

Interim Financial Statements (Un-Audited)

**1st Quarter
1st July 2023 To 30 September 2023**



Head Office: House # 315, Road # 04, Baridhara DOHS, Dhaka-1206, Bangladesh

Mozaffar Hossain Spinning Mills Limited

Statement of Financial Position (Un-Audited)

As at September 30, 2023

Interim Financial Statements (Un-Audited)	Notes	Amount in Taka	
		September 30, 2023	June 30, 2023
ASSETS:			
Non-Current Assets			
Property, Plant and Equipment's	5.00	3,654,609,992	3,563,022,210
Investment		5,142,199	5,142,199
Investment	6.00	5,142,199	5,142,199
Current Assets			
Inventories	7.00	1,712,047,284	1,880,401,086
Goods in Transit		58,342,628	-
Accounts Receivable	8.00	453,886,587	383,427,710
Advances, Deposits & Pre-Payments	9.00	292,609,374	293,221,651
Cash and Cash Equivalents	10.00	35,518,693	34,120,349
Total Assets		6,212,156,758	6,159,335,204
EQUITY AND LIABILITIES:			
Shareholders' Equity			
Share Capital	11.00	1,009,933,740	1,009,933,740
Revaluation Reserve	12.00	500,545,475	500,545,475
Tax Holiday Reserve		72,845,417	72,845,417
Retained Earnings	13.00	380,028,643	364,989,223
Non-Current Liabilities			
Long Term Borrowings	14.00	1,921,601,522	1,886,621,690
Deferred Tax Liability	15.00	64,068,047	59,987,962
Current Liabilities			
Accounts Payable	16.00	19,009,825	16,443,117
Cash Dividend Payable	17.00	1,324,274	1,324,274
Long Term Borrowings- Current Maturity	18.00	218,256,085	220,942,900
Short Term Borrowings	19.00	1,756,154,636	1,791,024,462
Provision for Tax	20.00	113,377,584	107,521,912
Accrued Expenses	21.00	155,011,510	127,155,032
Total Equity & Liabilities		6,212,156,758	6,159,335,204
Net Asset Value Per Share (NAVPS)	30.00	19.44	19.29

The accompanying notes 1 to 32 & annexure A to C form an integral part of these Financial Statements.

Sd/-	Sd/-	Sd/-	Sd/-	Sd/-
Chief Financial Officer	Company Secretary	Director	Managing Director	Chairman

Signed in terms of our separate report of even date.

Date : 14 November 2023

Place : Dhaka

Mozaffar Hossain Spinning Mills Limited

Statement of Profit or Loss & Other Comprehensive Income (Un-Audited)

For the Period from 01 July 2023 to 30 September 2023

Interim Financial Statements (Un-Audited)	Notes	Amount in Taka	
		July 01, 2023 to September 30, 2023	July 01, 2022 to September 30, 2022
Turnover	22.00	763,068,250	590,964,890
Less: Cost of Goods Sold	23.00	645,661,927	458,085,805
Gross Profit		117,406,323	132,879,085
Other Income	24.00	(805,597)	(3,096,833)
Operating Expenses:		14,280,466	15,413,379
Administrative Expenses	25.00	14,185,466	15,343,989
Marketing and Distribution Expenses	26.00	95,000	69,390
Profit from Operation		102,320,260	114,368,873
Less: Financial expenses	27.00	74,605,542	63,681,016
Net Profit Before WPPF		27,714,718	50,687,857
Workers Profit Participation Fund		1,319,748	2,413,707
Net Profit before Tax		26,394,970	48,274,150
Income tax expenses:		11,355,550	14,874,315
Current tax	20.01	7,275,465	7,168,667
Deferred Tax Expenses/(Income)	15.03	4,080,085	7,705,648
Net Profit after Tax Transferred to Equity		15,039,420	33,399,835
Earnings Per Share (EPS)	28.00	0.15	0.33
Number of Shares used to compute	No's	100,993,374	100,993,374

The accompanying notes 1 to 32 & annexure A to C form an integral part of these Financial Statements.

Sd/-	Sd/-	Sd/-	Sd/-	Sd/-
Chief Financial Officer	Company Secretary	Director	Managing Director	Chairman

Signed in terms of our separate report of even date.

Date : 14 November 2023
Place : Dhaka

Mozaffar Hossain Spinning Mills Limited
Statement of Changes in Equity (Un-Audited)

For the Period from 01 July 2023 to 30 September 2023

Particulars	Share Capital	Tax holiday Reserve	Revaluation Reserve	Retained Earnings	Total
Balance as on 01.07.2023	1,009,933,740	72,845,417	500,545,475	364,989,223	1,948,313,855
Net Profit / (Loss) for the period	-	-	-	15,039,420	15,039,420
Balance as on 30.09.2023	1,009,933,740	72,845,417	500,545,475	380,028,643	1,963,353,275

Mozaffar Hossain Spinning Mills Limited
Statement of Changes in Equity (Un-Audited)

For the Period from 01 July 2022 to 30 September 2022

Particulars	Share Capital	Tax holiday Reserve	Revaluation Reserve	Retained Earnings	Total
Balance as on 01.07.2022	1,009,933,740	72,845,417	500,545,475	426,643,512	2,009,968,144
Net Profit / (Loss) for the period	-	-	-	33,399,835	33,399,835
Balance as on 30.09.2022	1,009,933,740	72,845,417	500,545,475	460,043,347	2,043,367,979

Sd/-
Chief Financial Officer

Sd/-
Company Secretary

Sd/-
Director

Sd/-
Managing Director

Sd/-
Chairman

Mozaffar Hossain Spinning Mills Limited

Statement of Cash Flows (Un-Audited)

For the Period from 01 July 2023 to 30 September 2023

Interim Financial Statements (Un-Audited)	Notes	Amount in Taka	
		July 01, 2023 to September 30, 2023	July 01, 2022 to September 30, 2022
A. Cash flows from operating activities :			
Cash Collection from Turnover and Others		652,421,547	910,592,620
Foreign Exchange Gain/(Loss)		39,382,229	60,673,765
Cash Paid to Suppliers, Employee and Others		(456,267,836)	(958,265,947)
Cash Generated from Operation		235,535,940	13,000,439
Income Tax Paid		(7,275,465)	(7,168,667)
Net cash flows from/(used) in operating activities		228,260,475	5,831,772
B. Cash flow from investing activities:			
Acquisition of Property, Plant & Equipment		(147,402,844)	(20,545,678)
Payment for Capital Work in Progress		-	-
Advance for Acquisition of Property, Plant & Equipment Investment		(2,703,295)	(44,236,541)
		-	-
Net cash flows from/ (used) in Investing Activities		(150,106,139)	(64,782,219)
C. Cash flow from financing activities:			
Received/(Repaid) short term loan		(34,869,826)	89,159,553
Financial Expenses		(74,605,542)	(63,681,016)
Cash Dividend Paid		-	-
Received/(Repaid) long term loan		32,293,017	(5,579,785)
Net cash flows from/(used) in financing activities		(77,182,352)	19,898,752
D. Net Cash Increase/ (Decrease) (A+B+C)		971,984	(39,051,695)
E. Opening cash and cash equivalents at the beginning of the period		34,120,349	66,201,005
F. Closing cash and cash equivalents at the end of the period (D+E)		35,092,332	27,149,310
G. Unrealized Fc Gain/(Loss) for Cash and Cash Equivalents		426,361	1,576,278
H. Cash and Cash Equivalents carried forward (F+G)		35,518,693	28,725,588
Net Operating Cash Flow Per Share	30.00	2.26	0.06
Number of Shares used to compute NOCFPS		100,993,374	100,993,374

Sd/-
Chief Financial Officer

Sd/-
Company Secretary

Sd/-
Director

Sd/-
Managing Director

Sd/-
Chairman

Mozaffar Hossain Spinning Mills Limited
Notes to the Financial Statements
For the period from 01 July, 2023 to 30 September, 2023

1.0 Legal Status of the Company

Mozaffar Hossain Spinning Mills Limited (herein after referred to as “MHSML” or “the Company”) was incorporated with the Registrar of Joint Stock Companies and Firms (RJSCF) vide registration no. C-59784(1791)/05 dated November 29, 2005 as a private company Limited by shares namely Mozaffar Hossain Textile Mills Limited. Subsequently the company renamed as Mozaffar Hossain Spinning Mills Limited in December 14, 2011 and the company was emerged as a public limited company on the same date and year. In January 2014, Mozaffar Hossain Spinning Mills Limited listed its shares with both Dhaka and Chittagong Stock Exchanges.

