

PRIVATE AND CONFIDENTIAL

Sonargaon Textiles Ltd.

Dhaka, Bangladesh.

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Financial Statements & Auditor's Repo For the year ended June 30, 2025



G. KIBRIA & CO.
CHARTERED ACCOUNTANTS

Head Office:

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Independent Auditor's Report To the Shareholders of SONARGAON TEXTILES LTD.

Report on the Audit of the Financial Statements

Qualified Opinion

We have audited the financial statements of **SONARGAON TEXTILES LTD.** ("the Company"), which comprise the statement of financial position as at June 30, 2025, 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 material accounting policies Information.

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion section of our report, the accompanying financial statements give a true and fair view of the financial position of the Company as at June 30, 2025 and of its financial performance and its cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IASB).

Basis for Qualified Opinion

1. We draw attention to the financial statements, the company reported inventories amounting of BDT 549,892,922 & PPE of BDT 684,487,647. At the year-end, the company was unable to facilitate our stock-taking procedures. Consequently, we were unable to verify the inventory & PPE balance through physical verification or by performing alternative procedures after the year-end. As a result, we could not obtain sufficient appropriate audit evidence to independently confirm the amount of inventories & PPE stated in the financial statements.
2. During the year, the company reported Purchase of Raw Materials worth BDT 140,665,886 (see note 11.01). However, the company conducted a significant portion of transactions in cash. Due to the unavailability of reliable information and the nature of these transactions, we were unable to verify their authenticity.
3. As disclosed in the note # 8.03 to the financial statements regarding Deferred Tax Liabilities, worth of BDT 57,776,842. We have observed that the management of the company did not considered the revalued amount of PPE at the time of calculation of Deferred Tax. Therefore, the Deferred Tax Liabilities figures reported may include some misstatement related to this balance.
4. As disclosed in the note # 9.01 of the financial statements regarding "Unclaimed /Unpaid Dividend" worth of BDT 1,560,103. As per Bangladesh Securities and Exchange Commission's notification BSEC/CMRRCD/2021-391/20/Admin/121 dated 01 June 2021 and BSEC/CMRRCD/2021-386/03 dated 14 January 2021, If any cash dividend remains unpaid or unclaimed or unsettled or un distributed for a period of 3 (three) years from the date of declaration or approval or record date, as the case may be, shall be transferred by the issuer to the bank account of the Capital Market Stabilization Fund within such time as directed by the Commission. However, we have observed that unclaimed/unpaid dividends for the year 2019 of BDT 1,372,768 and 2022 of BDT 87,702 are lying unpaid during the year, also, we have observed that the total unpaid amount of liability was not covered by the related bank balance. So, it is non-compliance of the above-mentioned guidelines of the BSEC.
5. As disclosed in note # 9.03 of the financial statements regarding "Workers Profit Participation and Welfare Fund", worth of BDT 1,001,817. In the course of the audit of the financial statements, we have observed that the company has not disbursed and utilized the funds as per the Bangladesh Labour Act, 2006. So, it is a non-compliance of the Bangladesh Labour Act, 2006.



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

Emphasis of Matter

1. We would like to draw your attention to note # 8.01, which describes the Company's on-going legal proceedings with three of its financial institutions, viz Bangladesh Development Bank Limited, Rupali Bank Limited, and Mutual Trust Bank Ltd. (MTBL). A money suit was installed with the Artho Rin Adalat by BDBL, MTBL, and Rupali Bank Limited has declared the loan as classified. The banks are not charging interest on loans. Moreover, the company has on the process of negotiation for interest remission and the matter is under process. So, the company reformed interest against loans. Our opinion is not modified on this regard.
2. We also draw attention to note # 8.01 of the financial statements in respect of Long-Term Loan (Non-Current Maturity), where the company explains the reasons for not making any interest provisions during the year. Our opinion is not modified on this regard.

Material Uncertainty Related to Going Concern

We draw attention to note # 2.06 to the financial statements as at June 30, 2025. The company has negative retained earnings of BDT 158,476,553, it also generated negative returns for its shareholders during the year. This situation raises concerns about the company's ability to continue as a going concern. Our opinion is not modified in respect to this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matter described in the Basis for Qualified Opinion section, we have determined the matters described below to be the key audit matters to be communicated in our report.

Revenue Recognition	
<p>Revenue of BDT 32.5 Crore (BDT 19.9 Crore for the year ended June 30, 2024) is recognized in the Statement of Profit and Loss and Comprehensive Income of Sonargaon Textiles Limited. The Company's revenue recognition policies and procedures are not complex and revenue is recognized at a point in time when the control of the manufactured goods is transferred to the customer. However, Revenue is highly material to the financial statement users and is the primary driver of key investor metrics such as Earnings per Share, etc. This account is also subject to some risks due to the risks such as management override and bias.</p>	<p>Our audit procedures included:</p> <p>Understanding the process of estimating, recording, and reassessing going concern.</p> <ul style="list-style-type: none"> ▶ Examine customer contracts to determine key arrangements between the Customer and Company to understand when control of the goods manufactured transfers from the Company to the Customer. ▶ Reviewing Invoices, and other supporting documentation to ensure revenue recognition is occurring appropriately.



	<ul style="list-style-type: none"> ▶ Examine Payment documentation to ensure the completion of the revenue cycle is documented appropriately.
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Details of Revenue Recognition are included in Note 10.00 to the Financial Statements

Property, Plant & Equipment

<p>The Company's PPE balance as of 30 June 2025 was BDT 68.45 Crore (BDT 71.99 Crore as of 30 June 2024). This represents 54.92% of the Total Assets of the Company (56% of the Company as of June 30, 2024). There is an estimation performed by management in regards to Asset useful life. Based on the requirement of estimates and the fact that this is a major asset category, this was determined to be a key audit matter.</p>	<p>Our audit procedures included:</p> <ul style="list-style-type: none"> ▶ Obtain an understanding of the Company's internal controls, systems, and processes around PPE. ▶ We performed PPE addition procedures by obtaining supporting documentation, invoices, and payment support. ▶ We performed the reasonability of depreciation expenses charged by management to ensure accuracy and occurrence. ▶ Reviewed management's calculations to ensure it is free from no clerical errors.
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Details of Property, Plant & Equipment have been included in Note 5.01 to the Financial Statements

Information Other than the Financial Statements and Auditor's Report Thereon

Management is responsible for information other than financial statements and auditor's report. The other information comprises of the Director's Report, Corporate Governance Compliance Report, Business Responsibility & Sustainability Report and Management Discussion and Analysis. We expect to receive this other information after the date of our auditor's report.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed on the other information obtained prior to the date of the auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.



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

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IASB), 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's or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- ▶ Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- ▶ Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.
- ▶ 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.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because



the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

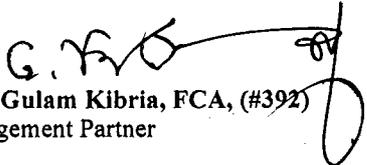
Report on other Legal and Regulatory Requirements

In accordance with the Companies Act 1994, the Securities and Exchange Rules 1987, and relevant notifications issues by Bangladesh Securities and Exchange Commission, except for the possible effects of the matter described in the Basis for Qualified Opinion section of our report, we also report that:

- ▶ We have obtained all the information and explanations which to the best of our knowledge and belief, were necessary for the purpose of our audit and made due verification thereof;
- ▶ In our opinion, proper books of accounts, records, and other statutory books as required by law have been kept by the Company so far as it appeared from our examinations of those books, and proper returns adequate for the purpose of our audit have been received from branches not visited by us;
- ▶ The statement of financial position and statement of profit or loss and other comprehensive income dealt with by the report are in agreement with the books of account and returns;
- ▶ The expenditures incurred were for the purpose of the Company's business.

For and on behalf of
G. Kibria & Co.
Chartered Accountants
Firm's FRC Enlistment No. CAF-001-030

Place: Dhaka, Bangladesh
Date: 26 October 2025
DVC No: 2510260392AS742981


A.K. Gulam Kibria, FCA, (#392)
Engagement Partner



SONARGAON TEXTILES LIMITED

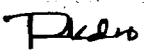
Statement of Financial Position

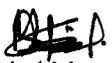
As at June 30, 2025

Particulars	Notes	Amount in BDT	
		June 30, 2025	June 30, 2024
Property and Assets			
Non-Current Assets:			
Property, Plant and Equipment	5.01	684,487,647	719,919,673
Right of Use Asset	5.02	-	506,259
	5.00	<u>684,487,647</u>	<u>720,425,932</u>
Current Assets:			
Inventories	6.01	549,892,922	536,728,251
Advances, Deposits and Prepayments	6.02	7,636,247	7,060,009
Trade & Other Receivables	6.03	13,568,689	16,073,446
Investment in Shares	6.04	1,569,450	1,569,450
Cash and Cash Equivalent	6.05	590,202	1,727,816
	6.00	<u>573,257,510</u>	<u>563,158,972</u>
Total Property and Assets		<u><u>1,257,745,156</u></u>	<u><u>1,283,584,904</u></u>
Shareholders' Equity and Liabilities			
Shareholders' Equity:			
Share Capital	7.01	264,670,560	264,670,560
Capital Reserve	7.02	5,373,570	5,373,570
Share Premium	7.03	54,560,000	54,560,000
Revaluation Reserve	7.04	319,576,019	329,610,602
Retained Earnings	7.05	(158,476,553)	(143,025,384)
	7.00	<u>485,703,595</u>	<u>511,189,348</u>
Non-Current Liabilities:			
Long Term Loan (Non -Current Maturity)	8.01	672,404,220	672,404,220
Lease Obligation Liability	8.02	-	550,459
Deferred Tax Liability	8.03	57,776,842	70,457,673
	8.00	<u>730,181,062</u>	<u>743,412,352</u>
Current Liabilities & Provisions:			
Unclaimed/Unpaid Dividend	9.01	1,560,103	1,460,470
Trade & Other Payables	9.02	36,045,697	25,094,273
Workers Profit Participation and Welfare Fund	9.03	1,001,817	2,428,459
Provision for Income Tax	9.04	3,252,881	-
	9.00	<u>41,860,499</u>	<u>28,983,202</u>
Total Shareholders' Equity & Liabilities		<u><u>1,257,745,156</u></u>	<u><u>1,283,584,904</u></u>
Net Assets Value Per Share (NAVPS)	16.00	<u><u>18.35</u></u>	<u><u>19.31</u></u>

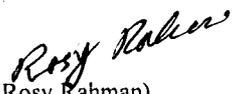
The annexed notes from 1 to 41 and Annexure-A form an integral part of these Financial Statements.

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


(Pintu Sikder ACS)
Company Secretary


(Md. Monirul Islam Khan)
Chief Financial Officer


(Bazlur Rahman)
Managing Director


(Rosy Rahman)
Director


(A.K.M Azizur Rahman)
Chairman

For and on behalf of
G. Kibria & Co.
Chartered Accountants
Firm's FRC Enlistment No. CAF-001-030

Dated: 26 October 2025
Place: Dhaka, Bangladesh
DVC: 2510260392AS742981


A.K. Gulam Kibria, FCA (# 392)
Partner

/25-26/A/128

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SONARGAON TEXTILES LIMITED
Statement of Profit or Loss and Other Comprehensive Income
For the year ended 30th June, 2025

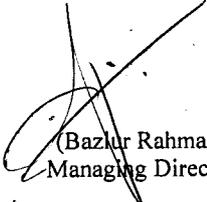
Particulars	Notes	Amount in BDT	
		June 30, 2025	June 30, 2024
Sales (Revenue)	10.00	325,288,124	199,200,723
Less: Cost of Goods sold	11.00	(336,153,950)	(170,935,899)
Gross Profit /(Loss)		(10,865,826)	28,264,824
Less: Operating Expenses :			
Administrative Expenses	12.00	(20,672,548)	(22,024,463)
Selling & Distribution Expenses	13.00	(190,422)	(632,075)
Total Operating Expenses		(20,862,970)	(22,656,538)
Operating Profit/(Loss)		(31,728,796)	5,608,286
Add: Non-Operating Income			
Other Income	14.00	1,153,422	1,164,639
Total Non-Operating Income		1,153,422	1,164,639
Less: Non-Operating Expenses			
Financial Expenses	15.00	(98,844)	(222,176)
Total Non-Operating Expenses		(98,844)	(222,176)
Net Profit/(Loss) before WPPF		(30,674,218)	6,550,749
Less: Provision for WPPF & WWF	9.03	-	(311,940)
		-	(311,940)
Net Profit/(Loss) before tax (G-H)		(30,674,218)	6,238,809
Less: Provision for Income Tax			
Current Tax	9.04	(3,252,881)	(1,195,204)
Deferred Tax	8.04	12,680,831	2,154,911
Total Income Tax Expenses		9,427,950	959,707
Net Profit/(Loss) after Tax		(21,246,268)	7,198,516
Other comprehensive income		-	-
Total comprehensive income		(21,246,268)	7,198,516
Earning Per Share (EPS)	17.00	(0.80)	0.27

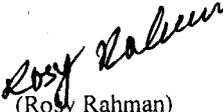
The annexed notes from 1 to 41 and Annexure-A form an integral part of these Financial Statements.

This is the Statement of Profit or Loss and Other Comprehensive Income referred to in our


(Pintu Sikder ACS)
Company Secretary


(Md. Monirul Islam Khan)
Chief Financial Officer

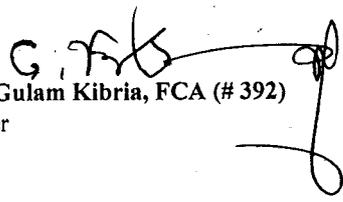

(Bazlur Rahman)
Managing Director


(Rosy Rahman)
Director


(A.K.M Azizur Rahman)
Chairman

For and on behalf of
G. Kibria & Co.
Chartered Accountants
Firm's FRC Enlistment No. CAF-001-030

Dated: 26 October 2025
Place: Dhaka, Bangladesh
DVC: 2510260392AS742981


A.K. Gulam Kibria, FCA (# 392)
Partner



SONARGAON TEXTILES LTD.

Statement of Changes In Equity For the year ended 30th June, 2025

Amount in BDT

Particulars	Share Capital	Share Premium	Capital Reserve	Revaluation Reserve	Retained Earnings	Total
As at 1 July, 2024	264,670,560	54,560,000	5,373,570	329,610,602	(143,025,383)	511,189,349
Adjustment in Revaluation Reserve	-	-	-	(10,034,583)	10,034,583	-
Net profit/(Loss)- 2025	-	-	-	-	(21,246,268)	(21,246,268)
Prior Year Tax Adjustment	-	-	-	-	(1,592,780)	(1,592,780)
Dividend 2024	-	-	-	-	(2,646,705)	(2,646,705)
As at 30th June, 2025	264,670,560	54,560,000	5,373,570	319,576,019	(158,476,553)	485,703,596

SONARGAON TEXTILES LTD.

