

**INDEPENDENT AUDITOR'S REPORT  
GENERATION NEXT FASHIONS LIMITED  
FOR THE YEAR ENDED 30<sup>TH</sup> JUNE, 2023**



**MANAGING PARTNER:**  
MD. ASHRAF UDDIN AHMED  
LLB, CFC, FCA

**PARTNERS:**  
ENAMUL KABIR, FCA  
MD. MOHIUDDIN AHMED, FCA, CFC  
MOHAMMAD SHIBBIR HOSSAIN, FCA

**Corporate Address:** 142/B, Green Road (3<sup>rd</sup> & 4<sup>th</sup> Floor)  
Dhaka- 1215, Bangladesh.  
**Registered Address:** Rahman Chamber (5<sup>th</sup> Floor)  
12-13, Motijheel Commercial Area, Dhaka, Bangladesh.

**Independent Auditor's Report  
To the Shareholders of Generation Next Fashions Limited**

**Report on the Audit of the Financial Statements**

**Opinion**

We have audited the accompanying financial statements of **Generation Next Fashions Limited** (the company) which comprise the Statement of Financial Position as on **30<sup>th</sup> June, 2023** and Statement of Profit or Loss and Other Comprehensive Income, Statement of Changes in Equity, Statement of Cash Flows and a summary of significant accounting policies and other Explanatory Notes to the Financial Statement.

In our opinion, the financial statements prepared in accordance with International Accounting Standards (IAS) and International Financial Reporting Standards (IFRS) give a true and fair view of the financial position of **Generation Next Fashions Limited** as of **30<sup>th</sup> June, 2023** and results of its financial performance and its cash flows for the year then ended & comply with the Companies Act 1994, & other applicable laws & regulations.

**Basis for Opinion**

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the ethical requirement that are relevant to our audit of the financial statements in Bangladesh, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Emphasis of Matter**

We refer to note no: 2.15 regarding company disclosure for implementation of IFRS-16 Leases. If implemented the asset & liability position will update accordingly with RoU assets and corresponding liability.

**Key Audit Matters**

Key audit matters are those matters that, in our professional judgments, were of most significant 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.

<b>1.Recognition of Revenue</b> <b>Ref: Note 21 &amp; 2.13</b>	
<b>Key audit matter</b>	<b>How our audit address the matter</b>
Export Sales Revenue is recognized Tk. 5,961,461,926/- for the year ended 30 June, 2023.	-Our procedures included, among others, obtaining an understanding of the project execution processes and relevant controls relating to the accounting for customer contracts.

<p>Revenue recognition has significant and widespread influence over the financial statements and plays a vital role in calculating Corporate Tax. Since, revenue recognition is one of the performance indicators in almost all sector, there always exist risk of revenue smoothing or window dressing.</p> <p>Under IFRS 15 revenue is recognized when a performance obligation is satisfied by transferring control over a promised good or service.</p>	<p>-We tested the completeness of journal entries compared to financial statements and make sure that there are no unusual items.</p> <p>-We obtain sales ledger and confirm opening &amp; closing balances.</p> <p>-On sample basis, we tested the export proceed documents and other supporting like L/C, bill of export, Commercial Invoice and also check some receivables balances of material figure to match against balance sheet date. We also review the sales contract agreements/contract with different buyer.</p> <p>-We inspect ledger and bill of export of the subsequent month to ensure transactions were recorded in current accounting period.</p> <p>-We further performed testing for to verify valuation of WIP balances. This included reconciling accounting entries to supporting documentation. When doing this, we specifically put emphasis on those transactions occurring close before or after the balance sheet date to obtain sufficient evidence over the accuracy of cut-off.</p> <p>-We call for a bank confirmation from 03(three) banks who received sales proceed to verify amount realized and appropriate deductions were made on account of Advance Income Tax (AIT) on revenue from export.</p> <p>-We checked presentation and disclosure as per IFRS-15 Revenue from Contract With customers.</p>
<p><b>2.Property, Plant and Equipment</b> <b>Ref: Note 3 &amp; Annexure-1</b></p>	
<b>Key audit matter</b>	<b>How our audit address the matter</b>
<p>In the year ended 30<sup>th</sup> June, 2023 the company accounted for Property Plant and Equipment WDV of Tk. 4,128,300,755 /- &amp; Tk. 9,851,338/- as current year addition to fixed asset.</p> <p>The written down balance represents around 42% of total assets. Large amount and number of fixed assets and subsequent additions subject to huge amount of depreciation charged against profit. Error in addition to fixed asset &amp; depreciation calculation could result in over or understatement of profit / assets.</p>	<p>-We obtained asset register and confirm the opening balances that are carried forward from last year.</p> <p>-We obtained current year purchase / addition to fixed asset documents and ensure their complete recording in ledger.</p> <p>-We inspected the physical existence of the assets capitalized in current year along with the verification of company's legal rights on those assets.</p> <p>-We recalculate the depreciation charged against assets in current year.</p>



	<p>-We carried out analytical procedure to detect any unusual fluctuation in value in comparison with last year.</p> <p>-We evaluate the appropriateness of disclosures in financial statements in line with IAS-16.</p>
<p><b>3.Deferred Tax Liability</b> <b>Ref: Note 3.11 &amp; 28</b></p>	
<b>Key audit matter</b>	<b>How our audit address the matter</b>
<p>As per IAS 12 Income Taxes, the two components of the company's estimated tax is Current Tax &amp; Deferred Tax. There is a deferred tax liability of 254,120,559/- which is almost equivalent to 2.56% compared to total assets of the company.</p> <p>The temporary difference of deferred tax consists critical calculation and forecast. The uncertainty in forecasting or lack of expertise may results in material misstatements which may have an impact on corporate tax.</p>	<p>-We verified that right opening balances are carried forward in deferred tax account.</p> <p>-We made sure that the tax base is according to 3<sup>rd</sup> schedule of Income Tax Act-2023 and the accountant of the company have clear understanding of posting the associated journal entries.</p> <p>- We recalculated the figures presented in the financial statements and made sure they are in agreement with general ledger.</p> <p>-We reviewed the amount of provision created for Deferred Tax in current year and the relevant adjustment against revaluation reserve.</p> <p>-We ensure that the correct rate of Tax is used to calculate the provisions for deferred tax.</p> <p>-We evaluated the adequacy of financial statement disclosures including key assumptions, judgments and sensitivities.</p>
<p><b>4.Valuation of Inventory</b> <b>Ref: Note 2.17 &amp; 5</b></p>	
<b>Key audit matter</b>	<b>How our audit address the matter</b>
<p>Closing inventory of Tk.2,952,109,941/- represents 54.13% of current assets and 29.73% of total assets .The closing inventory figure have significant impact in determining the cost of goods sold.</p> <p>Inventories are usually carried in financial statements at the lower of cost and net realizable value. Since frequent changes in customer demand is unavoidable in manufacturing industry and a large quantity of raw material is held. As a result, there is risk that the carrying value of inventory exceeds net realizable value.</p>	<p>Our audit procedures were designed to challenge the adequacy of the company's provisions against inventory includes :</p> <p>-Attain yearend inventory count conducted by management to observe correctness of counting procedure.</p> <p>-Obtain closing inventory report along with valuation of inventory to ensure requirement for IAS-2.</p> <p>-Review current year purchase ledger &amp; store records to verify receipt of goods.</p>



	<ul style="list-style-type: none"><li>-Redo calculation on WIP &amp; finished goods opening &amp; closing balances to ensure closing balances.</li><li>-We inspect store records to find any slow moving items of obsolete items and requirement of provisioning.</li><li>- We reviewed bill of entry for import purchase and vouching for local procurement.</li><li>-We also considered the adequacy of the company's disclosures as per IAS-2.</li></ul>
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### **Other Information**

Management is responsible for the other information. The other information comprises all of the information in the Annual report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information.

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

In connection with our audit of the financial statements, our responsibility is to read the other information 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 there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

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

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with IFRSs and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. 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 achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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.

#### **Report on Other Legal and Regulatory Requirements**

In accordance with the Companies Act 1994 and the Securities and Exchange Rules 2020, we also report the following:

- a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit and made due verification thereof;
- b) In our opinion, proper books of accounts as required by law have been kept by the Group and the Company so far as it appeared from our examination of these books;
- c) The statement of financial position and statement of profit or loss and other comprehensive income dealt with by the report are in agreement with the books of accounts and returns; and
- d) The expenditure incurred was for the purposes of the Company's business.

Place : Dhaka  
Date : 28/10/2023

  
**Md. Ashraf Uddin Ahmed FCA, CFC**

Enrollment No: 210

Managing Partner

Ashraf Uddin & Co.

Chartered Accountants

DVC: 2310290210AS554068





# GENERATION NEXT FASHIONS LIMITED

## Statement of Financial Position

As at June 30, 2023

Particulars	Notes	Amount in Taka	
		30-Jun-2023	30-Jun-2022
<b>A. NON-CURRENT ASSETS</b>		<b>4,474,328,155</b>	<b>4,578,306,881</b>
Property, Plant & Equipment	Annexure-1	4,128,300,755	4,233,299,731
Capital Work-in-Progress	0 04	346,027,400	345,007,150
<b>B. CURRENT ASSETS</b>		<b>5,454,064,878</b>	<b>5,166,576,545</b>
Inventories	05	2,952,109,941	2,878,819,750
Accounts Receivables	06	1,860,832,434	1,777,616,161
Advances, Deposits and Pre-Payments	07	193,644,290	209,518,531
Cash & Cash Equivalents	08	447,478,213	300,622,103
<b>C. CURRENT LIABILITIES &amp; PROVISIONS</b>		<b>1,868,061,048</b>	<b>2,021,110,043</b>
Accounts & Other Payables	09	103,423,025	99,145,292
Accrued Expenses	10	556,017,192	555,849,833
Bank Overdraft	11	45,893,490	46,753,444
Short Term Bank Credits	12	556,519,249	742,768,071
Deferred L/C Liabilities	13	82,188,830	54,938,508
Share Money Refundable (Foreign Currency)	14	310,789	2,734,808
Un-paid & Unclaimed Dividend	15	1,643,688	-
Current Maturity of Long Term Loans	16	522,064,785	518,920,087
<b>D. NET CURRENT ASSETS (B-C)</b>		<b>3,586,003,830</b>	<b>3,145,466,502</b>
<b>E. NET ASSETS (A+D)</b>		<b>8,060,331,985</b>	<b>7,723,773,384</b>
<b>F. SHAREHOLDER'S EQUITY</b>		<b>5,882,035,877</b>	<b>5,897,470,428</b>
Share Capital	17	4,949,745,550	4,949,745,550
Share Premium		236,779,111	236,779,111
Revaluation Surplus	18	375,156,284	382,159,453
Retained Earnings	19	320,354,932	328,786,314
<b>G. LONG TERM LOAN</b>	20	<b>2,178,296,108</b>	<b>1,826,302,955</b>
<b>H. LIABILITIES &amp; SHAREHOLDER'S EQUITY (F+G)</b>		<b>8,060,331,985</b>	<b>7,723,773,384</b>
Net Assets Value Per Share (NAVPS)	30	11.88	11.91

The notes annexed 1 to 36 are an integral part of these financial statements.

  
 Chairman  
  
 Company Secretary

  
 Managing Director

  
 Director  
  
 Chief Financial Officer

Signed in terms of our separate report of even date annexed.

