



**Queen South Textile Mills Limited**  
**Statement of Financial Position (Un-Audited)**  
**As at 31 December 2022**

<u>Particulars</u>	<u>Notes</u>	<u>Amount in Taka</u> <u>31-Dec-2022</u>	<u>Amount in Taka</u> <u>30-Jun-2022</u>
<b>Assets:</b>			
<b>Non-current assets</b>			
Property, plant and equipment	5	870,510,044	895,262,301
Capital Work in Progress	6	156,927,828	-
<b>Current assets:</b>			
Inventories	7	2,638,120,026	2,339,612,386
Trade and other receivables	8	1,230,862,195	1,420,577,462
Advances, deposits and prepayments	9	125,213,776	95,369,142
Investments-FDR	10	10,331,030	9,746,952
Cash & Cash Equivalent	11	24,794,331	88,810,143
<b>Total Assets</b>		<b>5,056,759,232</b>	<b>4,849,378,386</b>
<b>Equity and liabilities</b>			
<b>Shareholder's equity</b>			
Share capital	12	1,526,014,390	1,439,636,220
Retained earnings	13	783,031,171	869,825,388
<b>Non-current liabilities</b>			
Long-term borrowing	14	491,462,216	472,239,858
Deferred tax liability		52,831,552	57,199,047
<b>Current liabilities</b>			
Trade and other payables	15	662,032,767	473,396,661
Current portion of long term borrowing		142,342,573	130,038,638
Short-term borrowing	16	1,201,366,620	1,324,668,812
Liabilities for Expenses	17	73,981,631	51,895,646
Outstanding IPO Subscription	18	-	100,000
Dividend Payable/Unpaid Dividend	19	70,857,389	1,602,347
Income Tax provision	20	52,838,922	28,775,768
<b>Total liabilities</b>		<b>2,747,713,671</b>	<b>2,539,916,777</b>
<b>Total Equity and Liabilities</b>		<b>5,056,759,232</b>	<b>4,849,378,386</b>
<b>NAVPS (Net Assets Value Per Share)</b>	<b>21</b>	<b>15.13</b>	<b>16.04</b>

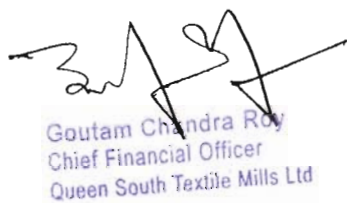
The annexed notes form an integral part of these financial statements.

   
**Chief Financial Officer**    **Company Secretary**

    
**Director**    **Managing Director**    **Chairman**

Signed in terms of our separate report of same date.

Dated: Dhaka  
January 30, 2023

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

  
**Musum 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 2022 to 31 December 2022

Particulars	Notes	Amount in Taka	Amount in Taka	Amount in Taka	Amount in Taka
		1-Jul-2022 to 31-Dec-2022	1-Jul-2021 to 31-Dec-2021	1-Oct-2022 to 31-Dec-2022	1-Oct-2021 to 31-Dec-2021
Revenue	22	2,523,775,021	2,156,173,500	1,289,900,660	1,122,410,888
Cost of Sales	23	(2,220,538,019)	(1,927,128,291)	(1,146,087,079)	(1,009,197,128)
<b>Gross Profit</b>		<b>303,237,002</b>	<b>229,045,209</b>	<b>143,813,581</b>	<b>113,213,760</b>
Foreign Currency Gain/(Loss)		(37,286,578)	(6,746,954)	(9,469,043)	(4,714,206)
Other Income	22.01	5,725	21,309	5,725	3,113
<b>Operating Expenses:</b>		<b>(82,003,612)</b>	<b>(69,415,132)</b>	<b>(40,711,078)</b>	<b>(36,603,366)</b>
Distribution Costs	24	(13,020,792)	(10,117,442)	(6,189,514)	(5,580,865)
Administrative Expenses	25	(68,982,820)	(59,297,690)	(34,521,564)	(31,022,501)
<b>Operating profit</b>		<b>183,952,537</b>	<b>152,904,432</b>	<b>93,639,185</b>	<b>71,899,301</b>
Financial Expenses	26	(78,294,752)	(49,811,698)	(47,042,520)	(22,801,367)
<b>Net profit before tax</b>		<b>105,657,785</b>	<b>103,092,734</b>	<b>46,596,664</b>	<b>49,097,934</b>
Income tax expenses	27	(19,695,659)	(15,633,866)	(7,802,984)	(7,449,253)
<b>Net Profit / (Loss) during the year</b>		<b>85,962,126</b>	<b>87,458,868</b>	<b>38,793,681</b>	<b>41,648,681</b>
<b>Basic &amp; Diluted Earnings per share</b>	28	<b>0.56</b>	<b>0.57</b>	<b>0.25</b>	<b>0.27</b>

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

  
**Chief Financial Officer**

  
**Company Secretary**

  
**Director**

  
**Managing Director**

  
**Chairman**

Signed in terms of our separate report of same date.

