Associated firm of
EHK Consulting
Always adding value

Private & Confidential

AUDITOR'S REPORT
AND
FINANCIAL STATEMENTS
OF
M. L. DYEING LIMITED
FOR THE YEAR ENDED JUNE 30, 2021

KAZI ZAHIR KHAN & CO.
Chartered Accountants

Corporate Office:
Shamsunnahar Complex, 8th Floor
(2nd Lift), Flat-9B, 31/C/1, Topkhana Road
Segunbagicha, Dhaka-1000.
Tel: 57160824, 57160821
Mobile: 01713-013955
E-mail: kzkc48@gmail.com, kzkc_bd@yahoo.com

Branch Office:
281/3 Jafrabad (Sankor)
Ground Floor, West Dhanmondi
Dhaka-1207
Tel: 8113474
Mobile: 01726-339892
E-mail: aamahmudco@gmail.com

কাজী জহির খান এন্ড কোং
KAZI ZAHIR KHAN & CO.
Chartered Accountants
In Practice Since 1980

Associated firm of
EHK Consulting
Always adding value

Independent Auditor's Report
To the Shareholders of
M.L. Dyeing Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of **M.L. Dyeing Limited** (the "Company"), which comprise the Statement of Financial Position as at 30 June 2021 and Statement of Profit or Loss and Other Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year then ended and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements of the Company give a true and fair view of the financial position of the Company as at 30 June 2021, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) and other applicable laws and regulations.

Basis for Opinion

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

Key Audit Matters

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

Description of key audit matters	Our response to key audit matters
Revenue recognition	
At year end the company reported total revenue of BDT 1,940,839,185. The company generates revenue from sale of goods to export customers. The timing of the revenue recognized and realized increases the risk of exposure of revenue to foreign exchange fluctuations. There is also a risk that revenue may be overstated/understated due to the timing differences between L/C opening and goods exported.	We have tested the design and operating effectiveness of key controls focusing on the following: - Obtaining an understanding of and assessing the design and operating effectiveness of controls designed to ensure that revenue is recognized in the appropriate accounting period; - Segregation of duties in invoice creation and modification and timing of revenue recognition; - Assessing the appropriateness of the Company's accounting policies for revenue recognition and compliance of those policies with applicable accounting standards;

Head Office: Shamsunnahar Complex, 8th Floor, Suite-9B, 31/C/1, Topkhana Road, Segun Bhagicha, Dhaka- 1000.
Tel: 57160824, Fax: +880-2-57160821, e-mail: kzkc48@gmail.com, kzkc_bd@yahoo.com
Branch Office: 281/3, Jafrabad (Sankor), Ground Floor, West Dhanmondi, Dhaka-1207. Tel: 9124642. e-mail: mahmudkzkcbd@gmail.com

We identified revenue recognition as a key audit matter as it is one of the key performance indicators of the Company, which give risk to an inherent risk of the existence and accuracy of the revenue.	- Obtain supporting documentation for sale transaction recorded either side of year end to determine whether revenue was recognized in the current period; - Comparing a sample of revenue transactions recognized during the year with the sale invoices and other relevant underlying documentation; - Critically assessing manual journals posted to revenue to identify unusual or irregular items, and finally assessed the appropriateness and presentation of disclosures against relevant accounting standards. ***[See note number 17 for details]***
Valuation of Inventory	
The inventory of BDT 530,325,221 as at 30th June 2021, held in warehouses and across multiple product lines in the factory. Inventory value is measured as follows: Raw & packing materials including WIP on Moving average (Weighted) Cost, Finished Goods at lower of cost or estimated net realizable value, Stores Items at cost, Materials in-transit at Book value i.e. cost so far incurred. As a result, the management apply judgment in determining the appropriate values for value in use, working progress, values for slow moving or obsolete items. While excess holding of inventories could impact efficient use of working capital similarly lower level of inventories can result in stock outs or irregular supply to the market.	We challenged the appropriateness of management's assumptions applied in calculating the value of the inventory provisions by: - Evaluating the design and implementation of key inventory controls operating across the company's factory and warehouse; - We have reconciled the inventory with purchase, production and sales to ensure the shown stock as on date was accurate. - Reviewing the historical accuracy of inventory provisioning and the level of inventory write- offs during the year; - We have considered the risk of inventory being expired/damaged due to the effect of COVID-19 and checked whether any provision was required for any such expiry/ obsolesce. - Comparing the net realizable value, obtained through a detailed review of sales subsequent to the year-end, to the cost price of a sample of inventories and comparison to the associated provision to assess whether inventory provisions are complete; - Obtaining a detailed review with the subsequent sales to compare with the net realizable value. ***[See note number 06 for details]***
Management's Consideration of the Potential Impact of COVID-19	
Management has made estimates and judgements that there was adverse impact of COVID-19 on the company. In doing so, management have made estimates and judgments that are critical to	Our audit included the following procedures: - We obtained management's most recent financial results forecasts and liquidity analysis underlying their going concern assessment and tested the

Head Office: Shamsunnahar Complex, 8th Floor, Suite-9B, 31/C/1, Topkhana Road, Segun Bhagicha, Dhaka- 1000.
Tel: 57160824, Fax: +880-2-57160821, e-mail: kzkc48@gmail.com, kzkc_bd@yahoo.com
Branch Office: 281/3, Jafrabad (Sankor), Ground Floor, West Dhanmondi, Dhaka-1207. Tel: 9124642. e-mail: mahmudkzkcbd@gmail.com

the outcomes of these considerations with particular focus on the company's ability to continue as a going concern for a period of at least 12 months from the date of the signing of the financial statements. As a result of the impact of COVID-19 on the wider financial markets we have determined management's consideration of the potential impact of COVID-19 (including their associated estimates and judgements) to be a key audit matter.	integrity of the forecasts, including mathematical accuracy. - We challenged management on the key assumptions included in the scenarios and we subjected management's most recent forecasts to additional stress testing to confirm that both management and the Board have considered a balanced range of outcomes in their assessment of the potential impact of COVID-19. - Based on our procedures, we have not identified any other matters to report with respect to both management's and the Board's considerations of the potential impact of COVID-19 on the current and future operations of the company. ***[See note number 3.22 for details]***

Other Matters

M.L. Dyeing Limited had appointed Shiraz Khan Basak & Co. as an auditor of the financial statements for the year ended 30th June 2021 in the company's last AGM. Due to ineligibility of the concerned Engagement Partner Mr Ramendra Nath Basak, FCA to perform the audit, the company appointed us as the auditor of the financial statements for the year ended 30th June 2021 according to letter no. MLD/2020-21/005 dated: 16th August, 2021. Due to the time constraint, physical verification of inventory could not be held by us for the the year ended June 30, 2021. However, during the course of our audit we have carried out audit procedures to ensure the value of inventory as on 30 June, 2021 is appropriate and free from any material misstatement. Detailed audit procedures are described in the key audit matter paragraph of this report.

Other information

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

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

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

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

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

Head Office: Shamsunnahar Complex, 8th Floor, Suite-9B, 31/C/1, Topkhana Road, Segun Bhagicha, Dhaka- 1000.
Tel: 57160824, Fax: +880-2-57160821, e-mail: kzkc48@gmail.com, kzkc_bd@yahoo.com
Branch Office: 281/3, Jafrabad (Sankor), Ground Floor, West Dhanmondi, Dhaka-1207. Tel: 9124642. e-mail: mahmudkzkcbd@gmail.com

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Head Office: Shamsunnahar Complex, 8th Floor, Suite-9B, 31/C/1, Topkhana Road, Segun Bhagicha, Dhaka- 1000.
Tel: 57160824, Fax: +880-2-57160821, e-mail: kzkc48@gmail.com, kzkc_bd@yahoo.com
Branch Office: 281/3, Jafrabad (Sankor), Ground Floor, West Dhanmondi, Dhaka-1207. Tel: 9124642. e-mail: mahmudkzkcbd@gmail.com

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

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

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

Report on other Legal and Regulatory Requirements

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

a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit and made due verification thereof;

b) in our opinion, proper books of account as required by law have been kept by the Company so far as it appeared from our examination of those books;

c) the statement of financial position and statement of profit or loss and other comprehensive income together with the annexed notes dealt with by the report are in agreement with the books of account and returns; and

d) the expenditure incurred was for the purposes of the Company's business.