Registered office of the company

The registered office and principal place of business of the company is situated at House # 315, Road # 04, DOHS Baridhara, Dhaka-1206, Bangladesh, and the manufacturing establishment is located at Thakurbari Tec, Masumabad, Bhulta, Rupgonj, Narayangonj.

2.0 Nature of Business Activities

Mozaffar Hossain Spinning Mills Limited runs the business of 100% export oriented cotton yarn manufacturing & selling mostly to woven fabrics manufacturer. As a backward linkage industry to support 100% export oriented RMG industry of Bangladesh. Products of the company are sold at domestic market as deemed exporter delivered to the export oriented companies.

3.0 Risk Exposure

3.1 Interest Rate Risk

MHSML is exposed to the volatility of interest rate as it has long-term Bank Loan. Any higher trend in interest rate in the future will definitely aggravate the adversity.

Management perception:

The management of MHSML has decided to pay off the outstanding Bank Loan gradually to make the Gearing Ratio at a satisfactory level which is expected to reduce the financial leverage and interest burden significantly.

3.2 Exchange Rate Risk

MHSML is engaged in global trade as it procures its raw materials from overseas markets. Therefore, fluctuations in the related foreign currency rates may affect adversely to the company's liquidity and profitability and expose a threat to the stability of the Company.

Management Perception:

MHSML settles its foreign transaction through US Dollars in case of both export and import. While the value of functional currency fluctuates, the loss or gain on currency fluctuation for export automatically sets off against the loss or gain on currency fluctuation for import. As the value of export is always greater than the value of import, some balance is created in the foreign currency transaction. Furthermore, the Company is contemplating about setting a system of hedging on foreign currency transactions in the future. Movement in the exchange rate adversely may expose the company to risks of foreign currency loss.

3.3 Industry Risks

(a) Market demand:

The products of MHSML are sold to the export oriented fabrics and garments manufacturer, The ultimate buyer are from abroad. Any economic recession, changes in tastes and fashions of the consumers, national income and other related factors may cause to decline the market demand of the company products.

Management Perception:

MHSML always gives values to its customers' satisfaction and changes in tastes and fashion. Therefore, its expert team promptly dedicates their creativity and research work to respond any changes in customer's demand and product diversifications.

(b) Competition:

MHSML is operating in a free market economy regime. The company might have to face stiff competition from its competitors:

Management Perception:

Bangladesh is the prime source of cheapest garments in the world, earning comparative advantages for its industries over their global competitors. In addition, the management of MHSML employs their efficiencies; expertise and discretions to minimize the cost of its products.

(c) Rising of Raw Materials costs:

The cost of raw cotton and other material are highly volatile and can take movement in any direction. Increasing trend in the raw material cost may hamper the profitability of the company to a greater extent.

Management Perception:

MHSML is aware of the continuing market situation of its raw materials. The management of MHSML believes that long term planning for raw material management, exploring number of global markets, job wise costing for its finished products and trustworthy relations with the suppliers and mitigate the risk of rising of materials cost.

3.4 Risks steaming from technological changes:

Changes in technologies may reduce the cost efficiency of the company.

Management perception:

MHSML had gone for huge BMRE to support the technological changes. The machineries and equipment of the new unit are the latest invention in the sector which is imported from renowned manufacturers of the world.

3.5 Other risk factors:

(a) Political Unrest:

Bangladesh is prone to serious unrest in the political condition embraced by Hartal, Road-Block and many other politicized barriers to the business. Due to these factors it would stem the cost of the product upwards.

Management Perception:

During the last forty-seven years of post independence period, Bangladesh has gone through a variety of political situations. However, presently, a sound political atmosphere is prevailing in the country. Both the ruling and opposition parties are committed to the betterment of the country. Last democratic national assembly election and local council polls are instances of peaceful political situation in Bangladesh.

(b) Possible slowdown in economic growth in Bangladesh:

Our performance and growth are dependent on the sound health of the Bangladesh economy. The economy could be adversely affected by various factors such as political or regulatory action, including adverse changes in liberalization policies, social disturbances, terrorist attacks and other acts of violence or war, natural calamities, commodity and energy prices and various other factors. Any significant change may adversely affect our business and economy significantly.

Management Perception:

Bangladesh economy is booming for last few years. Consistent industrial growth along with increased agricultural production has made the Per Capita Income higher than that of recent years. In addition, favorable government policies and industry friendly policies by other regulatory bodies have proved to be congenial to the economy of the country.

(c) Natural calamities:

Bangladesh is a country where recurrent natural calamities take place every year. It is a serious threat to the business.

Management perception:

This type of situation is totally beyond the control of human being. Though the management of MHSML has a very little to do with, we can and should have some precaution measures to minimize the damage of the business in such situations.

4.0 Basis of preparation and significant accounting policies**4.1 Basis of Measurement of Elements of Financial Position**

The financial statements have been prepared on the Historical Cost convention basis and therefore, do not take into consideration the effect of inflation except that arising from revaluation of lands and land developments and buildings, as specified in Note 4.10. The accounting policies, unless otherwise stated, have been consistently applied by the Company and are consistent with that of the previous year.

4.2 Statement of Compliance with Laws

The financial statements have been prepared in accordance with the applicable International Accounting Standards (IAS) and International Financial Reporting Standard (IFRS) adopted by the Institute of Chartered Accountants of Bangladesh (ICAB) and the requirements of the Companies Act 1994 and other relevant laws and regulations as applicable in Bangladesh.

4.3 Going Concern

As per IAS-1 “Presentation of Financial Statements”, a company is required to make assessment at the end of each year to assess its capability to continue as going concern. Management of the company makes such assessment each year. The company has adequate resources to continue in operation for the foreseeable future and has wide coverage of its liabilities. For this reason, the Directors continue to adopt the going concern assumption while preparing the financial statements.

Deviation from last period Result

The government had re-fixed the rate of utilities like Gas and electricity from time to time. As per statistics, it's increased more than 100% from the period and increased of raw materials cost. Hence, EPS and Net profit have been decreased during the period from the previous year.

4.4 Accrual Basis

The financial statements have been prepared, except cash flow information, using the accrual basis of accounting.

4.5 Structure, Content and Presentation of Financial Position

Being the general-purpose financial statements, the presentation of these financial statements is in accordance with the guidelines provided by IAS-1: “Presentation of Financial Statements”. A complete set of financial statements comprise:

- i) Statement of Financial Position as at September 30, 2023.
- ii) Statement of Profit or Loss and other Comprehensive Income for the period from 01 July 2023 to 30 September 2023.
- iii) Statement of Changes in Equity for the period from 01 July 2023 to 30 September 2023.
- iv) Statement of Cash Flows for the period from 01 July 2023 to 30 September 2023.
- v) Notes comprising a summary of significant accounting policies and other explanatory information to the Financial Statements for the period from 01 July 2023 to 30 September 2023.

4.6 Reporting Period

The Financial year of the company under audit cover for a period of 03 months effective from 01 July 2023 to September 30, 2023.

4.7 Inventories

Inventories comprises of Raw materials, Work-in-Process, Finished goods and Stores & Spares. Raw materials and Stores and Spares have been measured lower of cost and net realizable value as per IAS-2 “Inventories”. Work-in-Process has been valued at prime cost basis as required by IAS-2 “Inventories” with proportionate addition of Factory Overheads. Finished goods have been valued at cost of material and other production overhead attributable to bringing the goods to the stage of sale under the convention of IAS-2 “Inventories”.

4.8 Revenue

Revenue represents the invoice value of goods supplied to customers during the period. Revenue from sale of goods is recognized in the statement of Comprehensive Income when the significant risks and rewards of ownership have been transferred to the buyer. Sales are recognized when delivery certificate is raised against confirmed orders.

4.9 Property, Plant and Equipment

Initial Recognition and measurement

Property, plant and equipment are capitalized at cost of acquisition and subsequently stated at cost or valuation less accumulated depreciation in compliance with the requirements of IAS-16: "Property, Plant and Equipment". The cost of acquisition of an asset comprises its purchase price and any directly attributable cost of bringing the assets to its working condition for its intended use inclusive of inward freight, duties, non-refundable taxes and un-allocated expenditures etc. The land and land developments with an effect as on June 30, 2022 have been revalued by an independent valuer to reflect fair value (prevailing market price) thereof following "Current Cost Method".

