

# C&A TEXTILES LTD.



## ANNUAL REPORT

2016-17 to 2021-22



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## LETTER OF TRANSMITTAL

To

All Shareholders  
Bangladesh Securities and Exchange Commission (BSEC)  
Registrar of Joint Stock Companies & Firms (RJSC)  
Dhaka Stock Exchange Limited (DSE)  
Chittagong Stock Exchange Limited (CSE)

**Subject: Annual Report for the year ended 30<sup>th</sup> June of 2017,2018,2019,2020,2021,2022**

**Dear Sir:**

We are pleased to enclose a copy of the Annual Report containing Directors' Report, Auditors' Report along with the Audited Financial Statements comprising of Statement of Financial Position as at 30<sup>th</sup> June of 2017,2018,2019,2020,2021 and 2022, Statement of Profit or Loss and other Comprehensive Income, Changes in Equity and Cash Flows for the same period along with notes thereon, and Corporate Governance Compliances Reports of C&A Textiles Ltd. for your kind information and records.

Sincerely

Company Secretary (Acting)  
C&A Textiles Ltd.



## **C&A TEXTILES LTD**

**Head Office: Plot No: 32/A, BSCIC Industrial Estate, Kalurghat, (Ext), Chittagong, Bangladesh**

**Factory: Plot# 61,62,66,67,68,72&73 BSCIC Industrial Estate, Kalurghat, (Ext), Chittagong**

**Tel:880-31-671714, 670264, 2570637**

### **Notice of the 16<sup>th</sup>, 17<sup>th</sup>, 18<sup>th</sup>, 19<sup>th</sup>, 20<sup>th</sup> and 21<sup>st</sup> Annual General Meeting**

In pursuant to the order of the honorable High Court Division of Supreme Court (Company Matter no 302 of 2022) dated June 15, 2023, Notice is hereby given that the Annual General Meetings of the shareholders of **C&A TEXTILES LTD.** will be held as per the following schedule to transact the business mentioned below:

| <b>AGM no</b>        | <b>Financial Year</b> | <b>Date</b>     | <b>Time</b> | <b>Place</b>                 | <b>AGM Link</b>   |
|----------------------|-----------------------|-----------------|-------------|------------------------------|---|
| 16 <sup>th</sup> AGM | 2016-17               | August 08, 2023 | 12:00 pm    | Factory Premises<br>(Hybrid) | <a href="https://cnatex16thagm.digitalagmbd.net">https://cnatex16thagm.digitalagmbd.net</a> |
| 17 <sup>th</sup> AGM | 2017-18               | August 08, 2023 | 1: 00 pm    | Factory Premises<br>(Hybrid) | <a href="https://cnatex17thagm.digitalagmbd.net">https://cnatex17thagm.digitalagmbd.net</a> |
| 18 <sup>th</sup> AGM | 2018-19               | August 08, 2023 | 2:00 pm     | Factory Premises<br>(Hybrid) | <a href="https://cnatex18thagm.digitalagmbd.net">https://cnatex18thagm.digitalagmbd.net</a> |
| 19 <sup>th</sup> AGM | 2019-20               | August 08, 2023 | 3:00 pm     | Factory Premises<br>(Hybrid) | <a href="https://cnatex19thagm.digitalagmbd.net">https://cnatex19thagm.digitalagmbd.net</a> |
| 20 <sup>th</sup> AGM | 2020-21               | August 08, 2023 | 4:00 pm     | Factory Premises<br>(Hybrid) | <a href="https://cnatex20thagm.digitalagmbd.net">https://cnatex20thagm.digitalagmbd.net</a> |
| 21 <sup>st</sup> AGM | 2021-22               | August 08, 2023 | 5:00 pm     | Factory Premises<br>(Hybrid) | <a href="https://cnatex21stagn.digitalagmbd.net">https://cnatex21stagn.digitalagmbd.net</a> |

Factory Premises Address: plot no# 61,62,66,7,68,72 & 73 BCIC Industrial Estate, Kalurghat, (Ext), Chittagong.

#### **AGENDA: (16<sup>th</sup> to 20<sup>th</sup> AGM)**

1. To receive, consider and adopt the directors' report, auditor's report and audited financial statements of the company for the year ended 30th June of 2017,2018,2019 2020, and 2021
2. To approve no dividend as recommended by the board of directors for the year ended 30th June of 2017,2018,2019 2020 and 2021.

#### **AGENDA: 21<sup>st</sup> AGM:**

1. To receive, consider and adopt the directors' report, auditor's report and audited financial statements of the company for the year ended 30th June 2022





2. To approve cash dividend **0.4% (Tk. 0.04 per share)** for each ordinary share only for the general shareholders other than sponsors/directors for the year 2021-2022 as recommended by the board of directors.
3. To approve the statutory auditors (already appointed by the consent of Bangladesh Securities and Exchange Commission letter BSEC/SRMIC/64/2015/606) for conducting statutory audit for the last six years (from 2016-17 to 2021-22) of financial statements of the company.
4. To approve compliance auditors for the year ended 2021-22
5. To consider approval of appointment of Independent Directors.
6. To appoint Statutory Auditors and fix their remuneration for the financial year 2022-2023 (till holding the next AGM).
7. To appoint Corporate Governance Compliance Auditors and fix their remuneration for the financial year 2022-2023 (till holding the next AGM).
8. Any other business with the permission of the Chair.

By Order of the Board  
Sd/  
Company Secretary

Dated: Dhaka  
August 02, 2023

**Notes:**

- 
- a. The Record Date for the 16th, 17th, 18th, 19th, 20th and 21st AGM is fixed on **July 31, 2023**.
  - b. The shareholders whose name appear in the Register of Members of the Company or in the depository (CDBL) on the record date i.e. **July 31, 2023** shall be entitled to attend the meetings as well as qualify for dividend to be approved at the AGM.
  - c. A shareholder entitled to attend and vote at the AGM may appoint a proxy to attend and vote in his/her behalf. The Proxy Form, duly filled, signed and stamped of Tk. 20.00 must be sent through email to the Company at [cnabd23@gmail.com](mailto:cnabd23@gmail.com) not later than 48 hours before the time fixed for the meeting.
  - d. Annual Report for the year ended June 30 of 2017,2018,2019,2020,2021, and2022 will be sent through e-mail address of the Shareholders and will be available in the Website of the Company at [www.cnatextiles.com](http://www.cnatextiles.com)
  - e. The Shareholders are requested to join physically at the venue of the AGMs or join through the links mentioned above. The Shareholders will be able to submit their questions/comments and vote electronically 24 (Twenty Four) hour before commencement of the AGM and also during the AGM. For logging into the system, the Shareholders need to put their 16-digit Beneficiary Owner (BO) ID Number and other credential as proof by visiting the said link.
  - f. Shareholders are requested to log-in to the system prior to the meeting start time of 12:00 p.m. on August 8, 2023,
  - g. **No gift, cash or kind will be given for attending the meeting according to the circular of BSEC.**



## CORPORATE DIRECTORY

### Board of Directors

#### Chairman:

Mr. Narayan Chandra Debnath

#### Chief Executive Officer:

Zaberul Abedin Chowdhury

#### Independent Director:

Dr. Toufic Ahmad Choudhury

Dr. ABM Shahidul Islam

Mr. Rezwanul Huque Khan, PhD

Dr. Mohammad Shariat Ullah

Mr. ABM Asrafuzzaman

Brigadier General Sharif Ashan

#### Audit Committee:

Dr. ABM Shahidul Islam (Chairman)

Mr. Rezwanul Huque Khan, PhD

Dr. Mohammad Shariat Ullah

Mr. Mahfuzur Rahman (Acting Secretary)

#### Company Secretary (Acting):

Mr. Mahfuzur Rahman

#### Chief Financial Officer:

Mr. Jamal Uddin Patwary

### Head of Internal Audit

Mr. Md. Uzzal Hossain

### Statutory Auditors:

M/s G. Kibria & Co

Chartered Accountants

Sadharan Bima Sadan (5<sup>th</sup> floor)

24-25 Dilkusha C/A

Dhaka-1000

### Corporate Governance Compliance

#### Auditor:

Huda Hossain & Co

Chartered Accountants

House No # 91/D, (1<sup>st</sup> floor), Road No: 7/A,  
Dhanmondi R/A, Dhaka-1209

### Registered Office:

Plot# 61,62,67,68,72 & 73, BSCIC Industrial Area,  
Kalurghat (Extn), Chittagong, Bangladesh.

Telephone: 031-670264, 2570638

### Factory:

Plot# 61,62,67,68,72 & 73, BSCIC Industrial Area,  
Kalurghat (Extn), Chittagong, Bangladesh.

Telephone: 031-670264, 2570638



## THE COMPANY

C & A Textiles Limited (CATL) was incorporated in Bangladesh as a Private Limited Company with the issuance of certificate of incorporation bearing no. C-3912 of 2001 dated on February 19, 2001 by the Registrar of Joint Stock Companies & Firms. The company converted into public limited company and split of share value from Tk. 100 to Tk.10 dated on December 22, 2013 and listing with DSE and CSE on 2014.

The Company started its commercial operation on 7th February, 2003

C & A Textiles Limited is 100% export oriented knit composite textiles industries to carry out business of knitting, dyeing, printing and manufacturing of various types of RMG such as T-Shirt, Polo Shirt, Tang Tops, Shorts, Sweet Shirt, Boxer, Skirts, Legging, Fleece Jacket etc, and export to the USA, Canada, Brazil, UK, Italy and Germany.

The factory premise of CATL is located at Plot # 61, 62, 66, 67, 68, 72 & 73, BSCIC Industrial Estate (Ext.), Kalurghat, Chittagong, Bangladesh.

### Major milestones of the company:

2001: Incorporated as a private limited company.

2003: Started commercial operation.

2013: Converted into public limited company and split of share value from Tk. 100 to Tk. 10.

2014: Listing with CSE at 22nd December.

2015: Listing with DSE at 6th January.

2015: Trading of shares of C & A Textiles Limited at 21st January.

### Products of C & A Textiles Limited

Principal products or services and the market for such products or services:

Our main products and services are:

| Area              | Productive Goods  |
|-------------------|---|
| Textile Division  | Knit Fabric & Dyeing  |
| Garments Division | Men's Ladies & Kids Item:<br>T-Shirt, Polo Shirt, Tang Tops, Shorts, Sweet Shirt, Boxer, Skirts, Legging, Fleece Jacket etc |



## Our Mission, Vision, Objectives and Values

### Our Mission:

Our mission is to provide high quality garments products to satisfy our client's needs range of efficient and effective manufacturing activities and delivered on a holistic basis. To expand market by communicating with the top customers in global market.

### Our Vision:

In order to realize the mission, we will:

- ✓ Strive for attaining a leadership position in our business sector.
- ✓ Provide products and services of high and consistent quality, ensuring value for money to our customer
- ✓ Attain a high level of productivity in all our operations through effective utilization of time and adoption of appropriate technology.
- ✓ Ensure superior return on investment through judicious use of resources and efficient operations utilizing our core competencies.

### Our Objectives:

- ✓ To achieve highest standards in quality, delivery and compliance.
- ✓ To achieve high efficiency measures in production units.
- ✓ To protect the interest of all shareholders.
- ✓ To work hard to optimize profit through conduction of transparent business operations.

### Our Values:

- ✓ Highest Compliance Standard
- ✓ Safety-First
- ✓ Continuous Improvement
- ✓ Customer Focus
- ✓ Transparent Business
- ✓ Fairness



## THE “BOARD OF DIRECTORS”

### **NARAYAN CHANDRA DEBNATH**

Chairman, C&A Textiles Ltd.

Narayan Chandra Debnath (Retired Additional Secretary to the Government) was born at village Purbahati under Brahmanbaria district on 1st January 1961. He earned his post-graduation degree in 1983 in Accounting from University of Dhaka. He started his career as a banker in 1986 and during the service he successfully completed Banking Diploma DAIBB in both parts. On 20th December 1989 he joined in Bangladesh Civil Service (Administration Cadre). He served 10 years in field administration with different capacities similar to Assistant Commissioner, Assistant commissioner (Land), 1st class Magistrate and Senior Assistant Commissioner, Additional Deputy Commissioner. He also served at the Ministry level with a capacity of Deputy Secretary, Joint Secretary and finally with capacity of Additional Secretary. During the service to comply with the orders of the government he visited South Korea, Honkong, Singapore, Malaysia, Vietnam, India, Nepal, Bhutan, China, USA and Australia. He successfully completed the courses on Trade Promotion Strategy (South Korea), International Trade Promotion (Singapore), Quality Control and Productivity Management (Singapore), Managing Change in the Singapore Public Service for officials (Singapore), Professional Development Program (Duke University, USA) and Capacity Building Program for SDG Localization for Sustainable Industrialization (Curtin University, Australia). He enjoyed PRL in 2020 and has been passing retirement life from 2021.

### **DR. TOUFIC AHMAD CHOUDHURY**

Independent Director, C&A Textiles Ltd.

After his graduation (M.Sc.) in Economics in 1979 from Jahangirnagar University, he started his professional career as a Junior Research Analyst of a Research Project of Bangladesh Institute of Development Studies (BIDS). Later he joined as Lecturer in Bangladesh Institute of Bank Management (BIBM) in 1981 and became professor in 1997. Later he Led this organization as the Director General for 08 years. He pursued his Ph.D. in Financial Economics under Indian Commonwealth Scholarship from Himachal Pradesh University, Shimla, India during 1987-1990. Currently he is the Director General of BASM. He received a number of professional training from IMF Training Institute; Toronto Centre, Canada; Citibank N.A USA; College of Agriculture Banking of RBI; Standard Chartered Bank at Thailand. He has published more than 50 research articles in different national and international journals. He was General Secretary of Bangladesh Economic Association during 2010-2014. Currently, he is also a member of the Board of Directors of Micro Credit Regulatory Authority (MRA), Institute of Micro Finance (InM), Institute of Public Finance (IPF) and Janata Capital and Investment Ltd (JCIL).



### **DR. ABM SHAHIDUL ISLAM**

Independent Director, C&A Textiles Ltd.

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Dr. ABM Shahidul Islam is a Professor of Marketing, Department of Marketing, Faculty of Business Studies, University of Dhaka. He is a consultant of Bangladesh Broadcasting Telecommunication and Technology (BBTT) – A Subsidiary Company of ITT, Japan. He is also an advisor of Consumer Association of Bangladesh (CAB). During his professional carrier, he has been member of different organization. He got training from different countries in different subject matter. He also participates in the development and implementation of strategic plans to improve and enhance academic affairs functions.

### **MR. REZWANUL HUQUE KHAN, PHD**

Independent Director, C&A Textiles Ltd.

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Dr. Rezwatul Huque Khan is a Professor at IBA, University of Dhaka. He has been in academia for more than eighteen years. As a commonwealth scholar, he obtained his PhD from University of Warwick, UK. Besides teaching, he is actively involved in research activities relating to the transformative potential of digital technology as it pervades modern business and entrepreneurship. His recent articles have been published in the leading local and international journals. He is also involved with different ICT projects initiated by the government aiming to make Digital Bangladesh. Dr. Khan is an Independent Director of two public limited companies. He is also discharging his responsibilities as a member of the Governing Body of several private medical and nursing colleges. Dr. Khan is a life member of different reputed associations and clubs of the country.

### **DR. MOHAMMAD SHARIAT ULLAH**

Independent Director, C&A Textiles Ltd.

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Dr. Muhammad Shariat Ullah is a Professor and the Chairman in the Department of Organization Strategy & Leadership, University of Dhaka, Bangladesh and works as a Senior Research Fellow, at the Center for Trade and Investment (CTI), University of Dhaka. He also works in policy advocacy for the development of SMEs in Bangladesh and sits as an independent director in the board of two listed companies in Bangladesh. In addition to his teaching experience at home, Dr. Shariat has taught at other universities home and abroad. He is a member of the Asiatic Society of Bangladesh and Bangladesh Society for Total Quality Management, Bangladesh. His current research interests are in the fields of organizational behavior, leadership and human resource management. He also works as a reviewer of scholarly international journals including Management Research Review, Global Business and Organizational Excellence, FIIB Business Review, Frontiers in Psychology.

### **MR. ABM ASRAFUZZAMAN**

Independent Director, C&A Textiles Ltd.

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### **BRIGADIER GENERAL SHARIF ASHAN**

Independent Director, C&A Textiles Ltd.

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## MESSAGE FROM THE CAHIRMAN

**Dear Valued Shareholders**

Greetings from C&A Textiles Ltd.!!!!!!

I am very delighted to know that C & A Textiles Limited is going to hold it's pending Annual General Meeting (AGM) on 8th August, 2023. First of all, I have to show my respect to Bangladesh Securities and Exchange Commission (BSEC) for taking timely efforts of forming Board of Directors to succeed C&A Textiles Limited. In this occasion, I would like to express my honor to the Honorable High Court Division of Bangladesh Supreme Court for giving kind directive of condoning the delay of holding AGM. I would also like to offer respect to the Board of Directors for their intellect input to accomplish my tasks, Well-wishers and Patrons to take initiative to hold the AGM in time. I am very much enthusiastic to give thanks to the workforce and officials of Alif Group and C & A Textiles Limited especially to Mr Md. Azimul Islam, Managing Director of Alif Group, who has given appropriate supports on behalf of the incoming management in this concern. The Company Secretary, Chief Financial Officer of C&A Textiles Ltd, and Mr Hanif Chief Financial Officer, Alif Group also vest their highest effort and keen support to hold the AGM.

Now, company management is very significant especially of running the sick industries keeping in mind the interest of shareholders and socio-economic condition of garments sector. I believe, the coming management will be able to conduct the business of C & A Textiles Limited in an effective way due to subsequent result of the said AGM. I sincerely hope every success of the AGM of C&A Textiles Limited.

Finally, I would like to take the opportunity on behalf of Board of Directors and express my deepest appreciation to all our valued shareholder, customers, and clients, well-wishers for their heartiest support and interest for the betterment of the company. I sincerely hope that the same support would continue in the future to come.

With best Wishes

**Sd/-**

**Mr. Narayan Chandra Debnath**  
**Chairman**  
**C&A Textiles Ltd.**



## MESSAGE FROM THE CHIEF EXECUTIVE OFFICER

**Dear Shareholders, Colleagues, Ladies and Gentleman**

I feel grateful to you all for making time to attend the 16<sup>th</sup>, 17<sup>th</sup>, 18<sup>th</sup>, 19<sup>th</sup>, 20<sup>th</sup> and 21<sup>st</sup> Annual General Meeting of the Company. While I welcome you on my behalf, I assume you all have received copies of Annual Report of 2016-17 to 2021-22 of the company containing Director's report along with Financial Statements and Notes to the Accounts for your review and evaluation. I would like to mention there that by the order of the hon'ble High Court Division of Supreme Court (Company matter 302 and 303 of 2022), we are conducting these last six years pending AGMs.

In the meantime, I regret to mention you that the company's operation has been shut down for the last six years. Bangladesh Securities and Exchange Commission (BSEC) for the greater interest of the shareholders nominated 7 (seven) independent directors and consented Alif Group to acquire the company with some conditions. Alif Group, after consented by the BSEC, took initiative to revive the factory and regularize the company matters.

The success of any organization requires a sound business strategy. I am personally committed to ensuring that ethical leadership continues to be embedded in our culture across our Group. CATL's culture is a key component to our success. It has roots in the fundamental values we have held since our founding things like putting customers first and always acting with respect and integrity.

The Board of Directors of CATL has always remained focused on maximizing shareholder's value through formulation of policies and guidelines to ensure sustainable profitability, prudent risk management and good governance. As the Chief Executive Officer of your company, my objective is to ensure the Board of Directors actively continues to play their due parts in the coming year. I eagerly look forward to receiving your thoughtful inputs.

In the end, we are thankful and grateful to you, shareholders, for keeping trust and confidence on us. It is required to mention here that your valued suggestions, advices and continuous support definitely worked crucially for the continuous development and growth of the business. We want to express our recognition providing thanks to the commitment, dedication and hard work on the employees of C&A Textiles Ltd. who are core strength of our success.

I wish all the best for the better and more productive future for our shareholders, employees and the country.

**Sincerely**

**Sd/-**

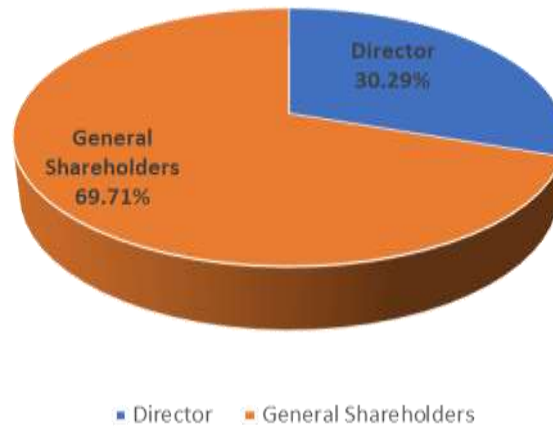
**Chief Executive officer  
C&A Textiles Ltd.**



## Composition of Shareholders:

| Category                        | Designation          | No of Shares       | % of Holdings |
|---------------------------------|----------------------|--------------------|---------------|
| Roksana Morshed                 | Sponsor/Director     | 44,444,400         | 19%           |
| Bangladesh Shoes Industries Ltd | Sponsor/Director     | 11,282,040         | 5%            |
| Sharmin Akther Lovely           | Sponsor/Director     | 7,179,480          | 3%            |
| Gazi Golam Zakaria Jyoti        | Sponsor/Director     | 4,786,320          | 2%            |
| Iftekhar Abdul Hai              | Sponsor/Director     | 4,786,320          | 2%            |
| Other Shareholders (Placement)  | General Shareholders | 35,482,162         | 15%           |
| IPO Shareholders (Public)       | General Shareholders | 131,355,278        | 55%           |
| <b>Total*</b>                   |                      | <b>239,316,000</b> |               |

### Shareholding Pattern



\*Estimated

## STATE OF THE COMPANY AFFAIRS

C & A Textiles Limited (CATL) was incorporated in Bangladesh as a Private Limited Company with the issuance of certificate of incorporation bearing no. C-3912 of 2001 dated on February 19, 2001 by the Registrar of Joint Stock Companies & Firms. The company converted into public limited company and split of share value from Tk. 100 to Tk.10 dated on December 22, 2013 and listing with DSE and CSE on 2014.

The Company started its commercial operation on 7th February, 2003

C & A Textiles Limited is 100% export oriented knit composite textiles industries to carry out business of knitting, dyeing, printing and manufacturing of various types of RMG such as T-Shirt, Polo Shirt, Tang Tops, Shorts, Sweet Shirt, Boxer, Skirts, Legging, Fleece Jacket etc, and export to the USA, Canada, Brazil, UK, Italy and Germany.

After listing in the stock exchanges, the company conducted two AGM in FY 2014-15 and 2015-16. After that, due to some unavoidable circumstances, the company's production was shut down for last six years. The gas line, electricity line and others utilities connection of the company were disconnected due to nonpayment of bills. Customs, bonds and other suppliers have claimed on the company, which is yet to be repaid. The company could not prepare annual audited financial statements, declare dividend and hold AGM in last six years. Therefore, the company was placed under "Z" category in the both stock exchanges.

Knowing the situation mention above, Bangladesh Securities and Exchange Commission (BSEC) vide letter no SEC/SRMIC/2021/part-Z/68 dated February 28, 2021 reconstituted the board with seven distinguished independent directors with some conditions.

Bangladesh Securities and Exchange Commission (BSEC) vide its letter no BSEC/SRMIC/64/2015/246 dated October 07, 2021 has accorded consent to Alif Group (AG) as per the proposal submitted by them to BSEC to acquire C&A Textiles Ltd. under certain conditions.

After getting consent from Bangladesh Securities and Exchange Commission (BSEC) regarding acquisition by Alif Group (AG), Alif Group communicated independent directors nominated by BSEC.

The independent directors nominated by BSEC had a board meeting on December 26, 2021 where discussion was taken place how to re-activate the factory.

The officials of Alif Group then communicated with all the stake holders including banks, NBFIs, Karnaphuli Gas Distribution Company Ltd., Customs, bonds, VAT etc. and all other regulatory bodies. In the same time, C&A Textiles limited filled for the condonation of delay to the hon'ble High Court Division of Supreme Court and applied for the permission to conduct for the last six years AGMs.

Alif Group has paid all due gas line bills to the Karnaphuli Gas Distribution Company Ltd. (KGDCL), and after lots of persuasion, KGDCL finally approved reconnection of gas bill on January 09, 2022 under certain conditions.

In the meantime, Alif Group (AG) have already completed the re-connection of other utility lines such as nine different electric meters after maintenance & check total electric lines as it was damaged for non-maintaining by paying the past dues for start of production. Transformer is repaired by professional as it was heavily damaged. Submersible water pump is installed to run industrial production. Diesel generator is overhauled and for backup power on top of Polli Biddut.

Alif Group has taken massive BMRE, repair and maintenance to revive the factory in a state for smooth production. Factory buildings have been repaired, new factory shade has been installed, repair and maintenance of existing machineries have been done.





Bank loan in First Security bank has been re-scheduled and got waived of interest BDT 150,105,500. Negotiation with other financial Institutions is under process.

On June 15, 2023, the company has received order from hon'ble High Court Division of Supreme Court (Company matter 302 and 303 of 2022) to conduct last six years pending AGMs and filling to RJSC.



# CORPORATE GOVERNANCE

C&A Textiles Limited is 100% committed to operate business with trust, confidence, integrity, transparency through high degree of corporate governance standards. The Company believes that high standards of corporate governance are keys to success and best serve the shareholders' interests. The Company is a law abiding responsible corporate citizen of the country. The Company gives highest priority to absolute transparency in conducting business and in its dealings and communications with its suppliers, customers, business partners, as well as with the local communities wherever it operates. At the same time the Company expects that its shareholders, Board of Directors, employees and suppliers would act in compliance with applicable laws and with honesty, integrity and openness. The Company also ensures compliance with the accounting and reporting standards in consonance with the requirements of Bangladesh Securities and Exchange Commission and applicable laws of the countries in which the Company operates

## Rules of the Board:

In line with the concept of good corporate management practice and the provisions of Articles of Association, The Board of Directors, The Top Management tier is responsible for overall control and supervision of the entire affairs of the Company primarily through strategic planning & budgetary control mechanisms. The present Board of the Company consists of seven (7) Independent Directors nominated by Bangladesh Securities and Exchange Commission. headed by the Chairman of the Company. Bangladesh Securities and Exchange Commission (BSEC) has appointed Mr. Narayan Chandra Debnath as a Chairman of the board. The Chief Executive Officer leads the management of the Company. The positions of Chairman and Managing Director are held by separate persons. The Chairman is responsible for functions of the Board

## Reconstitution of the Board of Directors:

For the interest of the investors and capital market, Bangladesh Securities and Exchange Commission (BSEC) vide its letter bearing no. SEC/SRMIC/202/2021/part-Z/68 dated February 28, 2021 reconstituted the Board of Directors comprising 7 (Seven) Independent Directors with specific Terms of Reference (ToR). Namely:

Mr. Narayan Chandra Debnath

Dr. Toufic Ahmad Choudhury

Dr. ABM Shahidul Islam

Mr. Rezwanul Huque Khan, PhD

Dr. Mohammad Shariat Ullah

Mr. ABM Asrafuzzaman

Brigadier General Sharif Ashan

These respected Independent Directors are the member of the Board of Directors as per the requirements of Bangladesh Securities and Exchange Commission. The business of the Company is managed by the Board of Directors. The Board of Directors is responsible to ensure that the business activities are soundly administrated and effectively controlled. At the same time the Board of Directors provides the management of the Company necessary guidance and directors ensure and uphold the highest interest of the shareholders.

## Audit Committee:

In compliance with the Notification of the Bangladesh Securities and Exchange Commission dated June 3, 2018, the Board of Directors of the Company has formed an Audit Committee as the sub-committee of the Board of Directors. The present Audit Committee of the Company is comprised of four (4) members. three of them are independent director- members of the board. The Chairman of the Audit Committee is an Independent Director. With an aim to ensure a true and fair view of the financial statements and good monitoring system within the business, Audit Committee assists the Board of Directors to discharge its responsibilities by reviewing and/or overseeing the financial reporting, internal control, risk management process, auditing activities and compliances with applicable laws and

regulations and the Code of Business Conduct. The company secretary is also the member of the audit committee. The Company Secretary acts as the secretary of the Committee.

**Scope of Work:**

As delegated by the board, the Audit Committee seeks to satisfy itself, by means of suitable steps and appropriate information that proper and satisfactory internal control systems are in place. Specific areas of work are to ensure that there in due process for:

- a. Efficiency and effectiveness of operational control
- b. Safeguarding of Assets
- c. Reliability of financial and other management information
- d. Compliance with company policies and relevant laws and regulations

**Duties & Responsibilities:**

- a. To oversee the financial reporting process
  - b. To monitor Internal Control Risk Management Process
  - c. Periodic review of the effectiveness of the accounting and internal control systems and report to board if necessary
  - d. Verification of the reliability and adequacy of Internal Control in the organization including management reporting to the board
  - e. Verification of Quarterly Financial Statements in compliance with the relevant standards and BSEC Rules and guidance
  - f. Review of the Annual Financial Statements in compliance with the relevant standards and BSEC Rules and guidance
  - g. To oversees hiring and performance of external auditors and compliance auditors of the company
  - h. Review the reports of Internal Auditors as well as External Auditors of the company
  - i. Consultation with the External Auditors of the company on the adequacy of the accounting and internal control of the company
- a. Review and ensuring fairness of any Related Party Transaction
  - b. Review and ensuring of due compliance with the relevant laws and regulations
  - c. Review of strategies, methodologies plan for internal auditing and the extent of co-ordination with external auditors
  - d. Any other responsibilities shall be determined by the Board from time to time

**Management Committee:**

The Management Committee comprises of top senior officials headed by the Chief Executive officer. The management committee deals with entire organizational matter



### Internal Audit:

Internal Audit assures the existence and pertinence of process controls and the integrity of information. Internal Audit operates under the direct supervision of the Audit Committee. Having unrestricted access all over the Company, Internal Audit plays independent roles to evaluate the effectiveness and efficiency of the Company's overall performances in terms of internal control structure, governance and risk management processes. Internal Audit performs operational audits on the business processes, and reliability of financial reporting and acts as the management consultant and strategic partner in designing and improving the reporting & control systems, policies and procedures and business processes where necessary.

### Statutory Audit:

Statutory audit of the Company is governed by the Companies Act 1994 of Bangladesh and Bangladesh Securities and Exchange Commission dated June 03, 2018 which explicitly provide guidelines for the appointment, scope of work, and retirement of auditors. Shareholders appoint auditors in the Annual General Meeting (AGM).

Bangladesh Securities and Exchange Commission vide its letter BSEC/SRMIC/64/2015/606 dated January 11, 2023 has consented to complete last six years (2016-17 to 2021-22) pending annual audit works of C&A Textiles Ltd. by one auditor. Therefore, the company has appointed M/s G. Kibria, Chartered Accountants to conduct last six years audit works. His appointment needs approval by the shareholders in the AGM

### Legal and Compliance:

Compliance is the key to build stakeholder's trust. The Company has adopted clearly defined Compliance Policy. Following the national law is core to the business. The regulatory bodies like Bangladesh Securities and Exchange Commission, Registrar of Joint Stock Companies & Firms maintain a close monitoring process on the Company. Respective officers are responsible for ensuring proper compliance with applicable laws and regulations.

### Chief Financial Officer, Head of Internal Audit and Company Secretary

Mr. Jamal Uddin Patwary is working as Chief Financial Officer, Mr. Md. Uzzal Hossain, as Head of Internal Audit and Mr. Mahfuzur Rahman as Company Secretary (Acting) of the company as per requirement of Bangladesh Securities and Exchange Commission.

## SEVEN YEARS FINANCIAL HIGHLIGHTS

| Particulars                           | 30-Jun-22       | 30-Jun-21       | 30-Jun-20     | 30-Jun-19     | 30-Jun-18     | 30-Jun-17     | 30-Jun-16     |
|---------------------------------------|-----------------|-----------------|---------------|---------------|---------------|---------------|---------------|
| Authorized Capital                    | 3,000,000,000   | 3,000,000,000   | 3,000,000,000 | 3,000,000,000 | 3,000,000,000 | 3,000,000,000 | 3,000,000,000 |
| Paid-up Capital                       | 2,393,160,000   | 2,393,160,000   | 2,393,160,000 | 2,393,160,000 | 2,393,160,000 | 2,393,160,000 | 2,175,600,000 |
| No of Shares (Face value 10 Tk each)  | 239,316,000     | 239,316,000     | 239,316,000   | 239,316,000   | 239,316,000   | 239,316,000   | 217,560,000   |
| Retained Earnings                     | (1,479,011,278) | (1,502,749,755) | (290,276,749) | 15,302,550    | 322,626,453   | 703,535,074   | 1,465,403,318 |
| Total Assets                          | 1,447,591,469   | 1,501,899,560   | 2,531,991,812 | 2,670,249,274 | 2,826,417,496 | 3,057,222,429 | 3,819,967,882 |
| Net Fixed Assets                      | 1,011,291,641   | 1,121,028,368   | 1,244,148,909 | 1,381,038,814 | 1,532,475,605 | 1,701,620,112 | 1,889,799,325 |
| Book Value of Equity                  | (863,310,878)   | (971,545,102)   | 240,927,904   | 546,507,203   | 853,831,106   | 1,354,690,459 | 3,641,003,318 |
| Sales Revenue                         | 13,570,242      | -               | -             | -             | -             | -             | 2,283,545,840 |
| Gross Profit                          | (97,303,841)    | (806,771,049)   | (136,889,905) | (151,436,791) | (186,377,010) | (335,284,437) | 418,800,066   |
| Operating Profit                      | (97,303,841)    | (1,030,091,491) | (138,248,305) | (153,813,755) | (194,746,874) | (391,060,704) | 321,178,241   |
| Net Profit                            | 23,738,477      | (1,212,473,006) | (305,579,300) | (307,323,903) | (380,908,620) | (544,308,244) | 246,997,036   |
| Earnings per Share (EPS)              | 0.10            | (5.07)          | (1.28)        | (1.28)        | (1.59)        | (2.27)        | 1.14          |
| Net Asset Value per Share (NAV/Share) | (3.61)          | (4.06)          | 1.01          | 2.28          | 3.57          | 5.66          | 16.74         |
| Dividend (%)                          | Cash-0.4%       | No Dividend     | No Dividend   | No Dividend   | No Dividend   | No Dividend   | Stock-10%     |

\*Proposed. Only for general shareholders, other than sponsors/directors





## REPORT OF THE BOARD OF DIRECTORS TO THE SHAREHOLDERS

### Dear Valued Shareholders:

AssalamuAlaikum

On behalf of the board of directors, I am pleased to welcome you to the 16th, 17th, 18th, 19th, 20th and 21st Annual General meeting of C&A Textiles Ltd. and it is my privilege to present before you the Annual Report and Financial Statements of the company for the year ended June 30 of 2017,2018,2019,2020,2021 and 2022

### Industry Outlook:

The global textile market grew from \$530.97 billion in 2021 to \$577.83 billion in 2022 at a compound annual growth rate (CAGR) of 8.8%. The Russia-Ukraine war disrupted the chances of global economic recovery from the COVID-19 pandemic, at least in the short term. The war between these two countries has led to economic sanctions on multiple countries, surge in commodity prices, and supply chain disruptions, effecting many markets across the globe. The textile market is expected to grow to \$722.32 billion in 2026 at a CAGR of 5.7%.

The export witnessed slower growth in first month of new fiscal which is probably due to the impact of economic challenges the world is currently facing. Knitwear exports gained at a slower rate than woven RMG exports. Knitwear exports increased by 11.80 per cent to \$1.854 billion in 2021-22, as against exports of \$1.658 billion during the same month of previous fiscal, as per the data.

Readymade garment (RMG) exports from Bangladesh witnessed an increase of 35.47 per cent to \$42.613 billion in the last fiscal 2021-22 compared to exports of \$31.456 billion in the fiscal 2020-21.

We have no doubt that the clarity and consistency of our strategy, our discipline to remain focused, and a firm commitment to our culture and values have been crucial to your company's performance growth. More than anything else, your Company has developed agility to change and transform; to respond to challenges and tackle the twin objective of improving value creation from current assets and paving the path to grow and become more efficient. Therefore, your company not only ensures the optimal utilization of production facilities but also earned best optimal revenue mix for the year 2021-22.

### Production Performance:

Your company has been shut down from the last six years (Since 2016-17). No production activities have been taken place during the period under review (2016-17 to 2021-22)

### Sales Performance:

Since no production was taken place during the period under review, there was no sales activity during the period under review (2016-17 to 2021-22)

At present your company is exporting to EU, and USA. We are continuously exploring different markets to serve.

### Financial Performance:

The directors took pleasure in reporting the Financial Results of your Company for the year ended on June 30 of 2017,2018,2019,2020,2021 and 2022 as follows:

| Particulars        | 30-Jun-22  | 30-Jun-21       | 30-Jun-20     | 30-Jun-19     | 30-Jun-18     | 30-Jun-17     |
|--------------------|------------|-----------------|---------------|---------------|---------------|---------------|
| Profit Before Tax  | 23,819,898 | (1,212,473,006) | (305,579,255) | (307,323,903) | (380,908,620) | (543,803,971) |
| Profit After Tax   | 23,738,477 | (1,212,473,006) | (305,579,300) | (307,323,903) | (380,908,620) | (544,308,244) |
| Earnings Per Share | 0.1        | (5.07)          | (1.28)        | (1.28)        | (1.59)        | (2.27)        |



### Key Facts:

**NAV-** Net Asset Value (NAV) per Share has been stood up at BDT (3.61) per share in 2021-22. It was BDT (4.06) per share in 2020-21.

**EPS-** Earning per Share (EPS) was BDT 0.10 per share in 2021-22, which was BDT (5.07) per share in 2020-21. The company has got waiver of bank interest of BDT 15,01,05,500 for the year ended June 30, 2022, which reflects in the profit and loss account for the year 2021-2022.

**NOCFPS-** Net Operating Cash Flow per Share (NOCFPS) stood BDT 0.04 per share in 2021-22 which was BDT 0.00 per share in 2020-21

### Human Resources:

Success in business largely depends on the quality of the employees. Employees are the assets, who drive the Company to its goal to better serve the shareholders' interests. Recognizing the differences that the efficient employees can contribute into the business, your Company's focus is to recruit the right talent for the right job, identifying the successors for the key positions and most importantly, improve the efficiency of employees with right Learning & Development initiatives.

### Dividend Distribution Policy:

Dividend distribution policy in line with the Directive of Bangladesh Securities and Exchange Commission vide Directive No BSEC/CMRRCD/2021-386/03, dated on January 14, 2021. This policy seeks to lay down a broad framework for the distribution of dividend by the Company to its shareholders. The Board approved the company's Dividend Distribution Policy and based on performance the Board of Directors declare the dividend. The Dividend Policy will enable shareholders to understand the internal and external factors pertaining to dividend declaration and payout. The detailed dividend distribution policy is available in the Company's website at: [www.cnatextiles.com](http://www.cnatextiles.com)

### Dividend:

Considering the overall financial position, the board of directors did not recommend any dividend for the year 2016-17, 2017-18, 2018-19, 2019-20 and 2020-2021.

The board of directors have recommended **cash dividend 0.4% (Tk. 0.04 per share)** for each ordinary share only for the general shareholders other than sponsors/directors for the year 2021-2022. It is to be noted that the said dividend was recommended from the sales of scrap and garments left over found in the factory during renovation process. This dividend recommendation will be placed in the respective AGM for the approval of the shareholders.

### Statutory Auditors:

Bangladesh Securities and Exchange Commission vide its letter BSEC/SRMIC/64/2015/606 dated January 11, 2023 has consented to complete last six years (2016-17 to 2021-22) pending annual audit works of C&A Textiles Ltd. by one auditor. Therefore, the company has appointed M/s G. Kibria, Chartered Accountants to conduct last six years audit works. His appointment needs approval by the shareholders in the AGM

Pursuant to Section 210 of the Companies Act, 1994, the Company's statutory auditor's M/s G. Kibria & Co, Chartered Accountants, retire at the 21<sup>st</sup> Annual General Meeting. The statutory auditor has completed his term.

The board has recommended M/s. Malek Siddiqui Wali, Chartered Accountants as statutory auditor of the company for the financial year 2022-23 (till holding the next AGM) subject to the approval of the shareholders in the 21<sup>st</sup> AGM.

### Corporate Governance Compliance Auditor:

The board of directors proposed M/s. ATA KHAN & CO., Chartered accountants to be appointed as a compliance of corporate governance auditor for 2022-23(till holding the next AGM)

### Directors:

For the interest of the investors and capital market, Bangladesh Securities and Exchange Commission (BSEC) vide its letter bearing no. SEC/SRMIC/202/2021/part-Z/68 dated February 28, 2021 reconstituted the Board of Directors comprising **7 (Seven) Independent Directors** with specific Terms of Reference (ToR).



The Commission, hereby, directs the issuer company-C&A Textiles Ltd to comply the followings:

- (a) The existing directors shall not be allowed to represent or be elected as a direct company and the shares held by the existing directors and sponsors shall not be until the further instruction of the Commission;
- (b) The Commission hereby nominated the following 7 (seven) distinguished persons/ individuals as independent directors of the company in accordance with condition under-2 of the Commission's Notification No. SEC/CMRRCD/2009-193/07/Admin/ dated Sep 01, 2020 and the condition under 1 of the Commission's Notification No. SEC/CMRRCD/2009- 193/15 dated 10 December, List of Names:
1. Mr. Narayan Chandra Debnath
  2. Dr. Toufic Ahmad Choudhury
  3. Dr. ABM Shahidul Islam
  4. Mr. Rezwanul Huque Khan, PhD
  5. Dr. Mohammad Shariat Ullah
  6. Mr. ABM Asrafuzzaman
  7. Brigadier General Sharif Ashan
- (c) Mr. Narayan Chandra Debnath. Additional Secretary (PRL) is proposed to be selected as Chairman of the board of directors of the company;
- (d) The company shall not be allowed to sell, mortgage, pledge, transfer, transmission, or dispose of any assets (including FDR) without prior approval of the commission;
- (e) The name of independent directors as appointed/ nominated by the Commission under the referred Notification and Order shall not be included in the particulars of directors (FORM XII) and will not have any personal financial liability.

I take this opportunity, on behalf of the Board of Directors, to express my heartfelt gratitude to all of our valued clients, shareholders and well-wishers' home and aboard for their whole hearted co-operation and active support in discharging the responsibilities vested on me and the Board during the year under review. I also thank business associates including our foreign and local customers, dealers, suppliers, government agencies, bankers, financial institutions, and auditors, office of the Registrar of Joint Stock Companies and Firms, Bangladesh Securities and Exchange Commission, Dhaka Stock Exchange Limited, Chittagong Stock Exchange Limited and Central Depository Bangladesh Limited for their co-operation, wholehearted support and faith reposed in the Company. I, on behalf of the Board, also put on record my deep appreciation for the services and loyalty of the executives, officers, and employees of the company at all levels without which our success could not have been achieved.

Thanks, are also due to all directors, all executives, officers, staffs and workers of the company for their excellent, sincere, dedicated efforts in achieving company's target during the year under review. We look forward for your continuous support and best wishes for meeting the future challenges awaiting us in the competitive market and satisfying ever increasing expectation of our customers' partners and well-wishers.

**On behalf of the Board of Directors**

**Sd/-**

**Narayan Chandra Debnath**

**Chairman**

**Dated: August 01, 2023**

**Dhaka,**



# AUDIT COMMITTEE REPORT 2021-22

The Audit Committee, appointed by and responsible to the Board of Directors of C&A Textiles Ltd is constituted as per the internal control framework of the company Policy and conditions imposed by the Bangladesh Securities and Exchange Commission (BSEC). The present committee comprises of 4 (four) members of whom three of them are Independent Director. The Company secretary functions as the secretary of the committee as well. Meetings of the committee are attended by Chief Executive Officer, Head of Internal Audit, engagement partner of External Audit, as necessary by invitation. All members of the committee are financially literate and able to interpret financial statements and assess the adequacy of the internal control process.

The present committee members, nominated by the Board, are:

Dr. ABM Shahidul Islam (Chairman)  
Mr. Rezwan Huque Khan, PhD  
Dr. Mohammad Shariat Ullah  
Mr. Mahfuzur Rahman (Acting Secretary)

## **Duties & Responsibilities:**

- a. To oversee the financial reporting process
- b. To monitor Internal Control Risk Management Process
- c. Periodic review of the effectiveness of the accounting and internal control systems and report to board if necessary
- d. Verification of the reliability and adequacy of Internal Control in the organization including management reporting to the board
- e. Verification of Quarterly Financial Statements in compliance with the relevant standards and BSEC Rules and guidance
- f. Review of the Annual Financial Statements in compliance with the relevant standards and BSEC Rules and guidance
- g. To oversees hiring and performance of external auditors and compliance auditors of the company
- h. Review the reports of Internal Auditors as well as External Auditors of the company
- i. Consultation with the External Auditors of the company on the adequacy of the accounting and internal control of the company
- j. Review and ensuring fairness of any Related Party Transaction
- k. Review and ensuring of due compliance with the relevant laws and regulations
- l. Review of strategies, methodologies plan for internal auditing and the extent of co-ordination with external auditors
- m. Any other responsibilities shall be determined by the Board from time to time

### **Activities of the Committee On Company's affairs for the year under report**

In accordance with Audit Committee Charter, governed by the BSEC notifications on Corporate Governance Code, the committee carried out its duties to work on the areas that were raised for consideration and discussed to evaluate issues related to key events of financial reporting cycles. During the current financial period under report activities of the committee include, among others:

- Reviewed the quarterly and half yearly financial statements of the Company and recommended to the Board for adoption and circulation as per the requirement of Bangladesh Securities and Exchange Commission (BSEC).
- Assessed the report of the external auditors on critical accounting policies, significant judgments and practices used by the company in preparation of financial statements.
- Committee recommended the, M/s. Malek Siddiqui Wali, Chartered Accountants to the Board for appointment as the statutory Auditors of the Company for the next financial year ending on 30th June 2023.
- Committee reviewed the effectiveness of internal financial control system and the internal audit procedures.
- Reviewed the recurrent related party transactions during the year under report.
- Reviewed the external auditors' findings arising from audit, particularly comments and responses of the management.
- Reviewed the matters of compliance as per requirements of the Bangladesh Securities and Exchange Commission (BSEC) and ensured corrections, as appropriate, to remain compliant.
- The committee is of the opinion that adequate controls and procedures are in place to provide reasonable assurance that the company's assets are safeguarded and the financial position of the Company is adequately managed. On behalf of the Committee

On behalf of the Audit Committee

**Sd/-**

Dr. ABM Shahidul Islam  
Chairman, Audit Committee

# ANNEXTURE

## ADDITIONAL STATEMENTS BY THE BOARD OF DIRECTORS AS NOTIFICATION DATED AUGUST 07, 2012 FROM THE BANGLADESH SECURITIES AND EXCHANGE COMMISSION:

### i. Industry outlook and possible future developments in the industry:

Bangladesh is a developing country. Its economy is largely dependent on agriculture. However, the readymade garments (RMG) sector has emerged as a biggest earning source of foreign currency. Industries like textile, pharmaceuticals, agribusiness, jute, leather, tea, food processing etc. is contributing to the development of economy of Bangladesh. Among them, RMG has secured the top position for earning foreign currency.

RMG sector is not only contributing to the national economy but also working on human development. It contributes significantly to GDP, women endorsement, reduction of child labor, gender equality and reduction of infant mortality. In last three decades, RMG shapes itself a good apparel sourcing spot in the world. RMG sector contributes more than 13% of GDP of Bangladesh. A McKinsey survey report shows that Bangladesh will be the number one hotspot for apparel sourcing within five years.

The dramatic growth of RMG sector is due to RMG entrepreneurs, BGMEA (Bangladesh Garments Manufacturers and Exporters Association), BKMEA (Bangladesh Knitwear Manufacturers and Exporters Association), government support, GSP facility, low labor cost, effective and efficient worker etc. RMG entrepreneurs are encouraged by different tools such as quotas through the WTO, Agreement on Textiles and Clothing (ATC), Everything But Arms (EBA) and the US 2009 Tariff Relief Assistance etc. RMG sector has been providing many employment opportunities especially for women and empowering them to make a social revolution. The RMG sector helps to reduce the rate of poverty through creating job opportunities. 60% of the western brands of RMG are being exported from Bangladesh to European buyers and 40% to American buyers. Growth of RMG sector has spawned a whole new set of linkage industries and facilitated expansion of many service sector activities. The RMG industry not only propelled the growth of spinning, weaving, dyeing and finishing industries, production of accessories and spare parts, but also rendered large externalities by contributing to other economic activities like banking, insurance, real estate, packaging, hotels and tourism, recycling, consumer goods, utility services and transportations.

The world economy is expected to grow by 3.2% in 2022 compared to 2021, with advanced economies expanding by 2.4% and emerging market and developing economies by 3.7%. According to International Monetary Fund (IMF) in its World Economic Outlook (WEO) October 2022. The advanced economies expanding by 1.1 percent and emerging market and developing economies by 3.7 percent, the global economy will only increase by 2.7 percent in 2023

The Bangladesh economy started to recover from the effects of Covid-19 pandemic and remains highly dependent on the ready-made garments for total export earnings. According to the Export Promotion Bureau (EPB) data, RMG export has contributed \$42613.15 million to Bangladesh's total export earnings increased by FY 2021-22 which is 81.82% of the total exports of \$52082.66 million of the country. Knitwear exports jumped by 33.82% to \$23,214.32 million in FY 2021-22, as against actual exports of \$16,960.03 million during the previous fiscal. Exports of woven apparel too rose by 36.88% to \$19,398.84 million during the period under review, compared to exports of \$14,496.70 million during the comparable period of 2020-21. Woven and knitted apparel and clothing accessories' exports together accounted for 35.47% (\$42,613.16 million) against \$31.456.73 million worth of total exports made by Bangladesh during the last fiscal previous year respectively. While these are the

remarkable achievements, yet there are stories of struggles, challenges and sacrifices behind this. This export growth in the year 2021-22 is not absolute growth, the growth is caused by the inflated price of raw materials to some extent. In addition, the world economy has entered a new zone of unpredictability after the conflict between Russia and Ukraine broke out in February 2022. The problems brought on by the war have appeared on many fronts. Given the degree of global economic interdependence, a crisis of this kind involving a nation like Russia is certain to have an effect on other economies. We are into a new challenge as the advanced economies are heading toward recession, while many factories haven't fully recovered from the crisis of the pandemic yet. However, our textile and ready-made garment industries are demonstrating resilience, and most purchasers consider Bangladesh to be one of the finest options for a reliable source of ready-made garments. Our business has implemented the necessary strategy in this situation to maintain a respectable market share. This, together with an active marketing campaign, has contributed to a partial recovery near the conclusion of the fiscal year.

Despite the outbreak of COVID-19, we believe, the industry has huge potential to go a long way and in future it will increase its share to national export and GDP as well. At present, your company is exporting to, USA and EU countries. In addition to increase our export in existing market, we are looking forward to open new markets especially in Canada, Brazil, and Australian market.

#### **ii. Segment-wise or product-wise performance:**

There was no production during the period under review (2016-17 to 2021-22)

#### **iii. Risk and Concerns:**

All sectors of textile and RMG industry faces many similar challenges. The main problems, regardless of the sector within the industry are lack of power, labor unrest causing disruption of production, high price of electricity. The price of raw materials in both local and international market is not stable. Keep in this mind, the company's management perceive operational risk, market risk, and new investment risk, foreign exchange fluctuation risk within the national and international perspective and the risk of any abrupt changes of the policies made by the regulatory authorities that may adversely affect the business of the company. The management is skilled and experienced enough to deal with such risk that could have affected the business

#### **iv. Discussion on Cost of Goods Sold, Gross Profit Margin and Net Profit Margin:**

Since there was no production during the period under review (2016-17 to 2021-22), Cost of Goods Sold did not take place.

#### **v. Discussion on continuity of any Extra-Ordinary gain/loss:**

Company got BDT 150,105,500 as bank interest waiver in FY 2021-22

#### **vi. Basis for related party transactions:**

Not Applicable

#### **vii. Utilization of proceeds from public issues, rights issues and/or through any others**

Not Applicable

#### **viii. An explanation if the financial results deteriorate after the company goes for Initial Public Offering (IPO), Repeat Public Offering (RPO), Rights Offer, Direct Listing, etc.**

Not Applicable

#### **ix. If significant variance occurs between Quarterly Financial performance and Annual Financial Statements the management shall explain about the variance on their Annual Report.**

No significant variance occurred between Quarterly Financial performance and Annual Financial Statements

#### **x. Remuneration to directors including independent directors.**

As per the Articles of Association of the Company (Article 17: Remuneration of Directors), the Directors shall not be entitled to any remuneration except for extra services rendered to the Company and as decided by the Board. The Company may bear all such reasonable expenses as the Director may incur for the purpose of attending meetings of the Directors or general meeting.





**xi. That, the Financial Statements prepared by the management of the company present fairly its state of affairs, the result of its operations, cash flows and changes in equity.**

The Financial Statements together with the notes thereon have been drawn up in conformity with the Companies Act, 1994 and Securities and Exchange Commission Rules, 1987. These statements present fairly the Company's State of Affairs, the result of its Operations, Cash Flow and Changes in Equity for the year ended on 30<sup>th</sup> June of 2017,2018,2019,2020,2021 and 2022

**xii. That, proper books of account of the company have been maintained.**

The company ensures that proper Book of Accounts of the Company has been maintained.

**xiii. That, appropriate accounting policies have been consistently applied in preparation of the Financial Statements and that the accounting estimates are based on reasonable and prudent judgment.**

The management ensures that appropriate Accounting Policies have been consistently applied in preparation of the Financial Statements and that the accounting estimates are based on reasonable and prudent judgments.

**xiv. That, the International Accounting Standards (IAS)/ Bangladesh Accounting Standards (BAS)/ International Financial Reporting Standards (IFRS)/ Bangladesh Financial Reporting Standards (BFRS), as applicable in Bangladesh, have been followed in preparation of the Financial Statements and any departure there from has been adequately disclosed.**

The management ensures that the International Accounting Standards (IAS)/ Bangladesh Accounting Standards (BAS)/ International Financial Reporting Standards (IFRS)/ Bangladesh Financial Reporting Standards (BFRS), as applicable in Bangladesh, have been followed in preparation of the Financial Statements and any departure there from has been adequately disclosed.

**xv. That, the system of internal control is sound in design and has been effectively implemented and monitored.**

The management ensures that the Internal Control System is sound in design and effectively implemented and monitored

**xvi. Regarding protection of minority shareholders:**

There was no such situation raised to protect the interest of minority shareholders.

**xvii. That, there are no significant doubts upon the company's ability to continue as a going concern.**

The management ensures there are no significant doubts upon the company's ability to continue as a going concern.

**xviii. Significant deviations from last year's operating results of the company shall be highlighted and the reasons thereof should be explained.**

The company conducted last AGM in 2015-16. After that the company has been shut down in last six years (2016-17 to 2021-22). By the order of the hon'ble High Court Division, the board of directors hold the board meeting to adopt the annual audited financial accounts of the company from 2016-17 to 2021-22. Therefore, significant deviation arise during the period 2016-17 to 2021-22 compared to 2015-16.

**xix. Summary of key operating and financial data of preceding seven years:**

Summary of key operating and financial data of preceding Seven years are given in page 19

**xx Reasons for non-declaration of dividend.**

Since the company was not in operation in last six years under review, the board of directors did not recommend any dividend for the year end 30th June of 2017,2018,2019,2020, and 2021. However, of directors have recommended cash dividend 0.4% (Tk. 0.04 per share) for each ordinary share only for the general shareholders other than sponsors/directors for the year 2021-2022. It is to be noted that the said dividend was recommended from the sales of scrap and garments left over found in the factory during renovation process.

**xxi. Interim Dividend:**

No Bonus share or stock dividend has been declared by Board of Directors for interim period.

**xxii. The number of Board meetings held during the year and attendance by each Director.**

Two meetings of the Board of Directors were held during the year ended on 30th June, 2022.

Company Secretary and Chief Financial Officer has attended all the Board Meetings held during the financial year 2021-22.

**xxiii. Pattern of Shareholding:**

a) Parent/Subsidiary/Associated companies and other related parties (name wise details):

| Name of Parent<br>/Subsidiary/ | Status | Share held | Share held % |
|--------------------------------|--------|------------|--------------|
| NA                             | NA     | NA         | NA           |

b) Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer, Head of Internal Audit and their spouses and minor children (name wise details):

| SL | Name                           | Designation               | No of Shares Held |
|----|--------------------------------|---------------------------|-------------------|
| 1  | Mr. Narayan Chandra Debnath    | Chairman                  | NIL               |
| 2  | Dr. Toufic Ahmad Choudhury     | Independent Director      | NIL               |
| 3  | Dr. ABM Shahidul Islam         | Independent Director      | NIL               |
| 4  | Mr. Rezwanul Huque Khan, PhD   | Independent Director      | NIL               |
| 5  | Dr. Mohammad Shariat Ullah     | Independent Director      | NIL               |
| 6  | Mr. ABM Asrafuzzaman           | Independent Director      | NIL               |
| 7  | Brigadier General Sharif Ashan | Independent Director      | NIL               |
| 8  | Mr. Zaberul Abedin Chowdhury   | Chief Executive Officer   | NIL               |
| 9  | Mr. Jamal Uddin Patwary        | Chief Financial Officer   | NIL               |
| 10 | Mr. Mahfuzur Rahman            | Company Secretary(acting) | NIL               |

c) Executives (top five salaried employees other than the Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer, Head of Internal Audit):

No Executives (top five salaried employees other than the Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer, Head of Internal Audit) hold any share of the company.

d) Shareholders holding ten percent (10%) or more voting interest in the Company (name wise details):

Not Applicable

**xxiv. Management discussion and Analysis:**

## Statement of Chief Executive Officer

Management's Discussion and Analysis of the Company's position and operations along with a brief discussion of changes in the financial statements as per condition no. 1.5(XXV) of Corporate Governance Code dated June 03, 2018:

### (a) Accounting policies and estimation for preparation of financial statements;

These Financial Statements have been prepared under the Historical Cost Convention, Accrual and Going Concern basis in accordance with applicable Bangladesh Accounting Standards (BASs) and International Financial Reporting Standards (IFRSs) which does not vary from the requirements of the Companies Act, 1994 and the Listing Regulations of the Stock Exchanges, The Securities & Exchange Rules, 1987 and other laws and rules applicable in Bangladesh. The following BASs are applicable for the financial statements for the year under review

- BAS 01** Presentation of Financial Statements
- BAS 02** Inventories
- BAS 07** Statement of Cash Flows
- BAS 08** Accounting Policies, Changes in Accounting Estimates and Errors
- BAS 10** Events after the Reporting Period
- BAS 12** Income Taxes
- BAS 16** Property, plant and Equipment
- BAS 17** Lease
- BAS18** Revenue
- BAS 21** The Effects of Changes in Foreign Exchange Rates
- BAS 23** Borrowing Costs
- BAS 24** Costs Related party Disclosures
- BAS 33** Earnings Per Share
- BAS 36** Impairment of Assets
- BAS 37** Provisions, Contingent Liabilities, and Contingent Assets
- BAS 39** Financial Instruments: Recognition and Measurement

### (b) Changes in accounting policies and estimation:

There was no change in accounting policies and estimation during the year under review.