Dated: Dhaka  
January 30, 2023

  
**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**  
for the period ended from 01 July 2022 to 31 December 2022

Particulars	Share Capital	Retained Earnings	Total
Balance at 01 July 2022	1,439,636,220	869,825,388	2,309,461,608
Stock Dividend	86,378,170	(86,378,170)	-
Cash Dividend		(86,378,173)	(86,378,173)
Net profit for the period	-	85,962,126	85,962,126
<b>Balance at 30 September 2022</b>	<b>1,526,014,390</b>	<b>783,031,171</b>	<b>2,309,045,561</b>

**Queen South Textile Mills Limited**  
**Statement of Changes in Equity**  
for the period ended from 01 July 2021 to 30 June 2022

Particulars	Share Capital	Retained Earnings	Total
Balance at 01 July 2021	1,308,760,200	826,370,516	2,135,130,716
Stock Dividend	130,876,020	(130,876,020)	-
Cash Dividend		(61,205,285)	(61,205,285)
Net profit for the period	-	235,536,177	235,536,177
<b>Balance at 30 June 2022</b>	<b>1,439,636,220</b>	<b>869,825,388</b>	<b>2,309,461,608</b>

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

**Chief Financial Officer**    **Company Secretary**    **Director**    **Managing Director**    **Chairman**

Signed in terms of our separate report of same date.

Dated: Dhaka  
January 30, 2023



**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**

for the period ended from 01 July 2022 to 31 December 2022

Particulars	Notes	Amount in Taka 1-Jul-2022 to 31-Dec-2022	Amount in Taka 1-Jul-2021 to 31-Dec-2021
<b>A. Cash flows from operating activities:</b>			
Cash received from customer & other income	29	2,815,927,488	2,160,165,549
Cash Paid to Suppliers, employees and others expenses	30	(2,383,190,020)	(1,965,182,873)
Income Tax Paid/Deducted at Source		(24,053,543)	(9,265,097)
<b>Net Cash provided by operating activities</b>		<b>408,683,925</b>	<b>185,717,580</b>
<b>B. Cash flows from investing activities:</b>			
Acquisition of property, plant and Equipment		(32,789,854)	(4,374,790)
Proceed from Sale of PPE			
Capital Work in Progress		(156,927,828)	
Investments-FDR		(109)	-
<b>Net Cash used in investing activities</b>		<b>(189,717,791)</b>	<b>(4,374,790)</b>
<b>C. Cash flows from financing activities:</b>			
Financial Expenses		(77,882,534)	(49,811,697)
Short term bank loan (paid)/Received		(202,782,630)	135,461,316
Dividend Payment		(160,084)	(34,846)
IPO Expenses		-	-
Long Term Bank Loan (paid)/Received		(3,468,553)	(263,406,627)
Outstanding IPO Subscription Paid		(100,000)	-
<b>Net Cash from financing Activities</b>		<b>(284,393,803)</b>	<b>(177,791,854)</b>
<b>Net Decrease in cash &amp; cash equivalents (A+B+C)</b>		<b>(65,427,669)</b>	<b>3,550,936</b>
Unrealized Foreign Exchange Gain/(Loss)		1,411,857	55,922
Cash & cash equivalents at the beginning of the period		88,810,143	31,251,777
<b>Cash &amp; cash equivalents at the end of the period</b>		<b>24,794,331</b>	<b>34,858,635</b>
<b>Net Operating Cash Flow per share</b>	<b>31</b>	<b>2.68</b>	<b>1.22</b>

The annexed notes are the integral part of these financial



Chief Financial Officer



Company Secretary



Director



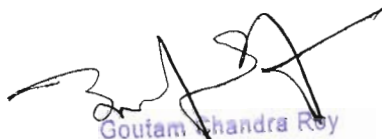
Managing Director



Chairman

Signed in terms of our separate report of same date.

Dated: Dhaka  
January 30, 2023



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

Notes to the financial statements  
for the period ended from 01 July 2022 to 31 December 2022

## 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.

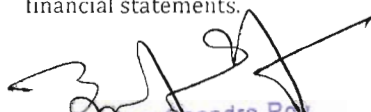
This is prepared under the historical cost convention and in accordance with the requirements of the Companies Act, 1994, International Financial Reporting Standards (IFRS) and International Accounting Standards (IASs) adopted by the Institute of Chartered Accountants of Bangladesh (ICAB) and as applicable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

  
Masum 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 2022 to 31 December 2022

### 2.06 Authorization for issue

The Financial Statements have been authorized for issue by the board of directors on 30 January 2023.

