

Queen South Textile Mills Limited
Statement of Financial Position(Un-Audited)

As at 31 December 2020

<u>Particulars</u>	<u>Notes</u>	<u>Amount in Taka</u> <u>31-Dec-2020</u>	<u>Amount in Taka</u> <u>30-Jun-2020</u>
Assets:			
Non-current assets			
Property, plant and equipment	5	844,435,599	800,024,171
Capital Work in Progress	6	93,098,358	81,715,515
Current assets:			
Inventories	7	1,673,874,605	1,586,769,333
Trade and other receivables	8	1,269,989,027	1,277,999,258
Advances, deposits and prepayments	9	156,992,501	161,027,127
Investments-FDR	10	9,116,946	9,138,448
Cash & Cash Equivalent	11	52,307,334	47,984,342
Total Assets		4,099,814,371	3,964,658,194
Equity and liabilities			
Shareholder's equity			
Share capital	12	1,308,760,200	1,211,815,000
Retained earnings	13	732,401,556	804,490,364
Non-current liabilities			
Long-term borrowing	14	806,976,310	631,703,354
Deferred tax liability		30,835,537	52,163,006
Current liabilities			
Trade and other payables	15	260,609,143	364,550,300
Current portion of long term borrowing		515,861	1,050,337
Short-term borrowing	16	772,848,256	759,954,274
Liabilities for Expenses	17	68,660,897	80,421,293
Outstanding IPO Subscription	18	100,000	100,000
Dividend Payable	19	57,288,751	27,778,257
Income Tax provision	20	60,817,860	30,632,009
Total liabilities		2,058,652,615	1,948,352,830
Total Equity and Liabilities		4,099,814,371	3,964,658,194
NAVPS (Net Assets Value Per Share)	21	15.60	16.64

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


Chief Financial Officer


Company Secretary


Managing Director



Director


Chairman

Signed in terms of our separate report of same date.

Dated: Dhaka
January 30, 2021


Goutam Chandra Roy
Chief Financial Officer
Queen South Textile Mills Ltd.


Massum Rana
Company Secretary
Queen South Textile Mills Ltd.

Queen South Textile Mills Limited
Statement of Profit or Loss and Other Comprehensive Income(Un-Audited)
for the period ended from 01 July 2020 to 31 December 2020

Particulars	Notes	Amount in Taka 1-Jul-2020 to 31-Dec-2020	Amount in Taka 1-Jul-2019 to 31-Dec-2019	Amount in Taka 1-Oct-2019 to 31-Dec-2019	Amount in Taka 1-Oct-2020 to 31-Dec-2020
Revenue	22	1,680,776,957	1,669,390,598	720,656,259	784,828,038
Cost of Sales	23	(1,484,398,341)	(1,476,957,229)	(637,649,144)	(692,004,658)
Gross Profit		196,378,616	192,433,369	83,007,115	92,823,381
Foreign Currency Gain/(Loss)		(2,440,552)	(3,508,383)	(1,525,495)	(1,603,618)
Other Income	22.01	238,857	2,806,299	1,589,994	-
Operating Expenses:		(62,590,791)	(60,594,623)	(32,973,067)	(29,283,103)
Distribution Costs	24	(11,225,417)	(11,944,562)	(6,634,703)	(6,090,635)
Administrative Expenses	25	(51,365,374)	(48,650,061)	(26,338,364)	(23,192,468)
Operating profit		131,586,130	131,136,661	50,098,547	61,936,660
Financial Expenses	26	(52,534,105)	(50,901,496)	(20,234,882)	(25,566,347)
Net profit before tax		79,052,025	80,235,165	29,863,665	36,370,313
Income tax expenses	27	(8,858,382)	(12,596,535)	(4,797,549)	(4,243,827)
Net Profit / (Loss) during the year		70,193,643	67,638,630	25,066,116	32,126,486
Basic & Diluted Earnings per share	28	0.54	0.52	0.19	0.25

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


Chief Financial Officer


Company Secretary



Managing Director


Director


Chairman

Signed in terms of our separate report of same date.

Dated: Dhaka
January 30, 2021


Goutam Chandra Roy
Chief Financial Officer
Queen South Textile Mills Ltd.


Massum Rana
Company Secretary
Queen South Textile Mills Ltd






Queen South Textile Mills Limited
Statement of Changes in Equity(Un-audited)
for the period ended from 01 July 2020 to 31 December 2020

Particulars	Share Capital	Retained Earnings	Total
Balance at 01 July 2020	1,211,815,000	804,490,363	2,016,305,363
Stock Dividend	96,945,200	(96,945,200)	-
Cash Dividend		(45,337,250)	(45,337,250)
Net profit for the period	-	70,193,643	70,193,643
Balance at 31 December 2020	1,308,760,200	732,401,556	2,041,161,756

Queen South Textile Mills Limited
Statement of Changes in Equity
for the period ended from 01 July 2019 to 31 Dcember 2019

Particulars	Share Capital	Retained Earnings	Total
Balance at 01 July 2019	1,101,650,000	839,637,864	1,941,287,864
Stock Dividend	110,165,000	(110,165,000)	-
Cash Dividend		(41,215,680)	(41,215,680)
Net profit for the period	-	67,638,630	67,638,630
Balance at 30 September 2019	1,211,815,000	755,895,814	1,967,710,814

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

Chief Financial Officer Company Secretary Managing Director Director Chairman

Signed in terms of our separate report of same date.

Dated: Dhaka
January 30, 2021







Goutam Chandra Roy
Chief Financial Officer
Queen South Textile Mills Ltd.


Massum Rana
Company Secretary
Queen South Textile Mills Ltd.

Queen South Textile Mills limited
Statement of Cash Flows(Un-Audited)
for the period ended from 01 July 2020 to 31 December 2020

<u>Particulars</u>	<u>Notes</u>	<u>Amount in Taka</u> <u>1-Jul-2020</u> <u>to</u> <u>31-Dec-2020</u>	<u>Amount in Taka</u> <u>1-Jul-2019</u> <u>to</u> <u>31-Dec-2019</u>
A. Cash flows from operating activities:			
Cash received from customer & other income	29	1,682,824,757	1,675,410,470
Cash Paid to Suppliers, employees and others expenses	30	(1,661,307,861)	(1,618,587,978)
Income Tax Paid/Deducted at Source		(7,620,555)	(12,797,920)
Net Cash provided by operating activities		<u>13,896,341</u>	<u>44,024,572</u>
B. Cash flows from investing activities:			
Acquisition of property, plant and Equipment		(120,708,554)	(67,069)
Proceed from Sale of PPE			-
Capital Work in Progress		(11,382,843)	(111,111,813)
Investments-FDR		-	-
Net Cash used in investing activities		<u>(132,091,397)</u>	<u>(111,178,882)</u>
C. Cash flows from financing activities:			
Proceeds from issuance of shares		-	-
Financial Expenses		(52,534,105)	(50,901,496)
Short term bank loan (paid)/Received		14,148,351	92,026,122
Dividend Payment		(15,826,756)	(20,870)
IPO Expenses		-	-
Long Term Bank Loan (paid)/Received		176,749,102	-
Outstanding IPO Subscription Paid		-	(5,000)
Net Cash from financing Activities		<u>122,536,592</u>	<u>41,098,756</u>
Net Decrease in cash & cash equivalents (A+B+C)		<u>4,341,536</u>	<u>(26,055,554)</u>
Unrealized Foreign Exchange Gain/(Loss)		(18,543)	70,761
Cash & cash equivalents at the beginning of the period		47,984,342	115,021,375
Cash & cash equivalents at the end of the period		<u>52,307,335</u>	<u>89,036,582</u>
Net Operating Cash Flow per share	31	<u>0.11</u>	<u>0.34</u>

The annexed notes are the integral part of these financial statements.








