

MABS & J Partners

Chartered Accountants

Member firm of Nexia International, UK

Auditors' Report and Financial Statements

Of

Sonali Aansh Industries Limited

Lal Bhaban (1st floor), East Gate of Stadium

18, Rajuk Avenue, Dhaka - 1000.

For the year ended 30 June 2021



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For the year ended 30 June 2021

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**Independent Auditors' Report
To the Shareholders
Of
Sonali Aansh Industries Limited**

Report on the Audit of the Financial Statements

Qualified Opinion

We have audited the financial statements of Sonali Aansh Industries Limited, which comprise the statement of financial position as at 30 June 2021, and the 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.

In our opinion, except for the effects of the matters described in the Basis for Qualified Opinion section of our report, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at June 30, 2021, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Basis for Qualified Opinion

- i) In Note # 13 to the financial statements, the Company reports revaluation of fixed assets which include land, building, plant and machinery etc. of BDT. 504,310,971. The revaluation was carried out in the financial year 2006-07. However, the Company has not charged any depreciation on the additional value resulting from revaluation of fixed assets as required by IAS 16: Property, Plant & Equipment (Paragraph 31). As a consequence, the net assets value of the Company remained overstated to the extent of chargeable depreciation; the net profit after tax also remained overstated by the same figure over the years. Hence, the Earnings Per Share (EPS), and the Net Assets Value (NAV) per share are also overstated to the same extent. Moreover, no revaluation has been undertaken since 2006-07 i.e. 14 years.
- ii) In Note # 5 to the financial statements, the Company reports addition to intangibles of BDT. 55,975,624 since 2000-01. The intangible addition comprises of tax benefit and export cash subsidy claim, which is currently under lawsuit of the Honorable High Court. The above concept of intangible addition does not comply the recognition requirement of such as per IAS 38 Intangible Assets. Also, this results in a deviation of IAS 37 Provisions, Contingent Liabilities and Contingent Assets as per which provisions, contingent assets are to be duly reported depending on the state of the prevailing circumstances.
- iii) In Note # 22.3 to the financial statements, provision for WPPF of BDT. 6,552,498 has been kept by the company under the head "Workers Profit Participation Fund and Welfare Fund" as current liabilities in the financial statements as on 30 June 2021. However, the amount has not been distributed yet as per the mentioned proportion of 80:10:10 to the Participatory Fund, Welfare Fund and Workers' Welfare Foundation Fund respectively as per Sections 234 (1) and 242 (1) of the Labor Act 2006 as amended in 2013. Moreover, the company has no separate Trustee Board, Deeds or Rules for operation of WPPF. Also, the fund amount has been used by the company in its operation as a source of financing without providing any interest for such usage as per section 240 (3) of the said Act.

- iv) As disclosed in Note # 8.1 & 8.2 to the financial statements, the Company reports an amount of BDT. 8,767,781 (Foreign-BDT. 6,098,131 & Local-BDT. 2,669,650) from 24 customers (Foreign 17 & Local 7), which remains uncollectible over more than five years. In our opinion, the Company is very unlikely to recover the amounts in full. Had adequate provisions been made for the above, the earnings per share (EPS) for the year 2020-21 and net asset value (NAV) as at 30 June 2021 would have been adversely affected to that extent.
- v) To confirm the receivables balance of the company as at 30 June 2021, we sent balance confirmation letters to the respective trade receivables amounting BDT. 24,824,766, against which we did not receive response against debtors of BDT. 24,824,766 Hence, the above-mentioned balance remains unverified and unconfirmed to the extent the responses were not forthcoming. In note # 8.3 to the financial statements, the company reports Advance against Store Supply of BDT. 105,802,865 and Advance against Other Supply of BDT. 50,282,692 which are unverified and confirmed due lack of vendor or supplier balance confirmation.
- vi) In Note # 15 to the financial statements, the Company reports deferred tax Liability of BDT. 2,971,678. While calculating the deferred tax liability, the revaluation surplus of Property, Plant & Equipment (non-depreciable part), which amount to BDT. 32,215,394 has not been accounted for, a non-compliance of IAS 12 Income Taxes (Paragraph-51B), as per which, deferred taxes arise from revalued non-depreciable assets as a reflection of the tax consequences of selling asset. As a result, the deferred tax liability is understated.
- vii) In Note # 2.21 to the financial statements the Company stated its operation of a recognized provident fund for eligible workers and its administration by a duly constituted independent Trust and equal contributions @ 8.33% of basic wages and salary by both employees and the employer. However, no such recognition, trustee board, deeds and rules were found in reality. Also, the Company has not made provision for all its 2071 permanent employees @ 8.33% of basic salary. Instead, a provision of BDT. 25,379 was just made during the year, and it seems to be insufficient for its total workforce.
- viii) IFRS 16 Leases has not been applied while recording transactions which fulfill the set criteria for leases in the aforesaid Accounting Standards. The Company has rental agreements which fall under the new IFRS. Also, the Company has not disclosed the reason for departure of IFRS.
- ix) Refer to the accounting policy as mentioned in Note # 2.19, revenue is to be recognized when goods are delivered and risk of ownership is transferred to the customer. However, in practice, the accumulated sales revenue is recognized at each month end for all the invoices raised within the particular month. The mentioned practice is inconsistent with the policy adopted by the Company and also inconsistent with IFRS 15 "Revenue from Contracts with Customers".
- x) Since its inception in the year 1981, the Company has not performed any impairment test of its Property, Plant & Equipment (Note # 04) as required by IAS 36 Impairment of Assets. The IAS in particular states that an entity is required to assess whether there is any indication that an asset may be impaired at the end of each reporting period to ensure that an entity's assets are not carried at more than their recoverable amount. As a result, the net assets value of the Company remained overstated to the extent of chargeable impairment, if any.
- xi) In Note # 2.16 (Foreign currency transaction) to the financial statements, it is stated that transactions have been reported in compliance with IAS 21 The Effects of Changes in Foreign Exchange Rates. The effects of foreign currency sales transactions and the resulting exchange gain or loss have not been accounted for in compliance with IAS 21. Also, the foreign currency monetary items which include receivables, bank balance in foreign currency at the year-end have not been reported using the closing rate.

- xii) The assessments of the financial year 1995-96 was finalized (Note: 36) but no accounting treatment has been given in the books of account for creation of additional tax provision of Taka 866,750 and adjustment of advance taxes thereof.
- xiii) Due to pandemic Covid-19 situation we didn't able to count Inventory as on 30 June 2021. But in our audit period we conducted an Inventory count as on 04 November 2021, where we were count some items of inventory (Raw Jute, Diversified and Yarn& Loom) according to their Inventory report. In our counting all items that we counted not match with the inventory report. There is material quantity difference between inventory report and our physical counting. As a result, in our opinion Inventory as on 30 June 2021 was not shown properly according to IAS 2.
- xiv) In reference Note No # 11.2, we don't found 5 (five) Bank statements (Islami Bank Ltd., Dutch Bangla Bank Ltd., Prime Bank Ltd. & Sonali Bank Ltd.) and also in Note No # 18 we don't find two (2) Bank statement (Sonali Bank Ltd.) which show as overdraft. As a result, we don't confirm these bank accounts balance.

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 and the Institute of Chartered Accountants of Bangladesh (ICAB) Bye Laws. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

Other Information

Management is responsible for the other information. The other information comprises the 'Annual Report' but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statement 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, 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.

If based on the work we have performed, we conclude that, we have nothing to report in this regard or a statement that describes any material misstatement of the other information.

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. In addition to the matters described in the Basis for Qualified Opinion section we have determined the matters described below to be Key Audit Matters to be communicated in our report. For each matter below our description of how our audit addressed the matters provided in that context.

Risk	Our response to the risk
Revenue Recognition	
<p>During this year, net sales revenue of BDT. 506,449,143.</p> <p>Revenue is measured net of discounts, commission and rebates earned by customers on the sales. Within a number of the markets, the estimation of discounts, commission and rebates recognized based on sales made during the year is material and considered to be complex and judgmental. Therefore, there is a risk of revenue being misstated as a result of faulty estimations over discounts, incentives and rebates.</p> <p>There is also a risk that revenue may be overstated due to fraud through manipulation of the discounts, incentives and rebates recognized resulting from the pressure local management may feel to achieve performance targets.</p>	<p>We have tested the design and operating effectiveness of key controls focusing on the following:</p> <ul style="list-style-type: none"> • Segregation of duties in invoice creation and modification; and • Timing of revenue recognition. <p>Our substantive procedures in relation to the revenue recognition comprises the following:</p> <ul style="list-style-type: none"> • Obtaining supporting documentation for sales transactions recorded either side of year end as well as credit notes issued after the year end date to determine whether revenue was recognized in the correct period; • Within a number of the Company's markets, comparing current year rebate accruals to the prior year and, where relevant, completing further inquiries and testing. • Agreeing a sample of claims and rebate accruals to supporting 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 # 24.00 "Sales" to its financial statements.	
Valuation of Property, Plant and Equipment	
<p>The carrying value of the PPE was Taka 604,497,015 as at 30 June 2021. Expenditures are capitalized if they create new assets or enhance the existing assets, and expensed if they relate to repair or maintenance of the assets. Classification of the expenditures involves judgment. The useful lives of PPE items are based on management's estimates regarding the period during which the assets or its significant components will be used. The estimates are based on historical experience and market practice and take into consideration the physical condition of the assets.</p> <p>The valuation of PPE was identified as a key audit matter due to the significance of this balance to the financial statements and that there is significant measurement uncertainty involved in this valuation.</p>	<p>Our audit included the following procedure:</p> <p>We assessed whether the accounting policies in relation to the capitalization of expenditures are in compliance with IAS and found them to be consistent.</p> <ul style="list-style-type: none"> • We inspected a sample of invoices and L/C documents to determine whether the classification between capital and revenue expenditure was appropriate. • We evaluated whether the useful lives determined and applied by the management were in line with historical experience and the market practice. <p>We checked whether the depreciation of PPE items was commenced timely, by comparing the date of the reclassification from capital work in progress to ready for use, with the date of the act of completion of the work.</p>
See Note # 4.00 "Property, Plant & Equipment" to its financial statements.	

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

Management is responsible for the preparation of financial statements in accordance with IFRSs, the Companies Act 1994, the Security and Exchange Rules 1987 and other applicable laws and regulations 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.

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 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 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 ability to 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 gives a true and fair view.

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.

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 financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law and 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.

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 explanation which to the best of our knowledge and belief were necessary for the purpose 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 with the report are in agreement with the books of account and returns; and
- d) The expenditure incurred was for the purpose of the Company's business.

Place: Dhaka, Bangladesh

Dated: 16 November 2021

Signed for & on behalf of

MABS& J Partners

Chartered Accounts


S H Talukder, FCA

Partner

ICAB Enrollment ID: 1244

DVC No: 2111181244AS124188

Sonali Aansh Industries Limited

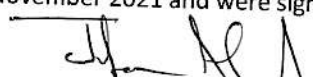
Statement of Financial Position

As at 30 June 2021

Particulars	Notes	Amount in Taka	
		As on 30 June 2021	As on 30 June 2020
ASSETS:			
Non-Current Assets			
Property, Plant and Equipment (At Cost & Revaluation)	4	665,198,038	666,025,806
Intangible Addition (Equivalent Cash)	5	604,497,015	606,132,156
Security Deposits	6	55,975,624	55,975,624
		4,725,399	3,918,026
Current Assets			
Inventories		1,143,863,034	1,097,602,772
Trade and Other Receivables	7	686,464,281	711,018,713
Account Receivables	8	280,557,120	253,219,637
Advance Income Tax	9	29,020,139	29,020,139
LC Margin	10	106,813,502	98,115,054
Cash and Cash Equivalents	11	23,321,656	-
		17,686,336	6,229,229
Total Assets		1,809,061,072	1,763,628,579
EQUITY AND LIABILITIES:			
Capital and Reserves			
Share Capital		611,974,045	611,626,927
Revaluation Reserve	12	27,120,000	27,120,000
Retained Earnings	13	504,310,971	504,310,971
		80,543,074	80,195,956
Non-Current Liabilities			
Bank Loan		421,737,525	140,893,683
Deferred Tax Liability	14	418,765,847	137,575,156
	15	2,971,678	3,318,527
Current Liabilities			
Trade and Other Payables		775,349,502	1,011,107,969
Current Portion of the Long Term Bank Loan	16	140,175,460	144,602,071
Bank Overdraft	17	-	47,456,000
Short Term Loan	18	286,689,119	463,312,963
Unpaid Dividend	19	257,425,435	257,425,435
Liabilities for Expenses	20	4,971,198	5,031,164
Provision for Employees Benefit	21	34,099,441	42,593,487
Provision for Income Tax	22	28,436,838	27,436,200
	23	23,552,011	23,250,648
Total Equity and Liabilities		1,809,061,072	1,763,628,579
Net Asset Value (NAV) per Share	33	225.65	225.53

