

Queen South Textile Mills Limited
Statement of Financial Position (Un-Audited)
As at 31 March 2023

<u>Particulars</u>	<u>Notes</u>	<u>Amount in Taka</u> <u>31-Mar-2023</u>	<u>Amount in Taka</u> <u>30-Jun-2022</u>
Assets:			
Non-current assets			
		1,026,708,833	895,615,354
Property, plant and equipment	5	867,218,217	895,615,354
Capitan Work in Progress	6	159,490,616	-
Current assets:			
		4,249,808,386	3,954,116,085
Inventories	7	2,485,590,155	2,339,612,386
Trade and other receivables	8	1,607,670,518	1,420,577,462
Advances, deposits and prepayments	9	113,867,410	95,369,142
Investments-FDR	10	10,788,836	9,746,952
Cash & Cash Equivalent	11	31,891,467	88,810,143
Total Assets		5,276,517,221	4,849,731,440
Equity and liabilities			
Shareholder's equity			
		2,336,666,329	2,309,702,841
Share capital	12	1,526,014,390	1,439,636,220
Retained earnings	13	810,651,939	870,066,621
Non-current liabilities			
		517,485,474	529,561,113
Long-term borrowing	14	464,323,003	472,309,108
Deferred tax liability		53,162,471	57,252,005
Current liabilities			
		2,422,365,419	2,010,467,486
Trade and other payables	15	604,364,397	473,396,661
Current portion of long term borrowing		185,166,595	130,038,638
Short-term borrowing	16	1,450,316,473	1,324,668,812
Liabilities for Expenses	17	121,262,790	51,895,646
Outstanding IPO Subscription	18	-	100,000
Dividend Payable/Unpaid Dividend	19	37,192,751	1,602,347
Income Tax provision	20	24,062,412	28,765,381
Total liabilities		2,939,850,892	2,540,028,598
Total Equity and Liabilities		5,276,517,221	4,849,731,440
NAVPS (Net Assets Value Per Share)	21	15.31	16.04

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
April 30, 2023

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 March 2023

Particulars	Notes	Amount in Taka	Amount in Taka	Amount in Taka	Amount in Taka
		1-Jul-2022 to 31-Mar-2023	1-Jan-2023 to 31-Mar-2023	1-Jul-2021 to 31-Mar-2022	1-Jan-2022 to 31-Mar-2022
Revenue	22	3,952,592,469	1,428,817,448	3,534,447,909	1,378,274,409
Cost of Sales	23	<u>(3,495,094,210)</u>	<u>(1,274,556,192)</u>	<u>(3,120,091,135)</u>	<u>(1,192,962,844)</u>
Gross Profit		457,498,259	154,261,256	414,356,774	185,311,565
Foreign Currency Gain/(Loss)		(55,870,942)	(18,584,364)	(9,618,764)	(2,871,810)
Other Income	22.01	177,525	171,800	21,309	-
Operating Expenses:		(127,267,214)	(45,263,604)	(111,927,616)	(42,512,484)
Distribution Costs	24	(19,800,694)	(6,779,902)	(17,388,551)	(7,271,109)
Administrative Expenses	25	(107,466,520)	(38,483,702)	(94,539,065)	(35,241,375)
Operating profit		274,537,628	90,585,088	292,831,703	139,927,271
Financial Expenses	26	(129,139,069)	(50,844,316)	(80,467,632)	(30,655,934)
Net profit before tax		145,398,560	39,740,772	212,364,071	109,271,337
Income tax expenses	27	(32,056,899)	(12,361,240)	(50,064,265)	(34,430,399)
Net Profit / (Loss) during the year		113,341,661	27,379,532	162,299,806	74,840,938
Basic & Diluted Earnings per share	28	0.74	0.18	1.06	0.49

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
April 30, 2023

Queen South Textile Mills Limited
Statement of Changes in Equity
for the period ended from 01 July 2022 to 31 March 2023