Chief Financial Officer Company Secretary Managing Director Director Chairman

Signed in terms of our separate report of same date.

Dated: Dhaka
January 30, 2021


Goutam Chandra Roy
Chief Financial Officer
Queen South Textile Mills Ltd.


Massum Rana
Company Secretary
Queen South Textile Mills Ltd

Queen South Textile Mills Limited

Notes to the financial statements (Un-audited)
for the period ended from 01 July 2020 to 31 December 2020

1 Legal form of the enterprise

Queen South Textile Mills Ltd was incorporated as a private limited company in Bangladesh on 15th June, 2003 under the Companies Act- 1994 and the registration number is C-49529(11513)/2003. It is a 100% foreign owned company. The company went into commercial operation on 1st June 2005. The company is listed with Dhaka Stock Exchange Limited and Chittagong Stock Exchange Limited on 7th January 2018 and company's shares are publicly traded on 13th March 2018.

Address of registered office of the company and factory of the company

The address of the registered office is at plot No. 85-88, Extension Area, Dhaka Export processing Zone, Savar, Dhaka, Bangladesh. The company is carrying out its production activities on factory premises constructed on leased land from EPZ.

Nature of business

Queen South Textile Mills Limited is a 100% export oriented company engaged in dyeing of yarn for consumption by sweater industry through local LC (Deemed Export). Queen South Textile Mills Ltd. set up business establishment in the export -processing zone, Dhaka.

2 Basis of preparation

Significant Accounting Policy for the presentation of the financial Statements

The specific accounting policies selected and applied by the company's management for significant transactions and events that have material effect within the framework of IAS-1 "Presentation of Financial Statements", in preparation and presentation of financial statements have been consistently applied throughout the year and were also consistent with those used in earlier years.

2.01 Corporate financial statements and reporting

This comprises Statement of Financial Position, Statement of Profit or Loss and other Comprehensive Income, Statement of Changes in Equity, Statement of Cash Flows and other explanatory notes covering accounting policies.

This is prepared under the historical cost convention and in accordance with the requirements of the Companies Act, 1994, International Financial Reporting Standards (IFRS) and International Accounting Standards (IASs) adopted by the Institute of Chartered Accountants of Bangladesh (ICAB) and as applicable to this Company.


The Board of Directors are responsible for preparing and presenting the financial statements including adequate disclosures, who approved and authorized for issue of this financial statements.

The preparation of the financial statements in conformity with the International Accounting Standards (IASs) requires Board of Directors to make estimates and assumptions that affect the reported amounts of revenues and expenses, assets and liabilities at reporting date. Due to the inherent uncertainty involved in making estimates, actual result could differ from those estimates.

2.02 Fundamental accounting concepts/ assumptions

The financial statements have been prepared based on Going concern assumption, Consistency concept, Accrual basis and such other convention as required by IAS-1 for fair presentation of financial statements.


Goutam Chandra Roy
Chief Financial Officer
Queen South Textile Mills Ltd.


Massum Rana
Company Secretary
Queen South Textile Mills Ltd.

2.03 Going concern

The company has adequate resources to continue its operation for the foreseeable future. For this reasons, the directors continue to adopt going concern basis in preparing the accounts. The current credit facilities and resources of the company provides sufficient fund to meet the present requirements of its existing business.

2.04 Compliance with IAS & IFRS

The following IAS is applicable to the financial statements for the year under review:

IAS 1	Presentation of Financial Statements
IAS 2	Inventories
IAS 7	Statement of Cash Flows
IAS 8	Accounting policies , Changes in Accounting Estimates and Errors
IAS 10	Events after the Reporting period
IAS 12	Income Taxes
IAS 16	Property, Plant And Equipment
IAS 19	Employee Benefits
IAS 21	The Effects of Changes in Foreign Exchange Rates
IAS 23	Borrowing Costs
IAS 24	Related Party Disclosures
IAS 32	Financial Instruments: Presentation
IAS 33	Earnings Per Share
IAS 36	Impairment of Assets
IAS 37	Provision , Contingent Liabilities and Contingent Assets
IAS 39	Financial Instruments: Recognition and Measurement

The following IFRS is applicable to the financial statements for the year under review:

IFRS 1	First-time Adoption of Bangladesh Financial Reporting Standards
IFRS 7	Financial Instruments: Disclosures
IFRS 8	Operating Segments
IFRS 9	Financial Instruments
IFRS 15	Revenue From Contracts with Customers

2.05 Reporting period

The period of the financial statements covers from 01 July 2020 to 30 September 2020

2.06 Authorization for issue

The Financial Statements have been authorized for issue by the board of directors on 30 January 2021.

2.07 Events after the reporting period.


Events after the reporting period are those events, favorable and unfavourable, that occur between the end of the reporting period and the date when the financial statements are authorised for issue. Two types of events can be identified:

(a) those that provide evidence of conditions that existed at the end of the reporting period (adjusting events after the reporting period); and

(b) those that are indicative of conditions that arose after the reporting period (non-adjusting events after the reporting period)

2.08 Functional and presentational (Reporting) currency

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


Goutam Chandra Roy
Chief Financial Officer
Queen South Textile Mills Ltd.


Massum Rana
Company Secretary
Queen South Textile Mills Ltd

2.09 Comparative information and rearrangement thereof

Comparative figures have been re-arranged wherever considered necessary to ensure better comparability with the current year without causing any impact on the profit and value of assets and liabilities as reported in the financial statements.

2.10 Use of estimates and judgments

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the reported value of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the result of which forms the basis of making the judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates. However, the estimates and underlying assumptions are revised when there is material impact on the financial results of the company.

2.10.1 Regulatory Compliance

The financial Statements have been prepared in compliance with the following

The Companies Act, 1994

The Bangladesh Securities and Exchange Rule 1987

The Bangladesh Securities and Exchange Commission Act 1993.

The Income Tax Ordinance, 1984

The Income Tax Rules, 1984

The Value Added Tax (VAT) Act, 1991

The Custom Act 1969

2.11 Summary of significant accounting policies

The specific accounting policies selected and applied by the company's directors for significant transactions and events that have material effect within the framework of IAS-1 "Presentation of Financial Statements", in preparation and presentation of financial statements have been consistently applied throughout the year and were also consistent with those used in prior periods.

For a proper understanding of the financial statements, these accounting policies are set out in one place as prescribed by the IAS-1 "Presentation of Financial Statements". The recommendations of IAS-1 relating the format of financial statements were also taken into full consideration for fair presentation.

2.12 Recognition of tangible fixed assets

Tangible assets have been stated at cost less accumulated depreciation (Written down value). The cost of acquisition comprises of purchase price, including import duties and non-refundable Taxes and any directly attributable cost of bringing the assets to its working condition for its intended use. 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 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.

On retirement or otherwise disposal of fixed assets, the cost and accumulated depreciation are eliminated and any gain or loss on such disposal is reflected in the income statement which is determined with reference to the net book value of assets and the net sales proceeds.