Md. Nurul Hossain Khan FCA
Enrolment No: 0240
Managing Partner
Kazi Zahir Khan & Co.
Chartered Accountants
DVC: 2111010240AS826280

Place: Dhaka
Dated: October 31, 2021

KAZI ZAHIR KHAN & CO. Dhaka-1000 Chartered Accountants

Head Office: Shamsunnahar Complex, 8th Floor, Suite-9B, 31/C/1, Topkhana Road, Segun Bhagicha, Dhaka- 1000.
Tel: 57160824, Fax: +880-2-57160821, e-mail: kzkc48@gmail.com, kzkc_bd@yahoo.com
Branch Office: 281/3, Jafrabad (Sankor), Ground Floor, West Dhanmondi, Dhaka-1207. Tel: 9124642. e-mail: mahmudkzkcbd@gmail.com

M. L. DYEING LIMITED
STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2021

Particulars	Notes	Amount in Taka	
		30-06-2021	30-06-2020
ASSETS			
Non Current Assets			
Property, Plant & Equipment	4	2,608,347,180	1,876,447,157
Investment in Associate Company	5	-	-
Total Non-Current Assets		**2,608,347,180**	**1,876,447,157**
Current Assets			
Inventories	6	530,325,221	850,211,990
Trade Receivables	7	787,957,854	991,825,416
Advance, Deposits and Prepayments	8	16,791,059	48,457,035
Cash and Cash Equivalents	9	34,008,417	156,501,849
Total Current Assets		**1,369,082,551**	**2,046,996,290**
Total Assets		**3,977,429,731**	**3,923,443,447**
EQUITY AND LIABILITIES			
Capital and Reserves			
Share Capital	10	2,324,340,900	2,213,658,000
Retained Earnings	11	1,335,640,730	1,413,471,116
		3,659,981,630	**3,627,129,116**
Non-Current Liabilities			
Deferred Tax Liabilites	12	152,731,577	140,449,127
Total Non-Current Liabilities		**152,731,577**	**140,449,127**
Current Liabilities			
Trade Payables	13	124,304,902	110,344,192
Short term Borrowings	14	4,095,000	4,695,600
Creditors & Accrues	15	14,392,456	8,714,677
Provision for Income Tax	16	21,924,166	32,110,735
Total Current Liabilities		**164,716,524**	**155,865,204**
Total Current & Non Current Liabilities		**317,448,101**	**296,314,331**
Total Equity and Liabilities		**3,977,429,731**	**3,923,443,447**
Net Asset Value Per Share	28	**15.75**	**16.39**

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

Chairman	Managing Director	Director

Company Secretary	Chief Financial Officer

Signed as per our annexed report on even date.

Place: Dhaka
Dated: October 31, 2021

Kazi Zahir Khan & Co.
Chartered Accountants

KAZI ZAHIR KHAN & CO. Dhaka-1000 Chartered Accountants

M. L. DYEING LIMITED
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED JUNE 30, 2021

Particulars	Notes	Amount in Taka	
		30-06-2021	30-06-2020
Export	17	1,940,839,185	2,388,452,683
Less: Cost of Export	18	1,737,646,247	2,122,596,926
Gross Profit		**203,192,938**	**265,855,757**
Less: Operating Expenses	19	34,990,137	35,063,149
Operating Income		**168,202,801**	**230,792,608**
Less: Financial Expenses	20	742,541	612,405
Add/(Less): Foreign Exchange gain or loss	21	923,804	841,091
Net operating Income		**168,384,064**	**231,021,294**
Add: Other non-operating income	22	601,412	7,549,125
Add: Share of Profit/Loss of associate	23	-	-
Net profit before tax		**168,985,476**	**238,570,419**
Income Tax Expenses	24	**25,450,062**	**37,284,138**
Current Tax		13,167,612	31,956,132
Deferred Tax Income / (Expenses)		12,282,450	5,328,006
Net Profit after tax		**143,535,414**	**201,286,281**
Earnings Per Share (EPS)	27	**0.62**	**0.87**

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

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

Company Secretary | **Chief Financial Officer**

Place: Dhaka
Dated: October 31, 2021

Kazi Zahir Khan & Co.
Chartered Accountants

KAZI ZAHIR KHAN & CO. Dhaka-1000 Chartered Accountants

M. L. DYEING LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED JUNE 30, 2021

Particulars	Ordinary Share Capital	Retained Earnings	Total
As at July 01, 2020	2,213,658,000	1,413,471,116	**3,627,129,116**
Issue during the year - Bonus share	110,682,900	(221,365,800)	**(110,682,900)**
Net Profit during the year	-	143,535,414	**143,535,414**
Total	**2,324,340,900**	**1,335,640,730**	**3,659,981,630**

M. L. DYEING LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED JUNE 30, 2020

Particulars	Ordinary Share Capital	Retained Earnings	Total
As at July 01, 2019	1,924,920,000	1,597,243,835	**3,522,163,835**
Issue during the year - Bonus share	288,738,000	(384,984,000)	**(96,246,000)**
IPO Expenses	-	(75,000)	**(75,000)**
Net Profit during the year	-	201,286,281	**201,286,281**
Total	**2,213,658,000**	**1,413,471,116**	**3,627,129,116**

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

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

Company Secretary | **Chief Financial Officer**

Signed as per our annexed report on even date.

Place: Dhaka
Dated: October 31, 2021

Kazi Zahir Khan & Co.
Chartered Accountants

KAZI ZAHIR KHAN & CO. Dhaka-1000 Chartered Accountants

M. L. DYEING LIMITED
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2021

Particulars	Amount in Taka	
	30-06-2021	30-06-2020
A .Cash Flow From Operating Activities:		
Collection from Customers	2,145,606,657	2,362,593,790
Collection from other non-operating income	601,412	7,549,125
Cash paid to Suppliers and others	(1,240,222,518)	(2,049,264,041)
Paid for operating Expenses	(27,706,742)	(33,656,996)
Cash generated by operations	**878,278,809**	**287,221,878**
Income tax paid	(23,051,195)	(21,401,346)
Net cash flow from Operating activities	**855,227,614**	**265,820,532**
B. Cash Flow From Investing Activities:		
Purchase of Fixed Assets	(865,701,357)	(154,732,530)
		-
Net cash flow from Investing activities	**(865,701,357)**	**(154,732,530)**
C. Cash Flow From Financing Activities:		
Increase/ Decrease in Short term loan from bank	(600,600)	977,039
Dividend Paid	(110,682,900)	(96,246,000)
Payment for IPO Expenses	-	(135,000)
Payment for financial Expenses	(742,541)	(612,405)
Net Cash flow from financing activities	**(112,026,041)**	**(96,016,366)**
D.Increase/(Decrease) in cash and cash equivalents (A+B+C)	(122,499,784)	15,071,636
E.Foreign Exchange gain or loss (FC account)	6,352	16,934
E.Opening cash and cash equivalents	156,501,849	141,413,279
G.Closing cash and cash equivalents (D+E+F)	**34,008,417**	**156,501,849**
Net Operating Cash Flow Per Share	**3.68**	**1.20**

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

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

Company Secretary | **Chief Financial Officer**

Signed as per our annexed report on even date.

Place: Dhaka
Dated: October 28, 2021

Kazi Zahir Khan & Co.
Chartered Accountants

KAZI ZAHIR KHAN & CO. Dhaka-1000 Chartered Accountants

M. L. DYEING LIMITED
Notes, comprising summary of significant accounting policies and other explanatory information
For the year ended June 30, 2021

1.00 The Company and its operations

1.01 Legal form of the Company
The Company was incorporated on March 21, 2001 as a 'Private' company limited by shares, registered under the Companies Act 1994 vide Certificate of Incorporation No.C-42701(2060)2001. The company converted into a 'Public' Limited Company on 02-06-2010.

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

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

1.04.1 Capital Structure of the Company
Detailed break down of the capital structure of the company has been presented under.

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

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

2.00 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

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

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

The Income Tax Ordinance 1984;
The Income Tax Rules 1984;
The Value Added Tax & Supplementary Duty Act 2012;
The Value Added Tax & Supplementary Duty Rules 2016;
The Customs Act, 1969;
Bangladesh Labour Law, 2006 (Amended 2013);
Labor rules, 2015;

KAZI ZAHIR KHAN & CO. Dhaka 1000 Chartered Accountants

The Securities and Exchange Ordinance, 1969;
The Securities and Exchange Rules, 1987; and
Securities and Exchange Commission Act, 1993.