### 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

  
Mussum 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

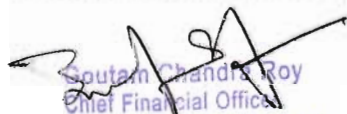
Tangible assets have been stated at cost less accumulated depreciation (Written down value). The cost of acquisition comprises of purchase price, including import duties and non-refundable Taxes and any directly attributable cost of bringing the assets to its working condition for its intended use. Expenditure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

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

  
Masum Rana  
Company Secretary  
Queen South Textile Mills Ltd.

<u>Category of fixed assets</u>	<u>Rate of depreciation (%)</u>
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.

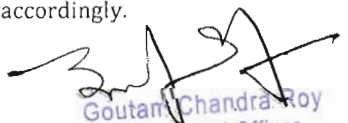
The companys employee benefits include the following.

##### **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 elible 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

  
Masum Rana  
Company Secretary  
Queen 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.

  
Masum 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**

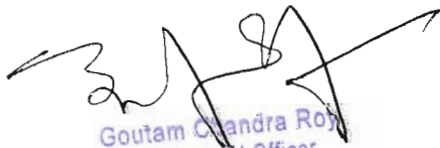
A financial instrument is any contract that gives rise to financial assets and a financial liability or equity instrument of another entity.

**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 recognized 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 includes payable for expense , liability for capital expenditure and other current liabilities.



Goutam 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 Contingents 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 as past events; and
- (b) From which future economic benefits are expected to flow to the entity.

  
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Queen South Textile Mills Ltd

  
Massum 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 2022
- (b) Statement of Profit or Loss and Other Comprehensive Income(Un-Audited)for the period ended from 01 July 2022 to 31 December 2022
- ( c) Statement of Changes in Equity(Un-audited)for the period ended from 01 July 2022 to 31 December 2022
- (d) Statement of Cash Flowsfor the period ended from 01 July 2022 to 31 December 2022
- (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.

  
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Company Secretary  
Queen South Textile Mills Ltd.

Amount in Taka	Amount in Taka
31-Dec-2022	30-Jun-2022

5 **Property, plant and equipment**

**Cost:**

Opening Balance	2,090,068,926	1,979,886,792
Addition during the period	32,789,854	110,182,134
Disposal during the period	-	-
	<b>2,122,858,780</b>	<b>2,090,068,926</b>

**Ness: Accumulated Depreciation:**

Opening Balance	1,194,806,625	1,076,802,001
Charged during the period	57,542,110	118,004,624
Adjustment during the period	-	-
	<b>1,252,348,735</b>	<b>1,194,806,625</b>

**Written Down Value**

	<b>870,510,044</b>	<b>895,262,301</b>
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Included in above PPE, Building, and machineries are mortgaged with banks.  
The details have been shown in Annexure: A

6 **Capital Work in Progress**

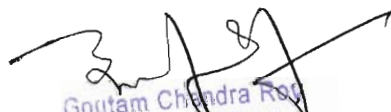
Building and Civil Construction		
Machinery & Equipment	156,927,828	-
	<b>156,927,828</b>	<b>-</b>

7 **Inventories**

Raw materials	1,721,636,329	1,448,744,755
Work-in - process	281,740,901	258,008,230
Finished goods	324,511,813	297,521,008
Dyes & Chemicals	240,787,757	261,858,009
Spares & Accessories	69,443,226	73,480,384
	<b>2,638,120,026</b>	<b>2,339,612,386</b>

8 **Trade and other receivables**

Accounts Receivable	1,230,862,195	1,420,577,462
Interest Receivable from FDR	-	-
	<b>1,230,862,195</b>	<b>1,420,577,462</b>

  
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### **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.



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Masum Rana  
Company Secretary  
Queen South Textile Mills Ltd

**31-Dec-2022****30-Jun-2022**

The Company has received letter of credits accepted by various customers against sales of yarn worth US \$13,670,754 equivalent to BDT 1,298,721,632 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.

## 9 Advances, deposits and prepayments

Advances	65,666,314	39,871,776
Deposits	52,790,118	51,439,654
Prepayments	6,757,344	4,057,712
	<b>125,213,776</b>	<b>95,369,142</b>

\*\* All advances and deposits and prepayment amount are considered good and realizable.

