

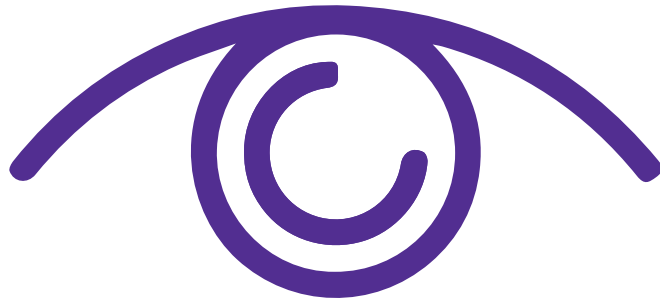


ANNUAL REPORT

2023-2024



MAKSONS SPINNING MILLS PLC.
THE NAME YOU CAN TRUST FOR BEST QUALITY YARN



CORPORATE VISION

We see Business as a means to the well being of Shareholders, Stakeholders and Society at a large keeping in line with the Nation's interest.



MISSION STATEMENT

Our Corporate Mission is to provide world class products to our valued Customers, maintaining high Ethical Standards while we conduct Business.

OBJECTIVE

Our Primary Business Objective is to conduct transparent Business Operations within Legal and Social framework, aiming to attain the mission with qualitative/quantitative targets while we operate.

FINANCIAL MANAGEMENT POLICY

All Financial Policies like Investments, Dividend disbursement and other related Financial Policies are aimed to maximize the value of the organization within.

CORPORATE FOCUS

Our vision is to polestar to our mission that fulfils our objectives with emphasis on the quality of product process and services blended with good governance that help build the image of the most venerable corporate citizenship at home and aboard.

OUR FOCUS

1

To Provide top quality product at least possible prices

2

To protect Shareholder's Capital, ensuring highest return with promising growth

3

To avail an environment free from pollution and poisoning for all citizens

4

To Practice good Corporate Governance by not being limited to disclosures and reporting to Shareholders

5

To compensate all employees properly for they are core in driving the business forward

6

To protect Shareholder's Capital, ensuring highest return with promising growth

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LETTER OF TRANSMITTAL

TO

All Shareholders
Bangladesh Securities and Exchange Commission
Registrar of Joint Stock Companies & Firms
Dhaka Stock Exchange PLC.
Chittagong Stock Exchange PLC.

Subject: Annual Report for the Year Ended on 30 June, 2024.

Dear Sir/Madam (s),

We are pleased to enclose a copy of the **Annual Report** together with the Audited Financial Statements including Statement of Financial Position as on June 30, 2024 and Income Statements, Statement of Cash Flow and Statement of Changes in Equity for the Year Ended on **30 June, 2024** along with notes thereon of Maksons Spinning Mills PLC. for your reference and record.

Yours sincerely,



(Noor Mohammad)
Company Secretary

NOTICE OF THE 20th ANNUAL GENERAL MEETING

Notice is hereby given that the 20th Annual General Meeting of the Shareholders of Maksons Spinning Mills PLC. will be held on Monday, 17 February, 2025 at 11.00 am through Hybrid System. Venue for physical presence: Maksons Group Conference Hall (situated at factory premises of Maksons Spinning Mills PLC.), Holding # 87, Ward#5, Block# B, Shahid Minnat Ali Road #4, Gouripur, Ashulia, Dhaka. Digital Link <https://maksonsspining.bdvirtualagm.com> to transact the following business:

- Agenda- 1: To Receive, Consider and Adopt the Audited Financial Statements of the Company for the Year Ended on 30 June, 2024 and Report of the Auditor and Director thereon for the said Year.
- Agenda- 2: To Declare Dividend for the year ended 30 June, 2024.
- Agenda- 3: To elect/re-elect Directors.
- Agenda- 4: To appoint Independent Director.
- Agenda- 5: To approve Appointment of Auditors of the Company for the term until the next Annual General Meeting and to fix their remuneration.
- Agenda-6: To approve Appointment of Compliance Auditor and to fix their remuneration.
- Agenda-7: To transact any other Business of the Company with permission of the Chair.

Special Business:

- Agenda-1: To subscribe further 2,00,00,000 (2 Crore) ordinary shares of Tk. 10 each of 'MAKSONS TEXTILES LTD'.

BY ORDER OF THE BOARD OF DIRECTORS,



(Noor Mohammad)
Company Secretary

Dated: Dhaka – 27 November, 2024.

Notes:

1. Sunday, 29 December, 2024 is the "Record Date" for entitlement of Dividend, if any. The Shareholders, whose names will appear in the Depository (CDBL) Register on that date, shall be entitled to participate in the AGM through Hybrid System.
2. A Shareholder is entitled to participate and vote at this virtual AGM, may appoint a Proxy to participate and vote. The Proxy form, a specimen of which is enclosed, dully filled, signed and stamped at Tk. 100 (Revenue stamp) must be sent through email to noor@maksonsgroup.com.bd not later than 48 hours before commencement of AGM.
3. The Corporate Shareholders need to send their authorization letter to join the meeting of the Company at least 48 hours before the commencement of the AGM.
4. The Shareholders can also join the virtual AGM through the Link <https://maksonsspining.bdvirtualagm.com>. The shareholders will be able to submit their questions/comments electronically before 25 (twenty five) hours of commencement of the AGM through this link and during the AGM, for logging into the system the Members need to put their 16 digit Beneficiary Owners (BO) Account Number.
5. We encourage the Members to log into the system prior to the meeting start time of 11.00 am. Please contact +8801841166170, +8801841166122, +8801841166223, for technical difficulties in accessing the virtual meeting.
6. The Annual Report-2024 along with attendance slip, Proxy form and Notice of the AGM are being sent to all members through email address available as per CDBL record. The Annual Report is also available in the company's web site at www.maksonsgroup.com.bd

No benefit or gift in cash or kind shall be given to the Shareholders for attending the AGM as per Bangladesh Securities and Exchange Commission's Circular No. SEC/CMRRCD/2009-193/154 dated October 24, 2013.

CORPORATE GOVERNANCE

Corporate Governance involves decision-making process for all corporate bodies as an ongoing concern for the benefit of the whole race existing and for the future. These decisions may be categorized as policy and strategy, operation and execution, performance and evaluation and sharing of accretion assets between present and future cohorts. The involvement of the entrepreneur in all these area invokes decision making governance on a continual basis. The degree of involvement being a variable with the extent of delegation of authority top down and reporting for accountability bottom up of the management is a requirement. The Board of Directors, Executive Management Authority and Operational participants inclusive of workers and others share these aspects of governance in order to fulfill the common goal that converges in increasing the benefit of the stakeholders at the highest level. Till this time the entire corporate governance efforts are blended with "Good Governance Practice" as ethically and morally acceptable standards under a given socio political environmental phenomenon as per societal need we operate and exist with consistency.

Corporate Governance is a key to its sustenance. Good Corporate Governance is a key to successful sustenance. Our Corporate Governance is as follows:

CORPORATE GOVERNANCE

Corporate Governance is the system through which the Company is directed, guided and controlled by the Board, keeping in view with its accountability to the shareholders. Now in accordance with the requirement of the Securities and Exchange Commission, "Corporate Governance Compliance Report" is also annexed. Additionally, the Status Report that is required to be presented by the Company in pursuance to Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 of 03 June, 2018 issued by Securities & Exchange Commissions is attached as Annexure-C.

Board of Directors:

Constitution:

The Board of Directors, Top Management echelon, consisting of the founder entrepreneurs, successors and the inclusion of an Independent Director and Nominee Directors, provide the policy making and strategic support followed with direction for the entire range of the corporate activities. The Board of Directors consist of Nine (9) Members including the Independent Directors with varied educational qualification & diversified experience, provides a balancing character in the decision making process. As the Board is reconstituted every year before each Annual General Meeting when one-third of the members retires and seeks re-election. A director is liable to be removed if the conditions of the Articles of Association and if the provisions of the Company Act 1994 are not fulfilled.

Roles and Responsibilities:

The main role of the Board of Directors, considered the highest authority in the Company, is to provide general superintendence, oversee the operations and control the affairs of the Company through appropriate delegation and accountability process via the chain of command. The Board of Directors however, holds the ultimate responsibility and looks out for the Shareholders' interest. They also look out for the best interest of the Stakeholders, the society at large including the country's overall benefit in terms of economy. The Board of Directors in respect of fulfilling its full responsibilities holds periodic meetings, at least once a quarter and delivers appropriate decisions and gives directions to the Executive Management Body. Such meetings usually are based on operational performances, financial results, and review of overall allocated and actual budget, capital expenditure, and proposals for BMRE or new project/ division/ product lines, collection of funds through issuance of shares or borrowing, procurement of raw materials, plant and machineries, pricing of product/ discounts, recruitment, training and promotion of officers, approval of audited accounts and distribution of dividends and other interest of the stakeholders including the employees and workers. The Board of Directors takes special care in designing and articulating productivity and compensation plans of the employees and workers. Company employees are rewarded appropriately on the basis of quantity measures and quality of performance as an incentive. The Board also remains responsible for removal of operational hazards towards their life and care regarding their wellbeing of health, provided friendly and cordial work environment and favorable social relation as demanded by a good citizen operating as a separate business entity in a country like Bangladesh.

Appointment or re-appointment of Directors:

In accordance with Article nos. 124 & 125 Section 91(2) of Company Act 1994 Mr. Amzad Ali Badal and Mrs. Laila Ali both are due to Retirement by rotation from the Board of Directors and being eligible, offer them for re-election. Board of Directors have re-elected Mr. Amzad Ali Badal as Directors for the next term. Mrs. Laila Ali did not submit her intention to be re-elected as Director. Therefore, she will remain as sponsor of the company.

Independent Director

The Company has complied with the notification of the Bangladesh Securities and Exchange Commission with regard to appointment of independent Director to the Board. The Independent Director of Maksons Spinning Mills PLC. Are Mr. Haider Ahmed Khan, FCA and Mr. Md. Khurshed Hossain, Dr. MUhammad Shahadat Hossain Siddiquee.

Board Committees

The Board has established different Board Committees to which it has delegated some of its responsibilities which are given below:

Audit Committee

The Board of Directors has constituted an Audit Committee of the Board consisting of three Directors and a Member Secretary. The Audit Committee is headed by the Independent Director Mr. Md. Khurshed Hossain and accompanying him the other members are respectively Mr. Haider Ahmed Khan, FCA, Independent Director and Dr. Mohammed Mizanur Rahman, Nominated Director and Mr. Noor Mohammad, Company Secretary.

The Audit Committee carries out its responsibilities as per the provisions of law and subsequently submits its report to the Board of Directors in stipulated time. The Audit Committee synchronizes with the Internal and External Auditors as and when required. The Audit Committee ensures that adequate internal check & balance is maintained by adequate Management Information System that is in place for detection of errors, frauds and other deficiencies.

Other responsibilities comprise of inter alia, not being limited to, the anticipation of conflict of interests between the Company and its Directors, Officials, Customers, Suppliers, Government and any other Interested Groups, that may be present, and detect or eliminate possibilities of internal trading of the Company's stocks, which is strictly considered as a malpractice within the scope of compliance issue. The Audit Committee guarantees SEC and other Agencies, relevant, compliance issues as regulations and requirement.

Nomination and Remuneration Committee (NRC)

The Nomination and Remuneration Committee consists of two independent Directors 1) Mr. Md. Khurshed Hossain 2) Mr. Haider Ahmed Khan, FCA and one Nominated Director Dr. Mohammed Mizanur Rahman. Independent Director Mr. Md. Khurshed Hossain is the Chairperson and Noor Mohammad is the Member Secretary of the Nomination and Remuneration Committee. The Committee will act as per the terms and conditions of the Corporate Governance Code of BSEC.

Other Committees:

- Internal Audit Committee
- Purchase Committee
- Performance Evaluation Committee
- Product Planning & Development Committee
- Research & Development Committee
- Product and Inventory Management Committee
- Social/ Environmental Committee
- Export Promotion Committee

Board Meetings

The meetings of the Board of Directors of Maksons Spinning Mills PLC. are generally held at the Registered /Corporate Office of the Company. The meetings are held frequently, at least once in a quarter, to discharge its responsibilities and functions as mentioned above. Meeting is scheduled well in advance and the notice of each Board Meeting is given, in writing to each Director by the Company Secretary. The Board meets for both scheduled meetings and on other occasions to deal with urgent and important matters that require attention. The details of Board Meeting and attendance are given in the Directors' Report.

Relationship with Shareholders and Public:

The shareholders as owners of the company are to be provided with material information of Company operations such as 1st Quarterly, Half-yearly, 3rd Quarterly unaudited and Annually audited financial statements published and distributed prior to and on the day of AGM. The Company Secretary, in this regard, outlined some routine services according the prevailing rules and regulation and guide line of regulatory authorities. The Board is however obligated to the Shareholders for the publication of any Price Sensitive Information as per SEC Regulations. In order to better comply with all these responsibilities a qualified and efficient Company Secretary have been working diligently.

Relationship with Government:

In its role on accountability to the government, the Board of Directors have to ensure up to date payment of all dues of Governmental Fees in the form of Import Duty, Custom Duty and Port Charges, VAT, Corporate Taxes and other tariffs. In case these fees are pending, on the basis of actual operations, it is then vital to make sure that corruption is avoided with highest priority. These practices have enabled the Company to enhance its contribution to the National Exchequer on a progressive rate since its commencement and are committed to do so in future.

Relationship with Financiers/Bankers:

The Board oversees the financial transactions and ensures that those who are the lenders are being well taken care of and treated well, as per commitment, to meet Company's obligation to the lenders without making any default.

Relationship with Suppliers:

As the Company has to import plant and machinery and almost all the raw materials from abroad, therefore the company makes sure that the international suppliers are well communicated at all times. Additionally, the company maintains cordial and mutually beneficial interest with its local suppliers. This has enabled the company to attain reduced number of legal disputes in both the international and local courts and thus enhanced the Company's illustration as a superior client to suppliers.

Corporate Social Responsibilities (CSR):

As Corporate Social Responsibility is a mandatory part of any artificial entity as per Company law. Now being a public limited company the stake at this point is higher. The Board of Directors realizes this fact and concentrates on the Corporate Social Responsibilities (CSR) activities especially in the areas outlined below:

- 1) Encourages Gender equality within organization structure,
- 2) Discourages Racism within the workplace,
- 3) Demoralizes Religious distinguishing trend,
- 4) Highly discourages Child-labor in the facility layout locations,
- 5) Exercises Human Rights policy set at internal level,
- 6) Raise voice from time to time for emitting Environmental Pollution and also avoids operating on such values, and
- 7) Aiming to capitalize high on Social-Marketing and Social Welfare activities even more in future.
- 8) Equal Employment Opportunity providing employer.

Website

The Company has an official website linked with the website of the stock exchanges. All Financial results and information are posted on the Investor Relations section of the Company's website: www.maksonsgroup.com.bd

Introducing Board of Directors



Mr. Mohammad Ali Khokon

CHAIRMAN

Mr. Mohammad Ali Khokon, the esteemed Chairman of the Company, has been instrumental in guiding the organization to its current position of prominence. With over three decades of experience, his exceptional leadership and strategic vision have solidified the Company's reputation as a leading business entity in the nation. His timely and insightful decisions have contributed to the Company's remarkable growth and success.

He has extensively traveled for business, gaining deep expertise in modern textile industry methods, technology, production, marketing, and management. His strong leadership guides the Company in formulating and executing strategic policies. He has spearheaded various sustainability initiatives that have positively impacted both the company and society. He was elected thrice as President of Bangladesh Textile Mills Associations (BTMA) for his efficient & effective leadership, sincerity, honesty, hard work and electrifying personality. He is also involved with many financial institutions, government regulatory bodies, international vendors, legal bodies, and other concerned department. He is also engaged in various social activities like Dhaka Club Ltd., Gulshan Club Ltd., Uttara Club Ltd., Rotary Club and many other sports & social organizations who are working for the deprived people under the company's Corporate Social Responsibility (CSR). His academic brilliance and decision-making ability capacitated him to become one of the successful iconic business magnates of the country.



Mr. Mohd. Ferdous Kawser Masud

MANAGING DIRECTOR

Mr. Mohd. Ferdous Kawser Masud, the Managing Director of the company, is a seasoned business leader with an MBA in Finance from University of Chittagong. Since joining the company in 2000, he has been instrumental in setting high standards for performance. His extensive international travels have exposed him to the latest global trends and technologies, which he leverages to drive innovation and growth.

He has contributed significantly to the business by implementing innovative strategies in production, sales, and accounting within the textile sector. He plays a key role in strategic planning, financial strategy implementation, and leading the R&D team to drive financial growth, expansion, and the exploration of new business opportunities. By optimizing operations in key areas, he has helped the company achieve substantial revenue and profitability growth. He is also actively involved in various social organizations and activities.



Mr. Mohd. Showkot Ali

NOMINATED DIRECTOR

Mr. Mohd. Showkot Ali, a Nominated Director from Metro Spinning Limited, brings over 34 years of extensive experience in the textile industry. His expertise encompasses administration, production, supply chain management, export-import, control and maintenance, and overall company operations. His deep understanding of the spinning sector has significantly benefited the company. He holds a postgraduate degree from Jagannath University and has gained valuable international insights through his travels and participation in seminars and workshops.



Mrs. Laila Ali

DIRECTOR

Mrs. Laila Ali serves as the Director of the Company. A dynamic and dedicated leader, she has honed her skills through extensive training programs, seminars, and industry visits. She is responsible for overseeing the organization's overall performance and assists the Managing Director in formulating strategic plans to achieve the company's goals.



Mr. Amzad Ali Badal

DIRECTOR

Mr. Amzad Ali Badal, Director, is a graduate of Jagannath University. Following his academic pursuits, he gained practical experience in the textile industry through on-the-job training at various textile mills. Currently, he serves as the Director and Head of the Procurement Department for the company.

With over 23 years of experience, Mr. Badal is expert in supply chain management and import-export. He plays a crucial role in strategic decision-making, particularly regarding the procurement of capital machinery, raw materials, spare parts, and accessories for the company. His extensive international travel has exposed him to cutting-edge technologies and best practices in the textile and spinning sectors.



Mr. Sanjid Hasan Amit

DIRECTOR (AUDIT & MIS)

As a Director of the Company, Mr. Sanjid Hasan Amit actively contributes his expertise to the board's decision-making process. He is involved in various aspects of the company's operations, including business planning, financial strategy, marketing policy development, procurement policy formulation, dividend policy setting, and other critical areas. Having grown up in a family-owned textile business, he possesses a deep understanding of modern textile production, marketing, and management techniques. He holds a BBA (Finance) degree from York University, Canada.



Mr. Md. Khurshed Hossain

INDEPENDENT DIRECTOR

Mr. Md. Khurshed Hossain is the Independent Director of the Company. He retired from Sonali Bank Limited as Deputy Managing Director. He also served as General Manager of Agrani Bank Ltd and Investment Corporation of Bangladesh. He was also the Chairman of ICB Asset Management Company Limited. He was Project Director on 'Enhancement of Corporate Governance and capacity of ICB' (ADB and Govt. of Bangladesh Financed) and served as Nominated Director in different organizations including Islami Bank (BD) Ltd.

Mr. Md. Khurshed Hossain obtained M.Com in Marketing and LLB degree from Dhaka University. He also obtained MBA majoring in International Trade and Commerce from U.S.A. He has 34 years of working experiences in the field of Govt. service, investment and Commercial Banking. He has attended several training program in home and abroad including NIBM India. He has various research paper and publications on Industrial Venture and Capital Market. He was also associated with 'C.V.Starr Centre for Applied Economics', Newyork University, USA in the project titled 'The effect of source of finance on choice of techniques'.



Mr. Haider Ahmed Khan, FCA

INDEPENDENT DIRECTOR

Mr. Haider Ahmed Khan, FCA is holding the position of Independent Director of the company. He is a Chartered Accountant and proprietor of Ahmed Khan & Co. He shares his vast knowledge in consideration and recommendation of any decision by the Board. He is also involved to set business planning, financial planning, marketing policy, procurement policy, dividend policy and other business affairs of the company.



Dr. Muhammad Shahadat Hossain Siddiquee

Independent Director

Dr. Muhammad Shahadat Hossain Siddiquee serves as an Independent Director of the company. He holds a Ph.D. in Development Policy from the University of Manchester (UK), an MA in Economics of Development from the Erasmus University Rotterdam (Netherlands), and an MSS and BSS in Economics from the University of Dhaka. Currently, Dr. Siddiquee is a Professor of Economics at the University of Dhaka, specializing in evaluation research to assess the impact and effectiveness of development interventions. He has extensive experience in this field, having served as a Graduation Model expert for World Vision Bangladesh and a Country Consultant to UNFPA for the development of the Bangladesh Youth Development Index. He is also a Senior Research Fellow at the BRAC Institute of Governance and Development (BIGD), BRAC University.

Dr. Siddiquee's recent publication, "A Tracer Study for Making HSC (Business Management) Course More Market Responsive and Practical Oriented," was published by the Bangladesh Technical Education Board. He has a prolific publication record, contributing numerous research papers, articles, and journal publications.



Dr. Mohammed Mizanur Rahman

NOMINATED DIRECTOR

Dr. Mohammed Mizanur Rahman is the Nominated Director of Maksons Knit & Rotor Spinning Ltd. He is currently working as Professor at Department of Applied Chemistry and Chemical Engineering, University of Dhaka. He obtained his PhD in Materials and Life Sciences from Kumamoto University, Japan. Dr. Mohammed Mizanur received honors includes Alexander von Humboldt (AvH) Fellowship for Experiences Researcher, Japan Society for the Promotion of Science (JSPS) Fellowship, Young Researcher Award-2009 (Gold Medalist in Physical Sciences), Young Scientist Prize, Japanese Government Monbukagakusho Scholarship, and Primary Scholarship Award (1983) by the Ministry of Education, Bangladesh. He has published 7 peer reviewed books, 55 articles in peer review journals, and 22 conference proceedings contributed as author/co-author.

Introducing the **Senior Executives**



Mr. Mohd. Mohsin Adnan

Dy. Managing Director



Mr. Mohd. Younus Bhuiyan

Chief Financial Officer & Sr.GM (Finance)



Mr. Noor Mohammad

Company Secretary



Ms. Farhana Haque

Head of Internal Audit & Compliance



Mr. Md. Mahmudul Hasan

Sr. GM (Factory and Group Utility Head)



Mr. Prodip Kumar Sen

GM (Marketing)



Mr. Mostafizur Rahman

GM (Production and Quality Control)

CORPORATE DIRECTORY

Chairman

Mohammad Ali khokon

Managing Director

Mohd. Ferdous Kawser Masud

Directors

Mrs. Laila Ali
Amzad Ali Badal
Sanjid Hasan Amit

Nominated Director

Mohd. Showkot Ali
Dr. Mohammed Mizanur Rahman

Independent Directors

Haider Ahmed Khan, FCA
Md. Khurshed Hossain

Senior Executives

Mohd. Mohsin Adnan
Prodip Kumar Sen
Md. Mahmudul Hasan
Mostafizur Rahman

Company Secretary

Noor Mohammad

Chief Financial Officer

Mohd. Younus Bhuiyan

Head of Internal Audit & Compliance

Ms. Farhana Haque

Audit Committee

Md. Khurshed Hossain - Chairman
Haider Ahmed Khan, FCA- Member
Dr. Mohammed Mizanur Rahman- Member
Noor Mohammad - Member Secretary

Nomination & Remuneration Committee (NRC)

Md. Khurshed Hossain- Chairman
Haider Ahmed Khan, FCA- Member
Dr. Mohammed Mizanur Rahman- Member
Noor Mohammad - Member Secretary

BANKERS & FINANCIAL INSTITUTION

SOUTHEAST BANK PLC.
BAY LEASING & INVESTMENT LIMITED

INSURERS

ASIA INSURANCE CO. PLC.
PRIME INSURANCE CO. LTD.

Authorized Capital

TK 500,00,00,000

Paid up Capital

TK 238,23,25,380

Capacity

100,680 SPINDLES

BRAND

DOLPHIN, WOLF

Product Variety

20 TO 40 COUNT OF 100% COTTON CARD, COMBED, SLUB,
SUPIMA, ORGANIC AND BCI YARN.

Legal Advisor

Chowdhury Mokimuddin KJ Ali
Barrister-at-Law & Head of Chambers
Advocate, Supreme Court of Bangladesh
M/s. Chowdhury Mokimuddin & Associates

Statutory Auditor

M/S. Kazi Zahir Khan & Co. Chartered Accountants,
Home Town Apt. Level-15
87 New Eskaton Road , Dhaka-1000.

Corporate Governance Auditor

M/S. Saifur Enayet & Associate
House-53, Road-03, Sector- 3, Uttara, Dhaka-1230.

Registered Office

House-01, (1st Floor), Road-06, Sector-1, Uttara, Dhaka-1230.

Corporate & Share Office

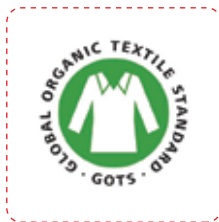
House # 17, Road # 6, Sector # 1, Uttara Model Town,
Dhaka-1230.

Location of the Factory

Holding # 87, Ward # 5, Block # B, Road # Shahid
Minnat Ali Road #4, B-bangla, Gouripur, Ashulia,
Savar, Dhaka.

Certification and Recognition

1. GOTS (Global Organic Textile Standard)
2. OCS (Organic Content Standard)
3. Cotton USA
4. Supima Cotton
5. Cotton Made in Africa (CmiA)
6. Oeko Tex Standard 100
7. BCI (Better Cotton Initiative)
8. Member of Cotton Leads
9. Higg Index
10. Amfori BEPI
11. Recycle Content Standard (RCS)
12. Global Recycle Standard (GRS)
13. Regenagri
14. Sustainable Viscose Chain of custody (SVCOC)
15. Inditex Listed Supplier



CHAIRMAN'S MESSAGE



Dear Shareholders,
Assalamu Alaikum.

It is a great pleasure for me to welcome you all, on behalf of the Board of Directors to the 20th Annual General Meeting of your company "Maksons Spinning Mills PLC. and to present the Annual Report for the Year Ended 30 June 2024. We are delighted at your participation in this Annual General Meeting.

Bangladesh's textile and ready-made garment (RMG) industries have been the driving force behind the country's economic growth for decades. Garment exports consistently rank as the second-largest source of foreign exchange earnings. However, the textile sector, especially spinning, has encountered a series of hurdles, both domestic and international. These challenges encompass volatile raw material costs, shipping delays, falling yarn prices, misuse of bonded warehouses, and escalating utility expenses. Collectively, these factors have significantly increased production costs and eroded industry profitability.

The Bangladeshi textile industry has been grappling with a severe order crisis throughout the past fiscal year. This, coupled with rising foreign exchange rates, raw material costs, utility expenses, and declining global apparel demand, has put immense strain on the sector. Despite these challenges, we managed to achieve a sales revenue of Tk. 5,456,268,445/-, a gross profit of Tk. 219,013,382/-, and a net profit after tax of Tk. (879,117,940/-). However, the earnings per share of Tk. (3.69/-) is a cause for concern. The decline in unit prices of finished goods, coupled with escalating costs of raw materials, salaries, wages, operations, and utilities, has significantly impacted our profitability. These adverse factors have collectively contributed to the negative earnings per share.

The Board of Directors is steadfast in its commitment to establishing and maintaining the highest standards of corporate governance, encompassing integrity, transparency, accountability, and responsible business conduct. We are resolute in our dedication to safeguarding the interests of our shareholders and stakeholders, and will continue to pursue strategies that enhance shareholder value.