Particulars	Share Capital	Retained Earnings	Total
Balance at 01 July 2022	1,439,636,220	870,066,621	2,309,702,841
Stock Dividend	86,378,170	(86,378,170)	-
Cash Dividend		(86,378,173)	(86,378,173)
Net profit for the period	-	113,341,661	113,341,661
Balance at 30 September 2022	1,526,014,390	810,651,939	2,336,666,329

Queen South Textile Mills Limited
Statement of Changes in Equity(Un-audited)
for the period ended from 01 July 2021 to 31 March 2022

Particulars	Share Capital	Retained Earnings	Total
Balance at 01 July 2021	1,308,760,200	825,570,847	2,134,331,047
Stock Dividend	130876020	(130,876,020)	-
Cash Dividend		(61,205,285)	(61,205,285)
Net profit for the period	-	162,299,806	162,299,806
Balance at 31 March 2022	1,439,636,220	795,789,348	2,235,425,568

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
April 30, 2023

Queen South Textile Mills limited

Statement of Cash Flows

for the period ended from 01 July 2022 to 31 March 2023

<u>Particulars</u>	<u>Notes</u>	<u>Amount in Taka</u> <u>1-Jul-2022</u> <u>to</u> <u>31-Mar-2023</u>	<u>Amount in Taka</u> <u>1-Jul-2021</u> <u>to</u> <u>31-Mar-2022</u>
A. Cash flows from operating activities:			
Cash received from customer & other income	29	3,913,073,961	3,471,431,419
Cash Paid to Suppliers, employees and others expenses	30	(3,548,847,952)	(3,351,958,444)
Income Tax Paid/Deducted at Source		(53,885,417)	(27,862,444)
Net Cash provided by operating activities		310,340,592	91,610,531
B. Cash flows from investing activities:			
Acquisition of property, plant and Equipment		(58,019,216)	(104,736,609)
Capital Work in Progress		(159,490,616)	49,308,720
Investments-FDR		(171,909)	-
Net Cash used in investing activities		(217,681,741)	(55,427,889)
C. Cash flows from financing activities:			
Financial Expenses		(128,519,162)	(80,467,632)
Short term bank loan (paid)/Received		16,064,081	155,083,676
Dividend Payment		(33,824,722)	(58,858,959)
IPO Expenses		-	-
Long Term Bank Loan (paid)/Received		(4,674,238)	(50,537,129)
Outstanding IPO Subscription Paid		(100,000)	-
Net Cash from financing Activities		(151,054,043)	(34,780,044)
Net Decrease in cash & cash equivalents (A+B+C)		(58,395,192)	1,402,598
Unrealized Foreign Exchange Gain/(Loss)		1,476,516	104,766
Cash & cash equivalents at the beginning of the period		88,810,143	31,251,777
Cash & cash equivalents at the end of the period		31,891,467	32,759,143
Net Operating Cash Flow per share	31	2.03	0.60

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

April 30, 2023

Queen South Textile Mills Limited

Notes to the financial statements
for the period ended from 01 July 2022 to 31 March 2023

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 dying 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.

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 March 2023

2.06 Authorization for issue

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

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.

<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 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.

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.

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.

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 /Denominator)

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 of past events; and

(b) From which future economic benefits are expected to flow to the entity.

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 March 2023
- (b) Statement of Profit or Loss and Other Comprehensive Income(Un-Audited)for the period ended from 01 July 2022 to 31 March 2023
- (c) Statement of Changes in Equity(Un-audited)for the period ended from 01 July 2022 to 31 March 2023
- (d) Statement of Cash Flowsfor the period ended from 01 July 2022 to 31 March 2023
- (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.

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.