## 10 Investments-FDR:

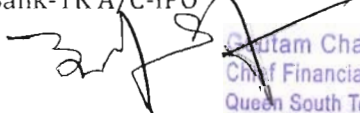
Prime Bank-NFCD A/C # 20116017	-	-
Woori Bank-FDR A/C #9230076351	10,331,030	9,746,952
	<b>10,331,030</b>	<b>9,746,952</b>

## 11 Cash & Cash Equivalent

Cash in hand	15,011,000	26,099,733
Cash at Banks (Note 11.1)	9,783,331	62,710,410
	<b>24,794,331</b>	<b>88,810,143</b>

### 11.1 Cash at Banks

Standard Chartered-Taka A/C-01-6500560-01	505,907	5,860,663
Standard Chartered-USD A/C-01-6700772-01	209,731	199,400
Woori Bank USD A/C-92-30107-60	542,512	696,792
Woori Bank-Taka A/C-92-30107-75	3,107,194	20,949,808
Premier bank FC A/C-010215200000898	1,301,584	27,823,537
Premier Bank Taka A/C-010211100015599	62,799	387,789
Woori Bank- Taka NDA	1,821,783	2,028,081
Prime Bank-OBU USD A/C-11-0000-10	66,675	180,404
Prime Bank-DBU USD A/C-124-511800084-41	206,938	195,240
Prime Bank-TK A/C-124-110500084-40	51,917	52,262
Midland Bank Limited. Taka	464,631	119,047
HSBC Bank -OBU USD A/C	-	1,639,931
HSBC Bank -Taka A/C	381,329	717,399
Dutch Bangla Bank-DBU A/C-Taka	747,013	1,549,125
Dhaka Bank-OBU USD A/C-099-1125-0000003-47	8,045	7,591
Woori Bank -MOB Account	73	68
Prime Bank-TK A/C-IPO	183,855	184,062

  
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Masum Rana  
Company Secretary  
Queen South Textile Mills Ltd.

	<b>31-Dec-2022</b>	<b>30-Jun-2022</b>
Prime Bank-EURO A/C-IPO	20,003	20,003
Prime Bank-USD A/C-IPO	101,342	99,208
	<b>9,783,331</b>	<b>62,710,410</b>
<b>12 Share capital</b>		
Authorized capital:	<b>2,000,000,000</b>	<b>2,000,000,000</b>
20,00,00,000 Ordinary shares of Taka 10 each		
<b>Issued, subscribed and paid up</b>		
Opening Share Capital	1,439,636,220	1,308,760,200
Add: Stock Dividend	86,378,170	130,876,020
Closing Share Capital	<b>1,526,014,390</b>	<b>1,439,636,220</b>
<b>13 Retained Earnings</b>		
Retained Earnings Opening Balance	869,825,388	826,370,516
Less: Stock Dividend	(86,378,170)	(130,876,020)
Less: Cash Dividend	(86,378,173)	(61,205,285)
Add: Net profit during the period	85,962,126	235,536,177
Retained Earnings Closing Balance	<b>783,031,171</b>	<b>869,825,388</b>
<b>14 Long-term borrowing</b>		
Lease Liability-ROU	18,364,491	18,519,957
HSBC Bank Ltd.	228,418,000	233,077,433
IDLC lease Finance	15,330,844	-
Loan from Shareholders(Annexure-E)	371,691,454	350,681,106
	<b>633,804,789</b>	<b>602,278,496</b>
Less: Current Portion of Long Term Loan		
HSBC Bank Ltd.	50,191,350	47,354,218
IDLC Lease Finance	4,464,000	-
Loan from Shareholders	86,525,024	81,634,083
Lease Liability-ROU	1,162,199	1,050,337
	<b>142,342,573</b>	<b>130,038,638</b>
	<b>491,462,216</b>	<b>472,239,858</b>

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	644,833,963	455,239,889
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**Masum Rana**  
 Company Secretary  
 Queen South Textile Mills Ltd.

  
**Golden Chandra Roy**  
 Financial Officer  
 Queen South Textile Mills Ltd.



	<u>31-Dec-2022</u>	<u>30-Jun-2022</u>
Other Payables	17,198,804	18,156,772
	<b>662,032,767</b>	<b>473,396,661</b>
<b>16 Short term borrowing</b>		
Woori Bank Limited (TR)	270,330,800	224,142,905
Premier Bank Limited (TR)	141,997,597	159,492,431
HSBC (TR)	442,305,032	790,344,088
Premier Bank Limited (O/D)	181,899,294	99,913,197
Woori Bank Limited (O/D)	8,052,795	5,288,269
Midland Bank (O/D)	151,688,825	45,487,922
HSBC (OD)	5,092,277	-
	<b>1,201,366,620</b>	<b>1,324,668,812</b>
<b>17 Liabilities for Expenses</b>		
Salaries, Wages & Allowances	28,887,237	26,572,852
Utilities Payable	20,062,597	16,515,374
Vehicle Rent & Expenses	342,567	342,567
ETP Expenses BEPZA	4,280,323	4,441,792
Godown rent	12,000	12,000
Audit Fees	372,751	500,876
TDS on Dividend	16,963,047	-
Liability for employee Tax	192,503	405,145
Liability for supplier VAT and Tax	546,858	999,648
PF subscription	1,379,168	1,346,139
Others	942,580	759,253
	<b>73,981,631</b>	<b>51,895,646</b>
<b>18 Outstanding IPO Subscription</b>		
The Break-Up of the amount is given below		
<b>Bank Name &amp; Account Number</b>		
Prime Bank A/C 2148517000877(USD)	-	79,997
Prime Bank A/C 214851100154 (EURO)	-	20,003
	-	<b>100,000</b>
<b>19 Dividend Payable</b>		
Dividend Payable	70,857,389	1,602,347
	<b>70,857,389</b>	<b>1,602,347</b>
<b>20 Income Tax provision</b>		
Opening Balance	28,775,768	31,320,261
Add: Provision during the year	24,063,154	40,228,839
Less: Adjustment/Paid during the year	-	(42,773,332)
Total	<b>52,838,922</b>	<b>28,775,768</b>
<b>21 NAVPS (Net Assets Value Per Share)</b>		