2.13 Depreciation of tangible fixed assets

Depreciation on all fixed assets is computed using the reducing balance method so as to write off the assets over their expected useful life from the date when the corresponding assets are available for use as per management intention. No depreciation have been charged after the date of retirement.

After considering the useful life of assets as per IAS-16, the annual depreciation rates have been applied as under which is considered reasonable by the management.

Category of fixed assets

Rate of depreciation (%)

Machinery & Equipment	15%
Building	5%
Furniture and fixture	20%
Office equipment	25%
Electrical Installation	5%
Vehicles	20%
Right of Use (Asset)	

2.14 Revenue recognition

Revenue is recognised to the extent that , it is probable that the economic benefits will flow to the company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment .

The specific recognition criteria described below must also be met before revenue is recognised.

2.15 Identifying the contract

An entity shall account for a contract with a customer with a customer that is within the scope of this standard only when all of the following criteria are met:

Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns, trade discounts and volume rebates exclusive of VAT as per IFRS-15. Revenue is recognized when the parties to the contract have approved the contract and are committed to perform their respective obligations, the entity can identify each party's rights and payment terms regarding the goods or services to be transferred, the contract has commercial substance the significant risks and reward of ownership have been transferred to the buyer, recovery of the consideration is probable, the associated costs and possible return of goods can be estimated reliably & there is no continuing management involvement with the goods sold. Transfer of risk and rewards occurs for the sale of goods when the product is delivered along with dispatch documents, L/Cs and invoices to customers.

2.16 Employee Benefits:

The company maintains defined contribution plan and defined benefit plan for its eligible permanent employees. The eligibility is determined according to the terms and conditions set forth in the respective agreements/trust deeds.

The company has accounted for and disclosed employee benefits in compliance with the provision of BAS 19 : Employee Benefits

The cost of employee benefit is charged off as revenue expenditure in the year to which the contributions relate.

The company's employee benefits include the following.

Defined Contribution Plan (provident fund)

The company got recognition from commissioner of Taxes its provident fund scheme (Defined Contribution Plan) vide order no: bw_ bs - Av - 4/Kt At - 4/2007-2008/ for employees of the company eligible to be members of the fund in accordance with the rules of the provident fund constituted under an irrevocable trust. All permanent employees contribute to the provident fund and the company also makes equal contribution.

Workers Profit Participation Fund:

As per Bangladesh Labour Law 2006, amendment 2013, Chapter 15, Section 232 the company does not maintain Workers Profit Participation Fund (WPPF) for their workers as because Now the company operating EPZ labour ACT 2019, February 28 and as per clause no.174, Section XV we don't need to maintain WPPF until government enforce and instruct to comply the rules. Once government instructs us to deduct @0.03% to maintain the fund the company shall follow accordingly.


Goutam Chandra Roy
Chief Financial Officer
Queen South Textile Mills Ltd.


Massum Rana
Company Secretary
South Textile Mills Ltd.

2.17 Accrued expenses and other payables

Liabilities are recognized for the goods and services received, whether paid or not for those goods and services. Payables are not interest bearing and are stated at their nominal value.

2.18 Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined using the Average Cost method. The cost of finished goods and work in progress comprises raw materials, direct labour, other direct costs and related production overheads (based on normal operating capacity). It excludes borrowing costs. Net realisable value is the estimated selling price in the ordinary course of business, less applicable variable selling expenses.

2.19 Cash and Cash Equivalents

Cash in hand and cash at banks have been considered as Cash and Cash Equivalents for the preparation of these financial statements, which were held and available for use by company without any restriction and there was no significant risk of changes in value of the same.

2.2 Statements of Cash Flows:

Statement of Cash Flows is prepared principally in accordance with IAS-7 "Statement of Cash Flows" and the cash flows from the operating activities have been presented under direct method.

2.21 Accounting Policies, Changes in Accounting Estimates and Errors:

Changes in accounting policies:

An entity shall change an accounting policy only if the change:

(a) is required by an IFRS; or

(b) results in the financial statements providing reliable and more relevant information about the effects of transactions, other events or conditions on the entity's financial position, Financial performance or cash flows.

2.22 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial year of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the year in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

2.23 Income-tax expense

In pursuance of section 44(4) (b) of the Income Tax Ordinance, 1984 (XXXVI of 1984) and cancelling the notification No. SRO 289- Ain /89, dated 17 August 1989, all industries operation in the Export processing zones of Bangladesh have been exempted from payment of income tax for a period of 10 years from an industry goes into commercial production. The tax holiday period of the company expired on June 30, 2015

Current Tax:

Income tax is calculated and provision is made in compliance with the provisions of Finance Act 2018 and the Income Tax Ordinance 1984.



Goutam Chandra Roy
Chief Financial Officer
Queen South Textile Mills Ltd.



Massum Rana
Company Secretary
Queen South Textile Mills Ltd

Deferred tax

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

2.24 Foreign Currency Transaction:

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

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

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

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

3.00 Related party disclosures

During the year the Company carried out a number of transactions with related parties in the normal course of business on an arms length basis. The name of those related parties, nature of those transactions and their value have been set out in accordance with IAS 24 in Note-35.1

4.00 Financial Instruments

A financial instrument is any contract that gives rise to financial assets and a financial liability or equity instrument of another entity.

Financial assets:

Financial assets of the company include cash and cash equivalents, accounts receivable, other receivables and equity instrument of another entity. The company initially recognizes receivable on the date they are originated. All other financial assets are recognized initially on the date at which the company becomes a party to the contractual provision of the transaction. The company derecognizes a financial asset when, and only when the contractual rights or probabilities of receiving the cash flows on the financial assets in a transaction in which substantially all the risk and rewards of ownership of the financial assets are transferred.

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 the financial liabilities when its contractual obligations are discharged or cancelled or expired. Financial liabilities include payable for expense, liability for capital expenditure and other current liabilities.


Goufam Chandra Roy
Chief Financial Officer
Queen South Textile Mills Ltd.


Masum Rana
Company Secretary
Queen South Textile Mills Ltd.

4.01 Earnings Per Share

This has been calculated in compliance with the requirement of IAS-33 : Earnings per share by dividing the net earnings attributable to the share holders by the weighted average number of ordinary shares outstanding during the year .

Basic Earnings per share (Numerator /Denomenator)

Earnings (Numerator)

This represents earning for the year attributable to ordinary shareholders

No. of ordinary shares (Denominator)

This represents weighted average number of ordinary share outstanding during the year.

Diluted Earnings per share

As per the existing conditions of the loans taken by the company from various financial institutions or other contracts with various parties including employees, there is no condition related to conversion or stipulation related to share based payments for material and services supplied by them to the company . Hence , Diluted EPS of the company is same as basic EPS.

4.02 Impairment of Assets:

I) Financial Assets

Accounts receivable and others receivables are assessed at each reporting date to determine whether there is any objective evidence of impairment. Financial assets are impaired if objective indicates that a loss event has occurred after the initial recognition of the asset and that the loss event had a negative effect on the estimated future cash flow of that asset , that can be estimated reliably . Objective evidence that financial assets are impaired can include default of delinquency by a debtor, indicates that a debtor of issuer will enter bankruptcy etc.

