

**DRAGON SWEATER & SPINNING LIMITED**  
Statement of Financial Position (Unaudited)  
As at 31 March 2023


Particulars	Note	31 Mar. 2023 Taka	30 June 2022 Taka
<b>ASSETS</b>			
<b>Non-Current Assets</b>		<b>1,200,741,016</b>	<b>1,292,961,876</b>
Property, Plant & Equipment	4.00	1,171,091,824	1,259,554,336
Intangible Assets	5.00	29,649,192	33,407,540
<b>Current Assets</b>		<b>2,977,217,679</b>	<b>2,914,063,078</b>
Short-Term Investment in FDR	6.00	5,498,621	5,330,707
Inventories	7.00	556,369,681	494,297,860
Trade Receivable from Foreign Companies	8.00	1,082,215,757	1,088,293,406
Trade Receivable from Local Companies	9.00	1,093,586,231	1,105,169,067
Advance, Deposit & Pre-payment	10.00	83,019,536	73,898,232
Cash & Cash Equivalents	11.00	156,527,853	147,073,806
<b>TOTAL ASSETS</b>		<b>4,177,958,695</b>	<b>4,207,024,954</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' Equity</b>		<b>3,800,500,290</b>	<b>3,723,739,565</b>
Share Capital	12.00	2,107,932,750	2,107,932,750
Retained Earnings		1,181,632,532	1,059,514,636
Reserve for Revaluation	13.00	510,935,008	556,292,179
<b>Non-Current Liabilities</b>		<b>57,265,381</b>	<b>152,304,790</b>
Long Term Loan Net of Current Portion	14.00	-	93,878,585
Deferred Tax Liability	Annx-2	57,265,381	58,426,205
<b>Current Liabilities</b>		<b>320,193,024</b>	<b>330,980,599</b>
Bills Payable	15.00	10,724,534	24,808,734
Liabilities for Expenses	16.00	12,669,078	24,787,876
Long Term Loan Current Portion	14.00	-	9,387,859
Provision for Income Tax	17.00	296,771,372	271,968,090
Un-Claim Dividend		28,040	28,040
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>4,177,958,695</b>	<b>4,207,024,954</b>
Net Assets Value (NAV) per share	24.00	<b>18.03</b>	<b>17.67</b>

The annexed notes form are an integral part of the Statement of Financial Position.

  
Company Secretary

  
Chief Financial Officer

  
Director

  
Managing Director

  
Chairman

Signed in terms of our separate report on even date

Dated: 29 April 2023

Place: Dhaka

  
Dragon Sweater & Spinning Limited  
Md. Rafiqul Islam  
Managing Director

# DRAGON SWEATER & SPINNING LIMITED

Statement of Profit or Loss and Other Comprehensive Income (Unaudited)

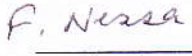
For the period ended 31 March 2023


Particulars	Note	1 Jan 2023 to 31 Mar 2023	1 Jan 2022 to 31 Mar 2022	1 July 2022 to 31 Mar 2023	1 July 2021 to 31 Mar 2022
Revenue	18	239,425,625	391,391,454	839,256,740	1,136,078,783
Cost of Goods Sold	19	(180,245,607)	(279,283,059)	(642,873,771)	(792,974,273)
<b>Gross Profit (GP)</b>		<b>59,180,018</b>	<b>112,108,395</b>	<b>196,382,969</b>	<b>343,104,510</b>
Operating Expenses	20	(18,472,223)	(33,721,208)	(87,044,084)	(98,832,690)
Financial Expenses	21	(15,750)	(11,112,335)	(9,018,624)	(22,210,187)
Non-Operating Income	22	23,715,810	15,294,611	34,077,453	24,201,633
<b>Profit Before Tax and WPPF</b>		<b>64,407,855</b>	<b>82,569,463</b>	<b>134,397,714</b>	<b>243,693,433</b>
Worker's Profit Participation Fund (WPPF) Expenses		(3,067,041)	(3,931,879)	(6,276,086)	(11,472,374)
<b>Profit before Tax</b>		<b>61,340,814</b>	<b>78,637,583</b>	<b>128,121,628</b>	<b>232,221,059</b>
<b>Tax Expenses:</b>					
Current Tax	17	(12,634,524)	(13,121,859)	(24,803,282)	(36,645,943)
Deferred Tax Income/(Expenses)	Annx-2	(16,938,297)	2,728,104	1,160,824	5,127,549
<b>Profit for the quarter</b>		<b>31,767,993</b>	<b>68,243,828</b>	<b>104,479,170</b>	<b>200,702,665</b>
<b>Other Comprehensive Income:</b>					
Revaluation Surplus		-	-	-	-
Deferred Tax Expenses		-	-	-	-
<b>Total Comprehensive Income</b>		<b>31,767,993</b>	<b>68,243,828</b>	<b>104,479,170</b>	<b>200,702,665</b>
<b>Basic Earnings Per Share (EPS)</b>	23	<b>0.15</b>	<b>0.34</b>	<b>0.50</b>	<b>1.00</b>

The annexed notes form are an integral part of the Statement of Profit or Loss and Other Comprehensive Income.

  
Company Secretary

  
Chief Financial Officer

  
Director

  
Managing Director

  
Chairman

Signed in terms of our separate report on even date

Dated: 29 April 2023  
Place: Dhaka

  
Dragon Sweater & Spinning Limited  
Mostafa Golam Quddus  
Managing Director



**DRAGON SWEATER & SPINNING LIMITED**  
Statement of Changes in Equity (Unaudited)  
For the period ended from 01 July 2022 to 31 March 2023

(Amount in Taka)

Particulars	Ordinary Share Capital	Revaluation Surplus	Retained Earnings	Total
Balance as of 1 July 2022	2,107,932,750	556,292,179	1,059,514,636	3,723,739,565
Revaluation Surplus realized (Annexure)	-	(45,357,171)	45,357,171	-
Addition during the period		-	104,479,170	104,479,170
<b>Sub-Total</b>	<b>2,107,932,750</b>	<b>510,935,008</b>	<b>1,209,350,977</b>	<b>3,828,218,735</b>
Less: Dividend Paid during the period	-	-	(27,718,445)	(27,718,445)
<b>Balance as at 31 March 2023</b>	<b>2,107,932,750</b>	<b>510,935,008</b>	<b>1,181,632,532</b>	<b>3,800,500,290</b>

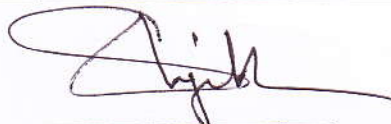
For the period ended from 30 June 2022

(Amount in Taka)

Particulars	Ordinary Share Capital	Revaluation Surplus	Retained Earnings	Total
Balance as of 1 July 2021	2,007,555,000	625,533,395	924,649,912	3,557,738,307
Revaluation Surplus realized (Annexure)	-	(69,241,216)	69,241,216	-
Addition during the period	100,377,750	-	231,997,554	332,375,304
<b>Sub-Total</b>	<b>2,107,932,750</b>	<b>556,292,179</b>	<b>1,225,888,682</b>	<b>3,890,113,611</b>
Less: Dividend Paid during the period	-	-	(166,374,046)	(166,374,046)
<b>Balance as at 30 June 2022</b>	<b>2,107,932,750</b>	<b>556,292,179</b>	<b>1,059,514,636</b>	<b>3,723,739,565</b>



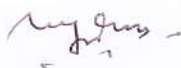
Company Secretary



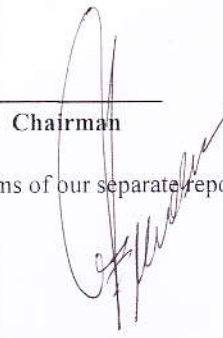
Chief Financial Officer

F. Nersa

Director



Managing Director



Chairman

Signed in terms of our separate report on even date

Dated: 29 April 2023

Place: Dhaka

Dragon Sweater & Spinning Limited  
Mostafa Golam Quddus  
Managing Director

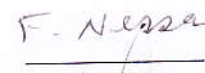
**DRAGON SWEATER & SPINNING LIMITED**  
Statement of Cash Flows (Unaudited)  
For the period ended 31 March 2023