### (c) Comparative analysis of financial performance or results and financial position as well as cash flows for current financial year with immediately preceding five years explaining reasons:

(Figure in million BDT except per share)

| Particulars                           | 30-Jun-22 | 30-Jun-21  | 30-Jun-20 | 30-Jun-19 | 30-Jun-18 | 30-Jun-17 | 30-Jun-16 |
|---------------------------------------|-----------|------------|-----------|-----------|-----------|-----------|-----------|
| Sales Revenue                         | 13.57     | -          | -         | -         | -         | -         | 2,283.55  |
| Gross Profit                          | (97.30)   | (806.77)   | (136.89)  | (151.44)  | (186.38)  | (335.28)  | 418.80    |
| Operating Profit                      | (97.30)   | (1,030.09) | (138.25)  | (153.81)  | (194.75)  | (391.06)  | 321.18    |
| Net Profit                            | 23.74     | (1,212.47) | (305.58)  | (307.32)  | (380.91)  | (544.31)  | 247.00    |
| Earnings per Share (EPS)              | 0.10      | (5.07)     | (1.28)    | (1.28)    | (1.59)    | (2.27)    | 1.14      |
| Net Asset Value per Share (NAV/Share) | (3.61)    | (4.06)     | 1.01      | 2.28      | 3.57      | 5.66      | 16.74     |
| Gross Margin                          | (7.17)    | -          | -         | -         | -         | -         | 0.18      |
| Operating Margin                      | (7.17)    | -          | -         | -         | -         | -         | 0.14      |
| Net Profit Margin                     | 1.75      | -          | -         | -         | -         | -         | 0.11      |

**d) Compare such financial performance or results and financial position as well as cash flows with the peer industry scenario**

Since the company was not in operation from during the period under review (2016-17 to 2021-22), no comparison regarding financial performance or results and financial position as well as cash flows with the peer industry scenario is possible.

**(e) Briefly explain the financial and economic scenario of the country and the globe:**

The world economy is expected to grow by 3.2% in 2022 compared to 2021, with advanced economies expanding by 2.4% and emerging market and developing economies by 3.7%. According to International Monetary Fund (IMF) in its World Economic Outlook (WEO) October 2022. The advanced economies expanding by 1.1 percent and emerging market and developing economies by 3.7 percent, the global economy will only increase by 2.7 percent in 2023

The Bangladesh economy started to recover from the effects of Covid-19 pandemic and remains highly dependent on the ready-made garments for total export earnings. According to the Export Promotion Bureau (EPB) data, RMG export has contributed \$42613.15 million to Bangladesh's total export earnings increased by FY 2021-22 which is 81.82% of the total exports of \$52082.66 million of the country. Knitwear exports jumped by 33.82% to \$23,214.32 million in FY 2021-22, as against actual exports of \$16,960.03 million during the previous fiscal. Exports of woven apparel too rose by 36.88% to \$19,398.84 million during the period under review, compared to exports of \$14,496.70 million during the comparable period of 2020-21. Woven and knitted apparel and clothing accessories' exports together accounted for 35.47% (\$42,613.16 million) against \$31,456.73 million worth of total exports made by Bangladesh during the last fiscal previous year respectively. While these are the remarkable achievements, yet there are stories of struggles, challenges and sacrifices behind this. This export growth in the year 2021-22 is not absolute growth, the growth is caused by the inflated price of raw materials to some extent. In addition, the world economy has entered a new zone of unpredictability after the conflict between Russia and Ukraine broke out in February 2022. The problems brought on by the war have appeared on many fronts. Given the degree of global economic interdependence, a crisis of this kind involving a nation like Russia is certain to have an effect on other economies. We are into a new challenge as the advanced economies are heading toward recession, while many factories haven't fully recovered from the crisis of the pandemic yet. However, our textile and ready-made garment industries are demonstrating resilience, and most purchasers consider Bangladesh to be one of the finest options for a reliable source of ready-made garments. Our business has implemented the necessary strategy in this situation to maintain a respectable market share. This, together with an active marketing campaign, has contributed to a partial recovery near the conclusion of the fiscal year.

**(f) Risk and concerns including internal and external factors and its mitigation plan of the company is stated below:**

The RMG Industry in Bangladesh faces challenges to ensure workplace safety for the workers in compliance with the national & international labor standards and rights. As a garment industry, we are facing now huge numbers of risk & concern issue. Among others, price increase of raw materials, price hike of energy, very short lead time to deliver finished goods and mostly labor costs. Otherwise, to meet environmental and compliance requirements has caused a shift in selecting eco-friendly chemicals which are expensive. The company also aware of some financial risk including credit risk, interest rate risk and currency risk. To minimize this exposure, the company has taken extra initiative ie for credit risk, monitored on an ongoing basis and for interest rate risk, the company has not entered into any type of derivative instrument in order to hedge interest rate risk at the reporting date and company is emphasizing on own fund based financing to reduce dependency on interest based borrowed fund.

**(g) Future plan:**

C&A Textiles Ltd. is committed towards continuing improvement in infrastructure, capital assets up gradation and modification. We are continuously focusing towards reduction in operating cost and wastage, for this the company is striving to improve in efficiency of human resources by proper on the job training.

**Sd/-**  
**Chief Executive Officer**  
**C&A Textiles Ltd.**  
Dated: August 01,2023



**xxv. CEO and CFO's Declaration:**

## **CEO & CFO's Declaration to the Board of Directors**

**The Board of Directors**

C&A Textiles Ltd  
Plot# 61,62,66,67,68,72 & 73  
BSCIC Industrial Area, Kalurghat (Ext)  
Chittagong, Bangladesh

**Subject: Declaration on Financial Statements for the year ended on 30th June of 2017,2018,2019,2020,2021 & 2022.**

**Dear Sir,**

Pursuant to the condition No. 1(5)(xxvi) imposed vide the Commission's Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 dated June 03, 2018 under section 2CC of the Securities and Exchange Ordinance, 1969, we do hereby declare that

1. The Financial Statements of C&A Textiles Ltd. for the year ended on June 30 of 2017,2018,2019,2020,2021 and 2022 have been prepared in compliance with Bangladesh Accounting Standards (BAS) or International Financial Reporting Standards (IFRS), as applicable in the Bangladesh and any departure there from has been adequately disclosed;
2. The estimates and judgments related to the financial statements were made on a prudent and reasonable basis, in order for the financial statements to reveal a true and fair view;
3. The form and substance of transactions and the Company's state of affairs have been reasonably and fairly presented in its financial statements;
4. To ensure above, the Company has taken proper and adequate care in installing a system of internal control and maintenance of accounting records;
5. Our internal auditors have conducted periodic audits to provide reasonable assurance that the established policies and procedures of the Company were consistently followed; and
6. The management's use of the going concern basis of accounting in preparing the financial statements is appropriate and there exists no material uncertainty related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern.

**In this regard, we also certify that: -**

- a. We have reviewed the financial statements for the year ended on June 30 of 2017,2018,2019,2020,2021 and 2022 and that to the best of our knowledge and belief:
- b. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
- c. These statements collectively present true and fair view of the Company's affairs and are in compliance with existing accounting standards and applicable laws.
- d. There are, to the best of knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or in violation of the code of conduct for the company's Board of Directors or its members.

**Sincerely yours,**

**Sd/-**  
**Chief Executive officer**  
**C&A Textiles Ltd**

**Sd/-**  
**Jamal Uddin Patwary**  
**Chief Financial Officer**  
**C&A Textiles Ltd**



# **CORPORATE GOVERNANCE COMPLIANCE REPORT**

Ref: 08/23/133/1

## **Annexure-B**

**[Certificate as per condition No. 1(5)(xxvii)]**

### **Report to the Shareholders of C & A Textiles Limited on compliance of Corporate Governance Code**

We have examined the compliance status to the Corporate Governance Code by C & A Textiles Limited for the year ended on June 30, 2022. This code relates to the Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 dated June 03, 2018 of the Bangladesh Securities and Exchange commission.

Such compliance with the corporate Governance Code is the responsibility of the Company. Our examination was limited to the procedures and implementation thereof as adopted by the Management in ensuring compliance to the conditions of the Corporate Governance Code.

This is a scrutiny and verification and an independent audit on compliance of the conditions of the Corporate Governance Code as well as the provisions of relevant Bangladesh Secretarial Standards (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB) in so far as those standards are not inconsistent with any condition of this corporate Governance Code.

We state that we have obtained all the information and explanations, which we have required, and after due scrutiny and verification thereof, we report that, in our opinion:

- (a) The company has complied with the conditions of the Corporate Governance Code as stipulated on the above-mentioned Corporate Governance Code issued by the commission;
- (b) The company has complied with the provisions of relevant Bangladesh Secretarial Standards (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB) as required by this Code;
- (c) Proper books and records have been kept by the company as required under the Companies Act, 1994, the securities laws and other relevant laws;
- (d) The governance of the Company is highly satisfactory.

**Sd/-**

Place: Dhaka  
Dated: August 02, 2023

.....  
(Md. Aminul Islam FCA)  
**Huda Hossain & Co.**  
Chartered Accountants



## Corporate Governance Code Compliance Status

*Status of compliance with the conditions imposed by the Bangladesh Securities and Exchange Commission's Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 dated 03 June 2018 issued under section 2CC of the Securities and Exchange Ordinance 1969.*

*(Report under Condition No.9)*

| Condition No. | Title  | Compliance Status<br>(Put in the appropriate column) |              | Remarks<br>(if any)  |
|---------------|--|--|--------------|--|
|               |  | Complied   | Not Complied |  |
| 1             | <b>Board of Directors:</b>   |  |              |  |
| 1.1           | Size of the Board of Directors: The total number of members of a company's Board of Directors shall not be less than 5 (Five) and more than 20 (Twenty). | ✓  |              |  |
| <b>1.2</b>    | <b>Independent Directors:</b>  |  |              |  |
| 1.2 (a)       | Independent Directors: At least 1/5th (We have five Directors and Seven Independent Director)  | ✓  |              | Independent Directors appointed by BSEC Vide Letter No. SEC/SRMIC/2021/part - Z /68 Dated : 28 <sup>th</sup> Feb, 2021 |
| 1.2 (b)(i)    | Less than 1% Shares  |  |              |  |
| 1.2 (b)(ii)   | Not a Sponsor of The Company or is not connected with the Company's any sponsor or Director or Nominated Director or Shareholder                         | ✓  |              |  |
| 1.2 (b)(iii)  | Not been an executive of the Company immediate preceding 2 financial years   | ✓  |              |  |
| 1.2 (b)(iv)   | Does not have other relationship   | ✓  |              |  |
| 1.2 (b)(v)    | Not a member or TREC holder, Director or Officer of any Stock Exchange   | ✓  |              |  |



|              |  |   |   |  |
|--------------|--|---|---|--|
| 1.2 (b)vi)   | Not a Shareholder, Director excepting independent director or Officer of any member TREC holder of Stock Exchange or an intermediary of the capital market   | ✓ |   |  |
| 1.2 (b)vii)  | Not a Partner or an Executive or was not a partner or an Executive during the preceding 3 (Three) years of the concerned Company's statutory audit firm      | ✓ |   |  |
| 1.2 (b)viii) | Not an Independent Director more than five listed Companies.   | ✓ |   |  |
| 1.2 (b)ix)   | Not Convicted by a court of competent jurisdiction as a defaulter in payment of any loan or any advance to a Bank or a Non-Bank Financial Institution (NBFI) | ✓ |   |  |
| 1.2 (b)x)    | Not convicted for a Criminal offence   | ✓ |   |  |
| 1.2 (c)      | Appointment by the Board and approved in AGM.  |   | ✓ |  |
| 1.2 (d)      | Post cannot remain vacant for more than 90 days  |   | ✓ |  |
| 1.2 (e)      | Tenure of the Independent Director   |   | ✓ |  |
| <b>1.(3)</b> | <b>Qualification of Independent Director:</b>  |   |   |  |
| 1.3 (a)      | Independent Director shall be knowledgeable individual with integrity  | ✓ |   |  |
| 1.3 (b)i)    | Should be a Business Leader  | ✓ |   |  |
| 1.3 (b)ii)   | Should be a Corporate Leader   | ✓ |   |  |
| 1.3(b)iii)   | Former official of government or statutory or autonomous or regulatory body.   | ✓ |   |  |
| 1.3 (b)iv)   | University Teacher who has educational background in Economics or Commerce or  | ✓ |   |  |

|              |  |   |   |                |
|--------------|--|---|---|----------------|
|              | Business Studies or Law.   |   |   |                |
| 1.3 (b)v)    | An advocate practicing at least in the High Court Division of Bangladesh Supreme Court or a Chartered Accountant or Cost and Management Accountant or Chartered Financial Analyst or Chartered Certified Accountant or Certified Public Accountant or Chartered Management Accountant or Chartered Secretary or equivalent qualification |   | ✓ |                |
| 1.3 (c)      | The independent director shall have at least 10 (ten) years of experiences in any field mentioned in clause (b)  | ✓ |   |                |
| 1.3 (d)      | Special cases for relaxation of qualifications.  |   |   | Not Applicable |
| <b>1.(4)</b> | <b>Duality of Chairperson of the Board of Directors and Managing Director or Chief Executive Officer:</b>  |   |   |                |
| 1.4(a)       | The position of the Chairperson of the Board and the Managing Director (MD) and/or Chief Executive Officer (CEO) of the company shall be filled by different individuals;  | ✓ |   |                |
| 1.4(b)       | The Managing Director (MD) and/or Chief Executive Officer (CEO) of a listed company shall not hold the same position in another listed company;  |   | ✓ |                |
| 1.4 (c)      | The Chairperson of the Board shall be elected from among the non-executive directors of the company;   | ✓ |   |                |
| 1.4 (d)      | The Board shall clearly define respective roles and responsibilities of the Chairperson and the Managing Director and/or chief Executive Officer;  | ✓ |   |                |

|             |  |   |   |                |
|-------------|--|---|---|----------------|
| 1.4 (e)     | In the absence of the Chairperson of the Board, the remaining members may elect one of themselves from nonexecutive directors as Chairperson.                                  | ✓ |   |                |
| <b>1.5)</b> | <b>The Directors' Report to Shareholders</b>   |   |   |                |
| 1.5 (i)     | Industry outlook and possible future developments in the industry  | ✓ |   |                |
| 1.5 (ii)    | Segment-wise or product-wise performance   | ✓ |   |                |
| 1.5 (iii)   | Risks and concerns   | ✓ |   |                |
| 1.5 (iv)    | A discussion on Cost of Goods sold, Gross Profit Margin and Net Profit Margin.   | ✓ |   |                |
| 1.5 (v)     | Discussion on continuity of any Extra Ordinary gain or loss  | ✓ |   |                |
| 1.5 (vi)    | Discussion and Basis of related party transactions- a statement of all related party transactions.   | ✓ |   |                |
| 1.5 (vii)   | Utilization of proceeds from public issues, rights issues and/or through any others instruments  |   |   | Not Applicable |
| 1.5 (viii)  | An explanation if the financial results deteriorate after the company goes for Initial Public Offering (IPO), Repeat Public Offering (RPO), Rights Offer, Direct Listing, etc  |   |   | Not Applicable |
| 1.5 (ix)    | If significant variance occurs between Quarterly Financial performance and Annual Financial Statements the management shall explain about the variance on their Annual Report. |   | ✓ |                |
| 1.5 (x)     | Statement of Remuneration to directors including independent directors.  | ✓ |   |                |

|             |  |   |   |  |
|-------------|--|---|---|--|
| 1.5 (xi)    | The financial statements prepared by the management of the issuer company present fairly its state of affairs, the result of its operations, cash flows and changes in equity  | ✓ |   |  |
| 1.5 (xii)   | Statement of Proper books of account of the issuer company has been maintained.  | ✓ |   |  |
| 1.5 (xiii)  | Statement of Appropriate accounting policies have been consistently applied in preparation of the financial statements and that the accounting estimates are based on reasonable and prudent judgment                        | ✓ |   |  |
| 1.5 (xiv)   | Statement of IAS/IFRS, as applicable in Bangladesh, have been followed in preparation of the financial statements and any departure there-from has been adequately disclosed.  | ✓ |   |  |
| 1.5 (xv)    | Statement of system of internal control is sound in design and has been effectively implemented and monitored  | ✓ |   |  |
| 1.5 (xvi)   | Statement of minority shareholders have been protected from abusive actions.   |   |   | There was no such situation arise to protect the interest of minority shareholders |
| 1.5 (xvii)  | Statement of no significant doubts upon the issuer company's ability to continue as a going concern. If the issuer company is not considered to be a going concern, the fact along with reasons thereof should be disclosed. | ✓ |   |  |
| 1.5 (xviii) | An explanation that a Significant deviation from the last year's operating results of the issuer company shall be highlighted and the reasons thereof should be  |   | ✓ |  |

|                    |   |   |  |                   |
|--------------------|---|---|--|-------------------|
|                    | explained.  |   |  |                   |
| 1.5 (xix)          | Statement of Key operating and financial data of at least preceding 5 (five) years shall be summarized  | ✓ |  |                   |
| 1.5 (xx)           | An explanation on the reasons if the issuer company has not declared dividend (cash or stock) for the year, the reasons thereof shall be given.                               |   |  | Dividend declared |
| 1.5 (xxi)          | Board's statement to the effect that no bonus share or stock dividend has been or shall be declared as interim dividend.  | ✓ |  |                   |
| 1.5 (xxii)         | The total number of Board meetings held during the year and attendance by each Director   | ✓ |  |                   |
| <b>1.5 (xxiii)</b> | <b>A report on the pattern of the shareholding:</b>   |   |  |                   |
| 1.5 (xxiii)a)      | Parent/Subsidiary/Associated Companies and other related parties (name wise details);   | ✓ |  |                   |
| 1.5 (xxiii)b)      | Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer, Head of Internal Audit & Compliance and their spouses and minor children (name wise details); | ✓ |  |                   |
| 1.5 (xxiii)c)      | Executives;   | ✓ |  |                   |
| 1.5 (xxiii)d)      | Shareholders holding ten percent (10%) or more vote interest in the company (name wise details).  | ✓ |  |                   |
| 1.5 (xxiv)a)       | A brief resume of the director;   | ✓ |  |                   |
| 1.5 (xxiv)b)       | Nature of his/her expertise in specific functional areas;   | ✓ |  |                   |
| 1.5 (xxiv)c)       | Names of companies in which the person also holds the directorship and the membership of  | ✓ |  |                   |

|                  |   |   |  |  |
|------------------|---|---|--|--|
|                  | committees of the board.  |   |  |  |
| <b>1.5 (xxv)</b> | <b>Management Discussion and Analysis signed by MD:</b>   |   |  |  |
| 1.5 (xxv)a)      | Accounting policies and estimation for preparation of financial statements.   | ✓ |  |  |
| 1.5 (xxv)b)      | Changes in accounting policies and estimation, if any, clearly describing the effect on financial performance or results and financial position as well as cash flows in absolute figure for such changes;                      | ✓ |  |  |
| 1.5(xxv)c)       | Comparative analysis (including effects of inflation) of financial performance or result and financial position as well as cash flows for current financial year with immediate preceding five years explaining reasons thereof | ✓ |  |  |
| 1.5 (xxv)d)      | Compare such financial performance or results and financial position as well as cash flows with the peer industry scenario;   | ✓ |  |  |
| 1.5 (xxv)e)      | Briefly explain the financial and economic scenario of the country and the globe;   | ✓ |  |  |
| 1.5 (xxv)f)      | Risks and concerns issues related to the financial statements, explaining such risk and concern mitigation plan of the company.   | ✓ |  |  |
| 1.5 (xxv)g)      | Future plan or projection or forecast for company's operation, performance and financial position, with justification thereof, i.e., actual position shall be explained to the shareholders in the next AGM.                    | ✓ |  |  |
| 1.5 (xxvi)       | Declaration or certification by the CEO and CFO to the Board as required under condition No. 3(3) shall be disclosed as per   | ✓ |  |  |

|            |  |   |   |  |
|------------|--|---|---|--|
|            | Annexure-A;  |   |   |  |
| 1.5(xxvii) | The report as well as certificate regarding compliance of conditions of this Code as required under condition No. 9 shall be disclosed as per Annexure-B and Annexure-C.   | ✓ |   |  |
| 1.6        | Meeting of the Board of Directors: The company shall conduct its Board meetings and record the minutes of the meetings as well as keep required books and records in line with the provisions of the relevant Bangladesh Secretarial Standards (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB) in so far as those standards are not inconsistent with any condition of this Code | ✓ |   |  |
| <b>1.7</b> | <b>Code of Conduct for the Chairperson, other Board members and Chief Executive Officer</b>  |   |   |  |
| 1.7 (a)    | The Board shall lay down a code of conduct, based on the recommendation of the Nomination and Remuneration Committee (NRC) at condition No. 6, for the Chairperson of the Board, other board members and Chief Executive Officer of the company;   |   | ✓ |  |
| 1.7 (b)    | The code of conduct as determined by the NRC shall be posted on the website of the company including, among others, prudent conduct and behavior; confidentiality conflict of interest; compliance with laws, rules and regulations; prohibition of insider trading; relationship with environment, employees, customers and suppliers; and independency.  |   | ✓ |  |



|            |   |  |   |                |
|------------|---|--|---|----------------|
| 2          | Governance of Board of Directors of Subsidiary Company:   |  |   |                |
| 2(a)       | Provisions relating to the composition of the Board of the holding company shall be made applicable to the composition of the Board of the subsidiary company;                                |  |   | Not Applicable |
| 2(b)       | At least 1 (one) independent director on the Board of the holding company shall be a director on the Board of the subsidiary company;   |  |   | Not Applicable |
| 2(c)       | The minutes of the Board Meeting of the subsidiary company shall be placed for review at the following Board meeting of the holding company;  |  |   | Not Applicable |
| 2(d)       | The minutes of the respective Board meeting of the holding company shall state that they have reviewed the affairs of the subsidiary company also;  |  |   | Not Applicable |
| 2(e)       | The Audit Committee of the holding company shall also review the financial statements, in particular the investments made by the subsidiary company   |  |   | Not Applicable |
| <b>3</b>   | <b>MANAGING DIRECTOR (MD) or CHIEF EXECUTIVE OFFICER (CEO), CHIEF FINANCIAL OFFICER (CFO), HEAD OF INTERNAL AUDIT AND COMPLIANCE (HIAC) AND COMPANY SECRETARY (CS):</b>                       |  |   |                |
| <b>3.1</b> | <b>Appointment</b>  |  |   |                |
| 3.1(a)     | The Board shall appoint a Managing Director (MD) or Chief Executive Officer (CEO), a Company Secretary (CS), a Chief Financial Officer (CFO), a Head of Internal Audit and Compliance (HIAC); |  | ✓ | Not Appointed  |
| 3.1(b)     | The positions of the Managing Director (MD) or Chief Executive Officer (CEO), Company Secretary (CS), Chief Financial Officer (CFO), Head of Internal Audit and                               |  |   | Not Appointed  |

|           |  |  |   |               |
|-----------|--|--|---|---------------|
|           | Compliance (HIAC) shall be filled by different individuals;  |  | ✓ |               |
| 3.1(c)    | The MD or CEO, CS, CFO and HIAC of a listed company shall not hold any executive position in any other company at the same time;   |  | ✓ | Not Appointed |
| 3.1(d)    | The Board shall clearly define respective roles, responsibilities and duties of the CFO, the HIAC and the CS;  |  | ✓ |               |
| 3.1(e)    | The MD or CEO, CS, CFO and HIAC shall not be removed from their position without approval of the Board as well as immediate dissemination to the Commission and stock exchange(s).   |  | ✓ |               |
| 3.2       | Requirement to attend Board of Director' Meetings: The MD or CEO, CS, CFO and HIAC shall attend the meetings of the Board: Provided that CS, CFO and HIAC shall not attend such part of a meeting if the Board of Directors which involves consideration of an agenda item relating to their personal matters. |  | ✓ |               |
| 3.3       | <b>Duties of Managing Director (MD) or Chief Executive Officer (CEO) and Chief Financial Officer (CFO)</b>   |  |   |               |
| 3.3(a)    | The MD or CEO and CFO shall certify to the Board that they have reviewed financial statements for the year and that to the best of their knowledge and belief;   |  | ✓ |               |
| 3.3(a)i)  | These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading; and  |  | ✓ |               |
| 3.3(a)ii) | These statements together present a true and fair view of the company's affairs and are in compliance with existing  |  | ✓ |               |

|            |  |   |   |  |
|------------|--|---|---|--|
|            | accounting standards and applicable laws;  |   |   |  |
| 3.3(b)     | The MD or CEO and CFO shall also certify that there are, to the best of knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or in violation of the code of conduct for the company's Board or its members; |   | ✓ |  |
| 3.3(c)     | The certification of the MD or CEO and CFO shall be disclosed in the Annual Report.  | ✓ |   |  |
| <b>4</b>   | <b>Board of Directors' Committee:-</b>   |   |   |  |
| 4(i)       | Audit Committee  | ✓ |   |  |
| 4(ii)      | Nomination and Remuneration Committee  |   | ✓ |  |
| <b>5</b>   | <b>AUDIT COMMITTEE:</b>  |   |   |  |
| 5.1        | Responsibility to the Board of Directors   | ✓ |   |  |
| 5.1(a)     | The company shall have an Audit Committee as a sub-committee of the Board.   | ✓ |   |  |
| 5.1(b)     | The Audit Committee shall assist the Board in ensuring that the financial statements reflect true and fair view of the state of affairs of the company and in ensuring a good monitoring system within the business  | ✓ |   |  |
| 5.1(c)     | The Audit Committee shall be responsible to the Board. The duties of the Audit Committee shall be clearly set forth in writing.  | ✓ |   |  |
| <b>5.2</b> | <b>Constitution of the Audit Committee</b>   |   |   |  |
| 5.2(a)     | The Audit Committee shall be composed of at least 3 (three)  | ✓ |   |  |

|            |   |   |  |  |
|------------|---|---|--|--|
|            | members   |   |  |  |
| 5.2(b)     | The Board shall appoint members of the Audit Committee who shall be nonexecutive directors of the company excepting Chairperson of the Board and shall include at least 1 (one) independent director;                   | ✓ |  |  |
| 5.2(c)     | All members of the audit committee should be “financially literate” and at least 1 (one) member shall have accounting or related financial management background and 10 (ten) years of such experience                  | ✓ |  |  |
| 5.2(d)     | When the term of service of the Committee members expires or there is any circumstance causing any Committee member to be unable to hold office before expiration of the term of service.                               | ✓ |  |  |
| 5.2(e)     | The company secretary shall act as the secretary of the Committee   | ✓ |  |  |
| 5.2(f)     | The quorum of the Audit Committee meeting shall not constitute without at least 1(one) independent director   | ✓ |  |  |
| <b>5.3</b> | <b>Chairperson of the Audit Committee</b>   |   |  |  |
| 5.3(a)     | The Board of Directors shall select 1 (one) member of the Audit Committee to be Chairperson of the Audit Committee, who shall be an independent director.   | ✓ |  |  |
| 5.3(b)     | In the absence of the Chairperson of the Audit Committee, the remaining members may elect one of themselves as Chairperson for that particular meeting, in that case there shall be no problem of constituting a quorum | ✓ |  |  |

|            |   |   |   |  |
|------------|---|---|---|--|
|            | as required under condition No. 5(4)(b) and the reason of absence of the regular Chairperson shall be duly recorded in the minutes  |   |   |  |
| 5.3(c)     | Chairperson of the audit committee shall remain present in the Annual General Meeting (AGM).  | ✓ |   |  |
| <b>5.4</b> | <b>Meeting of the Audit Committee</b>   |   |   |  |
| 5.4(a)     | The Audit Committee shall conduct at least its four meetings in a financial year:   |   | ✓ |  |
| 5.4(b)     | The quorum of the meeting of the Audit Committee shall be constituted in presence of either two members or two third of the members of the Audit Committee, whichever is higher, where presence of an independent director is a must. | ✓ |   |  |
| <b>5.5</b> | <b>Role of Audit Committee</b>  |   |   |  |
| 5.5(a)     | Oversee the financial reporting process   | ✓ |   |  |
| 5.5(b)     | Monitor choice of accounting policies and principles  | ✓ |   |  |
| 5.5(c)     | Monitor Internal Audit and Compliance process to ensure that it is adequately resourced, including approval of the Internal Audit and Compliance Plan and review of the Internal Audit and Compliance Report;                         | ✓ |   |  |
| 5.5(d)     | Oversee hiring and performance of external auditors   | ✓ |   |  |
| 5.5(e)     | Hold meeting with the external or statutory auditors for review of the annual financial statements before submission to the Board for approval or adoption  | ✓ |   |  |
| 5.5(f)     | Review along with the management, the annual  | ✓ |   |  |

|            |   |   |  |  |
|------------|---|---|--|--|
|            | financial statements before submission to the board for approval  |   |  |  |
| 5.5(g)     | Review along with the management, the quarterly and half yearly financial statements before submission to the board for approval.   | ✓ |  |  |
| 5.5(h)     | Review the adequacy of internal audit function  | ✓ |  |  |
| 5.5(i)     | Review the Management's Discussion and Analysis before disclosing in the Annual Report;   | ✓ |  |  |
| 5.5(j)     | Review statement of significant related party transactions submitted by the management  | ✓ |  |  |
| 5.5(k)     | Review Management Letters or Letter of Internal Control weakness issued by Statutory auditors   | ✓ |  |  |
| 5.5(l)     | Oversee the determination of audit fees based on scope and magnitude, level of expertise deployed and time required for effective audit and evaluate the performance of external auditors; and  | ✓ |  |  |
| 5.5(m)     | Over see whether the proceeds raised through Initial Public Offering (IPO) or Repeat Public Offering (RPO) or Rights Share Offer have been utilized as per the purposes stated in relevant offer document or prospectus approved by the Commission: | ✓ |  |  |
| <b>5.6</b> | <b>Reporting of the Audit Committee</b>   |   |  |  |
| 5.6(a)     | Reporting to the Board of Directors   | ✓ |  |  |
| 5.6.a(i)   | The Audit Committee shall report on its activities to the Board.  | ✓ |  |  |

|             |   |  |   |  |
|-------------|---|--|---|--|
| 5.6.a(ii)a) | report on conflicts of interests;   |  | ✓ | There was no such event to report        |
| 5.6.a(ii)b) | Suspected or presumed fraud or irregularity or material defect in the internal control system;  |  | ✓ | There was no such event to report        |
| 5.6.a(ii)c) | Suspected infringement of laws, including securities related laws, rules and regulations;   |  | ✓ | There was no such event to report        |
| 5.6.a(ii)d) | Any other matter which shall be disclosed to the Board Immediately.   |  | ✓ | There was no such event to report        |
| 5.6(b)      | Reporting to the Authorities  |  | ✓ | There was no such event to report        |
| <b>5.7</b>  | <b>Reporting to the Shareholders and General Investors.</b>   |  | ✓ | <b>There was no such event to report</b> |
| <b>6</b>    | <b>Nomination and Remuneration Committee(NRC)</b>   |  |   |  |
| <b>6.1</b>  | <b>Responsibilities to the Board of Directors:</b>  |  |   |  |
| 6.1(a)      | The Company shall have a Nomination and Remuneration Committee (NRC) as a subcommittee of the Board;  |  | ✓ |  |
| 6.1(b)      | The NRC shall assist the Board in formulation of the nomination criteria or policy for determining qualifications, positive attributes, experiences and independence of directors and top level executive as well as a policy for formal process of considering remuneration of directors, top level executive; |  | ✓ |  |
| 6.1(c)      | The terms of Reference (ToR) of the NRC shall be clearly set forth in writing covering the areas stated at the condition No. 6(5)(b).   |  | ✓ |  |
| <b>6.2</b>  | <b>Constitution of the NRC</b>  |  |   |  |



|        |  |  |   |  |
|--------|--|--|---|--|
| 6.2(a) | The Committee shall comprise of at least three members including an independent director   |  | ✓ |  |
| 6.2(b) | All members of the Committee shall be non-executive directors;   |  | ✓ |  |
| 6.2(c) | Members of the Committee shall be nominated and appointed by the Board;  |  | ✓ |  |
| 6.2(d) | The Board shall have authority to remove and appoint any member of the Committee;  |  | ✓ |  |
| 6.2(e) | In case of death, resignation, disqualification, or removal of any member of the Committee or in any other case of Vacancies, the boards shall fill the vacancy within 180 (one hundred eighty) days of occurring such vacancy in the Committee;   |  | ✓ |  |
| 6.2(f) | The Chairperson of the Committee may appoint or co-opt any external expert and/or member(s) of staff to the Committee as advisor who shall be nonvoting member, if the Chairperson feels that advice or suggestion from such external expert and/or or member(s) of staff shall be required or valuable for the Committee; |  | ✓ |  |
| 6.2(g) | The company secretary shall act as the secretary of the Committee;   |  | ✓ |  |
| 6.2(h) | The quorum of the NRC meeting shall not constitute without attendance of at least an independent director;   |  | ✓ |  |
| 6.2(i) | No member of the NRC shall receive, either directly or indirectly, any remuneration for any advisory or consultancy role or otherwise, other than  |  | ✓ |  |

|            |  |  |   |  |
|------------|--|--|---|--|
|            | Director's fees or honorarium from the company   |  |   |  |
| <b>6.3</b> | <b>Chairperson of the NRC</b>  |  |   |  |
| 6.3(a)     | The Board shall select 1 (one) member of the NRC to be Chairperson of the Committee, who shall be an independent director;   |  | ✓ |  |
| 6.3(b)     | In the absence of the Chairperson of the NRC, the remaining members may elect one of themselves as Chairperson for that particular meeting, the reason of absence of the regular Chairperson shall be duly recorded in the minutes;                      |  | ✓ |  |
| 6.3(c)     | The Chairperson of the NRC shall attend the annual general meeting (AGM) to answer the queries of the shareholders:  |  | ✓ |  |
| 6.4        | Meeting of the NRC   |  | ✓ |  |
| 6.4(a)     | The NRC shall conduct at least one meeting in a financial year;  |  |   |  |
| 6.4(b)     | The Chairperson of the NRC may convene any emergency meeting upon request by any member of the NRC;  |  | ✓ |  |
| 6.4(c)     | The quorum of the meeting of the NRC shall be constituted in presence of either two members or two third of the members of the Committee, whichever is higher where presence of an independent director is must as required under condition No. 6(2)(h); |  | ✓ |  |
| 6.4(d)     | The proceedings of each meeting of the NRC shall duly be recorded in the minutes and such minutes shall be confirmed in the next meeting of the NRC.   |  | ✓ |  |

| 6.5        | Role of the NRC   |  |   |  |
|------------|---|--|---|--|
| 6.5(a)     | NRC shall be independent and responsible or accountable to the Board and to the shareholders;   |  | ✓ |  |
| 6.5(b)     | NRC shall oversee, among others, the following matters and make report with recommendation to the Board:  |  | ✓ |  |
| 6.5(b)i)   | Formulating the criteria for determining qualifications, positive attributes and independence of a director and recommend a policy to the Board, relating to the remuneration of the directors, top level executive, considering the following: |  | ✓ |  |
| 6.5(b)i)a) | The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate suitable directors to run the company successfully   |  | ✓ |  |
| 6.5(b)i)b) | The relationship of remuneration to performance is clear and meets appropriate performance benchmark;   |  | ✓ |  |
| 6.5(b)i)c) | Remuneration to directors, top level executive involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals                                 |  | ✓ |  |
| 6.5(b)ii)  | Devising a policy on Board's diversity taking into consideration age, gender, experience, ethnicity, educational background and nationality;  |  | ✓ |  |
| 6.5(b)iii) | Identifying person who are qualified to become directors and who may be appointed in top level executive position in  |  | ✓ |  |

|           |   |   |   |  |
|-----------|---|---|---|--|
|           | accordance with the criteria laid down, and recommended their appointment and removal to the Board;   |   |   |  |
| 6.5(b)iv) | Formulating the criteria for evaluation of performance of independent directors and the Board;  |   | ✓ |  |
| 6.5(b)v)  | Identifying the company's needs for employees at different levels and determine their selection, transfer or replacement and promotion criteria; and                  |   | ✓ |  |
| 6.5(b)vi) | Developing, recommending and reviewing annually the company's human resources and training policies;  |   | ✓ |  |
| 6.5(c)    | The company shall disclose the nomination and remuneration policy and the evaluation criteria and activities of NRC during the year at a glance in its annual report. |   | ✓ |  |
| <b>7</b>  | <b>EXTERNAL OR STATUTORY AUDITORS:</b>  |   |   |  |
| 7.1       | The issuer Company shall not engage its external or statutory auditors to perform the following services of the Company, namely:                                      | ✓ |   |  |
| 7.1(i)    | Appraisal or valuation services or fairness opinions  | ✓ |   |  |
| 7.1(ii)   | Financial information systems design and implementation   | ✓ |   |  |
| 7.1(iii)  | Book-keeping or other services related to the accounting records or financial statements  | ✓ |   |  |
| 7.1(iv)   | Broker-dealer services  | ✓ |   |  |
| 7.1(v)    | Actuarial services.   | ✓ |   |  |
| 7.1(vi)   | Internal audit services   | ✓ |   |  |
| 7.1(vii)  | Any service that the Audit  | ✓ |   |  |

|           |   |   |   |  |
|-----------|---|---|---|--|
|           | Committee determines  |   |   |  |
| 7.1(viii) | Audit or certification services on compliance of corporate governance as required under condition No 9(1); and  | ✓ |   |  |
| 7.1(ix)   | Any other service that creates conflict of interest.  | ✓ |   |  |
| 7.2       | No partner or employees of the external audit firms shall possess any share of the company they audit at least during the tenure of their audit assignment of that company; his or her family members also shall not hold any shares in the said company: Provided that spouse, son, daughter, father, mother, brother, sister, son-in law and daughter-in-law shall be considered as family members. | ✓ |   |  |
| 7.3       | Representative of external or statutory auditors shall remain present in the Shareholders' Meeting (annual General Meeting or Extraordinary General Meeting) to answer the queries of the shareholders.   | ✓ |   |  |
| <b>8</b>  | <b>Maintaining a website by the Company</b>   |   |   |  |
| 8.1       | The company shall have an official website linked with the website of the stock exchange.   |   | ✓ |  |
| 8.2       | The company shall keep the website functional from the date of listing.   |   | ✓ |  |
| 8.3       | The company shall make available the detailed disclosures on its website as required under the listing regulations of the concerned stock exchange(s).  |   | ✓ |  |
| <b>9</b>  | <b>REPORTING AND COMPLIANCE OF CORPORATE GOVERNANCE:</b>  |   |   |  |
| 9.1       | The company shall obtain a  | ✓ |   |  |

|     |   |   |  |  |
|-----|---|---|--|--|
|     | certificate from a practicing professional Accountant or Secretary (Chartered Accountant or Cost & Management Account or Chartered Secretary) other than its statutory auditors or audit firm on yearly basis regarding compliance of conditions of Corporate Governance Code of the Commission and shall such certificate shall be disclosed in the Annual Report. |   |  |  |
| 9.2 | The professional who will provide the certificate on compliance of this Corporate Governance Code shall be appointed by the shareholders in the annual general meeting.   | ✓ |  |  |
| 9.3 | The directors of the company shall state, in accordance with the Annexure-C attached, in the directors' report whether the company has complied with these conditions or not.   | ✓ |  |  |
|     |   |   |  |  |



**G. KIBRIA & CO.**  
CHARTERED ACCOUNTANTS



**Independent Auditor's Report  
To the Shareholders of C & A Textile Limited.**

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

**Disclaimer of Opinion**

We were engaged to audit the financial statements of C & A Textile Limited which comprise the statement of financial position as at 30 June 2017, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

We do not express an opinion on the accompanying financial statements of the C & A Textile Limited because of the significance of the matter described in the Basis for Disclaimer of Opinion section of our report, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these financial statements.

**Basis for Disclaimer of Opinion**

(1) As disclosed in Note 07 for Trade and Other Receivable Taka 29,13,00,956/-, Note 08 for Advance, Deposit and prepayment Taka 20,02,75,554/-, Note 10 for Cash and Cash Equivalents for Taka 47,12,634/-, Note 11 for Share Capital Taka 2,39,31,60,000/-, Note 13 for Suspense Accounts Tk. (1,74,20,04,614)/-, Note 14 for Long Term Borrowings Tk. 1,02,93,02,039/-, Note 15 for Short Term Borrowings Tk. 60,62,68,353/-, Note 19 for Cost of Goods Sold Taka 33,52,84,437/- and Note 20 for Operating expenses Tk. 5,57,76,267/- to the financial statements, the company have not provided us sufficient appropriate audit evidence against the aforementioned amounts.

(2) Note 2.03 to the Financial Statements describe despite being experiencing unfavorable operating results, insufficient cash generation for debt servicing and uncertainty in revenue generation the Financial Statements are prepared based on the going concern concept due to having the Company's business plan & adequate resources to continue its operations in the foreseeable future.

In our view the Company's continuous unfavorable financial performance and cash generation ability, failed to provide future business plan and uncertain to pay the Bank loan for a number of years indicate that a material uncertainty exist that may cast significant doubt on the company's ability to continue as a going concern .

As a result, we were unable to opine whether the financial statements present fairly or not.



**Head Office:** Sadharan Bima Sadan (5th Floor), 24-25 Dilkusha Commercial Area, Dhaka – 1000, Bangladesh

**Branch Office:** House 51, Road 14, Block-G, Niketon, Gulshan-1, Dhaka-1212

**Email:** gkibria@gkibriaandco.com, kibria03@hotmail.com, **Web:** http://gkibriaandco.com

**Tel:** +02-223-355-324, +02-4881-2331, +02-4881-2332





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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with 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. However, because of the matter described in the Basis for Disclaimer of Opinion section of our report, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on 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.

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, we also report the following:

- a) we have obtained all the information and explanations except noted above 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 Company so far as it appeared from our examination of these books; and
- c) the statements of financial position and statements of profit or loss and other comprehensive income dealt with by the report are in agreement with the books of accounts and returns.

Place: Dhaka  
Date: 20.07.2023  
Ref.: GKC/23-24/A/020

  
Mohammad Showket Akber, FCA  
Enrol.No.970  
Partner  
G. Kibria & Co  
Chartered Accountants  
Drc; 2307240970 AS5 71868



**C & A Textiles Limited**  
**STATEMENT OF FINANCIAL POSITION**  
**AS AT JUNE 30, 2017**

| Particulars                            | Note  | Amount In Taka       |                      |
|--|-------|----------------------|----------------------|
|  |       | 30.06.2017           | 30.06.2016           |
| <b>ASSETS</b>                          |       |                      |                      |
| <b>NON-CURRENT ASSETS</b>              |       |                      |                      |
|  |       | 1,877,282,777        | 2,065,461,990        |
| Property, Plant & Equipments           | 03.00 | 1,701,620,112        | 1,889,799,325        |
| Security Deposits                      | 04.00 | 41,542,989           | 41,542,989           |
| Capital Work in Progress               | 05.00 | 134,119,676          | 134,119,676          |
| <b>CURRENT ASSETS:</b>                 |       |                      |                      |
|  |       | 1,179,939,652        | 1,754,505,892        |
| Inventory                              | 06.00 | 683,650,508          | 683,650,508          |
| Trade and Other Receivable             | 07.00 | 291,300,956          | 682,364,320          |
| Advance, Deposit & Prepayments         | 08.00 | 200,275,554          | 223,797,899          |
| Current Accounts with Sister Concern   | 09.00 | -                    | 687,873              |
| Cash & Cash Equivalents                | 10.00 | 4,712,634            | 164,005,292          |
| <b>Total Assets</b>                    |       | <b>3,057,222,429</b> | <b>3,819,967,882</b> |
| <b>EQUITY AND LIABILITIES</b>          |       |                      |                      |
| <b>SHARE HOLDER'S EQUITY</b>           |       |                      |                      |
|  |       | 1,354,690,459        | 3,641,003,318        |
| Share Capital                          | 11.00 | 2,393,160,000        | 2,175,600,000        |
| Retained Earnings Previous             | 12.00 | 703,535,074          | 1,465,403,318        |
| Suspense Accounts                      | 13.00 | (1,742,004,614)      | -                    |
| <b>BANK LIABILITIES</b>                |       |                      |                      |
|  |       | 1,635,570,392        | 112,507,259          |
| Long Term Borrowings                   | 14.00 | 1,029,302,039        | 69,291,039           |
| Short Term Borrowings                  | 15.00 | 606,268,353          | 43,216,220           |
| <b>CURRENT LIABILITIES</b>             |       |                      |                      |
|  |       | 66,961,578           | 66,457,305           |
| Trade and Other Payables               | 16.00 | 5,725,718            | 5,725,718            |
| Provision for Outstanding Expenses     | 17.00 | 61,235,860           | 60,731,587           |
| <b>Total Equity and Liabilities</b>    |       | <b>3,057,222,429</b> | <b>3,819,967,882</b> |
| <b>Net Asset Value (NAV) per Share</b> |       | 5.66                 | 15.21                |

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

Chairman

Chief Executive Officer

Director

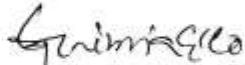
Director

Chief Financial Officer

Company Secretary

Signed in terms of our annexed report of even date

Place: Dhaka  
Date: 20.07.2023  
Ref.: GKC/23-24/A/020

  
Mohammad Showket Akber, FCA  
Partner  
Enrol.No.970  
G. KIBRIA & CO.  
Chartered Accountants



**C & A Textiles Limited**  
**STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE PERIOD ENDED 30TH JUNE, 2017**

| Particulars  | Note  | Amount in Taka       |                    |
|--|-------|----------------------|--------------------|
|  |       | 2016-2017            | 2015-2016          |
| Sales Revenue                                      | 18.00 | -                    | 2,283,545,840      |
| Less: Cost of Goods Sales                          | 19.00 | 335,284,437          | 1,864,745,774      |
| <b>Gross Profit</b>                                |       | <b>(335,284,437)</b> | <b>418,800,066</b> |
| Less: Operating expenses                           | 20.00 | 55,776,267           | 97,621,825         |
| <b>Operating Profit /Loss</b>                      |       | <b>(391,060,704)</b> | <b>321,178,241</b> |
| Add: Other Income                                  | 21.00 | 1,833,720            | 11,522,151         |
| <b>Profit before Financial Charges &amp; Taxes</b> |       | <b>(389,226,984)</b> | <b>332,700,392</b> |
| Less: Financial Charges                            | 22.00 | 154,576,987          | 68,591,627         |
| <b>Profit before Tax</b>                           |       | <b>(543,803,971)</b> | <b>264,108,765</b> |
| Less: Provision for Taxation                       |       | 504,273              | 17,111,729         |
| <b>Net Profit After Tax</b>                        |       | <b>(544,308,244)</b> | <b>246,997,036</b> |
| <b>Earnings Per Share (EPS)</b>                    | 23.00 | <b>(2.27)</b>        | <b>1.14</b>        |


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


  
Chairman

  
Chief Executive Officer

  
Director

  
Director

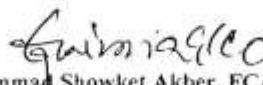
  
Chief Financial Officer

  
Company Secretary

Signed in terms of our annexed report of even date

Place: Dhaka  
Date: 20.07.2023  
Ref.:GKC/23-24/A/020



  
Mohammad Showket Akber, FCA  
Partner  
Enrol.No.970  
G.KIBRIA & CO.  
Chartered Accountants

**C & A Textiles Limited**  
**STATEMENT OF CHANGES IN EQUITY**  
**FOR THE YEAR ENDED 30 JUNE, 2017**

| Particulars                        | Share capital        | Retained earnings  | Total                |
|------------------------------------|----------------------|--------------------|----------------------|
| Balance as at June 30, 2016        | 2,175,600,000        | 1,465,403,318      | 3,641,003,318        |
| Profit after tax for the year      | -                    | (544,308,244)      | (544,308,244)        |
| Stock Dividend                     | 217,560,000          | (217,560,000)      | -                    |
| Cash Dividend                      | -                    | -                  | -                    |
| Unallocated Revenue Expenses       | -                    | -                  | -                    |
| Suspense Account                   | -                    | -                  | (1,742,004,614)      |
| <b>Balance as at June 30, 2017</b> | <b>2,393,160,000</b> | <b>703,535,074</b> | <b>1,354,690,459</b> |

**FOR THE YEAR ENDED 30 JUNE, 2016**

| Particulars   | Share capital        | Retained earnings    | Total                |
|---|----------------------|----------------------|----------------------|
| Balance as on June 30, 2015                         | 1,942,500,000        | 1,469,260,112        | 3,411,760,112        |
| Profit after tax for the year                       | -                    | 246,997,036          | 246,997,036          |
| Stock Dividend                                      | 233,100,000          | (233,100,000)        | -                    |
| Cash Dividend                                       | -                    | -                    | -                    |
| Revaluation Reserve                                 | -                    | -                    | -                    |
| Adjustment for Income Tax assessment year 2015-2016 | -                    | (17,753,830)         | (17,753,830)         |
| Adjustment for deferred tax                         | -                    | -                    | -                    |
| <b>Balance as on June 30, 2016</b>                  | <b>2,175,600,000</b> | <b>1,465,403,318</b> | <b>3,641,003,318</b> |

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


  
Chairman

  
Chief Executive Officer

  
Director

  
Director

  
Chief Financial Officer

  
Company Secretary

Place: Dhaka  
Date: 20.07.2023  
Ref.: GKC/23-24/A/020





**C & A Textiles Limited**  
**STATEMENT OF CASH FLOWS**  
**AS AT JUNE 30, 2017**

|   | 30-06-2017<br><u>Taka</u> | 30-06-2016<br><u>Taka</u> |
|---|---------------------------|---------------------------|
| <b>A. Cash Flow From Operating Activities</b>     |                           |                           |
| Cash Collection from Sales                        | -                         | 2,188,736,652             |
| Cash Collection from Other Sources                | 392,897,084               | -                         |
|   | <b>392,897,084</b>        | <b>2,188,736,652</b>      |
| <b>Increase/ Decrease in</b>                      |                           |                           |
| Cash Paid to Suppliers, Employees and Others      | (545,715,833)             | (1,824,863,945)           |
| Cash Paid for Financial Expenses                  | (5,145,206)               | (68,591,627)              |
| Advanced Income Tax paid                          | (1,328,703)               | (17,311,729)              |
|   | <b>(552,189,742)</b>      | <b>(1,910,767,301)</b>    |
| <b>Net cash provided by operating activities</b>  | <b>(159,292,658)</b>      | <b>277,969,351</b>        |
| <b>B. Cash Flow From Investing Activities</b>     |                           |                           |
| Acquisition of Fixed Assets                       | -                         | (67,051,183)              |
| Capital Work in Progress                          | -                         | (83,518,231)              |
| Security Deposit                                  | -                         | (377,396)                 |
| Advance Realization                               | -                         | 850,483                   |
| Advance for Gas Line Installation                 | -                         | (12,500,000)              |
| <b>Net cash used by investing activities</b>      | <b>-</b>                  | <b>(162,596,327)</b>      |
| <b>C. Cash Flow From Financial Activities</b>     |                           |                           |
| Increase/ ( Decrease) Long Term Loan from Bank    | -                         | 13,059,944                |
| Increase/ ( Decrease) Short Term Loan from Bank   | -                         | (55,134,788)              |
| <b>Net cash used by financial activities</b>      | <b>-</b>                  | <b>(42,074,844)</b>       |
| <b>Net Cash Generate during the year (A to C)</b> | <b>(159,292,658)</b>      | <b>73,298,180</b>         |
| Opening Cash and Cash equivalents                 | 164,005,292               | 90,707,112                |
| <b>Closing Cash and Cash equivalents</b>          | <b>4,712,634</b>          | <b>164,005,292</b>        |
| <b>Net Operating Cash flow Per Share (NOCFPS)</b> | <b>(0.666)</b>            | <b>1.278</b>              |

  
Chairman

  
Chief Executive Officer

  
Director

  
Director

  
Chief Financial Officer

  
Company Secretary

Place: Dhaka  
Date: 20.07.2023  
Ref.: GK/C/23-24/A/020



**C & A Textiles Limited**  
**NOTES TO THE ACCOUNTS**  
**FOR THE PERIOD ENDED JUNE 30, 2017**

**1.00 Reporting Entity and its Activities**

**1.01 Legal form of the Entity**

The Company was incorporated on February 19, 2001 as private company limited by shares under the Companies Act, 1994 vide certificate of incorporation no. C-3912/2001. The company was converted into a public Limited Company on 22 December 2012 along with the subdivision of face value of shares from Tk. 100 to Tk. 10 each. Its shares are listed with Dhaka Stock Exchange Ltd. and Chittagong Stock Exchange Ltd.

The registered office and production unit of the company is located at Plot No. 61, 62, 66, 67, 68, 72 & 73, BSCIC Industrial Estate Kalurghat (Ext), Chittagong, Bangladesh.

**1.02 Nature of Business Activities**

This is 100% export oriented company engaged in manufacturing fashionable knit garments in accordance with buyers' orders. It usually exports its produced garments to the buyers in Canada, USA, Germany and Europe.

**2.00 Significant Accounting Policy for the presentation o the financial Statements**

The specific accounting policies selected and applied by the company's management for significant transactions and events that have material effect within the framework of BAS-1 "Presentation of Financial Statements" in preparation and presentation of financial statements have been consistently applies throughout the year and were also consistent with those used in earlier years

**2.01 Corporate Financial Statements**

The financial statements are prepared under the historical cost convention and in accordance with the requirements of the Companies Act, 1994, Securities and Exchange Rules 1987, Listing regulation of Dhaka Stock Exchange Limited (DSE) & Chittagong Stock Exchange Limited (CSE), Bangladesh Accounting Standards (BASs) Bangladesh Financial Reporting Standards (BFRSs) and as applicable to this Company. The Board of Directors are responsible for preparing and presenting the financial statements including adequate disclosures, who approved and authorized for issue of those financial statements.

**2.02 Use of estimates and Judgments**

The preparation of Financial Statements requires management to make estimates and assumptions that affect the reported amount of assets, liabilities, income and expenses. Due to inherent uncertainties involved in making estimates actual results may differ from those estimates and under lying assumptions are reviewed on a going concern basis.

**2.04 Property Plant and Equipment**

Property Plant and Equipment are accounted for according to BAS 16 "Property, Plant and Equipment" at historical cost less cumulative depreciation and the capital work in progress ( when arises) is stated at cost. All assets are depreciated/ amortized accounting to the straight-line method. The gain or loss arising on the disposal or retirement of an asset is determined as the difference as the difference between the sales proceeds and the carrying amount of the asset and is recognized as non-operating income/loss.

**2.03 Going Concern**

The company has adequate resources to continue in operation for the foreseeable future. The current credit facilities and resources of the company provides sufficient fund to meet the present requirements of its existing business. For this reason the directors continue to adopt going concern basis in preparing the Financial Statement.

| Category               | Rate (%) |
|------------------------|----------|
| Furniture & Fixtures   | 10%      |
| Office Decoration      | 10%      |
| Computer & Accessories | 20%      |
| Cookeries              | 20%      |
| IPS                    | 20%      |
| Air Condition          | 10%      |



#### 2.04 Foreign Currency Translation

The financial statements are presented in Taka/Tk./BDT, which is company's functional currency. Transactions in foreign currencies are recorded in the books at the exchange rate prevailing on the date of the transaction. Assets and Liabilities outstanding at 30 June 2017 denominated in foreign currencies have been shown in Taka at the rate in terms of foreign currencies ruling on the statement of financial position date. Exchange difference arising on the settlement of monetary items or on translation monetary items at the end of the reporting period are recognized in statement of profit or loss and other comprehensive income as per BAS 21: The effects of Changes in Foreign Exchange Rates.

#### 2.05 Reporting Period

The financial Statements covers one financial year from 1st July to 30th June of following year consistently.

#### 2.06 Segment Reporting

No segmental reporting is applicable for the company as required by BFRS 8: "Segment Reporting" as the company operates in a single industry segment and within a single geographical territory.

#### 2.07 Fundamental Accounting Concepts/ Assumption

The financial statements have been prepared under historical cost convention on accrual basis and such other convention as required by BAS-1 and BFRS for fair presentation of financial statements.

#### 2.08 Comparative information and Re-arrangement thereof

Comparative Information 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 income and value of assets and liabilities as reported in the Financial Statements.

#### 2.09 Events after the Reporting Period

In compliance with the requirements of BAS 10: Adjusting events occurring after the reporting date are reflected in the financial statements and events after reporting date that are not adjusting events are disclosed in the notes when material.