Subsequent Costs

The cost of replacing part of an item of property, plant and equipments is recognized in the carrying amount of an item if it is probable that the future economic benefits embodied within the part will flow to the company and its cost can be measured reliably. The costs of the day-to-day servicing of property, plant and equipment are recognized in the statement of comprehensive income as "Repair & Maintenance" when it is incurred.

Depreciation on Fixed Assets

Depreciation is provided to amortize the cost or valuation of the assets after commissioning, over the period of their expected useful lives, in accordance with the provisions of IAS-16: "Property, Plant and Equipment". Depreciation of an asset begins when it is available for use. Depreciation is charged on all fixed assets except land and land developments on **Reducing Method**. Rates of depreciation are noted below:

Particular of Assets	Rate of Depreciation
Land & Land Developments	0 %
Factory Building	5 %
Plant & Machinery	10 %
Vehicle	10 %
Furniture and Fixture	10 %
Air Condition	10 %
Computer Equipment	10 %

The gain or loss on disposal or retirement of assets is included statement of comprehensive income when the item is disposed off/derecognized.

The fair value of the property, plant and equipment on 30.09.2023 is not materially differing with the carrying amount.

CAPITAL WORK-IN-PROCESS

As per decision of the Board, the company has undertaken an expression program to construct a ring project. The cost of supplies, development work of land and building construction and others has been incorporated in the Capital Work-In-Process.

4.10 Revaluation Reserve

In 2021, land under the ownership of MHSML was professionally revalued by ATA KHAN & Co, Chartered Accountants. Fair market value was estimated at Tk. 797,382,000 as against net book value of Tk. 286,621,311 resulting in a revaluation surplus of Taka 510,760,689 which was accounted for and transferred to revaluation reserve.

4.11 Cash and Cash Equivalent and Statement of Cash Flows:

Cash and cash equivalents comprise cash in-hand and in current account that are readily convertible to a known amount of cash, and that are not subject to significant risk of change in value.

The Statement of Cash Flows is prepared using the **Direct Method** as stipulated in Bangladesh Accounting Standards (IAS)-7 “Statement of Cash Flows”

4.12 Earnings per Share

The company calculates Earnings per Share (EPS) in accordance with the requirement of IAS-33: “Earning per Share”, which has been shown on the face of the Statement of Comprehensive Income.

Basic earnings:

This represents earnings for the period ended 30 September 2023 attributable to the ordinary shareholders.

Basic earnings per share:

This has been calculated by dividing the basic earning by the number of ordinary shares outstanding for the period.

Weighted average number of ordinary shares outstanding during the year:

The basis of computation of number of shares is in line with the provision of IAS-33: Earnings per Share. Therefore, the total number of shares outstanding at the end of the year multiplied by a time weighting factor which is the number of days the specific shares were outstanding as a proportion of total number of days in the year.

Diluted Earnings Per Share:

Diluted EPS is calculated if there is any commitment for issuance of equity shares in foreseeable future, i.e., potential shares, without inflow of resources to the Company against such issue. This is in compliance with the requirement of IAS-33. As the company has no dilutive potential ordinary shares, so diluted earnings per shares was not calculated.

4.13 Foreign Currency Transactions

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.

4.14 Impairment of Assets

All assets, except inventory, arising from construction contracts and financial assets is assessed at the end of each reporting year to determine whether there is any indication that an asset may be impaired. If any such indication exists, the company assesses the recoverable amount.

And only if, the recoverable amount of an asset is less than its carrying amount, the carrying amount of the assets is reduced to its recoverable amount. The reduction is an impairment loss.

An impairment loss is recognized immediately in statement of Comprehensive Income, unless the asset is carried at revalued amount in accordance with another standard. Any impairment loss of a revalued asset is treated as a revaluation decrease. No such assets have been impaired during the year under audit and for this reason no provision has been made for impairment of assets.

4.15 Borrowing Cost

Borrowing costs are interest and other costs that an entity incurs in connection with the borrowing of fund and are recognized as an expense in the year in which it incurs.

4.16 Authorization date for issuing Financial Statements

Board of Directors authorized the financial statements for issue on November 14, 2023.

4.17 Reporting Currency

The financial statements are prepared and presented in Bangladesh Currency (Taka), which is the company's functional currency.

4.18 Risk and uncertainty for use of estimates (Provisions):

The Preparation of Financial Statements in conformity with International Accounting Standards (IAS) requires management to make estimates and assumptions that affect the reported amounts of revenue and expenses, assets and liabilities and disclosure requirements for contingent assets and liabilities during and the date of the financial statements. Due to inherent uncertainty involved in making estimates, actual result reported could differ from those estimates.

In accordance with the guidelines in IAS-37: "Provisions, Contingent Liabilities and Contingent Assets", provisions are recognized in the following situations: -

- When the company has an obligation as a result of past events;
- When it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
- Reliable estimate can be made of the amount of the operation.

4.19 Accruals & Deferrals

Deferrals and accruals have been made as per the guidance in IAS-1 Presentation of Financial Statements. In order to meet their objectives, Financial Statements, except for cash flow statement and related information, are prepared on accrual basis of accounting. Under the basis, the effects of transactions and other events are recognized when they occur (and not when cash or its equivalent is received or paid) and they are recorded in the accounting records and reported in the Financial Statements of the years to which they relate.

Other Payables are not interest bearing and are stated at their nominal value.

4.20 Advances, Deposits and Prepayments

Advances are initially measured at cost. After initial recognition advances are carried at cost less deductions or adjustments. Deposits are measured at payment value. Prepayments are initially measured at cost. After initial recognition prepayments are carried at cost less charges to the statement of comprehensive income.

4.21 Financial Instruments

Non-derivative financial instruments comprise accounts and other receivables, cash and cash equivalents, borrowings and other payables and are shown at transaction cost.

Initial recognition

An entity recognizes a financial assets or liabilities in its statement of financial position when, and only when, the entity becomes a party to the contractual provision of the instrument and subsequently recognized at their Amortized Cost.

Bills receivable are recognized at cost or net realizable value from the ordinary course of sales in the market whichever is lower. Bills receivables from foreign currency transactions are recognized into Bangladeshi Taka using exchange rates prevailing on the closing date of the accounts in accordance with IAS-21: The Effects of Changes in Foreign Exchange Rates.

4.22 Segment Reporting

As the Company operates in a single industry segment, so no segment reporting is applicable for the Company as per IAS-14: "Segment reporting".

4.23 Related Party Disclosures

The information as required by IAS-24: "Related party Disclosure" has been disclosed separately in notes to the financial statements.

4.24 Corporate Tax

(a) Current Tax: Current Tax is the (amount of income taxes payable (recoverable) in respect of the taxable profit (tax loss) for the period.

Current tax is recognized in statement of comprehensive income except to the extent that it relates to business combination or item recognized directly in equity.

As the company has enjoying tax holiday @ 100% up-to October 2010, has been enjoying 50% up-to October 2012, and has been enjoying 25% up-to October 2013 for which provision for current tax has been made on taxable income to that extent as prescribed in Income Tax Ordinance, 1984.

(b) 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.

4.25 Workers Profit Participation Fund

As per provision of Bangladesh Labor Law, Amendment 2013, Section 232(2), in case of a 100% export oriented industrial sector or for any industry investing 100% foreign exchange, the Government, through enactment of Rule, shall adopt required provisions with regard to formation of sector based central fund comprising of buyers and owners, form a Board to execute that fund, determine contributions and their realization procedure and provisions for utilizations of the money for the welfare of the beneficiaries in the sector. As per Financial Statement, Company Showing Net profit for the period for this reason Company make provision against WPPF.

4.26 Contingent Assets and Liabilities

A contingent asset is disclosed when it is a possible that asset arises from the past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity.

A contingent liability is disclosed when it is a possible obligation that arises from the past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity.

The company has no contingent assets or liabilities, which require disclosure under IAS: 37. Contingent assets and contingent liabilities are not recognized in the financial statements except the balance amount of IPO subscription money shown in (Note: 21.00) yet to be refundable.

A contingent asset is disclosed as per IAS-37, where an inflow of or economic benefits is probable. A contingent liability is disclosed unless the possibility of an outflow of resources embodying economic benefits is remote.