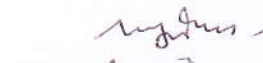
Particulars	Note	1 July 2022 to 31 March 2023	1 July 2021 to 31 March 2022
<b>A. Cash Flows from Operating Activities</b>			
Cash Receipt from Customers	26	856,917,225	1,020,071,149
Cash Receipt from Non-Operating Income		2,539,678	3,914,419
Cash Paid to Suppliers and Others	27	(741,369,204)	(821,559,732)
Foreign Exchange Gain/(Loss)		30,981,731	19,655,927
<b>Cash Generated from Operations</b>	28	<b>149,069,430</b>	<b>222,081,763</b>
Cash Paid for Financial Expenses		(9,018,624)	(24,780,019)
Income Tax Paid		-	(5,140,946)
<b>Net Cash Flows from Operating Activities</b>		<b>140,050,806</b>	<b>192,160,798</b>
<b>B. Cash Flows from Investing Activities</b>			
Acquisition of PPE		-	(57,953,272)
FDR Investment		(167,914)	(249,452)
Interest Received from FDR		295,030	297,815
Interest Received from SND		261,014	333,471
<b>Net Cash used in Investing Activities</b>		<b>388,130</b>	<b>(57,571,438)</b>
<b>C. Cash Flows from Financing Activities:</b>			
Long Term Loan Net of Current Portion		(93,878,585)	(122,196,292)
Long Term Loan paid		(9,387,859)	(12,219,629)
Cash Paid for dividend		(27,718,445)	-
<b>Net Cash used in Financing Activities</b>		<b>(130,984,889)</b>	<b>(134,415,921)</b>
<b>D. Net Increase in Cash &amp; Cash Equivalents (A+B+C)</b>		<b>9,454,047</b>	<b>173,439</b>
<b>Opening</b>			
Cash & Cash Equivalents at beginning at the year		147,073,806	177,427,043
<b>F. Cash &amp; Cash Equivalents at end of the quarter (D+E)</b>		<b>156,527,853</b>	<b>177,600,482</b>
<b>Net Operating Cash Flows Per Share</b>	25	<b>0.66</b>	<b>0.96</b>

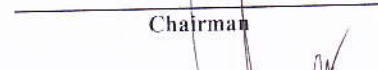
The annexed notes form are an integral part of the Statement of Cash Flows.

  
Company Secretary

  
Chief Financial Officer

  
Director

  
Managing Director

  
Chairman

Signed in terms of our separate report on even date

Dated: 29 April 2022  
Place: Dhaka



## **DRAGON SWEATER & SPINNING LIMITED**

**Notes, comprising a summary of significant accounting policies and explanatory information  
For the period ended 01 July 2022 to 31 March 2023**

### **1.00 The Background and Activities of the Company:**

#### **1.01 Legal Status of the Company:**

Dragon Sweater & Spinning Limited was incorporated on June 16, 1999 as a 'Private' Company limited by Shares, Registered under the Companies Act 1994 as adopted in Bangladesh vide certificate of incorporation No. C-37951 (2251)/99. Dragon Sweater & Spinning Limited was converted into a Public Limited Company as on 13<sup>th</sup> January 2012. The Company's registered office is situated at 25/2, DIT Road, Malibagh Chowdhury Para, Dhaka and its factory is located at Chandul, Miah Bazar, Chowddagaram, Comilla.

#### **1.02 Principal Activities of the Company:**

The company has been incorporated with the primary objective of getting involved to promote, established and conduct textile, yarn and acrylic spinning mills in Bangladesh and to undertake all other business in connection therewith. Dragon Sweater & Spinning Limited runs the business of producing Spinning and manufacturing and exporting of readymade sweater, pull over and wearing apparels of all kinds out of wool, cotton, synthetic, fibers, acrylics and others to establish a modern Sweater Factory or manufacturing Sweater shirt and pullover of acrylic cotton, wool, silk, jute, flex, synthetic, and/or any fabric yarn for men, women, boys, and girls and marketing the same in the foreign market.

#### **1.03 Summary of Significant Accounting and Valuation Policies:**

The principal accounting policies have been consistently applied to all the years presented, unless other wise stated. The specific Accounting Policies selected and applied by the company's management for significant transactions and events that have a material effect within the framework of International Accounting Standard (IAS)-1 **"Presentation of Financial Statements"** in preparation and presentation of financial statements. Compared to the previous period, there were no significant changes in the accounting and valuation principles affecting the financial position and performance of the company. Accounting and valuation methods are disclosed for reasons of clarity.

### **2.00 Basis of Financial Statements Preparation and Presentation:**

#### **2.01 Accounting Standard:**

The financial statements of the company have been prepared in accordance with International Financial Reporting Standards (IFRS) which include International Accounting Standards (IAS).



**2.02 Accounting Convention:**

The financial statements are prepared under the historical cost convention. The company classified the expenses using the function of expenses method as per IAS-1.

**2.03 Legal Compliance:**

The financial statements have been prepared and the disclosures of information have been made in accordance with the requirements of the Companies Act 1994, The Securities and Exchange Rules 1987, IASs and IFRSs. On the basis of these regulations International Accounting Standards (IAS) & International Financial Reporting Standards (IFRS) were applied at the date of financial statements.

**2.04 Accounting Estimates, Assumptions and Judgments:**

The preparation of the financial statements in conformity with IFRS requires the use of certain accounting estimates. It also requires management's engagement to exercise its judgment in the process of applying the company's accounting policies. Therefore the management has fulfilled these requirements for the preparation and presentation of financial statements of the company.

**2.05 Reporting Framework and Compliance Thereof:**

The Financial Statement have been prepared in compliance with the requirements of the Companies Act 1994, the Securities & Exchange Rules 1987 and other relevant local laws as applicable, and in accordance with the International Financial Reporting Standards (IFRSs) and International Accounting Standards (IAS).

**2.06 Presentation of Financial Statements:**

The presentation of these financial statements is in accordance with the guidelines provided by IAS 1: "**Presentation of Financial Statements**". The Financial Statement comprises:

- i) A Statement of Financial Position as at 31 March 2023;
- ii) A Statement of Profit or Loss and Other Comprehensive Income for the period ended from 1 July 2022 to 31 March 2023;
- iii) A Statement of Changes in Equity for the period ended from 1 July 2022 to 31 March 2023;
- iv) A Statement of Cash Flows for the period ended from 1 July 2022 to 31 March 2023; and
- v) Notes, comprising a summary of significant accounting policies and explanatory information.

**Reporting Period and Comparative information**

**Interim Financial Reporting:**

These Interim Financial Statements present selected explanatory notes that are intended to assist users in understanding the result of the operations of the company for the current interim period.