#### 2.10 Compliance with BAS

The following BAS have been applied in preparation of the financial statements for the

|        |   |
|--------|---|
| BAS 1  | Presentation of Financial Statements                            |
| BAS 2  | Inventories   |
| BAS 7  | Statement of Cash Flows   |
| BAS 8  | Accounting Policies, Changes in Accounting Estimates and Errors |
| BAS 10 | Events after the Reporting Period                               |
| BAS 12 | Income Tax  |
| BAS 16 | Property, Plant & Equipment                                     |
| BAS 17 | Leases  |
| BAS 18 | Revenue   |
| BAS 21 | The effects of Changes in foreign exchange rates                |
| BAS 23 | Borrowing   |
| BAS 24 | Costs Related Party Disclosures                                 |
| BAS 33 | Earnings Per Share  |
| BAS 36 | Impairment of Assets  |
| BAS 37 | Provisions, Contingent Liabilities and Contingent Assets        |
| BAS 39 | Financial Instrument: Recognition and Measurement               |

The related BFRSs are also complied for the preparation of these



## 2.11 Net Income Before Tax

Net Income Before Tax for the year were not materially affected by:

- (a) Transaction of a nature not usually undertaken by the company;
- (b) Circumstances of an exceptional or non-recurring nature;
- (c) Changes of credits relating to prior years; and
- (d) Changes in accounting policies.

## 2.12 Regulatory Compliance

The Financial Statements have been prepared in compliance with the following laws and regulations;

- The Companies Act, 1994
- The Income Tax Ordinance, 1984
- The Income Tax Rules, 1984
- The Value Added Tax (VAT) Act, 1991.
- The Customs Act, 1969
- Security and Exchange Rules, 1987
- Security and Exchange Ordinance, 1993

## 2.13 Property, Plant and Equipment

### 2.13.1 Recognition and measurement of Property, Plant and Equipment

Property, Plant and Equipment have been stated at written down value. Accumulated historical cost and depreciation have been shown in the Financial Statements. The cost of acquisition comprises of purchase price, including import duties and non-refundable Taxes and any directly attributable cost of bringing the assets to its state of intended use. Expenditure incurred after the assets have been put into operation, such as repairs and maintenance is normally charged off as revenue expenditure in the period 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 the fixed assets, the expenditure is capitalized as an addition to cost of the assets.

### 2.13.2 Depreciation of Tangible Fixed Assets

Depreciation on Property, Plant & Equipment other than leasehold Land & Land Development have been computed during the year using the reducing balance method so as to write off the assets over their expected useful life. Depreciation has been charged on addition of the basis of when it is available for use.

Leasehold land and land development taken from BSCIC I/E, Kalurghat, Chittagong on lease is being amortized over 20 years

After considering the useful life of assets as per BAS-16, the annual depreciation rates have been applied as under which is considered reasonable by the management

| <u>Items of Property, Plant &amp; Equipment</u> | 2017<br>Rate % | 2016<br>Rate % |
|---|----------------|----------------|
| Lwasehold Land & Land Development               | 5              | 5              |
| Factory Building                                | 10             | 10             |
| Plant & Machinery                               | 10             | 10             |
| Furniture & Fixture                             | 10             | 10             |
| Water and Gas Line Installation                 | 10             | 10             |
| Electrical Installation                         | 10             | 10             |
| Electrical Equipment                            | 10             | 10             |





|                   |    |    |
|-------------------|----|----|
| Generator         | 10 | 10 |
| Fire Equipment    | 10 | 10 |
| Vehicles          | 20 | 20 |
| Office Equipments | 10 | 10 |
| Air Conditions    | 20 | 20 |

### 2.13.3 Impairment of assets

All assets have been reviewed according to BAS 36 and it was confirmed that no such assets have been impaired during the year and for this reason no provision has been made for impairment of assets.

### 2.14 Inventories

Inventories are measured at the lower of cost and net realizable as prescribed by BAS-2. The cost of inventories is based on the weighted average method and includes expenditure incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their existing location and condition. In the case of manufactured inventories and work-in-progress, cost includes an appropriate allocation of production overheads based on normal operation capacity.

| Nature of Inventories | Basic of valuation  |
|-----------------------|---|
| Raw Materials         | Weighted Average Cost   |
| Work-in-progress      | Material cost Plus Proportionate Converting cost based on percentage of completion. |
| Chemicals & Store     | Weighted Average Cost   |
| Finished goods        | At lower of cost or net realizable value  |

### 2.15 Financial Instruments

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

#### 2.15.1 Financial Assets

Financial assets of the company include cash and cash equivalents, equity instrument of another entity, trade 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 contractual rights or probabilities of receiving the cash flows from the assets 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 reward of ownership of the financial assets are transferred.

#### 2.15.2 Cash and Cash Equivalents

According to BAS 7 'Statement of Cash Flows' cash comprises of cash in hand, cash at Bank, demand deposits, FDR and cash equivalents which are short term highly liquid investments that are readily convertible to cash and which are subject to an insignificant risk of changes in value. BAS 1 "Presentation of Financial Statements" provides that Cash & Cash Equivalents are not restricted in use. Considering the provision of BAS 7 & BAS 1, Cash in Hand & Bank Balance including FDR have been treated as Cash & Cash Equivalents.

#### 2.15.3 Available for Sale of Financial Assets

During the year the company had no financial asset for sale.



#### 2.15.4 Trade Receivable

Trade receivable is carried at invoice amount without making any provision for doubtful debts, because of the fact that sales / export are being based on 100% confirmed letter of credit basis with fixed maturity dates and confirmed by Letter of credit.

#### 2.15.4 Financial Liabilities

The company initially recognizes financial liabilities on the transaction date at which the company becomes a party to the contractual provision of the liability. The company derecognizes a financial liability when it's contractual obligations are discharged or cancelled or expired. Financial liabilities are recognized initially at fair value less any directly attributable transactions costs. Subsequently to initial recognition, these financial liabilities are measured at amortized cost using the effective interest method. Financial liabilities include loan and borrowing, trade creditors, liabilities for expenses and liabilities for other finance.

#### 2.16 Income Tax

##### 2.16.1 Current Tax

A provision for Taxation was calculated as per Income Tax Ordinance 1984.

##### 2.16.2 Deferred Tax

The company did not recognise deferred tax during the year.

#### 2.17 Revenue Recognition

##### a) Sales of Goods

Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns, trade discounts and volume rebates as per BAS-18. Revenue is recognized when the significant risks and reward of ownership have been transferred to the buyer, recovery of the consideration is probable, the associated costs and possible return of goods can be estimated reliably & there is no continuing management involvement with the goods sold. Transfer of risk and rewards occurs for the sale of goods when the shipment made and invoices raised.

b) Interest income is recognized when it is credited by respective bank

c) Dividend income is recognized when the right to receive payment is established.

#### 2.18 Sales Revenue

Sales revenue includes only export of garments.

#### 2.19 Financial Expenses

Financial expenses comprise interest on borrowings and bank charges. All financial expenses are recognized in the statement of profit or loss and other comprehensive income based on the statement received from Financial Institutions.

#### 2.20 Employee Benefit Plan:

The company maintains defined benefit plan of 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 provision of BAS 19: Employee Benefits.

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

The company's employee benefits include the following:

##### a) Short-Term Employee Benefits

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



#### b) Workers Profit Participation Fund

We are a 100% export oriented composite knit garments industry and member of BGMEA and BKMEA, As per Sub-Section 3 of Section 232 of Bangladesh Labour Act (Amendment) 2013 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 provision with regard to formation of sector-based central fund comprising of buyers and owners, from aboard 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 "

We didn't start making provision for WPPF because of not yet forming Board for fund raise and utilization by the government. The Board shall format the rules of determination of subscription, procedure of collection and utilization of fund. We are 100% export oriented company also the member of BGMEA and BKMEA, that's why company can't recognize WPPF before forming Board for fund and utilization by the Authority.

#### 1.21 Statement of Cash Flow

Statement of Cash Flow has been prepared principally in accordance with BAS-7 "Statement of Cash Flow" and the cash flows from the operating activities have been presented under direct method.

#### 1.22 Provisions

In accordance with the guidelines as prescribed by BAS-37: Provisions, Contingent Liabilities and Cotangent Assets, provisions are recognized in the following situations:

- a. when the company has an obligation (legal or constructive) as a result of past events;
- b. when it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
- c. reliable estimates can be made of the amount of the obligation.



### 2.23 Earning Per Share

This has been calculated in compliance with the requirements of BAS 33. Earnings Per Share has been calculated the profit attributable to ordinary equity holders of the company divided by the weighted average number of ordinary shares outstanding during the period and retrospective effect has also been given for calculation of previous years earnings as well to conform the current years presentation.

### 2.24 Diluted Earnings per Share

No diluted Earnings per Share was required to be calculated for the year under review as there is no scope for dilution of Earnings Per Share for the year.

### 2.25 Components of Financial Statements

The financial statements comprise the following:

- Statement of Financial Position as at 30th June 2017
- Statement of Profit or Loss and Other Comprehensive Income for the year ended 30th June 2017
- Statement of Changes in Equity for the year ended 30th June 2017
- Statement of Cash Flows for the year ended 30th June 2017
- Accounting Policies and explanatory notes to the Financial Statements.

### 2.26 General

a) The figures appearing in these financial statements are expressed in Taka currency and rounded off to the nearest Taka.

b) Previous year's figures have been rearranged, where necessary, to conform to current year's presentation.

|  | 30.06.2017           | 30.06.2016           |
|--|----------------------|----------------------|
|  | Taka                 | Taka                 |
| <b>3.00 PROPERTY, PLANT AND EQUIPMENT</b>  |                      |                      |
| Opening Balance                            | 3,069,699,048        | 3,002,647,865        |
| Addition During the year                   | -                    | 67,051,183           |
| <b>Total Assets Value at cost</b>          | <b>3,069,699,048</b> | <b>3,069,699,048</b> |
| Disposal/Adjustment during the Year        | -                    | -                    |
| Accumulated Depreciation as on 30.06.2017  | 1,368,078,936        | 1,170,809,723.00     |
| <b>Written Down Value as on 30.06.2017</b> | <b>1,701,620,112</b> | <b>1,889,799,325</b> |

Details of Property, Plant & Equipments have been shown in Annexure-A.

### 4.00 SECURITY DEPOSIT

|  |                   |                   |
|--|-------------------|-------------------|
| Polly Bidyut Samity (PBS)- Electricity   | 240,000           | 240,000           |
| Bakhrabad Gas system Ltd- GAS line       | 1,057,439         | 1,057,439         |
| Karnaphuli Gas Dis.Co.Ltd (New Gas Line) | 39,560,550        | 39,560,550        |
| Anser Salary (Security Deposit)          | 350,000           | 350,000           |
| Water Treatment Plant (ETP)              | 335,000           | 335,000           |
|  | <b>41,542,989</b> | <b>41,542,989</b> |

### 5.00 CAPITAL WORK-IN PROGRESS

|                                       |                    |                    |
|---------------------------------------|--------------------|--------------------|
| Construction of new building (Unit-2) | 134,119,676        | 134,119,676        |
|                                       | <b>134,119,676</b> | <b>134,119,676</b> |

Capital work-in progress represents four storeys of factory building of the company which construction. The factory building will be transferred to property, plant and equipments as per BAS 16 which it will be fully ready to used.

Total land area on which the building is constructed is 43.35 kathas or 31,218 and space per floor of the building 28,500 sqft



**6.00 INVENTORIES**

|                    |                    |                    |
|--------------------|--------------------|--------------------|
| Raw Materials- Yam | 377,124,078        | 377,124,078        |
| Chemicals          | 50,125,458         | 50,125,458         |
| Work in Process    | 80,845,848         | 80,845,848         |
| Consumable Items   | 25,551,254         | 25,551,254         |
| Finished Goods     | 144,458,400        | 144,458,400        |
| Store Items        | 5,545,470          | 5,545,470          |
|                    | <b>683,650,508</b> | <b>683,650,508</b> |

**7.00 TRADE RECEIVABLE**

The amount represents receivable on 30 June 2016 from foreign buyers against export of Garments This we considered as fully secured and guaranteed receivable by export letter of credit and considered good and realizable within one year as per terms of exports letter of credit.

**Ageing of Trade Receivable**

|                   |                    |                    |
|-------------------|--------------------|--------------------|
| Due above 6 Month | 291,300,956        | 682,364,320        |
|                   | <b>291,300,956</b> | <b>682,364,320</b> |

We have not received any documents of Export bills, Letter of Credit or Sales Contract.

The Classification of receivable as required by the Schedule XI of the Companies Act 1994 is given below

|   |             |             |
|---|-------------|-------------|
| Receivable considered good in respect of which the company is fully secured   | -           | 682,364,320 |
| Receivable considered good in respect of which the company is holds on security other than debtors' personal security | -           | -           |
| Receivable considered doubtful or bad   | 291,300,956 | -           |
| Receivable due by common Management   | -           | -           |
| The minimum amount of receivable due by any director or other officer of the company                                  | 291,300,956 | 682,364,320 |

The above is this amount of receivables against export bills as on June 30, 2017

|                                    |                    |                    |
|------------------------------------|--------------------|--------------------|
| M/s Ternanova                      | 89,423,641         | 89,423,641         |
| M/s Peacocks Store                 | 78,124,564         | 78,124,564         |
| M/s Bonnache                       | 45,234,572         | 45,234,572         |
| M/s Lis polo                       | 17,895,461         | 17,895,461         |
| M/s Trinity                        | 78,964,123         | 78,964,123         |
| M/s Blacks                         | 47,812,651         | 47,812,651         |
| M/s carriers                       | 46,971,327         | 46,971,327         |
| M/s Williams                       | 78,236,410         | 78,236,410         |
| M/s Miles                          | 68,971,264         | 68,971,264         |
| M/s Morrisons                      | 12,478,913         | 12,478,913         |
| M/s Raschuelo                      | 90,799,463         | 90,799,463         |
| M/s Oshkosh B'goth                 | 27,451,931         | 27,451,931         |
|                                    | <b>682,364,320</b> | <b>682,364,320</b> |
| Less: Collection during the period | 391,063,364        | -                  |
|                                    | <b>291,300,956</b> | <b>682,364,320</b> |

**8.00 ADVANCE, DEPOSIT & PRE-PAYMENT**

|                                       |      |                    |                    |
|---------------------------------------|------|--------------------|--------------------|
| Advance & prepayments                 | 8.01 | -                  | 4,918,400          |
| Advance to Lesshold Land              | 8.02 | 147,153,700        | 147,153,700        |
| Sundry Advance                        | 8.03 | -                  | 6,413,986          |
| Advance Income Tax                    | 8.04 | 31,121,854         | 29,528,835         |
| L/C Margin ( Machinery)               |      | -                  | 1,070,000          |
| L/C Margin for Import                 |      | -                  | 7,687,978          |
| Advance against Gas Line Installation |      | 22,000,000         | 22,000,000         |
| Advance against New factory           | 8.05 | -                  | 5,025,000          |
|                                       |      | <b>200,275,554</b> | <b>223,797,899</b> |

**8.01 Advance and Prepayments**

|  |   |                  |
|--|---|------------------|
| Advance to Employees ( Staff & Workers)        | - | 2,658,400        |
| Advance office Rent                            | - | 480,000          |
| M/s Chalkmark (Md. Balal Hossain)              | - | 120,000          |
| Advance to TNR Enterprise ( Accounts Software) | - | 1,660,000        |
|  | - | <b>4,918,400</b> |



**8.02 Advance to Leasehold Land**

|   |                    |                    |
|---|--------------------|--------------------|
| Leasehold Land at Kalorghat BSCIC, Ctg. | 147,153,700        | 147,153,700        |
|   | <u>147,153,700</u> | <u>147,153,700</u> |

This advance payments has been made to landlord through Agrani Bank Ltd. Chittagong for acquisition of leasehold land. The land is located at 69,70 & 71 BSCIC I/E, Kalorghat Chittagong.

**8.03 Sundry Advance**

|                                     |   |                  |
|-------------------------------------|---|------------------|
| M/s Chotin ( New office decoration) | - | 25,000           |
| M/s Lotus Trade Syndicate           | - | 546,200          |
| M/s Lucky Enterprise                | - | 470,450          |
| M/s Muna Enterprise                 | - | 76,800           |
| 3G apparel figo                     | - | 8,957            |
| M/s Ali Trading                     | - | 177,678          |
| Anower & Iqbal Electrical           | - | 190,000          |
| Aroma Fabrics                       | - | 50,396           |
| Axiom Fashion Ltd                   | - | 165,850          |
| Base Textile Ltd                    | - | 124,337          |
| Clifton Group                       | - | 57,342           |
| E.R Knitware                        | - | 21,532           |
| Eastran Dressess Limited            | - | 20,441           |
| Global Knitwear                     | - | 17,051           |
| Mam Appareals                       | - | 106,095          |
| Sundry Advance ( Garments Division) | - | 575,002          |
| Sundry Advance ( Textile Division)  | - | 3,101,993        |
| Mithun Knitwear                     | - | 92,460           |
| Moemo Fashion                       | - | 17,939           |
| Raizham Fashion                     | - | 102,305          |
| S. Enterprise                       | - | 262,608          |
| Sadif Fashion Ltd                   | - | 24,730           |
| Taher Sons Fashion Ltd              | - | 178,820          |
|                                     | - | <u>6,413,986</u> |

**8.04 Advance Income Tax**

|  |                   |                   |
|--|-------------------|-------------------|
| Opening Balance                              | 29,528,835        | 12,217,106        |
| Add: Tax deduction at source during the year | 1,593,019         | 17,311,729        |
|  | <u>31,121,854</u> | <u>29,528,835</u> |
| Less: Adjustment during the year             | -                 | -                 |
|  | <u>31,121,854</u> | <u>29,528,835</u> |





|  |                      |                      |                   |                      |
|--|----------------------|----------------------|-------------------|----------------------|
| <b>8.05 Advance Against new Factory Building</b>                     |                      |                      |                   |                      |
| M/s Inter space  | -                    | 3,700,000            |                   |                      |
| M/s Hafiz Ahmed (Contractor)   | -                    | 1,325,000            |                   |                      |
|  | -                    | <b>5,025,000</b>     |                   |                      |
| <b>9.00 CURRENT ACCOUNTS WITH SISTER CONCERN</b>                     |                      |                      |                   |                      |
| C & A Fashion Limited  | -                    | 685,666              |                   |                      |
| Knit Express Limited   | -                    | 2,207                |                   |                      |
|  | -                    | <b>687,873</b>       |                   |                      |
| <b>10.00 CASH AND CASH EQUIVALENTS</b>                               |                      |                      |                   |                      |
| Cash in hand   | -                    | 4,989,901            |                   |                      |
| Cash at Bank   | 64,851               | 153,824,795          |                   |                      |
| FSIBL Agrabad Branch ( A/C No. 010411100011495 )                     | 64,851               | 27,460               |                   |                      |
| FSIB MTD Accounts, EXIM Bank FDR                                     | -                    | 26,234,956           |                   |                      |
| FSIBL - Gulshan Branch ( A/C No. 100211100019465)                    | -                    | 1,040,275            |                   |                      |
| MTBL - Kalurghat Branch (CD)   | -                    | 83,242               |                   |                      |
| MTBL - Kalurghat Branch (SND)  | -                    | 235,026              |                   |                      |
| EXIM Bank Ltd - Agrabad Branch                                       | -                    | 18                   |                   |                      |
| FSIBL - Agrabad Branch (Garments Unit)                               | -                    | 5,821                |                   |                      |
| Eastirn Bank - Agrabad Branch  | -                    | 3,248                |                   |                      |
| FSIBL - Mohona Br. Chattigong  | -                    | 59,301               |                   |                      |
| SBAC - Agrabad Branch  | -                    | 2,013                |                   |                      |
| EXIM Bank Ltd - SK, Mujib Road Branch                                | -                    | 29,999               |                   |                      |
| FSIB 104075200004266   | -                    | -                    |                   |                      |
| FDR on FSIBL & EXIM Bank , Agrabad Br.                               | -                    | 152,337,992          |                   |                      |
| <b>IPO Accounts</b>  | <b>4,647,783</b>     | <b>5,190,596</b>     |                   |                      |
| FSIBL (IPO Account), Agrabad Br. (SND)                               | -                    | 15,679               |                   |                      |
| FSIBL (IPO Account)FDR, Agrabad Br. (SND)                            | -                    | -                    |                   |                      |
| BRAC Bank, Head office, Dhaka (DBT)                                  | 4,647,783            | 4,800,433            |                   |                      |
| BRAC Bank, Head office, Dhaka (US Dollar Accounts)                   | -                    | 374,484              |                   |                      |
|  | <b>4,712,634</b>     | <b>164,005,292</b>   |                   |                      |
| <b>11.00 SHARE CAPITAL</b>   |                      |                      |                   |                      |
| Bangladesh Shoes Ind. Ltd  | 112,820,400          | 102,564,000          |                   |                      |
| Gazi Golam Zakaria Jyoti   | 47,863,200           | 43,512,000           |                   |                      |
| Iftekhar Abdul Hai   | 47,863,200           | 43,512,000           |                   |                      |
| IPO Shareholders   | 1,313,552,780        | 1,194,138,890        |                   |                      |
| Others Shareholders (Placement)                                      | 354,821,620          | 322,565,110          |                   |                      |
| Rukshana Morshed   | 444,444,000          | 404,040,000          |                   |                      |
| Shammin Akter Lovely   | 71,794,800           | 65,268,000           |                   |                      |
|  | <b>2,393,160,000</b> | <b>2,175,600,000</b> |                   |                      |
| <b>11.01 SHARE CAPITAL:-</b>   |                      |                      |                   |                      |
| <b>Authorized Capital:</b>   |                      |                      |                   |                      |
| 300,000,000 ordinary shares of Tk. 10/= each                         | <b>3,000,000,000</b> | <b>3,000,000,000</b> |                   |                      |
| <b>11.02 Issued, Subscribed and Paid-up Capital:</b>                 |                      |                      |                   |                      |
| 217,560,000 ordinary shares Tk. 10/= each fully paid-up.             | <b>2,393,160,000</b> | <b>2,175,600,000</b> |                   |                      |
|  | <b>2,393,160,000</b> | <b>2,175,600,000</b> |                   |                      |
| The shareholding position of the company at 30 June 2017 is as under |                      |                      |                   |                      |
| <b>Name of Directors</b>   | <b>Designation</b>   | <b>No. of shares</b> | <b>Percentage</b> | <b>Amount in Tk.</b> |
| Rukshana Morshed   | MD                   | 44,444,400           | 18.00             | 444,444,000          |
| BD Shoes Ind. Ltd  | Director             | 11,282,040           | 5.00              | 112,820,400          |
| Shammin Akter Lovely   | Director             | 7,179,480            | 3.00              | 71,794,800           |
| Gazi Golam Zakaria Jyoti   | Chairman             | 4,786,320            | 2.00              | 47,863,200           |
| Iftekhar Abdul Hai   | Director             | 4,786,320            | 2.00              | 47,863,200           |
| others shareholder(Placement)  | shareholders         | 35,482,162           | 15.00             | 354,821,620          |
| IOP Shareholders (Public)  | shareholders         | 131,355,278          | 55.00             | 1,313,552,780        |
| <b>Total</b>   |                      | <b>239,316,000</b>   | <b>100</b>        | <b>2,393,160,000</b> |
| <b>12.00 RETAIN EARNINGS</b>   |                      |                      |                   |                      |
| Opening Balance  |                      | 1,465,403,318        |                   | 1,469,260,112        |
| Less: Bonus Dividend for the Year ended 30 June 2017                 |                      | (217,560,000)        |                   | (233,100,000)        |
| Add: Net Profit/ (Net Loss) during the year                          |                      | (543,803,971)        |                   | 246,997,036          |
| Less : Adjustment for income TAX 2016-2017                           |                      | (504,273)            |                   | (17,753,830)         |
|  |                      | <b>703,535,074</b>   |                   | <b>1,465,403,318</b> |



13.00 SUSPENSE ACCOUNTS

|   |                      |          |
|---|----------------------|----------|
| Opening Difference of Loans and Bank Balances | 1,099,847,332        | -        |
| Current Accounts with Sister Concerns         | 687,873              | -        |
| Written off Advances                          | 26,005,055           | -        |
| Previous Year Supplier Payment                | 415,464,354          | -        |
| Loan- Union Capital Ltd                       | 200,000,000          | -        |
|   | <u>1,742,004,614</u> | <u>-</u> |

14.00 LONG TERM BORROWINGS

|                        |                      |                   |
|------------------------|----------------------|-------------------|
| Long Term Loan         | -                    | 69,291,039        |
| FSIBL 0104734000000001 | 793,353,940          | -                 |
| FSIBL 0104734000000002 | 5,402,992            | -                 |
| FSIBL 0104734000000003 | 27,005,295           | -                 |
| FSIBL 0104734000000004 | 31,224,898           | -                 |
| FSIBL 0104734000000005 | 4,088,776            | -                 |
| FSIBL 0104734000000006 | 3,169,406            | -                 |
| FSIBL 0104734000000007 | 98,950,411           | -                 |
| FSIBL 0104734000000008 | 6,287,561            | -                 |
| FSIBL 0104734000000009 | 8,950,250            | -                 |
| FSIBL 0104734000000010 | 50,868,510           | -                 |
|                        | <u>1,029,302,039</u> | <u>69,291,039</u> |

Terms & Conditions of Term Loan

The loan has been taken from Securities Islami Bank Ltd. Agrabad Br. Chittagong for acquisition of leasehold land and Plant and Machinery of the company on the following terms and conditions

|                   |   |
|-------------------|---|
| Rate of Interest  | : |
| Sanction Amount   | : |
| Tenor             | : |
| Moratorium Period | : |
| Security          | : |

15.00 SHORT TERM BORROWINGS

|                      |       |                    |                   |
|----------------------|-------|--------------------|-------------------|
| C&A Textiles Ltd.    | 15.01 | 295,220,871        | 43,216,220        |
| C & A Fashions Ltd.: | 15.02 | 111,047,482        | -                 |
| Union Capital Ltd    |       | 200,000,000        | -                 |
|                      |       | <u>606,268,353</u> | <u>43,216,220</u> |

15.01 C&A Textiles Ltd.:

|                              |                    |                   |
|------------------------------|--------------------|-------------------|
| Short Term Loan              | -                  | 43,216,220        |
| FSIB 010472400009342 (CASH)  | 87,349,368         | -                 |
| FSIB 010472400009346 (CASH)  | 10,038,667         | -                 |
| FSIB 010472400002670 (HYPO)  | 2,454,029          | -                 |
| FSIB 010472400002673 (HYPO)  | 8,834,763          | -                 |
| FSIB 010472400002674 (HYPO)  | 19,481,789         | -                 |
| FSIB 010472400002675 (HYPO)  | 32,146,562         | -                 |
| FSIB 010472400002684 (HYPO)  | 35,698,961         | -                 |
| FSIB 010472400002698 (HYPO)  | 32,980,723         | -                 |
| FSIB 0104724000027591 (HYPO) | 2,243,541          | -                 |
| FSIB 010472400002792 (HYPO)  | 1,283,085          | -                 |
| FSIB 010472400002809 (HYPO)  | 46,235,500         | -                 |
| FSIB 010472400002812 (HYPO)  | 8,540,725          | -                 |
| FSIB 010472400009189 (CASH)  | 7,933,158          | -                 |
|                              | <u>295,220,871</u> | <u>43,216,220</u> |





|                            |                    |          |
|----------------------------|--------------------|----------|
| 15.02 C & A Fashions Ltd.: |                    |          |
| FSIB 0104 75900000001      | 34,195,465         | -        |
| FSIB 0104 75900000002      | 18,236,874         | -        |
| FSIB 0104 75900000003      | 6,867,237          | -        |
| FSIB 0104 75900000004      | 13,486,882         | -        |
| FSIB 0104 75900000005      | 38,261,023         | -        |
|                            | <b>111,047,482</b> | <b>-</b> |

16.00 **TRADE AND OTHER PAYABLE**

|                                      |                  |                  |
|--------------------------------------|------------------|------------------|
| M/s T&T Ind Cor.                     | 258,600          | 258,600          |
| M/s Textrade                         | 569,200          | 569,200          |
| Brunal Textiles Ltd                  | 64,245           | 64,245           |
| Breau Veritas                        | 215,795          | 215,795          |
| Bright GI International              | 139,000          | 139,000          |
| Dream Knitting (BD) Ltd              | 569,730          | 569,730          |
| Dysan International Ltd              | 360,900          | 360,900          |
| ITS Labbest (BD) Ltd                 | 23,974           | 23,974           |
| J-K Soft Knit Ltd                    | 339,258          | 339,258          |
| JS Mondri International              | 330,000          | 330,000          |
| Masoo Export (BD) Ltd                | 46,333           | 46,333           |
| Mondol Knitwear Ltd                  | 411,451          | 411,451          |
| Rachi Textiles Ltd                   | 37,100           | 37,100           |
| S.S Knitting & Design                | 21,825           | 21,825           |
| Salim Perfumery & Chemical Suppliers | 162,421          | 162,421          |
| Switch Color BD Ltd                  | 68,060           | 68,060           |
| M/s Trims & knitting                 | 98,180           | 98,180           |
| Glory Tapes Labiles                  | 203,284          | 203,284          |
| KGN Corporation                      | 146,400          | 146,400          |
| M/s Sourashakti                      | 420,000          | 420,000          |
| M/s System Control                   | 173,571          | 173,571          |
| M/s Ream Star Trade Associates       | 152,700          | 152,700          |
| BMH knit Fabrics                     | 597,961          | 597,961          |
| Great Tech Filter Manu               | 315,730          | 315,730          |
|                                      | <b>5,725,718</b> | <b>5,725,718</b> |

17.00 **PROVISION AND OUTSTANDING EXPENSES**

|   |       |                   |                   |
|---|-------|-------------------|-------------------|
| Utility bills payable                           |       | 3,352,458         | 3,352,458         |
| Salary and wages                                |       | 6,658,727         | 6,658,727         |
| Sundry Creditors                                | 17.01 | 2,031,217         | 2,031,217         |
| Provision for Income Tax                        | 17.02 | 47,586,938        | 47,082,665        |
| Audit fee payable                               |       | 287,500           | 287,500           |
| Professional fees payable                       |       | 75,000            | 75,000            |
| New factory building Construction bills payable | 17.03 | 1,244,020         | 1,244,020         |
|   |       | <b>61,235,860</b> | <b>60,731,587</b> |

17.01 **Sundry Creditors**

|                             |                  |                  |
|-----------------------------|------------------|------------------|
| Ambia Knitting & Dyeing     | 110,250          | 110,250          |
| M/s Bright GP International | 105,458          | 105,458          |
| City Tools Center           | 99,850           | 99,850           |
| M/s G M Enterprise          | 85,458           | 85,458           |
| M/s Infan Enterprise        | 70,580           | 70,580           |
| Nicol Motors Ltd            | 725,129          | 725,129          |
| Noor Engineering Ltd        | 33,150           | 33,150           |
| Total Machinery Center      | 50,980           | 50,980           |
| M/s Zamil Trading           | 81,425           | 81,425           |
| Victoria Press              | 45,116           | 45,116           |
| System Control              | 73,571           | 73,571           |
| Shuruchi tools center       | 10,154           | 10,154           |
| Shalgi Traders              | 77,247           | 77,247           |
| Samsang computer            | 48,530           | 48,530           |
| S. Islam                    | 87,000           | 87,000           |
| Rahimpur Eng. Works         | 9,040            | 9,040            |
| R.R Enterprise              | 37,500           | 37,500           |
| R.R Imperial Ele.           | 121,627          | 121,627          |
| Ovi Sing                    | 10,000           | 10,000           |
| Nabila #Eng Works           | 4,130            | 4,130            |
| Micropath Eng.              | 33,150           | 33,150           |
| M/s Noor Paper & Stationary | 63,178           | 63,178           |
| M/s mostafa Enterprise      | 48,694           | 48,694           |
|                             | <b>2,031,217</b> | <b>2,031,217</b> |



|  |          |                    |                      |
|--|----------|--------------------|----------------------|
| <b>17.02 Provision for Income Tax</b>                        |          |                    |                      |
| Opening Balance  |          | 47,082,665         | 12,217,106           |
| Add: Provision for previous years                            |          | -                  | 17,753,830           |
| Add: provision during the year                               |          | 504,273            | 17,111,729           |
| Less: Adjustments during the year                            |          | -                  | -                    |
|  |          | <u>47,586,938</u>  | <u>47,082,665</u>    |
| <b>17.03 New factory building Construction bills payable</b> |          |                    |                      |
| M/s Anis & Brothers  |          | 545,480            | 545,480              |
| M/s Inner Space  |          | 658,980            | 658,980              |
| M/s Khan Jahan Ali Builders                                  |          | 39,560             | 39,560               |
|  |          | <u>1,244,020</u>   | <u>1,244,020</u>     |
| <b>18.00 SALES REVENUE</b>                                   |          |                    |                      |
| Export Sales   |          | -                  | 2,283,545,840        |
| Less: RMG Central Fund                                       |          | -                  | -                    |
|  |          | <u>-</u>           | <u>2,283,545,840</u> |
| <b>19.00 COST OF SALES</b>                                   |          |                    |                      |
| Ray Materials consumed - Yarn                                | 19.01    | -                  | 1,073,430,286        |
| Ray Materials consumed - Chemicals                           | 19.02    | -                  | 190,091,110          |
| Consumable item- consumed                                    | 19.03    | -                  | 171,757,996          |
| Cost Materials consumed                                      |          | -                  | <u>1,435,279,392</u> |
| work in process - Opening                                    |          | 80,845,848         | 93,235,200           |
| work in process - closing                                    |          | 80,845,848         | 80,845,848           |
| Change in work in process                                    |          | -                  | <u>12,389,352</u>    |
| Add: Manufacturing overhead                                  | 19.04    | 147,105,224        | 225,367,212          |
| Add: Depreciation (Manufacturing)                            |          | 188,179,213        | 192,158,903          |
| Cost of Goods Manufactured                                   |          | <u>335,284,437</u> | <u>417,526,115</u>   |
| Finishing Goods - opening                                    |          | 144,458,400        | 148,363,900          |
| Sample Making Expenses                                       |          | -                  | 4,354,585            |
| Finishing Goods - Closing                                    |          | 144,458,400        | 144,458,400          |
| Change of finishing goods stock                              |          | -                  | <u>(449,085)</u>     |
|  |          | <u>335,284,437</u> | <u>1,864,745,774</u> |
| <b>19.01 Ray Materials consumed - Yarn</b>                   |          |                    |                      |
| Opening Stock  |          | 377,124,078        | 324,583,900          |
| Add: Purchase during the year                                |          | -                  | 1,125,970,464        |
| Raw Material available for production                        |          | 377,124,078        | 1,450,554,364        |
| Less: Closing Stock  |          | 377,124,078        | 377,124,078          |
|  |          | -                  | <u>1,073,430,286</u> |
| <b>19.02 Ray Materials consumed - Chemicals</b>              |          |                    |                      |
| Opening Stock  |          | 50,125,458         | 48,538,000           |
| Add: Purchase during the year                                |          | -                  | 191,678,568          |
| Raw Material available for production                        |          | 50,125,458         | 240,216,568          |
| Less: Closing Stock  |          | 50,125,458         | 50,125,458           |
|  |          | -                  | <u>190,091,110</u>   |
| <b>19.03 Consumable item- consumed</b>                       |          |                    |                      |
| Opening Stock  |          | 25,551,254         | 19,083,600           |
| Add: Purchase during the year                                |          | -                  | 178,225,650          |
| Raw Material available for production                        |          | 25,551,254         | 197,309,250          |
| Less: Closing Stock  |          | 25,551,254         | 25,551,254           |
|  |          | -                  | <u>171,757,996</u>   |
| <b>19.04 Manufacturing overhead</b>                          |          |                    |                      |
| Salary & Wages   |          | 147,105,224        | 135,938,608          |
| Factory supplies   |          | -                  | 10,138,400           |
| Medical Expenses   |          | -                  | 1,191,810            |
| food & Tiffin  |          | -                  | 3,330,959            |
| Labor Charhe   |          | -                  | 2,159,306            |
| Carring Charge   |          | -                  | 2,862,977            |
| Power & Fuel   |          | -                  | 37,912,243           |
| Commercial Expenses  |          | -                  | 5,726,519            |
| Printing & Stationary Expenses                               |          | -                  | 880,145              |
| Store consumption  | 19.04.01 | -                  | 10,734,818           |



|  |                   |                    |
|--|-------------------|--------------------|
| Insurance premium                          | -                 | 4,983,132          |
| Postage & stamp                            | -                 | 726,068            |
| Conveyance                                 | -                 | 2,987,524          |
| Telephone & Mobile Bill                    | -                 | 1,263,163          |
| Miscellaneous Expenses                     | -                 | 1,204,528          |
| Repair & Maintenance                       | 19.04.02          | 1,459,061          |
| Internet Charge                            | -                 | 528,050            |
| Lab testing charge                         | -                 | 276,566            |
| BSCIC Holding Tax                          | -                 | 1,063,335          |
|  |                   | <u>147,105,224</u> |
|  |                   | <u>225,367,212</u> |
| <b>19.04.01 Store consumption</b>          |                   |                    |
| Opening Balance                            | 5,545,470         | 9,193,690          |
| Add: Purchase during the year              | -                 | 7,086,598          |
|  | <u>5,545,470</u>  | <u>16,280,288</u>  |
| Less: Closing Balance                      | 5,545,470         | 5,545,470          |
| Consumption during the year                | -                 | <u>10,734,818</u>  |
| <b>19.04.02 Repair &amp; Maintenance</b>   |                   |                    |
| Plant & Machinery                          | -                 | 733,835            |
| Building & Shed                            | -                 | 325,658            |
| others                                     | -                 | 399,568            |
|  | -                 | <u>1,459,061</u>   |
| <b>20.00 OPERATING EXPENSES</b>            |                   |                    |
| Administrative Expenses                    | 20.01             | 38,643,298         |
| Warehouse, Distribution & selling Expenses | 20.02             | 17,132,969         |
|  |                   | <u>55,776,267</u>  |
|  |                   | <u>97,621,825</u>  |
| <b>20.01 Administrative Expenses</b>       |                   |                    |
| Salary & Allowance                         | 37,356,856        | 13,525,064         |
| Stationary & Computer paper                | -                 | 1,637,140          |
| Phone, Fax & Mobile Bill                   | -                 | 1,310,690          |
| Postage & Stamp                            | 37,006            | 1,271,280          |
| Tours & Travelling Expenses                | -                 | 2,412,282          |
| Entertainment                              | -                 | 1,773,549          |
| Rent & other                               | -                 | 873,569            |
| Fees & Forms                               | -                 | 4,546,847          |
| Audit Fee                                  | -                 | 287,500            |
| Legal & Professional Fee                   | -                 | 182,500            |
| Director Remuneration & Fees               | -                 | 3,637,500          |
| Miscellaneous Expenses                     | -                 | 871,424            |
| Vehicles Expenses                          | -                 | 3,072,261          |
| BSCIC Holding Tax                          | 960,000           | -                  |
| AGM Expenses                               | -                 | 668,900            |
| Miscellaneous Expenses                     | 289,436           | -                  |
| Depreciation                               | -                 | 12,397,149         |
|  | <u>38,643,298</u> | <u>48,467,855</u>  |



|   |                    |                   |
|---|--------------------|-------------------|
| <b>20.02 Warehouse, Distribution &amp; selling Expenses</b> |                    |                   |
| Salary & Allowance  | -                  | 11,927,045        |
| Transportation, Handling & Air Freight Exp                  | -                  | 16,950,839        |
| Power & Fuel  | 15,534,881         | -                 |
| Electricity, Water & Gas                                    | -                  | 2,073,305         |
| Repairs & Maintenance                                       | 1,598,088          | 1,523,590         |
| Traveling Expenses  | -                  | 2,147,023         |
| Sample Making Expenses                                      | -                  | 4,354,585         |
| Postage & Courier   | -                  | 1,425,745         |
| Entertainment   | -                  | 1,806,196         |
| Printing & Stationary                                       | -                  | 1,007,818         |
| Miscellaneous Expenses                                      | -                  | 1,225,384         |
| Advertisement Expenses                                      | -                  | 763,610           |
| Sales promotion Expenses                                    | -                  | 1,882,605         |
| Depreciation  | -                  | 2,066,225         |
|   | <b>17,132,969</b>  | <b>49,153,970</b> |
| <b>21.00 OTHER INCOME</b>                                   |                    |                   |
| Sale of Wastage   | 233,415            | 593,628           |
| Gain for Foreign Currency Fluctuation                       | -                  | 318,912           |
| Interest Income   | 1,600,305          | 10,609,611        |
|   | <b>1,833,720</b>   | <b>11,522,151</b> |
| <b>22.00 FINANCIAL EXPENSES</b>                             |                    |                   |
| Bank Charges  | 706,672            | -                 |
| Interest on Borrowing and Bank Charge                       | 153,870,315        | 68,591,627        |
|   | <b>154,576,987</b> | <b>68,591,627</b> |
| <b>24.00 EARNING PER SHARES (BASIC)</b>                     |                    |                   |
| Net Profit (Loss) for the year                              | (544,308,244)      | 246,997,036       |
| Weighted Number of Ordinary Share                           | 239,316,000        | 217,560,000       |
| Basic Earning Per Shares                                    | (2.27)             | 1.14              |
| <b>24.01 EARNING PER SHARES (ADJUSTED)</b>                  |                    |                   |
| Net Profit (Loss) for the year                              | (544,308,244)      | 246,997,036       |
| Weighted Number of Ordinary Shares                          | 239,316,000        | 239,316,000       |
| Adjusted Earning Per Share                                  | (2.27)             | 1.03              |



**C & A Textiles Limited**  
**STATEMENT OF PROPERTY, PLANT & EQUIPMENT**  
**AS AT 30TH JUNE 2017**

| Particulars                       | Cost                     |                          | Rate of Dep (%) | Depreciation             |                        | Written Down Value as at 30.06.2017 |
|-----------------------------------|--------------------------|--------------------------|-----------------|--------------------------|------------------------|-------------------------------------|
|                                   | Balance as on 01.07.2016 | Addition during the Year |                 | Balance as on 30.06.2017 | Charge during the year |                                     |
| Leasehold Land & Land Development | 69,716,323               | -                        | 5.0%            | 2,512,852                | 21,972,126             | 47,744,197                          |
| Factory Building                  | 439,535,365              | -                        | 10.0%           | 21,811,840               | 243,228,804            | 196,306,561                         |
| Plant & Machinery                 | 2,095,846,654            | -                        | 10.0%           | 135,505,890              | 876,293,644            | 1,219,553,010                       |
| Furniture & Fixture               | 85,435,092               | -                        | 10.0%           | 4,813,074                | 42,117,427             | 43,317,665                          |
| Water and Gas Line Installation   | 47,858,841               | -                        | 10.0%           | 3,749,854                | 14,110,159             | 33,748,682                          |
| Electrical Installation           | 113,958,382              | -                        | 10.0%           | 6,771,158                | 53,017,958             | 60,940,424                          |
| Electrical Equipment              | 25,311,448               | -                        | 10.0%           | 1,390,259                | 12,799,113             | 12,512,335                          |
| Generator                         | 127,254,832              | -                        | 10.0%           | 6,455,136                | 69,158,610             | 58,096,222                          |
| Fire Equipment                    | 11,888,581               | -                        | 10.0%           | 850,211                  | 4,236,678              | 7,651,903                           |
| Vehicles                          | 26,094,692               | -                        | 20.0%           | 13,963,092               | 16,389,412             | 9,705,280                           |
| Office Equipments                 | 13,523,616               | -                        | 10.0%           | 4,576,890                | 5,471,563              | 8,052,053                           |
| Air Conditions                    | 13,275,222               | -                        | 20.0%           | 997,945                  | 9,283,441              | 3,991,781                           |
| <b>Balance as on 30-06-2017</b>   | <b>3,069,699,048</b>     | <b>-</b>                 |                 | <b>188,179,213</b>       | <b>1,368,078,936</b>   | <b>1,701,620,112</b>                |



Place: Dhaka  
Date: 20.07.2023  
Ref.: GK/C/23-24/A/020





**G. KIBRIA & CO.**  
CHARTERED ACCOUNTANTS



**Independent Auditor's Report  
To the Shareholders of C & A Textile Limited.**

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

**Disclaimer of Opinion**

We were engaged to audit the financial statements of C & A Textile Limited which comprise the statement of financial position as at 30 June 2018, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

We do not express an opinion on the accompanying financial statements of the C & A Textile Limited because of the significance of the matter described in the Basis for Disclaimer of Opinion section of our report, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these financial statements.

**Basis for Disclaimer of Opinion**

(1) As disclosed in Note 07 for Trade and Other Receivable Taka 22,53,54,737/-, Note 08 for Advance, Deposit and prepayment Taka 20,05,53,139/-, Note 10 for Cash and Cash Equivalents for Taka 87,20,842/-, Note 11 for Share Capital Taka 2,39,31,60,000/-, Note 13 for Suspense Accounts Tk. (1,86,19,55,347)/-, Note 14 for Long Term Borrowings Tk. 1,15,28,53,408/-, Note 15 for Short Term Borrowings Tk. 75,27,71,403/-, Note 19 for Cost of Goods Sold Taka 18,63,77,010/- and Note 20 for Operating expenses Tk. 83,69,864/- to the financial statements, the company have not provided us sufficient appropriate audit evidence against the aforementioned amounts.

(2) Note 2.03 to the Financial Statements describe despite being experiencing unfavorable operating results, insufficient cash generation for debt servicing and uncertainty in revenue generation the Financial Statements are prepared based on the going concern concept due to having the Company's business plan & adequate resources to continue its operations in the foreseeable future.

In our view the Company's continuous unfavorable financial performance and cash generation ability, failed to provide future business plan and uncertain to pay the Bank loan for a number of years indicate that a material uncertainty exist that may cast significant doubt on the company's ability to continue as a going concern .

As a result, we were unable to opine whether the financial statements present fairly or not.



**Head Office:** Sadharan Bima Sadan (5th Floor), 24-25 Dilkusha Commercial Area, Dhaka – 1000, Bangladesh

**Branch Office:** House 51, Road 14, Block-G, Niketon, Gulshan-1, Dhaka-1212

**Email:** gkibria@gkibriaandco.com, kibria03@hotmail.com, **Web:** <http://gkibriaandco.com>

**Tel:** +02-223-355-324, +02-4881-2331, +02-4881-2332



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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with 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. However, because of the matter described in the Basis for Disclaimer of Opinion section of our report, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on 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.

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, we also report the following:

- a) we have obtained all the information and explanations except noted above 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 Company so far as it appeared from our examination of these books; and
- c) the statements of financial position and statements of profit or loss and other comprehensive income dealt with by the report are in agreement with the books of accounts and returns.

Place: Dhaka  
Date: 20.07.2023  
Ref.: GKC/23-24/A/021

  
Mohammad Showket Akber, FCA  
Enrol.No.970  
Partner  
G. Kibria & Co  
Chartered Accountants  
Dvc: 2307240970 AS812580





**C & A Textiles Limited**  
**STATEMENT OF FINANCIAL POSITION**  
**AS AT JUNE 30, 2018**

| Particulars                            | Note  | Amount in Taka       |                      |
|--|-------|----------------------|----------------------|
|  |       | 30.06.2018           | 30.06.2017           |
| <b>ASSETS</b>                          |       |                      |                      |
| <b>NON-CURRENT ASSETS</b>              |       |                      |                      |
|  |       | 1,708,138,270        | 1,877,282,777        |
| Property, Plant & Equipments           | 03.00 | 1,532,475,605        | 1,701,620,112        |
| Security Deposits                      | 04.00 | 41,542,989           | 41,542,989           |
| Capital Work in Progress               | 05.00 | 134,119,676          | 134,119,676          |
| <b>CURRENT ASSETS</b>                  |       |                      |                      |
|  |       | 1,118,279,226        | 1,179,939,652        |
| Inventory                              | 06.00 | 683,650,508          | 683,650,508          |
| Trade and Other Receivable             | 07.00 | 225,354,737          | 291,300,956          |
| Advance, Deposit & Prepayments         | 08.00 | 200,553,139          | 200,275,554          |
| Current Accounts with Sister Concern   | 09.00 | -                    | -                    |
| Cash & Cash Equivalents                | 10.00 | 8,720,842            | 4,712,634            |
| <b>Total Assets</b>                    |       | <b>2,826,417,496</b> | <b>3,057,222,429</b> |
| <b>EQUITY AND LIABILITIES</b>          |       |                      |                      |
| <b>SHARE HOLDER'S EQUITY</b>           |       |                      |                      |
|  |       | 853,831,106          | 1,354,690,459        |
| Share Capital                          | 11.00 | 2,393,160,000        | 2,393,160,000        |
| Retained Earnings Previous             | 12.00 | 322,626,453          | 703,535,074          |
| Suspense Accounts                      | 13.00 | (1,861,955,347)      | (1,742,004,614)      |
| <b>BANK LIABILITIES</b>                |       |                      |                      |
|  |       | 1,905,624,812        | 1,635,570,392        |
| Long Term Borrowings                   | 14.00 | 1,152,853,408        | 1,029,302,039        |
| Short Term Borrowings                  | 15.00 | 752,771,403          | 606,268,353          |
| <b>5) CURRENT LIABILITIES</b>          |       |                      |                      |
|  |       | 66,961,578           | 66,961,578           |
| Trade and Other Payables               | 16.00 | 5,725,718            | 5,725,718            |
| Provision for Outstanding Expenses     | 17.00 | 61,235,860           | 61,235,860           |
| <b>Total Equity and Liabilities</b>    |       | <b>2,826,417,496</b> | <b>3,057,222,429</b> |
| <b>Net Asset Value (NAV) per Share</b> |       | 3.57                 | 5.66                 |

The annexed notes form an integral part of these financial statements

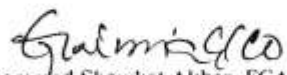
  
Chairman  
  
Director

  
Chief Executive Officer  
  
Chief Financial Officer

  
Director  
  
Company Secretary

Signed in terms of our annexed report of even date

Place: Dhaka  
Date: 20.07.2023  
Ref: GKC/23-24/A/021

  
Mohammad Showket Akber, FCA  
Partner  
Enrol No 970  
G.KIBRIA & CO.  
Chartered Accountants




**C & A Textiles Limited**  
**STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE PERIOD ENDED 30TH JUNE, 2018**

| Particulars  | Note  | Amount in Taka       |                      |
|--|-------|----------------------|----------------------|
|  |       | 2017-2018            | 2016-2017            |
| Sales Revenue                                      | 18.00 | -                    | -                    |
| Less: Cost of Goods Sales                          | 19.00 | 186,377,010          | 335,284,437          |
| <b>Gross Profit</b>                                |       | <b>(186,377,010)</b> | <b>(335,284,437)</b> |
| Less: Operating expenses                           | 20.00 | 8,369,864            | 55,776,267           |
| <b>Operating Profit /Loss</b>                      |       | <b>(194,746,874)</b> | <b>(391,060,704)</b> |
| Add: Other Income                                  | 21.00 | -                    | 1,833,720            |
| <b>Profit before Financial Charges &amp; Taxes</b> |       | <b>(194,746,874)</b> | <b>(389,226,984)</b> |
| Less: Financial Charges                            | 22.00 | 186,161,746          | 154,576,987          |
| <b>Profit before Tax</b>                           |       | <b>(380,908,620)</b> | <b>(543,803,971)</b> |
| Less: Provision for Taxation                       |       | -                    | 504,273              |
| <b>Net Profit After Tax</b>                        |       | <b>(380,908,620)</b> | <b>(544,308,244)</b> |
| <b>Earnings Per Share (EPS)</b>                    | 23.00 | <b>(1.59)</b>        | <b>(2.27)</b>        |

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


  
Chairman

  
Chief Executive Officer

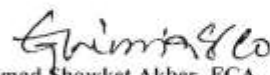
  
Director

  
Director

  
Chief Financial Officer

  
Company Secretary

Signed in terms of our annexed report of even date

  
Mohammad Showket Akber, FCA

Partner

Enrol.No.970

G.KIBRIA & CO.

Chartered Accountants

Place: Dhaka

Date:20.07.2023

Ref.:GKC/23-24/A/021



**C & A Textiles Limited**  
**STATEMENT OF CHANGES IN EQUITY**  
**FOR THE YEAR ENDED 30 JUNE, 2018**

| Particulars                        | Share capital        | Retained earnings  | Total              |
|------------------------------------|----------------------|--------------------|--------------------|
| Balance as at June 30, 2017        | 2,393,160,000        | 703,535,074        | 3,096,695,074      |
| Profit after tax for the year      | -                    | (380,908,620)      | (380,908,620)      |
| Stock Dividend                     | -                    | -                  | -                  |
| Cash Dividend                      | -                    | -                  | -                  |
| Unallocated Revenue Expenses       | -                    | -                  | -                  |
| Suspense Account                   | -                    | -                  | (1,861,955,347)    |
| <b>Balance as at June 30, 2018</b> | <b>2,393,160,000</b> | <b>322,626,453</b> | <b>853,831,106</b> |

**FOR THE YEAR ENDED 30 JUNE, 2017**

| Particulars                        | Share capital        | Retained earnings  | Total                |
|------------------------------------|----------------------|--------------------|----------------------|
| Balance as at June 30, 2016        | 2,175,600,000        | 1,465,403,318      | 3,641,003,318        |
| Profit after tax for the year      | -                    | (544,308,244)      | (544,308,244)        |
| Stock Dividend                     | 217,560,000          | (217,560,000)      | -                    |
| Cash Dividend                      | -                    | -                  | -                    |
| Unallocated Revenue Expenses       | -                    | -                  | -                    |
| Suspense Account                   | -                    | -                  | (1,742,004,614)      |
| <b>Balance as on June 30, 2017</b> | <b>2,393,160,000</b> | <b>703,535,074</b> | <b>1,354,690,459</b> |

Chairman

Chief Executive Officer

Director

Director

Chief Financial Officer

Company Secretary

Place: Dhaka  
Date: 20.07.2023  
Ref.: GKC/23-24/A/021



**C & A Textiles Limited**  
**STATEMENT OF CASH FLOWS**  
**AS AT JUNE 30, 2018**

|   | 30-06-2018<br><u>Taka</u> | 30-06-2017<br><u>Taka</u> |
|---|---------------------------|---------------------------|
| <b>A. Cash Flow From Operating Activities</b>     |                           |                           |
| Cash Collection from Sales                        | -                         | -                         |
| Cash Collection from Other Sources                | 65,946,219                | 392,897,084               |
|   | 65,946,219                | 392,897,084               |
| <b><u>Increase/ Decrease in</u></b>               |                           |                           |
| Cash Paid to Suppliers, Employees and Others      | (61,660,426)              | (545,715,833)             |
| Cash Paid for Financial Expenses                  | -                         | (5,145,206)               |
| Advanced Income Tax paid                          | (277,585)                 | (1,328,703)               |
|   | (61,938,011)              | (552,189,742)             |
| <b>Net cash provided by operating activities</b>  | <b>4,008,208</b>          | <b>(159,292,658)</b>      |
| <b>B. Cash Flow From Investing Activities</b>     |                           |                           |
| Acquisition of Fixed Assets                       | -                         | -                         |
| Capital Work in Progress                          | -                         | -                         |
| Security Deposit                                  | -                         | -                         |
| Advance Realization                               | -                         | -                         |
| Advance for Gas Line Installation                 | -                         | -                         |
| <b>Net cash used by investing activities</b>      | <b>-</b>                  | <b>-</b>                  |
| <b>C. Cash Flow From Financial Activities</b>     |                           |                           |
| Increase/ ( Decrease) Long Term Loan from Bank    | -                         | -                         |
| Increase/ ( Decrease) Short Term Loan from Bank   | -                         | -                         |
| <b>Net cash used by financial activities</b>      | <b>-</b>                  | <b>-</b>                  |
| <b>Net Cash Generate during the year (A to C)</b> | <b>4,008,208</b>          | <b>(159,292,658)</b>      |
| Opening Cash and Cash equivalents                 | 4,712,634                 | 164,005,292               |
| Closing Cash and Cash equivalents                 | 8,720,842                 | 4,712,634                 |
| <b>Net Operating Cash flow Per Share (NOCFPS)</b> | <b>0.020</b>              | <b>(0.666)</b>            |

|   |  |  |
|---|--|--|
| <br>Chairman | <br>Chief Executive Officer | <br>Director          |
| <br>Director | <br>Chief Financial Officer | <br>Company Secretary |

Place: Dhaka  
Date: 20.07.2023  
Ref: GKC/23-24/A/021



**C & A Textiles Limited**  
**NOTES TO THE ACCOUNTS**  
**FOR THE PERIOD ENDED JUNE 30, 2018**

**1.00 Reporting Entity and its Activities**

**1.01 Legal form of the Entity**

The Company was incorporated on February 19, 2001 as private company limited by shares under the Companies Act, 1994 vide certificate of incorporation no. C-3912/2001. The company was converted into a public Limited Company on 22 December 2012 along with the subdivision of face value of shares from Tk. 100 to Tk. 10 each. Its shares are listed with Dhaka Stock Exchange Ltd. and Chittagong Stock Exchange Ltd.

The registered office and production unit of the company is located at Plot No. 61, 62, 66, 67, 68, 72 & 73, BSCIC Industrial Estate Kalurghat (Ext), Chittagong, Bangladesh.

**1.02 Nature of Business Activities**

This is 100% export oriented company engaged in manufacturing fashionable knit garments in accordance with buyers' orders. It usually exports its produced garments to the buyers in Canada, USA, Germany and Europe.

**2.00 Significant Accounting Policy for the presentation of the financial Statements**

The specific accounting policies selected and applied by the company's management for significant transactions and events that have material effect within the framework of BAS-1 "Presentation of Financial Statements" in preparation and presentation of financial statements have been consistently applied throughout the year and were also consistent with those used in earlier years.

**2.01 Corporate Financial Statements**

The financial statements are prepared under the historical cost convention and in accordance with the requirements of the Companies Act, 1994, Securities and Exchange Rules 1987, Listing regulation of Dhaka Stock Exchange Limited (DSE) & Chittagong Stock Exchange Limited (CSE), Bangladesh Accounting Standards (BASs) Bangladesh Financial Reporting Standards (BFRSs) and as applicable to this Company. The Board of Directors are responsible for preparing and presenting the financial statements including adequate disclosures, who approved and authorized for issue of these financial statements.