  
**Md. Ashraf Uddin Ahmed FCA, CFC**  
 Enrollment No: 210  
 Managing Partner  
 Ashraf Uddin & Co.  
 Chartered Accountants  
 DVC: 2310290210AS554068

Place: Dhaka

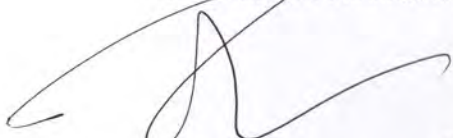
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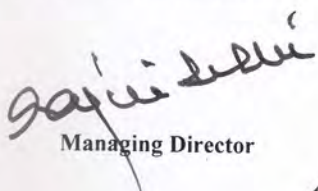


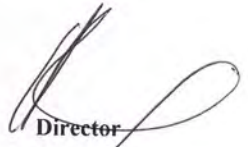
**GENERATION NEXT FASHIONS LIMITED**  
**Statement of Profit or Loss and Other Comprehensive Income**  
**For the year ended 30 June 2023**


Particulars	Notes	Amount in Taka	
		2022-2023	2021-2022
Sales Revenue	21	5,961,461,926	4,122,935,164
Less: Cost of Goods Sold	22	5,207,229,719	3,525,406,754
Gross Profit		<u>754,232,207</u>	<u>597,528,410</u>
Less: Administrative & Selling Expenses	23	360,812,020	292,457,286
Operating Profit		<u>393,420,187</u>	<u>305,071,123</u>
Add: Other Income	24	86,190,775	89,492,867
		<u>479,610,962</u>	<u>394,563,990</u>
Less: Financial Expenses	25	344,271,270	321,497,973
Net Profit Before Tax and Central Fund		<u>135,339,692</u>	<u>73,066,017</u>
Less: Contribution to Central Fund (RMG Sector)	26	1,788,439	1,204,179
Net Profit Before Tax		<u>133,551,254</u>	<u>71,861,838</u>
		<u>99,488,348</u>	<u>67,134,985</u>
Less: Current Tax Expenditure	27	70,974,175	29,206,806
Deferred Tax Expenditure	28	28,514,173	37,928,179
Net Profit		<u>34,062,905</u>	<u>4,726,853</u>
<b>Other Comprehensive Income</b>			
Deferred Tax Income on Depreciation of Revalued Assets	36	840,380	871,031
Other Comprehensive Income for this year		<u>840,380</u>	<u>871,031</u>
Total Comprehensive Income		<u><u>34,903,286</u></u>	<u><u>5,597,884</u></u>
Earnings Per Share (EPS)	29	<u>0.07</u>	<u>0.01</u>

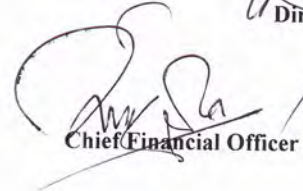
The notes annexed 1 to 36 are an integral part of these financial statements.

  
 Chairman


  
 Managing Director

  
 Director

  
 Company Secretary

  
 Chief Financial Officer

Signed in terms of our separate report of even date annexed.

  
**Md. Ashraf Uddin Ahmed FCA, CFC**  
 Enrollment No: 210  
 Managing Partner  
 Ashraf Uddin & Co.  
 Chartered Accountants  
 DVC: 2310290210AS554068

Place: Dhaka  
 Date: 28 October, 2023





**GENERATION NEXT FASHIONS LIMITED**

Statement of Changes in Equity  
For the year ended 30 June 2023

(Amount in Taka)

Particulars	Share Capital	Share Premium	Retained Earnings	Revaluation Surplus	Total
Balance at July 01, 2022	4,949,745,550	236,779,111	328,786,314	382,159,453	5,897,470,428
Depreciation on Revaluation Surplus	-	-	-	(7,003,169)	(7,003,169)
Depreciation on Revaluation Surplus (Net of Tax)	-	-	6,162,789	-	6,162,789
Other Comprehensive Income	-	-	840,380	-	840,380
Net Profit during the year	-	-	34,062,905	-	34,062,905
Cash Dividend for 2021-2022	-	-	(49,497,456)	-	(49,497,456)
<b>Balance at June 30, 2023</b>	<b>4,949,745,550</b>	<b>236,779,111</b>	<b>320,354,932</b>	<b>375,156,284</b>	<b>5,882,035,877</b>

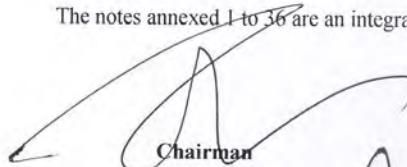
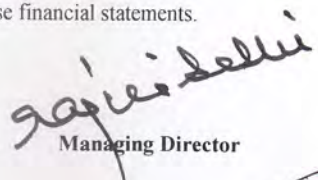


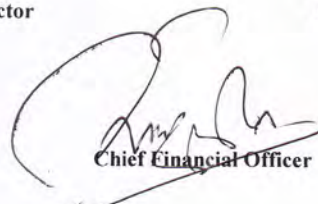
**GENERATION NEXT FASHIONS LIMITED**

Statement of Changes in Equity  
For the year ended 30 June 2022

(Amount in Taka)

Particulars	Share Capital	Share Premium	Retained Earnings	Revaluation Surplus	Total
Balance at July 01, 2021	4,949,745,550	236,779,111	316,800,868	389,418,046	5,892,743,575
Depreciation on Revaluation Surplus	-	-	-	(7,258,593)	(7,258,593)
Depreciated on	-	-	6,387,562	-	6,387,562
Other	-	-	871,031	-	871,031
Net Profit during the year	-	-	4,726,853	-	4,726,853
<b>Balance at June 30, 2022</b>	<b>4,949,745,550</b>	<b>236,779,111</b>	<b>328,786,314</b>	<b>382,159,453</b>	<b>5,897,470,428</b>

The notes annexed 1 to 36 are an integral part of these financial statements.

 Chairman  
 Managing Director  
 Director  
 Company Secretary  
 Chief Financial Officer

Signed in terms of our separate report of even date annexed.

Place: Dhaka  
Date: 28 October, 2023



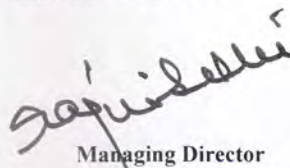
**GENERATION NEXT FASHIONS LIMITED**

**Statement of Cash Flows  
For the year ended 30 June 2023**

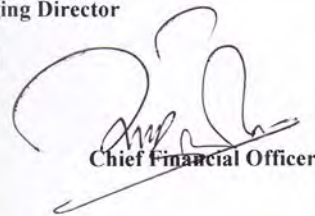
Particulars	Notes	Amount in Taka	
		2022-2023	2021-2022
<b>A. CASH FLOWS FROM OPERATING ACTIVITIES:</b>		<b>49,436,131</b>	<b>9,538,680</b>
Cash Received from Customers	33	5,876,103,501	4,013,930,459
Received from Other Income		86,190,775	89,492,867
Paid Suppliers	34	(3,816,475,256)	(2,541,352,329)
Paid for Operating Expenses	35	(2,025,382,819)	(1,522,982,879)
Income Tax Paid/(Deducted)		(71,000,069)	(29,549,437)
<b>B. CASH FLOWS FROM INVESTING ACTIVITIES:</b>		<b>(7,898,724)</b>	<b>(7,627,730)</b>
Acquisition of Fixed Assets		(9,851,338)	(7,168,380)
Assets on Deferred Part		2,972,864	-
Expenditures for Capital Work-in-Progress		(1,020,250)	(459,350)
<b>C. CASH FLOWS FROM FINANCING ACTIVITIES:</b>		<b>117,751,288</b>	<b>197,852,140</b>
Bank Overdraft (Adjusted)/Received		(859,954)	16,606
Short Term Bank Credit (Adjusted)/Received		(186,248,821)	67,671,799
Long Term Loan (Adjusted)/Received		355,137,851	130,140,191
Share Money Deposit (Adjusted)/ Received		(2,424,019)	23,544
Cash Dividend Paid for 2021-2022		(47,853,768)	-
<b>D. Net Increase/(Decrease) in cash &amp; cash equivalents (A+B+C)</b>		<b>159,288,695</b>	<b>199,763,090</b>
<b>E. Cash &amp; Cash equivalents at the beginning of the year</b>		<b>300,622,103</b>	<b>104,615,837</b>
Effect of foreign exchange rate change on cash and cash equivalent		(12,432,585)	(3,756,824)
<b>F. Cash &amp; Cash equivalents at the end of the year (D+E)</b>		<b>447,478,213</b>	<b>300,622,103</b>
<b>Operating Cash Flow Per Share</b>	<b>31</b>	<b>0.10</b>	<b>0.02</b>

The notes annexed 1 to 36 are an integral part of these financial statements.

  
Chairman  
  
Company Secretary

  
Managing Director

  
Director

  
Chief Financial Officer

Signed in terms of our separate report of even date annexed.

Place: Dhaka  
Date: 28 October, 2023



## GENERATION NEXT FASHIONS LIMITED

### Notes to the Financial Statements For the Year Ended 30<sup>th</sup> June, 2023

#### 1. INCORPORATION AND BUSINESS ACTIVITIES

##### 1.1. Reporting Entity:

**Generation Next Fashions Limited** was incorporated in Bangladesh under the Companies Act 1994 vide Registration No-C-53966(661)/2004 as a Private Limited Company on August 19, 2004. Later the company converted from private company into public limited company on September 19, 2010. The company was introduced in capital market through Initial public Offering (IPO) in 28<sup>th</sup> September, 2012 and listed in both Dhaka and Chittagong Stock Exchange. Current category of the company as per capital market listing is "B".

This company is a member of Bangladesh Knitwear Manufacturers & Exporters Association (BKMEA), Bangladesh Garments Manufacturers & Exporters Association (BGMEA) and Dhaka Chamber of Commerce & Industry (DCCI). It is also registered with Board of Investment (BoI) which is currently known as Bangladesh Investment Development Authority (BIDA).

The principal place of business and registered office of the company is located at Building # 348, Road# 05, DOHS Baridhara, Dhaka-1206, and Bangladesh.

##### 1.2 Nature of business

This company is 100% export-oriented garments manufacturer. The principal activities of the company are knitting, dyeing, manufacturing of textile and making various types of ready-made garments of international standard and design and exporting the same.

#### 2. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

##### 2.1. Statement of Compliance:

The financial statements have been prepared in compliance with the requirements of the Companies Act 1994, Securities and Exchange Rules 1987 and other relevant local laws as applicable and in accordance with International Financial Reporting Standards (IFRSs) including International Accounting Standards (IASs) as adopted by Bangladesh Financial Reporting Council (FRC) based on International Accounting Standards (IASs) and International Financial Reporting standards (IFRSs).

##### 2.2. Measurements of the elements of financial statements:

These financial statements have been prepared based on going concern, consistency and accrual concepts and such other convention as required by IAS-1 for fair presentation of financial statements.

##### 2.3. Components of Financial Statements:

The financial Statements of the company consist of the following components:

- Statement of Financial Position;
- Statement of Profit or Loss and Other Comprehensive Income;
- Statement of Changes in Equity;
- Statement of Cash Flows and;
- Accounting Policies & Explanatory Notes to the Financial Statements.

##### 2.4. Functional and presentation currency:

The financial statements are presented in Bangladesh Taka (BDT/Tk.) except where indicated otherwise, which is both functional currency and presentation currency of the company. The figures of financial statements have been rounded off to the nearest BDT/Tk. Figures in brackets indicate deductions.



## **2.5. Use of estimates and judgments:**

The preparation of the financial statements in conformity with International Financial Reporting Standards requires measurements to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amount of assets, liabilities, income and expenses and disclosure requirements of contingent assets and liabilities during and at the date of financial statements.

Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions of accounting estimates are recognized in the period in which the estimate is revised and in any future periods affected as required by IAS 8: Accounting policies, Changes in accounting estimates and Errors.

In Particular, significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect of the amounts recognized in the financial statements include depreciation, inventory valuation, accrued expenses and tax provision.

## **2.6. Reporting period:**

These financial statements of the company cover a period of one year from 1<sup>st</sup> July, 2022 to 30<sup>th</sup> June, 2023.

## **2.7. Comparative information and rearrangements thereof:**

In accordance with the provisions of IAS- 1: "Presentation of Financial Statements", Comparative information that is available has been disclosed for all numerical information in the financial statements and also the narrative and descriptive information where it is relevant for understanding of the current period's financial statements.

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

## **2.8. 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 accounts. The current credit facilities and resources of the company provides sufficient fund to make the present requirement of its existing business. Neither the management nor any other authority of the company has the intension to cease or liquidate the company in near future.

## **2.9. Accrual Basis of Accounting:**

An entity shall prepare its financial statements, except for cash flow information, using the accrual basis of accounting. When the accrual basis of accounting is used, an entity recognizes items as assets, liabilities, equity, income and expenses (the elements of financial statements) when they satisfy the definitions and recognition criteria for those elements in the framework.

## **2.10. Offsetting:**

An entity shall not offset assets and liabilities or income and expenses, unless required or permitted by IFRS.

## **2.11. Events after reporting Period:**

According to IAS- 10: "Events after Reporting Period", events after the reporting period are those events, favorable or unfavorable, that occur between the end of the reporting period and the date when the financial statements are authorized for issue. Two types of events can be identified:

**Adjusting Events:** Those that provide evidence of conditions that existed at the end of the reporting period;



**Non-adjusting Events:** Those are indicative of conditions that arose after the reporting period.

There was no events after reporting period of such importance for which accounting or disclosure is required to be adjusted.