I would also like to take this opportunity to show my utmost gratitude to all the valued shareholders, customers, well-wishers for their continuous support and my deepest gratitude goes to our regulators especially BSEC, DSE, CSE and RJSC for their prudent guidance and advice. Now let us all move ahead to a greater future through Innovation, Achieving Excellence in Service.

Thank you.



Mohammad Ali Khokon
Chairman

MANAGING DIRECTOR'S **MESSAGE**



Dear Shareholders,
Assalamu Alaikum.

It is indeed a great honor and privilege for me to greet you all to the 20th Annual General Meeting of your Company. I am also pleased to be able to place before you the Annual Report along with the Auditor's and Director's Reports for Year Ended 30 June 2024, and overall performance of the Company and its prospects for the future.

Bangladesh's Ready-Made Garment (RMG) sector is the backbone of the nation's economy, powering economic growth and generating significant foreign exchange earnings. This industry, coupled with the broader textile sector, provides employment to an impressive 4.5 million workers, with women accounting for over 80% of this workforce. From the initial stages of spinning and weaving to the creation of diverse products like knitwear, leisurewear, and high-fashion garments, Bangladesh's textile and clothing industry is experiencing rapid growth. The country's competitive advantages offer promising opportunities for expanding into new markets. Furthermore, the robust local spinning industry plays a crucial role in supplying yarn to the RMG sector, reinforcing the industry's interconnectedness and resilience.

The Bangladesh Ready-Made Garment (RMG) sector experienced a mixed performance during the fiscal year 2023-2024. While the sector recorded an overall growth of 4.97%, it faced challenges due to global economic headwinds and shifts in major markets. Exports to new markets such as Japan, Australia, and South Korea witnessed growth. The EU remained a major market, with exports totaling \$19.90 billion and Strong performances were recorded in key markets like Spain, France, the Netherlands, Poland, and Denmark. On the other hand exports to Germany, the largest EU market, decreased by 9.40%, and Italy experienced a 2.45% decline. The global economic slowdown and inflationary pressures negatively impacted the overall performance of the RMG sector. To sustain growth, the RMG sector must continue to diversify its export markets and adapt to evolving global trends. By focusing on innovation, value-added products, and sustainable practices, Bangladesh can solidify its position as a global apparel manufacturing hub.

The company's performance during the fiscal year 2023-2024 was significantly impacted by numerous challenges, including high inflation, increased raw material costs, higher utility expenses, rising labor costs, and adverse foreign exchange rates. These factors hindered the company's ability to achieve its desired revenue growth. A detailed overview of the company's financial performance can be found in the Annual Report. In summary, the company generated sales revenue of Tk. 5,456,268,445/-, a gross profit of Tk. 219,013,382/-, and net profit/loss after tax of Tk. (879,117,940/-). Consequently, the earnings per share stood at Tk.(3.69/-).The decline in unit prices of finished goods, combined with the escalating costs of raw materials, labor, operations, and utilities, significantly eroded profitability. These adverse factors collectively contributed to the negative earnings per share. Given these circumstances, the Board of Directors has decided not to recommend any dividend for the year ended on 30th June 2024.

While we are currently facing a challenging period, we remain confident in our company's resilience and ability to overcome these difficulties. Our unwavering commitment to the betterment of the company and its shareholders remains our guiding principle, and we are confident that brighter days lie ahead. We firmly believe that strong corporate governance is essential for achieving our desired business goals and ensuring sustainable growth. To this end, we have established an active Audit Committee to rigorously evaluate and address any potential risks facing our business. This committee, along with our robust internal financial and operational control framework, provides invaluable assurance to the Board and management that we are well-positioned to successfully navigate any obstacles and achieve our objectives.

Finally, I would like to express my deepest appreciation to the company's shareholders for their trust and enduring support to the Board of Directors to operate the Company. I would also like to sincerely thank the Banks, Financial and Regulatory Agencies, Suppliers and Customers, various people we have interacted with in course of business, management staff and members of the company at all levels for their loyalty and extensive hard work, and express our hope for prosperity.

We are looking forward to better days ahead!
May Allah Grant us success!

Thank you.



Mohd. Ferdous Kawser Masud
Managing Director

The background is a purple-tinted photograph. In the center, a hand is holding a pen, positioned as if about to write on a document. To the left, there is a large, circular graphic element, possibly a stylized letter 'C' or a similar symbol, with a textured, ribbed appearance. The overall scene suggests a professional or corporate setting, likely related to the 'Directors' Report' mentioned in the text.

DIRECTORS' REPORT

DIRECTORS' REPORT

FOR THE FINANCIAL YEAR ENDED ON 30 JUNE, 2024

Dear Shareholders,

In terms of provisions of section 184 of the Companies Act 1994, (Act No. XVIII of 1994), it is the pleasure of Board of Directors to submit its Report to the Shareholders for the year ended 30 June, 2024 in the following paragraph.

(i) Industry outlook

Maksons Spinning Mills PLC. is one of the pioneers in the spinning industry in Bangladesh which was incorporated on 25th September 2003 subsequently it was converted into Public Limited Company on 25th January 2005. It has a capacity of 1,00,680 spindles with state of art machinery, imported from Japan, China, India, Italy, USA, Germany, Switzerland and Taiwan. The company is producing quality yarn for export with an annual production capacity of 21.25 million kgs. Maksons usually produces 20/1 to 80/1 count of 100 % Cotton Yarn, Organic yarn, Combed yarn, Supima yarn and high-quality compact yarn. Maksons is successfully created excellent name and fame for itself in the market for its product and services provided to the customer from its inception till to date.

Spinning sub-sector remains crucial to RMG value chain helping to stabilize supply chain, while controlling costs. The products of the spinning sub-sector are cotton yarn, polyester, synthetic yarn, woolen yarn and blended yarn mixed of cotton and polyester of different counts (mostly up to 80 count). Yarns are being used by the weaving sub-sectors like specialized textiles, handlooms and knitting and hosiery. The growth in the export of clothing with the phasing out of MFA in 2005 has led to the setting up of 350 spinning mills and there has been a boost in investment since 2001. The private sector spinning mills can now meet around 100% demand of yarn at the domestic level as well as 95% of the demand for yarn for export oriented knit fabrics mills. In addition, almost 85% of cotton yarns and 50% demand for synthetic and blended yarn of export-oriented fabric producing mills are being met by the private sector spinning mills.

(ii) The segment wise or product wise performance:

Particulars	Unit	Year	
		2023- 2024	2022- 2023
Spindle	Number	100,680	100,680
Production Capacity (Yarn)	M.TON	20,650 M.Ton	21,250 M.Ton
Actual Production (Yarn)	M.TON	14,573 M. Ton	11,427 M. Ton
Capacity Utilization	%	70.57	53.77

(iii) Risk and Concern

Risks and concerns including internal and external risk factors, threat to sustainability and negative impact on environment

1. Industry Risk:

Textile is the largest industrial sub -sector in Bangladesh. It contributes highest in the country's total export earnings, gives employment to over four million people meets the second basic need for clothing of the country and contributes around 50% of the industrial value addition. But after phasing out of the, Multi Fiber Agreement (MFA) the global textile trade is now free from quota restriction.

Management Perception

The textile industry has successfully coped with the post Multi Fiber Agreement (MFA) competitive situation. The force, which is helping the sector for its strong existence is emergence of backward linkage industry. Backward linkage industries are supporting for minimizing lead- time and cost of production. The company is a first state of backward linkage industry of yarn production that facilitates for better existence.

2. Interest Rate Risks:

Interest / Financial charges are paid against any kind of borrowed fund. Volatility in money and increased demand for loan presses on interest rate structure to be fixed in high. Raising of interest rate increases the cost of fund for a company, which have borrowed fund, and consequently profit is squeezed.

Management Perception

The management of the Company is always aware of interest rate, which is concerned to the cost of fund the company. The Management prefers in procuring of the long- term fund with minimum fixed interest rate and the short term fund with reasonable competitive rate. On the other hand management of the company is emphasizing on equity based financing.

3. Exchange Rate Risk:

The Company is export oriented. The products of the company are sold against foreign currency and payments for raw material are also made in foreign currency. If exchange rate is increased against local currency opportunity is created for getting more revenue against sale in local currency. On the other hand if exchange rate goes down margin is squeezed in local currency.

Management Perception

The exchange rate of the country is traditionally witnessed of upward trends, which markets ample opportunity of export. On the other hand, management perceives revaluation of local currency i.e. down trend of exchange rate will have little impact on profitability of the company.

4. Market and Technology related Risk:

Among the functional areas in a yarn company, marketing exerts the sheet part of the importance. Proper implementation of the marketing tools as well as identifying new client will ensure the success of the project. The continuous changes on performance in the garment and textile market will force company to catch the trend. For which the company has to produce yarn for international demand.

Management Perception

The company set its focus only in countries export Market through inland back –to – back letter of credits. The management is trying to sell through direct contact with the customers (RMG & Knitting industries) in the selected regions understanding their needs. The company also has established relationship with potential buyers across the country and expects to find market for its capacity despite competition prevailing in the sector. Further the commercial bank and financial institutions provide a thrust in the textile sector as they provide credit facilities to RMG & knitting industries to acquire the yarn for their final products.

5. Changes in Economic & Political Condition:

Changing economic conditions may affect the demand for the product offered by the company. Downturn of economic activity or uncertainty may result in a downturn in demand for loan funds for industry.

Management Perception

Social unrest due to political reasons may cause downturn the economic activity which will have impact on demands of textile. But as elected Government is in place, we can expect that political rivalry within democratic environment will not affect the manufacture sector.

6. Energy costs may rise:

Due to the adverse power situation in the country, production may be hampered and wastage might rise.

Management Perception

The Company itself sufficient in generating power by its own generators. However, in case of gas shortfall and subsequent rationing if any, then the productivity will be reduced. In that scenario, the overall sector will be affected.

7. Operational risks:

Shortage of power supply, labor unrest unavailability or price increase of raw material, natural calamities like flood, cyclone, earth quack etc. may disrupt the production of the Company and can adversely impact the profitability of the Company.

Management Perception

The compensation as well the benefit package will restrain the employees to leave their assignment and got for any employee movement for higher benefit packages. The project of the company is situated at a high land where less record of flood. The factory building has strong RCC foundation, RCC floor, pre- fabricated steel structure to withstand wind, storm rain etc. along with good drainage facility. The risks from these factors are also covered through insurance. The Company is also facilitated to keep a rational reserve for any future price escalation of the raw material.

(iv) COGS, Gross/ Net Profit Margin Analysis

A discussion on Cost of Goods Sold, Gross Profit Margin and Net Profit Margin is as follows;

Particulars	Year		Deviation Increase/(Decrease)
	2023-2024	2022-2023	
Cost of Goods sold	5,237,255,063	4,628,240,901	609,014,162
Gross Profit Margin	4.01	(5.01)	9.02
Net profit Margin	(16.11)	(21.26)	5.15

Cost of Goods Sold increased due to more consumption of Raw Materials, Gross Profit Margin increased due to Cost of Goods Sold is less than sales and Net Profit Margin increased due to more Sales, decrease of Cost of Goods sold, but remain negative due to utility cost, Interest rates and other Financial Charges increased remarkably.

(v) Extra-ordinary activities

There were no extraordinary activities during the year.

(vi) Related party transactions

The following statement showing the related party transactions as per IAS-24 along with amount, nature of related party, nature of transactions and basis of transactions:

Particulars	Relationship	A/C Type	Opening	Received	Paid	Closing
Maksons Textiles Limited	Common Directors	Share Money Deposit	51,742,300	11,700,000	168,939,952	208,982,252
Gardenia Wears Limited	Common Directors	Inter Company Loan & Advance	-	7,200,000	27,293,000	20,093,000
La-Muni Apparels Ltd.	Common Directors	Inter Company Loan & Advance	-	25,900,000	100,021,025	74,121,025
Metro Spinning Limited	Common Directors	Inter Company Loan & Advance	2,754,733	35,501,139	22,022,224	(10,724,182)

(vii) Utilization of Proceeds from Public Issue

This is not applicable for MSML as no such event of collecting fund from public issues took place during the year which would require adjustment or disclosure in the annual report.

(viii) Financial Result Deterioration after the Public Issue

An explanation if the financial results deterioration after the company goes for Initial Public Offering (IPO), Repeat Public Offering (RPO), Rights Share Offer, Direct Listing, etc.: Not applicable.

(ix) Variance within the Quarterly Financial Statement and Annual Financial Statements

Significant deviation in EPS: Earnings per share decreased due to decrease in unit price of finished goods, increased of Cost of Raw materials, salary & wages, operational and utility cost including financial charges compare to the previous year.

(x) A statement of remuneration paid to the directors including independent directors:

Statement of remuneration paid to the directors are presented in the notes of Audited Financial Statement.

(xi) Fairness of Financial Statements

The management confirms that the financial statements i.e. the result of its operations, statement of cash flows and changes in equity of Maksons Spinning Mills PLC. is prepared and presented fairly.

(xii) Proper Books of Accounts

The management of Maksons Spinning Mills PLC. states that proper books of accounts have been maintained.

(xiii) Adaptation of Proper Accounting Policies and Estimates

The management of Maksons Spinning Mills PLC. confirms that the appropriate accounting policies have been consistently applied in preparation of the financial statements and the accounting estimates are based on reasonable and prudent judgment.

(xiv) IAS/BAS/IFRS/BFRS Application

The management of Maksons Spinning Mills PLC. confirms that the International Accounting Standards (IAS) or International Financial Reporting Standards (IFRS), as applicable in Bangladesh have been followed in preparation of the financial statements and any departure there from has been adequately disclosed.

(xv) Internal Control

The management confirms that internal control of Maksons Spinning Mills PLC. is sound in design and has been effectively implemented and monitored.

(xvi) Minority Shareholders

A statement that minority shareholders have been protected from abusive actions by, or in the interest of, controlling shareholders acting either directly or indirectly and have effective means of redress: Not applicable.

(xvii) Going Concern

The management confirms that there is no significant doubt upon the issuer company's ability to continue as a going concern.

(xviii) Significant deviation from last year's operating result

	2023-2024	2022-2023	Deviation Increase/decrease
Turnover	5,456,268,445	4,407,572,924	1,048,695,521
Less Cost of Goods sold	5,237,255,063	4,628,240,900	609,014,163
Gross Profit	219,013,382	(220,667,976)	439,681,358
Less Operating Expenses	995,227,144	643,881,999	351,345,145
Operating profit	(776,213,762)	(864,549,975)	88,336,213
Add non-operating income	(81,084,786)	6,956,695	(88,041,481)
Net profit before WPPF	(857,298,548)	(857,593,280)	294,732
Contribution to WPPF			
Net Profit before tax	(857,298,548)	(857,593,280)	294,732
Provision for Tax	21,819,392	79,644,208	(57,824,816)
Retained Earnings	(879,117,940)	(937,237,488)	58,119,548

During the year turnover increased but incurred loss due to decrease in unit price of finished goods, increased Raw material cost, salary & wages, utility cost, interest rates and other financial charges also increased.

(xix) Key Operating and Financial Data

A statement of key operating and financial data of preceding 5 (five) years are given below:

(Tk. in '000)

FIVE YEARS FINANCIAL STATISTICS					
PARTICULARS	2023-24	2022-23	2021-22	2020-21	2019-20
Financial Position					
Authorized Capital	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000
Paid-up Capital	2,382,325	2,382,325	2,382,325	2,382,325	2,382,325
Retained Earnings	-879,117	-937,237	503,289	494,322	-88,180
Turnover	5,456,268	4,407,572	6,362,796	5,320,285	4,263,230
Gross Profit	219,013	-220,667	1,213,171	1,194,729	611,943
Gross Profit in %	4.01	-5.01	19.07	22.46	14.35
Net Profit before Tax	-857,298	-857,593	623,074	620,577	-47,265
Net Profit before Tax in%	-15.71	-19.46	9.79	11.66	-1.11
Fixed Assets	4,525,979	4,680,890	4,564,855	4,495,050	4,568,034
Current Assets	6,587,840	6,040,217	6,022,652	5,658,136	5,460,543
Current Liabilities	6,917,325	5,680,388	4,432,185	4,015,975	4,348,482
Net Current Assets	-329,485	359,829	1,590,466	1,642,161	1,112,060

PARTICULARS	2023-24	2022-23	2021-22	2020-21	2019-20
Key Financial Ratio					
Current Ratio (Times)	0.95	1.06	1.36	1.41	1.26
Quick Ratio (Times)	0.35	0.34	0.53	0.60	0.47
Debt-Equity Ratio (Times)	0.7	0.29	0.27	0.33	0.47
Times Interest Earned Ratio (Times)	-0.05	-0.96	2.87	2.75	0.91
Inventory Turnover (Times)	1.68	1.64	2.10	1.77	1.58
Assets Turnover (%)	1.24	0.995	1.405	1.174	0.915
Return on Assets (%)	-20.46	-19.98	14.44	14.38	-1.01
Return on Equity (%)	-29.27	-22.34	12.43	12.96	-1.09
Earning Per Share (EPS)	-3.69	-3.93	2.11	2.07	-0.37
Net Operating Cash Flow Per Share	-2.57	0.24	2.09	2.81	0.79
Dividend Per Share (DPS in %)	0	0	10	11	2
			Cash	Cash	Cash
Dividend Payout Ratio (%)	0.00	0.00	47.34	24.10	-135.08
Other Information					
Number of share	238,232,538	238,232,538	238,232,538	238,232,538	238,232,538
Number of Shareholders	23,913	24,687	21,176	23,263	24,443
Number of Employees	1809	2221	2218	2267	2573

(xx) Dividend

As you know that globally the yarn price decreased and increase of raw material cost, salary & wages, fuel & power cost, Gas tariff, interest rates and other finance cost, foreign exchange rate and other costs for that reason during the year 2023-2024 the company's sales revenue was Tk. 545.62 Crore and net profit was Tk. (87.91) crore and EPS was BDT (3.69). Given these challenging circumstances, the Board of Directors recommended no dividend for this financial year to its valued shareholders.

(xxi) Interim Dividend

The company did not declare any stock dividend or Cash Dividend as interim dividend during the year.

(xxii) Board Meetings and Attendance

The total number of Board meetings held during the year and attendance by each Director:

NAME OF DIRECTOR	POSITION	MEETING HELD	MEETING ATTENDED
MOHAMMAD ALI KHOKON	CHAIRMAN	5	5
MOHD. FERDOUS KAWSER MASUD	MANAGING DIRECTOR	5	5
MOHD. SHOWKOT ALI	Director Nominated by Metro Spinning Ltd.	5	5
MRS. LAILA ALI	DIRECTOR	5	5
AMZAD ALI BADAL	DIRECTOR	5	5
SANJID HASAN AMIT	DIRECTOR	5	5
MD. KHURSHED HOSSAIN	INDEPENDENT DIRECTOR	5	5
HAIDER AHMED KHAN, FCA	INDEPENDENT DIRECTOR	5	2
DR. MOHAMMED MIZANUR RAHMAN	NOMINATED DIRECTOR	5	5
NOOR MOHAMMAD	COMPANY SECRETARY	5	5
MD. YOUNUS BHUIYAN	CHIEF FINANCIAL OFFICER	5	5
Ms. Farhana Haque	HEAD OF INTERNAL AUDIT & COMPLIANCE	5	5

(xxii) Pattern of Shareholding and Name wise details

A report on the pattern of shareholding disclosing the aggregate numbers of shares (along with name wise details) of the company on 30th June 2024 stands as follows:

Name of the Shareholders	Status	Shares held	%
(a) Parent/Subsidiary/ Associated companies and other related parties:			
Metro Spinning Limited		12,580,488	5.28%
Maksons Properties & Development Ltd.		838,699	0.35%
Maksons Knit & Rotor Spinning Ltd.		4,193,496	1.76%
Makcot International		2,516,097	1.06%
(b) Directors, Chief Executive Officer, Chief Financial Officer, Company Secretary, Head of Internal Audit and their spouses and minor children			
Mr. Mohammad Ali Khokon	Chairman	16,968,270	7.12%
Mr. Mohd. Ferdous Kawser Masud	Managing Director	93,07,547	3.92%
Mr. Mohd. Showkot Ali	Director (Nominated)	2,012,878	0.84%
Mrs. Laila Ali	Sponsor Director	84,36,406	3.54%
Mr. Mohd. Amzad Ali	Sponsor Director	47,68,429	2.00%
Mr. Sanjid Hasan Amit	Sponsor Director	48,22,129	2.02%
Mrs. Polly Yasmin	Sponsor	30,19,317	1.27%
Mrs. Khadiza Akhter Shilpi	Sponsor	20,12,878	0.84%
Mr. Haider Ahmed Khan	Independent Director	Nil	Nil
Mr. Md. Khurshed Hossain	Independent Director	Nil	Nil
Mr. Mohd. Younus Bhuiyan	Chief Financial Officer	Nil	Nil
Mr. Noor Mohammad	Company Secretary	Nil	Nil
Ms. Farhana Haque	Head of Internal Audit	Nil	Nil
(a) Executives; and	Nil	Nil	Nil
Sub-Total		71,476,634	30%
Institutions & General Public		166,755,904	70%
Total		238,232,538	100%
(d) Shareholders holding 10% or more voting interest in the company	Nil	Nil	Nil

Shareholding Structure

Category	Total Shareholding	Percentage (%)
Sponsors/Directors	71,476,634	30%
Financial Institutions	14,841,328	6.23%
General Public	1,51,914,576	63.77%
Total	2,38,232,538	100%

(xxiv) Appointment or reappointment of Directors:

In accordance with Article Nos. 124 & 125 Section 91(2) of Company Act 1994, Mr. Amzad Ali Badal and Mrs. Laila Ali, Director both are due to retire by rotation from the Board of Directors and being eligible, and subsequently Mr. Amzad Ali Badal expressed his intention to be re-elected as Directors of the company. Whereas Mrs. Laila Ali did not submit her intention to be re-elected as Director. Therefore, Mr. Amzad Ali Badal will be re-elected as Director for the next term and Mrs. Laila Ali will remain as sponsor of the company.

Mr. Amzad Ali Badal Director

Mr. Amzad Ali Badal, Director, is a graduate of Jagannath University. Following his academic pursuits, he gained practical experience in the textile industry through on-the-job training at various textile mills. Currently, he serves as the Director and Head of the Procurement Department for the company.

With over 23 years of experience, Mr. Badal is expert in supply chain management and import-export. He plays a crucial role in strategic decision-making, particularly regarding the procurement of capital machinery, raw materials, spare parts, and accessories for the company. His extensive international travel has exposed him to cutting-edge technologies and best practices in the textile and spinning sectors.

**Mrs. Laila Ali,
Director**

Mrs. Laila Ali has the role of Director of the Company. She is a dynamic & hard-working team leader and bagged knowledge by attending several training courses, seminars and visiting similar industrial concerns. She is engaged in monitoring overall organizational performance and aids the Managing Director to develop organizational strategy for attaining Company's goal

Independent Director

The Company has complied with the notification of the Bangladesh Securities and Exchange Commission with regard to appointment of independent Director to the Board. The Independent Director of Maksons Spinning Mills PLC. Are Mr. Haider Ahmed Khan, FCA and Mr. Md. Khurshed Hossain, Dr. MUhammad Shahadat Hossain Siddiquee. Mr. Haider Ahmed Khan, FCA Resigned from the post of independent Director on 07-03-2024.

(xxv) Management Discussion and Analysis

The Management Discussion and Analysis signed by CEO/MD presenting details analysis of the company's position and operation is attached herewith as Annexure-01.

(xxvi) Declaration by the CEO and the CFO

Declaration or certification by the CEO/MD and the CFO to the Board as required under condition No. 3 (3) is disclosed herewith as Annexure-A; and

(xxvii) Report on Compliance of the Corporate Governance Code

The report as well as certificate regarding compliance of conditions of this Code as required under condition No. 9 is disclosed as herewith Annexure=B and Annexure-C.

Auditor Qualified Opinion

Auditor Qualified Opinion on Utilization of Production capacity and ability of the company to pay debt, Trade and other receivables and Dividend Payable/Unpaid Dividend.

Management Perception

As per section 184(3) of the Company Act, 1994, management explanation on the above-mentioned Auditor Qualified Opinion is as the Management has taken initiatives to utilize its capacity to an optimum level which includes variation in the product, availability of raw materials, appointment of new General Manager (Production). The Management instructed the related department of the company to collect Trade and other receivables with utmost sincerity. The Company deposited Tk. 10,00,000.00 to Capital Market Stabilization Fund and the rest amount will be deposited gradually.

Dividend

The Board of Directors has recommended No dividend for the year ended 30 June, 2024 to for all the shareholders whose name shall appear on the register of members on record date which is subject to approval from the shareholders at upcoming Annual General Meeting.

CONTRIBUTION TO NATIONAL EXCHEQUER

During the Financial Year under review the Company has contributed an amount of Tk. 52,034,210 to National Exchequer as Value Added Tax, Custom Duty and Income Tax.

APPOINTMENT OF AUDITOR

The Auditors M/S Kazi Zahir Khan & Co. Chartered Accountants, Home Town Apt. Level-15, 87 New Eskaton Road, Dhaka-1000 has expressed their willingness to work with us as Statutory Auditor of the company for further one year. The Board of Directors has decided to appoint M/S Kazi Zahir Khan & Co Chartered Accountants as Statutory Auditors of the company for the term (2024-2025) until next Annual General Meeting subject to approval of Shareholders.

APPOINTMENT OF COMPLIANCE AUDITOR

M/S. Saifur Enayet & Associates, Cost & Management Accountants, House-53, Road-3, Sector-3, Uttara, Dhaka-1230, has expressed their willingness to work with us as Compliance Auditor of the company. The Board of Directors has decided to appoint them as compliance auditor for the term 2024-2025 subject to approval of Shareholders in the forthcoming AGM of the company.

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS,



(Mohammad Ali Khokon)
Chairman

Annexure -01

Management's Discussion and Analysis of the company's position and operations along with a brief discussion of changes in the financial statements as per condition no 5(XXV) of Corporate Governance Code dated June 03, 2018.

- a. The company has prepared and presented its financial statement as per BAS as adopted by the Institute of Chartered Accountants of Bangladesh (ICAB). The following BASs re applicable for the financial statements for the period under review:

Sl. No.	Name of the IAS	IAS's No	Comments
1	Presentation of Financial Statements	1	
2	Inventories	2	
3	Cash Flow Statements	7	
4	Accounting policies, Changes in accounting Estimates & Errors	8	
5	Events after the Reporting Period	10	
6	Income Taxes	12	
7	Property, Plant and Equipment	16	
8	The Effects of Changes in Foreign Exchange Rates	21	
9	Borrowing Costs	23	
10	Related Party Disclosures	24	
11	Financial Instruments: Presentation	32	
12	Earnings Per Share	33	
13	Impairment of Assets	36	

Sl. No.	Name of the IFRS	IFRS No.	Comments
1	Financial Instruments: Disclosures	7	
2	Fair Value Measurement	13	
3	Revenue	15	
4	Lease	16	

- b. There is no change in accounting policies and estimation for the preparation of financial statement for the year ended June 30, 2024.
- c. Comparative analysis of financial performance or results and financial position as well as cash flows for current financial year with immediate preceding five years explaining reasons are as follows

(Fig in '000')

Financial Position	2023-2024	2022-2023	2021-2022	2020-2021	2019-2020
Turnover	5,456,268	4,407,572	6,362,796	5,320,285	4,263,230
Gross Profit	219,013	(220,667)	1,213,171	1,194,729	611,943
Net Profit Before Tax	(857,298)	(857,593)	623,074	620,577	(47,265)
Fixed Asset	4,525,979	4,680,890	4,564,855	4,495,050	4,568,034
Current Asset	6,587,840	6,040,217	6,022,652	5,658,136	5,460,543
Current Liabilities	6,917,325	5,680,388	4,432,185	4,015,975	4,348,482
Net Current Assets	(329,485)	359,829	1,590,767	1,642,161	1,112,061
Current Ratio (Times)	0.95	1.06	1.36	1.41	1.26
Earnings per Share (EPS)	(3.69)	(3.93)	2.11	2.07	(0.37)
Net Operating Cash Flow Per Share	(2.57)	0.24	2.09	2.81	0.79

Maksons Spinning Mills PLC. is continuing its growth since 2017-2018 but decreased in the year 2019-20 due to country wide lockdown and pandemic situation all over the world. The financial performance has turned to positive in the year 2020-2021 & 2021-2022 due to improvement of pandemic situation and overall economic activity around the world. In the year 2023-2024 Earnings of the company decrease due to decrease in unit price of finished goods, increase of raw material cost, utility cost, salary & wages, interest rates and other financial charges also increased. The Net Operating Cash Flows per Share are positive/negative and are different in every financial year as this depends on different issues mainly, Collection from export sales proceed and payment for costs and expenses. The whole scenario is changeable time to time depending on the circumstances.