Amount in Taka	Amount in Taka
<u>31-Mar-2023</u>	<u>30-Jun-2022</u>

5 Property, plant and equipment

Cost:

Opening Banance	2,090,068,926	1,979,886,792
Addition during the period	58,019,216	110,182,134
Disposan during the period	-	-
	2,148,088,142	2,090,068,926

Ness: Accumunated Depreciation:

Opening Banance	1,194,453,571	1,076,802,001
Charged during the period	86,416,354	117,651,570
Adjustment during the period	-	-
	1,280,869,925	1,194,453,571

Written Down Vanue

	867,218,217	895,615,354
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Incnuded in above PPE, Buinding, and machineries are mortgaged with banks.
The detains have been shown in Annexure: A

6 Capitan Work in Progress

Buinding and Civin Construction	159,490,616	-
Machinery & Equipment	-	-
	159,490,616	-

7 Inventories

Raw materians	1,686,522,800	1,448,744,755
Work-in - process	231,955,095	258,008,230
Finished goods	305,746,490	297,521,008
Dyes & Chemicals	201,639,733	261,858,009
Spares & Accessories	59,726,038	73,480,384
	2,485,590,155	2,339,612,386

8 Trade and other receivables

Accounts Receivable	1,607,670,518	1,420,577,462
Interest Receivable from FDR	-	-
	1,607,670,518	1,420,577,462

9 Advances, deposits and prepayments

Advances	55,100,845	39,871,776
Deposits	53,451,518	51,439,654
Prepayments	5,315,047	4,057,712
	113,867,410	95,369,142

31-Mar-2023**30-Jun-2022**

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

10 Investments-FDR:

Woori Bank-FDR A/C #9230076351

10,788,836	9,746,952
10,788,836	9,746,952

11 Cash & Cash Equivalent

Cash in hand

Cash at Banks (Note 11.1)

15,700,170	26,099,733
16,191,297	62,710,410
31,891,467	88,810,143

11.1 Cash at Banks

Standard Chartered-Taka A/C-01-6500560-01

Standard Chartered-USD A/C-01-6700772-01

Woori Bank USD A/C-92-30107-60

Woori Bank-Taka A/C-92-30107-75

Premier bank FC A/C-010215200000898

Premier Bank Taka A/C-010211100015599

Woori Bank- Taka NDA

Prime Bank-OBU USD A/C-11-0000-10

Prime Bank-DBU USD A/C-124-511800084-41

Prime Bank-TK A/C-124-110500084-40

Midland Bank Limited. Taka

HSBC Bank -OBU USD A/C

HSBC Bank -Taka A/C

Dutch Bangla Bank-DBU A/C-Taka

Dhaka Bank-OBU USD A/C-099-1125-0000003-47

Woori Bank -MOB Account

Prime Bank-TK A/C-IPO

Prime Bank-EURO A/C-IPO

Prime Bank-USD A/C-IPO

563,078	5,860,663
212,638	199,400
527,796	696,792
4,849,415	20,949,808
5,581,176	27,823,537
613,189	387,789
1,714,358	2,028,081
68,521	180,404
212,667	195,240
51,917	52,262
190,164	119,047
-	1,639,931
472,900	717,399
820,085	1,549,125
8,268	7,591
75	68
183,705	184,062
20,003	20,003
101,342	99,208
16,191,297	62,710,410

12 Share capital

Authorized capital:

