>203,109,963</b>

**25.00 Cost of Goods Sold**

Raw material consumed (Note-25.01)	289,047,204	146,933,467
Add: Work-in-process- Opening	-	-
	<b>289,047,204</b>	<b>146,933,467</b>
Less: Work-in-process-Closing	6,273,378	5,350,149
<b>Materials transferred to finished goods</b>	<b>282,773,826</b>	<b>141,583,318</b>
Add: Factory overhead (Note-25.02)	137,847,434	104,674,101
<b>Cost of goods manufactured</b>	<b>420,621,261</b>	<b>246,257,419</b>
Add: Opening Finished goods	2,699,000	-
Add: Opening Wastage goods	212,332	-
<b>Cost of goods available for sale</b>	<b>423,532,593</b>	<b>246,257,419</b>
Less: Closing Finished goods	4,684,264	3,207,531
Less: Closing Wastage Goods	122,121	352,415
<b>Cost of goods sold for the period</b>	<b>418,726,208</b>	<b>242,697,474</b>
<b>25.01 Raw Material Consumed</b>		
Opening stock	2,817,732	-
Add: Purchase during the year	292,453,914	150,508,640
<b>Raw material available for consumption</b>	<b>295,271,646</b>	<b>150,508,640</b>
Less: Closing stock	6,224,442	3,575,174
<b>Raw material consumed</b>	<b>289,047,204</b>	<b>146,933,467</b>

<b>25.02 Factory Overhead</b>		
Wages & salary	35,793,053	32,583,330
Over time	161,986	540,580
Gas bill	8,677,100	3,386,037
Packaging expenses	4,395,600	1,404,980
Spare parts consumed	4,630,050	5,948,215
Daily labour	61,312	232,687
Loading & Unloading expenses	526,016	283,047
Fire protection	32,715	66,220
Transport & Others	2,196,666	1,545,510
Miscellaneous expenses	115,637	42,519
Electricity, Utility & others bill	52,014,370	31,269,263
Repair & Maintenance	970,745	1,166,131
Mobil, Oil & Lubricant	1,383,250	1,450,000
Workshop expenses	182,000	233,000
Fax, Phone & Fooding exp.	465,825	224,117
Depreciation (Annexure-A)	26,241,109	24,298,465
	<b><u>137,847,434</u></b>	<b><u>104,674,101</u></b>
<b>26.00 Administrative Expenses</b>		
Salaries and Allowances	3,974,278	3,855,445
Directors remuneration	2,000,000	3,000,000
Vehicle Repairing & Maintenance	539,439	214,650
Stationery & Printing	36,174	80,828
Medical Expenses	-	-
Advertisement	159,700	169,855
Meeting exp. & others	876,853	216,000
Insurance	587,500	587,500
Travelling, Tour and Conveyance	645,120	296,634
Fax, telephone & photocopy expenses	113,611	95,516
Renewal & others fees	56,601	721,321
Consultancy & Legal Fee	71,650	81,110
Other Professional Expenses	84,750	17,250
Office rent	855,000	855,000
Office expenses	74,245	46,385
Regulatory & others Expenses	1,055,314	1,105,314
Fooding & Entertainment	214,350	122,592
Electric & Utility bill	204,950	199,164
News paper, books & forms	3,170	3,410
Repairs & maintenance	178,700	234,000
Misc. & Others exp.	98,220	271,353
Depreciation (Annexure-A)	2,915,679	2,699,829
	<b><u>14,745,304</u></b>	<b><u>14,873,156</u></b>
<b>27.00 Marketing Expenses</b>		
Business Promotional Expenses	4,641,400	780,000
Commission & Others	4,685,400	2,120,144
	<b><u>9,326,800</u></b>	<b><u>2,900,144</u></b>
<b>28.00 Other Income</b>		
Wastage sales	3,284,752	1,069,200
Interest Income from Bank	-	-
	<b><u>3,284,752</u></b>	<b><u>1,069,200</u></b>
<b>29.00 Financial Expenses</b>		
Bank Charge & Commission	46,523	245,122
Interest on long term loan	2,189,189	1,786,311
Interest on CC hypo	-	2,412,069
	<b><u>2,235,712</u></b>	<b><u>4,443,502</u></b>