  
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 Masum Rana  
 Company Secretary  
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	<u>31-Dec-2022</u>	<u>30-Jun-2022</u>
No of shares to calculate Net Asset Value Per Share	<u>152,601,439</u>	<u>143,963,622</u>
Shareholder's equity	2,309,045,561	2,309,461,608
NAVPS (Net Assets Value Per Share)	<u>15.13</u>	<u>16.04</u>



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Chief Financial Officer  
Queen South Textile Mills Ltd.



Massum Rana  
Company Secretary  
Queen South Textile Mills

	Amount in Taka 1-Jul-2022 to 31-Dec-2022	Amount in Taka 1-Jul-2021 to 31-Dec-2021	Amount in Taka 1-Oct-2022 to 31-Dec-2022	Amount in Taka 1-Oct-2021 to 31-Dec-2021
<b>22 Revenue</b>				
Export Sales	2,523,775,021	2,156,173,500	1,289,900,660	1,122,410,888
	<b>2,523,775,021</b>	<b>2,156,173,500</b>	<b>1,289,900,660</b>	<b>1,122,410,888</b>
<b>22.01 Other Income</b>				
Bank Interest-FDR-Premier Bank	-	710	-	710
FDR Interest-Woori Bank	5,725	20,599	5,725	2,403
	<b>5,725</b>	<b>21,309</b>	<b>5,725</b>	<b>3,113</b>
<b>23 Cost of Sales</b>				
Yarn consumed (Note-23.01)	1,748,446,615	1,401,752,668	890,894,402	738,866,143
Dyes & Chemicals Consumed (Note 23.02)	182,222,652	164,257,989	93,599,272	85,063,371
manufacturing expenses (Note-23.03)	340,592,227	322,557,866	174,600,931	165,548,128
<b>manufacturing costs for the period</b>	<b>2,271,261,494</b>	<b>1,888,568,523</b>	<b>1,159,094,604</b>	<b>989,477,642</b>
Opening work in progress	258,008,230	220,792,279	286,740,901	218,683,874
Closing work in progress	(281,740,901)	(216,185,725)	(281,740,901)	(216,185,725)
<b>Cost of goods manufactured</b>	<b>2,247,528,824</b>	<b>1,893,175,077</b>	<b>1,164,094,604</b>	<b>991,975,791</b>
Finished goods (Opening)	297,521,008	376,251,037	306,504,288	359,519,160
Finished goods (Closing)	(324,511,813)	(342,297,823)	(324,511,813)	(342,297,823)
	<b>2,220,538,019</b>	<b>1,927,128,291</b>	<b>1,146,087,079</b>	<b>1,009,197,128</b>
<b>23.01 Yarn consumed</b>				
Opening stock	1,448,744,755	820,709,324	1,730,756,449	887,482,102
Purchase during the period	2,021,338,189	1,479,983,598	881,774,282	750,324,295
<b>Raw materials available for consumption</b>	<b>3,470,082,944</b>	<b>2,300,692,922</b>	<b>2,612,530,731</b>	<b>1,637,806,397</b>
Closing stock	(1,721,636,329)	(898,940,254)	(1,721,636,329)	(898,940,254)
<b>Raw materials consumed</b>	<b>1,748,446,615</b>	<b>1,401,752,668</b>	<b>890,894,402</b>	<b>738,866,143</b>
<b>23.02 Dyes &amp; Chemical consumed</b>				
Opening stock	261,858,009	223,055,429	275,200,333	213,801,203
Purchase during the period	161,152,400	172,545,516	59,186,696	102,605,124
<b>Dyes &amp; Chemicals available for consumption</b>	<b>423,010,409</b>	<b>395,600,945</b>	<b>334,387,029</b>	<b>316,406,327</b>
Closing stock	(240,787,757)	(231,342,956)	(240,787,757)	(231,342,956)
<b>Dyes &amp; Chemicals consumed</b>	<b>182,222,652</b>	<b>164,257,989</b>	<b>93,599,272</b>	<b>85,063,371</b>
<b>23.03 Factory Overhead</b>				
Utility Bills-BEPZA	90,182,562	79,616,733	51,002,313	37,347,111
Repair and maintenance	4,365,368	4,894,626	1,707,298	2,581,197
Wages and Salary	76,337,303	66,648,051	37,529,597	33,793,907
Daily Labor Charges	6,525,635	4,406,739	2,796,910	2,346,651
P.F. Contribution	2,222,570	2,134,090	979,981	1,077,940
Gas Charges- Titas	67,032,076	54,889,006	36,801,260	30,747,369
Insurance Premium ( mfg.)	2,272,801	2,461,768	1,144,920	1,201,743
Marin Insurance	-	805,038	-	805,038
Godown Rent	1,256,529	1,905,076	720,516	1,097,156
medical Subscription & Worker Welfare	578,670	738,752	230,850	423,605
Spare & Accessories consumed(Notes-	38,030,815	51,780,923	15,638,952	27,561,027
Depreciation	51,787,899	52,277,064	26,048,334	26,565,384
	<b>340,592,227</b>	<b>322,557,866</b>	<b>174,600,931</b>	<b>165,548,128</b>
<b>23.04 Spare &amp; Accessories consumed</b>				
Opening stock	73,480,384	100,356,455	70,431,866	95,230,698
Purchase during the period	33,993,657	37,824,059	14,650,313	18,729,920
<b>Spares &amp; Accessories available for consumption</b>	<b>107,474,040</b>	<b>138,180,514</b>	<b>85,082,178</b>	<b>113,960,618</b>
Closing stock	(69,443,226)	(86,399,591)	(69,443,226)	(86,399,591)
<b>Spares &amp; Accessories consumed</b>	<b>38,030,815</b>	<b>51,780,923</b>	<b>15,638,952</b>	<b>27,561,027</b>
<b>24 Distribution Costs</b>				
Salaries & Allowances	6,570,734	6,271,087	2,821,148	3,169,930
Contribution to P.F	327,726	305,583	219,869	154,618
Advertisement	21,420	32,038	-	24,340
House Rent	536,760	511,560	268,380	255,780
Entertainment-(Sales&marketing)	1,363,867	1,659,847	695,531	1,136,968
Delivery Expense	4,200,285	1,337,327	2,184,586	839,229
	<b>13,020,792</b>	<b>10,117,442</b>	<b>6,189,514</b>	<b>5,580,865</b>