The Financial statements cover 09 months period starting from July 01, 2022 to March 31, 2023 certain comparative amounts have been re-classified & rearranged to conform to the current period's presentation and all numerical information in the current financial statements as below:

- Statements of Financial Position as of the end of the preceding financial period;
- Statements of Comprehensive income for the comparable of the preceding financial period;
- Statements of Changes in Equity for the comparable of the preceding financial period;
- Statement Cash flows for the comparable of the preceding financial period;

Narrative and descriptive information for comparative information has also been disclosed as required by IAS & IFRs whenever it is relevant for the understanding of the current period financial statements

## 2.07 Application of Standards:

The following IASs are applicable for the financial statements of the company for the period under audit:

Name of the accounting standards	Ref. No.	Status of Application
Presentation of Financial Statements	IAS-1	Applicable
Inventories	IAS-2	Applicable
Statement of Cash Flows	IAS-7	Applicable
Accounting Policies, Changes in Accounting Estimates and Errors	IAS-8	Applicable
Events After the Reporting Period	IAS-10	Applicable
Income Taxes	IAS-12	Applicable
Property, Plant and Equipment	IAS-16	Applicable
Revenue	IFRS-15	Applicable
Employee Benefits	IAS-19	Applicable
The Effects of Changes in Foreign Exchange Rates	IAS-21	Applicable
Borrowing Costs	IAS-23	Applicable
Related Party Disclosure	IAS-24	Applicable
Earnings Per Share (EPS)	IAS-33	Applicable
Impairment of Assets	IAS-36	Applicable
Provisions, Contingent Liabilities and Contingent Assets	IAS-37	Applicable
Intangible Assets	IAS-38	Applicable

## 2.08 Reporting Period:

The financial statement covers one quarter of the period from 1 July 2022 to 31 March 2023.

## 2.09 Date of Authorization:

The Board of Directors has authorized these financial statements on April 29, 2023.

## 2.10 Functional and Presentation Currency:

Dragon Spinning & Spinning Limited  
 Mostafa Golem Omidus  
 Managing Director



The Financial Statements are prepared and presented in Bangladesh Currency (Taka), though the major sales and purchase activities were carried out in US Dollar. Foreign currencies are translated at the applicable rates of exchanges ruling at that date. All Financial information presented has been rounded off to the nearest Taka except where indicated otherwise.

**2.11 Going Concern:**

It was reviewed by the management; there were no significant going concern threats available in the operation of the company.

**3.00 Significant Accounting Policies:**

The accounting policies in respect of material items of financial statements have been set out below:

**3.01 Revenue Recognition:**

In compliance with the requirements of IFRS 15: **“Revenue from contracts with customers”** a performance obligation is satisfied by transferring the premised good or service to the customer. The good or service is transferred when the customer obtains control of the promised good or service. An indicator of this is when the customer has the risk and reward of ownership.

Revenue from sales is exclusive of VAT.

**3.02 Property, Plants and Equipments:**

**3.02.1 Recognition and Measurement:**

This has been stated at cost or revalued amount less accumulated depreciation in compliance with the requirements of IAS 16: **“Property, Plant and Equipment”**. The cost of acquisition of an asset comprises its purchase price and any directly attributable cost of bringing the assets to its working condition for its intended use inclusive of inward freight, duties and non-refundable taxes.

**3.02.2 Pre-Operating Expenses and Borrowing Costs:**

Interest and other expenses incurred by the company in respect of borrowing of fund are recognized as expenses in the year in which they incurred unless the activities are necessary to prepare the qualifying assets for its intended use are in progress. Expenses capitalized also include applicable borrowing cost considering the requirement of IAS 23: **“Borrowing Costs”**.

**3.02.3 Subsequent Costs and Maintenance Activities:**

The company recognizes in the carrying amount of an item of property, plant and equipment the cost of replacing part of such an item when the cost is incurred, it is probable that the future economic benefits embodied with the item will flow to the company and the cost of the item can be measured reliably. Expenditure incurred after the assets have been put into operation, such as repair and maintenance is normally charged off as revenue expenditure in the year in which it is incurred. In situation where it can be clearly demonstrated that the expenditure has resulted in an increase in the future economic benefit expected to be obtained from the use of fixed assets, the expenditure is capitalized as an additional cost of the assets. All other costs are charged to the profit and loss account as expenses if incurred. All up-gradation/enhancement are generally charged off as revenue expenditure unless they bring similar significant additional benefits.



#### 3.02.4 Software:

Software is generally charged off as revenue expenditure. Customized software that is integral to the functionality of the related equipment is capitalized as part of that equipment. Which is locally developed customized software with the technical assistant of Watch India Limited.

#### 3.02.5 Disposal of Fixed Assets:

On Disposal of Fixed Assets, the cost and accumulated depreciation are eliminated and gain or loss on such disposal is reflected in the Statement of Comprehensive Income, which is determined with reference to the net book value of the assets and net sales proceeds.

#### 3.02.6 Depreciation of Fixed Assets:

Depreciation is calculated using 'Reducing Balance Method' over the estimated useful life of each item of property, plant and equipments. Depreciation has been charged on addition of property, plant and equipments during the period when the assets are available for use. Depreciation has been charged on disposal of assets as per IAS-16 Para-55. Rate(s) of depreciation of assets considering their useful lives are as follows:

<u>Category</u>	<u>Rate</u>
Land & Land Development	0%
Building	10%
Plant & Machinery	15%
Generator	15%
Boiler	15%
Washing Machine	15%
Weight Machine	15%
Cleaning Machine	15%
Transformer	10%
Furniture & Fixture & Decoration	10%
Office Equipments	10%
Cookeries	20%
Air Compressor	10%
Water & Gas Installation	10%
Computer & Accessories	20%
Telephone & PABX	10%
Electric Installation	10%
Fire Fighting's	10%
C.C. Camera	20%
Motor Vehicles	15%

#### 3.02.7 Intangible assets and amortization:

Intangible assets comprise the value of computer software. Intangible assets acquired separately are measured on initial recognition at cost and are carried at cost less amortization and impairment losses if any. Amortization is calculated using the Reducing Balance Method at 15% to write-off the cost of intangible assets.

### **3.02.8 Revaluation of Property, Plant and Equipment:**

The company revalued its Property, Plant and Equipment (Land, Building and Plant Machineries) in the year ended 30 June 2018 by Ata Khan & Co., Chartered Accountants dated on 03 August 2018 to reflect the fair value (prevailing market price) of those classes of assets. "They applied "Current Cost Method" to determine the fair value of those assets which are in compliance with IAS-16 **"Property, Plant and Equipment"**. Revaluation Surplus has arisen Tk. 876,932,727 The increase in the carrying amount of revalued assets is recognized in the separate component of equity under the head "Revaluation Surplus".

### **3.03 Valuation of Inventory:**

Inventories are carried at the lower of cost and net realizable value as prescribed by IAS-2: **"Inventories"**. Cost is determined on weighted average cost basis. The cost of inventories comprises of expenditure incurred in the normal course of business in bringing the inventories to their present location and condition. Net realizable value is based on estimated selling price less any further costs expected to be incurred to make the sale.

### **3.04 Financial Instruments:**

A Financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity of another entity.

#### **3.04.1 Financial Assets:**

Financial assets of the company include cash and cash equivalents, accounts receivable and other receivables.

The company initially recognizes receivable on the date they are originated. All other financial assets are recognized initially on the date at which the company becomes a party to the contractual provisions of the transaction. The company derecognizes a financial asset when, and only when, the contractual rights of probabilities of receiving the cash flows from the asset expire or it transfer the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risk and rewards of ownership of the financial assets are transferred.

#### **3.04.1 (a) Accounts Receivable:**

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

#### **3.04.1 (b) Advances, Deposits and Prepayments:**

Advances are initially measured at cost. After initial recognition, advances are carried at cost less deductions, adjustments or charges to other account heads. Deposits are measured at payment value.

Prepayments are initially measured at cost. After initial recognition, prepayments are carried at cost less charges to profit and loss account.

#### **3.04.1 (c) Cash and Cash Equivalents:**



Cash and Cash Equivalents are carried in the Statement of Financial Position at cost and include cash in hand and with banks on current and deposit accounts, which are held and available for use by the company without any restriction. There is insignificant risk of change in value of the same.

#### **3.04.2 Financial Liability:**

Financial liabilities are recognized initially on the transaction date at which the company becomes a party to the contractual provisions of the liability. The company derecognizes a financial liability when its contractual obligations are discharged or canceled or expire.

Financial liabilities include payable for expenses, liability for capital expenditure and other current liabilities.