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

(in '000')

Particulars	Maksons Spinning Mills PLC. June 30, 2024	Zaheen Spinning PLC June 30, 2024	Mozaffar Hossain Spinning Mills Ltd June 30, 2024
Gross Profit	219,013	(8,756)	596,180
Net Profit before tax	(857,298)	(117,878)	145,912
Net profit after tax	(879,117)	(122,997)	82,624
Earnings per share	(3.69)	(1.08)	0.82
Net Operating cash flow per share	(2.57)	(0.04)	3.70

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

The financial and economic scenario of Bangladesh during the financial year 2023-2024 was marked by several key developments:

- **Economic Growth:** Real GDP growth moderated to an estimated 5.2% in FY24, down from 5.8% in FY23. This slowdown was attributed to factors like elevated inflation, financial sector vulnerabilities, and persistent pressure on the external sector.
- **Inflation:** Inflation remained elevated, with headline point-to-point inflation reaching 9.89% in May 2024. This persistent inflation was driven by rising global commodity prices and supply chain disruptions.
- **External Sector:** The current account balance recorded a deficit of USD 6.51 billion in FY24, a slight improvement from the USD 11.63 billion deficit in FY23. This improvement was due to a narrowing trade deficit and a surplus in the financial account.
- **Monetary Policy:** The Bangladesh Bank adopted a contractionary monetary policy stance to address inflationary pressures. This led to higher interest rates and tighter liquidity conditions, which impacted private investment and credit growth.
- **Fiscal Policy:** The government focused on fiscal consolidation measures to address the fiscal deficit. This included efforts to increase revenue mobilization and control expenditure growth.

The Bangladesh government's vision 2041 stipulates to eliminate extreme poverty and secure upper middle-income country status by 2031 and achieve the high-income country status by 2041. But the country faces serious infrastructural deficit and a highly concentrated basket of exports and a massive reliance on overseas remittances. An infrastructural deficit, in particular, can pose a serious challenge in accelerating the growth prospects of the country. Bangladesh has a strong track record of growth and development, even in times of elevated global uncertainty. A robust demographic dividend, strong ready-made garment (RMG) exports, resilient remittance inflows, and stable macroeconomic conditions have supported rapid economic growth over the past two decades.

Overall, the financial and economic landscape of Bangladesh in FY24 was characterized by a challenging environment with moderate growth, elevated inflation, and external sector pressures. The government and central bank implemented various policy measures to address these challenges, but the impact of these measures will take time to materialize.

Global Scenario:

The global economy is projected to experience a deceleration in growth, with estimates ranging from 2.4% to 3.0% in 2024. This slowdown is attributed to various factors, including persistent inflationary pressures, rising interest rates, geopolitical tensions, and the lingering effects of the pandemic.

Inflationary Pressures- While inflation has shown signs of moderating in some regions, it remains a significant concern globally. Central banks have been actively raising interest rates to combat inflation, which has a dampening effect on economic activity.

Geopolitical Uncertainty- The ongoing war in Ukraine and heightened geopolitical tensions between major powers have created uncertainty and disrupted global supply chains, impacting trade and investment flows.

Debt Sustainability- Many developing economies are grappling with high debt levels and face challenges in servicing their obligations, particularly in the face of rising interest rates.

Overall, the world's financial and economic scenario is characterized by both opportunities and challenges. While the global economy is recovering, it remains vulnerable to geopolitical tensions, rising inflation, and climate change. Navigating these challenges and maximizing the potential of positive trends will be crucial for ensuring sustainable long-term economic growth.

(f) Risks and concerns issues related to the financial statement, explaining such risk and concerns mitigating plan of the company:

The Company has exposure to the following risks for its use of financial instruments.

Interest Rate Risk

Interest rate risk is the risk that arises due to changes in interest rates on borrowing. There was no foreign currency loan which is subject to floating rates of interest. Local loans are however, not significantly affected by fluctuations in interest rates.

Foreign Currency Risk

The company is exposed to foreign currency risk relating to purchases which are denominated in foreign currencies. The company primarily utilizes forward exchange contracts with maturities of less than one year to hedge such financial liabilities denominated in foreign currencies. The forward exchange contracts entered into at the reporting date also relate to anticipated purchases, denominated in foreign currencies, for the subsequent period.

Credit Risk

Credit risk is the risk of a financial loss to the company if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the company's receivables. Management has a credit policy in place and exposure to credit risk is monitored on an ongoing basis. As at 30 June 2024 substantial part of the receivables are secured against LC and subject to insignificant credit risk. Risk exposures from other financial assets i.e. Cash at bank and other receivables are nominal.

Liquidity Risk

Liquidity risk is the risk that the company will not be able to meet its financial obligations as they fall due. The company's approach to managing liquidity (cash and cash equivalents) is to ensure as far as possible, that it will always have sufficient liquidity to meet its liabilities when due under both normal and stressed conditions without incurring unacceptable losses or risking damage to the company's reputation. Typically, the company ensures that it has sufficient cash and cash equivalent to meet expected operational expenses including financial obligations through preparation of the cash flow forecast with due consideration of time line of payment of the financial obligation and accordingly arrange for sufficient liquidity/fund to make the expected payment within due date. After the recent capital raising, even in extreme stressed conditions it is unlikely that the Company would require further financing at least within next couple of years.

Market Risk

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

- (g) Maksons Spinning Mills PLC. has existing capacity 1,00,680 spindles. The management is willing to improve quality of product and increase of production by adding some latest devices with existing machinery. At the same time Research & Development (R&D) team of the company is working to develop new product considering market demand with its machinery and capacity.



Mohd. Ferdous Kawser Masud
Managing Director

Annexure –A

As per condition No. 1(5) (xxvii)

Annexure –A
As per condition No. 1(5)(xxvi)

MAKSONS SPINNING MILLS PLC.
Declaration by MD and CFO

15 December 2024

The Board of Directors,
Maksons Spinning Mills PLC.
House-17, Road-6, Sector-1,
Uttara, Dhaka.

Subject: Declaration on Financial Statements for the year ended on 30 June, 2024.

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

- 1) The Financial Statements of Maksons Spinning Mills PLC. for the year ended on 30 June, 2024 have been prepared in compliance with International Accounting Standard (IAS) or International Financial Reporting Standards (IFRS), as applicable in the Bangladesh and any departure there from has been adequately disclosed;
- 2) The estimates and judgments related to the financial statements were made on a prudent and reasonable basis, in order for the financial statements to reveal a true and fair view;
- 3) The form and substance of transactions and the company's state of affairs have been reasonably and fairly presented in its financial statements;
- 4) To ensure above, the Company has taken proper and adequate care in installing a system of internal control and maintenance of accounting records;
- 5) Our internal auditors have conducted periodic audits to provide reasonable assurance that the established policies and procedures of the Company were consistently followed; and
- 6) The management's use of the going concern basis of accounting in preparing the financial statements is appropriate and there exists no materials uncertainty related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern.

In this regard, we also certify that:-

- I. We have reviewed the financial statements for the year ended on 30 June, 2024 and that to the best of our knowledge and belief:
 - a) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - b) These statements collectively present true and fair view of the Company's affairs and are in compliance with existing accounting standards and applicable laws.
- II. There are, to the best of knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or in violation of the code of conduct for the company's Board of Directors or its members.

Sincerely yours,



Mohd. Younus Bhuiyan
Chief Financial Officer (CFO)



Mohd. Ferdous Kawser Masud
Managing Director (MD)

Annexure -B

As per condition No. 1(5) (xxvii)

 Saifur Enayet & Associates Cost & Management Accountants	Corporate Office: House # 53(1st Floor), Road # 03, Sector # 03, Uttara, Dhaka-1230 +88 02 55087069 +88 01706-446036 +88 01911-753415 info@saifurenayet.com www.saifurenayet.com
	FRC Enlistment Reg. no. : CMAF-001-006 VAT Consultant Licence no : VC-042/2020

Certificate as per condition no. 1(5)(xxvii)

CORPORATE GOVERNANCE COMPLIANCE CERTIFICATION

Report to the Shareholders
 of
 Maksons Spinning Mills PLC.
 On Compliance on the Corporate Governance Codes
 For the year ended on 30th June 2024

We have examined the compliance status to the corporate governance Code by Maksons Spinning Mills PLC. for the year ended on 30th June, 2024. This code relates to the Notification No. BSEC/CMRRCD/2006/158/207/Admin/80, Dhaka, Dated: 03 June 2018 of the Bangladesh Securities and Exchange Commission.

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

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

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

- The company has complied with the condition of the Corporate Governance Code as stipulated in the above-mentioned Corporate Governance Code issued by the Commission.
- The company has complied with the provisions of the relevant Bangladesh Secretarial Standards (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB) as required by this Code.
- Proper books and records have been kept by the company as required under the Companies Acts, 1994, the securities laws and other relevant laws, and
- The Governance of the company is satisfactory

Place: Dhaka
 Date: January 13, 2025


For Saifur Enayet & Associates

 Md. Saifur Rahman FCMA
 Principal & CEO
 Cost & Management Accountants

Annexure -C

As per condition No. 1(5) (xxvii)

Status of compliance with the conditions imposed by the Commission's Notification No. BSEC/
CMRRCD/2006-158/207/Admin/80 dated 3 June 2018 issued under 2CC of the Securities and Exchange Commission
Ordinance, 1969
(Report under Condition No.9)

Condition No.	Title	Compliance Status		Remarks
		Complied	Not Complied	
1.00	Board of Directors(BOD)			
1.(1)	Board Size shall not be less than 5(five) and more than 20 (twenty)	✓		
1.(2)	Independent Director :			
1.2.(a)	At least one-fifth (1/5) of the total number of board of directors shall be Independent Directors (ID);	✓		
1.2 (b) (i)	IDs do not hold any share or holds less than 1% shares of the total paid-up shares of the Company	✓		
1.2(b) (ii)	ID is not a sponsor and not connected with any sponsor or director or nominated director or shareholder or any of its associates, sister concerns, subsidiaries and parents or holding entities who holds one percent (1%) or more shares of the total paid-up shares and his or her family members shall not hold above mentioned shares;	✓		
1.2 (b)(iii)	ID has not been an executive of the company in immediately preceding two financial years;	-	-	No such ID appointed
1.2 (b)(iv)	ID does not have any relationship whether pecuniary or otherwise relationship with the company or its subsidiary/associated companies;	✓		
1.2 (b)(v)	ID is not a member or TREC holder, director or officer of any stock exchange;	✓		
1.2 (b)(vi)	ID is not a shareholder, director excepting independent director or officer of any member or TREC holder of stock exchange or an intermediary of the capital market;	✓		
1.2 (b)(vii)	ID is/was not a partner or an executive of company's audit firms engaged in Statutory Audit or Internal Audit or Special Audit or Compliance Certification of the Codes during preceding three years;	✓		
1.2 (b)(viii)	ID shall not be independent director in more than five listed companies;	✓		
1.2 (b)(ix)	ID has not been convicted by a court of competent jurisdiction as a defaulter in payment of any loan or any advance to a bank or NBF;	✓		
1.2 (b)(x)	ID has not been convicted for a criminal offence involving moral turpitude;	✓		
1.2 (c)	Appointment of ID shall be done by Board and approved by the shareholders in AGM.	✓		

Condition No.	Title	Compliance Status		Remarks
		Complied	Not Complied	
1.2 (d)	The Post of ID cannot remain vacant more than 90 days.	-	-	No such incidence occurred
1.2 (e)	The tenure of office of an ID shall be for three(3) years, which may be extended for one(1) tenure only;	✓		
1.3	Qualification of Independent Director (ID):			
1.3(a)	Independent Director shall be a knowledgeable individual with integrity who is able to ensure compliance with financial, corporate laws, regulatory requirements and can make meaningful contribution to the business;	✓		
1.3(b)	Independent director shall have the following qualifications:			
1.3(b)(i)	ID is a Business Leader who is/was a promoter or director of an unlisted company having minimum paid-up capital of One Hundred million or any listed company or a member of any national or international chamber of commerce or business association;	-	-	No such category ID appointed
1.3(b)(ii)	ID is/was a Corporate Leader as top level executive as adopted by the code and a candidate with equivalent position of an unlisted company having minimum paid up capital of Tk. 100.00 million or of a listed company;	✓		
1.3(b)(iii)	ID was Former official of government in the position not below 5th Grade of the national pay scale and educational background of bachelor degree in economics or commerce or business or law;	-	-	No such category ID appointed
1.3(b)(iv)	ID is/was University Teacher who has educational background in Economics or Commerce or Business Studies or Law;	-	-	No such category ID appointed
1.3(b)(v)	ID is/was a professional or an advocate practicing in the HCD of Bangladesh Supreme Court or a CA,CMA, CFA, CCA, CPA and CS or equivalent qualification;	✓		One ID is an Chartered Accountant (FCA)
1 (3) (c)	The ID shall have at least Ten (10) years of experiences in any field mentioned in clause (b);	✓		
1 (3) (d)	Special cases for relaxing qualifications or experiences with prior approval of the Commission;	-	-	No such event occurred
1(4)	Duality of Chairperson of the Board of Directors and Managing Director or CEO:			
1(4)(a)	The Position of the Chairman of the Board and the Managing Director (MD) and/or the Chief Executive Officer (CEO) of the Company shall be filled by different Individuals;	✓		
1(4)(b)	MD and/or CEO of a listed Company shall not hold the same position in another listed Company;	✓		
1(4)(c)	The Chairperson of the Board shall be elected form among the non-executive directors;	✓		
1(4)(d)	The Board shall clearly define respective roles and responsibilities of the Chairperson and the Managing Director and/or CEO;	✓		
1(4)(e)	In absence of Chairman, the remaining members may elect one from non-executive directors as Chairperson for that particular Board's meeting; the reason of absence shall be duly recorded in the minutes.	-	-	No such matter arose during the year

Condition No.	Title	Compliance Status		Remarks
		Complied	Not Complied	
1(5)	The Directors' Report to Shareholders :			
1(5)(i)	Industry outlook and possible future developments in the industry;	✓		
1(5)(ii)	Segment-wise or product-wise performance;	✓		
1(5)(iii)	Risks and concerns including internal and external risk factors, threat to sustainability and negative impact on environment, if any;	✓		
1(5)(iv)	A discussion on Cost of Goods sold, Gross Profit Margin and Net Profit Margin, where applicable;	✓		
1(5)(v)	A discussion on continuity of any extraordinary activities and their implications (gain or loss);			No such matter arose during the year.
1(5)(vi)	A detailed discussion and statement on related party transactions;	✓		
1(5)(vii)	A statement of utilization of proceeds raised through public issues, rights issues and/or any other instruments;			Not applicable
1(5)(viii)	Explanation if the financial results deteriorate after the company goes for IPO, RPO, Rights Offer, Direct Listing, etc.;			Not applicable
1(5)(ix)	Explanation by the Management if significant variance occurs between Quarterly Financial Performance and Annual Financial Statements;	✓		
1(5)(x)	Remuneration to Directors including Independent Director;	✓		
1(5)(xi)	Statement that financial statements prepared by the management of the issuer present fairly its state of affairs, the result of its operations, cash flows and changes in equity;	✓		
1(5)(xii)	Proper books of account of the issuer company have been maintained;	✓		
1(5)(xiii)	Appropriate accounting policies have been consistently applied in preparation to the financial statements and that the accounting estimates are based on reasonable and prudent judgment;	✓		
1(5)(xiv)	International Accounting Statement (IAS) Bangladesh Accounting Standard (BAS) /International Financial Reporting standard (IFRS), as applicable in Bangladesh, have been followed in preparation of the financial statements and any departure there-from has been adequately disclosed;	✓		
1(5)(xv)	The system of internal control is sound in design and has been effectively implemented and monitored;	✓		
1(5)(xvi)	A statement that minority shareholders have been protected from abusive actions by, or in the interest of, controlling shareholders acting either directly or indirectly and have effective means of redress;	✓		
1(5)(xvii)	There are no significant doubts upon the issuer company's ability to continue as a going concern. If the issuer company is not considered to be a going concern, the fact along with reasons thereof should be disclosed;	✓		

Condition No.	Title	Compliance Status		Remarks
		Complied	Not Complied	
1(5)(xviii)	Significant deviations from the last year's operation results of the issuer company shall be highlighted and the reasons there of should be explained;	✓		
1(5)(xix)	Key operating and financial data of at least preceding 5 (Five) years shall be summarized;	✓		
1(5)(xx)	An explanation on the reasons If the issuer company has not declared dividend (cash or stock) for the year;	✓		
1(5)(xxi)	Board's statement to the effect that no bonus share or stock dividend has been or shall be declared as interim dividend;	-		Not applicable
1(5)(xxii)	The number of Board meetings held during the year and attendance by each Director;	✓		
1(5)(xxiii)	A report on the pattern of shareholding disclosing the aggregate (name wise details);			
1(5)(xxiii)(a)	Parent/Subsidiary/Associated Companies and other related parties (name wise details);	✓		
1(5)(xxiii)(b)	Directors, CEO, Company Secretary, CFO, HIAC and their spouses and minor children (name wise details).	✓		
1(5)(xxiii)(c)	Executives; 6	✓		
1(5)(xxiii)(d)	Shareholders holding ten percent (10%) or more voting interest in the company (name wise details);	✓		
1(5)(xxiv)	In case of the appointment/re-appointment of a director the company shall disclose the following information to the shareholders:			
1(5)(xxiv)(a)	A brief resume of the director.	✓		
1(5)(xxiv)(b)	Nature of his/her expertise in specific functional areas;	✓		
1(5)(xxiv)(c)	Names of the companies in which the person also holds the directorship and the memberships of committees of the Board;	✓		
1(5)(xxv)	Management discussion and analysis signed by CEO/MD presenting detail analysis of the company's position and operations along with a brief discussion of changes in the financial statements, among others, focusing on:			
1(5)(xxv)(a)	Accounting policies and estimation for preparation of financial statements;	✓		
1(5)(xxv)(b)	Presenting detailed Changes in accounting policies and estimation as well as cash flows on absolute figure for such changes;	✓		
1(5)(xxv)(c)	Comparative analysis (including effects of inflation) of financial performance and position as well as cash flows for current financial year with immediate preceding five years explaining reasons thereof;	✓		
1(5)(xxv)(d)	Compare such financial performance or results and financial position as well as cash flows with the peer industry scenario;	✓		
1(5)(xxv)(e)	Briefly explain the financial and economic scenario of the country and globe;	✓		
1(5)(xxv)(f)	Risks and concerns issues related to the financial statements, explaining such risk and concerns mitigation plan of the company;	✓		

Condition No.	Title	Compliance Status		Remarks
		Complied	Not Complied	
1(5)(xxv)(g)	Future plan or projection or forecast for company's operation, performance and financial position, with justification thereof, i.e., actual position shall be explained to the shareholders in the next AGM;	✓		
1(5)(xxvi)	Declaration or certification by the CEO and the CFO to the Board as required under condition No. 3(3) shall be disclosed as per Annexure-A ;	✓		
1(5)(xxvii)	The report as well as certificate regarding compliance of conditions of this Code as required under condition No. 9 shall be disclosed as per Annexure -B and as per Annexure-C .	✓		
1(6)	Meeting of the Board of Directors: Conducting Board meetings and recording the minutes of the meetings and keeping required books and records in line BSS as adopted by the ICSB;	✓		
1(7)	Code of Conduct for the Chairperson, other Board members and Chief Executive Officer:			
1(7)(a)	The Board shall lay down a code of conduct, based on the recommendation of the Nomination and Remuneration Committee(NRC);	✓		
1(7)(b)	The code of conduct as determined by the NRC shall be posted on the website of the company including, among others, prudent conduct and behavior;	✓		
2	Governance of Board of Directors of Subsidiary Company:			
2(a)	Provisions relating to the composition of the Board of the holding company shall be made applicable to the composition of the Board of the subsidiary Company;	-	-	Not Applicable
2(b)	At least 1 (One) Independent Director of holding company shall be a director on the Board of subsidiary company;	-	-	Not Applicable
2(c)	Minutes of subsidiary to be placed in the meeting of holding company;	-	-	Not Applicable
2(d)	The minutes of the respective Board meeting of the holding company shall state that they have reviewed the affairs of the subsidiary company also;	-	-	Not Applicable
2(e)	The Audit Committee of the holding company shall also review the financial statements in particular the investments made by the subsidiary company.	-	-	Not Applicable
3	Managing Director (MD) or Chief Executive Officer(CEO), Chief Financial Officer (CFO), Head of Internal Audit and Compliance (HIAC) and Company Secretary(CS):			
3.1	Appointment:			
3(1)(a)	The Board shall appoint a MD or CEO, CS, CFO and HIAC;	✓		
3(1)(b)	The positions of the MD or CEO, CS, CFO and HIAC shall be filled by different individuals;	✓		
3(1)(c)	The MD or CEO, CS, CFO, and HIAC of a listed company shall not hold any executive position in any other company at the same time;	✓		
3(1)(d)	The Board shall clearly define respective roles, responsibilities and duties of the CFO, the HIAC and the CS;	✓		

Condition No.	Title	Compliance Status		Remarks
		Complied	Not Complied	
3(1)(e)	MD or CEO, CS, CFO, and HIAC shall not be removed from their position without approval of the Board and be disseminated to the commission and stock exchange(s).	✓		
3 (2)	Requirement to attend Board of Directors' Meetings: MD or CEO, CS, CFO and HIAC shall attend the meetings of the Board;	✓		
3.3	Duties of Managing Director (MD) or Chief Executive Officer (CEO) and CFO:			
3(3)(a)	The MD or CEO and CFO shall certify to the Board that they have reviewed financial statements for the year and that to the best of their knowledge and belief	✓		
3(3)(a)(i)	The statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;	✓		
3(3)(a)(ii)	The statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards and applicable laws;	✓		
3(3)(b)	Certification of CEO and CFO that to the best of their knowledge and belief there was no fraudulent, illegal transactions during the year;	✓		
3(3)(c)	The certification of the MD/CEO and CFO shall be disclosed in the Annual Report.	✓		
4.	Board of Directors' Committee:			
4 (i)	Audit Committee	✓		
4 (ii)	Nomination and Remuneration Committee	✓		
5.	Audit Committee:			
5(1)	Responsibility to the Board of Directors			
5(1) (a)	Company shall have an Audit Committee as a sub-committee of the Board.	✓		
5(1) (b)	Audit Committee shall assist the Board in ensuring that the financial statements reflect true and fair view of the state of affairs of the Company and in ensuring a good monitoring system within the business;	✓		
5(1) (c)	Audit Committee shall be responsible to the Board. The duties of Audit Committee shall be clearly set forth in writing.	✓		
5.2	Constitution of the Audit committee:			
5(2) (a)	The Audit Committee shall be composed of at least 3 (three) members.	✓		
5(2) (b)	Board shall appoint members of the Audit Committee who shall be non-executive directors of the company excepting Chairperson of the Board and shall include at least one Independent director(ID);	✓		
5(2) (c)	All members of the Audit Committee should be "financially literate" and at least 1 (one) member shall have accounting or related financial management background and 10 years of such experience;	✓		

Condition No.	Title	Compliance Status		Remarks
		Complied	Not Complied	
5(2) (d)	When the term of service of the Committee members expires or there is any circumstance causing any Committee member to be unable to hold office until expiration of the term of service, thus making the number of the Committee members to be lower than the prescribed number of 3 (three) persons, the Board of Directors shall appoint the new Committee member(s) to fill up the vacancy(ies) immediately or not later than 1 (one) month from the date of vacancy(ies) in the Committee to ensure continuity of the performance of work of the Audit Committee;	-	-	No such instance created
5(2) (e)	The Company Secretary shall act as the Secretary of the Audit Committee;	✓		
5(2)(f)	The quorum of the Audit Committee meeting shall not constitute without at least 1 (one) independent director;	✓		
5.3	Chairperson of the Audit Committee:			
5(3)(a)	The Board of Directors shall select 1 (one) member of the Audit Committee to be Chairman of the Audit Committee, who shall be an independent director;	✓		
5(3)(b)	Election of Chairman of the particular meeting in absence of regular Chairperson of Audit Committee recording the reasons of such absence in the minutes.	-	-	No such situation occurred
5(3)(c)	Chairperson of the Audit Committee shall remain present in the AGM.	✓		
5.4	Meeting of the Audit Committee:			
5(4)(a)	The Audit Committee shall conduct at least 4 meetings in a financial year.	✓		
5(4)(b)	Quorum of Audit Committee, presence of 2 or 2/3 members whichever is higher, where presence of an ID is a must.	✓		
5.5	Role of Audit Committee:			
5(5)(a)	Oversee the financial reporting process;	✓		
5(5)(b)	Monitor choice of accounting policies and principles;	✓		
5(5)(c)	Internal Audit and Compliance process to ensure that it is adequately resourced;	✓		
5(5)(d)	Oversee hiring and performance of external auditors;	✓		
5(5)(e)	Hold meeting with the auditors, review the annual financial statements before submission to the Board for approval or adoption;	✓		
5(5)(f)	Review along with the management, the annual financial statements before submission to the board for approval;	✓		
5(5)(g)	Review along with the management, the quarterly and half yearly financial statements before submission to the board for approval;	✓		
5(5)(h)	Review adequacy of internal audit function;	✓		
5(5)(i)	Review the management's discussion and analysis before disclosing in the Annual Report;	✓		