Tax assessment for the year 2010-2011, 2011-2012, 2012-2013, 2013-2014 is under appeal Hon'ble High Court Division of the Supreme Court of Bangladesh for Tax holiday facility.

As per the decision was taken in the 10th AGM and Board of Director's meeting held on 20/12/2015 MHSML has declare 20% Stock Dividend to all the Shareholders but later considered 15% Stock Dividend to all the Shareholders and 5% cash dividend to the general shareholder (Excluding Sponsors /Directors). As per order dated 17.01.2016 passed by the Hon'ble High Court Division of the Supreme Court of Bangladesh in Writ Petition No.447/2016.15% stock dividend credited to all shareholders through CDBL, the decision regarding the remaining 5% dividend payment is awaiting Hon'ble High Court.

4.27 Comparative Information

Comparative information has been disclosed as required by IAS 01: Interim Financial Reporting' In respect of the previous year for all numerical information in the current financial statements as below:

- Statement of Financial Position as of the end of the preceding financial year.
- Statement of Profit or Loss and other Comprehensive Income for the comparable year of preceding financial year.
- Statement of Changes in Equity for the comparable year of preceding financial year.
- Statement Cash Flows for the comparable year of preceding financial year. Comparative figures have been re-arranged wherever considered necessary to conform current year figure without causing any impact on the profit and value of assets and liabilities as reported in the financial statements.

Notes	Particulars	Amount in Taka	
		30.09.2023	30.06.2023
5.00	Property, Plant and Equipment's		
	Cost:		
	Opening balance at cost	4,212,281,781	4,065,811,580
	Add : Addition during the period	147,402,844	146,470,201
		<u>4,359,684,625</u>	<u>4,212,281,781</u>
	Total	4,359,684,625	4,212,281,781
	Depreciation:		
	Opening balance	1,160,020,259	933,559,574
	Depreciation during the period	55,815,063	226,460,685
		<u>1,215,835,322</u>	<u>1,160,020,259</u>
	Total (a)	3,143,849,303	3,052,261,522
	Revaluation:		
	Opening balance	510,760,689	510,760,689
	Add : Addition during the period	-	-
	Total (b)	510,760,689	510,760,689
	Written Down Value (WDV) (a+b)	3,654,609,992	3,563,022,210

Please refer to Annexure-'A' for further details

6.00 Investment

This represents the followings:

Suntech Energy Limited	5,142,199	4,669,399
	<u>5,142,199</u>	<u>4,669,399</u>
Add: Profit from the Associates	-	472,800
Total	5,142,199	5,142,199

The company has purchased 30% shares of Tk 4,920,000 from Suntech Energy Ltd. and accounted for complying with IAS 28 "Investment in Associates" accordingly during the period. We have assessed the project "Suntech Energy Limited" there are no too much changes on our Impairment investment.

7.00 Inventories

Break-up of this item is as follows:

	Qty. (Kg)	Amounts	Amounts
Finished Goods:		737,510,252	735,498,576
Yarn	1,828,324	545,513,627	559,567,449
Primary estimation of damage stock of Finished Goods and Claim to Insurance Company	158,767	55,453,739	55,453,739
Work-in-process	466,483	136,542,886	120,477,388
Raw Materials:		951,870,329	1,122,235,807
Virgin Cotton	2,254,329	531,025,226	636,848,528
Waste Cotton	3,306,551	369,017,530	433,559,706
Closing Damaged cotton of Fire under insurance claim	386,000	51,827,573	51,827,573
Packing Materials		8,225,067	6,988,520
Store Materials		14,441,636	15,678,183
		<u>1,712,047,284</u>	<u>1,880,401,086</u>

Notes	Particulars	Amount in Taka	
		30.09.2023	30.06.2023

The above Inventories are as per physical counting made and valued by a Inventory team comprised of management nominated staff to carryout the Inventory verification except as stated below. Inventories in hand have been valued at lower of cost and net realizable value as per IAS-2. Inventories were hypothecated against working capital facilities availed from the bank (Islami Bank BD Ltd.).

Due to fire in the factory on 26.02.2021, factory premises, machineries and inventory was damaged and an estimation of the damaged material completed by management, Fire service & Civil defense authority, and independent surveyor appointed by Insurance Company which is not yet finalized. As all the material, building and machineries were covered by fire insurance a claim has been lodged on the basis of primary assessment by the company amount of which is Tk. 16.97 crore. however, after completing the assessment the management will make the accounting effect in the books of record and no effect has been given during this period as the amount is not confirmed. As Management always complied with all the rules & regulations related to the fire policy & safety plan so hopefully will get the total claim against damaged Goods after finaliazation of the assessment of loss due to fire in factory premises.

8.00 Accounts Receivable

This is unsecured, considered good and is falling due within one year . No debts are considered as bad during the year. Classification schedule as required by Schedule XI of Companies Act 1994 is as follows:

I)	Accounts Receivable considered good in respect of which the company is fully secured (Annexure B)	-	-
II)	Accounts Receivable considered good in respect of which the company holds no security other than the debtor's personal security (Annexure B)	425,960,199	389,764,617
III)	Accounts Receivable considered doubtful or bad	-	-
IV)	Accounts Receivable due by any director or other officer of the company	-	-
V)	Accounts Receivable due by Common management (Annexure B)	288,328,407	252,334,891
VI)	The maximum amount of receivable due by any director or other officer of the company	-	-
		<u>714,288,606</u>	<u>642,099,508</u>
	Add: Exchange gain	13,227,567	58,372,683
	Less: Adjustment of Bill Discounting (Net off Assets & Liabilities) Note-8.01	273,629,586	317,044,482
		<u>453,886,587</u>	<u>383,427,710</u>

Aging of Accounts Receivable:

Dues within three months	259,160,932	221,354,924
Dues above three months but within six months	166,395,525	144,048,984
Dues above six months	288,732,149	276,695,600
	<u>714,288,606</u>	<u>642,099,508</u>

8.01 Adjustment of Bill Discounting (Net off Assets & Liabilities)

Woori Bank Limited	168,168,774	171,995,133
Southeast Bank Limited	26,863,650	31,384,967
IBBL -MDB	14,959,460	41,121,002
IBBL -MDB-Foreign	39,584,202	48,310,503
NCC-IBP	24,053,500	24,232,876
	<u>273,629,586</u>	<u>317,044,482</u>

9.00 Advances, Deposits & Pre-Payments

Advance against Purchase Note-9.01	101,512,964	98,809,669
Advance against Factory Expenses	8,167,796	7,931,248
Advance against L/c, L/C Margin and BG Margin	114,274,311	127,929,100
Bank Guarantee for CDBL	1,176,349	1,176,349
Titas Gas Security Deposits	15,727,350	15,727,350
Prepaid Insurance	3,160,122	332,918
Tax deducted at sources Note-9.02	48,590,483	41,315,018
	<u>292,609,374</u>	<u>293,221,651</u>