#### **3.04.2 (a) Accounts Payable:**

Liabilities are recorded at the amount payable for settlement in respect of goods and services received by the company.

#### **3.05 Impairment:**

##### **a) Financial Assets:**

Accounts receivable and other receivables are assessed at each reporting date to determine whether there is any objective evidence of impairment. Financial assets are impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset, that can be estimated reliably. Objective evidence that financial assets are impaired can include default or delinquency by a debtor, indications that a debtor or issuer will enter bankruptcy, etc.

##### **b) Non-Financial Assets:**

An asset is impaired when its carrying amount exceeds its recoverable amount. The company assesses at each reporting date whether there is any indication that an asset may be impaired. If any such indication exists, the company estimates the recoverable amount of the asset.

The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use. Carrying amount of the asset is reduced to its recoverable amount by recognizing an impairment loss if, and only if, the recoverable amount of the asset is less than its carrying amount. Impairment loss is recognized immediately in profit or loss, unless the asset is carried at revalued amount. Any impairment loss of a revalued asset shall be treated as a revaluation decrease.

#### **3.06 Provisions:**

A provision is recognized in the statement of financial position when the company has a legal or constructive obligation as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provision is ordinarily measured at the best estimate of the expenditure required to settle the present obligation at the date of statement of financial position. Where the effect of time value of money is material, the amount of provision is measured at the present value of the expenditures expected to be required to settle the obligation.

#### **3.07 Taxation:**

Income tax expense is recognized in profit and loss account and accounted for in accordance with the requirements of IAS 12: **"Income Taxes"**



a) Tax deducted by the authorized Bank on proceed realized from 01 July 2022 to 31 March 2023 was considered as minimum tax under section 82(C).

**b) Current Tax:**

As per section 53BBBB of the Income Tax Ordinance 1984 tax has been deducted at source from export proceeds @ 0.50% from 01<sup>st</sup> July, 2022 and the deducted amount is treated as the minimum tax under section 82(C).

**c) Deferred Tax:**

Deferred tax arises due to temporary difference deductible or taxable for the events or transaction which is recognized in the Statement of profit or loss and other comprehensive Income. A temporary difference is the difference between the tax bases 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 future periods recognized in the current period. Therefore, deferred tax policy has been adopted by the management during the period.

**3.08 Borrowing Costs:**

This has been dealt with the requirement of IAS 23: "**Borrowing Costs**".

Borrowing costs relating to projects in commercial operation are recognized as expenses in the year in which they are incurred. In respect of projects that have not yet commenced commercial production, borrowing costs are debited to capital work in progress.

**3.09 Employee Benefits:**

The company taking initiative to maintain contribution plan for its eligible permanent employees in compliance with the provisions of IAS 19: "**Employee Benefits**".

As per Section 232 of Bangladesh Labor Act 2006, which states that in sub-section 2 "The Government may, by notification in the official Gazette apply this chapter to such other companies as it may specify therein." And in sub-section 3 "Notwithstanding anything contained in sub-section (1) and (2), in industrial sector which is hundred percent export oriented or which is hundred percent foreign invested, the government may, by rules, for the beneficiaries working in such sectors, from sector-wise a central fund consolidating buyers and owners, fund management board, determine amount of donation and procedure for recovery thereof, adopt rules for using money of that fund and relevant other necessary rules. Provided that, such board, may very prior approval of government adopt regulations for the purpose of this section."

**3.10 Statement of Cash Flows:**

The Statement of Cash Flow has been prepared in accordance with the requirements of IAS 7: "**Statement of Cash Flows**". The cash generated from operating activities has been reported using the Direct Method as prescribed by the Securities and Exchange Rules 1987 and as the benchmark treatment of IAS 7, whereby major classes of gross cash receipts and gross cash payments from operating activities are disclosed.

**3.11 Earnings per Share (EPS):**

The Company calculates Earnings per Share (EPS) in accordance with IAS-33: "**Earnings per Share**" which has been shown at the bottom of the Statement of Comprehensive Income.

**Basic Earnings (Numerator):**



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

**Weighted Average Number of Ordinary Shares outstanding during the period (Denominator):**

This represents the number of ordinary shares outstanding at the beginning of the period plus the number of ordinary shares issued during the period multiplied by a time-weighting factor is the number of days the specific shares are outstanding as a proportion of the total number of days in the year.

**3.12 Foreign Currency Transactions:**

The financial records of the company are maintained and the financial statements are stated in Bangladeshi Taka. Foreign currency transactions are recorded at the applicable rates of exchange ruling at the transaction date.

The major activities of the company were carried out in USD but recorded and reported in Bangladesh Taka as this is the reporting currency.

The import activities were not subject to any exchange fluctuation. Only the unencumbered portions of export bills were subject to exchange fluctuation which was dealt through Statement of Comprehensive Income of the entity. Foreign currency transaction is recorded at the applicable rates of exchange ruling at the transaction date.

Among the monetary assets and liabilities denominated in foreign currencies at the reporting date, only the export retention quota accounts were translated at the applicable rates of exchange ruling at that date. Exchange difference on such translation was also dealt through the Statement of Comprehensive Income.

The monetary assets and liabilities, if any, denominated in foreign currencies at the reporting date are translated at the applicable rates of exchanges ruling at that date. Exchange differences are charged off as revenue expenditure / gain in compliance with the provisions of IAS 21: The Effects of changes in Foreign Exchange Rates.

**3.13 Segment Reporting:**

No segment reporting is applicable for the company as required by "IFRS - 8: "Operating Segments" as the company operates in a single industry segment and within as geographical segment.

**3.14 Events after the Reporting Period:**

In compliance with the requirements of IAS 10: "Events after the Reporting Period", provided additional information about the company's position at the statement of financial position date are reflected in the financial statements and events after the statement of financial position date that are not adjusting events are disclosed in the notes when material.

**3.15 Related Party Disclosures:**

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

**3.16 Comparative information and General:**

Comparative figures have been rearranged wherever considered necessary to ensure better comparability with the current period without causing any impact on the profit and value of assets and liability as reported in the financial statement.

2010-2011  
Sarepta & Spinning Limited  
*[Signature]*  
Mostafa Gohm Oudous  
Managing Director



**4.00 Property, Plant & Equipment****At Cost/Valuation**

Opening Balance

Addition during the period

**Accumulated Depreciation**

Opening Balance

Charged during the period

**Written Down Value**

31 Mar. 2023 Taka	30 June 2022 Taka
2,831,084,331	2,831,084,331
-	-
<b>2,831,084,331</b>	<b>2,831,084,331</b>
1,571,529,995	1,437,013,035
88,462,512	134,516,960
<b>1,659,992,507</b>	<b>1,571,529,995</b>
<b>1,171,091,824</b>	<b>1,259,554,336</b>

The company revalued its Property, Plant and Equipment (Land, Building and Plant Machineries) in the year ended 30 June 2018 by Ata Khan & Co., Chartered Accountants dated on 03 August 2018 to reflect the fair value (prevailing market price) of those classes of assets. "They applied 'Current Cost Method,' to determine the fair value of those assets which are in compliance with IAS-16 Property Plant and Equipment". Revaluation Surplus has arisen Tk.876,932,127

The details of the above is given in Annexure-1

**5.00 Intangible Assets****At Cost/Valuation**

Opening Balance

Addition during the period

**Accumulated Amortization**

Opening Balance

Charged during the period

**Written Down Value**

The details of the above is given in Annexure-1

73,591,000	73,591,000
-	-
<b>73,591,000</b>	<b>73,591,000</b>
40,183,460	34,288,012
3,758,348	5,895,448
<b>43,941,808</b>	<b>40,183,460</b>
<b>29,649,192</b>	<b>33,407,540</b>

**6.00 Short-Term Investment in FDR**

<u>FDR No.</u>	<u>Name of the Bank</u>
4122020500005	City Bank Ltd.
4122020502006	City Bank Ltd.
4122020486005	City Bank Ltd.
4852005398001	City Bank Ltd.
4851175306001	City Bank Ltd.
4851175306002	City Bank Ltd.