Statement of Changes In Equity For the year ended 30th June, 2024

Amount in BDT

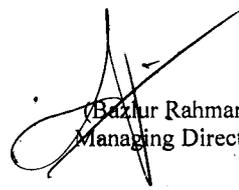
Particulars	Share Capital	Share Premium	Capital Reserve	Revaluation Reserve	Retained Earnings	Total
As at 1 July, 2023	264,670,560	54,560,000	5,373,570	340,349,944	(160,963,241)	503,990,833
Adjustment in Revaluation Reserve	-	-	-	(10,739,342)	10,739,342	-
Net profit/(Loss)- 2024	-	-	-	-	7,198,516	7,198,516
As at 30th June, 2024	264,670,560	54,560,000	5,373,570	329,610,602	(143,025,383)	511,189,349

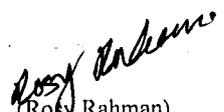
The annexed notes from 1 to 41 and Annexure-A form an integral part of these

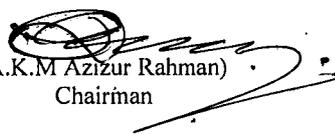
This is the Statement of Changes in Equity referred to in our separate report of even date


(Pintu Sikder ACS)
Company Secretary


(Md. Monirul Islam Khan)
Chief Financial Officer


(Bazlur Rahman)
Managing Director


(Rosy Rahman)
Director


(A.K.M Azizur Rahman)
Chairman



SONARGAON TEXTILES LIMITED

Statement of Cash Flows For the year ended 30th June, 2025

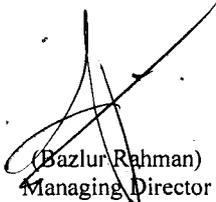
Particulars	Amount in BDT	
	June 30, 2025	June 30, 2024
A. Cash Flows from Operating Activities :		
Collection from Turnover & Others	327,792,881	183,127,277
Payment to Suppliers and Employees	(325,330,649)	(183,050,769)
Cash Generated from Operation	2,462,232	76,508
Collection from Non-operation Income	1,153,422	1,164,639
Interest Paid	-	-
Income Tax paid	(2,206,197)	(491,311)
Net Cash Flows from Operating Activities	1,409,458	749,836
B. Cash Flows from Investing Activities :		
Acquisition of property Plant & Equipment	-	-
Acquisition of Long Term Assets	-	-
Sale Proceeds of Long Term Assets	-	-
Net Cash Flows from Investing Activities	-	-
C. Cash Flows from Financing Activities :		
Long Term Loan received	-	-
Short Term Loan Paid	-	-
Other Loans and Advances Received /(Paid)	-	-
Dividend Paid	(2,547,072)	-
Net cash flow from Financing Activities	(2,547,072)	-
Increase/(decrease) in Cash and Cash Equivalent (A+B+C)	(1,137,614)	749,836
Cash and Cash Equivalent at Opening	1,727,816	977,980
Unrealized gain or (loss) on foreign exchange fluctuation	-	-
Cash and Cash Equivalent at Closing	590,202	1,727,816
Net Operating Cash Flow Per Share (NOCFPS)	18.00	0.05
		0.03

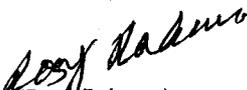
The annexed notes from 1 to 41 and Annexure-A form an integral part of these Financial Statements.

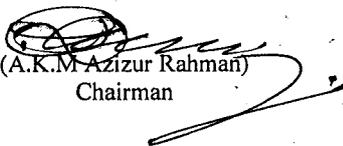
This is the Statement of Cash Flows referred to in our separate report of even date annexed.


(Pintu Sikder ACS)
Company Secretary


(Md. Monirul Islam Khan)
Chief Financial Officer


(Bazlur Rahman)
Managing Director


(Rosy Rahman)
Director


(A.K.M. Azizur Rahman)
Chairman



SONARGAON TEXTILES LTD.
KHANSONS CENTRE, 37, KAWRAN BAZAR, DHAKA-1215, BANGLADESH.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE, 2025
FORMING AN INTEGRAL PART OF THE FINANCIAL STATEMENTS

1.0 Reporting Entity

1.01 Corporate Information – Domicile, Legal Formation, and Country of Incorporation

Sonargaon Textiles Limited has been incorporated in Bangladesh as a Public Limited Company under the Companies Act 1913, currently 1994, in the year 1984. The shares of the Company are listed with the Dhaka Stock Exchange Ltd. (DSE) and Chittagong Stock Exchange Ltd. (CSE).

1.02 Address of Corporate Head Office:

The Corporate Office of the Company is situated at Khansons Centre, 37, Kawran Bazar, Dhaka-1215, Bangladesh.

1.03 Address Factory Office:

The Share Office of the Company is situated at Rupatali, Barisal, and the Registered Office is there.

1.04 Other Corporate Information

- (i) Trade License: TRAD/DNCC/064394/2022 date: 08/09/2024
- (ii) e-TIN No.: 476264417082 date: 18/12/2013
- (iii) BIN No.: 0000871560804 date: 14/08/2019

1.05 Principal Activities and Nature of Business

The Company owns and operates a textile spinning mill comprising 3 Units, viz, Unit-I, Unit-2, and Unit-3, and its principal activities and operations are manufacturing of cotton yarn of different counts and sales thereof.

1.06 Commencement of Business

The Company commenced its commercial operation on 21.12.1985, but the operation has stopped for some technical reason for 14 months, and commercial operation has restarted from 30.05.2021.

1.07 Operating Segments

No operating segment is applicable for the Company as required by *IFRS 8: Operating Segments* as the Company has only one operating segments and the operation of the Company is within the geographical territory in Bangladesh.

1.08 Structure, Content, and Presentation of Financial Statements

According to the International Accounting Standards (IAS-1) as adopted by the Institute of Chartered Accountants of Bangladesh as IAS-1 "Presentation of Financial Statements" the complete set of financial statements includes the following components



- ◊ Statement of Financial Position as at 30th June, 2025;
- ◊ Statement of Profit or Loss and Other Comprehensive Income for the year ended 30th June, 2025;
- ◊ Statement of Changes in Equity for the year ended 30th June, 2025;
- ◊ Statement of Cash Flows for the year ended 30th June, 2025;
- ◊ Notes comprising a summary of significant accounting policies and other explanatory Information.

2.00 Basis of Preparation of Financial Statements

2.01 Statement of Compliance

The financial statements have been prepared in compliance with the requirements of the Companies Act, 1994, the Securities & Exchange Rules, 2020, the Listing Regulations of Dhaka Stock Exchange Limited (DSE) and the Chittagong Stock Exchange Limited (CSE), and other relevant local laws as applicable and in accordance with the applicable International Financial Reporting Standards (IFRSs) including International Accounting Standards (IAS) as issued by International Accounting Standards Board (IASB) and adopted by the Institute of Chartered Accountants of Bangladesh (ICAB).

Pursuant to the recent amendment to the Companies Act, 1994 incorporating amendments, among others, is to change of the word 'Limited' by the word 'PLC' in the case of Public Limited Companies including listed ones. Necessary formalities are in progress in implementing these changes.

2.02 Other Regulatory Compliances

The Company is also required to comply with the following major legal provisions in addition to the Companies Act, 1994, and other applicable laws and regulations:

- The Income Tax Act, 2023;
- The Income Tax Rules, 1984;
- The Value Added Tax and Supplementary Duty Act, 2012;
- The Value Added Tax Rules, 2016;
- The Stamp Act, 1899;
- The Customs Act, 1969;
- The Bangladesh Securities and Exchange Commission Act, 1993;
- The Securities and Exchange Rules, 2020;
- The Securities and Exchange Ordinance, 1969;
- Bangladesh Labour Act, 2006 (as amended to 2018)
- DSE/CSE Rules;
- Listing Regulations, 2015;

2.03 Compliance with the Financial Reporting Standards as applicable in Bangladesh

As per para-14(2) of the Securities and Exchange Rule, 2020, the company has followed the International Accounting Standards (IAS's) and International Financial Reporting Standards (IFRS's) as adopted by the Institute of Chartered Accountants of Bangladesh (ICAB) in preparing the financial statements.

Sl. No.	IAS No.	IAS Title	Compliance Status
1	1	Presentation of Financial Statements	Complied
2	2	Inventories	Complied
3	7	Statement of Cash Flows	Complied
4	8	Accounting Policies, Changes in Accounting Estimates and Errors	Complied
5	10	Events after the Reporting Period	Complied
6	11	Construction Contracts	N/A
7	12	Income Taxes	Complied
8	16	Property, Plant, and Equipment	Complied
9	19	Employee Benefits	N/A
10	20	Accounting for Govt. Grants and Disclosure of Govt. Assistance	N/A
11	21	The Effects of Changes in Foreign Exchange Rates	Complied



12	23	Borrowing Costs	Complied
13	24	Related Party Disclosures	Complied
14	26	Accounting and Reporting by Retirement Benefit Plan	N/A
15	27	Separate Financial Statements	N/A
16	28	Investment in Associated and Joint Venture	N/A

Sl. No.	IAS No.	IAS Title	Compliance Status
17	29	Financial Reporting in Hyperinflationary Economics	N/A
18	31	Interest in Joint Ventures	N/A
19	32	Financial Instruments: Presentation	Complied
20	33	Earnings per Share	Complied
21	34	Interim Financial Reporting	Complied
22	36	Impairment of Assets	Complied
23	37	Provisions, Contingent Liabilities and Contingent Assets	Complied
24	38	Intangible Assets	Complied
25	40	Investment Property	N/A
26	41	Agriculture	N/A

Sl. No.	IFRS No.	IFRS Title	Compliance Status
1	1	First-time adoption of International Financial Reporting Standards	Complied
2	2	Share-based Payment	N/A
3	3	Business Combinations	N/A
4	4	Insurance Contracts	N/A
5	5	Non-current Assets held for Sale and Discontinued Operations	N/A
6	6	Exploration for and Evaluation of Mineral Resources	N/A
7	7	Financial Instruments: Disclosures	Complied
8	8	Operating Segments	Complied
9	9	Financial Instrument	Complied
10	10	Consolidated Financial Statements	N/A
11	11	Joint Arrangements	N/A
12	12	Disclosure of Interests in Other Entities	N/A
13	13	Fair Value Measurement	Complied
14	14	Regulatory Deferral Accounts	N/A
15	15	Revenue from Contracts with Customers	Complied
16	16	Leases	Complied

2.04 Basis of Measurement of Elements of Financial Statements

The financial statements have been prepared based on the accrual basis of accounting and prepare under the historical cost convention except for the revaluation of certain non-current assets which are stated either at revaluated amount or fair market value as explained in the accompanying notes. The accompanying policies, unless otherwise stated, have been consistently applied by the Company and are consistent with those of previous years.

2.05 Accrual Basis of Accounting

The Company prepares its financial statements, except for cash flow information, using the accrual basis of accounting. Since the accrual basis of accounting is used, the company recognizes items as assets, liabilities, equity, income, and expenses (the elements of financial statements) when they satisfy the definitions and recognition criteria for those elements in the IFRS Conceptual Framework.

2.06 Going Concern Assumption

The financial statements have been prepared on the assumption that the entity is a going concern and will continue its business in the foreseeable future. The current trend of production indicates further growth in the near future in a bid to augment its revenue and the company has resorted to some



measures like support of the company's bank and shareholders, and on the basis of these, the management of the company is, however confident the entity will continue as a going concern. Management was in an optimistic view considering, the company will be getting the interest remission on the bank loan, and in the near future, the company's liabilities will be reduced, from these perspectives, it's able to continue as a going concern

2.07 **Functional and Presentation Currency**

Functional and presentation currency items included in these financial statements are measured using the currency of the primary economic environment in which the company operates (the functional currency). These financial statements are presented in Bangladesh Taka ("BDT") which is also the functional currency of the company. The amounts in these financial statements have been rounded off to the nearest BDT except otherwise indicated.

2.08 **Key Accounting Estimates and Judgments in Applying Accounting Policies**

The preparation of financial statements in conformity with International Financial Reporting Standards including IAS's requires management to make judgments, estimates, and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income, and expenses and for contingent assets and liabilities that require disclosure during and at the date of the financial statements.

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

In particular, the key areas of estimation, uncertainty, and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements include accrued expenses, inventory valuation, and other payables.

2.09 **Materiality, Aggregation, and Off Setting**

Each material item as considered by management significant has been displayed separately in the financial statements. No amount has been set off unless the Company has the legal right to set off the amounts and intends to settle on a net basis.

Income and expenses are presented on a net basis only when permitted by the relevant accounting standards. The values of assets or liabilities as shown in the statement of financial position are not offset by way of deduction from another liability or asset unless there exists a legal right; therefore no such incident existed during the year.

2.10 **Changes in Accounting Policies**

There have been no changes in accounting policies. All policies were consistent with the practices of the previous years.

2.11 **Foreign Currency Transactions**

Transactions in foreign currencies are translated into the functional currency (BDT) at exchange rates ruling at the dates of transactions in accordance with IAS-21 "The Effects of Changes in Foreign Exchange Rates." Exchange rate differences at the statement of financial position date are charged/credited to the statement of profit or loss and other comprehensive income, to the extent that this treatment does not contradict with the Schedule XI of the Companies Act, 1994. This Schedule requires all exchange gains and losses arising from foreign currency borrowings, taken to finance the acquisition of construction of fixed assets, to be credited/charged to the cost/value of such assets.



The financial statements are presented in BDT, which is the company's functional currency. Transactions in foreign currencies are recorded in the books at the exchange rate prevailing on the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated into (BDT) at the exchange rates ruling at the statement of financial position date. Non-monetary assets and liabilities denominated in foreign currencies, stated at historical cost, are translated into (BDT) at the exchange rate ruling at the date of transaction. Exchange differences arising on the settlement of monetary items or on translating monetary items at the end of the reporting period are recognized in profit or loss.

2.12 Comparative Information

Comparative information has been disclosed in respect of 2023-2024 in accordance with IAS-1 "Presentation of Financial Statements" for all numeric information in the financial statements and also the narrative and descriptive information where it is relevant for understanding of the current periods of financial statements. The prior year's figure has been re-arranged wherever considered necessary to ensure comparability with the current period.

2.13 Responsibility for Preparation and Presentation of Financial Statements

The Board of Directors is responsible for the preparation and presentation of the financial statements as per requirements of the Companies Act, 1994.

2.14 Reporting Period

The reporting period of the Company covers one year from the 1st day of July, 2024 to 30th of June, 2025.

2.15 Approval of Financial Statements

The financial statements have been approved by the Board of Directors on the 26th day of October, 2025.

3.00 Significant Accounting Principles and Policies selected and applied for significant transactions and events are depicted below:

For significant transactions and events that have a material effect, the Company's Directors selected and applied significant accounting principles and policies within the framework of IAS 1 : Presentation of Financial Statements in preparation and presentation of financial statements that have been consistently applied throughout the year and were also consistent with those use in earlier years.

For proper understanding of the financial statements, accounting policies set out below in one place as prescribed by the IAS1:Presentation of Financial Statements:

Assets and Basis of their Valuation

3.01 Property, Plant, and Equipment

3.01.1 Recognition and Measurements of Tangible Fixed Assets

These are capitalized at the cost of acquisition and subsequently stated at cost less accumulated depreciation in compliance with the benchmark treatment of IAS 16 "Property, Plant, and Equipment". The cost of acquisition of an asset comprises its purchase price and any directly attributable cost of bringing the asset to its working condition for its intended use inclusive of inward freight, duties, and non-refundable taxes.