Notes	Particulars	Amount in Taka	
		30.09.2023	30.06.2023
	Bank guarantee is provided for CDBL & Titas Gas security deposits purpose.		
9.01	Advance against Purchase		
	Dues within three months	40,659,294	40,445,640
	Dues above three months but within six months	35,449,430	33,083,443
	Dues above six months	25,404,240	25,280,586
		101,512,964	98,809,669
9.02	Tax Deductions at Sources		
	Opening Balance	41,315,018	21,667,015
	Addition during the period	7,275,465	29,276,106
		48,590,483	50,943,121
	Less : AIT adjusted during the Assessment 2020-2021	-	839,764
	Less : AIT adjusted during the Assessment 2021-2022	-	8,788,339
		48,590,483	41,315,018
	Break-up of opening balance as follows:		
	Fiancial year:		
	2018-2019	113,528	113,528
	2021-2022	11,925,384	11,925,384
	2022-2023	29,276,106	29,276,106
	2023-2024	7,275,465	
	Total	48,590,483	41,315,018
10.00	Cash and Cash Equivalents		
		5,600,095	3,234,597
	Cash in Hand	5,600,095	3,234,597
	Cash at Banks:		
	IBBL Mouchak #20501450100327918	653,378	99,048
	IBBL Mouchak #20501452500004916	1,929,527	9,467
	IBBL Mouchak #20501452600004917	16,216	12,533
	IBBL Bhulta #20502800100215106	22,501	19,816
	IBBL(FCAD ORQ) Mouchak #20501452800001714	1,540,959	1,366,030
	IBBL(FC Held BB LC) Mouchak #20501452300004914	5,594,467	63,385
	SEBL Dhanmodi #1211100015657	270,195	1,996,562
	SEBL Bhulta # 7713100000379	18,411	18,411
	DBBL Bhulta # 1761200001733	5,774	328,111
	DBBL Bashundhara # 1471100005894	1,363,856	1,875,530
	MBL Pragati Sarani # 1111000926026	90,059	72,644
	EBL Principal	1,969	1,969
	EBL Principal #1011360231502	157,375	157,375
	Woori Bank FC #1509640003099	2,929,110	7,887,555
	Woori Bank RQA	3,782,267	6,397,996
	Woori Bank #1509640002993	1,057	22,759
	Agrani Bank Foreign Ex # 0200017638659	297,345	25,829
	Agrani Bank ERQ # 0200018773999	81,930	81,930
	Agrani Bank Foreign Ex # 0200018756001	31,685	31,685
	NCC Bank Mohakhali Branch #1250325000048	349,655	172,211
	NCC Bank Dilkusha Branch #0028-0210022678	269,472	292,848
	NCC Bank Dilkusha Branch #0028-0325001170	843,888	859,215
	NCC Bank Dilkusha Branch #0028-0268000093	3,705,280	3,705,280
	NCC Bank Dilkusha Branch #0028-0259000252	5,387,562	5,387,562
	CBC Bank A/C# 1818007453	574,661	-
		29,918,598	30,885,752
	Total	35,518,693	34,120,349

Notes	Particulars	Amount in Taka	
		30.09.2023	30.06.2023

11.00 Share Capital

This represents the followings:

Authorized Capital:

300,000,000 ordinary Shares of Tk 10/- each		3,000,000,000	3,000,000,000
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Issued, Subscribed and Paid-up Capital:

100,993,374 ordinary shares of taka 10/- each	Note-11.01	1,009,933,740	1,009,933,740
		1,009,933,740	1,009,933,740

11.01 Share holding Position:

i) Sponsors	6,699,343	6.63%	66,993,425	66,993,425
ii) SIM Fabrics Limited	33,300,737	32.97%	333,007,365	333,007,365
iii) General Public & Others	60,993,295	60.39%	609,932,950	609,932,950
	<u>100,993,374</u>	100.00%	<u>1,009,933,740</u>	<u>1,009,933,740</u>

Date	Particulars	Amount (Taka)
2008-2009	Opening from 30.06.209	1,000,000
2009-2010	9,875,000 Shares increase of Tk.10 each	98,750,000
2012-2013	25,000,000 Shares increase of Tk.10 each	250,000,000
2013-2014	27,500,000 Fresh Shares increase of Tk.10 each	275,000,000
2014-2015	15,618,750 Shares increase of Tk.10 each (25%)	156,187,500
2015-2016	11,714,063 Shares increase of Tk.10 each(15%)	117,140,625
2017-2018	4,490,389.5 Shares increase of Tk.10 each (5%)	44,903,895
2018-2019	4,714,910 Shares increase of Tk.10 each (5%)	47,149,100
2019-2020	1,980,262 Shares increase of Tk.10 each (5%)	19,802,620
	Total	1,009,933,740

12.00 Revaluation Reserve

Opening Balance	510,760,689	510,760,689
Add:Addition during the Year	-	-
	<u>510,760,689</u>	<u>510,760,689</u>
Less: Related Deferred Tax on Revaluation 2%	(10,215,214)	(10,215,214)
	<u>500,545,475</u>	<u>500,545,475</u>

In 2021, land under the ownership of MHSML was professionally revalued by ATA KHAN & Co, Chartered Accountants. Fair market value was estimated at Tk. 797,382,000 as against net book value of Tk. 286,621,311 resulting in a revaluation surplus of Taka 510,760,689 which was accounted for and transferred to revaluation reserve.

13.00 Retained Earnings

Details are as follows:

Opening Balance	364,989,223	426,643,512
Add: Net Profit / (Loss) for the period	15,039,420	22,661,080
Total	380,028,643	449,304,592
Cash Dividend 6%(For all Public Shareholder)	-	(60,596,024)
Tax paid for the Assessment year 2020-2021	-	(697,045)
Tax Claim by DCT for the Assessment year 2020-2021	-	(12,547,010)
Tax Claim by DCT for the Assessment year 2021-2022	-	(3,475,290)
Paid for VaT Assessment for the year 2018-2019 and 2019-2020	-	(7,000,000)
Retained Earnings	<u>380,028,643</u>	<u>364,989,223</u>

Notes	Particulars	Amount in Taka	
		30.09.2023	30.06.2023
14.00	Long Term Borrowings		
	Hajj Finance Com. Ltd - 1813	9,816,621	21,867,201
	Hajj Finance Com. Ltd - 1925	45,464,891	47,825,660
	Hajj Finance Com. Ltd - 1947	157,937,687	171,145,507
	Hajj Finance Com. Ltd - 2149	23,280,797	25,675,186
	IBBL HPSM-20501454300083317	768,987	752,099
	IBBL HPSM-20501454300083500	529,648	518,513
	IBBL HPSM-20501454300089001	10,572,543	10,327,203
	IBBL HPSM-20501454300095301	103,176,117	101,408,340
	IBBL HPSM-20501454300097909	53,687,261	52,665,936
	IBBL HPSM-20501454300098405	75,491,148	73,959,159
	IBBL HPSM-20501454300111713	127,072,096	124,171,529
	IBBL HPSM-20501454300111814	71,239,824	69,587,670
	IBBL HPSM-FC-20500246106759815	1,442,895,049	1,382,296,492
	IDLC	17,924,938	25,364,094
	Total	2,139,857,607	2,107,564,590
	Less: Current portion of Long term loan	(218,256,085)	(220,942,900)
		1,921,601,522	1,886,621,690
	1. Purpose of Investment - To purchase/import of New Ring Spinning Machine, Utilities and Factory Shed building for the project.		
	2. Period of Investment - 07 (seven) years excluding 12 month gestration period.		
	3. Rate of return -9% per annum or the rate to be determined by the bank from time to time.		
	4. Collateral:		
	A. 156.10 decimal project land along with 88,200 sft. Project building vide FSV 81.36 million.		
	B. 397.00 decimal project land along with 1,89,4825 sft. Project building vide FSV 251.20 million.		
	C. 505.04 decimal project land along with 2,49,904 sft. Factory building vide FSV 598.51 million by SFL.		
	D. Personal Guarantee of all Directors of the Project Companies & Mortgages of their individual properties.		
15.00	Deferred Tax		
	Book value of Depreciable asset	2,774,887,357	2,683,299,576
	Tax base Written down value	2,045,037,573	1,975,832,092
	Unabsorbed Depreciation	368,305,900	373,124,167
	Less : Tax base value of depreciable assets	2,413,343,473	2,348,956,259
	Taxable temporary difference	361,543,884	334,343,317
	Effective Tax rate	15%	15%
	Deferred tax liabilities/(asset) on original cost of assets	54,231,583	50,151,498
	Deferred tax liabilities on revaluation surplus Note-15.01	10,215,214	10,215,214
	Deferred tax liabilities/(asset) on Gratuity Provision Note-15.02	(378,750)	(378,750)
	Total closing deferred tax liabilities/(assets)	64,068,047	59,987,962
15.01	Deferred Tax on Revaluation Reserve of Land		
	Revaluation Reserve	510,760,689	510,760,689
	Effective Tax Rate	2%	2%
	Total taxable temporary difference	10,215,214	10,215,214
15.02	Deferred Tax on Gratuity Provision		
	Gratuity Provision	2,525,000	2,525,000
	Effective Tax Rate	15%	15%
	Total taxable temporary difference	378,750	378,750
15.03	Deffered Tax (Income) / Expenses		
	Closing Deferred Tax Liabilities	64,068,047	59,987,962
	Opening Deferred Tax Liabilities	59,987,962	49,018,366
	Deferred tax (Income)/ Expenses	4,080,085	10,972,973
16.00	Accounts Payable		
	Bills Payable (Annexure-C)	19,009,825	16,443,117
		19,009,825	16,443,117
17.00	Cash Dividend Payable		
	Opening Balance	1,324,274	562,660
	Add: Cash Dividend During the year	-	60,596,024
		1,324,274	61,158,684