20,00,00,000 Ordinary shares of Taka 10 each

2,000,000,000**2,000,000,000****Issued, subscribed and paid up**

Opening Share Capital

Add: Stock Dividend

Closing Share Capital

1,439,636,220	1,308,760,200
86,378,170	130,876,020
1,526,014,390	1,439,636,220

	31-Mar-2023	30-Jun-2022
13 Retained Earnings		
Retained Earnings Opening Balance	870,066,621	825,570,847
Less: Stock Dividend	(86,378,170)	(130,876,020)
Less: Cash Dividend	(86,378,173)	(61,205,285)
Add: Net profit during the period	113,341,661	236,577,079
Retained Earnings Closing Balance	810,651,939	870,066,621
14 Long-term borrowing		
Lease Liability-ROU	18,359,167	18,589,207
HSBC Bank Ltd.	195,765,989	233,077,433
IDLC lease Finance	14,331,004	-
Loan from Shareholders(Annexure-E)	421,033,438	350,681,106
	649,489,598	602,347,746
Less: Current Portion of Long Term Loan		
HSBC Bank Ltd.	51,580,858	47,354,218
IDLC Lease Finance	4,464,000	-
Loan from Shareholders	127,972,401	81,634,083
Lease Liability-ROU	1,149,336	1,050,337
	185,166,595	130,038,638
	464,323,003	472,309,108
15 Trade and other payables		
Trade Payables	586,207,861	455,239,889
Other Payables	18,156,536	18,156,772
	604,364,397	473,396,661
16 Short term borrowing		
Woori Bank Limited (TR)	331,167,217	224,142,905
Premier Bank Limited (TR)	(73,413,756)	159,492,431
HSBC (TR)	805,572,626	790,344,088
Premier Bank Limited (O/D)	186,935,032	99,913,197
Woori Bank Limited (O/D)	48,163,746	5,288,269
Midland Bank (O/D)	151,601,560	45,487,922
HSBC (OD)	290,048	-
	1,450,316,473	1,324,668,812
17 Liabilities for Expenses		
Salaries, Wages & Allowances	36,578,726	26,572,852
Utilities Payable	58,076,018	16,515,374
Vehicle Rent & Expenses	342,567	342,567
ETP Expenses BEPZA	4,498,132	4,441,792
Godown rent	12,000	12,000
Audit Fees	445,001	500,876
Liability for employee Tax	195,003	405,145
Liability for supplier VAT and Tax	18,762,126	999,648
PF subscription	1,410,637	1,346,139
Others	942,580	759,253
	121,262,790	51,895,646

31-Mar-2023**30-Jun-2022****18 Outstanding IPO Subscription**

The Break-Up of the amount is given below

Bank Name & Account Number

Prime Bank A/C 2148517000877(USD)

Prime Bank A/C 214851100154 (EURO)

-	79,997
-	20,003
-	100,000

19 Dividend Payable

Dividend Payable

37,192,751	1,602,347
37,192,751	1,602,347

20 Income Tax provision

Opening Balance

Add: Provision during the year

Less: Adjustment/Paid during the year

Total

28,765,381	31,320,261
36,146,433	40,218,452
(40,849,402)	(42,773,332)
24,062,412	28,765,381

21 NAVPS (Net Assets Value Per Share)

No of shares to calculate Net Asset Value Per Share

152,601,439	143,963,622
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Shareholder's equity

2,336,666,329

2,309,702,841

NAVPS (Net Assets Value Per Share)