In a situation where it can clearly be demonstrated that expenditure has resulted in an increase in future economic benefit expected to be obtained from the use of the fixed assets, the expenditure is capitalized as an additional cost of the assets.

Expenses as capitalized included applicable "Borrowing Costs" in compliance with the provisions of Companies Act, 1994 and IAS 23: Borrowing Costs.

Cost also includes an initial estimate of the costs of dismantling, removing the item, and restoring this site (generally called asset retirement obligation) are recognized and measured in accordance with IAS 37: Provision, Contingent Liabilities, and Contingent Assets.

On retirement or otherwise disposal of fixed assets, the cost, and accumulated depreciation are eliminated and any gain or loss on such disposal is reflected in the statement of comprehensive income which is determined with reference to the net book value of assets and the net sales proceeds.

3.01.2 Maintenance Activities

Expenditure incurred after the assets have been put into operation, such as repairs & maintenance is normally charged off as revenue expenditure in the year in which it is incurred.

3.01.3 Subsequent Cost

The Cost of replacing part of an item of property, plant & equipment is recognized in the carrying amount of the item if it is possible that the future economic benefits embodied within the part will flow to the company and its cost measured reliably. The cost of the day-to-day servicing of property and equipment are recognized in the Statement of Profit or Loss and Other Comprehensive Income as repairs and maintenance where it is incurred.

3.01.4 Depreciation on Tangible Fixed Assets

As required in Paragraph 43 of IAS-16 Property and Equipment, depreciation in respect of all fixed assets is provided to amortize the cost of the assets after commissioning, over their expected useful economic lives in accordance with the provision of IAS 16 "Property, Plant and Equipment".

Depreciation on all other fixed assets except land and land development and pond excavation is computed using the diminishing balance method in an amount sufficient to write-off depreciable assets over their estimated useful life. Depreciation has been charged on additions and when it is used. Expenditures for maintenance and repairs are expenses; major replacements, renewals, and betterment are capitalized.

The cost and accumulated depreciation of depreciable assets retired or otherwise disposed off are eliminated from the assets and accumulated depreciation and any gain or loss on such disposal is reflected in the Statement of Profit or Loss Account for the year ended. The annual depreciation rates applicable to the principal categories are:

<u>Category of Fixed Assets</u>	<u>Rate of Depreciation</u>
Land & Land Development	--
Building & Construction	5%
Plant & Machinery	7%
Furniture & Fixture	15%
Motor Vehicles	20%
Sundry Assets	20%

The Company's policy is to transfer excess depreciation of revalued assets are transferred from revaluation surplus to retained earnings.

3.01.5 Disposal of Property, Plant and Equipment

An item of Property, Plant, and Equipment is removed from the statement of financial position when it is disposed off or when no future economic benefits are expected from its use or disposal. The gain or



loss on the disposal of an item of Property, Plant, and Equipment is included in the statement of profit or loss and other comprehensive income of the period in which the de-recognition occurs.

3.01.6 Impairment

The carrying amounts of the entity's non-financial assets, other than inventories and deferred tax assets (considered as disclosed separately under respective accounting standards), are reviewed at each reporting date to determine whether there is any indication of impairment if any such indication exists, the asset's recoverable amounts are estimated. However, no such conditions that might be suggestive of a heightened risk of impairment of assets existed at the reporting date.

An impairment loss is recognized through the statement of profit or loss and other comprehensive income whenever the carrying amount of an asset exceeds its recoverable amount.

The recoverable amount of an asset is calculated as the present value of estimated future cash flows, that will be generated using that asset, discounted at an appropriate rate.

Impairment indicators comprise:

- reduced earnings compared to expected future outcomes.
- material negative development trends in the sector or the economy in which the company operates;
- damage to the asset or changed use of asset;

3.03 Sundry Debtors (Including Advance, Deposits and Pre-Payments)

These are carried at original invoice amounts, which represent net realizable value.

3.04 Other Current Assets

Other current assets have a value on realization in the ordinary course of the company's business which is at least equal to the amount at which they are stated in the Statement of Financial Position.

3.05 Inventories

Inventories are measured at lower of cost and net realizable value. Net realizable value is the estimated selling price in the ordinary course of business, less the estimated cost of completion and selling expenses. Inventories consist of raw cotton, finished goods, work-in-process, spare parts, packing materials, and wastage cotton. The cost of inventories is based on the weighted average cost 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, cost includes an appropriate share of production overheads based on normal operating capacity.

3.06 Revenue Recognition

In compliance with the requirements of IFRS 15, the Company recognizes revenue when control of the goods or services has been transferred to the customer and the performance obligation has been completed. Revenue is measured at the fair value of the amount of consideration received or receivable excluding VAT, discounts, commission, rebates, and other sales taxes where applicable.

IFRS 15 requires the company to determine variable factors such as sales returns when calculating the fair value of the consideration to be received. The magnitude and quantity of sales returns as a percentage of sales have been historically very low. As a result, the Company does not make a sales return allowance at the end of the year. The Company does not however monitor the activity of sales returns during the year and the behaviour of customers to determine if a sales return allowance is required. As of 30th June, 2024, no sales return allowance was deemed to be required.

The Company recognizes as revenue the amount that reflects the consideration to which the Company expects to be entitled in exchange for goods or services when (or as) it transfers control to the customer. To achieve that core principle, this standard establishes a five-step model as follows:



- ♦ Identify the contract with a customer;
- ♦ Identify the performance obligations in the contract;
- ♦ Determine the transaction price;
- ♦ Allocate the transaction price to the performance obligations in the contract; and
- ♦ Recognize revenue when (or as) the entity satisfies a performance obligation.

Considering the five-step model, the company recognizes revenue when (or as) the Company satisfies a performance obligation by transferring a promised goods to a customer. Goods is considered as transferred when (or as) the customer obtains control of that goods. Revenue from the sale of goods is measured at the fair value of the consideration received or receivable net of returns and allowances, trade discounts, rebates, and Value Added Tax (VAT).

(a) **Sale of Goods**

Revenue from the sale of goods is recognized when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the company expects to be entitled in exchange for those goods or services.

The company has generally concluded that it is the principle in its revenue arrangements because it typically controls the goods or services before transferring them to the customer.

(b) **Profit on Bank Deposits**

Profit on bank deposits have been accounted for on an accrual basis.

(c) **Other Revenues**

Other revenues are recognized when services are rendered and bank interests are earned.

3.07 **Financial Instruments**

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

3.07.1 **Financial Assets**

The company initially recognizes a financial asset in its statement of financial position, when, and only when, the entity becomes a party to the contractual provisions of the instrument.

The company derecognizes a financial asset when the contractual rights or probabilities of receiving the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred.

An entity shall classify financial assets as subsequently measured at amortized cost, fair value through other comprehensive income (FVTOCI), or fair value through profit or loss (FVTPL) on the basis of both in pursuance of provision 4.1 classification of financial assets under IFRS 9:

- (a) the entity's business model for managing the financial assets; and
- (b) the contractual cash flow characteristics of the financial assets.

3.07.1.1 **Financial Assets measured at amortized cost**

The asset is measured at the amount recognized at initial recognition minus principal repayments, plus or minus the cumulative amortization of any difference between that initial amount and the maturity amount, and any loss allowance. Interest income is calculated using the effective interest method and is recognized in profit and loss. Changes in fair value are recognized in profit and loss when the asset is derecognized or reclassified.

3.07.1.2 **Financial Assets measured at fair value through other comprehensive income**



A financial asset shall be measured at fair value through other comprehensive income if both of the following conditions are met:

- (a) the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and
- (b) the contractual terms of the financial asset give rise on specified dates to cash flows solely payments of principal and interest on the principal amount outstanding.

3.07.1.3 Financial Assets measured at fair value through profit or loss

A financial asset is classified as at fair value through profit or loss if it is classified as held for trading or is designated as such on initial recognition. Financial assets are designated as at fair value through profit or loss if the Company manages such investment and makes purchase or sale decisions based on their fair value in accordance with the Company's documented risk management or investment strategy. Attributable transaction costs are recognized in profit and loss as incurred. Financial assets at fair value through profit or loss are measured at fair value and changes therein which take into account and dividend income are recognized in profit or loss.

Financial assets include trade and other receivables, advances, deposits & prepayments, and cash & cash equivalents.

(i) Trade and Other Receivables

Trade receivables represent the amounts due from customers for delivering goods or rendering services. Trade and other receivables are initially recognized at cost which is the fair value of the consideration given in return. After initial recognition, these are carried at cost-less impairment losses due to non-collectability of any amount so recognized.

(ii) Advance, Deposits & Prepayments

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

(iv) Cash and Cash Equivalents

Cash and cash equivalents comprise cash in hand, cash at bank, and fixed deposits having maturity of less than three months which are available for use by the company without any restriction.

3.07.2 Financial Liabilities

A financial liability is recognized when its contractual obligations arising from past events are certain and the settlement of which is expected to result in an outflow from the company of resources embodying economic benefits. The company initially recognizes financial liabilities on the transaction date at which the company becomes a party to the contractual provisions of the liability.

The company derecognizes a financial liability when its contractual obligations are discharged or canceled or expired.

Non-derivative financial liabilities comprise interest-bearing borrowings, trade, and other payables and provisions.

(i) Interest bearing borrowings

Principal amounts of the loans and borrowings are stated at their amortized amount. Borrowings repayable after twelve months from the date of statement of financial position are classified as non-current liabilities whereas the portion of borrowings repayable within twelve months from the date of statement of financial position, unpaid interest, and other charges are classified as current liabilities.



(ii) **Trade and Other Payables**

Trade and other payables are recognized at the amount payable for settlement in respect of goods and services received by the Company.

(iii) **Provisions**

A provision is recognized on the statement of financial position date if, as a result of past events, the Company has a present legal or constructive obligation that can be estimated reliably and it is probable that an outflow of economic benefits will be required to settle the obligation.

3.08 **Equity Instruments**

Ordinary shares are classified as equity. Investment costs directly attributable to the issue of ordinary shares are recognized as expenses. Paid-up share capital represents the total amount contributed by the shareholders and bonus shares issued by the Company.

3.09 **Impairment**

(i) **Non-derivative Financial Assets**

Financial assets not classified as at fair value through profit or loss, are assessed at each reporting date to determine whether there is objective evidence of impairment. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

Objective evidence that financial assets are impaired includes:

- (a) default or delinquency by a debtor;
- (b) restructuring of an amount due to the Company on terms that the Company would not consider otherwise;
- (c) indications that a debtor or issuer will enter bankruptcy;
- (d) adverse changes in the payment status of borrowers or issuers;
- (e) observable data indicating that there is a measurable decrease in expected cash flows from a Company of financial assets.

(ii) **Financial Assets measured at amortized cost**

The Company considers evidence of impairment for these assets at both an individual asset and a collective level. All individually significant assets are individually assessed for impairment. Those found not to be impaired are then collectively assessed for any impairment that has been incurred but not yet individually identified. Assets that are not individually significant are collectively assessed for impairment. Collective assessment is carried out by grouping together assets with similar risk characteristics.

In assessing collective impairment, the Company uses historical information on the timing of recoveries and the amount of loss incurred and makes an adjustment if current economic and credit conditions are such that the actual losses are likely to be greater or lesser than suggested by historical trends.

An impairment loss is calculated as the difference between an asset's carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. Losses are recognized in profit or loss and reflected in an allowance account. When the Company considers that there are no realistic prospects of recovery of the asset, the relevant amounts are written off. If the amount of impairment loss subsequently decreases and the decrease can be related objectively to an event occurring after the impairment was recognized, then the previously recognized impairment loss is reversed through profit or loss.



(iii) **Non-Financial Assets**

The carrying amounts of the Company's non-financial assets (other than biological assets, investment property, inventories, and deferred tax assets) are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated in order to determine the extent of impairment loss (if any). Where it is not possible to determine the recoverable amount of an individual asset, the company estimates the recoverable amount of the Cash Generating Unit (CGU) to which the asset belongs. An impairment loss is recognized if the carrying amount of an asset or its CGU exceeds its recoverable amount.

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU.

Impairment losses are recognized in profit or loss. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation if no impairment loss had been recognized.

3.10 **Derivatives**

The company is not a party to any derivative contract at the statement of financial position date, such as a forward exchange contract, currency swap agreement, or interest rate option contract to hedge currency exposure related to the import of raw materials and others or principal and interest obligations of foreign currency loans.

3.11 **Investment in Shares (IAS-39): Financial Instruments-Recognition and Measurement)**

Investment in marketable ordinary shares has been shown at cost price and classified as available-for-sale financial instruments as per IAS-39. Any adjustment for diminution in the value of shares as on closing of the period on an individual investment basis is made in the financial statement which is reflected in the other comprehensive statement.

3.12 **Leases**

IFRS 16 provides a single lessee accounting model, requiring lessees to recognize assets and liabilities for all leases unless the lease term is 12 months or less or the underlying asset as a low value. A lessee recognizes a right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. There are recognition exemptions for short-term leases and leases of low-value items.

The Company applied IFRS 16 Lease for the first time on 1st July, 2019. The nature and effect of the changes as a result of the adoption of this new accounting standard is described below.

A lease is defined as a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration. Previously the company used to charge the consideration paid in its books as revenue expenses. IFRS 16 introduced a single, on-balance-sheet accounting model for leases. As a result, the Company, as a lessee, has recognized the right of use assets representing its rights to use underlying assets and lease liabilities representing its obligation to make lease payments. The Company applied IFRS 16 on 1st January, 2019 for the existing lease contracts.

The Company has only an office rent agreement, which is classified as operating leases, which under IFRS 16 are required to be recognized on the Company's statement of financial position. The nature and timing of expenses related to those leases has changed as IFRS 16 replaced the straight-line operating lease expenses (as per IAS-17) with an amortization charge for the right-of-use assets and interest expense on lease liabilities.

The Company applied the practical expedient to the definition of a lease on transition. This means that it applied IFRS 16 to all contracts entered into before 1st January, 2019 and identified as leases in accordance with IAS 17 and IFRIC 4.

The Company's all contractual payments to the lessor contains only fixed amounts of lease payment and no variable lease payments are embedded with the lease payments. The rental agreements do not



include any automatic renewals, nor do they include any guaranteed residual values of the underlying assets.

The Company recognizes right-of-use assets at the commencement date of the lease (i.e. date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any measurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognized, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. At the commencement date of the lease, the Company recognizes lease liabilities measured at the present value of lease payments to be made over the lease term. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is re-measured if there is a modification, a change in the lease term or a change in the in-substance fixed lease payments.

Subsequent Measurement:

The Lease Liability:

Upon initial recognition, the lease liability is being accounted for using amortized cost. Meaning that the initial liability is added by finance charge at the company's incremental borrowing cost less subsequent rental payment on a monthly basis.

Right to Use Assets:

The leased assets (Right to Use Asset) are depreciated over its useful life on a monthly basis using the straight-line depreciation method.

3.13 **Taxation**

Income Tax expense comprises current and deferred taxes. Income tax expense is recognized in profit or loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity in accordance with IAS 12: Income Tax.