2.03 Components of the Financial Statements

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

i. Statement of financial position as at June 30, 2021;
ii. Statement of Profit or Loss and other comprehensive income for the year ended June 30, 2021;
iii. Statement of cash flows for the financial year ended June 30, 2021;
iv. Statement of changes in equity for the financial year ended June 30, 2021;
v. Notes, comprising summary of significant accounting policies and other explanatory information for the year ended June 30, 2021.

2.04 Measurement Bases used in preparing the Financial Statements

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

2.05 Reporting Currency and Level of Precision

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

2.06 Preparation and Presentation of Financial Statements of the Company

The Board of Directors of the company is responsible for the preparation and presentation of financial statements of M. L. DYEING LIMITED.

2.07 Use of Estimates and Judgments

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

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

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

Note: 4 Property, Plant and Equipment
Note: 6 Inventories
Note: 7 Trade & Other Receivables
Note: 8 Advances, Deposits and Pre-payments
Note: 12 Deferred Tax Liabilities
Note: 13 Trade Payables
Note: 16 Provision for Income tax

KAZI ZAHIR KHAN & CO. Chartered Accountants

2.08 Reporting Period

The financial period of the companies covers 1 (one) year from July 01, 2020 to June 30, 2021.

2.09 Statement of Cash Flows

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

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

a) Notes to the financial statements marked from 3.00 to 3.24 setting out the policies are unambiguous with respect to the reporting framework on which the accounting policies are based.

b) The accounting policies on all material areas have been stated clearly in the notes marked from 3.00 to 3.24.

c) The accounting standards that underpin the policies adopted by the company can be found in the following places of the notes to the financial statements where is applicable:

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

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

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

KAZI ZAHIR KHAN & CO. Dhaka-1000 Chartered Accountants

3.00 SIGNIFICANT ACCOUNTING POLICIES

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

3.1 Property, Plant & Equipment

3.1.1 Property, Plant and equipment

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

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

3.1.2 Depreciation of fixed assets

Depreciation is provided on reducing balance method (except Land & Land Development) on the cost at which the asset is carried in the books of account.
Depreciation has been charged on additions of fixed assets on the period of available for utilization. The depreciation /amortization rate(s) are as follows:

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

3.1.3 Impairment of Assets

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

3.2 Inventories

3.2.1 Valuation of Inventories

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

Category of Stocks	Basis of valuation
Raw & packing materials including WIP	: Moving average (Weighted) Cost
Finished Goods at Factory	: At lower of cost or net estimated realizable value

KAZI ZAHIR KHAN & CO. Chartered Accountants

At warehouses	: At cost
Stores Items	: At cost
Materials in-transit	: Book value (i.e. cost so far incurred).

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

3.3 Revenue Recognition

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

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

3.4 Foreign Currency Transaction/Translation

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

3.5 Financial Instruments

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

Trade Receivables

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

Trade Payables

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

Investment in Associate Company

The company has share investment in R.N. Spinning Mills Limited for 20,420,000 ordinary shares of Tk. 10/- each (at par) amounting Tk. 204,200,000. Carrying value of the investment as on June 30, 2021 stood at Tk. Nil being the proportioned fire loss has been adjusted with the investment for no. of 34,589,966 ordinary shares being 8.812% of total ordinary shares of R.N. Spinning Mills Ltd.

Cash and Cash Equivalents

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

KAZI ZAHIR KHAN & CO. Chartered Accountants

3.6 Taxation

3.6.1 Current Tax

Provision for income tax has been made on operating income at the rate of 15% as per Income Tax Ordinance, 1984. Income from other sources like sale of wastage is taxed at 30% and adequate provision has been made in this regard.

3.6.2 Deferred Tax

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

3.7 Provisions

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

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

3.8 Contingencies

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

3.9 Earnings Per Share (EPS)

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

Basic Earnings Per Share

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

Diluted Earnings Per Share (DEPS)

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

3.10 Operating Segment

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

3.11 Going Concern

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

KAZI ZAHIR KHAN & CO. Chartered Accountants

3.12 Related Party Disclosures

The company carried out a number of transactions with related parties in the normal course of business and on arms' length basis. The information as required by IAS 24: Related Party Disclosures has been disclosed.

3.13 Financial Risk Management Policies

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

Interest Rate Risk

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

Foreign Currency Risk

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

Credit Risk

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

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

Liquidity Risk

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

Fair Values

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

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

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

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

3.15 Employee benefits (IAS 19):

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

KAZI ZAHIR KHAN & CO. Chartered Accountants

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

The company's employee benefits include the following:

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

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

3.16 Borrowing costs

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

3.17 Investment in Associate

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

3.18 Intangible Assets

The company has no intangible assets.

3.19 Bad and doubtful debts

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

3.20 Advertising and promotional expenses

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

3.21 Related Parties disclosure

3.21.1 Equity Participation

M. L. Dyeing Limited has share investment in R.N. Spinning Mills Limited for 20,420,000 ordinary shares of Tk. 10/- each (at par) amounting Tk. 204,200,000. Carrying value of the investment as on June 30, 2021 stood at Tk. Nil being the proportioned fire loss has been adjusted with the investment for no. of share 34,589,966 ordinary shares being 8.812% of total ordinary shares of R.N. Spinning Mills Ltd.

3.21.2 Business Transaction

SL. No.	Name of company	Nature of transaction	Balance as at 30-06-2021 (Tk.)
01.	Far Chemical Industries Ltd.	Bills Payable	5,094,600
02.	Samin Food and Beverage Inds. And Textile Mills Ltd.	Bills Payable	87,486,420

KAZI ZAHIR KHAN & CO. Chartered Accountants

3.22 Impact of COVID 19

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

3.23 Expansion of New Spinning Unit

The company has constructed new spinning unit and started commercial operation of the new spinning unit since June 30, 2021 on its own premises situated at Mohona, Bhabanipur, Gazipur Sader, Gazipur.

3.24 Date of Authorization and Proposed Dividend

The financial statements were authorized for issue by the Board of Directors of the company on October 28, 2021. Board of Directors recommended 10% cash dividend for the financial year ended 30th June, 2021. Therefore, amount to be distributed as dividend will be BDT 232,434,090/- subject to final approval by the shareholders at the company's forthcoming AGM.

3.25 General

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

ii) Figures for the period have been rearranged wherever considered necessary to ensure comparability with the current period.

KAZI ZAHIR KHAN & CO. Chartered Accountants

4.00 Property, Plant & Equipment : Tk. 2,608,347,180

The above balance is made up as follows:

Particulars	30-06-2021	30-06-2020
A. At cost		
Opening balance	3,329,156,435	3,174,423,905
Add: Acquisition during the year-Dyeing Unit	72,090,343	22,287,018
Add: Acquisition during the year-Spinning Unit	793,611,014	132,445,512
Total available	**4,194,857,792**	**3,329,156,435**
B. Accumulated Depreciation		
Opening balance	1,452,709,278	1,318,910,165
Charged during the year-Dyeing Unit	133,490,602	133,799,113
Charged during the year- Spinning Unit	310,732	-
Total accumulated depreciation	**1,586,510,612**	**1,452,709,278**
Written down value as on June 30 (A-B)	**2,608,347,180**	**1,876,447,157**

Details shown in Annexure-A & Annexure-B

5.00 Investment in Associate Company :Tk. Nil

The above balance is made up as follows:

Particulars	Notes	30-06-2021	30-06-2020
R.N.Spinning Mills Ltd (Cost of Investment Tk. 204,200,000)		-	-
Share of Profit in Associates during the year	**23.00**	-	-
Total:		-	-

No loss for the year 2020-2021 is recognized as total investment become nil.