II) Non-Financial assets

An asset is impaired when its carrying amount exceeds its recoverable amount. The company assesses at each reporting date whether there is any indication that an asset may be impaired. If any such indication exists, the company estimates the recoverable amount of the asset. The recoverable amount of an asset is the higher of its fair value less cost to sell and its value in use. Carrying amount of the assets is reduced to its recoverable amount by recognizing an impaired loss is recognised immediately in statement of comprehensive income unless the asset is carried at revalued amount . Any impaired loss of a revalued asset shall be treated as a revaluation decrease. No such impairment has been raised till the reporting date.

4.03 Provision , Contingent Liabilities and Contingent Assets :

Contingent Liabilities and Contingent Assets are present or possible obligations or on liabilities or assets , arising from past events and existence of which depends upon the occurrence or non-occurrence of one or more uncertain future events which are not within the control of the company or which amount of the obligations cannot be measured with sufficient reliability. In accordance with IAS-37 .

4.04 Intangible Assets

In Compliance with the requirements of IAS, 38 Intangible Assets '

The following terms are used in this Standard with the meanings specified:

Amortisation is the systematic allocation of the depreciable amount of an intangible asset over its useful life.

An asset is a resource:

- (a) controlled by an entity as a result of past events; and
- (b) From which future economic benefits are expected to flow to the entity.


Goutam Chandra Roy
Chief Financial Officer
Queen South Textile Mills Ltd.


Masum Rana
Company Secretary
Queen South Textile Mills Ltd.

An intangible asset shall be recognised if, and only if:

- (a) it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and
- (b) the cost of the asset can be measured reliably

4.05 Financial statements comprises:

- (a) Statement of Financial Position(Un-Audited)As at 31 December 2020
- (b) Statement of Profit or Loss and Other Comprehensive Income(Un-Audited)for the period ended from 01 July 2020 to 31 December 2020
- (c) Statement of Changes in Equity(Un-audited)for the period ended from 01 July 2020 to 31 December 2020
- (d) Statement of Cash Flows(Un-Audited)for the period ended from 01 July 2020 to 31 December 2020
- (e) Notes, comprising a summary of significant accounting policies and other explanatory information.

4.06 Risk exposure

Interest rate risk

Interest rate risk is the risk that Company faces due to unfavorable movements in the interest rates. Changes in the government's monetary policy, along with increased demand for loans/ investments tend to increase the interest rates. Such rises in interest rates mostly affect companies having floating rate loans or companies investing in debt securities.

Management perception

The Company maintains low debt/ equity ratio; and accordingly, adverse impact of interest rate fluctuation is insignificant. Moreover maximum debts are interest free.

Exchange rate risk

Exchange rate risk occurs due to changes in exchange rates. As the Company imports materials and equipment from abroad and also earns revenue in foreign currency, unfavorable volatility or currency fluctuation may affect the profitability of the Company. If exchange rate increases against local currency, opportunity arises for generating more profit.

Management perception


The products of the company are sold mostly in US\$ currency and the transaction would settle within very short period. Therefore, volatility of exchange rate will have no impact on profitability of the Company.

Industry risks

Industry risk refers to the risk of increased competition from foreign and domestic sources leading to lower prices, revenues, profit margin, and market share which could have an adverse impact on the business, financial condition and results of operation.

Management perception

Management is optimistic about growth opportunity in textile sector in Bangladesh. Furthermore there is untapped international market.



Goutam Chandra Roy
Chief Financial Officer
Queen South Textile Mills Ltd.



Masum Rana
Company Secretary
Queen South Textile Mills Ltd

Market risks

Market risk refers to the risk of adverse market conditions affecting the sales and profitability of the company. Mostly, the risk arises from falling demand for the product or service which would harm the performance of the company. On the other hand, strong marketing and brand management would help the company increase their customer base.

Management perception

Management is fully aware of the market risk, and act accordingly. Market for textile products in Bangladesh is growing at an exponential rate. Moreover the company has a strong marketing and brand management to increase the customer base and customer loyalty.

Operational risks

Non-availabilities of materials/equipment/services may affect the smooth operational activities of The Company. On the other hand, the equipment may face operational and mechanical failures due to natural disasters, terrorist attacks, unforeseen events, lack of supervision and negligence, leading to severe accidents and losses.

Management perception

The company perceives that allocation of its resources properly can reduce this risk factor to great extent. The Company hedges such risks and also takes preventive measures therefore.

Liquidity risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at a reasonable price.

Management perception

The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. Typically, management ensures that it has sufficient cash and cash equivalent to meet expected operational expenses, including the servicing of financial obligation through preparation of the cash forecast, prepared based on time line of payment of the financial obligation and accordingly arrange for sufficient liquidity/fund to make the expected payment within due date.



Goutam Chandra Ray
Chief Financial Officer
Queen South Textile Mills Ltd.



Massum Rana
Company Secretary
Queen South Textile Mills Ltd.

Amount in Taka	Amount in Taka
31-Dec-2020	30-Jun-2020

5 Property, plant and equipment

Cost:

Opening Balance	1,897,199,365	1,699,548,133
Addition during the period	120,708,554	197,651,232
Disposal during the period	(153,286,067)	-
	1,864,621,852	1,897,199,365

Less: Accumulated Depreciation:

Opening Balance	1,097,175,194	1,003,811,868
Charged during the period	51,693,763	93,363,326
Adjustment during the period	(128,682,704)	-
	1,020,186,252	1,097,175,194

Written Down Value

	844,435,599	800,024,171
--	--------------------	--------------------

Included in above PPE, Building, and machineries are mortgaged with banks. The details have been shown in Annexure: A

6 Capital Work in Progress

Building and Civil Construction	11,382,843	-
Machinery & Equipment	81,715,515	81,715,515
	93,098,358	81,715,515

7 Inventories

Raw materials	850,199,440	767,629,791
Work-in - process	201,491,013	184,485,116
Finished goods	351,242,378	354,606,805
Dyes & Chemicals	193,538,968	186,358,279
Spares & Accessories	77,402,806	93,689,342
	1,673,874,605	1,586,769,333

8 Trade and other receivables

Accounts Receivable	1,269,989,027	1,277,956,469
Interest Receivable from FDR	-	42,789
	1,269,989,027	1,277,999,258


This is secured, considered good and is falling due within one year. No debts are considered as bad

I)	debts considered good and in respect of which the	1,260,741,961	1,277,857,399
II)	debts considered good for which the company holds	-	-
III)	debts considered doubtful or bad.	-	-
IV)	debts due by directors or other officers of the	-	-
V)	debts due by companies under the same	9,247,066	99,070
VI)	The maximum amount due by directors or other	-	-


Age Analysis of Trade and Other Receivables	Taka	Taka
Within Three months	686,036,980	698,414,303
Three to six months	571,495,062	575,099,666
More than six months	12,456,985	4,485,289
Total	1,269,989,027	1,277,999,258


The Company has received letter of credits accepted by various customers against sales of yarn worth US\$ 5,388,203.46 equivalent to BDT456,919,650.86 opened with different bank against which short term loan was sanctioned by Premier Bank Ltd., Woori Bank Ltd and HSBC keeping above mentioned Bills Receivable as collateral. The entire amount of loan liabilities has been set off against that bills receivable which is subject to realization upon 90-150 days. The company might have liability to the extent to which the said bill becomes unrealized. No provision against that liability has been created as it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation, or a sufficiently reliable estimate of the amount of the obligation cannot be made.