The annexed notes form an integral part of these Financial Statements. These Financial Statements were authorized for issue by the Board of Directors on 16 November 2021 and were signed on its behalf by:


Managing Director



Director


Company Secretary

This is the Statement of Financial Position referred to in our separate report of even date

Place: Dhaka, Bangladesh
Date: 16 November 2021

Signed for & on behalf of
MABS & J Partners
Chartered Accounts


S H Talukder, FCA
Partner

ICAB Enrollment No: 1244
DVC No: 211181244A 124188

Sonali Aansh Industries Limited
Statement of Profit or Loss & Other Comprehensive Income
For the year ended 30 June 2021

Particulars	Notes	Amount in Taka	
		01 Jul 2020 to 30 Jun 2021	01 Jul 2019 to 30 Jun 2020
Sales	24	506,449,143	453,996,120
Cost of Goods Sold	25	(472,288,833)	(416,024,634)
Gross Profit		34,160,310	37,971,486
Other Income-Subsidy	26	62,276,810	62,246,615
Operating Expenses:			
Administrative Expenses	27	(19,183,171)	(17,058,422)
Marketing and Selling Expenses	28	(20,804,276)	(26,467,274)
Operating Profit		56,449,673	56,692,405
Financial Expenses	29	(53,285,359)	(56,765,524)
Miscellaneous Income	30	-	3,710,197
Profit before Contribution to WPP & WF		3,164,314	3,637,078
Contribution to WPP & WF		(150,682)	(173,194)
Net Profit before Tax		3,013,632	3,463,884
Income Tax Expenses/(Income)	31		
Current Tax		301,363	346,388
Deferred Tax		(346,849)	1,447,150
		(45,486)	1,793,538
Net Profit after Tax		3,059,118	1,670,346
Other Comprehensive Income		-	-
Total Comprehensive Income		3,059,118	1,670,346
Earnings per Share (EPS)	32	1.13	0.62

The annexed notes form an integral part of these Financial Statements. These Financial Statements were authorized for issue by the Board of Directors on 16 November 2021 and were signed on its behalf by:



Managing Director



Director



Company Secretary

This is the Statement of Statement of Profit or Loss & Other Comprehensive Income referred to in our separate report of even date

Place: Dhaka, Bangladesh
Date: 16 November 2021

Signed for & on behalf of
MABS& J Partners
Chartered Accounts


S H Talukder, FCA
Partner

ICAB Enrollment No: 1244
DVC No: 211181244AS124188

Sonali Aansh Industries Limited
Statement of Changes in Equity
For the year ended 30 June 2021

Particulars	Amount in Taka			
	Share Capital	Revaluation Reserve	Retained Earnings	Total
Balance as on 01 July 2020	27,120,000	504,310,971	80,195,956	611,626,927
Net Profit for the year	-	-	3,059,118	3,059,118
Dividend for the year ended 30 June 2020	-	-	(2,712,000)	(2,712,000)
Balance as on 30 June 2021	27,120,000	504,310,971	80,543,074	611,974,045

For the year ended 30 June 2020

Particulars	Amount in Taka			
	Share Capital	Revaluation Reserve	Retained Earnings	Total
Balance as on 01 July 2019	27,120,000	504,310,971	81,237,610	612,668,581
Net Profit for the year	-	-	1,670,346	1,670,346
Dividend for the year ended 30 June 2019	-	-	(2,712,000)	(2,712,000)
Balance as on 30 June 2020	27,120,000	504,310,971	80,195,956	611,626,927

The annexed notes form an integral part of these Financial Statements. These Financial Statements were authorized for issue by the Board of Directors on 16 November 2021 and were signed on its behalf by:

Mahmud

Managing Director

Place: Dhaka, Bangladesh
 Date: 16 November 2021

Tofiqul Haque

Director

M. A. J. Partners

Company Secretary



Sonali Aansh Industries Limited

Statement of Cash Flows

For the year ended 30 June 2021

Particulars	01 Jul 2020 to 30 Jun 2021	01 Jul 2019 to 30 Jun 2020
CASH FLOWS FROM OPERATING ACTIVITIES:		
Cash Receipts from Customers and Other Income	551,784,529	483,511,312
Cash Payment for Costs, Payables and Expenses	(524,685,073)	(410,533,045)
Interest Paid	(53,285,359)	(56,765,524)
Income Tax Paid	(8,698,448)	(3,480,405)
Net Cash from/(used in) Operating Activities	(34,884,351)	12,732,338
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of Fixed Assets	(7,997,424)	(20,119,026)
Net Cash Outflows from Investing Activities	(7,997,424)	(20,119,026)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Bank Loan	281,190,692	2,857,988
Bank Overdraft	(224,079,844)	11,671,714
Short Term Loan	-	(1,454,100)
Dividend Paid	(2,771,966)	(3,047,239)
Net Cash from/(used in) Financing Activities	54,338,882	10,028,363
Net Increase/(Decrease) in Cash and Cash Equivalents	11,457,107	2,641,676
Opening Cash and Cash Equivalents	6,229,229	3,587,553
Closing Cash and Cash Equivalents as at 30 June 2021	17,686,336	6,229,229
Net Operating Cash Flow per Share-NOCFPS (Note: 34)	(12.86)	4.69

The annexed notes form an integral part of these Financial Statements. These Financial Statements were authorized for issue by the Board of Directors on 16 November 2021 and were signed on it's behalf by:



Managing Director



Director



Company Secretary



Place: Dhaka, Bangladesh

Date: 16 November 2021

Sonali Aansh Industries Limited

Notes comprising of summary of significant accounting policies and other explanatory notes.

As at and for the year ended 30 June 2021

1.00 Legal status and nature of the company

1.01 Domicile, Legal form and country of incorporation

Sonali Aansh Industries Limited is a public company limited by shares. It has been incorporated in Bangladesh on 29.07.1981 under the Companies Acts 1913 and its shares are listed with Dhaka Stock Exchange Ltd.

1.02 Registered office and principal place of business

The registered office and principal place of business is situated at 18, RAJUK Avenue, Lal Bhaban (1st floor) Dhaka-1000, Bangladesh. The factory is located at Shahidnagar, Daudkandi, Cumilla.

1.03 Principal activities and nature of operations

The company owns a jute industry for manufacturing various types of jute yarn, shoe sole and diversified products like linen type jute cloth and complete shoes. Unit-1 & Unit-2 are engaged in producing various types of jute yarn and linen type jute cloth and Unit-3 in turning out various diversified products like shoe sole braid, complete shoes etc. The total installed production capacity per annum is 10,500 metric tons (M.T.) in three (3) shifts in 3 industrial units while during the year achieved **3,065.98** metric tons of production. The short fall in capacity utilization is due to production of lightweight yarn fabrics to meet market demand. The products are mainly exported through letter of credit and some products like hessian & sacking quality yarn/loom production. The industry is treated as 100% export oriented industry.

2.00 Significant accounting policies and disclosures

2.01 Compliance with International Accounting Standards (IAS)

The financial statements have been prepared in compliance with requirements of IAS and IFRS as adopted by the Institute of Chartered Accountants of Bangladesh (ICAB).

2.02 Compliance with local laws

The financial statements have been prepared in compliance with requirements of the Companies Act, 1994, the Securities and Exchange Rules, 1987 and other applicable local laws and rules.

2.03 Measurement bases used in preparing the financial statements

The elements of financial statements have been measured on "Historical Cost" basis, which is one of the most commonly adopted base as provided in "the frame-work for the preparation and presentation of financial statements" Issued by the International Accounting Standards Committee (IASC).

2.04 Reporting period

Financial Statements of the company cover one financial year from 01 July 2020 to 30 June 2021.



2.05 Components of the financial statements

According to the International Accounting Standard IAS 1 "*Presentation of Financial Statements*", the complete set of Financial Statements include the following components.

- (i) Statement of Financial Position as at 30 June 2021;
- (ii) Statement of Profit or Loss and Other Comprehensive Income for the year ended 30 June 2021;
- (iii) Statements of Changes in Equity for the year ended 30 June 2021;
- (iv) Statement of Cash Flows for the year ended 30 June 2021;
- (v) Notes comprising of summary of significant accounting policies and other explanatory notes.

2.06 Use of estimates in preparation of financial statements

Preparation of financial statements in conformity with International Accounting Standards (IASs) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities if any at the date of the financial statements, and revenues and expenses during the year reported. Actual result could differ from those estimates. Estimates are used in accounting for certain items such as depreciation, outstanding claims, taxes, reserves etc.

2.07 Responsibility for preparation and presentation of financial statements

The Board of Directors is responsible for the preparation and presentation of Financial Statements under Section 183 of the Companies Act, 1994 and as per the provision of "*the framework for the preparation and presentation of financial statements*" as per International Financial Reporting Standards (IFRSs).

2.08 Basis of preparation and presentation of financial statements

Recognition of Property, Plant and Equipment:

Property, Plant and Equipment are stated at their cost less accumulated depreciation in accordance with IAS 16 "*Property, Plant and Equipment*". Cost represents cost of acquisition or construction and capitalization of pre-production expenditure including interest during construction periods.

Depreciation:

No depreciation is charged on land and land development and current year's additions to fixed assets as per previous practice. Depreciation on all other fixed assets is computed using the reducing balance method (from the date of the ready to use) in amounts sufficient to write off depreciable assets over their estimated useful economic life and continues to be charged until the written down value is reduced to taka 1 (One). Expenditure of maintenance and repairs are expenses; major replacements, renewals and betterments are capitalized.

The depreciation rates applicable to the principal categories of tangible fixed assets are :

Factory Building and Other Construction	10%
Plant and Machinery	10%
Office Equipment	15%
Furniture and Fixtures	10%
Transport and Vehicles	20%
Other Assets	10 to 25%



2.09 Inventories

Inventories comprise of raw material, work in process, stores spares and finished goods. They are stated at the lower of cost and net realizable value on consistent basis in accordance with IAS 2 "Inventories". Net realizable value is based on estimated selling price less any further costs that may be incurred for completion and disposal of inventories. Inventories are valued at following methods:

- a) Raw Jute valued at average method;
- b) Work-in-progress valued at cost price;
- c) Finished goods valued at cost price;
- d) Stock of stores valued at average method.

2.10 Trade and other receivables

Trade and other receivables have been considered good and collectible, and therefore, no amount was considered doubtful to provide for.

2.11 Cash and cash equivalents

According to IAS 7 "Statement of Cash Flows" cash comprises of cash in hand and demand deposit and cash equivalents are short term, highly liquid investments that are readily convertible to known amount of cash and which are subject to an insignificant risk of changes in value. IAS 1 "Presentation of Financial Statements" also provides that cash and cash equivalents are those which have no restriction in use considering the provision of IAS 7 and IAS 1. Cash in hand and bank balances have been considered as cash and cash equivalents.

2.12 Statement of cash flows

Statement of Cash Flows is prepared principally in accordance with IAS 7 "Statement of Cash Flows" and the cash flow from the operating activities have been presented under direct method as prescribed by the Securities and Exchange Rules, 1987 and considering the provision of paragraph 19 of IAS 7 which provides that "enterprises are encouraged to report cash flow from operating activities using the direct method".

2.13 Trade and other payables

Liabilities are recognized for amounts to be paid in the future for goods and services received from the supplier/services rendered.

2.14 Provision

Provision which is of uncertain amount and timing, is recognized in accordance with IAS 37 "Provisions, Contingent Liabilities and Contingent Assets." Provision is accounted for as a liability which connotes a present obligation as a result of past event and is probable that future economic resources will flow from the entity and reliable estimate of the cost can be measured reliably.

2.15 Taxation

Current Tax:

The company has made provision for income tax @ 10% on profit as per S.R.O. No. - 205 - আইন/আয়কর/2016.

Transactions relating to Income Tax have been disclosed in conventional manner following previous practice on consistent basis.



Deferred Tax:

The company has recognized deferred tax as per IAS 12: Income Tax. Accordingly, deferred tax liabilities/asset is accounted for all temporary differences arising between the tax base of the assets and liabilities and their carrying value for financial reporting purpose. Deferred tax is computed at the applicable tax rate on the Company.

2.16 Foreign currency transaction

Transactions denominated in foreign currencies are converted into Bangladesh Taka at the exchange rate prevailing on the date of transaction in accordance with IAS 21 "The Effects of Changes in Foreign Currency Rates".

2.17 Earning 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 Income Statement and the computation of EPS is stated in Note -32.

Basic Earnings

This represents earnings for the year attributable to ordinary shareholders. As there was no preference dividend, minority interest or extra ordinary items, the net profit for the year has been considered as fully attributable to the ordinary shareholders.