6.00 Inventories: Tk. 530,325,221

The above balance is made up as follows:

Particulars	Notes	30-06-2021	30-06-2020
Inventories - Dyeing Unit	6.A	525,984,965	850,211,990
Inventories - Spinning Unit	6.B	4,340,256	-
		530,325,221	**850,211,990**

6.A Inventories - Dyeing Unit: Tk. 525,984,965

Particulars	Notes	30-06-2021	30-06-2020
Raw Materials - Yarn	6.01	321,418,731	568,105,246
Raw Materials - Chemicals	6.02	63,924,157	80,152,477
Work in process		7,510,163	8,917,632
Packing Materials	6.03	1,871,861	2,203,791
Finished Goods		128,541,763	187,682,416
Store Items	6.04	2,718,290	3,150,428
Total:		**525,984,965**	**850,211,990**

6.01 Raw Materials-Yarn : Tk. 321,418,731

The above balance is made up as follows:

Particulars	30-06-2021	30-06-2020
Opening balance	568,105,246	574,051,689
Add: Purchase during the year	1,047,671,604	1,752,540,637
Raw materials available for production	**1,615,776,850**	**2,326,592,326**
Less: Input to production	1,294,358,119	1,758,487,080
Closing balance	**321,418,731**	**568,105,246**

6.02 Raw Materials- Chemicals: Tk. 63,924,157

The above balance is made up as follows:

Particulars	30-06-2021	30-06-2020
Opening balance	80,152,477	80,621,537
Add: Purchase during the year	115,218,714	150,541,836
Raw materials available for production	**195,371,191**	**231,163,373**
Less: Input to production	131,447,034	151,010,896
Closing balance	**63,924,157**	**80,152,477**

KAZI ZAHIR KHAN & CO. Chartered Accountants

6.03 Packing Materials: Tk. 1,871,861

The above balance is made up as follows:

Particulars	30-06-2021	30-06-2020
Opening balance	2,203,791	2,184,631
Add: Purchase during the year	5,038,175	5,597,450
	7,241,966	7,782,081
Less: Consumption during the year	5,370,105	5,578,290
Closing balance	**1,871,861**	**2,203,791**

6.04 Store Items: Tk. 2,718,290

The above balance is made up as follows:

Particulars	30-06-2021	30-06-2020
Opening balance	3,150,428	2,676,350
Add: Purchase during the year	7,182,964	6,795,263
	10,333,392	**9,471,613**
Less: Consumption during the year	7,615,102	6,321,185
Closing balance	**2,718,290**	**3,150,428**

6.B Inventories - Spinning Unit: Tk. 4,340,256

Particulars	Notes	30-06-2021	30-06-2020
Raw Materials - Cotton	6.05	3,452,171	-
Work in process		506,348	-
Packing Materials	6.06	10,235	-
Finished Goods		297,350	-
Store Items	6.07	74,152	-
Total:		**4,340,256**	**-**

6.05 Raw Materials- Cotton : Tk. 3,452,171

The above balance is made up as follows:

Particulars	30-06-2021	30-06-2020
Opening balance	-	-
Add: Purchase during the year	4,208,142	-
Raw materials available for production	**4,208,142**	-
Less: Input to production	755,971	-
Closing balance	**3,452,171**	-

6.06 Packing Materials: Tk. 10,235

The above balance is made up as follows:

Particulars	30-06-2021	30-06-2020
Opening balance	-	-
Add: Purchase during the year	21,857	-
	21,857	-
Less: Consumption during the year	11,622	-
Closing balance	**10,235**	-

6.07 Store Items: Tk. 74,152

The above balance is made up as follows:

Particulars	30-06-2021	30-06-2020
Opening balance	-	-
Add: Purchase during the year	254,867	-
	254,867	-
Less: Consumption during the year	180,715	-
Closing balance	**74,152**	-

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

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

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

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

KAZI ZAHIR KHAN & CO. Dhaka-1000 Chartered Accountants

7.00 Trade and other Receivables: Tk. 787,957,854

The above is the amount of receivable against export bills as on June 30, 2021. This is considered as good & realizable and is secured by export letter of credit duly accepted by L/C opening bank.

Particulars	30-06-2021	30-06-2020
Opening balance	991,825,416	964,869,983
Add:Export	1,940,839,185	2,388,452,683
	2,932,664,601	3,353,322,666
Less: Realization during the year	2,144,706,747	2,361,497,250
Total:	**787,957,854**	**991,825,416**

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

Sl	Particulars	Amount	
		2021	2020
I	Receivables considered good and in respect of which the company is fully secured.	787,957,854	991,825,416
II	Receivables considered good for which the company holds no security other than the debtors personal security.	-	-
III	Receivables considered doubtful or bad.	-	-
IV	Receivables due by directors or other officers of the company or any of them either severally or jointly with any other person or debts due by firms or private companies respectively in which any director is a partner or a director or a member.	-	-
V	Receivables due by companies under same management.	-	-
VI	The maximum amount due by directors or other officers of the company at any time during the year.	-	-
	Total	**787,957,854**	**991,825,416**

Ageing of the above Receivables is given below:

1-6 Months	630,658,018	935,431,236
More than 6 months	157,299,836	56,394,180

8.00 Advances, Deposits & Prepayments: Tk. 16,791,059

The above balance is made up as follows:

Particulars	Note	30-06-2021	30-06-2020
Titas Gas		1,868,000	1,868,000
Electricity		3,278,920	278,920
Security deposit		-	4,849,920
Sundry Advances	8.01	867,003	30,380,073
Advance Income Tax	8.02	10,777,136	11,080,122
Total:		**16,791,059**	**48,457,035**

8.01 Sundry Advances: Tk. 867,003

The above balance is made up as follows:

Particulars	30-06-2021	30-06-2020
M/S. Gazi Enterprise	9,635	3,517
Advance Salary	451,600	1,063,800
Md. Shajedur Rahman	32,051	1,972,814
M/S. SB Communication	15,541	522,151
M/S. Shathi Enterprise	358,176	-
M/S. Jubair Construction	-	26,817,791
Total:	**867,003**	**30,380,073**

8.02 Advance Tax: Tk. 10,777,136

The above balance is made up as follows:

Particulars	30-06-2021	30-06-2020
Opening Balance	11,080,122	12,337,325
Addition during the year - Interest Income	53,602	748,572
Addition during the year - Export	10,723,534	10,331,550
	21,857,258	**23,417,447**
Less: Adjustment during the year	11,080,122	12,337,325
Total:	**10,777,136**	**11,080,122**

KAZI ZAHIR KHAN & CO Chartered Accountants

9.00 Cash and Cash Equivalents: Tk. 34,008,418

The above balance is made up as follows:

Particulars	Notes		30-06-2021	30-06-2020
IPO Fund	9.01		-	125,547,592
FDR			20,500,000	-
Cash and Bank balance	9.02		13,508,417	30,954,257
		Total:	**34,008,417**	**156,501,849**

9.01 IPO Fund: Tk. Nil

The above balance is made up as follows:

Particulars		30-06-2021	30-06-2020
Cash at Bank -Islami Bank Ltd.-MSND A/C		-	5,522,277
Cash at Bank - SIBL- MND A/C		-	25,315
Cash at Bank - FDR		-	120,000,000
	Total:	-	**125,547,592**

9.02 Cash and Cash Equivalents: Tk. 13,508,418

The above balance is made up as follows:

Particulars		30-06-2021	30-06-2020
Cash in hand-Factory		720,021	1,561,766
Cash in hand-Head Office		639,428	1,274,512
Cash at Bank -Islami Bank Ltd.- S/D A/C		218,806	30,586
Cash at Bank -Islami Bank Ltd.- C/D A/C		146,511	390,449
Cash at Bank -Islami Bank Ltd.- F/C A/C		10,891,821	22,659,009
Cash at Bank -Islami Bank Ltd.- MSND A/C		529,255	-
Cash at Bank -Islami Bank Ltd.- AWCA A/C		197,233	-
Cash at Bank -Islami Bank Ltd.		-	5,033,717
Cash at Bank - SBAC - C/D A/C		76,575	4,218
Cash at Bank - SBAC - SND A/C		88,767	-
	Total:	**13,508,417**	**30,954,257**

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

10.00 Share Capital:

	30-06-2021	30-06-2020
10.01 Authorized Share Capital :		
310,000,000 ordinary shares of Taka 10/= each.	**3,100,000,000**	**3,100,000,000**
10.02 Issued, subscribed, called-up and paid-up share capital:		
232,434,090 ordinary shares of Tk 10/= each fully paid-up	2,324,340,900	2,213,658,000
	2,324,340,900	**2,213,658,000**
10.03 Paid-up Share Capital:		
Opening Share Capital	2,213,658,000	1,924,920,000
Issued during the year - Bonus Issue	110,682,900	288,738,000
	2,324,340,900	**2,213,658,000**

The shareholding position of the company are as under:

Name	No. of shares	Percentages %	Amount in Tk.
Rezaur Rahman Rajon	14,797,622	6.37%	147,976,220
Faiaz Kader	18,808,744	8.09%	188,087,440
Al-Haj Mustafizur Rahman	11,881	0.01%	118,810
Shirin Faruk	10,070,550	4.33%	100,705,500
Abdul Kader Faruk	10,070,550	4.33%	100,705,500
Total Spinning Mills Ltd.	9,882,180	4.25%	98,821,800
Rajon Textiles Mills Ltd.	9,346,050	4.02%	93,460,500
Lee Jung Kook	45,373,512	19.52%	453,735,120
S.F Textile Industries Ltd.	13,053,575	5.62%	130,535,750
Sadman Textiles Mills Ltd.	9,723,050	4.18%	97,230,500
Better Life Hospital Ltd.	10,070,550	4.33%	100,705,500
Samin Food & Beverage Inds and Textile Mills Ltd.	10,070,550	4.33%	100,705,500
Other shareholders	71,155,276	30.61%	711,552,760
Total	**232,434,090**	**100%**	**2,324,340,900**

KAZI ZAHIR KHAN & CO. Dhaka-1000 Chartered Accountants

10.04 Classification of Shareholders by holdings

Ranges of Shareholdings	30-06-2021	
	No. of Holder	% of Holdings
Less than or equal to 500 Shares	2190	0.23%
501 to 1,000 Shares	1956	0.69%
1,001 to 5,000 Shares	2740	3.09%
5,001 to 10,000 Shares	879	2.91%
10,001 to 20,000 Shares	529	3.33%
20,001 to 30,000 Shares	159	1.75%
30,001 to 40,000 Shares	72	1.09%
40,001 to 50,000 Shares	59	1.17%
50,001 to 100,000 Shares	89	2.85%
100,001 to 1,000,000 Shares	53	6.82%
Over 1,000,000 Shares	17	76.08%
Total	8743	100%

11.00 Retained Earnings: Tk. 1,335,640,731

The above balance is made up as follows:

Particulars	Notes	30-06-2021	30-06-2020
Opening balance		1,413,471,116	1,597,243,835
Less: Bonus Issue		(221,365,800)	(384,984,000)
Add: Current year Profit		143,535,414	201,286,281
		1,335,640,730	**1,413,546,116**
Less: IPO Expenses	11.01	-	75,000
	Total:	**1,335,640,730**	**1,413,471,116**

11.01 IPO Expenses: Tk. Nil

The above balance is made up as follows:

Particulars	30-06-2021	30-06-2020
Opening balance	-	7,297,300
Add: Current year	-	75,000
Total:	-	**7,372,300**

12.00 Deferred Tax liabilites: Tk. 152,731,577

The above balance is made up as follows:

Particulars		30-06-2021	30-06-2020
Opening balance		140,449,127	135,121,121
Addition during the year	24.02	12,282,450	5,328,006
Total:		**152,731,577**	**140,449,127**

13.00 Trade Payables: Tk. 124,304,902

The above balance is made up as follows:

Particulars	30-06-2021	30-06-2020
Trade payables	124,304,902	110,344,192
Total:	**124,304,902**	**110,344,192**

14.00 Short Term Borrowings: Tk. 4,095,000

The above balance is made up as follows:

Particulars	30-06-2021	30-06-2020
EDF/MDB - IBBL	4,095,000	4,695,600
Total:	**4,095,000**	**4,695,600**

14.01 The Islami Bank Bangladesh Limited sanctioned a composite working capital limit for Tk 65.00 crore to make stock of raw materials, work in process and finished goods in form of:

a) L/C limit for Tk 540.00 million
b) Bai-Murabaha & MPI for Tk 110.00 million

Terms and Conditions :

a) Rate of profit 09 % per annum
b) Validity upto 19.10.2021 but every year renewable.

KAZI ZAHIR KHAN & CO. Chartered Accountants

15.00 Creditors & Accrues : Tk. 10,052,200

The above balance is made up as follows:

Particulars	Notes	30-06-2021	30-06-2020
Gas Bill		3,669,415	3,405,418
Electricity Bill - Dyeing Unit		60,824	63,824
Electricity Bill - Spinning Unit		633,007	-
Water Bill		6,312	6,312
Rent		2,000	2,000
Salary & Wages		5,215,893	4,583,926
MD's Remuneration and Fees		50,000	50,000
Sundry Creditors	15.01	4,505,005	308,197
Audit Fees		250,000	295,000
	Total:	**14,392,456**	**8,714,677**

15.01 Sundry Creditors: Tk. 4,505,005

The above balance is made up as follows:

Particulars		30-06-2021	30-06-2020
M/S. Euro Enginnering		21,735	-
M/S. Mita Enginnering		4,409,608	-
M/S. Mofazzal & Brothers Enterprise		5,584	-
M/S. Technocrate Enterprise		-	30,412
M/S. Shafiqul Enterprise		39,142	-
M/S Engineering Network Ltd		16,395	277,785
M/S.Abul Khair Melting Ltd.		12,541	-
Total	**Total:**	**4,505,005**	**308,197**

16.00 Provision for Income Tax: Tk. 21,924,166

The above balance is made up as follows:

Particulars	Notes	30-06-2021	30-06-2020
Opening balance		32,110,735	22,873,152
Add:Income Tax charged	24.00	13,167,612	31,956,132
		45,278,347	54,829,284
Less: Adjustment during the year		23,354,181	22,718,549
	Total:	**21,924,166**	**32,110,735**

KAZI ZAHIR KHAN & CO. Chartered Accountants

17.00 Export: Tk. 1,940,839,185

The above balance is made up as follows:

Particulars		30-06-2021	30-06-2020
Export		1,940,839,185	2,388,452,683
	Total:	**1,940,839,185**	**2,388,452,683**

18.00 Cost of Export : Tk. 1,737,646,247

The above amount is made up as follows:

Particulars	Notes	30-06-2021	30-06-2020
Raw materials consumed-Yarn	18.01	1,294,358,119	1,758,487,260
Raw materials consumed-Cotton	18.02	755,971	-
Raw materials consumed-Chemicals	18.03	131,447,034	151,010,896
Packing materials consumed	18.04	5,381,727	5,578,290
		1,431,942,851	**1,915,076,446**
Work in process- opening		8,917,632	9,357,214
Work in process- closing		8,016,511	8,917,632
Change in work in process		**901,121**	**439,582**
Total consumption		**1,432,843,972**	**1,915,516,028**
Add: Manufacturing Overhead	18.05	114,175,783	115,605,290
Add: Depreciation-Dyeing Unit		131,888,715	132,193,524
Add: Depreciation- Spinning Unit		307,003	-
Cost of production		**1,679,215,473**	**2,163,314,842**
Finished goods - opening		187,682,416	147,350,216
Finished goods - closing		128,839,113	187,682,416
Change of finished goods stock		**58,843,303**	**(40,332,200)**
Cost of free issue		412,529	385,716
	Total:	**1,737,646,247**	**2,122,596,926**

18.01 Raw materials consumed-Yarn: Tk.1,294,358,119

The above amount is made up as follows:

Particulars		30-06-2021	30-06-2020
Opening Stock		568,105,246	574,051,869
Add: Purchase during the year		1,047,671,604	1,752,540,637
Raw materials available for production		1,615,776,850	2,326,592,506
Less: Closing Stock		321,418,731	568,105,246
	Total:	**1,294,358,119**	**1,758,487,260**

18.02 Raw materials consumed-Cotton : Tk. 755,971

The above amount is made up as follows:

Particulars		30-06-2021	30-06-2020
Opening Stock		-	-
Add: Purchase during the year		4,208,142	-
Chemicals available for Production		4,208,142	-
Less: Closing Stock		3,452,171	-
	Total:	**755,971**	**-**

18.03 Raw materials consumed-Chemicals: Tk. 131,447,034

The above amount is made up as follows:

Particulars		30-06-2021	30-06-2020
Opening Stock		80,152,477	80,621,537
Add: Purchase during the year		115,218,714	150,541,836
Chemicals available for Production		195,371,191	231,163,373
Less: Closing Stock		63,924,157	80,152,477
	Total:	**131,447,034**	**151,010,896**

18.04 Packing materials consumed: Tk. 5,381,727

The above amount is made up as follows:

Particulars	30-06-2021	30-06-2020
Packing materials consumed: Dyeing Unit (Notes:18.4A)	5,370,105	5,578,290
Packing materials consumed: Spinning Unit (Notes:18.4B)	11,622	-
	5,381,727	**5,578,290**