1,800,459	1,745,477
1,800,459	1,745,477
718,593	696,649
371,821	360,467
334,881	324,655
472,408	457,982
<b>5,498,621</b>	<b>5,330,707</b>

The above FDR are kept as lien with City Bank Ltd.

**7.00 Inventories**

Raw Materials

Packing Materials

Work in Process

Finished Goods

19.01	364,380,047	399,726,341
19.02	83,192,552	8,975,698
19.00	15,099,890	8,382,063
19.00	93,697,192	77,213,758
	<b>556,369,681</b>	<b>494,297,860</b>

Dr. Anwar Hossain  
Managing Director

#### 8.00 Trade Receivable (Foreign)

	31 March 2023 Taka	30 June 2022 Taka
New Yorker	185,434,185	215,307,666
Golden Tuch	161,798,907	161,620,479
Centex	372,775,542	414,154,435
Michel	18,060,839	16,877,712
Blue Stern	17,818,035	57,682,506
Blerred	194,589,054	181,153,625
Woolworth	100,551,421	98,927,830
	<b>1,051,027,983</b>	<b>1,085,724,253</b>
Exchange Gain/(Loss)	31,187,774	2,569,153
	<b>1,082,215,757</b>	<b>1,088,293,406</b>

#### 8.01 Exchange Gain/(Loss)

	Receivable In USD	USD Rate	Receivable In BDT	Receivable In BDT
Current Market Rate	10,395,925	104.10	1,082,215,757	1,088,293,406
Average Rate	10,395,925	101.10	1,051,027,983	1,085,724,253
Exchange Gain/(Loss)			<b>31,187,774</b>	<b>2,569,153</b>

Bills receivable have been stated at their nominal value. Bills receivable are accrued in the ordinary course of business. All receivables have been considered as good and realizable. Trade Receivable is a monetary items, so exchange gain or loss has been recognized to profit or loss in accordance with IAS-21, Para-28.

Receivable Ageing report is given below:

Party Name	Not more than 90 days	Above 90 days below 180 days	Total
New Yorker	185,434,185	-	185,434,185
Golden Tuch	161,798,907	-	161,798,907
Centex	372,775,542	-	372,775,542
Michel	18,060,839	-	18,060,839
Blue Stern	17,818,035	-	17,818,035
Blerred	194,589,054	-	194,589,054
Woolworth	100,551,421	-	100,551,421
<b>Total:</b>	<b>1,051,027,983</b>	<b>-</b>	<b>1,051,027,983</b>

#### 9.00 Trade Receivable from Local Companies

Dragon Sweater (BD) Ltd.	417,666,816	473,291,099
CD Acrylic Bangladesh Ltd.	195,882,917	189,407,323
Imperial Sweater (BD) Ltd.	480,036,498	442,470,645
	<b>1,093,586,231</b>	<b>1,105,169,067</b>

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

Sl.	Particulars		
I	Receivables considered good in respect of which the company is fully secured	1,082,215,757	1,088,293,406
II	Receivables considered good in respect of which the company holds no security other than the debtor personal security		
III	Receivable considered doubtful or bad		
IV	Receivables due by directors or other officers & staffs		
V	Receivables due from companies under same management	1,093,586,231	1,105,169,067
VI	The maximum amount of receivable due by any director or other officer		
	<b>Total:</b>	<b>2,175,801,988</b>	<b>2,193,462,473</b>

#### 9.A Related Party Transactions:

Particulars	Balance as on 01-07-2022	Addition during the year	Adjustment during the year	Balance as on 31-03-2023
Dragon Sweater (BD) Ltd.	473,291,099	75,869,325	131,493,608	417,666,816
CD Acrylic(BD) Ltd.	189,407,323	14,589,685	8,114,091	195,882,917
Imperial Sweater (BD) Ltd.	442,470,645	182,689,254	145,123,401	480,036,498
<b>Total</b>	<b>1,105,169,067</b>	<b>273,148,264</b>	<b>284,731,100</b>	<b>1,093,586,231</b>

The above inter company were created to procure raw materials for the company and it is also executing exports orders on behalf of the companies under the common ownership. Since, the transactions amount the companies are regular in nature and therefore, no provision for bad debts is required.

Dragon Sweater & Spinning Limited  
 Md. Anwarul Karim  
 Managing Director



		31 March 2023	30 June 2022
		Taka	Taka
10.00	<b>Advance, Deposit &amp; Pre-payment</b>		
	Advance	10.01 82,069,536	72,948,232
	Deposits	10.02 950,000	950,000
		<b>83,019,536</b>	<b>73,898,232</b>
10.01	<b>Advance</b>		
	Advance Income Tax	10.01A 74,507,921	59,913,734
	Advance Salary to Staff	4,204,312	7,083,732
	Advance against Expenses	10.01B 2,359,459	4,828,368
	Advance for Fire Fighting's	997,844	1,122,398
		<b>82,069,536</b>	<b>72,948,232</b>
10.01A	<b>Advance Income Tax</b>		
	Opening AIT	59,913,734	49,639,388
	Add: Addition during the period	14,594,187	10,274,346
		<b>74,507,921</b>	<b>59,913,734</b>
	Less: Adjustment During the Period	-	-
		<b>74,507,921</b>	<b>59,913,734</b>
10.01AA	<b>Advance Income Tax</b>		
	Advance Tax under Section 53-BBBB	14,304,462	10,019,876
	Advance Tax from SND	136,400	123,895
	Advance Tax from FDR	153,325	130,575
		<b>14,594,187</b>	<b>10,274,346</b>
10.01B	<b>Advance Against Expenses</b>		
	Advance against Factory Supply & Chemicals	581,102	1,070,003
	Advance against Repair & Maintenance of Machineries	455,627	898,120
	Advance against License Renewal	294,859	575,149
	Advance against Commercial Work	193,986	559,228
	Advance against Lab Test	595,148	1,363,216
	Advance against Compliance Audit Fee	238,737	362,652
		<b>2,359,459</b>	<b>4,828,368</b>
10.02	<b>Deposits</b>		
	Deposit with PDB	250,000	250,000
	Deposit with DESA	150,000	150,000
	Deposit with T&T	50,000	50,000
	Deposit with CDBL	500,000	500,000
		<b>950,000</b>	<b>950,000</b>
11.00	<b>Cash &amp; Cash Equivalents</b>		
	Cash in Hand	133,039,289	121,186,380
	Cash at Bank	11.01 23,488,564	25,887,426
		<b>156,527,853</b>	<b>147,073,806</b>
	Cash in hand represent a substantial amount as all most of all the transactions were made in		
11.01	<b>Cash at Bank</b>		
	Cash at Bank	23,488,564	25,887,426
		<b>23,488,564</b>	<b>25,887,426</b>
	<b>Bank Name</b>		
	The City Bank Ltd. (FC A/c)-512-65001	180,086	145,231
	Bank Asia Ltd. (CD A/c)-044-0186	255,207	132,639
	South Bangla Agriculture Bank-0113-2663	19,155,465	23,227,347
	South Bangla Agriculture Bank-0002-0343	3,897,375	2,382,209
	National Bank Ltd	431	-
		<b>23,488,564</b>	<b>25,887,426</b>

	31 March 2023 Taka	30 June 2022 Taka
<b>12.00 Share Capital</b>		
<b>12.01 Authorized Capital</b>		
300,000,000 Ordinary Shares of Tk. 10 each	3,000,000,000	3,000,000,000

<b>12.02 Issued, Subscribed and Paid up Capital</b>		
210,793,275 Ordinary Shares of Tk. 10 each fully paid up	2,107,932,750	2,107,932,750
The shareholding position of the company are as under:		