<b>30.00 Foreign Exchange Gain/ (Loss)</b>			
Exchange Gain / (loss)		28,552	3,461
		<u>28,552</u>	<u>3,461</u>
<b>31.00 Income Tax Expenses</b>		<b>31 March 2023</b>	<b>31 Mar 2022</b>
Current Tax	31.01	2,607,698	1,490,210
Deferred Tax	31.02	64,553	(85,701)
		<u>2,672,251</u>	<u>1,404,509</u>
<b>31.01 Current Tax</b>			
Current Tax on Operating Income	31.01.A	1,157,466	(9,184,426)
Current Tax on Other Income	31.01.B	821,188	267,300
Total Current Tax		<u>1,978,654</u>	<u>(8,917,126)</u>
Tax as per ITO Section 82 (C ) @ 0.60%	31.01.C	<u>2,607,698</u>	<u>1,490,210</u>
<b>Current Tax, Which ever is higher</b>		<u>2,607,698</u>	<u>1,490,210</u>
<b>31.01.A Current Tax on Operating Income</b>			
Net Profit Before Tax		11,431,554	(60,731,652)
Add: Depreciation as accounting base		29,156,788	26,998,294
Add: WPPF Expenses		571,578	-
Less: Depreciation as per tax base		(30,158,727)	(26,216,951)
Less: Other income		(3,284,752)	(1,069,200)
Less: Payment for WPPF		-	(210,000)
Taxable operating income		<u>7,716,442</u>	<u>(61,229,509)</u>
<b>Income tax @ 15%</b>		<u>1,157,466</u>	<u>(9,184,426)</u>
<b>31.01.B Current Tax on Other Income @ 25% on Tk. 3,284,752/-</b>		<u>821,188</u>	<u>267,300</u>
<b>31.01.C Calculation of Gross Receipts as per 82(C):</b>			
Sales during the period		453,723,852	203,109,963
Add: Other Income during the period		3,284,752	1,069,200
Add: Insurance Claim Received against Fire Loss		5,268,522	-
Add: Trade Receivables as on 01 July 2022/2021		369,985,513	404,712,710
Less: Trade Receivables as on 31 March 2023/2022		(397,646,313)	(360,523,513)
<b>Gross Receipts</b>		<u>434,616,326</u>	<u>248,368,360</u>
Tax as per ITO Section 82 (C ) @ 0.60%		<u>2,607,698</u>	<u>1,490,210</u>
<b>31.02 Deferred Tax</b>			
Total income tax for the period		2,672,251	1,404,509
Less: Current tax		2,607,698	1,490,210
<b>Deferred tax</b>		<u>64,553</u>	<u>(85,701)</u>
<b>Deferred tax for the period</b>		<u>64,553</u>	<u>(85,701)</u>
Details are as follows:			
<b>Carrying Value as per Accounts</b>			
Property, Plant & Equipment		357,581,623	330,726,196
<b>Carrying Value as per Tax Base</b>			
Property, Plant & Equipment		199,624,438	175,892,279
Taxable Difference		157,957,184	154,833,917
Less: Liability to Employees		571,578	1,661,718
<b>Net Taxable Difference</b>		<u>157,385,607</u>	<u>153,172,199</u>
Applicable Income Tax Rate		15%	15%
Deferred Tax Liability at the end of the period		23,607,841	22,975,830
Deferred Tax Liability- 3% of Revaluation Surplus		4,107,785	4,107,785
Total Deferred Tax Liability at the end of the period		<u>27,715,626</u>	<u>27,083,615</u>
Deferred Tax Liability at the beginning of the period		27,651,073	27,169,316
<b>Deffered Tax Expenses during the period</b>		<u>64,553</u>	<u>(85,701)</u>