Basic earnings per share

This has been calculated by dividing the basic earnings by the weighted average number of ordinary shares outstanding during the year.

Diluted earnings per share

No diluted EPS is required to be calculated for the year as there was no scope for dilution during the year under review.

2.18 Turnover

Turnover comprises of sales i.e. export in foreign countries including cash subsidy received from the Government.

2.19 Revenue Recognition

The revenue during the year represents revenue arising from the sale of various types and sizes of jute items which are recognized when deliveries are made and risk of ownership has been transferred to the buyer, against the sales order received from the respective customer and which satisfied all the conditions for revenue recognition as provided as provided in IFRS 15 "Revenue from Contracts with Customers".

2.20 Subsidy

A cash subsidy receivable from Government is recognized as other income in profit or loss of the period in which it becomes receivable as per IAS 20 "Accounting for Government Grants and Disclosure of the Government Assistance".



2.21 Employees' benefit

Defined contribution of plan (Provident Fund)

The company operates a recognized provident fund for eligible workers and is administrated by a duly constituted independent Trust and equal contributions @8.33% of basic wages & salary is made by both the employees and the employer (the Company).

Defined benefit plan (Gratuity)

The Company operates an unfunded gratuity scheme. Each employee who has completed five years of service is eligible to one month gratuity for each completed year. The Company has provided gratuity liability during the year.

The Company also operates a Workers' Profit Participation and Welfare Fund scheme for its employees.

2.22 Transaction with related parties

The Company has carried on transaction with related parties in the normal course of business.

2.23 Comparative information

Comparative information have been disclosed in respect of the previous year for all numerical information in the financial statements and also the narrative and descriptive information when it is relevant for understanding the current period's financial statements. Previous year's figures have been rearranged / reclassified / regrouped, where necessary, to confirm to current year's financial presentation.

3.00 General:

3.01 Reporting currency:

The figure in the financial statements present Bangladesh currency (Taka), which have been rounded off to the nearest integer except where it indicates otherwise.

3.02 Going concern

The company has adequate resources to continue in operation for the foreseeable future. For this reason the directors continue to adopt going concern basis in preparing the financial statements.

3.03 Financial Risk Management

The Company management has overall responsibility for the establishment and oversight of the Company's risk management framework. Risk management policies, procedures and systems are reviewed regularly to reflect changes in market condition and the Company's activities. The Company has exposure to the following risks from its use of financial instruments.

- Credit Risk;
- Liquidity Risk;
- Market Risk and
- Operational Risk.



Credit Risk:

Credit risk is the risk of a financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers, institutional and export customers etc. Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. Risk exposures from other financial assets i.e. cash at bank and other external receivables are nominal.

Liquidity Risk:

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's approach to managing liquidity (cash and cash equivalents) is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. Typically, the Company ensures that it has sufficient cash and cash equivalents to meet expected operational expenses, including financial obligations through preparation of the cash flow forecast, prepared based on time line of payment of the financial obligation and accordingly arrange for sufficient liquidity/fund to make the expected payment within due date. In extreme stressed conditions, the Company may get support from the sister concern Company in the form of short terms financing.

Market Risk:

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters.

(a) Currency Risk:

The Company is exposed to currency risk on revenues such as revenue from foreign customers. Majority of the Company's foreign currency transactions are denominated in USD and relate to export.

(B) Interest Rate Risk:

Interest rate risk is the risk arises due to changes in interest rates on borrowing. There was no foreign currency loan which is subject to floating rates of interest. Local loans are, however, not significantly affected by fluctuations in interest rates. The Company has not entered into any type of derivative instrument in order to hedge interest rate risk as at the reporting date.

Operational Risk:

A form of risk that summarizes the risks a company or firm undertakes when it attempts to operate within a given field or industry. Operational risk is the risk that is not inherent in financial, systematic, or market-wide risk. It is the risk remaining after determining financing and systematic risk, and includes risks resulting from breakdowns in internal procedures, people and systems. The operation risk management process of the Company involves a continual cyclic process which includes risk assessment, risk decision making, and implementation of risk controls, which results in acceptance, mitigation, or avoidance of risks.



A. Property, Plant and Equipment (at Cost & Revaluation) Tk. 604,497,015
 A.1. Van & Loan (at cost)

Particulars	Cost			Rate	Amount in Taka		
	Opening Balance as at 01 July 2020 2	Addition during the year 3	Closing Balance as at 30 June 2021 4=2+3		Opening Balance as at 01 July 2020 6	Depreciation Charged during the year 7=(4-6)*5	Closing Balance as at 30 June 2021 8=6+7
Land and Land Development	12,671,335	-	12,671,335	0%	-	-	12,671,335
Plant and Machinery	118,257,990	-	118,257,990	10%	104,087,076	1,417,076	105,504,305
Air Conditioner	1,177,900	-	1,177,900	15%	725,493	67,861	793,354
Assorting Shed	876,205	-	876,205	20%	553,597	64,522	618,119
Building (Gas Generator)	265,169	-	265,169	10%	204,507	6,066	210,573
Boundary Wall	4,356,972	-	4,356,972	10%	2,697,764	165,921	2,863,685
Drain, Septic tank, Road & Pond	2,605,935	-	2,605,935	15%	2,478,919	19,052	2,497,971
Dyeing Shed	229,454	-	229,454	15%	227,394	309	227,703
Electric Installation	3,678,484	436,891	4,115,375	15%	2,475,249	229,501	2,704,750
Electric Sub-Station	1,019,887	-	1,019,887	10%	950,419	6,947	957,366
Factory Building	27,955,282	1,275,661	29,230,943	10%	23,965,640	479,367	24,445,007
Face Build, Canteen & Medi. etc.	6,027,594	-	6,027,594	10%	4,824,520	120,307	4,944,827
Furniture and Fixtures	6,112,566	1,718,668	7,831,234	10%	3,050,134	394,134	3,444,268
Gas Generator	17,500,950	-	17,500,950	20%	16,176,619	264,866	16,441,485
Gas Line Installation	1,873,916	-	1,873,916	20%	1,838,400	7,103	1,845,503
Junior Officer Quarter	362,672	-	362,672	10%	348,833	1,384	350,217
Jute Assorting Shed	309,135	15,680	324,815	15%	306,113	853	306,966
Jute Godown	7,875,511	57,219	7,932,730	10%	7,457,238	41,827	7,499,065
Finishing Godown (Unit 1 & 2)	692,200	-	692,200	10%	283,462	40,874	324,336
Labour Quarter	4,309,932	-	4,309,932	10%	3,404,935	90,500	3,495,435
Other Construction	998,844	-	998,844	10%	687,055	31,179	718,234
Office Building (2)	1,676,789	-	1,676,789	10%	1,356,885	31,990	1,388,875
Office Equipment	1,149,345	103,900	1,253,245	15%	802,691	60,202	862,893
Office Quarter	1,669,553	-	1,669,553	10%	1,587,264	8,229	1,595,493
Senior Officer Quarter	1,708,689	-	1,708,689	10%	1,612,656	9,603	1,622,259
Staff Quarter	450,740	-	450,740	10%	432,844	1,790	434,634
Sundry Assets	990,827	-	990,827	25%	936,082	13,686	949,768
Tubewell and Pump	808,838	-	808,838	10%	585,198	22,364	607,562
Vehicles	9,351,000	-	9,351,000	20%	8,944,629	81,274	9,025,903
Weights Scale (Unit - 1 & 2)	1,311,056	-	1,311,056	10%	478,078	83,298	561,376
Workshop, Stores & Bldg.	1,629,834	-	1,629,834	10%	1,551,689	7,815	1,559,504
C.C. Camera Installation (Unit-1&2)	405,650	-	405,650	10%	147,348	25,830	173,178
Sub-Total	240,310,254	3,608,019	243,918,273		195,178,884	3,795,732	198,974,616
							44,943,657



4.2 Year to Date (at Residual)

Particulars	Cost			Closing balance as at 30 June 2021	Rate	Depreciation		Written down value as at 30 June 2021
	Opening balance as at 01 July 2020	Addition during the year	3			Charged during the year	6	
1	2	3	4=2+3	5	6	7=(4-6)*5	8=6+7	9=4-8
Land and Land Development	30,735,030	-	30,735,030	0%	-	-	-	30,735,030
Assorting Shed	5,574,458	-	5,574,458	20%	-	-	-	5,574,458
Building (Gas Generator)	1,415,081	-	1,415,081	10%	-	-	-	1,415,081
Electric Installation	38,260,425	-	38,260,425	15%	-	-	-	38,260,425
Electric Sub-Station	1,385,784	-	1,385,784	10%	-	-	-	1,385,784
Factory Building	45,258,918	-	45,258,918	10%	-	-	-	45,258,918
Fac Build, Canteen & Medi. etc.	7,129,801	-	7,129,801	10%	-	-	-	7,129,801
Junior Officer Quarter	2,020,267	-	2,020,267	10%	-	-	-	2,020,267
Jute Godown	21,765,372	-	21,765,372	10%	-	-	-	21,765,372
Labour Quarter	10,872,274	-	10,872,274	10%	-	-	-	10,872,274
Other Construction	2,544,157	-	2,544,157	10%	-	-	-	2,544,157
Office Building (2)	7,927,473	-	7,927,473	10%	-	-	-	7,927,473
Officer Quarter	3,971,543	-	3,971,543	10%	-	-	-	3,971,543
Plant and Machinery	248,575,620	-	248,575,620	10%	-	-	-	248,575,620
Senior Officer Quarter	6,887,540	-	6,887,540	10%	-	-	-	6,887,540
Staff Quarter	3,802,886	-	3,802,886	10%	-	-	-	3,802,886
Sundry Assets	998,931	-	998,931	25%	-	-	-	998,931
Tubewell and Pump	5,575,129	-	5,575,129	10%	-	-	-	5,575,129
Workshop, Stores & Bldg.	2,545,903	-	2,545,903	10%	-	-	-	2,545,903
Sub-Total	447,246,592	-	447,246,592		-	-	-	447,246,592

4.3 Diversified Product (at cost)

Particulars	COST			Closing balance as at 30 June 2021	Rate	Depreciation		Written down value as at 30 June 2021
	Opening balance as at 01 July 2020	Addition during the year	3			Charged during the year	6	
1	2	3	4=2+3	5	6	7=(4-6)*5	8=6+7	9=4-8
Land and Land Development	1,965,912	-	1,965,912	0%	-	-	-	1,965,912
Plant and Machinery	58,941,021	2,033,200	60,974,221	10%	38,947,970	2,066,341	41,014,311	19,959,910
Air Compressor	1,045,000	-	1,045,000	10%	731,709	31,329	763,038	281,962
Air Conditioner	434,440	26,500	460,940	15%	274,302	26,174	300,476	160,464
Arms	78,125	-	78,125	10%	71,202	692	71,894	6,231
Building and Other Construction	27,081,023	332,310	27,413,333	10%	14,960,908	1,229,471	16,190,379	11,222,955
Computer Machine	1,642,250	162,500	1,804,750	15%	1,053,354	105,673	1,159,027	645,723
Electric Installation (Generator)	2,777,691	-	2,777,691	15%	2,161,928	92,364	2,254,292	523,399
Furniture and Fixtures	3,841,268	1,053,660	4,894,928	10%	1,303,477	300,998	1,604,475	3,290,453



Labour Quarter	2,001,236	2,001,236	10%	1,991,813	1,991,813	3,007,236	1,015,423
Office Equipment	331,377	705,730	15%	138,416	67,424	205,840	530,767
Shoe Sole Building	33,219,248	467,005	10%	7,956,178	1,605,625	9,561,803	14,634,450
Sole Workshop	3,101,079	-	10%	2,833,771	26,731	2,860,502	240,577
Telephone Installation	266,600	-	15%	171,287	14,297	185,584	81,016
Vehicles	3,281,565	-	20%	2,465,930	163,127	2,629,057	652,508
Internet Tower	40,333	-	10%	13,870	2,646	16,516	23,817
Trolley (Unit-3)	847,500	109,000	10%	244,890	62,482	307,372	649,128
Dyeing Tank	350,000	-	10%	94,851	25,515	120,366	229,634
Sub-Total	131,955,671	4,389,405		75,265,856	5,836,832	81,102,688	55,242,387

4.4 Diversified Product (at Revaluation)

Particulars	COST			Depreciation			Amount in Taka
	Opening balance as at 01 July 2020	Addition during the year	Closing balance as at 30 June 2021	Rate	Charged during the year	Closing balance as at 30 June 2021	
1	2	3	4=2+3	5	7=(4-6)*5	8=6+7	9=4-8
Land and Land Development	1,480,364	-	1,480,364	0%	-	-	1,480,364
Electric Installation (Generator)	15,411,178	-	15,411,178	15%	-	-	15,411,178
Labour Quarter	1,041,212	-	1,041,212	10%	-	-	1,041,212
Shoe Sole Building	36,533,247	-	36,533,247	10%	-	-	36,533,247
Sole Workshop	2,598,378	-	2,598,378	10%	-	-	2,598,378
Sub-Total	57,064,379	-	57,064,379				57,064,379
Grand Total (4.1+4.2+4.3+4.4)	876,576,896	7,997,424	884,574,319		9,632,564	280,077,304	604,497,015
Grand Total as at 30 June 2020	856,457,871	20,119,025	876,576,896		9,170,118	270,444,739	606,132,156

Allocation of Depreciation:	Total Depreciation (Taka)	Factory Overhead (Taka)	Administrative Expenses (Taka)
Yarn & Loom	3,795,732	3,416,159	379,573
Diversified Product	5,836,832	5,253,149	583,683
Total	9,632,564	8,669,308	963,256

The physical verification of Property, Plant and Equipment has been taken by the management on 30 June 2021.