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Chief Financial Officer  
Queen South Textile Mills Ltd.

Prasum Rana  
Company Secretary  
Queen South Textile Mills Ltd.

	Amount in Taka 1-Jul-2022 to 31-Dec-2022	Amount in Taka 1-Jul-2021 to 31-Dec-2021	Amount in Taka 1-Oct-2022 to 31-Dec-2022	Amount in Taka 1-Oct-2021 to 31-Dec-2021
<b>25 Administrative expenses</b>				
Association Fees	126,548	-	15,000	-
Telephone, mobile and Internet	783,298	572,341	473,955	285,212
medical & Welfare	1,901,741	1,502,329	1,023,396	824,169
Professional Fees	1,343,165	2,732,795	341,515	2,379,587
Audit Fees	128,125	200,375	55,875	128,125
Renewal & Registration	1,449,982	627,152	297,036	262,494
Salaries & Allowances	45,343,319	38,232,263	23,048,988	19,484,498
Security Expenses	1,587,742	1,319,059	987,741	523,070
Vehicle Expenses	5,409,065	4,171,484	3,108,192	2,299,480
Contribution for P.F	1,616,350	1,475,446	879,033	729,441
Entertainment(Office)	274,270	364,087	153,566	204,503
Traveling & Conveyance	1,389,955	1,291,835	477,963	317,283
Printing & Stationeries	1,687,671	916,312	619,112	590,201
Courier Charge	187,378	83,650	145,933	42,749
Depreciation	5,754,211	5,808,562	2,894,259	2,951,709
	<b>68,982,820</b>	<b>59,297,690</b>	<b>34,521,564</b>	<b>31,022,501</b>
<b>26 Financial Expenses:</b>				
Interest on Long Term Loan	7,463,135	10,155,135	5,675,973	1,958,455
Interest on Short Term Loan	65,671,021	34,073,459	38,841,512	17,179,670
Bank Charge and Commission	5,160,596	5,583,104	2,525,035	3,663,242
	<b>78,294,752</b>	<b>49,811,698</b>	<b>47,042,520</b>	<b>22,801,367</b>
<b>Financial Expenses:</b>				
Interest -Bill Discounting	21,450,446	7,758,183	13,064,429	4,015,944
Bank Charges & Commission	5,160,596	5,583,104	2,525,035	3,663,242
Interest -Bill settlement	11,347,483	8,669,010	4,875,182	3,958,022
Interest-overdraft	4,664,399	646,827	609,254	332,632
Interest- Term Loan	7,050,918	10,155,135	5,471,444	1,958,455
Interest TR Loan	28,208,693	16,617,833	20,292,647	8,707,119
Interest-Lease Liability (ROU)	412,217	381,606	204,529	165,953
	<b>78,294,752</b>	<b>49,811,698</b>	<b>47,042,520</b>	<b>22,801,367</b>
<b>27 Income tax expenses:</b>				
The above balance is made up as follows:				
Current tax (27.01)	24,063,154	15,488,543	11,720,867	7,057,775
Deferred tax (income)/expenses (Annexure-G)	(4,367,495)	145,323	(3,917,883)	391,478
	<b>19,695,659</b>	<b>15,633,866</b>	<b>7,802,984</b>	<b>7,449,253</b>
<b>27.01 Current tax</b>				
The above balance is made up as follows:				
Income tax on business income (Note 27.02)	24,061,723	15,483,216	11,719,436	7,056,997
Short Provision for prior years	-	-	-	-
Income tax on other income (Note 27.03)	1,431	5,327	1,431	778
Total tax on income	<b>24,063,154</b>	<b>15,488,543</b>	<b>11,720,867</b>	<b>7,057,775</b>
<b>27.02 Income tax on business income</b>				
Net Profit/ (Loss) before tax	105,657,785	103,092,734	46,596,664	49,097,934
Less: IPO Expenses	-	-	-	-
Add: Accounting depreciation	57,542,110	58,085,626	28,942,593	29,517,093
Less: Tax depreciation	(51,418,007)	(57,935,610)	(25,815,900)	(31,565,266)