**32.00 Earning Per Share (EPS)****31 March 2023**      **31 March 2022****(i) Earnings from core business**

a) Net Profit after tax excluding Extraordinary Income

5,494,260	(63,198,946)
113,828,368	113,828,368

b) Weighted average number of shares (Note-32.01)

0.05	(0.56)
------	--------

**Earnings Per Share (EPS) from core business before fire loss (a/b)**

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**(ii) Earnings from Extra Ordinary Income**

a) Extra Ordinary Income after tax

3,265,043	1,062,785
113,828,368	113,828,368

b) Weighted average number of shares (Note-32.01)

0.03	0.01
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**Earnings Per Share (EPS) from extraordinary income (a/b)**

--	--

**Basic Earning per Share (i+ii)**

0.08	(0.55)
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After repairing and replacement of burned machineries, production and sales volume have been increased, resulted increase in EPS.

**32.01 Weighted Average Number of Shares**

Particulars	Number of Share		Weight average	
Opening Shares Capital	52,800,000	1	52,800,000	52,800,000
IPO Shares	12,000,000	1	12,000,000	12,000,000
Bonus Shares-2014	9,720,000	1	9,720,000	9,720,000
Bonus Shares-2015-16	11,178,000	1	11,178,000	11,178,000
Bonus Shares-2016-17	12,854,700	1	12,854,700	12,854,700
Bonus Shares-2017-18	9,855,270	1	9,855,270	9,855,270
Bonus Shares-2018-19	5,420,398	1	5,420,398	5,420,398
<b>Total</b>	<b>113,828,368</b>		<b>113,828,368</b>	<b>113,828,368</b>

**33.00 Cash Received from Customers****Jul'22-Mar' 23**      **Jul'21-Mar'22**

Revenue

453,723,852	203,109,963
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Add: Other income

3,284,752	1,069,200
-----------	-----------

Add: Insurance claim received against fire loss (Partial)

5,268,522	-
-----------	---

Add/Less: Decrease/(Increase) in accounts receivable

(27,660,800)	44,189,197
--------------	------------

**Total Cash inflows**

<b>434,616,326</b>	<b>248,368,360</b>
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**34.00 Cash paid to Suppliers****Jul'22-Mar' 23**      **Jul'21-Mar'22**

Cost of goods sold

418,726,208	242,697,474
-------------	-------------

Increase/(decrease) in inventory

4,949,427	13,107,038
-----------	------------

(Increase)/decrease in accounts payable

1,284,750	(15,484,175)
-----------	--------------

Add: (increase)/decrease in Non Refunded Subscription Money

-	5,066,750
---	-----------

Add: (increase)/decrease in Unclaimed Fractional Dividend

2,266	20,868
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Less: Depreciation

(26,241,109)	(24,298,465)
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**Total Cash outflow**

<b>398,721,542</b>	<b>221,109,489</b>
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**35.00 Cash Payment for Expenses****Jul'22-Mar' 23**      **Jul'21-Mar'22**

Administrative, Selling &amp; Distribution expenses

14,745,304	14,873,156
------------	------------

Add: Marketing expenses

9,326,800	2,900,144
-----------	-----------

Add: Decrease/(Increase) in liabilities for expenses

(2,416,393)	1,377,534
-------------	-----------

Add: WPPF paid

-	210,000
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Less: Depreciation

(2,915,679)	(2,699,829)
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<b>18,740,032</b>	<b>16,661,005</b>
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**36.00 Finance Cost****Jul'22-Mar' 23**      **Jul'21-Mar'22**

Bank charge &amp; commission

46,523	245,122
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Interest payment on long term loan

2,189,189	1,786,311
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Interest payment on short term loan