Notes	Particulars	As at and for the year ended 30 Jun 2021 (Taka)	
5.	Intangible Addition (Equivalent Cash): Tk. 55,975,624		
	The break-up is as below:		
	a) Intangible addition :		
	Assessment Year 2000-2001	2,844,447	
	Assessment Year 2001-2002	5,103,251	7,947,698
	b) Export cash subsidy of Income Year 2006-2007 & Assessment Year 2007-2008 claimed and assessed U/S 82'(C) of Income Tax Ordinance, 1984	23,497,746	
	Less: Tax deducted at source	1,087,561	22,410,185
	c) Export cash subsidy of Income Year 2007-2008 & Assessment Year 2008-2009 claimed and to be assessed U/S 82'(C) of Income Tax Ordinance, 1984	26,966,042	
	Less: Tax deducted at source	1,348,301	25,617,741
	Total		55,975,624

Further the company has offered the following replies as a matter of clarification.

This represents the amount of additions made by the Deputy Commissioner of Taxes over and above the amount disclosed by the assessee in the audited statement of accounts of the respective year while making tax assessments. Thus an aggregate of amount of Tk.55,975,624 has been added back to account in the form of Intangible additions claiming as a tax benefit allowable as per provision of income tax law."

The figures and disclosures in note - 05 clearly show as to how the figures have been arisen and considered as intangible addition (equivalent cash) Tk. 55,975,624 under three sub-heads viz, (a) intangible addition for the assessment year 2000-2001 & 2001-2002, (b) export cash subsidy of income year 2006-2007 & assessment year 2007-2008 received and assessed u/s 82(C) of IT Ordinance 1984 less tax deducted at source, and (c) export cash subsidy of income year 2007-2008 & assessment year 2008-2009 claimed and to be assessed u/s 82(C) of IT Ordinance 1984 less tax deducted at source leading the company with the recourse to adding back to account in the form of intangible additions claiming as a tax benefit allowable as per provision of income tax law. Taking into consideration of the action taken by the DCT, the amount of Tk. 55,975,624 only has been treated as profit in the company's accounts.

These facts are fully supported in conformation with the practice of the decision of the Hon'ble High Court (Reference Application No. 125 of 2002) to the effect that these types of said amount cannot be treated as income from other sources because for earnings the said amount the assessee already paid tax in previous years and he is not bound to pay further tax for the said amount and the department (Income Tax) cannot claim further tax for that amount again as per provisions of law providing in sec. 17 and 19(1) of the I. T. Ordinance 1984.

On consideration of the spirit and intention and the rationale of the aforesaid judgment of the Hon'ble High Court, the Company has adopted the measures adding back to account in the form of intangible additions claiming as a tax benefit allowable as per provision of income tax law that, although in the eyes of the auditors, deviates the principles of accounting practice and results in journal entries for intangible assets and corresponding unearned income inflating the accumulated profit, but from the point of view of the Company's and particularly shareholders' interests, we are led to take the measures as disclosed in the audited financial statements.



Particulars	As at and for the year ended 30 Jun 2021 (Taka)	As at and for the year ended 30 Jun 2020 (Taka)
6. Security Deposits: Tk. 4,725,399		
The break-up is as below:		
Bakharabad Gas Systems Ltd. for Gas Line	2,953,946	2,776,573
Bangladesh Tele Communication Co. Ltd.	10,000	10,000
Bangladesh Tele Communication Co. Ltd. for Fax Line	15,000	15,000
Bangladesh Tele Communication Co. Ltd. for ISD Telephone	18,000	18,000
Bangladesh Tele Communication Co. Ltd. for Telex Line	20,000	20,000
Central Depository Bangladesh Ltd.	100,000	100,000
Comilla Polly Biddyt Samity	844,600	844,600
Customs and Excise Department	1,000	1,000
Director General of Food	630,000	-
Security for Gas Line	122,653	122,653
Modina Enterprise for Gas Cylinder	10,200	10,200
Total	4,725,399	3,918,026

7. Inventories: Tk. 686,464,281

The break-up is as below:

	Yarn & Loom	Diversified Product		
Stock of Raw Jute (Note-7.1)	9,037,476	76,378,142	85,415,618	64,756,862
Stock of Work-in- Process (Note-7.2)	11,291,308	48,457,380	59,748,688	81,567,274
Stock of Stores and Spares	25,811,076	38,716,613	64,527,689	56,310,563
Stock of Finished Goods (Note-7.3)	189,623,278	287,149,008	476,772,286	508,384,014
Total	235,763,138	450,701,143	686,464,281	711,018,713

The physical verification of inventories have been carried out and valued by the management.

7.1 Stock of Raw Jute (Quantity-wise):

Jute Grading	Quantity (M.T.)	Average Price	Amount	Amount
Tossa	302.75	44,410	13,445,127	10,436,617
BTC	150.95	86,390	13,040,570	10,584,297
BWD	470.00	98,542	46,314,740	34,443,291
White	416.75	30,270	12,615,181	9,292,658
Total	1,340.45		85,415,618	64,756,862

7.2 Stock of Work-in-Process:

	Yarn & Loom	Diversified Product		
Materials Cost	8,800,044	34,461,548	43,261,592	58,742,133
Conversion Cost	2,491,264	13,995,832	16,487,096	22,825,141
Total	11,291,308	48,457,380	59,748,688	81,567,274

7.3 Stock of Finished Goods:

	Yarn & Loom	Diversified Product		
Materials Cost	113,773,967	172,289,405	286,063,372	330,542,044
Conversion Cost	75,849,311	114,859,603	190,708,914	177,841,970
Total	189,623,278	287,149,008	476,772,286	508,384,014

Notes	Particulars	As at and for the year ended 30 Jun 2021 (Taka)	As at and for the year ended 30 Jun 2020 (Taka)
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7.3.1 Stock of finished goods (Quantity-wise):

Count	Quantity (M.T.)	Average price	Amount	Amount
6lbs/1ply(CRT)	41.65	96,542	4,020,974	5,248,096
8lbs/1ply(BL)	27.25	165,582	4,512,110	5,654,190
10lbs/1ply(H)	1.95	75,020	146,289	196,822
10lbs/1ply(H)	40.75	74,483	3,035,182	4,073,560
14lbs/1ply	251.25	41,079	10,653,503	15,265,080
14lbs/2ply	170.00	47,740	8,115,800	11,042,398
16lbs/1ply(C.B.)	65.00	38,964	2,532,660	3,825,883
16lbs/1ply(skg)	142.50	45,039	6,418,058	9,327,068
16lbs/2ply(B/S)	215.00	41,468	9,200,065	13,049,124
16lbs/2ply(Hank)	272.30	40,468	11,379,789	16,359,624
16lbs/3ply(H)	27.20	51,451	1,399,467	1,984,416
16lbs/3ply old	13.40	50,064	670,858	957,733
16lbs/4ply old	18.00	51,347	924,246	1,312,450
16lbs/4ply(H)	27.30	51,342	1,401,637	1,987,311
20lbs/1ply(CB)	332.80	36,476	12,579,507	18,420,080
20lbs1ply(S)	176.70	44,363	8,072,857	11,418,492
20lbs/2ply(S) Hank	305.80	39,966	12,625,750	18,179,974
28lbs/1ply(SP)	55.50	33,079	1,835,885	1,566,712
28lbs/3ply(S)	742.15	37,080	28,500,487	41,595,906
32lbs/4ply(S)	118.50	38,013	4,504,541	9,399,262
34lbs/1ply (S)	60.40	40,595	2,451,938	3,637,263
50lbs/1ply (S)	149.50	39,543	5,911,679	8,813,470
Weaving Woven Cloth	782.61	62,266	48,729,994	49,992,428
Espadrill Shoe	1,122.81	195,804	220,943,270	205,183,310
Bag	918.66	71,673	66,205,738	49,893,362
	6,078.98		476,772,286	508,384,014

8. Trade and Other Receivables: Tk. 280,557,120

The break-up is as below:

Trade Receivables (Foreign) (Note - 8.1)	82,789,711	74,405,626
Trade Receivables (Local) (Note - 8.2)	5,606,289	5,606,289
Other Receivables (Note - 8.3)	192,161,120	173,207,722
Total	280,557,120	253,219,637

Ageing of trade and other receivables:

Not more than 30 days	232,862,485	217,364,547
31 days to 60 days	-	-
61 days to 90 days	-	-
Over 90 days	47,694,635	35,855,090
	280,557,120	253,219,637

8.1 Trade Receivables (Foreign):

The break-up is as below:

AJ World Inc.	5,710,231	5,183,481
Adolfo Dominguez Shanghai Co. Ltd.	85,522	53,443
Amami BV	65,983	65,983
Armaite SARL	4,159,331	5,165,502



Particulars	As at and for the year ended 30 Jun 2021 (Taka)	As at and for the year ended 30 Jun 2020 (Taka)
Art Du Jute	4,167	4,167
Auchan SNC Organization	2,028,637	2,724,044
Baran Jute	4,810,147	4,810,147
Bengal Jute Bag Co.	4,347,626	4,347,626
Bhagiara Jute Industries (Pvt.) Ltd.	22,308	16,414
Brandiq Spolka Z Ograniczona	6,711	6,711
Brice SAS	12,523	12,523
Chanon Worldwide Co. Ltd.	16,389	16,389
Calçados Pilmar	425,363	388,954
Carrefour	21,238,031	21,248,460
China National Light Ind.	34,706	34,706
Christou Bros Trading Ltd.	1,878,366	1,878,366
Clifton Business Private Ltd.	6,527,551	7,587,152
Complementos Renu SL	1,266,621	-
Copenhagen Shoes Aps.	-	5,468
Derivados Del Yute SL	3,918,172	114,846
EMC Distribution	2,263,722	2,263,722
EUROL BRKT	212,323	212,323
Galleries Lafayette-44 GL	18,920	18,920
GM Commercial Co.	6,736	-
Groupe Go Sports	56,805	56,805
Industrial Associates	11,788	-
Italian Converter SRL	2,105	-
Jules SAS	-	1,672,764
Jute & Jutex (Sutapa Jutex)	34,532	34,532
Jameirah Overseas	48,759	-
Jutex India	3,368	-
Jahon Traders	120,814	328,289
J.J. Patel & Brothers	3,140,687	-
J. Sims & Company	799,791	-
Khalish Traders	80,679	-
Kristina Jute Sales	3,368	-
Lola Cruz	271,107	271,107
Luredoute	2,613,568	2,613,568
Mad Factory Inc.	28,285	28,285
Main Style SH	281,445	281,445
Marras B Pty	-	165,434
Mstah Binti Mat Mohamad	121,204	121,204
MTC Company SAM	251,287	2,324,207
Mogam	31,237	2,538
Moda Escopese SL	19,848	19,848
Murro Wanted Ltd.	522,905	522,905
Nankaj Trading Co.	73,752	73,752
Nagaze Leather Co. Ltd.	1,602	1,602
Nagesh Trading Co.	6,636	6,636
Reel Distribution Concepts	-	3,752
Roga Hindu SL	404,160	404,160
Royer SAS	1,799,905	1,799,905
Sago Palabibela S.A.	22,308	22,308
Sannamangla Pratisthan	31,750	18,278
Schmitz Stoffee	11,319	11,319