#### **2.12. Date of Authorization for Issue of The Financial Statements:**

On October 28, 2023 the Board of Directors reviewed the financial statements and authorized them for issue.

#### **2.13. Revenue Recognition**

An entity shall recognize revenue to depict the transfer of promise goods or service to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange of those goods and services. As per IFRS-15 Revenue from Contracts with Customers, an entity shall account a contract with a customer under the scope of this standard subject to the following criteria has been meet:

- a) the parties to the contract have approve the contract and committed to perform their respective obligation;
- b) the entity can identify each party's rights regarding the goods or services to be transferred;
- c) identification of payment terms for goods and services;
- d) existence of commercial substance;
- e) Probability of collection of the consideration to which the entity is entitled with (for the exchange of goods or services).

#### **2.14. IFRS 9 Financial Instruments**

At initial recognition as per IFRS-9 Financial Instrument, an entity shall measure a financial asset or financial liability as its fair value plus or minus (in the case of a financial asset or a financial liability not at fair value through profit or loss) the transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

After initial recognition (subsequent measurement) an entity shall measure a financial asset or financial liability in either of the following subject to specific circumstance specified in the standard (sec 4.1.1- 4.1.5) & (4.2.1- 4.2.2):

- i. amortized cost;
- ii. fair value through other comprehensive income;
- iii. fair value through profit or loss.

The entity shall recognize loss allowance or Expected Credit Loss (impairment requirement). At each reporting date the entity account for the impairment of financial assets or financial liability in the following manner:

- I. an amount equal to the lifetime expected credit loss (if the credit risk of the instrument has increased significantly since initial recognition)
- II. an amount equal to the 12 (twelve) month expected credit loss (if the credit risk of the instrument has not increased significantly since initial recognition)

The company did not carry out an impairment review because the production facility was in operation and the management assumed financial instrument as good.

#### **2.15. IFRS 16 Lease**

An entity shall assess a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. In line with IFRS-16 Leases, an entity shall determine the lease term as the non-cancellable period of a lease together with both:

- I. Period covered by the option to extend the lease and;
- II. Period covered by the option to terminate the lease.

Initial measurement of right of use asset shall be measured at cost and subsequently either by fair value or follow revaluation model.



IFRS 16 has not been applied by the company in current year for the lease payments/rental payments made against office space & warehouse due to possibility of changes of lease terms & conditions. The implementation is under process and once the updated terms are available, management will make immediate effect in financial statements as per IFRS-16 Leases.

## 2.16. Depreciation on Revaluation

In accordance with the provision of IAS- 16 “Property, Plant and Equipment”, The company recognized depreciation on revalued amount of assets and charged the same as expenses in income statement. As per requirement of para 41 of IAS- 16 it recognized depreciated amount from revaluation surplus less tax thereon as realized income with retained earnings under the statement of changes in equity.

The company calculated and adjust the depreciation on revaluation surplus with retained earnings in line with the order of the order of honorable Tribunal (reference Tribunal Order no: I.T.A. 4391 & 4392 against appeal no 1113/1114/Circle-29/2017-2018 dated: 22.10.2018).

## 2.17. Valuation of Inventories

Inventories consisting of raw materials, work in progress, finished goods are valued at lower of cost and net realizable value as per IAS 2:Inventories. Cost of inventories include expenditure incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their existing location and condition. Cost of inventories is determined by using the weighted average cost formula. Where necessary, allowance is provided for damaged, obsolete, and slow-moving items to adjust the carrying amount of inventories to the lower of cost and net realizable value as the board approve from time to time. Net realizable value is based on estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

Category of Stocks	Basis of valuation
Raw Material including WIP:	At lower of cost or net realizable value
Finished Goods:	At lower of cost or net realizable value
Materials in Transit	At lower of cost or net realizable value

### Impairment of Inventories:

Impairment of inventory is made as and when inventory became obsolete or unusable or for slow moving items for which the management of the company is giving decisions from time to time. Based on sales cycle of slow-moving items, the sales prices of the products may decrease over time. The management of the Company reviews the carrying amounts of its inventory (Balance Sheet Date) to determine whether there is any indication of impairment in accordance with IAS-2: ‘Inventories’. When the sales price moves below the inventory cost prices, the loss on sales is recognized immediately in the Financial Statements. However, the management was confident, buyer will be received all the goods as per sales contract, no indication of impairment of inventory during the year; and as such, no adjustment was given in the Financial Statements for impairment.

### Obsolete and Damaged Inventory:

The Company policy for damaged or obsolete items of inventory is to write down their recoverable amount and charge them as an expense in the cost of goods sold (COGS) account in the relevant year.

In the financial statement as of 30.06.2023, the company did not account for any write-down of inventory due to damage or obsolescence. During the year-end count by the management team, no such item of inventory was identified that might fall under obsolete/damaged criteria.

The company conducted yearend inventory count held at 30/06/2023 as per accepted guideline set by management. A management expert team consisting of members with adequate knowledge & expertise was engaged in counting and valuation of inventory. The value and quantity is disclosed as Annexure-2 of Financial Statements. The breakdown of the components of inventory is disclosed in note no 05.0 & 05.1. As per accepted practice within the industry, management has made adequate declaration regarding the value & quantity of inventory as at 30/06/2023.



### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and methods of computation used in preparation of financial statements for the year ended 30<sup>th</sup> June, 2022 are consistent with the policies and methods adopted in preparing the financial statements for the year ended 30<sup>th</sup> June, 2023.

#### 3.1. **PROPERTY, PLANT & EQUIPMENT:**

##### Recognition and measurement

Property, plant and equipment are recognized at cost amount less accumulated depreciation in compliance with International Accounting Standard (IAS)-16: Property, Plant and Equipment. The cost of acquisition of an asset comprises its purchase price including import duties and non-refundable taxes and any direct attributable cost of bringing the assets to its working condition for its intended use.

##### Subsequent costs

The cost of replacing a part of an item of property, plant and equipment is recognized in the carrying amount of the item if it is probable that future benefits associated with the item will flow to the entity and the cost of the item can be measured reliably. All other repair and maintenance costs are charged to the Statement of Profit or Loss and Other Comprehensive Income during the financial year in which they incurred.

##### Addition during the year

Name of Property, plant and equipment	(Amount in Tk.) 30.06.2023	(Amount in Tk.) 30.06.2022
Land and Land Development	-	-
Building	-	-
Plant and Machinery	7,250,269	2556,500
Other Assets	2,601,069	4611,880
<b>Total</b>	<b>9,851,338</b>	<b>7,168,380</b>

There is no intangible asset during the period and the fixed assets do not include any assets held under lease. On retirement or otherwise disposal of fixed assets, the cost and accumulated depreciation are eliminated and any gain or loss on such disposal is reflected in the income statement which is determined with reference to the net book value of assets and net sales proceeds. However, there is no disposal or retirement of fixed asset during the current period.

##### **Depreciation:**

The Property, Plant & Equipment acquired during the year from different head of assets were available for use and were capable of operating in a manner intended by the management and generating revenue.

Depreciation has been charged on a Reducing Balance method starting from the dates when the asset were available for use and capable of generating revenue as intended by the management. However, no asset has been classified or was intended to classify as 'Held for sale' under IFRS 5 during the year.

#### 3.2. **Impairment:**

The carrying amounts of assets are reviewed at each balance sheet date to determine whether there is any indication of impairment loss. If any such indication exists, recoverable amount is estimated in order to determine the extent of the impairment loss, if any. Impairment loss is recorded on judgmental basis, for which provision may differ in the future years based on the actual experience. An impairment loss is recognized whenever the carrying amount of the asset exceeds recoverable amount. Impairment losses, if any, are recognized in the statements of profit and loss and other comprehensive income. It was confirmed that no such fixed asset has been impaired during the period and therefore no provision has been made for that for the asset. The company do not conduct any impairment test for any financial assets during the reporting period.



### **3.3. Advances, deposits and prepayments:**

Advances are initially measured at cost. After initial recognition advances are carried at cost less deductions or adjustments. Deposits are measured at payment value. Prepayments are initially measured at cost. After initial recognition prepayments are carried at cost less charges to Statement of Profit or Loss and Other Comprehensive Incomes.

### **3.4. Cash & Cash Equivalents:**

Cash and cash equivalents comprise cash in hand and cash at bank which are held and available for use by the company without any restriction. Cash at bank again comprises of –

On current/ Short notice Deposit Accounts with the following banks: -

- |                        |                            |
|------------------------|----------------------------|
| 1. EXIM Bank Ltd.      | 6. Social Islami Bank Ltd. |
| 2. National Bank Ltd.  | 7. IFIC Bank Ltd.          |
| 3. Prime Bank Ltd.     | 8. Jamuna Bank Ltd.        |
| 4. Southeast bank Ltd. | 9. BRAC Bank Ltd.          |
| 5. Agrani Bank Ltd.    | 10. Premier Bank Limited   |
| 11. Trust Bank Ltd     |                            |

And FDR Accounts with Agrani Bank Ltd.

### **3.5. Receivables:**

Accounts receivables are recognized and stated at original invoiced amounts and carried at anticipated realizable values in which goods are exported. Bad debts are written off when it is established that they are irrecoverable.

### **3.6. Accrued Expense and Other Payables:**

Liabilities are recognized for the goods and services received, whether paid or not for those goods and services. Payables are not interest bearing and are stated at their nominal value.

### **3.7. Borrowing Costs:**

Interest bearing bank loans and overdrafts are recorded at the amount of proceeds received, net of transaction costs. Borrowing costs directly attributable to the acquisition and construction of plant and equipment are capitalized as part of the cost of those assets, until such time as the assets are ready for their intended use. All other borrowing costs incurred during the period was recognized as revenue expenses in accordance with IAS-23: Borrowing Costs.

### **3.8. 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 issued by the International Accounting Standards Board (IASB). Accordingly the management has fulfilled the above provision.

### **3.9. Provisions and Accruals:**

#### **Provisions**

Provision are recognized when Generation Next Fashions Limited has a present obligation as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate. If a transfer of economic benefit is no longer probable the provision should be reversed. Where the effect of the time value of money is material, the amount of a provision is the present value of the expenditure required to settle the obligation.





### **Accruals**

Accruals are liabilities to pay for goods or services that have been received or supplied but the financial impact of the event will only be confirmed by the outcome of some future event not wholly within the entity's control.

### **3.10. Foreign Currency:**

Foreign currencies are translated into BDT at the rates ruling on the transaction dates. Monetary assets and liabilities are reconverted at the rates prevailing at the balance sheet date. Non-monetary assets and liabilities are reported using the exchange rate at the date of respective transactions. Differences arising on conversion are charged to statement of profit and loss and other comprehensive income.

### **3.11. Taxation:**

The expense comprises current and deferred tax. Current tax and deferred tax is recognized in profit and loss except to the extent that it relates to a business combination or items recognized directly in equity.

#### **Current tax**

Current tax is, as per IAS- 12: Income Taxes, the expected tax payable on the taxable income for the year, using tax rates enacted or substantially enacted at the reporting date and any adjustment to the tax payable in respect of the previous year. Provision for current income tax has been made on 12% on business income as per Finance Act 2023 for 100% Export Oriented Company and also made 20% on other income for public limited company as prescribed on the Income Tax Act-2023.

#### **Deferred Tax:**

Deferred tax arises due to temporary difference deductible or taxable for the events or transactions which is recognized in the statement of profit or loss and other comprehensive income. A temporary difference is the difference between the tax base of an asset or liability and its carrying amount / reported amount in the statement of financial position. Deferred tax assets or liability is the amount of income tax recoverable or payable in the future periods recognized in the current year as per IAS 12: Income Tax.

### **3.12. Finance expense:**

Finance expense comprises interest expenses on term loan, overdraft, and bank charges. All finance expenses are recognized in the statement of profit or loss and other comprehensive income except those are capitalized in accordance with IAS-23: Borrowing Costs.

### **3.13. Earnings per share:**

This has been calculated in compliance with the requirements of IAS 33: Earnings per Share by dividing the basics earnings by the weighted average number of ordinary shares outstanding during the period.

#### **Basic Earnings:**

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

### **3.14. Weighted Average Number of Shares:**

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



### 3.15. Diluted Earnings per Shares

There is neither any share option available for relevant parties nor there is any potential transaction that may take effect to increase the total number of outstanding shares. No calculation as per IAS-33 Earnings Per Share is required.