(a) **Current Tax:**

Current Tax is the expected tax payable on the taxable income for the period, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous periods. The tax rate used for the reporting period was 15% as a reduce rate by SRO.159/AIN/Income tax/2022 Valid up to June 2025 and 30% was on non-operating income.

(b) **Deferred Tax:**

The company has recognized deferred tax using the balance sheet method in compliance with the provisions of IAS 12: Income Taxes. The Company's policy of recognition of deferred tax assets/liabilities is based on temporary differences (Taxable or Deductible) between the carrying amount (Book Value) of assets and liabilities for financial reporting purposes and its tax base, and accordingly, deferred tax income/expenses has been considered to determine net profit after tax and earnings per shares (EPS).

A deferred tax asset is recognized to the extent that it is probable that future taxable profit will be available, against which temporary difference can be utilized. Deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that the related tax benefit will be realized.

(c) **Value Added Tax:**

Revenues, expenses, and assets are recognized net of the amount of Value Added Tax except:

Where the value-added tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case the value-added tax is recognized as part of the cost of acquisition of the asset or as part of the expense item as applicable; and

Receivable and payables that are stated with the amount of value-added tax included.



The net amount of value-added tax recoverable from, or payable to, taxation authority is included as part of receivables or payables in the statement of financial position.

3.14 Proposed Dividend

The amount of the proposed dividend has not been accounted for but disclosed in the notes to the accounts in accordance with the requirements of the International Accounting Standard (IAS) 1: Presentation of Financial Statements. Also, the proposed dividend is not considered as liability in accordance with the requirement of International Accounting Standard (IAS) 10: Events after the Reporting Period, because no obligation exists at the time of approval of accounts and recommendation of dividend by the Board of Directors.

3.15 Cost of Post-Employment Benefits

The company has not maintained a defined contribution plan for its eligible permanent employees. The eligibility is determined according to the terms and conditions set forth in the respective deeds. The Company does not have any defined benefit plans and therefore does not record any provisions or expenses in this regard.

3.16 Capitalization of Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds as per IAS 23: Borrowing Costs.

3.17 Accruals, Provisions and Contingencies

(a) Accruals

Accruals are liabilities to pay for goods or services that have been received or supplied but have not been paid, invoiced or formally agreed with the supplier, including amounts due to employees. Accruals are reported as part of trade and other payables.

(b) Provisions

A provision is recognized in the statement of financial position when the company has a legal or constructive obligation as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Provision is ordinarily measured at the best estimate of the expenditure required to settle the present obligation at the reporting date. Where the company expects some or all of a provision to be reimbursed, the reimbursement is recognized as a separate asset but only when the reimbursement is virtually certain.

The expense relating to any provision is presented in the income statement net of any reimbursement. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost. During the reporting year, the company has made sufficient provisions where applicable.

(c) Contingencies

A contingent liability is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the company; or a present obligation that arises from past events but is not



recognized because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or the amount of the obligation cannot be measured with sufficient reliability.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the company. At the reporting date, the company does not have any contingent assets.

Contingent liabilities and assets are not recognized in the statement of financial position of the company.

3.18 Cash and Cash Equivalents

For the purposes of the Statement of Financial Position and Cash Flows, cash in hand and bank balances represent cash and cash equivalents considering the IAS 1 "Presentation of Financial Statements" and IAS 7 "Cash Flow Statement" which provide, that cash and cash equivalents are readily convertible to known amounts of cash and are subject to an insignificant risks of changes in value and are not restricted as to use.

3.19 Statement of Cash Flows

Cash flow statement is prepared in accordance with IAS 7: "Cash Flow Statement", as recommended by the Securities and Exchange Rules 1987. The cash flow statement shows the structure of and changes in cash and cash equivalents during the financial year. Cash and cash equivalents include notes and coins on hand, unrestricted balances held with the commercial banks. It is broken down into operating activities, investing activities, and financing activities. The direct method is used to show the operating activities.

According to IAS 7: "Cash Flow Statements", cash comprises cash in hand and demand deposits and cash equivalents are short-term, highly liquid investments that are readily convertible to the known amount of cash and which are subject to an insignificant risk of changes in value. Considering the provisions of IAS 7 and IAS 1, cash in hand, fixed deposits, and bank balances have been considered as cash and cash equivalent. In addition, management disclosed an indirect method under the IAS-7 statement of cash flows from audit activities as per circular no. Clause No. 5 (2) (e) of Notification No. BSEC/CMRRCD/ 2006-158/208/ Admin/81, dated: 20 June 2018: Reconciliation of Net operating cash flow under Indirect Method.

3.20 Earnings per Share (EPS)

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

Basic EPS

The Company presents basic earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the company by the weighted average number of ordinary shares outstanding during the period.

Diluted Earnings Per Share

For the purpose of calculating diluted earnings per share, an entity adjusts the profit or loss attributable to each ordinary equity holder of the entity, and weighted average number of shares outstanding, for the effects of all dilutive potential ordinary shares.

Diluted EPS is only calculated where the company has a commitment to issue ordinary shares in the future at the reporting date. No such commitment is held by the company at the reporting date.

3.21 Risk Exposure

Interest Rate Risk



Interest rate risk is the risk that a company faces due to unfavorable movements in the interest rates. Changes in the government's monetary policy, along with increased demand for loans/investments tend to increase the interest rates. Such rises in interest rates mostly affect companies having floating-rate loans or companies investing in debt securities.

Management Perception

The management of the company prefers procuring the long-term fund with a minimum fixed interest rate and the short-term fund with a reasonable competitive rate. The company maintains a low debt/equity ratio; and accordingly, the adverse impact of interest rate fluctuation is insignificant.

Exchange Rate Risk

Exchange rate risk occurs due to changes in exchange rates. As the company imports materials and equipment from abroad and also earns revenue in foreign currency, unfavorable volatility or currency fluctuation may affect the profitability of the company. If the exchange rate increases against local currency, an opportunity arises for generating more profit.

Management Perception

The products of the company are sold mostly in foreign currency. Therefore, the volatility of the exchange rate will have an impact on the profitability of the company.

Industry Risks

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

Management Perception

Management is optimistic about growth opportunities in the textile sector in Bangladesh.

Market Risk

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

Management Perception

Management is fully aware of the market risk and acts accordingly. The market for the CNG sector in Bangladesh is growing at an exponential rate. Moreover, the company has a strong marketing and brand management to increase the customer base and customer loyalty.

Operational Risks

Non-availabilities of materials/equipment/services may affect the smooth operational activities of the company. On the other hand, the equipment may face operational and mechanical failures due to natural disasters, terrorist attacks, unforeseen events, lack of supervision, and negligence, leading to severe accidents and losses.

Management Perception

The company perceives that the allocation of its resources properly can reduce this risk factor to a great extent. The company hedges such risks in costs and prices and also takes preventive measures, therefore.

Liquidity Risk

Liquidity risk is defined as the risk that the company will not be able to settle or meet its obligations on time or at a reasonable price.



Management Perception

The company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the company's reputation.

Typically, management ensures that it has sufficient cash and cash equivalent to meet expected operational expenses, including the servicing of the financial obligation through the preparation of the cash forecast, prepared based on a timeline of payment of the financial obligation and accordingly arranges for sufficient liquidity/fund to make the expected payment within due date.

Labour Unrest Risk

Smooth production is dependent on good relationships with factory workers and their ability to provide high-quality services. In the event of disagreement with workers, the company may face adverse impacts.

Management Perception

The management personnel both in the head office and production premises maintain a good atmosphere at the workplace and provide with all necessary facilities to the workers like healthy remuneration, employee leave entitlement, termination benefits, and worker's profit participation fund for its employees which reduces the risk of labour unrest.

3.22 Events after the Reporting Period

As per IAS-10 "Events after reporting Date" are those events favorable and unfavorable, that occur between the end of the reporting year and the date when the financial statements are authorized for issue. Two types of events can be identified: those that provide evidence of conditions that existed at the end of the reporting year (adjusting events after the balance sheet date); and those that are indicative of conditions that arose after the reporting year (Non-adjusting events after the balance sheet date).

3.23 Related Party Disclosure

As per International Accounting Standard, IAS-24: 'Related Party Disclosures', parties are considered to be related if one of the parties has the ability to control the other party or exercise significant influence over the other party in making financial and operating decisions. The Company carried out transactions in the ordinary course of business on an arm's length basis at commercial rates with its related parties. Related party disclosures have been given in Note 20.

4.00 General

- (a) All shares have been fully called and paid up;
- (b) There is no preference shares issued by the company;
- (c) The company has not incurred any expenditure in foreign currency against royalties and technical fees;
- (d) Auditors are paid only the statutory audit fees;
- (e) No foreign currency was remitted to the shareholders during the year under audit;
- (f) No money was spent by the company for compensating any member of the board for rendering special services;
- (g) No brokerage was paid against sales during the year under audit;
- (h) No bank guarantee was issued by the company on behalf of its directors.



Note	Particulars	Amount in BDT	
		June 30, 2025	June 30, 2024
5.00	Non-Current Assets		
	This is made up as follows:		
	5.01 Property, Plant & Equipment	684,487,647	719,919,673
	5.02 Right of Use Asset	-	506,259
		<u>684,487,647</u>	<u>720,425,932</u>
5.01	Property, Plant and Equipment		
	This is made up as follows :		
	At Cost:		
	Balance as 01.07.2024	1,475,544,498	1,475,544,498
	Add: Addition during the year	-	-
		1,475,544,498	1,475,544,498
	Less: Disposal during the year	-	-
		1,475,544,498	1,475,544,498
	Less: Accumulated Depreciation :		
	Balance as on 01.07.2024	755,624,824	717,577,747
	Add: Charged during the year	35,432,027	38,047,078
		791,056,851	755,624,825
	Less: Disposal during the year	-	-
		791,056,851	755,624,825
	Written Down Value as on 30.06.2025	<u>684,487,647</u>	<u>719,919,673</u>
	The details of which have been shown in Annexure-1, 2, 3 & 4.		
5.02	Right Use of Asset		
	This is made up as follows :		
	At Cost:		
	Balance as 01.07.2024	1,518,777	1,518,777
	Add: Addition during the year	-	-
		1,518,777	1,518,777
	Less: Disposal during the year	-	-
		1,518,777	1,518,777
	Less: Accumulated Depreciation :		
	Balance as on 01.07.2024	1,012,518	1,012,518
	Add: Charged during the year	506,259	506,259
		1,518,777	1,518,777
	Less: Disposal during the year	-	-
		1,518,777	1,012,518
	Written Down Value as on 30.06.2025	<u>-</u>	<u>506,259</u>
6.00	Current Assets		
	This is made up as follows:		
	6.01 Inventories	549,892,922	536,728,251
	6.02 Advances, Deposits & Prepayments	7,636,247	7,060,009
	6.03 Trade & Other Receivables	13,568,689	16,073,446
	6.04 Investment in Shares	1,569,450	1,569,450
	6.05 Cash and Cash Equivalents	590,202	1,727,816
		<u>573,257,510</u>	<u>563,158,971</u>



Note	Particulars	Amount in BDT	
		June 30, 2025	June 30, 2024
6.01	Inventories		
	This is made up as follows :		
	Raw Cotton (Note No.11.01)	145,965,500	148,087,143
	Finished Goods (Note No.11)	398,467,411	384,011,367
	Work in Process (Note No. 11)	2,090,000	1,923,540
	Waste Cotton (Note No.11)	2,778,371	2,114,340
	Spare Parts	377,890	375,985
	Packing Materials	213,750	215,876
		549,892,922	536,728,251

- (i) The valuation method has been applied consistently as supported by IAS;
(ii) The total schedule of closing inventory for each items as at 30th June, 2025;
(iii) The policy to keep provision for impairment of inventory has been obtained;
(iv) There is no damage goods or slow moving item in the inventory;

6.02 Advance, Deposits & Prepayments

This is made up as follows :

Advance Income Tax	Note 6.2.1	3,251,907	2,638,490
Security Deposit	Note 6.2.2	3,853,540	3,853,540
Advance against Salary		530,800	567,979
VAT/Excise duty paid in advance		-	-
		7,636,247	7,060,009

6.2.1 Advance Income Tax

This is made up as follows:

Opening Balance	2,638,490	3,342,384
Less : Previous year provision for Taxation	-	-
	2,638,490	3,342,384

Add: Current year Tax deducted at sources :

Income Tax paid as advance		
On Export proceeds	320,227	261,868
On Bank Interest	2,217	970
On Car	62,500	-
On Dividend	228,473	228,473
	3,251,907	3,833,694
Less : During the year provision for Taxation	-	1,195,204
	3,251,907	2,638,490

6.2.2 Security Deposit

This is made up as follows:

Security Deposit to Bangladesh Oxygen Ltd.	4,000	4,000
Security Deposit to PDB (U-1)	1,061,393	1,061,393
Security Deposit to PDB (U-2)	621,607	621,607
Security Deposit to PDB (U-3)	1,942,000	1,942,000
Security Deposit to Telephone (BTTB)	125,500	125,500
BTME (Special Fund)	99,040	99,040
	3,853,540	3,853,540

Advance to employees against salary which is adjustable against monthly salary is considered good. Security deposits consist utility deposits is considered good.



Note	Particulars	Amount in BDT	
		June 30, 2025	June 30, 2024

6.03 Trade & Other Receivables

This is made up as follows :

Name	Address	Amount in BDT	
R B Trade Link		12,968,689	-
Ariyan Spinning		-	14,564,816
Export Unrealized		-	1,508,630
		<u>12,968,689</u>	<u>16,073,446</u>

- (i) Net receivables are considered good. The company holds no security other than debtors' personal security in the form of work orders etc.
- (ii) No amount was due by the directors (including the Managing Director and Chairman), managers and other officers of the Company or any of them either severally or jointly with any other person.

6.04 Investment in Shares

The Company holds shares of Central Depository BD Ltd.(CDBL) which are measured at cost. The total value of shares as at 30th June, 2025 are the Shares of Central Depository BD Ltd. (CDBL), held at cost:

1,569,450	1,569,450
<u>1,569,450</u>	<u>1,569,450</u>

The Company holds shares of Central Depository Bangladesh Ltd. (CDBL) which are measured at cost as on 30th June, 2025.

6.05 Cash and Cash Equivalent

This is made up as follows :

Cash in hand

Cash at Bank (Note-6.05.1)

262,870	148,059
327,332	1,579,757
<u>590,202</u>	<u>1,727,816</u>

6.05.1 Cash at Bank

This is made up as follows :

Name of the Bank	Branch	A/C No.	Amount in BDT	
Dutch Bangla Bank Ltd.	Kawran Bazar	107-120-2912	4,281	190,633
National Bank Ltd.	Narayangonj	1010000642300	464	1,384
Social Islami Bank Ltd.	Narayangonj	0661330007288	396	929,886
Social Islami Bank Ltd.	Karwan Bazar	0871360000232	146	52,447
Social Islami Bank Ltd.	Karwan Bazar	0871330004209	23,204	34,405
Social Islami Bank Ltd.	Barisal	0731330006555	1,828	3,093
Basic Bank Ltd.	Main Branch	216010000398	8,009	8,924
Rupali Bank Ltd.	Local Office	18024000171	25,982	27,132
Dutch Bangla Bank Ltd.	Motijheel Foreign Exc.	1051201231	2,000	113,443
Pubali Bank Ltd.	Barishal	0374901060680	16,358	10,431
Pubali Bank Ltd.	Karwan Bazar	0557901051294	38,879	1,701
Dutch Bangla Bank Ltd.	Barisal	127110855	205,785	206,280
			<u>327,332</u>	<u>1,579,757</u>

7.01 Share Capital :

Authorized Share Capital:

5,000,000.00 Ordinary Shares of Tk. 10/- each.