**2.02 Use of estimates and Judgments**

The preparation of Financial Statements requires management to make estimates and assumptions that affect the reported amount of assets, liabilities, income and expenses. Due to inherent uncertainties involved in making estimates actual results may differ from those estimates and underlying assumptions are reviewed on a going concern basis.

**2.04 Property Plant and Equipment**

Property Plant and Equipment are accounted for according to BAS 16 "Property, Plant and Equipment" at historical cost less cumulative depreciation and the capital work in progress (when arises) is stated at cost. All assets are depreciated/ amortized accounting to the straight-line method. The gain or loss arising on the disposal or retirement of an asset is determined as the difference as the difference between the sales proceeds and the carrying amount of the asset and is recognized as non-operating income/loss.





### 2.03 Going Concern

The company has adequate resources to continue in operation for the foreseeable future. The current credit facilities and resources of the company provides sufficient fund to meet the present requirements of its existing business. For this reason the directors continue to adopt going concern basis in preparing the Financial Statement.

| Category               | Rate (%) |
|------------------------|----------|
| Furniture & Fixtures   | 10%      |
| Office Decoration      | 10%      |
| Computer & Accessories | 20%      |
| Cookeries              | 20%      |
| IPS                    | 20%      |
| Air Condition          | 10%      |

### 2.04 Foreign Currency Translation

The financial statements are presented in Taka/Tk/BDT, which is company's functional currency. Transactions in foreign currencies are recorded in the books at the exchange rate prevailing on the date of the transaction. Assets and Liabilities outstanding at 30 June 2018 denominated in foreign currencies have been shown in Taka at the rate in terms of foreign currencies ruling on the statement of financial position date. Exchange difference arising on the settlement of monetary items or on translation monetary items at the end of the reporting period are recognized in statement of profit or loss and other comprehensive income as per BAS 21: The effects of Changes in Foreign Exchange Rates.

### 2.05 Reporting Period

The financial Statements covers one financial year from 1st July to 30th June of following year consistently.

### 2.06 Segment Reporting

No segmental reporting is applicable for the company as required by BFRS 8: "Segment Reporting" as the company operates in a single industry segment and within a single geographical territory.

### 2.07 Fundamental Accounting Concepts/ Assumption

The financial statements have been prepared under historical cost convention on accrual basis and such other convention as required by BAS-1and BFRS for fair presentation of financial statements.

### 2.08 Comparative information and Re-arrangement thereof

Comparative Information 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 income and value of assets and liabilities as reported in the Financial Statements.

### 2.09 Events after the Reporting Period

In compliance with the requirements of BAS 10: Adjusting events occurring after the reporting date are reflected in the financial statements and events after reporting date that are not adjusting events are disclosed in the notes when material.



## 2.10 Compliance with BAS

The following BAS have been applied in preparation of the financial statements for the

|        |   |
|--------|---|
| BAS 1  | Presentation of Financial Statements                            |
| BAS 2  | Inventories   |
| BAS 7  | Statement of Cash Flows   |
| BAS 8  | Accounting Policies, Changes in Accounting Estimates and Errors |
| BAS 10 | Events after the Reporting Period                               |
| BAS 12 | Income Tax  |
| BAS 16 | Property, Plant & Equipment                                     |
| BAS 17 | Leases  |
| BAS 18 | Revenue   |
| BAS 21 | The effects of Changes in foreign exchange rates                |
| BAS 23 | Borrowing   |
| BAS 24 | Costs Related Party Disclosures                                 |
| BAS 33 | Earnings Per Share  |
| BAS 36 | Impairment of Assets  |
| BAS 37 | Provisions, Contingent Liabilities and Contingent Assets        |
| BAS 39 | Financial Instrument: Recognition and Measurement               |

The related BFRSs are also complied for the preparation of these

## 2.11 Net Income Before Tax

**Net Income Before Tax for the year were not materially affected by:**

- (a) Transaction of a nature not usually undertaken by the company,
- (b) Circumstances of an exceptional or non-recurring nature;
- (c) Changes of credits relating to prior years; and
- (d) Changes in accounting policies.

## 2.12 Regulatory Compliance

The Financial Statements have been prepared in compliance with the following laws and regulations;

The Companies Act, 1994  
The Income Tax Ordinance, 1984  
The Income Tax Rules, 1984  
The Value Added Tax (VAT) Act, 1991.  
The Customs Act, 1969  
Security and Exchange Rules, 1987  
Security and Exchange Ordinance, 1993

### 2.13.1 Recognition and measurement of Property, Plant and Equipment

Property, Plant and Equipment have been stated at written down value. Accumulated historical cost and depreciation have been shown in the Financial Statements. The cost of acquisition comprises of purchase price, including import duties and non-refundable Taxes and any directly attributable cost of bringing the assets to its state of intended use. Expenditure incurred after the assets have been put into operation, such as repairs and maintenance is normally charged off as revenue expenditure in the period 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 the fixed assets, the expenditure is capitalized as an addition to cost of the assets.





### 2.13.2 Depreciation of Tangible Fixed Assets

Depreciation on Property, Plant & Equipment other than leasehold Land & Land Development have been computed during the year using the reducing balance method so as to write off the assets over their expected useful life. Depreciation has been charged on addition of the basis of when it is available for use.

Leasehold land and land development taken from BSCIC I/E, Kalurghat, Chittagong on lease is being amortized over 20 years.

After considering the useful life of assets as per BAS-16, the annual depreciation rates have been applied as under which is considered reasonable by the management.

| <u>Items of Property, Plant &amp; Equipment</u> | <u>2018</u><br>Rate % | <u>2017</u><br>Rate % |
|---|-----------------------|-----------------------|
| Leasehold Land & Land Development               | 5                     | 5                     |
| Factory Building                                | 10                    | 10                    |
| Plant & Machinery                               | 10                    | 10                    |
| Furniture & Fixture                             | 10                    | 10                    |
| Water and Gas Line Installation                 | 10                    | 10                    |
| Electrical Installation                         | 10                    | 10                    |
| Electrical Equipment                            | 10                    | 10                    |
| Generator                                       | 10                    | 10                    |
| Fire Equipment                                  | 10                    | 10                    |
| Vehicles  | 20                    | 20                    |
| Office Equipments                               | 10                    | 10                    |
| Air Conditions                                  | 20                    | 20                    |

### 2.13.3 Impairment of assets

All assets have been reviewed according to BAS 36 and it was confirmed that no such assets have been impaired during the year and for this reason no provision has been made for Impairment of assets.

### 2.14 Inventories

Inventories are measured at the lower of cost and net realizable as prescribed by BAS-2. The cost of inventories is based on the weighted average method and includes expenditure incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their existing location and condition. In the case of manufactured inventories and work-in-progress, cost includes an appropriate allocation of production overheads based on normal operation capacity.

| <u>Nature of Inventories</u> | <u>Basic of valuation</u>   |
|------------------------------|---|
| Raw Materials                | Weighted Average Cost   |
| Work-in-progress             | Material cost Plus Proportionate Converting cost based on percentage of completion. |
| Chemicals & Store            | Weighted Average Cost   |
| Finished goods               | At lower of cost or net realizable value.   |



## 2.15 Financial Instruments

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

### 2.15.1 Financial Assets

Financial assets of the company include cash and cash equivalents, equity instrument of another entity, trade 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 contractual rights or probabilities of receiving the cash flows from the assets 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 reward of ownership of the financial assets are transferred.

### 2.15.2 Cash and Cash Equivalents

According to BAS 7 'Statement of Cash Flows' cash comprises of cash in hand, cash at Bank, demand deposits, FDR and cash equivalents which are short term highly liquid investments that are readily convertible to cash and which are subject to an insignificant risk of changes in value. BAS 1 'Presentation of Financial Statements' provides that Cash & Cash Equivalents are not restricted in use. Considering the provision of BAS 7 & BAS 1, Cash in Hand & Bank Balance including FDR have been treated as Cash & Cash Equivalents.

### 2.15.3 Available for Sale of Financial Assets

During the year the company had no financial asset for sale.

### 2.15.4 Trade Receivable

Trade receivable is carried at invoice amount without making any provision for doubtful debts, because of the fact that sales / export are being based on 100% confirmed letter of credit basis with fixed maturity dates and confirmed by Letter of credit.

### 2.15.4 Financial Liabilities

The company initially recognizes financial liabilities on the transaction date at which the company becomes a party to the contractual provision of the liability. The company derecognizes a financial liability when its contractual obligations are discharged or cancelled or expired. Financial liabilities are recognized initially at fair value less any directly attributable transactions costs. Subsequently to initial recognition, these financial liabilities are measured at amortized cost using the effective interest method. Financial liabilities include loan and borrowing, trade creditors, liabilities for expenses and liabilities for other finance.

## 2.16 Income Tax

### 2.16.1 Current Tax

A provision for Taxation was calculated as per Income Tax Ordinance 1984.

### 2.16.2 Deferred Tax

The company did not recognize deferred tax during the year.



#### 2.17 Revenue Recognition

##### a) Sales of Goods

Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns, trade discounts and volume rebates as per BAS-18. Revenue is recognized when the significant risks and reward of ownership have been transferred to the buyer, recovery of the consideration is probable, the associated costs and possible return of goods can be estimated reliably & there is no containing management involvement with the goods sold. Transfer of risk and rewards occurs for the sale of goods when the shipment made and invoices raised.

b) Interest income is recognized when it is credited by respective bank.

c) Dividend income is recognized when the right to receive payment is established.

#### 2.18 Sales Revenue

Sales revenue includes only export of garments.

#### 2.19 Financial Expenses

Financial expenses comprise interest on borrowings and bank charges. All financial expenses are recognized in the statement of profit or loss and other comprehensive income based on the statement received from Financial Institutions.

#### 2.20 Employee Benefit Plan:

The company maintains defined benefit plan of 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 provision of BAS 19: Employee Benefits.

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

The company's employee benefits include the following:

##### a) Short-Term Employee Benefits

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

##### b) Workers Profit Participation Fund

We are a 100% export oriented composite knit garments industry and member of BGMEA and BKMEA. As per Sub-Section 3 of Section 232 of Bangladesh Labour Act (Amendment) 2013 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 provision with regard to formation of sector-based central fund comprising of buyers and owners, from aboard 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."



We didn't start making provision for WPPF because of not yet forming Board for fund raise and utilization by the government. The Board shall format the rules of determination of subscription, procedure of collection and utilization of fund. We are 100% export oriented company also the member of BGMEA and BKMEA, that's why company can't recognize WPPF before forming Board for fund and utilization by the Authority.

#### 2.21 Statement of Cash Flow

Statement of Cash Flow has been prepared principally in accordance with BAS-7 "Statement of Cash Flow" and the cash flows from the operating activities have been presented under direct method.

#### 2.22 Provisions

In accordance with the guidelines as prescribed by BAS-37: Provisions, Contingent Liabilities and Cotangent Assets, provisions are recognized in the following situations:

- a. when the company has an obligation (legal or constructive) as a result of past events;
- b. when it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
- c. reliable estimates can be made of the amount of the obligation.

#### 2.23 Earning Per Share

This has been calculated in compliance with the requirements of BAS 33: Earnings Per Share has been calculated the profit attributable to ordinary equity holders of the company divided by the weighted average number of ordinary shares outstanding during the period and retrospective effect has also been given for calculation of previous years earnings as well to conform the current years presentation.

#### 2.24 Diluted Earnings per Share

No diluted Earnings per Share was required to be calculated for the year under review as there is no scope for dilution of Earnings Per Share for the year.

#### 2.25 Components of Financial Statements

The financial statements comprise the following.

- \* Statement of Financial Position as at 30th June 2018
- \* Statement of Profit or Loss and Other Comprehensive Income for the year ended 30th June 2018
- \* Statement of Changes in Equity for the year ended 30th June 2018
- \* Statement of Cash Flows for the year ended 30th June 2018
- \* Accounting Policies and explanatory notes to the Financial Statements.

#### 2.26 General

- a) The figures appearing in these financial statements are expressed in Taka currency and rounded off to the nearest Taka.



b) Previous year's figures have been rearranged, where necessary, to conform to current year's presentation.

|  | 30.06.2018           | 30.06.2017           |
|--|----------------------|----------------------|
| <b>3.00 PROPERTY, PLANT AND EQUIPMENT</b>  | <b>Taka</b>          | <b>Taka</b>          |
| Opening Balance                            | 3,069,699,048        | 3,069,699,048        |
| Addition During the year                   | -                    | -                    |
| <b>Total Assets Value at cost</b>          | <b>3,069,699,048</b> | <b>3,069,699,048</b> |
| Disposal/Adjustment during the Year        | -                    | -                    |
| Accumulated Depreciation as on 30.06.2018  | 1,537,223,441        | 1,368,078,935.65     |
| <b>Written Down Value as on 30.06.2018</b> | <b>1,532,475,605</b> | <b>1,701,620,112</b> |

Details of Property, Plant & Equipment's have been shown in Annexure-A.

|  |                    |                    |
|--|--------------------|--------------------|
| <b>4.00 SECURITY DEPOSIT</b>             |                    |                    |
| Polly Bidyut Samity(PBS)- Electricity    | 240,000            | 240,000            |
| Bakhrabad Gas system Ltd- GAS line       | 1,057,439          | 1,057,439          |
| Karnaphuli Gas Dis.Co Ltd (New Gas Line) | 39,560,550         | 39,560,550         |
| Anser Salary (Security Deposit)          | 350,000            | 350,000            |
| Water Treatment Plant (ETP)              | 335,000            | 335,000            |
|  | <b>41,542,989</b>  | <b>41,542,989</b>  |
| <b>5.00 CAPITAL WORK-IN PROGRESS</b>     |                    |                    |
| Construction of new building (Unit-2)    | 134,119,676        | 134,119,676        |
|  | <b>134,119,676</b> | <b>134,119,676</b> |

Capital work-in progress represents four story's of factory building o the company which construction. The factory building will be transferred to property, plant and equipment as per BAS 16 which it will be fully ready to used.

Total land area on which the building is constructed is 43.35 kathas or 31,218 and space per floor of the building 28,500 sqft.

|                         |                    |                    |
|-------------------------|--------------------|--------------------|
| <b>6.00 INVENTORIES</b> |                    |                    |
| Raw Materials- Yarn     | 377,124,078        | 377,124,078        |
| Chemicals               | 50,125,458         | 50,125,458         |
| Work in Process         | 80,845,848         | 80,845,848         |
| Consumable Items        | 25,551,254         | 25,551,254         |
| Finished Goods          | 144,458,400        | 144,458,400        |
| Store Items             | 5,545,470          | 5,545,470          |
|                         | <b>683,650,508</b> | <b>683,650,508</b> |

**7.00 TRADE RECEIVABLE**

The amount represents receivable on 30 June 2016 from foreign buyers against export of Garments This we considered as fully secured and guaranteed receivable by export letter of credit and considered good and realizable within one year as per terms of exports letter of credit.

**Ageing of Trade Receivable**

|                   |                    |                    |
|-------------------|--------------------|--------------------|
| Due above 6 Month | 225,354,737        | 291,300,956        |
|                   | <b>225,354,737</b> | <b>291,300,956</b> |

We have not received any documents of Export bills, Letter of Credit or Sales Contract.





|   |                    |                    |
|---|--------------------|--------------------|
| The Classification of receivable as required by the Schedule XI of the Companies Act 1994 is given below.             | -                  | -                  |
| Receivable considered good in respect of which the company is fully secured   | -                  | -                  |
| Receivable considered good in respect of which the company is holds on security other than debtors' personal security | -                  | -                  |
| Receivable considered doubtful or bad   | 225,354,737        | 291,300,956        |
| Receivable due by common Management   | -                  | -                  |
| The minimum amount of receivable due by any director or other officer of the company                                  | -                  | -                  |
|   | <b>225,354,737</b> | <b>291,300,956</b> |

The above is this amount of receivables against export bills as on June 30, 2018

|                                 |                    |                    |
|---------------------------------|--------------------|--------------------|
| M/s Tennanova                   | 89,423,641         | 89,423,641         |
| M/s Peacocks Store              | 78,124,564         | 78,124,564         |
| M/s Bonnache                    | 45,234,572         | 45,234,572         |
| M/s Us polo                     | 17,895,461         | 17,895,461         |
| M/s Trinity                     | 78,964,123         | 78,964,123         |
| M/s Blacks                      | 47,812,651         | 47,812,651         |
| M/s carters                     | 46,971,327         | 46,971,327         |
| M/s Williams                    | 78,236,410         | 78,236,410         |
| M/s Miles                       | 68,971,264         | 68,971,264         |
| M/s Morrisons                   | 12,478,913         | 12,478,913         |
| M/s Riachuelo                   | 90,799,463         | 90,799,463         |
| M/s Oshkosh B'goth              | 27,451,931         | 27,451,931         |
|                                 | <b>682,364,320</b> | <b>682,364,320</b> |
| Less: Collection from 2016-2017 | 391,063,364        | 391,063,364        |
| Less: Collection from 2017-2018 | 65,946,219         | -                  |
|                                 | <b>225,354,737</b> | <b>291,300,956</b> |

**8.00 ADVANCE, DEPOSIT & PRE-PAYMENT**

|                                       |      |                    |                    |
|---------------------------------------|------|--------------------|--------------------|
| Advance & prepayments                 | 8.01 | -                  | -                  |
| Advance to Leasehold Land             | 8.02 | 147,153,700        | 147,153,700        |
| Sundry Advance                        | 8.03 | -                  | -                  |
| Advance Income Tax                    | 8.04 | 31,399,439         | 31,121,854         |
| L/C Margin ( Machinery)               |      | -                  | -                  |
| L/C Margin for Import                 |      | -                  | -                  |
| Advance against Gas Line Installation |      | 22,000,000         | 22,000,000         |
| Advance against New factory           | 8.05 | -                  | -                  |
|                                       |      | <b>200,553,139</b> | <b>200,275,554</b> |

**8.01 Advance and Prepayments**

|  |          |          |
|--|----------|----------|
| Advance to Employees ( Staff & Workers)        | -        | -        |
| Advance office Rent                            | -        | -        |
| M/s Chalkmark (Md. Ballal Hossain)             | -        | -        |
| Advance to TNR Enterprise ( Accounts Software) | -        | -        |
|  | <b>-</b> | <b>-</b> |

**8.02 Advance to Leasehold Land**

|  |                    |                    |
|--|--------------------|--------------------|
| Leasehold Land a Kalurghat BSCIC, Ctg. | 147,153,700        | 147,153,700        |
|  | <b>147,153,700</b> | <b>147,153,700</b> |





This advance payments has been made to land load through Agrani Bank Ltd. Chittagong for acquisition of leasehold land. The land is located at 69,70 & 71 BSCIC I/E, Kalurghat Chittagong.

|   |            |            |
|---|------------|------------|
| <b>8.03 Sundry Advance</b>                        |            |            |
| M/s Choton ( New office decoration)               | -          | -          |
| M/s Lotus Trade Syndicate                         | -          | -          |
| M/s Lucky Enterprise                              | -          | -          |
| M/s Muna Enterprise                               | -          | -          |
| 3G apparel figo                                   | -          | -          |
| M/s Ali Trading                                   | -          | -          |
| Anower & Iqbal Electrical                         | -          | -          |
| Aroma Fabrics                                     | -          | -          |
| Axiom Fashion Ltd                                 | -          | -          |
| Base Textile Ltd                                  | -          | -          |
| Clifton Group                                     | -          | -          |
| E.R Knitware                                      | -          | -          |
| Eastran Dressess Limited                          | -          | -          |
| Global Knitwear                                   | -          | -          |
| Mam Appareals                                     | -          | -          |
| Sundry Advance ( Garments Division)               | -          | -          |
| Sundry Advance ( Textile Division)                | -          | -          |
| Mithun Knitwear                                   | -          | -          |
| Momo Fashion                                      | -          | -          |
| Raiham Fashion                                    | -          | -          |
| S. Enterprise                                     | -          | -          |
| Sadif Fashion Ltd                                 | -          | -          |
| Taher Sons Fashion Ltd                            | -          | -          |
|   | -          | -          |
| <b>8.04 Advance Income Tax</b>                    |            |            |
| Opening Balance                                   | 31,121,854 | 29,528,835 |
| Add: Tax deduction at source during the year      | 277,585    | 1,593,019  |
|   | 31,399,439 | 31,121,854 |
| Less: Adjustment during the year                  | -          | -          |
|   | 31,399,439 | 31,121,854 |
| <b>8.05 Advance Against new Factory Building</b>  |            |            |
| M/s Inter space                                   | -          | -          |
| M/s Hafiz Ahmed (Contractor)                      | -          | -          |
|   | -          | -          |
| <b>9.00 CURRENT ACCOUNTS WITH SISTER CONCERN</b>  |            |            |
| C & A Fashion Limited                             | -          | -          |
| Knit Express Limited                              | -          | -          |
|   | -          | -          |
| <b>10.00 CASH AND CASH EQUIVALENTS</b>            |            |            |
| Cash in hand                                      | -          | -          |
| Cash at Bank                                      | 8,720,842  | 64,851     |
| FSIBL Agrabad Branch ( A/C No. 010411100011495 )  | 4,087,209  | 64,851     |
| BRAC Bank, Head Office, Dhaka                     | 4,633,633  | -          |
| FSIBL - Gulshan Branch ( A/C No. 100211100019465) | -          | -          |
| MTBL - Kalurghat Branch (CD)                      | -          | -          |
| MTBL - Kalurghat Branch (SND)                     | -          | -          |
| EXIM Bank Ltd. - Agrabad Branch                   | -          | -          |
| FSIBL - Agrabad Branch (Garments Unit)            | -          | -          |
| Eastran Bank - Agrabad Branch                     | -          | -          |
| FSIBL - Mohona Br. Chattigong                     | -          | -          |
| SBAC - Agrabad Branch                             | -          | -          |
| EXIM Bank Ltd. - SK. Mujib Road Branch            | -          | -          |
| FSIB 1040752000004266                             | -          | -          |
| FDR on FSIBL & EXIM Bank , Agrabad Br.            | -          | -          |



|   |                      |                      |
|---|----------------------|----------------------|
| <b>IPO Accounts</b>                                     |                      | 4,647,783            |
| FSIBL (IPO Account), Agrabad Br. (SND)                  | -                    | -                    |
| FSIBL (IPO Account)FDR, Agrabad Br. (SND)               | -                    | -                    |
| BRAC Bank, Head office, Dhaka (DBT)                     | -                    | 4,647,783            |
| BRAC Bank, Head office, Dhaka (US Dollar Accounts)      | -                    | -                    |
|   | <b>8,720,842</b>     | <b>4,712,634</b>     |
| <b>11.00 SHARE CAPITAL</b>                              |                      |                      |
| Bangladesh Shoes Ind. Ltd                               | 112,820,400          | 112,820,400          |
| Gazi Golam Zakaria Jyoti                                | 47,863,200           | 47,863,200           |
| Iftakhar Abdul Hai                                      | 47,863,200           | 47,863,200           |
| IPO Shareholders  | 1,313,552,780        | 1,313,552,780        |
| Others Shareholders (Placement)                         | 354,821,620          | 354,821,620          |
| Rukshana Morshed  | 444,444,000          | 444,444,000          |
| Sharmin Akter Lovely                                    | 71,794,800           | 71,794,800           |
|   | <b>2,393,160,000</b> | <b>2,393,160,000</b> |
| <b>11.01 SHARE CAPITAL:</b>                             |                      |                      |
| <b>Authorized Capital:</b>                              |                      |                      |
| 300,000,000 ordinary shares of Tk. 10/= each.           | 3,000,000,000        | 3,000,000,000        |
| <b>11.02 Issued, Subscribed and Paid-up Capital:</b>    |                      |                      |
| 217,560,000 ordinary shares Tk. 10/= each fully paid-up | 2,393,160,000        | 2,393,160,000        |
|   | <b>2,393,160,000</b> | <b>2,393,160,000</b> |

The shareholding position of the company at 30 June 2018 is as under

| Name of Directors            | Designation  | No. of shares      | Percentage | Amount in Tk.        |
|------------------------------|--------------|--------------------|------------|----------------------|
| Rukshana Morshed             | MD           | 44,444,400         | 18.00      | 444,444,000          |
| BD Shoes Ind. Ltd            | Director     | 11,282,040         | 5.00       | 112,820,400          |
| Sharmin Akter Lovely         | Director     | 7,179,480          | 3.00       | 71,794,800           |
| Gazi Golam Zakaria Jyoti     | Chairman     | 4,786,320          | 2.00       | 47,863,200           |
| Iftakhar Abdul Hai           | Director     | 4,786,320          | 2.00       | 47,863,200           |
| others shareholder(Placemen) | shareholders | 35,482,162         | 15.00      | 354,821,620          |
| IOP Shareholders (Public)    | shareholders | 131,355,278        | 55.00      | 1,313,552,780        |
| <b>Total</b>                 |              | <b>239,316,000</b> | <b>100</b> | <b>2,393,160,000</b> |

|  |                      |                      |
|--|----------------------|----------------------|
| <b>12.00 RETAIN EARNINGS</b>                         |                      |                      |
| Opening Balance                                      | 703,535,074          | 1,465,403,318        |
| Less: Bonus Divident for the Year ended 30 June 2018 | -                    | (217,560,000)        |
| Add: Net Porfil/ (Net Loss) during the year          | (380,908,620)        | (543,803,971)        |
| Less : Adjustment for income TAX 2017-2018           | -                    | (504,273)            |
|  | <b>322,626,453</b>   | <b>703,535,074</b>   |
| <b>13.00 SUSPENSE ACCOUNTS</b>                       |                      |                      |
| Opening Difference of Loans and Bank Balances        | 1,099,847,332        | 1,099,847,332        |
| Current Accounts with Sister Concerns                | 687,873              | 687,873              |
| Written off Advances                                 | 26,005,055           | 26,005,055           |
| Previous Year Supplier Payment                       | 535,415,087          | 415,464,354          |
| Loan- Union Capiatl Ltd                              | 200,000,000          | 200,000,000          |
|  | <b>1,861,955,347</b> | <b>1,742,004,614</b> |
| <b>14.00 LONG TERM BORROWINGS</b>                    |                      |                      |
| Long Term Loan                                       | -                    | -                    |
| FSIBL 0104734000000001                               | 894,124,267          | 793,353,940          |
| FSIBL 0104734000000002                               | 5,974,323            | 5,402,992            |
| FSIBL 0104734000000003                               | 29,860,932           | 27,005,295           |
| FSIBL 0104734000000004                               | 34,526,730           | 31,224,898           |
| FSIBL 0104734000000005                               | 4,521,138            | 4,088,776            |
| FSIBL 0104734000000006                               | 3,504,550            | 3,169,406            |
| FSIBL 0104734000000007                               | 108,100,894          | 98,950,411           |
| FSIBL 0104734000000008                               | 6,869,006            | 6,287,561            |
| FSIBL 0104734000000009                               | 9,780,274            | 8,950,250            |
| FSIBL 0104734000000010                               | 55,591,293           | 50,868,510           |
|  | <b>1,152,853,408</b> | <b>1,029,302,039</b> |



**Terms & Conditions of Term Loan**

The loan has been taken from Securities Islami Bank Ltd. Agrabad Br. Chittagong for acquisition of leasehold land and Plant and Machinery of the company on the following terms and conditions

|                   |   |
|-------------------|---|
| Rate of Interest  | : |
| Sanction Amount   | : |
| Tenor             | : |
| Moratorium Period | : |
| Security          | : |

**15.00 SHORT TERM BORROWINGS**

|                     |       |                    |                    |
|---------------------|-------|--------------------|--------------------|
| C&A Textiles Ltd.   | 15.01 | 304,121,793        | 295,220,871        |
| C & A Fashions Ltd. | 15.02 | 248,649,610        | 111,047,482        |
| Union Capital Ltd.  |       | 200,000,000        | 200,000,000        |
|                     |       | <b>752,771,403</b> | <b>606,268,353</b> |

**15.01 C&A Textiles Ltd.:**

**Short Term Loan**

|                              |                    |                    |
|------------------------------|--------------------|--------------------|
| FSIB 010472400009342 (CASH)  | 94,767,064         | 87,349,368         |
| FSIB 010472400009346 (CASH)  | 10,038,667         | 10,038,667         |
| FSIB 010472400002670 (HYPO)  | 3,489,315          | 2,454,029          |
| FSIB 010472400002673 (HYPO)  | 8,834,763          | 8,834,763          |
| FSIB 010472400002674 (HYPO)  | 19,481,786         | 19,481,789         |
| FSIB 010472400002675 (HYPO)  | 32,146,562         | 32,146,562         |
| FSIB 010472400002684 (HYPO)  | 35,698,961         | 35,698,961         |
| FSIB 010472400002698 (HYPO)  | 32,980,723         | 32,980,723         |
| FSIB 0104724000027591 (HYPO) | 2,684,583          | 2,243,541          |
| FSIB 010472400002792 (HYPO)  | 1,283,085          | 1,283,085          |
| FSIB 010472400002809 (HYPO)  | 46,235,500         | 46,235,500         |
| FSIB 010472400002812 (HYPO)  | 8,540,725          | 8,540,725          |
| FSIB 010472400009389 (CASH)  | 7,940,059          | 7,933,158          |
|                              | <b>304,121,793</b> | <b>295,220,871</b> |

**15.02 C & A Fashions Ltd.:**

|                       |                    |                    |
|-----------------------|--------------------|--------------------|
| FSIB 0104 75900000001 | 39,886,677         | 34,195,465         |
| FSIB 0104 75900000002 | 22,336,048         | 18,236,874         |
| FSIB 0104 75900000003 | 8,655,620          | 6,867,237          |
| FSIB 0104 75900000004 | 17,403,782         | 13,486,882         |
| FSIB 0104 75900000005 | 36,081,262         | 38,261,023         |
| FSIB 0104 75900000006 | 30,674,175         | -                  |
| FSIB 0104 75900000011 | 7,208,107          | -                  |
| FSIB 0104 75900000012 | 31,696,982         | -                  |
| FSIB 0104 75900000013 | 9,720,594          | -                  |
| FSIB 0104 75900000014 | 4,943,666          | -                  |
| FSIB 0104 75900000015 | 18,404,476         | -                  |
| FSIB 0104 75900000016 | 4,061,961          | -                  |
| FSIB 0104 75900000017 | 3,459,870          | -                  |
| FSIB 0104 75900000018 | 7,817,848          | -                  |
| FSIB 0104 75900000019 | 1,361,962          | -                  |
| FSIB 0104 75900000020 | 4,936,579          | -                  |
|                       | <b>248,649,610</b> | <b>111,047,482</b> |

**16.00 TRADE AND OTHER PAYABLE**

|                         |         |         |
|-------------------------|---------|---------|
| M/s T&T Ind Cor.        | 258,600 | 258,600 |
| M/s Textrade            | 569,200 | 569,200 |
| Brunal Textiles Ltd     | 64,245  | 64,245  |
| Breau Veritas           | 215,795 | 215,795 |
| Bright Of International | 139,000 | 139,000 |
| Dream Knitting (BD) Ltd | 569,730 | 569,730 |
| Dysin International Ltd | 360,900 | 360,900 |
| ITS Labrest (BD) Ltd    | 23,974  | 23,974  |
| J-K Soft Knit Ltd       | 339,258 | 339,258 |
| JS Monndt International | 330,000 | 330,000 |
| Masco Export (BD) Ltd   | 46,333  | 46,333  |



|                                      |                  |                  |
|--------------------------------------|------------------|------------------|
| Mondol Knitwear Ltd                  | 411,451          | 411,451          |
| Rachi Textiles Ltd                   | 37,100           | 37,100           |
| S. S Knitting & Design               | 21,825           | 21,825           |
| Salim Perfumery & Chemical Suppliers | 162,421          | 162,421          |
| Switch Color BD Ltd                  | 68,060           | 68,060           |
| M/s Trims & knitting                 | 98,180           | 98,180           |
| Glory Tapes Labiles                  | 203,284          | 203,284          |
| KGN Corporation                      | 146,400          | 146,400          |
| M/s Suroshakti                       | 420,000          | 420,000          |
| M/s System Control                   | 173,571          | 173,571          |
| M/s Ream Star Trade Accoocates       | 152,700          | 152,700          |
| BMH knit Fabrics                     | 597,961          | 597,961          |
| Great Tech Filler Manu               | 315,730          | 315,730          |
|                                      | <b>5,725,718</b> | <b>5,725,718</b> |



**17.00 PROVISION AND OUTSTANDING EXPENSES**

|   |       |                   |                   |
|---|-------|-------------------|-------------------|
| Utility bills payable                           |       | 3,352,458         | 3,352,458         |
| Salary and wages                                |       | 6,658,727         | 6,658,727         |
| Sundry Creditors                                | 17.01 | 2,031,217         | 2,031,217         |
| Provision for Income Tax                        | 17.02 | 47,586,938        | 47,586,938        |
| Audit fee payable                               |       | 287,500           | 287,500           |
| Professional fees payable                       |       | 75,000            | 75,000            |
| New factory building Construction bills payable | 17.03 | 1,244,020         | 1,244,020         |
|   |       | <b>61,235,860</b> | <b>61,235,860</b> |

**17.01 Sundry Creditors**

|                             |  |                  |                  |
|-----------------------------|--|------------------|------------------|
| Ambia Knitting & Dyeing     |  | 110,250          | 110,250          |
| M/s Bright GP International |  | 105,458          | 105,458          |
| City Tools Center           |  | 99,850           | 99,850           |
| M/s G.M Enterprise          |  | 85,458           | 85,458           |
| M/s Irfan Enterprise        |  | 70,580           | 70,580           |
| Nitol Motors Ltd            |  | 725,129          | 725,129          |
| Noor Engineering Ltd        |  | 33,150           | 33,150           |
| Tital Machinery Center      |  | 50,980           | 50,980           |
| M/s Zamil Trading           |  | 81,425           | 81,425           |
| Victoria Press              |  | 45,116           | 45,116           |
| System Control              |  | 73,571           | 73,571           |
| Shuruchi tools center       |  | 10,154           | 10,154           |
| Shahji Traders              |  | 77,247           | 77,247           |
| Samsang computer            |  | 48,530           | 48,530           |
| S. Islam                    |  | 87,000           | 87,000           |
| Rahimpur Eng. Works         |  | 9,040            | 9,040            |
| R.R Enterprise              |  | 37,500           | 37,500           |
| R.R Imperial Ele.           |  | 121,627          | 121,627          |
| Ovi Sing                    |  | 10,000           | 10,000           |
| Nabila #Eng. Works          |  | 4,130            | 4,130            |
| Micropath Eng.              |  | 33,150           | 33,150           |
| M/s Noor Paper & Stationary |  | 63,178           | 63,178           |
| M/s mostafa Enterprise      |  | 48,694           | 48,694           |
|                             |  | <b>2,031,217</b> | <b>2,031,217</b> |

**17.02 Provision for Income Tax**

|                                   |  |                   |                   |
|-----------------------------------|--|-------------------|-------------------|
| Opening Balance                   |  | 47,586,938        | 47,082,665        |
| Add: Provision for previous years |  |                   | -                 |
| Add: provision during the year    |  |                   | 504,273           |
| Less: Adjustments during the year |  |                   | -                 |
|                                   |  | <b>47,586,938</b> | <b>47,586,938</b> |

**17.03 New factory building Construction bills payable**

|                             |  |                  |                  |
|-----------------------------|--|------------------|------------------|
| M/s Anis & Brothers         |  | 545,480          | 545,480          |
| M/s Inter Space             |  | 658,980          | 658,980          |
| M/s Khan Jahan Ali Builders |  | 39,560           | 39,560           |
|                             |  | <b>1,244,020</b> | <b>1,244,020</b> |

**18.00 SALES REVENUE**

|                        |  |          |          |
|------------------------|--|----------|----------|
| Export Sales           |  | -        | -        |
| Less: RMG Central Fund |  | -        | -        |
|                        |  | <b>-</b> | <b>-</b> |



|   |          |                    |                    |
|---|----------|--------------------|--------------------|
| <b>19.00 COST OF SALES</b>                      |          |                    |                    |
| Ray Materials consumed - Yarn                   | 19.01    | -                  | -                  |
| Ray Materials consumed - Chemicals              | 19.02    | -                  | -                  |
| Consumable item- consumed                       | 19.03    | -                  | -                  |
| <b>Cost Materials consumed</b>                  |          | -                  | -                  |
| work in process - Opening                       |          | 80,845,848         | 80,845,848         |
| work in process - closing                       |          | 80,845,848         | 80,845,848         |
| <b>Change in work in process</b>                |          | -                  | -                  |
| Add: Manufacturing overhead                     | 19.04    | 17,232,503         | 147,105,224        |
| Add: Depreciation (Manufacturing)               |          | 169,144,507        | 188,179,213        |
| <b>Cost of Goods Manufactured</b>               |          | <b>186,377,010</b> | <b>335,284,437</b> |
| Finishing Goods - opening                       |          | 144,458,400        | 144,458,400        |
| Sample Making Expenses                          |          | -                  | -                  |
| Finishing Goods - Closing                       |          | 144,458,400        | 144,458,400        |
| <b>Change of finishing goods stock</b>          |          | -                  | -                  |
|   |          | <b>186,377,010</b> | <b>335,284,437</b> |
| <b>19.01 Ray Materials consumed - Yarn</b>      |          |                    |                    |
| Opening Stock                                   |          | 377,124,078        | 377,124,078        |
| Add: Purchase during the year                   |          | -                  | -                  |
| Raw Material available for production           |          | 377,124,078        | 377,124,078        |
| Less: Closing Stock                             |          | 377,124,078        | 377,124,078        |
|   |          | -                  | -                  |
| <b>19.02 Ray Materials consumed - Chemicals</b> |          |                    |                    |
| Opening Stock                                   |          | 50,125,458         | 50,125,458         |
| Add: Purchase during the year                   |          | -                  | -                  |
| Raw Material available for production           |          | 50,125,458         | 50,125,458         |
| Less: Closing Stock                             |          | 50,125,458         | 50,125,458         |
|   |          | -                  | -                  |
| <b>19.03 Consumable item- consumed</b>          |          |                    |                    |
| Opening Stock                                   |          | 25,551,254         | 25,551,254         |
| Add: Purchase during the year                   |          | -                  | -                  |
| Raw Material available for production           |          | 25,551,254         | 25,551,254         |
| Less: Closing Stock                             |          | 25,551,254         | 25,551,254         |
|   |          | -                  | -                  |
| <b>19.04 Manufacturing overhead</b>             |          |                    |                    |
| Salary & Wages                                  |          | 17,232,503         | 147,105,224        |
| Factory supplies                                |          | -                  | -                  |
| Medical Exoenses                                |          | -                  | -                  |
| food & Tiffen                                   |          | -                  | -                  |
| Labor Charhe                                    |          | -                  | -                  |
| Carring Charge                                  |          | -                  | -                  |
| Power & Fuel                                    |          | -                  | -                  |
| Commercial Expenses                             |          | -                  | -                  |
| Printing & Stationary Expenses                  |          | -                  | -                  |
| Store consumption                               | 19.04.01 | -                  | -                  |
| Insurance premium                               |          | -                  | -                  |
| Postage & stamp                                 |          | -                  | -                  |
| Convoyance                                      |          | -                  | -                  |
| Telephone & Mobile Bill                         |          | -                  | -                  |
| Miscellaneous Expenses                          |          | -                  | -                  |
| Repair & Maintenance                            | 19.04.02 | -                  | -                  |
| Internet Charge                                 |          | -                  | -                  |
| Lab testing charge                              |          | -                  | -                  |
| BSCIC Holding Tax                               |          | -                  | -                  |
|   |          | <b>17,232,503</b>  | <b>147,105,224</b> |





|                 |   |                  |                   |
|-----------------|---|------------------|-------------------|
| <b>19.04.01</b> | <b>Store consumption</b>                              |                  |                   |
|                 | Opening Balance                                       | 5,545,470        | 5,545,470         |
|                 | Add: Purchase during the year                         | -                | -                 |
|                 |   | 5,545,470        | 5,545,470         |
|                 | Less: Closing Balance                                 | 5,545,470        | 5,545,470         |
|                 | Consumption during the year                           | -                | -                 |
| <b>19.04.02</b> | <b>Repair &amp; Maintenance</b>                       |                  |                   |
|                 | Plant & Machinery                                     | -                | -                 |
|                 | Building & Shed                                       | -                | -                 |
|                 | others  | -                | -                 |
|                 |   | -                | -                 |
| <b>20.00</b>    | <b>OPERATING EXPENSES</b>                             |                  |                   |
|                 | Administrative Expenses                               | 20.01            | 6,697,783         |
|                 | Warehouse, Distribution & selling Expenses            | 20.02            | 17,132,969        |
|                 |   |                  | <b>8,369,864</b>  |
| <b>20.01</b>    | <b>Administrative Expenses</b>                        |                  |                   |
|                 | Salary & Allowance                                    | 4,997,803        | 37,356,856        |
|                 | Stationary & Computer paper                           | -                | -                 |
|                 | Phone, Fax & Mobile Bill                              | -                | -                 |
|                 | Postage & Stamp                                       | -                | 37,006            |
|                 | Tours & Travelling Expenses                           | -                | -                 |
|                 | Entertainment   | -                | -                 |
|                 | Rent & other  | -                | -                 |
|                 | Fees & Forms  | -                | -                 |
|                 | Audit Fee   | -                | -                 |
|                 | Legal & Professional Fee                              | -                | -                 |
|                 | Director Remuneration & Fees                          | -                | -                 |
|                 | Miscellaneous Expenses                                | 1,699,980        | 289,436           |
|                 | Vehicles Expenses                                     | -                | -                 |
|                 | BSCIC Holding Tax                                     | -                | 960,000           |
|                 | AGM Expenses  | -                | -                 |
|                 | Depreciation  | -                | -                 |
|                 |   | <b>6,697,783</b> | <b>38,643,298</b> |
| <b>20.02</b>    | <b>Warehouse, Distribution &amp; selling Expenses</b> |                  |                   |
|                 | Salary & Allowance                                    | -                | -                 |
|                 | Transportation, Handling & Air Freight Exp.           | -                | -                 |
|                 | Power & Fuel  | 1,672,081        | 15,534,881        |
|                 | Electricity, Water & Gas                              | -                | -                 |
|                 | Repairs & Maintenance                                 | -                | 1,398,088         |
|                 | Traveling Expenses                                    | -                | -                 |
|                 | Sample Making Expenses                                | -                | -                 |
|                 | Postage & Courier                                     | -                | -                 |
|                 | Entertainment   | -                | -                 |
|                 | Printing & Stationary                                 | -                | -                 |
|                 | Miscellaneous Expenses                                | -                | -                 |
|                 | Advertisement Expenses                                | -                | -                 |
|                 | Sales promotion Expenses                              | -                | -                 |
|                 | Depreciation  | -                | -                 |
|                 |   | <b>1,672,081</b> | <b>17,132,969</b> |
| <b>21.00</b>    | <b>OTHER INCOME</b>                                   |                  |                   |
|                 | Sale of Wasteage                                      | -                | 233,415           |
|                 | Gain for Foreign Currency Fluctuation                 | -                | -                 |
|                 | Interest Income                                       | -                | 1,600,305         |
|                 |   | -                | <b>1,833,720</b>  |



|  |                    |                    |
|--|--------------------|--------------------|
| <b>22.00 FINANCIAL EXPENSES</b>            |                    |                    |
| Bank Charges                               | 138,222            | 706,672            |
| Interest on Borrowing and Bank Charge      | 186,023,524        | 153,870,315        |
|  | <b>186,161,746</b> | <b>154,576,987</b> |
| <b>24.00 EARNING PER SHARES (BASIC)</b>    |                    |                    |
| Net Profit / (Loss) for the year           | (380,908,620)      | (544,308,244)      |
| Weighted Number of Ordinary Share          | 239,316,000        | 239,316,000        |
| <b>Basic Earning Per Shares</b>            | <b>(1.59)</b>      | <b>(2.27)</b>      |
| <b>24.01 EARNING PER SHARES (ADJUSTED)</b> |                    |                    |
| Net Profit / (Loss) for the year           | (380,908,620)      | (544,308,244)      |
| Weighted Number of Ordinary Shares         | 239,316,000        | 239,316,000        |
| <b>Adjusted Earning Per Share</b>          | <b>(1.59)</b>      | <b>(2.27)</b>      |



**C & A Textiles Limited**  
**STATEMENT OF PROPERTY, PLANT & EQUIPMENT**  
**AS AT 30TH JUNE 2018**

| Particulars                       | Cost                     |                          | Rate of Dep (%) | Depreciation             |                        | Written Down Value as at 30.06.2018 |
|-----------------------------------|--------------------------|--------------------------|-----------------|--------------------------|------------------------|-------------------------------------|
|                                   | Balance as on 01.07.2017 | Addition during the Year |                 | Balance as on 30.06.2018 | Charge during the year |                                     |
| Household Land & Land Development | 69,716,323               | -                        | 5%              | 2,387,210                | 24,359,336             | 45,356,987                          |
| Factory Building                  | 439,535,365              | -                        | 10%             | 19,630,656               | 262,859,460            | 176,675,905                         |
| Plant & Machinery                 | 2,095,846,654            | -                        | 10%             | 121,955,301              | 998,248,945            | 1,097,597,709                       |
| Furniture & Fixture               | 85,435,092               | -                        | 10%             | 4,331,767                | 46,449,193             | 38,985,899                          |
| Water and Gas Line Installation   | 47,858,841               | -                        | 10%             | 3,374,868                | 17,485,027             | 30,373,814                          |
| Electrical Installation           | 113,958,382              | -                        | 10%             | 6,094,042                | 59,112,001             | 54,846,381                          |
| Electrical Equipment              | 25,311,448               | -                        | 10%             | 1,251,233                | 14,050,347             | 11,261,101                          |
| Generator                         | 127,254,832              | -                        | 10%             | 5,809,622                | 74,968,232             | 52,286,600                          |
| Fire Equipment                    | 11,888,581               | -                        | 10%             | 765,190                  | 5,001,869              | 6,886,712                           |
| Vehicles                          | 26,094,692               | -                        | 20%             | 1,941,056                | 18,330,468             | 7,764,224                           |
| Office Equipments                 | 13,523,616               | -                        | 10%             | 805,205                  | 6,276,768              | 7,246,848                           |
| Air Conditions                    | 13,275,222               | -                        | 20%             | 798,356                  | 10,081,797             | 3,193,425                           |
| <b>Balance as on 30-06-2018</b>   | <b>3,069,699,048</b>     | <b>-</b>                 |                 | <b>1,368,078,936</b>     | <b>1,537,223,443</b>   | <b>1,532,475,605</b>                |



Place: Dhaka  
Date: 20.07.2023  
Ref: GKC/23-24/A/021



**G. KIBRIA & CO.**  
CHARTERED ACCOUNTANTS



**Independent Auditor's Report  
To the Shareholders of C & A Textile Limited.**

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

**Disclaimer of Opinion**

We were engaged to audit the financial statements of C & A Textile Limited which comprise the statement of financial position as at 30 June 2019, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

We do not express an opinion on the accompanying financial statements of the C & A Textile Limited because of the significance of the matter described in the Basis for Disclaimer of Opinion section of our report, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these financial statements.

**Basis for Disclaimer of Opinion**

(1) As disclosed in Note 07 for Trade and Other Receivable Taka 22,47,13,590/-, Note 08 for Advance, Deposit and prepayment Taka 20,05,53,139/-, Note 10 for Cash and Cash Equivalents for Taka 46,30,558/-, Note 11 for Share Capital Taka 2,39,31,60,000/-, Note 13 for Suspense Accounts Tk. (1,86,19,55,347)/-, Note 14 for Long Term Borrowings Tk. 1,27,35,95,697/-, Note 15 for Short Term Borrowings Tk. 78,55,35,346/-, Note 19 for Cost of Goods Sold Taka 15,14,36,791/- and Note 20 for Operating expenses Tk. 23,76,964/- to the financial statements, the company have not provided us sufficient appropriate audit evidence against the aforementioned amounts.

(2) Note 2.03 to the Financial Statements describe despite being experiencing unfavorable operating results, insufficient cash generation for debt servicing and uncertainty in revenue generation the Financial Statements are prepared based on the going concern concept due to having the Company's business plan & adequate resources to continue its operations in the foreseeable future.

In our view the Company's continuous unfavorable financial performance and cash generation ability, failed to provide future business plan and uncertain to pay the Bank loan for a number of years indicate that a material uncertainty exist that may cast significant doubt on the company's ability to continue as a going concern

As a result, we were unable to opine whether the financial statements present fairly or not.



**Head Office:** Sadharan Bima Sadan (5th Floor), 24-25 Dhaka Commercial Area, Dhaka – 1000, Bangladesh

**Branch Office:** House 51, Road 14, Block-G, Niketon, Gulshan-1, Dhaka-1212

**Email:** gkibria@gkibriaandco.com, kibria03@hotmail.com, **Web:** http://gkibriaandco.com

**Tel:** +02-223-355-324, +02-4881-2331, +02-4881-2332





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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with 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. However, because of the matter described in the Basis for Disclaimer of Opinion section of our report, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on 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.

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, we also report the following:

- a) we have obtained all the information and explanations except noted above 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 Company so far as it appeared from our examination of these books; and
- c) the statements of financial position and statements of profit or loss and other comprehensive income dealt with by the report are in agreement with the books of accounts and returns.

Place: Dhaka  
Date: 20.07.2023  
Ref.: GKC/23-24/A/022

*G. Kibria & Co*  
Mohammad Showket Akber, FCA  
Enrol.No.970  
Partner  
G. Kibria & Co  
Chartered Accountants  
DYC: 2307240970AS 305086





**C & A Textiles Limited**  
**STATEMENT OF FINANCIAL POSITION**  
**AS AT JUNE 30, 2019**

| Particulars                            | Note  | Amount in Taka       |                      |
|--|-------|----------------------|----------------------|
|  |       | 30.06.2019           | 30.06.2018           |
| <b>ASSETS</b>                          |       |                      |                      |
| <b>NON-CURRENT ASSETS</b>              |       |                      |                      |
|  |       | 1,556,701,479        | 1,708,138,270        |
| Property, Plant & Equipments           | 03.00 | 1,381,038,814        | 1,532,475,605        |
| Security Deposits                      | 04.00 | 41,542,989           | 41,542,989           |
| Capital Work in Progress               | 05.00 | 134,119,676          | 134,119,676          |
| <b>CURRENT ASSETS</b>                  |       |                      |                      |
|  |       | 1,113,547,795        | 1,118,279,226        |
| Inventory                              | 06.00 | 683,650,508          | 683,650,508          |
| Trade and Other Receivable             | 07.00 | 224,713,590          | 225,354,737          |
| Advance, Deposit & Prepayments         | 08.00 | 200,553,139          | 200,553,139          |
| Current Accounts with Sister Concern   | 09.00 | -                    | -                    |
| Cash & Cash Equivalents                | 10.00 | 4,630,558            | 8,720,842            |
| <b>Total Assets</b>                    |       | <b>2,670,249,274</b> | <b>2,826,417,496</b> |
| <b>EQUITY AND LIABILITIES</b>          |       |                      |                      |
| <b>SHARE HOLDER'S EQUITY</b>           |       |                      |                      |
|  |       | 546,507,203          | 853,831,106          |
| Share Capital                          | 11.00 | 2,393,160,000        | 2,393,160,000        |
| Retained Earnings Previous             | 12.00 | 15,302,550           | 322,626,453          |
| Suspense Accounts                      | 13.00 | (1,861,955,347)      | (1,861,955,347)      |
| <b>BANK LIABILITIES</b>                |       |                      |                      |
|  |       | 2,059,131,045        | 1,905,624,812        |
| Long Term Borrowings                   | 14.00 | 1,273,595,697        | 1,152,853,408        |
| Short Term Borrowings                  | 15.00 | 785,535,346          | 752,771,403          |
| <b>CURRENT LIABILITIES</b>             |       |                      |                      |
|  |       | 64,611,026           | 66,961,578           |
| Trade and Other Payables               | 16.00 | 5,725,718            | 5,725,718            |
| Provision for Outstanding Expenses     | 17.00 | 58,885,308           | 61,235,860           |
| <b>Total Equity and Liabilities</b>    |       | <b>2,670,249,274</b> | <b>2,826,417,496</b> |
| <b>Net Asset Value (NAV) per Share</b> |       | 2.28                 | 3.57                 |

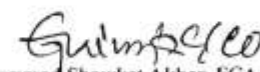
The annexed notes form an integral part of these financial statements

|   |  |  |
|---|--|--|
| <br>Chairman | <br>Chief Executive Officer | <br>Director          |
| <br>Director | <br>Chief Financial Officer | <br>Company Secretary |

Signed in terms of our annexed report of even date

Place: Dhaka  
Date: 20.07.2023  
Ref: GKC/23-24/A/022



  
Muhammad Showket Akber, FCA  
Partner  
Enrol No.970  
G.KIBRIA & CO.  
Chartered Accountants

**C & A Textiles Limited**  
**STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE PERIOD ENDED 30TH JUNE, 2019**

| Particulars  | Note  | Amount in Taka       |                      |
|--|-------|----------------------|----------------------|
|  |       | 2018-2019            | 2017-2018            |
| Sales Revenue                                      | 18.00 | -                    | -                    |
| Less: Cost of Goods Sales                          | 19.00 | 151,436,791          | 186,377,010          |
| <b>Gross Profit</b>                                |       | <b>(151,436,791)</b> | <b>(186,377,010)</b> |
| Less: Operating expenses                           | 20.00 | 2,376,964            | 8,369,864            |
| <b>Operating Profit /Loss</b>                      |       | <b>(153,813,755)</b> | <b>(194,746,874)</b> |
| Add: Other Income                                  | 21.00 | -                    | -                    |
| <b>Profit before Financial Charges &amp; Taxes</b> |       | <b>(153,813,755)</b> | <b>(194,746,874)</b> |
| Less: Financial Charges                            | 22.00 | 153,510,148          | 186,161,746          |
| <b>Profit before Tax</b>                           |       | <b>(307,323,903)</b> | <b>(380,908,620)</b> |
| Less: Provision for Taxation                       |       | -                    | -                    |
| <b>Net Profit After Tax</b>                        |       | <b>(307,323,903)</b> | <b>(380,908,620)</b> |
| <br>   |       |                      |                      |
| Earnings Per Share (EPS)                           | 23.00 | (1.28)               | (1.59)               |


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


  
Chairman

  
Chief Executive Officer

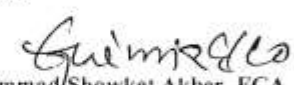
  
Director

  
Director

  
Chief Financial Officer

  
Company Secretary

Signed in terms of our annexed report of even date

  
Mohammad/Showket Akber, FCA  
Partner  
Enrol.No.970  
G.KIBRIA & CO.  
Chartered Accountants

Place: Dhaka  
Date: 20.07.2023  
Ref.: GKC/23-24/A/022



**C & A Textiles Limited**  
**STATEMENT OF CHANGES IN EQUITY**  
**FOR THE YEAR ENDED 30 JUNE, 2019**

| Particulars                        | Share capital        | Retained earnings | Total              |
|------------------------------------|----------------------|-------------------|--------------------|
| Balance as at June 30, 2018        | 2,393,160,000        | 322,626,453       | 2,715,786,453      |
| Profit after tax for the year      | -                    | (307,323,903)     | (307,323,903)      |
| Stock Dividend                     | -                    | -                 | -                  |
| Cash Dividend                      | -                    | -                 | -                  |
| Unallocated Revenue Expenses       | -                    | -                 | -                  |
| Suspense Account                   | -                    | -                 | (1,861,955,347)    |
| <b>Balance as at June 30, 2019</b> | <b>2,393,160,000</b> | <b>15,302,550</b> | <b>546,507,203</b> |

**FOR THE YEAR ENDED 30 JUNE, 2018**

| Particulars                        | Share capital        | Retained earnings  | Total              |
|------------------------------------|----------------------|--------------------|--------------------|
| Balance as at June 30, 2017        | 2,393,160,000        | 703,535,074        | 3,096,695,074      |
| Profit after tax for the year      | -                    | (380,908,620)      | (380,908,620)      |
| Stock Dividend                     | -                    | -                  | -                  |
| Cash Dividend                      | -                    | -                  | -                  |
| Unallocated Revenue Expenses       | -                    | -                  | -                  |
| Suspense Account                   | -                    | -                  | (1,861,955,347)    |
| <b>Balance as at June 30, 2018</b> | <b>2,393,160,000</b> | <b>322,626,453</b> | <b>853,831,106</b> |

Chairman

Chief Executive Officer

Director

Director

Chief Financial Officer

Company Secretary

Place: Dhaka  
Date: 20.07.2023  
Ref.: GKC/23-24/A/022



**C & A Textiles Limited**  
**STATEMENT OF CASH FLOWS**  
**AS AT JUNE 30, 2019**

|   | 30-06-2019<br>Taka | 30-06-2018<br>Taka |
|---|--------------------|--------------------|
| <b>A. Cash Flow From Operating Activities</b>     |                    |                    |
| Cash Collection from Sales                        | 641,147            | -                  |
| Cash Collection from Other Sources                | -                  | 65,946,219         |
|   | 641,147            | 65,946,219         |
| <b><u>Increase/ Decrease in</u></b>               |                    |                    |
| Cash Paid to Suppliers, Employees and Others      | (4,731,431)        | (61,660,426)       |
| Cash Paid for Financial Expenses                  | -                  | -                  |
| Advanced Income Tax paid                          | -                  | (277,585)          |
|   | (4,731,431)        | (61,938,011)       |
| <b>Net cash provided by operating activities</b>  | <b>(4,090,284)</b> | <b>4,008,208</b>   |
| <b>B. Cash Flow From Investing Activities</b>     |                    |                    |
| Acquisition of Fixed Assets                       | -                  | -                  |
| Capital Work in Progress                          | -                  | -                  |
| Security Deposit                                  | -                  | -                  |
| Advance Realization                               | -                  | -                  |
| Advance for Gas Line Installation                 | -                  | -                  |
| <b>Net cash used by investing activities</b>      | <b>-</b>           | <b>-</b>           |
| <b>C. Cash Flow From Financial Activities</b>     |                    |                    |
| Increase/ ( Decrease) Long Term Loan from Bank    | -                  | -                  |
| Increase/ ( Decrease) Short Term Loan from Bank   | -                  | -                  |
| <b>Net cash used by financial activities</b>      | <b>-</b>           | <b>-</b>           |
| <b>Net Cash Generate during the year (A to C)</b> | <b>(4,090,284)</b> | <b>4,008,208</b>   |
| Opening Cash and Cash equivalents                 | 8,720,842          | 4,712,634          |
| Closing Cash and Cash equivalents                 | 4,630,558          | 8,720,842          |
| <b>Net Operating Cash flow Per Share (NOCFPS)</b> | <b>(0.020)</b>     | <b>0.020</b>       |

  
Chairman

  
Chief Executive Officer

  
Director

  
Director

  
Chief Financial Officer

  
Company Secretary

Place: Dhaka  
Date: 20.07.2023  
Ref.: GK/C/23-24/A/022





**C & A Textiles Limited**  
**NOTES TO THE ACCOUNTS**  
**FOR THE PERIOD ENDED JUNE 30, 2019**

**1.00 Reporting Entity and its Activities**

**1.01 Legal form of the Entity**

The Company was incorporated on February 19, 2001 as private company limited by shares under the Companies Act, 1994 vide certificate of incorporation no. C-3912/2001. The company was converted into a public Limited Company on 22 December 2012 along with the subdivision of face value of shares from Tk. 100 to Tk. 10 each. Its shares are listed with Dhaka Stock Exchange Ltd. and Chittagong Stock Exchange Ltd.