Notes	Particulars	Amount in Taka	
		30.09.2023	30.06.2023
	Less: Cash Dividend Paid to BSEC	-	-
	Less: Cash Dividend Disbursement to Public Shareholder	-	59,834,410
		<u>1,324,274</u>	<u>1,324,274</u>
18.00	Long Term Borrowings- Current Maturity		
	Islami Bank Bangladesh Ltd,Hajj Finance Ltd and IDLC	218,256,085	220,942,900
		<u>218,256,085</u>	<u>220,942,900</u>
	This consists of as follows and is payable within next twelve months from the Balance Sheet date.		
19.00	Short Term Borrowings		
	Murabaha TR	533,577,035	528,340,282
	MPI	57,194,360	56,847,280
	Bai Murabaha	681,695,389	502,477,396
	MFCI	150,547,316	304,549,193
	Agrani Bank -PAD	324,346,211	369,503,665
	Add: Exchange Loss	8,794,325	29,306,646
	Total short term loan	<u>1,756,154,636</u>	<u>1,791,024,462</u>
	This represents amount excluded by the following Banks as working capital which are fully secured by Stock hypothecation and Export bills receivable at the terms & condition given below.		
	1. Purpose of Investment - To purchase/import raw materials for the project.		
	2. Period of Investment - 01 (one) year on revolving basis.		
	3. Rate of return -9% per annum or the rate to be determined by the bank from time to time.		
	4. Collateral:		
	A. 156.10 decimal project land along with 88,200 sft. Project building vide FSV 81.36 million.		
	B. 397.00 decimal project land along with 1,89,4825 sft. Project building vide FSV 251.20 million.		
	C. 505.04 decimal project land along with 2,49,904 sft. Factory building vide FSV 598.51 million by SFL.		
	D. Personal Guarantee of all Directors of the Project Companies & Mortgages of their individual properties.		
20.00	Provision for Income tax		
	Opening Balance	107,521,912	81,801,609
	Provision for the period	Note-20.01 7,275,465	29,276,106
	Total	<u>114,797,377</u>	<u>111,077,715</u>
	Tax Claim by DCT for the Assessment year 2020-2021	-	12,547,010
	Tax Claim by DCT for the Assessment year 2021-2022	-	3,475,290
	Less: Liability adjusted after the DCT Assessment 2020-2021	334,997	839,764
	Less:Tax Paid to DCT against Claim for Assessment 2020-2021	84,796	-
	Less:Tax Paid to DCT against Claim for Assessment 2015-2016	-	6,000,000
	Less:Tax Paid to DCT against Claim for Assessment 2017-2018	1,000,000	2,000,000
	Less: Tax Paid to DCT against Claim for Assessment 2016-2017	-	2,000,000
	Less: Liability adjusted after the DCT Assessment 2021-2022	-	8,738,339
	Closing Balance	<u>113,377,584</u>	<u>107,521,912</u>
20.01	Current Tax		
	A. Regular tax		
	Profit Before Tax	26,394,970	62,906,782
	Less: Other Income	(805,597)	(10,223,853)
	Add: Accounting Depreciation	55,815,063	226,460,685
	Less: Tax Depreciation	(78,197,363)	(371,831,332)
	Taxable Income for the period	<u>4,818,267</u>	<u>(72,240,012)</u>
	Rate of Tax	15%	15%
	Tax on business	722,740	(10,836,002)
	Add: 22.5 % Tax on Other Income	(177,678)	(2,405,050)
	Total Provision for the Period	<u>545,062</u>	<u>(13,241,052)</u>

Notes	Particulars	Amount in Taka	
		30.09.2023	30.06.2023
	B. Minimum tax		
	Turnover and other income	762,262,653	2,833,938,651
	Minimum tax rate	0.40%	0.40%
		<u>3,049,051</u>	<u>11,335,755</u>
	C. Advance Income Tax	7,275,465	29,276,106
	Current tax expenses (Higher of A,B & C)	<u>7,275,465</u>	<u>29,276,106</u>

21.00 Accrued Expenses

This is unsecured, falling due within one year and consists of as follows:

Audit fees	345,000	345,000
Salaries & Wages	13,867,029	12,729,979
Remuneration	300,000	300,000
Gas Bill	75,151,742	49,752,062
WPPF Payable	62,822,739	61,502,991
Gratuity	2,525,000	2,525,000
	<u>155,011,510</u>	<u>127,155,032</u>

Notes	Particulars	Amount in Taka	
		July 01, 2023 to September 30, 2023	July 01, 2022 to September 30, 2022

22.00 Turnover

	Qty. (kg.)	Avg. Rate		
Yarn 20's	465,900	348	162,311,705	118,939,226
Yarn 06's	-		-	7,964,460
Yarn 16's	366,340	365	133,790,800	150,530,697
Yarn 30's	377,450	364	137,363,050	145,242,784
Yarn 12's	-			227,040
Yarn 07's	40,450	240	9,703,100	9,561,270
Yarn 08's	146,405	242	35,483,305	638,550
Yarn 10's	279,200	258	72,135,471	96,000,993
Yarn 09's	187,522	242	45,380,119	20,306,070
Yarn 14's	22,200	290	6,442,425	89,700
Yarn 22's	1,400	352	492,800	-
Yarn 24's,	500	358	178,750	-
Yarn 26's	5,200	374	1,944,800	1,793,540
Yarn 28's	59,296	331	19,614,589	1,896,300
Yarn 32's			-	9,986,843
Yarn 34's			-	13,003,278
Yarn 36's			-	9,682,740
Yarn 40's	385,429	359	138,227,336	5,101,400
	2,337,292		763,068,250	590,964,890

23.00 Cost of Goods Sold

Raw materials consumed	Note-23.01	463,375,898	330,145,756
Accessories & Stores Consumed	Note-23.02	8,792,418	9,895,512
Packing Materials Consumed	Note-23.03	6,580,680	8,128,207
Factory overhead	Note-23.04	169,207,970	157,441,535
Opening Work-in-Process		120,477,388	93,146,734
Closing Work-in-Process		(136,542,886)	(97,146,734)
Cost of Production		631,891,469	501,611,010
Opening stock of Finished Goods		559,567,449	418,261,377
Primary estimation of damage stock of Finished Goods and Claim to Insurance Company		55,453,739	91,353,739
Cost of Goods Available for Sale		1,246,912,657	1,011,226,126
Closing stock of Finished Goods		(545,513,627)	(461,326,875)
Primary estimation of damage stock of Finished Goods and Claim to Wastage Sales		(55,453,739)	(91,353,739)
		(283,364)	(459,707)
Cost of Goods Sold		645,661,927	458,085,805

Notes	Particulars	Amount in Taka	
		July 01, 2023 to September 30, 2023	July 01, 2022 to September 30, 2022
23.01	Raw Materials Consumption		
	Opening Raw Materials	1,070,408,233	729,569,881
	Opening Damaged cotton of Fire under insurance claim	51,827,573	51,827,573
	Purchase during the period	300,438,689	689,490,769
	Available for use	1,422,674,495	1,470,888,223
	Closing Damaged cotton of Fire under insurance claim	(51,827,573)	(51,827,573)
	Closing Raw Materials	(907,471,024)	(1,088,914,894)
		463,375,898	330,145,756
23.02	Accessories & Stores Consumption		
	Opening Accessories & Stores	15,678,183	25,142,906
	Purchase during the period	7,555,871	8,958,966
	Available for use	23,234,054	34,101,872
	Closing Accessories & Stores	(14,441,636)	(24,206,360)
		8,792,418	9,895,512
23.03	Packing Materials Consumption		
	Opening Packing Materials	6,988,520	9,512,174
	Purchase during the period	7,817,227	6,604,553
	Available for use	14,805,747	16,116,727
	Closing Packing Materials	(8,225,067)	(7,988,520)
		6,580,680	8,128,207
23.04	Factory Overhead		
	Gas Bill	81,534,877	61,287,990
	Wages	30,187,052	36,339,212
	Repair & Maintenance	388,387	558,980
	Factory Insurance	1,053,375	2,180,501
	Sundry Carrying Charges	163,482	326,541
	Sundry daily labor charges	140,630	359,423
	Medical & other Expenses	29,179	51,296
	Depreciation	55,710,988	56,337,592
		169,207,970	157,441,535
	(a) Repairs & maintenance includes maintenance of office, premises, vehicles, building, equipment and other infrastructures. Also included therein stores and spares that has been consumed during the period.		
	(b) Other expenses does not included any item exceeding 1% of total revenue.		
24.00	Other Income		
	Exchange Rate Fluctuation Gain/(Loss)	(805,597)	(3,096,833)
		(805,597)	(3,096,833)