-	2,412,069
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<b>2,235,712</b>	<b>4,443,502</b>
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37.00 Reconciliation of cash generated by operations	Jul'22-Mar' 23	Jul'21-Mar'22
Net Profit After Tax	8,759,303	(62,136,161)
Depreciation as Non Cash Expenses	29,156,788	26,998,294
Loss on sale of Vehicles	-	-
(Increase)/Decrease of Account Receivables	(27,660,800)	44,189,197
(Increase)/Decrease of Inventories	(4,949,427)	(13,107,038)
(Increase)/Decrease of Advance, Deposits & Prepayments	50,000	2,464,160
Increase/(Decrease) of Liabilities for expenses	2,416,393	(1,377,534)
Increase/(Decrease) of Accounts Payable	(1,284,750)	15,484,175
Increase/(Decrease) in Non Refunded Subscription Money	-	(5,066,750)
(Increase)/decrease in Unclaimed Fractional Dividend	(2,266)	(20,868)
Increase/(Decrease) of Provision for Income Tax	2,607,698	1,490,210
Increase/(Decrease) of Deferred Tax Liability	64,553	(85,701)
Increase/(Decrease) of WPPF Expenses	571,578	(210,000)
Foreign Exchange (Gain)/Loss	(28,552)	(3,461)
<b>Net Cash Flows from Operating Activities</b>	<b>9,700,520</b>	<b>8,618,526</b>

38.00 Net Operating Cash Flow Per Share (NOCFPS)		
Net Operating Cash Flows	14,969,042	8,618,526
Weighted average number of shares (Note: 32.01)	113,828,368	113,828,368
	<b>0.13</b>	<b>0.08</b>

NOCFPS has been increased due to partial insurance claim received against fire loss.

- 39.00 Employees Position (as on 31 March 2023)**  
Employee Position of Zaheen Spinning Limited as per requirement of schedule XI, Part II, Para 3 of Companies Act 1994.

Salary range (Monthly)	Total	Officer & Worker	
		Head Office	Factory
Below 5,500	-	-	-
Above 5,500	495	25	470

- 40.00 Bank Guarantee**  
The company have no Bank Guarantee on the reporting date.

- 41.00 Capital Commitment**  
The company have no Capital Commitment at the reporting date.

- 42.00 Related Party Transaction**  
During the period the Company carried out a number of transactions with related parties in the normal course of business on an arms' length basis. Names of those related parties, nature of those transactions and their total value have been set out in accordance with the provisions of BAS-24: Related Party Disclosures.

Particulars	Relationship	Transaction during the year / period	Outstanding as on 31.03.2023	Outstanding as on 30.06.2022
Mrs. Farida Khanam	Chairman	-	-	-
Mr. Mahmuddur Rahman	Director	1,500,000	100,000	1,400,000
Mrs. Nusrat Jahan	Director	-	-	-
Mr. Mahbubur Rahman Khan	Director	-	50,000	350,000
Mrs. Masuma Khan	Director	300,000	50,000	350,000
<b>Total</b>		<b>1,800,000</b>	<b>200,000</b>	<b>2,100,000</b>

Board of Directors of Zaheen Spinning Limited till now have not taken any board meeting attendance fees.

**Key Management Personnel Compensation**

Sl	Name	Designation	Gross Salary
1	Mr. Mahmudur Rahman	M.D	1,000,000.00
2	Mr. Mr. Monotosh Datta	CFO (CC)	760,000.00
3	Mr. Md. Shohidul Islam	Sr. DGM (Prod)	820,000.00
			<b>2,580,000.00</b>

During the period from 01-07-2022 to 31-03-2023, there were 3 (three) Board Meetings held. The attendance status of all the meetings is as follows:

Name of Directors	Designation	No. of Meetings Attended
Mrs. Farida Khanam	Chairman	3
Mr. Mahmuddur Rahman	Managing Director	3
Mrs. Nusrat Jahan	Director	3
Mr. Mahbubur Rahman Khan	Director	2
Mrs. Masuma Khan	Director	2
Prof. M. Farid Ahmed	Independent Director	1
Prof. Md. Shahidul Islam	Independent Director	3
Associate Prof. Dr. Saud Ahmed	Independent Director	3