### 3.16. Employee Benefits

The company maintains defined benefit plan for its eligible permanent employees. The eligibility is determined according to the terms and conditions set forth in the respective deeds.

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

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

The company's employee benefits include the following:

#### Short Term Employee Benefits

These include better working conditions in line with overseas customer's requirement, Day care center, Health care facility, Transportation for admin and management employee, Advance against salary, Festival bonus etc. Obligations for such benefits are measured on an undiscounted basis and are expensed as the related service is provided.

#### Contribution to central depository scheme Worker's Welfare Participation Funds

The company is a 100% export oriented garments industry and member of Bangladesh Garment manufacturer and Exporters Association (BGMEA). As per Sub-Section 3 of Section 232 of Bangladesh Labor Act 2006 re-placed by the Act No 30, Para 63 of the year 2013 as follows:

"in case of a 100% export-oriented industrial sector or for any industry investing 100% foreign exchange, the Government, through enactment of Rule, shall adopt required provisions with regard to formation of sector-based central fund comprising of buyers and owners, from a Board to execute that fund, determine contributions and their realization procedure and provisions for utilizations of the money for the welfare of the beneficiaries in the sector."

The company participates in central fund known as 'Workers Profit Participation Fund' as per the rate applicable for RMG sector (0.03%) on realized revenue which is deducted at source by banks.

### 3.17. Compliance with Financial Standards as applicable in Bangladesh:

The following IAS & IFRS is applicable to the financial statements for the period under Review:

IASs	TITLE	REMARKS
1	Presentation of Financial Statement	Complied
2	Inventories	Complied
7	Statement of Cash Flows	Complied
8	Accounting Policies, Changes in Accounting Estimates and Errors	Complied
10	Events after the Reporting Period	Complied
12	Income Taxes	Complied
16	Property, Plant & Equipment	Complied
19	Employee Benefits	Complied
21	The Effects of Changes in Foreign Exchange Rates	Complied
23	Borrowing Costs	Complied
24	Related Party Disclosures	Complied
33	Earnings per Share (EPS)	Complied
37	Provisions, Contingent Liabilities and Contingent Assets	Complied



IFRSs		
5	Non Current Asset Held for sale and Discontinued Operation	N/A
7	Financial Instrument :Disclosure	Complied
8	Operating Segment	Complied
9	Financial Instruments	Complied
15	Revenue from Contracts with Customers	Complied
16	Leases	Not Complied

### 3.18. Related party Disclosure:

For the financial year ended 30<sup>th</sup> June, 2023 the company did not enter into any financial transactions that require separate disclosure except the remuneration paid to directors.

### 3.19. Long Term loan:

Long term loan consists of loans and financial obligations lasting over one year. The long term loan outstanding of Generation Next Fashions Limited, as on 30<sup>th</sup> June, 2023 are fully secured by first charge on the fixed assets of the company.

### 3.20. Short Term Loan:

Short term loan refers to a loan scheduled to be repaid in less than a year. The company obtains short term loan from various sources to finance the temporary working capital needs.

These are secured; falling due within one year. The security and other term are specified as follows:

Time Loans are fully secured by first charge on the fixed assets of the company.

Packing Credit, Bill Purchase and other Loans are against Lien on Master/Export L/Cs.

### 3.21. Capital Expenditure Availed:

There was no Capital expenditure contracted but not incurred or provided for as on 30.06.2023.

There was no material capital expenditure authorized by the Board but not contracted for as on 30.06.2023.

### 3.22. Contingent Liabilities and Contingent Assets:

#### Contingent liabilities

A contingent liability arises where a past event may lead to an entity having a liability in the future but the financial impact of the event will only be confirmed by the outcome of some future event will only be confirmed by the outcome of some future event not wholly within the entity's control. A contingent liability should be disclosed in the financial statements unless the possible outflow of resources is thought to be remote.

#### Contingent Asset

A contingent asset is a potential asset that arise from past events but whose existence can only be confirmed by the outcome of future events not wholly within an entity's control. A contingent asset should be disclosed in the financial statements only when the expected inflow of economic benefits is probable.

The company does not have any contingent liability or contingent assets as on 30.06.2023.

### 3.23. Claims not Acknowledged:

There was no claim against the Company not acknowledged as debt as on 30.06.2023.

### 3.24. Credit Facilities Availed:

Trade credit available in the ordinary course of business. No other credit facilities were available to the company as on 30.06.2023.



### 3.25. Commission, Brokerage or Discount Against Sales:

No other commission, brokerage or discount was incurred or paid by the company against sales during the year ended June 30, 2023.

### 3.26. Employees:

Number of employees whose salary was below Tk. 10,000 is 1,423 as on 30.06.2023

Number of employees whose salary was above Tk. 10,000 is 3,598 as on 30.06.2023.

### 3.27. Capacity utilization:

Particulars	Capacity	Actual Production	Percentage
Garments*	50,00,000 Dozens	3,800,000 Dozens	76%
Fabrics	11,500 MT	9,200 MT	80%
Dyeing	12,000 MT	9,840 MT	82%

Reason: Actual production as per market demand

\*Based on present product mix.

### 3.28. Managerial Remuneration

3.28.1 Total remuneration of managers aggregates during the year ended June 30, 2023 is Tk. 38,251,288/- and remuneration for Managing Director is 2,400,00/-

3.28.2 Total remuneration of managers aggregates during the year ended June 30, 2022 is Tk. 33,482,766/- and remuneration for Managing Director is 2,400,00/-

### 3.29. Risk Factors and Management's Perceptions about the Risks

The Company is operating in an industry involving both external and internal risk factors having direct as well as indirect effects on its business, result of its operations and financial condition, as follows:

#### (a) Interest rate risks:

Interest rate is concerned with borrowed funds of short term & long-term maturity. Interest rate risk is the risk that the company faces due to unfavorable movements in the interest rates. Volatility in money market & increased demand for loans/ investment funds raise the rate of interest. A change in the government's policy also tends to increase the interest rate. High rate of interest enhances the cost of fund of a company. Such rises in interest rates however mostly affect companies having floating rate loans.

#### Management perception:

The Company maintains a reasonable debt/ equity ratio; and accordingly, adverse impact of interest rate fluctuation will not adversely affect the Company's performance as the Company emphasizes on equity base financing to reduce the dependency on borrowing. Therefore, management perceives that the fluctuation of interest rate on borrowing would have little impact upon the performance of the Company.

#### (b) Exchange rate risks:

If exchange rate increases against local currency opportunity is created for getting more revenue against sale in local currency. On the other hand, if exchange rate goes down, margin is squeezed in local currency.

#### Management perception:

The products of the company are sold in foreign currency and payment for raw materials are made mostly in foreign currency. Therefore, volatility of exchange rate will have little impact on profitability of the Company.

#### (c) Industry risks:

Industry risks refers to the risk of increased competition from foreign and domestic sources leading to lower prices, revenues, profit margin, and market share which could have an adverse impact on the business, financial condition and result of operation.



**Management perception:**

The Company has established its brand name in the market with its quality products, range of products and customer services. Therefore, industry risks will be limited.

**(d) Market and technology-related risks:**

**i) Market risks:**

Market risk refers to the risk of adverse market conditions affecting the sales and profitability of the Company. Mostly, the risk arises from falling demand for the product or service which would harm the performance of the company. On the other hand, strong marketing and brand management would help the company to increase their customer base.

**Management perception:**

With the exception of this reporting period due to Russia-Ukraine war, the market for the Company's products is growing at an exponential rate with growth of urbanization and incremental income level of consumers along with their preference to convenience. Therefore, market risks will be minimal.

**ii) Technology-related Risks:**

Technology always plays a vital role for the existence of any industrial concern, ensuring better service to the customers and minimizing the cost in various aspects. Any invention of new and more cost involving technology may cause technological obsolescence and negative operational efficiency. Any serious defects in the plant and machinery may affect production and profitability, calling for additional investment for replacement.

**Management perception:**

The Company utilizes its Market Research Team that is continuously working for in-depth understanding of the customer needs and preferences and accordingly, arranging its technology.

**(e) Potential or existing government regulations risks:**

The Company operates under Companies Act, 1994, Income Tax Act, 2023; VAT and Supplementary Duties Act, 2012 and VAT and Supplementary Duties Rules, 2016. Any abrupt changes of the policies made by the regulatory authorities may affect its activities.

**Management perception:**

Unless any policy change that may negatively and materially affect the industry as a whole, the business of the Company is expected not to be affected significantly. It is highly unlikely that the Government will initiate any fiscal measure that may have an adverse effect on the growth of the industry.

**(f) Potential changes in global or national policies:**

The performance of the Company may be affected by the political and economical instability, both in Bangladesh and worldwide. Any instance of political turmoil and disturbance in the country may adversely affect the economy in general.

**Management perception:**

The Company can prosper in a situation of political stability and a congenial business environment. Political turmoil and disturbance are bad for the economy and so also for this sector. The Company is always aware of all types of turmoil's and if the smooth supply of material is hampered or faces any kind of disruptions, it will supply it in future and try to keep its operation smooth.

**(g) Operational Risks:**

Operational risks refer to the possibility of plant shut down due to disruption in supply of gas, technological failure, natural calamities, human errors and other unforeseen events. Such incidences may lead to non-operation, large overhauling costs and financial losses.

**Management perception:**

Bangladesh Government is meeting this challenge by opening the energy generation to private sector; and also making massive investment, which is expected to ensure availability of energy for uninterrupted operation. The Company perceives that allocation of its resources properly with contingency approaches can reduce this risk factor to great extent.



(h) **Input Cost Risks:**

Input cost risk is the risk of a business when procuring materials or commodities in high global demand. Increasing demand and supply shortages create volatility in these commodity values; and therefore, the timing, quantity and price of purchase must be closely planned.

**Management perception:**

Management of the Company would hedge their exposure to input price volatility by adjusting its selling price.

**3.30 Earnings per Share & Diluted Earnings per Share:**

**Earnings per Share:**

This has been calculated in compliance with the requirement of IAS-33: Earnings per share by dividing the net earnings attributable to the shareholders by the weighted average number of ordinary shares outstanding during the year.

**Basic Earnings per share (Numerator /Denominator)**

Earnings (Numerator)

Diluted earnings per share (diluted EPS) calculate a company's earnings per share if all convertible securities were converted.

Diluted Earning per Share = Net Income/Weighted number of Share

**3.31 General**

- i) Wherever considered necessary, previous period's figures have been rearranged for the purpose of comparison.
- ii) Previous year's figure has been rearranged wherever considered necessary to confirm to current year's presentation.



		Amount in Taka	
		30 June 2023	30 June 2022
<b>04</b>	<b>Capital Work-in-Progress</b>		
	Buildings	346,027,400	345,007,150
	<b>Total</b>	<b>346,027,400</b>	<b>345,007,150</b>
	Opening Work-in-Progress	345,007,150	344,547,800
	Add: Addition during the year	1,020,250	459,350
		346,027,400	345,007,150
	Less: Adjustment during the period	-	-
	Closing Balance during the period	<b>346,027,400</b>	<b>345,007,150</b>

<b>05</b>	<b>Inventories</b>		
	Raw Materials (Note-5.1)	986,452,752	1,034,268,058
	Work-in-Process	796,112,646	751,331,838
	Finished Goods 3,57,220 Dozens	1,165,022,204	1,089,022,673
	Materials in Transit	4,522,340	4,197,181
	<b>Total</b>	<b>2,952,109,941</b>	<b>2,878,819,750</b>

\*\*The closing balances of inventory includes significant amount of finished goods classified as 'deferred shipment' according to the request from buyer. These items will be delivered as soon as revised shipment dates are available.