15.31**16.04**

	<u>Amount in Taka</u> 1-Jul-2022 to 31-Mar-2023	<u>Amount in Taka</u> 1-Jan-2023 to 31-Mar-2023	<u>Amount in Taka</u> 1-Jul-2021 to 31-Mar-2022	<u>Amount in Taka</u> 1-Jan-2022 to 31-Mar-2022
22 Revenue				
Export Sales	3,952,592,469	1,428,817,448	3,534,447,909	1,378,274,409
	3,952,592,469	1,428,817,448	3,534,447,909	1,378,274,409
22.01 Other Income				
Bank Interest FDR-Premier Bank	-	-	710	-
FDR Interest-Woori Bank	177,525	171,800	20,599	-
	177,525	171,800	21,309	-
23 Cost of Sales				
Yarn consumed (Note-23.01)	2,639,431,754	890,985,139	2,333,368,196	931,615,528
Dyes & Chemicals Consumed (Note 23.02)	285,923,401	103,700,749	268,595,439	104,337,450
manufacturing expenses (Note-23.03)	551,911,402	211,319,174	502,467,283	179,909,417
manufacturing costs for the period	3,477,266,557	1,206,005,063	3,104,430,918	1,215,862,395
Opening work in progress	258,008,230	281,740,901	220,792,279	216,185,725
Closing work in progress	(231,955,095)	(231,955,095)	(262,813,709)	(262,813,709)
Cost of goods manufactured	3,503,319,692	1,255,790,868	3,062,409,488	1,169,234,411
Finished goods (Opening)	297,521,008	324,511,813	376,251,037	342,297,823
Finished goods (Closing)	(305,746,490)	(305,746,490)	(318,569,390)	(318,569,390)
	3,495,094,210	1,274,556,192	3,120,091,135	1,192,962,844
23.01 Yarn consumed				
Opening stock	1,448,744,755	1,721,636,329	820,709,324	898,940,254
Purchase during the period	2,877,209,799	855,871,610	2,757,891,528	1,277,907,930
Raw materials available for consumption	4,325,954,554	2,577,507,939	3,578,600,852	2,176,848,184
Closing stock	(1,686,522,800)	(1,686,522,800)	(1,245,232,656)	(1,245,232,656)
Raw materials consumed	2,639,431,754	890,985,139	2,333,368,196	931,615,528
23.02 Dyes & Chemical consumed				
Opening stock	261,858,009	240,787,757	223,055,429	231,342,956
Purchase during the period	225,705,125	64,552,725	308,130,718	135,585,202
Dyes & Chemicals available for consumption	487,563,134	305,340,482	531,186,147	366,928,158
Closing stock	(201,639,733)	(201,639,733)	(262,590,708)	(262,590,708)
Dyes & Chemicals consumed	285,923,401	103,700,749	268,595,439	104,337,450
23.03 Factory Overhead				
Utility Bills-BEPZA	139,497,452	49,314,890	121,233,237	41,616,504
Repair and maintenance	5,529,174	1,163,806	7,795,687	2,901,061
Wages and Salary	121,131,815	44,794,512	108,127,752	41,479,701
Daily Labor Charges	7,038,260	512,625	6,306,327	1,899,588
P.F. Contribution	3,360,378	1,137,808	3,204,692	1,070,602
Gas Charges- Titas	128,335,388	61,303,312	80,649,421	25,760,415
Insurance Premium (mfg.)	3,409,201	1,136,400	3,604,638	1,142,870
Marin Insurance	-	-	805,038	-
Godown Rent	1,940,804	684,275	2,792,476	887,400
Medical Subscription & Worker Welfare Fund-BEPZA	1,081,953	503,283	1,051,982	313,230
Spare & Accessories consumed(Notes-23.04)	62,812,259	24,781,444	87,265,601	35,484,678
Depreciation	77,774,719	25,986,819	79,630,431	27,353,368
	551,911,402	211,319,174	502,467,282	179,909,417
23.04 Spare & Accessories consumed				
Opening stock	73,480,384	69,443,226	100,356,455	86,399,591
Purchase during the period	48,643,969	15,064,256	53,014,539	15,190,480
Spares & Accessories available for consumption	122,124,353	84,507,482	153,370,994	101,590,071
Closing stock	(59,726,038)	(59,726,038)	(66,105,393)	(66,105,393)
Spares & Accessories consumed	62,398,315	24,781,444	87,265,601	35,484,678
24 Distribution Costs				
Salaries & Allowances	9,829,033	3,258,299	9,524,683	3,253,596
Contribution to P.F	488,928	161,202	463,269	157,686
Advertisement	21,420	-	32,038	-
House Rent	815,346	278,586	868,998	357,438
Entertainment-(Sales&marketing)	2,430,414	1,066,547	2,114,340	454,493
Delivery Expense	6,215,553	2,015,268	4,385,223	3,047,896
	19,800,694	6,779,902	17,388,551	7,271,109