Goutam Chandra Roy
Chief Financial Officer
Queen South Textile Mills Ltd.


Massum Rana
Company Secretary
Queen South Textile Mills Ltd.

	<u>31-Dec-2020</u>	<u>30-Jun-2020</u>
9 Advances, deposits and prepayments		
Advances	53,625,375	56,745,100
Deposits	100,999,015	103,948,759
Prepayments	2,368,111	333,268
	<u>156,992,501</u>	<u>161,027,127</u>
** All advances and deposits and prepayment amount are considered good and realizable.		
10 Investments-FDR:		
Prime Bank-NFCD A/C # 20116017	-	-
Woori Bank-FDR A/C #9230076351	9,116,946	9,138,448
	<u>9,116,946</u>	<u>9,138,448</u>
11 Cash & Cash Equivalent		
Cash in hand	13,892,260	16,867,789
Cash at Banks (Note 11.1)	38,415,073	31,116,553
	<u>52,307,333</u>	<u>47,984,342</u>
11.1 Cash at Banks		
Premier Bank-FDR (3 Month Maturity)	-	10,269,289
Standard Chartered-Taka A/C-01-6500560-01	525,764	273,445
Standard Chartered-USD A/C-01-6700772-01	193,311	196,062
Woori Bank-OBU USD A/C-92-30107-57	-	-
Woori Bank USD A/C-92-30107-60	883,163	322,045
Woori Bank-Taka A/C-92-30107-75	9,768,086	8,917,579
Premier bank FC A/C-010215200000898	17,246,112	3,854,100
Premier Bank Taka A/C-010211100015599	615,410	150,506
Woori Bank- Taka NDA	7,466,525	5,565,497
Prime Bank-OBU USD A/C-11-0000-10	276,795	426,109
Prime Bank-DBU USD A/C-124-511800084-41	184,719	185,154
Prime Bank-TK A/C-124-110500084-40	68,297	186,055
HSBC Bank -OBU USD A/C	-	-
HSBC Bank -Taka A/C	284,743	219,416
Dutch Bangla Bank-DBU A/C-Taka	491,765	141,154
Dhaka Bank-OBU USD A/C-099-1125-0000003-47	7,183	7,200
Woori Bank -MOB Account	64	64
Sundry Deposit-Prime Bank	-	-
Sundry Deposit-SCB	-	-
Prime Bank-TK A/C-IPO	283,925	283,667
Prime Bank-EURO A/C-IPO	20,003	20,003
Prime Bank-GBP A/C-IPO	-	-
Prime Bank-USD A/C-IPO	99,208	99,208
	<u>38,415,073</u>	<u>31,116,553</u>
12 Share capital		
Authorized capital:	<u>2,000,000,000</u>	<u>2,000,000,000</u>
20,00,00,000 Ordinary shares of Taka 10 each		
Issued, subscribed and paid up		
Opening Share Capital	1,211,815,000	1,101,650,000
Add: Stock Dividend	96,945,200	110,165,000
Closing Share Capital	<u>1,308,760,200</u>	<u>1,211,815,000</u>


Goutam Chandra Roy
Chief Financial Officer
Queen South Textile Mills Ltd.


Massum Rana
Company Secretary
Queen South Textile Mills

	31-Dec-2020	30-Jun-2020
13 Retained Earnings		
Retained Earnings Opening Balance	804,490,363	839,637,864
Less: Stock Dividend	(96,945,200)	(110,165,000)
Less: Cash Dividend	(45,337,250)	(41,215,680)
Add: Net profit during the period	70,193,643	116,233,179
Retained Earnings Closing Balance	<u>732,401,556</u>	<u>804,490,363</u>
14 Long-term borrowing		
Lease Liability-ROU	20,334,618	20,869,094
HSBC Bank Ltd.	335,887,215	159,549,943
Loan from Shareholders(Annexure-E)	451,270,338	452,334,655
	<u>807,492,171</u>	<u>632,753,692</u>
Less: Current Portion of Long Term Loan		
Lease Liability-ROU	515,861	1,050,337
	<u>515,861</u>	<u>1,050,337</u>
	<u>806,976,310</u>	<u>631,703,355</u>

Short details of long term borrowing from Prime Bank Ltd.

Purpose:	Procurement of Machineries
Tenure:	Three years from the date of disbursement
Repayment:	From proceed realization
Rate of Interest:	LIBOR+3.75%
Security:	Building, machineries and book debt

15 Trade and other payables		
Trade Payables	247,933,617	350,983,538
Other Payables	12,675,526	13,566,762
	<u>260,609,143</u>	<u>364,550,300</u>
16 Short term borrowing		
Prime Bank Limited (TR)	-	-
Woori Bank Limited (TR)	309,741,978	283,325,339
Premier Bank Limited (TR)	77,314,047	78,441,769
HSBC (TR)	362,505,742	342,791,698
Premier Bank Limited (O/D)		
Woori Bank Limited (O/D)	16,359,512	38,274,853
HSBC (OD)	6,926,977	17,120,615
	<u>772,848,256</u>	<u>759,954,274</u>


Goutam Chandra Roy
Chief Financial Officer
Queen South Textile Mills Ltd.


Massum Rana
Company Secretary
Queen South Textile Mills Ltd.

31-Dec-2020

30-Jun-2020

Particulars	TR	TR
Nature:	Revolving	Revolving
Purpose:	To retire L/c for Import of Raw Material	To retire L/c for Import of Raw Material
Tenure:	120 ~ 180 days	120 ~ 180 days
Repayment:	From Export Proceed	From Export Proceed
Rate of Interest:	LIBOR+3.25%~LIBOR+3.50%	LIBOR+3.25%~LIBOR+3.50%
Security:	Letter of Trust Receipts, Building, Machineries, Inventories, Book Debts etc.	Letter of Trust Receipts, Building, Machineries, Inventories, Book Debts etc.

17 Liabilities for Expenses

Salaries, Wages & Allowances	33,472,635	38,070,935
Utilities Payable	17,163,546	30,426,483
Vehicle Rent & Expenses	342,567	342,567
ETP Expenses BEPZA	3,383,204	5,781,801
Godown rent	12,000	12,000
Audit Fees	300,500	559,500
Liability for employee Tax	453,150	1,400,368
Liability for supplier VAT and Tax	11,532,525	2,014,213
PF subscription	1,307,958	1,194,165
Income Tax provision	-	-
Others	692,812	619,261
	68,660,897	80,421,293

18 Outstanding IPO Subscription

The Break-Up of the amount is given below

Bank Name & Account Number

Prime Bank A/C 2148517000877(USD)	79,997	79,997
Prime Bank A/C 2148511005124 (GBP)	-	-
Prime Bank A/C 214851100154 (EURO)	20,003	20,003
	100,000	100,000

19 Dividend Payable

Dividend Payable	57,288,751	27,778,257
	57,288,751	27,778,257

20 Income Tax provision

Opening Balance	30,632,009	32,649,642
Add: Provision during the year	30,185,851	18,805,126
Less: Adjustment/Paid during the year	-	(20,822,759)
Total	60,817,860	30,632,009


21 NAVPS (Net Assets Value Per Share)


No of shares to calculate Net Asset Value Per Share	130,876,020	130,876,020
Shareholder's equity	2,041,161,756	2,016,305,364
NAVPS (Net Assets Value Per Share)	15.60	15.41

Goutam Chandra Roy
Chief Financial Officer
Queen South Textile Mills Ltd.