500,000,000	500,000,000
<u>500,000,000</u>	<u>500,000,000</u>

Ordinary Shares Capital:

Issued, Subscribed and Paid up 26,467,056 Ordinary Shares @ Tk. 10/- each.

264,670,560	264,670,560
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Note	Particulars	Amount in BDT	
		June 30, 2025	June 30, 2024
	Sponsors Shares 11,764,497 of Tk. 10/- each	117,644,970	117,644,970
	General Public Shares 12,300,084 of Tk. 10/- each	123,000,840	138,416,720
	Institutions Shares 2,324,364 of Tk. 10/- each	23,243,640	8,256,250
	Non-Residence Shares 78,111 of Tk. 10/- each	781,110	352,620
		264,670,560	264,670,560

The position of Ordinary Shareholders as on 30th June, 2025 was as follows:

Particulars	No. of Share Holders	No. of Shares	Amount in BDT 2025	Amount in BDT 2024
a) 11,764,497 ordinary shares of Tk.10/- each Paid by sponsors	7	11,764,497	117,644,970	117,644,970
Sub Total	7	11,764,497	117,644,970	117,644,970
b) Group Summary of Other Shareholders Description of the Group :				
i) Institutions (ICB & others)	151	2,324,364	23,243,640	8,256,250
ii) General Public	3,519	12,300,084	123,000,840	138,416,720
iii) Non residence NRB	12	78,111	781,110	352,620
Sub Total	3,682	14,702,559	147,025,590	147,025,590
Grand Total	3,689	26,467,056	264,670,560	264,670,560

7.02 Capital Reserve

This is as per last account.

5,373,570	5,373,570
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7.03 Share Premium

This is as per last account.

54,560,000	54,560,000
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7.04 Revaluation Reserve

This is made up as follows :

Balance as on 01.07.2024
Prior Year Error Correction
Adjusted Opening Balance
Less: Adjustment for depreciation for this year

329,610,602	340,349,944
-	-
329,610,602	340,349,944
(10,034,583)	(10,739,342)
319,576,019	329,610,602

This amount represents as per last years accounts

7.05 Retained Earnings

This is made up as follows :

Balance as on 01.07.2024
Add: Revaluation Reserve
Add: Profit/(Loss) after Tax

(143,025,383)	(160,963,242)
10,034,583	10,739,342
(21,246,268)	7,198,516
(154,237,068)	(143,025,384)

Less : Adjustment during the year
Less : Dividend 2024

(1,592,780)	-
(2,646,705)	-
(158,476,553)	(143,025,384)

8.00 Non-Current Liabilities

This is made up as follows:

8.01 Long Term Loan (Non-Current Maturity)
8.02 Lease Obligation Liability
8.03 Deferred Tax Liability

672,404,220	672,404,220
-	550,459
57,776,842	70,457,673
730,181,062	743,412,352



Note	Particulars	Amount in BDT	
		June 30, 2025	June 30, 2024
8.01	Long Term Loan (Non-Current Maturity)		
	This is made up as follows :		
	BDBL Term Loan # 00027	303,425,627	303,425,627
	MTBL-Term loan-3	1,203,225	1,203,225
	Rupali Bank Loan account (Principal)	367,775,368	367,775,368
	Grand Total (Unit 1+2+3)	672,404,220	672,404,220
	Note :		
	In respect of the loan facilities availed from Bangladesh Development Bank Ltd. (BDBL)(Former Bangladesh Shilpa Bank) for Unit No. 1,2 ,the bank rescheduled loan amount at 303,425,627/- in the year 2019 for 10 years term. Meanwhile the bank earlier filed suit in "Artha Rin Adalat" for suit value of Tk.346,291,000. The company is contesting the suit .Deposition not yet begun. The company is also continuing liasion with the bank authority for an amicable settlement within an amount of Taka 20 Crore to Taka 24 Crore irrespective of whatever suit value exists.		
	The Company availed loan from Rupali Bank Limited (RBL) for working capital of Unit -1,2 & Unit 3 and BMRE for its Unit -3 secured by mortgage of Plant land ,building and machinery and personal guarantee of sponsor Directors .The Bank re-scheduled its liability at taka.301,774,886/- in 2019 for 10 years .The company is however continuing liasion with the bank authority for an amicable settlement within some Tk.20 Crore irrespective of whatever outstanding exists .		
	The Company availed working capital / term loan from Mutual Trust Bank Ltd.(MTBL) Although bank filed suit in "Artha Rin Adalat" at suit value taka 219,501,331 yet the company negotiated with the Bank Authority and settled liabilities at Taka.8 Crore once for all and paid and settled finally .The Bank authority sympathically allowed substantial amount of remission of interest .		
8.02	Lease Obligation Liability		
	At Cost:		
	This is made up as		
	Opening Balance	550,459	1,055,467
	Add: Addition during the year	-	-
		550,459	1,055,467
	Add: Finance Charge	49,541	94,992
	Less: Payment during the	600,000	600,000
	Closing Balance	-	550,459
	Less: Transferred to current maturity	-	-
		-	550,459
8.03	Deferred Tax Liabilities		
	This is made up as follows:		
	Balance as on 01.07.2024	70,457,673	72,612,584
	Add: Addition during the year	-	-
		70,457,673	72,612,584
	Less: Adjustment during the year	(12,680,831)	(2,154,911)
		57,776,842	70,457,673
9.00	Current Liabilities & Provisions		
	This is made up as follows:		
	9.01 Unclaimed /Unpaid Dividend	1,560,103	1,460,470
	9.02 Trade & Other Payables	36,045,697	25,094,273
	9.03 Workers Profit Participation and Welfare Fund	1,001,817	2,428,459
	9.04 Provision for Income Tax	3,252,881	-
		41,860,499	28,983,202



Note	Particulars	Amount in BDT	
		June 30, 2025	June 30, 2024
9.01	Unclaimed /Unpaid Dividend		
	This is made up as follows :		
	Balance as on 01.07.2024	1,460,470	1,460,470
	Add: Addition during the year	2,646,705	-
		4,107,175	1,460,470
	Less: Adjustment during the year	2,547,072	-
	Balance as on 30.06.2025	1,560,103	1,460,470
	Ageing:		
	For 2019	1,372,768	1,372,768
	For 2022	87,702	87,702
	For 2024	99,633	-
		1,560,103	1,460,470

Dividend 2024-

Dividend Declared	2,646,705
Paid during the year	2,547,072
Unpaid Dividend	99,633

9.02 Trade & Other Payables

This is made up as follows :

Accrued Expenses Payable Note 9.02.1	15,262,187	16,411,332
Payable to Intercompany Transaction (short time)	10,820,000	-
Trade Payables Note 9.02.2	9,963,510	8,682,941
	36,045,697	25,094,273

9.02.1 Accrued Expenses Payable

This is made up as follows :

Electricity Bill	7,963,140	11,783,394
Salary & Wages	5,495,287	3,186,104
Salary & Allowance Employees	808,760	1,046,834
Office Rent	650,000	50,000
Audit fees	345,000	345,000
	15,262,187	16,411,332

9.02.2 Schedule of Trade Payables

This is made up as follows :

Name	Address	Amount in BDT	
P.N Enterprise	2, S.M Maleh Road, Tanbazar ,N.gonj	44,752	44,752
Ratan Enterprise	103 S.M Maleh Road, Tanbazar ,N.gonj	464,326	464,326
Tex trade	Banasree, Rampura, Dhaka	156,414	156,414
3 Star Technology	Banasree, Rampura, Dhaka	28,750	28,750
Adib Enterprise	Plot # 16, Block # D, Mill Gate, Tongi, Dhaka	72,576	72,576
AD Media Printers	Panir Tank Goli, Fakirapul, Arambag	114,039	134,039
Airtech Compressor	Dhamrai, Manikgonj	207,000	207,000
A.I.S. Enterprise	Shop # 35,125, Iqble Road,M.pur , Dhaka	35,795	35,795
AR Tech Solution BD	Sector-3, Uttara, Dhaka	-	-
Axis Textile Engineering	H # 2, L # 13,B # A,Sec-10,Mirpur,Dhaka.	27,700	27,700
Azad Store	69, B.B. Road, Ukil para,Dhaka	84,983	84,983
Aziz Packaging Ltd.	Vulta, Narayangonj	270,000	270,000
Babul Khan Enterprise	Madhobdi, Norosindhi	30,000	55,000
Bengal Roots	New Airport Road, Farmgate, Tejgaon,	5,450	5,450
Bijoytex Engineering	Purana Palton, Dhaka	34,750	34,750
Best Technology	Uttara, Dhaka	60,000	60,000
China Plastics BD. LTD.	Gulshan 2, Dhaka	86,200	200
Dawood Sultan & Co	Begun Bari, Tejgaon, Dhaka	140,000	140,000
EnCon Engineering Limited	Elephant Road Dhaka	65,850	105,850



Note	Particulars	Amount in BDT		
		June 30, 2025	June 30, 2024	
	Energy Control & Eng. Ltd	Eskaton, Dhaka	15,403	15,403
	Euro Trade	Road#7Block#plot#52,Eastern	754,969	568,517
	Forman Enterprise	Bangshal, Dhaka	81,000	81,000
	Friends Electric House	Noor Electric Market, Nawabpur, Dhaka	8,498	8,498
	Gazi Tanks	Sonir Adhra, Jatrabari, Dhaka	8,200	8,200
	H.A Enterprise	Chasara, Narayangonj	483,356	136,000
	Humayra Paper Cone & Packing	Faisal Tower, Gulshan Avenue, Dhaka	1,208,196	774,764
	IC System & Service	Muscot Plaza, Azampur, Dhaka	23,000	23,000
	ISRA Trade & Services Bangladesh	Motijheel Dhaka	187,500	36,500
	Jusna Enterprise	Narayangonj	80,000	80,000
	Khan Enterprise	Nawabpur, Dhaka	253,250	253,250
	Lipika	Krishi Market, Mohammadpur, Dhaka	259,017	259,017
	Lubricants Asia Ltd.	Rampura, Dhaka	50,804	50,804
	Maas Erectors Ltd	Jashimuddin, Uttara	114,600	114,600
	Madona Enterprise	Elephant Road, Dhaka	36,450	36,450
	Mahin Enterprise	130, B.C Road, Nawabpur Road, Dhaka	105,363	121,563
	Mashud International	Shymoli, Dhaka	139,000	139,000
	Mask Engineering	Chasara, Narayangonj	30,500	30,500
	Masum Enterprise	Shop # 6,107, Nawabpur Road, Dhaka	25,745	25,745
	Meem Enterprise	Madhobdi, Norosindhi	97,875	97,875
	Minha Tex International	Basansree, Rampura, Dhaka	53,400	53,400
	Motin Care Limited	Uttara, Dhaka	97,800	97,800
	M.S Enterprise	Madhobdi, Norosindhi	219,330	147,640
	M/S M Hossain Engineering Workshop	Zatrabari, Dhaka	42,300	42,300
	M/s Sajib Enterprise	Madhobdi, Norosindhi	329,210	302,210
	New Bangla Technical Support Center.	Madhobdi, Narshindi	157,000	157,000
	Oishi Enterprise	Panthopoth, Dhaka	212,600	212,600
	Pacific Trading	128 Nawabpur, Dhaka	150,337	150,337
	P.N. International	Chasara, Narayangonj	110,000	110,000
	Popular Traders (N.Gonj)	46/1 Old Jimkhana, Narayangonj	206,341	206,341
	Power Tech Engineering Works	Uttara, Dhaka	12,000	12,000
	Prime Power Solution	Darrushsalam, Dhaka	9,400	9,400
	Quality Traders	Nawabpur, Dhaka	234,020	234,020
	Ringtex Engineering	Kaligonj, Dhaka	22,800	22,800
	Riyad Light House	128 Nawabpur, Dhaka	91,440	91,440
	Rumman Spring & Eng. Works	128, Bonogram, Nawabpur Road, Dhaka	113,669	90,330
	Sail International Ltd	Gulshan I, Dhaka	420,800	420,800
	Sardar Corporation	Uttara, Dhaka	1,375	1,375
	Satata Enterprise	Kakrail, Dhaka	66,245	66,245
	Shabbir Automation Technologies	Hazicamp, Dhaka	66,000	66,000
	Shahell Mechatronics Ltd	Uttara, Dhaka	20,295	20,295
	Sinobangla Industries Ltd	CR Datta Road, Panthapath, Dhaka	39,071	39,071
	S M Paper Cone	Tongi, Gazipur	238,000	238,000
	S M Textech	Azampur, Uttara, Dhaka	1,780	1,780
	Solution Technology	Mirpur 1, Dhaka	123,500	123,500
	Simul Traders	63/A, Railway Commercial Plot, Shajahanpur, Dhaka	102,806	102,806



Note	Particulars	Amount in BDT		
		June 30, 2025	June 30, 2024	
	Southern Multi Pack	BASIC, Barisal	415,800	415,800
	Standard Spring Industries	78, Nawabpur Road, Dhaka	24,350	24,350
	Sumon Joint Store	Nawabpur, Dhaka	50,500	50,500
	Sutex International	Mowchalk, Dhaka	62,100	6,600
	Texmate Engineering	Jashimuddin, Uttara	26,495	26,495
	Texlub Resource	Uttara, Dhaka	118,900	118,900
	Trade Way International	Paltan, Dhaka	35,400	35,400
	Triad International	Bijoy Nagar, Dhaka	8,000	8,000
	United Trade Center	Jasimuddin, Uttara	95,650	95,650
	Yousuf Traders	KB Road, Dhaka	3,290	3,290
	Z3 Automation Engineering	Malibug, Dhaka	37,000	37,000
	ZerOne BD Ltd.	Shymoli, Dhaka	37,305	37,305
	ZSZ Engineering	Hat Khula Road, Motijheel, Dhaka	15,890	15,890
			9,963,510	8,682,941

9.03 Workers Profit Participation and Welfare Fund

This is made up as follows:

Balance as on 01.07.2024

Add: Addition during the year

Less: Adjustment during the year

2,428,459	2,116,519
-	311,940
2,428,459	2,428,459
(1,426,642)	-
1,001,817	2,428,459

As per Section 234 of the Bangladesh Labour Act, 2006, 5% of Net Profit has been provided in proportion to 80:10:10 in order to contribute to Workers Profit Participation Fund, Welfare Fund and Bangladesh Workers Welfare Fund Foundation respectively.