	<u>Amount in Taka</u> 1-Jul-2022 to 31-Mar-2023	<u>Amount in Taka</u> 1-Jan-2023 to 31-Mar-2023	<u>Amount in Taka</u> 1-Jul-2021 to 31-Mar-2022	<u>Amount in Taka</u> 1-Jan-2022 to 31-Mar-2022
25 Administrative expenses				
Association Fees	746,403	619,855	519,992	519,992
Telephone, mobile and Internet	1,129,914	346,616	858,833	286,492
Medical & Welfare	2,860,050	958,309	3,053,028	1,550,699
Professional Fees	3,012,665	1,669,500	4,225,344	1,492,549
Audit Fees	200,375	72,250	200,375	-
Renewal & Registration	2,840,518	1,390,536	919,358	292,206
Salaries & Allowances	69,202,311	23,858,992	59,655,471	21,423,208
Security Expenses	2,497,670	909,928	2,188,871	869,812
Vehicle Expenses	7,359,747	1,950,682	6,518,450	2,346,966
Contribution for P.F	2,413,898	797,548	2,204,177	728,731
Entertainment(Office)	486,151	211,883	567,414	203,327
Traveling & Conveyance	2,045,667	655,712	2,708,181	1,416,346
Printing & Stationeries	3,767,298	2,079,627	1,947,772	1,031,460
Courier Charge	262,218	74,840	123,974	40,324
Depreciation	8,641,635	2,887,424	8,847,825	3,039,263
	107,466,520	38,483,702	94,539,065	35,241,375
26 Financial Expenses:				
Interest on Long Term Loan	16,136,018	8,672,882	12,976,216	2,821,081
Interest on Short Term Loan	106,012,011	40,340,990	58,287,321	24,213,862
Bank Charge and Commission	6,991,040	1,830,444	9,204,095	3,620,991
	129,139,069	50,844,316	80,467,632	30,655,934
Financial Expenses:				
Interest -Bill Discounting	33,943,318	12,492,872	15,553,847	7,795,664
Bank Charges & Commission	6,991,040	1,830,444	9,204,095	3,620,991
Interest -Bill settlement	17,508,789	6,161,306	13,054,282	4,385,272
Interest-overdraft	5,449,587	785,188	881,255	234,428
Interest- Term Loan	15,516,112	8,465,194	12,976,216	2,821,081
Interest TR Loan	49,110,317	20,901,624	28,070,701	11,452,868
Interest-Lease Liability (ROU)	619,906	207,688	727,236	345,630
	129,139,069	50,844,316	80,467,632	30,655,934
27 Income tax expenses:				
The above balance is made up as follows:				
Current tax (27.01)	36,146,433	12,083,279	49,783,680	34,295,137
Deferred tax (income)/expenses (Annexure-G)	(4,089,534)	277,961	280,585	135,262
	32,056,899	12,361,240	50,064,265	34,430,399
27.01 Current tax				
The above balance is made up as follows:				
Income tax on business income (Note 27.02)	36,102,052	12,040,329	49,778,353	34,295,137
Income tax on other income (Note 27.03)	44,381	42,950	5,327	-
Total tax on income	36,146,433	12,083,279	49,783,680	34,295,137
27.02 Income tax on business income				
Net Profit/ (Loss) before tax	145,398,560	39,740,772	212,364,071	109,271,337
Less: IPO Expenses	-	-	-	-
Add: Accounting depreciation	86,416,354	28,874,243	88,478,256	30,392,631
Less: Tax depreciation	(77,202,574)	(25,784,567)	(94,561,117)	(36,625,507)
	154,612,339	42,830,448	206,281,210	103,038,461
Less: Other income	177,525	171,800	21,309	-
Total business income	154,434,814	42,658,648	206,259,901	103,038,461
Income tax @ 15%	23,165,222	6,398,797	30,938,985	15,455,769
Tax deducted under section 82 (C)	36,102,052	12,040,329	43,560,234	34,295,137
As per section 82(c) of the ITO tax deducted at source or tax calculated @ 15% whichever is higher will be the tax payable.	23,478,444	6,582,879	20,828,589	
27.03 Income tax on other income:				
Other income	177,525	171,800	21,309	-
Income tax @ 15%	44,381	42,950	5,327	-
28 Earning Per Share:				
Net profit after tax attributable to ordinary shareholders	113,341,661	27,379,532	162,299,806	74,840,938
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	0.74	0.18	1.06	0.49