Masum Rana
Company Secretary
Queen South Textile Mills Ltd.

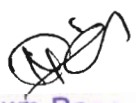
	Amount in Taka 1-Jul-2020 to 31-Dec-2020	Amount in Taka 1-Jul-2019 to 31-Dec-2019	Amount in Taka 1-Oct-2020 to 31-Dec-2020	Amount in Taka 1-Oct-2019 to 31-Dec-2019
22 Revenue				
Export Sales	1,680,776,957	1,669,390,598	784,828,038	720,656,259
	1,680,776,957	1,669,390,598	784,828,038	720,656,259
22.01 Other Income				
Bank Interest FDR-Premier Bank	238,857	2,806,299	-	1,589,994
Bank Interest-Prime Bank	-	-	-	-
FDR Interest-Woori Bank	-	-	-	-
	238,857	2,806,299	-	1,589,994
23 Cost of Sales				
Yarn consumed (Note-23.01)	1,054,326,226	1,100,622,909	490,791,293	468,406,133
Dyes & Chemicals Consumed (Note 23.02)	132,494,010	130,762,607	66,145,464	56,297,637
Manufacturing expenses (Note-23.03)	311,219,576	281,303,629	148,051,400	138,720,732
Manufacturing costs for the period	1,498,039,811	1,512,689,145	704,988,157	663,424,502
Opening work in progress	184,485,116	188,554,412	192,145,531	191,773,844
Closing work in progress	(201,491,013)	(199,613,390)	(201,491,013)	(199,613,390)
Cost of goods manufactured	1,481,033,914	1,501,630,167	695,642,675	655,584,956
Finished goods (Opening)	354,606,805	240,778,716	347,604,361	247,515,842
Finished goods (Closing)	(351,242,378)	(265,451,654)	(351,242,378)	(265,451,654)
	1,484,398,341	1,476,957,229	692,004,658	637,649,144
23.01 Yarn consumed				
Opening stock	767,629,791	885,802,380	785,162,180	781,553,668
Purchase during the period	1,136,895,875	956,376,905	555,828,553	428,408,841
Raw materials available for consumption	1,904,525,666	1,842,179,285	1,340,990,733	1,209,962,509
Closing stock	(850,199,440)	(741,556,376)	(850,199,440)	(741,556,376)
Raw materials consumed	1,054,326,226	1,100,622,909	490,791,293	468,406,133
23.02 Dyes & Chemical consumed				
Opening stock	186,358,279	172,611,033	182,938,166	167,481,814
Purchase during the period	139,674,699	136,741,667	76,746,266	67,405,916
Dyes & Chemicals available for consumption	326,032,978	309,352,700	259,684,432	234,887,730
Closing stock	(193,538,968)	(178,590,093)	(193,538,968)	(178,590,093)
Dyes & Chemicals consumed	132,494,010	130,762,607	66,145,464	56,297,637
23.03 Factory Overhead				
Electricity Charges	52,860,674	45,471,421	24,573,225	20,655,588
Repair and Maintenance	4,599,963	4,083,432	2,527,837	2,265,538
Wages and Salary	59,763,616	59,692,738	28,722,386	30,165,170
Water Charge	27,119,369	21,252,386	13,313,632	11,422,396
Daily Labor Charges	3,091,904	3,014,503	1,388,237	1,392,154
P.F. Contribution	2,119,386	2,131,953	1,058,987	1,082,909
Other Mgt. Exp.	-	-	-	-
Gas Charges- Titas	40,687,391	35,945,072	20,614,420	19,845,822
Insurance Premium (Mfg.)	2,703,362	3,638,875	1,109,194	1,171,739
Marin Insurance	44,250	232,263	44,250	136,970
Land Rent -Bepza	-	976,443	-	489,374
Medical Subscription -Bepza	475,812	475,168	237,864	238,145
Service Chages- Bepza	4,131,691	3,565,102	2,210,481	2,114,146
Godown Rent	1,611,392	1,609,306	805,560	806,468
Worker Welfare Fund-BEPZA	152,667	152,460	76,320	76,410
ETP Expenses-BEPZA	27,437,198	21,964,351	13,363,416	11,488,771
Spare & Accessories consumed(Notes-23.04)	37,896,515	39,600,111	17,793,447	16,952,672
Depreciation	46,524,387	37,498,045	20,212,145	18,416,460
	311,219,576	281,303,629	148,051,400	138,720,732


Goutam Chandra Roy
Chief Financial Officer
Queen South Textile Mills Ltd.



Massum Rana
Company Secretary
Queen South Textile Mills Ltd

	Amount in Taka 1-Jul-2020 to 31-Dec-2020	Amount in Taka 1-Jul-2019 to 31-Dec-2019	Amount in Taka 1-Oct-2020 to 31-Dec-2020	Amount in Taka 1-Oct-2019 to 31-Dec-2019
23.04 Spare & Accessories consumed				
Opening stock	93,689,342	103,792,961	85,280,205	94,138,980
Purchase during the period	21,609,979	39,199,984	9,916,048	26,206,526
Spares & Accessories available for consumption	115,299,321	142,992,945	95,196,253	120,345,506
Closing stock	(77,402,806)	(103,392,834)	(77,402,806)	(103,392,834)
Spares & Accessories consumed	37,896,515	39,600,111	17,793,447	16,952,672
24 Distribution Costs				
Salaries & Allowances	6,577,658	6,457,728	3,276,396	3,250,694
Contribution to P.F	274,389	307,556	158,277	154,614
Advertisement	-	79,254	-	79,254
House Rent	500,160	482,160	250,080	241,080
Living & Dormitory Expense	1,571,721	1,779,977	859,091	839,334
Delivery Expense	2,301,489	2,837,887	1,546,791	2,069,727
	11,225,417	11,944,562	6,090,635	6,634,703
25 Administrative expenses				
Association Fees	50,000	-	-	-
Telephone, Mobile and Internet	603,436	609,696	298,751	305,058
Medical & Welfare	1,645,354	2,142,057	759,583	1,107,002
Professional Fees	1,642,157	1,271,670	859,257	1,066,670
Audit Fees	144,500	128,000	72,250	128,000
Renewal & Registration	1,355,124	132,791	108,508	64,067
Salaries & Allowances	32,211,247	30,633,847	14,453,022	16,268,442
Security Consultancy- Fee	1,405,836	1,787,355	561,568	852,011
Vehicle Expenses	3,268,339	2,426,160	1,710,531	1,494,652
Contribution for P.F	1,466,285	1,265,459	739,820	636,828
Entertainment	413,612	518,531	245,711	354,319
Miscellaneous Expenses	-	-	-	-
Traveling & Conveyance	929,368	2,305,357	470,535	1,201,737
Printing & Stationeries	1,011,996	1,245,707	641,259	807,502
Courier Charge	48,744	16,982	25,879	5,803
Depreciation	5,169,376	4,166,449	2,245,794	2,046,273
	51,365,374	48,650,061	23,192,468	26,338,364
26 Financial Expenses:				
Interest on Long Term Loan	4,422,128	-	2,268,833	-
Interest on Short Term Loan	43,772,027	47,777,995	21,114,284	19,356,160
Bank Charge and Commission	4,339,950	3,123,501	2,183,230	878,722
	52,534,105	50,901,496	25,566,347	20,234,882
Financial Expenses:				
Interest -Bill Discounting	9,494,386	15,547,031	5,592,767	6,566,371
Bank Charges & Commission	4,339,950	3,123,501	2,183,230	878,722
Interest -Bill settlement	8,168,836	8,432,297	4,254,016	3,728,617
Interest-overdraft	433,700	976,910	200,610	402,649
Interest- Term Loan	3,959,588	-	2,037,563	-
Interest TR Loan	25,675,105	22,821,757	11,066,891	8,658,523
Interest-Lease Liability (ROU)	462,540	-	231,270	-
	52,534,105	50,901,496	25,566,347	20,234,882


Godam Chandra Roy
 Chief Financial Officer
 Queen South Textile Mills Ltd.