Condition No.	Title	Compliance Status		Remarks
		Complied	Not Complied	
5(5)(j)	Review statement of all related party transactions submitted by the management;	✓		
5(5)(k)	Review management letters or letter of Internal Control weakness issued by statutory auditors;	✓		
5(5)(l)	Oversee the determination of audit fees based on scope and magnitude, level of expertise deployed and time required for effective audit and evaluate the performance of external auditors;	✓		
5(5)(m)	Oversee whether the proceeds raised IPO or RPO or Rights Share Offer have been utilized per the purposes stated in relevant offer document or prospectus approved by the Commission;	-	-	Not Applicable
5.6	Reporting of the Audit Committee:			
5.6 (a)	Reporting to the Board of Directors			
5(6)(a)(i)	The Audit Committee shall report on its activities to the Board.	✓		
5(6)(a)(ii)	The audit committee shall immediately report to the board on the following findings, if any:-			
5(6)(a)(ii)(a)	Report on conflicts of interests;	-	-	No such event occurred
5(6)(a)(ii)(b)	Suspected or presumed fraud or irregularity or material defect identified in the internal audit and compliance process;	-	-	No such event occurred
5(6)(a)(ii)(c)	Suspected infringement of laws, regulatory compliance including securities related laws, relies and regulation;	-	-	No such event occurred
5(6)(a)(ii)(d)	Any other matter which the Audit Committee deems necessary shall be disclosed to the Board immediately;	-	-	No such event occurred
5.6 (b)	Reporting to the Authorities: If any material impact on the financial condition and results of operation, unreasonably ignored by the management;	-	-	No such reportable incidence occurred
5.7	Reporting to the Shareholders and General Investors: Report on the activities carried out by the Audit Committee, including any report made to the Board of Directors under condition 5(6)(a)(ii);	✓		
6	Nomination and Remuneration Committee (NRC):			
6.1	Responsibility to the Board of Directors			
6(1)(a)	The company shall have a NRC as a sub-committee of the Board.	✓		
6(1)(b)	The NRC shall assist the Board in formulation of the nomination criteria or policy for determining qualifications, positive attributes experiences and independence of directors and top level executive as well as a policy for formal process of considering remuneration of directors, top level executive;	✓	-	
6(1)(c)	The Terms of Reference (ToR) of the NRC shall be clearly set forth in writing covering the areas stated at the condition No. 6(5)(b);	✓		
6.2	Constitution of the NRC			
6(2)(a)	The Terms of Reference (ToR) of the NRC shall be clearly set forth in writing covering the areas stated at the condition No. 6(5)(b);	✓		
6(2)(b)	All members of the Committee shall be non-executive directors;	✓		
6(2)(c)	Members of the Committee shall be nominated and appointed by the Board;	✓		
6(2)(d)	Board shall have authority to remove and appoint any member of the committee;	✓		

Condition No.	Title	Compliance Status		Remarks
		Complied	Not Complied	
6(2)(e)	In case of death, resignation, disqualification, or removal of any member of the Committee or in any other cases of vacancies, the board shall fill the vacancy within 180 (one hundred eighty) days of occurring such vacancy in the Committee;	✓		
6(2)(f)	The Chairperson of the Committee may appoint or co-opt any external expert and/or member(s) of staff to the Committee as advisor who shall be non-voting member, if the Chairperson feels that advice or suggestion from such external expert and/or member(s) of staff shall be required or valuable for the Committee;	-	-	Not applicable
6(2)(g)	The company secretary shall act as the secretary of the committee;	✓	-	
6(2)(h)	The quorum of the NRC meeting shall not constitute without attendance of at least an independent director;	✓	-	
6(2)(i)	No member of the NRC shall receive, either directly or indirectly, any remuneration for any advisory or consultancy role or otherwise, other than Director's fees or honorarium form the company;	✓	-	
6.3	Chairperson of the NRC			
6(3)(a)	The Board shall select 1 (one) member of the NRC to be Chairperson of the Committee, who shall be an independent director;	✓	-	
6(3)(b)	In the absence of the Chairperson of the NRC, the remaining members may elect one of themselves as Chairperson for that particular meeting, the reason of absence of the regular Chairperson shall be duly recorded in the minutes;	✓	-	
6(3)(c)	The Chairperson of the NRC shall attend the annual general meeting (AGM) to answer the queries of the shareholders;	✓		
6.4	Meeting of the NRC			
6(4)(a)	The NRC shall conduct at least one meeting in a financial year;	✓	-	
6(4)(b)	The Chairperson of the NRC, may convene any emergency meeting upon request by any member of the NRC;	✓		
6(4)(c)	The quorum of the meeting of the NRC shall be constituted in presence of either two members or two third of the members of the Committee, whichever is higher, where presence of an independent director is must as required under condition No. 6(2)(h);	✓	-	
6(4)(d)	The proceedings of each meeting of the NRC shall duly be recorded in the minutes and such minutes shall be confirmed in the next meeting of the NRC;	✓	-	
6.5	Role of NRC			
6(5)(a)	NRC shall be independent and responsible/accountable to the Board and to the shareholders;	✓	-	
6(5)(b)(i)(a)	NRC shall oversee, formulate & recommend to the Board regarding the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate suitable directors to run the company successfully;	✓	-	

Condition No.	Title	Compliance Status		Remarks
		Complied	Not Complied	
6(5)(b)(i)(b)	Relationship of remuneration to performance is clear and meets appropriate performance benchmarks;	✓	-	
6(5)(b)(i)(c)	Remuneration to directors, top level executive involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the company and its goals;	✓	-	
6(5)(b)(ii)	Devising a policy on Board's diversity taking into consideration age, gender, experience, ethnicity, educational background and nationality;	✓	-	
6(5)(b)(iii)	Identifying persons who are qualified to become directors and who may be appointed in top level executive position in accordance with the criteria laid down, and recommend their appointment and removal to the Board;	✓	-	
6(5)(b)(iv)	Formulating criteria for evaluation of performance of independent directors and the Board;	✓	-	
6(5)(b)(v)	Identifying the company's needs for employees at different levels and determine their selection, transfer or replacement and promotion criteria;	✓	-	
6(5)(b)(vi)	Developing recommending and reviewing annually the company's human resources and training policies.	✓	-	
6(5)(c)	The company shall disclose the nomination and remuneration policy and the evaluation criteria and activities of NRC at a glance in its annual report.	✓	-	
7	External or Statutory Auditors			
7(1)	The issuer company shall not engage its external or statutory auditors to perform the following services of the company, namely:-			
7(1)(i)	Appraisal or valuation services or fairness opinions;	✓		
7(1)(ii)	Financial information systems design and implementation;	✓		
7(1)(iii)	Book-keeping or other services related to the accounting records or financial statements;	✓		
7(1)(iv)	Broker-dealer services;	✓		
7(1)(v)	Actuarial services;	✓		
7(1)(vi)	Internal audit services or special services;	✓		
7(1)(vii)	Any other service that the Audit Committee determines;	✓		
7(1)(viii)	Audit or certification services on compliance of corporate governance as required under condition No. 9(1);	✓		
7(1)(ix)	Any other service that may create conflict of interest.	✓		
7(2)	No partner or employees of the external audit firms shall possess any share of the company they audit at least during the tenure of their audit assignment of that company; his or her family shall not hold any shares in the said company.	✓		
7(3)	Representative of external or statutory auditors shall remain present in the Shareholders' Meeting (Annual General Meeting or Extraordinary General Meeting) to answer the queries of the shareholders;	✓		
8	Maintaining a website by the company			
8(1)	The company shall have an official website linked with the website of the stock exchange.	✓		

Condition No.	Title	Compliance Status		Remarks
		Complied	Not Complied	
8(2)	The company shall keep the website functional from the date of listing.	✓		
8(3)	The company shall make available the detailed disclosures on its website as required under the listing regulations of the concerned stock exchange(s).	✓		
9	Reporting and Compliance of Corporate Governance			
9(1)	The company shall obtain a certificate from a practicing Professional Accountant/Secretary (Chartered Accountant/ Cost and Management Accountant / Chartered Secretary) other than its statutory auditor or audit firm on yearly basis regarding compliance of conditions of Corporate Governance Code of the Commission and shall such certificate shall be disclosed in the Annual Report.	✓		
9(2)	The professional who will provide the certificate on compliance of Corporate Governance shall be appointed by the Shareholders in the AGM.	✓		
9(3)	The directors of the company shall state, in accordance with the Annexure-C attached, in the directors' report whether the Company has complied with these conditions or not.	✓		

BANGLADESH ASSOCIATION OF PUBLICLY LISTED COMPANIES



Ref. No: CM-2024/293

Date of issue : December 20, 2024

Renewed Certificate

This is to certify that

MAKSONS SPINNING MILLS PLC.

is an Ordinary Member of Bangladesh Association of Publicly Listed Companies and is entitled to all the rights and privileges appertaining thereto.

This certificate remains current until 31st December 2024.




Secretary-General



Financial Highlights

FINANCIAL RESULT AND APPROPRIATION

The presentation herewith of the comparative financial results of the Year under review (2023-2024) and the immediate Past Year (2022-2023) is provided below for you. Also recommendations have been placed before you for appropriation of the Profits generated during the Year under review:

PARTICULARS	Figure in '000 Tk.	
	2023-24	2022-23
Net Profit before Providing Income tax	(857,298)	(857,593)
Add: Adjustments of Revaluation	3,083	3,246
Add: Deferred Tax adjustment		
Add: Profit brought Forward from Previous Year	(373,713)	798,510
Profit available for Appropriation	(1,227,928)	(55,837)
Recommended for Appropriation		
Less: Transfer to Tax Provision	(21,819)	(79,644)
Less: Dividend		(238,232)
Un-appropriated Profit Carried Forward	(1,249,747)	(373,713)

VALUE ADDED STATEMENT

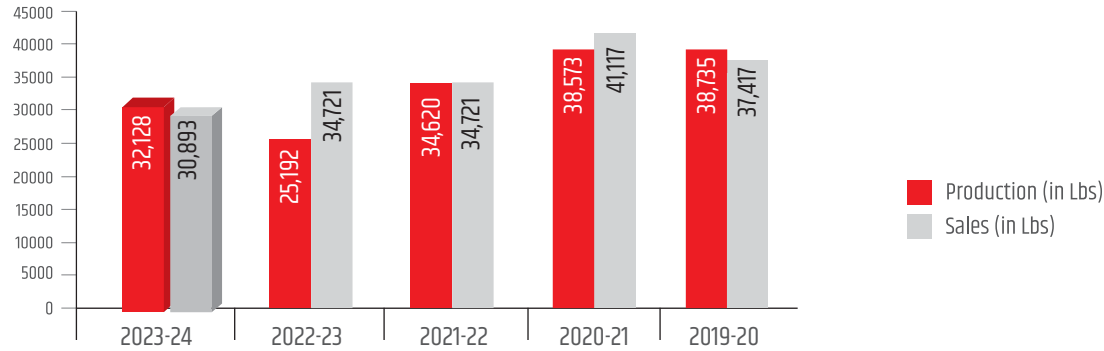
(Figures in '000')

PARTICULARS	2023-24 (In BDT Tk.)	In %	2022-23 (In BDT Tk.)	In %
1 Net Turnover	5,375,184		4,414,528	
2 Less: Brought in Materials & Services	4,842,866		4,223,669	
VALUE ADDED TOTAL	532,318	100.00	190,859	100.00
APPLIED IN THE FOLLOWING WAY				
EMPLOYEES				
1 Salaries, Wages, and allowance	329,915	61.98	421,122	220.65
LENDERS				
2 Financial Charges	815,827	153.26	437,724	229.34
PROVIDER OF CAPITAL				
3 Dividend	1,145,742	0	238,232	124.82
		215.24	1,097,078	574.81
RETAINED BY THE COMPANY				
4 Depreciation & Retention	(613,424)	-115.24	(906,219)	-474.81
VALUE ADDED TOTAL	532,318	100	190,859	100

SALES & PRODUCTION IN TERMS OF QUANTITY

Quantity in '000'

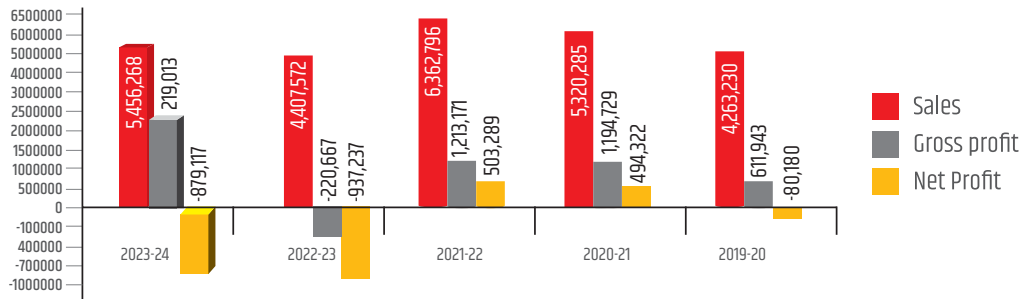
PARTICULARS	2023-24	2022-23	2021-22	2020-21	2019-20
Production (in Lbs)	32,128	25,192	34,620	38,573	38,735
Sales (in Lbs)	30,893	34,721	34,721	41,117	37,417



SALES & PROFITABILITY OVER 5 YEARS

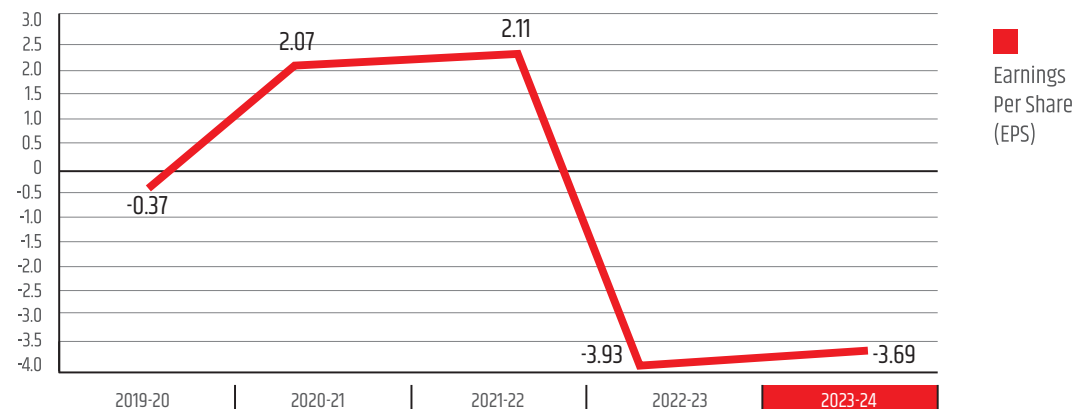
Figures in '000

PARTICULARS	2023-24	2022-23	2021-22	2020-21	2019-20
Sales	5,456,268	4,407,572	6,362,796	5,320,285	4,263,230
Gross Profit	219,013	-220,667	1,213,171	1,194,729	611,943
Net Profit	-879,117	-937,237	503,289	494,322	-80,180



Earning Per Share (EPS)

PARTICULARS	2023-24	2022-23	2021-22	2020-21	2019-20
Earning Per Share (EPS)	-3.69	-3.93	2.11	2.07	-0.37



Summary of Unpaid/Unclaimed Dividend as on 30th June 2024:

Particulars	Year	Amount (Tk.)
Unpaid/Unclaimed Dividend	2021-2022	3,968,016.95
Unpaid/Unclaimed Dividend	2020-2021	4,185,887.90
Unpaid/Unclaimed Dividend	2019-2020	1,787,017.07
Unpaid/Unclaimed Dividend	2018-2019	6,330,192.42
Unpaid/Unclaimed Dividend	2017-2018	13,881,886.29

AUDIT COMMITTEE REPORT

For the financial year 2023-2024

Maksons Spinning Mills PLC. having an Audit Committee as a sub-committee of the Board of Directors in order to assist the Board of Directors in ensuring and fulfilling its oversight responsibilities.

AUDIT COMMITTEE

The Audit Committee of the Company comprises of the following:

NAME	DESIGNATION	DESIGNATION IN THE COMMITTEE
MD. KHURSHED HOSSAIN	INDEPENDENT DIRECTOR	CHAIRMAN
HAIDER AHMED KHAN, FCA	INDEPENDENT DIRECTOR	MEMBER
DR. MOHAMMED MIZANUR RAHMAN	NOMINATED DIRECTOR	MEMBER
NOOR MOHAMMAD	COMPANY SECRETARY	MEMBER SECRETARY

Terms of Reference (TOR) of the Audit Committee

- The Board defined Terms of Reference (TOR) for the Audit Committee. Activities of the Committee are performed as per the said TOR.
- The Committee submits its report directly to the Board of Directors.

AUDIT COMMITTEE MEETING DATE AND ATTENDANCE

NAME OF MEMBER	MEETING DATE AND ATTENDANCE			
	29-04-2023	09-11-2023	25-01-2024	24-04-2024
MD. KHURSHED HOSSAIN	✓	✓	✓	✓
DR. MOHAMMED MIZANUR RAHMAN	✓	✓	✓	✓
HAIDER AHMED KHAN, FCA	✓	✓	—	—
NOOR MOHAMMAD	✓	✓	✓	✓

Minutes of the audit committee are properly recorded.

Activities carried out during the year

In order to discharge the duties and responsibilities of the Audit Committee, the Committee-

- Reviewed the financial statements of the first quarter, second quarter, third quarter and the year ended 30 June, 2024 and subsequently recommended to the Board for consideration and approval.
- Reviewed the work of the Internal Audit Department and made suggestions for improvement.
- Recognized the observations of the Internal Audit Department regarding internal control and suggestions made to improve operational systems and procedures and their implementation.
- Reviewed the integrity of the financial statements of the Company to ensure that these reflect a true and fair view of the Company's state of affairs for the year ended 30 June, 2024.
- Ensured, while reviewing the financial statements, that proper disclosure required under International Accounting Standards as adopted in Bangladesh have been made and also complied with the Companies Act and various other rules and regulations applicable to textile industries.
- Discussed with the statutory auditors about the nature and scope of audit as well as had post-audit discussions to address areas of concern;
- Approved the internal audit plan and gave direction to the Internal Auditor where appropriate for carrying out in depth audit to ensure that the Company or its assets are not exposed to undue risk;
- Reviewed the management report submitted by the statutory auditors and suggested corrective measures and fixed time frame for their implementation;
- Reviewed the performance of External Auditors during the last term and recommended them for re-appointment.
- Reviewed the Internal Control System and Financial Statements

Reporting

- Pursuant to Condition no. 6 (ii) the Corporate Governance Code issued by BSEC, the Committee reports that it did not find any conflict of interest or any fraud, irregularity, material defect in the Internal Control System. There are no infringement of laws, rules and regulations also.
- The Committee is of the view that risk management associated with the business of the Company is adequately controlled.

On behalf of the Audit Committee,



MD. KHURSHED HOSSAIN
Chairman, Audit Committee

NOMINATION AND REMUNERATION COMMITTEE REPORT

In compliance with the Commission's Notification on Corporate Governance Code No. BSEC/CMRRCD/2006-158/207/Admin/88 dated June 3, 2018, the Board of Directors of Maksons Spinning Mills PLC. constituted the Nomination and Remuneration Committee ("NRC").

Composition of the Nomination and Remuneration Committee

The Nomination and Remuneration Committee is composed of the following members:

NAME	POSITION
Md. Khurshed Hossain	Chairman
Haider Ahmed Khan, FCA	Member
Dr. Mohammed Mizanur Rahman	Member
Noor Mohammad	Member Secretary

Meeting

During the year ended on 30th June 2024, the Nomination and Remuneration Committee held two meeting. Proceeding of the Nomination and Remuneration Committee meetings were reported to the Board of Directors. The details of attendance of the Nomination and Remuneration Committee members have been shown below:

NAME OF MEMBER	POSITION	MEETING HELD	MEETING ATTENDED
Md. Khurshed Hossain	CHAIRMAN	1	1
Haider Ahmed Khan, FCA	MEMBER	1	—
Dr. Mohammed Mizanur Rahman	MEMBER	1	1
Noor Mohammad	MEMBER SECRETARY	1	1

ACTIVITIES OF NRC DURING THE YEAR

A few number of Senior Officers of Head Office as well as Factory were given promotions, increments after due appraisal conducted by competent authorities. Moreover, a few number of Senior Officers were recruited during the period following the NRC policies. Besides this, increments of factory production workers are being given on regular basis following internal policies as well as NRC policies.

NOMINATION AND REMUNERATION POLICY

This policy on Nomination and Remuneration of Directors, Key Managerial Personnel, Senior Management and other Employees has been formulated by the Committee pursuant to the Corporate Governance Code 2018 of BSEC. Maksons Spinning Mills PLC. believes that the Board should be able to effectively develop a long term vision for the Company, provide guidance in effectively implementing its policies and managing operations efficiently and ensuring the compliance of all prevailing laws. Further, the Board constitution should ensure that its members have diversified expertise and experience so that the Board is able to discharge its duties and responsibilities effectively.

Membership

The Committee shall consist of a minimum Three (3) non-executive directors, majority of them being independent. Membership of the Committee shall be disclosed in the Annual Report. Term of the Committee shall be continued unless terminated by the Board of Directors.

Chairperson

Chairperson of the Committee shall be an Independent Director. Chairman of the Company may be appointed as a member of the Committee but shall not be a Chairman of NRC. In the absence of the Chairman, the members of the Committee present at the meeting shall choose one amongst them to act as Chairperson. Chairperson of the Nomination and Remuneration Committee meeting could be present at the Annual General Meeting or may nominate some other member to answer the shareholders' queries.

Meeting of the Committee

The NRC shall conduct at least one meeting in a financial year. The quorum of the meeting shall be constituted in presence of either 2 members or two third members of the committee, whichever is higher and the presence of Independent Director is compulsory.

Committee Members' Interests

A member of the Committee is not entitled to be present when his or her own remuneration is discussed at a meeting or when his or her performance is being evaluated. The Committee may invite such executives, as it considers appropriate, to be present at the meetings of the Committee.

Secretary

The Company Secretary of the Company shall act as Secretary of the Committee.

Role of the Nomination and Remuneration Committee

Major responsibilities of the Nomination and Remuneration Committee are as follows:

1. Formulate the criteria to determine the qualifications, positive attributes and independence of Directors and to recommend a policy to the Board, relating to the remuneration of the Directors, top level executives and to recommend their appointment and removal;
2. Formulate the criteria for evaluation of performance of Independent Directors and the Board;
3. Assess that the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate suitable Directors to run the company successfully;
4. Evaluate that remuneration to Directors and top level executives involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals;
5. Identify the company's needs for employees at different levels and lay down the criteria of their selection, transfer or replacement and promotion;
6. Review annually the Company's human resources and training policies; and
7. Recommend the Code of Conduct for the Chairman of the Board, other Board Members and Chief Executive Officer of the Company.

Appointment criteria and qualifications

The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, Senior Management level and recommend to the Board for appointment.

The NRC is responsible to ensure that the procedures for appointing new Directors are transparent. A combination of age, gender, experience, ethnicity, educational background, nationality and other relevant personal attributes in the Board is important in providing a range of perspectives, insights and challenges needed to support to formulate right decision. Recruitment and selection processes for Board members identify candidates with the most suitable skills, knowledge, experiences and personal values.

Evaluation

The Committee shall carry out evaluation of performance of the Board, Independent Directors and top level executives. The NRC is responsible for ensuring the effectiveness of the Board. The evaluation includes a review of the administration of the Board and its committees covering their operations, agenda, reports, and information produced for consideration, and relationship with Management.

Remuneration to Non-Executive Directors

The remuneration to Non-Executive Directors will be paid only in the form of meeting fees. The Nomination and Remuneration Committee recommends the sitting fees to be paid for both the Board and Committee thereof after considering the provisions of the Companies Act, 2013 and prevailing corporate norms & practices.

Top Level Executive Selection and Remuneration Policy

The performance of the Company depends upon the quality of its Directors and Top Level Executives. To prosper, the Company must attract, motivate and retain highly skilled Directors and Executives. The recruitment process for Top Level Executives shall be transparent. The objective of remuneration policy is to secure that reward for Top Level Executives shall contribute to attracting, engaging and retaining the right employees to deliver sustainable value for shareholders.

Remuneration to other employees

Employees are assigned grades according to their qualifications, experience, competencies, role and responsibility in the organization. Individual remuneration is determined within the grade and based on various factors such as job, profile, skill set, seniority, experience and prevailing remuneration levels for equivalent jobs.

Implementation

The Committee may issue guidelines, procedures, reporting mechanism and manuals in as supplement for better implementation of NRC policy as and when considered appropriate.

On behalf of the Nomination and Remuneration Committee,



Md. Khurshed Hossain

Independent Director and
Chairperson of Nomination and Remuneration Committee (NRC).

DIVIDEND DISTRIBUTION POLICY

[As per Directive No. BSEC/CMRRCD/2021-386/03, Dated: 14 January 2021 issued by the Bangladesh Securities and Exchange Commission (BSEC)]

OBJECTIVES:

The objective of this policy is to lay down the criteria to be considered by the Board of Directors of the Company before recommending dividends to its shareholders for a financial year. The policy is framed in compliance with the Bangladesh Securities and Exchange Commission's Directive dated January 14, 2021.

BASIC PRINCIPLES

- The Company's strategy is to pay dividend linked to long term growth objective of the Company.
- The Company is committed to enhance total shareholders' return and aims to balance cash return to shareholders with the cash required for investment for sustainable income and growth. The Company also aims to build up a track record of being a consistent and sustainable dividend payment.
- The Board shall recommend interim/final cash and or stock dividend to the shareholders, which shall be subject to the approval of the shareholders' at Annual General Meeting (AGM) of the Company.
- The Board may consider not declaring dividend or may recommend a lower payout for a given financial year, after analyzing the prospective opportunities and threats or in the event of challenging circumstances such as financial constraint.
- In the event of a conflict between the Policy and the existing statutory regulations, the statutory regulations will prevail.
- The Company would utilize the retained earnings of the Company in a manner which is beneficial to the interest of the Company and its stakeholders, including, but not limited to ensuring maintenance of a healthy level of minimum capital adequacy ratios, meeting the Company's future business growth / expansion and strategic plans or such other purpose the Board may deem fit from time to time in the interest of the Company and its stakeholders.

CRITERIA TO BE CONSIDERED BEFORE RECOMMENDING DIVIDEND:

The Board will consider the following factors before recommending dividend:

Statutory and Regulatory Compliance:

- The Company shall declare dividend only after ensuring compliance with the regulatory guidelines on dividend declaration e.g. in line with the directives of the Finance Act, as amended from time to time and or by fulfilling other restrictions, if there is any, from the regulators like; Bangladesh Securities & Exchange Commission (BSEC).

PARAMETERS FOR DECLARATION OF DIVIDEND:

The declaration of dividend depends on consideration of several factors (financial or otherwise in nature and influenced by internal and external economic/business environment) such as:

- Financial performance of the Company for the year for which dividend is recommended.
- Availability of Cash balances,
- Overall financial position of the Company,
- Present and future profitability and growth outlook,
- Present and future cash flows from operations,
- Internal capital planning framework / policy.
- Corporate actions including mergers/demergers, acquisitions and additional investments including expansion plans and investment in subsidiaries/associates of the Company.
- Any other factor(s) that the shareholders and the Board of Directors may deem relevant.

DIVIDEND DISTRIBUTION:

- Company shall pay off the dividend (cash/stock) to the shareholders within 30 days of declaration or approval or record date as the case may be.
- Company shall pay off the cash dividend to the bank account of the entitled shareholder available in the BO account maintained with the depository participant (DP), or the bank account as provided by the shareholder in paper form, through Bangladesh Electronic Funds Transfer Network (BEFTN) or through bank transfer or any electronic payment system as recognized by the Bangladesh Bank, if not possible through BEFTN.
- Dividend of the margin client of stock broker or merchant banker shall pay off to the Consolidated Customer's Bank Account (CCBA) of the stock broker or to the separate bank account of the merchant banker or portfolio manager through BEFTN.
- In case of non-availability of bank account information or not possible to distribute cash dividend through BEFTN or any electronic payment system, shall issue cash dividend warrant and shall send it by post to the shareholder.
- Company shall credit the stock dividend to the BO account of the entitled shareholder.
- Company shall follow the directives/circulars in force of the securities regulator, related to dividend distribution from time to time.

REVIEW OF POLICY:

The Board of Directors of the Company may review the policy, if the Board proposes to declare dividend on the basis of criteria in addition to those specified in the policy, or proposes to modify the criteria, it shall disclose such changes along with the rationale for the same on the Company's website and in the Annual Report.

DISCLOSURE:

The policy will be available on the Company's website and will also be disclosed in the Company's Annual Report.

MINUTES OF THE 19th ANNUAL GENERAL MEETING

The 19th Annual General Meeting (AGM) of shareholders of Maksons Spinning Mills Limited. was held on Monday, 05th February, 2024 at 11.30 am by using Digital Platform. Large number of shareholders attended at the Annual General Meeting through virtually.