WPPF Calculation:

Workers Profit Participation Fund (5% on Profit before WPPF)

Allocation of WPPF

(80:10:10):

Profit Participation

Welfare Fund

Bangladesh Workers Welfare Fund Foundation

-
-
-

9.04 Provision for Income Tax

This is made up as follows:

Balance as on 01.07.2024

Add: during the year

Balance after addition

Less: Adjustment Previous year Advance Tax

Less: Adjustment During the year Advance Tax

-	-
3,252,881	1,195,204
3,252,881	1,195,204
-	-
-	(1,195,204)
3,252,881	-

As per IAS 12, Paragraph 81, a numerical reconciliation between tax expense (income) and the product of accounting profit multiplied by the applicable tax rate(s) is provided below:



Note	Particulars	Amount in BDT	
		June 30, 2025	June 30, 2024
Current Year Tax Calculation			
	Tax on profit	(4,601,133)	935,821
	Minimum Tax as per Section 82/C: 1% of Revenue [B]:	3,252,881	1,195,204
	Tax: Deducted at Source [C]	613,417	261,868
	Tax Provision	3,252,881	1,195,204

Income Year	Assessment Year	Status
2017-2018	2018-2019	Income Tax Return Submitted Under Section 82BB of ITO 1984
2018-2019	2019-2020	Income Tax Return Submitted Under Section 82BB of ITO 1984
2019-2020	2020-2021	Income Tax Return Submitted Under Section 82BB of ITO 1984
2020-2021	2021-2022	Income Tax Return Submitted Under Section 82BB of ITO 1984
2021-2022	2022-2023	Income Tax Return Submitted Under Section 82BB of ITO 1984
2022-2023	2023-2024	Income Tax Return Submitted Under Section 180 ITA 2023
2023-2024	2024-2025	Income Tax Return Submitted Under Section 180 ITA 2023



Note	Particulars	Amount in BDT	
		June 30, 2025	June 30, 2024

10.00 Sales (Revenue)
This is made up as follows :

Particulars	30.06.2025		30.06.2024	
	Qty. Lbs	Taka	Qty. Lbs	Taka
Export of Yarn/Local Sales of Yarn/Waste cotton/Stock Lot Sale	1,845,590	326,298,604	1,578,195	199,217,241
Less: VAT on Sales & Sales of Waste Cotton		(1,010,480)	-	(16,518)
Total Turnover (Net)	1,845,590	325,288,124	1,578,195	199,200,723

11.00 Cost of Goods Sold
This is made up as follows :

Particulars	Quantity	Amount in BDT	
	Lbs	30.06.2025	30.06.2024
WIP as on 01.07.2024	14,356	1,923,540	2,963,590
Add: Raw Cotton Input (Note-11.01)	1,607,241	142,787,529	33,761,896
	1,621,597	144,711,069	36,725,486
Less :WIP as on 30.06.2025	19,420	2,090,000	1,923,540
Wastage recovery	35,844	2,778,371	2,114,340
	55,264	4,868,371	4,037,880
Raw Material Consumed	1,566,333	139,842,698	32,687,606
Add: Factory Overhead (Note-11.02)		210,767,296	191,425,187
Cost of Production	1,566,333	350,609,994	224,112,793
Add: Stock of Yarn as on 01.07.2024	3,183,549	384,011,367	330,834,473
	4,749,882	734,621,361	554,947,266
Less: Stock of Yarn as on 30.06.2025 (Note-11.3)	2,903,542	398,467,411	384,011,367
Cost of Goods Sold	1,846,340	336,153,950	170,935,899

11.01 Raw Cotton Input
This amount comprises as follows :

Particulars	30.06.2025		30.06.2024	
	Quantity (lbs)	Value	Quantity (lbs)	Value
Stock of Raw cotton as on 01.07.2024	1,041,809	148,087,143	981,024	170,633,716
Add : Raw cotton purchased during the year	1,299,061	140,665,886	244,510	11,215,323
	2,340,870	288,753,029	1,225,534	181,849,039
Less : Closing Stock of raw cotton	733,629	145,965,500	1,041,809	148,087,143
Stock of slow moving raw materials written off	-	-	-	-
Stock of raw materials sales waste	-	-	-	-
Stock of raw cotton as on 30.06.2025	733,629	145,965,500	1,041,809	148,087,143
Input of Raw cotton during the year	1,607,241	142,787,529	183,725	33,761,896

11.02 Factory Overhead
This amount comprises as follows :

Particulars	Amount in BDT	
	30.06.2025	30.06.2024
Salary & allowance and wages (Note: 11.02.1)	55,216,687	48,396,514
Bonus	4,081,991	3,460,487
Carriage Inward	423,516	147,601



Note	Particulars	Amount in BDT	
		June 30, 2025	June 30, 2024
	Electricity	113,949,489	100,415,875
	Spare Parts	2,125,425	1,140,965
	Packing Materials	694,321	932,835
	Oil & lubricant	307,850	271,359
	Overtime expenses	291,179	364,949
	Repair & Maintenance	486,044	266,691
	Leave benefits & gratuity	593,329	1,024,599
	Depreciation (Schedule-4/A)	32,597,465	35,003,312
	Total	210,767,296	191,425,187

11.02.1 Salary, Allowances and Wages

This amount comprises as follows :

Particulars	30.06.2025		30.06.2024	
	Employees	Taka	Employees	Taka
a) Up to Tk. 3,000 Per Month	-	-	-	-
b) Above Tk. 3,000 Per Month	739	55,216,687	1,055	48,396,514
	739	55,216,687	1,055	48,396,514

11.03 Stock of Yarn

This is made up as follows :

Particulars	30.06.2025	30.06.2024
	Quantity	Quantity
Opening balance	3,183,549	3,103,997
Add: Production during the year	1,490,000	1,655,552
	4,673,549	4,759,549
Less: Sales during the year :		
Export of Yarn/Local Sales of Yarn/Waste cotton/ Stock lot Sale	1,770,007	1,576,000
Closing Stock	2,903,542	3,183,549

12.00 Administrative Expenses

This is made up as follows:

Particulars	Amount in BDT	
	30.06.2025	30.06.2024
Salary & Allowances (Note-12.01)	10,146,340	12,308,756
Overtime	10,302	7,867
Bonus (Note - 12.01)	817,620	853,640
Board Meeting fee	135,000	105,000
Conveyance	204,795	114,673
Traveling & conveyance	211,140	182,086
Printing & Stationery	205,353	46,383
Vehicle Maintenance	556,643	43,660
Cleaning expenses	149,190	78,700
Subscription (BTMA)	198,112	4,800
Subscription (BCI & BAPLC)	262,000	-
Newspaper & Periodicals	-	500
Postage & Courier	156,051	124,781
Entertainment	267,074	105,170
Electricity	-	180,874
Legal Fees & Others	743,027	380,000
Gardening	3,825	4,140



Note	Particulars	Amount in BDT	
		June 30, 2025	June 30, 2024
	After bill	240,375	242,180
	Telephone & Mobile Bill	163,208	54,143
	License & renewals	53,676	19,262
	Advertisement	109,250	71,596
	WASA Bill/Water Bill	-	4,233
	Internet connection (Wi-Fi)	66,000	52,500
	Data Connectivity Solution (Telnet)	22,000	24,000
	Caring & Handling	-	148,837
	Miscellaneous Expenses	207,850	170,188
	Office Rent - IFRS 16 - ROU Asset Amortization	506,259	506,259
	Office Rent - VAT	-	90,000
	Office expenses	64,716	23,820
	Donation & others	67,963	44,000
	Insurance Premium	548,185	-
	Group Insurance	26,550	25,245
	Repairs & maintenance (Building)	106,067	591,994
	Repairs & maintenance (Others)	103,670	101,275
	AGM Expenses	486,240	416,855
	Audit fees	345,000	345,000
	Leave benefits	218,079	987,145
	Subscription for DSE,CSE& Others	264,672	397,005
	E-mail expenses/IT	27,000	-
	Medical expenses	53,002	34,960
	Training expenses	1,500	12,500
	Welfare	29,455	31,617
	Depreciation (Schedule-4/A)	2,834,562	3,043,766
	Website Maintenance	43,150	-
	Yarn Test	6,955	12,000
	Sundry expenses	10,692	33,053
	Total	20,672,548	22,024,463

12.01 Salaries, Allowances & Bonus

This amount comprises as follows :

Particulars	30.06.2025		30.06.2024	
	Employees	Taka	Employees	Taka
a) Up to Tk. 3,000 Per Month	-	-	-	-
b) Above Tk. 3,000 Per Month	62	10,156,642	90	12,316,623
	62	10,156,642	90	12,316,623

13.00 Selling & Distribution Expenses

Particulars	Amount in BDT	
	30.06.2025	30.06.2024
Carriage outward & Discount / VAT Excise duty & Yarn Loading	190,422	632,075
Total	190,422	632,075

14.00 Non-Operating Income

This amount comprises as follows :

Dividend Received from CDBL

Realised Gain

Interest Income

1,142,364	1,142,364
-	15,981
11,058	6,294
1,153,422	1,164,639



Note	Particulars	Amount in BDT	
		June 30, 2025	June 30, 2024

15.00 Financial Expenses

This amount comprises as follows :

Particulars	Amount in BDT	
	30.06.2025	30.06.2024
Financial Expense - IFRS 16 Lease Obligation	49,541	94,992
Realized (gain) or Loss in foreign exchange	2,235	66,363
Bank charges, commission & others	47,068	60,821
Total	98,844	222,176

16.00 Net Assets Value Per Share (NAVPS)

Net Assets	485,703,595	511,189,348
Number of Ordinary Shares	26,467,056	26,467,056
Net Assets Value Per Share	18.35	19.31

Note: Net Assets Value per share (NAVPS) has been increased due to impact of increase in total assets.

17.00 Earning Per Share (EPS)

	Profit Attributable to Shareholders	
	Number of Ordinary Shares	
Profit Attributable to Ordinary Shareholders	(21,246,268)	7,198,516
Number of Ordinary Shares	26,467,056	26,467,056
Earning Per Share (EPS)	(0.80)	0.27

Note: Earning per Share (EPS) has decreased compared with that of the previous year because of an increase in production and sales amount.

18.00 Net Operating Cash Flow Per Share (NOCFPS)

Net Cash Generated /(Used) by operating Activities	1,409,458	749,836
Number of Ordinary Shares	26,467,056	26,467,056
Net Operating Cash Flow Per Share (NOCFPS)	0.05	0.03

Note: During the year Net Operating Cash Flows per share (NOCFPS) has been increase due to a huge amount paid in respect of Suppliers, income tax & others paid.

19.00 Reconciliation of Cash Flows from Operating Activities through Indirect Method

Reconciliation of Cash Flows from Operating Activities through indirect method (As per Clause No. 5(2)(e) of Notification No. BSEC/CMRRCD/2006-158/208/Admin/81, dated 20 June, 2018: A Reconciliation of Net Operating Cash Flows under indirect Method provided below:

Net Income after Tax	(21,246,268)	7,198,516
Non-Cash Adjustments		
Add: Depreciation	35,432,027	38,047,079
Less: Cash Rent Paid	-	-
Add: ROU Asset Depreciation	506,259	506,259
Add: ROU Liability Interest	(550,459)	(505,008)
Income Tax Paid	(1,592,780)	-
Income Tax Provision	3,252,881	-
Less: Def Tax Gain	(12,680,831)	(2,154,911)
	3,120,830	43,091,934



Note	Particulars	Amount in BDT	
		June 30, 2025	June 30, 2024
	Working Capital Adjustments		
	Change in Inventory (excluding Inv. Write off)	(13,164,672)	(27,186,484)
	Change in Trade AR	2,504,757	(16,073,446)
	Change in Advance (Excluding AIT)	(576,238)	251,600
	Change in Trade Payable	10,951,424	354,292
	Change in WPPF	(1,426,642)	311,940
		1,409,458	749,836
	Less: Unrealized gain on exchange rate fluctuation	-	-
	Net Cash Flow from Operating Activities	1,409,458	749,836

20.00 Related Party Transaction-Disclosures under IAS 24 "Related Party Disclosure"

In accordance with paragraph 19 of IAS 24 Related Party Disclosures, the following matters has been disclosed in the following sequential order:

(i) Related Party Disclosure:

During the year under review, the Company carried out a number of transactions with related parties in the normal course of business. The name of related parties, nature of these transactions and their value have been set out below in accordance with the provision of IAS 24 "Related Party Disclosure".

Name of the Related Party	Nature of Relationship	Nature of Transaction	Balance as at 01 July, 2024	Addition during the period	Balance as at 30 June, 2025
Khansons Textiles Ltd.	Sister Concern	Intercompany Transaction	-	10,820,000	10,820,000

(ii) Parent and Ultimate Controlling Party

There is no such parent company as well as ultimate holding company / controlling party of the company.

(iii) Entities with joint control of, or significant influence over

There is no joint control of, or significant influence over the company.

(iv) Subsidiaries

There are no subsidiary company of the entity (company)

(v) Associates

There are no associate company of the entity (company)

(vi) Joint Venture in which the Entity is a Joint Venture

The Company has not entered into Joint Venture Agreement in which the Company is a Joint Venture.

(vii) Transactions with Key Management Personnel and their Compensation

(a) Loans to Director

During the year, no loan was given to the directors of Company

(b) Key Management Personnel and their Compensation

There is no compensation for Chairman, Director and Managing Director except Board Meeting fee but there are following categories of compensation in accordance with the paragraph 17 of IAS 24: Related Party Disclosures:

Particulars	Amount in BDT	
	30.06.2025	30.06.2024
Salary and Allowances	5,496,756	60,705,270
Bonus	467,063	4,314,127
Overtime	-	372,816
Board Meeting Attendance Fee	-	142,500
Leave Pay & Gratuity	-	1,024,599
Total	5,963,819	66,559,312

Company's key management personnel includes the Company's directors. Compensation includes salary and allowance leave pay gratuity bonus and overtime.