#### 05.1 Raw Materials

Yarn	561,190; (2021-2022: 652,000 Kgs)	228,965,450	285,821,827
Fabrics	1,106,511; (2021-2022: 1,103,397 Kgs)	575,385,635	569,573,531
Chemicals		163,106,202	139,856,500
Accessories		18,995,465	39,016,200
<b>Total</b>		<b>986,452,752</b>	<b>1,034,268,058</b>

#### 06 Accounts Receivables

Alpha Creations Ltd.		14,185,252	-
Boohoo.Com UK Limited		7,872,504	30,997,006
Chaps Mens		6,972,419	18,217,434
Costco Whole Sale UK Ltd.		297,268,824	161,165,639
DUO Fashion Gmbh		4,697,391	10,479,406
EMINENCE SAS		29,514,106	-
Family Dollar service LLC		-	106,845,311
JAINCO UK LIMITED		-	957,630
JAMMERS APPARELS GROUP		16,784,860	-
JORDACSHE LIMITED		5,046,409	-
KIK TEXTILIEN UND NON-FOOD GMBH		416,287,645	482,421,939
LA GARANTIA, CA		1,669,652	-
LEFTIES		1,341,745	4,117,385
Liang Fashions INC		-	12,770,899
LIMITED LIABILITY COMPANY TVOE		7,556,920	-
LLC China Supply International		20,222,125	17,415,270
Lowlan Fashion International		-	253,859
LPP S. A.		79,519,087	2,977,453
MISSGUDED LTD.		12,258,078	27,778,528
MULTITIEENDAS CORONA SA		3,233,715	-
New Flame Limited		130,673,070	67,559,708
NTD Apparel Inc.		15,430,713	11,615,188
Other Receivables (Note: 06.1)		4,940,196	10,799,554
OVS SPA		-	578,368
PIAZZA ITALIA SPA		-	263,110
Poeticgem International Limited		140,194,762	109,060,133
PRETTYLITTLETHING.COM		1,368,653	2,618,653



Primark Stores Limited	396,065,569	479,866,448
SPORTLIFE BRANDS LLC	43,025,878	43,025,878
Srokamani SAS	-	1,602,048
SUSSAN CORPORATION	1,778,277	10,033,082
Union Supply Co. Ltd.	45,778,599	48,441,474
Vermont Teddy Bear Compay Inc	135,689,302	105,000,000
VOLKARY INDUSTRIAL TRADING	250,380	
Woolworth GMBH	21,164,785	10,754,758
WRANGLER	41,518	-
<b>Total</b>	<b>1,860,832,434</b>	<b>1,777,616,161</b>

These are unsecured, considered good. No amount is due from any directors or related parties.

The receivable of the Company decreased due to decrease of current sales of the company for different products. The other reason for decrease of receivable due to some realization from last year holds up consignment by our Major customer PRIMARK. The customer did not cancel any order fully but postponed some orders due to pandemic situation. The company now started shipment for those orders gradually as per customers guideline.

#### Ageing of Trade Receivables

More than six months	-	-
Less than six months	1,860,832,434	1,777,616,161
	<b>1,860,832,434</b>	<b>1,777,616,161</b>

The classification of receivables as required by the Schedule XI of the Companies Act, 1994 are given below:

i) Receivables considered good in respect of which the company is fully secured.	1,860,832,434	1,777,616,161
ii) Receivables considered good in respect of which the company holds no security other than the debtor personal security.	-	-
iii) Receivables considered doubtful or bad.	-	-
iv) Accounts Receivable due by any director or other officers of the company or any of them either severally or jointly with any other person or receivables due firms or private companies respectively in which any director is a partner or a director or a member.	-	-
v) Receivables due by companies under the same management.	-	-
vi) The maximum amount of receivables due by any directors or other officers of the company at any time during the year to be shown by way of a note.	-	-





**06.1 Other Receivables**

Gimex Clothing Limited  
 Glory Textile  
 Gumiti Textile Limited  
 Rose Intimate Limited  
 Shad Fashions  
 Sisal Composit Limited  
**Total**

Amount in Taka	
30 June 2023	30 June 2022
2,089,005	1,705,380
630,880	-
-	2,074,848
25,797	1,479,888
172,731	2,122,981
2,021,783	3,416,457
<b>4,940,196</b>	<b>10,799,554</b>

**07 Advances, Deposit and Prepayments**

Advances (Note: 07.1)  
 Deposits  
**Total**

192,094,390	207,968,631
1,549,900	1,549,900
<b>193,644,290</b>	<b>209,518,531</b>

These are unsecured, considered good. No amount is due from any directors or related parties.

The classification of Advances, Deposits & Prepayments as required by the Schedule XI, Part I, Para 6 of the Companies Act, 1994 are given below:

i) Advance, deposits & prepayment considered good and in respect of which the company is fully secured.	-	-
ii) Advance, deposits & prepayment considered good for which the company holds no security.	193,644,290	209,518,531
iii) Advance, deposits & prepayment considered doubtful or bad.	-	-
iv) Advance, deposits & prepayment due by directors or other officers of the company or any of them either severally or jointly with any other person or Advance, deposits & prepayment due by firms or private companies respectively in which any director is a partner or a director or a member.	440,000	769,000
v) Advance, deposits & prepayment due by companies under the same management.	-	-
vi) The maximum amount due by directors or other officers of the company at any time during the year.	-	-

**07.1 Advances**

Advance against Salary  
 Advance Income Tax Note: 07.1(a)  
 Advance against Purchase / Expenses Note: 07.1(b)  
 Advance against Office Rent  
 Advance for Construction & Others Note: 07.1(c)  
 Gass Line and Other Instalation  
**Total**

440,000	769,000
177,528,027	189,739,748
1,076,100	2,448,030
1,580,000	1,580,000
6,593,393	8,554,983
4,876,870	4,876,870
<b>192,094,390</b>	<b>207,968,631</b>

**07.1(a) Advance Income Tax**

Opening Balance  
 Add: Addition During the Year

189,739,748	160,190,311
71,000,069	29,549,437
<b>260,739,817</b>	<b>189,739,748</b>
Less: Adjustment for Assessment Year Completed up to 2017-2018	83,211,790
<b>177,528,027</b>	<b>189,739,748</b>



**07.1(b) Advance against Purchase / Expenses**

Mr. Ainal Haque	-	825,000
Mr. Mustafizur Rahman	1,010,600	972,530
Word of Techonology	65,500	650,500
<b>Total</b>	<b>1,076,100</b>	<b>2,448,030</b>

**07.1(c) Advance for Construction & Others**

Hasib Thai	-	1,025,000
Prepaid Insurance	6,255,793	6,126,558
Boiler Soltions Point	225,000	520,000
Genesis Technologies Ltd.	112,600	883,425
<b>Total</b>	<b>6,593,393</b>	<b>8,554,983</b>

**08 Cash & Cash Equivalents**

Cash in Hand (Note-08.1)	51,188,073	17,619,414
Cash at Banks (Note-08.2)	396,290,140	283,002,689
<b>Total</b>	<b>447,478,213</b>	<b>300,622,103</b>



**08.1 Cash in Hand**

Balance in Central Cash  
Balance in Factory Cash  
Total

Amount in Taka	
30 June 2023	30 June 2022
49,314,578	14,634,204
1,873,495	2,985,210
<b>51,188,073</b>	<b>17,619,414</b>

**08.2 Cash at Banks**

On Current/Short Notice Deposit Accounts Note: 08.2(a)  
On Fixed Deposit Receipt (FDR) Accounts Note: 08.2(b)  
Total

333,540,949	266,074,997
62,749,191	16,927,692
<b>396,290,140</b>	<b>283,002,689</b>

**08.2(a) On Current/Short Notice Deposit Accounts**

Bank Name	A/c Number	Branch Name		
EXIM Bank Ltd.	711100038467	Gulshan Br.	71,198	72,348
National Bank Ltd.	1067001667322	Gulshan Br.	17,904	18,748
Prime Bank Ltd.	2118313015706	Gulshan Br.	2,924	4,074
Southeast Bank Ltd.	101110011987	Gulshan Br.	541,237	10,909
Southeast Bank Ltd.	13100001554	Gulshan Br.	-	-
Southeast Bank Ltd.	13100001700	Gulshan Br.	1,620,712	-
Southeast Bank Ltd.	15100001563	Gulshan Br.	-	121,911
Southeast Bank Ltd.	1015200000041	Gulshan Br.	6,394,417	3,820,208
Southeast Bank Ltd.	1015400000003	Gulshan Br.	11,725,437	-
Southeast Bank Ltd.	1015400000041	Gulshan Br.	553,844	5,913
Southeast Bank Ltd.	1015400000044	Gulshan Br.	-	-
Southeast Bank Ltd.	1015400000048	Gulshan Br.	-	-
Southeast Bank Ltd.	1015400000051	Gulshan Br.	-	3,181,016
Southeast Bank Ltd.	1015400000807	Gulshan Br.	-	1,248



Southeast Bank Ltd.	1015400001552	Gulshan Br.	-	59,725
Southeast Bank Ltd.	1015400001559	Gulshan Br.	-	28,396
Southeast Bank Ltd.	1015400001560	Gulshan Br.	-	45,610
Southeast Bank Ltd.	1015400001561	Gulshan Br.	-	27,273
Southeast Bank Ltd.	1015400001564	Gulshan Br.	-	6,739
Southeast Bank Ltd.	1015400001613	Gulshan Br.	-	49,807
Southeast Bank Ltd.	1015400001614	Gulshan Br.	-	650
Southeast Bank Ltd.	1015400001651	Gulshan Br.	-	28,622
Southeast Bank Ltd.	1015400001654	Gulshan Br.	-	18,775
Southeast Bank Ltd.	1015400001695	Gulshan Br.	-	2,131
Southeast Bank Ltd.	1015400001728	Gulshan Br.	-	64,461
Southeast Bank Ltd.	1015400001739	Gulshan Br.	-	56,574
Southeast Bank Ltd.	1015400001744	Gulshan Br.	-	80,644
Southeast Bank Ltd.	1015400001749	Gulshan Br.	-	18,425
Southeast Bank Ltd.	1015400001767	Gulshan Br.	-	76,955
Southeast Bank Ltd.	1015400001918	Gulshan Br.	-	4,054
Southeast Bank Ltd.	1015400001937	Gulshan Br.	-	278,633
Southeast Bank Ltd.	1015400001942	Gulshan Br.	-	54,441
Southeast Bank Ltd.	1015400002286	Gulshan Br.	128,662	-
Southeast Bank Ltd.	1015400002330	Gulshan Br.	38,010	-
Southeast Bank Ltd.	1015400002432	Gulshan Br.	2,243,757	-
Southeast Bank Ltd.	1015500000256	Gulshan Br.	1,326,876	4,566,018
Southeast Bank Ltd.	1015500000382	Gulshan Br.	-	9,185,773
Southeast Bank Ltd.	1015600000040	Gulshan Br.	108,796	94,324
Southeast Bank Ltd.	1015600000100	Gulshan Br.	7,286	15,288
Southeast Bank Ltd.	1015600000109	Gulshan Br.	4,351	895
Southeast Bank Ltd.	1015600000111	Gulshan Br.	7,889	7,889
Southeast Bank Ltd.	1015600000103	Gulshan Br.	-	-
Southeast Bank Ltd.	1015600000119	Gulshan Br.	529,050	-
Social Islami Bank Ltd.	0181360001416	Foreign Ex. Br	90,854	90,854
IFIC Bank Ltd.	1002390905001	Gulshan Br.	9,218	8,227
Jamuna Bank Ltd.	00060210017279	Dilkusha Br.	91,638	91,638
Agrani Bank Limited	0200012747551	Banani Corporate Br.	3,415,438	8,652,370
Agrani Bank Limited	0200015218555	Banani Corporate Br.	85,952,526	44,161,971
Agrani Bank Limited	Fund Buildup	Banani Corporate Br.	11,996,200	24,785,000
Premier Bank Limited	018911100000067	Gulshan Br.	5,889,001	9,837,081
Trust Bank Limited	7016-0212000125	Gulshan Cor. Br.	485,814	621,787
Trust Bank Limited	0016-5025007777	Gulshan Cor. Br.	-	800,293
Trust Bank Limited	0016-5025007884	Gulshan Cor. Br.	2,533	2,453,609
Trust Bank Limited	0016-5025007900	Gulshan Cor. Br.	815,792	2,096,876
Trust Bank Limited	0016-5025008132	Gulshan Cor. Br.	-	750,071