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

(a) Managerial Remuneration paid or payable during the year to the directors, including managing directors, a managing agent or manager.	200,000
(b) Expenses reimbursed to Managing Agent	Nil
(c) Commission or Remuneration payable separately to a managing agent or his associate	Nil
(d) Commission received or receivable by the managing agent or his associate as selling or buying agent of other concerns in respect of contracts entered into by such concerns with the company.	Nil
(e) The money value of the contracts for the sale or purchase of goods and materials or supply of services, entered into by the company with the managing agent or his associate during the financial year.	Nil
(f) Any other perquisite or benefits in cash or in kind stating, approximate money value where applicable.	Nil
(g) Other allowances and commission including guarantee commission	Nil
(h) Pensions etc.	Nil
(i) Pensions	Nil
(ii) Gratuities	Nil
(iii) Payments from a provident funds, in excess of own subscription and interest thereon	Nil
(i) Share Based payments	Nil

**As per IAS- 24 Para 17:**

An entity shall disclose key management personnel compensation in total and for each of the following benefits:

(a) Short-term employee benefits	1,800,000
(b) Post-employee benefits	
(c) Other long term benefits	
(d) termination benefits and	
(e) share- based payment	

**As per IAS- 24 Para 18:**

Disclosure requirements of IAS 24 Para 18 minimum disclosure shall include:

a) the amount of transaction	1,800,000
b) the amount of outstanding balance, including commitments	200,000
i) their terms & condition, including whether they are secured, and the nature of the consideration to be provided in statement	Remuneration and Advance
ii) details of any guarantee given or received	Nil
c) provisions for doubtful debts related to the amount of outstanding balance	Nil
d) the expenses recognized during the period in respect of bad or doubtful debts due from	Nil

**43.00 VAT, Income Tax, Customs Duty or Other Tax Liability Including Contingent Liabilities which is yet to be paid with reason for non-**

(i) VAT: There has a VAT liability by the Company as on March 31, 2023 Tk. 363,717/-

(ii) Income Tax: Zaheen Spinning Limited enjoyed tax holiday facilities for a period of 5 (five) years starting from February 01, 2010 to January 31, 2015; first two years 100%, next two years 50% and last one year 25% Tax Holiday as per approval granted by the National Board of Revenue (NBR) vide their letter bw\_ bs-11(23) Aby-1/2010 dated 27/06/2010 under section 46A & 46(A) (1A)(I) of Income Tax Ordinance 1984.

The Company's tax assessment position is as under:

Income year	Assessment year		Remarks
2010	2011-2012	The company is enjoyed Tax holiday.	Assessment completed
2011	2012-2013		Assessment completed
2012	2013-2014		Assessment completed
2013	2014-2015		Assessment completed
2014	2015-2016		Assessment completed
01 January 2015 to 30 June 2016	2016-2017		Assessment completed upto 31 December 2015
2017	2017-2018		Return yet to be submitted
2018	2018-2019		Return yet to be submitted
2019	2019-2020		Return yet to be submitted
2020	2020-2021		Return yet to be submitted
2021	2021-2022		Return yet to be submitted
2022	202-2023		Return yet to be submitted

(iii) Custom duty or other Tax and contingent liabilities:

There is no custom duty or any other tax & contingent liability by the Company.