The registered office and production unit of the company is located at Plot No. 61, 62, 66, 67, 68, 72 & 73, BSCIC Industrial Estate Kalurghat (Ext), Chittagong, Bangladesh.

**1.02 Nature of Business Activities**

This is 100% export oriented company engaged in manufacturing fashionable knit garments in accordance with buyers' orders. It usually exports its produced garments to the buyers in Canada, USA, Germany and Europe.

**2.00 Significant Accounting Policy for the presentation of the financial Statements**

The specific accounting policies selected and applied by the company's management for significant transactions and events that have material effect within the framework of BAS-1 "Presentation of Financial Statements" in preparation and presentation of financial statements have been consistently applied throughout the year and were also consistent with those used in earlier years.

**2.01 Corporate Financial Statements**

The financial statements are prepared under the historical cost convention and in accordance with the requirements of the Companies Act, 1994, Securities and Exchange Rules 1987, Listing regulation of Dhaka Stock Exchange Limited (DSE) & Chittagong Stock Exchange Limited (CSE), Bangladesh Accounting Standards (BASs) Bangladesh Financial Reporting Standards (BFRSs) and as applicable to this Company. The Board of Directors are responsible for preparing and presenting the financial statements including adequate disclosures, who approved and authorized for issue of these financial statements.

**2.02 Use of estimates and Judgments**

The preparation of Financial Statements requires management to make estimates and assumptions that affect the reported amount of assets, liabilities, income and expenses. Due to inherent uncertainties involved in making estimates actual results may differ from those estimates and underlying assumptions are reviewed on a going concern basis.

**2.04 Property Plant and Equipment**

Property Plant and Equipment are accounted for according to BAS 16 "Property; Plant and Equipment" at historical cost less cumulative depreciation and the capital work in progress (when arises) is stated at cost. All assets are depreciated/ amortized accounting to the straight-line method. The gain or loss arising on the disposal or retirement of an asset is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized as non-operating income/loss.

**2.03 Going Concern**

The company has adequate resources to continue in operation for the foreseeable future. The current credit facilities and resources of the company provides sufficient fund to meet the present requirements of its existing business. For this reason the directors continue to adopt going concern basis in preparing the Financial Statement.



| Category               | Rate (%) |
|------------------------|----------|
| Furniture & Fixtures   | 10%      |
| Office Decoration      | 10%      |
| Computer & Accessories | 20%      |
| Cookeries              | 20%      |
| IPS                    | 20%      |
| Air Condition          | 10%      |

#### 2.04 Foreign Currency Translation

The financial statements are presented in Taka/Tk./BDT, which is company's functional currency. Transactions in foreign currencies are recorded in the books at the exchange rate prevailing on the date of the transaction. Assets and Liabilities outstanding at 30 June 2019 denominated in foreign currencies have been shown in Taka at the rate in terms of foreign currencies ruling on the statement of financial position date. Exchange difference arising on the settlement of monetary items or on translation monetary items at the end of the reporting period are recognized in statement of profit or loss and other comprehensive income as per BAS 21: The effects of Changes in Foreign Exchange Rates.

#### 2.05 Reporting Period

The financial Statements covers one financial year from 1st July to 30th June of following year consistently.

#### 2.06 Segment Reporting

No segmental reporting is applicable for the company as required by BFRS 8 "Segment Reporting" as the company operates in a single industry segment and within a single geographical territory.

#### 2.07 Fundamental Accounting Concepts/ Assumption

The financial statements have been prepared under historical cost convention on accrual basis and such other convention as required by BAS-1and BFRS for fair presentation of financial statements.

#### 2.08 Comparative information and Re-arrangement thereof

Comparative Information 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 income and value of assets and liabilities as reported in the Financial Statements.

#### 2.09 Events after the Reporting Period

In compliance with the requirements of BAS 10: Adjusting events occurring after the reporting date are reflected in the financial statements and events after reporting date that are not adjusting events are disclosed in the notes when material.

#### 2.10 Compliance with BAS

The following BAS have been applied in preparation of the financial statements for the

|        |   |
|--------|---|
| BAS 1  | Presentation o Financial Statements                             |
| BAS 2  | Inventories   |
| BAS 7  | Statement of Cash Flows   |
| BAS 8  | Accounting Policies, Changes in Accounting Estimates and Errors |
| BAS 10 | Events after the Reporting Period                               |
| BAS 12 | Income Tax  |
| BAS 16 | Property, Plant & Equipment                                     |
| BAS 17 | Leases  |
| BAS 18 | Revenue   |
| BAS 21 | The effects of Changes in foreign exchange rates                |
| BAS 23 | Borrowing   |





|        |  |
|--------|--|
| BAS 24 | Costs Related Party Disclosures                          |
| BAS 33 | Earnings Per Share                                       |
| BAS 36 | Impairment of Assets                                     |
| BAS 37 | Provisions, Contingent Liabilities and Contingent Assets |
| BAS 39 | Financial Instrument: Recognition and Measurement        |

The related BFRSs are also complied for the preparation of these

## 2.11 Net Income Before Tax

Net Income Before Tax for the year were not materially affected by:

- (a) Transaction of a nature not usually undertaken by the company;
- (b) Circumstances of an exceptional or non-recurring nature;
- (c) Changes of credits relating to prior years; and
- (d) Changes in accounting policies.

## 2.12 Regulatory Compliance

The Financial Statements have been prepared in compliance with the following laws and regulations;

- The Companies Act, 1994
- The Income Tax Ordinance, 1984
- The Income Tax Rules, 1984
- The Value Added Tax (VAT) Act, 1991.
- The Customs Act, 1969
- Security and Exchange Rules, 1987
- Security and Exchange Ordinance, 1993

## 2.13 Property, Plant and Equipment

### 2.13.1 Recognition and measurement of Property, Plant and Equipment

Property, Plant and Equipment have been stated at written down value. Accumulated historical cost and depreciation have been shown in the Financial Statements. The cost of acquisition comprises of purchase price, including import duties and non-refundable Taxes and any directly attributable cost of bringing the assets to its state of intended use. Expenditure incurred after the assets have been put into operation, such as repairs and maintenance is normally charged off as revenue expenditure in the period 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 the fixed assets, the expenditure is capitalized as an addition to cost of the assets.

### 2.13.2 Depreciation of Tangible Fixed Assets

Depreciation on Property, Plant & Equipment other than leasehold Land & Land Development have been computed during the year using the reducing balance method so as to write off the assets over their expected useful life. Depreciation has been charged on addition of the basis of when it is available for use.

Leasehold land and land development taken from BSCIC I/E, Kalurghat, Chittagong on lease is being amortized over 20 years.

After considering the useful life of assets as per BAS-16, the annual depreciation rates have been applied as under which is considered reasonable by the management.

| <u>Items of Property, Plant &amp; Equipment</u> | 2019<br>Rate % | 2018<br>Rate % |
|---|----------------|----------------|
| Leasehold Land & Land Development               | 5              | 5              |
| Factory Building                                | 10             | 10             |
| Plant & Machinery                               | 10             | 10             |
| Furniture & Fixture                             | 10             | 10             |
| Water and Gas Line Installation                 | 10             | 10             |
| Electrical Installation                         | 10             | 10             |
| Electrical Equipment                            | 10             | 10             |



|                   |    |    |
|-------------------|----|----|
| Generator         | 10 | 10 |
| Fire Equipment    | 10 | 10 |
| Vehicles          | 20 | 20 |
| Office Equipments | 10 | 10 |
| Air Conditions    | 20 | 20 |

### 2.13.3 Impairment of assets

All assets have been reviewed according to BAS 36 and it was confirmed that no such assets have been impaired during the year and for this reason no provision has been made for Impairment of assets.

### 2.14 Inventories

Inventories are measured at the lower of cost and net realizable as prescribed by BAS-2. The cost of inventories is based on the weighted average method and includes expenditure incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their existing location and condition. In the case of manufactured inventories and work-in-progress, cost includes an appropriate allocation of production overheads based on normal operation capacity.

| Nature of Inventories | Basic of valuation   |
|-----------------------|--|
| Raw Materials         | Weighted Average Cost  |
| Work-in-progress      | Martial cost Plus Proportionate Converting cost based on percentage of completion. |
| Chemicals & Store     | Weighted Average Cost  |
| Finished goods        | At lower of cost or net realizable value   |

### 2.15 Financial Instruments

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

#### 2.15.1 Financial Assets

Financial assets of the company include cash and cash equivalents, equity instrument of another entity, trade 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 contractual rights or probabilities of receiving the cash flows from the assets 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 reward of ownership of the financial assets are transferred.

#### 2.15.2 Cash and Cash Equivalents

According to BAS 7 'Statement of Cash Flows' cash comprises of cash in hand, cash at Bank, demand deposits, FDR and cash equivalents which are short term highly liquid investments that are readily convertible to cash and which are subject to an insignificant risk of changes in value. BAS 1 "Presentation of Financial Statements" provides that Cash & Cash Equivalents are not restricted in use. Considering the provision of BAS 7 & BAS 1, Cash in Hand & Bank Balance including FDR have been treated as Cash & Cash Equivalents.

#### 2.15.3 Available for Sale of Financial Assets

During the year the company had no financial asset for sale.

#### 2.15.4 Trade Receivable

Trade receivable is carried at invoice amount without making any provision for doubtful debts, because of the fact that sales / export are being based on 100% confirmed letter of credit basis with fixed maturity dates and confirmed by Letter of credit.



#### 2.15.4 Financial Liabilities

The company initially recognizes financial liabilities on the transaction date at which the company becomes a party to the contractual provision of the liability. The company derecognizes a financial liability when its contractual obligations are discharged or cancelled or expired. Financial liabilities are recognized initially at fair value less any directly attributable transactions costs. Subsequently to initial recognition, these financial liabilities are measured at amortized cost using the effective interest method. Financial liabilities include loan and borrowing, trade creditors, liabilities for expenses and liabilities for other finance.

#### 2.16 Income Tax

##### 2.16.1 Current Tax

A provision for Taxation was calculated as per Income Tax Ordinance 1984.

##### 2.16.2 Deferred Tax

The company did not recognise deferred tax during the year.

#### 2.17 Revenue Recognition

##### a) Sales of Goods

Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns, trade discounts and volume rebates as per BAS-18. Revenue is recognized when the significant risks and reward of ownership have been transferred to the buyer, recovery of the consideration is probable, the associated costs and possible return of goods can be estimated reliably & there is no containing management involvement with the goods sold. Transfer of risk and rewards occurs for the sale of goods when the shipment made and invoices raised.

b) Interest income is recognized when it is credited by respective bank.

c) Dividend income is recognized when the right to receive payment is established.



#### 2.18 Sales Revenue

Sales revenue includes only export of garments.

#### 2.19 Financial Expenses

Financial expenses comprise interest on borrowings and bank charges. All financial expenses are recognized in the statement of profit or loss and other comprehensive income based on the statement received from Financial Institutions.

#### 2.20 Employee Benefit Plan:

The company maintains defined benefit plan of 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 provision of BAS 19: Employee Benefits.

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

The company's employee benefits include the following:

##### a) Short-Term Employee Benefits

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

##### b) Workers Profit Participation Fund

We are a 100% export oriented composite knit garments industry and member of BGMEA and BKMEA. As per Sub-Section 3 of Section 232 of Bangladesh Labour Act (Amendment) 2013 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 provision with regard to formation of sector-based central fund comprising of buyers and owners, from aboard 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."

We didn't start making provision for WPPF because of not yet forming Board for fund raise and utilization by the government. The Board shall format the rules of determination of subscription, procedure of collection and utilization of fund. We are 100% export oriented company also the member of BGMEA and BKMEA, that's why company can't recognize WPPF before forming Board for fund and utilization by the Authority.

#### 2.21 Statement of Cash Flow

Statement of Cash Flow has been prepared principally in accordance with BAS-7 "Statement of Cash Flow" and the cash flows from the operating activities have been presented under direct method.

#### 2.22 Provisions

In accordance with the guidelines as prescribed by BAS-37: Provisions, Contingent Liabilities and Cotangent Assets, provisions are recognized in the following situations:

- a. when the company has an obligation (legal or constructive) as a result of past events,



- b. when it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
- c. reliable estimates can be made of the amount of the obligation.

### 2.23 Earning Per Share

This has been calculated in compliance with the requirements of BAS 33: Earnings Per Share has been calculated the profit attributable to ordinary equity holders of the company divided by the weighted average number of ordinary shares outstanding during the period and retrospective effect has also been given for calculation of previous years earnings as well to conform the current years presentation.

### 2.24 Diluted Earnings per Share

No diluted Earnings per Share was required to be calculated for the year under review as there is no scope for dilution of Earnings Per Share for the year.

### 2.25 Components of Financial Statements

The financial statements comprise the following:

- \* Statement of Financial Position as at 30th June 2019
- \* Statement of Profit or Loss and Other Comprehensive Income for the year ended 30th June 2019
- \* Statement of Changes in Equity for the year ended 30th June 2019
- \* Statement of Cash Flows for the year ended 30th June 2019
- \* Accounting Policies and explanatory notes to the Financial Statements.

### 2.26 General

a) The figures appearing in these financial statements are expressed in Taka currency and rounded off to the nearest Taka.

b) Previous year's figures have been rearranged, where necessary, to conform to current year's presentation.

|  | 30.06.2019           | 30.06.2018           |
|--|----------------------|----------------------|
|  | Taka                 | Taka                 |
| <b>3.00 PROPERTY, PLANT AND EQUIPMENT</b>  |                      |                      |
| Opening Balance                            | 3,069,699,048        | 3,069,699,048        |
| Addition During the year                   | -                    | -                    |
| <b>Total Assets Value at cost</b>          | <b>3,069,699,048</b> | <b>3,069,699,048</b> |
| Disposal/Adjustment during the Year        | -                    | -                    |
| Accumulated Depreciation as on 30.06.2019  | 1,688,660,234        | 1,537,223,443.14     |
| <b>Written Down Value as on 30.06.2019</b> | <b>1,381,038,814</b> | <b>1,532,475,605</b> |

Details of Property, Plant & Equipments have been shown in Annexure-A.

### 4.00 SECURITY DEPOSIT

|  |                   |                   |
|--|-------------------|-------------------|
| Polly Bidyut Samity(PBS)- Electricity    | 240,000           | 240,000           |
| Bakhrabad Gas system Ltd- GAS line       | 1,057,439         | 1,057,439         |
| Karnaphuli Gas Dis.Co.Ltd (New Gas Line) | 39,560,550        | 39,560,550        |
| Anser Salary (Security Deposit)          | 350,000           | 350,000           |
| Water Treatment Plant (ETP)              | 335,000           | 335,000           |
|  | <b>41,542,989</b> | <b>41,542,989</b> |

### 5.00 CAPITAL WORK-IN PROGRESS

|                                       |                    |                    |
|---------------------------------------|--------------------|--------------------|
| Construction of new building (Unit-2) | 134,119,676        | 134,119,676        |
|                                       | <b>134,119,676</b> | <b>134,119,676</b> |





Capital work-in progress represents four storeys of factory building of the company which construction. The factory building will be transferred to property, plant and equipments per BAS 16 which it will be fully ready to used.

Total land area on which the building is constructed is 43.35 kathas or 31,218 and space per floor of the building 28,500 sqft.

#### 6.00 INVENTORIES

|                     |                    |                    |
|---------------------|--------------------|--------------------|
| Raw Materials- Yarn | 377,124,078        | 377,124,078        |
| Chemicals           | 50,125,458         | 50,125,458         |
| Work in Process     | 80,845,848         | 80,845,848         |
| Consumable Items    | 25,551,254         | 25,551,254         |
| Finished Goods      | 144,458,400        | 144,458,400        |
| Store Items         | 5,545,470          | 5,545,470          |
|                     | <b>683,650,508</b> | <b>683,650,508</b> |

#### 7.00 TRADE RECEIVABLE

The amount represents receivable on 30 June 2016 from foreign buyers against export of Garments This we considered as fully secured and guaranteed receivable by export letter of credit and considered good and realizable within one year as per terms of exports letter of credit.

##### Ageing of Trade Receivable

|                   |                    |                    |
|-------------------|--------------------|--------------------|
| Due above 6 Month | 224,713,590        | 225,354,737        |
|                   | <b>224,713,590</b> | <b>225,354,737</b> |

We have not received any documents of Export bills, Letter of Credit or Sales Contract.

The Classification of receivable as required by the Schedule XI of the Companies Act 1994 is given below.

Receivable considered good in respect of which the company is fully secured

Receivable considered good in respect of which the company is holds on security other than debtors' personal security

Receivable considered doubtful or bad

Receivable due by common Management

The minimum amount of receivable due by any director or other officer of the company

|                    |                    |
|--------------------|--------------------|
| -                  | -                  |
| -                  | -                  |
| -                  | -                  |
| 224,713,590        | 225,354,737        |
| -                  | -                  |
| <b>224,713,590</b> | <b>225,354,737</b> |

The above is this amount of receivables against export bills as on June 30, 2019

|                    |                    |                    |
|--------------------|--------------------|--------------------|
| M/s Tennanova      | 89,423,641         | 89,423,641         |
| M/s Peacocks Store | 78,124,564         | 78,124,564         |
| M/s Bonnache       | 45,234,572         | 45,234,572         |
| M/s Us polo        | 17,895,461         | 17,895,461         |
| M/s Trinity        | 78,964,123         | 78,964,123         |
| M/s Blacks         | 47,812,651         | 47,812,651         |
| M/s carters        | 46,971,327         | 46,971,327         |
| M/s Williams       | 78,236,410         | 78,236,410         |
| M/s Miles          | 68,971,264         | 68,971,264         |
| M/s Morrisons      | 12,478,913         | 12,478,913         |
| M/s Riachuelo      | 90,799,463         | 90,799,463         |
| M/s Oshkosh B'goth | 27,451,931         | 27,451,931         |
|                    | <b>682,364,320</b> | <b>682,364,320</b> |





|                                 |                    |                    |
|---------------------------------|--------------------|--------------------|
| Less: Collection from 2016-2017 | 391,063,364        | 391,063,364        |
| Less: Collection from 2017-2018 | 65,946,219         | 65,946,219         |
| Less: Collection from 2018-2019 | 641,147            | -                  |
|                                 | <u>224,713,590</u> | <u>225,354,737</u> |

**8.00 ADVANCE, DEPOSIT & PRE-PAYMENT**

|                                       |      |                    |                    |
|---------------------------------------|------|--------------------|--------------------|
| Advance & prepayments                 | 8.01 | -                  | -                  |
| Advance to Leasehold Land             | 8.02 | 147,153,700        | 147,153,700        |
| Sundry Advance                        | 8.03 | -                  | -                  |
| Advance Income Tax                    | 8.04 | 31,399,439         | 31,399,439         |
| L/C Margin ( Machinery)               |      | -                  | -                  |
| L/C Margin for Import                 |      | -                  | -                  |
| Advance against Gas Line Installation |      | 22,000,000         | 22,000,000         |
| Advance against New factory           | 8.05 | -                  | -                  |
|                                       |      | <u>200,553,139</u> | <u>200,553,139</u> |

**8.01 Advance and Prepayments**

|  |          |          |
|--|----------|----------|
| Advance to Employees ( Staff & Workers)        | -        | -        |
| Advance office Rent*                           | -        | -        |
| M/s Chalkmark (Md. Ballal Hossain)             | -        | -        |
| Advance to TNR Enterprise ( Accounts Software) | -        | -        |
|  | <u>-</u> | <u>-</u> |

**8.02 Advance to Leasehold Land**

|                                       |                    |                    |
|---------------------------------------|--------------------|--------------------|
| Leasehold Land a Kalorghat BSCIC, Ctg | 147,153,700        | 147,153,700        |
|                                       | <u>147,153,700</u> | <u>147,153,700</u> |

This advance payments has been made to landlord through Agrani Bank Ltd. Chittagong for acquisition of leasehold land. The land is located at 69,70 & 71 BSCIC I/E, Kalorghat Chittagong.

**8.03 Sundry Advance**

|                                     |          |          |
|-------------------------------------|----------|----------|
| M/s Choton ( New office decoration) | -        | -        |
| M/s Lotus Trade Syndicate           | -        | -        |
| M/s Lucky Enterprise                | -        | -        |
| M/s Muna Enterprise                 | -        | -        |
| 3G apparel figo                     | -        | -        |
| M/s Ali Trading                     | -        | -        |
| Anower & Iqbal Electrical           | -        | -        |
| Aroma Fabrics                       | -        | -        |
| Axiom Fashion Ltd                   | -        | -        |
| Base Textile Ltd                    | -        | -        |
| Clifton Group                       | -        | -        |
| E.R Knitware                        | -        | -        |
| Eastran Dressess Limited            | -        | -        |
| Global Knitwear                     | -        | -        |
| Mam Appareals                       | -        | -        |
| Sundry Advance ( Garments Division) | -        | -        |
| Sundry Advance ( Textile Division)  | -        | -        |
| Mithun Knitwear                     | -        | -        |
| Momo Fashion                        | -        | -        |
| Raiham Fashion                      | -        | -        |
| S. Enterprise                       | -        | -        |
| Sadif Fashion Ltd                   | -        | -        |
| Taher Sons Fashion Ltd              | -        | -        |
|                                     | <u>-</u> | <u>-</u> |



|  |                      |                      |
|--|----------------------|----------------------|
| <b>8.04 Advance Income Tax</b>                           |                      |                      |
| Opening Balance  | 31,399,439           | 31,121,854           |
| Add. Tax deduction at source during the year             |                      | 277,585              |
|  | <b>31,399,439</b>    | <b>31,399,439</b>    |
| Less: Adjustment during the year                         | -                    | -                    |
|  | <b>31,399,439</b>    | <b>31,399,439</b>    |
| <b>8.05 Advance Against new Factory Building</b>         |                      |                      |
| M/s Inter space  | -                    | -                    |
| M/s Hafiz Ahmed (Contractor)                             | -                    | -                    |
|  | -                    | -                    |
| <b>9.00 CURRENT ACCOUNTS WITH SISTER CONCERN</b>         |                      |                      |
| C & A Fashion Limited                                    | -                    | -                    |
| Knit Express Limited                                     | -                    | -                    |
|  | -                    | -                    |
| <b>10.00 CASH AND CASH EQUIVALENTS</b>                   |                      |                      |
| Cash in hand   | -                    | -                    |
| Cash at Bank   | 4,630,558            | 8,720,842            |
| FSIBL - Agrabad Branch ( A/C No. 010411100011495 )       | -                    | 4,087,209            |
| BRAC Bank, Head Office, Dhaka                            | 4,630,558            | 4,633,633            |
| FSIBL - Gulshan Branch ( A/C No. 100211100019465)        | -                    | -                    |
| MTBL - Kalurghat Branch (CD)                             | -                    | -                    |
| MTBL - Kalurghat Branch (SND)                            | -                    | -                    |
| EXIM Bank Ltd - Agrabad Branch                           | -                    | -                    |
| FSIBL - Agrabad Branch (Garments Unit)                   | -                    | -                    |
| Eastran Bank - Agrabad Branch                            | -                    | -                    |
| FSIBL - Mohona Br. Chattigong                            | -                    | -                    |
| SBAC - Agrabad Branch                                    | -                    | -                    |
| EXIM Bank Ltd. - SK. Mujib Road Branch                   | -                    | -                    |
| FSIB 1040752000004266                                    | -                    | -                    |
| FDR on FSIBL & EXIM Bank , Agrabad Br.                   | -                    | -                    |
| <b>IPO Accounts</b>                                      |                      |                      |
| FSIBL (IPO Account), Agrabad Br. (SND)                   | -                    | -                    |
| FSIBL (IPO Account)FDR, Agrabad Br. (SND)                | -                    | -                    |
| BRAC Bank, Head office, Dhaka (DBT)                      | -                    | -                    |
| BRAC Bank, Head office, Dhaka (US Dollar Accounts)       | -                    | -                    |
|  | <b>4,630,558</b>     | <b>8,720,842</b>     |
| <b>11.00 SHARE CAPITAL</b>                               |                      |                      |
| Bangladesh Shoes Ind. Ltd                                | 112,820,400          | 112,820,400          |
| Gazi Golam Zakaria Jyoti                                 | 47,863,200           | 47,863,200           |
| Iftexhar Abdul Hai                                       | 47,863,200           | 47,863,200           |
| IPO Shareholders   | 1,313,552,780        | 1,313,552,780        |
| Others Shareholders (Placement)                          | 354,821,620          | 354,821,620          |
| Rukshana Morshed   | 444,444,000          | 444,444,000          |
| Sharmin Akter Lovely                                     | 71,794,800           | 71,794,800           |
|  | <b>2,393,160,000</b> | <b>2,393,160,000</b> |
| <b>11.01 SHARE CAPITAL:</b>                              |                      |                      |
| <b>Authorized Capital:</b>                               |                      |                      |
| 300,000,000 ordinary shares of Tk. 10/= each.            | <b>3,000,000,000</b> | <b>3,000,000,000</b> |
| <b>11.02 Issued, Subscribed and Paid-up Capital:</b>     |                      |                      |
| 217,560,000 ordinary shares Tk. 10/= each fully paid-up. | <b>2,393,160,000</b> | <b>2,393,160,000</b> |
|  | <b>2,393,160,000</b> | <b>2,393,160,000</b> |



The shareholding position of the company at 30 June 2019 is as under

| Name of Directors           | Designation  | No. of shares | Percentage | Amount in Tk. |
|-----------------------------|--------------|---------------|------------|---------------|
| Rukshana Morshed            | MD           | 44,444,400    | 18.00      | 444,444,000   |
| BD Shoes Ind. Ltd           | Director     | 11,282,040    | 5.00       | 112,820,400   |
| Sharmin Akther Lovely       | Director     | 7,179,480     | 3.00       | 71,794,800    |
| Gazi Golam Zakaria Jyoti    | Chairman     | 4,786,320     | 2.00       | 47,863,200    |
| Iftekhar Abdul Hai          | Director     | 4,786,320     | 2.00       | 47,863,200    |
| others shareholder(Placemen | shareholders | 35,482,162    | 15.00      | 354,821,620   |
| IOP Shareholders (Public)   | shareholders | 131,355,278   | 55.00      | 1,313,552,780 |
| Total                       |              | 239,316,000   | 100        | 2,393,160,000 |

**12.00 RETAIN EARNINGS**

|  |                   |                    |
|--|-------------------|--------------------|
| Opening Balance                                      | 322,626,453       | 703,535,074        |
| Less: Bonus Dividend for the Year ended 30 June 2019 | -                 | -                  |
| Add: Net Profit/ (Net Loss) during the year          | (307,323,903)     | (380,908,620)      |
| Less : Adjustment for income TAX 2018-2019           | -                 | -                  |
|  | <b>15,302,550</b> | <b>322,626,453</b> |

**13.00 SUSPENSE ACCOUNTS**

|   |                      |                      |
|---|----------------------|----------------------|
| Opening Difference of Loans and Bank Balances | 1,099,847,332        | 1,099,847,332        |
| Current Accounts with Sister Concerns         | 687,873              | 687,873              |
| Written off Advances                          | 26,005,055           | 26,005,055           |
| Previous Year Supplier Payment                | 535,415,087          | 535,415,087          |
| Loan- Union Capital Ltd                       | 200,000,000          | 200,000,000          |
|   | <b>1,861,955,347</b> | <b>1,861,955,347</b> |

**14.00 LONG TERM BORROWINGS**

|                        |                      |                      |
|------------------------|----------------------|----------------------|
| Long Term Loan         | -                    | -                    |
| FSIBL 0104734000000001 | 995,587,357          | 894,124,267          |
| FSIBL 0104734000000002 | 6,224,888            | 5,974,323            |
| FSIBL 0104734000000003 | 31,113,309           | 29,860,932           |
| FSIBL 0104734000000004 | 35,974,791           | 34,526,730           |
| FSIBL 0104734000000005 | 4,710,755            | 4,521,138            |
| FSIBL 0104734000000006 | 3,651,532            | 3,504,550            |
| FSIBL 0104734000000007 | 117,674,541          | 108,100,894          |
| FSIBL 0104734000000008 | 7,477,361            | 6,869,006            |
| FSIBL 0104734000000009 | 10,648,682           | 9,780,274            |
| FSIBL 0104734000000010 | 60,532,481           | 55,591,293           |
|                        | <b>1,273,595,697</b> | <b>1,152,853,408</b> |

**Terms & Conditions of Term Loan**

The loan has been taken fist Securities Islami Bank Ltd. Agrabad Br. Chittagong for acquisition of leasehold land and Plant and Machinery of the company on the following terms and conditions

|                   |                                |
|-------------------|--------------------------------|
| Rate of Interest  | : 13.00%                       |
| Sanction Amount   | : 320 Million                  |
| Tenor             | : 7 years                      |
| Moratorium Period | : 6 Months                     |
| Security          | : Factory Building & Machinery |



**15.00 SHORT TERM BORROWINGS**

|                      |       |                    |                    |
|----------------------|-------|--------------------|--------------------|
| C&A Textiles Ltd.:   | 15.01 | 314,507,271        | 304,121,793        |
| C & A Fashions Ltd.: | 15.02 | 271,028,076        | 248,649,610        |
| Union Capital Ltd.   |       | 200,000,000        | 200,000,000        |
|                      |       | <b>785,535,346</b> | <b>752,771,403</b> |

**15.01 C&A Textiles Ltd.:**

|                              |  |                    |                    |
|------------------------------|--|--------------------|--------------------|
| <b>Short Term Loan</b>       |  | -                  | -                  |
| FSIB 010472400009342 (CASH)  |  | 101,971,977        | 94,767,064         |
| FSIB 010472400009346 (CASH)  |  | 10,038,667         | 10,038,667         |
| FSIB 010472400002670 (HYPO)  |  | 6,664,879          | 3,489,315          |
| FSIB 010472400002673 (HYPO)  |  | 8,834,763          | 8,834,763          |
| FSIB 010472400002674 (HYPO)  |  | 19,481,786         | 19,481,786         |
| FSIB 010472400002675 (HYPO)  |  | 32,146,562         | 32,146,562         |
| FSIB 010472400002684 (HYPO)  |  | 35,698,961         | 35,698,961         |
| FSIB 010472400002698 (HYPO)  |  | 32,980,723         | 32,980,723         |
| FSIB 0104724000027591 (HYPO) |  | 2,684,583          | 2,684,583          |
| FSIB 010472400002792 (HYPO)  |  | 1,283,086          | 1,283,085          |
| FSIB 010472400002809 (HYPO)  |  | 46,235,500         | 46,235,500         |
| FSIB 010472400002812 (HYPO)  |  | 8,540,725          | 8,540,725          |
| FSIB 010472400009389 (CASH)  |  | 7,945,059          | 7,940,059          |
|                              |  | <b>314,507,271</b> | <b>304,121,793</b> |

**15.02 C & A Fashions Ltd.:**

|                       |  |                    |                    |
|-----------------------|--|--------------------|--------------------|
| FSIB 0104 75900000001 |  | 62,265,142         | 39,886,677         |
| FSIB 0104 75900000002 |  | 22,336,048         | 22,336,048         |
| FSIB 0104 75900000003 |  | 8,655,620          | 8,655,620          |
| FSIB 0104 75900000004 |  | 17,403,782         | 17,403,782         |
| FSIB 0104 75900000005 |  | 36,081,262         | 36,081,262         |
| FSIB 0104 75900000006 |  | 30,674,175         | 30,674,175         |
| FSIB 0104 75900000011 |  | 7,208,107          | 7,208,107          |
| FSIB 0104 75900000012 |  | 31,696,982         | 31,696,982         |
| FSIB 0104 75900000013 |  | 9,720,594          | 9,720,594          |
| FSIB 0104 75900000014 |  | 4,943,666          | 4,943,666          |
| FSIB 0104 75900000015 |  | 18,404,476         | 18,404,476         |
| FSIB 0104 75900000016 |  | 4,061,961          | 4,061,961          |
| FSIB 0104 75900000017 |  | 3,459,870          | 3,459,870          |
| FSIB 0104 75900000018 |  | 7,817,848          | 7,817,848          |
| FSIB 0104 75900000019 |  | 1,361,962          | 1,361,962          |
| FSIB 0104 75900000020 |  | 4,936,580          | 4,936,579          |
|                       |  | <b>271,028,076</b> | <b>248,649,610</b> |

**16.00 TRADE AND OTHER PAYABLE**

|                         |  |         |         |
|-------------------------|--|---------|---------|
| M/s T&T Ind Cor.        |  | 258,600 | 258,600 |
| M/s Textrade            |  | 569,200 | 569,200 |
| Brunal Textiles Ltd     |  | 64,245  | 64,245  |
| Breau Veritas           |  | 215,795 | 215,795 |
| Bright GI International |  | 139,000 | 139,000 |
| Dream Knitting (BD) Ltd |  | 569,730 | 569,730 |
| Dysin International Ltd |  | 360,900 | 360,900 |
| ITS Labtest (BD) Ltd    |  | 23,974  | 23,974  |
| J-K Soft Knit Ltd       |  | 339,258 | 339,258 |
| JS Monndt International |  | 330,000 | 330,000 |
| Masco Export (BD) Ltd   |  | 46,333  | 46,333  |
| Mondol Knitwear Ltd     |  | 411,451 | 411,451 |
| Rachi Textiles Ltd      |  | 37,100  | 37,100  |



|  |       |                   |                   |
|--|-------|-------------------|-------------------|
| S.S Knitting & Design  |       | 21,825            | 21,825            |
| Salim Perfumery & Chemical Suppliers                         |       | 162,421           | 162,421           |
| Switch Color BD Ltd  |       | 68,060            | 68,060            |
| M/s Trims & knitting   |       | 98,180            | 98,180            |
| Glory Tapes Labiles  |       | 203,284           | 203,284           |
| KGN Corporation  |       | 146,400           | 146,400           |
| M/s Suroshakti   |       | 420,000           | 420,000           |
| M/s System Control   |       | 173,571           | 173,571           |
| M/s Ream Star Trade Accoocates                               |       | 152,700           | 152,700           |
| BMH knit Fabrics   |       | 597,961           | 597,961           |
| Great Tech Filter Manu                                       |       | 315,730           | 315,730           |
|  |       | <b>5,725,718</b>  | <b>5,725,718</b>  |
| <b>17.00 PROVISION AND OUTSTANDING EXPENSES</b>              |       |                   |                   |
| Ulitiy bills payable   |       | 3,352,458         | 3,352,458         |
| Salary and wages   |       | 4,308,175         | 6,658,727         |
| Sundry Creditors   | 17.01 | 2,031,217         | 2,031,217         |
| Provosion for Income Tax                                     | 17.02 | 47,586,938        | 47,586,938        |
| Audit fee payable  |       | 287,500           | 287,500           |
| Professional fees payable                                    |       | 75,000            | 75,000            |
| New factory building Construction bills payable              | 17.03 | 1,244,020         | 1,244,020         |
|  |       | <b>58,885,308</b> | <b>61,235,860</b> |
| <b>17.01 Sundry Creditors</b>                                |       |                   |                   |
| Ambia Knitting & Dyeing                                      |       | 110,250           | 110,250           |
| M/s Bright GP International                                  |       | 105,458           | 105,458           |
| City Tools Center  |       | 99,850            | 99,850            |
| M/s G M Enterprise   |       | 85,458            | 85,458            |
| M/s Irfan Enterprise   |       | 70,580            | 70,580            |
| Nuol Motors Ltd  |       | 725,129           | 725,129           |
| Noor Engineering Ltd   |       | 33,150            | 33,150            |
| Tital Machinery Center                                       |       | 50,980            | 50,980            |
| M/s Zamil Trading  |       | 81,425            | 81,425            |
| Victoria Press   |       | 45,116            | 45,116            |
| System Control   |       | 73,571            | 73,571            |
| Shuruchi toos center   |       | 10,154            | 10,154            |
| Shahji Traders   |       | 77,247            | 77,247            |
| Samsang computer   |       | 48,530            | 48,530            |
| S. Islam   |       | 87,000            | 87,000            |
| Rahimpur Eng. Works  |       | 9,040             | 9,040             |
| R.R Enterprise   |       | 37,500            | 37,500            |
| R.R Inperial Ele.  |       | 121,627           | 121,627           |
| Ovi Sing   |       | 10,000            | 10,000            |
| Nabila #Eng. Works   |       | 4,130             | 4,130             |
| Micropath Eng.   |       | 33,150            | 33,150            |
| M/s Noor Paper & Stationary                                  |       | 63,178            | 63,178            |
| M/s mostafa Enterprise                                       |       | 48,694            | 48,694            |
|  |       | <b>2,031,217</b>  | <b>2,031,217</b>  |
| <b>17.02 Provosion for Income Tax</b>                        |       |                   |                   |
| Opening Balance  |       | 47,586,938        | 47,586,938        |
| Add: Provison for previous years                             |       | -                 | -                 |
| Add: provision during the year                               |       | -                 | -                 |
| Less: Adjustments during the year                            |       | -                 | -                 |
|  |       | <b>47,586,938</b> | <b>47,586,938</b> |
| <b>17.03 New factory building Construction bills payable</b> |       |                   |                   |
| M/s Anis & Brothers  |       | 545,480           | 545,480           |
| M/s Inter Space  |       | 658,980           | 658,980           |
| M/s Khan Jahan Ali Builders                                  |       | 39,560            | 39,560            |
|  |       | <b>1,244,020</b>  | <b>1,244,020</b>  |





|   |          |                    |                    |
|---|----------|--------------------|--------------------|
| <b>18.00 SALES REVENUE</b>                      |          |                    |                    |
| Export Sales                                    |          | -                  | -                  |
| Less: RMG Central Fund                          |          | -                  | -                  |
|   |          | -                  | -                  |
| <b>19.00 COST OF SALES</b>                      |          |                    |                    |
| Ray Materials consumed - Yarn                   | 19.01    | -                  | -                  |
| Ray Materials consumed - Chemicals              | 19.02    | -                  | -                  |
| Consumable item- consumed                       | 19.03    | -                  | -                  |
| <b>Cost Materials consumed</b>                  |          | -                  | -                  |
| work in process - Opening                       |          | 80,845,848         | 80,845,848         |
| work in process - closing                       |          | 80,845,848         | 80,845,848         |
| <b>Change in work in process</b>                |          | -                  | -                  |
| Add: Manufacturing overhead                     | 19.04    | -                  | 17,232,503         |
| Add: Depreciation (Manufacturing)               |          | 151,436,791        | 169,144,507        |
| <b>Cost of Goods Manufactured</b>               |          | <b>151,436,791</b> | <b>186,377,010</b> |
| Finishing Goods - opening                       |          | 144,458,400        | 144,458,400        |
| Sample Making Expenses                          |          | -                  | -                  |
| Finishing Goods - Closing                       |          | 144,458,400        | 144,458,400        |
| <b>Change of finishing goods stock</b>          |          | -                  | -                  |
|   |          | <b>151,436,791</b> | <b>186,377,010</b> |
| <b>19.01 Ray Materials consumed - Yarn</b>      |          |                    |                    |
| Opening Stock                                   |          | 377,124,078        | 377,124,078        |
| Add: Purchase during the year                   |          | -                  | -                  |
| Raw Material available for production           |          | 377,124,078        | 377,124,078        |
| Less: Closing Stock                             |          | 377,124,078        | 377,124,078        |
|   |          | -                  | -                  |
| <b>19.02 Ray Materials consumed - Chemicals</b> |          |                    |                    |
| Opening Stock                                   |          | 50,125,458         | 50,125,458         |
| Add: Purchase during the year                   |          | -                  | -                  |
| Raw Material available for production           |          | 50,125,458         | 50,125,458         |
| Less: Closing Stock                             |          | 50,125,458         | 50,125,458         |
|   |          | -                  | -                  |
| <b>19.03 Consumable item- consumed</b>          |          |                    |                    |
| Opening Stock                                   |          | 25,551,254         | 25,551,254         |
| Add: Purchase during the year                   |          | -                  | -                  |
| Raw Material available for production           |          | 25,551,254         | 25,551,254         |
| Less: Closing Stock                             |          | 25,551,254         | 25,551,254         |
|   |          | -                  | -                  |
| <b>19.04 Manufacturing overhead</b>             |          |                    |                    |
| Salary & Wages                                  |          | -                  | 17,232,503         |
| Factory supplies                                |          | -                  | -                  |
| Medical Expenses                                |          | -                  | -                  |
| food & Tiffen                                   |          | -                  | -                  |
| Labor Charhe                                    |          | -                  | -                  |
| Carring Charge                                  |          | -                  | -                  |
| Power & Fuel                                    |          | -                  | -                  |
| Commercial Expenses                             |          | -                  | -                  |
| Printing & Stationary Expenses                  |          | -                  | -                  |
| Store consumption                               | 19.04.01 | -                  | -                  |
| Insurance premium                               |          | -                  | -                  |
| Postage & stamp                                 |          | -                  | -                  |
| Convayance                                      |          | -                  | -                  |
| Telephone & Mobile Bill                         |          | -                  | -                  |





|   |          |                  |                   |
|---|----------|------------------|-------------------|
| Miscellaneous Expenses                                      |          | -                | -                 |
| Repair & Maintenance  | 19.04.02 | -                | -                 |
| Internet Charge   |          | -                | -                 |
| Lab testing charge  |          | -                | -                 |
| BSCIC Holding Tax   |          | -                | -                 |
|   |          | -                | <b>17,232,503</b> |
| <b>19.04.01 Store consumption</b>                           |          |                  |                   |
| Opening Balance   |          | 5,545,470        | 5,545,470         |
| Add: Purchase during the year                               |          | -                | -                 |
|   |          | <b>5,545,470</b> | <b>5,545,470</b>  |
| Less: Closing Balance                                       |          | 5,545,470        | 5,545,470         |
| Consumption during the year                                 |          | -                | -                 |
| <b>19.04.02 Repair &amp; Maintenance</b>                    |          |                  |                   |
| Plant & Machinery   |          | -                | -                 |
| Building & Shed   |          | -                | -                 |
| others  |          | -                | -                 |
|   |          | -                | -                 |
| <b>20.00 OPERATING EXPENSES</b>                             |          |                  |                   |
| Administrative Expenses                                     | 20.01    | 2,376,964        | 6,697,783         |
| Warehouse, Distribution & selling Expenses                  | 20.02    | -                | 1,672,081         |
|   |          | <b>2,376,964</b> | <b>8,369,864</b>  |
| <b>20.01 Administrative Expenses</b>                        |          |                  |                   |
| Salary & Allowance  |          | 2,376,964        | 4,997,803         |
| Stationery & Computer paper                                 |          | -                | -                 |
| Phone, Fax & Mobile Bill                                    |          | -                | -                 |
| Postage & Stamp   |          | -                | -                 |
| Tours & Travelling Expenses                                 |          | -                | -                 |
| Entertainment   |          | -                | -                 |
| Rent & other  |          | -                | -                 |
| Fees & Forms  |          | -                | -                 |
| Audit Fee   |          | -                | -                 |
| Legal & Professional Fee                                    |          | -                | -                 |
| Director Remunation & Fees                                  |          | -                | -                 |
| Miscellaneous Expenses                                      |          | -                | 1,699,980         |
| Vehicles Expenses   |          | -                | -                 |
| BSCIC Holding Tax   |          | -                | -                 |
| AGM Expenses  |          | -                | -                 |
| Depreciation  |          | -                | -                 |
|   |          | <b>2,376,964</b> | <b>6,697,783</b>  |
| <b>20.02 Warehouse, Distribution &amp; selling Expenses</b> |          |                  |                   |
| Salary & Allowance  |          | -                | -                 |
| Transportation, Handling & Air Freight Exp                  |          | -                | -                 |
| Power & Fuel  |          | -                | 1,672,081         |
| Electricity, Water & Gas                                    |          | -                | -                 |
| Repairs & Maintenance                                       |          | -                | -                 |
| Traveling Expenses  |          | -                | -                 |
| Sample Making Expenses                                      |          | -                | -                 |
| Postage & Carrier   |          | -                | -                 |
| Entertainment   |          | -                | -                 |
| Printing & Stationary                                       |          | -                | -                 |
| Miscellaneous Expenses                                      |          | -                | -                 |
| Advertisement Expenses                                      |          | -                | -                 |
| Sales promotion Expenses                                    |          | -                | -                 |
| Depreciation  |          | -                | -                 |
|   |          | -                | <b>1,672,081</b>  |



|              |   |                    |                    |
|--------------|---|--------------------|--------------------|
| <b>21.00</b> | <b><u>OTHER INCOME</u></b>                  |                    |                    |
|              | Sale of Wastage                             | -                  | -                  |
|              | Gain for Foreign Currency Fluctuation       | -                  | -                  |
|              | Interest Income                             | -                  | -                  |
|              |   | -                  | -                  |
| <b>22.00</b> | <b><u>FINANCIAL EXPENSES</u></b>            |                    |                    |
|              | Bank Charges                                | 3,915              | 138,222            |
|              | Interest on Borrowing and Bank Charge       | 153,506,233        | 186,023,524        |
|              |   | <b>153,510,148</b> | <b>186,161,746</b> |
| <b>24.00</b> | <b><u>EARNING PER SHARES (BASIC)</u></b>    |                    |                    |
|              | Net Profit / ( Loss) for the year           | (307,323,903)      | (380,908,620)      |
|              | Weighted Number of Ordinary Share           | 239,316,000        | 239,316,000        |
|              | <b>Basic Earning Per Shares</b>             | <b>(1.28)</b>      | <b>(1.59)</b>      |
| <b>24.01</b> | <b><u>EARNING PER SHARES (ADJUSTED)</u></b> |                    |                    |
|              | Net Profit / ( Loss) for the year           | (307,323,903)      | (380,908,620)      |
|              | Weighted Number of Ordinary Shares          | 239,316,000        | 239,316,000        |
|              | <b>Adjusted Earning Per Share</b>           | <b>(1.28)</b>      | <b>(1.59)</b>      |



**C & A Textiles Limited**  
**STATEMENT OF PROPERTY, PLANT & EQUIPMENT**  
**AS AT 30TH JUNE, 2019**

| Particulars                       | Cost                     |                          | Rate of Dep. (%) | Depreciation             |                        | Written Down Value as at 30.06.2019 |
|-----------------------------------|--------------------------|--------------------------|------------------|--------------------------|------------------------|-------------------------------------|
|                                   | Balance as on 01.07.2018 | Addition during the Year |                  | Balance as on 30.06.2019 | Charge during the year |                                     |
| Lawschold Land & Land Development | 69,716,323               | -                        | 5%               | 2,267,849                | 26,627,186             | 43,089,137                          |
| Factory Building                  | 439,535,365              | -                        | 10%              | 17,667,590               | 280,527,051            | 159,008,314                         |
| Plant & Machinery                 | 2,095,846,654            | -                        | 10%              | 109,759,771              | 1,108,008,716          | 987,837,938                         |
| Furniture & Fixture               | 85,435,092               | -                        | 10%              | 3,898,590                | 50,347,783             | 35,087,309                          |
| Water and Gas Line Installation   | 47,858,841               | -                        | 10%              | 3,037,381                | 20,522,408             | 27,336,433                          |
| Electrical Installation           | 113,958,382              | -                        | 10%              | 5,484,638                | 64,596,639             | 49,361,743                          |
| Electrical Equipment              | 25,311,448               | -                        | 10%              | 1,126,110                | 15,176,457             | 10,134,991                          |
| Generator                         | 127,254,832              | -                        | 10%              | 5,228,660                | 80,196,892             | 47,057,940                          |
| Fire Equipment                    | 11,888,581               | -                        | 10%              | 688,671                  | 5,690,540              | 6,198,041                           |
| Vehicles                          | 26,094,692               | -                        | 20%              | 1,552,845                | 19,883,313             | 6,211,379                           |
| Office Equipments                 | 13,523,616               | -                        | 10%              | 724,685                  | 7,001,453              | 6,522,163                           |
| Air Conditions                    | 13,275,222               | -                        | 20%              | -                        | 10,081,797             | 3,193,425                           |
| <b>Balance as on 30.06-2019</b>   | <b>3,069,699,048</b>     | <b>-</b>                 |                  | <b>151,436,791</b>       | <b>1,688,660,234</b>   | <b>1,381,038,814</b>                |



Place: Dhaka  
Date: 20.07.2023  
Ref.: GK/C/23-24/A/022



**G. KIBRIA & CO.**  
CHARTERED ACCOUNTANTS



**Independent Auditor's Report**  
To the Shareholders of C & A Textile Limited.

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

**Disclaimer of Opinion**

We were engaged to audit the financial statements of C & A Textile Limited which comprise the statement of financial position as at 30 June 2020, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

We do not express an opinion on the accompanying financial statements of the C & A Textile Limited because of the significance of the matter described in the Basis for Disclaimer of Opinion section of our report, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these financial statements.

**Basis for Disclaimer of Opinion**

(1) As disclosed in Note 07 for Trade and Other Receivable Taka 22,33,20,442/-, Note 08 for Advance, Deposit and prepayment Taka 20,05,53,155/-, Note 10 for Cash and Cash Equivalents for Taka 46,56,133/-, Note 11 for Share Capital Taka 2,39,31,60,000/-, Note 13 for Suspense Accounts Tk. (1,86,19,55,347)/-, Note 14 for Long Term Borrowings Tk. 1,40,61,52,172/-, Note 15 for Short Term Borrowings Tk. 82,03,00,666/-, Note 19 for Cost of Goods Sold Taka 13,68,89,905/- and Note 20 for Operating expenses Tk. 13,58,400/- to the financial statements, the company have not provided us sufficient appropriate audit evidence against the aforementioned amounts.

(2) Note 2.03 to the Financial Statements describe despite being experiencing unfavorable operating results, insufficient cash generation for debt servicing and uncertainty in revenue generation the Financial Statements are prepared based on the going concern concept due to having the Company's business plan & adequate resources to continue its operations in the foreseeable future.

In our view the Company's continuous unfavorable financial performance and cash generation ability, failed to provide future business plan and uncertain to pay the Bank loan for a number of years indicate that a material uncertainty exist that may cast significant doubt on the company's ability to continue as a going concern .

As a result, we were unable to opine whether the financial statements present fairly or not.



**Head Office:** Sadharan Bima Sadan (5th Floor), 24-25 Dilkusha Commercial Area, Dhaka – 1000, Bangladesh  
**Branch Office:** House 51, Road 14, Block-G, Niketon, Gulshan-1, Dhaka-1212  
**Email:** gkibria@gkibriaandco.com, kibria03@hotmail.com, **Web:** http://gkibriaandco.com  
**Tel:** +02-223-355-324, +02-4881-2331, +02-4881-2332





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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with 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. However, because of the matter described in the Basis for Disclaimer of Opinion section of our report, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on 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.

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, we also report the following:

a) we have obtained all the information and explanations except noted above 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 Company so far as it appeared from our examination of these books; and

c) the statements of financial position and statements of profit or loss and other comprehensive income dealt with by the report are in agreement with the books of accounts and returns.

Place: Dhaka  
Date: 20.07.2023  
Ref.: GKC/23-24/A/023

  
**Mohammad Showket Akber, FCA**  
Enrol.No.970  
Partner  
**G. Kibria & Co**  
Chartered Accountants  
DVC: 2307240970AS264710





**C & A Textiles Limited**  
**STATEMENT OF FINANCIAL POSITION**  
**AS AT JUNE 30, 2020**

| Particulars                          | Note  | Amount In Taka       |                      |
|--------------------------------------|-------|----------------------|----------------------|
|                                      |       | 30.06.2020           | 30.06.2019           |
| <b>ASSETS</b>                        |       |                      |                      |
| <b>NON-CURRENT ASSETS</b>            |       |                      |                      |
|                                      |       | 1,419,811,574        | 1,556,701,479        |
| Property, Plant & Equipments         | 03.00 | 1,244,148,909        | 1,381,038,814        |
| Security Deposits                    | 04.00 | 41,542,989           | 41,542,989           |
| Capital Work in Progress             | 05.00 | 134,119,676          | 134,119,676          |
| <b>CURRENT ASSETS</b>                |       |                      |                      |
|                                      |       | 1,112,180,238        | 1,113,547,795        |
| Inventory                            | 06.00 | 683,650,508          | 683,650,508          |
| Trade and Other Receivable           | 07.00 | 223,320,442          | 224,713,590          |
| Advance, Deposit & Prepayments       | 08.00 | 200,553,155          | 200,553,139          |
| Current Accounts with Sister Concern | 09.00 | -                    | -                    |
| Cash & Cash Equivalents              | 10.00 | 4,656,133            | 4,630,558            |
| <b>Total Assets</b>                  |       | <b>2,531,991,812</b> | <b>2,670,249,274</b> |
| <b>EQUITY AND LIABILITIES</b>        |       |                      |                      |
| <b>SHARE HOLDER'S EQUITY</b>         |       |                      |                      |
|                                      |       | 240,927,904          | 546,507,203          |
| Share Capital                        | 11.00 | 2,393,160,000        | 2,393,160,000        |
| Retained Earnings Previous           | 12.00 | (290,276,749)        | 15,302,550           |
| Suspense Accounts                    | 13.00 | (1,861,955,347)      | (1,861,955,347)      |
| <b>BANK LIABILITIES</b>              |       |                      |                      |
|                                      |       | 2,226,452,837        | 2,059,131,045        |
| Long Term Borrowings                 | 14.00 | 1,406,152,172        | 1,273,595,697        |
| Short Term Borrowings                | 15.00 | 820,300,666          | 785,535,346          |
| <b>CURRENT LIABILITIES</b>           |       |                      |                      |
|                                      |       | 64,611,071           | 64,611,026           |
| Trade and Other Payables             | 16.00 | 5,725,718            | 5,725,718            |
| Provision for Outstanding Expenses   | 17.00 | 58,885,353           | 58,885,308           |
| <b>Total Equity and Liabilities</b>  |       | <b>2,531,991,812</b> | <b>2,670,249,274</b> |


The annexed notes form an integral part of these financial statements

  
Chairman

  
Director


Director

  
Chief Executive Officer

  
Chief Financial Officer

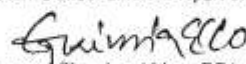
Chief Financial Officer

  
Director

  
Company Secretary

Company Secretary

Signed in terms of our annexed report of even date

  
Mohammad Showket Akber, FCA  
Partner  
Enrol No 970  
G.KIBRIA & CO.  
Chartered Accountants

Place: Dhaka  
Date: 20.07.2021  
Ref: GKC/23-24/A/023



**C & A Textiles Limited**  
**STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE PERIOD ENDED 30TH JUNE, 2020**

| Particulars  | Note  | Amount in Taka       |                      |
|--|-------|----------------------|----------------------|
|  |       | 2019-2020            | 2018-2019            |
| Sales Revenue                                      | 18.00 | -                    | -                    |
| Less: Cost of Goods Sales                          | 19.00 | 136,889,905          | 151,436,791          |
| <b>Gross Profit</b>                                |       | <b>(136,889,905)</b> | <b>(151,436,791)</b> |
| Less: Operating expenses                           | 20.00 | 1,358,400            | 2,376,964            |
| <b>Operating Profit /Loss</b>                      |       | <b>(138,248,305)</b> | <b>(153,813,755)</b> |
| Add: Other Income                                  | 21.00 | 162                  | -                    |
| <b>Profit before Financial Charges &amp; Taxes</b> |       | <b>(138,248,143)</b> | <b>(153,813,755)</b> |
| Less: Financial Charges                            | 22.00 | 167,331,112          | 153,510,148          |
| <b>Profit before Tax</b>                           |       | <b>(305,579,255)</b> | <b>(307,323,903)</b> |
| Less: Provision for Taxation                       |       | 45                   | -                    |
| <b>Net Profit After Tax</b>                        |       | <b>(305,579,300)</b> | <b>(307,323,903)</b> |
| <b>Earnings Per Share (EPS)</b>                    |       | <b>(1.28)</b>        | <b>(1.28)</b>        |

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


  
Chairman

  
Chief Executive Officer

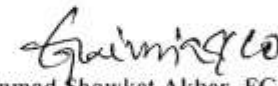
  
Director

  
Director

  
Chief Financial Officer

  
Company Secretary

Signed in terms of our annexed report of even date

  
Mohammad Showket Akber, FCA  
Partner  
Enrol.No.970  
G.KIBRIA & CO.  
Chartered Accountants

Place: Dhaka  
Date:20.07.2023  
Ref.:GKC/23-24/A/023



**C & A Textiles Limited**  
**STATEMENT OF CHANGES IN EQUITY**  
**FOR THE YEAR ENDED 30 JUNE, 2020**

| Particulars                        | Share capital        | Retained earnings    | Total              |
|------------------------------------|----------------------|----------------------|--------------------|
| Balance as at June 30, 2019        | 2,393,160,000        | 15,302,550           | 2,408,462,550      |
| Profit after tax for the year      | -                    | (305,579,300)        | (305,579,299)      |
| Stock Dividend                     | -                    | -                    | -                  |
| Cash Dividend                      | -                    | -                    | -                  |
| Unallocated Revenue Expenses       | -                    | -                    | -                  |
| Suspense Account                   | -                    | -                    | (1,861,955,347)    |
| <b>Balance as at June 30, 2020</b> | <b>2,393,160,000</b> | <b>(290,276,750)</b> | <b>240,927,904</b> |

**FOR THE YEAR ENDED 30 JUNE, 2019**

| Particulars                        | Share capital        | Retained earnings | Total              |
|------------------------------------|----------------------|-------------------|--------------------|
| Balance as at June 30, 2018        | 2,393,160,000        | 322,626,453       | 2,715,786,453      |
| Profit after tax for the year      | -                    | (307,323,903)     | (307,323,903)      |
| Stock Dividend                     | -                    | -                 | -                  |
| Cash Dividend                      | -                    | -                 | -                  |
| Unallocated Revenue Expenses       | -                    | -                 | -                  |
| Suspense Account                   | -                    | -                 | (1,861,955,347)    |
| <b>Balance as at June 30, 2019</b> | <b>2,393,160,000</b> | <b>15,302,550</b> | <b>546,507,203</b> |

Chairman

Chief Executive Officer

Director

Director

Chief Financial Officer

Company Secretary

Place: Dhaka  
Date: 20.07.2023  
Ref.: GKC/23-24/A/023



**C & A Textiles Limited**  
**STATEMENT OF CASH FLOWS**  
**AS AT JUNE 30, 2020**

|   | 30-06-2020<br><u>Taka</u> | 30-06-2019<br><u>Taka</u> |
|---|---------------------------|---------------------------|
| <b>A. Cash Flow From Operating Activities</b>     |                           |                           |
| Cash Collection from Sales                        | -                         | 641,147                   |
| Cash Collection from Other Sources                | 1,393,310                 | -                         |
|   | <b>1,393,310</b>          | <b>641,147</b>            |
| <b>Increase/ Decrease in</b>                      |                           |                           |
| Cash Paid to Suppliers, Employees and Others      | (1,367,735)               | (4,731,431)               |
| Cash Paid for Financial Expenses                  | -                         | -                         |
| Advanced Income Tax paid                          | -                         | -                         |
|   | <b>(1,367,735)</b>        | <b>(4,731,431)</b>        |
| <b>Net cash provided by operating activities</b>  | <b>25,575</b>             | <b>(4,090,284)</b>        |
| <b>B. Cash Flow From Investing Activities</b>     |                           |                           |
| Acquisition of Fixed Assets                       | -                         | -                         |
| Capital Work in Progress                          | -                         | -                         |
| Security Deposit                                  | -                         | -                         |
| Advance Realization                               | -                         | -                         |
| Advance for Gas Line Installation                 | -                         | -                         |
| <b>Net cash used by investing activities</b>      | <b>-</b>                  | <b>-</b>                  |
| <b>C. Cash Flow From Financial Activities</b>     |                           |                           |
| Increase/ ( Decrease) Long Term Loan from Bank    | -                         | -                         |
| Increase/ ( Decrease) Short Term Loan from Bank   | -                         | -                         |
| <b>Net cash used by financial activities</b>      | <b>-</b>                  | <b>-</b>                  |
| <b>Net Cash Generate during the year (A to C)</b> | <b>25,575</b>             | <b>(4,090,284)</b>        |
| Opening Cash and Cash equivalents                 | 4,630,558                 | 8,720,842                 |
| Closing Cash and Cash equivalents                 | <b>4,656,133</b>          | <b>4,630,558</b>          |
| <b>Net Operating Cash flow Per Share (NOCFPS)</b> | <b>0.00</b>               | <b>(0.02)</b>             |

Chairman

Chief Executive Officer

Director

Director

Chief Financial Officer

Company Secretary

Place: Dhaka  
Date: 20.07.2023  
Ref.: GKC/23-24/A/023





**C & A Textiles Limited**  
**NOTES TO THE ACCOUNTS**  
**FOR THE PERIOD ENDED JUNE 30, 2020**

**1.00 Reporting Entity and its Activities**

**1.01 Legal form of the Entity**

The Company was incorporated on February 19, 2001 as private company limited by shares under the Companies Act, 1994 vide certificate of incorporation no. C-3912/2001. The company was converted into a public Limited Company on 22 December 2012 along with the subdivision of face value of shares from Tk. 100 to Tk. 10 each. Its shares are listed with Dhaka Stock Exchange Ltd. and Chittagong Stock Exchange Ltd.