Particulars	As at and for the year ended 30 Jun 2021 (Taka)	As at and for the year ended 30 Jun 2020 (Taka)
Shandong Yingjie Textile Co.Ltd.	9,722	9,722
Shree Venkatsh Jute Trading	8,043	8,043
Sinochem Plastic Co.	49,920	49,920
S. L. Packaging (Pvt.) Ltd.	3,559,909	-
Style Network	6,832,829	6,832,829
Textisun SAS	31,223	31,223
Theo Henkelman Schoenen	442,102	442,102
United Arrows Ltd.	1,066	1,066
Umami Overseas	5,546	5,546
Yargici Konf-Ihr-Ve	1,984,205	71,139
Zhanjiang City Ruicing IMP	10,046	10,046
Total	82,789,711	74,405,626
Trade Receivables (Local):		
The break-up is as below:		
Bangladesh Jute Mill Corporation, BJMC	1,446,251	1,446,251
Bakhrabad Gas Distribution Co. Ltd.	14,000	14,000
Blue Marine	101,670	101,670
Classical Handmade Products BD	483,337	483,337
Creation Private Ltd	530,604	530,604
Dynamic Sewing	108,126	108,126
Halima Enterprise	115	115
Hassan Enterprise	2,402,300	2,402,300
Jemmyes Shoes Ltd	111,979	111,979
Jute Diversification Promotion Center	186,321	186,321
Wanoyu and Co. Ltd.	302	302
Risari Bd Ltd.	29,772	29,772
Ricard Bangladesh Ltd.	23,512	23,512
TST Tex BD Ltd.	168,000	168,000
Total	5,606,289	5,606,289
Other Receivables:		
Export Subsidy (Note-8.3.1)	18,501,077	34,072,767
Advance against Salary	2,330,282	2,271,282
Advance against Wages	905,335	903,335
Advance against Jute Purchase (Note-8.3.2)	12,387,839	12,379,839
Advance against Store Supply	105,802,865	74,206,338
Advance against Other Supply	50,282,692	47,794,891
Prepaid Insurance Premium	817,849	72,780
Advance against Office Rent	1,044,210	1,444,890
Advance against C & F Agent	63,371	-
Advance against Accident	25,600	61,600
Total	192,161,120	173,207,722
Export Subsidy :		
Opening balance	34,072,767	13,523,052
Add : Accrued during the year	62,276,810	62,246,615
	96,349,577	75,769,667
Less : Received during the year	77,848,500	41,696,900
Closing balance	18,501,077	34,072,767

Notes	Particulars	As at and for the year ended 30 Jun 2021 (Taka)	As at and for the year ended 30 Jun 2020 (Taka)
11.2	Advance against Jute Purchase:		
	Akteruzzaman	358,000	358,000
	Abdullah Al Mahmud (Hafiz)	518,281	518,281
	Akter Hossain Bhuiyan	25,000	25,000
	Bright Fibre Corporation	1,077,928	1,077,928
	Bangladesh supplier (Hafiz & Habib)	1,100,720	1,100,720
	Dobir Uddin Mollah	566,411	566,411
	Hafiz & Habib (Jute Belars)	3,700,600	3,700,600
	Jamal Hossain, Domar	2,449,058	2,449,058
	Jamal Hossain, Tangail	197,300	197,300
	Janthu Babu	485,940	485,940
	Jerin Jute Traders Ltd.	289,000	289,000
	Keramot Ali	26,000	26,000
	NLS Jute	402,500	402,500
	Polash Bari Agency	271,095	263,095
	Sunny Jute Traders	369,303	369,303
	Takerhat Purchase Center	550,702	550,703
	Total	12,387,839	12,379,839
11.3	Account Receivables: Tk. 29,020,139		
	Alijan Jute Mills Ltd.	26,701,084	26,701,084
	Sonali Aansh Trading (Pvt) Ltd. - Grameen	2,318,455	2,318,455
	Jutex Bangladesh	600	600
	Total	29,020,139	29,020,139
11.4	Advance Income Tax: Tk. 106,813,502		
	Opening balance	98,115,054	94,634,649
	Add: Income tax deducted at source during the year	8,698,448	3,480,405
	Closing balance	106,813,502	98,115,054
11.5	Cash and Cash Equivalents: Tk. 17,686,336		
	Cash in Hand (Note-11.1)	226,472	359,268
	Cash at Bank (Note-11.2)	17,459,864	5,869,961
	Total	17,686,336	6,229,229
11.5.1	Cash in Hand:		
	Head Office	18,421	142,884
	Factory Office	208,051	216,384
	Total	226,472	359,268
	Cash in hand balance on 30 June 2021 was certified by the management.		
11.5.2	Cash at banks:		
	Sonali Bank Ltd., Foreign Exchange Branch, A/C # 160836000082 (STD-8)	13,216	13,216
	Sonali Bank Ltd., Foreign Exchange Branch, A/C # M.E. Export	796,075	796,075
	Pubali Bank Ltd., Stadium Branch A/C # CA-2122-3	1,905,640	427,926
	Pubali Bank Ltd., Stadium Branch A/C # CA-4023-6	1,259,400	903,886
	WCC Bank Ltd., Gauripur Branch A/C # 210008580	649,572	984,545
	Sonali Bank Ltd., Daudkandi Branch A/C # 001018641	87,686	87,491
	Sonali Bank Ltd., Foreign Exchange Branch, A/C # FCRQ-7	3,340,631	2,646,559
	Sonali Bank Ltd., Foreign Exchange Branch, A/C # 160833007064 (S-78)	6,385,115	-
	Sonali Bank Accounts No. 1608902003531(Sundry Deposit)	3,012,266	-
	Islami Bank Bangladesh Ltd., # AWCA-11726	3,413	3,413
	Dutch Bangla Bank Ltd., C/A No. 101 110 0051957	2,000	2,000
	Prime Bank Ltd., A/C # CA-2104111031573	4,850	4,850
	Total	17,459,864	5,869,961
	7 Bank account balances were reconciled out of 12 bank accounts balance.		



Particulars	As at and for the year ended 30 Jun 2021 (Taka)	As at and for the year ended 30 Jun 2020 (Taka)
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Share Capital: Tk. 27,120,000

(a) Authorized Capital

10,000,000 Ordinary Shares of Taka 10 each

100,000,000

100,000,000

(b) Issued, Subscribed, Called-up and Paid-up Capital

2,712,000 Ordinary Shares of Taka 10 each

27,120,000

27,120,000

Composition of the Shareholders:

Shareholdings	2020-2021		2019-2020	
	Shares	Percentage	Shares	Percentage
Directors & Sponsor Shareholders	1,377,340	50.79	1,377,340	50.79
Institute	152,640	5.63	152,640	5.63
Public Shareholders	1,182,020	43.58	1,182,020	43.58
Total	2,712,000	100	2,712,000	100

Paidup Capital :

As on 30th June 2010

20% Stock Bonus declared in the AGM

2010 @100 each

No of Shares

226,000

Nos of Ordinary Shares of Tk 100/=

Amount

22,600,000

45,200

Shares

4,520,000

271,200

27,120,000

As per BSEC rules an EGM held Nov. 2011

shares face value converted to

@100/- per share. (2,71,200x10)

2,712,000

Nos of Ordinary Shares of Tk 10/=

27,120,000

The Percentage of Shareholdings by different Categories of Shareholders are as follows:

Range of Share Holding	2020-2021		2019-2020	
	No. of Holders	Total Holdings %	No. of Holders	Total Holdings %
Less than 500 Shares	2,449	83.16	2,554	83.38
500 to 5,000 Shares	463	15.72	476	15.54
5000 to 10,000 Shares	16	0.54	15	0.49
10,000 to 20,000 Shares	10	0.34	11	0.36
20,000 to 30,000 Shares	0	-	0	-
30,000 to 40,000 Shares	0	-	1	0.03
40,000 to 50,000 Shares	0	-	0	-
50,000 to 100,000 Shares	1	0.03	0	-
100,000 to 1,000,000 Shares	6	0.20	6	0.20
Total	2,945	100	3,063	100

Shareholding of Directors, Sponsors & Institution:

Name	Status	No. of Shares Held	Holding %
Mrs. Shamsun Naher	Chairman, Sponsor	171,056	6.31%
Mr. Mohammed Mahbubur Rahman Patwari	Managing Director	346,128	12.76%
Mrs. Wahsina Patwari	Director	170,064	6.27%
Mr. Jafar Ahmed Patwari	Director	477,428	17.60%
Mrs. Nabila Patwari	Director	185,064	6.82%
Mr. Mohammad Shamsul Huda Patwari	Sponsor Shareholder	-	0.00%
Mr. Mohammad Faizullah	Sponsor Shareholder	3,000	0.11%
Mr. Mohammad Abul Basher Patwari	Sponsor Shareholder	24,600	0.91%
Small Aansh Trading (Pvt.) Ltd.	Placement Shareholder	152,640	5.63%
Total		1,529,980	56.42%



21. Revaluation Reserve: Tk. 504,310,971

It represents revaluation surplus of Land, Building, Plant & Machinery etc. of the company as per revaluation report of Eastland Surveyors vide. letter no. ES/VAL- 101/2007 dated 06 March 2007. The details are as under:

Particulars	Value of Assets after Revaluation	Value of Assets before Revaluation	Revaluation Surplus as at 30 June 2021	Revaluation Surplus as at 30 June 2020
Land and Land Development	40,350,000	8,134,606	32,215,394	32,215,394
Assembling Shed	5,587,200	12,742	5,574,458	5,574,458
Building (Gas Generator)	1,680,250	265,169	1,415,081	1,415,081
Electric Sub-Station/ Cable Equipment	38,489,100	228,675	38,260,425	38,260,425
Electric Sub-Station	1,599,000	213,216	1,385,784	1,385,784
Factory Building & Finished Goods Godown	50,311,800	5,052,882	45,258,918	45,258,918
Factory Building & Canteen Medical etc.	8,325,300	1,195,499	7,129,801	7,129,801
Junior Officer Quarter	2,080,750	60,483	2,020,267	2,020,267
Gate Godown	23,205,000	1,439,628	21,765,372	21,765,372
Labour Quarter	11,503,100	630,826	10,872,274	10,872,274
Other Construction	2,901,200	357,043	2,544,157	2,544,157
Office Building (2)/ Security Office	8,285,550	358,077	7,927,473	7,927,473
Office Quarter	4,331,250	359,707	3,971,543	3,971,543
Plant & Machinery/ Workshop Equipment	276,994,752	28,419,132	248,575,620	248,575,620
Senior Officer Quarter	7,030,800	143,260	6,887,540	6,887,540
Staff Quarter	3,930,187	127,301	3,802,886	3,802,886
Trusswell & Pump	5,626,025	50,896	5,575,129	5,575,129
Workshop, Stores & Bldg.	2,887,500	341,597	2,545,903	2,545,903
Electric Installation (Generator)	16,066,662	655,484	15,411,178	15,411,178
Quarter/ Kitchen Room	1,738,100	696,888	1,041,212	1,041,212
Shoe Sale Building (Factory)	37,308,100	774,853	36,533,247	36,533,247
Shoe Workshop/ Guest Pump House/ Packing Room	3,766,850	1,168,472	2,598,378	2,598,378
Security Assets/ Diesel/ JBO Tank/ Fork Lift	1,337,875	338,944	998,931	998,931
Total	555,336,351	51,025,380	504,310,971	504,310,971



Notes	Particulars	As at and for the year ended 30 Jun 2021 (Taka)	As at and for the year ended 30 Jun 2020 (Taka)
14.	Bank loan: Tk. 418,765,847		
	Sonali Bank Ltd. Block Loan (HY) 1608960000011(New)	418,765,847	-
	Sonali Bank Ltd. Block Loan (HY) 37005592	-	125,111,447
	Sonali Bank Ltd. Block Loan (PL) 37005601	-	59,919,709
		418,765,847	185,031,156
	Less: Current Portion of the above loan	-	47,456,000
	Total	418,765,847	137,575,156

Security: Covered by mortgage of land and building, plant and machinery, equipments of the Company as registered

mortgage in favour of Sonali Bank Limited, Foreign Exchange Corporate Branch, Motijheel, Dhaka.

Rate of Interest: 9% per Annum.

Repayment term: Repayable within 8 (eight) years started from November 2016.