**ZAHHEEN SPINNING LIMITED**  
Schedule of Property, Plant and Equipment  
As at 31 March 2023 (July 2022 to March 2023)

A. At Cost		Cost				Rate %	Depreciation			W.D.V. Balance as at 31.03.2023
		Balance as at 01.07.2022	Addition During the period/year	Disposal/ Adjustment	Balance as at 31.03.2023		Charged During the period/year	Disposal/ Adjustment	Total Charges 31.03.2023	
1	Land & Land Development	104,675,109	-	-	104,675,109	-	-	-	-	104,675,109
2	Plant & Machinery	542,390,892	11,400,000	-	553,790,892	10%	20,673,985	-	298,811,738	254,979,154
3	Building & Constructions	140,728,168	-	-	140,728,168	10%	5,996,134	-	66,775,849	73,952,319
4	Office Equipment	3,262,562	-	-	3,262,562	15%	114,285	-	2,360,976	901,586
5	Furniture & Fixture	2,411,961	-	-	2,411,961	15%	67,529	-	1,879,229	532,732
6	Vehicles	4,266,000	-	-	4,266,000	15%	272,407	-	2,117,009	2,148,991
7	Electrical Equipment	38,241,310	-	-	38,241,310	10%	2,032,447	-	13,174,468	25,066,842
	<b>A. Sub-Total</b>	<b>835,976,002</b>	<b>11,400,000</b>	<b>-</b>	<b>847,376,002</b>		<b>29,156,788</b>	<b>-</b>	<b>385,119,270</b>	<b>462,256,732</b>
<b>B. At Revaluation</b>										
1	Land & Land Development	136,926,183	-	-	136,926,183	-	-	-	-	136,926,183
	<b>B. Sub-Total</b>	<b>136,926,183</b>	<b>-</b>	<b>-</b>	<b>136,926,183</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>385,119,270</b>	<b>599,182,915</b>
	<b>Balance as on 31 March 2023 (A+B)</b>	<b>972,902,185</b>	<b>11,400,000</b>	<b>-</b>	<b>984,302,185</b>	<b>-</b>	<b>29,156,788</b>	<b>-</b>	<b>385,119,270</b>	<b>599,182,915</b>
	<b>Balance as on 30 June 2022</b>	<b>916,462,960</b>	<b>56,439,225</b>	<b>-</b>	<b>972,902,185</b>		<b>38,825,304</b>	<b>-</b>	<b>355,962,481</b>	<b>616,939,704</b>

Allocation of Depreciation:  
Note: Depreciation Charged in the following Manner:

Particulars	Rate	Amount
Factory Overhead	90%	26,241,109
Administrative Expenses	10%	2,915,679
<b>Total</b>	<b>100%</b>	<b>29,156,788</b>

**Schedule of Property, Plant and Equipment (Tax Base)**

A. At Cost		Cost				Rate %	Depreciation			W.D.V. Balance as at 31.03.2023
		Balance as at 01.07.2022	Addition During the period/year	Disposal/ Adjustment	Balance as at 31.03.2023		Charged During the period	Disposal/ Adjustment	Total Charges 31.03.2023	
2	Plant & Machinery	542,390,892	11,400,000	-	553,790,892	20%	22,969,184	-	423,632,181	130,158,711
3	Building & Constructions	140,728,168	-	-	140,728,168	10%	4,133,404	-	89,749,518	50,978,650
4	Office Equipment	3,262,562	-	-	3,262,562	10%	106,933	-	1,943,724	1,318,838
5	Furniture & Fixture	2,411,961	-	-	2,411,961	10%	68,411	-	1,568,221	843,740
6	Vehicles	4,266,000	-	-	4,266,000	20%	151,712	-	3,406,302	859,699
7	Electrical Equipment	38,241,310	-	-	38,241,310	20%	2,729,083	-	22,776,509	15,464,801
	<b>A. Sub-Total</b>	<b>731,300,893</b>	<b>11,400,000</b>	<b>-</b>	<b>742,700,893</b>		<b>30,158,727</b>	<b>-</b>	<b>543,076,455</b>	<b>199,624,438</b>



**ZAHEEN SPINNING LIMITED**  
**Schedule of Capital Work in Progress**  
**as at 31 March-2023 (July-22-Mar-23)**

Annexure-A/1

Sl. No.	Particulars	Cost				Rate %	Depreciation		Balance as at 31.03.2023
		Balance as at 01.07.2022	Addition During the year	Transferred to Fixed Asset	Balance as at 31.03.2023		Balance as at 01.07.2022	Charged During the year	
1	Plant & Machinery	11,400,000	-	11,400,000	-	0%	-	-	-
2	Office Equipment	-	-	-	-	0%	-	-	-
3	Electrical Equipment	-	-	-	-	0%	-	-	-
4	Building & Constructions	-	-	-	-	0%	-	-	-
	<b>A. Sub-Total</b>	<b>11,400,000</b>	<b>-</b>	<b>11,400,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**ZAHEN SPINNING LIMITED**  
**Quantity-wise break-up of Inventory**  
**As of March 31, 2023**