Mr. Mohammad Ali Khokon, Chairman of the meeting presided over the meeting, all other Directors of the company was also present in the meeting. Verses from the Holy Quran were recited at the very outset of the meeting.

The Chairman of the meeting welcomed the shareholders in the Annual General Meeting. With the permission of the Chair, the meeting began and the shareholders expressed their valued opinion on the audited financial statement of the Company for the year ended 30 June 2023 and also on their affairs.

Mr. Mohammad Ali Khokon replied to the queries and explained various comments of distinguished shareholders virtually. He also gave hints of future activities of the Company. After approving the audited financial statements, declaring dividend (No dividend), electing Directors, appointing Auditors and fixing their remuneration by the shareholders, the meeting ended with a vote of thanks to and from the Chair.

On behalf of Board of Directors,



Mohammad Ali Khokon
Chairman of the Meeting





AUDITORS' REPORT

INDEPENDENT AUDITORS' REPORT

TO THE SHAREHOLDERS OF MAKSONS SPINNING MILLS PLC.

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Maksons Spinning Mills PLC. ("the Company"), which comprise the statement of financial position as at 30 June, 2024 and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion, except the effects of the matter described in the Basis for Qualified Opinion paragraph, the accompanying financial statements give a true and fair view of the financial position of the Company as at 30 June, 2024 and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Basis for Qualified Opinion

i) Utilization of Production Capacity and Ability of the Company to Pay Debt:

The Company utilized 70.57% of its production capacity and incurred a loss amounting to Tk. (879,117,940) during the year. In our opinion, production capacity should be utilized at the optimum level to strengthen the financial position of the Company. Further, it is mentioned that as of 30 June, 2024 the cumulative balance of retained earnings stands on negative balance amounting to Tk. (1,249,747,437) and indebted to the extent of Tk. 6,244,922,848 consisting of bank loan and lease finance, which represents 56.19% of the Equity & Liabilities of the Company.

ii) Trade & Others Receivable:

"Trade & Other Receivable" (Note No. 9.00) of the financial statements, represents Tk. 2,174,194,794 which includes long outstanding balance (more than 12 months). No Bad Debts provision has been made on those Receivables during the year.

iii) Dividend Payable/Unpaid Dividend:

As per the Directive No. BSEC/CMRRCD/2021-386/03, dated January 14, 2021 and the Capital Market Stabilization Fund (CMSF) Rules, 2021, dated June 01, 2021 of Bangladesh Securities and Exchange Commission (BSEC) any entitlement which remains unclaimed for a period of 3 (three) years from the date of approval or date of subscription, shall be transferred to the fund named "Capital Market Stabilization Fund (CMSF)". However, the Company did not transfer the unclaimed dividend upto 2019-2020 amounting to Tk. 21,999,096 to the said fund which is non-compliance of BSEC Directive.

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

Emphasis of Matter

We draw attention to the following matter:

i) Advances, Deposits & Pre-payments:

As disclosed in the note-11.00 "Advances, Deposits & Pre-payments" to financial statements, the Company disclosed Tk. 292,472,096 as Advance to Related Party. The Company did not provide us detail supporting documents; thus, we could not perform any audit procedures in this regard.

Key Audit Matters

Key audit matters are those matters that, in the auditors' professional judgement, were most significance in the audit of the financial statements for the year ended 30 June, 2024. The matters, and any comments we make on the results of our procedures thereon, 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 in these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the financial statements section of our report, including in relation to these matters.

Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis of our audit opinion on the accompanying financial statements.

Key Audit Matter	How Our Audit Addressed the Key Audit Matter
<p>Revenue</p> <p>Revenue of Tk. 5,456,268,445 is recognized in the Statement of Profit or Loss and Other Comprehensive Income of Maksons Spinning Mills PLC. for the year ended 30 June, 2024. We identified revenue recognition as a key audit matter because revenue is one of the key performance indicators of the Company and therefore there is an inherent risk of manipulation of the timing of recognition of revenue by management to meet specific targets or expectations.</p> <p>As described in the accounting policy 3.05 to the financial statements, the Company recognizes revenue upon rendering services to the customers/clients as per IFRS-15 Revenue from Contract with Customers.</p>	<p>In case of Revenue, we assessed the Company's processes and controls for recognizing revenue as part of audit. Furthermore, in order to mitigate the inherent risk in this area, our audit approach included testing of the controls and the substantive audit procedure, including:</p> <ul style="list-style-type: none"> - We evaluated the Company's accounting policies pertaining to revenue recognition and assessed compliance with the policies in terms of IFRS-15 Revenue from Contracts with Customers. - We identified and tested controls related to revenue recognition and our audit procedure focused on assessing the invoicing and measurement systems up to entries in the general ledger. Examining customers' invoices and receipts on a sample basis. - We conducted substantive testing of revenue recorded over the year using sampling techniques, by examining the relevant supporting documents including sales invoices. In addition, we confirmed certain customers' receivable balances at the reporting date, selected on a sample basis by considering the amounts outstanding with those customers. - Furthermore, we tested the sales transactions recognized shortly before and after the reporting date, to examine whether sales transactions were recorded in the correct recording periods. - We checked the issuance of VAT challan and monthly VAT return. - We checked related LC documents.

Key Audit Matter	How Our Audit Addressed the Key Audit Matter
Inventories	
<p>Inventories represent about 28.80% of the total assets of the Company; inventories are thus a material item to the financial statements. Please refer to note 8.00 to the financial statements.</p> <p>As described in the accounting policy note 3.02 to the financial statements, inventories are valued at the lower of the cost or net realizable values. As such, management is required to make judgments in determining whether inventories are being appropriately valued and also need to make provision for aged inventories, if required.</p> <p>Due to the value and volume of inventories being held by the Company at the reporting date and presentation thereof, inventories has been considered as a key audit matter.</p>	<p>Our audit procedures to assess the carrying value of inventories included the following:</p> <ul style="list-style-type: none"> - Tested the operating effectiveness of key controls over inventories; including observing the process of management's year-end inventory count. - Verified a sample of inventory items to ensure that costs have been appropriately recorded. - Tested on a sample basis the net realizable value by comparing costs to recent selling prices and assessing the reasonableness of any resulting write down of inventory items. - Assessed whether appropriate provision have been recognized for aged, damaged, slow moving or obsolete inventories by reviewing the age of inventories held and evaluating management's basis for determining the usability of inventories. - Performed cut-off tests to determine that the purchase and sales of the inventories have been considered in the correct accounting period. - Reviewed the historical accuracy of inventory provision and the level of write downs.

Key Audit Matter	How Our Audit Addressed the Key Audit Matter
Trade and Others Receivable	
<p>The total amount of Trade and Others Receivable is Tk. 2,174,194,794 as at 30 June, 2024 which is 19.56% of total assets of the Company. There are significant large numbers of individual customers. Customers in different business segments and jurisdictions are subject to their independent business risk.</p> <p>The increasing challenges over the economy and operating environment in developing the software and sale of service during the year have increased the risks of default on receivables from the customers. Particularly, in the event of insolvency of customers, the Company is exposed to potential risk of financial loss when the customers fail to meet their contractual obligations in accordance with the requirements of the agreements.</p> <p>Accordingly, we identified the recoverability of receivables as a key audit matter because of the significance of receivables to Company's Financial Position and because of the significant degree of management judgment involved in evaluating the adequacy of the allowance for doubtful debts.</p>	<p>Our audit procedures to assess the recoverability of Accounts Receivable included the following:</p> <ul style="list-style-type: none"> - Tested the accuracy of aging of receivables at year end on a sample basis; - Evaluating the Company's policy for making allowance for doubtful debts with reference to the requirements of the prevailing accounting standards; - Assessing the classification of account receivables in the debtors ageing report by comparison with sales invoice and other underlying documentation on a taste basis; - Assessed the recoverability of the debtors on a sample basis through our evaluation of management's assessment with reference to the credit profile of the customers, historical payment pattern of customers; and - Inspecting subsequent bank receipts from customers and other relevant underlying documentation relating to bills receivable balances at 30 June, 2024.

Key Audit Matter	How Our Audit Addressed the Key Audit Matter
<p>Property, Plant & Equipment</p> <p>The carrying value of Property, plant & equipment amounts to Tk. 4,085,564,693. This represents a significant amount in the Company's statement of financial position as at 30 June, 2024.</p> <p>There is a risk of:</p> <ul style="list-style-type: none"> - determining which costs meet the criteria for capitalization; - determining the date on which the assets is recognized to property, plant & equipment and depreciation commences; - the estimation of economic useful lives and residual values assigned to property, plant & equipment. <p>We identified the carrying value of property, plant & equipment as a key audit matter because of the high level of management judgement involved and because of its significance to the financial statements.</p> <p>See note no 4.00 to the financial statements.</p>	<p>Our audit procedures to assess the carrying value of property, plant & equipment included the following:</p> <p>Our audit procedures included controls testing and substantive procedures covering, in particular:</p> <ul style="list-style-type: none"> - Assessing the design, implementation and operating effectiveness of key internal controls over the completeness, existence and accuracy of property, plant & equipment, including the key internal controls over the estimation of useful economic lives and residual values. - Assessing, on a sample basis, costs capitalized during the year by comparing the costs capitalized with the relevant underlying documentation, which included purchase agreements and invoices, and assessing whether the costs capitalized met the relevant criteria for capitalization. - Testing the key controls over the management's judgment in relation to the accounting estimates of the depreciable lives and residual values of property, plant & equipment. - Reconcile on a sample basis the additional capitalized costs for the year to the underlying invoices and supporting documents. - We assessed the Company's capitalizations policy for compliance with IAS-16 and tested the expenditure capitalized against the capitalizations policy. - We reviewed minutes of Board meetings for approval of the total capitalization cost. - We traced payments to supporting documents. - We assessed whether the costs capitalized met the recognition criteria set forth in IAS-23 Borrowing costs, in relation to the capitalization of borrowing costs. - We assessed the adequacy of the disclosures of the financial statements.

Key Audit Matter	How Our Audit Addressed the Key Audit Matter
Implementation of IFRS-16: Leases	
<p>With reference to Note 3.04 to the financial statements, "IFRS-16 Leases" becomes effective for annual reporting beginning on or after 01 July, 2019 which replaces the existing standard IAS-17. The Company applied IFRS-16 Leases to its leases of transport and rent of office premises.</p> <p>The Company reported the Right-of-Use (ROU) asset for the amount of Tk. 5,776,892 and lease liability for the amount of Tk. 171,100,474 at the year ended 30 June, 2024.</p> <p>We considered the implementation of IFRS-16 Leases as a key audit matter, since the balances recorded are material, management had to apply several judgements and estimates such as lease term, discount rates, measurement basis among others and undertake a significant data extraction exercise to summaries the lease data for input into their lease calculation model.</p>	<p>We obtained an understanding of the management's process for implementing IFRS-16 including financial controls designed by the management to mitigate the risks assessed by us independently. We tested those relevant controls and adopted a control rely strategy. Furthermore, to mitigate the inherent risk in this audit area, our audit approach included testing of the controls and substantive audit procedures, including:</p> <ul style="list-style-type: none"> - Obtained and read the accounting policy for compliance with IFRS-16. - Obtained Listing of all contracts from the management and tested the contracts on a sample basis for impact under IFRS-16. In respect of the contracts selected for testing - Obtained and read bank borrowing rates correspondences. - Tested the assumptions used in the calculation model for the sample contracts selected for testing. - Performed test of details on a sample basis on different categories of lease for valuation of the right of use of asset and lease liability. - Assessed the disclosures within the financial statements.

Key Audit Matter	How Our Audit Addressed the Key Audit Matter
Measurement of Deferred Tax Liability	
<p>The net deferred tax liability totaling Tk. 276,322,484 as at 30 June, 2024.</p> <p>Significant judgment is required in relation to deferred tax liabilities as it is dependent on forecasts of future profitability over a number of years.</p>	<p>We additionally carried out the following substantive testing for this item:</p> <ul style="list-style-type: none"> - we obtained an understanding, evaluated the design and tested the operational effectiveness of the Company's key controls over the recognition and measurement of deferred tax liabilities and the assumptions used in estimating the Company's future taxable income. - We assessed the adequacy of the Company's disclosures setting out the basis of deferred tax liability balances and the level of estimation involved. - We also assisted in evaluating the tax implications, the reasonableness of estimations and calculations determined by management. - we involved tax specialists to assess key assumptions, controls, recognition and measurement of deferred tax liabilities. - we also assessed the appropriateness of presentation of disclosures against IAS-12 income tax.

Reporting on Other Information

Management is responsible for the other information. The other information comprises the directors' report, management discussion and analysis, statement of corporate governance, financial highlights, economic value added statement (EVA), value added statement, certification of corporate governance etc. but other than the financial statements and our auditors' report thereon. The directors' report, management discussion and analysis, statement of corporate governance, financial highlights, economic value added statement (EVA), value added statement, certification of corporate governance etc. are expected to be made available to us after the date of this auditors' report.

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

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available 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.

When we read the annual report, if, we conclude that there is a material misstatement therein; we are required to communicate the matter to those charged with governance.

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

Management is responsible for the preparation of the financial statements that give a true and fair view in accordance with IFRSs as explained in note 2.00 & 3.00 and for such internal control as management determines in necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error. The Companies Act, 1994 and the BSEC guidelines require the management to ensure effective internal audit, internal controls and risk management functions of the Company.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is 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 omission, misrepresentations, or the override of the control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion, our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosure, 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 auditors' 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 and the Securities and Exchange Rules, 1987 we also report the following:

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

Dated: Dhaka
27 November, 2024



KAZI ZAHIR KHAN & CO.

Chartered Accountants

DVC: 2411270915AS609080

Abdulla-Al-Mahmud FCA, FCMA, FCS, LL.B, CISA

Engagement Partner (ICAB Enrolment No. 0915)



MAKSONS SPINNING MILLS PLC

STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE, 2024

Particulars	Notes	Amount in Tk.	
		30.06.2024	30.06.2023
Assets			
Non-Current Assets			
Property, Plant & Equipment	4.00	4,085,564,693	4,282,593,389
Right-of-Use Assets	5.00	5,776,892	8,310,762
Investment in Properties	6.00	149,637,573	119,986,434
Investment in Shares & Bond	7.00	285,000,000	270,000,000
Total Non-Current Assets		4,525,979,158	4,680,890,585
Current Assets			
Inventories	8.00	3,200,917,784	3,048,190,230
Trade and Others Receivable	9.00	2,174,194,794	1,824,387,285
Investment in Marketable Securities (Fair Value)	10.00	42,777,160	73,452,406
Advances, Deposits & Pre-payments	11.00	1,000,178,221	1,035,860,159
Cash and Cash Equivalents	12.00	169,772,611	58,327,654
Total Current Assets		6,587,840,570	6,040,217,734
Total Assets		11,113,819,728	10,721,108,319
Shareholders' Equity and Liabilities			
Shareholders' Equity			
Share Capital	13.00	2,382,325,380	2,382,325,380
Share Premium	14.00	1,526,004,000	1,526,004,000
Revaluation Reserve	15.00	331,600,253	334,684,096
Fair Value Reserve	16.00	(61,530,230)	(30,854,984)
Retained Earnings	17.00	(1,249,747,437)	(373,713,341)
Total Shareholders' Equity		2,928,651,966	3,838,445,151
Non-Current Liabilities			
Non-Current Portion of Long Term Loan	18.00	844,171,684	772,181,928
Non-Current Portion of Lease Liability	19.00	147,347,626	152,005,423
Deferred Tax Liability	20.00	276,322,484	278,087,597
Total Non-Current Liabilities		1,267,841,794	1,202,274,948
Current Liabilities			
Current Portion of Long Term Loan	18.00	1,037,204,095	162,766,622
Current Portion of Lease Liability	19.00	23,752,848	34,483,427
Short Term Loan from Bank & Others	21.00	4,192,446,595	4,264,803,205
Dividend Payable/Unpaid Dividend	22.00	30,153,001	60,684,265
Trade and Other Payables	23.00	1,633,769,429	1,157,650,700
Total Current Liabilities		6,917,325,968	5,680,388,219
Total Equity and Liabilities		11,113,819,728	10,721,108,319
Net Assets Value (NAV) Per Share	33.00	12.29	16.11

The Accounting Policies and Other Notes form an Integral Part of these Financial Statements.

The Financial Statements were Approved and Authorized by the Board of Directors on 27 November, 2024 and Signed for and on Behalf of the Board.



Chief Financial Officer



Company Secretary



Director



Managing Director

As per our annexed report of even date.

Dated: Dhaka
27 November, 2024



KAZI ZAHIR KHAN & CO.
Chartered Accountants

MAKSONS SPINNING MILLS PLC

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 JUNE, 2024

Particulars	Notes	Amount in Tk.	
		30.06.2024	30.06.2023
Sales (Net of VAT)	24.00	5,456,268,445	4,407,572,924
Less: Cost of Goods Sold	25.00	5,237,255,063	4,628,240,900
Gross Profit/(Loss)		219,013,382	(220,667,976)
Less: Operating Expenses		179,399,597	206,157,248
Administrative Expenses	26.00	142,695,927	163,314,403
Selling & Distribution Expenses	27.00	36,703,670	42,842,845
Operating Profit/(Loss) before Financial Expenses & WPPF		39,613,785	(426,825,224)
Less: Financial Expenses	28.00	815,827,547	437,724,751
Operating Profit/(Loss) before WPPF		(776,213,762)	(864,549,975)
Add: Non-operating Income	29.00	(81,084,786)	6,956,695
Net Profit/(Loss) before WPPF		(857,298,548)	(857,593,280)
Less: Contribution to Workers' Profit Participation Fund	30.00	-	-
Net Profit/(Loss) before Tax		(857,298,548)	(857,593,280)
Less: Income Tax Expenses		(21,819,392)	(79,644,208)
Provision for Current Tax	31.00	(23,584,505)	(55,720,910)
Provision for Deferred Tax		1,765,113	(23,923,298)
Net Profit after Tax during the year		(879,117,940)	(937,237,488)
Add: Other Comprehensive Income		(30,675,246)	(337,955)
Gain/(Loss) on Marketable Securities (Unrealized)	10.00	(30,675,246)	(337,955)
Total Comprehensive Income/(Loss) for the year		(909,793,186)	(937,575,443)
Earnings per Share (EPS)	32.00	(3.69)	(3.93)

The Accounting Policies and Other Notes form an Integral Part of these Financial Statements.

The Financial Statements were Approved and Authorized by the Board of Directors on 27 November, 2024 and Signed for and on Behalf of the Board.


Chief Financial Officer


Company Secretary


Director


Managing Director

As per our annexed report of even date.

Dated: Dhaka
27 November, 2024


KAZI ZAHIR KHAN & CO.
Chartered Accountants

MAKSONS SPINNING MILLS PLC
STATEMENT OF CHANGES IN EQUITY
 FOR THE YEAR ENDED 30 JUNE, 2024

Particulars	Share Capital	Share Premium	Revaluation Reserve	Loss on Marketable Securities (Unrealized)	Retained Earnings	Total
Balance as on 01-07-2023	2,382,325,380	1,526,004,000	334,684,096	(30,854,984)	(373,713,341)	3,838,445,151
Dividend	-	-	-	-	-	-
Fair Value Adjustment of Marketable Securities	-	-	-	(30,675,246)	-	(30,675,246)
Adjustment of Revaluation-Excess Depreciation	-	-	(3,083,843)	-	3,083,843	-
Net Profit/(Loss) after Tax during the year	-	-	-	-	(879,117,940)	(879,117,940)
Balance as on 30-06-2024	2,382,325,380	1,526,004,000	331,600,253	(61,530,230)	(1,249,747,437)	2,928,651,966

Particulars	Share Capital	Share Premium	Revaluation Reserve	Loss on Marketable Securities (Unrealized)	Retained Earnings	Total
Balance as on 01-07-2022	2,382,325,380	1,526,004,000	337,930,247	(30,517,029)	798,510,534	5,014,253,132
Dividend	-	-	-	-	(238,232,538)	(238,232,538)
Adjustment of Revaluation	-	-	(3,246,151)	(337,955)	(937,237,488)	(940,821,594)
Net Profit/(Loss) after Tax during the year	-	-	-	-	3,246,151	3,246,151
Balance as on 30-06-2023	2,382,325,380	1,526,004,000	334,684,096	(30,854,984)	(373,713,341)	3,838,445,151

The Accounting Policies and Other Notes form an Integral Part of these Financial Statements.

The Financial Statements were Approved and Authorized by the Board of Directors on 27 November, 2024 and Signed for and on behalf of the Board.



Chief Financial Officer



Company Secretary



Director



Managing Director

As per our annexed report of even date.



KAZI ZAHIR KHAN & CO.
Chartered Accountants

Dated: Dhaka
27 November, 2024

MAKSONS SPINNING MILLS PLC

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE, 2024

SL. NO.	Particulars	Notes	Amount in Tk.	
			30.06.2024	30.06.2023
A.	Cash Flows from Operating Activities		5,020,612,541	4,725,468,456
	Cash Received from Turnover and Others		(4,785,716,458)	(4,176,909,331)
	Payment for Cost and Expenses		(31,359,999)	(55,720,910)
	Income Tax Paid		(814,952,476)	(436,619,080)
	Interest Paid		(611,416,392)	56,219,135
	Net Cash Inflow/(Outflow) from Operating Activities			
B.	Cash Flows from Investing Activities			
	Acquisition of Property, Plant & Equipment		(65,401,888)	(257,532,171)
	Investment in Shares & Bond		(15,000,000)	(120,000,000)
	Investment in Properties		(29,651,139)	-
	Sale of Property, Plant & Equipment		-	1,680,000
	Net Cash Inflow/(Outflow) from Investing Activities		(110,053,027)	(375,852,171)
C.	Cash Flows from Financing Activities			
	Dividend Paid		(30,531,264)	(233,145,926)
	Long Term Loan-Net		(72,356,610)	13,048,879
	Short Term Loan from Bank & Others		931,038,641	472,281,356
	Net Cash Inflow/(Outflow) from Financing Activities		828,150,767	252,184,309
D.	Net Increase/(Decrease) in Cash & Cash Equivalents (A+B+C)		106,681,348	(67,448,727)
E.	Unrealized Gain/(Loss) on Foreign Currency Fluctuation		4,763,609	1,326,711
F.	Cash and Cash Equivalents at the Beginning of the year		58,327,654	124,449,671
G.	Cash and Cash Equivalents at the End of the year (D+E+F)		169,772,611	58,327,655
	Cash and Cash Equivalents as on 30 June			
	Cash in Hand		622,119	843,362
	Cash at Bank		169,150,492	57,484,292
	Total		169,772,611	58,327,654
	Net Operating Cash Flows Per Share (NOCFPS)	34.00	(2.57)	0.24

The Accounting Policies and Other Notes form an Integral Part of these Financial Statements.

The Financial Statements were Approved and Authorized by the Board of Directors on 27 November, 2024 and Signed for and on Behalf of the Board.



Chief Financial Officer



Company Secretary



Director



Managing Director

As per our annexed report of even date.

Dated: Dhaka
27 November, 2024



KAZI ZAHIR KHAN & CO.
Chartered Accountants

MAKSONS SPINNING MILLS PLC.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE, 2024

1.00 Background of the Company:

Maksons Spinning Mills PLC. (The Company) was incorporated in Bangladesh on 25 September, 2003 with the Registrar of Joint Stock Companies and Firms as a Public Limited Company under the Companies Act, 1994. Subsequently, The Company was converted into Public Limited Company (PLC) on January 25, 2005 by Special Resolution. The Company was incorporated as a Public Limited Company in Bangladesh on 14 May, 2024 with the Registrar of Joint Stock Companies and Firms under the Companies Act, 1994. The Registered Office of the Company is located House No-1, Floor-05, Road-05, Sector-01, Uttara, Dhaka-1230. The manufacturing facility is located in Ashulia, Savar.

1.01 Nature of Business:

The principal activities of the Company are manufacturing Kint Yarn and selling to the export oriented Knit Garments industry against back-to-back letter of credit and receiving foreign currency on deferred payment basis. Its Principal activities and operations are production and sale of cotton yarn.

1.02 Business with Associates Company:

Sl. No.	Name of Related Party	Relationship	Nature of Business
1	Maksons Textiles Limited	Affiliated	Textile
2	Metro Spinning Limited	Affiliated	Spinning
3	Gardenia Wears Limited	Affiliated	Garments
4	La-Muni Apparels Limited	Affiliated	Garments

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, 1987, the Listing Regulations of Dhaka Stock Exchange (DSE) and Chittagong Stock Exchange (CSE) and other relevant local laws as applicable and in accordance with the applicable International Financial Reporting Standards (IFRSs) including International Accounting Standards (IASs) as issued by International Accounting Standards Board (IASB).

2.02 Regulatory Compliances:

As required by the Company, the management complies with the following major legal provisions in addition to the Companies Act, 1994 and other applicable laws and regulations:

- i. The Income Tax Act, 2023;
- ii. The Income Tax Rules, 2023;
- iii. The Finance Act, 2024;
- iv. The Value Added Tax Act, 2012;
- v. The Value Added Tax Rules, 2016;
- vi. The Customs Act, 1969;
- vii. Bangladesh Labour Law, 2006;
- viii. The Securities and Exchange Ordinance, 1969;
- ix. The Securities and Exchange Rules, 1987; and
- x. Securities and Exchange Commission Act, 1993.

2.03 Structure, Content and Presentation of Financial Statements:

According to the International Accounting Standards IAS-1 "Presentation of Financial Statements" the complete set of financial statements includes the following components.

- i. Statement of financial position as at 30 June, 2024;
- ii. Statement of profit or loss and other comprehensive income for the financial year 30 June, 2024;
- iii. Statement of changes in equity for the financial year 30 June, 2024;
- iv. Statement of cash flows for the financial year 30 June, 2024;
- v. Accounting policies and other explanatory notes for the financial year 30 June, 2024.

2.04 Basis of Measurement of Elements of Financial Statements:

The financial statements have been prepared on the historical cost basis, except for Investment in Shares and Land & Building within Property, Plant & Equipment which are measured in fair value, and therefore, do not take into consideration the effect of inflation. The accounting policies, unless otherwise stated, have been consistently applied by the Company and are consistent with those of the previous year.

2.05 Functional and Presentation Currency & Level of Precision:

The financial statements are presented in Bangladeshi currency (Taka), which is the Company's functional currency. All financial information presented in Taka has been rounded off to the nearest Taka.

2.06 Preparation and Presentation of Financial Statements of the Company:

The Board of Directors of the Company is responsible for the preparation and presentation of financial statements of Maksons Spinning Mills PLC.

2.07 Use of Estimates and Judgments:

The preparation of these financial statements, in conformity with IASs/IFRSs, 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. Actual amounts may differ from these estimates.

Estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

In particular, information about significant areas of estimation on uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements are included in the following notes:

- Note: 8 Inventories - Inventories are valued at lower of cost of net realizable value. Cost of inventory includes cost of purchase (purchase price, transport, handling and other costs directly attributable to the acquisition of inventories), cost of conversion and other costs incurred in bringing the inventories to their present location and condition. Net realizable value for inventories is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale. Provisions are made in the financial statements of loss and comprehensive loss in the current year on any difference between book value and net realizable value
- Note: 4 Property, Plant & Equipment (Impairment) - Tangible assets with finite lives will be reviewed for impairment whenever events or changes in circumstances indicate that their carrying amounts exceed their recoverable amounts. Intangible assets not yet put into use are evaluated for impairment at least annually. Whether an asset is impaired requires management to determine whether there is an indication of impairment based on the consideration of internal and external indicators. If an indication of impairment exists, management must determine if the carrying amount of an asset, or the CGU in which the asset is included, exceeds its recoverable amount. The assessment of the carrying amount often requires estimates and assumptions such as discount rates, exchange rates, future capital requirements and future operating performance. The estimation of the future cash flows requires assumptions to be made by management. Therefore, the determination of the recoverable amount implies estimates that may affect the amount of an impairment loss, if any.
- Note: 15 Revaluation Reserve- Land & Development and Buildings & Other Constructions are presented in the financial statements at fair value. Management has performed the fair value calculation for these assets using the expertise of expert valuers. The valuation represents management's best judgment on what the value of these assets would be on the open market.