Name of Shareholders	No. of Shares	(%)		
Mostafa Golam Quddus	4,712,676	2.24%	47,126,760	47,126,760
Mostafa Quamrus Sobhan	34,624,583	16.43%	346,245,830	346,245,830
Tasnia Quamrun Anika	4,244,270	2.01%	42,442,700	42,442,700
Shafia Sobhan Chowdhury	4,560,459	2.16%	45,604,590	45,604,590
Fazlutun Nessa	4,560,459	2.16%	45,604,590	45,604,590
Fauzia Quamrun Tania	15,106,993	7.17%	151,069,930	151,069,930
CD Spinning Mills Limited	44,040	0.02%	440,400	440,400
CD Acrylic Bangladesh Ltd.	44,040	0.02%	440,400	440,400
Mrs Sadia Akhter	210,000	0.10%	2,100,000	2,100,000
Mrs Nasima Ferdous	210,000	0.10%	2,100,000	2,100,000
A. S. Shahudul Huque Bulbul	200,000	0.09%	2,000,000	2,000,000
Tanzila Ferdous	210,000	0.10%	2,100,000	2,100,000
Mohammad Zahir	10,000	0.00%	100,000	100,000
IPE Capital Limited	91,649	0.04%	916,490	916,490
Pandemic Trade International	206,850	0.10%	2,068,500	2,068,500
Mohammed Ashraful Huque	210,000	0.10%	2,100,000	2,100,000
Dragon Information Technology & Communication Ltd.	4,303,530	2.04%	43,035,300	43,035,300
Sonali Life Insurance Company Limited	556,500	0.26%	5,565,000	5,565,000
All Remaining Public Shares	136,687,226	64.84%	1,366,872,260	1,366,872,260
	<b>210,793,275</b>	<b>100.00%</b>	<b>2,107,932,750</b>	<b>2,107,932,750</b>

#### 13.00 Revaluation Reserve

The company revalued its Property, Plant and Equipment (Land, Building and Plant Machineries) in the year ended 30 June 2018 by Ata Khan & Co., Chartered Accountants dated on 03 August 2018 to reflect the fair value (prevailing market price) of those classes of assets. "They applied "Current Cost Method" to determine the fair value of those assets which are in compliance with IAS-16 Property, Plant and Equipment". Revaluation Surplus has arisen Tk. 876,932,727

Opening Balance	Addition during the year	Adjustment	Adjustment of Deferred Tax Expenses		
556,292,179	-	45,357,171	-	510,935,008	556,292,179



**14.00 Long Term Loan**

	31 March 2023 Taka	30 June 2022 Taka
Opening Balance	103,266,444	134,415,921
Add: Interest during the period	5,679,654	20,198,675
Less: Paid during the period	(108,946,098)	(51,348,152)
<b>Closing Balance</b>	<b>-</b>	<b>103,266,444</b>
Current Portion	-	(9,387,859)
Net of Current Portion	-	<b>93,878,585</b>

Note: Long Term Loan has been settled fully on December 2022. Mortgaged 64 decimals land along with all structures constructed or to be constructed thereon, situated within District-Comilla, PS & SR. Office- Chowddagram under Comilla Collectorate, Touzi No. 252, J.L. No. 30, Mouza- Chandul.

**15.00 Bills Payable**

M/S. Active Zipper	-	5425729
M/S. Labib Dyeing	-	1353904
M/S. Nice Cotton	1,914,715	2896870
M/S. Redwan packaging	3,014,238	4677039
M/S. S.B. Trade	2,000,799	3836710
M/S. Zhangjiagan	3,588,739	6559916
	<b>10,518,491</b>	<b>24,750,168</b>
Exchange (Gain)/Loss	206,043	58,566
	<b>10,724,534</b>	<b>24,808,734</b>

**15.01 Exchange (Gain)/Loss**

	Payable In USD	Rate	Payable In BDT	Payable In BDT
Current Market Rate	\$ 103,021.46	104.10	10,724,534	24,808,734
Average Rate	\$ 103,021.46	102.10	10,518,491	24,750,168
Exchange (Gain)/Loss			<b>206,043</b>	<b>58,566</b>

Bills Payable is a monetary items, so exchange gain or loss has been recognized to profit or loss in accordance with IAS-21, Para-28.

A schedule of bills payables is given in **Annexure-4**.

Payable ageing report is given below:

Party Name	Not More than 90days	Above 90 days below 180 days	Total
M/S. Active Zipper	-	-	-
M/S. Labib Dyeing	-	-	-
M/S. Nice Cotton	1,914,715	-	1,914,715
M/S. Redwan packaging	3,014,238	-	3,014,238
M/S. S.B. Trade	2,000,799	-	2,000,799
M/S. Zhangjiagan	3,588,739	-	3,588,739
<b>Total:</b>	<b>10,518,491</b>		<b>10,518,491</b>

**16.00 Liabilities for Expenses**

Audit fee	-	125,000
Salaries, Wages & Remuneration	3,720,790	15,939,384
Fuel, Water and Power	2,402,202	8,448,492
Rent & Others	270,000	275,000
Worker's Profit Participation Fund (WPPF)	6,276,086	-
	<b>12,669,078</b>	<b>24,787,876</b>

**17.00 Current Tax**

Opening Balance	271,968,090	230,579,815
Add: Addition during the period	24,803,282	41,388,275
	<b>296,771,372</b>	<b>271,968,090</b>
Less: Adjustment during the period		
	<b>296,771,372</b>	<b>271,968,090</b>