Items Name	Balance as on 01.07.2022		Purchased		Consumed/Used		Balance as on 31.03.2023	
	Quantity (LBS)	Amount	Quantity (LBS)	Amount	Quantity (LBS)	Amount	Quantity (LBS)	Amount
MCU-5	12,412	1,549,085	712,671	82,762,257	708,559	82,390,021	16,523	1,921,321
Cameroon	-	-	201,068	24,928,067	201,068	24,928,067	-	-
Brazil	-	-	11,187	1,510,218	11,187	1,510,218	-	-
Viscos	5,827	595,181	945,404	94,286,189	924,538	92,218,826	26,693	2,662,544
PSF (Polyster)	2,513	158,821	86,598	4,972,628	82,761	4,765,766	6,350	365,683
Tensil	3,453	514,645	354,802	46,785,467	348,599	46,025,218	9,656	1,274,893
Chad	-	-	60,798	7,458,817	60,798	7,458,817	-	-
Burkina	-	-	80,478	9,338,751	80,478	9,338,751	-	-
Ivory Coast	-	-	5,049	600,883	5,049	600,883	-	-
Mali	-	-	86,124	10,408,603	86,124	10,408,603	-	-
Australian	-	-	28,415	3,495,056	28,415	3,495,056	-	-
Bangla Ctn	-	-	2,402	269,051	2,402	269,051	-	-
Banin	-	-	44,353	5,455,362	44,353	5,455,362	-	-
DCS	-	-	363	47,508	363	47,508	-	-
Giza	-	-	611	135,056	611	135,056	-	-
<b>Sub Total</b>	<b>24,205</b>	<b>2,817,732</b>	<b>2,620,322</b>	<b>292,453,914</b>	<b>2,585,304</b>	<b>289,047,204</b>	<b>59,223</b>	<b>6,224,442</b>

Annexure-B  
(Amount in Taka)

Items Name	Balance as on 01.07.2022		Production		Delivered		Balance as on 31.03.2023	
	Quantity (LBS)	Amount	Quantity (LBS)	Amount	Quantity (LBS)	Amount	Quantity (LBS)	Amount
40 (Auto) Yarn	-	-	12,300	2,194,732	12,300	2,198,460	-	-
41 (Auto) Yarn	-	-	4,000	713,734	4,000	714,946	-	-
42 (Auto) Yarn	-	-	68,000	12,133,477	68,000	12,154,088	-	-
50 (Auto) Yarn	6,600	1,535,638	204,500	36,489,648	211,100	37,731,294	-	-
51 (Auto) Yarn	-	-	516,000	92,071,680	516,000	92,228,080	-	-
52 (Auto) Yarn	-	-	89,200	15,916,267	89,200	15,943,304	-	-
60 (Auto) Yarn	5,000	1,163,362	1,462,500	260,958,976	1,442,100	257,756,035	25,400	4,541,233
80 (Auto) Yarn	-	-	800	142,747	-	-	800	143,031
<b>Sub Total:</b>	<b>11,600</b>	<b>2,699,000</b>	<b>2,357,300</b>	<b>420,621,261</b>	<b>2,342,700</b>	<b>418,726,208</b>	<b>26,200</b>	<b>4,684,264</b>

**Work in Process:**

Items Name	Balance as on 01.07.2022		Current period		Transfer to Finished Goods		Balance as on 31.03.2023	
	Quantity (LBS)	Amount	Quantity (LBS)	Amount	Quantity (LBS)	Amount	Quantity (LBS)	Amount
Blow Room	9,074	1,063,232	2,585,304	289,047,204	2,589,719	289,858,602	12,236	1,284,780
Carding	463	54,251			-	-	1,150	120,750
Drawing	772	90,458			-	-	886	93,030
Simplex	6,085	713,000			-	-	6,790	1,894,664
Ring	43,078	5,047,598			-	-	33,003	2,225,460
Cone Winding	992	116,237			-	-	1,984	287,650
<b>Sub Total:</b>	<b>60,464</b>	<b>7,084,776</b>	<b>2,585,304</b>	<b>289,047,204</b>	<b>2,589,719</b>	<b>289,858,602</b>	<b>56,049</b>	<b>6,273,378</b>