2.08 Reporting Period:

The financial statements of the Company cover from 01 July, 2023 to 30 June, 2024.

2.09 Statement of Cash Flows:

Statement of cash flows is prepared in accordance with "IAS-7: Statement of Cash Flows" and the cash flows from operating activities have been presented under Direct Method as required by the Securities and Exchange Rules, 1987 and considering the provisions that "Enterprises are Encouraged to Report Cash Flow from Operating Activities using the Direct Method". In addition to disclosures on direct method of cash flows, a reconciliation of net income or net profit with cash flows from operating activities making adjustments for non-cash items, for no operating items and for the net changes in operating accruals A reconciliation of Cash flow related to operating activities is also provided in Note 34.00.

2.10 Compliance with the Requirements of Notification of the Securities and Exchange Commission dated 04.06.2008 under ref. # SEC/CMMRPC/2008-181/53/Adm./03/28

- a) Notes to the financial statements marked from 3.00 to 3.20 set out the accounting policies on all material accounting areas. These accounting policies are based on IFRS and IAS as issued by the IASB.
- b) The accounting standards that underpin the policies adopted by the Company can be found in the following places of the notes to the financial statements:

Sl. No.	Name of the IAS	IAS's No.	Financial Statement or Note Disclosure
1	Presentation of Financial Statements	1	FS and all notes
2	Inventories	2	Note 8
3	Statement of Cash Flows	7	Statement of Cash Flow
4	Accounting Policies, Changes in Accounting Estimates & Errors	8	Note 2
5	Events after the Reporting Period	10	Note 43
6	Income Taxes	12	Note 31
7	Property, Plant and Equipment	16	Note 4
8	The Effects of Changes in Foreign Exchange Rates	21	Note 29 & 46
9	Borrowing Costs	23	Note 28
10	Related Party Disclosures	24	Note 40
11	Financial Instruments (Investment in Shares)	32	Note 7
12	Earnings Per Share	33	Note 32
13	Impairment of Assets	36	Note 5

Sl. No.	Name of the IFRS	IAS's No.	Financial Statement or Note Disclosure
1	Financial Instruments: Disclosures	7	Note 6
2	Fair Value Measurement	13	Note 10
3	Revenue from Contracts with Customers	15	Note 24
4	Leases	16	Note 19

- c) International Financial Reporting Standards (IFRS) and International Accounting Standards (IAS) issued by the International Accounting Standards Board (IASB).

2.11 Standards, Amendments or Interpretations which became Effective during the year:

During the year certain amendments to Standards and new interpretations became effective however they did not have any material effect on the financial statements of the Company.

On 13 January, 2016, the IASB issued IFRS-16, "Leases" ("IFRS-16"), which outlines requirements for lessees to recognize assets and liabilities for most leases. Lessees are required to recognize the lease liability for the obligations to make lease payments and a right-of-use asset for the right to use the underlying asset for the lease term. Lease liability is measured at the present value of lease payments to be made over the term of the lease. The right-of-use asset is initially measured at the amount of the lease liability and adjusted for pre-payments, direct costs and incentives received. The new standard became effective for annual periods beginning on or after 01 January, 2019 and has been adopted by the Company.

3.00 Significant Accounting Policies:

The specific accounting policies have been selected and applied for significant transactions and events that have a material effect within the framework for the preparation and presentation of financial statements. There have been no changes in policies for all material accounting areas.

3.01 Property, Plant & Equipment:

3.1.1 Recognition and Measurement:

Property, plant & Equipment are accounted for according to IAS-16 "Property, Plant and Equipment" at Historical cost less cumulative depreciation except land & land development and Building & Other Construction which is considered at revalued amount. The cost of assets includes expenditures that are directly attributable to the acquisition of the assets. The cost of self-constructed/installed assets includes the cost of materials, direct labor and any other costs directly attributable to bringing the assets to the working condition for its intended use and the cost of dismantling and removing the items and restoring the site on which they are located.

Fair Valuations are performed with sufficient frequency to ensure that the carrying amount of a revalued asset does not differ materially from its fair value. A revaluation surplus is recorded in OCI and credited to the asset revaluation surplus in equity. However, to the extent that it reverses a revaluation deficit of the same asset previously recognized in profit or loss, the increase is recognized in profit and loss. A revaluation deficit is recognized in the statement of profit or loss, except to the extent that it offsets an existing surplus on the same asset recognized in the asset revaluation surplus. An annual transfer from the asset revaluation surplus to retained earnings is made for the difference between depreciation based on the revalued carrying amount of the asset and depreciation based on the asset's original cost

3.1.2 Depreciation:

Depreciation has been charged on addition from the date of acquisition & revaluation date. Depreciation was computed using the diminishing balance method. The cost and accumulated depreciation of depreciable assets retired or otherwise disposed of are eliminated from the assets and accumulated depreciation:

Category	Rate
Land and Land Development	0%
Building & Other Construction	5%
Plant & Machinery	10%
Furniture & Fixture	15%
Office Equipment	10%
Motor Vehicle	20%

Disposal:

The gain or loss arising on the disposal or retirement of an asset is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in the Statement of Profit or Loss and Other Comprehensive Income. Sales of land and buildings are accounted for when there is an unconditional exchange of contracts.

Impairment:

Tangible assets are amortized over their corresponding useful economic lives and assessed for impairment whenever there is an indication that the asset may be impaired. Intangible assets that are not yet available for use are not amortized, but are tested for impairment annually, either individually or at the cash-generating unit ("CGU") level.

If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss, if any. Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the CGU (i.e., the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets, group of assets or CGUs) to which the asset belongs. Where a reasonable and consistent basis of allocation can be identified, the corporate assets are also allocated to individual CGUs, or otherwise they are allocated to the smallest group of CGUs for which a reasonable and consistent allocation basis can be identified.

The recoverable amount is the higher of the fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are 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 for which the estimates of future cash flows have not been adjusted.

An impairment loss is recognized when the carrying amount of an asset or a CGU exceeds its recoverable amount by the amount of this excess. An impairment loss is recognized immediately in income or loss in the year during which the loss is incurred. Where an impairment loss subsequently reverses, the carrying amount of the asset or CGU is increased to the revised estimate of its recoverable amount; on reversal of an impairment loss, the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset or CGU in prior years. A reversal of an impairment loss is recognized immediately in the consolidated statements of loss and comprehensive loss.

There were no indicators of impairment that were identified by Management for the current year.

3.02 Inventories:

Valuation of Inventories:

Inventories comprise Raw Materials, Finished Yarn, Waste Cotton, Store & Spares, Stores-in-Transit and Work in process. They are stated at the lower of cost or net realizable value in accordance with IAS-2 "Inventories" after making due allowance for any obsolete or slow-moving item. The costs of inventories are assigned by using weighted average cost method. Net realizable value of Work-in-Process is determined after deducting the estimated cost of completion and estimated cost necessary to make the sale from estimated selling price.

Provisions are made in the Statement of Profit or Loss and Other Comprehensive Income for any difference between carrying value and net realizable value.

3.03 Capital Work-In-Progress:

Property, Plant and Equipment under construction/acquisition is accounted for as capital work-in-progress until construction/acquisition is completed and measured at cost.

3.04 Leased Assets:

The Company applied IFRS-16 Leases for the first time on 01 July, 2019. The nature and effect of the changes as a result of 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 in exchange for consideration. Previously the Company used to charge the consideration paid in its books as rent expenses. IFRS-16 introduced a single, on Statement of Financial Position accounting model for leases. As a result, the Company, as a lessee, has recognized right of use assets is representing its rights to use underlying assets and lease liabilities representing its obligation to make lease payments. The Company applied IFRS-16 on 01 January, 2019 for the existing lease contracts.

The Company has only 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 01 January, 2019 and identified as leases in accordance with IAS-17 and IFRIC-4.

The Company applied IFRS-16 initially on 01 July, 2019, using the modified retrospective approach. Accordingly, the comparative information presented for fiscal 2019 has not been restated. The 2019 numbers are presented, as previously reported, under IAS-17 and related interpretations. This includes recognizing a lease liability at 01 July, 2019, measured at the present value of the remaining lease payments and discounted at the incremental borrowing rate. A right-of-use asset has been recognized at 01 July, 2019 measured at an amount equal to the lease liability and adjusted by any prepaid or accrued lease payments relating to that lease contained in the statement of financial position immediately before 01 July, 2019. There was no material impact on the retained earnings due to the transition.

The Company's all contractual payments to the lesser 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., the 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 re-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.

In addition to rental lease agreements which were previously termed as operating leases, the Company also has existing leased assets which fall under "finance lease" category under IAS-17. For these leases, all the risk and rewards incidental to ownership are substantially transferred to the Company and therefore were recognized as finance leases. There is no change in the accounting treatment for these assets. The leased asset is capitalized at the commencement of the lease at fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability. The leased asset is depreciated over the useful life of the asset.

3.05 Revenue Recognition:

Revenue from net sales of the Company represents invoiced value of sale of Knit Yarn selling to the export oriented Knit Garments industry against back to back letter of credit and receiving foreign currency on deferred payment basis. Revenue is recognized in accordance with IFRS-15 and the recognition process involves the following 5-steps process:

- Identifying the contract from a customer;
- Identifying the performance obligation;
- Determining the transaction prices;
- Allocating the transaction price to the performance obligation; and
- Recognizing revenue when/as performance obligation(s) is satisfied.

If the Company satisfies a performance obligation before it receives the consideration, the Company recognizes and Accounts Receivable (See Note- 9.00) in its statement of financial position. Similarly, if the Company receives a consideration before the performance obligation, a contract liability is recognized. As at 30 June, 2024, the Company did not receive any consideration before performance obligation was completed and there is no amount recognized on the Statement of Financial position as of the end of the year.

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 to which the Company expects to be entitled to, including variable consideration, if any, to the extent that it is highly probable that a significant reversal will not occur.

Net Revenue reflects the Company's sale of goods less returns and discounts. Revenue is recognized at the point of delivery measured at fair value of the consideration received, net of discounts. IFRS-15 requires Companies 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 has been historically extremely minute and there were no returns recognized in the current year. As a result, the Company does not make a sales return allowance at the end of the year.

3.06 Foreign Currency Transaction/Translation:

Foreign currency transactions are translated into Bangladeshi Taka at the exchange rates ruling at the transaction dates according to IAS-21: "The effect of changes in Foreign Exchange Rates". Monetary assets and liabilities denominated in the foreign currencies are translated at prevailing rates on the statement of financial position date. Non-monetary assets and liabilities denominated in foreign currencies, which are related at historical cost, are translated into Bangladesh Taka at the exchange date ruling at the date of transactions. Foreign exchange fluctuation gain/losses are charged to Statement of profit or loss and other Comprehensive Income for the respective period.

3.07 Financial Expenses:

Financial costs comprise of interest expense on short-term and long-term loan as well interest costs paid on finance leases. The costs are charged to profit and loss except those are capitalized in accordance with IAS-23: Borrowing Costs.

3.08 Financial Assets & Liabilities:

Financial Assets are classified at initial recognition and subsequently measured at either amortized cost, fair value through other comprehensive income (OCI) and fair value through profit or loss. This is done in accordance with IFRS-9. Financial Liabilities are classified at initial recognition at fair value and then measured subsequently at fair value through profit and loss or at amortized cost (loans and borrowings). The Company has the following Financial Assets and Liabilities:

3.8.1 Trade Receivables:

Trade Receivables do not contain a significant financing component Trade receivable so the Company has applied the practical expedient and have recognized the asset at transaction price (Invoice value). For foreign currency transactions, the receivables are recorded by translating the foreign currency amount to Bangladesh Taka using the rate prevailing on the date of transaction. For impairment, the practical expedient allows the Company to not track changes in credit risk but instead recognize an allowance for doubtful receivable at the year end. The allowance is based on historical credit loss experience, adjusting for forward-looking factors such as debtor's economic environment. Trade receivables which are denominated in foreign currency are translated to BDT using the prevailing exchange rate applicable at the reporting date.

3.8.2 Trade Payables:

Trade payables are measured at fair value and recorded through profit and loss. Liabilities are recorded at the amount payable for settlement in respect of goods and services received by the Company, whether or not billed by the suppliers

3.8.3 Cash and Cash Equivalents:

Cash and cash equivalents consist of cash in hand and with banks on current and deposit accounts and short-term investments which are held and available for use by the Company without any restriction. There is insignificant risk of change in value of the same.

3.8.4 Investment in Shares:

The Company holds ordinary shares of other Companies which are presented on the Statement of Financial Position as Investment in Shares. These investments are classified as available for sale and presented at fair value. All shares held by the Company Level-1 on the fair value hierarchy as they quoted process on active markets (the Dhaka Stock Exchange). The investments are not classified as "Held for Trading" as they are not acquired principally for the purpose of selling or repurchasing but rather earn long term returns through dividends. As a result, the assets are terms as Available for Sale and any changes in fair value of the instrument are recorded in other comprehensive income. Gains and losses on these financial assets are never recycled through profit or loss. If Dividends are received, they are recorded as other income in the statement of profit or loss when the right of payment has been established.

3.8.5 Loans and Borrowings:

Loans and borrowings include long-term loans and short-term trade financing as well lease payables. They are recorded at amortized cost on the statement of financial position and interest is accrued as they are incurred on the loans and finance leases.

3.09 Taxation:**3.9.1 Current Tax:**

Current tax is the expected tax payable on the taxable income for the financial year, using tax rates enacted or subsequently enacted after the reporting date and any adjustment to tax payable in respect of previous years. Provision for taxation is calculated on the basis of applicable current tax rate and incompliance with Finance Act, 2024.

3.9.2 Deferred Tax:

The Company has decided to adopt policy of recognition of deferred tax in accordance with the International Accounting Standard (IAS-12), deferred tax is provided using the liability method for temporary difference between the carrying value of fixed assets as per accounts and the corresponding income tax written down value. Deferred tax is calculated at the effective income tax rate prevailing at the statement of financial position date.

Deferred tax relating to items recognized outside profit or loss is recognized outside profit or loss. Deferred tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity.

3.10 Provisions:

As per "IAS 37: Provisions, Contingent Liabilities and Contingent Assets" a provision recognized on the date of statement of financial position if, as a result of past even Company has a present obligation that can be estimated reliably, and it is probable the outflow of economic benefits will be required to settle the obligation.

A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefit will be required to settle the obligation.

3.11 Contingencies:

Contingencies arising from claim, litigation assessment, fines, penalties etc are recorded it is probable that a liability has been incurred and the amount can be measured reliably accordance with "IAS 37: Provisions, Contingent Liabilities and Contingent Assets".

3.12 Earnings Per Share (EPS):

The Company calculates Earnings Per Share (EPS) in accordance with IAS-33 "Earnings Per Share" which has been shown on the face of statement of profit or loss and other comprehensive income and the computation of EPS is stated in (Note- 32.00) of the financial statements.

Basic Earnings:

This represents earnings for the period attributable to the ordinary shareholders. As there no preference dividend, minority interest or extra ordinary items, the net profit for the year has been considered as fully attributable to ordinary shareholders. Basic earnings per share has been calculated by dividing the net profit or loss by the number of ordinary share outstanding during the year.

Diluted Earnings per Share (DEPS):

Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and weighted average number of ordinary shares outstanding, for the effect of all dilutive potential ordinary shares. However, dilution of EPS is not applicable for these financial statements as there were no potential ordinary shares during the relevant period.

3.13 Worker's Profit Participation & Welfare Fund:

The Company contributed 5% of net profit before charging the amount to the aforementioned fund in accordance with the requirement of section 234 of Labour Act, 2006 and as amended in 2013.

3.14 Segment Reporting:

No segmental reporting is applicable for the Company as required by "IAS-14: Segment Reporting" as the Company operates in a single industry segment and within one geographical area.

3.15 Event after Statement of Financial Position Date:

In compliance with the requirements of "IAS-10: Event After the reporting period" that provide additional information about the Company's position at the date of the financial position are reflected in the financial statements and events after the reporting period that are not adjusting events are disclosed.

3.16 Going Concern:

The Company has adequate resources to continue its operations for foreseeable future. For this reason, the directors continue to adopt the going concern basis in preparing the accounts. The resources of the Company are sufficient to meet the present obligation of its existing businesses and operations.

3.17 Related Party Disclosures:

The Company carried out a number of transactions with related parties in the normal course of business and on arms' length basis. The information as required by IAS-24: Related Party Disclosures has been disclosed in a separate Note- 44.00 to the accounts.

3.18 Financial Risk Management Policies:

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

Interest Rate Risk:

Interest rate risk is the risk that arises due to changes in interest rates on borrowing. There was no foreign currency loan which is subject to floating rates of interest. Local loans are however, not significantly affected by fluctuations in interest rates.

Foreign Currency Risk:

The Company is exposed to foreign currency risk relating to purchases which are denominated in foreign currencies. The Company primarily utilizes forward exchange contracts with maturities of less than one year to hedge such financial liabilities denominated in foreign currencies. The forward exchange contracts entered into at the reporting date also relate to anticipated purchases, denominated in foreign currencies, for the subsequent period.

Credit Risk:

Credit risk is the risk of a financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Company's receivables. Management has a credit policy in place and exposure to credit risk is monitored on an ongoing basis. As at 30 June, 2024 substantial part of the receivables are secured against LC and subject to insignificant credit risk. Risk exposures from other financial assets i.e. Cash at bank and other receivables are nominal.

Liquidity Risk:

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's approach to managing liquidity (cash and cash equivalents) is to ensure as far as possible, that it will always have sufficient liquidity to meet its liabilities when due under both normal and stressed conditions without incurring unacceptable losses or risking damage to the Company's reputation. Typically, the Company ensures that it has sufficient cash and cash equivalent to meet expected operational expenses including financial obligations through preparation of the cash flow forecast with due consideration of time line of payment of the financial obligation and accordingly arrange for sufficient liquidity/fund to make the expected payment within due date. After the recent capital raising, even in extreme stressed conditions it is unlikely that the Company would require further financing at least within next couple of years.

Market Risk:

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

3.19 Post Retirement Employment Benefits:

The Company does not maintain any post-retirement employment benefits. For the year ended 30 June, 2024 and 30 June, 2023, the Company did not record any provision related to defined contribution or defined benefit plans since the Company does not have any established policy to provide such benefits to their employees. The Company maintains a Worker's Profit Participation and Welfare Fund which is line with Bangladesh Labor (amendment) Act, 2013.

3.20 General:

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

Notes	Particulars	Amount in Tk.	
		30 June, 2024	30 June, 2023
4.00	Property, Plant & Equipment:		
	This is made-up as follows:		
	A. Cost:		
	Opening Balance	7,139,810,985	6,885,190,228
	Add: Addition during the year	65,401,888	257,532,171
	Less: Disposal/Adjustment during the year	-	(2,911,414)
	Closing Balance	7,205,212,873	7,139,810,985
	B. Accumulated Depreciation		
	Opening Balance	2,857,217,596	2,593,554,331
	Add: Charged during the year	262,430,584	265,659,606
	Less: Disposal/Adjustment during the year	-	(1,996,341)
	Closing Balance	3,119,648,180	2,857,217,596
	Written Down Value (A-B)	4,085,564,693	4,282,593,389
	This balance represents:		
	Land and Land Development	1,282,228,437	1,282,228,437
	Building & Other Construction	883,438,991	915,526,063
	Plant & Machinery	1,835,119,820	1,987,523,498
	Furniture & Fixture	4,441,616	5,225,431
	Office Equipment	37,013,521	39,874,881
	Motor Vehicle	43,322,308	52,215,079
	Total	4,085,564,693	4,282,593,389
	A detailed Schedule on Property, Plant & Equipment has been given in Annexure-A.		
5.00	Right-of-Use Assets:		
	This is made-up as follows:		
	A. Cost:		
	Opening Balance	20,554,764	11,886,397
	Add: Addition during the year	730,208	8,668,367
	Closing Balance	21,284,972	20,554,764
	B. Less: Accumulated Depreciation		
	Opening Balance	12,244,002	8,653,408
	Add: Charged during the year	3,264,078	3,590,594
	Closing Balance	15,508,080	12,244,002
	Written Down Value (A-B)	5,776,892	8,310,762
	A detailed Schedule on Right-of-Use Asset in accordance with IFRS-16 Leases has been given in Annexure-B.		
6.00	Investment in Properties:		
	This balance represents:		
	MirSORAI Economic Zone	149,637,573	119,986,434
	Total	149,637,573	119,986,434
	Maksons Spinning Mills PLC. (MSMPLC.) has applied to the BEZA to acquire 03 Nos. of Industrial Plot of 10 acre each total of 30 acre for 50 years lease at Mirsarai/Feni Economic Zones of National Special Economic Zone.		

Notes	Particulars	Amount in Tk.	
		30 June, 2024	30 June, 2023
7.00	Investment in Shares & Bond:		
	This balance represents:		
	Maksons Textiles Limited	270,000,000	270,000,000
	Southeast Bank PB Perpetual Bond	15,000,000	-
	Total	285,000,000	270,000,000
	Maksons Spinning Mills PLC. (MSMPLC.) has made an investment in shares of Maksons Textiles Limited (MTL). The project of the Company is in the preliminary stage of the implementation. Maksons Textiles Limited (MTL) is not a listed Company.		
8.00	Inventories:		
	This balance represents:		
	Raw Cotton (Note 8.01)	2,585,590,093	2,574,734,994
	Work-in-Process (Note 8.02)	78,740,078	51,782,035
	Finished Goods (Note 8.03)	503,065,724	385,726,961
	Store & Spares	33,521,889	35,946,240
	Total	3,200,917,784	3,048,190,230
8.01	Raw Cotton:		
	Cotton	2,585,590,093	2,574,734,994
	Total	2,585,590,093	2,574,734,994
8.02	Work-in-Process:		
	Blow Room	9,824,044	7,329,852
	Carding	937,940	954,013
	Drawing	3,812,123	3,549,227
	Simplex	13,407,855	9,402,295
	Ring	32,121,674	21,224,209
	Cone Winding	18,636,442	9,322,439
	Total	78,740,078	51,782,035
8.03	Finished Goods:		
	Various Count-Card & Comb	503,065,724	385,726,961
	Total	503,065,724	385,726,961
9.00	Trade and Other Receivable:		
	This is made-up as under:		
	Trade Receivable-Net	2,174,194,794	1,824,387,285
	Total	2,174,194,794	1,824,387,285
	This is considered good and is falling due within one year. Classification schedule as required by Schedule XI of Companies Act, 1994 are as follows:		

Sl. No.	Particulars	Amount in (Tk.)	Amount in (Tk.)
i	Debts considered good and in respect of which the Company is fully secured.	2,174,194,794	1,824,387,285
ii	Debts considered good for which the Company holds no security other than the debtor personal security for individual guests & for corporate guest credit is secured by corporate agreement including blank cheque.	Nil	Nil
iii	Debts considered doubtful or bad.	Nil	Nil
iv	Debts due by any director or other officer of the Company or any of them either severally or jointly with any other person or debts due by firms or private Companies respectively in which any director is a partner or a director or a member to be separately stated.	Nil	Nil
v	Debts due by Companies under the same management to be disclosed with the names of the Companies.	Nil	Nil
vi	The maximum amount due by Directors or other officer of the Company at the time during the period to be shown by way of a note.		
Total		2,174,194,794	1,824,387,285

The aging of above trade receivable is as follows:

Within Six Months	1,895,811,738	1,627,381,325
Above Six Months	278,383,056	197,005,960
Total	2,174,194,794	1,824,387,285

10.00 Investment in Marketable Securities (Fair Value):

This balance represents:

	30 June, 2024		30 June, 2023	
	Cost Value	Market Value	Cost Value	Market Value
Investment in Shares	104,307,390	42,777,160	104,307,390	73,452,406
Total	104,307,390	42,777,160	104,307,390	73,452,406
Opening Balance			73,452,406	73,790,361
Add: Net Addition of Share during the year			-	-
Add: Unrealized Gain/(Loss) during the year			(30,675,246)	(337,955)
Closing Balance			42,777,160	73,452,406

	Number of Share	Market Value as at 30-06-2024	Number of Share	Market Value as on 30-06-2023
Dhaka Bank PLC.	8,319	82,358	8,319	103,987
PLFSL	72,846	240,392	72,846	218,538
BIFC	112,546	1,046,678	112,546	1,069,187
Union Capital Ltd.	41,253	288,771	41,253	400,154
EXIM Bank PLC.	997	8,275	997	10,369
Metro Spinning Ltd.	556	9,340	556	21,350
National Bank PLC.	1,962	11,968	1,962	16,285
NCCBL	957	9,378	957	12,536
NLINS	400,000	41,080,000	400,000	71,600,000
Total		42,777,160		73,452,406

Note: Investments has been presented at fair value and changes in fair value (unrealized loss for diminution of market value of quoted share) has been transferred to available for Sale Reserve-Investment in accordance with IAS 39. Financial instrument recognized and measurement. The management consider investment in share as available for sale securities.