	111,781,888	103,242,749	49,723,357	47,049,761
Less: Other income	5,725	21,309	5,725	3,113
Total business income	111,776,163	103,221,440	49,717,632	47,046,648
Income tax @ 15%	16,766,424	15,483,216	7,457,645	7,056,997
Tax deducted under section 82 (C)	24,061,723	9,265,097	11,719,436	4,650,821
As per section 82(c) of the ITO tax deducted at source or tax calculated @ 15% whichever is higher will be the tax payable.	16,895,565	12,960,993	9,724,458	-
<b>27.03 Income tax on other income:</b>				
Other income	5,725	21,309	5,725	3,113
Income tax @ 25%	1,431	5,327	1,431	778
<b>28 Earning Per Share:</b>				
Net profit after tax attributable to ordinary shareholders	<b>85,962,126</b>	<b>87,458,868</b>	<b>38,793,681</b>	<b>41,648,681</b>

Masum Rana  
Company Secretary  
Queen South Textile Mills Ltd

Sanjiv Chandra Roy  
Chief Financial Officer  
Queen South Textile Mills Ltd

	Amount in Taka 1-Jul-2022 to 31-Dec-2022	Amount in Taka 1-Jul-2021 to 31-Dec-2021	Amount in Taka 1-Oct-2022 to 31-Dec-2022	Amount in Taka 1-Oct-2021 to 31-Dec-2021
No of weighted average shares to calculate basic earnings per share	152,601,439	152,601,439	152,601,439	152,601,439
Basic & Diluted Earnings per share	0.56	0.57	0.25	0.27
<b>29 Cash received from customer &amp; other income</b>				
Revenue	2,523,775,021	2,156,173,500		
Other Income	5,725	21,309		
Realized Foreign Exchange Gain/(Loss)	16,338,522	(1,974,889)		
Adjustment of unrealized foreign exchange gain/(loss) for trade	86,092,953	15,522,512		
Adjustment for Sale of PPE included in (Increase)/Decrease in Trade and other receivables	189,715,267	(9,576,883)		
	<b>2,815,927,488</b>	<b>2,160,165,549</b>		
<b>30 Cash Paid to Suppliers, employees and others expenses</b>				
Cost of Goods Sold	(2,220,538,019)	(1,927,128,291)		
Distribution Cost	(13,020,792)	(10,117,442)		
Administrative Expenses	(68,982,820)	(59,297,690)		
Adjustment for Depreciation	57,542,110	58,085,626		
Adjustment for Unrealized Foreign Exchange gain/(Loss)	(27,650,813)	(3,507,512)		
(Increase)/Decrease in Inventory	(298,507,639)	(34,001,825)		
(Increase)/Decrease in Advances	(29,844,634)	1,555,732		
Deposits Prepayments				
Net Advance Income Tax included in advance deposits & prepayments considered separately	24,053,543	(4,538,972)		
Increase/(Decrease) Trade and other payable	188,636,106	13,158,679		
Increase/(Decrease) Liabilities for Expenses	5,122,938	608,823		
	<b>(2,383,190,020)</b>	<b>(1,965,182,873)</b>		
<b>Income Tax paid</b>				
Opening AIT	(24,273,813)	(34,534,009)		
Closing AIT	48,327,356	29,995,037		
Opening Income Tax Provision	28,775,768	31,320,261		
Closing Income Tax Provision	(52,838,922)	(33,004,735)		
Current Year Tax Provision	24,063,154	15,488,543		
	<b>24,053,543</b>	<b>9,265,097</b>		
<b>31 Net Operating Cash Flow per share(NOCFPS)</b>				
No of weighted average shares to calculate Net Operating Cash flow	152,601,439	152,601,439		
Net Cash provided by operating activities	408,683,925	185,717,580		
Net Operating Cash Flow per share (NOCFPS)	2.68	1.22		