**Wastage Goods:**

Items Name	Balance as on 01.07.2022		Production/Production Loss		Sold		Balance as on 31.03.2023	
	Quantity (Kg)	Amount	Quantity (Kg)	Amount	Quantity (Kg)	Amount	Quantity (Kg)	Amount
Dropping - I	4,385	40,548	43,780	404,833	48,165	445,381	-	-
Filter- Blow Room	5,230	22,040	9,217	38,842	14,195	59,820	252	1,062
Filter Carding	11,491	83,691	100,385	731,122	110,334	803,582	1,542	11,231
Sweeping	3,107	19,287	13,825	85,820	16,932	105,107	-	-
Hardwaste	1,720	46,766	52,997	1,440,964	54,332	1,477,262	385	10,468
Roving	-	-	8,216	492,960	6,560	393,600	1,656	99,360
<b>Sub Total:</b>		<b>212,332</b>		<b>3,194,540</b>		<b>3,284,752</b>		<b>122,121</b>
Spare Parts		<b>1,756,566</b>		<b>4,540,050</b>		<b>4,080,986</b>		<b>2,215,630</b>
<b>Total Amount:</b>		<b>14,570,406</b>		<b>1,009,856,969</b>		<b>1,004,997,752</b>		<b>19,519,834</b>

**ZAHEN SPINNING LIMITED**  
**Schedule of Accounts Receivable**  
**As of March 31, 2023**

Annexure-C

*(Amount in Taka)*

SL. No.	Name of the Party	Items	Less than 6 Months	Above 6 Months	March 31, 2023		June 30, 2022	
					Total BDT	Total BDT	Total BDT	Total BDT
1	M/s. Provati Yarn Traders	Yarn	-	79,193,441	79,193,441	79,193,441	79,193,441	
2	M/s. Raya Spinning Mills Ltd	Yarn	-	11,414,000	11,414,000	11,414,000	11,414,000	
3	M/s. Sakib Traders	Yarn	-	16,413,500	16,413,500	16,413,500	16,413,500	
4	M/s. Babul Textile	Yarn	-	23,389,922	23,389,922	23,389,922	23,389,922	
5	M/s. Prime Print Shari	Yarn	-	25,650,500	25,650,500	25,650,500	25,650,500	
6	M/s. A. F Fabrics Mills Ltd.		-	22,060,580	22,060,580	22,060,580	22,060,580	
7	M/s. Asraful Islam Traders	Yarn	-	22,565,875	22,565,875	22,565,875	22,565,875	
8	M/s. Shukhi Textile Ltd	Yarn	-	18,332,930	18,332,930	18,332,930	18,332,930	
9	M/s. Daliya Print Shari	Yarn	-	20,601,255	20,601,255	20,601,255	20,601,255	
10	M/s. Tahmid Print Shari	Yarn	-	22,290,440	22,290,440	22,290,440	22,290,440	
11	M/s. Shamiul Textile Ltd	Yarn	-	17,829,020	17,829,020	17,829,020	17,829,020	
12	M/s. Masud Textile Ltd	Yarn	-	18,668,000	18,668,000	18,668,000	18,668,000	
13	M/s. Unitex Knitwear Ltd		-	17,028,000	17,028,000	17,028,000	17,028,000	
14	M/s. Yusuf Textile	Yarn	-	15,230,000	15,230,000	15,230,000	15,230,000	
15	M/s. MK Fashion Ltd	Yarn	-	27,906,050	27,906,050	27,906,050	27,906,050	
16	M/s. Dhaka Enterprise	Yarn	37,122,800	-	37,122,800	37,122,800	9,462,000	
17	M/s Kwasar Textile	Yarn		1,950,000	1,950,000	1,950,000	1,950,000	
	<b>Total</b>		<b>37,122,800</b>	<b>360,523,513</b>	<b>397,646,313</b>	<b>369,985,513</b>	<b>369,985,513</b>	