Trust Bank Limited	0016-5025008150	Gulshan Cor. Br.	976,787	839,854
Trust Bank Limited	0016-5025008178	Gulshan Cor. Br.	4,977,557	3,477,684
Trust Bank Limited	0016-5025008196	Gulshan Cor. Br.	-	2,510,961
Trust Bank Limited	0016-5025008212	Gulshan Cor. Br.	-	823,201
Trust Bank Limited	0016-5025008258	Gulshan Cor. Br.	-	602,256
Trust Bank Limited	0016-5025008310	Gulshan Cor. Br.	-	308,472
Trust Bank Limited	0016-5025008356	Gulshan Cor. Br.	168,779	453,158
Trust Bank Limited	0016-5025008383	Gulshan Cor. Br.	-	12,782
Trust Bank Limited	0016-5025008445	Gulshan Cor. Br.	14,485	669,429
Trust Bank Limited	0016-5025008454	Gulshan Cor. Br.	86	593,599
Trust Bank Limited	0016-5025008463	Gulshan Cor. Br.	-	6,076,925
Trust Bank Limited	0016-5025008472	Gulshan Cor. Br.	1,084,252	55,450,917
Trust Bank Limited	0016-5025008481	Gulshan Cor. Br.	964,179	2,629,391
Trust Bank Limited	0016-5025008516	Gulshan Cor. Br.	275,297	10,716,425
Trust Bank Limited	0016-5025008525	Gulshan Cor. Br.	1,078,773	341,959
Trust Bank Limited	0016-5025008543	Gulshan Cor. Br.	5,181,909	28,080,445
Trust Bank Limited	0016-5025008589	Gulshan Cor. Br.	938,394	-
Trust Bank Limited	0016-5025008801	Gulshan Cor. Br.	2,962,809	-
Trust Bank Limited	0016-5025008810	Gulshan Cor. Br.	9,818,529	-
Trust Bank Limited	0016-5025008847	Gulshan Cor. Br.	1,377,917	-
Trust Bank Limited	0016-5025008856	Gulshan Cor. Br.	156,647	-
Trust Bank Limited	0016-5025008865	Gulshan Cor. Br.	474,998	-
Trust Bank Limited	0016-5025008874	Gulshan Cor. Br.	1,328,040	-
Trust Bank Limited	0016-5025008883	Gulshan Cor. Br.	1,833,242	-
Trust Bank Limited	0016-5025008892	Gulshan Cor. Br.	979,173	-
Trust Bank Limited	0016-5025009140	Gulshan Cor. Br.	59,581,028	1,272,853
Trust Bank Limited	0016-5025009131	Gulshan Cor. Br.	3,820,972	-
Trust Bank Limited	0016-5025009122	Gulshan Cor. Br.	114,794	-
Trust Bank Limited	0016-5025009104	Gulshan Cor. Br.	56,570,978	-
Trust Bank Limited	0016-5025009088	Gulshan Cor. Br.	6,544,629	-
Trust Bank Limited	0016-5025009051	Gulshan Cor. Br.	215,776	-
Trust Bank Limited	0016-5025009024	Gulshan Cor. Br.	2,026,367	-
Trust Bank Limited	0016-5025009015	Gulshan Cor. Br.	51,183	-
Trust Bank Limited	0016-5025009006	Gulshan Cor. Br.	7,571,597	-
Trust Bank Limited	0016-5025008972	Gulshan Cor. Br.	970,223	-
Trust Bank Limited	0016-5025008963	Gulshan Cor. Br.	3,443,713	-
Trust Bank Limited	0016-5025008954	Gulshan Cor. Br.	2,150,384	-
Trust Bank Limited	0016-5025008945	Gulshan Cor. Br.	354,153	-
Trust Bank Limited	0016-5025008918	Gulshan Cor. Br.	543,622	-
Trust Bank Limited	0016-5025008776	Gulshan Cor. Br.	2,616,590	-
Trust Bank Limited	0016-5025008767	Gulshan Cor. Br.	4,788,063	-
Trust Bank Limited	0016-5025008730	Gulshan Cor. Br.	138,942	-
Trust Bank Limited	0016-5025008703	Gulshan Cor. Br.	1,938,120	-
Trust Bank Limited	0016-5025008678	Gulshan Cor. Br.	665,482	-
Trust Bank Limited	0016-5025008669	Gulshan Cor. Br.	536,970	-
Trust Bank Limited	0016-5025008632	Gulshan Cor. Br.	56,569	-
Trust Bank Limited	0016-5025008614	Gulshan Cor. Br.	23	-
Trust Bank Limited	0016-5101000307	Gulshan Cor. Br.	1,309,247	6,124,159
Trust Bank Limited	7016-032200060	Gulshan Cor. Br.	8,425,968	25,930,998
BRAC Bank Ltd.	1501201918541001	Gulshan Br.	-	2,413,722
BRAC Bank Ltd.	1501201918541002	Gulshan Br.	299,685	255,424
BRAC Bank Ltd.	1501201918541003	Gulshan Br.	5,440	4,480
BRAC Bank Ltd.	1501201918541004	Gulshan Br.	5,664	4,608
BRAC Bank Ltd.	1501201918541006	Gulshan Br.	131,554	66,467
BRAC Bank Ltd.	1501201918541007	Gulshan Br.	-	56,574
<b>Total</b>			<b>333,540,949</b>	<b>266,074,997</b>

The above balances are reconciled with Bank Statements and ledger balances.



**08.2(b) On Fixed Deposit Receipt (FDR) Accounts**

<u>Bank Name</u>	<u>Account Number</u>	<u>Branch Name</u>		
Agrani Bank Limited	200019909272	Banani Corporate Br.	5,916,397	5,642,564
Agrani Bank Limited	200019909705	Banani Corporate Br.	5,916,397	5,642,564
Agrani Bank Limited	200019909993	Banani Corporate Br.	5,916,397	5,642,564
Agrani Bank Limited	200020016821	Banani Corporate Br.	25,000,000	-
Agrani Bank Limited	200020016887	Banani Corporate Br.	20,000,000	-
<b>Total</b>			<b>62,749,191</b>	<b>16,927,692</b>

**09 Accounts & Other Payables**

Ahmed & Chowdhury	7,261,169	14,830,820
Akbar Cotton Milles Limited	-	462,400
5f Apparels Limited	1,008,616	-
Chemitex	2,146,810	1,022,050
Chowdhury Trading	10,476,090	17,701,505
Colorant Textile BD Ltd.	5,060,905	-
K.B Traders	1,153,010	-
Exim Chem Corporation	4,510,074	8,042,900
Dibine Textile Limited	111,301	3,485,040
Metro Spinning Mills Ltd.	5,860,293	5,860,293
Moshraf Composit Textile Mills Ltd	100,189	-
Samuda Spec Chemical Limited	5,736,625	577,325
Tafriid Cotton Mills Ltd	9,887,027	-
Other Payables (Note: 9.1)	50,110,916	47,162,959
<b>Total</b>	<b>103,423,025</b>	<b>99,145,292</b>

These are unsecured, payable within one year.

**09.1 Other Payables**

KM Servicing Center	1,072,650	1,372,650
Shimanta Paribahan	32,197,659	33,599,404
Best Global Way	16,084,705	10,925,344
The Daily New Age	238,940	601,775
The Daily Somokal	516,962	663,786
<b>Total</b>	<b>50,110,916</b>	<b>47,162,959</b>

**10 Accrued Expenses**

Audit & Other fee	325,000	550,000
Salaries and Wages Payable	71,003,546	73,936,306
Gas Bill	18,416,636	11,289,775
Electracity Bill	579,649	970,875
Ornate Security Service Ltd.	-	28,000
Telephone Bill and Others Utilities	355,463	227,704
Annual Listing Fees & Other	4,329,452	6,258,452
Workers' Participation/Welfare Funds (Note: 10.1)	194,248	194,248
Provision for tax (Note: 10.2)	206,692,639	235,947,707
Deferred Tax Liability (DTL) (Note:28.00)	254,120,559	226,446,766
<b>Total</b>	<b>556,017,192</b>	<b>555,849,833</b>

**10.1 Workers' Participation/Welfare Funds**

Opening Balance	194,248	6,929,880
Add: During the year Workers' Participation/Welfare Funds	-	-
	<b>194,248</b>	<b>6,929,880</b>
Less: Adjustment during the year	-	6,735,632
	<b>194,248</b>	<b>194,248</b>

These are unsecured, falling due within one year.

No interest has been provided on, and payments made from, Workers' Participation/Welfare Funds.



**10.2 Provision for tax**  
**Accounting Year**

<u>Accounting Year</u>	<u>Assessment Year</u>	<u>Amount</u>	<u>Status</u>
July 2022 to June 2023	2023-2024	70,974,175	Return Not Yet Due.
July 2021 to June 2022	2022-2023	29,206,806	Return Submitted.
July 2020 to June 2021	2021-2022	17,564,470	Under Appeal.
July 2019 to June 2020	2020-2021	28,847,334	Under Appeal.
July 2018 to June 2019	2019-2020	24,028,862	Under Appeal.
July 2017 to June 2018	2018-2019	36,070,992	Under Appeal.
		<b>206,692,639</b>	

**11 Bank Overdraft**

<u>Bank Name</u>	<u>Br Name</u>		
Southeast Bank Ltd. CC A/c 01073300000167	Gulshan Br.	45,893,490	46,753,444
<b>Total</b>		<b>45,893,490</b>	<b>46,753,444</b>

Fully secured by 1 (one) undated cheque to cover the entire the limit along with a letter of authority to insert date on the cheque and personal guarantee of the Directors of the Company.

**12 Short Term Bank Credits :**

Time Loan		108,797,006	185,392,206
Covid Loan		-	154,497,637
Bill Purchase		2,329,433	1,118,235
Other Loans	Note 12.1	445,392,811	401,759,993
<b>Total</b>		<b>556,519,249</b>	<b>742,768,071</b>

**12.1 Other Loan**

<u>Particulars</u>	<u>Bank Wise Summary</u>			<u>30 June 2023</u>	<u>30 June 2022</u>
	<u>SEBL</u>	<u>TBL</u>	<u>ABL</u>	<u>Total</u>	<u>Total</u>
Forced Loan	-	-	-	-	27,343,799
LTR	73,173,454	-	-	73,173,454	47,689,167
EDF	187,403,498	114,765,766	23,198,370	325,367,634	201,428,780
PC	-	33,615,773	13,235,950	46,851,723	78,117,750
BTB	-	-	-	-	47,180,496
<b>Total</b>	<b>260,576,952</b>	<b>148,381,539</b>	<b>36,434,320</b>	<b>445,392,811</b>	<b>401,759,993</b>

<u>Particulars</u>	<u>Cash Credit Hypothecation</u>	<u>COVID 19 Revolving Refinance</u>
<b>Purpose:</b>	Import Raw Material	Working Capital
<b>Tenure:</b>	One year	One year
<b>Repayment:</b>	Export Bill Collection and Company's own fund	Export Bill Collection and Company's own fund
<b>Rate of Interest:</b>	8% & 9%	4% & 4.5%
<b>Security:</b>	Original Export Master Letter of Credit (L/C)	Stock Inventory

<u>COVID 19 Stimulus Funds Workers Salary</u>
Working Capital
One year
Export Collection and Fund
4% & 4.5%
Stock Inventory

**13 Deferred L/C Liabilities:**

Deferred L/C Liabilities against Purchase (13.1)	79,215,966	54,938,508
Deferred Liabilities against Assets (13.2)	2,972,864	-
	<b>82,188,830</b>	<b>54,938,508</b>



**13.1 Deferred L/C Liabilities against Purchase:**

AA Yarn Mills Ltd.	578,550	-
All-Razi Chemicals	498,575	-
Active Zipper Limited -	-	862,500
Bengal NFK Textiles Ltd.	6,185,026	-
BENGAL LABEL'S AND ACCESSORIES	-	780,919
BestTrims FastQ (BD) Ltd.	-	1,405,041
BLUE PLANET SWEATER LTD	-	927,533
Chemitex	-	2,292,600
Chowdhury Trading	3,222,902	-
Continental Seining Mills Ltd	-	687,970
Colorant Textiles Bd. Ltd	1,784,010	-
DB TEX LTD	-	393,008
FAIR POLY LIMITED	-	860,565
Gulshan Spinning Mills Ltd.	-	6,324,675
Harmony Chem Ltd.	1,379,947	-
HK Life Apparel Ltd.	3,613,166	-
Hossain Dyeing & Printing Ltd	4,577,433	-
Huaфон Chongqing	4,107,156	-
J.K Cotton Mills Ltd.	4,886,690	-
KEYA COSMETICS LTD.(SPINNING DIVISION)	-	6,389,213
KOALA ELASTIC & ACESSORIES	-	1,975,825
KSS KNIT COMPOSITE LTD.	-	1,047,676
M.S.A. INTERNATIONAL	-	310,284
M/S. SUMMA KNIT FABRICS	-	760,192
Mozaffar Hossain Spinning Mills Ltd.	5,108,800	-
N.Z. TEXTILE LTD	8,849,830	4,385,813
NS ACCESSORIES	-	130,531
Ocean Accessories Ltd.	1,475,095	-
Packmat Industries Ltd.	2,803,667	-
Pakiza Spinning Mills Ltd.	7,137,760	-
PLUS POINT	-	123,138
PRIDE PACKERS (PTE) LTD.	-	2,369,301
RAPID ACCESSORIES LTD	-	1,312,774
Re paid Accessories Ltd.	1,538,364	-
R-Pac Bangladesh Packaging Ltd.	539,326	-
Samuda Spec - Chem Limited	-	3,395,100
SAS INTERNATIONAL	-	649,577
SUPER THREAD LIMITED	-	1,079,540
Shaoxing Penghe Import & Export Com. Ltd	931,896	-
Shaoxing Yuarkuo	5,174,719	-
Shaoxing Yuarkuo Import & Export Com. Ltd	1,997,127	-
Shy Nice International Trading	4,064,407	-
Tafrid Cotton Mills Ltd.	5,357,160	-
Tara Spinning Mills Ltd.	376,640	-
The Uniter Ltd.	2,597,220	-
TARA SPINNING MILLS LTD	-	8,970,000
TECHNO PRINTING AND PACKAGING LIMITED	-	3,822,991
TRIMS WORLD	-	540,415
West Knit Wear Limited	-	874,798
Western Paper Industries (BD)(PVT) Ltd	430,500	-
YESTER ACCESSORES COMPANY(BD) LTD.	-	189,826
YOUNGSHINE PACKTRIMS LIMITED	-	2,076,708
	<u>79,215,966</u>	<u>54,938,508</u>





These are unsecured except by letters of credit, falling due within one year.