The details of the above is given in **Annexure-3**

		1 Jan 2023 to 31 March 2023 Taka	1 Jan. 2022 to 31 March. 2022 Taka	1 July 2022 to 31 March 2023 Taka	1 July 2021 to 31 March 2022 Taka
<b>18.00 Revenue</b>					
Revenue	18.01	239,425,625	391,391,454	839,256,740	1,136,078,783
		<b>239,425,625</b>	<b>391,391,454</b>	<b>839,256,740</b>	<b>1,136,078,783</b>
<b>18.01 Revenue</b>					
Gross Revenue		<b>239,425,625</b>	<b>391,391,454</b>	<b>839,256,740</b>	<b>1,136,078,783</b>
		<b>239,425,625</b>	<b>391,391,454</b>	<b>839,256,740</b>	<b>1,136,078,783</b>
<b>19.00 Cost of Goods Sold</b>					
Raw Materials Consumed	19.01	133,504,883	125,729,416	405,572,068	374,575,535
Packing Materials Consumed	19.02	5,427,624	60,909,704	80,674,444	200,601,917
		<b>138,932,507</b>	<b>186,639,120</b>	<b>486,246,512</b>	<b>575,177,452</b>
Add: Work in Process-Opening	7.00	3,744,888	3,854,270	8,382,063	12,492,235
		<b>142,677,395</b>	<b>190,493,390</b>	<b>494,628,575</b>	<b>587,669,687</b>
Less: Work in Process-Closing	7.00	15,099,890	3,550,720	15,099,890	11,917,468
<b>Total Consumption</b>		<b>127,577,505</b>	<b>186,942,670</b>	<b>479,528,685</b>	<b>575,752,219</b>
Add: Manufacturing Overhead	19.03	22,220,281	28,003,013	100,212,259	103,231,663
Add: Depreciation	(Annexure-1)	34,545,580	61,689,151	79,616,261	121,566,374
<b>Cost of Production</b>		<b>184,343,366</b>	<b>276,634,834</b>	<b>659,357,205</b>	<b>800,550,255</b>
Add: Finished Goods-Opening	7.00	89,599,433	81,245,754	77,213,758	231,815,782
		<b>273,942,799</b>	<b>357,880,588</b>	<b>736,570,963</b>	<b>1,032,366,037</b>
Less: Finished Goods - Closing	7.00	93,697,192	78,597,529	93,697,192	239,391,763
		<b>180,245,607</b>	<b>279,283,059</b>	<b>642,873,771</b>	<b>792,974,274</b>
<b>19.01 Raw Materials Consumed</b>					
Opening Stock	7.00	244,154,782	354,154,782	399,726,341	1,069,791,803
Add: Purchase during the period		253,730,148	123,574,634	370,225,774	376,153,988
Raw Materials Available for Production		<b>497,884,930</b>	<b>477,729,416</b>	<b>769,952,115</b>	<b>1,445,945,791</b>
Less: Closing Stock	7.00	364,380,047	352,000,000	364,380,047	1,071,370,257
		<b>133,504,883</b>	<b>125,729,416</b>	<b>405,572,068</b>	<b>374,575,534</b>
<b>19.02 Packing Materials Consumed</b>					
Opening Stock	7.00	77,547,800	82,547,800	8,975,698	241,511,062
Add: Purchase during the period		11,072,376	64,909,704	154,891,298	215,601,002
Materials Available for Packing		<b>88,620,176</b>	<b>147,457,504</b>	<b>163,866,996</b>	<b>457,112,064</b>
Less: Closing Stock	7.00	83,192,552	86,547,800	83,192,552	256,510,147
		<b>5,427,624</b>	<b>60,909,704</b>	<b>80,674,444</b>	<b>200,601,917</b>
<b>19.03 Manufacturing Overhead</b>					
Salary & Wages		11,245,692	13,532,147	54,452,959	56,861,189
Fuel Water & Power		6,598,625	7,195,312	21,562,374	22,359,061
Factory Lease Rent		455,780	455,780	1,596,280	1,396,280
Lab test Charges		256,800	1,427,700	3,101,540	3,906,026
Store & Spares Expenses		568,500	805,960	2,513,020	2,584,319
Repairs & Maintenance		236,900	555,089	1,401,301	1,426,890
Chemical Expenses		745,692	1,023,500	4,086,062	3,790,166
Security Service Charges		550,000	515,855	1,720,825	1,624,857
Uniform & Liveries		210,000	410,000	679,853	840,240
Medical Expenses		72,500	199,900	549,142	460,126
Carriage Inward		278,620	398,680	3,239,236	3,126,632
Garments Printing & Washing Expenses		458,932	786,500	1,525,607	1,704,290
Import Material Utilization Declaration Expenses		65,000	230,300	752,502	435,090
C & F Charges		298,620	315,500	1,788,059	1,735,261
Entertainment		178,620	100,000	941,775	716,691
Other Overhead		-	50,790	301,724	264,545
		<b>22,220,281</b>	<b>28,003,013</b>	<b>100,212,259</b>	<b>103,231,663</b>



		1 Jan. 2023 to 31 Mar. 2023 Taka	1 Jan. 2022 to 31 Mar. 2022 Taka	1 July 2022 to 31 March 2023 Taka	1 July 2021 to 31 March 2022 Taka
<b>20.00</b>	<b>Operating Expenses</b>				
	Distribution & Selling	20.01 5,184,089	10,211,119	26,387,930	29,141,037
	Administrative Expenses	20.02 13,288,134	23,510,090	60,656,154	69,691,652
		<b>18,472,223</b>	<b>33,721,208</b>	<b>87,044,084</b>	<b>98,832,690</b>
<b>20.01</b>	<b>Distribution &amp; Selling</b>				
	Salaries & Welfare	1,845,600	2,122,890	7,295,618	6,198,255
	B/L, Air Freight Charges	254,000	1,012,770	2,653,756	3,402,150
	Advertising Expenses	45,000	95,990	281,761	301,940
	Transpiration and Handling Expenses	365,820	1,017,720	2,324,356	2,884,388
	Repair & Maintenance	288,500	570,429	1,089,584	1,277,307
	Sales Promotion Expenses	650,000	1,015,780	2,823,915	3,090,721
	Traveling Expenses	198,502	320,330	1,677,084	1,597,950
	Courier & Handling Charges	35,620	500,000	1,500,792	1,935,269
	Buyers Entertainment	369,842	690,640	1,589,161	1,873,967
	L/C Charges & Commission	458,620	717,700	2,205,221	1,923,790
	Misc. Expenses	-	680,905	1,177,432	1,763,636
	Depreciation (Annexure-1)	672,585	1,465,965	1,769,250	2,891,664
		<b>5,184,089</b>	<b>10,211,119</b>	<b>26,387,930</b>	<b>29,141,037</b>
<b>20.02</b>	<b>Administrative Expenses</b>				
	Salary & Allowances	6,158,452	9,327,980	37,182,182	37,877,961
	Remuneration	-	-	-	-
	Board Meeting Fee 20.02A	40,000	40,000	120,000	120,000
	Postage & Telecommunication	62,541	112,600	445,353	358,948
	Repair & Maintenance	278,520	575,789	1,658,824	1,850,157
	Vehicle Expenses	358,962	459,000	1,206,218	1,233,387
	Electricity, Fuel & Power	1,245,690	965,120	2,961,984	2,691,122
	Printing & Stationery	62,589	367,908	858,228	1,068,621
	Subscription & Donation	200,000	379,042	777,155	909,894
	Entertainment	69,852	150,500	457,236	421,920
	Legal & Professional Charges	-	599,048	777,767	1,449,528
	Insurance	-	267,890	461,837	663,849
	Audit Fee	45,527	37,098	93,750	85,321
	Office Rent	-	330,000	-	330,000
	Conveyance	256,800	258,732	1,068,769	1,029,919
	Renewal & License fee	75,000	499,010	700,293	1,121,020
	Security Service Charges	250,000	256,789	798,656	768,899
	BTMA Expenses	20,000	72,000	252,553	249,000
	Depreciation Annexure-1)	2,690,339	5,863,860	7,077,001	11,566,659
	Amotrization Annexure-1)	1,473,862	2,947,724	3,758,348	5,895,448
		<b>13,288,134</b>	<b>23,510,090</b>	<b>60,656,154</b>	<b>69,691,652</b>
<b>20.02A</b>	<b>Board Meeting Fee</b>				
	Mr. Mostafa Quamrus Sobha Chairman	5,000	5,000	15,000	15,000
	Mr. Mostafa Golam Quddus Managing Director	5,000	5,000	15,000	15,000
	Mrs. Tasnia Quamrun Anika Director	5,000	5,000	15,000	15,000
	Mrs. Shafia Sobhan Chowdh Director	5,000	5,000	15,000	15,000
	Mrs. Fazlutun Nessa Director	5,000	5,000	15,000	15,000
	Mrs. Fauzia Quamrun Tania Director	5,000	5,000	15,000	15,000
	A. M. Saidur Rahman Independent Directo	5,000	5,000	15,000	15,000
	M. Jinnat Ali Mian Independent Directo	5,000	5,000	15,000	15,000
		<b>40,000</b>	<b>40,000</b>	<b>120,000</b>	<b>120,000</b>

	1 Jan. 2023 to 31 Mar. 2023	1 Jan. 2022 to 31 Mar. 2022	1 July 2022 to 31 March 2023	1 July 2021 to 31 March 2022
	Taka	Taka	Taka	Taka
<b>21.00 Financial Expenses</b>				
Bank Charge & Commission	15,750	23,022	88,970	72,014
Interest on Long Term Loan	-	11,089,313	8,929,654	22,138,173
	<u>15,750</u>	<u>11,112,335</u>	<u>9,018,624</u>	<u>22,210,187</u>
<b>22.00 Non-Operating Income</b>				
FDR Interest	-	44,485	295,030	297,815
SND Interest Receive	-	19,222	261,014	333,471
Exchange Gain/(Loss)	22,890,186	13,548,672	30,981,731	19,461,548
Scrap Sales	825,624	1,682,232	2,539,678	3,914,419
	<u>23,715,810</u>	<u>15,294,611</u>	<u>34,077,453</u>	<u>24,007,253</u>