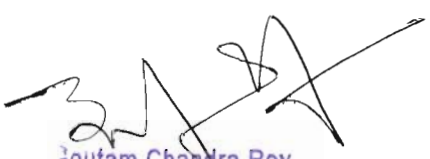

Massum Rana
 Company Secretary
 Queen South Textile Mills Ltd

	Amount in Taka 1-Jul-2020 to 31-Dec-2020	Amount in Taka 1-Jul-2019 to 31-Dec-2019	Amount in Taka 1-Oct-2020 to 31-Dec-2020	Amount in Taka 1-Oct-2019 to 31-Dec-2019
27 Income tax expenses:				
The above balance is made up as follows:				
Current tax (27.01)	30,185,851	13,252,413	24,805,523	5,141,097
Deferred tax (income)/expenses (Annexure-G)	(21,327,469)	(655,878)	(20,561,696)	(343,548)
	8,858,382	12,596,535	4,243,827	4,797,549
27.01 Current tax				
The above balance is made up as follows:				
Income tax on business income (Note 27.02)	30,126,137	12,270,208	24,805,523	4,584,599
Short Provision for prior years	-	-	-	-
Income tax on other Income (Note 27.03)	59,714	982,205	-	556,498
Total tax on income	30,185,851	13,252,413	24,805,523	5,141,097
27.02 Income tax on business income				
Net Profit/ (Loss) before tax	79,052,025	80,235,165	36,370,313	29,863,665
Add: Accounting depreciation	51,693,763	41,664,494	22,457,939	20,462,733
Less: Tax depreciation	70,333,984	(37,291,972)	(70,333,984)	(18,172,409)
	201,079,771	84,607,687	(11,505,733)	32,153,989
Less: Other income	238,857	2,806,299	-	1,589,994
Total business income	200,840,914	81,801,388	(11,505,733)	30,563,995
Income tax @ 15%	30,126,137	12,270,208	-	4,584,599
Tax deducted under section 82 (C)	7,649,464	5,990,785	4,356,547	4,018,096
As per section 82(c) of the ITO tax	10,096,949	10,052,463	10,096,949	-
27.03 Income tax on other income:				
Other income	238,857	2,806,299	-	1,589,994
Income tax @ 25%	59,714	982,205	-	556,498
28 Earning Per Share:				
Net profit after tax attributable to ordinary shareholders	70,193,643	67,638,630	32,126,486	25,066,116
No of weighted average shares to calculate basic earnings per share	130,876,020	130,876,020	130,876,020	130,876,020
Basic & Diluted Earnings per share	0.54	0.52	0.25	0.19


Goutam Chandra Roy
Chief Financial Officer
Queen South Textile Mills Ltd.


Massum Rana
Company Secretary
Queen South Textile Mills Ltd.

	Amount in Taka 1-Jul-2020 to 31-Dec-2020	Amount in Taka 1-Jul-2019 to 31-Dec-2019	Amount in Taka 1-Oct-2020 to 31-Dec-2020	Amount in Taka 1-Oct-2019 to 31-Dec-2019
29 Cash received from customer & other income				
Revenue	1,680,776,957	1,669,390,598		
Other Income	238,857	2,806,299		
Realized Foreign Exchange Gain/(Loss)	(3,191,500)	(1,868,143)		
Adjustment of unrealized foreign exchange gain/(loss) for trade	(3,009,788)	6,438,770		
Adjustment for Sale of PPE included in (Increase)/Decrease in Trade and other receivables	8,010,231	(1,357,054)		
	1,682,824,757	1,675,410,470		
30 Cash Paid to Suppliers, employees and others expenses				
Cost of Goods Sold	(1,484,398,341)	(1,476,957,229)		
Distribution Cost	(11,225,417)	(11,944,562)		
Administrative Expenses	(51,365,374)	(48,650,061)		
Adjustment for Depreciation	51,693,763	41,664,494		
Adjustment for Unrealized Foreign Exchange gain/(Loss)	535,790	(2,114,001)		
(Increase)/Decrease in Inventory	(87,105,272)	102,935,155		
(Increase)/Decrease in Advances	4,034,626	(116,950,152)		
Deposits Prepayments				
Net Advance Income Tax included in advance deposits & prepayments considered separately	7,620,555	12,797,920		
Increase/(Decrease) Trade and other payable	(79,337,794)	(110,879,555)		
Increase/(Decrease) Liabilities for Expenses	(11,760,396)	(8,489,987)		
	(1,661,307,861)	(1,618,587,978)		
Opening AIT	(34,828,966)	(18,466,487)		
Closing AIT	42,449,521	31,264,407		
Opening Income Tax Provision	30,632,009	32,649,642		
Closing Income Tax Provision	(60,817,860)	(45,902,055)		
Current Year Tax Provision	30,185,851	13,252,413		
	7,620,555	12,797,920		
31 Net Operating Cash Flow per share(NOCFPS)				
No of weighted average shares to calculate Net Operating Cash flow	130,876,020	130,876,020		
Net Cash provided by operating activities	13,896,341	44,024,572		
Net Operating Cash Flow per share (NOCFPS)	0.11	0.34		


Joutam Chandra Roy
 Chief Financial Officer
 Queen South Textile Mills Ltd.


Massum Rana
 Company Secretary
 Queen South Textile Mills Ltd

<u>Amount in Taka</u> 1-Jul-2020 to <u>31-Dec-2020</u>	<u>Amount in Taka</u> 1-Jul-2019 to <u>31-Dec-2019</u>	<u>Amount in Taka</u> 1-Oct-2020 to <u>31-Dec-2020</u>	<u>Amount in Taka</u> 1-Oct-2019 to <u>31-Dec-2019</u>
---	---	---	---

32 Reconciliation of Net profit with cash flow from operating activities

Net Profit Before Tax	79,052,025	80,235,165	-
(Increase)/Decrease in Trade and other receivables	8,010,231	(1,357,054)	-
Adjustment for Depreciation	51,693,763	41,664,494	-
Adjustment for Sale of PPE included	-	-	-
(Increase)/Decrease in Inventory	(87,105,272)	102,935,155	-
(Increase)/Decrease in Advances	4,034,626	(116,950,152)	-
Deposits Prepayments	-	-	-
Net Advance Income Tax included in advance deposits & prepayments considered separately	7,620,555	12,797,920	-
Increase/(Decrease) Trade and other payable	(79,337,794)	(110,879,555)	-
Increase/(Decrease) Liabilities for Finance Expenses	(11,760,396)	(8,489,987)	-
Income Tax Paid	52,534,105	50,901,496	-
Foreign Currency Gain/(Loss) for financing and investing activities	(7,620,555)	(12,797,920)	-
Foreign Currency Gain/(Loss) for Cash and Cash Equivalents	(3,243,489)	6,035,770	-
	18,543	(70,761)	-
Cash Flow from operating activities	13,896,341	44,024,572	-

33 Explanation note 31 for changes in statement of cash flow

we have paid Tk. 1,661,307,861/- to Suppliers, employees and others expenses for 2nd qtr (1st July 2020 to 31 December 2020) compare with 2nd qtr Tk. 1,618,587,978/- (1st July 2019 to 31 December 2019) also paid dividend for the year 2020 as well as we have newly bought machineries to upgrade and modernization machineries and also our which enabled to decrease NOCFPSTk.0.23 (Tk.0.11 - Tk.0.34) than the last 2nd qtr (1st July 2019 to 31 December 2019).