15.	Deferred Tax Liability: Tk. 2,971,678		
	Opening balance	3,318,527	1,871,377
	Add: Deferred Tax Expense/(Income) for the year	(346,849)	1,447,150
	Closing balance	2,971,678	3,318,527

Calculation of Deferred Tax :

A. Temporary Difference:

Written down value as per accounting base	85,111,428	87,177,015
Written down value as per tax base	42,149,794	41,571,469
Taxable temporary difference	42,961,634	45,605,546
Deductible temporary difference (Gratuity)	(13,244,856)	(12,420,279)
Net Taxable temporary difference	29,716,778	33,185,267
Income Tax Rate	10%	10%
Deferred Tax Liabilities at the end of the year	2,971,678	3,318,527

16. **Trade and Other Payables: Tk. 140,175,460**

Trade Payable-Raw Jute (Note-16.1)	27,259,625	19,210,797
Trade Payable-Goods Suppliers (Note-16.2)	16,245,014	16,297,268
Advance from Customers-Foreign (Note-16.3)	82,094,693	95,737,001
Trade Payable-Local (Note-16.4)	10,837,848	10,837,848
Other Payable (Note-16.5)	3,738,280	2,519,157
Total	140,175,460	144,602,071

17. **Trade Payable-Raw Jute:**

Abdur Rouf Miah	297,736	297,736
Alkota Traders	2,584,836	2,584,836
Camilla Jute Traders	830,635	830,635
M.A. Hannan Sikder	5,025,321	5,025,321
Roman Miah	1,653,946	1,653,946
Sonali Aansh Trading (Pvt.) Ltd. Raw Jute	16,867,151	8,818,323
Total	27,259,625	19,210,797

18. **Trade Payable-Goods Suppliers:**

Albaron Printers	52,119	52,119
Al-Amin Packaging Industries	48,942	48,942
Ananna Enterprise	10,750	9,818
Accurate Enterprise	770	770
Adif Leather	1,028,446	-
Arif Enterprise	624,713	624,713
Al-Hamjah Chemicals and Consultants	-	98,800
AMAS Industries Ltd.	623,763	454,113
Aziz Engineering Works	273,194	273,194



Particulars	As at and for the year ended 30 Jun 2021 (Taka)	As at and for the year ended 30 Jun 2020 (Taka)
Asif Motors	28,400	28,400
Baly Trade Link	53,760	29,760
Basic Packaging Industries	491	491
Baly Plastic Industries Ltd.	446,137	-
B.S. Leather Ltd.	-	1,200,482
C. B. Trading House	24	-
Century Electric Store	2,220	2,220
Chandpur Plastic Industries	108,546	108,546
Computerised Embroidery International Ltd.	3,545	3,545
Dhruvo Traders	38,756	38,756
Diamond Jutex Industries Ltd.	-	81,857
Gazi Tanks	148,125	248,125
Greenbond International	181,643	-
H.P. Traders	11,410	11,410
Hafeez Packaging	30,000	30,000
Hanun Chemicals Industries	832	832
H. B. Q. Engineering	-	32,800
Hera Electric Stores	61,400	61,400
Hossain Brothers	4,750	4,750
Howlader Enterprise	54,160	54,160
Hossain Enterprise	45,350	45,350
J.R. Fashion	4,872	4,872
J.S. Enterprise	43,100	43,100
Jahura Enterprise	6,000	6,000
Najal Enterprise	7,390	-
Najal Machineries Store	46,156	46,156
Namal Enterprise	20,000	-
Namal Store	7,038	7,038
Namapur Bobbin Factory	87,625	87,625
Nal Bobbin Factory	93,410	93,410
Nasania Trade International	8,280	8,280
Nibernal Trade Link	60,000	60,000
Nutur Engineering Industries Ltd.	387,910	387,910
NUL Engineering Works	100,541	100,541
Namik Traders	180,534	180,534
Metallica Crafts	149,773	149,773
Mi Das Enterprise	27,730	27,730
Mohiuddin Ahmed	228,126	228,126
Madina Enterprise	266,250	266,250
Modern Trade Center	67,650	67,650
Momo Jute Industries Ltd.	113,760	113,760
Momo Jute Staffers Ltd.	459,594	459,594
Mowa Enterprise	547,179	547,179
MPO Lubricants Ltd.	57,450	57,450
Mukti Electric House	4,200	4,200
Nadim Enterprise	396,720	396,720
Nasana Industries Ltd.	708,617	708,617
Nayem Traders	703,329	703,329
Nazul Enterprise	305,908	305,908
New Niksha Enterprise	145,641	30,858
Nazul Leather & Co.	219,813	219,813
Nisam Box Industries Ltd.	24,395	147,395



Notes	Particulars	As at and for the year ended 30 Jun 2021 (Taka)	As at and for the year ended 30 Jun 2020 (Taka)
	Mur Jahan Bobbing Factory	37,450	37,450
	New Shah Amanat Syidicat	200,000	200,000
	ORR	650	650
	Padma Machineries Store	43,923	43,923
	Paper Cone Industries	19,501	19,501
	Perfect Engineering	564,600	764,600
	Piyaro Dice Engineering Works	550	550
	Poly Trade International	20,850	20,850
	Pride Traders	1,380,347	1,380,347
	Quality Screen Print	102,771	102,771
	RED International	1,119	1,119
	R. Rahman Enterprise	783,370	783,370
	Rezia Traders	1,000	1,000
	Riyaj Enterprise	337,218	337,218
	Root Leather	1,915,299	1,858,348
	Salaudin Poly Centre	296,811	296,811
	S.A. Engineering Works	-	287,482
	Sharif Enterprise	91,480	91,480
	S.K. Packaging	33,071	69,071
	Salam Plastic Industries	23,000	23,000
	Satata Mill & Mfg. Store	402,214	402,214
	Shamim Enterprise	239,881	239,881
	Sheens International(Pvt.) Ltd.	34,144	34,144
	Sharah Fashion	111,189	-
	Sonali Cotton Tape Ind.	-	52,978
	S. R. Enterprise	10,000	10,000
	Swan Enterprise	3,000	3,000
	Tamir Printing & Packaging	104,439	104,439
	United Trade Centre	125,900	125,900
	Total	16,245,014	16,297,268
	Advance from Customers-Foreign:		
	Art Crafts International	45,306	45,306
	Balaji Enterprise	2,574,516	1,409,508
	Banco	8,716	8,716
	B.A.V Shoes SPL	386,646	386,646
	Bros P Christodoulidi Avee	1,837,457	1,837,457
	B.S.B. Anonimos	37,800	37,800
	Carlton Shoes Ltd.	44,345	44,345
	Casellini Co. Ltd.	37,547	37,547
	Capewa GmbH	10,510	10,510
	China Tex Raw Mat. Int. Trading Corp.	3,282,691	3,282,691
	Copenhagen Shoes APF	806,561	-
	Complementos Renu	-	500,000
	Deux Mills	158,145	158,145
	Distressed B.V.	125,154	125,154
	El Canto Co. Ltd.	20,200	20,200
	El Corte Ingles SA	3,418,228	2,694,472
	FEBOS SRL	3,568,886	-
	Gabefar Chile SPA	41,062	41,062
	Gar SA	41,864	41,864
	NET Co. Ltd.	3,886,630	3,886,630
	ORR/s.	62,313	62,313



Particulars	As at and for the year ended 30 Jun 2021 (Taka)	As at and for the year ended 30 Jun 2020 (Taka)
Ipekyol Giyim San. Paz.Ve TIC A.S	67,491	67,491
J. K. Sons & Co.	-	9,661,860
Jules SAS	58,792	-
Jute Borg	247,336	247,336
Kailash Traders	-	3,250,120
Krishna International Ltd.	20,004	20,004
Lamarec International Ltd.	1,215,954	1,215,954
Love You All Ltd.	6,399	-
Makka Jute Trading Ltd.	7,799,710	7,799,710
Marcus B Pvt. Ltd.	1,008,469	-
Mayoral Moda Infantil	6,317,185	6,317,185
Maxim S. A	2,007,778	2,007,778
Mother of Pearl & Sons Trading Pty Ltd.	2,078,660	2,078,660
Mimosa General Trade	3,591,505	3,591,505
Mirelli SAS	5,705	5,705
Monoprix Exploitation	34,862	34,862
Moko Inc. Group	58,452	58,452
My Jewellery	109,727	109,727
Native Distribuicao Calçado	1,898,700	1,898,700
Nawima Calzados	458,041	458,041
Navin International	2,616,950	2,616,950
Neyya Confection	394,286	394,286
Oulu Ayakkabi Sanayi	253,563	253,563
Pacific Brads Holdings	452,650	452,650
Pashupati Enterprise	9,951	-
PMT Brands	107,276	107,276
Ramsaran & Sons.	2,721,648	2,721,648
Rand Freres	3,026,443	2,734,615
Ras Ipsa Ventures LLC	211,512	211,512
Reel Distribution Concepts	932,735	-
Riharal and Co.	1,688,243	1,688,243
Romy Enterprise	6,256,952	7,889,590
Rose Bud Ltd.	5,155	5,155
RSS General Trading LLC	268,501	268,501
Royer India Pvt. Ltd.	465,626	465,626
Royer Licences	90,313	159,440
Salter David Eric	5,460	5,460
Sel Farel	622,316	460,294
SANS. Tusitala	300,525	300,525
Societii Eureka	81,245	81,245
Shinko Seno Co. Ltd.	3,859	3,859
Siverni International General Trading L.L.C	3,908,962	3,908,962
SL Packaging Pvt. Ltd.	-	4,573,577
SRE Tauzin Pere	308,227	3,420,809
Strategia SRL	83,796	83,796
Star Pointer Ltd.	3,850,000	3,850,000
Sutnriak Espartinak SL	5,492	5,492
Tennis S.A	22,262	22,262
The Seeker Shoes	637,056	637,056
Tianhe QJ Dongguan	960,546	960,546
The Cotton Group	34,786	34,787
Tokii Tok SL	455,251	455,251



Particulars	As at and for the year ended 30 Jun 2021 (Taka)	As at and for the year ended 30 Jun 2020 (Taka)
Trade Ltd.		
Throne Tekstil Sanayi Lth	379,230	379,230
Trepas SA DE	4	4
Wanyor SA	423,190	-
Total	3,131,335	3,131,335
	82,094,693	95,737,001
Trade Payable-Local:		
Amir Hossain & Sons	1,890,000	1,890,000
Abdul Palwan Sons (Imamgonj)	450,000	450,000
Abdus Samad & Sons	3,960,000	3,960,000
ACS Textile BD Ltd.	386,085	386,085
Ayubpur Textile Mills Ltd.	40,000	40,000
Bangladesh Denim Expo	29,125	29,125
Bengal Shoe Industries Ltd.	852,000	852,000
Ettehad	105,400	105,400
Fiber N Fiber	700,000	700,000
Fortuna Shoe Ltd.	1,172,055	1,172,055
Four Dimensions	100,000	100,000
Greenbond International	300,000	300,000
Jamal Enterprise	740,187	740,187
Jute Machine Trade Co. Ltd.	2,000	2,000
Wondo Trading BV	700	700
Woman Terry Towel Mills Ltd.	96,216	96,216
Rajendra Man Sherestha	2,480	2,480
Rumi Jute Fashion	11,600	11,600
Total	10,837,848	10,837,848
Other Payable:		
Abul Hashem Bhuiyan	2,442	2,442
Abul Khair	4,000	4,000
Al-Amin Digital Scale	77,000	77,000
Akafat Hossain, Wages Clerk	10,012	10,012
Amir Hossain, Land Officer	10,993	-
DHL Worldwide Express	5,271	-
Glora Advertising	55,724	55,724
Export Promotion Breau	40,000	40,000
Future Cars Solution	109,150	-
Gulam Hossain, Carpanter	-	6,000
Hazi Abdul Mannan	260	260
Jahura Akther, Hand Sewing	6,080	6,080
Joyeta Trade Corporation	249,735	-
Kamul Faridganj, Hand Sewing	330,840	330,840
LERNEAB INSPIRED	880,360	880,360
Mamun Miah Card No. 13853	1,000	1,000
Wilton Driver	5,000	5,000
Mizanur Rahman, Manager SABS	215,108	215,108
Mobil Jamuna	55,805	55,805
Mosharaf Hossain, A. W. O.	44,228	44,228
Motiar Rahman, Card No. 12927	1,000	1,000
Walter Automobile & Workshop	18,000	18,000
Mukul Miah, Alamin Loom	4,694	4,694
M/s. Sedak Multi Trades	22,153	80,201
Nazmul Haque - Architect	6,500	6,500
Waf International	209,632	