Notes	Particulars	Amount in Tk.	
		30 June, 2024	30 June, 2023
11.00	Advances, Deposits & Pre-Payments:		
	This balance represents:		
	Advances (Note 11.01)	966,313,502	1,001,995,440
	Deposits (Note 11.02)	32,364,719	32,364,719
	Pre-payments (Note 11.03)	1,500,000	1,500,000
	Total	1,000,178,221	1,035,860,159
11.01	Advances		
	Advance to the Parties & Others	47,428,631	249,819,243
	Advance to Related Party	292,472,096	54,497,034
	Advance Income Tax	31,359,999	55,720,910
	Advance VAT	3,540,521	2,217,666
	Raw Cotton & Spare-in-Transit	576,119,977	611,841,850
	Claim Receivable	15,392,278	27,898,737
	Total	966,313,502	1,001,995,440
11.02	Deposits:		
	Titas Gas	22,260,627	22,260,627
	Other Deposit	10,104,092	10,104,092
	Total	32,364,719	32,364,719
11.03	Pre-payments:		
	Office Rent	1,500,000	1,500,000
	Total	1,500,000	1,500,000
12.00	Cash and Cash Equivalents:		
	This balance represents:		
	Cash in Hand	622,119	843,362
	Cash at Bank (Note 12.01)	169,150,492	57,484,292
	Total	169,772,611	58,327,654
12.01	Cash at Bank:		
	This balance represents:		
	Current Account (Note 12.01.1)	10,223,078	10,567,815
	Short Term Deposit (Note 12.01.2)	1,679,640	1,517,398
	Foreign Currency A/C (Note 12.01.3)	157,247,774	45,399,079
	Total	169,150,492	57,484,292

Notes	Particulars	Amount in Tk.	
		30 June, 2024	30 June, 2023
12.01.1	Current Account:		
	This is made-up as follows:		
	1. Dhaka Bank PLC., Motijheel Br., CD A/C No. 201-100-152992	7,089	7,089
	2. Dutch Bangla Bank PLC., Uttara Br., CD A/C No. 11711011491	8,591,592	8,317,430
	3. Southeast Bank PLC., Principal Br., CD A/C No. 11100032781	610,016	526,437
	4. Global Islami Bank PLC., CD A/C No. 0111100050095	75,242	76,338
	5. Southeast Bank PLC., Principal Br., SND A/C No. 13100002246	979	594
	6. Southeast Bank PLC., Uttara Br., CD A/C No. 11100013610	260,745	862,456
	7. Southeast Bank PLC., Principal Br., SND A/C No. 13100002303	38,169	177,175
	8. Jamuna Bank PLC., Uttara Br., CD A/C No. 0210004740	69,716	70,636
	9. Mercantile Bank PLC., Uttara Br., CD A/C No. 11100009852	2,515	2,515
	10. Mutual Trust Bank PLC., Principal Br., CD A/C No. 0210011500	101,580	101,580
	11. Union Bank PLC., Panthapath Br., A/C No. 0131010007982	6,780	6,780
	12. Shahjalal Islami Bank PLC., Dhaka Main Br., CD A/C No. 11100014936	8,438	8,438
	13. Southeast Bank PLC., Uttara Br., Com. Secretary, A/C No. 11100013636	170,988	172,578
	14. NRB Commercial Bank PLC., Hatirpul Br., A/C No. 144-33300000005	6,918	6,918
	15. City Bank PLC., Nikunja Br., CD A/C No. 3101644598001	15,545	15,545
	16. Social Islami Bank PLC., Uttara Br., CD A/C No. 024-133-0016833	6,030	6,030
	17. Bank Asia PLC., Banani Br., CD A/C No. 01233053953	1,474	6,336
	18. Bank Asia PLC., Banani Br., CD A/C No. 62033000001	6,590	6,590
	19. Modhumoti Bank PLC., Uttara Br., A/C No. 111011100000111	2,410	2,410
	20. Bkash PLC., DM-1458	234,672	190,637
	21. Pubali Bank PLC., Airport Br., CD A/C No. 248190102030	2,245	3,303
	22. Southeast Bank PLC., Uttara Escrow Br., A/C No. 11100013635	1,912	-
	23. Southeast Bank PLC., Uttara Br., A/C No. 13100000391	1,433	-
	Total	10,223,078	10,567,815
12.01.2	Short Term Deposit:		
	This balance represents:		
	1. Southeast Bank PLC., Principal Br., Escrow A/C No. 13100001871	16,110	17,080
	2. Southeast Bank PLC., Uttara Br., A/C No. 13100000392	111,959	116,389
	3. Southeast Bank PLC., Uttara Br., STD-A/C No. 001313100000415	16,187	9,132
	4. Jamuna Bank PLC., Dilkusha Br., A/C No. 0320001149	37,280	38,137
	5. Southeast Bank PLC., Principal Br., SND A/C No. 13100002274	19,347	27,018
	6. Southeast Bank PLC., Principal Br., SND A/C No. 13100002253	1,398,635	870,088
	7. Southeast Bank PLC., Principal Br., SND A/C No. 13100002291	38,097	397,529
	8. Bank Asia PLC., Uttara Br., CD A/C No. 01533001858	5,121	5,121
	9. City Bank PLC., Foreign Exchange Br., A/C No. 3101048422001	36,904	36,904
	Total	1,679,640	1,517,398
12.01.3	Foreign Currency A/C:		
	Southeast Bank PLC.	155,032,944	43,184,249
	City Bank PLC.	2,214,830	2,214,830
	Total	157,247,774	45,399,079

Notes	Particulars	Amount in Tk.	
		30 June, 2024	30 June, 2023

13.00 Share Capital:

This represents:

Authorized

4,000,000 Preference Shares of Tk. 10/- each
496,000,000 Ordinary Shares of Tk. 10/- each

40,000,000	40,000,000
4,960,000,000	4,960,000,000
5,000,000,000	5,000,000,000

Issued, Subscribed and Paid-up

2,382,325,380	2,382,325,380
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Paid-up Share Capital of Tk. 238,232,538 is arrived at as follows:

Preference Shares
Public Issue of 238,232,538 Ordinary Shares @Tk. 10/-each
Total Ordinary Shares

-	-
2,382,325,380	2,382,325,380
2,382,325,380	2,382,325,380

Distribution Schedule-Disclosures under the listing regulation of Stock Exchanges: The distribution schedule showing the number of shareholders and their shareholdings in percentage has been disclosed below as a requirement of the "Listing Regulations of Dhaka and Chittagong Stock Exchanges".

Range of Holding	No. of Shareholders		% of Total Holders		No. of Shares		% of Share Capital	
	2023-2024	2022-2023	2023-2024	2022-2023	2023-2024	2022-2023	2023-2024	2022-2023
Below 500	5679	6245	23.75%	25.30%	968,191	1,094,417	0.41%	0.46%
500 to 5,000	13220	13708	55.28%	55.53%	25,203,287	25,526,100	10.58%	10.71%
5,001 to 10,000	2238	2061	9.36%	8.35%	17,016,457	15,792,659	7.14%	6.63%
10,001 to 20,000	1355	1289	5.67%	5.22%	20,162,960	19,115,846	8.46%	8.02%
20,001 to 30,000	505	481	2.11%	1.95%	12,812,222	12,147,345	5.38%	5.10%
30,001 to 40,000	252	251	1.05%	1.02%	8,908,592	8,873,366	3.74%	3.72%
40,001 to 50,000	171	171	0.72%	0.69%	7,906,478	7,859,438	3.32%	3.30%
50,001 to 100,000	278	273	1.16%	1.11%	20,253,299	19,872,620	8.50%	8.34%
100,001 to 1,000,000	197	189	0.82%	0.77%	44,228,290	45,707,712	18.57%	19.19%
1,000,001 above	18	19	0.08%	0.08%	80,772,762	82,243,035	33.91%	34.52%
Total	23,913	24,687	100.00%	100.00%	238,232,538	238,232,538	100.00%	100.00%

Market Price:

The Company was listed on the Dhaka and Chittagong Stock Exchanges on 01-01-2009. Each share was quoted at Tk. 10.90 (on 30-06-2024) in the Dhaka Stock Exchange PLC. and Tk. 10.90 (on 30-06-2024) in the Chittagong Stock Exchange PLC.

Summarized list of Shareholders as on 30 June, 2024:

Category	Total Shareholders	Total Shareholdings	Percentage (%)
Sponsors	12	71,476,634	30%
Financial Institutions	294	14,841,328	6.23%
General Public	23,607	151,914,576	63.77%
Total	23,913	238,232,538	100%

Option on Unissued Shares:

There is no option regarding the authorized capital not yet issued can be used to increase the Issued, Subscribed and Paid-up Capital through the issuance of new shares against cash contribution and bonus.

Notes	Particulars	Amount in Tk.	
		30 June, 2024	30 June, 2023
14.00	Share Premium:		
	This balance represents:		
	Share Premium	1,526,004,000	1,526,004,000
	Total	1,526,004,000	1,526,004,000
	The Company has been issued Right Shares of 104,880,000 ordinary shares @ Tk. 15 each (including premium of Tk. 15) through approval of issuance of Right Shares by Bangladesh Securities & Exchange Commission vide letter no. SEC/CI/RI-41/2010/17 dated June 17, 2010.		
15.00	Revaluation Reserve:		
	This is made-up as under:		
	Opening Balance	334,684,096	337,930,247
	Add: Adjustment of Revaluation	(3,083,843)	(3,246,151)
	Closing Balance	331,600,253	334,684,096
16.00	Fair Value Reserve:		
	This is made-up as under:		
	Opening Balance	(30,854,984)	(30,517,029)
	Add: Addition during the year	(30,675,246)	(337,955)
	Closing Balance	(61,530,230)	(30,854,984)
17.00	Retained Earnings:		
	This is made-up as under:		
	Opening Balance	(373,713,341)	798,510,534
	Add: Net Profit/(Loss) during the year	(879,117,940)	(937,237,488)
	Add: Adjustment for Depreciation on Revaluation Reserve	3,083,843	3,246,151
	Less: Payment of Cash Dividend	(1,249,747,437)	(135,480,803)
	Closing Balance	(1,249,747,437)	(373,713,341)

Notes	Particulars	Amount in Tk.	
		30 June, 2024	30 June, 2023
18.00	Long Term Loan:		
	This balance represents:		
	Southeast Bank PLC., Uttara Br., A/C No. 71300001552	143,480,674	151,949,139
	Southeast Bank PLC., Uttara Br., A/C No. 71300001553	60,696,767	66,050,906
	Southeast Bank PLC., Uttara Br., A/C No. 71300001554	61,689,430	68,487,083
	Southeast Bank PLC., Uttara Br., A/C No. 71300001571	25,290,526	27,632,059
	Southeast Bank PLC., Uttara Br., A/C No. 71300001572	9,810,019	10,536,890
	Southeast Bank PLC., Uttara Br., A/C No. 71300001573	7,681,308	8,336,431
	Southeast Bank PLC., Uttara Br., A/C No. 71300001574	129,213,741	137,003,532
	Southeast Bank PLC., Uttara Br., A/C No. 71300001575	29,148,094	31,885,970
	Southeast Bank PLC., Uttara Br., A/C No. 71300001595	-	10,239,785
	Southeast Bank PLC., Uttara Br., A/C No. 71300001608	70,465,179	69,918,059
	Southeast Bank PLC., Uttara Br., A/C No. 71300001654	108,580,522	-
	Southeast Bank PLC., Uttara Br., A/C No. 71300001655	357,010,203	-
	Southeast Bank PLC., Principal Br., A/C No. 71300007198	104,063,367	122,583,437
	Southeast Bank PLC., Principal Br., A/C No. 71300007247	151,808,326	170,865,576
	Southeast Bank PLC., Principal Br., A/C No. 71300007556	10,644,557	9,876,471
	Southeast Bank PLC., Principal Br., A/C No. 71300007558	25,860,353	24,035,167
	Southeast Bank PLC., Principal Br., A/C No. 71300007681	2,339,834	2,162,655
	Southeast Bank PLC., Principal Br., A/C No. 71300007686	15,413,700	13,990,132
	Southeast Bank PLC., Principal Br., A/C No. 71300007692	10,348,870	9,395,258
	Southeast Bank PLC., Principal Br., A/C No. 71300008005	249,246,144	-
	Southeast Bank PLC., Principal Br., A/C No. 71300008061	308,584,167	-
	Total	1,881,375,780	934,948,550

This is made-up as under:

Current/Non-Current Portion Classification:

Southeast Bank PLC.:

Non-Current Portion of Long Term Borrowings
 Current Portion of Long Term Borrowings
Total

844,171,684	772,181,928
1,037,204,095	162,766,622
1,881,375,779	934,948,550

Notes	Particulars	Amount in Tk.	
		30 June, 2024	30 June, 2023

Main features of finance from Southeast Bank PLC. Uttara Br. is as under:

Particulars	Details
Nature	Term Finance
Purpose	Adjustment
Repayment	
	107,137,389
	Term Loan A/C-713-1552 3,022,782
	Term Loan A/C-713-1553 1,301,400
	Term Loan A/C-713-1554 1,349,275
	Term Loan A/C-713-1571 544,613
	Term Loan A/C-713-1572 207,257
	Term Loan A/C-713-1573 164,075
	Term Loan A/C-713-1574 2,726,012
	Term Loan A/C-713-1575 628,451
	Term Loan A/C-713-1608 1,127,450
	Term Loan A/C-713-1654 1,850,500
	Term Loan A/C-713-1655 31,457,000
	Term Loan A/C-713-7198 3,153,927
	Term Loan A/C-713-7247 3,850,051
	Term Loan A/C-713-7556 223,635
	Term Loan A/C-713-7558 551,699
	Term Loan A/C-713-7681 44,043
	Term Loan A/C-713-7686 281,672
	Term Loan A/C-713-7692 189,547
	Term Loan A/C-713-8005 27,464,000
	Term Loan A/C-713-8061 27,000,000
Rate of Interest	The interest rate is subject to change from time to time.
Security	1) 110 decimal land located at Gouripur Ashulia, Savar Dhaka; 2) Personal Guarantee of all Directors; & 3) One post dated cheque of Equivalent amount.

19.00 Lease Liability:

This balance represents:

Finance Lease Obligation (Note 19.01)
Lease Liability Right-of-Use Assets (Note 19.02)
Total

164,647,921	177,499,064
6,452,553	8,989,786
171,100,474	186,488,850

Current/Non-Current Portion Classification:

Non-Current Portion of Lease Liability
Current Portion of Lease Liability
Total

147,347,626	152,005,423
23,752,848	34,483,427
171,100,474	186,488,850

Notes	Particulars	Amount in Tk.	
		30 June, 2024	30 June, 2023
19.01	Finance Lease Obligation:		
	Pubali Bank PLC.	3,061,088	4,086,294
	Bay Leasing & Investment Ltd.	161,586,833	173,412,770
	Total	164,647,921	177,499,064
	Current/Non-Current Portion Classification:		
	Pubali Bank PLC.		
	Non-Current Portion of Finance Lease Obligation	2,105,718	3,255,062
	Current Portion of Finance Lease Obligation	955,370	831,232
	Sub Total (A)	3,061,088	4,086,294
	Bay Leasing & Investment Ltd.		
	Non-Current Portion of Finance Lease Obligation	141,962,231	142,941,994
	Current Portion of Finance Lease Obligation	19,624,602	30,470,776
	Sub-Total (B)	161,586,833	173,412,770
	Total (A+B)	164,647,921	177,499,064

Main features of finance from Pubali Bank PLC. is as under:

Particulars	Details
Nature	Lease Finance
Purpose	To procure 02 two unit ("Brand New Covered Van 1. AC 4WD Double Cabin Pick-up Model-2021 & Isuzu FSR33L (6-Ton) Covered Van, Model-2018)
Tenure	5 years/60 months
Repayment	Monthly Installment Tk. 1,07,943
Rate of Interest	9.00%
Security	Registration in favor of lease, 60 installment cheque, cheque amount Tk. 15,00,000 personal guarantee of all Directors.

Main features of finance from Bay Leasing & Investment Ltd. is as under:

Particulars	Details
Nature	Lease Finance under Sale & Lease Back Arrangement
Purpose	For acquisition of Capital machinery.
Tenure	8.5 years/102 months (including 06 months Grace Period)
Repayment	Monthly Installment Tk. 1,403,141
Rate of Interest	11%
Security	1) 60.79 decimal land located at Dhaka, Dokkhinkhan, Sub-Register Office-Badda, J.L No. C.S 193, S.A 34, R.S 34, & Dhaka City Jorip-16, Mouza- Dokkhinkhan, Mutation Khatian No. 24856 2) 46.29 decimal land located at Dhaka Uttarkhan, Sub-Register Office-Uttara, J.L No. C.S 195, S.A 17, R.S 14, & Dhaka City Jorip-19, Mouza- Uttarkhan, Mutation Khatian No. 4068, 25589, 4067. 3) Personal Guarantee of all Directors 4) Six Post dated cheque of monthly interest during the grace period. 5) Ninety six post dated cheque of Equivalent amount. 6) One Undated cheque for Finance amount Tk. 8,97,60,000. 7) One MICR cheque for residual value Tk. 4,48,800.

Notes	Particulars	Amount in Tk.	
		30 June, 2024	30 June, 2023

Main features of finance from Bay Leasing & Investment Ltd. is as under:

Particulars	Details
Nature	Lease Finance under Sale & Lease Back Arrangement
Purpose	For acquisition of Capital machinery. To procure (Brand New MWM natural Gas Generating Set from Kaltimax Energy)
Tenure	9 years/108 months (including 12 months Grace Period)
Repayment	Monthly Installment Tk. 586,397
Rate of Interest	11%
Security	"1) Personal Guarantee of all Directors 2) Twelve Post dated cheque of monthly interest during the grace period. 3) Ninety six post dated cheque of Equivalent amount. 4) One Undated cheque for Finance amount Tk. 3,37,60,000. 5) One MICR cheque for residual value Tk. 3,37,335."

Main features of finance from Bay Leasing & Investment Ltd. is as under:

Particulars	Details
Nature	Lease Finance under Sale & Lease Back Arrangement
Purpose	Term Loan
Tenure	7 years/84 months (including Grace Period)
Repayment	Monthly Installment Tk. 6,46,008
Rate of Interest	11%
Security	1) 60.79 decimal land located at Dhaka, Dokkhinkhan, Sub-Register Office-Badda, J.L No. C.S 193, S.A 34, R.S 34, & Dhaka City Jorip-16, Mouza- Dokkhinkhan, Mutation Khatian No. 24856 2) 46.29 decimal land located at Dhaka Uttarkhan, Sub-Register Office-Uttara, J.L No. C.S 195, S.A 17, R.S 14, & Dhaka City Jorip-19, Mouza- Uttarkhan, Mutation Khatian No. 4068, 25589, 4067. 3) Personal Guarantee of all Directors 4) One Master cheque covering the entire loan amount. 5) Eight four post dated cheque of Equivalent amount.

Main features of finance from Bay Leasing & Investment Ltd. is as under:

Particulars	Details
Nature	Term Loan
Purpose	To meet financial requirements for completing civil works of Unit-2 of MSML.
Tenure	7.5 years/90 months (including Grace Period)
Repayment	Monthly Installment Tk. 1,699,402
Rate of Interest	11.00%
Security	1) 60.79 decimal land located at Dhaka, Dokkhinkhan, Sub-Register Office-Badda, J.L No. C.S 193, S.A 34, R.S 34, & Dhaka City Jorip-16, Mouza- Dokkhinkhan, Mutation Khatian No. 24856 2) 46.29 decimal land located at Dhaka Uttarkhan, Sub-Register Office-Uttara, J.L No. C.S 195, S.A 17, R.S 14, & Dhaka City Jorip-19, Mouza- Uttarkhan, Mutation Khatian No. 4068, 25589, 4067. 3) Personal Guarantee of all Directors 4) One MICR cheque for total Finance amount. 5) Four Post dated MICR cheque of monthly interest during the grace period. 6) Seventy eight post dated cheque of Equivalent amount.

Notes	Particulars	Amount in Tk.	
		30 June, 2024	30 June, 2023

Main features of finance from Bay Leasing & Investment Ltd. is as under:

Particulars	Details
Nature	Lease Finance facility.
Purpose	For acquisition of one unit (Brand New Toyota Harrier).
Tenure	5 years/60 months
Repayment	Monthly Installment Tk. 1,63,069
Rate of Interest	11.00%
Security	1) One Master cheque covering the entire lease amount. 2) Sixty post dated cheque of Equivalent amount. 3) Personal Guarantee of all Directors 4) Registration in favor of lease.

19.02 Lease Liability Right-of-Use Assets:

Lease Liability Right-of-Use Assets	6,452,553	8,989,786
Total	6,452,553	8,989,786

Current/Non-Current Portion Classification:

Non-Current Portion of Lease Liability Right-of-Use Assets	3,279,677	5,808,367
Current Portion of Lease Liability Right-of-Use Assets	3,172,876	3,181,419
Total	6,452,553	8,989,786

20.00 Deferred Tax Liabilities:

This is made-up as follows:

Opening Balance	278,087,597	254,164,299
Add: Addition during the year	(1,765,113)	23,923,298
Total Deferred Tax Liabilities	276,322,484	278,087,597

WDV of Fixed Assets	3,692,831,542	3,886,232,187
WDV of Revaluation Surplus of Fixed Assets	392,733,152	396,361,202
WDV of Fixed Assets as per Accounts	4,085,564,693	4,282,593,389
WDV as per Tax Base	2,243,414,803	2,428,676,073
Difference	1,842,149,890	1,853,917,316

Tax @ 15% on Difference [A]	276,322,484	278,087,597
WDV on Accounting Base (Land)	-	-
WDV as per Tax Base (Land)	-	-
Difference	-	-

Tax @ 3% on Difference [B]	-	-
Total [A+B]	276,322,484	278,087,597

Notes	Particulars	Amount in Tk.	
		30 June, 2024	30 June, 2023

21.00 Short Term Loan from Bank and Others:

Short Term Loan from Bank (Note 21.01)	4,192,446,595	4,264,803,205
Total	4,192,446,595	4,264,803,205

21.01 Short Term Loan from Bank:

This balance represents:

Southeast Bank PLC., Uttara Br., OD A/C 73300000281	122,431,479	115,558,675
Southeast Bank PLC., Principal Br., OD A/C 73300001735	85,353,002	81,865,762
Loan on Export	1,118,767,056	1,146,429,615
Southeast Bank PLC., LTR & Others	994,618,829	541,978,194
Southeast Bank PLC., EDF	1,871,276,229	2,378,970,959
Total	4,192,446,595	4,264,803,205

The above loans are taken mainly for working capital financing. The Company has complied with relevant terms and condition of these loans.

Southeast Bank PLC. (Overdraft):

The Overdraft limit was sanctioned by Southeast Bank PLC. (Principal Branch) for one year a revolving limit of Tk. 80,000,000 and is usually renewed on annual basis. The interest rate is subject to change from time to time.

Southeast Bank PLC. (Loan against Trust Receipt):

The loan against trust receipt (LTR) were sanctioned by Southeast Bank PLC. (Principal Branch) for 180 days is usually renewed on annual basis. the interest rate is subject to change from time to time. Such loan is secured against project finance security.

Southeast Bank PLC. (EDF):

The EDF Loan limit was sanctioned by Southeast Bank PLC. (Principal Branch) for LC Limit of Tk. 25,500 Lac for import of Raw Cotton, Spares & Accessories. The interest rate is subject to change from time to time.

The EDF Loan limit was sanctioned by Southeast Bank PLC. (Uttara Branch) for LC Limit of Tk. 17,000 Lac for import of Raw Cotton, Spares & Accessories. The interest rate is subject to change from time to time.

22.00 Dividend Payable/Unpaid Dividend:

This is made-up as follows:

Opening Balance	60,684,265	55,597,653
Add: Approved during the year	-	238,232,538
	60,684,265	293,830,191
Less: Paid during the year	30,531,264	233,145,926
Closing Balance	30,153,001	60,684,265

Years

2017-2018	13,881,887	14,593,334
2018-2019	6,330,192	6,354,122
2019-2020	1,787,017	1,794,104
2020-2021	4,185,888	23,142,440
2021-2022	3,968,017	14,800,265
	30,153,001	60,684,265

Notes	Particulars	Amount in Tk.	
		30 June, 2024	30 June, 2023

23.00 Trade and Other Payables:

This balance represents:

Acceptance Liability (Differed)	1,271,471,341	785,076,170
Insurance Premium	10,991,926	4,124,107
Salary & Wages	27,627,497	21,318,140
Other Liability	122,784,287	111,077,280
Other Expenses	60,576,872	66,703,240
Creditor for Goods	6,870,929	3,766,782
WPPF	9,321,634	9,323,634
Provision for Tax (Note 23.01)	124,124,943	156,261,348
Total	1,633,769,429	1,157,650,700

23.01 Provision for Tax:

This is made-up as follows:

Opening Balance	156,261,348	148,786,314
Add: Provision during the year	23,584,505	55,720,910
Less: Tax Paid/Adjusted during the year	(55,720,910)	(48,245,876)
Closing Balance	124,124,943	156,261,348

24.00 Sales (Net of VAT):

This balance represents:

Export Sales	4,992,464,195	4,407,572,924
Local Sales (Net of VAT)	463,804,250	-
Total	5,456,268,445	4,407,572,924

25.00 Cost of Goods Sold:

Particulars	Quantity(Lbs)	Amount in Taka	Amount in Taka
Opening Work-in-Process	343,866	51,782,033	58,039,062
Raw Material Consumed (Note 25.01)	39,204,405	4,390,302,024	3,632,930,834
	39,548,271	4,442,084,057	3,690,969,896
Less: Recovery during the year	6,543,039	76,826,889	31,417,717
	33,005,232	4,365,257,168	3,659,552,179
Less: Invisible during the year	289,157	-	-
Material Available for Consumption	32,716,075	4,365,257,168	3,659,552,179
Less: Closing Work-in-Process	587,561	78,740,078	51,782,034
Production during the year	32,128,514	4,286,517,090	3,607,770,145
Add: Direct Expenses (Note 25.02)	-	186,263,960	250,333,835
Add: Manufacturing Overhead (Note 25.03)	-	881,812,775	781,167,630
Cost of Production	32,128,514	5,354,593,826	4,639,271,610
Opening Finished Goods	2,336,846	385,726,961	374,696,251
Finished Goods Available for Sale	34,465,360	5,740,320,787	5,013,967,861
Less: Closing Finished Goods	3,572,056	503,065,724	385,726,961
Total	30,893,304	5,237,255,063	4,628,240,900

Notes	Particulars	Amount in Tk.	
		30 June, 2024	30 June, 2023

25.01 Raw Material Consumed:

This is made-up as follows:

Particulars	Quantity(Lbs)	Amount in Taka	Amount in Taka
Opening Stock of Raw Cotton	29,896,927	2,574,734,994	2,120,872,317
Add: Purchase of Raw Cotton	37,857,735	4,744,438,572	4,086,793,511
Raw Cotton Consumption for Available	67,754,662	7,319,173,566	6,207,665,828
Less: Sales of Raw Cotton	(3,103,876)	(343,281,449)	
Less: Closing Stock of Raw Cotton	(25,446,381)	(2,585,590,093)	(2,574,734,994)
Total Raw Cotton Consumption	39,204,405	4,390,302,024	3,632,930,834

25.02 Direct Expenses:

This balance represents:

Direct Labour/Wages		
Bonus	167,751,035	232,777,219
Overtime	9,508,233	12,072,254
Loading & Unloading	8,046,731	4,469,035
Total	957,961	1,015,327
	186,263,960	250,333,835

25.03 Manufacturing Overhead:

This balance represents:

Factory Salary & Allowances	69,169,362	74,811,909
Factory Overtime (Staff and Officers)	1,435,097	1,938,326
Factory Bonus	4,407,250	7,139,948
Gas Bill	441,795,182	346,336,411
Chemical Consumption	405,569	265,138
Store & Spares	59,728,522	53,901,788
Repair & Maintenances (Labour)	178,715	337,840
Electricity Bill	6,468,093	8,131,297
Entertainment (Factory)	470,503	886,553
Factory Stationery	1,108,960	1,038,062
Repairs & Maintenance (Gas Generator)	995,449	622,854
Transport Expenses	4,185,484	4,598,252
Fuel for Vehicle	12,755,982	10,991,539
Repair & Maintenances	2,347,844	2,723,445
Repair & Maintenances (Machinery)	8,490,441	1,513,306
Insurance	5,688,392	5,695,702
TA /DA Conveyance	223,330	238,180
Fuel, Oil & Lubricant-Machinery	13,800,505	11,214,957
Office Expenses (Factory)	491,591	492,463
Sanitation	695,302	616,908
Depreciation	246,971,203	247,672,752
Total	881,812,775	781,167,630

Notes	Particulars	Amount in Tk.	
		30 June, 2024	30 June, 2023
26.00	Administrative Expenses:		
	This balance represents:		
	Salary & Allowances	68,787,491	83,196,750
	Festival Bonus	8,858,869	9,189,083
	Legal Expenses	9,326,780	2,336,022
	Office Stationery	558,259	1,055,330
	Advertisement (General)	865,009	930,134
	Business Promotion Expenses	6,156,879	8,531,774
	Membership Fees	495,800	942,367
	CDBL Fees & Stock Exchange Fees	1,512,000	1,306,000
	Share Department Expenses (ICT)	15,500	110,000
	TA/ DA Conveyance	1,566,745	1,668,643
	Vehicle Maintenances	5,320,279	5,004,749
	Telephone & Fax	1,213,993	1,212,138
	Head Office Utility	2,221,058	1,955,633
	ICT Expenses	3,592,229	3,418,207
	AGM Expenses	421,250	650,544
	Office Expenses	2,031,729	2,581,576
	Entertainment	2,899,493	4,261,334
	Gas for Vehicles	2,591	-
	Fuel for Vehicles	3,096,576	3,184,809
	Fuel for Generator	-	192,400
	Employee Welfare and Refreshment	160,200	214,920
	Repair & Maintenances	307,038	336,186
	Sanitation	93,520	119,469
	Documentation	1,565,407	6,737,986
	Miscellaneous Expenses	541,396	859,702
	Postage & Telegram	10,539	95,473
	Board Meeting Expenses	762,000	750,000
	License & Renewal	1,214,838	520,726
	Audit Fees	375,000	375,000
	Depreciation	18,723,459	21,577,448
	Total	142,695,927	163,314,403