Notes	Particulars	Amount in Taka	
		July 01, 2023 to September 30, 2023	July 01, 2022 to September 30, 2022
25.00	Administrative Expenses		
	Salary and Allowances	11,964,505	12,452,889
	Managing Director Remuneration	300,000	300,000
	Director's Remuneration	600,000	900,000
	Board Meeting Fees	21,000	15,000
	Employee Fooding Bill	61,003	69,980
	Traveling and Conveyance	99,700	64,637
	House & Office rent	224,250	224,250
	Telephone & Mobile Bill	20,000	41,000
	Company Secretarial, Regulatory Fee and AGM Expense	50,000	-
	Subscription and Donations	3,000	2,000
	Fees, Renewals and other Expenses	256,322	613,432
	Fuel expenses	471,261	472,062
	IT Solution	10,350	73,100
	Depreciation	104,075	115,639
		14,185,466	15,343,989
	Payment/ Perquisites to Directors and officers		
	The aggregate amount paid/ provided during the period in respect of Directors and officers of the company		
	Particulars		
	Managing Director Remuneration	300,000	300,000
	Director's Remuneration	600,000	900,000
	Board Meeting Fees	21,000	15,000
		921,000	1,215,000
26.00	Marketing and Distribution Expenses		
	Salaries and Allowances	55,000	57,000
	Advertisement	40,000	12,390
		95,000	69,390
27.00	Financial Expenses		
	Bank Charges and Commission	1,162,066	912,937
	Interest on HPSM	23,678,145	25,451,678
	Interest on BAI Murabaha	12,700,893	2,770,592
	Interest on Murabaha TR	9,236,273	9,084,569
	Interest on Woori -IDBP	2,671,339	8,862,299
	Interest on Hajj Finance	5,923,327	5,493,149
	Interest on MFCI	10,345,700	9,469,860
	Interest on MPI	1,245,185	1,034,512
	Interest on IDLC	636,000	-
	Interest on IBP SEBL	1,510,767	-
	Interest on Agrani PAD	4,922,248	601,420
	Interest on NCC IBP	573,599	-
		74,605,542	63,681,016
28.00	Basic Earning Per Share		
	Net Profit after Taxes	15,039,420	33,399,835
	Number of Shares for respected period	100,993,374	100,993,374
	Earning per share (Taka) (Basic)	0.15	0.33

Notes	Particulars	Amount in Taka	
		July 01, 2023 to September 30, 2023	July 01, 2022 to September 30, 2022
	Net Profit after Taxes	15,039,420	33,399,835
	Weighted Average Number of Share	100,993,374	100,993,374
	Earning per share (Taka) (Adjusted)	0.15	0.33
	Weighted average/Total existing number of share:		
	Opening number of share outstanding	100,993,374	100,993,374
	Add: Issued during the year (% Stock dividend)	-	-
		100,993,374	100,993,374
29.00	Net Operating Cash Flow Per Share(NOCFPS)		
	Cash flow from operating activities	228,260,475	5,831,772
	Number of Share	100,993,374	100,993,374
	Net Operating Cash Flows per Share (NOCFPS)	2.26	0.06
30.00	Net Asset Value Per Share (NAVPS)		
	Net Asset Value	1,963,353,275	2,043,367,979
	Number of Shares	100,993,374	100,993,374
	Net Asset Value Per Share (NAVPS)	19.44	20.23
31.00	General:		
31.01	Claims not Acknowledged		
	There is no claim against the Company not acknowledged as debt as at 30.09.2023		
31.02	Credit Facilities not Availed		
	There is no credit facilities extended to the Company but nor availed of as at 30.09.2023, under any contract, other than trade credit available in the ordinary course of business.		
31.03	Commission, Brokerage or Discount Against Sales		
	No commission, brokerage or discount was incurred or paid by the Company against sales during the period ended 30.09.2023		
31.04	Directors Responsibility Statements		
	The Board of Directors and management of the company takes the responsibility for the preparation and presentation of these financial statements as per section 183 of Companies Act 1994 and Corporate Governance Guidelines issued by Bangladesh Securities & Exchange Commission (BSEC) .		

Notes	Particulars	Amount in Taka	
		July 01, 2023 to September 30, 2023	July 01, 2022 to September 30, 2022

31.05 Employees Details:

During the period there were 1270 employees employed for the full year out of which 411 employees received salary Taka 8,425 per month and above.

31.06 Rounding Off

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

31.07 Reconciliation of Net Income with Cash Flows from Operating Activities

Statement of Cash Flows have been prepared in accordance with IAS 7 "Statement of Cash Flows" under direct method and the Reconciliation of Net Income with Cash Flows from Operating Activities are shown under indirect method as activities.

Profit before Income Tax	26,394,970	48,274,150
Adjustment for items not involving movement of cash:		-
Depreciation on Property, Plant and Equipment	55,815,063	56,453,231
Damage of Building and Civil Construction	-	-
Financial Expenses	74,605,542	63,681,016
Profit from associates	-	-
Foreign Exchange Gain/(Loss)	39,382,229	60,673,765
	196,197,804	229,082,162
(Increase)/Decrease in Accounts Receivable	(109,841,106)	322,724,564
(Increase)/Decrease in Inventory	168,353,802	(403,950,312)
(Increase)/Decrease in Advance, Deposits & Prepayments	10,591,037	(5,186,506)
Increase/(Decrease) in Accounts Payable	2,140,347	(2,217,945)
Increase/(Decrease) in Accrued expenses	27,856,478	(24,117,500)
Increase/(Decrease) in Goods in Transit	(58,342,628)	(103,334,025)
(increase)/Decrease Revaluation deferred Tax	-	-
	40,757,929	(216,081,723)
Tax Paid to DCT against Claim for Assessment 2017-2018	(1,000,000)	-
Tax Paid to DCT against Claim for Assessment 2014-2015	-	-
Less: Tax Paid to DCT against Claim for Assessment 2015-2016	-	-
Tax Paid to DCT against Claim for Assessment 2016-2017	-	-
Tax paid for the Assessment year 2020-2021	(84,796)	-
Liability adjusted after the DCT Assessment 2021-2022	-	-
Liability adjusted after the DCT Assessment 2020-2021	(334,997)	-
Income Tax paid during the year	(7,275,465)	(7,168,667)
Net Cash Flows from operating activities	228,260,475	5,831,772

32.00 Related Party Disclosure :

a) Transaction with Key Management Personnel of the entity:

No.	Particulars	Amounts in Tk
(a)	Managerial Remuneration paid or payable during the period to the directors, including Managing directors or manager	900,000
(b)	Any other perquisite or benefits in cash or in kind stating, approximate money value applicable.	21,000
(c)	Other allowances and commission including guarantee commission	Nil
(d)	Pensions etc.	Nil
	(i) Pensions	Nil
	(ii) Gratuities	Nil
	(iii) Payments from a provident funds, in excess of own subscription and interest	Nil
(e)	Share Based payments	Nil

b) Transaction with Related Entity:

Sl.	Name of Customer	Relationship	Balance as at 01.07.2023	Addition during the Period	Realized during the Period	Balance as at 30.09.2023
(a)	SIM Fabrics Limited	Common Management	252,334,891	463,549,073	427,555,557	288,328,407
	Total		252,334,891	463,549,073	427,555,557	288,328,407

31.08 Disclosed as per requirement of schedule XI, part II Para 8

Value of Raw material, packing materials and Capital goods

Particular	Quantity (kg)	Opening	Quantity (kg)	Purchases	Quantity (kg)	Consumption	Quantity (kg)	Closing
Raw Material	6,588,451	1,070,408,233	-	300,438,689	-	(463,375,898)	5,560,880	907,471,024
Packing Materials	-	6,988,520	-	7,817,227	-	(6,580,680)	-	8,225,067
Spare Parts	-	15,678,183	-	7,555,871	-	(8,792,418)	-	14,441,636
Work in progress	-	120,477,388	-	-	-	-	-	136,542,886
Finished goods	1,875,426	559,567,449	-	-	-	-	1,828,324	545,513,627