The registered office and production unit of the company is located at Plot No. 61, 62, 66, 67, 68, 72 & 73, BSCIC Industrial Estate Kalurghat (Ext), Chittagong, Bangladesh.

**1.02 Nature of Business Activities**

This is 100% export oriented company engaged in manufacturing fashionable knit garments in accordance with buyers' orders. It usually exports its produced garments to the buyers in Canada, USA, Germany and Europe.

**2.00 Significant Accounting Policy for the presentation o the financial Statements**

The specific accounting policies selected and applied by the company's management for significant transactions and events that have material effect within the framework of BAS-1 "Presentation of Financial Statements" in preparation and presentation of financial statements have been consistently applies throughout the year and were also consistent with those used in earlier years.

**2.01 Corporate Financial Statements**

The financial statements are prepared under the historical cost convention and in accordance with the requirements of the Companies Act, 1994, Securities and Exchange Rules 1987, Listing regulation of Dhaka Stock Exchange Limited (DSE) & Chittagong Stock Exchange Limited (CSE), Bangladesh Accounting Standards (BASs) Bangladesh Financial Reporting Standards (BFRSs) and as applicable to this Company. The Board of Directors are responsible for preparing and presenting the financial statements including adequate disclosures, who approved and authorized for issue of these financial statements.

**2.02 Use of estimates and Judgments**

The preparation of Financial Statements requires management to make estimates and assumptions that affect the reported amount of assets, liabilities, income and expenses. Due to inherent uncertainties involved in making estimates actual results may differ from those estimates and under lying assumptions are reviewed on a going concern basis.

**2.04 Property Plant and Equipment**

Property Plant and Equipment are accounted for according to BAS 16 "Property; Plant and Equipment" at historical cost less cumulative depreciation and the capital work in progress ( when arises) is stated at cost. All assets are depreciated/ amortized accounting to the straight-line method. The gain or loss arising on the disposal or retirement of an asset is determined as the difference as the difference between the sales proceeds and the carrying amount of the asset and is recognized as non-operating income/loss.



### 2.03 Going Concern

The company has adequate resources to continue in operation for the foreseeable future. The current credit facilities and resources of the company provides sufficient fund to meet the present requirements of its existing business. For this reason the directors continue to adopt going concern basis in preparing the Financial Statement.

| Category               | Rate (%) |
|------------------------|----------|
| Furniture & Fixtures   | 10%      |
| Office Decoration      | 10%      |
| Computer & Accessories | 20%      |
| Cookeries              | 20%      |
| IPS                    | 20%      |
| Air Condition          | 10%      |

### 2.04 Foreign Currency Translation

The financial statements are presented in Taka/Tk./BDT, which is company's functional currency. Transactions in foreign currencies are recorded in the books at the exchange rate prevailing on the date of the transaction. Assets and Liabilities outstanding at 30 June 2020 denominated in foreign currencies have been shown in Taka at the rate in terms of foreign currencies ruling on the statement of financial position date. Exchange difference arising on the settlement of monetary items or on translation monetary items at the end of the reporting period are recognized in statement of profit or loss and other comprehensive income as per BAS 21: The effects of Changes in Foreign Exchange Rates.

### 2.05 Reporting Period

The financial Statements covers one financial year from 1st July to 30th June of following year consistently.

### 2.06 Segment Reporting

No segmental reporting is applicable for the company as required by BFRS 8: "Segment Reporting" as the company operates in a single industry segment and within a single geographical territory.

### 2.07 Fundamental Accounting Concepts/ Assumption

The financial statements have been prepared under historical cost convention on accrual basis and such other convection as required by BAS-1and BFRS for fair presentation of financial statements.

### 2.08 Comparative information and Re-arrangement thereof

Comparative Information 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 income and value of assets and liabilities as reported in the Financial Statements.

### 2.09 Events after the Reporting Period

In compliance with the requirements of BAS 10: Adjusting events occurring after the reporting date are reflected in the financial statements and events after reporting date that are not adjusting events are disclosed in the notes when material.





## 2.10 Compliance with BAS

The following BAS have been applied in preparation of the financial statements for the

|        |   |
|--------|---|
| BAS 1  | Presentation of Financial Statements                            |
| BAS 2  | Inventories   |
| BAS 7  | Statement of Cash Flows   |
| BAS 8  | Accounting Policies, Changes in Accounting Estimates and Errors |
| BAS 10 | Events after the Reporting Period                               |
| BAS 12 | Income Tax  |
| BAS 16 | Property, Plant & Equipment                                     |
| BAS 17 | Leases  |
| BAS 18 | Revenue   |
| BAS 21 | The effects of Changes in foreign exchange rates                |
| BAS 23 | Borrowing   |
| BAS 24 | Costs Related Party Disclosures                                 |
| BAS 33 | Earnings Per Share  |
| BAS 36 | Impairment of Assets  |
| BAS 37 | Provisions, Contingent Liabilities and Contingent Assets        |
| BAS 39 | Financial Instrument: Recognition and Measurement               |

The related BFRSs are also complied for the preparation of these

## 2.11 Net Income Before Tax

**Net Income Before Tax for the year were not materially affected by:**

- (a) Transaction of a nature not usually undertaken by the company;
- (b) Circumstances of an exceptional or non-recurring nature;
- (c) Changes of credits relating to prior years; and
- (d) Changes in accounting policies.

## 2.12 Regulatory Compliance

The Financial Statements have been prepared in compliance with the following laws and regulations:

The Companies Act, 1994  
The Income Tax Ordinance, 1984  
The Income Tax Rules, 1984  
The Value Added Tax (VAT) Act, 1991.  
The Customs Act, 1969  
Security and Exchange Rules, 1987  
Security and Exchange Ordinance, 1993

## 2.13 Property, Plant and Equipment

### 2.13.1 Recognition and measurement of Property, Plant and Equipment



Property, Plant and Equipment have been stated at written down value, Accumulated historical cost and depreciation have been shown in the Financial Statements. The cost of acquisition comprises of purchase price, including import duties and non-refundable Taxes and any directly attributable cost of bringing the assets to its state of intended use. Expenditure incurred after the assets have been put into operation, such as repairs and maintenance is normally charged off as revenue expenditure in the period 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 the fixed assets, the expenditure is capitalized as an addition to cost of the assets.

### 2.13.2 Depreciation of Tangible Fixed Assets

Depreciation on Property, Plant & Equipment other than leasehold Land & Land Development have been computed during the year using the reducing balance method so as to write off the assets over their expected useful life. Depreciation has been charged on addition of the basis of when it is available for use.

Leasehold land and land development-taken from BSCIC I/E, Kalurghat, Chittagong on lease is being amortized over 20 years.

After considering the useful life of assets as per BAS-16, the annual depreciation rates have been applied as under which is considered reasonable by the management.

| <u>Items of Property, Plant &amp; Equipment</u> | <u>2020 -<br/>Rate %</u> | <u>2019<br/>Rate %</u> |
|---|--------------------------|------------------------|
| Leasehold Land & Land Development               | 5                        | 5                      |
| Factory Building                                | 10                       | 10                     |
| Plant & Machinery                               | 10                       | 10                     |
| Furniture & Fixture                             | 10                       | 10                     |
| Water and Gas Line Installation                 | 10                       | 10                     |
| Electrical Installation                         | 10                       | 10                     |
| Electrical Equipment                            | 10                       | 10                     |
| Generator                                       | 10                       | 10                     |
| Fire Equipment                                  | 10                       | 10                     |
| Vehicles  | 20                       | 20                     |
| Office Equipments                               | 10                       | 10                     |
| Air Conditions                                  | 20                       | 20                     |

### 2.13.3 Impairment of assets

All assets have been reviewed according to BAS 36 and it was confirmed that no such assets have been impaired during the year and for this reason no provision has been made for Impairment of assets.

### 2.14 Inventories

Inventories are measured at the lower of cost and net realizable as prescribed by BAS-2. The cost of inventories is based on the weighted average method and includes expenditure incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their existing location and condition. In the case of manufactured inventories and work-in-progress, cost includes an appropriate allocation of production overheads based on normal operation capacity.



| <b>Nature of Inventories</b> | <b>Basic of valuation</b>  |
|------------------------------|--|
| Raw Materials                | Weighted Average Cost  |
| Work-in-progress             | Martial cost Plus Proportionate Converting cost based on percentage of completion. |
| Chemicals & Store            | Weighted Average Cost  |
| Finished goods               | At lower of cost or net realizable value   |

## 2.15 Financial Instruments

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

### 2.15.1 Financial Assets

Financial assets of the company include cash and cash equivalents, equity instrument of another entity, trade 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 contractual rights or probabilities of receiving the cash flows from the assets 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 reward of ownership of the financial assets are transferred.

### 2.15.2 Cash and Cash Equivalents

According to BAS 7 'Statement of Cash Flows' cash comprises of cash in hand, cash at Bank, demand deposits, FDR and cash equivalents which are short term highly liquid investments that are readily convertible to cash and which are subject to an insignificant risk of changes in value. BAS 1 "Presentation of Financial Statements" provides that Cash & Cash Equivalents are not restricted in use. Considering the provision of BAS 7 & BAS 1, Cash in Hand & Bank Balance including FDR have been treated as Cash & Cash Equivalents.

### 2.15.3 Available for Sale of Financial Assets

During the year the company had no financial asset for sale.

### 2.15.4 Trade Receivable

Trade receivable is carried at invoice amount without making any provision for doubtful debts, because of the fact that sales / export are being based on 100% confirmed letter of credit basis with fixed maturity dates and confirmed by Letter of credit.

### 2.15.4 Financial Liabilities

The company initially recognizes financial liabilities on the transaction date at which the company becomes a party to the contractual provision of the liability. The company derecognizes a financial liability when it's contractual obligations are discharged or cancelled or expired. Financial liabilities are recognized initially at fair value less ay directly attributable transactions costs. Subsequently to initial recognition, these financial liabilities are measured at amortized cost using the effective interest method. Financial liabilities include loan and borrowing, trade creditors, liabilities for expenses and liabilities for other finance.



## 2.16 Income Tax

### 2.16.1 Current Tax

A provision for Taxation was calculated as per Income Tax Ordinance 1984.

### 2.16.2 Deferred Tax

The company did not recognise deferred tax during the year.

## 2.17 Revenue Recognition

### a) Sales of Goods

Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns, trade discounts and volume rebates as per BAS-18. Revenue is recognized when the significant risks and reward of ownership have been transferred to the buyer, recovery of the consideration is probable, the associated costs and possible return of goods can be estimated reliably & there is no containing management involvement with the goods sold. Transfer of risk and rewards occurs for the sale of goods when the shipment made and invoices raised.

b) Interest income is recognized when it is credited by respective bank.

c) Dividend income is recognized when the right to receive payment is established.

## 2.18 Sales Revenue

Sales revenue includes only export of garments.

## 2.19 Financial Expenses

Financial expenses comprise interest on borrowings and bank charges. All financial expenses are recognized in the statement of profit or loss and other comprehensive income based on the statement received from Financial Institutions.

## 2.20 Employee Benefit Plan:

The company maintains defined benefit plan of 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 provision of BAS 19: Employee Benefits.

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

The company's employee benefits include the following:





**a) Short-Term Employee Benefits**

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

**b) Workers Profit Participation Fund**

We are a 100% export oriented composite knit garments industry and member of BGMEA and BKMEA. As per Sub-Section 3 of Section 232 of Bangladesh Labour Act (Amendment) 2013 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 provision with regard to formation of sector-based central fund comprising of buyers and owners, from aboard 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."

We didn't start making provision for WPPF because of not yet forming Board for fund raise and utilization by the government. The Board shall format the rules of determination of subscription, procedure of collection and utilization of fund. We are 100% export oriented company also the member of BGMEA and BKMEA, that's why company can't recognize WPPF before forming Board for fund and utilization by the Authority.

**2.21 Statement of Cash Flow**

Statement of Cash Flow has been prepared principally in accordance with BAS-7 "Statement of Cash Flow" and the cash flows from the operating activities have been presented under direct method.

**2.22 Provisions**

In accordance with the guidelines as prescribed by BAS-37: Provisions, Contingent Liabilities and Cotangent Assets, provisions are recognized in the following situations:

- a. when the company has an obligation (legal or constructive) as a result of past events;
- b. when it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
- c. reliable estimates can be made of the amount of the obligation.

**2.23 Earning Per Share**

This has been calculated in compliance with the requirements of BAS 33: Earnings Per Share has been calculated the profit attributable to ordinary equity holders of the company divided by the weighted average number of ordinary shares outstanding during the period and retrospective effect has also been given for calculation of previous years earnings as well to conform the current years presentation.



## 2.24 Diluted Earnings per Share

No diluted Earnings per Share was required to be calculated for the year under review as there is no scope for dilution of Earnings Per Share for the year.

## 2.25 Components of Financial Statements

The financial statements comprise the following;

- \* Statement of Financial Position as at 30th June 2020
- \* Statement of Profit or Loss and Other Comprehensive Income for the year ended 30th June 2020
- \* Statement of Changes in Equity for the year ended 30th June 2020
- \* Statement of Cash Flows for the year ended 30th June 2020
- \* Accounting Policies and explanatory notes to the Financial Statements.

## 2.26 General

a) The figures appearing in these financial statements are expressed in Taka currency and rounded off to the nearest Taka.

b) Previous year's figures have been rearranged, where necessary, to conform to current year's presentation.

|  | 30.06.2020           | 30.06.2019           |
|--|----------------------|----------------------|
|  | <u>Taka</u>          | <u>Taka</u>          |
| <b>3.00 PROPERTY, PLANT AND EQUIPMENT</b>  |                      |                      |
| Opening Balance                            | 3,069,699,048        | 3,069,699,048        |
| Addition During the year                   | -                    | -                    |
| <b>Total Assets Value at cost</b>          | <b>3,069,699,048</b> | <b>3,069,699,048</b> |
| Disposal/Adjustment during the Year        | -                    | -                    |
| Accumulated Depreciation as on 30.06.2020  | 1,825,550,139        | 1,688,660,234        |
| <b>Written Down Value as on 30.06.2020</b> | <b>1,244,148,909</b> | <b>1,381,038,814</b> |

Details of Property, Plant & Equipments have been shown in Annexure-A.

## 4.00 SECURITY DEPOSIT

|  |                   |                   |
|--|-------------------|-------------------|
| Polly Bidyut Samity(PBS)- Electricity    | 240,000           | 240,000           |
| Bakhrabad Gas system Ltd- GAS line       | 1,057,439         | 1,057,439         |
| Karnaphuli Gas Dis.Co.Ltd (New Gas Line) | 39,560,550        | 39,560,550        |
| Anser Salary (Security Deposit)          | 350,000           | 350,000           |
| Water Treatment Plant (ETP)              | 335,000           | 335,000           |
|  | <b>41,542,989</b> | <b>41,542,989</b> |

## 5.00 CAPITAL WORK-IN PROGRESS

|                                      |                    |                    |
|--------------------------------------|--------------------|--------------------|
| Construction of new bulding (Unit-2) | 134119676          | 134,119,676        |
|                                      | <b>134,119,676</b> | <b>134,119,676</b> |

Capital work-in progress represents four storeys of factory building o the company which construction. The factory building will be transferred to property, plant and equipments as per BAS 16 which it will be fully ready to used.





Total land area on which the building is constructed is 43.35 kathas or 31,218 and space per floor of the building 28,500 sqft.

**6.00 INVENTORIES**

|                     |                    |                    |
|---------------------|--------------------|--------------------|
| Raw Materials- Yarn | 377,124,078        | 377,124,078        |
| Chemicals           | 50,125,458         | 50,125,458         |
| Work in Process     | 80,845,848         | 80,845,848         |
| Consumable Items    | 25,551,254         | 25,551,254         |
| Finished Goods      | 144,458,400        | 144,458,400        |
| Store Items         | 5,545,470          | 5,545,470          |
|                     | <b>683,650,508</b> | <b>683,650,508</b> |

**7.00 TRADE RECEIVABLE**

The amount represents receivable on 30 June 2020 from foreign buyers against export of Garments This we considered as fully secured and guaranteed receivable by export letter of credit and considered good and realizable within one year as per terms of exports letter of credit.

**Ageing of Trade Receivable**

|                   |                    |                    |
|-------------------|--------------------|--------------------|
| Due above 6 Month | 223,320,442        | 224,713,590        |
|                   | <b>223,320,442</b> | <b>224,713,590</b> |

We have not received any documents of Export bills, Letter of Credit or Sales Contract.

The Classification of receivable as required by the Schedule XI of the Companies Act 1994 is given below.

Receivable considered good in respect of which the company is fully secured

Receivable considered good in respect of which the company holds on security other than debtors' personal security

Receivable considered doubtful or bad

Receivable due by common Management

The minimum amount of receivable due by any director or other officer of the company

|                    |                    |
|--------------------|--------------------|
| -                  | -                  |
| -                  | -                  |
| -                  | -                  |
| 223,320,442        | 224,713,590        |
| -                  | -                  |
| <b>223,320,442</b> | <b>224,713,590</b> |

The above is this amount of receivables against export bills as on June 30, 2020

|                                 |                    |                    |
|---------------------------------|--------------------|--------------------|
| M/s Tennanova                   | 89,423,641         | 89,423,641         |
| M/s Peacocks Store              | 78,124,564         | 78,124,564         |
| M/s Bonnache                    | 45,234,572         | 45,234,572         |
| M/s Us polo                     | 17,895,461         | 17,895,461         |
| M/s Trinity                     | 78,964,123         | 78,964,123         |
| M/s Blacks                      | 47,812,651         | 47,812,651         |
| M/s carters                     | 46,971,327         | 46,971,327         |
| M/s Williams                    | 78,236,410         | 78,236,410         |
| M/s Miles                       | 68,971,264         | 68,971,264         |
| M/s Morrisons                   | 12,478,913         | 12,478,913         |
| M/s Riachuelo                   | 90,799,463         | 90,799,463         |
| M/s Oshkosh B'goth              | 27,451,931         | 27,451,931         |
|                                 | <b>682,364,320</b> | <b>682,364,320</b> |
| Less: Collection from 2016-2017 | 391,063,364        | 391,063,364        |
| Less: Collection from 2017-2018 | 65,946,219         | 65,946,219         |
| Less: Collection from 2018-2019 | 641,147            | 641,147            |
| Less: Collection from 2019-2020 | 1,393,148          | -                  |
|                                 | <b>223,320,442</b> | <b>224,713,590</b> |



**8.00 ADVANCE, DEPOSIT & PRE-PAYMENT**

|                                       |      |                    |                    |
|---------------------------------------|------|--------------------|--------------------|
| Advance & prepayments                 | 8.01 | -                  | -                  |
| Advance to Lesshold Land              | 8.02 | 147,153,700        | 147,153,700        |
| Sundry Advance                        | 8.03 | -                  | -                  |
| Advance Income Tax                    | 8.04 | 31,399,455         | 31,399,439         |
| L/C Margin ( Machinery)               |      | -                  | -                  |
| L/C Margin for Import                 |      | -                  | -                  |
| Advance against Gas Line Installation |      | 22,000,000         | 22,000,000         |
| Advance against New factory           | 8.05 | -                  | -                  |
|                                       |      | <b>200,553,155</b> | <b>200,553,139</b> |

**8.01 Advance and Prepayments**

|   |   |   |
|---|---|---|
| Advance to Employees ( Staff & Workers)         | - | - |
| Advance office Rent                             | - | - |
| M/s Chalkmark (Md. Ballal Hossain)              | - | - |
| Advance to TNR Enterprice ( Accounts Swiftware) | - | - |
|   | - | - |

**8.02 Advance to Leasehold Land**

|   |                    |                    |
|---|--------------------|--------------------|
| Leassehold Land a Kalurghat BSCIC, Ctg. | 147,153,700        | 147,153,700        |
|   | <b>147,153,700</b> | <b>147,153,700</b> |

This advance payments has been made to landload through Agrani Bank Ltd. Chittagong for acquisition of leasehold land. The land is located at 69,70 & 71 BSCIC I/E, Kalorghat Chittagong.

**8.03 Sundry Advance**

|                                     |   |   |
|-------------------------------------|---|---|
| M/s Choton ( New office decoration) | - | - |
| M/s Lotus Trade Syndicate           | - | - |
| M/s Lucky Enterprise                | - | - |
| M/s Muna Enterprise                 | - | - |
| 3G appareal figo                    | - | - |
| M/s Ali Trading                     | - | - |
| Anower & Iqbal Electrical           | - | - |
| Aroma Fabrics                       | - | - |
| Axiom Fashion Ltd                   | - | - |
| Base Textile Ltd                    | - | - |
| Clifton Group                       | - | - |
| E.R Knitware                        | - | - |
| Eastran Dressess Limited            | - | - |
| Global Knitwear                     | - | - |
| Mam Appareals                       | - | - |
| Sundry Advance ( Garments Division) | - | - |
| Sundry Advance ( Textile Division)  | - | - |
| Mithun Knitwear                     | - | - |
| Momo Fashion                        | - | - |
| Raiham Fashion                      | - | - |
| S. Enterprise                       | - | - |
| Sadif Fashion Ltd                   | - | - |
| Taher Sons Fashion Ltd              | - | - |
|                                     | - | - |



|  |                      |                      |
|--|----------------------|----------------------|
| <b>8.04 Advance Income Tax</b>                     |                      |                      |
| Opening Balance                                    | 31,399,439           | 31,399,439           |
| Add: Tax deduction at source during the year       | 16                   |                      |
|  | <b>31,399,455</b>    | <b>31,399,439</b>    |
| Less: Adjustment during the year                   | -                    | -                    |
|  | <b>31,399,455</b>    | <b>31,399,439</b>    |
| <b>8.05 Advance Against new Factory Building</b>   |                      |                      |
| M/s Inter space                                    | -                    | -                    |
| M/s Hafiz Ahmed (Contractor)                       | -                    | -                    |
|  | -                    | -                    |
| <b>9.00 CURRENT ACCOUNTS WITH SISTER CONCERN</b>   |                      |                      |
| C & A Fashion Limited                              | -                    | -                    |
| Knit Express Limited                               | -                    | -                    |
|  | -                    | -                    |
| <b>10.00 CASH AND CASH EQUIVALENTS</b>             |                      |                      |
| Cash in hand                                       | -                    | -                    |
| Cash at Bank                                       | 4,656,133            | 4,630,558            |
| FSIBL - Agrabad Branch ( A/C No. 010411100011495 ) | 28,610               | 4,630,558            |
| BRAC Bank, Head Office, Dhaka                      | 4,627,523            | -                    |
| FSIBL - Gulshan Branch ( A/C No. 100211100019465)  | -                    | -                    |
| MTBL - Kalurghat Branch (CD)                       | -                    | -                    |
| MTBL - Kalurghat Branch (SND)                      | -                    | -                    |
| EXIM Bank Ltd. - Agrabad Branch                    | -                    | -                    |
| FSIBL - Agrabad Branch (Garments Unit)             | -                    | -                    |
| Eastran Bank - Agrabad Branch                      | -                    | -                    |
| FSIBL - Mohona Br. Chattigong                      | -                    | -                    |
| SBAC - Agrabad Branch                              | -                    | -                    |
| EXIM Bank Ltd. - SK. Mujib Road Branch             | -                    | -                    |
| FSIB 1040752000004266                              | -                    | -                    |
| FDR on FSIBL & EXIM Bank , Agrabad Br.             | -                    | -                    |
| <b>IPO Accounts</b>                                |                      |                      |
| FSIBL (IPO Account), Agrabad Br. (SND)             | -                    | -                    |
| FSIBL (IPO Account)FDR, Agrabad Br. (SND)          | -                    | -                    |
| BRAC Bank, Head office, Dhaka (DBT)                | -                    | -                    |
| BRAC Bank, Head office, Dhaka (US Dollar Accounts) | -                    | -                    |
|  | <b>4,656,133</b>     | <b>4,630,558</b>     |
| <b>11.00 SHARE CAPITAL</b>                         |                      |                      |
| Bangladesh Shoes Ind. Ltd                          | 112,820,400          | 112,820,400          |
| Gazi Golam Zakaria Jyoti                           | 47,863,200           | 47,863,200           |
| Iftekhar Abdul Hai                                 | 47,863,200           | 47,863,200           |
| IPO Shareholders                                   | 1,313,552,780        | 1,313,552,780        |
| Others Shareholders (Placement)                    | 354,821,620          | 354,821,620          |
| Rukshana Morshed                                   | 444,444,000          | 444,444,000          |
| Sharmin Akter Lovely                               | 71,794,800           | 71,794,800           |
|  | <b>2,393,160,000</b> | <b>2,393,160,000</b> |



**11.01 SHARE CAPITAL:**

**Authorized Capital:**

300,000,000 ordinary shares of Tk. 10/= each.

**3,000,000,000**      **3,000,000,000**

**11.02 Issued, Subscribed and Paid-up Capital:**

217,560,000 ordinary shares Tk. 10/= each fully paid-up.

2,393,160,000      2,393,160,000  
**2,393,160,000**      **2,393,160,000**

The shareholding position of the company at 30 June 2020 is as under

| Name of Directors           | Designation  | No. of shares      | Percentage | Amount in Tk.        |
|-----------------------------|--------------|--------------------|------------|----------------------|
| Rukshana Morshed            | MD           | 44,444,400         | 18.00      | 444,444,000          |
| BD Shoes Ind. Ltd           | Director     | 11,282,040         | 5.00       | 112,820,400          |
| Sharmin Akther Lovely       | Director     | 7,179,480          | 3.00       | 71,794,800           |
| Gazi Golam Zakaria Jyoti    | Chairman     | 4,786,320          | 2.00       | 47,863,200           |
| Iftekhar Abdul Hai          | Director     | 4,786,320          | 2.00       | 47,863,200           |
| others shareholder(Placemen | shareholders | 35,482,162         | 15.00      | 354,821,620          |
| IOP Shareholders (Public)   | shareholders | 131,355,278        | 55.00      | 1,313,552,780        |
| Total                       |              | <b>239,316,000</b> | <b>100</b> | <b>2,393,160,000</b> |

**12.00 RETAIN EARNINGS**

Opening Balance

15,302,550      322,626,453

Less: Bonus Dividend for the Year ended 30 June 2020

-      -

Add: Net Profit/ (Net Loss) during the year

(305,579,255)      (307,323,903)

Less : Adjustment for income TAX 2019-2020

(45)      -

**(290,276,749)**      **15,302,550**

**13.00 SUSPENSE ACCOUNTS**

Opening Difference of Loans and Bank Balances

1,099,847,332      1,099,847,332

Current Accounts with Sister Concerns

687,873      687,873

Written off Advances

26,005,055      26,005,055

Previous Year Supplier Payment

535,415,087      535,415,087

Loan- Union Capital Ltd

200,000,000      200,000,000

**1,861,955,347**      **1,861,955,347**

**14.00 LONG TERM BORROWINGS**

Long Term Loan

-      -

FSIBL 0104734000000001

1,108,848,804      995,587,357

FSIBL 0104734000000002

6,404,227      6,224,888

FSIBL 0104734000000003

32,009,679      31,113,309

FSIBL 0104734000000004

37,011,220      35,974,791

FSIBL 0104734000000005

4,846,471      4,710,755

FSIBL 0104734000000006

3,756,752      3,651,532

FSIBL 0104734000000007

127,353,533      117,674,541

FSIBL 0104734000000008

8,165,360      7,477,361

FSIBL 0104734000000009

11,634,898      10,648,682

FSIBL 0104734000000010

66,121,227      60,532,481

**1,406,152,172**      **1,273,595,697**

**Terms & Conditions of Term Loan**

The loan has been taken fist Securities Islami Bank Ltd. Agrabad Br. Chittagong for acquisition of leasehold land and Plant and Machinery of the company on the following terms and conditions





|                   |                                |
|-------------------|--------------------------------|
| Rate of Interest  | : 13.00%                       |
| Sanction Amount   | : 320 Million                  |
| Tenor             | : 7 years                      |
| Moralorium Period | : 6 Months                     |
| Security          | : Factory Building & Machinery |

**15.00 SHORT TERM BORROWINGS**

|                      |       |                    |                    |
|----------------------|-------|--------------------|--------------------|
| C&A Textiles Ltd.:   | 15.01 | 324,880,064        | 314,507,271        |
| C & A Fashions Ltd.: | 15.02 | 295,420,602        | 271,028,076        |
| Union Capital Ltd.   |       | 200,000,000        | 200,000,000        |
|                      |       | <b>820,300,666</b> | <b>785,535,346</b> |

**15.01 C&A Textiles Ltd.:**

**Short Term Loan**

|                              |                    |                    |
|------------------------------|--------------------|--------------------|
| FSIB 010472400009342 (CASH)  | 110,151,814        | 101,971,977        |
| FSIB 010472400009346 (CASH)  | 10,038,667         | 10,038,667         |
| FSIB 010472400002670 (HYPO)  | 8,832,835          | 6,664,879          |
| FSIB 010472400002673 (HYPO)  | 8,859,763          | 8,834,763          |
| FSIB 010472400002674 (HYPO)  | 19,481,786         | 19,481,786         |
| FSIB 010472400002675 (HYPO)  | 32,146,562         | 32,146,562         |
| FSIB 010472400002684 (HYPO)  | 35,698,961         | 35,698,961         |
| FSIB 010472400002698 (HYPO)  | 32,980,723         | 32,980,723         |
| FSIB 0104724000027591 (HYPO) | 2,684,583          | 2,684,583          |
| FSIB 010472400002792 (HYPO)  | 1,283,086          | 1,283,086          |
| FSIB 010472400002809 (HYPO)  | 46,235,500         | 46,235,500         |
| FSIB 010472400002812 (HYPO)  | 8,540,725          | 8,540,725          |
| FSIB 010472400009389 (CASH)  | 7,945,059          | 7,945,059          |
|                              | <b>324,880,064</b> | <b>314,507,271</b> |

**15.02 C & A Fashions Ltd.:**

|                       |                    |                    |
|-----------------------|--------------------|--------------------|
| FSIB 0104 75900000001 | 81,040,354         | 62,265,142         |
| FSIB 0104 75900000002 | 24,991,442         | 22,336,048         |
| FSIB 0104 75900000003 | 9,653,724          | 8,655,620          |
| FSIB 0104 75900000004 | 19,367,598         | 17,403,782         |
| FSIB 0104 75900000005 | 36,081,262         | 36,081,262         |
| FSIB 0104 75900000006 | 30,674,175         | 30,674,175         |
| FSIB 0104 75900000011 | 7,208,107          | 7,208,107          |
| FSIB 0104 75900000012 | 31,696,982         | 31,696,982         |
| FSIB 0104 75900000013 | 9,720,594          | 9,720,594          |
| FSIB 0104 75900000014 | 4,943,666          | 4,943,666          |
| FSIB 0104 75900000015 | 18,404,476         | 18,404,476         |
| FSIB 0104 75900000016 | 4,061,961          | 4,061,961          |
| FSIB 0104 75900000017 | 3,459,870          | 3,459,870          |
| FSIB 0104 75900000018 | 7,817,848          | 7,817,848          |
| FSIB 0104 75900000019 | 1,361,962          | 1,361,962          |
| FSIB 0104 75900000020 | 4,936,580          | 4,936,580          |
|                       | <b>295,420,602</b> | <b>271,028,076</b> |





**16.00 TRADE AND OTHER PAYABLE**

|                                      |                  |                  |
|--------------------------------------|------------------|------------------|
| M/s T&T Ind Cor.                     | 258,600          | 258,600          |
| M/s NSI                              | -                | -                |
| M/s Textrade                         | 569,200          | 569,200          |
| M/s Inotech Inds.                    | -                | -                |
| Brunal Textiles Ltd                  | 64,245           | 64,245           |
| Breau Veritas                        | 215,795          | 215,795          |
| Bright GI International              | 139,000          | 139,000          |
| Dream Knitting (BD) Ltd              | 569,730          | 569,730          |
| Dysin International Ltd              | 360,900          | 360,900          |
| ITS Labtest (BD) Ltd                 | 23,974           | 23,974           |
| J-K Soft Knit Ltd                    | 339,258          | 339,258          |
| JS Monndt International              | 330,000          | 330,000          |
| Maseo Export (BD) Ltd                | 46,333           | 46,333           |
| Mondol Knitwear Ltd                  | 411,451          | 411,451          |
| Rachi Textiles Ltd                   | 37,100           | 37,100           |
| S.S Knitting & Design                | 21,825           | 21,825           |
| Salim Perfumery & Chemical Suppliers | 162,421          | 162,421          |
| Switch Color BD Ltd                  | 68,060           | 68,060           |
| M/s Trims & knitting                 | 98,180           | 98,180           |
| Glory Tapes Labiles                  | 203,284          | 203,284          |
| KGN Corporation                      | 146,400          | 146,400          |
| M/s Souroshakti                      | 420,000          | 420,000          |
| M/s System Control                   | 173,571          | 173,571          |
| M/s Ream Star Trade Accoocates       | 152,700          | 152,700          |
| BMH knit Fabrics                     | 597,961          | 597,961          |
| Great Tech Filter Manu               | 315,730          | 315,730          |
|                                      | <b>5,725,718</b> | <b>5,725,718</b> |

**17.00 PROVISION AND OUTSTANDING EXPENSES**

|   |                   |                   |
|---|-------------------|-------------------|
| Utility bills payable                           | 3,352,458         | 3,352,458         |
| Salary and wages                                | 4,308,175         | 4,308,175         |
| Sundry Creditors                                | 2,031,217         | 2,031,217         |
| Provosion for Income Tax                        | 47,586,983        | 47,586,938        |
| Audit fee payable                               | 287,500           | 287,500           |
| Professional fees payable                       | 75,000            | 75,000            |
| New factory building Construction bills payable | 1,244,020         | 1,244,020         |
|   | <b>58,885,353</b> | <b>58,885,308</b> |

**17.01 Sundry Creditors**

|                             |         |         |
|-----------------------------|---------|---------|
| Ambia Knitting & Dyeing     | 110,250 | 110,250 |
| M/s Bright GP International | 105,458 | 105,458 |
| City Tools Center           | 99,850  | 99,850  |
| M/s G.M Enterprise          | 85,458  | 85,458  |
| M/s Irfan Enterprise        | 70,580  | 70,580  |
| Nitol Motors Ltd            | 725,129 | 725,129 |
| Noor Engineering Ltd        | 33,150  | 33,150  |
| Tital Machinery Center      | 50,980  | 50,980  |
| M/s Zamil Trading           | 81,425  | 81,425  |
| Victoria Press              | 45,116  | 45,116  |
| System Control              | 73,571  | 73,571  |
| Shuruchi toos center        | 10,154  | 10,154  |
| Shahji Traders              | 77,247  | 77,247  |



|  |       |                    |                    |
|--|-------|--------------------|--------------------|
| Samsang computer   |       | 48,530             | 48,530             |
| S. Islam   |       | 87,000             | 87,000             |
| Rahimpur Eng. Works  |       | 9,040              | 9,040              |
| R.R Enterprise   |       | 37,500             | 37,500             |
| R.R Inperial Ele.  |       | 121,627            | 121,627            |
| Ovi Sing   |       | 10,000             | 10,000             |
| Nabila #Eng. Works   |       | 4,130              | 4,130              |
| Micropath Eng.   |       | 33,150             | 33,150             |
| M/s Noor Paper & Stationary                                  |       | 63,178             | 63,178             |
| M/s mostafa Enterprise                                       |       | 48,694             | 48,694             |
|  |       | <b>2,031,217</b>   | <b>2,031,217</b>   |
| <b>17.02 Provision for Income Tax</b>                        |       |                    |                    |
| Opening Balance  |       | 47,586,938         | 47,586,938         |
| Add: Provision for previous years                            |       | -                  | -                  |
| Add: provision during the year                               |       | 45                 | -                  |
| Less: Adjustments during the year                            |       | -                  | -                  |
|  |       | <b>47,586,983</b>  | <b>47,586,938</b>  |
| <b>17.03 New factory building Construction bills payable</b> |       |                    |                    |
| M/s Anis & Brothers  |       | 545,480            | 545,480            |
| M/s Inter Space  |       | 658,980            | 658,980            |
| M/s Khan Jahan Ali Builders                                  |       | 39,560             | 39,560             |
|  |       | <b>1,244,020</b>   | <b>1,244,020</b>   |
| <b>18.00 SALES REVENUE</b>                                   |       |                    |                    |
| Export Sales   |       | -                  | -                  |
| Less: RMG Central Fund                                       |       | -                  | -                  |
|  |       | <b>-</b>           | <b>-</b>           |
| <b>19.00 COST OF SALES</b>                                   |       |                    |                    |
| Ray Materials consumerd - Yarn                               | 19.01 | -                  | -                  |
| Ray Materials consumerd - Chemicals                          | 19.02 | -                  | -                  |
| Consumable item- consumed                                    | 19.03 | -                  | -                  |
| <b>Cost Materials consumed</b>                               |       | <b>-</b>           | <b>-</b>           |
| work in process - Opening                                    |       | 80,845,848         | 80,845,848         |
| work in process - closing                                    |       | 80,845,848         | 80,845,848         |
| <b>Change in work in process</b>                             |       | <b>-</b>           | <b>-</b>           |
| Add: Manufacturing overhead                                  | 19.04 | -                  | -                  |
| Add: Depreciation (Manufacturing)                            |       | 136,889,905        | 151,436,791        |
| <b>Cost of Goods Manufactured</b>                            |       | <b>136,889,905</b> | <b>151,436,791</b> |
| Finishing Goods - opening                                    |       | 144,458,400        | 144,458,400        |
| Sample Making Expenses                                       |       | -                  | -                  |
| Finishing Goods - Closing                                    |       | 144,458,400        | 144,458,400        |
| <b>Change of finishing goods stock</b>                       |       | <b>-</b>           | <b>-</b>           |
|  |       | <b>136,889,905</b> | <b>151,436,791</b> |



|  |             |             |
|--|-------------|-------------|
| <b>19.01 Ray Materials consumerd - Yarn</b>      |             |             |
| Opening Stock                                    | 377,124,078 | 377,124,078 |
| Add: Purchase during the year                    | -           | -           |
| Raw Material available for production            | 377,124,078 | 377,124,078 |
| Less: Closing Stock                              | 377,124,078 | 377,124,078 |
|  | -           | -           |
| <b>19.02 Ray Materials consumerd - Chemicals</b> |             |             |
| Opening Stock                                    | 50,125,458  | 50,125,458  |
| Add: Purchase during the year                    | -           | -           |
| Raw Material available for production            | 50,125,458  | 50,125,458  |
| Less: Closing Stock                              | 50,125,458  | 50,125,458  |
|  | -           | -           |
| <b>19.03 Consumable item- consumed</b>           |             |             |
| Opening Stock                                    | 25,551,254  | 25,551,254  |
| Add: Purchase during the year                    | -           | -           |
| Raw Material available for production            | 25,551,254  | 25,551,254  |
| Less: Closing Stock                              | 25,551,254  | 25,551,254  |
|  | -           | -           |
| <b>19.04 Manufacturing overhead</b>              |             |             |
| Salary & Wages                                   | -           | -           |
| Factory supplies                                 | -           | -           |
| Medical Exoenses                                 | -           | -           |
| food & Tiffen                                    | -           | -           |
| Labor Charhe                                     | -           | -           |
| Carring Charge                                   | -           | -           |
| Power & Fuel                                     | -           | -           |
| Commercial Expenses                              | -           | -           |
| Printing & Stationary Expenses                   | -           | -           |
| Store consumption                                | 19.04.01    | -           |
| Insurance premium                                | -           | -           |
| Postage & stamp                                  | -           | -           |
| Convayance                                       | -           | -           |
| Telephone & Mobile Bill                          | -           | -           |
| Miscellaneous Expenses                           | -           | -           |
| Repair & Maintenance                             | 19.04.02    | -           |
| Internet Charge                                  | -           | -           |
| Lab testing charge                               | -           | -           |
| BSCIC Holding Tax                                | -           | -           |
|  | -           | -           |
| <b>19.04.01 Store consumption</b>                |             |             |
| Opening Balance                                  | 5,545,470   | 5,545,470   |
| Add: Purchase during the year                    | -           | -           |
|  | 5,545,470   | 5,545,470   |
| Less: Closing Balance                            | 5,545,470   | 5,545,470   |
| Consumption during the year                      | -           | -           |
| <b>19.04.02 Repair &amp; Maintenance</b>         |             |             |
| Plant & Machinery                                | -           | -           |
| Building & Shed                                  | -           | -           |
| others   | -           | -           |
|  | -           | -           |



**20.00 OPERATING EXPENSES**

|  |       |                  |                  |
|--|-------|------------------|------------------|
| Administrative Expenses                    | 20.01 | 1,358,400        | 2,376,964        |
| Warehouse, Distribution & selling Expenses | 20.02 | -                | -                |
|  |       | <b>1,358,400</b> | <b>2,376,964</b> |

**20.01 Administrative Expenses**

|                              |                  |                  |
|------------------------------|------------------|------------------|
| Salary & Allowance           | 1,358,400        | 2,376,964        |
| Stationary & Computer paper  | -                | -                |
| Phone, Fax & Mobile Bill     | -                | -                |
| Postage & Stamp              | -                | -                |
| Tours & Travelling Expenses  | -                | -                |
| Entertainment                | -                | -                |
| Rent & other                 | -                | -                |
| Fees & Forms                 | -                | -                |
| Audit Fee                    | -                | -                |
| Legal & Professional Fee     | -                | -                |
| Director Remuneration & Fees | -                | -                |
| Miscellaneous Expenses       | -                | -                |
| Vehicles Expenses            | -                | -                |
| BSCIC Holding Tax            | -                | -                |
| AGM Expenses                 | -                | -                |
| Miscellaneous Expenses       | -                | -                |
| Depreciation                 | -                | -                |
|                              | <b>1,358,400</b> | <b>2,376,964</b> |

**20.02 Warehouse, Distribution & selling Expenses**

|   |   |   |
|---|---|---|
| Salary & Allowance                          | - | - |
| Transportation, Handling & Air Freight Exp. | - | - |
| Power & Fuel                                | - | - |
| Electricity, Water & Gas                    | - | - |
| Repairs & Maintenance                       | - | - |
| Traveling Expenses                          | - | - |
| Sample Making Expenses                      | - | - |
| Postage & Courier                           | - | - |
| Entertainment                               | - | - |
| Printing & Stationary                       | - | - |
| Miscellaneous Expenses                      | - | - |
| Advertisement Expenses                      | - | - |
| Sales promotion Expenses                    | - | - |
| Depreciation                                | - | - |
|   | - | - |

**21.00 OTHER INCOME**

|                                       |            |   |
|---------------------------------------|------------|---|
| Sale of Wastage                       | -          | - |
| Gain for Foreign Currency Fluctuation | -          | - |
| Interest Income                       | 162        | - |
|                                       | <b>162</b> | - |

**22.00 FINANCIAL EXPENSES**

|                                       |                    |                    |
|---------------------------------------|--------------------|--------------------|
| Bank Charges                          | 34,319             | 3,915              |
| Interest on Borrowing and Bank Charge | 167,296,793        | 153,506,233        |
|                                       | <b>167,331,112</b> | <b>153,510,148</b> |



**23.00 EARNING PER SHARES (BASIC)**

|                                   |               |               |
|-----------------------------------|---------------|---------------|
| Net Profit / ( Loss) for the year | (305,579,300) | (307,323,903) |
| Weighted Number of Ordinary Share | 239,316,000   | 239,316,000   |
| <b>Basic Earning Per Shares</b>   | <b>(1.28)</b> | <b>(1.28)</b> |

**EARNING PER SHARES (ADJUSTED)**

|                                    |               |               |
|------------------------------------|---------------|---------------|
| Net Profit / ( Loss) for the year  | (305,579,300) | (307,323,903) |
| Weighted Number of Ordinary Shares | 239,316,000   | 239,316,000   |
| <b>Adjusted Earning Per Share</b>  | <b>(1.28)</b> | <b>(1.28)</b> |





**C & A Textiles Limited**  
**STATEMENT OF PROPERTY, PLANT & EQUIPMENT**  
**AS AT 30TH JUNE 2020**

| Particulars                        | Cost                     |                          |                          | Rate of Dep (%) | Depreciation           |                          | Written Down Value as at 30.06.2020 |
|------------------------------------|--------------------------|--------------------------|--------------------------|-----------------|------------------------|--------------------------|-------------------------------------|
|                                    | Balance as on 01.07.2019 | Addition during the Year | Balance as on 30.06.2020 |                 | Charge during the year | Balance as on 30.06.2020 |                                     |
| Livelihood Land & Land Development | 69,716,323               | -                        | 69,716,323               | 5.0%            | 2,154,457              | 28,781,642               | 40,934,681                          |
| Factory Building                   | 439,535,365              | -                        | 439,535,365              | 10.0%           | 15,900,831             | 296,427,882              | 143,107,483                         |
| Plant & Machinery                  | 2,095,846,654            | -                        | 2,095,846,654            | 10.0%           | 98,783,794             | 1,206,792,510            | 889,054,144                         |
| Furniture & Fixture                | 85,435,092               | -                        | 85,435,092               | 10.0%           | 3,508,731              | 53,836,514               | 31,598,578                          |
| Water and Gas Line Installation    | 47,858,841               | -                        | 47,858,841               | 10.0%           | 2,713,643              | 23,256,052               | 24,602,789                          |
| Electrical Installation            | 113,958,382              | -                        | 113,958,382              | 10.0%           | 4,936,174              | 69,532,813               | 44,425,569                          |
| Electrical Equipment               | 25,311,448               | -                        | 25,311,448               | 10.0%           | 1,013,499              | 16,189,956               | 9,121,492                           |
| Generator                          | 127,254,832              | -                        | 127,254,832              | 10.0%           | 4,705,794              | 84,902,686               | 42,352,146                          |
| Fire Equipment                     | 11,888,581               | -                        | 11,888,581               | 10.0%           | 619,804                | 6,310,344                | 5,578,237                           |
| Vehicles                           | 26,094,692               | -                        | 26,094,692               | 20.0%           | 1,242,276              | 21,125,589               | 4,969,103                           |
| Office Equipments                  | 13,523,616               | -                        | 13,523,616               | 10.0%           | 652,216                | 7,653,669                | 5,869,947                           |
| Air Conditions                     | 13,275,222               | -                        | 13,275,222               | 20.0%           | 638,685                | 10,720,482               | 2,554,740                           |
| <b>Balance as on 30-06-2020</b>    | <b>3,069,699,048</b>     | <b>-</b>                 | <b>3,069,699,048</b>     | <b>1</b>        | <b>1,36,889,905</b>    | <b>1,825,550,139</b>     | <b>1,244,148,909</b>                |



Place: Dhaka  
Date: 20.07.2023  
Ref: GK/C/23-24/A/023



**Independent Auditor's Report  
To the Shareholders of C & A Textile Limited.**

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

**Disclaimer of Opinion**

We were engaged to audit the financial statements of C & A Textile Limited which comprise the statement of financial position as at 30 June 2021, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

We do not express an opinion on the accompanying financial statements of the C & A Textile Limited because of the significance of the matter described in the Basis for Disclaimer of Opinion section of our report, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these financial statements.

**Basis for Disclaimer of Opinion**

(1) As disclosed in Note 07 for Trade and Other Receivable Taka 0.00/-, Note 08 for Advance, Deposit and prepayment Taka 20,05,53,155/-, Note 10 for Cash and Cash Equivalents for Taka 46,55,373/-, Note 11 for Share Capital Taka 2,39,31,60,000/-, Note 13 for Suspense Accounts Tk. (1,86,19,55,347)/-, Note 14 for Long Term Borrowings Tk. 1,54,10,83,758/-, Note 15 for Short Term Borrowings Tk. 86,77,49,834/-, Note 19 for Cost of Goods Sold Taka 80,67,71,049/- and Note 20 for Operating expenses Tk. 22,33,20,442/- to the financial statements, the company have not provided us sufficient appropriate audit evidence against the aforementioned amounts.

(2) Note 2.03 to the Financial Statements describe despite being experiencing unfavorable operating results, insufficient cash generation for debt servicing and uncertainty in revenue generation the Financial Statements are prepared based on the going concern concept due to having the Company's business plan & adequate resources to continue its operations in the foreseeable future.

In our view the Company's continuous unfavorable financial performance and cash generation ability, failed to provide future business plan and uncertain to pay the Bank loan for a number of years indicate that a material uncertainty exist that may cast significant doubt on the company's ability to continue as a going concern .

As a result, we were unable to opine whether the financial statements present fairly or not.



**Head Office:** Sadharan Bima Sadan (5th Floor), 24-25 Dilkusha Commercial Area, Dhaka – 1000, Bangladesh

**Branch Office:** House 51, Road 14, Block G, Niketon, Gulshan-1, Dhaka-1212

**Email:** gkibria@gkibriaandco.com, kibria03@hotmail.com, **Web:** <http://gkibriaandco.com>

**Tel:** +02-223-355-324, +02-4881-2331, +02-4881-2332

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with 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. However, because of the matter described in the Basis for Disclaimer of Opinion section of our report, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on 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.

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

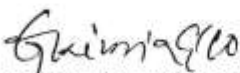
In accordance with the Companies Act 1994, we also report the following:

a) we have obtained all the information and explanations except noted above 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 Company so far as it appeared from our examination of these books; and

c) the statements of financial position and statements of profit or loss and other comprehensive income dealt with by the report are in agreement with the books of accounts and returns.

Place: Dhaka  
Date: 20.07.2023  
Ref.: GKC/23-24/A/024

  
Mohammad Showket Akber, FCA  
Enrol.No.970  
Partner  
G. Kibria & Co  
Chartered Accountants  
DVC: 2307240970A5797467



**C & A Textiles Limited**  
**STATEMENT OF FINANCIAL POSITION**  
**AS AT JUNE 30, 2021**

| Particulars                            | Note  | Amount in Taka       |                      |
|--|-------|----------------------|----------------------|
|  |       | 30.06.2021           | 30.06.2020           |
| <b>ASSETS</b>                          |       |                      |                      |
| <b>NON-CURRENT ASSETS</b>              |       |                      |                      |
| Property, Plant & Equipments           | 03.00 | 1,121,028,368        | 1,244,148,909        |
| Security Deposits                      | 04.00 | 41,542,989           | 41,542,989           |
| Capital Work in Progress               | 05.00 | 134,119,676          | 134,119,676          |
| <b>CURRENT ASSETS</b>                  |       |                      |                      |
| Inventory                              | 06.00 | -                    | 683,650,508          |
| Trade and Other Receivable             | 07.00 | -                    | 223,320,442          |
| Advance, Deposit & Prepayments         | 08.00 | 200,553,155          | 200,553,155          |
| Current Accounts with Sister Concern   | 09.00 | -                    | -                    |
| Cash & Cash Equivalents                | 10.00 | 4,655,373            | 4,656,133            |
| <b>Total Assets</b>                    |       | <b>1,501,899,560</b> | <b>2,531,991,812</b> |
| <b>EQUITY AND LIABILITIES</b>          |       |                      |                      |
| <b>SHARE HOLDER'S EQUITY</b>           |       |                      |                      |
| Share Capital                          | 11.00 | 2,393,160,000        | 2,393,160,000        |
| Retained Earnings Previous             | 12.00 | (1,502,749,755)      | (290,276,749)        |
| Suspense Accounts                      | 13.00 | (1,861,955,347)      | (1,861,955,347)      |
| <b>BANK LIABILITIES</b>                |       |                      |                      |
| Long Term Borrowings                   | 14.00 | 1,541,083,758        | 1,406,152,172        |
| Short Term Borrowings                  | 15.00 | 867,749,834          | 820,300,666          |
| <b>CURRENT LIABILITIES</b>             |       |                      |                      |
| Trade and Other Payables               | 16.00 | 5,725,718            | 5,725,718            |
| Provision for Outstanding Expenses     | 17.00 | 58,885,353           | 58,885,353           |
| <b>Total Equity and Liabilities</b>    |       | <b>1,501,899,560</b> | <b>2,531,991,812</b> |
| <b>Net Asset Value (NAV) per Share</b> |       | <b>(4.06)</b>        | <b>1.01</b>          |

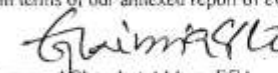
The annexed notes form an integral part of these financial statements.