### 23.00 Basic Earnings Per Share (BEPS)

Earnings per share (EPS) has been calculated for the period ended March 31, 2023 in accordance with IAS 33. EPS in respect of previous period has been restated on 210,793,275 Shares

(a) Profit After Tax (Tk.)	31,767,993	68,243,828	104,479,170	200,702,665
(b) Number of Ordinary Shares outstanding d	<u>210,793,275</u>	<u>200,755,500</u>	<u>210,793,275</u>	<u>200,755,500</u>
	<u>0.15</u>	<u>0.34</u>	<u>0.50</u>	<u>1.00</u>

	31 March 2023 Taka	30 June 2022 Taka
<b>24.00 (a) Net Asset Value (NAV) Per Share</b>		
Share Capital	2,107,932,750	2,107,932,750
Retained Earnings	1,181,632,532	1,059,514,636
Reserve for Revaluation	510,935,008	556,292,179
Net Asset Value (NAV)	<u>3,800,500,290</u>	<u>3,723,739,565</u>
Number of Ordinary Shares	<u>210,793,275</u>	<u>210,793,275</u>
	<u>18.03</u>	<u>17.67</u>

	31 March 2023 Taka	31 March. 2022 Taka
<b>25.00 Net Operating Cash Flow Per Share (NOCFPS)</b>		
Net Operating Cash Flows	140,050,806	192,160,798
Number of Ordinary Shares Outstanding	<u>210,793,275</u>	<u>200,755,500</u>
Net Operating Cash Flows Per Share	<u>0.66</u>	<u>0.96</u>

Net Operating Cash Flow Per Share (NOCFPS) decreased from 0.96 to 0.65 due to increase in payment to supplier. On the other hand Financial Expenses reduced significantly due to reduction of long term loan

	31 March 2023 Taka
<b>26.00 Cash Receipts from Customers</b>	
Opening A/c. Receivable from Foreign Customers	1,088,293,406
Add: Sale during the period	839,256,740
Add: Opening Receivable from Inter-Company	1,105,169,067
Closing Receivable from Inter-Company	(1,093,586,231)
Closing A/c Receivable from Foreign Customers	<u>(1,082,215,757)</u>
	<u>856,917,225</u>



**27.00 Cash Paid to Suppliers and Others****31 March 2023**  
**Taka**

Cost of Goods Sold	(642,873,771)
Add: Closing Inventories	(556,369,681)
Add: Opening Accounts Payable	(24,808,734)
Less: Opening Inventories	494,297,860
Less: Closing Accounts Payable	10,724,534
Add: Operating Expenses	(87,044,084)
Add: Closing Advance & Prepayments	(83,019,536)
Add: Opening Accruals	(24,787,876)
Less: Opening Advance & Prepayment	73,898,232
Add: Workr Profit Participation Fund	(6,276,086)
Less: Closing Accruals	12,669,078
Less: Amortization	3,758,348
Less: Depreciation	88,462,512
	<u>(741,369,204)</u>

**28.00 Calculation of Cash Generate from Operation****31 March 2023**  
**Taka**

Profit before Tax	128,121,628
Add. Finance Cost	9,018,624
Add. Depreciation	88,462,512
Add. Amortization	3,758,348
Less: Inventory Increase	(62,071,821)
Less: Debtors increased ( Local)	11,582,836
less: Debtors Increase( Foreign)	6,077,649
Less: Trade payable Decrease	(14,084,200)
Add : Advance decrease	(9,121,304)
Less : Liabilities for Expenses decreased	(12,118,798)
Less : Investment Income from (SND)	(261,014)
Less : Investment Income from (FRD)	(295,030)

**Cash Generate From Operation**149,069,430**29.00 Events After Reporting Period (IAS-10)**

There was no significant event that has been occurred between Balance Sheet date and the date on which the financial statement are authorised for issue.

*Dragon Sweater & Spinning Limited*  
*Moslehul Gohar Quader*  
*Managing Director*

<b>Allocation of Depreciation</b>	
Manufacturing Overhead	90%
Distribution & Selling Expenses	2%
Administrative Expenses	8%
<b>Total :</b>	

**Intangible Assets:** Intangible assets are being amortized @ 15% every year. During this period intangible assets is amortized by Tk. 37,58,348.

779,616,261
1,769,250
7,077,001
<b>88,462,512</b>

Dragon Sweater &amp; Spinning Limited



**DRAGON SWEATER & SPINNING LIMITED**  
**Deferred Tax Calculation**  
**As at 31 March 2023**

Deferred tax assets/liability recognized in accordance with the provision of IAS's-12, is arrived as follows:

(Amount in Taka)

Particulars	Amount in BDT	
	31 March 2023	30 June 2022
Opening Balance	58,426,205	62,264,868
Deferred Tax Liability /(Assets) as on 31 March 2023	57,265,381	58,426,205
<b>Increase/(Decrease) of Deferred Tax Liability</b>	<b>(1,160,824)</b>	<b>(3,838,663)</b>

Particulars	Carrying Amount on Balance Sheet date (Taka)	Tax Base (Taka)	Temporary Differences (Taka)
Fixed Assets (At Cost less Accumulated Depreciation)-Excluding Land	944,241,017	506,110,592	438,130,425
Revaluation Surplus Realised	45,357,171	-	45,357,171
Liability to Employees	(6,276,086)	-	(6,276,086)
<b>Net temporary difference</b>	<b>983,322,102</b>	<b>506,110,592</b>	<b>477,211,510</b>
Applicable Tax Rate			12%
<b>Deferred Tax Liability/(Asset) Closing</b>			<b>57,265,381</b>
<b>Deferred Tax Liability/(Asset) Opening</b>			<b>58,426,205</b>
			<b>(1,160,824)</b>
<b>Movement of Deferred Tax:</b>			
Transfer to <b>Other Comprehensive Income</b>	-		-
Deferred Tax (Income)/Expenses Transfer to P/L			(1,160,824)
			<b>(1,160,824)</b>

**Dragon Sweater & Spinning Limited**  
**Income Tax Liabilities**  
**As at 31 March 2023**

Annexure-3

Particulars	Amount in BDT	Amount in BDT	Amount in BDT	Amount in BDT
	1 Jan. 2023 to 31 Mar. 2023	1 Jan. 2022 to 31 Mar. 2022	1 July 2022 to 31 Mar. 2023	1 July 2021 to 31 Mar. 2022
Computation of Total Income				
Accounting Profit before other Income and Tax	37,625,004	63,342,972	94,044,175	208,019,427
Add: Other Inadmissible Allowances				
Accounting Depreciation	37,235,919	35,642,494	88,462,512	106,927,481
Less: Depreciation Allowance:				
Depreciation as per 3rd Schedule	14,040,367	18,314,036	39,707,899	54,942,109
<b>Total Taxable Income</b>	<b>60,820,556</b>	<b>80,671,429</b>	<b>142,798,788</b>	<b>260,004,798</b>
Rate	12%	12%	12%	12%
<b>A. Tax on Total Taxable Income</b>	<b>7,298,467</b>	<b>9,680,572</b>	<b>17,135,855</b>	<b>31,200,576</b>
Other Income	23,715,810	15,294,611	34,077,453	24,201,633
Rate	22.50%	22.50%	22.50%	22.50%
<b>B. Tax from Other Income</b>	<b>5,336,057</b>	<b>3,441,288</b>	<b>7,667,427</b>	<b>5,445,367</b>
<b>Total Tax Expenses (A+B)</b>	<b>12,634,524</b>	<b>13,121,859</b>	<b>24,803,282</b>	<b>36,645,943</b>

Dragon Sweater & Spinning Limited  
*[Signature]*  
 Managing Director