Value of Export

Particular	In Foreign Currency USD	In BDT
Export	\$ 6,936,984	763,068,250

31.09 Details of capacity has given below

Particular	License Capacity	Installed Capacity	Actual Production
Annual Production (kg) Rotor Unit	6,300,000	6,300,000	2,290,190
Annual Production (kg) Ring Unit	7,000,000	7,000,000	

Mozaffar Hossain Spinning Mills Limited
Annexure of Property, Plant & Equipment
As at September 30, 2023

Annexure-A
Amounts in Taka

Cost:

Particulars	COST				Rate of Dep.	DEPRECIATION				Written down value as at 30.09.2023
	As at July 01, 2023	Addition during the period	Adjustment	Closing Balance As on 30.09.2023		As at July 01, 2023	Charged during the Period	Adjustment	Closing Balance As on 30.09.2023	
Land & Land Dev.	368,961,945	-	-	368,961,945	-	-	-	-	-	368,961,945
Factory Building	1,436,748,511	16,083,961	-	1,452,832,472	5%	256,632,636	14,952,498	-	271,585,134	1,181,247,338
Plant & Machinery	2,396,904,484	131,318,883	-	2,528,223,368	10%	897,883,775	40,758,490	-	938,642,265	1,589,581,103
Vehicle	5,586,326	-	-	5,586,326	10%	3,357,947	55,709	-	3,413,656	2,172,670
Furniture & Fixture	1,728,415	-	-	1,728,415	10%	1,514,474	5,349	-	1,519,823	208,592
Air Condition	2,030,700	-	-	2,030,700	10%	564,894	36,645	-	601,539	1,429,161
Office Equipment	199,900	-	-	199,900	10%	37,981	4,048	-	42,029	157,871
Computer Equipment	121,500	-	-	121,500	10%	28,553	2,324	-	30,877	90,623
Balance as on 30.09.2023	4,212,281,781	147,402,844	-	4,359,684,626		1,160,020,260	55,815,063	-	1,215,835,323	3,143,849,302

Revaluation:

Particulars	COST				Rate of Dep.	DEPRECIATION				Written down value as at 30.09.2023
	As at July 01, 2023	Addition during the period	Adjustment	Closing Balance As on 30.09.2023		As at July 01, 2023	Charged during the Period	Adjustment	Closing Balance As on 30.09.2023	
Land & Land Dev.	510,760,689	-	-	510,760,689	-	-	-	-	-	510,760,689
Balance as on 30.09.2023	510,760,689	-	-	510,760,689	-	-	-	-	-	510,760,689
Balance as on 30.09.2023	4,723,042,470	147,402,844	-	4,870,445,315	-	1,160,020,260	55,815,063	-	1,215,835,323	3,654,609,991

Depreciation Charged To:-

Administrative Cost	104,075
Manufacturing Cost	55,710,988
Total	<u>55,815,063</u>

Note: The company use an accounting software (Intangible asset) which is fully amortized. Damage of Machineries & Building & Civil Construction has been Claimed to Insurance Company.

Mozaffar Hossain Spinning Mills Limited

Annexure of Accounts Receivable

Annexure-B

As at September 30, 2023

Disclosure as per requirement of Schedule XI, Part - I (A. Horizontal Form) of Companies Act.1994**In regard to sundry debtors the following particulars' shall be given separately:-**

The debtors occurred in the ordinary course of business are considered good. The details of Accounts Receivable are given below:

Amounts in Taka

Name of Customer	Balance as at 01.07.2023	Addition during the period	Realized during the period	Balance as at 30.09.2023
ACS Textile Ltd.	328,330,595	236,892,056	199,199,643	366,023,008
ACS Towel Ltd.	27,870,795	57,806,371	50,743,676	34,933,490
Rownok Textile Mills	8,810,097		4,655,431	4,154,666
Mohammadi Group Ltd	10,963,260		-	10,963,260
Meek Knit Limited.	6,239,925		6,239,925	-
MATRIX DRESSES LTD.	5,065,025		-	5,065,025
ABC Knit dyeing & Finishing Mills Ltd	2,484,920		2,484,920	-
FM Yarn Dyeing Ltd.		4,820,750		4,820,750
Sub-total	389,764,617	299,519,177	263,323,595	425,960,199

Accounts Receivable due by Common management:

The debtors occurred in the ordinary course of business are considered good. The details of Accounts Receivable are given below:

Amount in Taka

Name of Customer	Balance as at 01.07.2023	Addition during the period	Realized during the period	Balance as at 30.09.2023
SIM Fabrics Limited	252,334,891	463,549,073	427,555,557	288,328,407
Sub-total	252,334,891	463,549,073	427,555,557	288,328,407
Total	642,099,508	763,068,250	690,879,152	714,288,606

Mozaffar Hossain Spinning Mills Limited

Schedule of Trade Creditors

As at September 30, 2023

Annexure-C

Bills Payable:

Amounts in Taka

Name of Supplier/Service Provider	Balance as at 01.07.2023	Payment during the Period	Bill during the Period	Balance as at 30.09.2023
Aamra Network Ltd	-	26,000	26,000	-
Amreen Refrigeration & Engineering	167,500	100,000	-	67,500
AMSLER Textile Effect Systems	99,200	100,000	-	(800)
Ashik & Brother	157,620	-	-	157,620
Automation Engineering & Controls Ltd	1,954,459	25,991	26,995	1,955,463
Asia Pacific Textrade Ltd	-	-	5,000	5,000
Bangladesh Association of Public Listed Co.	-	-	-	-
Bangla Trac Limited	453,365	492,960	868,400	828,805
Bengal Development Corporation	4,443	-	-	4,443
Beximco Online	6,900	37,950	41,400	10,350
Central Depository Bangladesh Service Ltd	-	-	-	-
Chittagong Stock Exchange Ltd	1,314,734	-	-	1,314,734
Changzhou Tonghe Textile Machinery	-	-	-	-
Dhaka Stock Exchange LTd	1,139,510	-	-	1,139,510
Emerging Credit Rating Ltd	-	50,000	43,000	(7,000)
Galaxy Corporation	65,000	100,000	165,000	130,000
Global Insurance Ltd.	-	-	-	-
Homeland Engineerings Construction	1,010,639	200,000	-	810,639
Islami Insurance Bangladesh Ltd.	-	-	-	-
Jamuna Engineering	1,032,853	-	-	1,032,853
Mahin Enterprise & Packaging	66,118	40,029	-	26,089
Minarva Engineering Works	256,880	1,068,000	1,293,620	482,500
Monir Steel House	150,809	-	-	150,809
MH Rubber & Plastic Machineries Ltd.	96,052	280,000	269,500	85,552
MS Enterprise	4,841	268,500	602,608	338,949
New Asia Ltd	-	-	-	-
New Mokka Trading	-	-	-	-
Maa Enterprise& Packaging	5,295	1,234,569	1,567,874	338,600
Mostakim Enterprise	(37,321)	1,156,642	1,534,667	340,704
Ma Engineering Work	295,820	605,000	900,820	591,640
Orient Plastic & Packing Ind. Ltd	30,000	-	-	30,000
Peoples Insurance Company Ltd.	(272,348)	988,922	1,532,156	270,886
Power Breeze Engineering Ltd	3,750,000	-	-	3,750,000
Reyan Machinery	95,000	-	-	95,000
Sharp Electronics	5,000	-	-	5,000
Touch Paper Products	-	-	-	-
Textile Associates Ltd	140,011	430,871	441,372	150,512
Trust Auto Solution	-	-	-	-
S.R Shipping Agency	88,120	1,223,467	1,467,876	332,529
Suntech HVAC	1,079,360	-	-	1,079,360
Steel King	1,585,730	-	-	1,585,730
Raju. Engineering & Service Centre	(40,000)	-	40,000	-
Riya Enterprise	524,825	212,325	-	312,500
Fahim Transport Agency	193,500	100,000	268,500	362,000
Uttara Paper	272,918	1,023,677	1,236,823	486,064
One Inspection & Testing Services(BD) Ltd	533,392	-	-	533,392
Prime Insurance Company Limited	149,342	-	-	149,342
Shehab Trader	49,750	-	-	49,750
star Engineering	13,800	-	-	13,800
Sub Total (B)	16,443,117	9,764,903	12,331,611	19,009,825