Particulars	As at and for the year ended 30 Jun 2021 (Taka)	As at and for the year ended 30 Jun 2020 (Taka)
Nur Ahmed Store Purchase	16,032	16,032
Nur Mohammad, Jute Assortment	1,556	1,556
Nurul Islam, Security Officer	1,903	1,903
Pubali Trade and Transport	52,200	-
Rafiqul Islam, System Engineer	21,086	-
Rajshahi Nokshi Ghar	3,520	3,520
Ratan Brothers	10,000	10,000
Salim Patwari, Store Officer	654,000	-
Shahriar Mahmood	7,517	-
S. M. Keramat Ali, Cont.	31,210	31,210
Shamsun Nahar Patwari (Director)	230,000	230,000
Shamsun Nahar, Sewing Const	46,000	46,000
Shamsunmaher, O. A.	4,000	4,000
Shiga Automobiles	2,000	2,000
Sushanta Acharjee	3,222	-
Syed Timber Saw Mill	41,225	41,225
TNT Courier Service	98,074	142,709
U.S.A. Auto Service Center	112,757	112,757
Zaver Rahman, Asstt. Admin Officer	5,000	-
Zusman-Romez, Security Jamader	31,991	31,991
Total	3,738,280	2,519,157
Current Portion of Long Term Bank Loan: Tk. 0	-	47,456,000
Sum: Overdraft: Tk. 286,689,119		
Small Bank Ltd., Cash Credit A/C # 10 (HYP) - 1492	180,751,294	429,011,062
Small Bank Ltd., Preshipment Credit A/C # 146	7,510,311	25,965,789
Small Bank Ltd., Advance against Subsidy (TOD)	(321,644)	8,085,770
Small Bank Ltd., (REF-Loan)-1608960000004	30,448,669	(149,002)
Small Bank, FDIC Account(Foreign LC)	65,524,726	-
Small Bank, FDIC Account(Local LC)	2,775,763	-
Small Bank Ltd., Foreign Exchange Branch, A/C # 160833007064 (S-78)	-	399,344
Total	286,689,119	463,312,963
Security: Covered by mortgage of land and building, plant and machinery, equipments as registered mortgage in favour of Small Bank Limited, Foreign Exchange Corporate Branch, Motijheel, Dhaka.		
Rate of interest: 11% per Annum.		
Repayment term: Repayable by 31st August 2018 for further renewal of loan.		
Short Term Loan: Tk. 257,425,435		
WPI International	187,086,921	187,086,921
Mr. Nurul Islam Patwari	24,146,045	24,146,045
WPI Chemical & Pharmaceuticals Ltd.	33,794,560	33,794,560
Wesco Trading Ltd.	12,397,909	12,397,909
Total	257,425,435	257,425,435
Dividend: Tk. 4,971,198		
Opening balance	5,031,164	5,366,403
Less: Dividend for the year 2019-20	2,712,000	2,712,000
	7,743,164	8,078,403
Less: Paid during the year	2,771,966	3,047,239
Closing balance	4,971,198	5,031,164



	Particulars	As at and for the year ended 30 Jun 2021 (Taka)	As at and for the year ended 30 Jun 2020 (Taka)
	Unpaid Dividend:		
	Unpaid Dividend Payable to Sponsor Shareholders	1,947,358	2,367,330
	Unpaid Dividend Payable to General Shareholders	3,023,840	2,663,834
	Total	4,971,198	5,031,164
	Liabilities for Expenses: Tk. 34,099,441		
	Salary and Wages	18,325,713	19,054,909
	Director Remuneration	2,088,070	1,758,070
	Electric Bill	2,292,259	1,714,078
	Gas Bill	1,623,460	8,955,000
	Audit Fees	227,649	238,900
	Meta Trade Enterprise	498,955	498,955
	Remixa Auto Mobiles	11,000	11,000
	Income Tax Payable (Dividend)	120,287	120,287
	Accrued Interest on Bank Loan	-	2,800,719
	Others	8,912,048	7,441,569
	Total	34,099,441	42,593,487
	Provision for Employees Benefit: Tk. 28,436,838		
	Provident Fund (Note-22.1)	8,639,484	8,614,105
	Gratuity Fund (Note-22.2)	13,244,856	12,420,279
	Worker's Profit Participation & Welfare Fund (Note-22.3)	6,552,498	6,401,816
	Total	28,436,838	27,436,200
	Provident Fund:		
	Opening balance	8,614,105	8,581,699
	Add: Members & Company's contributions during the year	25,379	32,406
	Less: Final Payment to Workers	-	-
	Closing balance	8,639,484	8,614,105
	Gratuity Fund:		
	Opening balance	12,420,279	12,081,512
	Add: Provision made for the year	1,160,416	821,960
	Less: Amount paid during the year	13,580,695	12,903,472
	Closing balance	13,244,856	12,903,472
	Worker's Profit Participation & Welfare Fund:		
	For 2005-06	713,033	-
	For 2006-07	381,400	713,033
	For 2007-08	590,192	381,400
	For 2008-09	667,967	590,192
	For 2010-11	891,579	667,967
	For 2011-12	819,773	891,579
	For 2012-13	426,763	819,773
	For 2013-14	96,377	426,763
	For 2014-15	146,395	96,377
	For 2015-16	233,398	146,395
	For 2016-17	247,950	233,398
	For 2017-18	872,802	247,950
	For 2018-19	140,993	872,802
	For 2019-20	173,194	140,993
	For 2020-21	150,682	173,194
	Total	6,552,498	6,401,816



	Particulars	As at and for the year ended 30 Jun 2021 (Taka)	As at and for the year ended 30 Jun 2020 (Taka)
23.	Provision for Income Tax: Tk. 23,552,011		
	2005-2006	2,353,864	-
	2006-2007	1,198,136	2,353,864
	2007-2008	1,859,107	1,198,136
	2008-2009	2,104,097	1,859,107
	2009-2010	1,527,769	2,104,097
	2010-2011	2,808,473	1,527,769
	2011-2012	2,582,284	2,808,473
	2012-2013	1,344,305	2,582,284
	2014-2015	439,186	1,344,305
	2015-2016	700,196	439,186
	2016-2017	495,900	700,196
	2017-2018	5,208,957	495,900
	2018-2019	281,986	5,208,957
	2019-2020	346,388	281,986
	2020-2021	301,363	346,388
	Total	23,552,011	23,250,648



Particulars	For the year ended 30 Jun 2021 (Taka)	For the year ended 30 Jun 2020 (Taka)
Sales: Tk. 506,449,143		
Sales (Foreign) (Note-24.1)	506,449,143	453,996,120
Total	<u>506,449,143</u>	<u>453,996,120</u>

Sales (Foreign):

	Avg. Rate/M. Ton	M.Ton	Amount	Amount
Yarn & Loom	103,885	2,888.75	300,100,142	219,635,454
Diversified Product	306,515	672.16	206,349,001	234,360,666
Total		<u>3,560.91</u>	<u>506,449,143</u>	<u>453,996,120</u>

Sales quantity:

Particulars	Yarn & Loom	Diversified	M. Ton	M. Ton
Work-in-process (Opening)	82.45	322.00	404.45	222.82
Add: Raw jute input	2,408.98	328.32	2,737.30	4,217.50
Add: Other materials	137.65	112.60	250.25	280.75
Less: Process loss	25.15	20.60	45.75	64.19
Less: Work-in-process (Closing)	139.27	141.00	280.27	404.45
Production during the year	2,464.66	601.32	3,065.98	4,252.49
Less: Finished goods (Opening)	4,461.60	2,112.31	6,573.91	5,844.21
Goods available for sale	6,926.26	2,713.63	9,639.89	10,096.64
Less: Finished goods (Closing)	4,037.51	2,041.47	6,078.98	6,573.91
Sales during the year	<u>2,888.75</u>	<u>672.16</u>	<u>3,560.91</u>	<u>3,522.73</u>

Sales in Foreign Currency:

	2020-2021		2019-2020	
	USD(\$)	Euro	USD(\$)	Euro
Yarn	3,564,120	-	2,618,235	-
Diversified Product	2,446,882	-	2,784,993	-
Total	<u>6,011,002</u>	<u>-</u>	<u>5,403,228</u>	<u>-</u>

Cost of Goods Sold: Tk. 472,288,833

	Yarn & Loom	Diversified product	30-Jun-21 (Taka)	30-Jun-20 (Taka)
Raw Materials Consumed (Note-25.1)	149,853,892	126,264,001	276,117,893	308,176,265
Direct Wages	44,323,061	43,598,792	87,921,853	82,635,900
Consumables/Worked	260,000	51,000	311,000	-
Power utilized (Note-25.2)	8,472,621	8,356,250	16,828,871	22,382,449
Other Factory Overhead (Note-25.3)	14,942,961	14,066,633	29,009,594	30,441,521
Depreciation	3,416,159	5,253,149	8,669,308	8,253,107
	<u>221,268,694</u>	<u>197,589,825</u>	<u>418,858,519</u>	<u>451,889,242</u>
Opening Stock of Work-in-Process	4,404,965	77,162,309	81,567,274	51,582,923
	<u>225,673,659</u>	<u>274,752,134</u>	<u>500,425,793</u>	<u>503,472,165</u>
Closing Stock of Work-in-Process	(11,291,308)	(48,457,380)	(59,748,688)	(81,567,274)
	<u>214,382,351</u>	<u>226,294,754</u>	<u>440,677,105</u>	<u>421,904,891</u>
Opening Stock of Finished Goods	253,307,340	255,076,674	508,384,014	502,503,757
	<u>467,689,691</u>	<u>481,371,428</u>	<u>949,061,119</u>	<u>924,408,648</u>
Closing Stock of Finished Goods	(189,623,278)	(287,149,008)	(476,772,286)	(508,384,014)
Total	<u>278,066,413</u>	<u>194,222,420</u>	<u>472,288,833</u>	<u>416,024,634</u>



2. Raw Materials Consumed:

	Yarn & Loom	Diversified Product	30-Jun-21 (Taka)	30-Jun-20 (Taka)
Opening stock of raw jute	29,001,141	35,755,721	64,756,862	63,893,882
Purchased during the year	121,208,815	80,805,882	202,014,697	206,534,944
Raw jute available for use	150,209,956	116,561,603	266,771,559	270,428,826
Closing stock of raw jute	(9,037,476)	(76,378,142)	(85,415,618)	(64,756,862)
Raw jute consumed	141,172,480	40,183,461	181,355,941	205,671,964
Other direct materials (Note- 25.1.1)	8,681,412	86,080,540	94,761,952	102,504,301
Total	149,853,892	126,264,001	276,117,893	308,176,265

Item-wise quantity and value of raw jute stock:

Particulars	Unit	Quantity	30-Jun-21 (Taka)	30-Jun-20 (Taka)
Opening stock as on 30 June 2020	M. Ton	1,197.20	-	64,756,862
Closing stock as on 30 June 2021	M. Ton	1,340.47	85,415,618	-
Raw jute Consumption	M. Ton	2,605.68	181,355,941	205,671,964

3. Other Direct Materials:

	Yarn & Loom	Diversified Product	30-Jun-21 (Taka)	30-Jun-20 (Taka)
Wool	5,280,608	-	5,280,608	5,511,855
Wool, Natural	-	-	-	-
Leather Goods	-	38,736,243	38,736,243	42,069,600
Hardware	2,040,482	2,582,416	4,622,898	5,789,410
Woolen	-	10,975,260	10,975,260	11,686,464
Woolen/Cotton Spool	1,360,322	-	1,360,322	2,132,340
Chemicals	-	17,216,108	17,216,108	17,544,812
Other Direct Materials	-	16,570,513	16,570,513	17,769,820
Total	8,681,412	86,080,540	94,761,952	102,504,301

4. Power & Fuel:

	Yarn & Loom	Diversified Product	30-Jun-21 (Taka)	30-Jun-20 (Taka)
Power Electricity	1,554,277	2,091,218	3,645,495	5,058,092
Gas Generator	6,185,284	5,658,007	11,843,291	15,325,160
Fuel Oil (Vehicles)	733,060	607,025	1,340,085	1,999,197
Total	8,472,621	8,356,250	16,828,871	22,382,449

5. Other Factory Overhead:

	Yarn & Loom	Diversified product	30-Jun-21 (Taka)	30-Jun-20 (Taka)
Wages & Allowances	9,920,784	10,797,277	20,718,061	20,690,190
Gratuities	300,480	340,736	641,216	-
Repairs & Maintenance	2,377,955	1,790,756	4,168,711	5,168,575
Insurance Premium (Fire & Group)	324,996	316,873	641,869	2,163,844
Stationery	57,242	30,700	87,942	137,299
Written Expenses	411,494	363,671	775,165	1,077,981
Traveling & Conveyance	170,705	93,761	264,466	363,832
Message & Telephone	5,129	2,939	8,068	17,825
Entertainment Expenses	1,352,576	315,520	1,668,096	545,070
Miscellaneous Expenses	21,600	14,400	36,000	276,905
Total	14,942,961	14,066,633	29,009,594	30,441,521

6. Other Income (Subsidy): Tk. 62,276,810

	30-Jun-21 (Taka)	30-Jun-20 (Taka)
Yarn & Loom	21,007,010	15,374,482
Diversified Product	41,269,800	46,872,133
Total	62,276,810	62,246,615