KAZI ZAHIR KHAN & CO. Chartered Accountants Dhaka-1000

18.04.A Packing materials consumed: Dyeing Unit (Notes:18.4A): Tk. 5,370,105

The above amount is made up as follows:

Particulars	30-06-2021	30-06-2020
Opening Stock	2,203,791	2,184,631
Add: Purchase during the year	5,038,175	5,597,450
Packing materials available for packing	7,241,966	7,782,081
Less: Closing Stock	1,871,861	2,203,791
Total:	**5,370,105**	**5,578,290**

18.04.B Packing materials consumed: Spinning Unit (Notes:18.4A): Tk. 11,622

The above amount is made up as follows:

Particulars	30-06-2021	30-06-2020
Opening Stock	-	-
Add: Purchase during the year	21,857	-
Packing materials available for packing	21,857	-
Less: Closing Stock	10,235	-
Total:	**11,622**	**-**

18.05 Manufacturing overhead: Tk. 114,175,783

The above amount is made up as follows:

Particulars	30-06-2021	30-06-2020
Manufacturing overhead: Dyeing Unit (Notes:18.5A)	112,576,236	115,605,290
Manufacturing overhead: Spinning Unit (Notes:18.5B)	1,599,547	-
	114,175,783	**115,605,290**

18.05.A Manufacturing overhead: Dyeing Unit Tk. 112,576,236

The above amount is made up as follows:

Particulars	Notes	30-06-2021	30-06-2020
Salary & Wages		48,654,273	47,852,639
Fuel, Water & Power		5,552,290	5,279,652
Printing & Stationary		987,153	1,034,210
Conveyance		819,552	682,041
Mobile bill		32,054	43,874
Store & Spares Consumed	6.04	7,615,102	6,321,185
Insurance		1,638,279	1,524,063
Gas Bill		44,352,418	45,182,469
C & F Expenses		175,248	5,287,196
Rent, Rates and Taxes		118,271	108,713
Repairs & Maintenance	18.04.A	2,517,310	2,179,577
Other Overhead		114,286	109,671
	Total:	**112,576,236**	**115,605,290**

18.04.A Repairs & Maintenance: Tk. 2,517,310

The above amount is made up as follows:

Particulars	30-06-2021	30-06-2020
Plant and Machinery	1,942,270	1,577,832
Building	472,186	512,074
Others	102,854	89,671
Total:	**2,517,310**	**2,179,577**

18.05.B Manufacturing overhead: Spinning Unit Tk. 1,599,547

The above amount is made up as follows:

Particulars	Notes	30-06-2021	30-06-2020
Salary & Wages		241,528	-
Fuel, Water & Power		23,592	-
Printing & Stationary		30,614	-
Conveyance		9,715	-
Mobile bill		1,284	-
Store & Spares Consumed	6.07	180,715	-
Electricity Bill		633,007	-
Rent, Rates and Taxes		369,421	-
Other Overhead		109,671	-
Total:		**1,599,547**	**-**

KAZI ZAHIR KHAN & CO. Dhaka-1000 Chartered Accountants

18.04.A Packing materials consumed: Dyeing Unit (Notes:18.4A): Tk. 5,370,105

The above amount is made up as follows:

Particulars	30-06-2021	30-06-2020
Opening Stock	2,203,791	2,184,631
Add: Purchase during the year	5,038,175	5,597,450
Packing materials available for packing	7,241,966	7,782,081
Less: Closing Stock	1,871,861	2,203,791
Total:	**5,370,105**	**5,578,290**

18.04.B Packing materials consumed: Spinning Unit (Notes:18.4A): Tk. 11,622

The above amount is made up as follows:

Particulars	30-06-2021	30-06-2020
Opening Stock	-	-
Add: Purchase during the year	21,857	-
Packing materials available for packing	21,857	-
Less: Closing Stock	10,235	-
Total:	**11,622**	**-**

18.05 Manufacturing overhead: Tk. 114,175,783

The above amount is made up as follows:

Particulars	30-06-2021	30-06-2020
Manufacturing overhead: Dyeing Unit (Notes:18.5A)	112,576,236	115,605,290
Manufacturing overhead: Spinning Unit (Notes:18.5B)	1,599,547	-
	114,175,783	**115,605,290**

18.05.A Manufacturing overhead: Dyeing Unit Tk. 112,576,236

The above amount is made up as follows:

Particulars	Notes	30-06-2021	30-06-2020
Salary & Wages		48,654,273	47,852,639
Fuel, Water & Power		5,552,290	5,279,652
Printing & Stationary		987,153	1,034,210
Conveyance		819,552	682,041
Mobile bill		32,054	43,874
Store & Spares Consumed	6.04	7,615,102	6,321,185
Insurance		1,638,279	1,524,063
Gas Bill		44,352,418	45,182,469
C & F Expenses		175,248	5,287,196
Rent, Rates and Taxes		118,271	108,713
Repairs & Maintenance	18.04.A	2,517,310	2,179,577
Other Overhead		114,286	109,671
Total:		**112,576,236**	**115,605,290**

18.04.A Repairs & Maintenance: Tk. 2,517,310

The above amount is made up as follows:

Particulars	30-06-2021	30-06-2020
Plant and Machinery	1,942,270	1,577,832
Building	472,186	512,074
Others	102,854	89,671
Total:	**2,517,310**	**2,179,577**

18.05.B Manufacturing overhead: Spinning Unit Tk. 1,599,547

The above amount is made up as follows:

Particulars	Notes	30-06-2021	30-06-2020
Salary & Wages		241,528	-
Fuel, Water & Power		23,592	-
Printing & Stationary		30,614	-
Conveyance		9,715	-
Mobile bill		1,284	-
Store & Spares Consumed	6.07	180,715	-
Electricity Bill		633,007	-
Rent, Rates and Taxes		369,421	
Other Overhead		109,671	
Total:		**1,599,547**	

KAZI ZAHIR KHAN & CO. Dhaka-1000 Chartered Accountants

19.00 Operating Expenses: Tk. 34,990,137

The above amount is made up as follows:

Particulars	Notes	30-06-2021	30-06-2020
Warehouse, Distribution & Selling Exp.-DU	19.01	14,270,011	14,773,555
Administrative Expenses- Dyeing Unit	19.02	20,571,815	20,289,594
Warehouse, Distribution & Selling Exp.- SPU	19.03	4,173	-
Administrative Expenses- Spinning Unit	19.04	144,138	-
	Total:	**34,990,137**	**35,063,149**

19.01 Warehouse, Distribution & Selling Exp.-Dyeing Unit: Tk. 14,270,011

The above amount is made up as follows:

Particulars	30-06-2021	30-06-2020
Advertising Expenses	190,534	197,518
Salary & Welfare	6,478,250	6,582,417
Transportation and Handling Expenses	3,524,177	3,898,714
Repair and Maintenance	364,218	355,417
Rent	37,700	36,500
Electricity, Fuel & Water	85,718	82,718
Sales promotion Expenses	518,763	476,351
Traveling Expenses	1,271,869	1,341,824
Entertainment Expenses	570,964	520,418
Miscellaneous Expenses	110,536	107,458
Sample,Test & Analysis	224,187	306,827
Cost of free issue	412,529	385,716
Depreciation	480,566	481,677
Total:	**14,270,011**	**14,773,555**

19.02 Administrative Expenses-Dyeing Unit: Tk. 20,571,815

The above amount is made up as follows:

Salary & Welfare	7,865,310	7,741,526
MD's Remuneration	600,000	600,000
Postage & Telecommunication	317,284	352,408
Traveling, Haultage & passage	2,763,942	2,841,639
Repair & Maintenance	817,630	736,533
Vehicle Expenses	614,267	553,857
Electricity, Fuel & Water	954,132	925,129
Printing and Stationery	612,435	605,412
Rent, Rates and Taxes	3,767,698	3,509,671
Subscription & Donation	261,719	277,241
Entertainment	336,427	307,549
Legal & Professional Charge	63,517	175,841
Audit fees	250,000	295,000
Miscellaneous Expenses	135,717	110,524
Newspaper & periodical	52,416	69,352
Board Meeting attendance Fees	38,000	64,000
Depreciation	1,121,321	1,123,912
Total:	**20,571,815**	**20,289,594**

19.03 Warehouse, Distribution & Selling Exp.- Spinning Unit: Tk. 4,173

The above amount is made up as follows:

Particulars	30-06-2021	30-06-2020
Salary & Welfare	1,285	-
Electricity, Fuel & Water	1,769	-
Depreciation	1,119	-
Total:	**4,173**	**-**

19.04 Administrative Expenses- Spinning Unit: Tk. 144,138

The above amount is made up as follows:

Salary & Welfare	141,528	
Depreciation	2,610	
Total:	**144,138**	

KAZI ZAHIR KHAN & CO. Dhaka-1000 Chartered Accountants

20.00 Financial Expenses: Tk. 742,541

The above amount is made up as follows:

Particulars	Notes		30-06-2021	30-06-2020
Interest on Loan	20.01		742,541	612,405
		Total:	**742,541**	**612,405**

20.01 Interest on loan: Tk. 742,541

The above amount is made up as follows:

Particulars		30-06-2021	30-06-2020
Interest on MDB Loan		-	17,319
Interest on IBP Loan		729,684	9,358
Interest on Murabaha TR / EDF		12,857	585,728
	Total:	**742,541**	**612,405**

21.00 Foreign Exchange gain or loss: Tk. 923,804

The above amount is made up as follows:

Particulars		30-06-2021	30-06-2020
Foreign Exchange gain or Loss - Realized		917,452	824,157
Foreign Exchange gain or Loss - Unrealized		6,352	16,934
	Total:	**923,804**	**841,091**

22.00 Other non-operating income: Tk. 601,412

The above amount is made up as follows:

Particulars		30-06-2021	30-06-2020
Sale of Wastage		65,392	63,402
Interest Income		536,020	7,485,723
	Total:	**601,412**	**7,549,125**

23.00 Share of Profit of Associate : Tk. Nil

The above amount is made up as follows:

Particulars	Notes		30-06-2021	30-06-2020
Share of Associate Profit during the year	23.01		-	-
		Total:	-	-

23.01 Share of Associate Profit during the year: Tk. Nil

The above amount is made up as follows:

Particulars	Notes		30-06-2021	30-06-2020
Associate Profit/Loss during the year			(69,865,896)	(344,939,466)
Total No.of Share of Associate			392,544,834	392,544,834
No. of Share of Associate held by the Company			34,589,966	34,589,966
Percentage of holding in Asssociate Company			8.8117%	8.8117%
Share of Associate Profit during the period		**Total:**	**(6,156,390)**	**(30,395,113)**
No loss is recognized as total investment in assciated become Nil.				

24.00 Income Tax Expenses during the year: Tk. 25,450,061

The above amount is made up as follows:

Particulars	Notes		30-06-2021	30-06-2020
Current Tax on operating Income	24.01		12,987,188	29,313,938
Current Tax on other Income			180,424	2,642,194
Deferred Tax	24.02		12,282,450	5,328,006
		Total:	**25,450,062**	**37,284,138**

24.01 Current Tax on operating Income : Tk. 12,987,188

The above amount is made up as follows:

Particulars		30-06-2021	30-06-2020
Profit before tax		168,985,476	238,570,419
Less: IPO Expenses		-	(75,000)
Less: Other non-operating income		(601,412)	(7,549,125)
Less: Share of Profit/Loss of associate		-	-
Add: Depreciation on Accounting base		133,801,334	133,799,113
Less: Depreciation on Tax base		(215,604,145)	(169,319,154)
		86,581,253	**195,426,253**
Applicable Tax Rate		**15%**	**15%**
Current tax on operating Income	**Total:**	**12,987,188**	**29,313,938**

KAZI ZAHIR KHAN & CO. Chartered Accountants

24.02 Deferred Tax during the year: Tk. 12,282,450

The above amount is made up as follows:

Particulars		30-06-2021	30-06-2020
Carrying amount as Accounting base:			
Property, Plant & Equipment		2,608,347,180	1,876,447,157
Carrying amount as Tax base:			
Property, Plant & Equipment		1,385,136,850	940,119,638
Difference		1,223,210,330	936,327,519
Applicable Tax Rate		15%	15%
Deferred Tax liabilities at the end of year		183,481,550	140,449,128
Opening balance		140,449,128	135,121,122
Deferred tax expenses/(income) for the year	**Total:**	**43,032,422**	**5,328,006**
Total Tax for the year		25,450,061	
Less: Current tax during the year		13,167,612	
Mamimum deferred tax during the year		**12,282,450**	

25.00 IPO Expenses: Tk. Nil

The above amount is made up as follows:

Particulars		30-06-2021	30-06-2020
Audit fees		-	75,000
	Total:	-	**75,000**

26.00 Reconcilation of cash generated by operations

The above balance is made up as follows:

Particulars	30-06-2021	30-06-2020
Profit before Income tax	168,985,476	238,570,419
Add: Depreciation charged	133,801,334	133,799,113
Add: Financial Expenses	742,541	612,405
Less: Share of Profit/Loss of associate	-	-
Add(Less): Increase or decrease in inventory	319,886,769	(33,970,173)
Add(Less): Increase or decrease in trade receivable (foreign exchange gain or loss adjusted)	203,867,562	(26,955,433)
Add(Less): Increase or decrease in trade payable (foreign exchange gain or loss adjusted)	13,960,710	(1,242,973)
Add(Less): Increase or decrease in advance, deposit and pre payments	31,362,990	(23,375,110)
Add(Less): Increase or decrease in Foreign Exchange gain or loss - FC Account	(6,352)	(16,934)
Add(Less): Increase or decrease in creditors and accrues	5,677,779	(199,436)
	878,278,809	**287,221,878**

27.00 Earnings Per Share (Basic EPS) : Tk. 0.62

The above amount is made up as follows:

Particulars	30-06-2021	30-06-2020
a) Net Profit after Tax	143,535,414	201,286,281
b) Weighted average number of shares outstanding (Note-27.01)	232,434,090	221,365,800
Earnings per share	**0.62**	**0.91**
Earnings per share (Re-Stated)	**0.62**	**0.87**

27.01 Weighted average No. of Shares outstanding

The above balance is made up as follows:

Particulars	30-06-2021	30-06-2020
Opening Share	221,365,800	192,492,000
Issued during the year - Bonus Issue	11,068,290	28,873,800
Weighted average No. of Shares outstanding	**232,434,090**	**221,365,800**

KAZI ZAHIR KHAN & CO. Chartered Accountants

28.00 Net Asset Value per Share (NAV) : Tk. 15.75

The above amount is made up as follows:

Particulars		30-06-2021	30-06-2020
Net Asset Value		3,659,981,630	3,627,129,116
No. of Shares Outstanding		232,434,090	221,365,800
Net Asset Value per Share (NAV)	Total:	**15.75**	**16.39**

29.00 Net Operating Cash Flows per Share : Tk. 3.68

The above amount is made up as follows:

Particulars		30-06-2021	30-06-2020
Net Operating Cash Flows		855,227,614	265,820,532
No. of Shares Outstanding		232,434,090	221,365,800
Net Operating Cash Flows per Share	Total:	**3.68**	**1.20**

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

31.A Quantity wise schedule as required under Para 3, Schedule XI, Part II of the Companies Act, 1994

Quantity wise schedules of sales, raw material consumed and opening and closing stock of finished goods of Dyeing unit relating to the financial statements for the year ended June 30, 2021 are given below:

i) Sales

Particulars	01-07-2020 to 30-06-2021	01-07-2019 to 30-06-2020
Amount in Taka	1,940,839,185	2,388,452,683
Quantity in Lbs - Dyed yarn	14,983,297	17,600,995

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

	01-07-2020 to 30-06-2021	01-07-2019 to 30-06-2020
Opening Stock	5,873,275	5,767,728
Purchase	12,524,187	18,285,417
Total available	18,397,462	24,053,145
Less: Closing Stock	3,659,719	5,873,275
Raw Materials - consumed	**14,737,743**	**18,179,870**

iii) Particulars in respect of Opening Stock and Closing Stock of Inventories

Particulars	Opening Stock		Closing Stock	
	Quantity	Amount in Tk.		Amount in Tk.
Raw Materials -Yarn	5,872,275 Lbs	568,105,246	3,659,719 Lbs	321,418,731
Raw Materials -Chemicals	612,934 Kg	80,152,477	486,300 Kg	63,924,157
Work in Process	92,873 Lbs	8,917,632	85,462 Lbs	7,510,163
Finished goods	1,556,017 Lbs	187,682,416	1,108,127 Lbs	128,541,763