27.00 Selling & Distribution Expenses:

This balance represents:

Packing Materials	36,703,670	42,842,845
Total	36,703,670	42,842,845

28.00 Financial Expenses:

This balance represents:

Interest on Bank & Other Financial Interest (28.01)	785,895,056	411,336,425
Bank Charges and Commission	29,057,632	25,282,655
Interest Expenses (Lease Liability-Right-of-Use Assets)	874,859	1,105,671
Total	815,827,547	437,724,751

Notes	Particulars	Amount in Tk.	
		30 June, 2024	30 June, 2023
28.01	Interest on Bank & Other Financial Interest:		
	Loan on Export	134,462,016	131,741,315
	Southeast Bank PLC., Overdraft A/C	23,203,835	18,515,442
	Southeast Bank PLC., Term Loan	157,740,789	84,124,662
	Southeast Bank PLC., EDF	133,088,826	82,063,140
	Southeast Bank PLC., LTR A/C	7,042,421	10,050,342
	Southeast Bank PLC., Force Loan	102,524,613	23,097,511
	Southeast Bank PLC., UPAS LC	189,631,331	34,157,385
	Bay Leasing & Investment Limited	22,375,914	20,290,162
	Pubali Bank PLC.	372,066	373,894
	Uttara Finance PLC.	-	326,457
	Other Interest	141,657	6,596,115
	Interest of PAD	15,311,588	-
	Total	785,895,056	411,336,425
29.00	Non-Operating Income/(Loss):		
	Income/(Loss) from Investment	(3,005,634)	1,400,000
	Profit/(Loss) on Sale of Raw Cotton	(2,212,005)	-
	Profit/(Loss) on Sale of Assets	-	764,927
	Currency Fluctuation Gain/(Loss) Unrealized	(76,656,315)	4,630,083
	Interest Received on Bank A/C	789,167	161,685
	Total Non-Operating Income	(81,084,786)	6,956,695
30.00	Contribution to Workers' Profit Participation Fund:		
	This represents 5% of the net profit after charging such contribution but before tax contribution by the Company as per provisions of Bangladesh Labour Act (Amendments), 2013.		
31.00	Income Tax Expenses:		
	Current Tax (Note 31.01)	23,584,505	55,720,910
	Deferred Tax (Note 31.02)	(1,765,113)	23,923,298
	Total	21,819,392	79,644,208
31.01	Current Tax:		
	Paragraph 81C of IAS-12 requires an explanation of relationship between Tax expense and accounting profit. The information is disclosed below:		
	Income from Operation	(857,298,548)	(857,593,280)
	Income Tax Rate*	15%	15%
	Tax Payable on Income from Operation [A]	-	-
	Income from Non-Operations	(81,084,786)	6,956,695
	Income Tax Rate**	20%	20%
	Tax Payable on Income from Non-Operations [B]	-	-
	Tax Payable on Taxable Income [C=A+B]	-	-
	Minimum Tax Payable u/s 82C(4) (a) [D]	27,281,342	22,037,865
	Tax deducted at Source u/s 52[E]	23,584,505	55,720,910
	Tax Expenses for the year 30 June, 2024 [Higher of C, D and E]	23,584,505	55,720,910

* As per Ministry of Finance SRO dated 30 June, 2019 (SRO#218)

** As per Bangladesh Finance Act, 2024

Notes	Particulars	Amount in Tk.	
		30 June, 2024	30 June, 2023
31.02	Deferred Tax:		
	Closing Deferred Tax Liabilities	276,322,484	278,087,597
	Opening Deferred Tax Liabilities	278,087,597	254,164,299
	Current year Deferred Tax	(1,765,113)	23,923,298
32.00	Earnings Per Share (EPS):		
	(a) Earnings Attributable to the Ordinary Shareholders (Net Profit after Tax)	(879,117,940)	(937,237,488)
	(b) Weighted Average Number of Ordinary Shares Outstanding during the year	238,232,538	238,232,538
	(c) Basic EPS (Before Considering Unrealized Gain/(Loss) on Marketable Securities)	(3.69)	(3.93)
	(d) Basic EPS (Comparative Restated)	(3.69)	(3.93)
	(e) Basic EPS (After Considering Unrealized Gain/(Loss) on Marketable Securities)	(3.82)	(3.94)
33.00	Net Assets Value (NAV) Per Share:		
	Total Assets	11,113,819,728	10,721,108,319
	Total Liabilities	8,185,167,762	6,882,663,167
	A. Net Assets	2,928,651,966	3,838,445,151
	B. Total Number of Shares Outstanding	238,232,538	238,232,538
	C. Net Assets Value (NAV) per Share (A/B)	12.29	16.11
	D. Net Assets Value Per Share (NAVPS) (Comparative Adjusted)	12.29	16.11
34.00	Net Operating Cash Flow Per Share (NOCFPS):		
	A. Net Operating Cash Flow (Numerator)	(611,416,393)	56,219,135
	B. No. of Shares Outstanding	238,232,538	238,232,538
	C. Net Operating Cash Flow Per Shares (A/B)	(2.57)	0.24
	D. Net Operating Cash Flow Per Shares (Comparative Adjusted)	(2.57)	0.24
35.00	Net Operating Cash Flow Reconciliation:		
	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 Flow under Indirect Method is provided below:		
	Net Profit/(Loss) after Tax	(879,117,940)	(937,237,488)
	Income Tax Expenses	21,819,392	79,644,208
	Net Profit/(Loss) before tax for the year	(857,298,548)	(857,593,280)
	Non Cash and Non Operating Adjustment:		
	Depreciation	265,694,662	269,250,200
	Right-of-Use Assets	(730,208)	(8,668,367)
	Unrealized Foreign Exchange Fluctuation Gain/(Loss)	(4,763,606)	1,968,738
	Gain on Investment/Sold Assets	-	(764,927)
	Income Tax Paid	(31,359,999)	(68,220,910)
	Working Capital Adjustments:		
	(Increase)/Decrease in Advances & Pre-payments, excluding Advance Income Tax	11,321,027	83,483,980
	(Increase)/Decrease in Trade Receivables	(349,807,297)	313,030,475
	(Increase)/Decrease in Inventory	(152,727,554)	(446,339,782)
	(Decrease)/Increase in AP & Other Liabilities	508,255,131	770,073,008
	Net Cash from Flow Operating Activities	(611,416,393)	56,219,135

**36.00 Disclosure as per Requirement BSEC /CMRRCD/2006-15/134/ 1.5 (XVII):
Significant Deviation from the Last Year's Operating Results**

Particulars	30.06.24	30.06.23	Deviation	Reason
EPS	(3.69)	(3.93)	0.24	EPS increase due to production capacity increase and increased demand, which result sales volume and price increase.
NAV	12.29	16.11	(3.82)	NAV decreased due to Loss
NOCFPS	(2.57)	0.24	(2.80)	COFPS decrease due to sales & collection decrease.

37.00 Commission, Brokerage or Discount against Sales:

No Commission was Incurred or Paid to Distributors, Agent nor Any Brokerage or Discount was Incurred or paid against Sales.

38.00 Payment of Foreign Currency:

Import of Machinery & Spare Parts of the Machinery, Import of Raw Materials.

No Other Expense include Consultancy Fees, Royalty, Technical Expert and Professional Advisory Fees, Interest, etc. was Incurred or Paid in Foreign Currencies Except as Stated Above.

39.00 Finance Lease Commitment:

As at 30-06-2024, there was no lease commitment under finance lease.

40.00 Capital Expenditure Commitment:

There was no Liabilities as on 30.06.2024 except L/C Liabilities;

There was No Credit Facility available to the Company under any Contract, Other than Trade Credit available in the Ordinary Course of Business and Not availed as on 30.06.2024.

41.00 Claim not Acknowledged as Debt:

There was no claim against the company acknowledged as debt as on 30 June, 2024.

42.00 Foreign Exchange Earned:

Export in USD;

No other Income included Consultancy Fees, Royalty, Technical Expert and Professional Advisory Fees, Interest, etc. was Incurred or Paid in Foreign Currencies Except as Stated Above.

43.00 Credit Facility Not Availed:

There was No Credit Facility Available to the Company under Any Contract, But No Availed as on 30 June, 2024 Other than Trade Credit Available in the Ordinary Course of Business.

44.00 Related Party Transactions:

During the year ended 30 June, 2024 the Company entered into transactions with related party in the normal course of business. All these transactions took place in an arm length basis. Name of the related parties, nature of these transactions and amount thereof been set out below in accordance with the provisions of IAS-24: Related party disclosures are:

Particulars	Relationship	A/C Type	Opening	Received	Paid	Closing
Maksons Textile Limited	Common Directors	Share Money Deposit	51,742,300	11,700,000	168,939,952	208,982,252
Gardenia Wears Limited	Common Directors	Inter Company Loan & Advance	-	7,200,000	27,293,000	20,093,000
La-Muni Apparels Ltd.	Common Directors	Inter Company Loan & Advance	-	25,900,000	100,021,025	74,121,025
Metro Spinning Limited	Common Directors	Inter Company Loan & Advance	2,754,733	35,501,139	22,022,224	(10,724,182)

The Board has decided to subscribe 2,00,00,000 nos. of ordinary shares (Tk. 10 each) against Tk. 20,00,00,000.00 of Maksons Textiles Limited, subject to obtain approval by the shareholders in the upcoming Annual General Meeting (AGM).

45.00 Payment /Perquisites to Directors and Officers:

The aggregate amount paid/provided during the year in respect of "Directors" and "Officers" of the Company as defined in the Securities and Exchange Rules, 1987 are disclosed below:

Particulars	30-06-2024
Directors Remuneration	10,878,000
Managerial Remuneration	20,172,175
Managerial Benefits:	
Bonus	1,687,876
House Rent	7,393,717
Conveyance	924,215

(a) no compensation was made to the Managing Director of the Company.

(b) no amount was spent by the Company for compensating any member of the Board of Directors except as stated in (35) above.

46.00 Key Management Personnel Compensation:

During the year, the amount of compensation paid to Key Management Personnel including Board of Directors is as under (As Para 17 of IAS 24):

Particulars	30-06-2024	30-06-2023
Short-Term Employee Benefits	31,050,175	29,435,000
Post-Employment Benefits	-	-
Other Long-Term Benefits	-	-
Termination Benefits	-	-
Share-Based Payment	-	-

47.00 Attendance Status of Board Meeting of Directors:

During the year ended 30 June, 2024 total 5 (five) Board Meetings were held. The attendance status of all the meetings is as follows:

Name of the Directors	Designation	Meeting held	Attendance
Mohammad Ali Khokon	Chairman	5	5
Mohd. Ferdous Kawser Masud	Managing Director	5	5
Mohd. Showkot Ali	Director Nominated by Metro Spinning Ltd.	5	5
Mrs. Laila Ali	Director	5	5
Amzad Ali Badal	Director	5	5
Sanjid Hasan Amit	Director	5	5
Md. Khurshed Hossain	Independent Director	5	5
HAIDER AHMED KHAN, FCA	Independent Director	5	2
Dr. Mohammed Mizanur Rahman	Nominated Director	5	5
Noor Mohammad	Company Secretary	5	5
Md. Younus Bhuiyan	Chief Financial Officer	5	5
Ms. Farhana Haque	Head of Internal Audit & Compliance (HIAC)	5	5

48.00 Audit Fees:

Auditors' remuneration comprises annual audit fees only.

49.00 Un-availed Credit Facilities:

There are no credit facilities available to the Company under any contract (other than credit available in ordinary course of business) at the Statement of Financial Position date.

50.00 Contingent Liabilities:

There is no contingent liabilities of the Company during the year.

51.00 Board Meeting Fees:

No board meeting attendance fees has been given to the Board of Directors.

52.00 Subsequent Disclosure of Events after the Balance Sheet Date- Under IAS 10:

The financial statements were authorized for issue on 27 November, 2024 by the Board of Directors who had the power to amend the financial statements after issue. There is no other significant event that has occurred between the Financial Position date and the date when the financial statements were authorized for issue by the Board of Directors of the Company.

53.00 Internal Control:

The following steps have been taken for implementation of an effective internal control procedure of the Company:

- a. A strong internal control and compliance division has been formed with a view to establish a well designated system of internal control;
- b. Regular review of internal audit reports with a view to implement the suggestion of internal auditors in respect of internal control technique;
- c. To establish an effective management system that includes planning, organizing and supervising culture in the factory as well as at head office.

54.00 Segment Reporting:

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

55.00 Dividend Paid to the Shareholder:

During the year under review no dividend has been paid to the Shareholders. Dividend were paid in local currency to the local custodian bank of the shareholders as such no dividend was remitted in foreign currency.

56.00 Financial Risk Management:

International Financial Reporting Standard (IFRS) No 7 - Financial instruments: Disclosures- 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 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, procedures and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. This note presents information about the Company's exposure to each of the following risks, the Company's objectives, policies and processes for measuring and managing risk, and its management of capital. The Company has exposure to the following risks from its use of financial instruments.

- a) Credit Risk;
- b) Liquidity Risk;
- c) Market Risk.

56.01 Credit Risk:

Credit risk is the risk of a financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from institutional and export customers etc. Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. In monitoring credit risk, debtors are grouped according to their risk profile, i.e. their legal status, financial condition, ageing profile etc. Accounts receivable are related to sale of generic pharmaceuticals products, basic chemical products, animal health products and pesticide products. The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the statement of financial position.

(a) Exposure of Credit Risk:

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was:

Particulars	30-06-2024	00/01/1900
Accounts Receivables	2,174,194,794	1,824,387,285
Advances, Deposits and Pre-payments	1,000,178,221	1,035,860,159
Cash and Cash Equivalents	169,772,611	58,327,654
Total	3,344,145,626	2,918,575,098

Particulars	30-06-2024	00/01/1900
Dues up to 6 months	1,895,811,738	1,627,381,325
Dues over 6 months	278,383,056	197,005,960
Total	2,174,194,794	1,824,387,285

56.02 Liquidity Risk:

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's approach to managing liquidity (Cash and cash equivalents) is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or jeopardizing to the Company's reputation. Typically, the Company ensures that it has sufficient cash and cash equivalent to meet expected operational expenses, including financial obligations through preparation of the cash flow forecast, based on time line of payment of financial obligations and accordingly arrange for sufficient liquidity/fund to make the expected payments within due dates. Moreover, the Company seeks to maintain short term lines of credit with scheduled commercial banks to ensure payment of obligation in the event that there is insufficient cash to make the required payment. The requirement is determined in advance through cash flow projections and credit lines with banks are negotiated accordingly.

56.03 Market Risk:

Market risk is the risk that any change in market prices, such as foreign exchange rates and interest rates will affect the Company's income or the value of its holdings of financial instruments.

(a) Currency Risk

The company is exposed to currency risk on certain purchases such as raw material, packing material, spare parts and acquisition of machineries & equipment's. Majority of the company's foreign currency transactions are denominated in USD.

(b) Interest Rate Risk

Interest rate risk is the risk that arises due to changes in interest rates on borrowings. short term bank borrowings are, however, not significantly affected by fluctuations in interest rates. The Company has not entered into any type of derivative instrument in order to hedge interest rate risk as at the reporting date.

56.04 Events after the Reporting Period:

There is no Adjusting and Non-adjusting Post Balance Sheet Events, Except Events that have Already been Disclosed of such Importance, Non disclosure or Recognition of which would Affect the Ability to the Users of the Financial Statements to make Proper Evaluation and Decisions.

56.05 Proposed Dividend:

The Board of Directors Proposed No Dividend for Approval of the Shareholders at the Annual General Meeting (AGM) for the year ended 30 June, 2024.

57.00 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:**

Employee position of the company as at 30 June, 2024:

Salary (Monthly)	Officer & Staff		Worker	Total Employees
	Factory	Head Office		
Below Tk. 5,999/-	-	-	-	-
Above Tk. 6,000/-	258	109	1,442	1,809
Total	258	109	1,442	1,809

The Company has complied with the Minimum Wages Gazette Notification: SRO No. 39/Law/2017 dated 23 February, 2017 and there are no employees to receive below minimum wages during the reporting year.

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

Name of the Directors	Designation	Salary	Festival Bonus	Total Payment
Mohammad Ali Khokon	Chairman	-	-	-
Mohd. Ferdous Kawser Masud	Managing Director	2,640,000	-	2,640,000
Mohd. Showkot Ali	Director Nominated by Metro Spinning Ltd.	2,760,000	-	2,760,000
Mrs. Laila Ali	Director	1,500,000	-	1,500,000
Amzad Ali Badal	Director	2,628,000	-	2,628,000
Sanjid Hasan Amit	Director	1,350,000	-	1,350,000
Md. Khurshed Hossain	Independent Director	-	-	-
Dr. Mohammed Mizanur Rahman	Nominated Director	-	-	-
Total		10,878,000	-	10,878,000

Period of payment to Directors is from 01 July, 2023 to 30 June, 2024.

The above Directors of the Company did not take any benefit from the Company and the follows:

- 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, enter into by the Company with the managing agent or his associate during the financial year- Nil
 - Any other perquisites or benefits in cash or in kind stating- Nil
 - Other allowances and commission including guarantee commission- Nil
- Pensions, etc.-
- 1) Pensions- Nil;
 - 2) Gratuities- Nil;
 - 3) Payment from Provident Fund- Nil;
 - 4) Compensation for loss of office- Nil;
 - 5) Consideration in connection with retirement from office- Nil.

C. Disclosure as per requirement of Schedule XI, Part II, Para 7:

Details of Production Capacity Utilization:

Particulars	License Capacity (In Kg)	Installed Capacity (In Kg)	Actual Production (In Kg)	Capacity Utilization	Name of Product
Annual Production of Yarn in Kg	Not mentioned in License	20,650,000	14,573,398	70.57%	Yarn

Details of Revenue from Finished Goods:

Revenue consists of only one type of finished goods namely Cotton Yarn. The summarized quantities are as under

Particulars	Opening Balance (in Kg)	Production (in Kg)	Sales (in Kg)	Closing Balance (in Kg)
Annual Production of Yarn in Kg	1,059,986	14,573,398	14,013,110	1,620,274
Total	1,059,986	14,573,398	14,013,110	1,620,274

D. Disclosure as per requirement of Schedule XI, Part II, Para 8:

Raw materials, spare parts, packing materials and capital machinery:

Items	Total Purchases	Consumption	% of Consumption of Total Purchases
Raw Materials	4,744,438,572	4,390,302,024	93%
Packing Materials	58,695,641	59,728,522	102%
Spare Parts	34,182,743	36,703,670	107%
Capital Machinery	48,634,083		
Total (In Tk.)	4,885,951,039	4,486,734,216	

Value of Export:

Particulars	In foreign currencies (US\$)	In BDT
Export	46,334,193.00	4,992,464,194.86
Total	46,334,193.00	4,992,464,194.86

- i) The Company has not incurred any expenditure in foreign currencies for the year from 01 July, 2023 to 30 June, 2024 on account of royalty, know-how, professional fees, consultancy fees and interest;
- ii) The Company has not earned any foreign exchanges for royalty, know-how, professional fees, consultancy fees and interest;
- iii) The value of export represents for the year from 01 July, 2023 to 30 June, 2024.

E. 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	Complied
3 (i)(b) Commission paid to the selling agent	Not Applicable
3(i)(c) Brokerage and discount on 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	Complied
3(i)(d)(ii) The opening and closing stocks of goods produced	Complied
3(i)(e) In the case of trading companies, the purchase made and the opening and closing stocks	Complied
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 and 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	Complied
3(i)(j) Provision for depreciation, renewals or diminution in value of fixed assets	Complied
3(i)(k) Interest on the debenture paid or payable to the Managing Director, Managing Agent and Manager	Not Applicable
3(i)(l) Charge of income tax and other taxation on profits	Complied
3(i)(m) Revised for repayment of share capital and repayment of loans	Complied
3(i)(n)(i) Amount set aside or proposed to be set aside, to reserve, but not including provisions made to meet any specific liability, contingency or commitment, know 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)(ii) 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: (i) Consumption of stores and spare parts (ii) Power and Fuel (iii) Rent (iv) Repairs of Buildings (v) Repairs of Machinery (vi) (1) Salaries, wages and bonus (2) Contribution to provident and other funds (3) Workmen and staff welfare expenses to the extent not adjusted from any previous provision or reserve	Complied

These financial statements should be read in conjunction with the annexed notes and were approved by the Board of Directors on 27 November, 2024 and were signed on its behalf by :



Chief Financial Officer



Company Secretary



Director



Managing Director

As per our annexed report of even date.

Dated: Dhaka
27 November, 2024



KAZI ZAHIR KHAN & CO.
Chartered Accountants

MAKSONS SPINNING MILLS PLC SCHEDULE OF PROPERTY, PLANT & EQUIPMENT

as at 30 June, 2024

Annexure-A

Particulars	Cost			Rate %	Depreciation			WDV as at 30 June, 2024
	as at 01 July, 2023	Addition	Disposal/Adjustment during the year		as at 30 June, 2024	Charged during the year	Adjustment	
Land and Land Development	958,428,245	-	-	958,428,245	-	-	-	958,428,245
Building & Other Construction	1,213,597,429	13,846,370	-	1,227,443,799	42,305,392	-	412,937,768	814,506,031
Plant & Machinery	4,296,171,123	48,634,083	-	4,344,805,206	201,037,761	-	2,509,685,386	1,835,119,820
Furniture & Fixture	15,614,073	-	-	15,614,073	783,815	-	11,172,457	4,441,616
Office Equipment	73,310,381	1,165,260	-	74,475,641	4,026,620	-	37,462,120	37,013,521
Motor Vehicle	112,005,771	1,756,775	-	113,762,546	10,648,946	-	70,439,644	43,322,902
Balance as on 30 June, 2024 (A)	6,669,127,028	65,401,888	-	6,734,528,916	258,802,533	-	3,041,697,374	3,692,831,542
Balance as on 30 June, 2023	6,414,506,271	257,532,171	2,911,414	6,669,127,028	261,840,605	1,996,341	2,782,894,841	3,886,232,187

Revaluation Surplus

Particulars	Cost			Rate %	Depreciation			WDV as at 30 June, 2024
	as at 01 July, 2023	Addition	Disposal/Adjustment during the year		as at 30 June, 2024	Charged during the year	Adjustment	
Land and Land Development	323,800,192	-	-	323,800,192	-	-	-	323,800,192
Building & Other Construction	146,883,765	-	-	146,883,765	3,628,051	-	77,950,806	68,932,960
Balance as on 30 June, 2024 (B)	470,683,957	-	-	470,683,957	3,628,051	-	77,950,806	392,733,152
Balance as on 30 June, 2023	470,683,957	-	-	470,683,957	3,819,001	-	74,322,755	396,361,202
Total Balance as on 30 June, 2024 (A+B)	7,139,810,985	65,401,888	-	7,205,212,873	262,430,584	-	3,119,648,180	4,085,564,693
Total Balance as on 30 June, 2023	6,885,190,228	257,532,171	2,911,414	7,139,810,985	265,659,606	1,996,341	2,857,217,596	4,282,593,389

Right-of-Use Assets

Particulars	Cost			Rate %	Depreciation			WDV as at 30 June, 2024
	as at 01 July, 2023	Addition	Disposal/Adjustment during the year		as at 30 June, 2024	Charged during the year	Adjustment	
Office Space	20,554,764	730,208	-	21,284,972	3,264,078	-	15,508,080	5,776,892
Total Balance as on 30 June, 2024 (C)	20,554,764	730,208	-	21,284,972	3,264,078	-	15,508,080	5,776,892
Total Balance as on 30 June, 2023	11,886,397	8,668,367	-	20,554,764	3,590,594	-	12,244,002	8,310,762
Grand Total (A+B)+(C)	7,160,365,749	66,132,096	-	7,226,497,845	265,694,662	-	3,135,156,260	4,091,341,585

Depreciation charged for the year has been allocated as follows:

Particulars	Amount
Manufacturing Overhead	246,971,203
Administrative Expenses	18,723,459
Total	265,694,662

MAKSONS SPINNING MILLS PLC.

Corporate & Head Office: House # 17, Road # 6, Sector # 1, Uttara Model Town, Dhaka-1230.

PROXY FORM

The Managing Director
Maksons Spinning Mills PLC.
House # 17, Road # 6, Sector # 1, Uttara Model Town,
Uttara, Dhaka-1230

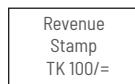
BO No. _____
No. of Shares held _____

I / We _____ of _____
being a Member of **Maksons Spinning Mills PLC.** do hereby appoint Mr./Ms. _____
_____ of _____ or (failing him/her)
Mr./Ms _____ of _____

_____ as my/our proxy, to vote for me/us and on my/our behalf at the **20th Annual General Meeting** of the Company to be held on **Monday, 17 February, 2025** and any adjournment thereof or at any ballot to be taken in consequence thereof.

Signed this _____ day of _____ 2025.

Signature of Proxy



Signature of Shareholder _____
Folio/BO No. _____
No. of Shares held _____

Please Note:

1. This Form of Proxy, duly completed, must be deposited at least **72 hours** before the meeting at the Company's Registered Office. Proxy is invalid if not signed and stamped as explained above.
2. Signature of the Shareholder should agree with the Specimen Signature registered with the Company.

Signature Verified
Authorized Signature

MAKSONS SPINNING MILLS PLC.

Corporate & Share Office: House # 17, Road # 6, Sector # 1, Uttara Model Town, Dhaka-1230.

SHAREHOLDERS ATTENDANCE SLIP

I hereby record my attendance at the 20th ANNUAL GENERAL MEETING of the Company being held on Monday, 17 February, 2025 Through Hybrid System, Venue for physical presence: Maksons Group Conference Hall (situated at factory premises of Maksons Spinning Mills PLC.), Holding # 87, Ward#5, Block# B, Shahid Minnat Ali Road #4, Gouripur, Ashulia, Dhaka. Digital Link <https://maksonsspining.bdvirtualagm.com> at 11.00 AM.

Name of Shareholder/Proxy _____
BO No. _____ Dated _____
Authorized Signature _____

Please Note:

Shareholders attending the meeting in Person or by Proxy are requested to complete the attendance slip and Deposit the same at the entrance of the Meeting Hall.

SHAREHOLDER/PROXY
(Please Tick Above)



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- Organic Cotton Yarn
- USA Cotton Yarn
- Supima Cotton Yarn
- Recycled Yarn (RCS, GRS)
- Sustainable Viscose Chain of custody (SVCOC)

Group Concern

- Maksons Spinning Mills PLC.
- Metro Spinning Ltd.
- Maksons Textiles Ltd.
- Gardenia Wears Ltd.
- La-Muni Apparels Ltd.
- Mak Sourcing Ltd.
- Maksons Logistics Ltd.
- Makcot International
- Mak Fashion



MAKSONS SPINNING MILLS PLC.
THE NAME YOU CAN TRUST FOR BEST QUALITY YARN

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MAKSONS SPINNING MILLS PLC.
THE NAME YOU CAN TRUST FOR BEST QUALITY YARN

CORPORATE & SHARE OFFICE

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- 📞 +88 02 8933 612, 8933739, 8933740
- 📠 +88 02 893365
- ✉️ info@maksonsgroup.com.bd

REGISTERED OFFICE

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Sector - 01, Uttara , Dhaka - 1230