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

  
Masum Rana  
Company Secretary  
Queen South Textile Mills

	Amount in Taka 1-Jul-2022 to 31-Dec-2022	Amount in Taka 1-Jul-2021 to 31-Dec-2021	Amount in Taka 1-Oct-2022 to 31-Dec-2022	Amount in Taka 1-Oct-2021 to 31-Dec-2021
<b>32 Reconciliation of Net profit with cash flow from operating activities</b>				
Net Profit Before Tax	105,657,785	103,092,734		
(Increase)/Decrease in Trade and other receivables	189,715,267	(9,576,883)		
Adjustment for Depreciation	57,542,110	58,085,626		
(Increase)/Decrease in Inventory	(298,507,639)	(34,001,825)		
(Increase)/Decrease in Advances Deposits Prepayments	(29,844,634)	1,555,732		
Net Advance Income Tax included in advance deposits & prepayments considered separately	24,053,543	(4,538,972)		
Increase/(Decrease) Trade and other payable	188,636,106	13,158,679		
Increase/(Decrease) Liabilities for Finance Expenses	5,122,938	608,823		
income Tax Paid	78,294,751	49,811,697		
Foreign Currency Gain/(Loss) for financing and investing activities	(24,053,543)	(9,265,097)		
Foreign Currency Gain/(Loss) for Cash and Cash Equivalents	113,479,098	16,842,987		
	(1,411,857)	(55,922)		
<b>Cash Flow from operating activities</b>	<b>408,683,925</b>	<b>185,717,579</b>		

### 33 Explanation note 31 for changes in statement of cash flow

We have received Tk. 2,815,927,488/- from customers and other incomes for 2nd qtr (1st July 2022 to 31 December 2022) compare with 2nd qtr of last year Tk.2,160,165,549/-(1st July 2021 to 31 December 2022) which has been increased by TK. 655,761,999/-. Thus, Operating Cash flow per share for the reporting period has been increased to Tk 2.68 from Tk 1.22.



**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**  
Dhaka export Processing Zone  
Savar Dhaka

**Schedule of Property Plant and Equipment as at December 31, 2022**

Sl. No.	Name of Assets	COST			DEPRECIATION				Annexure: A Written down value as on 31-Dec-2022	
		Balance as on 1-Jul-2022	Addition during the period	Disposal during the period	Balance as on 31-Dec-2022	Rate of Dep	Charged during the period	Adjustment during the period		Balance as on 31-Dec-2022
1	Machinery & Equipment	1,678,094,167	14,533,187	-	1,692,627,354	15%	50,432,683	-	1,052,015,774	640,611,580
2	Building & Civil Const.	318,193,669	-	-	318,193,669	5%	4,363,766	-	146,908,992	171,284,677
3	Furniture and fixture	2,555,994	-	-	2,555,994	20%	40,676	-	2,179,482	376,512
4	Office equipment	24,665,587	347,119	-	25,012,706	25%	474,628	-	21,466,517	3,546,189
5	Electrical Installation	30,754,236	-	-	30,754,236	5%	460,310	-	12,686,365	18,067,872
6	Vehicles	12,812,743	17,909,548	-	30,722,291	20%	1,063,941	-	12,148,854	18,573,437
7	Right of Use (Asset)	22,992,530	-	-	22,992,530	-	706,108	-	4,942,753	18,049,778
	<b>Total at 31.12.2022</b>	<b>2,090,068,926</b>	<b>32,789,854</b>	<b>-</b>	<b>2,122,858,780</b>		<b>57,542,110</b>	<b>-</b>	<b>1,252,348,735</b>	<b>870,510,044</b>
	<b>Total at 30.06.2022</b>	<b>1,979,886,792</b>	<b>110,182,134</b>	<b>-</b>	<b>2,090,068,926</b>		<b>118,004,624</b>	<b>-</b>	<b>1,194,806,625</b>	<b>895,262,301</b>

Depreciation Allocation:

Administrative expenses	5,754,211
Manufacturing Expenses	51,787,899
	<b>57,542,110</b>

  
**Anupam Chandra Roy**  
Chief Financial Officer  
Queen South Textile Mills Ltd.

  
**Masum Rana**  
Company Secretary  
Queen South Textile Mills Ltd.