	<u>Amount in Taka</u> <u>1-Jul-2022</u> <u>to</u> <u>31-Mar-2023</u>	<u>Amount in Taka</u> <u>1-Jan-2023</u> <u>to</u> <u>31-Mar-2023</u>	<u>Amount in Taka</u> <u>1-Jul-2021</u> <u>to</u> <u>31-Mar-2022</u>	<u>Amount in Taka</u> <u>1-Jan-2022</u> <u>to</u> <u>31-Mar-2022</u>
29 Cash received from customer & other income				
Revenue	3,952,592,469		3,534,447,909	
Other Income	177,525		21,309	
Realized Foreign Exchange Gain/(Loss)	27,194,284		(3,765,517)	
Adjustment of unrealized foreign exchange gain/(loss) for trade	120,202,739		19,727,773	
Adjustment for Sale of PPE included (Increase)/Decrease in Trade and other receivables	(187,093,056)		(79,000,055)	
	3,913,073,961		3,471,431,419	
30 Cash Paid to Suppliers, employees and others expenses				
Cost of Goods Sold	(3,495,094,210)		(3,120,091,135)	
Distribution Cost	(19,800,694)		(17,388,551)	
Administrative Expenses	(107,466,520)		(94,539,065)	
Adjustment for Depreciation	86,416,354		88,478,256	
Adjustment for Unrealized Foreign Exchange gain/(Loss)	(44,834,693)		(4,528,582)	
(Increase)/Decrease in Inventory	(145,977,769)		(414,147,332)	
(Increase)/Decrease in Advances	(18,498,268)		12,456,451	
Deposits Prepayments				
Net Advance Income Tax included in advance deposits & prepayments considered separately	13,036,015		(14,948,388)	
Increase/(Decrease) Trade and other payable	130,967,736		207,386,204	
Increase/(Decrease) Liabilities for Expenses	52,404,097		5,363,698	
	(3,548,847,952)		(3,351,958,444)	
Income Tax paid				
Opening AIT	(24,273,813)		(34,534,009)	
Closing AIT	37,309,828		19,585,621	
Opening Income Tax Provision	28,765,381		31,320,261	
Closing Income Tax Provision	(24,062,412)		(38,293,110)	
Current Year Tax Provision	36,146,433		49,783,680	
	53,885,417		27,862,444	
31 Net Operating Cash Flow per share(NOCFPS)				
No of weighted average shares to calculate Net Operating Cash flow per share	152,601,439		152,601,439	
Net Cash provided by operating activities	310,340,592		91,610,531	
Net Operating Cash Flow per share (NOCFPS)	2.03		0.60	

	<u>Amount in Taka</u> <u>1-Jul-2022</u> <u>to</u> <u>31-Mar-2023</u>	<u>Amount in Taka</u> <u>1-Jan-2023</u> <u>to</u> <u>31-Mar-2023</u>	<u>Amount in Taka</u> <u>1-Jul-2021</u> <u>to</u> <u>31-Mar-2022</u>	<u>Amount in Taka</u> <u>1-Jan-2022</u> <u>to</u> <u>31-Mar-2022</u>
32 Reconciliation of Net profit with cash flow from operating activities				
Net Profit Before Tax	145,398,560		212,364,071	
(Increase)/Decrease in Trade and other receivables	(187,093,056)		(79,000,055)	
Adjustment for Depreciation	86,416,354		88,478,256	
(Increase)/Decrease in Inventory	(145,977,769)		(414,147,332)	
(Increase)/Decrease in Advances Deposits	(18,498,268)		12,456,451	
Prepayments				
Net Advance Income Tax included in advance deposits & prepayments considered separately	13,036,015		(14,948,388)	
Increase/(Decrease) Trade and other payable	130,967,736		207,386,204	
Increase/(Decrease) Liabilities for Expenses	52,404,097		5,363,698	
Finance Expenses	129,139,068		80,467,632	
Income Tax Paid	(53,885,417)		(27,862,444)	
Foreign Currency Gain/(Loss) for financing and investing activities	159,909,790		21,157,204	
Foreign Currency Gain/(Loss) for Cash and Cash Equivalents	(1,476,516)		(104,766)	
Cash Flow from operating activities	<u>310,340,596</u>		<u>91,610,531</u>	-

33 Explanation note 28 for changes in EPS

In this reporting period (01 July 2022 to 31 March 2023), the EPS of the company has reduced from Taka 1.06 (01 July 2021 to 31 March 2022) to Taka 0.74 (01 July 2022 to 31 March 2023). The government has increased the utility tariff (Gas and Electricity) significantly in this quarter. On the other hand, salaries and wages have also increased in this period. But competitive sales price of dyed yarn has reduced. Thus, the Gross profit of the company in the period has decreased significantly. And due to adverse economic condition, the customer did not settle the export bills on maturity. As we discount the export bills, we could not settle the discount export bills on maturity. And we did not settle the some of STL also on maturity due to the delay settle the export bills. So, the finance cost of the company has been increased during the reporting period. Adverse foreign currency movement also reduced the profit of the company. As a result Net profit after tax of the company has reduced during the period. And EPS of the company has also reduced reduced accordingly.