13.2 Deferred Liabilities against Assets:

Longtech Machinery Industry Co. Ltd.	2,972,864	-
Run Well (Shangong) Machinery Co. Ltd.	-	-
	<b>2,972,864</b>	<b>-</b>

14 Share Money Refundable (Foreign Currency)

These have been deposited against public issue of capital approved by SEC vide SEC letter no SEC/CI/IPO-138/2010-1488 dated August 08, 2012 and BSEC/CI/RI-90/2013/93 dated February 04, 2014.

<u>Bank Name</u>	<u>A/C No.</u>	<u>Branch</u>		
BRAC Bank Ltd	1501201918541001	Gulshan Br.	-	2,413,722
BRAC Bank Ltd	1501201918541002	Gulshan Br.	299,685	255,424
BRAC Bank Ltd	1501201918541003	Gulshan Br.	5,440	4,480
BRAC Bank Ltd	1501201918541004	Gulshan Br.	5,664	4,608
BRAC Bank Ltd	1501201918541007	Gulshan Br.	-	56,574
<b>Total</b>			<b>310,789</b>	<b>2,734,808</b>

As per Notification No. BSEC/CMRRCD/2021-391/20/Admin/121 of Bangladesh Securities and Exchange Commission regarding transferring unclaimed or undistributed or unsettled dividend in cash or non-refunded public subscription money or others include accrued interest to the Capital Market Stabilization Fund; we have already paid IPO refund BDT part & Fractions Bonus Shares amount BDT part on the date of 10 August 2022.

15 Un-paid & Unclaimed Dividend

Cash Dividend for 2021-2022	1,643,688	-
	<b>1,643,688</b>	<b>-</b>

01% cash dividend for the year ended 30 June 2022, which has approved in 18th AGM and subsequently disbursed on 09 January 2023. Details list are kept by the company and is available at [www.gnf-bd.com](http://www.gnf-bd.com). The list is more than 30 page long and can be sent to BSEC/DSE on demand any time.

16 Current Maturity of Long Term Loans

Current portion of Long Term Bank Loans Tk. 522,064,785 /- (2021-2022; Tk. 518,920,087/-) has been shown under the head Current Liabilities which is payable within June -2023.

522,064,785	518,920,087
<b>522,064,785</b>	<b>518,920,087</b>

17 Share Capital

17.1 Authorised Capital

500,000,000 Ordinary shares of Tk.10/- each	<b>5,000,000,000</b>	<b>5,000,000,000</b>
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17.2 Issued, Subscribed, Called-up & Paid-up Capital

224,363,400 Ordinary Shares of Tk. 10/- each issued for cash	2,243,634,000	2,243,634,000
270,611,155 Bonus Shares of Tk.10/- each	2,706,111,550	2,706,111,550
	<b>4,949,745,550</b>	<b>4,949,745,550</b>



The Shareholding position of the Company are as under :

Name of Shareholders	No. of Shares	Percentages (%)	Amount (Tk.)
Tauhidul Islam Chaudhury	25,409,021	5.13	254,090,210
Alavee Azfar Chaudhury	10,481,438	2.12	104,814,380
Shaheen Akhter Chaudhury	190,932	0.04	1,909,320
AJ Corporation Limited	34,506,568	6.97	345,065,680
Rajiv Sethi	9,899,489	2.00	98,994,890
Others	414,487,107	83.74	4,144,871,070
<b>Total</b>	<b>494,974,555</b>	<b>100.00</b>	<b>4,949,745,550</b>

Particulars	No. of Share	No. of Shares	Percentage	Amount of Taka
Less than 500 Shares	4,086	787,847	0.16	7,878,470
501 to 5,000 Shares	10,840	23,676,064	4.78	236,760,640
5,001 to 10,000 Shares	2,876	21,723,921	4.39	217,239,210
10,001 to 20,000 Shares	2,069	30,369,231	6.14	303,692,310
20,001 to 30,000 Shares	871	21,954,239	4.44	219,542,390
30,001 to 40,000 Shares	459	16,218,589	3.28	162,185,890
40,001 to 50,000 Shares	358	16,733,499	3.38	167,334,990
50,001 to 100,000 Shares	691	50,891,500	10.28	508,915,000
100,001 to 1,000,000 Shares	449	106,908,325	21.60	1,069,083,250
Above 1,000,000 Shares	30	205,711,340	41.56	2,057,113,400
	<b>22,729</b>	<b>494,974,555</b>	<b>100.00</b>	<b>4,949,745,550</b>

#### 18 Revaluation Surplus

Land & Land Development	136,740,234	136,740,234
Building	175,593,058	179,176,589
Plant & Machinery	69,826,162	73,501,223
	<b>382,159,453</b>	<b>389,418,046</b>
Less: Depreciation on Revaluation Surplus	7,003,169	7,258,593
<b>Total</b>	<b>375,156,284</b>	<b>382,159,453</b>

S.F. Ahmed & Co, Chartered Accountants revalued the fixed assets of the Company as of 31 December 2008, following "depreciated current cost method", resulting in a revaluation surplus at Tk.506,889,888.

#### 19 Retained Earnings

Opening Balance	328,786,314	316,800,868
Add: Current Period Profit	34,062,905	4,726,853
	<b>362,849,219</b>	<b>321,527,721</b>
Add: Depreciation on Revaluation Surplus (Net of Tax)	6,162,789	6,387,562
Add : Other Comprehensive Income	840,380	871,031
	<b>369,852,388</b>	<b>328,786,314</b>
Less: Cash Dividend for 2021-2022	49,497,456	-
	<b>320,354,932</b>	<b>328,786,314</b>

#### 20 Long Term Loans

Term Loan	Southeast Bank Ltd.	2,385,231,503	2,018,992,921
Office Space	LankaBangla Finance Ltd.	163,934,504	168,905,551
Office Space	IPDC Bangladesh Ltd.	151,194,886	154,260,460
Car Loan	IPDC Bangladesh Ltd.	-	3,064,111
		<b>2,700,360,893</b>	<b>2,345,223,042</b>
Less: Transfer to Term Loan-Current Maturity		522,064,785	518,920,087
		<b>2,178,296,108</b>	<b>1,826,302,955</b>



**Disclosure about long term loan -As per Schedule XI, Part I, Para-a (4) of the Company Act, 1994**

Particulars	Term Loan	Term Loan
<b>Purpose</b>	Import Barnd New Machine & Building Construction	Import Barnd New Machine and Construction of Factory Building
<b>Tenure:</b>	Eight Years from the date of disbursement	Eight Years from the date of disbursement
<b>Repayment:</b>	From proceed	From proceed realization
<b>Rate of Interest:</b>	8% & 9%	8% & 9%
<b>Security:</b>	Imported Machineries, Projects Land and Building	A) 262.5 decimal land and Building and Machineries of that Land located Diyakhali (Muaza), Yearpur Ashulia, Savar, Dhaka



Amount in Taka		
01.07.2022 to 30.06.2023		01.07.2021 to 30.06.2022

## 21 Sales Revenue (\*\*)

5,961,461,926		4,122,935,164
<b>5,961,461,926</b>		<b>4,122,935,164</b>

(\*\*) Export sales revenue is recognised for 2,908,934 Dozens at \$ 59,782,819.69, Equivalent to Tk. 5,961,461,926/- (2021-2022: Total Dozens 1,693,616 at \$ 48,203,977, Equivalent to Tk. 4,122,935,164/-) when delivery challan is issued.

Above sales revenue are recognized against export of readymade knit garments.

## 22 Cost of Goods Sold

Opening Stock of Raw Materials	1,034,268,058	847,170,191
Add: Purchases (Note : 22.1)	3,844,705,288	2,576,080,776
Less: Closing Stock of Raw Materials (Note : 05.1)	986,452,752	1,034,268,058
<b>Material Consumed</b>	<b>3,892,520,594</b>	<b>2,388,982,909</b>
Add: Direct Labour	1,075,935,893	744,248,094
<b>Prime Cost</b>	<b>4,968,456,487</b>	<b>3,133,231,003</b>
Add: Factory Overhead (Note : 22.2)	359,553,570	284,998,876
<b>Cost of Manufacturing</b>	<b>5,328,010,058</b>	<b>3,418,229,879</b>
Add: Opening Work-In-Process (Note: 05.00)	751,331,838	886,874,808
Less: Closing Work-In-Process (Note: 05.00)	796,112,646	751,331,838
<b>Cost of Goods Manufactured</b>	<b>5,283,229,250</b>	<b>3,553,772,849</b>
Add: Opening Stock of Finished Goods (Note: 05.00)	1,089,022,673	1,060,656,579
Less: Closing Stock of Finished Goods (Note: 05.00)	1,165,022,204	1,089,022,673
<b>Cost of Goods Sold</b>	<b>5,207,229,719</b>	<b>3,525,406,754</b>

### 22.01 Purchase of Raw Material

Yarn 6,655,505 Kgs (2021-2022: 4,542,507 Kgs)	2,715,445,907	1,991,330,649
Fabrics 125,935 (2021-2022: 112,920 Kgs)	65,486,338	58,289,224
Dyes & Chemicals	473,936,223	251,417,077
Accessories	589,836,820	275,043,826
Total	<b>3,844,705,288</b>	<b>2,576,080,776</b>



**22.2 Factory Overhead**

Rent
Security Service
Depreciation
Utility Charges
Repair and Maintenance
Fuel & Lubricant
Carriage Inward
C & F Charge Import
Entertainment
Lab Test & Inspection Charge
Insurance Premium
Other Expenses
<b>Total</b>

Amount in Taka	
01.07.2022 to 30.06.2023	01.07.2021 to 30.06.2022
1,140,000	1,140,000
1,162,000	1,236,681
109,107,798	112,910,660
186,002,675	112,091,006
5,940,260	7,430,777
23,229,312	14,127,670
8,549,640	8,865,430
5,704,087	5,446,126
3,738,332	3,134,037
5,693,161	10,196,007
8,738,443	7,395,180
547,862	1,025,302
<b>359,553,570</b>	<b>284,998,876</b>

**23 Administrative & Selling Expenses**

Staff Salaries
Directors' Remuneration
Bonus
Freight Charge
Buying House Expenses
Utility Charge
Entertainment
C & F Charges
Courier & Postage
Telephone and Other
Office Rent
Repair and Maintenance
Depreciation
Audit & Other Fee
Professional, Consultancy, Listing and Other Fee
Travelling & Conveyance
Stationeries
Fuel & Lubricant
Carriage Outward
Sample Expenses
Advertisement
License & Renewals
Commercial Expenses
AGM and EGM Expenses
Compliance Expenses
Realised Exchange Loss/ (Gain)
Unrealised Exchange Loss/(Gain)
Donation
Other Expenses