KAZI ZAHIR KHAN & CO. Chartered Accountants Dhaka-1000

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

Employee Position (as on June 30, 2021)

Salary Range	Officer & Staff		Worker	Total Employee
	Factory	Head Office		
Below 6000	10	0	75	85
Above 6000	37	49	472	558
Total	**47**	**49**	**547**	**643**

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

Payment to directors within the year ended 30.06.2021

Directors Remuneration & Fees : Tk. 664,000

Directors' are entitled Tk 1,000 as Board Meeting fee for attending each Board Meeting as per Articles of Association. The break down is as follows-

Name of Board of Directors	Designation	Director Remuneration	No. of Meeting attending	Fees	Amount in Taka
Mr. Faiaz Kader	Chairman	-	8	8,000	8,000
Mr.Rezaur Rahman Rajon	Director	-	7	7,000	7,000
Mr. Golam Azam Chowdhury (Representive of Rajon Textile Mills Ltd	Managing Director	600,000	8	8,000	608,000
Mr. Abul Khair Manik (Representive of Total Spinning Mills Ltd	Director	-	7	7,000	7,000
Mr. Syed Md. Tajon Islam	Independent Director	-	8	8,000	8,000
Total		**600,000**		**38,000**	**638,000**

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

Details of Capacity as given below:

Particulars	Production Unit	Attainable Capacity in Lbs	Actual Production in Lbs	Percentage of Capacity Utilization
Annual Production of Acrylic & Cotton Yarn Dyeing in Lbs	Dyeing Unit	19,840,000	14,527,995	73.23%
Cotton Yarn Production	Spinning Unit	10,802,540	2,646	0.024%
Total		**30,642,540**	**14,530,641**	**73.25%**

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

32.A During the year ended June 30 , 2021 total value of import in respect of raw material, spare parts calculated on CIF basis are given as below:

Particulars	Amount (Tk.)
Raw Materials - Yarn	1,047,671,604
Raw Materials - Cotton	4,208,142
Raw Materials - Chemical	150,541,836

KAZI ZAHIR KHAN & CO. Chartered Accountants

32.B The company has not incurred any expenditure in foreign currencies during the period of 01 July, 2020 to 30 June, 2021 on account of royalty, know-how, professional fees, consultancy fees, interest and other matters.

32.C Value of both imported and indigenous raw materials, spare parts and components consumed and the percentage of each to the total consumption during the period of 01 July, 2020 to June 30, 2021 are given as below:

Particulars	Total Comsumption	Imported Taka.	(%)	Local Taka.	(%)
Raw Materials - Yarn	1,294,358,119	1,294,358,119	100%	-	0.00%
Raw Materials - Cotton	755,971	755,971	100%	-	0.00%
Raw Materials - Chemical	131,447,034	131,447,034	100%	-	0.00%
Packing Materials	5,381,727	-	0%	5,381,727	100.00%
Store Items	7,795,817	-	0%	7,795,817	100.00%
Total	1,439,738,668	1,426,561,124		13,177,544	

32.D The company has not remitted any amount during the period of 01 July, 2020 to June 30, 2021 in foreign currencies on account of dividend for non-resident shareholders.

32.E Earnings in foreign exchange classified under the following heads as follows:

i) Total Export for the period ended 30 June 2021 is US$ 23,105,228.39 which equivalent to BDT. 1,940,839,185
ii) No royalty, know-how, professional and consultancy fees were received.
iii) No interest and dividend received.
iv) No other income received.

33.00 Directors' interest in contracts with the company :

There was no other transaction resulting in Directors' interest with the Company and no leasing facilities have been made available to the Directors which mentioned in accounts.

KAZI ZAHIR KHAN & CO. Chartered Accountants

M. L. DYEING LIMITED
SCHEDULE OF FIXED ASSETS-DYEING UNIT
AS AT JUNE 30, 2021

Annexure-A

Particulars	Cost			Rate of Depreciation (%)	Depreciation			Written Down Value as at 30-06-2021	Written Down Value as at 30-06-2020
	Balance as on 1st July 2020	Addition during the year	Balance as on 30th June 2021		Balance as on 1st July 2020	Charge during the year	Balance as on 30th June 2021		
Land & Land Development	31,901,605	-	31,901,605	0.00%	-	-	-	31,901,605	31,901,605
Factory Building	774,354,907	-	774,354,907	2.5%	119,437,161	16,372,944	135,810,105	638,544,802	654,917,746
Plant & Machinery	2,007,927,872	63,518,714	2,071,446,586	10%	1,109,218,910	99,398,703	1,208,617,613	862,828,973	898,708,962
Power Generator Set	135,276,849	-	135,276,849	10%	86,974,746	4,830,210	91,804,956	43,471,893	48,302,103
Electrical Installation	63,290,022	3,218,211	66,508,233	10%	31,545,876	3,657,146	35,203,022	31,305,211	31,744,146
Boiler	59,486,248	-	59,486,248	10%	36,468,929	2,301,732	38,770,661	20,715,587	23,017,319
Compresser	22,693,441	-	22,693,441	10%	12,243,196	1,045,025	13,288,221	9,405,220	10,450,245
Fork lift	5,521,489	-	5,521,489	10%	3,692,527	182,896	3,875,423	1,646,066	1,828,962
ETP Plant	60,715,717	4,718,271	65,433,988	10%	30,187,708	3,760,542	33,948,250	31,485,738	30,528,009
Gas Installation	7,372,265	-	7,372,265	10%	4,549,127	282,314	4,831,441	2,540,824	2,823,138
Air Condition Installation	7,443,460	-	7,443,460	10%	4,850,393	259,307	5,109,700	2,333,760	2,593,067
Telephone Installation	703,072	-	703,072	20%	403,904	59,834	463,738	239,334	299,168
Office Equipment	4,546,823	-	4,546,823	10%	2,266,537	228,028	2,494,565	2,052,258	2,280,286
Furniture & Fixture	7,979,153	635,147	8,614,300	20%	3,997,115	986,951	4,984,066	3,630,234	3,982,038
Motor Car	7,498,000	-	7,498,000	20%	6,873,149	124,970	6,998,119	499,881	624,851
Total	**3,196,710,923**	**72,090,343**	**3,268,801,266**		**1,452,709,278**	**133,490,602**	**1,586,199,880**	**1,682,601,386**	**1,744,001,645**

Allocation of depreciation

Manufacturing Expenses	98.80%	131,888,715
Administrative Expenses	0.84%	1,121,321
Selling & Distribution Expenses	0.36%	480,566
	100%	**133,490,602**

KAZI ZAHIR KHAN & CO. Chartered Accountants

M. L. DYEING LIMITED
SCHEDULE OF FIXED ASSETS - SPINNING UNIT
AS AT JUNE 30, 2021

Annexure-B

Particulars	Cost			Rate of Depreciation (%)	Depreciation			Written Down Value as at 30-06-2021	Written Down Value as at 30-06-2020
	Balance as on 1st July 2020	Addition during the year	Balance as on 30th June 2021		Balance as on 1st July 2019	Charge during the year	Balance as on 30th June 2020		
Land & Land Development	132,445,512	3,524,070	135,969,582	0.00%	-	-	-	135,969,582	132,445,512
Factory Building	-	298,301,207	298,301,207	2.5%	-	40,863	40,863	298,260,344	-
Plant & Machinery	-	416,572,793	416,572,793	10%	-	228,259	228,259	416,344,534	-
Electrical Installation	-	36,847,136	36,847,136	10%	-	20,190	20,190	36,826,946	-
Fork lift	-	2,889,000	2,889,000	10%	-	1,583	1,583	2,887,417	-
Air Condition Installation	-	34,301,014	34,301,014	10%	-	18,795	18,795	34,282,219	-
Telephone Installation	-	8,746	8,746	20%	-	10	10	8,736	-
Office Equipment	-	451,807	451,807	10%	-	248	248	451,559	-
Furniture & Fixture	-	715,241	715,241	20%	-	784	784	714,457	-
Total	**132,445,512**	**793,611,014**	**926,056,526**		**-**	**310,732**	**310,732**	**925,745,794**	**132,445,512**

Allocation of depreciation

Manufacturing Expenses	98.80%	307,003
Administrative Expenses	0.84%	2,610
Selling & Distribution Expenses	0.36%	1,119
	100%	**310,732**

KAZI ZAHIR KHAN & CO. Dhaka 1000 Chartered Accountants