34 Explanation of Notes 22 for Decrease revenue

Our Revenue has increased Tk. 1,669,390,598/- to Tk. 1,680,776,957/- copared with last year (1st July 2019 to 31 December 2019) due to new demand of sweater in European and American Market after pandemic Covid 19 as well as our management worked hard to catch orders even it is our lean season .Our management trying to diversification of our exports which already starting to get orders in 3rd qtr and planning to modernization machines to reduced energy costs and other manufacturing costs.


Gautam Chandra Roy
Chief Financial Officer
Queen South Textile Mills Ltd.


Massum Rana
Company Secretary
Queen South Textile Mills Ltd.

35 Disclosure as per requirement of schedule XI, Part-II of companies Act 1994

35.1 Related party disclosures

The Company has entered into transactions with other entities that fall within the definition of related party as contained in IAS-24 "Related Party Disclosures" The Company opines that terms of related transaction do not significantly differ from those that could have been obtained from third parties . Total transactions of the significant related parties as at 30.09.2020 are as follows:

a)

Name of Related Party	Relationship	Nature of Transaction	Opening Balance	Transaction / Adjustment during the period Dr./ (Cr.)	Closing Balance Dr./ (Cr.)
Gain Plus Agents Limited	Common Management	Trade Payable	(93,995,575)	(22,513,207)	(116,508,782)
Gain Plus Agents Limited	Common Management	Loan from Shareholders	(452,334,655)	1,064,317	(451,270,338)
Ideal Fastenar BD Limited	Common Management	Trade Payable	(20,998,891)	(4,181,581)	(25,180,472)
Kingpro Manufacturing Co. Limited	Common Management	Trade Receivable	8,449,283	795,643	9,244,926
Kingpro Trading Limited	Common Management	Trade Payable	(74,431,705)	867,639	(73,564,066)
Queensin Ltd	Common Management	Trade Payable	(10,685,035)	(9,921,335)	(20,606,370)
Master Knitwear Ltd	Common Management	Trade Payable	(46,158,139)	7,108,253	(39,049,886)
Winpro Textile Mills Ltd	Common Management	Trade Payable	(26,481,775)	20,131,269	(6,350,506)

36 Number of Employees

All the employees receive salary/wages
Number of permanent staff
Number of permanent workers
Number of temporary staff/worker
Total:

131
681
13
825


Goutam Chandra Roy
Chief Financial Officer
Queen South Textile Mills Ltd.


Massum Rana
Company Secretary
Queen South Textile Mills Ltd.

37 General

37.1 Directors' responsibility statements

The Board of Directors takes the responsibility for the preparation and presentation of these financial statements.

37.2 Rounding off

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

37.3 Rearrange of last period figures

To facilitate comparison, certain relevant balances pertaining to the previous period have been rearranged/reclassified/restated whenever considered necessary to conform to current period presentation.

37.4 Authorization for issue of the financial statements

The financial statements have been authorised for issue by the Board of Directors on 30 January 2021



Chief Financial Officer



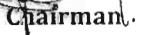
Company Secretary



Managing Director



Director



Chairman.



Goutam Chandra Roy
Chief Financial Officer
Queen South Textile Mills Ltd



Masum Rana
Company Secretary
Queen South Textile Mills Ltd


Queen South Textile Mills Limited
Dhaka export Processing Zone
Savar, Dhaka

Schedule of Property Plant and Equipment as at December 31, 2020

Sl. No.	Name of Assets	COST							DEPRECIATION			Annexure: A Written down value as on	
		Balance as on 1-Jul-2020	Addition during the period	Disposal during the period	Balance as on 31-Dec-2020	Rate of Dep	Balance as on 1-Jul-2020	Charged during the period	Adjustment during the period	Balance as on 31-Dec-2020	31-Dec-2020		
1	Machinery & Equipment	1,500,322,563	120,598,188	153,286,067	1,467,634,684	15%	930,160,605	45,087,402	128,682,704	846,565,303	621,069,381		
2	Building & Civil Const.	305,724,962	-	-	305,724,962	5%	124,415,151	4,504,416	-	128,919,567	176,805,395		
3	Furniture and fixture	2,492,069	12,175	-	2,504,244	20%	1,935,759	55,427	-	1,991,186	513,058		
4	Office equipment	23,494,094	98,191	-	23,592,285	25%	18,764,438	584,622	-	19,349,060	4,243,225		
5	Electrical Installation	30,479,236	-	-	30,479,236	5%	10,278,710	501,857	-	10,780,567	19,698,669		
6	Vehicles	12,812,743	-	-	12,812,743	20%	10,208,316	253,931	-	10,462,247	2,350,496		
7	Right of Use (Asset)	21,873,698	-	-	21,873,698	-	1,412,215	706,108	-	2,118,323	19,755,376		
	Total at 31.12.2020	1,897,199,365	120,708,554	153,286,067	1,864,621,852		1,097,175,194	51,693,763	128,682,704	1,020,186,252	844,435,599		
	Total at 30.06.2020	1,699,548,133	192,050,493	-	1,891,598,626		1,003,811,868	93,007,803	-	1,096,819,671	794,778,956		

Depreciation Allocation:


Administrative expenses	5,169,376
Manufacturing Expenses	46,524,387
	51,693,763


Goutam Chandra Roy
Chief Financial Officer
Queen South Textile Mills Ltd.


Massum Rana
Company Secretary
Queen South Textile Mills Ltd.

Queen South Textile Mills Ltd
Calculation of Deferred tax
for the period ended from 01 July 2020 to 31 December 2020

Particulars	<u>31-Dec-2020</u>	<u>30-Jun-2020</u>
Carrying value		
Property , Plant and Equipment	844,435,599	800,024,171
Tax base		
Property , Plant and Equipment	638,865,352	452,270,797
Taxable /(Deductible)temporary difference	205,570,247	347,753,374
Income Tax rate 15%	15%	15%
Deferred Tax Liabilities/(Assets) at the end of the period	30,835,537	52,163,006
Closing Deferred Tax Liabilities	30,835,537	52,163,006
Opening Deferred Tax Liabilities	52,163,006	46,143,957
D.Tax (income) / expenses:	(21,327,469)	6,019,049


Goutam Chandra Roy
 Chief Financial Officer
 Queen South Textile Mills Ltd.


Massum Rana
 Company Secretary
 Queen South Textile Mills Ltd.