  
Chairman  
  
Director

  
Chief Executive Officer  
  
Chief Financial Officer

  
Director  
  
Company Secretary

Signed in terms of our annexed report of even date

  
Mohammad Showket Akber, FCA  
Partner  
Enrol No 970  
G.KIBRIA & CO.  
Chartered Accountants

Place: Dhaka  
Date: 20.07.2023  
Ref: GKC/23-24/A/024



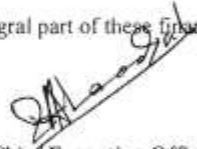


**C & A Textiles Limited**  
**STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE PERIOD ENDED 30TH JUNE, 2021**

| Particulars  | Note  | Amount in Taka         |                      |
|--|-------|------------------------|----------------------|
|  |       | 2020-2021              | 2019-2020            |
| Sales Revenue                                      | 18.00 | -                      | -                    |
| Less: Cost of Goods Sales                          | 19.00 | 806,771,049            | 136,889,905          |
| <b>Gross Profit</b>                                |       | <b>(806,771,049)</b>   | <b>(136,889,905)</b> |
| Less: Operating expenses                           | 20.00 | 223,320,442            | 1,358,400            |
| <b>Operating Profit /Loss</b>                      |       | <b>(1,030,091,491)</b> | <b>(138,248,305)</b> |
| Add: Other Income                                  | 21.00 | -                      | 162                  |
| <b>Profit before Financial Charges &amp; Taxes</b> |       | <b>(1,030,091,491)</b> | <b>(138,248,143)</b> |
| Less: Financial Charges                            | 22.00 | 182,381,515            | 167,331,112          |
| <b>Profit before Tax</b>                           |       | <b>(1,212,473,006)</b> | <b>(305,579,255)</b> |
| Less: Provision for Taxation                       |       | -                      | 45                   |
| <b>Net Profit After Tax</b>                        |       | <b>(1,212,473,006)</b> | <b>(305,579,300)</b> |
| <b>Earnings Per Share (EPS)</b>                    |       | <b>(5.07)</b>          | <b>(1.28)</b>        |


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


  
Chairman

  
Chief Executive Officer

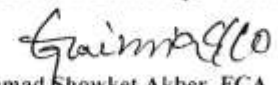
  
Director

  
Director

  
Chief Financial Officer

  
Company Secretary

Signed in terms of our annexed report of even date

  
Mohammad Showket Akber, FCA  
Partner  
Enrol.No.970  
**G.KIBRIA & CO.**  
Chartered Accountants

Place: Dhaka  
Date:20.07.2023  
Ref.:GKC/23-24/A/024



**C & A Textiles Limited**  
**STATEMENT OF CHANGES IN EQUITY**  
**FOR THE YEAR ENDED 30 JUNE, 2021**

| Particulars                        | Share capital        | Retained earnings      | Total                |
|------------------------------------|----------------------|------------------------|----------------------|
| Balance as at June 30, 2020        | 2,393,160,000        | (290,276,749)          | 2,102,883,251        |
| Profit after tax for the year      | -                    | (1,212,473,006)        | (1,212,473,006)      |
| Stock Dividend                     | -                    | -                      | -                    |
| Cash Dividend                      | -                    | -                      | -                    |
| Unallocated Revenue Expenses       | -                    | -                      | -                    |
| Suspense Account                   | -                    | -                      | (1,861,955,347)      |
| <b>Balance as at June 30, 2021</b> | <b>2,393,160,000</b> | <b>(1,502,749,755)</b> | <b>(971,545,102)</b> |

**FOR THE YEAR ENDED 30 JUNE, 2020**

| Particulars                        | Share capital        | Retained earnings    | Total              |
|------------------------------------|----------------------|----------------------|--------------------|
| Balance as at June 30, 2019        | 2,393,160,000        | 15,302,550           | 2,408,462,550      |
| Profit after tax for the year      | -                    | (305,579,300)        | (305,579,300)      |
| Stock Dividend                     | -                    | -                    | -                  |
| Cash Dividend                      | -                    | -                    | -                  |
| Unallocated Revenue Expenses       | -                    | -                    | -                  |
| Suspense Account                   | -                    | -                    | (1,861,955,347)    |
| <b>Balance as at June 30, 2020</b> | <b>2,393,160,000</b> | <b>(290,276,749)</b> | <b>240,927,904</b> |

 Chairman  
 Chief Executive Officer  
 Director  
 Director  
 Chief Financial Officer  
 Company Secretary

Place: Dhaka  
Date: 20.07.2023  
Ref.: GKC/23-24/A/024



**C & A Textiles Limited**  
**STATEMENT OF CASH FLOWS**  
**AS AT JUNE 30, 2021**

|   | 30-06-2021<br><u>Taka</u> | 30-06-2020<br><u>Taka</u> |
|---|---------------------------|---------------------------|
| <b>A. Cash Flow From Operating Activities</b>     |                           |                           |
| Cash Collection from Sales                        | -                         | -                         |
| Cash Collection from Other Sources                | -                         | 1,393,310                 |
|   | -                         | 1,393,310                 |
| <b>Increase/ Decrease in</b>                      |                           |                           |
| Cash Paid to Suppliers, Employees and Others      | -                         | (1,367,735)               |
| Cash Paid for Financial Expenses                  | (760)                     | -                         |
| Advanced Income Tax paid                          | -                         | -                         |
|   | (760)                     | (1,367,735)               |
| <b>Net cash provided by operating activities</b>  | <u>(760)</u>              | <u>25,575</u>             |
| <b>B. Cash Flow From Investing Activities</b>     |                           |                           |
| Acquisition of Fixed Assets                       | -                         | -                         |
| Capital Work in Progress                          | -                         | -                         |
| Security Deposit                                  | -                         | -                         |
| Advance Realization                               | -                         | -                         |
| Advance for Gas Line Installation                 | -                         | -                         |
| <b>Net cash used by investing activities</b>      | <u>-</u>                  | <u>-</u>                  |
| <b>C. Cash Flow From Financial Activities</b>     |                           |                           |
| Increase/ ( Decrease) Long Term Loan from Bank    | -                         | -                         |
| Increase/ ( Decrease) Short Term Loan from Bank   | -                         | -                         |
| <b>Net cash used by financial activities</b>      | <u>-</u>                  | <u>-</u>                  |
| <b>Net Cash Generate during the year (A to C)</b> | <u>(760)</u>              | <u>25,575</u>             |
| Opening Cash and Cash equivalents                 | 4,656,133                 | 4,630,558                 |
| Closing Cash and Cash equivalents                 | <u>4,655,373</u>          | <u>4,656,133</u>          |
| <b>Net Operating Cash flow Per Share (NOCFPS)</b> | <u>0.00</u>               | <u>0.00</u>               |

Chairman

Chief Executive Officer

Director

Director

Chief Financial Officer

Company Secretary

Place: Dhaka  
Date: 20.07.2023  
Ref.: GKC/23-24/A/024



**C & A Textiles Limited**  
**NOTES TO THE ACCOUNTS**  
**FOR THE PERIOD ENDED JUNE 30, 2021**

**1.00 Reporting Entity and its Activities**

**1.01 Legal form of the Entity**

The Company was incorporated on February 19, 2001 as private company limited by shares under the Companies Act, 1994 vide certificate of incorporation no. C-3912/2001. The company was converted into a public Limited Company on 22 December 2012 along with the subdivision of face value of shares from Tk. 100 to Tk. 10 each. Its shares are listed with Dhaka Stock Exchange Ltd. and Chittagong Stock Exchange Ltd.

The registered office and production unit of the company is located at Plot No. 61, 62, 66, 67, 68, 72 & 73, BSCIC Industrial Estate Kalurghat (Ext), Chittagong, Bangladesh.

**1.02 Nature of Business Activities**

This is 100% export oriented company engaged in manufacturing fashionable knit garments in accordance with buyers' orders. It usually exports its produced garments to the buyers in Canada, USA, Germany and Europe.

**2.00 Significant Accounting Policy for the presentation of the financial Statements**

The specific accounting policies selected and applied by the company's management for significant transactions and events that have material effect within the framework of BAS-1 "Presentation of Financial Statements" in preparation and presentation of financial statements have been consistently applies throughout the year and were also consistent with those used in earlier years.

**2.01 Corporate Financial Statements**

The financial statements are prepared under the historical cost convention and in accordance with the requirements of the Companies Act, 1994, Securities and Exchange Rules 1987, Listing regulation of Dhaka Stock Exchange Limited (DSE) & Chittagong Stock Exchange Limited (CSE), Bangladesh Accounting Standards (BASs) Bangladesh Financial Reporting Standards (BFRSs) and as applicable to this Company. The Board of Directors are responsible for preparing and presenting the financial statements including adequate disclosures, who approved and authorized for issue of these financial statements.

**2.02 Use of estimates and Judgments**

The preparation of Financial Statements requires management to make estimates and assumptions that affect the reported amount of assets, liabilities, income and expenses. Due to inherent uncertainties involved in making estimates actual results may differ from those estimates and under lying assumptions are reviewed on a going concern basis.

**2.04 Property Plant and Equipment**

Property Plant and Equipment are accounted for according to BAS 16 "Property, Plant and Equipment" at historical cost less cumulative depreciation and the capital work in progress ( when arises) is stated at cost. All assets are depreciated/ amortized accounting to the straight-line method. The gain or loss arising on the disposal or retirement of an asset is determined as the difference as the difference between the sales proceeds and the carrying amount of the asset and is recognized as non-operating income/loss.



### 2.03 Going Concern

The company has adequate resources to continue in operation for the foreseeable future. The current credit facilities and resources of the company provides sufficient fund to meet the present requirements of its existing business. For this reason the directors continue to adopt going concern basis in preparing the Financial Statement.

| <u>Category</u>        | <u>Rate (%)</u> |
|------------------------|-----------------|
| Furniture & Fixtures   | 10%             |
| Office Decoration      | 10%             |
| Computer & Accessories | 20%             |
| Cookeries              | 20%             |
| IPS                    | 20%             |
| Air Condition          | 10%             |

### 2.04 Foreign Currency Translation

The financial statements are presented in Taka/Tk./BDT, which is company's functional currency, Transactions in foreign currencies are recorded in the books at the exchange rate prevailing on the date of the transaction. Assets and Liabilities outstanding at 30 June 2021 denominated in foreign currencies have been shown in Taka at the rate in terms of foreign currencies ruling on the statement of financial position date. Exchange difference arising on the settlement of monetary items or on translation monetary items at the end of the reporting period are recognized in statement of profit or loss and other comprehensive income as per BAS 21: The effects of Changes in Foreign Exchange Rates.

### 2.05 Reporting Period

The financial Statements covers one financial year from 1st July to 30th June of following year consistently.

### 2.06 Segment Reporting

No segmental reporting is applicable for the company as required by BFRS 8: "Segment Reporting" as the company operates in a single industry segment and within a single geographical territory.

### 2.07 Fundamental Accounting Concepts/ Assumption

The financial statements have been prepared under historical cost convention on accrual basis and such other convention as required by BAS-1and BFRS for fair presentation of financial statements.





## 2.08 Comparative information and Re-arrangement thereof

Comparative Information 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 income and value of assets and liabilities as reported in the Financial Statements.

## 2.09 Events after the Reporting Period

In compliance with the requirements of BAS 10: Adjusting events occurring after the reporting date are reflected in the financial statements and events after reporting date that are not adjusting events are disclosed in the notes when material.

## 2.10 Compliance with BAS

The following BAS have been applied in preparation of the financial statements for the

|        |   |
|--------|---|
| BAS 1  | Presentation of Financial Statements                            |
| BAS 2  | Inventories   |
| BAS 7  | Statement of Cash Flows   |
| BAS 8  | Accounting Policies, Changes in Accounting Estimates and Errors |
| BAS 10 | Events after the Reporting Period                               |
| BAS 12 | Income Tax  |
| BAS 16 | Property, Plant & Equipment                                     |
| BAS 17 | Leases  |
| BAS 18 | Revenue   |
| BAS 21 | The effects of Changes in foreign exchange rates                |
| BAS 23 | Borrowing   |
| BAS 24 | Costs Related Party Disclosures                                 |
| BAS 33 | Earnings Per Share  |
| BAS 36 | Impairment of Assets  |
| BAS 37 | Provisions, Contingent Liabilities and Contingent Assets        |
| BAS 39 | Financial Instrument: Recognition and Measurement               |

The related BFRSs are also complied for the preparation of these

## 2.11 Net Income Before Tax

**Net Income Before Tax for the year were not materially affected by:**

- (a) Transaction of a nature not usually undertaken by the company;
- (b) Circumstances of an exceptional or non-recurring nature;
- (c) Changes of credits relating to prior years; and
- (d) Changes in accounting policies.



## 2.12 Regulatory Compliance

The Financial Statements have been prepared in compliance with the following laws and regulations;

The Companies Act, 1994  
The Income Tax Ordinance, 1984  
The Income Tax Rules, 1984  
The Value Added Tax (VAT) Act, 1991.  
The Customs Act, 1969  
Security and Exchange Rules, 1987  
Security and Exchange Ordinance, 1993

## 2.13 Property, Plant and Equipment

### 2.13.1 Recognition and measurement of Property, Plant and Equipment

Property, Plant and Equipment have been stated at written down value. Accumulated historical cost and depreciation have been shown in the Financial Statements. The cost of acquisition comprises of purchase price, including import duties and non-refundable Taxes and any directly attributable cost of bringing the assets to its state of intended use. Expenditure incurred after the assets have been put into operation, such as repairs and maintenance is normally charged off as revenue expenditure in the period 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 the fixed assets, the expenditure is capitalized as an addition to cost of the assets.

### 2.13.2 Depreciation of Tangible Fixed Assets

Depreciation on Property, Plant & Equipment other than leasehold Land & Land Development have been computed during the year using the reducing balance method so as to write off the assets over their expected useful life. Depreciation has been charged on addition of the basis of when it is available for use.

Leasehold land and land development taken from BSCIC I/E, Kalurghat, Chittagong on lease is being amortized over 20 years.

After considering the useful life of assets as per BAS-16, the annual depreciation rates have been applied as under which is considered reasonable by the management.

| <u>Items of Property, Plant &amp; Equipment</u> | <b>2021</b><br>Rate % | <b>2020</b><br>Rate % |
|---|-----------------------|-----------------------|
| Leasehold Land & Land Development               | 5                     | 5                     |
| Factory Building                                | 10                    | 10                    |
| Plant & Machinery                               | 10                    | 10                    |
| Furniture & Fixture                             | 10                    | 10                    |
| Water and Gas Line Installation                 | 10                    | 10                    |
| Electrical Installation                         | 10                    | 10                    |
| Electrical Equipment                            | 10                    | 10                    |
| Generator                                       | 10                    | 10                    |
| Fire Equipment                                  | 10                    | 10                    |
| Vehicles  | 20                    | 20                    |
| Office Equipments                               | 10                    | 10                    |



|                |    |    |
|----------------|----|----|
| Air Conditions | 20 | 20 |
|----------------|----|----|

### 2.13.3 Impairment of assets

All assets have been reviewed according to BAS 36 and it was confirmed that no such assets have been impaired during the year and for this reason no provision has been made for Impairment of assets.

### 2.14 Inventories

Inventories are measured at the lower of cost and net realizable as prescribed by BAS-2. The cost of inventories is based on the weighted average method and includes expenditure incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their existing location and condition. In the case of manufactured inventories and work-in-progress, cost includes an appropriate allocation of production overheads based on normal operation capacity.

#### Nature of Inventories

Raw Materials  
Work-in-progress  
  
Chemicals & Store  
Finished goods

#### Basic of valuation

Weighted Average Cost  
Marital cost Plus Proportionate Converting cost based on percentage of completion.  
Weighted Average Cost  
At lower of cost or net realizable value

### 2.15 Financial Instruments

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

#### 2.15.1 Financial Assets

Financial assets of the company include cash and cash equivalents, equity instrument of another entity, trade 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 contractual rights or probabilities of receiving the cash flows from the assets 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 reward of ownership of the financial assets are transferred.

#### 2.15.2 Cash and Cash Equivalents

According to BAS 7 'Statement of Cash Flows' cash comprises of cash in hand, cash at Bank, demand deposits, FDR and cash equivalents which are short term highly liquid investments that are readily convertible to cash and which are subject to an insignificant risk of changes in value. BAS 1 "Presentation of Financial Statements" provides that Cash & Cash Equivalents are not restricted in use. Considering the provision of BAS 7 & BAS 1, Cash in Hand & Bank Balance including FDR have been treated as Cash & Cash Equivalents.



**2.15.3 Available for Sale of Financial Assets**

During the year the company had no financial asset for sale.

**2.15.4 Trade Receivable**

Trade receivable is carried at invoice amount without making any provision for doubtful debts, because of the fact that sales / export are being based on 100% confirmed letter of credit basis with fixed maturity dates and confirmed by Letter of credit.

**2.15.4 Financial Liabilities**

The company initially recognizes financial liabilities on the transaction date at which the company becomes a party to the contractual provision of the liability. The company derecognizes a financial liability when it's contractual obligations are discharged or cancelled or expired. Financial liabilities are recognized initially at fair value less any directly attributable transactions costs. Subsequently to initial recognition, these financial liabilities are measured at amortized cost using the effective interest method. Financial liabilities include loan and borrowing, trade creditors, liabilities for expenses and liabilities for other finance.

**2.16 Income Tax**

**2.16.1 Current Tax**

A provision for Taxation was calculated as per Income Tax Ordinance 1984.

**2.16.2 Deferred Tax**

The company did not recognise deferred tax during the year.

**2.17 Revenue Recognition**

a) Sales of Goods

Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns, trade discounts and volume rebates as per BAS-18. Revenue is recognized when the significant risks and reward of ownership have been transferred to the buyer, recovery of the consideration is probable, the associated costs and possible return of goods can be estimated reliably & there is no containing management involvement with the goods sold. Transfer of risk and rewards occurs for the sale of goods when the shipment made and invoices raised.

b) Interest income is recognized when it is credited by respective bank.

c) Dividend income is recognized when the right to receive payment is established.

**2.18 Sales Revenue**

Sales revenue includes only export of garments.

**2.19 Financial Expenses**





Financial expenses comprise interest on borrowings and bank charges. All financial expenses are recognized in the statement of profit or loss and other comprehensive income based on the statement received from Financial Institutions.

#### 2.20 Employee Benefit Plan:

The company maintains defined benefit plan of 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 provision of BAS 19: Employee Benefits.

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

The company's employee benefits include the following:

##### a) Short-Term Employee Benefits

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

##### b) Workers Profit Participation Fund

We are a 100% export oriented composite knit garments industry and member of BGMEA and BKMEA. As per Sub-Section 3 of Section 232 of Bangladesh Labour Act (Amendment) 2013 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 provision with regard to formation of sector-based central fund comprising of buyers and owners, from aboard 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."

We didn't start making provision for WPPF because of not yet forming Board for fund raise and utilization by the government. The Board shall format the rules of determination of subscription, procedure of collection and utilization of fund. We are 100% export oriented company also the member of BGMEA and BKMEA, that's why company can't recognize WPPF before forming Board for fund and utilization by the Authority.

#### 2.21 Statement of Cash Flow

Statement of Cash Flow has been prepared principally in accordance with BAS-7 "Statement of Cash Flow" and the cash flows from the operating activities have been presented under direct method.

#### 2.22 Provisions

In accordance with the guidelines as prescribed by BAS-37: Provisions, Contingent Liabilities and Cotangent Assets, provisions are recognized in the following situations:





- a. when the company has an obligation (legal or constructive) as a result of past events;
- b. when it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
- c. reliable estimates can be made of the amount of the obligation.

## 2.23 Earning Per Share

This has been calculated in compliance with the requirements of BAS 33: Earnings Per Share has been calculated the profit attributable to ordinary equity holders of the company divided by the weighted average number of ordinary shares outstanding during the period and retrospective effect has also been given for calculation of previous years earnings as well to conform the current years presentation.

## 2.24 Diluted Earnings per Share

No diluted Earnings per Share was required to be calculated for the year under review as there is no scope for dilution of Earnings Per Share for the year.

## 2.25 Components of Financial Statements

The financial statements comprise the following:

- \* Statement of Financial Position as at 30th June 2021
- \* Statement of Profit or Loss and Other Comprehensive Income for the year ended 30th June 2021
- \* Statement of Changes in Equity for the year ended 30th June 2021
- \* Statement of Cash Flows for the year ended 30th June 2021
- \* Accounting Policies and explanatory notes to the Financial Statements.

## 2.26 General

a) The figures appearing in these financial statements are expressed in Taka currency and rounded off to the nearest Taka.

b) Previous year's figures have been rearranged, where necessary, to conform to current year's presentation.

|  | 30.06.2021           | 30.06.2020           |
|--|----------------------|----------------------|
|  | <u>Taka</u>          | <u>Taka</u>          |
| <b>3.00 PROPERTY, PLANT AND EQUIPMENT</b>  |                      |                      |
| Opening Balance                            | 3,069,699,048        | 3,069,699,048        |
| Addition During the year                   | -                    | -                    |
| <b>Total Assets Value at cost</b>          | <b>3,069,699,048</b> | <b>3,069,699,048</b> |
| Disposal/Adjustment during the Year        | -                    | -                    |
| Accumulated Depreciation as on 30.06.2021  | 1,948,670,680        | 1,825,550,139        |
| <b>Written Down Value as on 30.06.2021</b> | <b>1,121,028,368</b> | <b>1,244,148,909</b> |

Details of Property, Plant & Equipments have been shown in Annexure-A.

## 4.00 SECURITY DEPOSIT

|  |            |            |
|--|------------|------------|
| Polly Bidyut Samity(PBS)- Electricity    | 240,000    | 240,000    |
| Bakhrabad Gas system Ltd- GAS line       | 1,057,439  | 1,057,439  |
| Karnaphuli Gas Dis.Co.Ltd (New Gas Line) | 39,560,550 | 39,560,550 |



|                                 |                   |                   |
|---------------------------------|-------------------|-------------------|
| Anser Salary (Security Deposit) | 350,000           | 350,000           |
| Water Treatment Plant (ETP)     | 335,000           | 335,000           |
|                                 | <b>41,542,989</b> | <b>41,542,989</b> |

**5.00 CAPITAL WORK-IN PROGRESS**

|                                       |                    |                    |
|---------------------------------------|--------------------|--------------------|
| Construction of new building (Unit-2) | 134,119,676        | 134,119,676        |
|                                       | <b>134,119,676</b> | <b>134,119,676</b> |

Capital work-in progress represents four storeys of factory building of the company which construction. The factory building will be transferred to property, plant and equipments as per BAS 16 which it will be fully ready to used.

Total land area on which the building is constructed is 43.35 kathas or 31,218 and space per floor of the building 28,500 sft.

**6.00 INVENTORIES**

|                              |                    |                    |
|------------------------------|--------------------|--------------------|
| Raw Materials- Yarn          | 377,124,078        | 377,124,078        |
| Chemicals                    | 50,125,458         | 50,125,458         |
| Work in Process              | 80,845,848         | 80,845,848         |
| Consumable Items             | 25,551,254         | 25,551,254         |
| Finished Goods               | 144,458,400        | 144,458,400        |
| Store Items                  | 5,545,470          | 5,545,470          |
|                              | <b>683,650,508</b> | <b>683,650,508</b> |
| Less : Write off Inventories | 683,650,508        | -                  |
|                              | <b>-</b>           | <b>683,650,508</b> |

**7.00 TRADE RECEIVABLE**

The amount represents receivable on 30 June 2016 from foreign buyers against export of Garments This we considered as fully secured and guaranteed receivable by export letter of credit and considered good and realizable within one year as per terms of exports letter of credit.

**Ageing of Trade Receivable**

|                     |             |                    |
|---------------------|-------------|--------------------|
| Due above 6 Month   | 223,320,442 | 223,320,442        |
| Less: Bad debts Exp | 223,320,442 | -                  |
|                     | <b>-</b>    | <b>223,320,442</b> |

We have not received any documents of Export bills, Letter of Credit or Sales Contract.

The Classification of receivable as required by the Schedule XI of the Companies Act 1994 is given below.

|   |          |                    |
|---|----------|--------------------|
| Receivable considered good in respect of which the company is fully secured   | -        | -                  |
| Receivable considered good in respect of which the company is holds on security other than debtors' personal security | -        | -                  |
| Receivable considered doubtful or bad   | -        | 223,320,442        |
| Receivable due by common Management   | -        | -                  |
| The minimum amount of receivable due by any director or other officer of the company                                  | -        | -                  |
|   | <b>-</b> | <b>223,320,442</b> |

The above is this amount of receivables against export bills as on June 30, 2021

|                    |   |            |
|--------------------|---|------------|
| M/s Tennanova      | - | 89,423,641 |
| M/s Peacocks Store | - | 78,124,564 |
| M/s Bonnache       | - | 45,234,572 |
| M/s Us polo        | - | 17,895,461 |
| M/s Trinity        | - | 78,964,123 |



|                                 |   |                    |
|---------------------------------|---|--------------------|
| M/s Blacks                      | - | 47,812,651         |
| M/s carters                     | - | 46,971,327         |
| M/s Williams                    | - | 78,236,410         |
| M/s Miles                       | - | 68,971,264         |
| M/s Morrisons                   | - | 12,478,913         |
| M/s Riachuelo                   | - | 90,799,463         |
| M/s Oshkosh B'goft              | - | 27,451,931         |
|                                 | - | <b>682,364,320</b> |
| Less: Collection from 2016-2017 | - | 391,063,364        |
| Less: Collection from 2017-2018 | - | 65,946,219         |
| Less: Collection from 2018-2019 | - | 641,147            |
| Less: Collection from 2019-2020 | - | 1,393,148          |
|                                 | - | <b>223,320,442</b> |

**8.00 ADVANCE, DEPOSIT & PRE-PAYMENT**

|                                       |      |                    |                    |
|---------------------------------------|------|--------------------|--------------------|
| Advance & prepayments                 | 8.01 | -                  | -                  |
| Advance to Lesshold Land              | 8.02 | 147,153,700        | 147,153,700        |
| Sundry Advance                        | 8.03 | -                  | -                  |
| Advance Income Tax                    | 8.04 | 31,399,455         | 31,399,455         |
| L/C Margin ( Machinery)               |      | -                  | -                  |
| L/C Margin for Import                 |      | -                  | -                  |
| Advance against Gas Line Installation |      | 22,000,000         | 22,000,000         |
| Advance against New factory           | 8.05 | -                  | -                  |
|                                       |      | <b>200,553,155</b> | <b>200,553,155</b> |

**8.01 Advance and Prepayments**

|   |   |   |
|---|---|---|
| Advance to Employees ( Staff & Workers)         | - | - |
| Advance office Rent                             | - | - |
| M/s Chalkmark (Md. Ballal Hossain)              | - | - |
| Advance to TNR Enterprice ( Accounts Swoftware) | - | - |
|   | - | - |

**8.02 Advance to Leasehold Land**

|   |                    |                    |
|---|--------------------|--------------------|
| Leasschold Land a Kalurghat BSCIC, Ctg. | 147,153,700        | 147,153,700        |
|   | <b>147,153,700</b> | <b>147,153,700</b> |

This advance payments has been made to landload through Agrani Bank Ltd. Chittagong for acquisition of leasehold land. The land is located at 69,70 & 71 BSCIC 1/E, Kalorghat Chittagong.

**8.03 Sundry Advance**

|                                     |   |   |
|-------------------------------------|---|---|
| M/s Choton ( New office decoration) | - | - |
| M/s Lotus Trade Syndicate           | - | - |
| M/s Lucky Enterprise                | - | - |
| M/s Muna Enterprise                 | - | - |
| 3G appareal figo                    | - | - |
| M/s Ali Trading                     | - | - |
| Anower & Iqbal Electrical           | - | - |
| Aroma Fabrics                       | - | - |
| Axiom Fashion Ltd                   | - | - |
| Base Textile Ltd                    | - | - |
| Clifton Group                       | - | - |
| E.R Knitware                        | - | - |
| Eastran Dressess Limited            | - | - |
| Global Knitwear                     | - | - |



|  |                   |                   |
|--|-------------------|-------------------|
| Mam Appareals                                      | -                 | -                 |
| Sundry Advance ( Garments Division)                | -                 | -                 |
| Sundry Advance ( Textile Division)                 | -                 | -                 |
| Mithun Knitwear                                    | -                 | -                 |
| Momo Fashion                                       | -                 | -                 |
| Raiham Fashion                                     | -                 | -                 |
| S. Enterprise                                      | -                 | -                 |
| Sadif Fashion Ltd                                  | -                 | -                 |
| Taher Sons Fashion Ltd                             | -                 | -                 |
|  | -                 | -                 |
| <b>8.04 Advance Income Tax</b>                     |                   |                   |
| Opening Balance                                    | 31,399,455        | 31,399,439        |
| Add: Tax deduction at source during the year       | -                 | 16                |
|  | <b>31,399,455</b> | <b>31,399,455</b> |
| Less: Adjustment during the year                   | -                 | -                 |
|  | <b>31,399,455</b> | <b>31,399,455</b> |
| <b>8.05 Advance Against new Factory Building</b>   |                   |                   |
| M/s Inter space                                    | -                 | -                 |
| M/s Hafiz Ahmed (Contractor)                       | -                 | -                 |
|  | -                 | -                 |
| <b>9.00 CURRENT ACCOUNTS WITH SISTER CONCERN</b>   |                   |                   |
| C & A Fashion Limited                              | -                 | -                 |
| Knit Express Limited                               | -                 | -                 |
|  | -                 | -                 |
| <b>10.00 CASH AND CASH EQUIVALENTS</b>             |                   |                   |
| Cash in hand                                       | -                 | -                 |
| Cash at Bank                                       | 4,655,373         | 4,656,133         |
| FSIBL Agrabad Branch ( A/C No. 010411100011495 )   | 4,627,523         | 4,627,523         |
| BRAC Bank, Head Office, Dhaka                      | 27,850            | 28,610            |
| FSIBL - Gulshan Branch ( A/C No. 100211100019465)  | -                 | -                 |
| MTBL - Kalurghat Branch (CD)                       | -                 | -                 |
| MTBL - Kalurghat Branch (SND)                      | -                 | -                 |
| EXIM Bank Ltd. - Agrabad Branch                    | -                 | -                 |
| FSIBL - Agrabad Branch (Garments Unit)             | -                 | -                 |
| Eastran Bank - Agrabad Branch                      | -                 | -                 |
| FSIBL - Mohona Br. Chattigong                      | -                 | -                 |
| SBAC - Agrabad Branch                              | -                 | -                 |
| EXIM Bank Ltd. - SK. Mujib Road Branch             | -                 | -                 |
| FSIB 1040752000004266                              | -                 | -                 |
| FDR on FSIBL & EXIM Bank , Agrabad Br.             | -                 | -                 |
| <b>IPO Accounts</b>                                | -                 | -                 |
| FSIBL (IPO Account), Agrabad Br. (SND)             | -                 | -                 |
| FSIBL (IPO Account)FDR, Agrabad Br. (SND)          | -                 | -                 |
| BRAC Bank, Head office, Dhaka (DBT)                | -                 | -                 |
| BRAC Bank, Head office, Dhaka (US Dollar Accounts) | -                 | -                 |
|  | <b>4,655,373</b>  | <b>4,656,133</b>  |

**11.00 SHARE CAPITAL**

**11.01 SHARE CAPITAL:**





**Authorized Capital:**

300,000,000 ordinary shares of Tk. 10/= each. 3,000,000,000      3,000,000,000

**11.02 Issued, Subscribed and Paid-up Capital:**

217,560,000 ordinary shares Tk. 10/= each fully paid-up. 2,393,160,000      2,393,160,000  
2,393,160,000      2,393,160,000

The shareholding position of the company at 30 June 2021 is as under

| Name of Directors             | Designation  | No. of shares      | Percentage | Amount in Tk.        |
|-------------------------------|--------------|--------------------|------------|----------------------|
| Rukshana Morshed              | MD           | 44,444,400         | 18.00      | 444,444,000          |
| BD Shoes Ind. Ltd             | Director     | 11,282,040         | 5.00       | 112,820,400          |
| Sharmin Akther Lovely         | Director     | 7,179,480          | 3.00       | 71,794,800           |
| Gazi Golam Zakaria Jyoti      | Chairman     | 4,786,320          | 2.00       | 47,863,200           |
| Iftexhar Abdul Hai            | Director     | 4,786,320          | 2.00       | 47,863,200           |
| others shareholder(Placement) | shareholders | 35,482,162         | 15.00      | 354,821,620          |
| IOP Shareholders (Public)     | shareholders | 131,355,278        | 55.00      | 1,313,552,780        |
| Total                         |              | <b>239,316,000</b> | <b>100</b> | <b>2,393,160,000</b> |

**12.00 RETAIN EARNINGS**

|  |                        |                      |
|--|------------------------|----------------------|
| Opening Balance                                      | (290,276,749)          | 15,302,550           |
| Less: Bonus Dividend for the Year ended 30 June 2021 | -                      | -                    |
| Add: Net Profit/ (Net Loss) during the year          | (1,212,473,006)        | (305,579,255)        |
| Less : Adjustment for income TAX 2020-2021           | -                      | (45)                 |
|  | <b>(1,502,749,755)</b> | <b>(290,276,749)</b> |

**13.00 SUSPENSE ACCOUNTS**

|   |                      |                      |
|---|----------------------|----------------------|
| Opening Difference of Loans and Bank Balances | 1,099,847,332        | 1,099,847,332        |
| Current Accounts with Sister Concerns         | 687,873              | 687,873              |
| Written off Advances                          | 26,005,055           | 26,005,055           |
| Previous Year Supplier Payment                | 535,415,087          | 535,415,087          |
| Loan- Union Capiatl Ltd                       | 200,000,000          | 200,000,000          |
|   | <b>1,861,955,347</b> | <b>1,861,955,347</b> |

**14.00 LONG TERM BORROWINGS**

|                        |                      |                      |
|------------------------|----------------------|----------------------|
| Long Term Loan         | -                    | -                    |
| FSIBL 0104734000000001 | 1,239,130,326        | 1,108,848,804        |
| FSIBL 0104734000000002 | 6,414,189            | 6,404,227            |
| FSIBL 0104734000000003 | 32,059,472           | 32,009,679           |
| FSIBL 0104734000000004 | 37,068,793           | 37,011,220           |
| FSIBL 0104734000000005 | 4,854,010            | 4,846,471            |
| FSIBL 0104734000000006 | 3,762,577            | 3,756,752            |
| FSIBL 0104734000000007 | 127,353,553          | 127,353,533          |
| FSIBL 0104734000000008 | 8,593,821            | 8,165,360            |
| FSIBL 0104734000000009 | 12,246,416           | 11,634,898           |
| FSIBL 0104734000000010 | 69,600,600           | 66,121,227           |
|                        | <b>1,541,083,758</b> | <b>1,406,152,172</b> |

**Terms & Conditions of Term Loan**

The loan has been taken fist Securities Islami Bank Ltd. Agrabad Br. Chittagong for acquisition of leasehold land and Plant and Machinery of the company on the following terms and conditions

|                   |               |
|-------------------|---------------|
| Rate of Interest  | : 13.00%      |
| Sanction Amount   | : 320 Million |
| Tenor             | : 7 years     |
| Moralorium Period | : 6 Months    |





Security : Factory Building & Machinery

**15.00 SHORT TERM BORROWINGS**

|                      |       |                    |                    |
|----------------------|-------|--------------------|--------------------|
| C&A Textiles Ltd.:   | 15.01 | 345,741,378        | 324,880,064        |
| C & A Fashions Ltd.: | 15.02 | 322,008,456        | 295,420,602        |
| Union Capital Ltd.   |       | 200,000,000        | 200,000,000        |
|                      |       | <b>867,749,834</b> | <b>820,300,666</b> |

**15.01 C&A Textiles Ltd.:**

**Short Term Loan**

|                              |  |                    |                    |
|------------------------------|--|--------------------|--------------------|
| FSIB 010472400009342 (CASH)  |  | 130,806,128        | 110,151,814        |
| FSIB 010472400009346 (CASH)  |  | 10,038,667         | 10,038,667         |
| FSIB 010472400002670 (HYPO)  |  | 9,039,835          | 8,832,835          |
| FSIB 010472400002673 (HYPO)  |  | 8,859,763          | 8,859,763          |
| FSIB 010472400002674 (HYPO)  |  | 19,481,786         | 19,481,786         |
| FSIB 010472400002675 (HYPO)  |  | 32,146,562         | 32,146,562         |
| FSIB 010472400002684 (HYPO)  |  | 35,698,961         | 35,698,961         |
| FSIB 010472400002698 (HYPO)  |  | 32,980,723         | 32,980,723         |
| FSIB 0104724000027591 (HYPO) |  | 2,684,583          | 2,684,583          |
| FSIB 010472400002792 (HYPO)  |  | 1,283,086          | 1,283,086          |
| FSIB 010472400002809 (HYPO)  |  | 46,235,500         | 46,235,500         |
| FSIB 010472400002812 (HYPO)  |  | 8,540,725          | 8,540,725          |
| FSIB 010472400009389 (CASH)  |  | 7,945,059          | 7,945,059          |
|                              |  | <b>345,741,378</b> | <b>324,880,064</b> |

**15.02 C & A Fashions Ltd.:**

|                       |  |                    |                    |
|-----------------------|--|--------------------|--------------------|
| FSIB 0104 75900000001 |  | 107,628,208        | 81,040,354         |
| FSIB 0104 75900000002 |  | 24,991,442         | 24,991,442         |
| FSIB 0104 75900000003 |  | 9,653,724          | 9,653,724          |
| FSIB 0104 75900000004 |  | 19,367,598         | 19,367,598         |
| FSIB 0104 75900000005 |  | 36,081,262         | 36,081,262         |
| FSIB 0104 75900000006 |  | 30,674,175         | 30,674,175         |
| FSIB 0104 75900000011 |  | 7,208,107          | 7,208,107          |
| FSIB 0104 75900000012 |  | 31,696,982         | 31,696,982         |
| FSIB 0104 75900000013 |  | 9,720,594          | 9,720,594          |
| FSIB 0104 75900000014 |  | 4,943,666          | 4,943,666          |
| FSIB 0104 75900000015 |  | 18,404,476         | 18,404,476         |
| FSIB 0104 75900000016 |  | 4,061,961          | 4,061,961          |
| FSIB 0104 75900000017 |  | 3,459,870          | 3,459,870          |
| FSIB 0104 75900000018 |  | 7,817,848          | 7,817,848          |
| FSIB 0104 75900000019 |  | 1,361,962          | 1,361,962          |
| FSIB 0104 75900000020 |  | 4,936,580          | 4,936,580          |
|                       |  | <b>322,008,456</b> | <b>295,420,602</b> |

**16.00 TRADE AND OTHER PAYABLE**

|                         |  |         |         |
|-------------------------|--|---------|---------|
| M/s T&T Ind Cor.        |  | 258,600 | 258,600 |
| M/s NSI                 |  | -       | -       |
| M/s Textrade            |  | 569,200 | 569,200 |
| M/s Inotech Inds.       |  | -       | -       |
| Brunal Textiles Ltd     |  | 64,245  | 64,245  |
| Breau Veritas           |  | 215,795 | 215,795 |
| Bright GI International |  | 139,000 | 139,000 |
| Dream Knitting (BD) Ltd |  | 569,730 | 569,730 |
| Dysin International Ltd |  | 360,900 | 360,900 |
| ITS Labiest (BD) Ltd    |  | 23,974  | 23,974  |
| J-K Soft Knit Ltd       |  | 339,258 | 339,258 |



|                                      |                  |                  |
|--------------------------------------|------------------|------------------|
| JS Monndt International              | 330,000          | 330,000          |
| Masco Export (BD) Ltd                | 46,333           | 46,333           |
| Mondol Knitwear Ltd                  | 411,451          | 411,451          |
| Rachi Textiles Ltd                   | 37,100           | 37,100           |
| S.S Knitting & Design                | 21,825           | 21,825           |
| Salim Perfumery & Chemical Suppliers | 162,421          | 162,421          |
| Switch Color BD Ltd                  | 68,060           | 68,060           |
| M/s Trims & knitting                 | 98,180           | 98,180           |
| Glory Tapes Labiles                  | 203,284          | 203,284          |
| KGN Corporation                      | 146,400          | 146,400          |
| M/s Souroshakti                      | 420,000          | 420,000          |
| M/s System Control                   | 173,571          | 173,571          |
| M/s Ream Star Trade Accoocates       | 152,700          | 152,700          |
| BMH knit Fabrics                     | 597,961          | 597,961          |
| Great Tech Filter Manu               | 315,730          | 315,730          |
|                                      | <b>5,725,718</b> | <b>5,725,718</b> |

**17.00 PROVISION AND OUTSTANDING EXPENSES**

|   |       |                   |                   |
|---|-------|-------------------|-------------------|
| Ulity bills payable                             |       | 3,352,458         | 3,352,458         |
| Salary and wages                                |       | 4,308,175         | 4,308,175         |
| Sundry Creditors                                | 17.01 | 2,031,217         | 2,031,217         |
| Provision for Income Tax                        | 17.02 | 47,586,983        | 47,586,983        |
| Audit fee payable                               |       | 287,500           | 287,500           |
| Professional fees payable                       |       | 75,000            | 75,000            |
| New factory building Construction bills payable | 17.03 | 1,244,020         | 1,244,020         |
|   |       | <b>58,885,353</b> | <b>58,381,035</b> |

**17.01 Sundry Creditors**

|                             |                  |                  |
|-----------------------------|------------------|------------------|
| Ambia Knitting & Dyeing     | 110,250          | 110,250          |
| M/s Bright GP International | 105,458          | 105,458          |
| City Tools Center           | 99,850           | 99,850           |
| M/s G.M Enterprise          | 85,458           | 85,458           |
| M/s Irfan Enterprise        | 70,580           | 70,580           |
| Nitol Motors Ltd            | 725,129          | 725,129          |
| Noor Engineering Ltd        | 33,150           | 33,150           |
| Tital Machinery Center      | 50,980           | 50,980           |
| M/s Zamil Trading           | 81,425           | 81,425           |
| Victoria Press              | 45,116           | 45,116           |
| System Control              | 73,571           | 73,571           |
| Shuruchi toos center        | 10,154           | 10,154           |
| Shahji Traders              | 77,247           | 77,247           |
| Samsang computer            | 48,530           | 48,530           |
| S. Islam                    | 87,000           | 87,000           |
| Rahimpur Eng. Works         | 9,040            | 9,040            |
| R.R Enterprise              | 37,500           | 37,500           |
| R.R Inperial Ele.           | 121,627          | 121,627          |
| Ovi Sing                    | 10,000           | 10,000           |
| Nabila #Eng. Works          | 4,130            | 4,130            |
| Micropath Eng.              | 33,150           | 33,150           |
| M/s Noor Paper & Stationary | 63,178           | 63,178           |
| M/s mostafa Enterprise      | 48,694           | 48,694           |
|                             | <b>2,031,217</b> | <b>2,031,217</b> |

**17.02 Provision for Income Tax**

|                                   |            |            |
|-----------------------------------|------------|------------|
| Opening Balance                   | 47,586,983 | 47,586,938 |
| Add: Provision for previous years | -          | -          |
| Add: provision during the year    | -          | 45         |
| Less: Adjustments during the year | -          | -          |



|  |       | 47,586,983         | 47,586,983         |
|--|-------|--------------------|--------------------|
| <b>17.03 New factory building Construction bills payable</b> |       |                    |                    |
| M/s Anis & Brothers  |       | 545,480            | 545,480            |
| M/s Inter Space  |       | 658,980            | 658,980            |
| M/s Khan Jahan Ali Builders                                  |       | 39,560             | 39,560             |
|  |       | <b>1,244,020</b>   | <b>1,244,020</b>   |
| <b>18.00 SALES REVENUE</b>                                   |       |                    |                    |
| Export Sales   |       | -                  | -                  |
| Less: RMG Central Fund                                       |       | -                  | -                  |
|  |       | -                  | -                  |
| <b>19.00 COST OF SALES</b>                                   |       |                    |                    |
| Ray Materials consumerd - Yarn                               | 19.01 | 377,124,078        | -                  |
| Ray Materials consumerd - Chemicals                          | 19.02 | 50,125,458         | -                  |
| Consumable item- consumed                                    | 19.03 | 25,551,254         | -                  |
| <b>Cost Materials consumẽd</b>                               |       | <b>452,800,790</b> | -                  |
| work in process - Opening                                    |       | 80,845,848         | 80,845,848         |
| work in process - closing                                    |       | -                  | 80,845,848         |
| <b>Change in work in process</b>                             |       | <b>80,845,848</b>  | -                  |
| Add: Manufacturing overhead                                  | 19.04 | 5,545,470          | -                  |
| Add: Depreciation (Manufacturing)                            |       | 123,120,541        | 136,889,905        |
| <b>Cost of Goods Manufactured</b>                            |       | <b>128,666,011</b> | <b>136,889,905</b> |
| Finishing Goods - opening                                    |       | 144,458,400        | 144,458,400        |
| Sample Making Expenses                                       |       | -                  | -                  |
| Finishing Goods - Closing                                    |       | -                  | 144,458,400        |
| <b>Change of finishing goods stock</b>                       |       | <b>144,458,400</b> | -                  |
|  |       | <b>806,771,049</b> | <b>136,889,905</b> |
| <b>19.01 Ray Materials consumerd - Yarn</b>                  |       |                    |                    |
| Opening Stock  |       | 377,124,078        | 377,124,078        |
| Add: Purchase during the year                                |       | -                  | -                  |
| Raw Material available for production                        |       | 377,124,078        | 377,124,078        |
| Less: Closing Stock  |       | -                  | 377,124,078        |
|  |       | <b>377,124,078</b> | -                  |
| <b>19.02 Ray Materials consumerd - Chemicals</b>             |       |                    |                    |
| Opening Stock  |       | 50,125,458         | 50,125,458         |
| Add: Purchase during the year                                |       | -                  | -                  |
| Raw Material available for production                        |       | 50,125,458         | 50,125,458         |
| Less: Closing Stock  |       | -                  | 50,125,458         |
|  |       | <b>50,125,458</b>  | -                  |
| <b>19.03 Consumable item- consumed</b>                       |       |                    |                    |
| Opening Stock  |       | 25,551,254         | 25,551,254         |
| Add: Purchase during the year                                |       | -                  | -                  |
| Raw Material available for production                        |       | 25,551,254         | 25,551,254         |
| Less: Closing Stock  |       | -                  | 25,551,254         |
|  |       | <b>25,551,254</b>  | -                  |
| <b>19.04 Manufacturing overhead</b>                          |       |                    |                    |
| Salary & Wages   |       | -                  | -                  |
| Factory supplies   |       | -                  | -                  |



|  |          |                    |                  |
|--|----------|--------------------|------------------|
| Medical Exoenses                           |          | -                  | -                |
| food & Tiffen                              |          | -                  | -                |
| Labor Charhe                               |          | -                  | -                |
| Carring Charge                             |          | -                  | -                |
| Power & Fuel                               |          | -                  | -                |
| Commercial Expenses                        |          | -                  | -                |
| Printing & Stationary Expenses             |          | -                  | -                |
| Store consumption                          | 19.04.01 | 5,545,470          | -                |
| Insurance premium                          |          | -                  | -                |
| Postage & stamp                            |          | -                  | -                |
| Convayance                                 |          | -                  | -                |
| Telephone & Mobile Bill                    |          | -                  | -                |
| Miscellaneous Expenses                     |          | -                  | -                |
| Repair & Maintenance                       | 19.04.02 | -                  | -                |
| Internet Charge                            |          | -                  | -                |
| Lab testing charge                         |          | -                  | -                |
| BSCIC Holding Tax                          |          | -                  | -                |
|  |          | <b>5,545,470</b>   | <b>-</b>         |
| <b>19.04.01 Store consumption</b>          |          |                    |                  |
| Opening Balance                            |          | 5,545,470          | 5,545,470        |
| Add: Purchase during the year              |          | -                  | -                |
|  |          | <b>5,545,470</b>   | <b>5,545,470</b> |
| Less: Closing Balance:                     |          | -                  | 5,545,470        |
| Consumption during the year                |          | <b>5,545,470</b>   | <b>-</b>         |
| <b>19.04.02 Repair &amp; Maintenance</b>   |          |                    |                  |
| Plant & Machinery                          |          | -                  | -                |
| Building & Shed                            |          | -                  | -                |
| others                                     |          | -                  | -                |
|  |          | <b>-</b>           | <b>-</b>         |
| <b>20.00 OPERATING EXPENSES</b>            |          |                    |                  |
| Administrative Expenses                    | 20.01    | 223,320,442        | 1,358,400        |
| Warehouse, Distribution & selling Expenses | 20.02    | -                  | -                |
|  |          | <b>223,320,442</b> | <b>1,358,400</b> |
| <b>20.01 Administrative Expenses</b>       |          |                    |                  |
| Salary & Allowance                         |          | -                  | 1,358,400        |
| Salary & Allowance                         |          | -                  | -                |
| Bad Debt Exp                               |          | 223,320,442        | -                |
| Stationary & Computer paper                |          | -                  | -                |
| Phone, Fax & Mobile Bill                   |          | -                  | -                |
| Postage & Stamp                            |          | -                  | -                |
| Tours & Travelling Expenses                |          | -                  | -                |



|   |                    |                    |
|---|--------------------|--------------------|
| Entertainment   | -                  | -                  |
| Rent & other  | -                  | -                  |
| Fees & Forms  | -                  | -                  |
| Audit Fee   | -                  | -                  |
| Legal & Professional Fee                                    | -                  | -                  |
| Director Remunation & Fees                                  | -                  | -                  |
| Miscellaneous Expenses                                      | -                  | -                  |
| Vehicles Expenses   | -                  | -                  |
| BSCIC Holding Tax   | -                  | -                  |
| AGM Expenses  | -                  | -                  |
| Miscellaneous Expenses                                      | -                  | -                  |
| Depreciation  | -                  | -                  |
|   | <b>223,320,442</b> | <b>1,358,400</b>   |
| <b>20.02 Warehouse, Distribution &amp; selling Expenses</b> |                    |                    |
| Salary & Allowance  | -                  | -                  |
| Transportation, Handling & Air Freight Exp                  | -                  | -                  |
| Power & Fuel  | -                  | -                  |
| Electricity, Water & Gas                                    | -                  | -                  |
| Repairs & Maintenance                                       | -                  | -                  |
| Traveling Expenses  | -                  | -                  |
| Sample Making Expenses                                      | -                  | -                  |
| Postage & Courier   | -                  | -                  |
| Entertainment   | -                  | -                  |
| Printing & Stationary                                       | -                  | -                  |
| Miscellaneous Expenses                                      | -                  | -                  |
| Advertisement Expenses                                      | -                  | -                  |
| Sales promotion Expenses                                    | -                  | -                  |
| Depreciation  | -                  | -                  |
|   | -                  | -                  |
| <b>21.00 OTHER INCOME</b>                                   |                    |                    |
| Sale of Wastage   | -                  | -                  |
| Gain for Foreign Currency Fluctuation                       | -                  | -                  |
| Interest Income   | -                  | 162                |
|   | -                  | <b>162</b>         |
| <b>22.00 FINANCIAL EXPENSES</b>                             |                    |                    |
| Bank Charges  | 760                | 34,319             |
| Interest on Borrowing and Bank Charge                       | 182,380,755        | 167,296,793        |
|   | <b>182,381,515</b> | <b>167,331,112</b> |
| <b>23.00 EARNING PER SHARES (BASIC)</b>                     |                    |                    |
| Net Profit / (Loss) for the year                            | (1,212,473,006)    | (305,579,300)      |
| Weighted Number of Ordinary Share                           | 239,316,000        | 239,316,000        |
| Basic Earning Per Shares                                    | <b>(5.07)</b>      | <b>(1.28)</b>      |
| <b>EARNING PER SHARES (ADJUSTED)</b>                        |                    |                    |
| Net Profit / (Loss) for the year                            | (1,212,473,006)    | (305,579,300)      |
| Weighted Number of Ordinary Shares                          | 239,316,000        | 239,316,000        |
| Adjusted Earning Per Share                                  | <b>(5.07)</b>      | <b>(1.28)</b>      |





**C & A Textiles Limited**  
**STATEMENT OF PROPERTY, PLANT & EQUIPMENT**  
**AS AT 30TH JUNE 2021**

| Particulars                        | Cost                     |                          |                          | Rate of Dep (%) | Depreciation             |                        | Written Down Value as at 30.06.2021 |
|------------------------------------|--------------------------|--------------------------|--------------------------|-----------------|--------------------------|------------------------|-------------------------------------|
|                                    | Balance as on 01.07.2020 | Addition during the Year | Balance as on 30.06.2021 |                 | Balance as on 01.07.2020 | Charge during the year |                                     |
| Lwarehouse Land & Land Development | 69,716,323               | -                        | 69,716,323               | 5%              | 28,781,642               | 30,828,377             | 38,887,946                          |
| Factory Building                   | 439,535,365              | -                        | 439,535,365              | 10%             | 296,427,882              | 310,738,630            | 128,796,735                         |
| Plant & Machinery                  | 2,095,846,654            | -                        | 2,095,846,654            | 10%             | 1,206,792,510            | 1,295,697,924          | 800,148,730                         |
| Furniture & Fixture                | 85,435,092               | -                        | 85,435,092               | 10%             | 53,856,514               | 57,014,372             | 28,420,720                          |
| Water and Gas Line Installation    | 47,858,841               | -                        | 47,858,841               | 10%             | 23,256,052               | 25,716,330             | 22,142,511                          |
| Electrical Installation            | 113,958,382              | -                        | 113,958,382              | 10%             | 69,532,813               | 73,975,370             | 39,983,012                          |
| Electrical Equipment               | 25,311,448               | -                        | 25,311,448               | 10%             | 16,189,956               | 17,102,105             | 8,209,343                           |
| Generator                          | 127,254,832              | -                        | 127,254,832              | 10%             | 84,902,686               | 89,137,901             | 38,116,931                          |
| Fire Equipment                     | 11,888,581               | -                        | 11,888,581               | 10%             | 6,310,344                | 6,868,168              | 5,020,413                           |
| Vehicles                           | 26,094,692               | -                        | 26,094,692               | 20%             | 21,125,589               | 22,119,409             | 3,975,283                           |
| Office Equipments                  | 13,523,616               | -                        | 13,523,616               | 10%             | 7,653,669                | 8,240,664              | 5,282,952                           |
| Air Conditions                     | 13,275,222               | -                        | 13,275,222               | 20%             | 10,720,482               | 11,231,430             | 2,043,792                           |
| <b>Balance as on 30-06-2021</b>    | <b>3,069,699,048</b>     | <b>-</b>                 | <b>3,069,699,048</b>     |                 | <b>1,825,550,139</b>     | <b>1,948,670,680</b>   | <b>1,121,028,368</b>                |



Place: Dhaka  
Date: 20.07.2023  
Ref.: GKC/23-24/A/024



**Independent Auditor's Report  
To the Shareholders of C & A Textile Limited.**

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

**Disclaimer of Opinion**

We were engaged to audit the financial statements of C & A Textile Limited which comprise the statement of financial position as at 30 June 2022, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

We do not express an opinion on the accompanying financial statements of the C & A Textile Limited because of the significance of the matter described in the Basis for Disclaimer of Opinion section of our report, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these financial statements.

**Basis for Disclaimer of Opinion**

(1) As disclosed in Note 07 for Trade and Other Receivable Taka 40,00,000/-, Note 08 for Advance, Deposit and prepayment Taka 20,07,20,413/-, Note 10 for Cash and Cash Equivalents for Taka 1,42,25,615/-, Note 11 for Share Capital Taka 2,39,31,60,000/-, Note 13 for Suspense Accounts Tk. (1,86,19,55,347)/-, Note 14 for Long Term Borrowings Tk. 1,36,52,26,634/-, Note 15 for Short Term Borrowings Tk. 88,09,83,219/-, Note 18 for Sales Revenue Tk. 1,35,70,242/- and Note 19 for Cost of Goods Sold Taka 11,08,74,083/- to the financial statements, the company have not provided us sufficient appropriate audit evidence against the aforementioned amounts.

(2) As disclosed in note nill the Company has reported an amount of BDT 8,44,95,748 as Share Money Deposit. As per FRC Circular 146/FRC/Admin/Gazzate/2020/01 dated 11 February 2020, any amount shown as a share money deposit in the statements of financial position it should be converted into share capital within the six months.

(3) Note 2.03 to the Financial Statements describe despite being experiencing unfavorable operating results, insufficient cash generation for debt servicing and uncertainty in revenue generation the Financial Statements are prepared based on the going concern concept due to having the Company's business plan & adequate resources to continue its operations in the foreseeable future.

In our view the Company's continuous unfavorable financial performance and cash generation ability, failed to provide future business plan and uncertain to pay the Bank loan for a number of years indicate that a material uncertainty exist that may cast significant doubt on the company's ability to continue as a going concern .

**Head Office:** Sadharan Bima Sadan (5th Floor), 24-25 Dilkusha Commercial Area, Dhaka – 1000, Bangladesh

**Branch Office:** House 51, Road 14, Block-G, Niketon, Gulshan-1, Dhaka-1212

**Email:** gkibria@gkibriaandco.com, kibria03@hotmail.com, **Web:** http://gkibriaandco.com

**Tel:** +02-223-355-324, +02-4881-2331, +02-4881-2332



As a result, we were unable to opine whether the financial statements present fairly or not.

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with 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. However, because of the matter described in the Basis for Disclaimer of Opinion section of our report, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on 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.

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, we also report the following:

- a) we have obtained all the information and explanations except noted above 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 Company so far as it appeared from our examination of these books; and
- c) the statements of financial position and statements of profit or loss and other comprehensive income dealt with by the report are in agreement with the books of accounts and returns.