(vii) **Other Related Party Transactions**

The Company carried out a number of transactions with related parties/associates undertakings in the normal course of business and on arms length basis. The nature of transaction and their total value are in below:

Name	Total Transaction for the year	Balance as on 30.06.2025	Balance as on 30.06.2024
A. Average & Short Term Loan Paid			
Mr.A.K.Azizur Rahman	-	-	-
Mrs. Rosy Rahman	-	-	-
Mr.Bazlur Rahman	-	-	-
Total for Advance & Short Term Loan Paid	-	-	-

B. Supplier/Creditors (Payable)	Balance as on 30.06.2025	Balance as on 30.06.2024
P.N Enterprise	44,752	44,752
Ratan Enterprise	464,326	464,326
Tex trade	156,414	156,414
3 Star Technology	28,750	28,750
Adib Enterprise	72,576	72,576
AD Media Printers	114,039	134,039
Airtech Compressor	207,000	207,000
A.I.S. Enterprise	35,795	35,795
Axis Textile Engineering	27,700	27,700
Azad Store	84,983	84,983
Aziz Packaging Ltd.	270,000	270,000
Babul Khan Enterprise	30,000	55,000
Bengal Roots	5,450	5,450
Bijoytex Engineering	34,750	34,750
Best Technology	60,000	60,000
China Plastics BD. LTD.	86,200	200
Dawood Sultan & Co	140,000	140,000
EnCon Engineering Limited	65,850	105,850
Energy Control & Eng. Ltd	15,403	15,403
Euro Trade	754,969	568,517
Forman Enterprise	81,000	81,000
Friends Electric House	8,498	8,498
Gazi Tanks	8,200	8,200
H.A Enterprise	483,356	136,000
Humayra Paper Cone & Packing	1,208,196	774,764
IC System & Service	23,000	23,000
ISRA Trade & Services Bangladesh	187,500	36,500
Jusna Enterprise	80,000	80,000
Khan Enterprise	253,250	253,250
Lipika	259,017	259,017
Lubricants Asia Ltd.	50,804	50,804
Maas Erectors Ltd	114,600	114,600
Madona Enterprise	36,450	36,450
Mahin Enterprise	105,363	121,563
Mashud International	139,000	139,000
Mask Engineering	30,500	30,500
Masum Enterprise	25,745	25,745
Meem Enterprise	97,875	97,875
Minha Tex International	53,400	53,400
Motin Care Limited	97,800	97,800
M.S Enterprise	219,330	147,640
M/S M Hossain Engineering Workshop	42,300	42,300
M/s Sajib Enterprise	329,210	302,210



New Bangla Technical Support Center.	157,000	157,000
Oishi Enterprise	212,600	212,600
Pacific Trading	150,337	150,337
P.N. International	110,000	110,000
Popular Traders (N.Gonj)	206,341	206,341
Power Tech Engineering Works	12,000	12,000
Prime Power Solution	9,400	9,400
Quality Traders	234,020	234,020
Ringtex Engineering	22,800	22,800
Riyad Light House	91,440	91,440
Rumman Spring & Eng. Works	113,669	90,330
Sail International Ltd	420,800	420,800
Sardar Corporation	1,375	1,375
Satata Enterprise	66,245	66,245
Shabbir Automation Technologies	66,000	66,000
Shahell Mechatronics Ltd.	20,295	20,295
Sinobangla Industries Ltd	39,071	39,071
S M Paper Cone	238,000	238,000
S M Textech	1,780	1,780
Solution Technology	123,500	123,500
Simul Traders	102,806	102,806
Southern Multi Pack	415,800	415,800
Standard Spring Industries	24,350	24,350
Sumon Joint Store	50,500	50,500
Sutex International	62,100	6,600
Texmate Engineering	26,495	26,495
Texlub Resource	118,900	118,900
Trade Way International	35,400	35,400
Triad International	8,000	8,000
United Trade Center	95,650	95,650
Yousuf Traders	3,290	3,290
Z3 Automation Engineering	37,000	37,000
ZerOne BD Ltd.	37,305	37,305
ZSZ Engineering	15,890	15,890
Total for Supplier / Creditors	9,963,510	8,682,941
C. Sundry Debtors (Product Sales) (Receivable)		
R B Trade Link	12,968,689	-
Ariyan Spinning Co.	-	14,564,816
Export Unrealized	-	1,508,630
Total for Sundry Debtors (Products Sales)	12,968,689	16,073,446
Grand Total	22,932,199	24,756,387

21.00 Capital Expenditure Commitment

There was no capital expenditure commitment as on 30.06.2025

22.00 Payment in Foreign Currency

During the year ended at 30th June, 2025 the Company has not made
Import of Raw Materials & Finished Goods
Import of Machinery, Spare Parts & Other Assets

-	-
-	-
-	-
-	-

23.00 Foreign Exchange Earned

The Company has earned foreign currency during the year: US\$ 252,750

24.00 Commission, Brokerage or Discount against Sales

No commission was incurred or paid to distributors, agents nor any brokerage or discount was incurred or paid against sales.



25.00 Credit Facility Not Availed

There was no credit facility available by the company under any contract, but not availed as on 30.06.2025 other than trade credit available in the ordinary course of business.

26.00 Segment Reporting

As there is single business and geographic segment within the company operates as such no segment reporting is felt necessary.

Attendance Status of Board Meeting of Directors

During the period from 01.07.2024 to 30.06.2025 there was 4 Board Meetings and 1 AGM were held. The attendance status of all the meetings is as follows:

Name of Director	Position Held	Meeting Held		*Attended	
		2025	2024	2025	2024
Mr. A.K.M Azizur Rahman	Chairman	4	4	4	4
Mr. Bazlur Rahman	Managing Director	4	4	3	4
Mrs. Rosy Rahman	Director	4	4	4	4
Brig Gen Mohammed Abdul Halim	Independent Director	4	4	4	4
Md. Masum Sayeed	Director (Nominated by	4	4	0	0
Mr. Kabir Ahmed	Director (Nominated by BDBL)	4	4	3	3

For Board Meeting, attendance honorarium were paid to the Directors of the Company.

27.00 Disclosure as per requirement of Schedule XI, Part II of the Companies Act, 1994

A. Disclosure as per requirement of Schedule XI, Part II Note 5 of Para 3.

A(i) Employee Position as at 30th June, 2025

Salary Range (Monthly)	Office & Staff		Worker	Total Employee
	Head Office	Factory		
Below Tk. 3000	-	-	-	-
Above Tk. 3000	62	-	739	801
Total	62	-	739	801

B. Disclosure as per requirement of Schedule XI, Part II, Para 4

Payment/Perquisites to Directors

The aggregate amounts paid to / provided for the Directors of the Company for the year ended 30th June, 2025 is disclosed below:

Name of Directors	Designation	Remuneration	Festival Bonus	AIT Deducted	Net Amount
Mr. A.K.M Azizur Rahman	Chairman	-	-	-	-
Mr. Bazlur Rahman	Managing Director	-	-	-	-
Mrs. Rosy Rahman	Director	-	-	-	-



Brig Gen Mohammed Abdul Halim	Independent Director	-	-	-	-
Mrs. Nusrat Hafiz	Retired				
Patit Chandra Barik	Director	-	-	-	-
Mr. Iqbal Hossain	Director	-	-	-	-
Total		-	-	-	-

Period of payment to Directors is from 1st July, 2024 to 30th June, 2025

The above Directors of the Company did not take any benefit from the Company other than the remuneration and festival bonus.

- ◇ Expenses reimbursed to the managing agent: Nil.
- ◇ Commission or other remuneration payable separately to a managing agent or his associate: Nil.
- ◇ Commission received or receivable by the managing agent or his associate as selling or buying agent of other concerns in respect of contracts entered into such concerns with the company: Nil.
- ◇ The money value of the contracts for the sale or purchase of goods and materials or supply of services, entered into by the company with the managing agent or his associate during the financial year: Nil.
- ◇ Any other perquisites or benefit in cash or in kind stating: Nil.
- ◇ Other allowances and commission including guarantee commission: Nil.
- ◇ **Provisions etc.:**
 - a) Pensions: Nil.
 - b) Gratuities: Nil.
 - c) Payments from Provident Fund: Nil.
 - d) Compensating for Loss of Office: Nil.
 - e) Consideration in connection with retirement from office: Nil.

28.00 Disclosure as per requirement of Schedule XI, Part II, Para 3

Requirements under Condition No.	Compliance status of Disclosure of Schedule XI, Part II, Para 3
3(i)(a) The Turnover	325,288,124
3(i)(b) Commission Paid to Selling Agents (Incentive)	Not Applicable
3(i)(c) Brokerage and discount of Sales, Other than the usual trade discount	Not Applicable
3(i)(d)(i) The value of the raw materials consumed, giving item-wise as possible	142,787,529
3(i)(d)(ii) The opening and closing stocks of goods produced	330,834,473 and 384,011,367
3(i)(e) In the case of companies, the purchase made and the opening and closing stocks	Not Applicable
3(i)(f) In the case of companies rendering or supplying services, the gross income derived from services rendered or supplied	Not Applicable
3(i)(g) Opening and closing stocks, purchases, sales and consumption of raw materials with value and quantity break up for the Company, which falls under one or more categories i.e. manufacturing and/or trading	Complied
3(i)(h) In the case of other companies, the gross income derived under different heads	Not Applicable



3(i)(i) Work-in-progress, which have been completed at the commencement and at the end of the accounting period	2,090,000
3(i)(i) Provision for depreciation, renewals or diminution in value of fixed assets	35,432,027
3(i)(k) Interest on the debenture paid or payable to the Managing Director, Managing Agent and the Manager	Not Applicable
3(i)(l) Charge for income tax and other taxation on profits	3,252,881
3(i)(m) Reserved for repayment of share capital and repayment of loans	Not Applicable
3(i)(n)(i) Amount set aside or proposed to be set aside, to reserves, but not including provisions made to meet any specific liability, contingency or commitment, known to exist at the date as at which the balance sheet is made up	Not Applicable
3(i)(n)(ii) Amount withdrawn from above mentioned reserve	Not Applicable
3(i)(o)(i) Amount set aside to provisions made for meeting specific liabilities, contingencies of commitments.	Not Applicable
3(i)(o)(i) Amount withdrawn from above mentioned provisions, as no longer required.	Not Applicable
3(i)(p) Expenditure incurred on each of the following items, separately for each item:	Complied
(i) Consumption of stores and spare parts	2,125,425
(ii) Power and Fuel	307,850
(iii) Rent	506,258
(iv) Repairs of Buildings	Not Applicable
(v) Repairs of Machinery	486,044
(vi) Other include:	
(1) Salaries, wages and bonus	5,963,819
(2) Contribution to provident and other funds	Not Applicable
(3) Workmen and staff welfare expenses to the extent not adjusted from any previous provision or reserve.	Not Applicable

29.00 Information regarding Accounts Receivables, Advance in line with Schedule XI.

i. Disclosure in line with 4(a) of Part I of Schedule XI

The details of trade receivable are given below:

Sl. No.	Particulars	Amount in BDT	
		30.06.2025	30.06.2024
1	Within 3 Months	3,392,172	4,082,898
2	Within 6 Months	4,070,607	4,899,478
3	Within 12 Months	4,749,041	5,716,057
4	More than 12 Months	1,356,869	1,633,159

ii. Disclosure in line with 4(b) of Part I of Schedule XI

There are no debts outstanding in this respect.

30.00 Disclosure in line with Instruction of Part I of Schedule XI

In regard to sundry debtors the following particulars shall be given separately:

(I) Debt considered good in respect of which the company is fully secured

Within six months trade debtors occurred in the ordinary course of business are considered goods but no security given by the debtors.

The debtors occurred in the ordinary course of business are considered goods and secured against confirmed L/C. The details of accounts receivable are given below:



Customers Name	Amount (BDT)
	-
Total	-

- (II) **Debt considered good for which the company holds no security other than the debtors' personal security**
 Within six months trade debtors have arisen in the ordinary course of business in good faith as well as market reputation of the company for the above mentioned reasons no personal security taken from debtors.
- (III) **Debt considered doubtful or bad**
 The company considered more than one year debts are doubtful and provision is created for Tk. Nil.
- (IV) **Debt due by directors or other officers of the Company**
 There is no debt due by directors or other officers of the company.
- (V) **Debt due by common management**
 There is no debt under common management.
- (VI) **The maximum amount due by directors or other officers of the Company**
 There is no such debt in this respect.

31.00 **Disclosure as per requirement of Schedule XI, Part II, Para 7**
 Details of Production capacity utilization.

Particulars	License Capacity	Installed Capacity in MT (Per Year)	Actual Production in MT from 1st July, 2024 to 30th June, 2025	Capacity Utilization from 1 st July, 2024 to 30 th June, 2025
Annual Production Capacity of Yarn in Lbs	Not mentioned in the License	5,953.0	1,040	17.47

32.00 **Disclosure as per requirement of Schedule XI, Part II, Para 8(b) during the year under audit.**
 Details of import on CIF basis

i. Raw Materials, Spare Parts, Packing Materials

Items	Purchase (BDT)			Consumption (BDT)	% of Consumption of Total Purchase
	Import	Local	Total		
Raw Materials	-	140,665,886	140,665,886	140,665,886	100
Spare Parts	-	1,166,067	1,166,067	1,140,965	98
Packing Materials	-	695,136	695,136	932,835	100
Total		142,527,089	285,267,073	142,739,984	298

Value of Export

Particulars	In Foreign Currency (US)	In BDT
Export	252,750	30,516,250

- ii. The Company has not incurred any expenditure in foreign currency for the period from 1st July, 2024 to 30th June, 2025 on account of royalty, know-how, professional fee, consultancy fees and interest.



- iii. The Company has not earned any foreign exchanges for royalty, know-how, professional fees and consultancy fees.
iv. The value of export from the period from 1st July, 2024 to 30th June, 2025 is Tk. 30,516250.

33.00 Disclosure of Advances, Deposit and Prepayment of Schedule XI of Companies Act, 1994

The details break up of Advances, Deposit and Prepayments as per requirement of Schedule XI of the Companies Act,

Particulars	30.06.2025	30.06.2024
Advance, Deposit and Prepayments exceeding 6 months		-
Advance, Deposit and Prepayments not exceeding 6 months		-
Other Advance, Deposit and Prepayments less provision		-
Advance, Deposits and Prepayments considered Good and Secured		-
Advance, Deposits and Prepayments considered Good without Security		-
Advance, Deposits and Prepayments considered Doubtful or Bad		-
Advance, Deposits and Prepayments due by Directors		-
Advance, Deposits and Prepayments due by Other Officers (against Salary)	530,800	567,979
Advance, Deposits and prepayments due from Companies under same		-
Maximum Advance, Deposits & Prepayments due by Directors		-
Maximum Advance, Deposits & Prepayments due by Officers at any time		-

Disclosure in line with 8(b) of Part II of Schedule XI

During the year under review the company did not remit any amount as dividend, technical know how, royalty, professional consultation fees, interest and other matters either shareholders or others.

34.00 Disclosure for purchase in foreign currency during the year

Disclosure as per Para 8 of Schedule XI (GA) of the Companies Act, 1994 regarding purchase made in foreign currency during the year are as follows:

Type of Expenditure	Amount in Foreign Currency	
	Amount in Foreign Currency	Amount in BDT.
Import of Raw Material (Hino Bus Chassis CKD)		-
Import of Raw Material (Mahindra Motor Cycle SKD)		-
Total		-

35.02 Financial Risk Management Framework

International Financial Reporting Standards (IFRS) 9-Financial instruments: Disclosure - requires disclosure of information relating to: both recognized and unrecognized financial instruments, their significance and performance, accounting policies, terms and conditions, net fair values and risk information-the Company's policies for controlling risks and exposures.

The Company's management has overall responsibility for the establishment and oversight of the company's risk management framework. The Company's Risk management policies are established to identify and analyze the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations. The Company has exposure to the following risks from its use of financial instruments:

33.02.1 Credit Risk; 35.02.2 Liquidity Risk; 35.02.3 Market Risk



35.02.1 Credit Risk

Credit risk is the risk of a financial loss to the company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the company's receivable.

The Company's exposure to credit risk is influenced mainly by the individual characteristics of customer, including the default risk of the industry and financial strength of the customer, as these factors may have an influence on credit risk. Geographically there is no concentration of credit risk.

The debtors management review committee has established a credit policy under which each new customer is analyzed individually for creditworthiness before the company's payment and delivery terms and conditions are offered. Credit limits are established for each customer, which represents the maximum outstanding amount of credit sale without requiring approval from the committee; these limits are reviewed as per guideline of Sonargaon Textiles Limited in each quarter. Customers that fail to meet the company's benchmark creditworthiness may transact with the company only on a cash / deposit scheme basis.