Administrative Expenses: Tk. 19,183,171

	Yarn & Loom	Diversified product	30-Jun-21 (Taka)	30-Jun-20 (Taka)
Wages General	251,627	167,751	419,378	66,000
Salaries & Allowances	1,794,150	2,691,225	4,485,375	4,090,075
Contingency	82,890	52,050	134,940	102,340
Directors Remuneration	2,181,333	3,271,999	5,453,332	5,413,332
Repairs & Maintenance (General)	371,370	557,054	928,424	440,496
Repairs & Maintenance (Vehicles)	33,288	49,931	83,219	1,235,050
Stationery	87,161	130,742	217,903	193,117
Depreciation	379,573	583,683	963,256	917,012
Insurance Premium (Fire)	30,863	46,294	77,157	74,597
Gas General	3,128	4,692	7,820	2,848
Fuel of Vehicles	23,708	35,561	59,269	115,310
Security Head Office & General	132,478	198,717	331,195	216,894
Rent, Rates & Taxes	515,638	773,458	1,289,096	895,688
Traveling & Conveyance	46,501	69,752	116,253	122,747
Postage, Telegram and Telephone	115,097	172,646	287,743	231,702
Entertainment	236,509	354,764	591,273	566,951
Subscription & Donation	192,813	289,219	482,032	282,022
Audit Fees	92,000	138,000	230,000	544,537
Legal & Professional Charges	999,113	1,498,671	2,497,784	629,989
Advertisement & Publicity	39,120	58,680	97,800	126,000
Donation	120,000	180,000	300,000	710,000
Traveling Allowance	2,400	3,600	6,000	-
Water Expenses	30,369	45,553	75,922	81,715
Misc. Expenses	19,200	28,800	48,000	-
Total	7,780,329	11,402,842	19,183,171	17,058,422

Marketing and Selling Expenses: Tk. 20,804,276

	Yarn & Loom	Diversified product	30-Jun-21 (Taka)	30-Jun-20 (Taka)
Salaries & Allowances	1,531,160	1,871,417	3,402,577	4,915,824
Contingency	42,720	30,540	73,260	102,360
Stationery	94,707	115,754	210,461	289,673
Insurance (Marine)	11,170	13,653	24,823	29,853
Sea Freight	905,648	1,106,902	2,012,550	1,337,114
Over Freight	369,660	451,807	821,467	567,437
Insured Goods Testing Fee/Survey Fee	965,059	1,179,517	2,144,576	941,492
Handling, Carrying, C & F Charges	4,329,326	5,291,399	9,620,725	6,402,164
Traveling & Conveyance	42,179	51,553	93,732	154,244
Postage & Telephone	109,098	133,342	242,440	347,551
Entertainment	271,269	331,551	602,820	825,426
Agency Tour	178,690	218,399	397,089	6,483,707
Export Promotion Expenses	129,468	158,239	287,707	2,564,457
Bank Charges	391,522	478,527	870,049	1,467,597
Commission on Sales	-	-	-	38,375
Total	9,371,676	11,432,600	20,804,276	26,467,274

Financial Expenses: Tk. 53,285,359

	Yarn & Loom	Diversified product	30-Jun-21 (Taka)	30-Jun-20 (Taka)
General Bank, FEB, Corp. Br. Ref. Loan A/c.	1,074,403	716,268	1,790,671	468,217
General Bank, FEB, Corp. Br. WCABI-10 (HYPO)	13,410,790	8,940,527	22,351,317	38,695,432
General Bank, FEB, Corp. Br. Preship. Credit-146	195,214	130,143	325,357	577,395
General Bank, Block Loan (Hypo)	2,695,394	342,155	3,037,549	11,187,188
General Bank, Block Loan (PI)	342,155	1,112,620	1,454,775	5,349,775
General Bank, FEB, CA-7064	332,583	221,722	554,306	-
General Bank, New Block Loan (Hypo)	13,666,678	9,111,119	22,777,797	-
Total Interest	31,717,217	20,574,554	52,291,772	56,278,007
Bank Charges	597,474	396,113	993,587	487,517
Total	32,314,691	20,970,667	53,285,359	56,765,524

	30-Jun-21 (Taka)	30-Jun-20 (Taka)
1. Miscellaneous Income: Tk. 0		
Less: Draw Back	-	3,710,197
Total	-	3,710,197

	30-Jun-21 (Taka)	30-Jun-20 (Taka)
2. Income Tax Expenses/(Income): Tk. -45,486		
Current tax:		
Income tax for the year	301,363	346,388
Deferred tax expenses/(income)	(346,849)	1,447,150
Total	(45,486)	1,793,538

	30-Jun-21 (Taka)	30-Jun-20 (Taka)
3. Earnings Per Share (EPS):		
(a) Earnings attributable to the ordinary shareholders	3,059,118	1,670,346
(b) Number of ordinary shares outstanding during the year	2,712,000	2,712,000
(c) Basic EPS (a/b)	1.13	0.62

During the Financial Year Sales have been increased and Finance & Marketing Expenses have been decreased as a result EPS has also been increased compare to the Financial Year 2019-2020.

	30-Jun-21 (Taka)	30-Jun-20 (Taka)
4. Net Asset Value (NAV) per Share:		
Total Assets	1,809,061,072	1,763,628,579
Less: Non-Current Liabilities	(421,737,525)	(140,893,683)
Less: Current Liabilities	(775,349,502)	(1,011,107,969)
Total net asset of the Company	611,974,045	611,626,927
Number of ordinary shares outstanding during the year	2,712,000	2,712,000
Net asset value (NAV) per share (a/b)	225.65	225.53

No significant deviation of Net Asset Value (NAV) during the year corresponding to previous year NAV

	30-Jun-21 (Taka)	30-Jun-20 (Taka)
5. Net Operating Cash Flow per Share-NOCFPS:		
Net Cash from Operating Activities	(34,884,351)	12,732,338
Number of ordinary shares outstanding during the year	2,712,000	2,712,000
Net Operating Cash Flow per Share-NOCFPS	(12.86)	4.69

During this period, Cash Payment and Expenses exceeded over cash received from customer and other income compared to last year as a result operating cash flow is negative.

	30-Jun-21 (Taka)	30-Jun-20 (Taka)
6. Cash Flow from Operating Activities under Indirect Method (Reconciliation):		
Net Profit before Tax	3,013,632	3,463,884
Depreciation	9,632,564	9,170,118
Increase of Inventories	24,554,432	(11,107,402)
Increase/(Decrease) of Trade and other Receivable	(27,337,483)	(49,829,207)
Increase/(Decrease) of Account Receivables	-	13,387,591
Increase of Security Deposits	(807,373)	-
Increase/(Decrease) of LC Margin	(23,321,656)	-
Increase/(Decrease) of Trade and Other Payables	(4,426,611)	44,231,983
Increase of Liabilities for Expenses	(8,494,046)	6,351,408
Increase of Provision for Employees Benefit	1,000,638	544,367
Net Cash from/(used in) Operation	(26,185,903)	16,212,743
Income Tax Paid	(8,698,448)	(3,480,405)
Net Cash from/(used in) Operating Activities	(34,884,351)	12,732,338



Tax Assessment Status:

Accounting year	Provision for income tax	Tax demanded by income tax authority	Tax deduction at source	Tax paid	Total Tax as per the Company	Remarks
2002-2003	-	-	408,820	-	408,820	Assessment finalized
2003-2004	-	-	1,018,125	-	1,018,125	-Do-
2004-2005	-	-	893,315	-	893,315	-Do-
2005-2006	-	866,750	943,177	-	943,177	-Do-
2006-2007	-	-	76,802	-	76,802	-Do-
2007-2008	-	-	530	-	530	-Do-
2008-2009	-	-	13,682	-	13,682	-Do-
2009-2010	-	2,706,893	-	-	-	Appeal pending with High Court
2010-2011	-	4,846,532	-	2,000	2,000	-Do-
2011-2012	-	4,903,826	-	50,000	50,000	-Do-
2012-2013	-	9,866,931	-	375,000	375,000	-Do-
2013-2014	2,353,864	5,904,684	-	1,781,834	1,781,834	-Do-
2014-2015	1,198,136	10,965,937	1,087,561	5,258,320	6,345,881	-Do-
2015-2016	1,859,107	5,665,994	2,500,370	4,000,000	6,500,370	-Do-
2016-2017	2,104,097	17,920,159	4,944,129	8,500,000	13,444,129	-Do-
2017-2018	1,527,769	5,094,908	1,451,659	4,400,000	5,851,659	-Do-
2018-2019	2,808,473	6,778,512	2,929,217	7,500,000	10,429,217	-Do-
2019-2020	2,582,284	6,336,516	3,716,138	4,740,000	8,456,138	-Do-
2020-2021	1,344,305	8,524,363	5,879,727	1,254,195	7,133,922	-Do-
2021-2022	-	-	-	500,000	500,000	Assessment finalized
2022-2023	439,186	7,561,492	6,905,760	1,000,000	7,905,760	Assessment finalized
2023-2024	700,196	630,944	5,436,424	-	5,436,424	Assessment finalized
2024-2025	495,900	875,586	7,544,732	-	7,544,732	Assessment finalized
2025-2026	5,208,957	-	5,208,957	-	5,208,957	Assessment finalized
2026-2027	281,986	-	4,314,175	-	4,314,175	1st Appeal
2027-2028	346,388	-	3,480,405	-	3,480,405	1st Appeal
2028-2029	301,363	-	8,698,448	-	8,698,448	Assess. Pending
Total Tax	23,552,011	99,450,027	67,452,153	39,361,349	106,813,502	

Directors' Remuneration:

The following payments were made to the Directors during the year ended as on 30 June 2021.

Name	Designation	Taka	Remarks
Mr. Mohammed Mahbubur Rahman Patwari	Managing Director	2,666,666	Remuneration & Bonus
Mr. Jaber Ahmed Patwari	Director	2,666,666	Remuneration & Bonus
Mr. Mohammed Mohidul Islam Mahmud	Independent Director	120,000	Remuneration
		5,453,332	

Related party transactions:

During the year, the Company carried out a number of transactions with related parties in the normal course of business. Name of those related parties, nature of transactions and their closing balances have been shown as under:

Name of the party & Relationship	Nature of Transaction	Opening balance	Debit	Credit	Closing balance
Asian Lube Oils Ltd., Common Director	Loan paid	26,701,084	-	-	26,701,084
General Hersh Trading (Pvt.) Ltd. - Guzman, Common Director	Loan paid	2,318,455	-	-	2,318,455
General Hersh Trading (Pvt.) Ltd., Common Director	Business nature	(8,818,323)	199,294,573	207,343,401	(16,867,151)
Asian Bangladesh Ltd., Common Director	Loan paid	600	-	-	600
MM Chemical & Pharmaceuticals Ltd., Common Director	Loan received	(33,794,560)	-	-	(33,794,560)



WPI International, Director Common	Loan received	(187,086,921)	-	-	(187,086,921)
Mr. Nurul Islam Patwari, Director (Deceased)	Loan received	(24,146,045)	-	-	(24,146,045)
Blue Marine Resorts (Pvt.) Ltd., Common Director	Business nature	101,670	-	-	101,670
Mr. Shamsun Nahar Patwari, Common	Loan received	(230,000)	-	-	(230,000)
W. Ward Inc., USA, Son of Director	Business nature	5,183,481	526,750	-	5,710,231
Veloxo Trading Ltd., Common Director	Loan received	(12,397,909)	-	-	(12,397,909)

Capacity Utilization:

Major Products	Unit of Measure	Rated Capacity	Actual Production	Capacity Utilization (%)
Yarn & Loom	9,000	M.Tons	2,464.66	27.39%
Diversified Product	1,500	M.Tons	601.32	40.09%

Available production capacity could not be utilized due to shortage of skilled workers and also want of expected orders.

Number of Employees:

In the course of the Company, there were 86 officers, 1,985 staff & workers /technicians apart from many casual/ contract technicians/workers.

2064	Staff/Officers, Employees drew yearly salary & allowances of Tk. 36,000 or more	<u>Taka</u> 112,117,509
-	Staff/ Officers/Technicians and many other casual workers drew yearly salary/wages & allowances less than Tk. 36,000	-
		<u><u>112,117,509</u></u>

Guarantee/Liabilities:

The Company has issued a corporate guarantee as per decision of the Board of Directors held on 08 June 2017 to Brac Bank Limited against the loan facility of Taka 250,000,000 only, allowed to Veloxo Trading Limited and the liability of Veloxo Trading Limited will be treated as liability of Sonali Aansh Industries Limited and is jointly and severally liable and responsible for the loan facility allowed to Veloxo Trading Limited.

There was an aggregate amount of tax demanded by Income Tax Authority for the years 2001-02 to 2012-13 of Taka 89,515,255 against the aggregate provision for tax of Taka 15,778,035 (Note-36). The assessments of those years are under appeal with the Appellate Division of Supreme Court. There might be tax liability if any unfavourable judgement of any assessment year.

Board Meeting:

The Board of Directors of the Company held 08 (eight) meetings during the year.

Board Meeting Reporting Period:

The Board of Directors of the Company in its meeting held on 16 November 2021 approved the financial statements of the Company for the year ended 30 June 2021 and authorized the same for issue. The Board of Directors also recommended 10% dividend for all shareholders only for the year ended 30 June 2021 subject to approval in the next Annual General Meeting.

There was no other significant event that has occurred between the Financial Statement date and the date when the financial statements were authorized for issue by the Board of Director.

[Signature]
Managing Director

[Signature]
Director

[Signature]
Company Secretary