Place: Dhaka  
Date: 20.07.2023  
Ref.: GKC/23-24/A/025



*Mohammad Showket Akber*  
Mohammad Showket Akber, FCA  
Enrol.No.970  
Partner  
G. Kibria & Co  
Chartered Accountants  
DVC: 2307240970 AS 291642

**C & A Textiles Limited**  
**STATEMENT OF FINANCIAL POSITION**  
**AS AT JUNE 30, 2022**

| Particulars                            | Note  | Amount In Taka       |                      |
|--|-------|----------------------|----------------------|
|  |       | 30.06.2022           | 30.06.2021           |
| <b>ASSETS</b>                          |       |                      |                      |
| <b>NON-CURRENT ASSETS</b>              |       |                      |                      |
| Property, Plant & Equipments           | 03.00 | 1,228,645,441        | 1,296,691,032        |
| Security Deposits                      | 04.00 | 1,011,291,641        | 1,121,028,368        |
| Un-Allocated Various Expenses          |       | 41,542,989           | 41,542,989           |
| Capital Work in Progress               | 05.00 | 32,219,979           | -                    |
|  |       | 143,590,831          | 134,119,676          |
| <b>CURRENT ASSETS</b>                  |       |                      |                      |
| Inventory                              | 06.00 | 218,946,028          | 205,208,528          |
| Trade and Other Receivable             | 07.00 | -                    | -                    |
| Advance, Deposit & Prepayments         | 08.00 | 4,000,000            | -                    |
| Current Accounts with Sister Concern   | 09.00 | 200,720,413          | 200,553,155          |
| Cash & Cash Equivalents                | 10.00 | -                    | -                    |
|  |       | 14,225,615           | 4,655,373            |
| <b>Total Assets</b>                    |       | <b>1,447,591,469</b> | <b>1,501,899,560</b> |
| <b>EQUITY AND LIABILITIES</b>          |       |                      |                      |
| <b>SHARE HOLDER'S EQUITY</b>           |       |                      |                      |
| Share Capital                          | 11.00 | (863,310,878)        | (971,545,102)        |
| Retained Earnings                      | 12.00 | 2,393,160,000        | 2,393,160,000        |
| Suspense Accounts                      | 13.00 | (1,479,011,278)      | (1,502,749,755)      |
| Share Money Deposit                    |       | (1,861,955,347)      | (1,861,955,347)      |
|  |       | 84,495,748           | -                    |
| <b>BANK LIABILITIES</b>                |       |                      |                      |
| Long Term Borrowings                   | 14.00 | 2,246,209,853        | 2,408,833,591        |
| Short Term Borrowings                  | 15.00 | 1,365,226,634        | 1,541,083,758        |
|  |       | 880,983,219          | 867,749,834          |
| <b>CURRENT LIABILITIES</b>             |       |                      |                      |
| Trade and Other Payables               | 16.00 | 64,692,492           | 64,611,071           |
| Provision for Outstanding Expenses     | 17.00 | 5,725,718            | 5,725,718            |
|  |       | 58,966,774           | 58,885,353           |
| <b>Total Equity and Liabilities</b>    |       | <b>1,447,591,469</b> | <b>1,501,899,560</b> |
| <b>Net Asset Value (NAV) per Share</b> |       | (3.61)               | (4.06)               |

The annexed notes form an integral part of these financial statements

Chairman

Chief Executive Officer

Director

Director

Chief Financial Officer

Company Secretary

Signed in terms of our annexed report of even date

Mohammad Showket Akber, FCA

Partner

Enrol No.970

G.KIBRIA & CO.

Chartered Accountants

Place: Dhaka

Date: 20.07.2023

Ref: GKC/23-24/A/025







**C & A Textiles Limited**  
**STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE PERIOD ENDED 30TH JUNE, 2022**

| Particulars  | Note  | Amount in Taka      |                        |
|--|-------|---------------------|------------------------|
|  |       | 2021-2022           | 2020-2021              |
| <b>Sales Revenue</b>                               | 18.00 | 13,570,242          | -                      |
| Less: Cost of Goods Sales                          | 19.00 | 110,874,083         | 806,771,049            |
| <b>Gross Profit</b>                                |       | <b>(97,303,841)</b> | <b>(806,771,049)</b>   |
| Less: Operating expenses                           | 20.00 | -                   | 223,320,442            |
| <b>Operating Profit /Loss</b>                      |       | <b>(97,303,841)</b> | <b>(1,030,091,491)</b> |
| Add: Other Income                                  | 21.00 | 150,105,500         | -                      |
| <b>Profit before Financial Charges &amp; Taxes</b> |       | <b>52,801,659</b>   | <b>(1,030,091,491)</b> |
| Less: Financial Charges                            | 22.00 | 28,981,761          | 182,381,515            |
| <b>Profit before Tax</b>                           |       | <b>23,819,898</b>   | <b>(1,212,473,006)</b> |
| Less: Provision for Taxation                       |       | 81,421              | -                      |
| <b>Net Profit After Tax</b>                        |       | <b>23,738,477</b>   | <b>(1,212,473,006)</b> |
| <b>Earnings Per Share (EPS)</b>                    |       | <b>0.10</b>         | <b>(5.07)</b>          |

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


  
Chairman

  
Chief Executive Officer

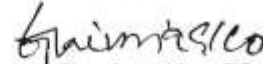
  
Director

  
Director

  
Chief Financial Officer

  
Company Secretary

Signed in terms of our annexed report of even date

  
Mohammad Showket Akber, FCA  
Partner  
Enrol.No.970  
G.KIBRIA & CO.  
Chartered Accountants

Place: Dhaka  
Date:20.07.2023  
Ref.:GKC/23-24/A/025



**C & A Textiles Limited**  
**STATEMENT OF CHANGES IN EQUITY**  
**FOR THE YEAR ENDED 30 JUNE, 2022**

| Particulars                        | Share capital        | Retained earnings      | Total                |
|------------------------------------|----------------------|------------------------|----------------------|
| Balance as at June 30, 2020        | 2,393,160,000        | (1,502,749,755)        | 890,410,245          |
| Profit after tax for the year      | -                    | 23,738,477             | 23,738,477           |
| Stock Dividend                     | -                    | -                      | -                    |
| Cash Dividend                      | -                    | -                      | -                    |
| Unallocated Revenue Expenses       | -                    | -                      | -                    |
| Share Money Deposit                | -                    | 84,495,748             | 84,495,748           |
| Suspense Account                   | -                    | -                      | (1,861,955,347)      |
| <b>Balance as at June 30, 2021</b> | <b>2,393,160,000</b> | <b>(1,394,515,530)</b> | <b>(863,310,878)</b> |

**FOR THE YEAR ENDED 30 JUNE, 2021**

| Particulars                        | Share capital        | Retained earnings      | Total                |
|------------------------------------|----------------------|------------------------|----------------------|
| Balance as at June 30, 2020        | 2,393,160,000        | (290,276,749)          | 2,102,883,251        |
| Profit after tax for the year      | -                    | (1,212,473,006)        | (1,212,473,006)      |
| Stock Dividend                     | -                    | -                      | -                    |
| Cash Dividend                      | -                    | -                      | -                    |
| Unallocated Revenue Expenses       | -                    | -                      | -                    |
| Suspense Account                   | -                    | -                      | (1,861,955,347)      |
| <b>Balance as at June 30, 2021</b> | <b>2,393,160,000</b> | <b>(1,502,749,755)</b> | <b>(971,545,102)</b> |

Chairman

Chief Executive Officer

Director

Director

Chief Financial Officer

Company Secretary

Place: Dhaka  
Date: 20.07.2023  
Ref.: GKC/23-24/A/025



**C & A Textiles Limited**  
**STATEMENT OF CASH FLOWS**  
**AS AT JUNE 30, 2022**

|   | 30-06-2022<br><u>Taka</u> | 30-06-2021<br><u>Taka</u> |
|---|---------------------------|---------------------------|
| <b>A. Cash Flow From Operating Activities</b>     |                           |                           |
| Cash Collection from Sales                        | 9,570,242                 | -                         |
| Cash Collection from Other Sources                | -                         | -                         |
|   | <u>9,570,242</u>          | <u>-</u>                  |
| <b><u>Increase/ Decrease in</u></b>               |                           |                           |
| Cash Paid to Suppliers, Employees and Others      | -                         | -                         |
| Cash Paid for Financial Expenses                  | -                         | (760)                     |
| Advanced Income Tax paid                          | -                         | -                         |
|   | <u>-</u>                  | <u>(760)</u>              |
| <b>Net cash provided by operating activities</b>  | <u>9,570,242</u>          | <u>(760)</u>              |
| <b>B. Cash Flow From Investing Activities</b>     |                           |                           |
| Acquisition of Fixed Assets                       | (1,137,357)               | -                         |
| Capital Work in Progress                          | (9,471,155)               | -                         |
| Security Deposit                                  | -                         | -                         |
| Advance to Employee                               | (167,258)                 | -                         |
| Unallocated Expenses                              | (32,219,979)              | -                         |
| <b>Net cash used by investing activities</b>      | <u>(42,995,749)</u>       | <u>-</u>                  |
| <b>C. Cash Flow From Financial Activities</b>     |                           |                           |
| Increase/ ( Decrease) Long Term Loan from Bank    | -                         | -                         |
| Increase/ ( Decrease) Short Term Loan from Bank   | -                         | -                         |
| Bank Loan Payments                                | (41,500,000)              | -                         |
| Share Money Deposits                              | 84,495,748                | -                         |
| <b>Net cash used by financial activities</b>      | <u>42,995,748</u>         | <u>-</u>                  |
| <b>Net Cash Generate during the year (A to C)</b> | <u>9,570,241</u>          | <u>(760)</u>              |
| Opening Cash and Cash equivalents                 | 4,655,373                 | 4,656,133                 |
| Closing Cash and Cash equivalents                 | <u>14,225,615</u>         | <u>4,655,373</u>          |
| <b>Net Operating Cash flow Per Share (NOCFPS)</b> | <b>0.04</b>               | <b>(0.00)</b>             |

Chairman

Chief Executive Officer

Director

Director

Chief Financial Officer

Company Secretary

Place: Dhaka  
Date: 20.07.2023  
Ref: GKC/23-24/A/025



**C & A Textiles Limited**  
**NOTES TO THE ACCOUNTS**  
**FOR THE PERIOD ENDED JUNE 30, 2022**

**1.00 Reporting Entity and its Activities**

**1.01 Legal form of the Entity**

The Company was incorporated on February 19, 2001 as private company limited by shares under the Companies Act, 1994 vide certificate of incorporation no. C-3912/2001. The company was converted into a public Limited Company on 22 December 2012 along with the subdivision of face value of shares from Tk. 100 to Tk. 10 each. Its shares are listed with Dhaka Stock Exchange Ltd. and Chittagong Stock Exchange Ltd.

The registered office and production unit of the company is located at Plot No. 61, 62, 66, 67, 68, 72 & 73, BSCIC Industrial Estate Kalurghat (Ext), Chittagong, Bangladesh.

**1.02 Nature of Business Activities**

This is 100% export oriented company engaged in manufacturing fashionable knit garments in accordance with buyers' orders. It usually exports its produced garments to the buyers in Canada, USA, Germany and Europe.

**2.00 Significant Accounting Policy for the presentation o the financial Statements**

The specific accounting policies selected and applied by the company's management for significant transactions and events that have material effect within the framework of BAS-1 "Presentation of Financial Statements" in preparation and presentation of financial statements have been consistently applies throughout the year and were also consistent with those used in earlier years.

**2.01 Corporate Financial Statements**

The financial statements are prepared under the historical cost convention and in accordance with the requirements of the Companies Act, 1994, Securities and Exchange Rules 1987, Listing regulation of Dhaka Stock Exchange Limited (DSE) & Chittagong Stock Exchange Limited (CSE), Bangladesh Accounting Standards (BASs) Bangladesh Financial Reporting Standards (BFRSs) and as applicable to this Company. The Board of Directors are responsible for preparing and presenting the financial statements including adequate disclosures, who approved and authorized for issue of these financial statements.

**2.02 Use of estimates and Judgments**

The preparation of Financial Statements requires management to make estimates and assumptions that affect the reported amount of assets, liabilities, income and expenses. Due to inherent uncertainties involved in making estimates actual results may differ from those estimates and under lying assumptions are reviewed on a going concern basis.

**2.04 Property Plant and Equipment**

Property Plant and Equipment are accounted for according to BAS 16 "Property, Plant and Equipment" at historical cost less cumulative depreciation and the capital work in progress ( when arises) is stated at cost. All assets are depreciated/ amortized accounting to the straight-line method. The gain or loss arising on the disposal or retirement of an asset is determined as the difference as the difference between the sales proceeds and the carrying amount of the asset and is recognized as non-operating income/loss.



### 2.03 Going Concern

The company has adequate resources to continue in operation for the foreseeable future. The current credit facilities and resources of the company provides sufficient fund to meet the present requirements of its existing business. For this reason the directors continue to adopt going concern basis in preparing the Financial Statement.

| <u>Category</u>        | <u>Rate (%)</u> |
|------------------------|-----------------|
| Furniture & Fixtures   | 10%             |
| Office Decoration      | 10%             |
| Computer & Accessories | 20%             |
| Cookeries              | 20%             |
| IPS                    | 20%             |
| Air Condition          | 10%             |

### 2.04 Foreign Currency Translation

The financial statements are presented in Taka/Tk./BDT, which is company's functional currency. Transactions in foreign currencies are recorded in the books at the exchange rate prevailing on the date of the transaction. Assets and Liabilities outstanding at 30 June 2022 denominated in foreign currencies have been shown in Taka at the rate in terms of foreign currencies ruling on the statement of financial position date. Exchange difference arising on the settlement of monetary items or on translation monetary items at the end of the reporting period are recognized in statement of profit or loss and other comprehensive income as per BAS 21: The effects of Changes in Foreign Exchange Rates.

### 2.05 Reporting Period

The financial Statements covers one financial year from 1st July to 30th June of following year consistently.

### 2.06 Segment Reporting

No segmental reporting is applicable for the company as required by BFRS 8: "Segment Reporting" as the company operates in a single industry segment and within a single geographical territory.

### 2.07 Fundamental Accounting Concepts/ Assumption

The financial statements have been prepared under historical cost convention on accrual basis and such other convention as required by BAS-I and BFRS for fair presentation of financial statements.

### 2.08 Comparative information and Re-arrangement thereof

Comparative Information 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 income and value of assets and liabilities as reported in the Financial Statements.





## 2.09 Events after the Reporting Period

In compliance with the requirements of BAS 10: Adjusting events occurring after the reporting date are reflected in the financial statements and events after reporting date that are not adjusting events are disclosed in the notes when material.

## 2.10 Compliance with BAS

The following BAS have been applied in preparation of the financial statements for the

|        |   |
|--------|---|
| BAS 1  | Presentation of Financial Statements                            |
| BAS 2  | Inventories   |
| BAS 7  | Statement of Cash Flows   |
| BAS 8  | Accounting Policies, Changes in Accounting Estimates and Errors |
| BAS 10 | Events after the Reporting Period                               |
| BAS 12 | Income Tax  |
| BAS 16 | Property, Plant & Equipment                                     |
| BAS 17 | Leases  |
| BAS 18 | Revenue   |
| BAS 21 | The effects of Changes in foreign exchange rates                |
| BAS 23 | Borrowing   |
| BAS 24 | Costs Related Party Disclosures                                 |
| BAS 33 | Earnings Per Share  |
| BAS 36 | Impairment of Assets  |
| BAS 37 | Provisions, Contingent Liabilities and Contingent Assets        |
| BAS 39 | Financial Instrument: Recognition and Measurement               |

The related BFRSs are also complied for the preparation of these

## 2.11 Net Income Before Tax

**Net Income Before Tax for the year were not materially affected by:**

- (a) Transaction of a nature not usually undertaken by the company;
- (b) Circumstances of an exceptional or non-recurring nature;
- (c) Changes of credits relating to prior years; and
- (d) Changes in accounting policies.

## 2.12 Regulatory Compliance

The Financial Statements have been prepared in compliance with the following laws and regulations;

The Companies Act, 1994  
The Income Tax Ordinance, 1984  
The Income Tax Rules, 1984  
The Value Added Tax (VAT) Act, 1991.  
The Customs Act, 1969  
Security and Exchange Rules, 1987  
Security and Exchange Ordinance, 1993

## 2.13 Property, Plant and Equipment



### 2.13.1 Recognition and measurement of Property, Plant and Equipment

Property, Plant and Equipment have been stated at written down value, Accumulated historical cost and depreciation have been shown in the Financial Statements. The cost of acquisition comprises of purchase price, including import duties and non-refundable Taxes and any directly attributable cost of bringing the assets to its state of intended use. Expenditure incurred after the assets have been put into operation, such as repairs and maintenance is normally charged off as revenue expenditure in the period 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 the fixed assets, the expenditure is capitalized as an addition to cost of the assets.

### 2.13.2 Depreciation of Tangible Fixed Assets

Depreciation on Property, Plant & Equipment other than leasehold Land & Land Development have been computed during the year using the reducing balance method so as to write off the assets over their expected useful life. Depreciation has been charged on addition of the basis of when it is available for use.

Leasehold land and land development taken from BSCIC I/E, Kalurghat, Chittagong on lease is being amortized over 20 years.

After considering the useful life of assets as per BAS-16, the annual depreciation rates have been applied as under which is considered reasonable by the management.

| <u>Items of Property, Plant &amp; Equipment</u> | <b>2022</b><br>Rate % | <b>2021</b><br>Rate % |
|---|-----------------------|-----------------------|
| Lwasehold Land & Land Development               | 5                     | 5                     |
| Factory Building                                | 10                    | 10                    |
| Plant & Machinery                               | 10                    | 10                    |
| Furniture & Fixture                             | 10                    | 10                    |
| Water and Gas Line Installation                 | 10                    | 10                    |
| Electrical Installation                         | 10                    | 10                    |
| Electrical Equipment                            | 10                    | 10                    |
| Generator                                       | 10                    | 10                    |
| Fire Equipment                                  | 10                    | 10                    |
| Vehicles  | 20                    | 20                    |
| Office Equipments                               | 10                    | 10                    |
| Air Conditions                                  | 20                    | 20                    |

### 2.13.3 Impairment of assets

All assets have been reviewed according to BAS 36 and it was confirmed that no such assets have been impaired during the year and for this reason no provision has been made for Impairment of assets.

### 2.14 Inventories



Inventories are measured at the lower of cost and net realizable as prescribed by BAS-2. The cost of inventories is based on the weighted average method and includes expenditure incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their existing location and condition. In the case of manufactured inventories and work-in-progress, cost includes an appropriate allocation of production overheads based on normal operation capacity.

| <b>Nature of Inventories</b> | <b>Basic of valuation</b>  |
|------------------------------|--|
| Raw Materials                | Weighted Average Cost  |
| Work-in-progress             | Marital cost Plus Proportionate Converting cost based on percentage of completion. |
| Chemicals & Store            | Weighted Average Cost  |
| Finished goods               | At lower of cost or net realizable value   |

## 2.15 Financial Instruments

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

### 2.15.1 Financial Assets

Financial assets of the company include cash and cash equivalents, equity instrument of another entity, trade 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 contractual rights or probabilities of receiving the cash flows from the assets 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 reward of ownership of the financial assets are transferred.

### 2.15.2 Cash and Cash Equivalents

According to BAS 7 'Statement of Cash Flows' cash comprises of cash in hand, cash at Bank, demand deposits, FDR and cash equivalents which are short term highly liquid investments that are readily convertible to cash and which are subject to an insignificant risk of changes in value. BAS 1 "Presentation of Financial Statements" provides that Cash & Cash Equivalents are not restricted in use. Considering the provision of BAS 7 & BAS 1, Cash in Hand & Bank Balance including FDR have been treated as Cash & Cash Equivalents.

### 2.15.3 Available for Sale of Financial Assets

During the year the company had no financial asset for sale.

### 2.15.4 Trade Receivable



Trade receivable is carried at invoice amount without making any provision for doubtful debts, because of the fact that sales / export are being based on 100% confirmed letter of credit basis with fixed maturity dates and confirmed by Letter of credit.

#### 2.15.4 Financial Liabilities

The company initially recognizes financial liabilities on the transaction date at which the company becomes a party to the contractual provision of the liability. The company derecognizes a financial liability when its contractual obligations are discharged or cancelled or expired. Financial liabilities are recognized initially at fair value less any directly attributable transactions costs. Subsequently to initial recognition, these financial liabilities are measured at amortized cost using the effective interest method. Financial liabilities include loan and borrowing, trade creditors, liabilities for expenses and liabilities for other finance.

#### 2.16 Income Tax

##### 2.16.1 Current Tax

A provision for Taxation was calculated as per Income Tax Ordinance 1984.

##### 2.16.2 Deferred Tax

The company did not recognise deferred tax during the year.

#### 2.17 Revenue Recognition

##### a) Sales of Goods

Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns, trade discounts and volume rebates as per BAS-18. Revenue is recognized when the significant risks and reward of ownership have been transferred to the buyer, recovery of the consideration is probable, the associated costs and possible return of goods can be estimated reliably & there is no containing management involvement with the goods sold. Transfer of risk and rewards occurs for the sale of goods when the shipment made and invoices raised.

b) Interest income is recognized when it is credited by respective bank.

c) Dividend income is recognized when the right to receive payment is established.

#### 2.18 Sales Revenue

Sales revenue includes only export of garments.

#### 2.19 Financial Expenses





Financial expenses comprise interest on borrowings and bank charges. All financial expenses are recognized in the statement of profit or loss and other comprehensive income based on the statement received from Financial Institutions.

#### 2.20 Employee Benefit Plan:

The company maintains defined benefit plan of 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 provision of BAS 19: Employee Benefits.

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

The company's employee benefits include the following:

##### a) Short-Term Employee Benefits

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

##### b) Workers Profit Participation Fund

We are a 100% export oriented composite knit garments industry and member of BGMEA and BKMEA. As per Sub-Section 3 of Section 232 of Bangladesh Labour Act (Amendment) 2013 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 provision with regard to formation of sector-based central fund comprising of buyers and owners, from aboard 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."

We didn't start making provision for WPPF because of not yet forming Board for fund raise and utilization by the government. The Board shall format the rules of determination of subscription, procedure of collection and utilization of fund. We are 100% export oriented company also the member of BGMEA and BKMEA, that's why company can't recognize WPPF before forming Board for fund and utilization by the Authority.

#### 2.21 Statement of Cash Flow

Statement of Cash Flow has been prepared principally in accordance with BAS-7 "Statement of Cash Flow" and the cash flows from the operating activities have been presented under direct method.





## 2.22 Provisions

In accordance with the guidelines as prescribed by BAS-37: Provisions, Contingent Liabilities and Cotangent Assets, provisions are recognized in the following situations:

- a. when the company has an obligation (legal or constructive) as a result of past events;
- b. when it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
- c. reliable estimates can be made of the amount of the obligation.

## 2.23 Earning Per Share

This has been calculated in compliance with the requirements of BAS 33: Earnings Per Share has been calculated the profit attributable to ordinary equity holders of the company divided by the weighted average number of ordinary shares outstanding during the period and retrospective effect has also been given for calculation of previous years earnings as well to conform the current years presentation.

## 2.24 Diluted Earnings per Share

No diluted Earnings per Share was required to be calculated for the year under review as there is no scope for dilution of Earnings Per Share for the year.

## 2.25 Components of Financial Statements

The financial statements comprise the following:

- \* Statement of Financial Position as at 30th June 2022
- \* Statement of Profit or Loss and Other Comprehensive Income for the year ended 30th June 2022
- \* Statement of Changes in Equity for the year ended 30th June 2022
- \* Statement of Cash Flows for the year ended 30th June 2022
- \* Accounting Policies and explanatory notes to the Financial Statements.

## 2.26 General

a) The figures appearing in these financial statements are expressed in Taka currency and rounded off to the nearest Taka.

b) Previous year's figures have been rearranged, where necessary, to conform to current year's presentation.

|   | 30.06.2022           | 30.06.2021           |
|---|----------------------|----------------------|
|   | <u>Taka</u>          | <u>Taka</u>          |
| <b>3.00 PROPERTY, PLANT AND EQUIPMENT</b> |                      |                      |
| Opening Balance                           | 3,069,699,048        | 3,069,699,048        |
| Addition During the year                  | 1,137,357            | -                    |
| <b>Total Assets Value at cost</b>         | <u>3,070,836,405</u> | <u>3,069,699,048</u> |



|  |                      |                      |
|--|----------------------|----------------------|
| Disposal/Adjustment during the Year        | -                    | -                    |
| Accumulated Depreciation as on 30.06.2022  | 2,059,544,763        | 1,948,670,680        |
| <b>Written Down Value as on 30.06.2022</b> | <b>1,011,291,641</b> | <b>1,121,028,368</b> |

Details of Property, Plant & Equipments have been shown in Annexure-A.

#### 4.00 SECURITY DEPOSIT

|   |                   |                   |
|---|-------------------|-------------------|
| Polly Bidyut Samity(PBS)- Electricity   | 240,000           | 240,000           |
| Bakhrabad Gas system Ltd- GAS line      | 1,057,439         | 1,057,439         |
| Kamaphuli Gas Dis.Co.Ltd (New Gas Line) | 39,560,550        | 39,560,550        |
| Anser Salary (Security Deposit)         | 350,000           | 350,000           |
| Water Treatment Plant (ETP)             | 335,000           | 335,000           |
|   | <b>41,542,989</b> | <b>41,542,989</b> |

#### 5.00 CAPITAL WORK-IN PROGRESS

|                                      |                    |                    |
|--------------------------------------|--------------------|--------------------|
| Construction of new bulding (Unit-2) | 134,119,676        | 134,119,676        |
| Addition during the year 2021-22     | 9,471,155          | -                  |
|                                      | <b>143,590,831</b> | <b>134,119,676</b> |

Capital work-in progress represents four storeys of factory buildingg o the company which construction. The factory building will be transferred to property, plant and equipments as per BAS 16 which it will be fully ready to used.

Total land area on which the buildind is constructed is 43.35 kathas or 31,218 and space per floor of the building 28,500 sq.ft.

#### 6.00 INVENTORIES

|                              |   |                    |
|------------------------------|---|--------------------|
| Raw Materials- Yarn          | - | 377,124,078        |
| Chemicals                    | - | 50,125,458         |
| Work in Process              | - | 80,845,848         |
| Consumable Items             | - | 25,551,254         |
| Finished Goods               | - | 144,458,400        |
| Store Items                  | - | 5,545,470          |
|                              | - | <b>683,650,508</b> |
| Less : Write off Inventories | - | <b>683,650,508</b> |
|                              | - | -                  |

#### 7.00 TRADE RECEIVABLE

The amount represents receivable on 30 September 2022 from foreign buyers against export of Garments This we considered as fully secured and guaranteed receivable by export letter of credit and considered good and realizable within one year as per terms of exports letter of credit.

##### Ageing of Trade Receivable

|                     |                  |             |
|---------------------|------------------|-------------|
| Due above 6 Month   | 4,000,000        | 223,320,442 |
| Less: Bad debts Exp | -                | 223,320,442 |
|                     | <b>4,000,000</b> | -           |

The Classification of receivable as required by the Schedule XI of the Companies Act 1994 is given below.

The Classification of receivable as required by the Schedule XI of the Companies Act 1994 is given below.

|   |   |
|---|---|
| - | - |
|---|---|



|   |                  |          |
|---|------------------|----------|
| Receivable considered good in respect of which the company is fully secured   | 4,000,000        | -        |
| Receivable considered good in respect of which the company is holds on security other than debtors' personal security | -                | -        |
| Receivable considered doubtful or bad   | -                | -        |
| Receivable due by common Management   | -                | -        |
| The minimum amount of receivable due by any director or other officer of the company                                  | -                | -        |
|   | <b>4,000,000</b> | <b>-</b> |

**8.00 ADVANCE, DEPOSIT & PRE-PAYMENT**

|                                       |      |                    |                    |
|---------------------------------------|------|--------------------|--------------------|
| Advance & prepayments                 | 8.01 | 167,258            | -                  |
| Advance to Leasehold Land             | 8.02 | 147,153,700        | 147,153,700        |
| Sundry Advance                        | 8.03 | -                  | -                  |
| Advance Income Tax                    | 8.04 | 31,399,455         | 31,399,455         |
| L/C Margin ( Machinery)               |      | -                  | -                  |
| L/C Margin for Import                 |      | -                  | -                  |
| Advance against Gas Line Installation |      | 22,000,000         | 22,000,000         |
| Advance against New factory           | 8.05 | -                  | -                  |
|                                       |      | <b>200,720,413</b> | <b>200,553,139</b> |

**8.01 Advance and Prepayments**

|  |                |          |
|--|----------------|----------|
| Advance to Employees ( Staff & Workers)        | 167,258        | -        |
| Advance office Rent                            | -              | -        |
| M/s Chalkmark (Md. Bailal Hossain)             | -              | -        |
| Advance to TNR Enterprise ( Accounts Software) | -              | -        |
|  | <b>167,258</b> | <b>-</b> |

**8.02 Advance to Leasehold Land**

|  |                    |                    |
|--|--------------------|--------------------|
| Leasehold Land a Kalurghat BSCIC, Ctg. | 147,153,700        | 147,153,700        |
|  | <b>147,153,700</b> | <b>147,153,700</b> |

This advance payments has been made to landlord through Agrani Bank Ltd. Chittagong for acquisition of leasehold land. The land is located at 69,70 & 71 BSCIC 1/E, Kalorghat Chittagong.

**8.03 Sundry Advance**

|                                     |   |   |
|-------------------------------------|---|---|
| M/s Choton ( New office decoration) | - | - |
| M/s Lotus Trade Syndicate           | - | - |
| M/s Lucky Enterprise                | - | - |
| M/s Muna Enterprise                 | - | - |
| 3G apparel figo                     | - | - |
| M/s Ali Trading                     | - | - |
| Anower & Iqbal Electrical           | - | - |
| Aroma Fabrics                       | - | - |
| Axiom Fashion Ltd                   | - | - |
| Base Textile Ltd                    | - | - |



|   |                   |                   |
|---|-------------------|-------------------|
| Clifton Group                                     | -                 | -                 |
| E.R Knitware                                      | -                 | -                 |
| Eastran Dressess Limited                          | -                 | -                 |
| Global Knitwear                                   | -                 | -                 |
| Mam Appareals                                     | -                 | -                 |
| Sundry Advance ( Garments Division)               | -                 | -                 |
| Sundry Advance ( Textile Division)                | -                 | -                 |
| Mithun Knitwear                                   | -                 | -                 |
| Momo Fashion                                      | -                 | -                 |
| Raiham Fashion                                    | -                 | -                 |
| S. Enterprise                                     | -                 | -                 |
| Sadif Fashion Ltd                                 | -                 | -                 |
| Taher Sons Fashion Ltd                            | -                 | -                 |
|   | -                 | -                 |
|   | -                 | -                 |
| <b>8.04 Advance Income Tax</b>                    |                   |                   |
| Opening Balance                                   | 31,399,455        | 31,399,455        |
| Add: Tax deduction at source during the year      | -                 | -                 |
|   | <b>31,399,455</b> | <b>31,399,455</b> |
| Less: Adjustment during the year                  | -                 | -                 |
|   | <b>31,399,455</b> | <b>31,399,455</b> |
| <b>8.05 Advance Against new Factory Building</b>  |                   |                   |
| M/s Inter space                                   | -                 | -                 |
| M/s Hafiz Ahmed (Contractor)                      | -                 | -                 |
|   | -                 | -                 |
|   | -                 | -                 |
| <b>9.00 CURRENT ACCOUNTS WITH SISTER CONCERN</b>  |                   |                   |
| C & A Fashion Limited                             | -                 | -                 |
| Knit Express Limited                              | -                 | -                 |
|   | -                 | -                 |
|   | -                 | -                 |
| <b>10.00 CASH AND CASH EQUIVALENTS</b>            |                   |                   |
| Cash in hand                                      | 9,570,242         | -                 |
| Cash at Bank                                      | 4,655,373         | 4,655,373         |
| FSIBL Agrabad Branch ( A/C No. 010411100011495 )  | 4,627,523         | 4,627,523         |
| BRAC Bank, Head Office, Dhaka                     | 27,850            | 27,850            |
| FSIBL - Gulshan Branch ( A/C No. 100211100019465) | -                 | -                 |
| MTBL - Kalurghat Branch (CD)                      | -                 | -                 |
| MTBL - Kalurghat Branch (SND)                     | -                 | -                 |
| EXIM Bank Ltd. - Agrabad Branch                   | -                 | -                 |
| FSIBL - Agrabad Branch (Garments Unit)            | -                 | -                 |
| Eastran Bank - Agrabad Branch                     | -                 | -                 |
| FSIBL - Mohona Br, Chattigong                     | -                 | -                 |
| SBAC - Agrabad Branch                             | -                 | -                 |
| EXIM Bank Ltd. - SK. Mujib Road Branch            | -                 | -                 |
| FSIB 1040752000004266                             | -                 | -                 |
| FDR on FSIBL & EXIM Bank , Agrabad Br.            | -                 | -                 |
|   | -                 | -                 |
| <b>IPO Accounts</b>                               |                   |                   |
| FSIBL (IPO Account), Agrabad Br. (SND)            | -                 | -                 |
| FSIBL (IPO Account)FDR, Agrabad Br. (SND)         | -                 | -                 |



|  |                   |                  |
|--|-------------------|------------------|
| BRAC Bank, Head office, Dhaka (DBT)                | -                 | -                |
| BRAC Bank, Head office, Dhaka (US Dollar Accounts) | -                 | -                |
|  | <b>14,225,615</b> | <b>4,655,373</b> |

**11.00 SHARE CAPITAL**

**11.01 SHARE CAPITAL:**

**Authorized Capital:**

|   |                      |                      |
|---|----------------------|----------------------|
| 300,000,000 ordinary shares of Tk. 10/= each. | <b>3,000,000,000</b> | <b>3,000,000,000</b> |
|---|----------------------|----------------------|

**11.02 Issued, Subscribed and Paid-up Capital:**

|  |                      |                      |
|--|----------------------|----------------------|
| 217,560,000 ordinary shares Tk. 10/= each fully paid-up. | <b>2,393,160,000</b> | <b>2,393,160,000</b> |
|  | <b>2,393,160,000</b> | <b>2,393,160,000</b> |

The shareholding position of the company at 30 June 2022 is as under

| Name of Directors           | Designation  | No. of shares      | Percentage | Amount in Tk.        |
|-----------------------------|--------------|--------------------|------------|----------------------|
| Rukshana Morshed            | MD           | 44,444,400         | 18.00      | 444,444,000          |
| BD Shoes Ind. Ltd           | Director     | 11,282,040         | 5.00       | 112,820,400          |
| Sharmin Akther Lovely       | Director     | 7,179,480          | 3.00       | 71,794,800           |
| Gazi Golam Zakaria Jyoti    | Chairman     | 4,786,320          | 2.00       | 47,863,200           |
| Iftekhar Abdul Hai          | Director     | 4,786,320          | 2.00       | 47,863,200           |
| others shareholder(Placemen | shareholders | 35,482,162         | 15.00      | 354,821,620          |
| IOP Shareholders (Public)   | shareholders | 131,355,278        | 55.00      | 1,313,552,780        |
| <b>Total</b>                |              | <b>239,316,000</b> | <b>100</b> | <b>2,393,160,000</b> |

**12.00 RETAIN EARNINGS**

|  |                        |                        |
|--|------------------------|------------------------|
| Opening Balance                                      | (1,502,749,755)        | (290,276,749)          |
| Less: Bonus Dividend for the Year ended 30 June 2022 | -                      | -                      |
| Add: Net Profit/ (Net Loss) during the year          | 23,819,898             | (1,212,473,006)        |
| Less : Adjustment for income TAX 2021-2022           | (81,421)               | -                      |
|  | <b>(1,479,011,278)</b> | <b>(1,502,749,755)</b> |

**13.00 SUSPENSE ACCOUNTS**

|   |                      |                      |
|---|----------------------|----------------------|
| Opening Difference of Loans and Bank Balances | 1,099,847,332        | 1,099,847,332        |
| Current Accounts with Sister Concerns         | 687,873              | 687,873              |
| Written off Advances                          | 26,005,055           | 26,005,055           |
| Previous Year Supplier Payment                | 535,415,087          | 535,415,087          |
| Loan- Union Capital Ltd                       | 200,000,000          | 200,000,000          |
|   | <b>1,861,955,347</b> | <b>1,861,955,347</b> |

**14.00 LONG TERM BORROWINGS**

|                        |               |               |
|------------------------|---------------|---------------|
| Long Term Loan         | -             | -             |
| FSIBL 0104734000000001 | 1,042,136,466 | 1,239,130,326 |
| FSIBL 0104734000000002 | 6,863,182     | 6,414,189     |
| FSIBL 0104734000000003 | 34,303,635    | 32,059,472    |
| FSIBL 0104734000000004 | 39,663,608    | 37,068,793    |
| FSIBL 0104734000000005 | 5,193,790     | 4,854,010     |





|                        |                      |                      |
|------------------------|----------------------|----------------------|
| FSIBL 0104734000000006 | 4,025,957            | 3,762,577            |
| FSIBL 0104734000000007 | 136,268,301          | 127,353,553          |
| FSIBL 0104734000000008 | 9,195,388            | 8,593,821            |
| FSIBL 0104734000000009 | 13,103,665           | 12,246,416           |
| FSIBL 0104734000000010 | 74,472,642           | 69,600,600           |
|                        | <b>1,365,226,634</b> | <b>1,541,083,758</b> |

**Terms & Conditions of Term Loan**

The loan has been taken fist Securities Islami Bank Ltd. Agrabad Br. Chittagong for acquisition of leasehold land and Plant and Machinery of the company on the following terms and conditions

|                   |                                |
|-------------------|--------------------------------|
| Rate of Interest  | : 13.00%                       |
| Sanction Amount   | : 320 Million                  |
| Tenor             | : 7 years                      |
| Moralorium Period | : 6 Months                     |
| Security          | : Factory Building & Machinery |

**15.00 SHORT TERM BORROWINGS**

|                      |       |                    |                    |
|----------------------|-------|--------------------|--------------------|
| C&A Textiles Ltd.:   | 15.01 | 329,993,002        | 345,741,378        |
| C & A Fashions Ltd.: | 15.02 | 350,990,217        | 322,008,456        |
| Union Capital Ltd.   |       | 200,000,000        | 200,000,000        |
|                      |       | <b>880,983,219</b> | <b>867,749,834</b> |

**15.01 C&A Textiles Ltd.:**

| <b>Short Term Loan</b>       |  |             |             |
|------------------------------|--|-------------|-------------|
| FSIB 010472400009342 (CASH)  |  | -           | -           |
| FSIB 010472400009346 (CASH)  |  | 100,012,291 | 130,806,128 |
| FSIB 010472400002670 (HYPO)  |  | 10,741,373  | 10,038,667  |
| FSIB 010472400002673 (HYPO)  |  | 9,672,622   | 9,039,835   |
| FSIB 010472400002674 (HYPO)  |  | 9,479,946   | 8,859,763   |
| FSIB 010472400002675 (HYPO)  |  | 20,845,511  | 19,481,786  |
| FSIB 010472400002675 (HYPO)  |  | 34,396,821  | 32,146,562  |
| FSIB 010472400002684 (HYPO)  |  | 38,197,888  | 35,698,961  |
| FSIB 010472400002698 (HYPO)  |  | 35,289,373  | 32,980,723  |
| FSIB 0104724000027591 (HYPO) |  | 2,872,503   | 2,684,583   |
| FSIB 010472400002792 (HYPO)  |  | 1,372,901   | 1,283,086   |



|                             |                    |                    |
|-----------------------------|--------------------|--------------------|
| FSIB 010472400002809 (HYPO) | 49,471,985         | 46,235,500         |
| FSIB 010472400002812 (HYPO) | 9,138,575          | 8,540,725          |
| FSIB 010472400009389 (CASH) | 8,501,213          | 7,945,059          |
|                             | <b>329,993,002</b> | <b>345,741,378</b> |

**15.02 C & A Fashions Ltd.:**

|                       |                    |                    |
|-----------------------|--------------------|--------------------|
| FSIB 0104 75900000001 | 136,609,969        | 107,628,208        |
| FSIB 0104 75900000002 | 24,991,442         | 24,991,442         |
| FSIB 0104 75900000003 | 9,653,724          | 9,653,724          |
| FSIB 0104 75900000004 | 19,367,598         | 19,367,598         |
| FSIB 0104 75900000005 | 36,081,262         | 36,081,262         |
| FSIB 0104 75900000006 | 30,674,175         | 30,674,175         |
| FSIB 0104 75900000011 | 7,208,107          | 7,208,107          |
| FSIB 0104 75900000012 | 31,696,982         | 31,696,982         |
| FSIB 0104 75900000013 | 9,720,594          | 9,720,594          |
| FSIB 0104 75900000014 | 4,943,666          | 4,943,666          |
| FSIB 0104 75900000015 | 18,404,476         | 18,404,476         |
| FSIB 0104 75900000016 | 4,061,961          | 4,061,961          |
| FSIB 0104 75900000017 | 3,459,870          | 3,459,870          |
| FSIB 0104 75900000018 | 7,817,848          | 7,817,848          |
| FSIB 0104 75900000019 | 1,361,962          | 1,361,962          |
| FSIB 0104 75900000020 | 4,936,580          | 4,936,580          |
|                       | <b>350,990,217</b> | <b>322,008,456</b> |

**16.00 TRADE AND OTHER PAYABLE**

|                                      |                  |                  |
|--------------------------------------|------------------|------------------|
| M/s T&T Ind Cor.                     | 258,600          | 258,600          |
| M/s NSI                              | -                | -                |
| M/s Textrade                         | 569,200          | 569,200          |
| M/s Inotech Inds.                    | -                | -                |
| Brunal Textiles Ltd                  | 64,245           | 64,245           |
| Breau Veritas                        | 215,795          | 215,795          |
| Bright GI International              | 139,000          | 139,000          |
| Dream Knitting (BD) Ltd              | 569,730          | 569,730          |
| Dysin International Ltd              | 360,900          | 360,900          |
| ITS Labtest (BD) Ltd                 | 23,974           | 23,974           |
| J-K Soft Knit Ltd                    | 339,258          | 339,258          |
| JS Monndt International              | 330,000          | 330,000          |
| Masco Export (BD) Ltd                | 46,333           | 46,333           |
| Mondol Knitwear Ltd                  | 411,451          | 411,451          |
| Rachi Textiles Ltd                   | 37,100           | 37,100           |
| S.S Knitting & Design                | 21,825           | 21,825           |
| Salim Perfumery & Chemical Suppliers | 162,421          | 162,421          |
| Switch Color BD Ltd                  | 68,060           | 68,060           |
| M/s Trims & knitting                 | 98,180           | 98,180           |
| Glory Tapes Labiles                  | 203,284          | 203,284          |
| KGN Corporation                      | 146,400          | 146,400          |
| M/s Suroshakti                       | 420,000          | 420,000          |
| M/s System Control                   | 173,571          | 173,571          |
| M/s Ream Star Trade Accoocates       | 152,700          | 152,700          |
| BMH knit Fabrics                     | 597,961          | 597,961          |
| Great Tech Filter Manu               | 315,730          | 315,730          |
|                                      | <b>5,725,718</b> | <b>5,725,718</b> |



**17.00 PROVISION AND OUTSTANDING EXPENSES**

|   |       |                   |                   |
|---|-------|-------------------|-------------------|
| Utility bills payable                           |       | 3,352,458         | 3,352,458         |
| Salary and wages                                |       | 4,308,175         | 4,308,175         |
| Sundry Creditors                                | 17.01 | 2,031,217         | 2,031,217         |
| Provision for Income Tax                        | 17.02 | 47,668,404        | 47,586,983        |
| Audit fee payable                               |       | 287,500           | 287,500           |
| Professional fees payable                       |       | 75,000            | 75,000            |
| New factory building Construction bills payable | 17.03 | 1,244,020         | 1,244,020         |
|   |       | <b>58,966,774</b> | <b>58,381,035</b> |

**17.01 Sundry Creditors**

|                             |  |                  |                  |
|-----------------------------|--|------------------|------------------|
| Ambia Knitting & Dyeing     |  | 110,250          | 110,250          |
| M/s Bright GP International |  | 105,458          | 105,458          |
| City Tools Center           |  | 99,850           | 99,850           |
| M/s G.M Enterprise          |  | 85,458           | 85,458           |
| M/s Irfan Enterprise        |  | 70,580           | 70,580           |
| Nitol Motors Ltd            |  | 725,129          | 725,129          |
| Noor Engineering Ltd        |  | 33,150           | 33,150           |
| Tital Machinery Center      |  | 50,980           | 50,980           |
| M/s Zamil Trading           |  | 81,425           | 81,425           |
| Victoria Press              |  | 45,116           | 45,116           |
| System Control              |  | 73,571           | 73,571           |
| Shuruchi tools center       |  | 10,154           | 10,154           |
| Shahji Traders              |  | 77,247           | 77,247           |
| Samsang computer            |  | 48,530           | 48,530           |
| S. Islam                    |  | 87,000           | 87,000           |
| Rahimpur Eng. Works         |  | 9,040            | 9,040            |
| R.R Enterprise              |  | 37,500           | 37,500           |
| R.R Imperial Ele.           |  | 121,627          | 121,627          |
| Ovi Sing                    |  | 10,000           | 10,000           |
| Nabila #Eng. Works          |  | 4,130            | 4,130            |
| Micropath Eng.              |  | 33,150           | 33,150           |
| M/s Noor Paper & Stationary |  | 63,178           | 63,178           |
| M/s mostafa Enterprise      |  | 48,694           | 48,694           |
|                             |  | <b>2,031,217</b> | <b>2,031,217</b> |

**17.02 Provision for Income Tax**

|                                   |  |                   |                   |
|-----------------------------------|--|-------------------|-------------------|
| Opening Balance                   |  | 47,586,983        | 47,586,983        |
| Add: Provision for previous years |  | -                 | -                 |
| Add: provision during the year    |  | 81,421            | -                 |
| Less: Adjustments during the year |  | -                 | -                 |
|                                   |  | <b>47,668,404</b> | <b>47,586,983</b> |

**17.03 New factory building Construction bills payable**

|                             |  |                  |                  |
|-----------------------------|--|------------------|------------------|
| M/s Anis & Brothers         |  | 545,480          | 545,480          |
| M/s Inter Space             |  | 658,980          | 658,980          |
| M/s Khan Jahan Ali Builders |  | 39,560           | 39,560           |
|                             |  | <b>1,244,020</b> | <b>1,244,020</b> |

**18.00 SALES REVENUE**



|  |       |                    |                    |
|--|-------|--------------------|--------------------|
| Sales  |       | 13,570,242         | -                  |
| Less: RMG Central Fund                           |       | -                  | -                  |
|  |       | <b>13,570,242</b>  | <b>-</b>           |
| <b>19.00 COST OF SALES</b>                       |       |                    |                    |
| Ray Materials consumerd - Yarn                   | 19.01 | -                  | 377,124,078        |
| Ray Materials consumerd - Chemicals              | 19.02 | -                  | 50,125,458         |
| Consumable item- consumed                        | 19.03 | -                  | 25,551,254         |
| <b>Cost Materials consumed</b>                   |       | <b>-</b>           | <b>452,800,790</b> |
| work in process - Opening                        |       | -                  | 80,845,848         |
| work in process - closing                        |       | -                  | -                  |
| <b>Change in work in process</b>                 |       | <b>-</b>           | <b>80,845,848</b>  |
| Add: Manufacturing overhead                      | 19.04 | -                  | 5,545,470          |
| Add: Depreciation (Manufacturing)                |       | 110,874,083        | 123,120,541        |
| <b>Cost of Goods Manufactured</b>                |       | <b>110,874,083</b> | <b>128,666,011</b> |
| Finishing Goods - opening                        |       | -                  | 144,458,400        |
| Sample Making Expenses                           |       | -                  | -                  |
| Finishing Goods - Closing                        |       | -                  | -                  |
| <b>Change of finishing goods stock</b>           |       | <b>-</b>           | <b>144,458,400</b> |
|  |       | <b>110,874,083</b> | <b>806,771,049</b> |
| <b>19.01 Ray Materials consumerd - Yarn</b>      |       |                    |                    |
| Opening Stock                                    |       | -                  | 377,124,078        |
| Add: Purchase during the year                    |       | -                  | -                  |
| Raw Material available for production            |       | -                  | 377,124,078        |
| Less: Closing Stock                              |       | -                  | -                  |
|  |       | <b>-</b>           | <b>377,124,078</b> |
| <b>19.02 Ray Materials consumerd - Chemicals</b> |       |                    |                    |
| Opening Stock                                    |       | -                  | 50,125,458         |
| Add: Purchase during the year                    |       | -                  | -                  |
| Raw Material available for production            |       | -                  | 50,125,458         |
| Less: Closing Stock                              |       | -                  | -                  |
|  |       | <b>-</b>           | <b>50,125,458</b>  |
| <b>19.03 Consumable item- consumed</b>           |       |                    |                    |
| Opening Stock                                    |       | -                  | 25,551,254         |
| Add: Purchase during the year                    |       | -                  | -                  |
| Raw Material available for production            |       | -                  | 25,551,254         |
| Less: Closing Stock                              |       | -                  | -                  |
|  |       | <b>-</b>           | <b>25,551,254</b>  |
| <b>19.04 Manufacturing overhead</b>              |       |                    |                    |
| Salary & Wages                                   |       | -                  | -                  |
| Factory supplies                                 |       | -                  | -                  |
| Medical Exoenses                                 |       | -                  | -                  |
| food & Tiffen                                    |       | -                  | -                  |
| Labor Charhe                                     |       | -                  | -                  |
| Carring Charge                                   |       | -                  | -                  |



|  |          |   |                    |
|--|----------|---|--------------------|
| Power & Fuel                               |          | - | -                  |
| Commercial Expenses                        |          | - | -                  |
| Printing & Stationary Expenses             |          | - | -                  |
| Store consumption                          | 19.04.01 | - | 5,545,470          |
| Insurance premium                          |          | - | -                  |
| Postage & stamp                            |          | - | -                  |
| Convoyance                                 |          | - | -                  |
| Telephone & Mobile Bill                    |          | - | -                  |
| Miscellaneous Expenses                     |          | - | -                  |
| Repair & Maintenance                       | 19.04.02 | - | -                  |
| Internet Charge                            |          | - | -                  |
| Lab testing charge                         |          | - | -                  |
| BSCIC Holding Tax                          |          | - | -                  |
|  |          | - | <b>5,545,470</b>   |
| <b>19.04.01 Store consumption</b>          |          |   |                    |
| Opening Balance                            |          | - | 5,545,470          |
| Add: Purchase during the year              |          | - | -                  |
|  |          | - | <b>5,545,470</b>   |
| Less: Closing Balance                      |          | - | -                  |
| Consumption during the year                |          | - | <b>5,545,470</b>   |
| <b>19.04.02 Repair &amp; Maintenance</b>   |          |   |                    |
| Plant & Machinery                          |          | - | -                  |
| Building & Shed                            |          | - | -                  |
| others                                     |          | - | -                  |
|  |          | - | -                  |
| <b>20.00 OPERATING EXPENSES</b>            |          |   |                    |
| Administrative Expenses                    | 20.01    | - | 223,320,442        |
| Warehouse, Distribution & selling Expenses | 20.02    | - | -                  |
|  |          | - | <b>223,320,442</b> |
| <b>20.01 Administrative Expenses</b>       |          |   |                    |
| Salary & Allowance                         |          | - | -                  |
| Salary & Allowance                         |          | - | -                  |
| Bad Debt Exp                               |          | - | 223,320,442        |
| Stationary & Computer paper                |          | - | -                  |
| Phone, Fax & Mobile Bill                   |          | - | -                  |
| Postage & Stamp                            |          | - | -                  |
| Tours & Travelling Expenses                |          | - | -                  |
| Entertainment                              |          | - | -                  |
| Rent & other                               |          | - | -                  |
| Fees & Forms                               |          | - | -                  |
| Audit Fee                                  |          | - | -                  |
| Legal & Professional Fee                   |          | - | -                  |
| Director Remunation & Fees                 |          | - | -                  |
| Miscellaneous Expenses                     |          | - | -                  |
| Vehicles Expenses                          |          | - | -                  |
| BSCIC Holding Tax                          |          | - | -                  |
| AGM Expenses                               |          | - | -                  |
| Miscellaneous Expenses                     |          | - | -                  |





|   |                    |                    |
|---|--------------------|--------------------|
| Depreciation  | -                  | -                  |
|   | -                  | <b>223,320,442</b> |
| <b>20.02 Warehouse, Distribution &amp; selling Expenses</b> |                    |                    |
| Salary & Allowance  | -                  | -                  |
| Transportation, Handling & Air Freight Exp.                 | -                  | -                  |
| Power & Fuel  | -                  | -                  |
| Electricity, Water & Gas                                    | -                  | -                  |
| Repairs & Maintenance                                       | -                  | -                  |
| Traveling Expenses  | -                  | -                  |
| Sample Making Expenses                                      | -                  | -                  |
| Postage & Courier   | -                  | -                  |
| Entertainment   | -                  | -                  |
| Printing & Stationary                                       | -                  | -                  |
| Miscellaneous Expenses                                      | -                  | -                  |
| Advertisement Expenses                                      | -                  | -                  |
| Sales promotion Expenses                                    | -                  | -                  |
| Depreciation  | -                  | -                  |
|   | -                  | -                  |
| <b>21.00 OTHER INCOME</b>                                   |                    |                    |
| Sale of Wastage   | -                  | -                  |
| Gain for Foreign Currency Fluctuation                       | -                  | -                  |
| Extra Ordinary Income -Waiver of Interest                   | 150,105,500        | -                  |
|   | <b>150,105,500</b> | -                  |
| <b>22.00 FINANCIAL EXPENSES</b>                             |                    |                    |
| Bank Charges  | 1,001              | 760                |
| Interest on Borrowing and Bank Charge                       | 28,980,760         | 182,380,755        |
|   | <b>28,981,761</b>  | <b>182,381,515</b> |
| <b>23.00 EARNING PER SHARES (BASIC)</b>                     |                    |                    |
| Net Profit /( Loss) for the year                            | 23,738,477         | (1,212,473,006)    |
| Weighted Number of Ordinary Share                           | 239,316,000        | 239,316,000        |
| <b>Basic Earning Per Shares</b>                             | <b>0.10</b>        | <b>(5.07)</b>      |
| <b><u>EARNING PER SHARES (ADJUSTED)</u></b>                 |                    |                    |
| Net Profit /( Loss) for the year                            | 23,738,477         | (1,212,473,006)    |
| Weighted Number of Ordinary Shares                          | 239,316,000        | 239,316,000        |
| <b>Adjusted Earning Per Share</b>                           | <b>0.10</b>        | <b>(5.07)</b>      |



**C & A Textiles Limited**  
**STATEMENT OF PROPERTY, PLANT & EQUIPMENT**  
**AS AT 30TH JUNE, 2022**

| Particulars                       | Cost                     |                          | Rate of Dep (%) | Depreciation             |                        | Written Down Value as at 30.06.2022 |
|-----------------------------------|--------------------------|--------------------------|-----------------|--------------------------|------------------------|-------------------------------------|
|                                   | Balance as on 01.07.2021 | Addition during the Year |                 | Balance as on 30.06.2022 | Charge during the year |                                     |
| Leasehold Land & Land Development | 69,716,323               | -                        | 5%              | 1,944,397                | 32,772,774             | 36,943,549                          |
| Factory Building                  | 439,535,365              | -                        | 10%             | 12,879,673               | 323,618,304            | 115,917,061                         |
| Plant & Machinery                 | 2,095,846,654            | 500,000                  | 10%             | 80,064,873               | 1,375,762,797          | 720,583,857                         |
| Furniture & Fixture               | 85,435,092               | 163,827                  | 10%             | 2,858,455                | 59,872,827             | 25,726,092                          |
| Water and Gas Line Installation   | 47,858,841               | 37,000                   | 10%             | 2,217,951                | 27,934,282             | 19,961,559                          |
| Electrical Installation           | 113,958,382              | -                        | 10%             | 3,998,301                | 77,973,671             | 35,984,711                          |
| Electrical Equipment              | 25,311,448               | -                        | 10%             | 820,934                  | 17,923,040             | 7,388,408                           |
| Generator                         | 127,254,832              | 220,000                  | 10%             | 3,833,693                | 92,971,594             | 34,503,238                          |
| Fire Equipment                    | 11,888,581               | -                        | 10%             | 502,041                  | 7,370,209              | 4,518,372                           |
| Vehicles                          | 26,094,692               | -                        | 20%             | 795,057                  | 22,914,466             | 3,180,226                           |
| Office Equipments                 | 13,523,616               | 216,530                  | 10%             | 549,948                  | 8,790,612              | 4,949,534                           |
| Air Conditions                    | 13,275,222               | -                        | 20%             | 408,758                  | 11,640,189             | 1,635,033                           |
| <b>Balance as on 30-06-2022</b>   | <b>3,069,699,048</b>     | <b>1,137,357</b>         |                 | <b>110,874,083</b>       | <b>2,059,544,763</b>   | <b>1,011,291,642</b>                |



Place: Dhaka  
Date: 20.07.2023  
Ref: GK/C/23-24/A/025

**C&A TEXTILES LIMITED**

Plot# 61,62,66,67,68,72 & 73, BSCIC Industrial Area, Kalurghat (Ext), Chittagong, Bangladesh

**PROXY FORM**

I/We.....  
of  
.....  
.....being Shareholder(s) of C&A Textiles Limited hereby appoint Mr./Mrs./Miss  
.....of.....as my /our proxy  
to attend company and vote for me/us and on my/our behalf at the 16<sup>th</sup> to 21<sup>st</sup> Annual General Meeting of the  
company to be held on 8<sup>th</sup> August, 2023 at 12:00 to 5.00 pm at factory premises under hybrid system the link  
(<https://cnatex16thagm.digitalagmbd.net>,<https://cnatex17thagm.digitalagmbd.net>,<https://cnatex18thagm.digitalagmbd.net>,<https://cnatex19thagm.digitalagmbd.net>,<https://cnatex20thagm.digitalagmbd.net>,<https://cnatex21stagn.digitalagmbd.net> )and or any adjournment thereof. As witness my/our hand this  
.....day of .....2023.

Signature of Proxy .....Signature of Shareholder(s).....

Register Folio No./B.O. ID No.....

N.B.: Proxy form must be deposited at the registered office of the company at least 48 hours before AGM.

**C&A TEXTILES LIMITED**

Plot# 61,62,66,67,68,72 & 73, BSCIC Industrial Area, Kalurghat (Ext), Chittagong, Bangladesh

**ATTENDANCE SLIP**

I/We.....  
.....hereby record my/our presence at the 16<sup>th</sup> to 21<sup>st</sup> Annual General Meetings of C&A Textiles Limited on 8<sup>th</sup>  
August, 2023 at 12:00 to 5.00 pm at factory premises “under **hybrid system** through the link  
(<https://cnatex16thagm.digitalagmbd.net>,<https://cnatex17thagm.digitalagmbd.net>,<https://cnatex18thagm.digitalagmbd.net>,<https://cnatex19thagm.digitalagmbd.net>,<https://cnatex20thagm.digitalagmbd.net>,<https://cnatex21stagn.digitalagmbd.net> )

Signature of Shareholder (s)

Folio No./B.O. No.....

No. of Share held.....

**N.B:** Please present the slip at the meeting. Signature of Shareholder(s) must be in accordance with specimen signature kept with the company



# C&A TEXTILES LTD.



Address: plot no# 61,62,66,7,68,72 & 73 BCIC Industrial Estate,  
Kalurghat, (Ext), Chittagong.