Management has a credit policy in place and the exposure to credit risk is monitor on an ongoing basis. As at 30th June, 2022, substantial part of the receivables are as follows and subject to insignificant credit risk. Risk exposure from other financial assets, i.e. Cash at bank and other external receivables are also nominal.

(i) Exposure to Credit Risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk

	Amount in BDT	
	June 30, 2025	June 30, 2024
Non-Derivative Financial Assets:		
Advances, Deposits and Prepayments	7,636,247	7,060,009
Trade & Other Receivables	13,568,689	16,073,446
Advance against Employees	530,800	567,979
Investment in Shares	1,569,450	1,569,450
Cash at bank	327,332	1,579,757
Cash in Hand	262,870	148,059
	23,895,388	26,998,700

At 30th June, 2023 the maximum exposure to credit risk for trade and other receivables by geographic regions was as

Domestic	-	-
Foreign Receivable	-	-
	-	-

To mitigate the credit risk against accounts receivables, the company has a system of specific credit line period to the customers. This outstanding period and amount are regularly monitored. The company endeavors to cover the credit risks on all other receivables, where possible, by restricting credit facility and stringent monitoring.

35.02.2 Liquidity Risk

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

35.02.3 Market Risk

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



(i) Interest Rate Risk

Interest rate risk is the risk that fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rate. Exposure to fair value movement relates to fixed rate instrument subject to fair value accounting and exposure to cash flow fluctuation relates to variable rate instruments. The company is primarily exposed to cash flow fluctuation arising from variable rate borrowings. The objective of interest rate management for the Sonargaon Textiles Limited is to reduce financial cost and ensure predictability.

(ii) Currency Risk

The company is exposed to currency risk on certain revenues and purchases such as revenue from foreign customers and import of raw material, machineries and equipment. Majority of the company's foreign currency transactions are denominated in US\$ and relate to procurement of raw materials, machineries and equipment from abroad.

36.00 Capital Management

Capital management refers to implementing policies and measures to maintain sufficient capital, assessing company's internal capital adequacy to ensure company's operation as a going concern. Capital consists of share capital, general reserve and revaluation reserve. All major investment and operational decisions with exposure to certain amount are evaluated and approval by the board. The board of directors monitors the level of dividends to ordinary shareholders.

37.00 Contingent Liability

There are no contingent liabilities of the Company for the year ended 30th June, 2025.

38.00 Details of Lease Agreement

There are Lease assets. Therefore, Lease agreement was required or signed by lease Law.

39.00 Internal Control

The following steps have been taken for implementation of an effective internal control procedure of the company: Regular review of internal audit reports with view to implement the suggestion of internal auditors in respect of internal control technique to establish an effective management system that includes planning, organizing culture in the factory as well as at Head Office.

40.00 Subsequent Events-Disclosures under IAS 10 "Events after Reporting Period"

The directors recommended no dividend for the year ended 30th June, 2025. The dividend proposal is subject to shareholders' approval in the forthcoming 38th Annual General Meeting to be held on 29.12.2024.

41.00 General Comments and Observations

- Comparative amount: Previous period's figure have been regrouped/reclassified wherever considered necessary to confirmed to current period's presentation. Figures have been rounded off to the nearest taka, as the currency represented in this financial statement.
- A. Comparative amount: Previous period's figure have been regrouped/reclassified wherever considered necessary to confirmed to current period's presentation. Figures have been rounded off to the nearest taka, as the currency represented in this financial statement.
 - B. Presentation currency: The annexed financial statements are presented in Bangladeshi currency (Taka), which have been rounded off to the nearest Taka.
 - C. All shares have been fully called and paid up.
 - D. Auditors are paid only statutory audit fees.
 - E. No foreign exchange remitted to the relevant shareholders during the period under audit.
 - F. No amount of money was expended by the company for compensating any members of the Board for special service
 - G. There was no bank guarantee issued by the company on behalf of Directors.



35.00 Financial Instrument-Fair Values and Risk Management

35.01 Accounting Classifications and Fair Values

The following table shows the carrying amounts of financial assets and financial liabilities. It does not include fair value information for financial assets and financial liabilities not measured at fair value as the carrying amount is a reasonable approximation of fair value.

Reconciliation of Carrying Amount	Carrying Amount in BDT '000							Total Amount
	Note	Fair Value- hedging instruments	Mantarooy at FV/TPL- Others	FVOCI- debt instruments	FVOCI- equity instruments	Financial assets at amortized cost	Other Financial Liabilities	
30.06.2025								
Financial Assets not measured at Fair Value								
Advance, Deposits & Prepayments	6.02	-	-	-	-	7,636	-	7,636
Trade & Receivables	6.03	-	-	-	-	13,569	-	13,569
Investment in Shares	6.04	-	-	-	-	1,569	-	1,569
Cash and Cash Equivalents	6.05	-	-	-	-	590	-	590
Total		-	-	-	-	23,364	-	23,364
Financial Liabilities not measured at fair value:								
Long Term Loan (Non-Current Maturity)	8.01	-	-	-	-	-	672,404	672,404
Lease Obligation Liability	8.02	-	-	-	-	-	-	-
Deferred Tax Liability	8.03	-	-	-	-	-	57,777	57,777
Unclaimed/Unpaid Dividend	9.01	-	-	-	-	-	1,560	1,560
Trade & Other Payables	9.02	-	-	-	-	-	36,046	36,046
Workers Profit Participation and Welfare Fund	9.03	-	-	-	-	-	1,002	1,002
Provision for Income Tax	9.04	-	-	-	-	-	-	-
Total		-	-	-	-	-	768,789	768,789
30.06.2024								
Financial Assets not measured at Fair Value:								
Advance, Deposits & Prepayments	6.02	-	-	-	-	7,060	-	7,060
Trade & Receivables	6.03	-	-	-	-	16,073,446	-	16,073,446
Investment in Shares	6.04	-	-	-	-	1,569	-	1,569



Cash and Cash Equivalents	6.05	-	-	-	-	1,728	-	1,728
Total		-	-	-	-	16,083,802	-	16,083,802
Financial Liabilities not measured at fair value:								
Long Term Loan (Non-Current Maturity)	8.01	-	-	-	-	672,404	672,404	672,404
Lease Obligation Liability	8.02	-	-	-	-	550	550	550
Deferred Tax Liability	8.03	-	-	-	-	70,458	70,458	70,458
Unclaimed/Unpaid Dividend	9.01	-	-	-	-	1,460	1,460	1,460
Trade & Other Payables	9.02	-	-	-	-	25,094	25,094	25,094
Workers Profit Participation and Welfare Fund	9.03	-	-	-	-	2,428	2,428	2,428
Provision for Income Tax	9.04	-	-	-	-	-	-	-
Total		-	-	-	-	772,396	-	772,396

We are not disclosing the fair values for financial instruments such as trade and other receivables, cash and cash equivalents, liabilities for expenses, trade and other payables, because their carrying amounts are a reasonable approximation of fair value.



Exposure to Liquidity Risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include estimated interest payments and exclude the impact of netting agreements. The carrying amount of financial liabilities represent the maximum exposure to liquidity risk. The maximum exposure to liquidity risk as at 30th June, 2025

30th June, 2025

Amount in BDT	Note	Carrying Amount	Total	Contractual Cash Flows				
				2 months or less	2-12 months	1-5 years	More than 5 years	
Non-derivative Financial Liabilities:								
Long Term Loan (Non-Current Maturity)	8.01	672,404,220	672,404,220	-	26,896,169	188,273,182	457,234,870	
Lease Obligation Liability	8.02	-	-	-	-	-	-	
Deferred Tax Liability	8.03	57,776,842	57,776,842	-	12,680,831	50,723,323.65	(5,627,313)	
Unclaimed/Unpaid Dividend from 2019 & 2022	9.01	1,560,103	1,560,103	124,808	1,435,295	-	-	
Trade and Other Payables	9.02	36,045,697	36,045,697	1,000,000	2,000,000	3,000,000	30,045,697	
Workers Profit Participation and Welfare Fund	9.03	1,001,817	1,001,817	-	535,704	466,113	-	
		768,788,679	768,788,679	1,124,808	43,547,998	242,462,619	481,653,254	
Derivative Financial Liabilities								
		768,788,679	768,788,679	1,124,808	43,547,998	242,462,619	481,653,254	

30th June, 2024

Amount in BDT	Note	Carrying Amount	Total	Contractual Cash Flows				
				2 months or less	2-12 months	1-5 years	More than 5 years	
Non-derivative Financial Liabilities:								
Long Term Loan (Non-Current Maturity)	8.01	672,404,220	672,404,220	-	26,896,169	188,273,182	457,234,870	
Lease Obligation Liability	8.02	550,459	550,459	-	-	550,459	-	
Deferred Tax Liability	8.04	70,457,673	70,457,673	-	2,154,911	8,619,644	59,683,117	
Unclaimed/Unpaid Dividend from 2019 & 2022	9.01	1,460,470	1,460,470	128,000	1,332,470	-	-	
Trade and Other Payables	9.02	25,094,273	25,094,273	1,000,000	2,000,000	3,000,000	19,094,273	
Workers Profit Participation and Welfare Fund	9.03	2,428,459	2,428,459	-	535,704	1,892,755	-	
		772,395,554	772,395,554	1,128,000	32,919,254	202,336,040	536,012,259	
Derivative Financial Liabilities								
		772,395,554	772,395,554	1,128,000	32,919,254	202,336,040	536,012,259	



SONARGAON TEXTILES LTD.
Schedule of Property Plant and Equipment

As at 30th June, 2025

UNIT - 1

Annexure - 01
Amount in BDT

Particulars	COST			Rate of Dep.	DEPRECIATION					Written Down Value	
	As on 01.07.2024	Addition during the year	Revaluation gain		As on 30.06.2025	Charged During the year	Adjustment/ Transferred	As on 30.06.2025	As on 30.06.2025	As on 30.06.2024	As on 30.06.2024
	Land & Land Development	103,803,963	-		-	103,803,963	-	-	-	-	103,803,963
Building & Construction	64,478,714	-	-	64,478,714	5%	1,608,702	-	33,913,372	30,565,342	32,174,045	
Plant & Machinery	240,978,096	-	-	240,978,096	7%	5,677,805	-	165,544,406	75,433,690	81,111,494	
Furniture & Fixture	1,152,613	-	-	1,152,613	15%	2,130	-	1,140,543	12,070	14,200	
Motor Vehicles	5,019,620	-	-	5,019,620	20%	56,954	-	4,791,804	227,816	284,770	
Sundry Assets	6,218,436	-	-	6,218,436	20%	10,670	-	6,175,754	42,682	53,352	
	421,651,442	-	-	421,651,442		7,356,261	-	211,565,880	210,085,562	217,441,823	

UNIT - 2

Annexure - 02

Particulars	COST			Rate of Dep.	DEPRECIATION					Written Down Value	
	As on 01.07.2024	Addition during the year	Revaluation gain		As on 30.06.2025	Charged During the year	Adjustment/ Transferred	As on 30.06.2025	As on 30.06.2025	As on 30.06.2024	As on 30.06.2024
	Land & Land Development	29,806,774	-		-	29,806,774	-	-	-	-	29,806,774
Building & Construction	43,972,124	-	-	43,972,124	5%	1,089,421	-	23,273,120	20,699,004	21,788,425	
Plant & Machinery	215,104,404	-	-	215,104,404	7%	4,898,851	-	150,019,673	65,084,731	69,983,582	
Furniture & Fixture	5,377,188	-	-	5,377,188	15%	16,868	-	5,281,604	95,584	112,452	
Motor Vehicles	12,813,366	-	-	12,813,366	20%	175,502	-	12,111,360	702,006	877,508	
Sundry Assets	7,063,764	-	-	7,063,764	20%	13,880	-	7,008,243	55,521	69,401	
	314,137,620	-	-	314,137,620		6,194,522	-	197,694,000	116,443,620	122,638,142	



SONARGAON TEXTILES LTD.
Schedule of Property Plant and Equipment

As at 30th June, 2025

UNIT-3

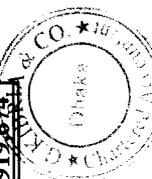
Annexure - 03
Amount in BDT

Particulars	COST			Rate of Dep.	DEPRECIATION				Written Down Value	
	As on 01.07.2024	Additions during the year	Disposal/ Adjustment during the year		As on 30.06.2025	Charged during the year	Disposal/ Adjustment during the year	As on 30.06.2025	As on 30.06.2025	As on 30.06.2024
Land & Land Development Building & Construction	56,436,763	-	-	56,436,763	-	-	-	-	56,436,763	56,436,763
Plant & Machinery	77,717,462	-	-	77,717,462	5%	1,956,978	-	40,534,874	37,182,588	39,139,567
Furniture & Fixture	597,634,016	-	-	597,634,016	7%	19,883,379	-	333,469,127	264,164,889	284,048,268
Sundry Assets	817,966	-	-	817,966	15%	6,404	-	781,674	36,292	42,696
	7,149,229	-	-	7,149,229	20%	34,483	-	7,011,297	137,932	172,415
Total	739,755,436	-	-	739,755,436		21,881,245	-	381,796,972	357,958,464	379,839,709

Consolidated Schedule of Property, Plant and Equipment as on 30th June, 2025

Annexure -04

Particulars	COST			Rate of Dep.	DEPRECIATION				Written Down Value	
	As on 01.07.2024	Additions during the year	Disposal/ Adjustment during the year		As on 30.06.2025	Charged During the year	Disposal/ Adjustment during the year	As on 30.06.2025	As on 30.06.2024	
Unit 1 (Sch-1)	421,651,442	-	-	421,651,442	7,356,261	-	211,565,880	210,085,562	217,441,823	
Unit 2 (Sch-2)	314,137,620	-	-	314,137,620	6,194,522	-	197,694,000	116,443,620	122,638,142	
Unit 3 (Sch-3)	739,755,436	-	-	739,755,436	21,881,245	-	381,796,972	357,958,464	379,839,709	
Grand Total	1,475,544,498	-	-	1,475,544,498	35,432,027	-	791,056,851	684,487,647	719,919,674	



SONARGAON TEXTILES LTD.
Schedule of Property Plant and Equipment as at 30th June, 2025

Annexure-4/A

Apportionment of Depreciation :

Unit/Division	30.06.2025		
	Factory	Head Office	Total
Unit -1	6,767,760	588,501	7,356,261
Unit -2	5,698,960	495,562	6,194,522
Unit -3	20,130,745	1,750,500	21,881,245
Total	32,597,465	2,834,562	35,432,027

Schedule of Revaluation Reserve :

Particulars	Revaluation Reserve			Rate of Dep. of Dep.	Adjustment			Carring Value as on 30.06.2025	Carring Value as on 30.06.2024
	Balance as on 01.07.2024	Revaluation surplus during the year	Deletion during the year		Balance as on 30.06.2025	During the year	Adjustment/Transfer		
Land & Land Development	178,869,655	-	-	-	-	-	-	-	178,869,655
Building & Construction	100,525,034	-	-	5%	48,000,970	2,626,203	-	50,627,174	49,897,860
Plant & Machinery	328,425,585	-	-	7%	197,294,314	9,179,189	-	206,473,503	121,952,082
Total	607,820,274	-	-		245,295,283	11,805,392	-	257,100,676	350,719,598