224,526,962	179,651,111
7,200,000	7,200,000
16,073,865	11,599,948
4,018,132	1,339,022
650,000	4,712,776
1,278,557	1,289,601
2,130,864	3,608,009
15,347,856	12,971,992
2,192,331	2,473,537
2,948,583	2,870,559
2,463,300	2,499,000
1,081,163	740,680
5,742,516	5,942,666
550,000	550,000
1,356,000	3,170,495
4,224,105	3,874,957
1,154,371	738,564
3,087,159	2,411,063
23,144,619	16,797,085
5,961,462	4,122,935
824,410	839,251
1,176,375	1,094,648
13,850,049	11,607,293
430,296	222,300
4,178,958	4,616,208
12,432,585	3,756,824
2,142,152	945,632
25,000	75,500
620,350	735,630
<b>360,812,020</b>	<b>292,457,286</b>

**24 Other Income**

Income from Cash Incentive
Other Revenues
Interest on Bank Deposits
<b>Total</b>

82,843,000	87,614,200
2,178,202	1,045,015
1,169,573	833,652
<b>86,190,775</b>	<b>89,492,867</b>



<b>25 Financial Expenses</b>				
Bank Charges & Commission		55,124,942		32,011,442
Interest on Time Loan		18,164,624		13,689,336
Interest on Term Loan		215,295,911		199,274,209
Interest on Bill Purchase		258,059		57,866
Interest on Other Loans		55,427,734		76,465,120
<b>Total</b>		<b>344,271,270</b>		<b>321,497,973</b>
<b>26 WPWFs/ Contribution to Central Fund (RMG Sector)</b>				
Central fund (Note: 3.16)		1,788,439		1,204,179
		<b>1,788,439</b>		<b>1,204,179</b>
<b>27 Current Year Tax Expenditure</b>				
<b>Particulars</b>	<b>Amount</b>		<b>Rate</b>	<b>Amount</b>
<b>Other Than Business Income:</b>				
Other Revenues	2,178,202		20.00%	435,640
Income from Cash Incentive	82,843,000		10.00%	8,284,300
Interest on Investment and Deposits	1,169,573		20.00%	233,915
	<b>86,190,775</b>			<b>8,953,855</b>
<b>Tax on Business Income:</b>				
Provision for Business Income Tax : (Higher of following two figures)				62,020,320
Minimum tax on Gross Receipt U/S 82C(4) 0.5% (Proportionate)		17,884,386		
Tax Deducted at source from business income		62,020,320		
<b>Total Provision for Income Tax</b>				<b>70,974,175</b>
<b>28 Deferred Tax:</b>				
<b>Opening Balance of DTL</b>		226,446,766		189,389,618
		29,450,306		30,321,337
DTL on carrying amount of cost base:		196,996,460		159,068,281
		<b>226,446,766</b>		<b>189,389,618</b>
DTL on revaluation surplus of Building		175,593,058		179,176,589
DTL on revaluation surplus of Plant & Machinery		69,826,162		73,501,223
		<b>245,419,220</b>		<b>252,677,812</b>
		12%		12%
		<b>29,450,306</b>		<b>30,321,337</b>
Computation of DT Expenses for this reporting period :				
		<b>DTL</b>		<b>DTL</b>
Difference on Tax base & carrying amount				
Written Down Value as per Accountint Policy (with revaluation part)		4,128,300,755		4,233,299,731
Less: Written Down Value on Revaluation Part		375,156,284		382,159,453
<b>Written Down Value without Revaluation</b>		<b>3,753,144,471</b>		<b>3,851,140,278</b>
Less: Written Down Value as per third schedule		1,628,469,969		1,956,825,298
Taxable Assets		<b>2,124,674,501</b>		<b>1,894,314,980</b>
		12%		12%
Closing deferred Tax Liability		254,960,940		227,317,798
Less: Opening deferred Tax Liability		226,446,766		189,389,618
Deferred Tax Expenses for this year		<b>28,514,173</b>		<b>37,928,179</b>
Less: Transfer to OCI for depreciation on revalued portion		840,380		871,031
Net Amount of deferred Tax expense transferred to PL		<b>27,673,793</b>		<b>37,057,148</b>
Depreciation on Building on Revaluation part for this year		3,511,861		3,583,532
Depreciation on Plant & Machinery on Revaluation part for this year		3,491,308		3,675,061
		7,003,169		7,258,593
		12%		12%
		<b>840,380</b>		<b>871,031</b>
Closing Deferred Tax Liability (opening + Net amount for this year)		<b>254,120,559</b>		<b>226,446,766</b>



Amount in Taka	
01.07.2022 to 30.06.2023	01.07.2021 to 30.06.2022

**29 Earning Per Share (EPS)**

Profit attributable to Ordinary Shareholders		34,062,905	4,726,853
Total Weighted Average Number of Ordinary Shares	29.2	494,974,555	494,974,555
<b>Earnings per share - Basic</b>		<u>0.07</u>	<u>0.01</u>

**29.1 Earning Per Share (EPS) -Diluted**

No diluted earnings per share is required to be calculated for the year as there is no scope for dilution during these years.(e.g no preference shareholders or loan note holder or employees/directors are not entitled to any equity share option.)

**29.2 Weighted Average Number of Ordinary Share:**

Opening No. of Share in existence		494,974,555	494,974,555
Share Allotment from Opening Share Money Deposit		-	-
Share Allotment from New Share Money Deposit		-	-
Issuance of Bonus Share		-	-
Weighted Average Share Money Deposits (in share)		-	-
<b>Total Weighted Average Number of Ordinary Shares</b>		<u>494,974,555</u>	<u>494,974,555</u>

**30 Net Assets Value per Share (NAV)**

Net Asset Value (NAV)		5,882,035,877	5,897,470,428
Total Weighted Average Number of Ordinary Shares	29.2	494,974,555	494,974,555
<b>Net Asset Value per Share (NAV) (a/b)</b>		<u>11.88</u>	<u>11.91</u>

**31 Net Operating Cash Flows per Share (NOCFPS) - Basic**

Net Operating Cash Flows		49,436,131	9,538,680
Weighted Average Number of ordinary shares	29.2	494,974,555	494,974,555
<b>Net Operating Cash Flows per Share (NOCFPS) (a/b) - Basic</b>		<u>0.10</u>	<u>0.02</u>

**31.1 Net Operating Cash Flows per Share (NOCFPS) - Diluted**

No deluted earnings per share is required to be calculated for the year as there is no scope for dilution during these years.(e.g no preference shareholders or loan note holder or employees/directors are not entitled to any equity share option.)

**32 Reconciliation of Net Income or Net Profit with Cash Flows from Operating Activities (Indirect Method) the Particulars**

Net Profit before Tax		133,551,254	71,861,838
<b>Adjustments to reconcile net income to net cash provided by operating activities:</b>			
<b>Non-Cash Items:</b>		<b>460,045,034</b>	<b>467,670,184</b>
Depriciation on Fixed Assets		114,850,314	118,853,326
Financial Expenses		344,271,270	321,497,973
Other Income		86,190,775	89,492,867
Contribution to Central Fund (RMG Sector)		1,788,439	1,204,179
Foreign Exchange Gain/ (Loss)		12,432,585	3,756,824
Income Tax Provision		(99,488,348)	(67,134,985)



<b>Changes in Operating Activities:</b>	(108,936,809)	(117,798,322)
Increase/ Decrease in Inventories	(73,290,191)	(75,593,312)
Increase/ Decrease in Trade and other Receivables	(83,216,273)	(108,059,073)
Increase/ Decrease in Advance, Deposits and Prepayments	15,874,241	(27,709,501)
Increase / Decrease in Accounts Payable & Others	4,277,733	38,180,852
Increase/Decrease in Deferred L/C Liabilities	24,277,458	(7,780,084)
Increase/Decrease in Deferred Liabilities for Assets Part	2,972,864	-
Increase/ Decrease in Accrual Expenses	167,359	63,162,796
Financial Expenses	(344,271,270)	(321,497,973)
Other Income	(86,190,775)	(89,492,867)
Contribution to Central Fund (RMG Sector)	(1,788,439)	(1,204,179)
Deferred Liabilities for Assets Part	(2,972,864)	-
<b>Net Cash Generated from Operating Activities</b>	<b>49,436,131</b>	<b>9,538,681</b>
<b>33 Cash Received from Customer</b>		
Sales Revenue	5,961,461,926	4,122,935,164
Less: Increase In Accounts receivable	83,216,273	108,059,073
Less: Unrealized Foreign Exchange gain/(Loss)	2,142,152	945,632
	<b>5,876,103,501</b>	<b>4,013,930,459</b>
<b>34 Cash Paid to Suppliers</b>		
Material Consumed	3,771,740,256	2,496,159,785
Less: Increase in Deferred Liabilities	(27,250,322)	7,780,084
Add: Deferred Liability Assets Part	2,972,864	-
Less: Decrease in Accounts Payable	(4,277,733)	(38,180,852)
Add: Increase in inventory	73,290,191	75,593,312
	<b>3,816,475,256</b>	<b>2,541,352,329</b>
<b>35 Paid for Operating Expenses</b>		
Direct Labour	1,075,935,893	744,248,094
Factory Overhead	359,553,570	284,998,876
Office & Administrative Expenses	360,812,020	292,457,286
Financial Expenses	344,271,270	321,497,973
Contribution to Central Fund (RMG Sector)	1,788,439	1,204,179
Less: Depreciation	(114,850,314)	(118,853,326)
Less: Realized Exchange Gain/ (Loss)	(12,432,585)	(3,756,824)
Less: Unrealized Exchange Gain/ (Loss)	(2,142,152)	(945,632)
Less: Increase AIT	(71,000,069)	(29,549,437)
Tax (Current Tax+Deferred Tax)	99,488,348	67,134,985
Add: Increase Advance Prepayment	(15,874,241)	27,709,501
Less: Increase Accrued Expenses	(167,359)	(63,162,796)
	<b>2,025,382,819</b>	<b>1,522,982,879</b>
<b>36 DTI transferred from DTL for depreciation on revaluation surplus</b>		
12% on Depreciation charged this year on revalued assets	840,380	871,031
	<b>840,380</b>	<b>871,031</b>





**Schedule of Property, Plant & Equipment**  
As at June 30, 2023

Particulars	Cost or Valuation			Rate of Dep. (%)	Depreciation			Written down value as on 30.06.2023
	Balance as on 01.07.2022	Addition or valuation during the period	Balance as on 30.06.2023		Balance as on 01.07.2022	Charged during the period	Balance as on 30.06.2023	
Land & Land Development	255,987,532	-	255,987,532	-	-	-	255,987,532	
Building	3,470,658,274	-	3,470,658,274	2%	466,897,839	60,075,209	2,943,685,226	
Plant & Machinery	1,395,391,827	7,250,269	1,402,642,096	5%	535,949,561	43,206,996	823,485,539	
Vehicles	80,203,266	-	80,203,266	10%	42,971,022	3,723,224	33,509,020	
Other Assets	136,188,012	2,601,069	138,789,081	10%	59,310,758	7,844,885	71,633,438	
<b>Total as on June 30, 2023</b>	<b>5,338,428,911</b>	<b>9,851,338</b>	<b>5,348,280,249</b>		<b>1,105,129,180</b>	<b>114,850,314</b>	<b>4,128,300,755</b>	
<b>Total as on June 30, 2022</b>	<b>5,331,260,531</b>	<b>7,168,380</b>	<b>5,338,428,911</b>	-	<b>986,275,854</b>	<b>118,853,326</b>	<b>4,233,299,731</b>	

Segregation of Written Down Value between revalued portion of assets (revaluation surplus) and cost based carrying value of assets:

**Total Carrying value as on 30 June 2023**

**4,128,300,755**

Revalued portion of Land, Buildings and Plant & Machineries (revaluation surplus)

375,156,284

Cost based carrying value of PPE

3,753,144,471

**4,128,300,755**

Particulars	Amount in Taka	
	2022-2023	2021-2022
Total amount Depreciated during the year	<b>114,850,314</b>	<b>118,853,326</b>

Allocation of total depreciation:

Factory Overhead (Note: 21.2)	109,107,798	112,910,660
Administrative & Selling Expenses (Note: 22)	5,742,516	5,942,666
<b>Total</b>	<b>114,850,314</b>	<b>118,853,326</b>