34 Explanation note 29 & 30 for changes in statement of cash flow

We have received Tk. 3,913,073,961/- from customers and other incomes for 3rd qtr (1st July 2022 to 31 March 2023) compare with of last year Tk.3,471,431,419/- (1st July 2021 to 31 March 2022) which has been increased by TK. 441,642,542/-. Thus, Operating Cash flow per share for the reporting period has been increased to Tk 2.03 from Tk. 0.60.

Queen South Textile Mills Limited

Dhaka export Processing Zone

Savar Dhaka

Schedule of Property Plant and Equipment as at March 31, 2023

Annexure: A

Sl. No.	Name of Assets	COST				Rate of Dep	DEPRECIATION				Written down value as on 31-Mar-2023
		Balance as on 1-Jul-2022	Addition during the period	Disposal during the period	Balance as on 31-Mar-2023		Balance as on 1-Jul-2022	Charged during the period	Adjustment during the period	Balance as on 31-Mar-2023	
1	Machinery & Equipment	1,678,094,167	38,794,028		1,716,888,195	15%	1,001,583,091	75,365,399	-	1,076,948,490	639,939,705
2	Building & Civil Const.	318,193,669	-		318,193,669	5%	142,545,226	6,504,825	-	149,050,051	169,143,619
3	Furniture and fixture	2,555,994	-		2,555,994	20%	2,138,806	59,502	-	2,198,308	357,687
4	Office equipment	24,665,587	667,640		25,333,227	25%	20,991,889	716,297	-	21,708,186	3,625,041
5	Electrical Installation	30,754,236	-		30,754,236	5%	12,226,055	686,158	-	12,912,213	17,842,023
6	Vehicles	12,812,743	18,557,548		31,370,291	20%	11,084,913	2,025,013	-	13,109,926	18,260,365
7	Right of Use (Asset)	22,992,530			22,992,530		3,883,591	1,059,161	-	4,942,753	18,049,778
	Total at 31.03.2023	2,090,068,926	58,019,216	-	2,148,088,142		1,194,453,571	86,416,354	-	1,280,869,925	867,218,217
	Total at 30.06.2022	1,979,886,792	110,182,134	-	2,090,068,926	-	1,076,802,001	117,651,570	-	1,194,453,571	895,615,354

Depreciation Allocation:

Administrative expenses
Manufacturing Expenses

8,641,635
77,774,719
86,416,354

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 31.03.2023 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	(255,141,417)	100,876,859	(356,018,276)
Gain Plus Agents Limited	Common Management	Loan from Shareholders	(350,681,106)	70,352,332	(421,033,438)
Ideal Fastenar BD Limited	Common Management	Trade Payable	(8,908,214)	19,735,743	(28,643,957)
Kingpro Manufacturing Co. Limited	Common Management	Trade Receivable	(4,234,136)	(6,307,001)	2,072,865
Kingpro Trading Limited	Common Management	Trade Payable	(47,054,717)	4,199,908	(51,254,625)
Queensin Ltd	Common Management	Trade Payable	(41,783,640)	3,729,433	(45,513,073)
Master Knitwear Ltd	Common Management	Trade Receivable	(1,240,333)	-	(1,240,333)
Winpro Textile Mills Ltd	Common Management	Trade Payable	(9,031,667)	6,915,711	(15,947,378)
BHK Textile Mills Ltd	Common Management	Trade Receivable	-	-	-

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 April 2023



Chief Financial Officer



Company Secretary



Director



Managing Director



Chairman